

For immediate release

20 February 2017

Premier African Minerals Limited
(“Premier” or the “Company”)

Mining Contractor Secured for RHA Tungsten Mine
Ore deliveries to RHA Plant Commencing in March 2017

Premier African Minerals Limited, the AIM-traded, multi-commodity resource and development Company focused on Southern and Western Africa, announces that the shaft upgrades at the Company’s RHA Tungsten Mine have now been completed and that the terms for the underground mining contract have now been finalised with mining contractor African Mining and Exploration (“Afmine” or “Contractor”) to deliver up to 16,000 tons of Tungsten ore per month to the plant. At the same time, final terms have been agreed to deliver up to 24,000 tons of tungsten ore from open pit operations per month, all commencing in March 2017.

Afmine has elected to take their second milestone payment of £100,000 in equity (as announced on 23 November 2016).

George Roach, Chairman and CEO commented, “The conclusion of the final contractual mining terms is another important step on the path to commencement of plant operations at RHA where implementation of the XRT sorter and allied plant improvements continue on schedule with planned commissioning this quarter. Re-optimisation of the open pit by Datamine presents an extended open pit life of up to 12 years and the simultaneous underground mining provides encouraging options for future developments. Shaft upgrades are now paid for, as is the case with the XRT sorter that has been upgraded to latest specifications by the manufacturer and is expected to leave South Africa for delivery to site this week.”

The notice of exercise by Afmine was received for £100,000 and the Company has therefore issued today 14,098,407 ordinary shares to Afmine (“New Shares”) at an issue price of 0.7093p per Premier Share. These New Shares will rank pari passu in all respects with the existing ordinary shares. Application will be made for the New Shares to be admitted to trading on AIM and admission is expected to take place on or around 24 February 2017.

Following the issue of the New Shares, the Company's issued share capital consists of 3,982,742,765 ordinary shares, with voting rights. This figure may be used by shareholders in the Company as the denominator for the calculation by which they will determine if they are required to notify their interest in, or a change to their interest in, the share capital of the Company under the Financial Conduct Authority's Disclosure and Transparency Rules.

This announcement contains inside information for the purposes of Article 7 of EU Regulation 596/2014.

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Notes to Editor:

Premier African Minerals Limited (AIM: PREM) is a multi-commodity mining and natural resource development company focused in Southern and Western Africa with production started at its flagship RHA project in Zimbabwe.

The Company has a diverse portfolio of projects, which include tungsten, rare earth elements, gold, lithium and tantalum in Zimbabwe and Benin, encompassing brownfield projects with near-term production potential to grass-roots exploration. The Company recently acquired a 52% controlling stake in Mozambique-based TCT Industrias Florestais Limitada, which owns a substantial limestone deposit and forestry business located on rail in the Sofala Province of Mozambique. In addition, The Company holds 2 million shares in Circum Minerals Limited ("Circum"), the owners of the Danakil Potash Project in Ethiopia, which has the potential to be a world class asset. At present those shares are valued at US\$4 million based on the latest price at which Circum has accepted subscriptions. Premier also has a 4.5% interest in Casa Mining Limited, a privately-owned exploration company that has a 71.25% interest in the 1.2 million ounce inferred resource Akyanga gold deposit in the DRC.

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