

**Premier African Minerals Limited
('Premier' or 'the Company')
AgriMinco Danakil Option**

Summary

Premier African Minerals Limited (AIM: PREM) announces that it has today entered into an option agreement with AgriMinco Corp (TSX VENTURE: ANO) ("AgriMinco"), pursuant to which AgriMinco has granted Premier the exclusive option to purchase AgriMinco's 30% interest in the Danakil Potash Project (the "Project"), Ethiopia (the "Option Agreement").

Whilst the Option Agreement is exercisable by Premier at its sole discretion on or before 30 April 2014, it is subject to approval by the TSX Venture Exchange.

On exercise of the Option Agreement, Premier would acquire the entire issued share capital of Mandalore Development Limited ("Mandalore"), a wholly-owned subsidiary of AgriMinco, which owns a 30% interest in the Project. The consideration payable by Premier on exercise of the Option Agreement comprises:

- (i) The cancellation of all the common shares of AgriMinco owned by Premier for no consideration. As at the date of this announcement, Premier is interested in 120 million AgriMinco shares representing 42 per cent. of AgriMinco's issued share capital with a value of approximately CAN\$2.4 million based on the last closing mid-market price of AgriMinco shares of CAN\$0.02 per share on 18 March 2014, the last practicable date prior to the publication of this announcement;
- (ii) The settlement of certain debt obligations owed by AgriMinco to third parties up to in aggregate a maximum of a further CAN\$1.5 million; and
- (iii) The issue to AgriMinco of new Premier Ordinary shares with a value equal to CAN\$1 million based on the volume weighted of Premier average trading price for the 20 consecutive trading days immediately prior to the exercise of the Option Agreement. Based on the closing mid-market price of Premier shares of .82p per share on 18 March 2014, the last practicable date prior to the publication of this announcement, this would result in the issue of 66,023,049 new Premier shares if the price of Premier shares and the sterling Canadian dollar exchange rate remain constant.

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In aggregate, the consideration on exercise of the Option Agreement is estimated on present pricing at CAN\$4.9 million, equivalent to £2.65 million. Premier is under no obligation to commit any further capital to Mandalore or AgriMinco and in particular is under no obligation to participate in any further cash calls by the Operator of the Project, in which case the interest of Mandalore would be diluted in proportion to the new capital subscribed.

Commenting on this Option Agreement, George Roach, CEO, said: "Premier is engaged in advanced negotiations intended to provide the necessary finance to exercise this option and in so doing, place Premier in a position to monetise the whole or a portion of this asset."

Danakil

Mandalore owns a 30% interest in the Danakil Project, which encompasses a potentially significant potash deposit in the Danakil Depression of Ethiopia, with sylvinite horizons amenable to cost effective solution mining. The area covered by the current exploration license is comprised of two leases with a combined area of approximately 365 square kilometres. AgriMinco's JV partner in the Project is Circum Minerals Limited, which has a 70% interest in the Project. The operator of the Project is Plinian Capital LLP, a private equity company that specialises in mining investment and operation.

On 18 March 2014 AgriMinco announced a further update on the Danakil Project including an expansion of its maiden NI 43-101 compliant mineral resource estimate to include a preliminary investigation into the economic mining and processing options (the "NI 43-101 Report") which was prepared by independent consultants, K-UTEC Salt Technologies ("K-UTEC"), in accordance with The Canadian Institute of Mining, Metallurgy and Petroleum (CIM) Definition Standards on Mineral Resources and Mineral Reserves (2010). The effective date of the Mineral Resource Estimate was 10 February 2014.

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Mandalore's net attributable share of the mineral resource is as set out in the table below:

Table 1: Danakil Potash Deposit: Net Attributable Mineral Resource as at 10 February 2014

	Resource Category	Tonnes (Mt)	KCl (%)	K₂O (%)	Contained KCl (Mt)	Contained K₂O (Mt)
Danakil Potash Deposit	Indicated	89.3	19.4	12.2	17.3	11.0
	Inferred	140.7	19.1	12.0	26.9	17.0
	TOTAL	230.0	19.2	12.1	44.2	28.0

Notes:

- (1) *Mineral Resources which are not Mineral Reserves have no demonstrated economic viability.*
- (2) *The effective date of the Mineral Resource is 10 February 2014.*
- (3) *Mineral Resources for Danakil Potash Project have been classified according to The Canadian Institute of Mining, Metallurgy and Petroleum (CIM) Definition Standards on Mineral Resources and Mineral Reserves (2010).*
- (4) *Plinian Capital LLP is the Operator of the Danakil Potash Project.*
- (6) *Source: K-UTEK Mineral Resource Estimate.*

Information on Mandalore

Mandalore, a wholly-owned subsidiary of AgriMinco, is a newly formed company and has not traded or published any financial results. Mandalore's only asset is its interest in the Danakil Project which was valued in AgriMinco's last published audited balance sheet as at 30 September 2013 at CAN\$1.35 million, equivalent to approximately £731,000. In the period ended 31 December 2013 AgriMinco's share of the Danakil Project's unaudited loss before taxation amounted to approximately CAN\$3,000.

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Related Party Transaction

Both George Roach and Pamela Hueston are directors of Premier and AgriMinco. Furthermore, George Roach has a direct interest of 50,000 AgriMinco shares, is indirectly interested in approximately 9% in the share capital of AgriMinco and is interested in 49% of the share capital of Premier. Accordingly, the exercise of the Option Agreement ("Exercise") would be a related party transaction for the purposes of the AIM Rules and will be dealt in accordance with AIM Rule 13 prior to Exercise.

For further information please visit www.premierafricanminerals.com or contact the following:

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Notes

Premier African Minerals Limited (AIM: PREM) is a multi-commodity exploration and development company focused in Southern and West Africa. As well as its 42 per cent. shareholding in TSX-Venture quoted AgriMinco (see www.agriminco.com), the Company has a diverse portfolio of multi-commodity projects which includes tungsten, rare earth elements, gold, lithium, tantalum and uranium in Zimbabwe and Togo, which span from brownfield projects with near-term production potential to grass-roots exploration.

AIM Disclosures

Qualified Person

Premier's Qualified Person, Bruce Cumming holds a Bachelor of Science (Honours) in Geology from the University of Cape Town and is accredited to the South African Council for Natural Scientific Professionals (SACNASP). Mr. Cumming has sufficient geological experience (over 35 years) and is a Qualified Person as defined under National Instrument 43-101 and has reviewed and approved the scientific and technical information presented in this release.

Glossary

Indicated Mineral Resource	An Indicated Mineral Resource is that part of a Mineral Resource for which tonnage, densities, shape, physical characteristics, grade and mineral content can be estimated with a reasonable level of confidence. It is based on exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes. The locations are too widely or inappropriately spaced to confirm geological and /or grade continuity but are spaced closely enough for continuity to be assumed
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Inferred Mineral Resource	An Inferred Mineral Resource is that part of a Mineral Resource for which tonnage, grade and mineral content can be estimated with a low level of confidence. It is inferred from geological evidence and assumed but not verified geological and/or grade continuity. It is based on information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes that may be limited or of uncertain quality and reliability.
Kainitite	Basal and fourth potash member of the Houston Formation in the Danakil Depression. A rock consisting of essentially halite and kainite.
K ₂ O	Chemical symbol for potassium oxide, a term used in the fertiliser industry to define the potassium content. Potash fertiliser is sold on the basis of its K ₂ O content.
KCl	Chemical symbol for potassium chloride and is the chemical formula for the potash mineral sylvite.
Mineral Resource	A Mineral Resource is a concentration or occurrence of diamonds, natural solid inorganic material, or natural solid fossilized organic material including base and precious metals, coal, and industrial minerals in or on the Earth's crust in such form and quantity and of such a grade or quality that it has reasonable prospects for economic extraction. The location, quantity, grade, geological characteristics and continuity of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge
Mt	Million tonne
Sylvinitite	Upper potash member of the Houston Formation in the Danakil Depression. A rock consisting of essentially halite and sylvite.

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