

**For immediate release**

**27 October 2015**

**Premier African Minerals Limited (“Premier” or “the Company”)  
Conversion of loan note, issue of equity and  
commencement of underground operations at RHA**

Premier African Minerals Limited, the AIM-traded, multi-commodity mining and resource development company focused on Southern and Western Africa, announces that on 23 October 2015 it received a notice of exercise by Darwin Capital Limited (“Darwin”) to convert £500,000 unsecured convertible loan notes, (as announced on 9 October 2015, the “Note”) into equity.

The Note has been used to fund the re-opening of underground operations at RHA Tungsten (Private) Limited (“RHA”), Premier African Mineral’s tungsten project located in Zimbabwe and for general working capital purposes. Premier is the operator of RHA and holds a 49% interest. Simultaneous with this, Premier is pleased to advise that first ore from the underground operation was delivered on 20 October 2015 with ore being delivered on a daily basis now from historic workings to build up a stockpile for processing through the plant.

Premier, at its election, has the right to redeem one or all of the outstanding loan notes in cash at 105% of the Par Value (equivalent to £26,250 per loan note).

The loan notes are convertible at Darwin's election into new Ordinary Shares in Premier at the conversion price, being the lesser of 1.363 pence per new Ordinary Share or 90% of the arithmetic average of the five daily volume weighted average share price per Ordinary Share preceding conversion. The Company has therefore issued today 81,572,190 new Ordinary Shares to Darwin (“New Shares”) at an issue price of 0.613p.

The 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 30 October 2015.

Following the issue of the New Shares, the Company’s issued share capital consists of 791,076,866 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.

**Qualified Person**

Werner Swanepoel, Chief Operating Officer of Premier, has reviewed and approved this release to the extent that information contained herein relates to mining and mine development. Mr Swanepoel has

20 years' experience in the southern African mining industry and holds a Master's degree in Mining Engineering, an MBA and Mine Manager's Certificates in both Metalliferous and Coal Mining. He is a registered Professional Engineer with the Engineering Council of South Africa.

### **Forward Looking Statements**

Certain statements in this announcement, are, or may be deemed to be, forward looking statements. Forward looking statements are identified by their use of terms and phrases such as "believe", "could", "should" "envisage", "estimate", "intend", "may", "plan", "will" or the negative of those, variations or comparable expressions, including references to assumptions. These forward looking statements are not based on historical facts but rather on the Directors' current expectations and assumptions regarding the Company's future growth, results of operations, performance, future capital and other expenditures (including the amount, nature and sources of funding thereof), competitive advantages, business prospects and opportunities. Such forward looking statements reflect the Directors' current beliefs and assumptions and are based on information currently available to the Directors. A number of factors could cause actual results to differ materially from the results discussed in the forward looking statements including risks associated with vulnerability to general economic and business conditions, competition, environmental and other regulatory changes, actions by governmental authorities, the availability of capital markets, reliance on key personnel, uninsured and underinsured losses and other factors, many of which are beyond the control of the Company. Although any forward looking statements contained in this announcement are based upon what the Directors believe to be reasonable assumptions, the Company cannot assure investors that actual results will be consistent with such forward looking statements.

**For further information please visit [www.premierafricanminerals.com](http://www.premierafricanminerals.com) or contact the following:**

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### **Notes**

Premier African Minerals Limited (AIM: PREM) is a multi-commodity mining and 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 Togo, encompassing brownfield projects with near-term production potential to grass-roots exploration. The Company holds 2 million shares in Circum Minerals Ltd (“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.