

**For immediate release**

**30 January 2017**

**Premier African Minerals Limited**  
**(“Premier” or the “Company”)**  
**Placing and Corporate Update**

Premier African Minerals Limited (AIM: PREM), the London-quoted mining and exploration company is pleased to provide production guidance for 2017 from the RHA Tungsten Mine as well as confirm a direct subscription for new ordinary shares to raise £1,020,000 before costs (the “Placing”). The Placing has been undertaken within the Company’s existing share authorities, and has been supported by both new and existing shareholders. The net proceeds of the Placing will allow the Company to complete the construction and optimisation of the RHA Tungsten Mine (“RHA”) and fully fund RHA through to production. In addition, the Company advises that a trust directly associated with George Roach, Director, Chairman and CEO intends to subscribe for a further sum of £200,000 following the announcement of the Placing on the same terms. As the Company is now fully funded to production, it has no further requirement for the final Darwin loan note tranche (as announced on 22nd August 2016). As such, the Company has elected to cancel this final tranche.

**RHA Guidance**

Premier is pleased to provide the following guidance from the management team at RHA in regard to commencement of operations this first quarter of 2017.

The implementation and commissioning of the redesigned crushing, screening and ore upgrade circuits is scheduled for completion on the 28<sup>th</sup> February 2017. Immediately thereafter, processing is expected to resume and over the course of March, initial optimization of the XRT sorter and ore sizing screens will take place. During this time, the plant is expected to begin to produce wolframite and will generate revenue.

In the second quarter, throughput is planned to increase steadily to the monthly production target of 7,500 metric tonne units (“mtu”) at this level RHA would be expected to generate a monthly net positive cash flow on an EBITDA basis of US\$200,000.

In the third quarter, plant and sorter recoveries are expected to be further optimized, underground mining rates are expected to have improved together with an expectation that the open pit operations will start to deliver ore at the resource model grade of 2.4kg per tonne (compared to initial target of 1.5kg per tonne). These improvements would lead to an increase in net revenue and EBITDA.

The Company will provide further market guidance on production and operation performance at RHA on a monthly basis until steady-state production is achieved.

**George Roach, Premier's CEO, commented:**

“Bringing RHA into production has been a challenge but our team is confident that this project time line is achievable and the market guidance provided is realistic. At the same time, this Placing will mean that RHA is fully funded through to production. RHA's indebtedness to Premier (approximately US\$20m) becomes repayable as and when RHA commences commercial production.

With further assays due back from Zulu shortly and RHA going into production in the coming weeks, the management team believes this to be a transformational period for Premier and looks forward to this.”

**Placing**

Premier has today issued, conditional on admission 536,842,105 new ordinary shares of 0.1 pence each (“Placing Shares”) at a subscription price of 0.19 pence per Placing Share. The Placing Shares will, when issued, *rank pari passu* in all respects with the existing shares. Application will be made for the Placing Shares to be admitted to trading on AIM and admission is expected to take place on or around 3 February 2017.

Following the issue of the Placing Shares, the Company's issued share capital consists of 2,858,028,725 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.

**Special note concerning the Market Abuse Regulation**

This announcement contains inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) No 596/2014 (“MAR”). Market soundings, as defined in MAR, were taken in respect of the Placing, with the result that certain persons became aware of inside information, as permitted by MAR. That inside information is set out in this announcement. Therefore, those persons that received inside information in a market sounding are no longer in possession of inside information relating to the Company and its securities.

A further announcement will be made in due course.

**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.

The RHA Guidance is subject to a number of conditions that include achievement of the project plan currently in the process of implementation and the achievement of ore grades, mining rates and plant throughput and recoveries anticipated.

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

**Enquiries:**

Fuad Sillem	Premier African Minerals Limited	Tel: +44 (0)7734 922074
Michael Cornish / Roland Cornish	Beaumont Cornish Limited (Nominated Adviser)	Tel: +44 (0) 207 628 3396
Jerry Keen/Edward Mansfield	Shore Capital Stockbrokers Limited	Tel: +44 (0) 207 408 4090
Jon Belliss	Beaufort Securities Limited	Tel: +44 (0) 20 7382 8300
Charles Goodwin/ /Harriet Jackson	Yellow Jersey PR Limited	Tel: +44 (0) 7747 788221

**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.

**ENDS**