



For immediate release

30 January 2013

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

Proposed sale of Mali Subsidiary

Premier African Minerals Limited, the AIM quoted multi-commodity natural resource company with mineral projects located in Western and Southern Africa, is pleased to announce that it has entered into a non-binding Memorandum of Understanding (‘MOU’) for the sale of the Company’s Mali subsidiary, G and B African Resources Mali SARL (‘Mali Sub’) to Ethiopian Potash Corp. (‘EPC’) (TSX Venture: ‘FED’), an Ethiopian focussed potash company. The sale would be satisfied by the issue of 20,000,000 new shares in EPC. Mali Sub holds certain rights to acquire exploration licences in Mali, primarily prospective, for potash. The Board of Premier stated that it was reviewing opportunities to realise the value of its Mali project and operations in its Admission Document dated 4 December 2012.

The MOU includes a number of complex transactions that are subject to final agreement by all parties and in some instances approval by the Toronto Stock Exchange (TSX) and EPC shareholders. Further details of the MOU can be found in the press release of EPC to be found on its website at www.ethiopianpotash.com. Conditions precedent will include, among other things, due diligence, the execution of mutually satisfactory definitive agreements among the parties and obtaining all required approvals, including but not limited to TSXV and shareholder approvals, and there can be no certainty that the contemplated transactions will close.

George Roach, Premier CEO said, “This transaction allows Premier to retain exposure to the Mali Sub properties and gain exposure to the highly prospective Danakil Property in Ethiopia through its shareholding in EPC, whilst avoiding the significant exploration expenditure required to quantify the projects’ potential. Furthermore, Premier is now able to acquire listed securities in the form of 20m EPC shares. Consequently, this transaction underlines our ability to source projects and crystallise value through either development or a corporate transaction for the benefit of our shareholders.

“On a wider level, we continue to implement our business strategy of building shareholder value through strategic, cost-effective acquisitions and joint venture partnerships, whilst advancing our multi-commodity portfolio that already consists of pre-production assets and early stage exploration projects primarily in Zimbabwe and Togo.”

For further information and full details of the MOU, please visit www.premierafricanminerals.com or contact the following:

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