

**For immediate release**

**18 March 2014**

**Premier African Minerals Limited  
(‘Premier’ or ‘the Company’)  
AgriMinco Update**

Premier African Minerals Limited (AIM: PREM) announces that AgriMinco Corp (TSX VENTURE: ANO) ("AgriMinco"), in which Premier has a 42 per cent. shareholding, has announced a further update on its Danakil potash joint venture including an expansion of its maiden NI 43-101 compliant mineral resource estimate on the Danakil potash deposit to include a preliminary investigation into the economic mining and processing options.

A copy of the announcement issued by AgriMinco is reproduced below without material adjustment or amendment:

**AgriMinco Announcement:**

**“DANAKIL POTASH JOINT VENTURE EXPANDS MAIDEN NI 43-101 MINERAL RESOURCE ESTIMATE TECHNICAL REPORT TO INCLUDE PRELIMINARY INVESTIGATION INTO ECONOMIC MINING AND PROCESSING OPTIONS**

**TORONTO, ONTARIO -- (March 18, 2014) – AgriMinco Corp.** (TSX VENTURE: ANO) ("AgriMinco" or the "Company") is pleased to announce that following the completion of the maiden NI 43-101 compliant mineral resource estimate (the “MRE”), the operator of Danakil Holdings Limited, Plinian Capital LLP requested a preliminary investigation into the economic viable mining and processing options for the Danakil potash resources. The preliminary investigation was prepared by independent consultants K-UTECH Salt Technologies (“K-UTECH”), a German consulting firm with expertise in potash mining, and the results are published in Section 16 of the Technical and MRE Report, to be filed on SEDAR on or before March 27, 2014. The key findings of Section 16 of the report include:

- The study selected solution mining as the method of choice, as the Danakil resources are too deep for an open pit mining method (200-400 metres) and mining by conventional underground method was discounted due to the weak Bischofitite Member located between the upper and lower mineralised zones and the perceived risk of flooding.
- The Bischofitite Member which separates the upper and lower mineralised units is shown to develop mid-way across the deposit in an N-S direction. In the west the Bischofitite is either non-existent to 10 metres thick and steadily increases in thickness to a maximum of 80 meters as the deposit deepens to the east.
- Although the MgCl<sub>2</sub> from the Bischofitite can be included in the processing concept, its exploitation is considered uneconomic due to high energy and water consumption and as such a 10 metre cut-off thickness for the Bischofitite unit has been defined. As such two mining methods were defined, SolMin1 and SolMin2, at an annual rate of 2 Mt of SOP. The transition from SolMin1 to SolMin2 mining method will be in approximately year 14:

- **SolMin1** – solution mining of the south-west portion of the deposit where the Bischofite unit is < 10 metres, where solution mining will generate high caverns up to 30 metres, as the Sylvinitite, Carnallitite and Kainitite units will be mined at the same time.
- **SolMin2** – selective mining of the upper and lower mineralised units where the Bischofite exceeds 10 metres in thickness. This method will simultaneously mine both the lower and upper mineralised units through a triangular pillar cavern mining method. The next phase of study is expected to generate the geotechnical data required to maximize cavern design with the aim of producing robust productive caverns by maximizing SOP production.

Design of the solar evaporation ponds and the mining method, or combination thereof will allow flexibility in the final product mix. The tables below sets out some of these options that include 100% SOP to a combination of SOP and MOP and the projected NPV and IRR associated with the options. Key assumptions of the preliminary study include:

### Assumptions

Discount Rate:	10-12% scenarios
Accuracy:	+/- 40%
Price of SOP:	US\$600
Price of MOP:	US\$350

### Key Resource Highlights

Indicated Mineral Resource	708.8 Mt
KCl grade	19.4%
Inferred Mineral Resource	1,116.5 Mt
KCL grade	19.1%

Table 1 Investigated scenarios for the solution mining configuration.

Code	Mining Option	Process Option	Product ktpa
<b>A1</b>	SolMin1 initially	Solar	500 SOP
<b>A2</b>	SolMin 1 initially	Solar	1000 SOP
<b>A3</b>	Solmin 1 initially	Solar	2000 SOP
<b>B1</b>	SolMin 1 initially	Solar	417 SOP 47 MOP
<b>B2</b>	SolMin 1 initially	Solar	835 SOP 94 MOP
<b>B3</b>	SolMin 1 initially	Solar	1,670 SOP 187 MOP

<b>C1-1</b>	SolMin 2	Solar	313 SOP 185 MOP
<b>C1-2</b>	SolMin2	Solar	626 SOP 370 MOP
<b>C1-3</b>	SolMin2	Solar	1,252 SOP 740 MOP

Table 2 Results of the cash flow calculation model for the variants A-1 to C1-3

<b>Code</b>	<b>Initial Capex</b> US\$ m	<b>NPV10</b> US\$ m	<b>NPV12</b> US\$ m	<b>IRR</b> %
<b>A1</b>	459	664.45	506.51	32%
<b>A2</b>	804	1439.40	1,113.86	36%
<b>A3</b>	1,407	3,273.28	2,569.22	43%
<b>B1</b>	470	521.53	388.25	28%
<b>B2</b>	827	1,160.91	885.18	32%
<b>B3</b>	1,589	2,572.48	1,978.56	35%
<b>C1-1</b>	439	502.59	376.74	29%
<b>C1-2</b>	852	1,035.40	779.98	30%
<b>C1-3</b>	1,461	2,257.88	1,732.62	34%

Notes: 1. After-tax

2. Mineral resources that are not mineral reserves do not have demonstrated economic viability

3. The preliminary assessment includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves, and there is no certainty that the preliminary assessment will be realized

*AgriMinco's CEO, Bruce Cumming comments, "Whilst the results are encouraging, they must be seen against the backdrop of uncertainty that AgriMinco continues to face due to the difficulties experienced in attempting to raise additional finance and the existing debt burden the company carries. We continue to focus our efforts on completion either of a capital raise or a corporate transaction. Under the terms of the JV agreement and the amendment thereto, AgriMinco was required to contribute 30% of expenditure in excess of the agreed free carry by April 7, 2014. In addition, AgriMinco must also contribute 30% of the next fiscal year exploration budget. A failure to contribute will result in a dilution of the company's interest. The operator has submitted budgets and costs for the historic overspend and a board meeting of the JV Company will be held on the May 6, 2014 at which time cash call notices will be issued. The combined cash call for the first fiscal quarter and the historic excess is expected to be of the order of US\$2m and the budget for the next twelve months, of which AgriMinco's share to avoid dilution is 30%, is expected to be US\$20m."*

### **Qualified Persons**

The mineral resource estimate was completed by independent K-UTEC consultant Thomas Schicht, EurGeol, Assistant Head of Geophysics, K-UTEC Independent Salts Technologies, a Qualified Person under the National Instrument 43-101 Standards of Disclosure for Mineral Projects of the Canadian Securities Administrators.

The Operator of the Joint Venture, Plinian Capital LLP and Circum Minerals Limited, the 70% Joint Venture Partner, have consented to the release of the information contained herein.

A copy of the NI 43-101 Technical Report will be available on the SEDAR website ([www.sedar.com](http://www.sedar.com)) under AgriMinco's profile on or before March 27, 2014."

The full details of AgriMinco's announcement can be found at: [www.agriminco.com](http://www.agriminco.com).

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 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](http://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**

The NI 43-101 Technical Report, including the Maiden Mineral Resource Estimate, 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 is 10 February 2014.

Premier has a 42 per cent. shareholding in AgriMinco, which itself has a 30 per cent. interest in the Danakil potash deposit. Accordingly, Premier has a 12.6 per cent. net attributable interest in the Danakil potash project, and on this basis, Premier'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**

	<b>Resource Category</b>	<b>Tonnes (Mt)</b>	<b>KCl (%)</b>	<b>K<sub>2</sub>O (%)</b>	<b>Contained KCl (Mt)</b>	<b>Contained K<sub>2</sub>O (Mt)</b>
<b>Danakil Potash Deposit</b>	Indicated	89.3	19.4	12.2	17.3	11.0
	Inferred	140.7	19.1	12.0	26.9	17.0
	<b>TOTAL</b>	<b>230.0</b>	<b>19.2</b>	<b>12.1</b>	<b>44.2</b>	<b>28.0</b>

**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.*

**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 <b>Indicated Mineral Resource</b> 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
Inferred Mineral Resource	An <b>Inferred Mineral Resource</b> 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 <sub>2</sub> 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 <sub>2</sub> 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
Lower Carnallitite	Third potash member of the Houston Formation in the Danakil Depression. A rock consisting of essentially halite and carnallite and may contain kieserite.
Sylvinitite	Upper potash member of the Houston Formation in the Danakil Depression. A rock consisting of essentially halite and sylvite.
Upper Carnallitite	Second potash member of the Houston Formation in the Danakil Depression. A rock consisting of essentially halite and carnallite and may contain anhydrite.
Bischofite	An evaporite rock containing principally bischofite (>75%) with minor halite, kieserite and carnallite intercalations.
MgCl <sub>2</sub>	Magnesium chloride
MOP	Muriate of potash. A slow-acting fertiliser that commonly contains 80 percent of potassium chloride which yields about 50 percent potash. Adds potassium to the soil.
SOP	Sulphate of potash. High-grade sulphate of potash contains from 49 to 51 per cent of potash. Its advantage over muriate is that it is not, like the latter, injurious to any crops and therefore has a price premium.
ktpa	Thousand tonnes per annum
NPV 10 and NPV12	a Net Present Value at a discount factor of 10% or 12% respectively

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