

For immediate release

17 May 2016

Premier African Minerals Limited
(“Premier” or the “Company”)
Interim RHA Update

Summary

Premier African Minerals Limited, the AIM-traded, multi-commodity mining and natural resource development company focused on Southern and Western Africa, is pleased to provide this interim update on progress at RHA Tungsten project (RHA) in respect of which Premier is the operator and holds 49%.

Highlights

- Re-equipping of the 120-meter vertical shaft is complete. Final inspection and a return to operations is expected this week.
- Mining operations on the 870 level have commenced.
- Plant operations are expected to resume this week.
- Appropriate Process Technologies (APT) has now completed an agreement with Premier (and its counsel) to complete plant upgrades by the 6 July 2016. APT has confirmed to Premier that it has ordered the necessary equipment.

George Roach, CEO, commented:

“Whilst the Company is frustrated that the plant upgrades to the crushing circuit by APT have not yet been commissioned, it is encouraging that the vertical shaft has now been completed and fully equipped. Mining operations have recommenced and production has resumed. In light of the delays in installing the crushing circuit improvements, it is important to process ore from the 870 level to establish that in situ grade is delivered to the plant and mining dilution is adequately managed. Shipments of WO₃ concentrate are expected to resume from June 2016.

“At the same time, XRT test work is progressing on open pit ore. This work is expected to yield favourable results, and we look to receive a proposal to upgrade ore and recommend resumption of mining from the open pit. This was discussed in our RNS of the 27 January 2016.

“The recent significant improvements in the price of ammonium para-tungstate and the developments outlined above support the Company’s confidence that RHA will generate positive operational cash flow (before capital expenditure and working capital) in due course.

“Premier expects to provide further updates on RHA in the coming weeks regarding progress on updating resources, through-put, mining grade and anticipated revenues.”

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.

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Notes

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 includes 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 also 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.

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