

For immediate release

29 June 2016

Premier African Minerals Limited
(“Premier” or the “Company”)
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 update on progress at the RHA Tungsten project (“RHA”), in respect of which Premier is the operator and holds a 49% interest.

Highlights

- Fabrication of plant modifications at RHA completed and equipment en route to site. Civils construction commenced at site.
- Bulk test-work utilising historic tailings run through our plant highlight potential to supplement ROM ore during underground mining ramp up phase.
- Early results from XRT test work on low grade wolframite bulk samples from open pit confirm upgrading potential.

George Roach, CEO, commented:

“I am pleased to confirm that the screens and other plant modifications have now left the factory and are en route to RHA, with a completion date of 6th July in mind. It is also encouraging to note the potential to make up any shortfall in underground mining tonnage through the re-treatment of historic tailings as we continue ramping up underground mining to the projected 9000 tons per month.

XRT bulk sample results seem to have been worth the wait and, provided there is no deviation from these early findings and the additional necessary studies are concluded successfully, the prospect remains that the open pit will be reopened and mined profitably.

We have an extended team of geologists who are busy at RHA conducting detailed additional sampling and validating past results, both from historic reporting and our more recent work in the open pit. Whilst I am reluctant to set a final target date, I do now see significant progress towards a new resource statement incorporating both open pit and some elements of the historic underground operations.”

The multi-deck screens and other plant modifications are completed and loaded, and are en route to site. Civil work at RHA to support the additional equipment is expected to be completed in days, and we look to complete the installation and commissioning in the first half of July 2016. Once installation is complete and operations recommence, a joint assessment will be conducted with Appropriate Process Technologies (“APT”) to ensure the plant is now fit for purpose. It should then be possible to process underground ore at the designed tonnage and support new financial models. At the same time, RHA has conducted test work on historic tailings. Previous internal laboratory test work on these tailings had not produced saleable concentrates. However, running these same tailings through our plant has resulted in recoveries of up to 60%, at acceptable concentrate grades. This is good news, and it is expected that the tailings feed will supplement any shortfalls in underground mining during this ramp up phase to expected full production of approximately 9000 tons per month. Preliminary results of bulk sample XRT test work on material from the open pit at RHA (see RNS 24 November 2015) indicates a near 100% recovery of mineralised ore in a mass pull of 1.4% in the size range of <80mm and >10mm. Smaller fraction material represented approximately 20% of the test sample and would be fed direct to the plant. This is most encouraging and potentially brings the prospect of reopening open pit operations into play. Factors that will need assessment before this can take place include a detailed study of revised open pit resources to establish sufficient tonnage to support the provision of the XRT circuits on a toll basis, and the overall mining costs of ore delivered to the plant. Premier will update the market as this progresses.

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.

Enquiries

George Roach	Premier African Minerals Limited	Tel: +27 (0) 878063999
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
Charles Goodwin/Aidan Stanley /Dominic Barretto	Yellow Jersey PR Limited	Tel: +44 (0) 7584 085 670

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.

Glossary of Technical Terms

“ROM”: Run-of-mine.

“XRT”: X-ray sorting technique where specific mineral (e.g. wolframite) bearing rock can be separated from specific mineral-poor rock and other impurities. This upgrades in metal terms the material feed to the plant energy and lowers the tonnage of rock requiring processing which results in substantially improved the economics for mineral processing operations.

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