

For immediate release

25 August 2015

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

Premier African Minerals Limited, the AIM-traded, multi-commodity mining and resource development company focused on Southern and Western Africa, is pleased to provide a corporate and project update focussed on the RHA Tungsten Project (“RHA”) in Zimbabwe, of which Premier is the operator of RHA and holds a 49% interest.

Highlights:

- **RHA process plant modifications installed and operational benefits confirmed**
- **Plant through-put improved**
- **Premier loan accounts to RHA registered in Zimbabwe**

George Roach, CEO, commented:

“I am pleased to report that the RHA process plant modifications notified in our announcement published on 8 July 2015 have now been installed. This successful installation was completed simultaneously with a replacement of the tailings discharge system. The replacement of this element of the process plant became necessary due to design deficiencies only understood when production increased to the design throughput of the plant (of not less than 16 tons per hour of resource grade ore, a mean diluted feed grade target of 0.8 per cent. contained WO₃ and target production of 5,800 mtu per month). The modified plant now accepts the design tonnage into the recovery circuits. Fine tuning and optimisation is continuing, both as we explore the upper tonnage limits of the plant in excess of 16 tons per hour and seek to achieve consistent material flow through the recovery circuits. We expect that as and when concentrate production reaches the design output of the plant, RHA will operate profitably.”

RHA process plant and production update

The modifications were designed to improve efficiency of the crushing circuits and allow better utilisation of the surplus capacity on the downstream concentration circuits. The immediate effect of the modifications was anticipated to be an increase in the percentage of higher grade fines concentrate over the coarse concentrate, with a probable overall increase of total tonnage of concentrate produced.

Prior to installation of the modifications, up to 40 per cent of feed ore was rejected as oversize and stock-piled. RHA anticipates processing this stockpiled material within this week and will then resume ore supply from run of mine material. Feed grade continues to improve as the more

mineralised ore from within the resource model envelope is exposed. When run-of-mine feed grade reaches the planned grade, RHA expects that production targets will be achieved. As and when steady state production is achieved a further announcement will be made.

RHA is able to produce grade at any percentage of contained WO_3 from below 50 per cent. to marginally in excess of 70 per cent. The Company's analysis indicates that at the current pricing levels of APT, the financial returns are potentially improved by targeting output at the lower grade as any penalty for any lower grade concentrate is more than offset by the benefits of lower production costs and a greater tonnage of concentrate produced. We are currently in discussions with our off-take partners in this regard. Under the terms of the loan notes ("Notes") subscribed by Darwin Strategic Limited ("Darwin") on 29 April 2015, Darwin has the right to convert outstanding Notes into new Premier ordinary shares if the WO_3 percentage contained in the Company's monthly production is below 60 per cent. Darwin have consented to amend the Conversion Trigger (as previously announced) to 50 per cent to allow Premier to produce concentrates at the proposed 50 per cent threshold thus avoiding this proposed change in commercial strategy being a breach pursuant to the previously announced terms of the Notes.

The European price of APT has fallen to US\$203 per mtu and, after the discounts established in the off-take agreements, net proceeds on sale of concentrate by RHA are anticipated to be between US\$130 and US\$120 per mtu. RHA's original forecast production cost per mtu was US\$89. With the additional cost and process plant delays discussed above, and particularly with expedited pit development, RHA's short run production costs have risen in excess of US\$89 but are expected to fall in due course as the benefits of higher processed tonnages and higher recoveries flow through. A further update will be made. While the future direction of the APT price is uncertain, it does not bode well for third parties' pre-production projects and the Board believes that despite the operational challenges associated with the fast-track approach to production at RHA, it has enabled the Company to get RHA into production despite the challenging market background for commodities.

Shipments of concentrates are expected to resume from 28 August 2015.

RHA loan accounts

Premier's loans to RHA have now been registered with the Zimbabwe Reserve Bank and foreign exchange approvals have been granted for the repatriation of debt payments from Zimbabwe to Premier. Similarly, funds advanced to RHA in the past two months as operations commenced are now subject to immediate repayment from an approved debt services account established in Harare. Exclusive of currently accrued debt, registered loans by Premier to RHA amount to US\$9.5 million and the process plant remains the property of RHA Tungsten Mauritius Limited until the terms of a plant rental agreement have been met.

Beneficiation

Premier plans to beneficiate the wolframite concentrate produced at RHA and the Company expects to provide an update on this in the near future.

Qualified Person

Werner Swanepoel, Chief Operating Officer of Premier, has reviewed and approved the technical commentary above, other than to the extent that reference is made to resource grade, which has been reviewed as set out below. Mr Swanepoel has 21 years' experience in the Southern African mining industry and holds a Master's degree in Mining Engineering, an MBA and Mine Manager's Certificates in both Metalliferous and Coal Mining. He is a registered Professional Engineer with the Engineering Council of South Africa.

Bruce Cumming has reviewed and approved the commentary above to the extent reference is made to geological resource and resource grade. Mr. 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).

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

Pamela Hueston	Premier African Minerals Limited	Tel: +44 (0) 755 778 3855
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
Kelsey Traynor/Dominic Barretto	Yellow Jersey PR Limited	Tel: +44 (0) 779 900 3220

Notes

Premier African Minerals Limited (AIM: PREM) is a multi-commodity mining and 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 Togo, 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\$2.5 million based on the latest price at which Circum has accepted subscriptions.

Glossary

"mtu"	means metric ton unit, i.e. 10Kg of contained WO ₃ in concentrate
"WO ₃ "	means tungsten tri-oxide.

ENDS