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Premier African Minerals Limited  
23 November 2016

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**For immediate release**  
**23 November 2016**

**Premier African Minerals Limited**  
**("Premier" or the "Company")**

**RHA Update**

Premier African Minerals Limited, the AIM-traded, multi-commodity resource and development Company focused on Southern and Western Africa, is pleased to announce that the Company has appointed African Mining and Exploration ("**Afmine**" or "**Contractor**") to be the principal mining contractor for the upgrades, development of the underground operations and reestablishment of open pit mining at the RHA Tungsten Mine (RHA) in Zimbabwe.

**Mining Targets:**

- To achieve 16,000 tonne per month from underground operations and to deliver not less than 12,000 tonne of ore to the ROM pad

**George Roach, CEO, commented:**

"The development of RHA is progressing well and the Afmine team successfully mobilised and commenced works on site. Afmine has a reputation for safety and efficiency and, inter alia is contracted to some of the major mining houses within Zimbabwe. At the same time, negotiations for phase two are well advanced with the essential requirement being the delivery of up to 28,000 tonnes but not less than 23,000 tonnes per month from the open pit. It is particularly gratifying to see the commitment from all contractors and staff to the mine during this period leading to installation of the XRT sorter and recommencement of operations."

**Mining Contract**

The mining contract ("**Contract**") consists of two phases. The first phase is for an initial 14 weeks, during which Afmine shall attend to rehabilitation works in the underground and prepare for open pit operations. The second phase will be subject to further agreement for a longer term contract but entirely dependent of meeting deliverables agreed in the initial phase, and acceptable pricing.

The Contract requires payment of a one-off mobilisation cost of US\$50,000. Thereafter two milestone payments each amounting to US\$75,000 and are due when the agreed milestones are met. Premier has granted discretionary conversion rights for five days starting from the date of completion to convert the two milestone payments into shares of no par value. The Contract is structured to ensure the delivery of a minimum of 12,000 tonnes at a fixed cost per tonne. Any delivery beyond such 12,000 tonnes of mined material shall be at an incremental rate per tonne, with the motivation being to reduce the final processed cost per tonne.

**About Afmine**

Afmine is a leading mining and exploration services company operating in Zimbabwe which handles over 400 kilotons of ore on a monthly basis. The Company specialises in both underground mining and specialised haulage solutions and has a good reputation for safety and efficiency. Afmine has worked for major projects and its clients include ASA Resources Limited (Freda Rebecca Gold Mine and Bindura Nickel Corporation) and Metallon Gold (Private) Limited (Shamva Gold Mine). For more information of Afmine, please visit [www.afmine.com](http://www.afmine.com).

This announcement contains inside information for the purposes of Article 7 of EU Regulation 596/2014.

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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 include 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 recently acquired a 52% controlling stake in Mozambique-based TCT Industrias Florestais Limitada, which owns a substantial limestone deposit and forestry business located on rail in the Sofala Province of Mozambique. In addition, The Company 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. Premier also has a 4.5% interest in Casa Mining Limited, a privately-owned exploration company that has a 71.25% interest in the 1.2 million ounce inferred resource Akyanga gold deposit in the DRC.

**ENDS**