Premier African Minerals Limited / Ticker: PREM / Index: AIM / Sector: Mining
16 September 2013

Premier African Minerals Limited ('Premier' or 'the Company')

Unaudited Interim Results for the six months ended 30 June 2013

Premier African Minerals Limited, the AIM quoted multi-commodity natural resource company with mineral projects located in Africa, announces its unaudited interim results for the six months ended 30 June 2013.

Highlights

- Completed a maiden resource statement and mining study on RHA Tungsten Project in Zimbabwe
- Received final approval from the TSX Venture Exchange for sale of Togo and Mali subsidiaries to AgriMinco Corp ('AgriMinco') for consideration of 120 million new shares in AgriMinco, representing 42% of the share capital in AgriMinco

Executive Chairman and CEO Statement

Shortly after the reporting period ended 30 June 2013, Premier achieved two significant milestones: the completion of a maiden resource statement and mining study outlining the robust economics of its near-term RHA Tungsten Project in Zimbabwe; and approval of the sale of our Togo and Mali subsidiaries from the TSX Venture Exchange ('TSX-V') to take a 42% shareholding in AgriMinco Corp. (formerly known as Ethiopian Potash Corp). Both of these achievements have potential to deliver value to our shareholders in the near-term.

Projects

RHA Tungsten Project - Zimbabwe

In August 2013, Premier published a maiden SAMREC code compliant resource of 1,093,000 tonnes at a grade of 8.7 kg/t tungsten trioxide ('WO_3') in the Inferred category, and 147,000 tonnes at 4.7 kg/t WO_3 in the Indicated category. Importantly, this grade compares most favourably to industry standards and was calculated over one lode, 'Lode 2A', of a seven lodes identified at RHA to date.

The Preliminary Economic Assessment ('PEA') and Mining Study announced on 18 August 2013, illustrated robust economics and indicated a Capex of US$13.5m, a pre-tax IRR of 316%, positive cash flow of US$118 million, an undiscounted pre-tax NPV of US$118 million, and a lead time to first production of saleable product of approximately 10 months from the commencement of development. For the full details of the PEA and Mining Study, please visit the Company's website www.premierafricanminerals.com.

There is potential to increase and upgrade RHA's resource in the future as further exploration is conducted on the known remaining mineralised lodes described in the PEA. Additionally, as announced earlier this month, Premier extended its option over the dormant historic Tung tungsten mine ('Tung'). The Tung mine, which is approximately 5 km to the North of RHA, has 2 km of untested strike, which we believe could add to the resource base of RHA and in turn increase the life of mine.

Premier is actively engaged in discussions with potential off-take partners and funders to advance the development of the project targeting production by late 2014.

Corporate Transaction

On 5 July 2013 we received final approval from the TSX-V for the sale of one of our Togo subsidiaries and our Mali subsidiary which hold exploration permits for phosphates, clays and potash to AgriMinco (formerly Ethiopian Potash Corp.). The Company now holds 120 million new shares in AgriMinco, representing approximately 42% of the issued shares. 100 million of the shares become tradeable on 1 November 2013 while 20 million remain in escrow pending the fulfilment of certain technical requirements imposed by the TSX-V.

Through our shareholding in AgriMinco, we gain exposure to its highly prospective Danakil potash property in Ethiopia in which it has a 30% interest. AgriMinco has a free carry to scoping study and a total spend of $7 million. The operators and 70% owners of the Danakil property, Circum Resources Ltd., plan to rapidly advance exploration on the property.

Financial Review

In the six months to 30 June 2013 the Group incurred a loss of US$1,186,807. The loss includes a US$288,714 share based payment charge for options issued on Admission to AIM and excessive professional fees, partly related to the AgriMinco transaction. The Company invested US$587k in its exploration properties, mainly on its RHA Tungsten Project resource work and mining study.

Cash at the end of June 2013 was US$157k with the £300k (US$465k) facility being drawn down from the month of July. As mentioned in our annual report issued in June 2013, the Company needs to secure further funding to advance RHA and to fund operations and is currently in negotiations with several parties.

It is noted that 100 million of the Company's shares in AgriMinco will be free trading from 1 November 2013. Subject to regulatory approval, I have provided an undertaking to Premier that additional drilling, metallurgical test work and early EPCM work necessary at RHA to facilitate early exploitation may commence immediately and that associated overheads will be met pending conclusion of the negotiations presently underway.

Corporate Review

Following the period end, two new board members were appointed Alexander du Plessis and Neil Herbert (see announcement dated 20 August 2013). Both bring valuable skills to Premier; Alexander du Plessis in regard to mine development with special reference to Premier's RHA Tungsten Project and Neil Herbert in corporate affairs, market communication and deal structuring. In line with these appointments, Bruce Cumming and Leslie Goodman have stepped down from the Board.

Outlook

I am delighted with the progress that we have made these past six months in regard particularly to our RHA Tungsten Project and our investment in AgriMinco. I particularly look forward to seeing the Company transition from exploration to exploitation. I believe we are in a fortunate position in that our leading project is concerned with Tungsten, currently a favoured and desireable commodity.

George Roach
Executive Chairman and CEO
16 September 2013

For further information please visit www.premierafricanminerals.com or contact the following:

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CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME

Continuing operations	**Notes**	**Six months to 30 June 2013 (Unaudited) $**	**Six months to 30 June 2012 (Unaudited) $**	**Year to 31 December 2012 (Audited) $**
Administrative expenses	5	(1,180,753)	(468,909)	(2,040,721)
Depreciation and amortization expense		(6,054)	(14,253)	(25,581)
Exploration expenses		-	(9,947)	(36,279)
Operating loss		(1,186,807)	(493,109)	(2,102,581)
Finance costs		-	-	4,312
Loss before tax		(1,186,807)	(493,109)	(2,098,269)
Income tax expense	6	-	-	-
Loss for the period		(1,186,807)	(493,109)	(2,098,269)
Other comprehensive income:				
Exchange differences on re-translation of foreign operations		(125,431)	(25,307)	31,408
Total comprehensive income for the period attributable to the owners of the parent		(1,312,238)	(518,416)	(2,066,861)
Loss per share attributable to the owners of the				

parent (expressed in US cents)				
Basic loss per share	7	(0.4c)	(1.0c)	(3.0c)
Diluted loss per share	7	(0.4c)	(1.0c)	(3.0c)

CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION

	Notes	**30 June 2013 (Unaudited) $**	**30 June 2012 (Unaudited) $**	**31 December 2012 (Audited) $**
ASSETS				
Non-current assets				
Intangible exploration and evaluation assets	8	7,287,276	3,806,606	6,724,099
Property, plant and equipment		42,154	58,392	48,301
Total non-current assets		7,329,430	3,864,998	6,772,400
Current assets				
Trade and other receivables	9	129,635	1,195,133	179,973
Cash and cash equivalents		156,934	87,737	1,517,784
Total current assets		286,569	1,282,870	1,697,757
TOTAL ASSETS		7,615,999	5,147,868	8,470,157
LIABILITIES				
Current liabilities				
Trade and other payables	10	(339,690)	(889,785)	(170,324)
Borrowings	11	-	(5,638,567)	-
Shares to be issued	12	(1,500,000)	-	(1,500,000)
TOTAL CURRENT LIABILITIES AND TOTAL LIABILITIES		(1,839,690)	(6,528,352)	(1,670,324)
NET ASSETS/(LIABILITIES)		5,776,309	(1,380,484)	6,799,833
EQUITY				
Share capital	13	11,006,728	1,562,000	11,006,728
Merger reserve		(176,495)	(176,495)	(176,495)
Foreign exchange reserve		(94,023)	(25,307)	31,408
Share based payment reserve		592,352	19,604	303,638
Retained earnings		(5,552,253)	(2,760,286)	(4,365,446)
TOTAL EQUITY ATTRIBUTABLE TO THE OWNERS OF THE PARENT		5,776,309	(1,380,484)	6,799,833

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS

	Notes	**Six months to 30 June 2013 (Unaudited) $**	**Six months to 30 June 2012 (Unaudited) $**	**Year to 31 December 2012 (Audited) $**
Net cash outflow from operating activities	14	(672,335)	(836,333)	(1,759,712)
Investing Activities				
Exploration and evaluation expenditures	8	(586,664)	(1,290,314)	(1,825,596)
Purchases of property, plant and equipment		-	(30,000)	(30,862)
Net cash used in investing activities		(586,664)	(1,320,314)	(1,856,458)
Financing Activities				
Proceeds from borrowings	11	-	2,205,106	3,766,385
Proceeds from issue of share capital	13	-	-	1,291,272

Net cash inflow from financing activities	-	2,205,106	5,057,657
Net (decrease)/increase in cash and cash equivalents	(1,258,999)	48,459	1,441,487
Cash and cash equivalents at start of period	1,517,784	68,448	68,448
Net exchange (losses)/gains on cash and cash equivalents	(101,851)	(29,170)	7,849
Net cash and cash equivalents at end of period	156,934	87,737	1,517,784

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

	Attributable to the owners of the parent					
	Share capital $	**Merger reserve $**	**Foreign exchange reserve $**	**Share based payment reserve $**	**Retained Earnings $**	**Total $**
At 1 January 2012	1,562,000	(176,495)	-	19,604	(2,267,177)	(862,068)
Loss for the period	-	-	-	-	(493,109)	(493,109)
Exchange differences on re-translation of foreign operations	-	-	(25,307)	-	-	(25,307)
Total comprehensive income for the period	-	-	(25,307)	-	(493,109)	(518,416)
At 30 June 2012	1,562,000	(176,495)	(25,307)	19,604	(2,760,286)	(1,380,484)
At 1 January 2012	1,562,000	(176,495)	-	19,604	(2,267,177)	(862,068)
Loss for the year	-	-	-	-	(2,098,269)	(2,098,269)
Exchange differences on re-translation of foreign operations	-	-	31,408	-	-	31,408
Total comprehensive income for the year	-	-	31,408	-	(2,098,269)	(2,066,861)
Transactions with owners						
Issue of equity shares	10,843,510	-	-	-	-	10,843,510
Share issue costs	(1,398,782)	-	-	-	-	(1,398,782)
Share based payment	-	-	-	284,034	-	284,034
At 31 December 2012	11,006,728	(176,495)	31,408	303,638	(4,365,446)	6,799,833
Loss for the period	-	-	-	-	(1,186,807)	(1,186,807)
Exchange differences on re-translation of foreign operations	-	-	(125,431)	-	-	(125,431)
Total comprehensive income for the period	-	-	(125,431)	-	(1,186,807)	(1,312,238)
Transactions with owners						
Share based payment	-	-	-	288,714	-	288,714
At 30 June 2013	11,006,728	(176,495)	(94,023)	592,352	(5,552,253)	5,776,309

1. GENERAL INFORMATION

Premier African Minerals Limited ('Premier' or 'the Company'), together with its subsidiaries (the 'Group'), was incorporated in the Territory of the British Virgin Islands under the BVI Business Companies Act, 2004. The address of the registered office is Craigmuir Chambers, PO Box 71, Road

Town, Tortola, British Virgin Islands. Premier's shares were admitted to trading on the London Stock Exchange's AIM market on 10 December 2012.

The Group's operations and principal activities are the exploration, evaluation and development of mineral reserves, primarily on the African continent. The presentational currency of the condensed consolidated interim financial statements is US Dollars.

2. BASIS OF PREPARATION

These unaudited condensed consolidated interim financial statements for the six months ended 30 June 2013 were approved by the board and authorised for issue on 16 September 2013.

The basis of preparation and accounting policies set out in the Annual Report and Accounts for the year ended 31 December 2012 have been applied in the preparation of these condensed consolidated interim financial statements. These are in accordance with the recognition and measurement principles of the International Financial Reporting Standards ('IFRS') as endorsed by the EU that are expected to be applicable to the consolidated financial statements for the year ending 31 December 2013 and on the basis of the accounting policies expected to be used in those financial statements.

The figures for the six months ended 30 June 2013 and 30 June 2012 are unaudited and do not constitute full accounts. The comparative figures for the year ended 31 December 2012 are extracts from the 2012 audited accounts and do not constitute full accounts. The independent auditor's report on the 2012 accounts was not modified, but included an emphasis of matter on going concern.

3. GOING CONCERN

These unaudited condensed consolidated interim financial statements were prepared on the going concern basis. The going concern basis assumes that the Group will continue in operation for the foreseeable future and will be able to realise its assets and discharge its liabilities and commitments in the normal course of business.

The Group has incurred significant operating losses and negative cash flows from operations as the Group is an exploration stage resource Group. The recoverability of the underlying value of exploration and evaluation assets is entirely dependent on the existence of economically recoverable reserves, securing and maintaining title and beneficial interest in the properties, the ability of the Group to obtain the necessary financing to complete development, and future profitable production.

The Group had cash reserves at 13 September 2013 of approximately $40k, and has an undrawn loan facility from the Chairman of $157k available to it. The Directors have prepared detailed cash flow forecasts for the period ending 30 September 2014, taking into account forecast expenditure, available working capital and the existing loan facility. These forecasts indicate that the Group will need to obtain additional loan finance or equity to fund its operations for that period.

As set out in the Chairman's Statement, the Chairman is currently in negotiations with several parties to provide funds to the Group. The Chairman also states 100 million AgriMinco shares will be free trading from 1st November 2013 and that ongoing overheads and exploration and development on RHA to facilitate early exploitation will be met pending conclusion of negotiations with potential funders.
After careful consideration of those matters set out above, the Directors are of the opinion that the Group will be able to obtain adequate resources to enable it to undertake its planned activities for the period to 30 September 2014 and have prepared these condensed consolidated interim financial statements on the going concern basis. These condensed consolidated interim financial statements

do not include any adjustments to the amounts and classification of assets and liabilities that might be necessary should the Group be unable to continue in business.

4. SEGMENTAL REPORTING

Segmental information is presented in respect of the information reported to the Directors. Currently the Group is in the exploration phase and no revenue is being generated. The main business segment is that of an exploration group and a corporate administrative entity.

An analysis of the Group's non-current assets by geographic location is set out below.

	30 June 2013 (Unaudited)	30 June 2012 (Unaudited)	31 December 2012 (Audited)
Non-current assets	**$**	**$**	**$**
Zimbabwe	5,288,932	2,556,607	4,848,553
Togo	2,040,498	1,308,391	1,923,847
	7,329,430	3,864,998	6,772,400

5. ADMINISTRATIVE EXPENSES

	Six months to 30 June 2013 (Unaudited)	Six months to 30 June 2012 (Unaudited)	Year to 31 December 2012 (Audited)
	$	**$**	**$**
Staff costs	136,233	84,255	391,393
Consulting and advisory fees	196,922	83,170	235,727
Directors' fees	22,606	-	2,868
Audit, accounting and legal fees	242,172	23,036	79,115
Marketing and public relations	40,498	26,100	36,961
Travel	116,016	123,643	219,661
Vehicle	39,212	24,061	36,433
Donations	-	25,380	25,088
Office and administration	98,561	62,750	218,444
Realized foreign exchange (gain) loss	(181)	16,514	48,037
Aborted listing costs	-	-	372,240
Share based payment	288,714	-	374,754
	1,180,753	468,909	2,040,721

6. TAXATION

There is no taxation charge in the period to 30 June 2013 (June 2012: nil, Dec 2012: nil). As an International Business Group, the British Virgin Islands imposes no corporate taxes or capital gains tax. However, the Group may be liable for taxes in the jurisdictions of the underlying operations.

To date, the Group has incurred tax losses however a deferred tax asset has not been recognised in the accounts due to the unpredictability of future profit streams.

7. LOSS PER SHARE

The calculation of loss per share is based on the loss after taxation divided by the weighted average number of shares in issue during each period.

	Six months to 30 June 2013 (Unaudited)	Six months to 30 June 2012 (Unaudited)	Year to 31 December 2012 (Audited)
	$	**$**	**$**
Net loss after taxation	(1,186,807)	(493,109)	(2,098,269)
Weighted average number of Ordinary Shares in			69,413,680

calculating basic earnings per share	335,567,591	47,300,002	
Basic loss per share (expressed in US cents)	(0.4c)	(1.0c)	(3.0c)
Weighted average number of Ordinary Shares used in calculating fully diluted earnings per share	335,567,591	47,300,002	69,413,680
Diluted loss per share (expressed in US cents)	(0.4c)	(1.0c)	(3.0c)

As the Group incurred a loss for each period, there is no dilutive effect of share options or warrants.

8. EXPLORATION AND EVALUATION ASSETS

	Total **$**
Cost	
At 1 January 2012	2,512,136
Expenditure on exploration and evaluation	1,290,314
Foreign exchange	4,156
At 30 June 2012	3,806,606
Expenditure on exploration and evaluation	2,898,162
Foreign exchange	19,331
At 31 December 2012	6,724,099
Expenditure on exploration and evaluation	586,664
Foreign Exchange	(23,487)
At 30 June 2013	7,287,276

Exploration costs not specifically related to a license or project or on speculative properties are expensed directly to profit or loss in the period incurred.

9. TRADE AND OTHER RECEIVABLES

	30 June 2013 (Unaudited) $	**30 June 2012 (Unaudited) $**	**31 December 2012 (Audited) $**
Sundry receivables	80,000	50,000	151,287
Prepayments	49,635	1,145,133	28,686
	129,635	1,195,133	179,973

10. TRADE AND OTHER PAYABLES

	30 June 2013 (Unaudited) $	**30 June 2012 (Unaudited) $**	**31 December 2012 (Audited) $**
Trade payables	253,850	821,244	107,037
Accruals	85,840	68,541	63,287
	339,690	889,785	170,324

11. BORROWINGS

Borrowings comprised loans from related and connected parties and were capitalised as equity on Premier's Admission to AIM.

12. SHARES TO BE ISSUED

On 27 November 2012, the Group entered into an agreement to acquire the Zulu claims from Mr Richard Dollar, a consultant to the Group. The consideration for this acquisition was satisfied through the issue of $500,000 ordinary shares on Admission to AIM (refer note 13) and $1,500,000 in ordinary shares due to be issued. The quantity of shares to be issued is dependent on the exchange rate at date subsequently this obligation is accounted for as a liability.

On 16 September 2013, the Company approved, pursuant to the exercise of its option dated 27 November 2012 to acquire the Zulu claims, the issue and allotment of 48,877,500 new ordinary shares at a price of 2 UK pence per share, being the same price as the placing shares issued on Admission to AIM (refer note 15).

13. SHARE CAPITAL

Issued share capital

	Number of Shares	$
On incorporation	50,000	50,000
Subdivision of shares into 14 ordinary shares	650,000	-
Issue of shares to acquire ZimDiv Holdings Limited	47,250,002	1,512,000
As at 1 January 2012* and 30 June 2012	47,950,002	1,562,000
Share issues on 4 December 2012:		
- Shares issued for capitalisation of 2011 loans	56,000,000	3,409,692
- Shares issued for services received	14,175,000	453,600
- Shares issued to Admission Placees	75,000,000	2,420,815
- Shares issued for Zulu option, first tranche of shares	15,625,000	500,000
- Shares issued for capitalisation of 2012 loans	118,442,589	3,790,163
- Shares issued for advisor fees	8,375,000	269,240
As at 31 December 2012 and 30 June 2013	335,567,591	12,405,510

Reconciliation to balance as stated in the condensed consolidated interim statement of financial position

Issued share capital (before issue costs) as at 31 December 2012	12,405,510
Share issue costs - year ended 31 December 2012	(1,398,782)
Issued share capital (net of issue costs) as at 31 December 2012 and 30 June 2013	11,006,728

* Premier acquired the ZimDiv Group in a Share Exchange Agreement in advance of the Initial Public Offering. The transaction has been accounted for as a merger of entities under common control and presented in the condensed consolidated interim financial statements as if the Group has been one since from 1 January 2012.

14. NOTES TO THE CONDENSED CONSOLIDATED INTERIM CASH FLOW STATEMENT

	Six months to 30 June 2013 (Unaudited) $	Six months to 30 June 2012 (Unaudited) $	Year to 31 December 2012 (Audited) $
Loss before tax	(1,186,807)	(493,109)	(2,098,269)
Adjustments for:			
Depreciation and amortisation	6,054	14,253	25,581
Finance costs	-	-	(4,312)
Share based payments	288,714	-	374,754
Operating cash flows before movements in working capital	(892,039)	(478,856)	(1,702,246)
Decrease/(increase) in receivables	50,338	(1,093,696)	(78,536)
Increase in payables	169,366	736,219	21,070
Net cash outflow from operating activities	(672,335)	(836,333)	(1,759,712)

15. EVENTS AFTER THE BALANCE SHEET DATE

On 5 July 2013, the Company received final approval from the TSX Venture Exchange ('TSX-V') for the acquisition by AgriMinco Corp. ('AgriMinco') (formerly Ethiopian Potash Corp.) of its Togo and Mali subsidiaries. The Company now holds 120 million new shares in AgriMinco, representing approximately 42% of the issued and outstanding shares. These shares, except as mentioned below, are subject to a four month holding period and will be tradeable from 31 October 2013. Of these shares, 20 million shares relating to the sale of its Mali subsidiary will be held in escrow pending TSX-V approval of technical and legal reports being satisfactorily submitted prior to 30 June 2014. If approval is not forthcoming the Mali subsidiary transaction will be unwound. As part of the approval of the transactions, the Company has appointed two representatives to AgriMinco's board.

On 17 March 2011, the ZimDiv Group entered into an Option Agreement with Mr C Liebenberg and Ms C Correia ('Liebenberg Option') for the right to initially prospect for base minerals and precious metals with an option to purchase a block of mineral claims located in Zimbabwe. The purchase price was $150,000 less any claim maintenance costs paid by the Group and the agreement was for a term of 12 months with the right to extend for a further 12 months under the same terms and conditions. On 17 February 2013 the Liebenberg Option was extended for a further 6 months at a monthly option fee of $4,000. On 28 August 2013 the option agreement was extended for a further 6 months expiring 28 February 2014 at the same option payment price with an increase in the exercise price to $156,000.

On 16 September 2013, the final share payment consideration due to Richard Dollar in respect of the exercise of the Zulu option was settled. The consideration is US$1.5m (£978k) satisfied by the issue of 48,877,500 new ordinary shares at an issue price of 2 UK pence per share to Alpha International Business Limited, a nominee elected by Richard Dollar, a director of the Company's Zimbabwean subsidiaries.