

For immediate release

30 September 2019

**Premier African Minerals Limited
(‘Premier’ or ‘the Company’)**

Unaudited Interim Results for the six months ended 30 June 2019

Premier African Minerals Limited, the AIM quoted multi-commodity mining and resource development Company focused on Southern Africa announces its unaudited interim results for the six months ended 30 June 2019.

CEO’S STATEMENT

The first six months of 2019 (the “Period”) has been extensively reported as post financial year end events in our annual financial statements and various announcements released via the Regulatory News Service (as summarised further in Note 11 below). Whilst we continue to be encouraged by recent events in Zimbabwe and particularly by the commitment of National Indigenisation and Economic Empowerment Fund (“NIEEF”) to ensure additional Zimbabwean local currency (“RTGS Dollars”) funding is available to bring RHA Tungsten Pvt Ltd (“RHA”) back to production, NIEEF must now start expeditiously meeting their agreement to provide the additional funds needed for RHA to achieve an early return to operational status. Similarly, I strongly believe that the Mining Affairs Board will finally conclude the ongoing process for the grant for an Exclusive Prospecting Order (“EPO”) for an extension of the Zulu Lithium and Tantalum project (“Zulu”) tenements strictly over the known strike extensions.

Whilst the financial strain on the Company over the past 6 months has been substantial, the cost cutting and commitment from our entire Company and consultants has been admirable. At the same time, the challenging capital markets for the junior mining sector continue to depress our market capitalisation to the extent this is now well below the value of our assets.

As has been reported, Premier recently concluded a share-based loan agreement with MN Holdings Limited (“MNH”), the owner and operator of the Otjozondou Manganese Mine in Namibia (“OM”). This loan is intended to be used to acquire plant and equipment that would see a substantial ramp up of the existing production and revenues of OM. The owners of OM have been absolutely clear that it is their desire to see OM in a public vehicle, and Premier would potentially suit their purpose should they wish to approach us at any stage.

I will in any case encourage closer cooperation between OM and Premier and will report any further developments in this regard.

Zulu Lithium and Tantalum Project

Zulu Lithium is a large and high-quality lithium development opportunity and obtaining the EPO surrounding the current claim blocks is in my view essential for the development of Zulu. Added scale coupled with the quality of the deposit identified to date is likely to open the way to other partners to jointly share the funding costs for the planned definitive feasibility study (“DFS”) as previously announced. The fundamentals of this deposit remain unchanged. Under the assumption that we are granted the EPO, the Company together with its auditors can look at re-assessing the impairment charge currently placed over Zulu.

RHA Tungsten Mine

Work has commenced on electrification of RHA and construction for the new substation is now underway. NIEEF is committed to the provision of additional finance to continue the recommissioning process. And once again, the Company together with its auditors will re-assess the impairment charge currently placed over RHA.

Other Zimbabwe Projects

Premier maintains claims to a number of other prospective projects in Zimbabwe. These include Tinde Fluorspar, and Rare Earth Elements at Katete Minerals Limited. Whilst RHA and Zulu are taking centre stage in this period under review, these other projects remain potentially attractive in the Board’s view.

Board and Management Changes

I again express my appreciation to Michael Foster who accepted the Chairmanship and has assisted us through the past 18 months. Mr Foster has recently resigned to pursue other career opportunities and we wish him well in his future endeavours and I refer to our announcement of the 23 September 2019. I am delighted that Neil Herbert has re-joined our board and his associations with OM have not gone unnoticed. Further board and management changes are expected as we seek to bolster the leadership team and, in the lead up to those and for a strictly limited period, I have agreed to return to the Chairman's role. My views on separation of the functions, are well known, as is my commitment to find a CEO.

Funding

During the six months ended 30 June 2019 the Company issued 161,986,000 shares in settlement of \$0.71 million owed to current trade payables.

Outlook

Prospects for RHA have improved but a return to production is expected to take more time than initially envisaged. Our views on Circum Minerals Limited ("Circum") have not changed and in fact, in my opinion, outlook may be stronger, particularly when the fundamentals of the project are viewed in the context of the present market conditions.

Zulu lithium is a large and high-quality asset and the current deposit is fundamentally sound, however the project requires the granting of the EPO to attract funding for the next phase of development.

The best prospects for Premier in my view, lie as noted above in any possible future approach from OM.

As a final note, I would like to take this opportunity to extend my gratitude to our shareholders, directors, advisors and consultants for their continued support, commitment and confidence in Premier during this transitional phase.

Mr. George Roach
CEO and incoming Chairman
30 September 2019

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.

This announcement contains inside information for the purposes of Article 7 of EU Regulation No. 596/2014 on market abuse. Upon the publication of this announcement via a Regulatory Information Service, this inside information is now considered to be in the public domain. The person who arranged the release of this announcement on behalf of the Company was George Roach.

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

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CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION
EXPRESSED IN US DOLLARS

EXPRESSED IN US DOLLARS	Notes	Six months to 30 June 2019 \$ 000	Six months to 30 June 2018 \$ 000	2018 (Audited) \$ 000
ASSETS				
Non-current assets				
Intangible assets	4	-	4 426	-
Investments	5	6 263	6 603	6 263
Property, plant and equipment	6	-	-	-
		<u>6 263</u>	<u>11 029</u>	<u>6 263</u>
Current assets				
Inventories		4	-	26
Trade and other receivables		25	208	53
Cash and cash equivalents		1 192	91	16
		<u>1 221</u>	<u>299</u>	<u>95</u>
TOTAL ASSETS		<u>7 484</u>	<u>11 328</u>	<u>6 358</u>
LIABILITIES				
Non-current liabilities				
Other financial liabilities		-	70	34
Provisions - rehabilitation		173	994	983
		<u>173</u>	<u>1 064</u>	<u>1 017</u>
Current liabilities				
Bank overdraft		1	302	288
Trade and other payables		856	2 480	2 957
Other financial liabilities		65	56	60
Borrowings	7	685	534	213
		<u>105</u>	<u>3 372</u>	<u>3 518</u>
TOTAL LIABILITIES		<u>68</u>	<u>4 436</u>	<u>4 535</u>
NET ASSETS		<u>7 416</u>	<u>6 892</u>	<u>1 823</u>
EQUITY				
Share capital	8	46 550	44 665	45 873
Share based payment and warrant reserve		2 366	2 223	2 366
Revaluation reserve		711	854	711
Foreign currency translation reserve		1 772	-	-
Accumulated loss		(34 249)	(28 689)	(34 423)
Total equity attributed to the owners of the parent company		<u>17 150</u>	<u>19 053</u>	<u>14 527</u>
Non-controlling interest		(9 734)	(12 161)	(12 704)
TOTAL EQUITY		<u>7 416</u>	<u>6 892</u>	<u>1 823</u>

**CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME
EXPRESSED IN US DOLLARS**

	Notes	Six months to 30 June 2019 \$ 000	Six months to 30 June 2018 \$ 000	2018 (Audited) \$ 000
Continuing operations EXPRESSED IN US DOLLARS				
Sales		-	166	168
Sundry revenue	9	1 548	-	-
Revenue		1 548	166	168
Cost of sales excluding depreciation and amortisation		(23)	(262)	(179)
Depreciation and amortisation	6	-	-	-
Gross income / (loss)		1 525	(96)	(11)
Administrative expenses		(1 123)	(1 299)	(2 834)
Foreign exchange losses	10	(18 258)	-	-
Operating income / (loss)		(17 856)	(1 395)	(2 845)
Fair value movement on available-for-sale investment		-	-	47
Impairment of PPE - RHA		-	-	(196)
Impairment of current assets - RHA		-	-	(48)
Impairment of intangible assets - Zulu Lithium		-	-	(4 563)
Finance charges		(68)	(87)	(153)
		(68)	(87)	(4 913)
Income / (Loss) before income tax		(17 924)	(1 481)	(7 758)
Income tax expense	11	-	-	-
Income / (Loss) from continuing operations		(17 924)	(1 481)	(7 758)
Income / (Loss) for the year		(17 924)	(1 481)	(7 758)
Other comprehensive income:				
Items that are or may be reclassified subsequently to profit or loss:				
Foreign exchange translation variance		5 506	-	-
Fair value movement on available-for-sale investment		-	143	-
		5 506	143	-
Total comprehensive income for the year		(12 418)	(1 338)	(7 758)
Income / (Loss) attributable to:				
Owners of the Company		(9 567)	(1 075)	(6 809)
Non-controlling interests		(8 357)	(406)	(949)
		(17 924)	(1 481)	(7 758)
Total comprehensive income attributable to:				
Owners of the Company		(15 388)	(932)	(6 809)
Non-controlling interests		2 970	(406)	(949)
Total comprehensive income for the year		(12 418)	(1 338)	(7 758)
Loss per share attributable to owners of the parent (expressed in US cents)				
Basic loss per share	12	(0.13)	(0.01)	(0.1)
Diluted loss per share	12	(0.13)	(0.01)	(0.1)

**CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY
EXPRESSED IN US DOLLARS**

	Share capital	Foreign currency translation reserve	Share option and warrant reserve	Revaluation reserve	Retained earnings	Total attributable to owners of parent	Non- controlling interest ("NCI")	Total equity
	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000
At 1 January 2018	44 158	-	2 393	711	(27 614)	19 648	(11 755)	7 893
Loss for the period	-	-	-	-	1 075	1 075	(406)	669
Other comprehensive income for the period	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	1 075	1 075	(406)	669
Transactions with Owners								
Issue of equity shares	564	-	-	-	-	564	-	564
Share issue costs	(56)	-	-	-	-	(56)	-	(56)
Share based payments	-	-	(170)	-	-	(170)	-	(170)
At 30 June 2018	44 666	-	2 223	711	(26 539)	21 061	(12 161)	8 900
Loss for the period	-	-	-	-	(7 884)	(7 884)	(543)	(8 427)
Foreign exchange translation variances	-	-	-	-	-	-	-	-
Other comprehensive income for the period	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	(7 884)	(7 884)	(543)	(8 427)
Transactions with Owners								
Issue of equity shares	1 274	-	-	-	-	1 274	-	1 274
Share issue costs	(67)	-	-	-	-	(67)	-	(67)
Share based payments	-	-	347	-	-	347	-	347
Warrant options cancelled	-	-	(204)	-	-	(204)	-	(204)
At 31 December 2018	45 873	-	2 366	711	(34 423)	14 527	(12 704)	1 823
Loss for the period	-	-	-	-	(9 567)	(9 567)	(8 357)	(17 924)
Foreign exchange translation variances through OCI	-	1 772	-	-	9 741	11 513	11 327	22 840
Other comprehensive income for the period	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	1 772	-	-	174	1 946	2 970	4 916
Transactions with Owners								
Share issue costs	(33)	-	-	-	-	(33)	-	(33)
Share based payments	710	-	-	-	-	710	-	710
At 30 June 2019	46 550	1 772	2 366	711	(34 249)	17 150	(9 734)	7 416

**CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS
EXPRESSED IN US DOLLARS**

	Six months to 30 June 2019	Six months to 30 June 2018	Year to 31 December 2018
EXPRESSED IN US DOLLARS	\$ '000 (Unaudited)	\$ '000 (Unaudited)	\$ '000 (Audited)
Net cash outflow from operating activities	1 090	(775)	(1 558)
Investing activities			
Acquisition of property plant and equipment	-	-	(196)
Acquisition of intangible assets	-	(135)	(272)
Proceeds on sale of investment	-	-	243
Net cash used in investing activities	-	(135)	(225)
Financing activities			
Repayment of borrowings	-	-	(25)
Proceeds of loans granted	468	300	300
Repayment of warrant liability	-	(204)	(204)
Net proceeds from issue of share capital	-	507	1 415
Finance charges	(64)	(1)	(38)
Repayment of finance lease	(29)	(36)	(71)
Net cash from financing activities	375	566	1 377
Net decrease in cash and cash equivalents	1 465	(344)	(406)
Cash and cash equivalents at beginning of period	(272)	134	134
Net cash and cash equivalents at end of period	1 193	(210)	(272)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

1. GENERAL INFORMATION

Premier African Minerals Limited ('Premier' or 'the Company'), together with its subsidiaries (the 'Group'), was incorporated and domiciled 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 mining, development and exploration 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 2019 were approved by the Board and authorised for issue on 30 September 2019.

These interim financial statements have been prepared in accordance with the recognition and measurement principles of the International Financial Reporting Standards ("IFRS") as endorsed by the EU.

The accounting policies applied in the preparation of these consolidated interim financial statements are consistent with the accounting policies applied in the preparation of the consolidated financial statements for the year ended 31 December 2019.

The figures for the six months ended 30 June 2018 and 30 June 2019 are unaudited and do not constitute full accounts. The comparative figures for the year ended 31 December 2018 are extracts from the 2018 audited accounts. The independent auditor's report on the 2018 accounts was qualified but included an emphasis of matter – relating to Provision – rehabilitation and going concern.

Going Concern

The Directors have prepared cash flow forecasts for the next 12 months, taking into account forecast for working capital and forecast expenditure for the rest of the Group including overheads and other development costs.

The forecasts include additional equity finance which the directors believe can be met. In the event that the Company is unable to obtain additional equity finance for the Group's working capital, a material uncertainty exists which may cast significant doubt on the ability of the Group to continue as a going concern and therefore be unable to realise its assets and settle its liabilities in the normal course of business.

3. SEGMENTAL REPORTING

Segmental information is presented in respect of the information reported to the Directors. For the purposes of the current period, segmental information has been changed to separately report the revenue generating segments of RHA, that operates the RHA Tungsten Mine, and Zulu Lithium. The RHA segment derives income primarily from the production and sale of wolframite concentrate. All other segments are primarily focused on exploration and on administrative and financing segments.

Segmental results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

As at the reporting date, the company has significant holdings in Zimbabwe. As indicated in the audited annual financial statements, the Zimbabwean government has mandated that with effect of 1 March 2019 the only functional currency is RTGS Dollar. Since the introduction of RTGS Dollars the Zimbabwean inflation rate has gone into hyperinflationary percentages. As of the date of this report, hyperinflation accounting in terms of IAS29 has not been implemented, as the overall effects did not have a material effect on the interim financial statements. The annual financial statements for the year ended 31 December 2019 will, of necessity, must include hyperinflationary accounting for the company's Zimbabwean assets.

By operating segment	Unallocated Corporate	RHA Tungsten Mine Zimbabwe and RHA Mauritius*	Exploration Zulu Lithium Zimbabwe and Zulu Mauritius	Total continuing operations
June 2019	\$ 000	\$ 000	\$ 000	\$ 000
Result				
Revenue	(600)	(948)	-	(1 548)
Operating (income) / loss	103	17 078	673	17 854
Fair value movement on investment	-	-	-	-
Fair value movement on warrant options cancelled	-	-	-	-
Impairment of RHA	-	-	-	-
Impairment of Zulu Lithium	-	-	-	-
Finance charges	4	64	-	68
Loss before taxation	107	17 142	673	17 922
Assets				
Exploration and evaluation assets	-	-	-	-
Investments	6 263	-	-	6 263
Inventories	-	4	-	4
Trade and other receivables	-	9	-	9
Cash	348	844	-	1 193
Total assets	6 611	857	-	7 469
Liabilities				
Other financial liabilities	-	(65)	-	(65)
Borrowings	(685)	-	-	(685)
Bank overdraft	-	-	(1)	(1)
Trade and other payables	(1 006)	1 864	(2)	856
Provisions	(173)	-	-	-
Total liabilities	(1 865)	1 799	(3)	105
Net assets	4 746	2 656	(3)	7 574
Other information				
Depreciation and amortisation	-	-	-	-
Property plant and equipment additions	-	196	-	196
Costs capitalised to intangible assets	-	-	272	272

By operating segment	Unallocated Corporate	RHA Tungsten Mine Zimbabwe and RHA Mauritius*	Exploration Zulu Lithium Zimbabwe and Zulu Mauritius	Total continuing operations
June 2018	\$ 000	\$ 000	\$ 000	\$ 000
Result				
Revenue	-	(166)	-	(166)
Operating loss	893	501	-	1 394
Fair value movement on investment	-	-	-	-
Fair value movement on warrant options cancelled	-	-	-	-
Impairment of RHA	-	-	-	-
Impairment of Zulu Lithium	-	-	-	-
Finance charges	19	68	-	87
Loss before taxation	912	569	-	1 481
Assets				
Exploration and evaluation assets	-	-	4 426	4 426
Investments	6 603	-	-	6 603
Inventories	-	-	-	-
Trade and other receivables	19	189	-	208
Cash	86	2	3	91
Total assets	6 708	191	4 429	11 328
Liabilities				
Other financial liabilities	-	(126)	-	(126)
Borrowings	(534)	-	-	(534)
Bank overdraft	-	(302)	-	(302)
Trade and other payables	(1 114)	(1 365)	(1)	(2 480)
Provisions	-	(994)	-	(994)
Total liabilities	(1 648)	(2 787)	(1)	(4 436)
Net assets	5 060	(2 596)	4 428	6 892
Other information				
Depreciation and amortisation	-	-	-	-
Property plant and equipment additions	-	-	-	-
Costs capitalised to intangible assets	-	-	135	135

By operating segment	Unallocated Corporate	RHA Tungsten Mine Zimbabwe and RHA Mauritius*	Exploration Zulu Lithium Zimbabwe and Zulu Mauritius	Total continuing operations
December 2018	\$ 000	\$ 000	\$ 000	\$ 000
Result				
Revenue	-	(168)	-	(168)
Operating loss	1 791	1 053	-	2 844
Fair value movement on investment	(47)	-	-	(47)
Fair value movement on warrant options cancelled	-	-	-	-
Impairment of RHA	-	244	-	244
Impairment of Zulu Lithium	-	-	4 563	4 563
Finance charges	7	146	-	153
Loss before taxation	1 751	1 443	4 563	7 757
Assets				
Exploration and evaluation assets	-	-	-	-
Investments	6 263	-	-	6 263
Inventories	-	26	-	26
Trade and other receivables	15	38	-	53
Cash	2	11	2	16
Total assets	6 280	75	2	6 358
Liabilities				
Other financial liabilities	-	(94)	-	(94)
Borrowings	(213)	-	-	(213)
Bank overdraft	-	(288)	-	(288)
Trade and other payables	(1 313)	(1 645)	-	(2 957)
Provisions	-	(983)	-	(983)
Total liabilities	(1 526)	(3 009)	-	(4 535)
Net assets	4 754	(2 934)	2	1 823
Other information				
Depreciation and amortisation	-	-	-	-
Property plant and equipment additions	-	196	-	196
Costs capitalised to intangible assets	-	-	272	272

* Represents 100% of the results and financial position of RHA Tungsten (Private) Limited ("RHA") whereas the Group owns 49%.

4. INTANGIBLE EXPLORATION AND EVALUATION ASSETS

	Exploration & Evaluation assets \$ 000	Total \$ 000
Opening carrying value 1 December 2018	4 291	4 291
Expenditure on Exploration and evaluation	135	135
Closing carrying value 30 June 2018	4 426	4 426
Transfer to property, plant and equipment	(3 044)	(3 044)
Impairment of Exploration and evaluation assets	(1 382)	(1 382)
Closing carrying value 31 December 2018	-	-
Expenditure on Exploration and evaluation	-	-
Closing carrying value 30 June 2019	-	-

Exploration and evaluation assets at 30 June 2019 (and 30 June 2018 and 31 December 2018) relate to the Zulu Lithium and Tantalite Project ("Zulu") located in Zimbabwe.

During the period to 30 June 2019 \$ Nil million was capitalised to the Zulu (six months to 30 June 2018: \$0.135 million, year to 31 December 2018: \$ Nil).

Exploration work conducted on Zulu during the period indicated that both lithium and tantalum recovery may be a viable option. The Group views this project as strategic and exploration work will be continued in the future, cash flow permitting.

5. INVESTMENTS

	Circum Minerals	Arc Minerals Mining	Total
Available-for-sale:			
Opening carrying value 2018	6 263	196	6 459
Shares acquired	-	-	-
Fair value adjustment	-	144	144
Closing carrying 30 June 2018	6 263	340	6 603
Fair value adjustment	-	(97)	(97)
Shares disposed	-	(243)	(243)
Closing carrying 31 December 2018	6 263	-	6 263
Fair value adjustment	-	-	-
Closing carrying 30 June 2019	6 263	-	6 263
Reconciliation of movements in investments			
Investment in Circum Minerals Limited – 15 May 2014	1 400	-	1 400
Fair value adjustment - February 2015	1 100	-	1 100
Fair value adjustment – June 2015	1 500	-	1 500
Investment in Casa Mining Limited	-	250	250
Opening carrying value 2017	4 000	250	4 250
Acquisition at fair value	-	50	50
Acquisition at fair value 2017	2 936	-	2 936
Issue of Premier shares	1 216	-	1 216
Fair value adjustment – 31 December 2017	(1 889)	(104)	(1 993)
Opening carrying value 2018	6 263	196	6 459
Fair value adjustment – 31 December 2018	-	47	47
Sale of shares	-	(243)	(243)
Carrying value at 31 December 2018 and 30 June 2019	6 263	-	6 263

Premier's investment in Circum Minerals Limited ('Circum') was designated on 1 January 2018 as FVOCI as such is required to be measured at fair value at each reporting date. As Circum is unlisted there are no quoted market prices. The fair value of Circum shares was derived using the previous issue price and validating it against the most recent placing price on 30 April 2019. The shares are considered to be level 3 financial assets under the IFRS 13 categorisation of fair value measurements. We continue to hold 5 010 333 shares in Circum currently valued in total at \$6.263 million.

6. PROPERTY, PLANT AND EQUIPMENT

	Mine Development	Plant and Equipment	Land and Buildings	Total
	\$ 000	\$ 000	\$ 000	\$ 000
Cost				
At 1 January 2018	8 408	4 115	852	13 375
Additions				-
At 30 June 2018	8 408	4 115	852	13 375
Additions	1	195	-	196
At 31 December 2018	8 409	4 310	852	13 571
Additions	-	-	-	-
Foreign Currency Translation effect	(6 540)	(1 395)	(724)	(8 659)
At 30 June 2019	1 869	2 915	128	4 912
Accumulated Depreciation and Impairment Losses				
At 1 January 2018	8 408	4 115	852	13 375
Charge for the year	-	-	-	-
At 30 June 2018	8 408	4 115	852	13 375
Charge for the period	-	-	-	-
Impairment of RHA	1	195	-	196
At 31 December 2018	8 409	4 310	852	13 571
Charge for the period	-	-	-	-
Foreign Currency Translation effect	(6 540)	(1 395)	(724)	(8 659)
At 30 June 2019	1 869	2 915	128	4 912
Net Book Value				
At 30 June 2018	-	-	-	-
At 31 December 2018	-	-	-	-
At 30 June 2019	-	-	-	-

7. BORROWINGS

	30 June 2019 (Unaudited) \$ 000	30 June 2018 (Unaudited) \$ 000	2018 (Audited) \$ 000
Loan - G. Roach	216	534	213
Loan - Regent Mercantile	350	-	-
Loan - B. Roach	119	-	-
	685	534	213
Reconciliation of movement in borrowings			
As at 1 January	213	216	216
Loans received	468	300	300
Loans repaid through conversion to equity (1) (3)	-	-	(300)
Offset of loan against receivable (2)	-	-	-
Repayment	-	-	(25)
Debt settlement	-	-	-
Implementation fee	-	-	15
Accrued interest	4	18	7
As at 30 June / 31 December	685	534	213
Current	685	534	213
Non-current	-	-	-
	685	534	213

Borrowings comprise loans from a related party and a non-related party.

- 1) On 15 September 2015, George Roach provided a \$0.300 million loan direct to Premier for the use at RHA. The loan is unsecured and accrues interest at a rate of 3% per annum. As at 28 March 2017, the loan and accrued interest totalled \$0.309 million. On 28 March 2017 the Company announced that it had amended the terms of the existing loan agreement ("Loan") with George Roach through the grant of conversion rights. The Board granted conversion rights in respect of the Loan, which can now be converted into new ordinary shares at a price of 0.5p per new ordinary share.
- 2) On 4 June 2018, the Company entered into a loan with a company owned by a Trust of which George Roach is a beneficiary, for a gross value of \$0.300 million.

The Loan is non-interest bearing and has a maturity date, 30 November 2018, and will provide additional general working capital while the Company looks to bring finality to the negotiations currently underway in respect of both Zulu Lithium Private Limited (Zulu) and RHA. The Company will repay the entire Loan, including all fees within five days following the maturity of the Loan. The Loan carries an implementation fee of \$0.015 million (5%) and a redemption fee of \$0.015 million (5%), collectively the fees ("Fees"). The terms and conditions of the Loan contain a negative pledge provision in respect of the Company relating to certain types of indebtedness and standard events of default. The Loan is not convertible, nor does it include share-based repayment or warrants.

- 3) On 21 June 2019, Brendan Roach provided a £0.084 million (\$0.118 million) loan direct to Premier for the use at the company. The loan is unsecured and accrues interest at a rate of 8% per annum.
- 4) On 26 June 2019, the Company entered into a loan with a Regent Mercantile for a gross value of \$0.350 million. The loan is secured against Circum shares and bears interest at 10% per annum. and is repayable within 3 months with the option to extend it for additional periods of 3 months.

8. SHARE CAPITAL

Authorised share capital

At the Annual General Meeting held on 5th of August 2019, the shareholders approved the increase in authorised share capital to 11.5 billion (30 June 2018 7 billion and 31 December 2018 9 billion) ordinary shares of no par value.

The correct issued ordinary share capital of the Company is 11,003,778,580 ordinary shares (as opposed to the 11,003,778,500 Ordinary Shares announced on 27 September 2019).

Issued share capital

	Number of shares \$ '000	\$ '000
As at 1 January 2018 - Audited	6 574 967	46 960
Shares issued on warrant exercise	250 000	563
As at 30 June 2018	6 824 967	47 523
Shares issued under subscription agreements	416 667	975
Shares issued on conversion of loan	142 045	300
As at 31 December 2018 - Audited	7 383 679	48 798
Shares issued to settle trade payables	161 986	710
As at 30 June 2019	7 545 665	49 508

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

	Issued Share Capital \$ '000	Share Issue Costs \$ '000	Share Capital (Net of Costs) \$ '000
As at 31 December 2017 - Audited restated	46 960	(2 802)	44 158
Shares issued	563	(56)	507
As at 30 June 2018	47 523	(2 858)	44 665
Shares issued	1 275	(67)	1 208
As at 31 December 2018 - Audited restated	48 798	(2 925)	45 873
Shares issued	710	(33)	677
As at 30 June 2019	49 508	(2 958)	46 550

9. SUNDRY REVENUE

	Six months to 30 June 2019 \$ 000	Six months to 30 June 2018 \$ 000	2018 (Audited) \$ 000
Reversal of prescribed debt	600	-	-
NIEEF funding received	948	-	-

10. FOREIGN EXCHANGE LOSSES

As indicated in note 3. Segmental Reporting, the company has significant holdings in Zimbabwe. With effect from the 1st of March 2019, the Zimbabwean government has mandated that the only functional currency is RTGS Dollar. Since the introduction of RTGS Dollar the currency has devalued from the introductory rate of RTGS Dollar 1: \$ 1 to RTGS Dollar 6.622 as at 30 June 2019. This currency has continued to devalue in the period to 30 September 2019.

The effect on the financial statements has been an exchange loss of \$18.258 million in the period to 30 June 2019 (30 June 2018 and 31 December 2018 \$ Nil) on the conversion of certain US Dollar denominated loans owed by the group's Zimbabwean subsidiaries to other companies within the group.

11. TAXATION

There is no taxation charge for the period ended 30 June 2019 (30 June 2018 and 31 December 2018: Nil) because the Group is registered in the British Virgin Islands where no corporate taxes or capital gains tax are charged. However, the Group may be liable for taxes in the jurisdictions of the underlying operations.

The Group has incurred tax losses in Zimbabwe; however a deferred tax asset has not been recognised in the accounts due to the unpredictability of future profit streams.

Contingent liability

The Group operates across different geographical regions and is required to comply with tax legislation in various jurisdictions. The determination of the Group's tax is based on interpretations applied in terms of the respective tax legislations and may be subject to periodic challenges by tax authorities which may give rise to tax exposures.

12. LOSS PER SHARE

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

	Six months to 30 June 2019 (Unaudited)	Six months to 30 June 2018 (Unaudited)	Year to 31 December 2018 (Audited)
	\$ '000	\$ '000	\$ '000
Net loss attributable to owners of the company (\$'000)	(9 567)	(1 075)	(6 809)
Weighted average number of Ordinary Shares in calculating basic earnings per share ('000)	7 413 376	8 392 279	6 954 725
Basic loss per share (US cents)	(0.13)	(0.01)	(0.1)

As the Group incurred a loss for the period, there is no dilutive effect from the share options and warrants in issue or the shares issued after the reporting date.

13. EVENTS AFTER THE REPORTING DATE

13.1 Corporate matters

On the 8 July 2019 Premier announced a strategic loan of \$1.35 million with an annual interest of 10% to MNH. The loan to OM is intended to enable the purchase of significant additional plant and equipment from the nearby Purity Mine currently under liquidation, to allow OM to steadily increase production and revenues. The Company and Cambrian Limited have entered into a secured \$1.35 million loan agreement with MNH, with a maturity date of 1 October 2021.

The annual interest rate payable by MNH on the outstanding loan amount is 10% per annum. In accordance with the Loan Agreement, Cambrian has already provided \$350,000 in cash to MNH and Premier will provide the remaining \$1 million in the form of 1,763,668,430 new ordinary Premier Shares conditionally issued to the equivalent value of \$1,000,000 at an issue price of 0.045p, being the Premier closing share price on 5 July 2019. The Loan Shares will be subject to an orderly market agreement such that they may subsequently only be sold by MNH through the Company's broker to ensure an orderly market is maintained. With effect from 1 January 2020, and on the first trading day of every month thereafter until the Maturity Date, MNH will repay a minimum of 10% of all outstanding amounts under the Loan to the Lenders.

On the 28 August 2019 Premier announced the Completion of Loan the into MNH whereby under Premier's existing share authorities on the date of issue of the Loan Agreement, Premier could only issue 1,009,889,850 of the Loan Shares for a value of £454,450. Following the approval by shareholders to increase the Company authorised share capital, as announced on the 6 August 2019, the Company settled the balance of the 753,778,580 Loan Shares at a value of £339,200 at the Issue Price ("Second Loan Shares"). The Second Loan Shares will be subject to an orderly market agreement such that they may subsequently only be sold by MNH through the Company's broker to ensure an orderly market is maintained.

On the 4 September the Board of Premier reported that the Company and Regent Mercantile Holdings Limited ("Regent") have agreed to extend the repayment terms of the convertible loan note for \$350,000 entered into on the 21 June 2019. Premier will have until 31 January 2020 to repay the principal amount including any interest under the Loan Agreement. The Loan Agreement will continue to be secured over 350,000 shares of Circum held by Premier.

On the 27 September 2019 the Company concluded a direct subscription £250,000 before expenses at an issue price of 0.02 pence per new ordinary share.

13.2 Consultants

On the 8 July 2018 Premier appointed Neil Herbert, the Chairman of OM, and Peter Cunningham as consultants to Premier. These appointments were part of the process of enhancing the Company's executive team and creating opportunities to assist Premier in the restructure and diversification of country and commodity risk I have been discussing and have alluded to for some time now.

The Company further announced on the 28 August 2019 the Neil Herbert had agreed to be appointed as director of the Company.

13.3 RHA

On the 8 July 2019 Premier reported that there are developments at RHA as set out in their recently published accounts. RHA has not received the full amount of \$ 6 million committed in agreement by the NIEEF but received 6 million RTGS Dollars.

On 17 July 2019 Premier confirmed an order to electrify RHA has been given, Zimbabwe Electricity Supply Authority ("ZESA") has been requested to commence essential works immediately. NIEEF is committed under the

new Management Agreement to provide an equivalent of \$6 million and NIEEF has acknowledged that the RTGS Dollars funding provided to date will be supplemented to the extent this is reasonably necessary to bring RHA back to production.

13.4 Circum

On 30 August 2019 Premier announced that the Board of Directors have decided to adopt a formal Board policy in respect of its investment in Circum ("Circum Policy"). Premier beneficially owns 5,010,333 shares in Circum which, as reported in the Company's audited report and accounts for the year ended 31 December 2019, currently have a carrying value of \$6,262,916.

Under the Circum Policy, providing the proceeds of the liquidity event is greater than \$6,262,916 in respect of the Company's entire current holding in Circum ("Circum Interest"), then the Board of Directors would convene a general meeting at which shareholders will be asked to approve the disposal of the Circum Interest ("Circum Disposal"). Conditional on the approval of the Circum Disposal, Premier will first repay all existing debts and liabilities incurred in the ordinary course of business as at the date of the liquidity event of the Circum Interest.

Shareholders will be further asked to approve either of the following options to facilitate a fair and equitable distribution to Premier's shareholders of its Circum Interest;

- a) Direct distribution to existing shareholders by way of either a share dividend, share buyback scheme or such other scheme of arrangement that would be the most reasonably tax efficient for shareholders; or
- b) The retention by the Company of the disposal proceeds to allow Premier to investment into existing or new projects of Premier.