

30 September 2021

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

Unaudited Interim Results for the six months ended 30 June 2021

Chief Executive Statement

Dear Shareholders,

It is a pleasure to share with you the unaudited interim results for the six months ended 30 June 2021.

The first six months activity of 2021 (the ‘**Period**’) has been extensively reported as post financial year end events in our annual financial statements that were released just a few months ago and in various interim announcements.

I am happy to confirm as we publish these interim results, a few notable achievements including:

- The reversal of the impairment imposed on Zulu Lithium Private limited (‘**Zulu**’), which has been internally reviewed in consultation with our external auditor;
- International spodumene concentrate prices continue to increase and this is most encouraging for our prospects at Zulu;
- All sample preparation and site analysis equipment has been delivered to Zulu and has been commissioned;
- First provisional analysis results from drilling are imminent;
- Negotiations proceed regarding RHA Tungsten Private Limited (‘**RHA**’) and whilst ammonium para tungstate prices continue to hold above \$300 per metric ton unit, there is a strong potential future for RHA, and
- We continue to engage directly with MN Holding Limited in our focus on cash generative assets.

Financial and Statutory Information

The Group had an operating profit of \$3.943 million for the six months ending 30 June 2021. This is due to the reversal of the impairment of the evaluation and exploration assets of Zulu Lithium.

Premier received continued financial support from its shareholders throughout the period.

These interim statements to 30 June 2021 have not been reviewed by the auditors.

**Mr. George Roach
Chief Executive Officer
30 September 2021**

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.

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014 as it forms part of UK Domestic Law by virtue of the European Union (Withdrawal) Act 2018.

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:

George Roach	Premier African Minerals Limited	Tel: +27 (0) 100 201 281
Michael Cornish / Roland Cornish	Beaumont Cornish Limited (Nominated Advisor)	Tel: +44 (0) 207 628 3396
Jerry Keen / Edward Mansfield	Shore Capital Stockbrokers Limited	Tel: +44 (0) 207 408 4090

CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION
EXPRESSED IN US DOLLARS

EXPRESSED IN US DOLLARS	Notes	Six months to 30 June 2021 \$ 000	Six months to 30 June 2020 \$ 000	2020 (Audited) \$ 000
ASSETS				
Non-current assets				
Intangible assets	4	4 686	-	120
Investments	5	8 342	7 559	8 342
Property, plant and equipment	6	58	-	-
		<u>13 086</u>	<u>7 559</u>	<u>8 462</u>
Current assets				
Inventories		1	1	1
Trade and other receivables		419	709	7
Cash and cash equivalents		937	9	727
		<u>1 357</u>	<u>719</u>	<u>735</u>
TOTAL ASSETS		<u>14 443</u>	<u>8 278</u>	<u>9 197</u>
LIABILITIES				
Non-current liabilities				
Financial lease liabilities		-	-	-
Deferred tax		-	-	-
Provisions - rehabilitation		90	41	196
		<u>90</u>	<u>41</u>	<u>196</u>
Current liabilities				
Trade and other payables		497	1 270	505
Financial lease liabilities		-	-	-
Borrowings	7	-	1 255	-
Bank overdraft		-	-	-
		<u>497</u>	<u>2 525</u>	<u>505</u>
TOTAL LIABILITIES		<u>587</u>	<u>2 566</u>	<u>701</u>
NET ASSETS		<u>13 856</u>	<u>5 712</u>	<u>8 496</u>
EQUITY				
Share capital	8	53 835	48 935	52 504
Share based payment and warrant reserve		2 366	2 366	2 366
Revaluation reserve		711	711	711
Foreign currency translation reserve		(12 752)	(12 720)	(12 794)
Accumulated loss		(18 386)	(22 088)	(22 543)
Total equity attributed to the owners of the parent company		<u>25 774</u>	<u>17 204</u>	<u>20 244</u>
Non-controlling interest		(11 918)	(11 492)	(11 748)
TOTAL EQUITY		<u>13 856</u>	<u>5 712</u>	<u>8 496</u>

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

Continuing operations EXPRESSED IN US DOLLARS	Notes	Six months to 30 June 2021 \$ 000	Six months to 30 June 2020 \$ 000	2020 (Audited) \$ 000
Revenue		-	-	-
Cost of sales excluding depreciation and amortisation expense		-	-	-
Depreciation and amortisation	6	-	-	-
Gross profit / (loss)		-	-	-
Administrative expenses		(737)	(567)	(1 269)
Operating profit / (loss)		(737)	(567)	(1 269)
Other Income		120	13	74
Impairment of intangible assets - Zulu Lithium		4 563	(5)	(4)
Finance charges		(3)	(54)	(88)
		4 680	(46)	(18)
Profit / (Loss) before income tax		3 943	(613)	(1 287)
Income tax expense	10	-	-	-
Profit / (Loss) from continuing operations		3 943	(613)	(1 287)
Loss for the year		3 943	(613)	(1 287)
Other comprehensive income:				
Items that are or may be reclassified subsequently to profit or loss:				
Foreign exchange loss on translation		86	67	(44)
Fair value movement on available-for-sale investment		-	-	-
		86	67	(44)
Total comprehensive income for the year		4 029	(546)	(1 331)
Loss attributable to:				
Owners of the Company		4 157	(404)	(859)
Non-controlling interests		(214)	(209)	(428)
		3 943	(613)	(1 287)
Total comprehensive income attributable to:				
Owners of the Company		4 199	(356)	(885)
Non-controlling interests		(170)	(190)	(446)
Total comprehensive income for the year		4 029	(546)	(1 331)
Loss per share attributable to owners of the parent (expressed in US cents)				
Basic loss per share	11	0.023	(0.004)	(0.007)
Diluted loss per share	11	0.023	(0.004)	(0.007)

**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 2020	48 042	(12 768)	2 366	711	(21 684)	16 667	(11 302)	5 365
Loss for the period	-	-	-	-	(404)	(404)	(209)	(613)
Other comprehensive income for the period	-	48	-	-	-	48	19	67
Total comprehensive income for the period	-	48	-	-	(404)	(356)	(190)	(546)
Transactions with Owners								
Issue of equity shares	893	-	-	-	-	893	-	893
At 30 June 2020	48 935	(12 720)	2 366	711	(22 088)	17 204	(11 492)	5 712
Loss for the period	-	-	-	-	(455)	(455)	(219)	(674)
Other comprehensive income for the period	-	(74)	-	-	-	(74)	(37)	(111)
Total comprehensive income for the period	-	(74)	-	-	(455)	(529)	(256)	(785)
Transactions with Owners								
Issue of equity shares	3 569	-	-	-	-	3 569	-	3 569
At 31 December 2020	52 504	(12 794)	2 366	711	(22 543)	20 244	(11 748)	8 496
Profit / (Loss) for the period	-	-	-	-	4 157	4 157	(214)	3 943
Other comprehensive income for the period	-	42	-	-	-	42	44	86
Total comprehensive income for the period	-	42	-	-	4 157	4 199	(170)	4 029
Transactions with Owners								
Issue of equity shares	1 331	-	-	-	-	1 331	-	1 331
At 30 June 2021	53 835	(12 752)	2 366	711	(18 386)	25 774	(11 918)	13 856

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS
EXPRESSED IN US DOLLARS

EXPRESSED IN US DOLLARS	Six months to 30 June 2021 \$ 000	Six months to 30 June 2020 \$ 000	2020 (Audited) \$ 000
Net cash outflow from operating activities	(1 060)	(1 264)	(798)
Investing activities			
Acquisition of property plant and equipment	(58)	-	(4)
Acquisition of intangible assets	(3)	-	-
Acquisition of subsidiaries, net of cash acquired	-	-	(120)
Acquisition of investment	-	(115)	(898)
Net cash used in investing activities	(61)	(115)	(1 022)
Financing activities			
Proceeds from borrowings granted	-	490	200
Net proceeds from issue of share capital	1 331	893	2 343
Finance charges	-	(1)	(1)
Repayment of finance lease	-	(34)	(35)
Net cash from financing activities	1 331	1 348	2 507
Net decrease in cash and cash equivalents	210	(31)	687
Cash and cash equivalents at beginning of year	727	40	40
Net cash and cash equivalents at end of year	937	9	727

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 2021 were approved by the Board and authorised for issue on 30 September 2021.

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 2020.

The figures for the six months ended 30 June 2020 and 30 June 2021 are unaudited and do not constitute full accounts. The comparative figures for the year ended 31 December 2020 are extracts from the 2020 audited accounts. The independent auditor's report on the 2020 accounts was qualified but included an emphasis of matter relating to going concern.

Going Concern

The Directors have prepared cash flow forecasts for the next 12 months, taking into account working capital and expenditure forecasts 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. The segmental information reports the revenue generating segments of RHA Tungsten Private Limited ('RHA'), that operates the RHA Tungsten Mine, and Zulu Lithium Private Limited ('Zulu'). 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 mandated that with effect of 1 March 2019 the only functional currency is the RTGS Dollar. Since the introduction of RTGS Dollars the Zimbabwean inflation rate has gone into hyperinflationary percentages. Hyperinflationary accounting requires a restatement of the local currency assets and liabilities to reflect the effect of the hyperinflation before translating the local currency to the reporting currency. Refer to the audited annual financial statements of 31 December 2020 for more detailed information.

By operating segment		RHA	Exploration	Total
June 2021	Unallocated	Tungsten	Zulu Lithium	continuing
	Corporate	Mine	Zimbabwe	operations
	\$ 000	and RHA	and Zulu	\$ 000
		Mauritius*	Mauritius	
		\$ 000	\$ 000	\$ 000
Result				
Revenue	-	-	-	-
Operating (income) / loss	(659)	(45)	(32)	(736)
Other Income	119	-	-	119
Impairment of RHA	-	-	-	-
Reversal of impairment of Zulu Lithium	-	-	4 563	4 563
Finance charges	-	(3)	-	(3)
Loss before taxation	(540)	(48)	4 531	3 943
Assets				
Exploration and evaluation assets	123	-	4 563	4 686
Investments	8 342	-	-	8 342
Property Plant and equipment	-	-	58	58
Inventories	-	1	-	1
Trade and other receivables	271	8	140	419
Cash	937	-	-	-
Total assets	9 673	9	4 761	13 506
Liabilities				
Other financial liabilities	-	-	-	-
Borrowings	-	-	-	-
Bank overdraft	-	-	-	-
Trade and other payables	373	121	3	497
Provisions	-	90	-	90
Total liabilities	373	211	3	587
Net assets	9 300	(202)	4 758	12 919
Other information				
Depreciation and amortisation	-	-	-	-
Property plant and equipment additions	-	-	58	58
Costs capitalised to intangible assets	3	-	-	3

By operating segment June 2020	Unallocated Corporate \$ 000	RHA Tungsten Mine Zimbabwe and RHA Mauritius* \$ 000	Exploration Zulu Lithium Zimbabwe and Zulu Mauritius \$ 000	Total continuing operations \$ 000
Result				
Revenue	-	-	-	-
Operating (income) / loss	(503)	(60)	(4)	(567)
Other Income	-	13	-	13
Impairment of RHA	-	(5)	-	(5)
Impairment of Zulu Lithium	-	-	-	-
Finance charges	(51)	(3)	-	(54)
Loss before taxation	(554)	(55)	(4)	(613)
Assets				
Exploration and evaluation assets	-	-	-	-
Investments	7 559	-	-	7 559
Inventories	-	1	-	1
Trade and other receivables	707	2	-	709
Cash	1	8	-	9
Total assets	8 267	11	-	8 278
Liabilities				
Other financial liabilities	-	-	-	-
Borrowings	1 255	-	-	1 255
Bank overdraft	-	-	-	-
Trade and other payables	1 080	189	1	1 270
Provisions	-	41	-	41
Total liabilities	2 335	230	1	2 566
Net assets	5 932	(219)	(1)	5 712
Other information				
Depreciation and amortisation	-	-	-	-
Property plant and equipment additions	-	-	-	-
Costs capitalised to intangible assets	-	-	-	-

By operating segment December 2020	Unallocated Corporate \$ 000	RHA Tungsten Mine Zimbabwe and RHA Mauritius* \$ 000	Exploration Zulu Lithium Zimbabwe and Zulu Mauritius \$ 000	Total continued operations \$ 000
Result				
Revenue	-	-	-	-
Operating loss / (income)	(1 073)	(185)	(11)	(1 269)
Other income		74		74
Impairment of RHA	-	(4)	-	(4)
Finance charges	(61)	(27)	-	(88)
Impairment of Zulu	-	-	-	-
Loss before taxation	(1 134)	(142)	(11)	(1 287)
Assets				
Exploration and evaluation assets	120	-	-	120
Investments	8 342	-	-	8 342
Inventories	-	1	-	1
Trade and other receivables	2	5	-	7
Cash	722	5	-	727
Total assets	9 186	11	-	9 197
Liabilities				
Other financial liabilities	-	-	-	-
Borrowings	-	-	-	-
Bank overdraft	-	-	-	-
Trade and other payables	356	147	2	505
Provisions	-	196	-	196
Total liabilities	356	343	2	701
Net assets	8 830	(332)	(2)	8 496
Other information				
Depreciation and amortisation	-	-	-	-
Property plant and equipment additions	-	9	-	9
Costs capitalised to intangible assets	-	-	-	-

* Represents 100% of the results and financial position of RHA whereas the Group owns 49%.

4. INTANGIBLE EXPLORATION AND EVALUATION ASSETS

	Exploration & Evaluation assets \$ 000	Total \$ 000
Opening carrying value 1 January 2020	-	-
Expenditure on Exploration and evaluation	-	-
Closing carrying value 30 June 2020	-	-
Transfer to property, plant and equipment	-	-
Expenditure on Exploration and evaluation	120	120
Closing carrying value 31 December 2020	120	120
Expenditure on Exploration and evaluation	3	3
Reversal of Impairment	4 563	4 563
Closing carrying value 30 June 2021	4 686	4 686

During 2020 the company acquired a portfolio of hard-rock lithium assets located in Zimbabwe and Mozambique (six months to 30 June 2021: \$ 0.03 million, year to 31 December 2020: \$ 0.120 million) from Lithium Consolidated Limited ('Li3').

During the period to 30 June 2021 \$4.563 million was the reversal of impairment for Zulu. (six months to 30 June 2019: \$ Nil, year to 31 December 2020: \$ Nil).

Exploration work conducted on Zulu during prior periods 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	Manganese Namibian Holdings	Total
Available-for-sale:			
Closing carrying 31 December 2019	6 263	1 181	7 444
Fair value adjustment	-	115	115
Closing carrying 30 June 2020	6 263	1 296	7 559
Shares acquired	-	783	783
Closing carrying 31 December 2020	6 263	2 079	8 342
Shares acquired	-	-	-
Closing carrying 30 June 2021	6 263	2 079	8 342
Reconciliation of movements in investments			
Carrying value at 31 December 2019	6 263	1 181	7 444
Acquisition at fair value	-	898	898
	6 263	2 079	8 342
Acquisition at fair value	-	-	-
Carrying value at 31 December 2020 and 30 June 2021	6 263	2 079	8 342

Premier's investment in Circum Minerals Limited ('Circum') was designated 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 11 May 2021. 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.

Premier's investment in MN Holdings Limited ('MNH') is classified as an FVOCI as such is required to be measured at fair value at the reporting date. As MNH is unlisted there are no quoted market prices. The Fair value of the MNH shares as at 30 June 2021 and 31 December 2020 was based on the latest transactions and supported by an external evaluation conducted by Bara Consulting.

6. PROPERTY, PLANT AND EQUIPMENT

	Mine Development	Plant and Equipment	Land and Buildings	Total
	\$ 000	\$ 000	\$ 000	\$ 000
Cost				
At 1 January 2020	1 670	2 981	101	4 752
Foreign Currency Translation effect	(644)	(257)	(71)	(972)
Additions	-	-	-	-
At 30 June 2020	1 026	2 724	30	3 780
Foreign Currency Translation effect	(82)	(39)	6	(115)
Transfer from Capital Work in Progress	-	-	-	-
Additions	-	9	-	9
At 31 December 2020	944	2 694	36	3 674
Foreign Currency Translation effect	(8)	(3)	(2)	(13)
Additions	-	58	-	58
At 30 June 2021	936	2 749	34	3 719
Accumulated Depreciation and Impairment Losses				
At 1 January 2020	1 670	2 981	101	4 752
Foreign Currency Translation effect	(644)	(257)	(71)	(972)
Charge for the year	-	-	-	-
At 30 June 2020	1 026	2 724	30	3 780
Exchange differences	(82)	(39)	6	(115)
Charge for the year	-	-	-	-
Impairment of RHA	-	9	-	9
At 31 December 2020	944	2 694	36	3 674
Foreign Currency Translation effect	(8)	(3)	(2)	(13)
Charge for the year	-	-	-	-
Impairment of RHA	-	-	-	-
At 30 June 2021	936	2 691	34	3 661
Net Book Value				
At 30 June 2020	-	-	-	-
At 31 December 2020	-	-	-	-
At 30 June 2021	-	58	-	58

7. BORROWINGS

	30 June 2021 (Unaudited) \$ 000	30 June 2020 (Unaudited) \$ 000	2020 (Audited) \$ 000
Loan - G. Roach	-	442	-
Loan - Regent Mercantile	-	387	-
Loan - B. Roach	-	132	-
Convertible Loan Notes - Riverfort, D-Beta, YA	-	294	-
	-	1 255	-
Reconciliation of movement in borrowings			
As at 1 January	-	715	-
Loans received (1) (2)	-	490	-
Accrued interest	-	50	-
Total	-	1 255	-
Current	-	1 255	-
Non-current	-	-	-
	-	1 255	-

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

- (1) As at 30 June 2021 \$nil million was outstanding to George Roach. In March 2020 the Company entered into a secured \$0.200 million Loan Agreement and related Subscription Agreement with a company owned by a Trust of which George Roach is a beneficiary at 10% interest per annum. In July 2020 \$0.206 million was settled by issue of 232,647,763 ordinary shares and in October 2020 the balance of \$0.237 million was settled by issue of 456,291,154 ordinary shares.

This loan was unsecured with no fixed terms or repayment and bearing interest at 3% per annum.

8. SHARE CAPITAL

Authorised share capital

At the Annual General Meeting held on 5th August 2019, the shareholders approved the following:

- 1) the removal of the restrictions on the number of no-par value ordinary shares of a single class that the Company is authorised to issue; and
- 2) for the period commencing twenty-four (24) months following the date of the above general meeting, the disapplication of the pre-emption provisions in Company's articles of association in relation to the issue of up to six billion and five hundred million (6 500 000 000) ordinary shares.

The total number of voting rights in the Company on the 30 June 2021 was 18 418 009 831.

Issued share capital

	Number of Shares '000	Value \$ '000
As at January 2020	11 266 071	51 035
Shares issued for direct Investment	669 304	898
As at 30 June 2020	11 935 375	51 933
Shares issued under subscription agreement	2 874 513	1 541
Shares issued on conversion of loan	1 108 057	894
Shares issued on conversion of fees	1 875 064	1 224
As at 31 December 2020	17 793 009	55 592
Shares issued for direct Investment	625 000	1 417
As at 30 June 2021	18 418 009	57 009

Reconciliation to balances 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 2019 - Audited	51 035	(2 993)	48 042
Shares issued	893	-	893
As at 30 June 2020	51 928	(2 993)	48 935
Shares issued	3 664	(95)	3 569
As at 31 December 2020 - Audited	55 592	(3 088)	52 504
Shares issued	1 417	(86)	1 331
As at 30 June 2021	57 009	(3 174)	53 835

9. OTHER INCOME

	30 June 2021 (Unaudited) \$ 000	30 June 2020 (Unaudited) \$ 000	2020 (Audited) \$ 000
NIEEF refund of expenses	-	-	-
Reversal of prescribed debt	120	13	74
NIEEF funding received	120	13	74

10. FOREIGN EXCHANGE GAINS AND 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 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 85.4234 at 30 June 2021 (RTGS Dollar 57.3582 - 30 June 2020). This currency has continued to devalue. As defined in IAS29, the Zimbabwean economy is considered to be hyperinflationary. As most of the

group's Zimbabwean assets have been impaired the result in liabilities are adjusted for the hyperinflationary effect. This leads to a net gain on translation into the reporting currency. For further information refer to the audited financial statement of 31 December 2020.

11. TAXATION

There is no taxation charge for the period ended 30 June 2021 (30 June 2020 and 31 December 2020: 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 2021 (Unaudited)	Six months to 30 June 2020 (Unaudited)	31 December 2019 (Audited)
	\$ '000	\$ '000	\$ '000
Net profit / (loss) attributable to owners of the company (\$'000)	4 157	(404)	(859)
Weighted average number of Ordinary Shares in calculating basic earnings per share ('000)	17 865 523	11 455 420	13 167 281
Basic earnings / (loss) per share (US cents)	0.023	(0.004)	(0.007)

As the Group incurred a profit for the period (2020: loss), 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

1) RHA Tungsten Private Limited ('RHA')

In August, Premier completed a new conceptual underground Conceptual Mine Plan for RHA ('**Conceptual Mine Plan**') in conjunction with technical assistance from independent South African mine planning consultants, Bara Consulting Proprietary Limited, geological consultants Shango Solutions and metallurgy and process engineer Multotec Process Equipment Proprietary Limited.

The objective of this Conceptual Mine Plan was to assess the potential impact of returning RHA to production and assess whether RHA can generate a return on Premier's investment to date. The Conceptual Mine Plan established that RHA through the underground could target a return to production at a rate of 6,000 tons per

month with a projected life of mine of 10 years. The indication was that the peak funding requirement would be US\$2.5 million with a payback within 16 months.

2) Zulu Lithium Private Limited ('Zulu')

In July, Premier commissioned the second drilling rig is on site. Despite the Covid-19 related lockdowns and travel restrictions in the Southern African Development Community region, Zulu continued to make positive progress in the drilling program that is central to Zulu's Definitive Feasibility Study ('DFS').

In August, Premier confirmed that it remains on track with its plans to prepare Zulu's DFS in line with previously reported timelines.

On the 16 August, Premier published an updated Zulu Scoping Study to reflect the current Spodumene selling prices, together with current costings. The results of the updated scoping study, together with a comparison to the scoping study (2017) is set out in the table below:

Description	Units	Scoping Study (2017)	Updated Scoping Study (2021)		
Revenue					
Spodumene Concentrate Sales Price	US\$ / t conc	800	1 000	1 150	1 300
Petalite Concentrate Sales Price	US\$ / t conc	400	400	400	400
Average Concentrate Sale Price	US\$ / t conc	688	832	940	1 048
Total Revenue	US\$'M	1 095	1 325	1 497	1 669
Operating Costs					
C1 Operating Costs	US\$'M	773	837	837	837
C1 Operating Costs	US\$ / tonne	56.2	60.9	60.9	60.9
C1 Operating Costs	US\$ / t conc	485.5	525.6	525.6	525.6
Capital Cost					
Surface Infrastructure	US\$'M	15.0	16.2	16.2	16.2
Concentrate Processing Plant	US\$'M	24.4	26.4	26.4	26.4
Mining	US\$'M	2.5	2.7	2.7	2.7
Tailings Dam	US\$'M	5.6	6.1	6.1	6.1
Indirect Cost	US\$'M	2.4	2.6	2.6	2.6
Contingency	US\$'M	14.2	15.4	15.4	15.4
Total Capital Cost	US\$'M	64.0	69.3	69.3	69.3
Financial Metrics					
Pre-Tax NPV10	US\$'M	127	207	292	377
Pre-Tax IRR	%	85.9	112.4	144.3	176.0
Post-Tax NPV10	US\$'M	92	151	215	279
Post-Tax IRR	%	65.0	85.3	109.5	133.4
Payback Period	Years	2	2	2	2
Peak Funding Requirement	US\$'M	- 38	- 42	- 42	- 42
Operating Margin	%	27.7	35.1	42.3	48.0

Notes:

Note 1: The NPVs are shown for the gross value of the Zulu Project.

Note 2: All NPV values extracted from the Updated Scoping Study have been rounded to the nearest whole M.

Note 3: The peak funding requirement has been calculated on a yearly basis and represents the peak at the end of year 2. As production is assumed to commence in year 2, the actual peak funding requirement during the year will be higher.

Note 4: Source – Updated Scoping Study.

Note 5: The Updated Scoping Study is preliminary in nature and includes Inferred Mineral Resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorised as Mineral Reserves. The Updated Scoping Study referred is based on preliminary technical and economic assessments. It is preliminary in nature, and includes Inferred Mineral Resources which are insufficient to provide certainty that the conclusions of the Updated Scoping Study will be realised

On the 17 August 2021, Premier concluded a direct equity raise of £1,000,000 before expenses at an issue price of 0.2 pence per new ordinary share for ongoing use at the Zulu DFS and general working capital.

On the 2 September 2021, Premier confirmed that 1,000 meters had now been completed. The Company further confirmed the following:

- Six Diamond holes had now been completed with planned 20,000 meters of diamond core drilling including sample collection for test work.
- Good intersections of visible spodumene mineralisation had continued to be encountered.
- One rig will be dedicated from September to larger diameter core recovery for metallurgical, mineralogical, and geotechnical test work.
- Third rig expected on site in October 2021.

Premier confirmed that works on Zulu's Exclusive Prospecting Order ('EPO') to date has included collation of historic data, initial surface mapping and inspection, and is progressing with ground based geophysical data gathering and compilation of a detailed remote sensing study, including hyperspectral imaging to identify possible spectral features of pegmatite intrusions and to discriminate the lithium-bearing pegmatites from the host rocks.

Premier believes that this approach has the potential to generate additional exploration targets over the EPO.

3) MN Holdings Limited ('MNH')

Otjozondou Off-Take Partner

In August, Otjozondou Mining (Proprietary) Limited ('Otjozondou') issued their existing off-take partner with 90-days' notice, the contract will terminate on 18 November 2021. Otjozondou remains in ongoing discussions with its existing off-taker on improved commercial terms including the required expansion capital to assist with existing mining operations.

Premier is equally in advanced discussions with other potential off-take partners to assist Otjozondou in securing the best possible financial terms from its future off-take partner.

Otjozondou Loan

Premier provided a US\$260,000 loan direct to Otjozondou for use at Otjozondou Manganese Mining Project in Namibia ('Initial Amount'). The secured loan with an interest rate of 20% per annum is repayable in US\$25,000 instalments on each shipment of Manganese commencing from the beginning of September 2021.

Premier further agreed to increase the Initial Amount by US\$180,000 ('Extension Amount') thereby increasing the total loan amount to US\$440,000. Premier further agreed that the repayment term of the Initial Amount will only commence on the first shipment of manganese following the signing of a new off-take agreement.

The parties have further agreed that the Extension Amount will be immediately repayable on the signing of the new offtake agreement from proceeds from the new off-take agreement.

Director Loan

Mr Neil Herbert made available a loan of US\$180,000 to the Company. Under the terms of the Director Loan, the loan is both unsecured and will not attract any interest and is repayable in full by the Company on the signing of

a new off-take agreement at Otjondu or 90 days following signing of the Director Loan, whichever occurs sooner.

The purpose of the Director Loan is to provide funding to the Premier to allow an amendment to Otjondu Loan while Premier, acting collectively with Otjondu, looks to secure the best possible off-take funding package.

ENDS