

21 May 2024

Premier African Minerals Limited

Funding of Zulu Project and Update

Premier African Minerals Limited ("Premier" or the "Company") is pleased to announce a subscription today for 781,250,000 new ordinary shares to raise approximately £1.25 million before expenses at an issue price of 0.16 pence per new ordinary share primarily for the Zulu Lithium and Tantalum Project ("Zulu").

George Roach, CEO, commented, "The Company provided a full discussion on the Zulu plant performance in our announcement of 8 May 2024. The Company expects that periodic updates will be provided on the overall plant performance until such time as a steady state of continuance production has been achieved, Premier expects thereafter to begin providing quarterly production reports for Zulu from Q3 of 2024.

Over and above this, we are encouraged with mining operations and the ROM ore grades that consistently exceed our resource estimate and this is mitigating for the moment, the ore sorter deficiencies. This also supports the review of overall operations and production costs and the likely reduced production costs discussed below.

Inspections required as a prelude to export have commenced, and this precedes any export. We do not expect any delays in regard to export permits required.

This was confirmed in recent meetings with Government of Zimbabwe when the issue of RHA Tungsten Private Limited ("RHA") was also discussed and we are encouraged that there is now likely resolution of this issue. The rising price of Tungsten is noted".

The Zulu Plant

For the reasons previously reported, Premier replaced the original plant contractor in March 2024. Whilst the floatation circuit is now capable of running in a constant and stable state, it will take time to fully remedy the original design deficiencies in the overall plant and move from what in many instances are interim fixes to the final operating plant. The current status on these issues is set out below:

Ore Sorters

Extensive ore sorting test work is about to commence and replacement ore sorters will be considered thereafter. It remains our preferred outcome that the original supplier resolves this.

Milling and sizing

During the past week, Zulu has constructed and installed the recommended header box and gravity feed arrangement for the hydrosizers. Whilst there will still be some optimisation required, the initial operation suggests that the plant will run on a single hydrosizer, and this arrangement has resulted in better optimisation of the mill. The unexpected upside of this is that the overall plant capacity in respect of the crushers, milling and sizing circuit is likely to allow for a substantial increase in through put at a lower cost than would otherwise have been the case with an additional mill.

Magnetic separation and Tantalum recovery

Dense Media Separation based test work on the undersized ore fraction being stockpiled has completed and laboratory results are awaited to determine spodumene and tantalum recoverability. At the same time the original equipment manufacturer for the installed magnetic separation is assisting and working closely with Zulu.

Floatation Circuit

As this circuit is optimised, there are likely to be further challenges but with the resolution of each, plant availability, recoveries and concentrate grade are all improved. We have a long way to go but we remain encouraged by the facts that we are producing spodumene that is saleable. The design for the additional conditioning circuit required is complete and most components are either on site or on order. Projected delivery date to site is expected at end June 2024 and provided this timeline is met, installation and integration is expected to require a further 14 days. Normal operations are not expected to be impacted. This is expected to be the final component to allow recoveries at design capacity.

Ore body and plant grades

Current operations continue to support our previous comments to the effect that with development of the open pit, the Company has now been able to validate the actual pegmatite that is being mined. In-pit evaluation is undertaken through the sampling of the pegmatite from blast hole drilling and channel samples cut across the bench. This allows for better reconciliation to the 5m x 5m x 5m Assay Block Model grades. On the bench level previously developed and mined, the Indicated Resource grade from the assay block model was 1.01% Li₂O while the average grade of the ore hauled to the ROM pad was 1.13% Li₂O, an approximate 10% increase.

At the same time, as previously reported, with material blended from selective mining in the EPO area, Li₂O grades recorded in the ore feed to the floatation circuit are in the range of 1.1% Li₂O to 1.8% Li₂O, and the dry solids being fed to the spodumene float plant contain between 12% and 25% spodumene".

Spodumene Concentrate

The term SC6 is used as a price determination point, being the price paid for spodumene concentrate in which the Li₂O grade is 6%. Approximately 74% of the concentrate would then be made up of spodumene. Spodumene concentrate in any grade more than 4% Li₂O is saleable with an adjustment to the price paid relative to the actual amount of spodumene

contained in that bag. It should be noted that prices are quoted for spodumene concentrates at lower grades and these prices are in the public domain.

It is worth noting that the market for lepidolite is improving and Premier believes that it is likely that our Mica/lepidolite will sell in the near future.

Financial model

Premier's internal review of production costs (which have not been independently verified) now indicates an average overall delivered China port cost per ton of US\$834 in for 2024, with future costs on the same basis below US\$800 per ton delivered China port.

Premier has engaged an independent engineering consultancy to review this financial model.

Subscription

Premier has today issued by way of a direct subscription ("Subscription"), conditional on admission, 781,250,000 new ordinary shares of nil par value ("Subscription Shares") at a Subscription price of 0.16 pence per Subscription Share. The Subscription Shares will, when issued, rank pari passu in all respects with the existing ordinary shares. CMC Markets UK Plc trading as CMC CapX, acted as the Company's placing agent in respect of the placing.

The Subscription has been arranged within the Company's existing share authorities. Premier intends to use the proceeds of the Subscription principally to assist with the ongoing mining operations at Zulu and general working capital.

Contractor Settlement

Contractors at Zulu have agreed to accept payment of US\$2 million dollars of invoices, in new ordinary shares of the Company. Accordingly, the Company has today settled payment of US\$2 million (equivalent to £1.57 million) in invoices through the issue of 983,500,000 new ordinary shares of the Company at the price of 0.16 pence per ordinary share ("**Settlement Shares**"). The Settlement Shares will, when issued, rank pari passu in all respects with the existing ordinary shares.

Any sales of the Settlement Shares will be handled by Premier's brokers under orderly market conditions with an initial 10-day lockup of the Settlement Shares.

Admission

Application is being made for 781,250,000 Subscription Shares and 983,500,000 Settlement Shares, in aggregate 1,764,750,000 new ordinary shares, to be admitted to trading on AIM and admission is expected to take place on or around 24 May 2024.

Total Voting Rights

Following the issue of the Subscription Shares, the Company's issued share capital consists of 31,381,688,211 Ordinary Shares, with voting rights.

This figure may be used by shareholders in the Company as the denominator for the calculation by which they will determine if they are required to notify their interest in, or a change to their interest in, the share capital of the Company under the Financial Conduct Authority's Disclosure and Transparency Rules.

Competent Persons Statement

Bruce Cumming, a consulting geologist to Premier, has reviewed and approved this release to the extent that reference is made to the geology and mineralogy of the Zulu pegmatites. Mr. Cumming is a SACNASP and GSSA registered geoscientist with 48 years' experience in exploration and project management, in multicommodity projects throughout Africa.

Market Abuse Regulations

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 ("UK MAR").

The person who arranged the release of this announcement on behalf of the Company was George Roach.

A copy of this announcement is available at the Company's website, www.premierafricanminerals.com.

CMC CapX

Brokers and investors wishing to gain access to future CMC Markets transactions, should register their interest at <https://www.cmcmarkets.com/en-gb/capx>.

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Nominated Adviser Statement

Beaumont Cornish Limited ("**Beaumont Cornish**"), which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting as nominated adviser to the Company in connection with this announcement and will not regard any other person as its client and will not be responsible to anyone else for providing the protections afforded to the clients of Beaumont Cornish or for providing advice in relation to such proposals. Beaumont Cornish has not authorised the contents of, or any part of, this document and no liability whatsoever is accepted by Beaumont Cornish for the accuracy of any information, or opinions contained in this document or for the omission of any information. Beaumont Cornish as nominated adviser to the Company owes certain responsibilities to the London Stock Exchange which are not owed to the Company, the Directors, Shareholders, or any other person.

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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.

Glossary

"Li ₂ O"	Lithium Oxide (Lithia) - an inorganic lithium compound used to assess lithium minerals.
"m"	Meter.
"ROM"	Run-of-mine.
"SC6"	spodumene concentrate.
"Assay Block Model"	Block modelling refers to a subset of 3D models. Normally, the blocks or cells are measured x by y by z, in metres. In a block model, geological zones are divided into blocks and the tonnage and grade of contained mineral is estimated for each block. The shape of blocks (either cubes or rectangular cuboids) and the estimation methods vary according to the specific requirements of a project.
"XRT"	X-ray sorting technique where specific mineral bearing rock can be separated from specific mineral-poor rock and other impurities. This upgrades in metal terms the material feed to the plant and lowers the tonnage of rock requiring processing which results in improved economics for mineral processing operations.

Notes to Editors:

Premier African Minerals Limited (AIM: PREM) is a multi-commodity mining and natural resource development company focused on Southern Africa with its RHA Tungsten and Zulu Lithium projects in Zimbabwe.

The Company has a diverse portfolio of projects, which include tungsten, rare earth elements, lithium and tantalum in Zimbabwe and lithium and gold in Mozambique, encompassing brownfield projects with near-term production potential to grass-roots exploration. The Company has accepted a share offer by Vortex Limited ("**Vortex**") for the exchange of Premier's entire 4.8% interest in Circum Minerals Limited ("**Circum**"), the owners of the Danakil Potash Project in Ethiopia, for a 13.1% interest in the enlarged share capital of Vortex. Vortex has an interest of 36.7% in Circum.

Ends

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