

Premier African Minerals Ltd

11:40 23 Oct 2018

Premier African Minerals looks to rebuild momentum in Zimbabwe

Premier African Minerals PLC (LON:PREM) will look for an underground re-start at the RHA tungsten mine following a recent study though not until a debt-for-equity swap is agreed.

The study offered two scenarios - one for an underground restart at 6,000 to 7,000 tonnes per month.

WATCH: Premier African Minerals's George Roach discusses Zulu DFS options

A combined underground and open pit mining to produce 40,000 tonnes per month was the other alternative, but Premier said it was not considering this option.

Re-starting the underground operation will cost US\$1.06m, said Bara, with a peak cash requirement of US\$1.66m in month four, after which the mine starts to generate cash.

The analysis was based on a net 65% of a tungsten price of US\$300 per mtu.

The current spot price is US\$275-290 per mtu.

Only fifteen months was modelled as the results of drilling underway will determine the future development plans said Premier.

George Roach, Premier's CEO, said: "This technical and economic assessment of RHA demonstrates a technically viable restart basis for the project."

Shallow drilling at RHA, meanwhile, has indicated multiple instances of wolframite at commercial grades plus visible copper mineralisation in the same ore bodies.

Indigenisation

Premier owns 49% of RHA and has proposed a debt-for-equity swap with Zimbabwe's indigenisation authority NIEFF to take its stake up to 90%.

The Ministry of Industry, Commerce and Enterprise Development in Zimbabwe has indicated that the process will be concluded before the end of October.

Roach said recently that it would not be possible to re-start production at RHA until the proper legal process is concluded.

Zulu Project

In September, Cadence Minerals decided not to fund the definitive feasibility study at the Zulu lithium project in Zimbabwe

Price: 0.078

Market Cap: £9.55 m

1 Year Share Price Graph



Share Information

Code: PREM

Listing: AIM

52 week	High	Low
	0.197	0.0221

Sector: General mining & base metals

Website: www.premierafricanminerals.com

Company Synopsis:

Premier African Minerals Limited was established to acquire and develop mineral properties across Africa, especially in West and Southern Africa. And, to deliver regional economic development through our investments to unlock multi-transaction earning potential for our shareholders and stakeholders. Premier has an experienced management team with a successful track record in the African mining sector.

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Premier is now looking for another partner and said would even consider a new joint venture agreement to progress Zulu and RHA in one agreement.

"The Zulu Lithium Project has the potential to develop into a company making asset and we look forward to exploration results as they become available in the near future," Roach said.

Circum

Elsewhere, Premier African also holds a small stake in Circum Minerals, which owns the Danakil potash project in Ethiopia.

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