

Premier African Minerals Ltd

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Premier African Minerals agrees US\$200,000 loan agreement, updates on Zulu and RHA projects

Premier African Minerals Limited (LON:PREM) revealed it has signed a US\$200,000 secured loan agreement alongside an update for its RHA and Zulu projects.

The AIM-listed group said the new loan, agreed with a company owned by a trust of which its chief executive George Roach is a beneficiary, will be used to support ongoing development and provide additional working capital.

READ: Premier African Minerals hosts Zimbabwean minister at RHA, as funding talks continue

Meanwhile, the company said Zimbabwean minister Sekai Nzenza of the Ministry of Industry and Commerce, on behalf of the National Indigenisation and Economic Empowerment Fund (NIEEF), has requested further time for the NIEEF to consider how best to move forward with the RHA project.

The company said it has since sent NIEEF a notice of demand to either remedy the ongoing breach under the revised management agreement by providing the outstanding funding (US\$5.05m) or vary the terms of the RHA shareholder agreement such that it would allow Premier to increase its shareholding and access alternative funding to potentially see the site brought back into production.

At Zulu, the company said it is still waiting for confirmation from the Zimbabwean Mining Affairs Board in respect of its exclusive prospecting order (EPO) application, and that it will provide an update when it receives written communication pertaining to the remaining procedural process for the award of the EPO.

The group added that it had also reached a verbal agreement with Regent Mercantile Holdings Limited for a further extension to the repayment terms of a convertible loan note for US\$350,000.

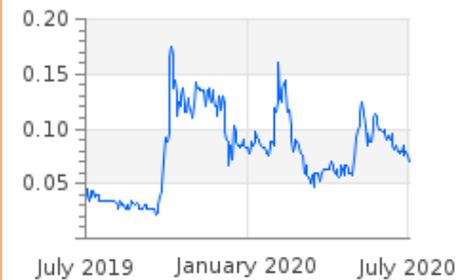
"Premier starts each month with fixed overheads for the daily operations of the business and these must be funded to ensure Premier continues to operate as a going concern. We have not yet acquired a sufficiently meaningful stake in Otjozondou Mine in Namibia to address overheads and at the same time continue to ensure that we are able to meet immediate payment requirements when Zulu EPO is awarded", Premier African CEO George Roach said in the statement.

"The situation at RHA is deeply frustrating. We have a plant standing, a number of staff who have been retrenched and all because NIEEF perpetuates a state of noncompliance with the revised Management Agreement and will not agree any of the alternatives we have proposed. It gives me no pleasure whatsoever that we have now had to serve a demand, but the delays are not in Premier's interests and cannot conceivably be in the interests of Zimbabwe either. My

Price: 0.07

Market Cap: £8.35 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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thanks to the principals of Regent for their continued support and understanding at this time. I anticipate further updates in the near term", he added.

Premier African shares were 15.2% lower at 0.05p in lunchtime trading on Thursday.

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