

A\$160 MILLION INDICATIVE TERM SHEET FOR CONCESSIONAL DEBT FROM THE NORTHERN AUSTRALIA INFRASTRUCTURE FACILITY

Verdant Minerals Ltd (VML.ASX) ("**Verdant**" or "**the Company**") today announces the Northern Australia Infrastructure Facility ("**NAIF**") Board has provided a non-binding indicative term sheet for a long-term concessional NAIF debt facility for up to A\$160 million ("**Indicative Term Sheet**") for the Ammaroo Phosphate Project ("the **Project**").

The NAIF Indicative Term Sheet provides for a secured, long tenor loan of up to A\$160m for the Project, and is subject to a number of conditions and customary terms for a project financing term sheet, including:

- Execution of offtake contracts with lender approved offtakers, covering the contracted offtake volumes, with a price mechanism to support forecast revenues over the projects initial operating phase;
- Finalising terms for senior debt funding for the remainder of the project debt;
- Securing the balance of equity funding from acceptable equity partners;
- Detailed due diligence on a range of project matters;
- Concluding a cost benefit analysis in accordance with the provisions of the NAIF Investment Mandate, which will be important in determining the level of concessionality that NAIF can offer the Project;
- Evidence that all relevant environmental, native title and regulatory approvals and authorisations required to undertake the Project are in place;
- Negotiation and execution of project and facility documentation; and
- Final NAIF credit approval and Board Investment Decision.

The Company is continuing to progress each of the Indicative Term Sheet conditions alongside other project workstreams with the objective of reaching a final investment decision by NAIF by mid-2019. Verdant Minerals will provide further updates to the ASX as each milestone is achieved going forward.

In commenting on today's announcement, Chris Tziolis, Managing Director of Verdant Minerals said:

"This is a significant milestone for the project and will assist in facilitating and enhancing ongoing discussions with providers of commercial debt, potential customers and development partners. Verdant Minerals is appreciative of the opportunity to work with NAIF on the development of the Ammaroo Phosphate Project. The issuance of the Indicative Term Sheet and NAIF's support to provide a long tenure concessional loan, subject to meeting the conditions precedent, will secure a significant portion of the Project's debt funding."

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MAJOR PROJECTS – Ammaroo Rock Phosphate | Karinga Lakes Sulphate of Potash

VRM – Indicative Term Sheet NAIF

We wish to thank NAIF for their indicative support and we look forward to working with them over the coming months as we work to meet the conditions in the Indicative Term Sheet and move towards a final investment decision”.

Ms Laurie Walker, CEO of NAIF, also commenting on today’s announcement said:

“NAIF’s indication of this support is to assist Verdant to advance its discussions with other Project counterparties and to satisfy conditions required to secure NAIF finance. This is a demonstration of how NAIF can work with stakeholders to help them understand how its concessional financing can support the development of a project which has the potential to provide substantial benefits to Northern Australia and the Northern Territory.”



Chris Tziolis
Managing Director

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About Verdant Minerals

Verdant Minerals is focused on the discovery, development and operation of fertiliser and industrial mineral projects, located in close proximity to existing transport infrastructure, focused on the Northern Territory of Australia.

The Company’s portfolio of projects includes:

- Developing the 100% owned world class Ammaroo Phosphate Project located approx. 200km south-east of Tennant Creek and 300km north-east of Alice Springs in the Northern Territory;
- A portfolio of Sulphate of Potash projects in the Northern Territory; and
- The Dingo Hill Silica Project in the Northern Territory, which has the potential to produce high purity quartz.

VRM – Indicative Term Sheet NAIF

Forward Looking Statements

This announcement has been prepared by Verdant Minerals Ltd. It is not intended to be and does not constitute an offer to sell, or a solicitation of an offer to buy or sell, Verdant Minerals' securities.

This announcement does not constitute a recommendation to invest in Verdant Minerals' assets, nor investment, accounting, financial, legal, tax or other advice and does not take into consideration the investment objectives, financial situation or particular needs of any recipient of the announcement (Recipient). Before making an investment decision, Recipients should (a) conduct their own independent investigations and analysis of Verdant Minerals and the information set out in the announcement, (b) rely entirely on such investigations and analysis and not on this announcement in relation to their assessment of Verdant Minerals and (c) form their own opinion as to whether or not to invest in Verdant Minerals' securities.

The announcement contains information on Verdant Minerals and its activities which are current as at the date of this announcement. The information in this announcement is general in nature and does not purpose to be complete nor does it purport to contain all of the information that a prospective investor may require in evaluating a possible investment in Verdant Minerals or that would be required in a prospectus or a product disclosure statement prepared in accordance with the Corporations Act. To the maximum extent permitted by law, none of Verdant Minerals and its related bodies corporate, and each of those parties' officers, employees, agents, advisers and associates (each a Relevant Person) is, or may be taken to be, under any obligation to correct, update or revise the announcement.

Any forward looking statements (including forecasts) included in this announcement are not representations as to future matters and should not be relied upon by Recipients. The statements are based on a large number of assumptions about future events and are subject to significant uncertainties and contingencies, many of which are outside the control of Verdant Minerals. No representation is made that any forecast or future event will be achieved. Actual results may vary significantly from the forecasts. Each Recipient should make its own enquiries and investigations regarding the assumptions, uncertainties and contingencies which may affect Verdant Minerals' assets.

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