

## **ASX Announcement**

15 December 2021

# Genmin signs offtake MoUs with Chinese parties for 4Mtpa of iron ore

### **Highlights**

- Genmin has signed two (2) non-binding Memoranda of Understanding (**MoUs**) to sell and deliver a total of 3 million tonnes per annum (**Mtpa**) of Fines product and 1Mtpa of Lump product for a term of three (3) years from Baniaka.
- If legally binding agreements are entered, each of China Minmetals Corporation (**Minmetals**) and Changzhou Dongfang Special Steel (**CDSS**) will agree to buy and take delivery of 1.5Mtpa of Fines product and 0.5Mtpa of Lump product for a term of three (3) years.
- Minmetals is a global, State-owned Enterprise vertically integrated across the minerals and metals value chain, with a strategic objective of security of resources.
- CDSS is a privately owned enterprise specialising in producing and supplying higher value flat steel products.
- Parties to the MoUs will use all reasonable endeavours to enter into legally binding offtake agreements by 30 June 2023.
- The MoUs are part of Genmin's strategy to build market awareness of the potential iron ore products from Baniaka and provide a first step in offtake agreements to underpin project development.

African iron ore explorer and developer, Genmin Limited (**Genmin** or the **Company**) (ASX: GEN) is pleased to advise that it has entered into two (2) non-binding MoU with Minmetals and CDSS for potential offtake agreements for iron ore products from its 100% owned Baniaka Iron Ore Project (**Baniaka**), located in the Republic of Gabon, central West Africa (Figure 1).

Founded in 1950, Minmetals is one of China's largest multinational State-owned Enterprises. It is a major global organisation involved in the development, production, trading and value chain of metals and minerals. A key direction of Minmetals is to ensure security of resources. In 2021, Minmetals ranked number 65 on the Fortune Global 500 (No 1 in the Materials sector) and its annual iron ore trading volume is estimated at 40Mt.

CDSS is a privately-owned, leading specialist steel producer in China with an annual production of 3.5Mt. Its steel mills are located near Changzhou City, approximately 180km west of Shanghai. CDSS specialises in supplying steel to both the auto industry, and lift and escalator manufacturers.

The key terms of the MoUs are set out below:

The MoUs are non-binding, and each of Minmetals and CDSS respectively (each a **Purchaser**), and Genmin will
use all reasonable endeavours to enter into legally binding offtake agreements by 30 June 2023 under which the
Company will sell and deliver a total of 3Mtpa of Fines product and 1Mtpa of Lump product, and the Purchasers
will each buy and take delivery of 1.5Mtpa of Fines product and 0.5Mtpa of Lump product from Baniaka for a
term of three (3) years.

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- Pricing for iron ore product will be determined by reference to the Platts Iron Ore Index or another agreed price index.
- Any legally binding agreement will be subject to standard conditions precedent for an offtake agreement of this
  nature, including receipt of all required approvals from government authorities and the commencement of
  commercial production at Baniaka.

Commenting on signing the MoUs with Minmetals and CDSS, Genmin's Managing Director and CEO, Mr Joe Ariti said: "Following our excellent value-in-use test results, we are extremely pleased to have so quickly signed MoUs for potential offtake from our African, development iron ore assets. Baniaka has attracted strong interest from Minmetals, a global, vertically integrated tier one state-owned enterprise and CDSS, a specialty, high value steel producer. The first two MoUs provide a point of validation to the recent value-in-use outcomes, and Genmin's potential to deliver greener, African iron ore supply into Chinese markets."

This announcement has been approved by the Board of Directors of Genmin Limited.

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#### About **GENMIN**

**Genmin Limited (ASX: GEN)**, is an ASX-listed African iron ore exploration and development company with a pipeline of projects in the Republic of Gabon, central West Africa. The Company has a 100% interest in three (3) projects comprising six (6) exploration licences covering approximately 5,270km<sup>2</sup>.

Genmin's Baniaka and Bakoumba projects are located in south-east Gabon near the provincial city of Franceville, where the Company has an extensive footprint and controls all acreage prospective for iron ore. The Baniaka and Bakoumba projects represent a potential iron ore hub with 2,450km<sup>2</sup> of landholding and 121km of iron mineralised strike with only 12% drill tested with diamond drilling.

Genmin's flagship project, Baniaka, is at feasibility stage with defined JORC Code (2012 Edition) compliant Mineral Resources and is favourably situated adjacent to existing and operating bulk commodity transport and renewable energy infrastructure.

Gabon is a stable central West African country with a mining and oil production history dating back to the early 1960s. It is currently the second largest producer of manganese ore in the world and eighth largest crude oil producer in Africa.





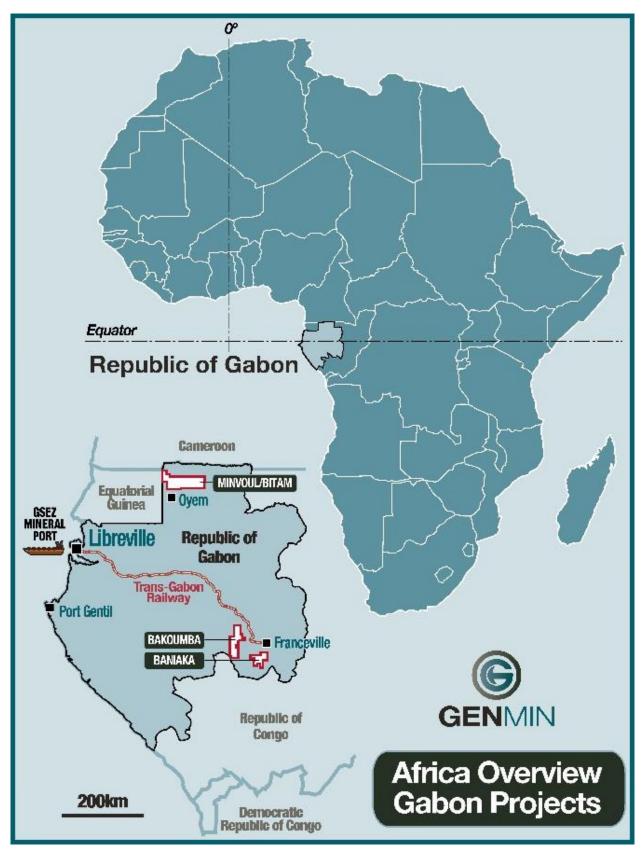


Figure 1: Location map of Genmin's iron ore projects in Gabon, central West Africa