



25 October 2017

## AVZ signs 20,000 metre Diamond and RC Drilling Contract

AVZ Minerals (ASX:AVZ) (“AVZ” or “Company”) is pleased to advise that it has entered into an agreement with Equity Drilling Limited (“Equity”) for the completion of an initial 20,000 metres of drilling at the Manono Lithium Project in the DRC.

The contract covers the initial 20,000 metre phase of a planned 40,000 metre drill program to test, define and report mineral resources at the Kitotolo and Manono Sectors of the Manono Lithium project. The 20,000 metre program using one Multipurpose and 3 diamond drill rigs should take an estimated 3 months to complete. Drilling is planned to commence in December, and will initially target the Roche Dure pegmatite, Kitotolo Sector, where recent drilling returned the following results:

MO17DD001 reported between 24.5m – 263.9m, an intercept of **235.03m\* @ 1.66% Li<sub>2</sub>O and 1001ppm Sn** (Press release dated 12 September 2017)

MO17DD002 reported between 65.5 - 268.3m, an intercept of **202.8m\* @ 1.57% Li<sub>2</sub>O and 1078ppm Sn** (Press release dated 28 July 2017)

\* Down-hole length. Additional drilling is required to confirm the pegmatite’s true-thickness but it is estimated to be approximately 190m to 220m thick.

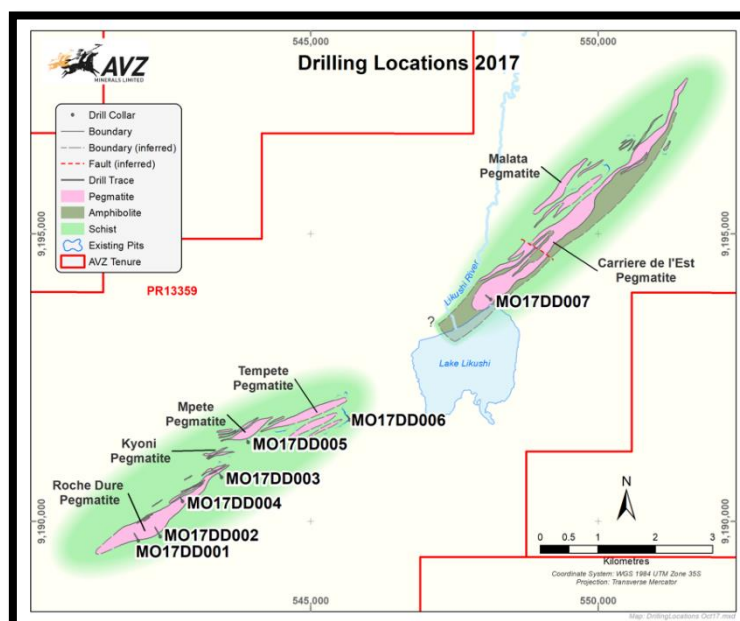


Figure 1: Recent Drill Hole Locations at Manono Lithium Project

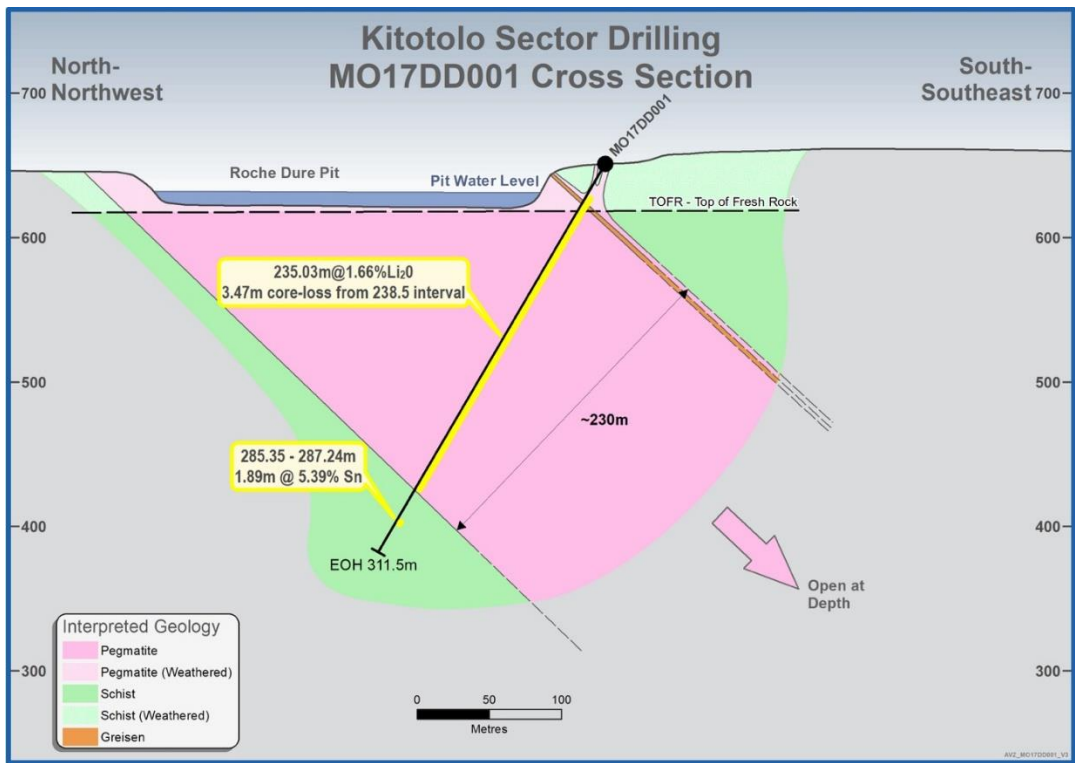


Figure 2: Cross section showing MO17DD001 intersecting the Roche Dure Pegmatite

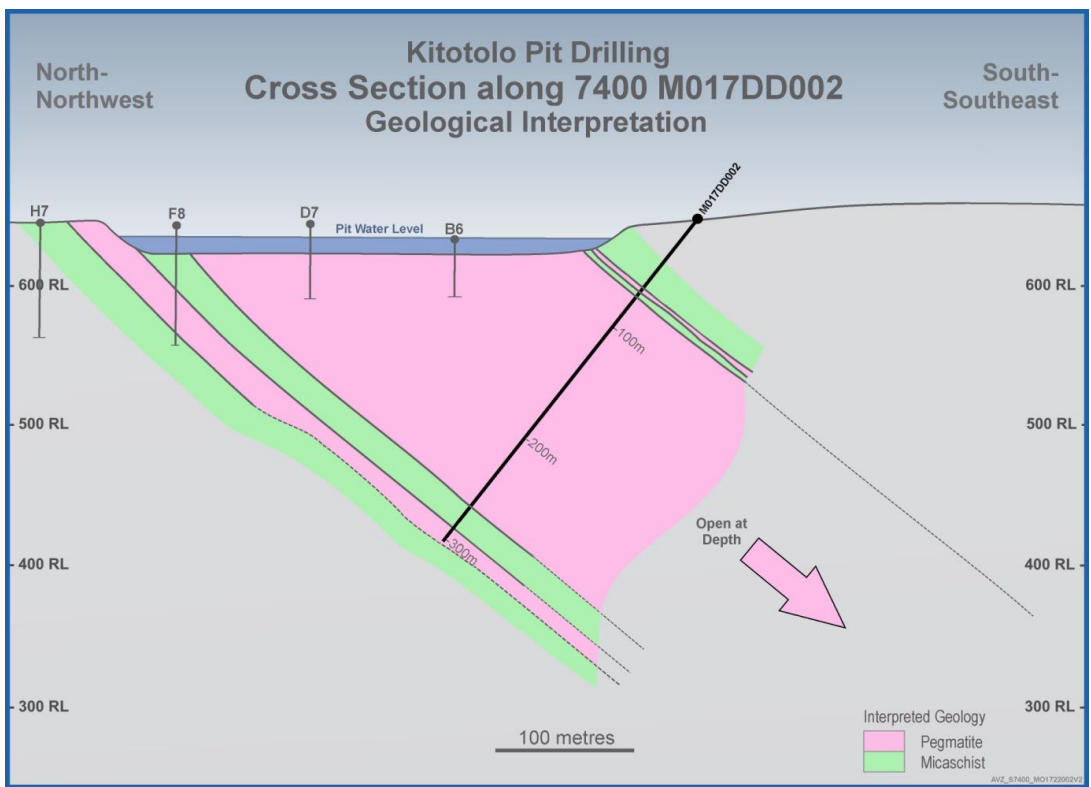


Figure 3: Cross section showing MO17DD002 intersecting the Roche Dure Pegmatite

The Company believes that the Roche Dure pegmatite holds potential for significant lithium and tin mineralisation given the expected approximate thickness of up to 220m and a potential strike length of some 2,100m. Drill-holes MO17DD001 and MO17DD002 are approximately 400m apart through the thickest section of the pegmatite and this zone will receive initial drill testing on sectional lines 100m apart and drill holes 100m apart. Drilling will progress to the north and south along strike.

It is also the Company's intention to drill investigate the Carrier de L'Est Pegmatite in the Manono Sector immediately to the north and south of MO17DD007 where a drill intercept confirmed mineralisation between 1.9m to 252.83m reporting 250.93m\* @ 1.48% Li<sub>2</sub>O and 913ppm Sn.

\* Down-hole length. Additional drilling is required to confirm the pegmatite's true-thickness but it is estimated to be approximately 250m to 280m thick.

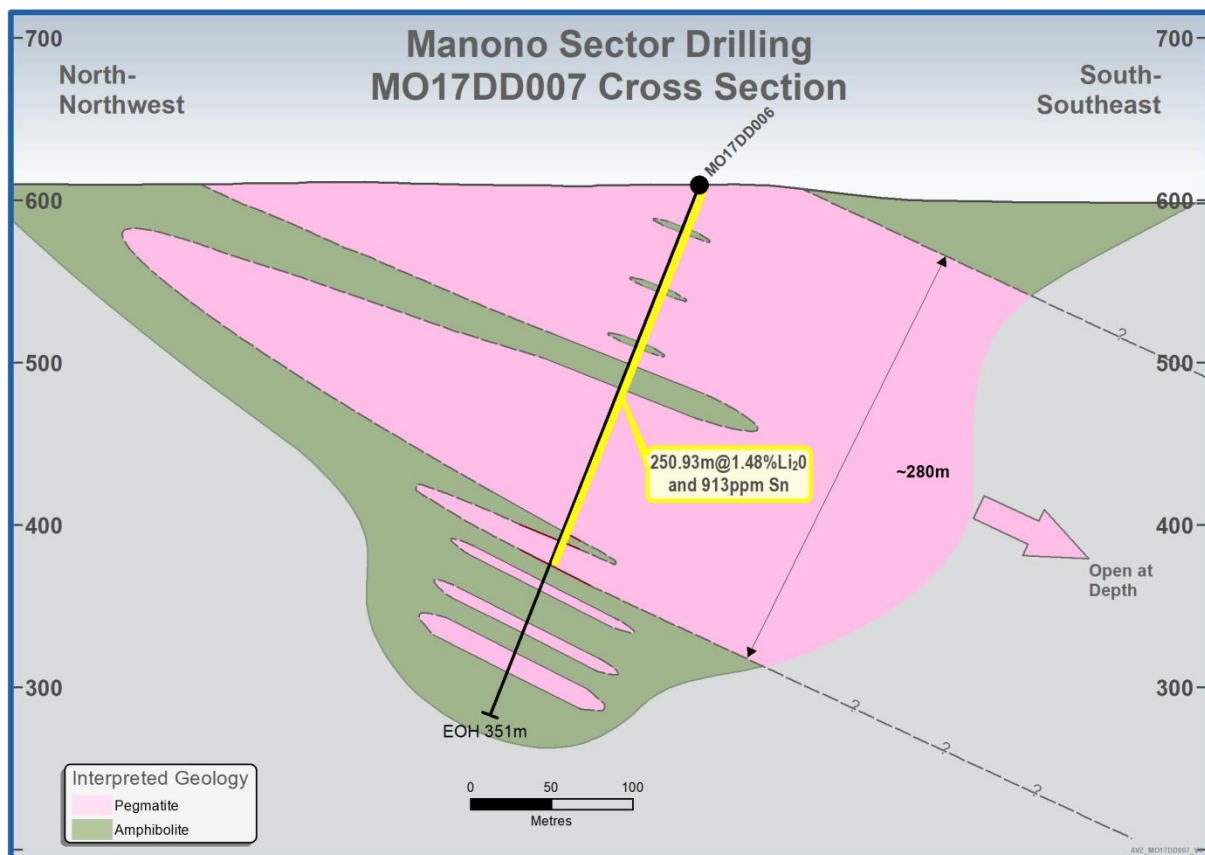


Figure 4: Cross section showing MO17DD007 intersecting the Carrier de L'Est Pegmatite Pegmatite

The Company has generated an exploration target of between 1Bt to 1.2Bt of 1.25% to 1.5% Li<sub>2</sub>O for the entire Manono Project, including between 300 and 400Mt of 1.25% to 1.5% Li<sub>2</sub>O for the Roche Dure Pegmatite alone.

*The potential quantity and grade of the exploration target as stated, is conceptual in nature as there has been insufficient exploration to estimate a Mineral Resource and it is uncertain if further exploration will result in the estimation of a Mineral Resource.*

AVZ's Executive Chairman, Mr. Eckhof commented: "We are very pleased to have completed the drilling tender process and awarded the contract. Equity have proved themselves in Africa as a

*professional company with the ability to engage and perform to a very high level and often in trying conditions. We look forward to announcing commencement of drilling at the project in the near future and subsequently reporting on what we expect to be the first resource at Manono as part of a staged release of resources estimations.”*

#### **About Equity Drilling Limited.**

Equity Drilling was formed in 2016 by Mike Warren and Marc Olyott. Previously Mr Warren founded Geosearch. This was a 147 rig operation that operated in most African countries, south of the Sahara. Geosearch was sold in 2006. Equity currently has 16 rigs and its aim is to increase this to a maximum of 20 rigs in order to provide critical mass, but at the same time still be able to provide a personalised service to those clients operating in remote or difficult environs.

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#### **Competent Person’s Statement**

The information in this release that relates to Exploration Results and Exploration Targets is based on information compiled by Mr. Peter Spitalny, a Competent Person whom is a Member of the Australasian Institute of Mining and Metallurgy. Mr. Spitalny is a full-time employee of Hanree Holdings Pty Ltd. Mr Spitalny has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the ‘Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves’. Mr Spitalny consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.