



AVZ Minerals Now Fully Funded to Final Investment Decision at the Manono Project via an Oversubscribed Placement Raising \$9.8M

Highlights:

- \$9.8 million Placement fully funds AVZ to Final Investment Decision at the Manono Lithium and Tin Project
- Placement was cornerstoned by new strategic investor Lithium Plus and existing strategic investor Huayou Cobalt Group
- Strong support from Australian and global institutions as well as sophisticated investors
- AVZ welcomes a new strategic investment by Lithium Plus which has subscribed for \$3 million in the Placement for an initial 3.46% interest in the Company
- Lithium Plus is a specialist lithium investment company led by Mr Bin Guo who has close links to the battery manufacturing industry in China and is also a director of North American Lithium Inc.
- Zhejiang Huayou Cobalt Co., Ltd (SHA:603799, Mkt Cap US\$4.5bn) through its group company Huayou International Mining (Hong Kong) Limited, (Huayou Cobalt Group) has continued its support of AVZ Minerals by subscribing for \$1 million in the Placement to maintain a 9.30% interest in the Company
- Huayou Cobalt Group is one of the world's largest manufacturers of cobalt chemicals for use in batteries and has extensive in-country experience with a number of established mining operations
- Placement brings total proceeds from new shares issued to \$15 million before costs as contemplated in the SPP Prospectus

ASX ANNOUNCEMENT

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AVZ Minerals Limited
Level 2, Suite 9
389 Oxford Street
Mt Hawthorn, WA 6016
Australia

T: + 61 8 6117 9397

F: + 61 8 6117 9330

E: admin@avzminerals.com.au

W: www.avzminerals.com

ABN 81 125 176 703

Directors

Managing Director: Nigel Ferguson
Technical Director: Graeme Johnston
Non-Executive Director: Rhett Brans
Non-Executive Director: Hongliang Chen
Non-Executive Director: Guy Loando

Issued Capital

1,888 M Ordinary Shares

Market Cap

\$83 M

ASX Code: AVZ

AVZ Minerals Ltd (ASX: AVZ, “The Company”) is pleased to announce the success of its placement to raise \$9.8 million before costs (Placement), which, combined with the recently completed Share Purchase Plan (SPP), will bring the total proceeds from the new share issues to \$15 million before costs as contemplated in the SPP Prospectus.

The Placement has been completed at 3.8¢ per share being the same price as under the SPP and 257 million new shares will be issued under the Company’s 15% placement capacity (ASX Listing Rule 7.1).

Lithium Plus Pty Ltd (Lithium Plus) is a specialist lithium investment company led by Mr Bin Guo who has close links to the battery manufacturing industry in China. Mr Guo is also a Director of North American Lithium Inc. – a Canadian mining company currently developing and commissioning an open pit lithium carbonate mine and processing plant near Val d’Or, Quebec.

Zhejiang Huayou Cobalt Co., Ltd (SHA:603799, Mkt Cap US\$4.5bn) through its group company Huayou International Mining (Hong Kong) Limited, (Huayou Cobalt Group) has continued its support by subscribing for \$1 million in the Placement to maintain a 9.30% interest in the Company. Huayou Cobalt Group is one of the world’s largest manufacturers of cobalt chemicals for use in batteries and has extensive in-country experience with a number of established mining operations within the Democratic Republic of Congo.

The placement comes at an exciting time for participants in the lithium industry as interest in EVs in the world’s largest vehicle market surges. The Company notes that sales of electric cars in China is reported to have increased 188% in January 2019 (*source: The Australian Financial Review 23-24 February 2019, “Car Makers Brace for Electric Shock” written by Hans van Leeuwen*).

Funds from the Placement and SPP will be used to execute the Company’s strategy to fast-track the Manono Lithium and Tin Project towards production (*refer to page 10 of the SPP Prospectus*). The company expects the funding to assist in achieving its goal of delivering the Definitive Feasibility Study for the Manono Project in 2019.

Patersons Securities Limited acted as Lead Manager to the Placement.

Managing Director, Nigel Ferguson said:

“This Placement together with the oversubscribed SPP will leave AVZ fully funded to final investment decision. I would like to thank Huayou Cobalt Group for its continued support and also welcome Lithium Plus and a number of new Australian and global institutions to our register. We look forward to working with Huayou Cobalt Group and Lithium Plus in developing the World-Class Manono Lithium and Tin Project.”

For further information, visit www.avzminerals.com.au or contact:

Mr. Leonard Math
Company Secretary
AVZ Minerals Limited
Phone: +61 8 6117 9397
Email: admin@avzminerals.com.au

Media Enquiries:
Mr. Luke Forrestal
Media + Capital Partners
Phone: +61 411 479 144
