



31 March 2016

**AVZ Minerals
Limited**

Companies Announcements Office
Australian Securities Exchange
Level 6, 20 Bridge Street
Sydney NSW 2000

CAPITAL RAISING AND CORPORATE ADVISORY MANDATE

The Board of AVZ Minerals Limited (**AVZ** or **Company**) is pleased to advise that, with the support of a number of the Company's major shareholders, it has entered into a mandate with GTT Ventures Pty Ltd (**GTT**), for the purpose of identifying new business opportunities, promotion of the Company and undertaking a capital raising (**Mandate**). GTT is a Perth based specialist corporate advisory firm with an extensive network of contacts in the mining and technology sectors.

The Mandate provides for the following:

Placement

The Company has received firm commitments for a placement of 73,000,000 shares at a price of 0.6 cents per share to raise \$438,000 using the Company's existing capacity in accordance with Listing Rule 7.1 (**Placement**). GTT is acting as lead manager of the Placement and the Placement participants will primarily be the principals and clients of GTT. The funds will be used for working capital, expenses of the issue and for the consideration of new business opportunities. The Placement has been priced to reflect the asset base of the Company, as reported in the Company's recent half year accounts.

Corporate Advisory and Company Promotion Services

The Mandate provides for the provision of corporate advisory and company promotion services for a period of six months, with a focus on introducing and assisting in the promotion of new business opportunities. GTT will be paid a monthly retainer and, subject to receipt of shareholder approval, the Company has agreed to issue to GTT or its nominees 35,000,000 unlisted options with an exercise price of 1.2 cents per share, with an expiry date of 30 September 2017. In addition, and subject to shareholder approval at the time of a corporate transaction, the Company has agreed to pay GTT a fee (**Success Fee**) of 5% of the value of the consideration amount for any transaction that is successfully introduced by GTT. The Success Fee will be satisfied by the issue of shares to GTT or its nominees at a deemed issue price equal to that of the corporate transaction.

Nominee to the Board

The Mandate also provides for a nominee of GTT to be appointed as a non-executive Director of the Company following completion of the Placement.

The Board also advises that, in conjunction with the appointment of GTT to assist with the identification of new project opportunities, Mr Eckhof will transition to a Non-executive Director role. Mr Eckhof will continue to assist with mining project identification and evaluation and Company promotion activities.



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Information about AVZ is available at www.avzminerals.com.au

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