

AVZ MINERALS LTD



THE MANONO LITHIUM, TIN AND TANTALUM PROJECT

AGM 29th November 2017

Important Notice and Disclaimer

This presentation should be considered in its entirety. If you do not understand the material contained in this presentation, you should consult your professional advisors. The sole purpose of this presentation is to provide shareholders with an update on current activities of the Company and the current state of exploration at the Manono Project in the Democratic Republic of Congo.

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JORC statements & Qualifications / Competent Persons Statement

Given the size and mineralised nature of the pegmatites at Manono, the Company has generated an exploration target tonnage of between 1000 and 1200Mt at grade between 1.25% to 1.5% Li₂O within pegmatite ore. The potential quantity and grade 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.

This conceptual target has only been based on detailed prospect scale mapping, some 37 trenches totalling 2,800m producing 1200 assay samples and approximately 1750m of logs relating to diamond core drilling from 7 drill holes as completed to-date. There has been insufficient exploration completed to date to prepare a JORC compliant mineral resource. The company intends to embark on a significant drilling program to enable drill definition of Mineral Resources to JORC 2012 standard.

The information in this report 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 Consultants 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 presentation of the matters based on his information in the form and context in which it appears.

AVZ Minerals Capital Markets Snapshot (ASX:AVZ)

CAPITAL STRUCTURE

(As At 28/11/17)

Shares Outstanding 1,787,589,014

Performance Rights and
Options Outstanding 461,450,057

Share Price (28/11/17) AU\$0.245

Market Capitalisation AU\$438 million

52 week share price range

ASX AU\$0.03–AU\$0.29

HISTORIC SHARE PRICE



MAJOR SHAREHOLDERS

Dathomir 13.8%

Huayou Cobalt Group 10.4%

INVESTOR RELATIONS CONTACT

Klaus Eckhof
Executive Chairman
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Email: klausECKHOF@monaco.mc

AVZ Minerals – Board of Directors

Klaus Eckhof Executive Chairman

Geologist with over 20 years of experience identifying, exploring and developing mineral deposits around the world. In late 2003, Mr Eckhof founded Moto Goldmines which acquired the Moto Gold Project in the Democratic Republic of the Congo. There, Mr Eckhof and his team delineated more than 20 million ounces of gold and delivered a feasibility study within four years from the commencement of exploration. Moto Goldmines was subsequently acquired by Randgold Resources who poured first gold in September 2013. Mr Eckhof is also a director of Amani Gold Ltd and Okapi Resources Ltd.

Nigel Ferguson Executive Director

Geologist with over 30 years of experience in gold & base metals exploration, resource definition & feasibility studies. He has held senior management positions for the past 22 years and has experience in overseas locations including Saudi Arabia, South East Asia, South and Central America with a focus on Africa. Mr. Ferguson was Country Manager – Tanzania for Ashanti Goldfields, being instrumental in assessing and the acquisition of the now multi-million ounce Geita Gold Project. He has been active in the DRC since 2004 in gold and base metals exploration and resource development. Mr Ferguson is also a director Okapi Resources Ltd

Guy Loando Executive Director

Mr Loando is a qualified lawyer based in Kinshasa in the DRC. He has significant experience with corporate and legal matters in the DRC, and has recently been involved in executive management roles in the resource sector. Mr Loando is a nominee of AVZ's second largest shareholder, Dathomir Resources sarl.

Patrick Flint Non-Executive Director

Mr Flint has been involved in the resources sector as a director or company secretary of ASX and Toronto Stock Exchange listed companies with mineral projects in Australia, Africa and Asia for the last 20 years. He is a Chartered Accountant and has significant experience with project acquisitions, joint venture negotiations and management, fundraisings and corporate matters.

Hongliang Chen Non-Executive Director

Mr Hongliang Chen is a nominee of the Huayou Cobalt Group to the AVZ Board. Mr Chen joined the Huayou Cobalt Group in May 2002 and is currently a director and the president of the parent company, Shanghai stock exchange-listed Zhejiang Huayou Cobalt Co Ltd. Mr Chen previously worked in management positions at the Agricultural Bank of China, Tongxiang Branch Investment Corporation Tongxiang Securities Department and Shenying Wanguo Securities Co Ltd.

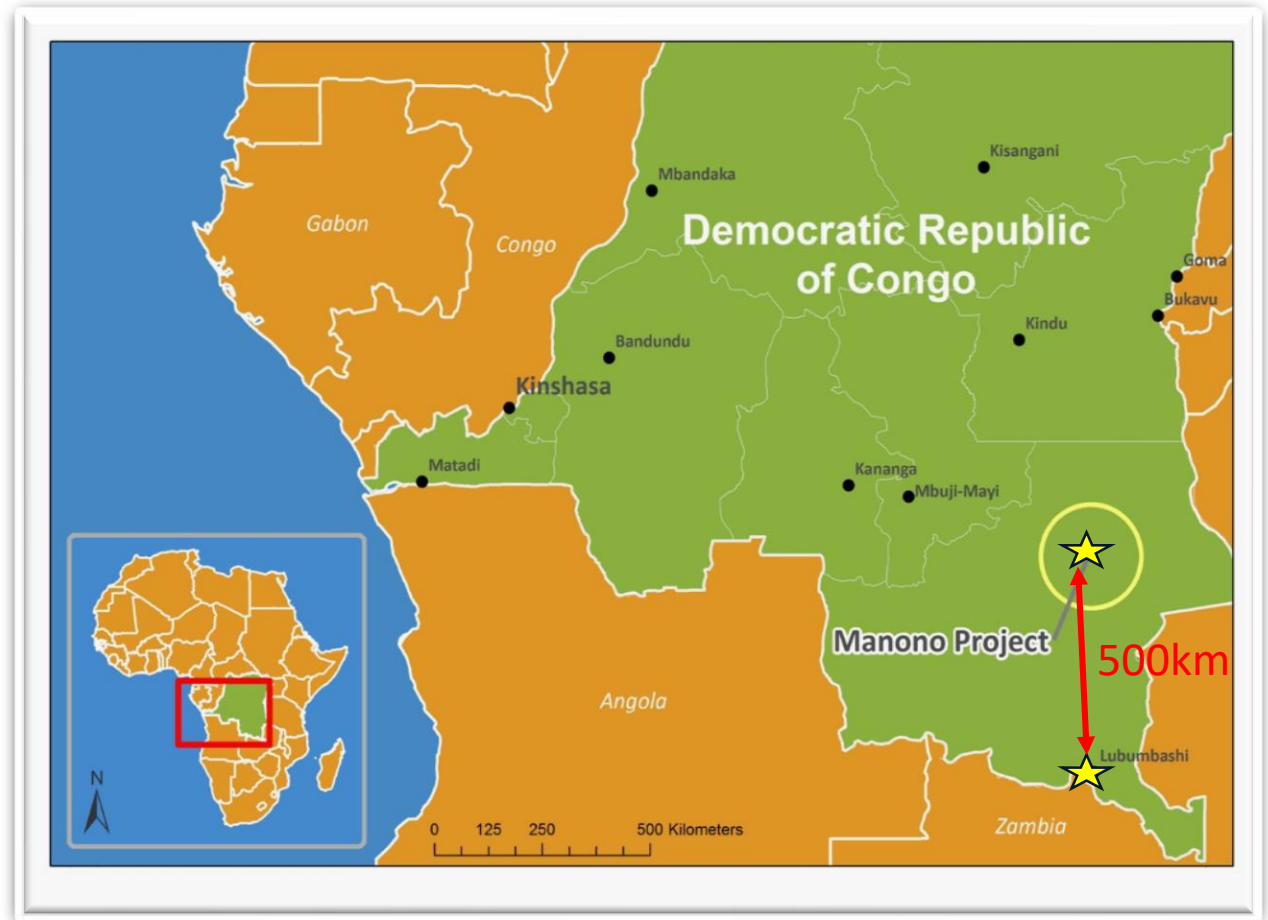
Manono Project - Location

Approx. 500km due north of Lubumbashi, the capital of the Katanga Province, in the south of the DRC.

The project area can be accessed from Lubumbashi by 1.5 hour flight or by road.

The Project is adjacent to the Manono and Kitatolo townships.

The region has a low density of population, but the greater Manono town area has a population estimated at 20,000 to 30,000 people



Manono Project - History

1910 - Cassiterite was first discovered.

1919 - Manono mining area was placed into production.

1925 - The weathered pegmatite was discovered.

1925 - 1925 – Exploration continued over Manono and Kitotolo.

1925 – 1960 Prospecting continued periodically

1948 and 1949 - hard-rock exploration initiated - 42 drill holes (2,202m) completed on the Kitotolo deposit.

1951 – 1956 – Open Pit mining commenced.

Since 1980 – very limited exploration has taken place.

Present - AVZ Minerals mapping, sampling and diamond drilling.



Manono Project - Environment



Manono Project – Infrastructure Energy

DRC Electrical Infrastructure

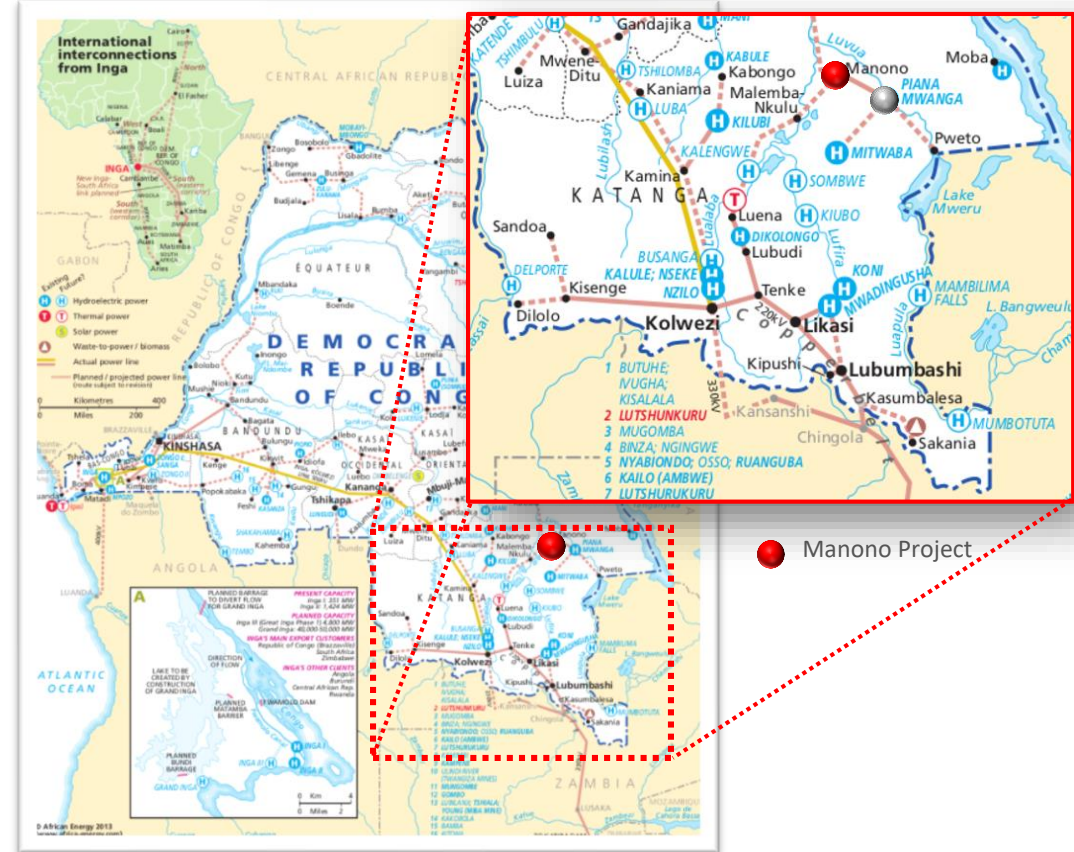
- Piana Mwanga Hydro - Piana Mwanga would comprise an installation of up to a 32MW power plant- rehabilitation and addition of one unit.[#]
 - The project was last evaluated in about 1990.
 - The project has to be restudied and data brought up to date before being included in a generation plan.
 - Earliest on-power is estimated to be 2018.
 - There is room for 4 gen sets for total production of 64MW.

Dathomir and Cominiere have agreed that Dathomir will secure up to USD45M funding for the rehabilitation of the Piana Mwanga hydroelectric power station.

- 98% of energy in DRC is generated from hydroelectric power stations.

Secondary Sources of Energy

- Alternatively short term power can be sourced from Aggreko or other similar energy service companies for placement of electricity generators on site. (there is also the site dam with a Hydro capacity once rehabilitated – 3MW).
- Solar panels recently installed at Manono are another example of distributed energy generation in DRC.



EAPP 2011 - Regional Power System Master Plan and Grid Code Study, page A-3 (176 pages pdf)

[#] <http://www.eappool.org/eng/pub/masterplan/Final%20Master%20Plan%20Report%20Appendix%20B%20Part%20II.pdf>

Manono Project – Infrastructure Transport

DRC Infrastructure

Dathomir and Cominiere have agreed that Dathomir will secure funding for the rehabilitation of the road from Lubumbashi to Manono.

A Chinese affiliated investor group (CIG) and the DRC Ministry of Infrastructure, Public Works and Reconstruction recently entered into an agreement pursuant to which the CIG will fund rehabilitation and bituminising of the road to Manono.

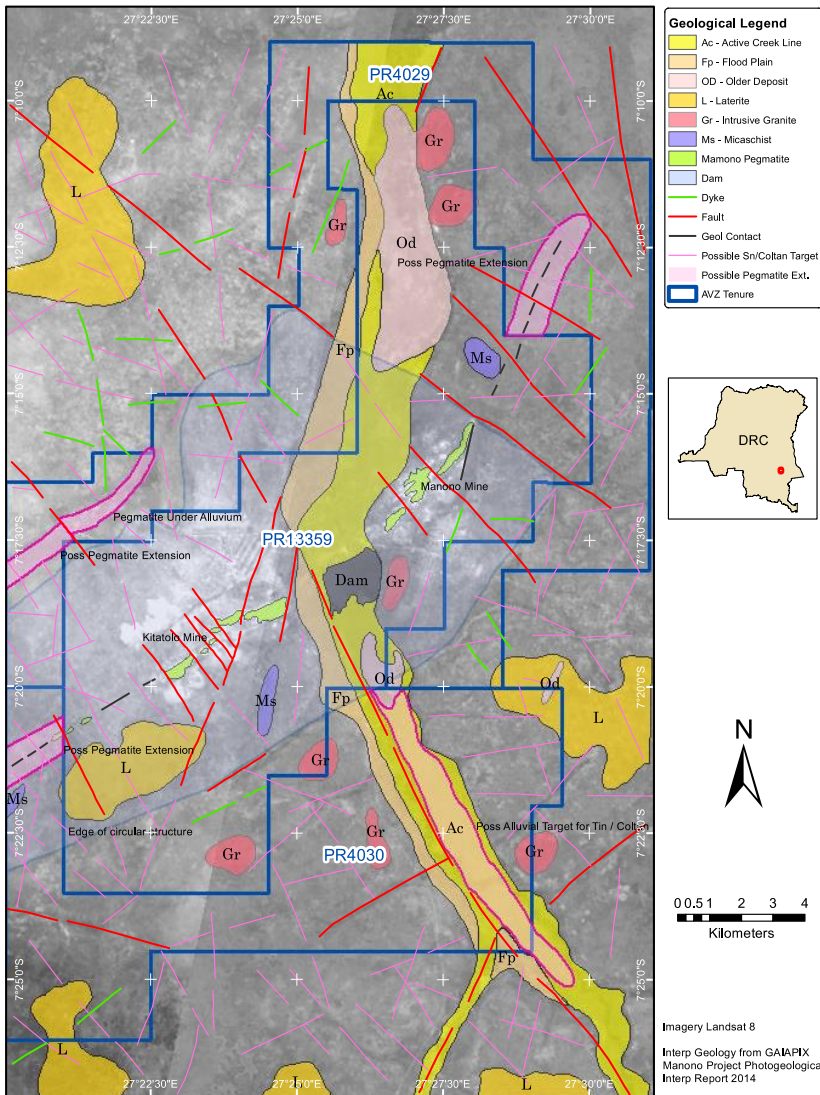
Multiple Train Transportation Options Exist

- Road to Lubumbashi then three rail freight options:
 1. Lubumbashi and from there to Dar es Salaam the route that tin and cobalt exports presently utilize.
 2. Lubumbashi and from there to Durban, South Africa as the copper mines current utilize.
 3. Angola by the Katanga Railway and then via the new route Benguela railway from Lobito on the Atlantic.



● The Manono Project ● Lubumbashi

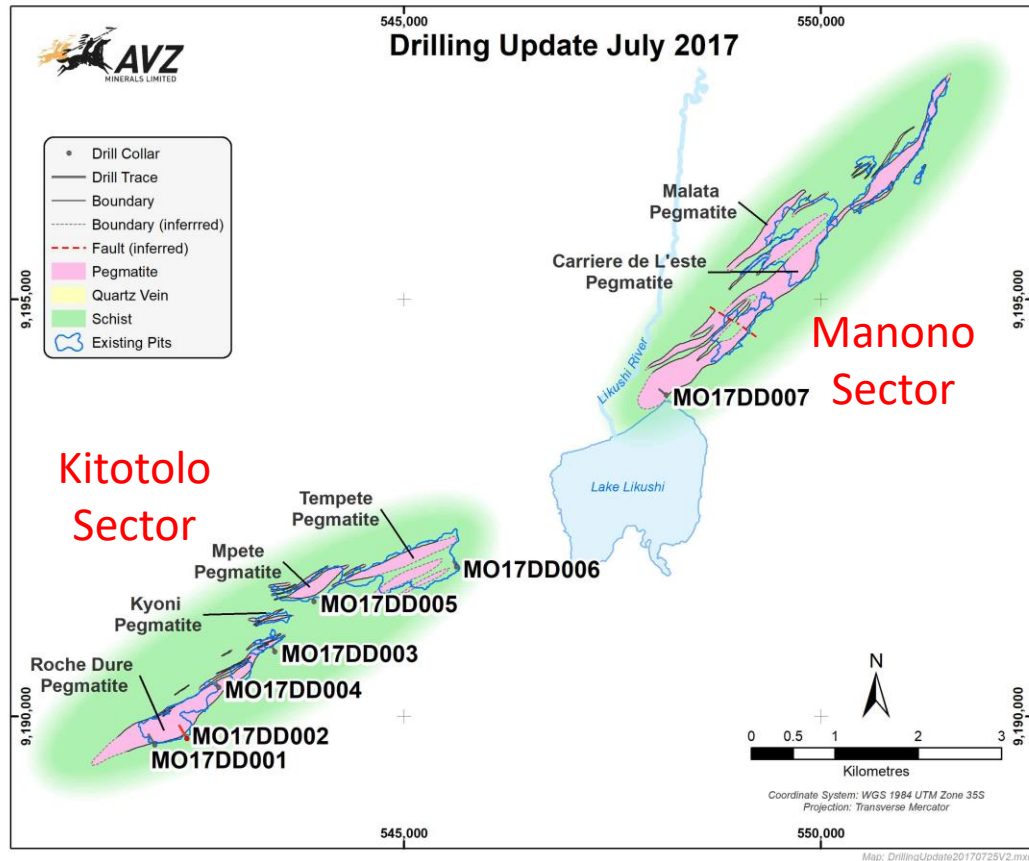
Manono Project - Setting



**DRC - Manono Project
Geological Interpretation**

- The geology of Manono is poorly documented and no reliable maps of local geology are available.
- The Manono pegmatites are hosted by a series of quartzitic mica schists, associated with volcanic and intrusive rocks of mainly doleritic composition
- The pegmatite intrusion is exposed in two areas, the Manono Sector in the northeast and the Kitotolo Sector in the southwest.
- These are separated by a 2.5 km unexposed section centred on Lake Lukushi and the surrounding alluvial plain. It is proposed that this is a faulted section due to the highly weathered nature of the pegmatite to clays derived from mica.
- With the "Extensions Licences" the pegmatite has a potential strike length of approx. +16km

Manono Project - Geology



- Best geological information is observed from the area known as the RD Pit at the west end of the Kitotolo sector, investigated by 42 shallow drill holes (maximum depth approximately 100m).
- Whilst assay results for these holes are not yet available to AVZ, drill sections indicate that the Kitotolo body dips around 40 degrees to the east, although steeper, faulted contacts are also recorded.
- The maximum thickness of the pegmatite in the RD Pit area is around 250m as interpreted from drilling.
- Further north, the pegmatite body is interpreted as sub-horizontal and affected by a gentle anticlinal fold structure with NE axis parallel to the elongation of the intrusion.
- Reverse faults parallel to the axis of the antiform suggest that the pegmatite bodies underwent NW-SE compression after emplacement.

Recent Diamond Drilling

Manono has the potential to host one of the world's largest lithium rich pegmatite deposits.

Initial diamond core drilling of 1,734m complete in June 2017, testing four of the six large pegmatites at Manono.

Results from diamond drill core include:

- 250.9m* @ 1.48% Li₂O, 913ppm Sn (Carriere de L'Est Pegmatite)
- 235.0m* @ 1.66% Li₂O, 1001ppm Sn (Roche Dure Pegmatite)
- 202.8m* @ 1.57% Li₂O, 1078ppm Sn (Roche Dure Pegmatite)
- 65.9m* @ 1.51% Li₂O (Tempete Pegmatite)
- 45.7m* @ 1.59% Li₂O, 1230ppm Sn (Mpete Pegmatite)

Carriere de L'Est Pegmatite has a length of about 5,500m and results suggest the thickness of the pegmatite may be up to 280m.

Roche Dure Pegmatite is interpreted to be about 2,700m long (drill proven to 2,100m) with average true thickness of 200m in places. The pegmatite extends down-dip more than 250m and remains open.

Exploration target 1Bt to 1.2Bt of 1.25% to 1.5% Li₂O** (with additional tin and tantalum credits).

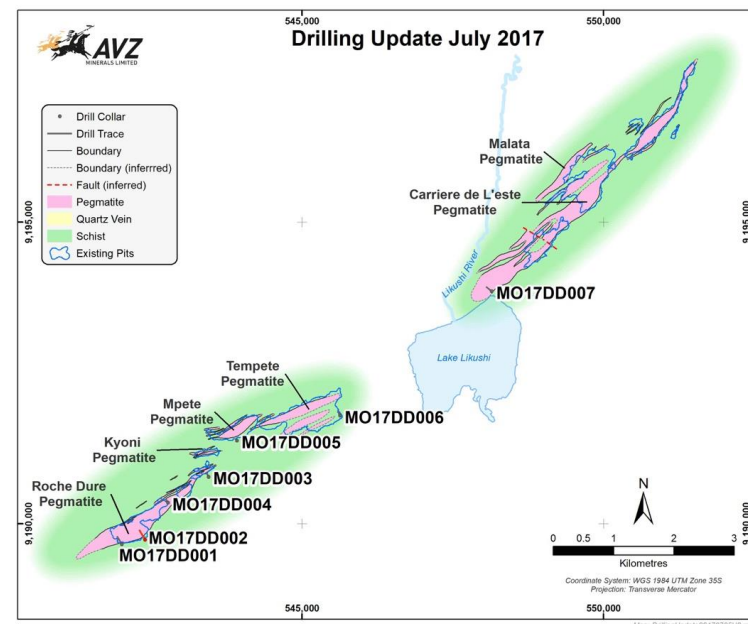


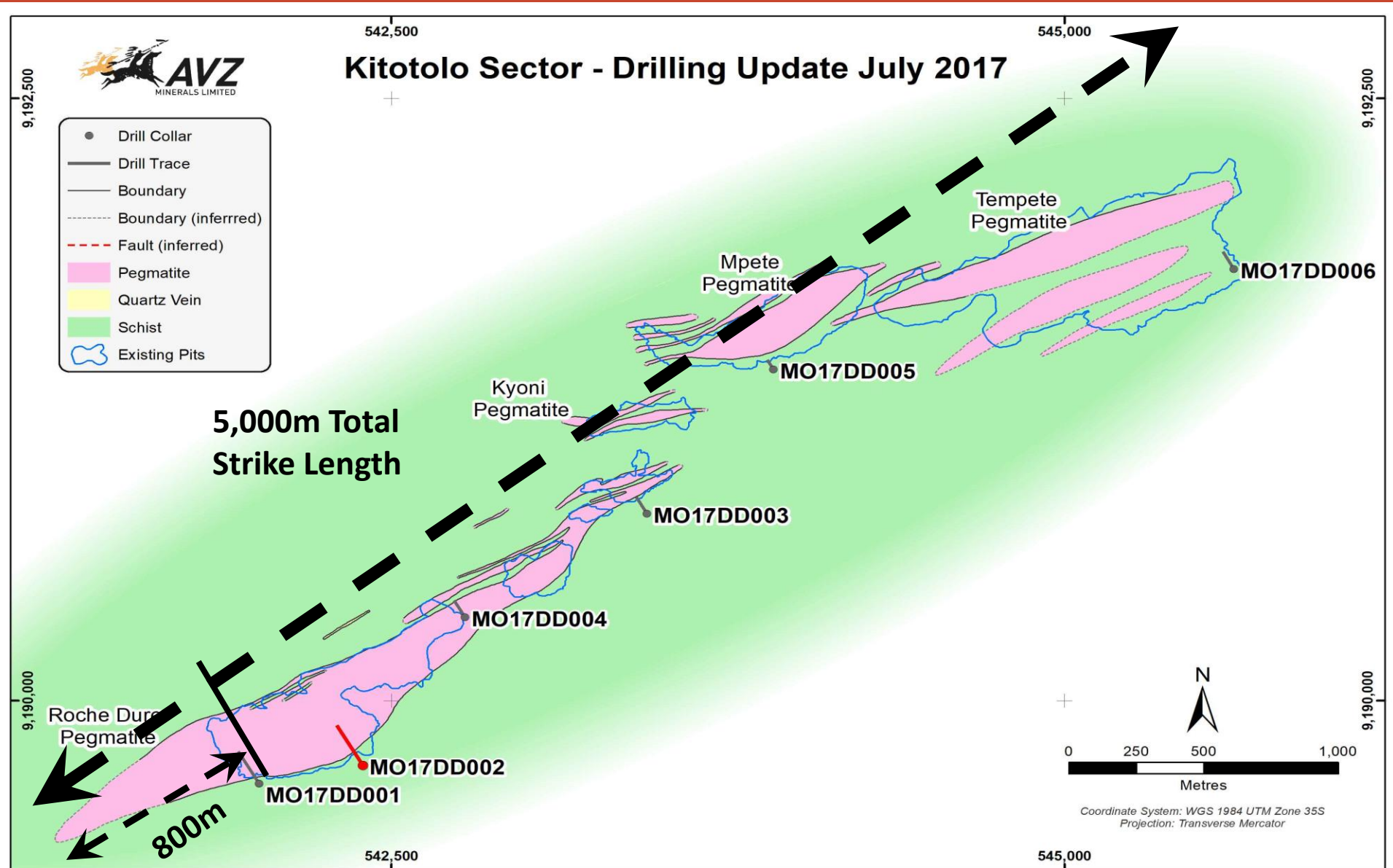
Table 1. Drill-hole Collar Summary Data

Drill-hole ID	Drilling method	Easting (mE)	Northing (mN)	Elevation (m)	Grid	Zone	Dip [degrees]	Azimuth (Magnetic) [degrees]	EOH (m)	COMMENTS
MO17DD001	DDH	542009	9189655	656	WGS-84	35 S	-60	330	311.5	PQ to 38.75m, HQ to EOH.
MO17DD002	DDH	542391	9189727	653	WGS-84	35 S	-50	320	300.7	PQ to 66m, HQ to EOH.
MO17DD003	DDH	543453	9190760	632	WGS-84	35 S	-60	330	234	PQ to 61.5m, HQ to EOH.
MO17DD004	DDH	542774	9190346	637	WGS-84	35 S	-70	330	153	PQ to 53m, HQ to EOH.
MO17DD005	DDH	543921	9191373	631	WGS-84	35 S	-70	330	138.5	PQ to 74.2m, HQ to EOH.
MO17DD006	DDH	545683	9191760	618	WGS-84	35 S	-70	330	250.25	PQ to 62.5m, HQ to EOH.
MO17DD007	DDH	548145	9193850	606	WGS-84	35 S	-70	310	351	PQ to 47.3m, HQ to EOH.

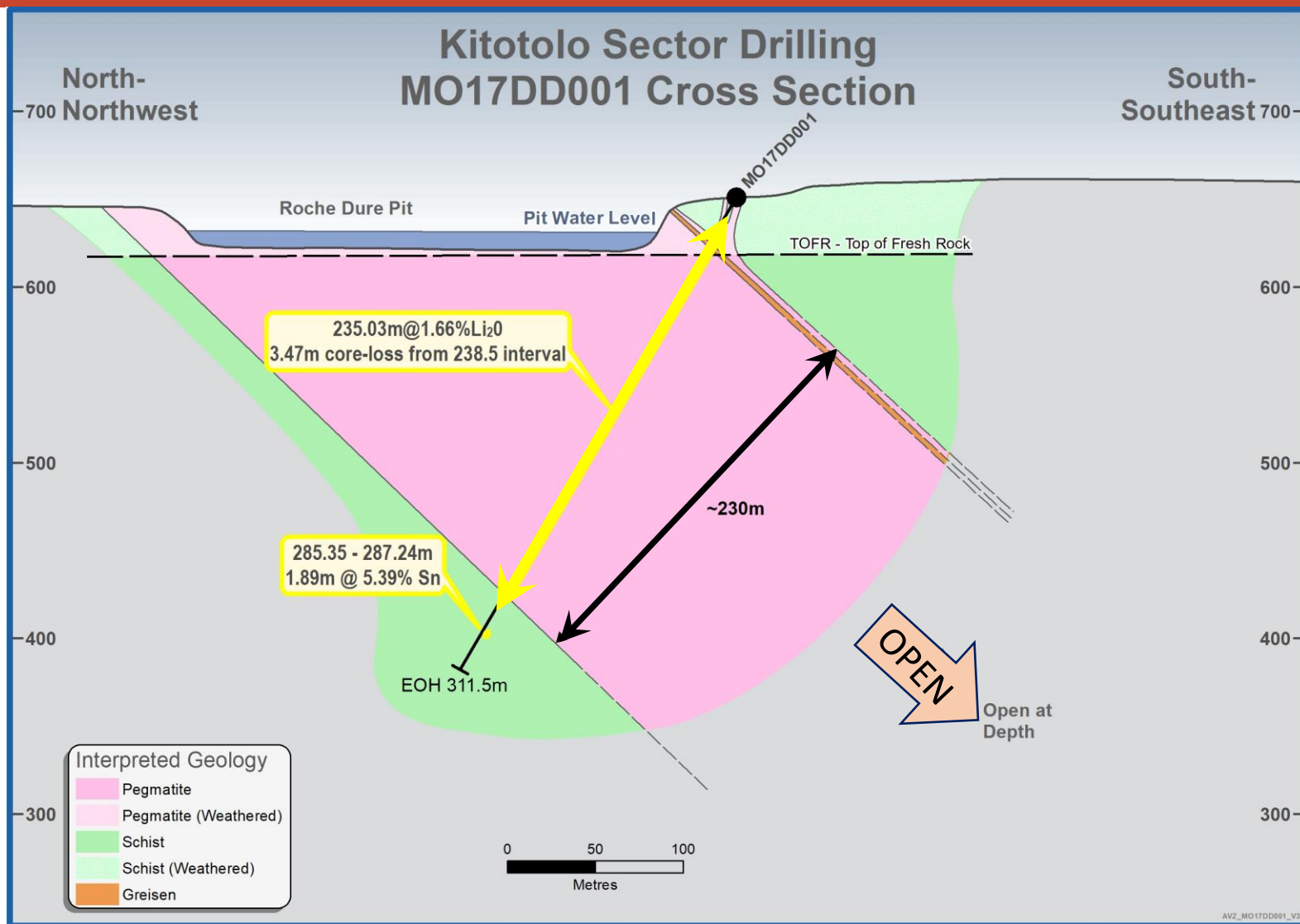
* Down-hole length. Additional drilling is required to confirm the true-thickness of the pegmatites.

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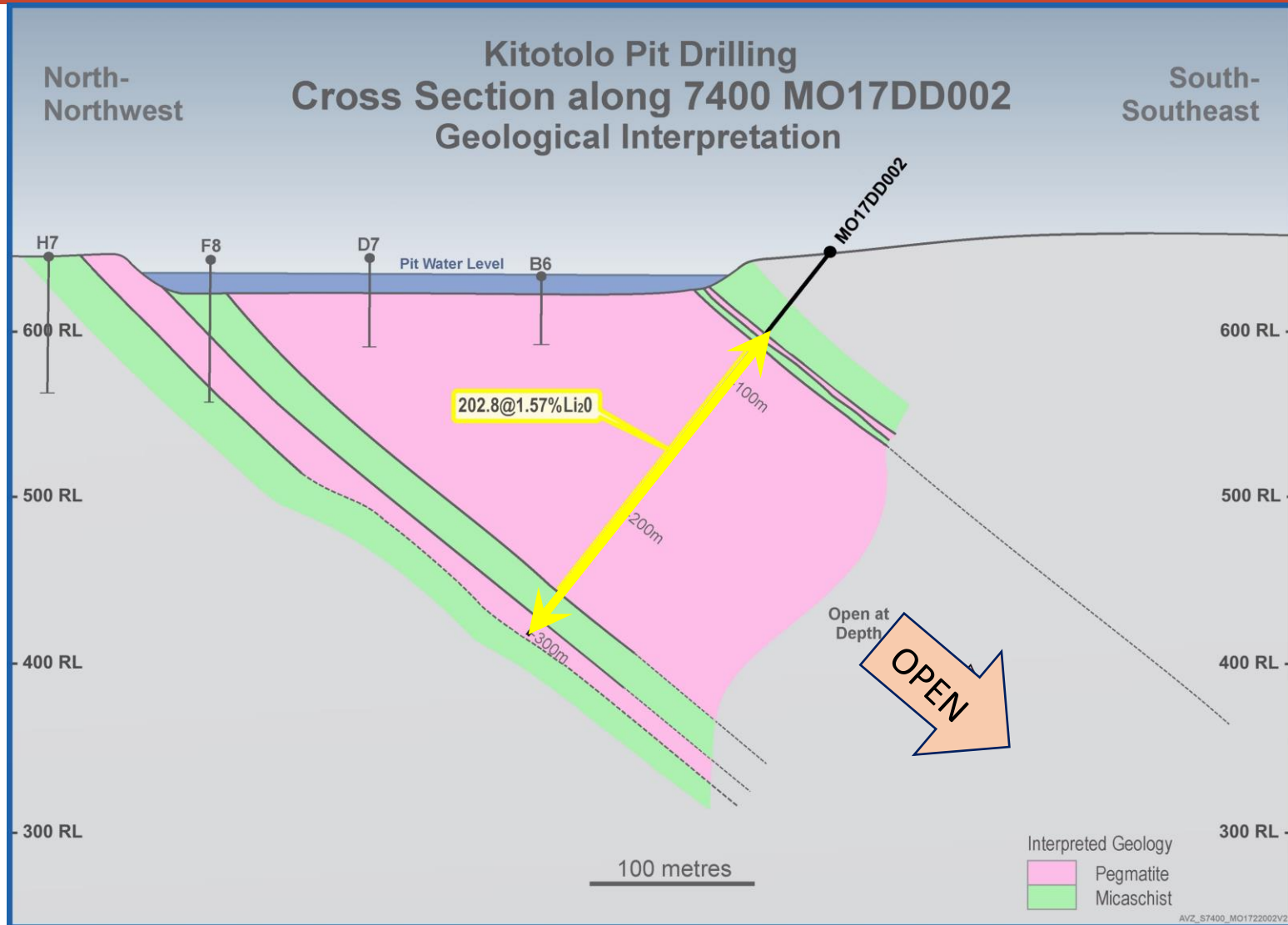
Manono Project – Sectional Results Kitotolo



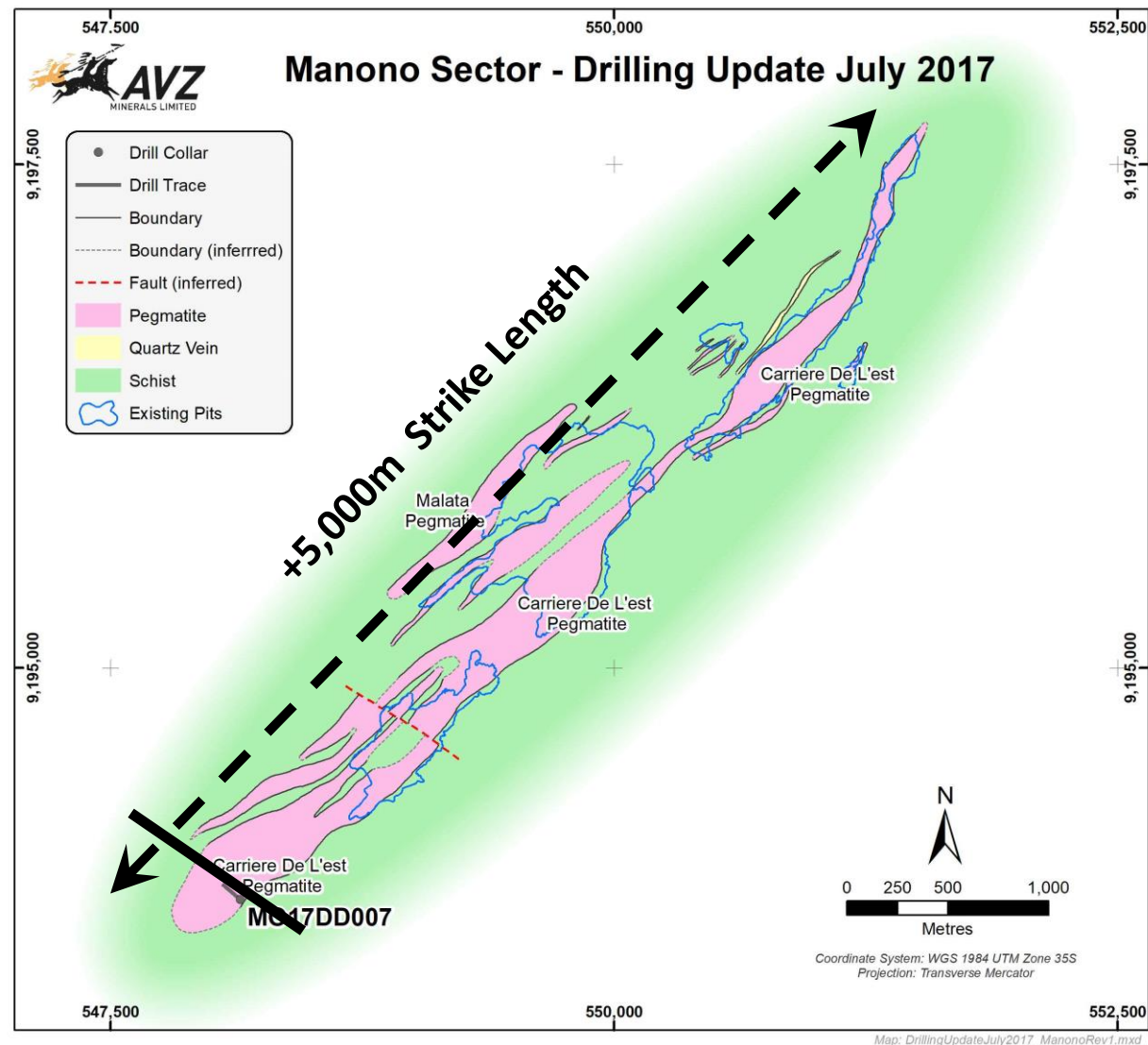
Manono Project – Sectional Results Roche Dure



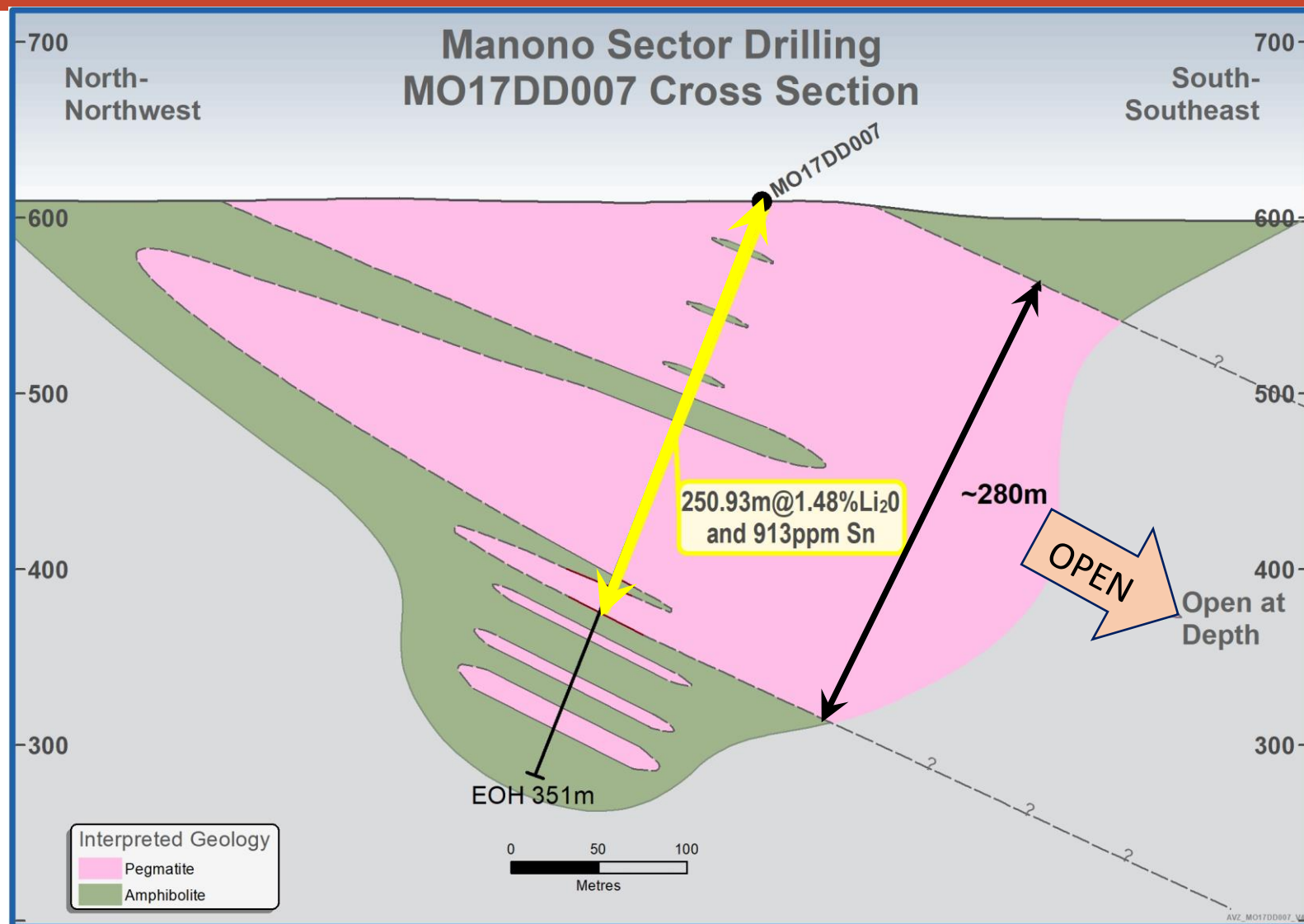
Manono Project – Sectional Results Roche Dure



Manono Project – Sectional Results Manono



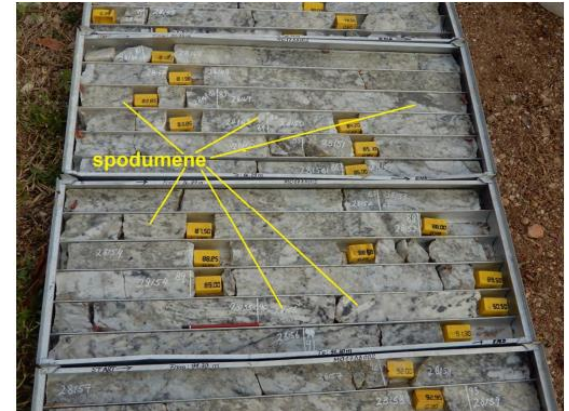
Manono Project – Sectional Results



Preliminary Metallurgical Test Work

Historial Findings - Belgian Government Beneficiation Test Work





- Beneficiation test work carried out by Belgium government (1956, 1976 and 1981) demonstrated that a 6.82% lithium concentrate was produced using combination of heavy media separation, tables and spirals.
- Promising results for basic heavy liquid testing, further grind size optimisation is required and a flotation stage will add further improvement.
- Work to date has confirmed that the six large pegmatites all contain spodumene, with spodumene mineralisation constituting up to 30% of the rock volume.



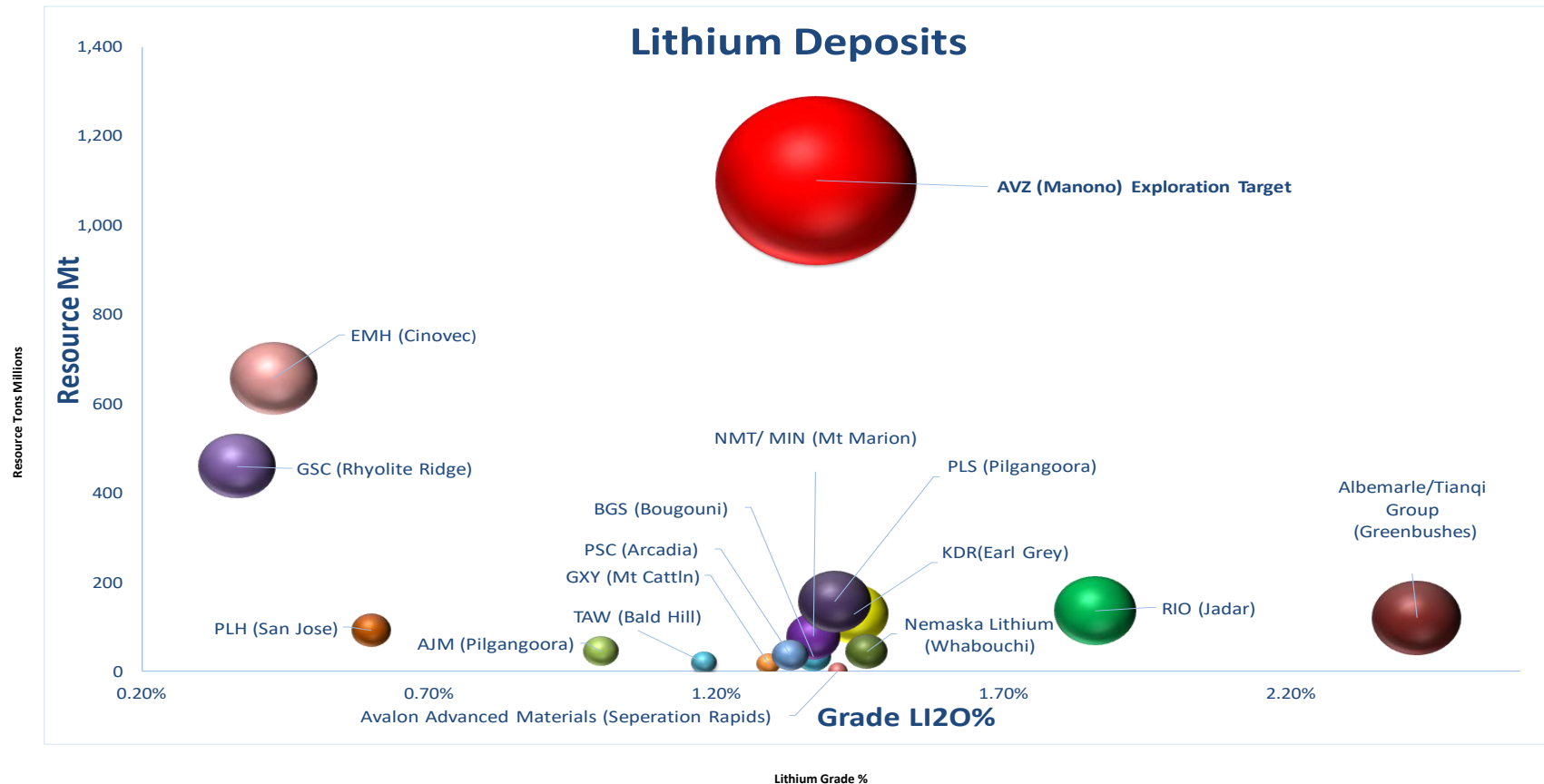
Initial Characterisation Test Work:

- Initial “mineral characterisation” investigations of the Roche Dure Pegmatite, support the potential for high value ore within the Roche Dure pegmatite.
 - Roche Dure Pegmatite is essentially homogenous and spodumene confirmed as the lithium mineral species present within the pegmatite.
 - The mean concentrations of “penalty” elements are low.
 - AVZ to commence detailed metallurgical test-work in H1 2018.
-

Target Pathway to Development

	Completed	Complete By	Start By
Evaluate country risk and market opportunities			
Design and implement initial funding strategy			
Search for commercially exploitable resources			
Exploration right application / approval			
Commencement of metallurgical test-work		Q4, 2017	
Commencement of extensive drill program		Q4, 2017	
Competent Persons Report - Initial Resources		Q1, 2018	
Pre-feasibility study (PFS)			Q4, 2018
Preparation of Mining permit and licence application			Q1, 2019
Project financing			Q1, 2019
Construction of infrastructure and plant			Q3, 2019
Plant commissioning			2019/2020
Commercial operations begin			2019/2020

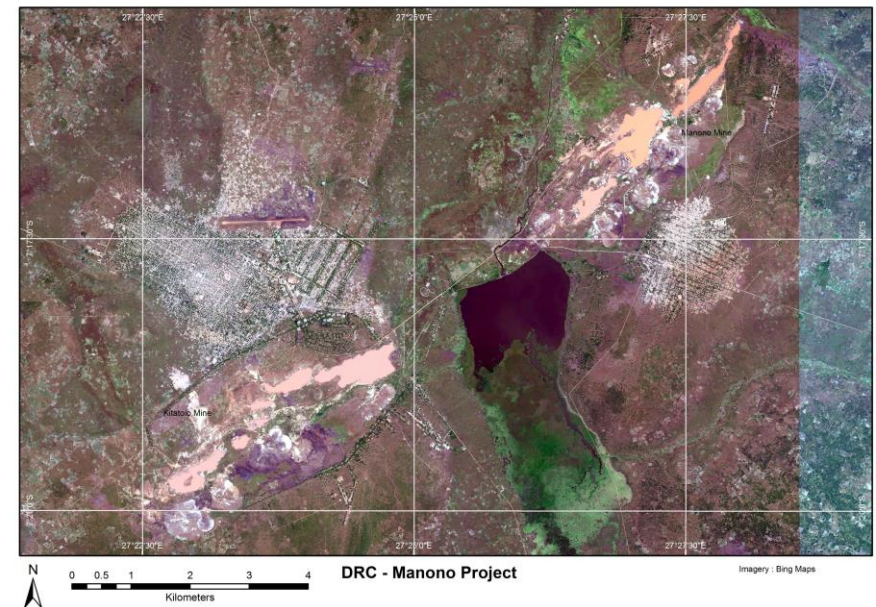
Peer Comparison



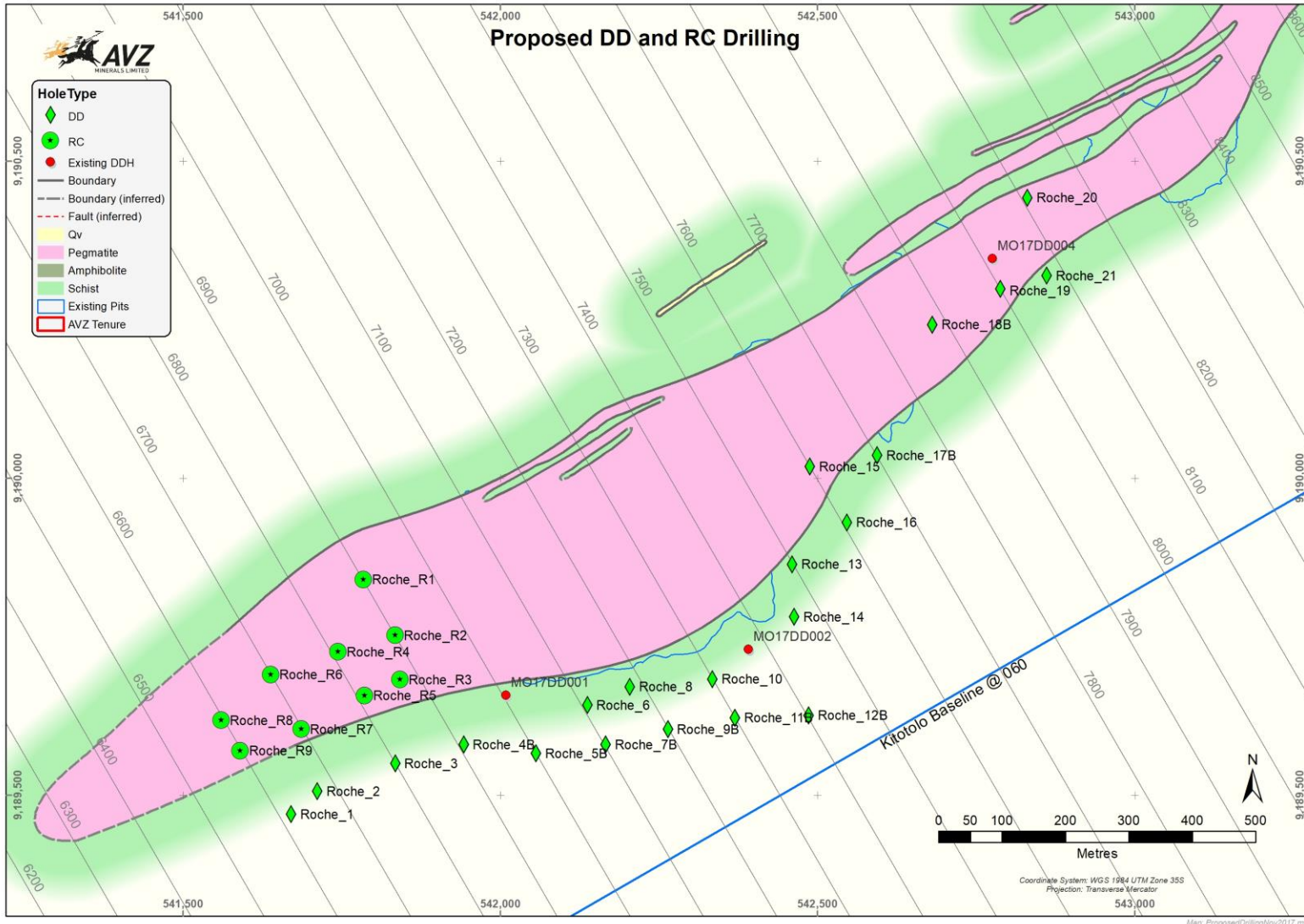
- Source: Airguide / Industry Reports / Company Presentations

Manono Project – Plans for Next Quarter

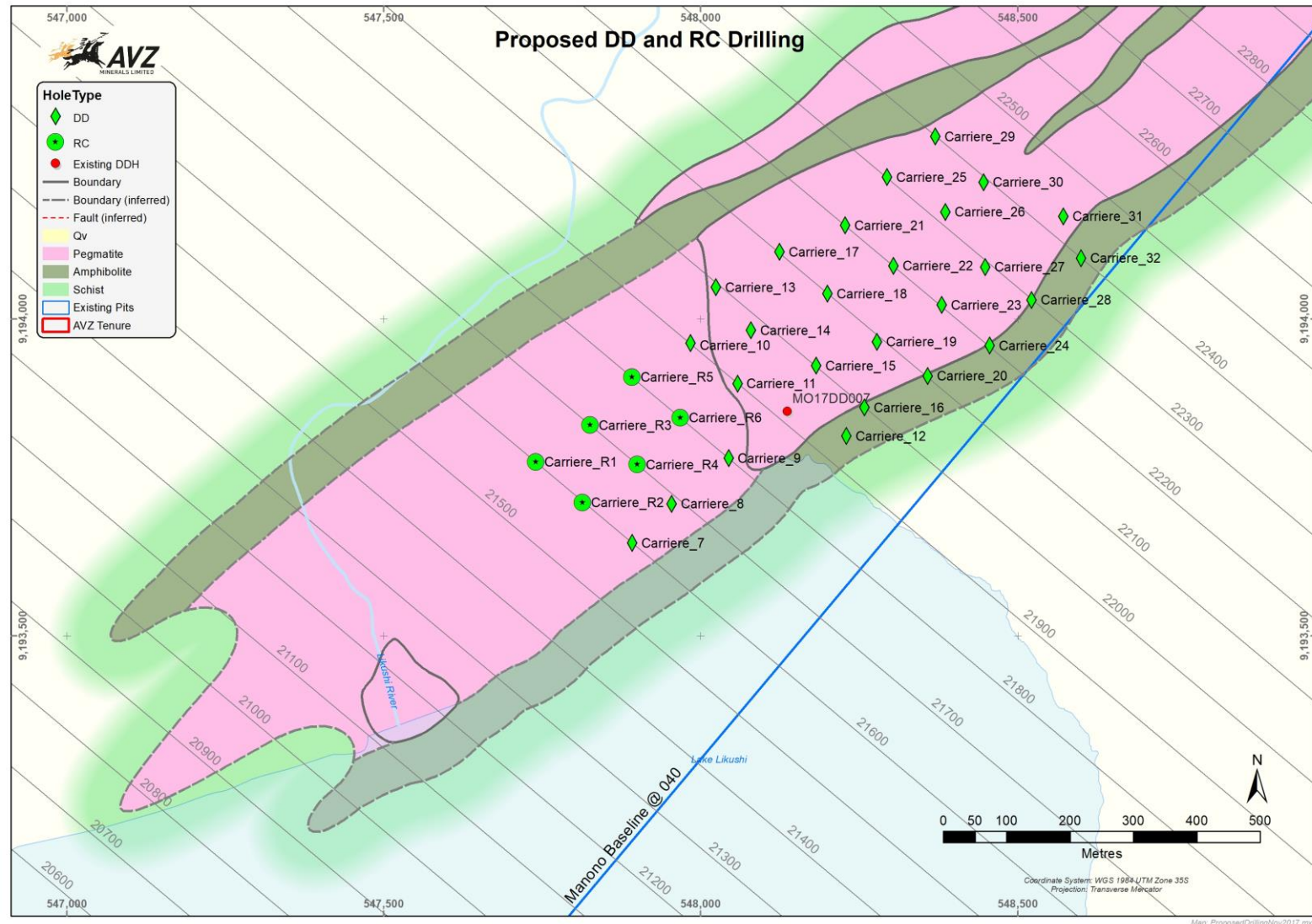
- Planned 40,000m drilling program commencing in Q4 2017.
- Entered into an agreement with Equity Drilling Limited (Equity) - three diamond and one multipurpose drill rigs.
- Equity have commenced mobilisation and drilling is expected to commence in December 2017.
- Objective of defining initial JORC compliant mineral resources at the Kitotolo and Manono sectors of the Project.
- Detailed metallurgical test-work in H1 2018.



Manono Project – Proposed Drilling Roche Dure



Manono Project – Proposed Drilling Carrier de L'Est





November 2017

THANK YOU

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