



ASX ANNOUNCEMENT

11 March 2020

## Yibin Tianyi \$14.1M Placement Update

### Highlights

- Yibin Tianyi, through its associate, N-Resource Limited, has provided a US\$1m Convertible Note to AVZ to maintain its rights under the Subscription Agreement<sup>1</sup>
- AVZ and Yibin Tianyi progressing towards finalising and executing a binding offtake agreement

AVZ Minerals Limited (ASX:AVZ, “the Company”) advises the Company has received a US\$1m Convertible Note from N-Resource Limited, an associate of Yibin Tianyi Lithium Industry Co., Ltd (“Yibin Tianyi”).

The payment of US\$1m permits Yibin Tianyi to maintain its rights under the Subscription Agreement in which the Sunset Date has been extended to 31 March 2020. It also accommodates a request to Yibin Tianyi from Australia’s Foreign Investment Review Board (“FIRB”) for additional time to finalise its review which is well progressed.

The Company is also pleased to advise that AVZ and Yibin Tianyi are progressing towards finalising and executing a binding offtake agreement for product from the Manono Lithium and Tin project (“Manono Project”).

As previously announced, Yibin Tianyi is targeting production of up to 25,000 tonnes of lithium hydroxide per annum, with future staged expansions expected to increase production to approximately 100,000 tonnes per annum, making Yibin Tianyi’s plant one of the largest hydroxide suppliers in China.

Under the terms of the Subscription Agreement, both parties will negotiate in good faith to agree and execute a binding offtake agreement for lithium products from the Manono Project. Good progress is being made on this front with draft documents having been exchanged.

AVZ Managing Director, Mr. Nigel Ferguson said, “We are pleased with Yibin Tianyi’s commitment to finalise this strategic investment through securing a convertible note for AVZ to maintain the terms of the Subscription Agreement, especially given the current volatile market conditions. We continue to work with Yibin Tianyi and FIRB to ensure the necessary regulatory approvals are obtained as soon as possible.

<sup>1</sup> Please refer to ASX Announcement dated 11 November 2019 “AVZ introduces Yibin Tianyi Lithium as a Strategic Investor”

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### Directors:

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Managing Director: Nigel Ferguson

Technical Director: Graeme Johnston

Non-Executive Director: Rhett Brans

Non-Executive Director: Hongliang Chen

Non-Executive Director: Peter Huljich

### Market Cap

\$148 M

### ASX Code: AVZ

“We are also pleased with the current progress being made with respect to finalising a binding offtake agreement with Yibin Tianyi for our lithium products from the Manono Project. We will keep the market apprised of the latest developments in terms of AVZ executing a binding offtake agreement with Yibin Tianyi.”

This release was authorised by Nigel Ferguson, Managing Director of AVZ Minerals Limited.

For further information, visit [www.avzminerals.com.au](http://www.avzminerals.com.au) or contact:

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