

AVZ Minerals Ltd

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AVZ Minerals partners with DRC Ministry of Industry to develop Special Economic Zone

AVZ Minerals Ltd (ASX:AVZ) has executed a binding memorandum of understanding (MoU) with the Ministry of Industry for the development of a Special Economic Zone (SEZ) at Manono in the Democratic Republic of Congo.

The purpose of the MoU is to set up the terms for collaboration and negotiation between the Ministry of Industry and AVZ with a view to establishing the 'Manono Special Economic Zone' in the Tanganyika Province and the development of basic infrastructure within the same.

Development of the Manono Lithium and Tin Project and associated infrastructure for mining operations including the export of products would be at the core of these developments.

AVZ is on track to release a definitive feasibility study (DFS) for the Manono Lithium and Tin Project by March 31, 2020.

Tax exemptions and other benefits

In essence, a Special Economic Zone provides for an 'investor to enjoy exemptions or reductions, either permanently or temporarily, in a degressive or non-degressive manner, with or without the possibility of renewal or extension, on direct or indirect taxes, domestic duties and taxes, national, provincial and municipal royalties, import or export duties payable in Democratic Republic of Congo'.

AVZ as the developer of the SEZ, would be eligible to additional benefits from the Congolese Government as opposed to being purely an investor in the SEZ.

The company intends to secure the services of a suitably qualified manager to run the SEZ under contract which will be a joint venture between the government, a financier, a manager and AVZ.

Redevelopment of the Manono district

AVZ managing director Nigel Ferguson said: "We are extremely excited by this major step forward for the Manono Lithium and Tin Project.

"The Congolese Government has executed on what they stated they would do in support of the Manono district and they clearly agree with us, in that AVZ's Manono Lithium and Tin Project can be a major catalyst for the redevelopment and invigoration of the Manono district to its former glory."

The MoU has a 12-month term and can be terminated in the event of non-performance by either party.

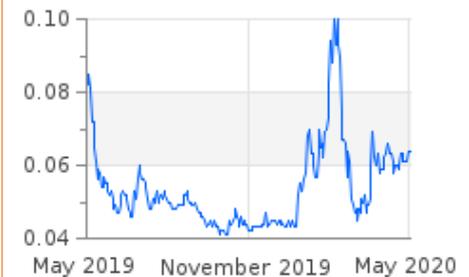
Next steps

Within four months of executing the MoU, AVZ will commit to defining and delineating the geographical area of the Manono Special Economic Zone.

Price: 0.064

Market Cap: \$175.04 m

1 Year Share Price Graph



Share Information

Code: AVZ

Listing: ASX

52 week High Low
0.105 0.04

Sector: Rare earths & specialist minerals

Website: www.avonleaminerals.com

Company Synopsis:

AVZ Minerals Ltd (ASX:AVZ) is listed on the Australian Securities Exchange.

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The defined geographical area will initially include all essential infrastructure such as water, power and roads including the Manono Lithium and Tin Project licences to facilitate a successful mining operation.

A special workshop including the respective government representatives has been organised in March to address these matters, including the framework for development and satisfaction of all conditions for the SEZ.

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