

AVZ Minerals Ltd

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AVZ Minerals advances plans to develop Manono Lithium and Tin Project in Democratic Republic of Congo

AVZ Minerals Ltd (ASX:AVZ) advanced plans to develop the Manono Lithium and Tin Project in the Democratic Republic of Congo by issuing tenders for around US\$300 million worth of pre-mining infrastructure packages.

The tenders, which will be awarded once AVZ makes a final investment decision to mine Manono included the process plants EPC package, the Kabondo-Dianda intermodal staging station, diesel storage facilities and supply packages (as well as site buildings and enterprise systems).

Conversion of exploration to mining licence underway

Documentation for the application to convert the current exploration licence (PR13359) to a mining licence, is underway.

The DFS results, the ESIA reports (including the Social Development plan) and the draft Mine Closure Plan form the majority of this package of reports that are required for the application to be submitted.

Continuing to advance Manono Lithium and Tin Project

Managing director Nigel Ferguson said: "The June quarter has been extremely busy for AVZ as we continued to advance the Manono Lithium and Tin Project.

"During the quarter we maintained our early works program at the Manono Project and issued approximately US\$300 million of pre-mining request for tenders, which will be awarded once a Final Investment Decision to mine Manono is made.

"We are also preparing the necessary documentation to be lodged with both the Department of Mines and the Department of Environment for an application to convert our current exploration licence to a mining licence."

DRC Government discussions progressing

Ferguson continued: "Our discussions with the DRC Government around our Special Economic Zone agreement slowed during the quarter due to a travel ban imposed in the DRC due to the global COVID-19 pandemic.

"However, discussions are now progressing and we expect to finalise a SEZ agreement before award of the mining licence.

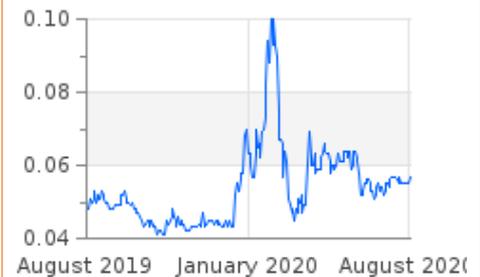
"I can also confirm that discussions with various entities relating to offtake agreements and financing arrangements are well advanced.

"We are looking at financing options out of Europe and the Middle East where there is strong interest in EV batteries, as well as another option out of South Africa.

Price: 0.057

Market Cap: \$161.79 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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"I look forward to keeping all our shareholders up-to-date with respect to offtake agreements, financing and a decision to mine."

Yibin Tianyi placement

In mid-May, AVZ successfully completed a A\$10.7 million placement to Yibin Tianyi Lithium Industry Co Ltd through the issue of 237,500,000 shares at 4.5 cents per share.

Yibin Tianyi now holds a 9% stake in AVZ but is not entitled to a board seat.

The placement funds enabled AVZ to repay a US\$1 million convertible note to N-Resource Limited (a company associated with Yibin Tianyi), undertake early development works at the Manono Project and provide ongoing working capital.

In late May, AVZ received approximately A\$5.3 million after more than 180,241,837 listed options were exercised by option holders and Canaccord Genuity (Australia) Limited.

Furthermore, AVZ completed its final payment of US\$1M under the original Acquisition Agreement to acquire its 60% interest in the Manono Project.

AVZ retains the option to increase its holding in the Manono Project to 65% under the Share sale purchase agreement with Dathomir Mining Resources SARL.

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