

# AVZ Minerals Ltd

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## AVZ Minerals lifting equity stake in Manono Lithium and Tin Project to 75%

AVZ Minerals Ltd (ASX:AVZ) has executed a share purchase agreement (SPP) to secure an additional 10% of Dathcom Mining SA from its JV partner, Dathomir Mining Resources SARLU, the 100% holder of the Manono Lithium and Tin Project in the DRC.

Under the SPP and once the respective shareholdings have been paid, this arrangement will result in AVZ holding 75% of the project.

This will mean that the only two parties involved with the project will be AVZ and the Congolese Government through La Congolaise D'Exploitation Miniere.

The two key benefits will be adding to AVZ's net present value for the project and enhancing ongoing discussions with prospective financiers.

### Equity will add to bottom line

Managing director Nigel Ferguson said: "The recently completed definitive feasibility study clearly demonstrated our Manono project is very robust, with strong financial metrics.

"We are excited to have finalised the terms of our second share purchase agreement with Dathomir Mining, which upon completion, gives AVZ a 75% equity stake in the Manono project.

"This additional equity will add significantly to the project's bottom line and net present value and is critical to AVZ's ongoing discussions with prospective financiers."

AVZ's potential increase in share of project NPV10 would increase from US\$1,409 million to US\$1,761 million pre-tax and from US\$616 million to US\$771 million post-tax based on 75% project interest.

### Agreement details

Under the agreement, AVZ has paid US\$500,000 to Dathomir Mining as an advance payment.

The remaining US\$15 million will be paid to Dathomir Mining at any time within 12 months of the agreement being executed, or as soon as AVZ secures a minimum of US\$50 million in project financing.

Should payment not be made within 12 months of executing the agreement, AVZ will forego its US\$500,000 advance payment and lose the rights to secure the additional 10%.

Alternatively, the agreement provides for AVZ to secure a minimum 2.5% equity shareholding in Dathcom Mining and thereafter in pro-rata amounts up to the maximum 10% stake during the 12-month period.

Shares are up more than 6% to 6.7 cents.

**Price:** 0.088

**Market Cap:** \$250.67 m

### 1 Year Share Price Graph



### Share Information

**Code:** AVZ

**Listing:** ASX

**52 week High Low**  
0.105 0.042

**Sector:** Rare earths & specialist minerals

**Website:** [www.avonleaminerals.com](http://www.avonleaminerals.com)

### Company Synopsis:

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

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The Manono Lithium and Tin Project covers around 188 square kilometres in the south of the Democratic Republic of Congo in central Africa.

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