



ASX ANNOUNCEMENT

30 April 2024

## Activities Report for the Quarter ending 31 March 2024

### Summary

- AVZ's securities remained in suspension during the March 2024 Quarter pending a resolution and clarity of the mining and exploration rights for the Manono Lithium and Tin Project (**Manono Project**).
- AVZ continued to affirm its legal rights to a 75% interest in Dathcom Mining SA (**Dathcom**), the entity holding legal rights to PR13359 comprising the Manono Project and its continuing pre-emptive rights over 15% of the 25% interest held by La Congolaise d'Exploitation Minière (**Cominière**).
- The Company continued to work with its legal and corporate advisors in respect of the International Chamber of Commerce (**ICC**) and International Centre for Settlement of Investment Disputes (**ICSID**) arbitration proceedings to confirm the Company's and its subsidiaries' interests in the Manono Project which included:
  - obtaining an ICSID tribunal interim orders that, among other things, the Democratic Republic of Congo (**DRC**) take the necessary steps to reflect that Dathcom is the holder of PR 13359 (excluding the perimeter covered by PR 15775);
  - AVZ's subsidiaries filing a subsequent motion requesting the ICSID tribunal make financial penalty orders for non-compliance with the ICSID interim orders;
  - AVZI applying to the ICC for a partial award seeking to liquidate (i.e. have paid) the accrued fines in respect of the emergency ICC orders dated 15 November 2023 and 5 May 2023;
  - AVZI successfully challenging the ICC arbitration proceeding (ICC No. 26986/SP) commenced by Jin Cheng Mining Company (**Jin Cheng**) which is the subsidiary of Zijin Mining Limited (**Zijin**) finding that Jin Cheng is not entitled to have recourse to ICC arbitration as it is not a shareholder of Dathcom; and
  - enforcement of the previous ICC order in the case ICC No. 27401/SP granting emergency measures against Dathomir Mining Resources SARL (**Dathomir**) on 18 December 2023, including an injunction compelling Dathomir to withdraw the application to the Commercial Court of Lubumbashi seeking a judgment to wind-up Dathcom.
- The Company released its updated mineral resource estimate for the Manono Project, increasing total mineral resources for the Manono Project by 47% to 842 million tonnes @ 1.61% Li<sub>2</sub>O<sup>1</sup>.

#### AVZ Minerals Limited

Level 2, 1 Walker Avenue  
West Perth, WA 6005  
Australia

T: + 61 8 6186 7600

F: + 61 8 6118 2106

E: [admin@avzminerals.com.au](mailto:admin@avzminerals.com.au)

W: [www.avzminerals.com.au](http://www.avzminerals.com.au)

ABN 81 125 176 703

#### Directors

Non-Executive Chairman: John Clarke

Managing Director: Nigel Ferguson

Technical Director: Graeme Johnston

Non-Executive Director: Rhett Brans

Executive Director: Serge Ngandu

Non-Executive Director: Casta Tungaraza

Non-Executive Director: Salome Sijaona

ASX Code: AVZ

OTC Code: AZZVF

<sup>1</sup> Refer ASX announcement dated 31 January 2024 'Manono Project Mineral Resource increases 47% to 842Mt as Roche Dure tonnages expanded'

- The Company extended the exclusivity period under the Binding Term Sheet (**Term Sheet**) with Locke Capital I, LLC and its investment manager, Locke Capital Limited (**Locke**) to 31 May 2024 to enable the parties sufficient time to seek final approvals and negotiate and agree the facility documents in respect of the proposed general working capital and litigation funding facility of up to US\$20,000,000 (**Funding Facility**).

**AVZ Minerals Limited** (ASX: AVZ, OTC:AZZVF) (**Company** or **AVZ**) presents its Quarterly Activities Report for the period ended 31 March 2024 and provides the following update to shareholders.

### **Voluntary Suspension and Mining Licence**

AVZ's securities remained in suspension during the March 2024 Quarter. As announced on 30 April 2024, the AVZ board has resolved not to seek reinstatement on the ASX. AVZ will be removed from the Official List of the ASX on Monday, 13 May 2024. Shareholders should refer to the ASX announcement released on 30 April 2024 for further details in respect of the removal from the Official List of the ASX and its implications for shareholders.

Notwithstanding that decision, the Company has and will continue its efforts to resolve the ongoing disputes which comprise the:

1. **Title Dispute** - the International Center for Settlement of Investment Disputes (**ICSID**) arbitration proceedings (ICSID Case No. ARB/23/20) commenced by the Company's subsidiaries AVZ International Pty Ltd (**AVZI**), Green Lithium Holdings Pte Ltd (**GLH**), and Dathcom Mining SA (**Dathcom**) against the Democratic Republic of the Congo (**DRC**) in relation to the DRC's failure to procure the grant to Dathcom of an exploitation permit or mining permit (**PE**) in respect of the land the subject of PR 13359;
2. **Dathcom JV Dispute** - the two International Chamber of Commerce (**ICC**) arbitration proceedings (ICC No. 27720/SP initiated by AVZI and ICC No. 27769/SP initiated by La Congolaise d'Exploitation Minière (**Cominière**) and Jin Cheng Mining Company (**Jin Cheng**) a subsidiary of Zijin Mining Limited (**Zijin**)) in relation to alleged breaches of the shareholders' obligations under the Dathcom joint venture agreement dated 27 January 2017 as amended from time to time (**Dathcom JVA**), and the purported termination of the Dathcom JVA by Cominière (on the basis of which PR 13359 was purportedly transferred to Cominière and an application to wind-up Dathcom was brought by Dathomir Mining Resources SARLU (**Dathomir**));
3. **Jin Cheng Dispute** - the ICC arbitration proceedings initiated by Jin Cheng against AVZI in relation to an alleged abuse of majority position by AVZI in respect of its failure to acknowledge the sale of 15% of the shares in Dathcom from Cominière to Jin Cheng (which AVZI contends was void because it was entered into in breach of AVZI's pre-emptive right);
4. **Dathomir Dispute** - the two ICC arbitration proceedings brought by AVZI against Dathomir in relation to Dathomir's attempts to challenge the sale to AVZI of its 15% shareholding in Dathcom; and
5. **Fat Tail Dispute** - the proceedings commenced by Fat Tail Holdings Pty Ltd (**Fat Tail**) against the Company and two of its directors (Mr Nigel Ferguson and Mr John Clarke) in the Supreme Court of Western Australia alleging oppressive conduct and misleading and deceptive conduct.

## Title Dispute

On 16 January 2024, the ICSID tribunal made interim orders to protect AVZI, GLH and Dathcom's rights pending the final outcome of the Title Dispute including orders that the DRC take the necessary steps to reflect that Dathcom is the holder of PR 13359 (**Interim Orders**).<sup>2</sup>

It is noted that the reinstatement of PR 13359 in the name of Dathcom excluded the northern portion of PR 13359 which Cominière purportedly relinquished to enable the grant of PR 15775 to Manono Lithium SA<sup>3</sup> (a joint venture between Cominière and Zijin). The ICSID tribunal declined to deal with title to the northern area on an interim basis because it affected the interests of Manono Lithium SA. Dathcom's title to the northern area remains to be determined in the substantive proceedings (together with final confirmation of Dathcom's title to the balance of PR 13359).<sup>4</sup>

The Interim Orders are binding on all parties and took effect immediately but the parties were invited to provide comments on the implementation of the Interim Orders.

The DRC has not yet complied with the Interim Orders. In its comments, the DRC presented new arguments directed to achieving a cancellation of the Interim Orders (rather than provide comments on their implementation).

The ICSID tribunal has responded by reminding the DRC that it is bound by the Interim Orders and indicating that it will, in due course, draw the appropriate conclusions from any failure to comply with the Interim Orders. The ICSID tribunal also invited AVZI, GLH and Dathcom to provide submissions as to the basis upon which they contend they are entitled to be paid penalties in respect of any failure to comply with the Interim Orders.

AVZI, GLH and Dathcom subsequently filed a motion requesting the ICSID tribunal make financial penalty orders for non-compliance with the Interim Orders with AVZ's subsidiaries filing a statement of claim with ICSID during the March 2024 quarter.

The acceptance of jurisdiction by the ICSID tribunal to hear the claim coupled with the ICSID tribunal's acceptance that it had power to compel the reinstatement of title on an interim basis bodes well for the prospects of this claim.

The Company notes that its preference remains to achieve a negotiated resolution with the DRC but understands that the ability of the DRC to engage in negotiations is restricted until a new cabinet is formed following the Presidential election.

## Dathcom JV Dispute

As announced on 8 May 2023, AVZI obtained emergency orders restraining Cominière from taking steps to implement its purported termination of the Dathcom JVA and ordered that Cominière pay to AVZI a fine of €50,000 per day for any non-compliance with that emergency order.<sup>5</sup>

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<sup>2</sup> Refer to ASX announcement dated 18 January 2024 titled 'AVZ Successful in ICSID Interim Measures'.

<sup>3</sup> Manono Lithium SA is a joint venture between Cominière (39%) and Jinxiang Lithium Limited (61%) which is a subsidiary of Zijin Mining Ground Company Ltd, a Chinese group. Jin Cheng is also a subsidiary of Zijin Mining Ground Company Ltd.

<sup>4</sup> Refer to ASX announcement dated 18 January 2024 titled 'AVZ Successful in ICSID Interim Measures'.

<sup>5</sup> Refer to ASX announcement dated 8 May 2023 titled 'Favourable Ruling in ICC Emergency Arbitration Proceedings against Cominière'.

As announced on 17 November 2023, AVZI obtained further emergency orders restraining Cominière from conducting exploration or mining within the boundaries of PR 13359 or PR 15775 and ordered that Cominière pay a fine to AVZI of €50,000 per day for any non-compliance with that emergency order.<sup>6</sup>

AVZI has now applied to the ICC for a partial award seeking to liquidate (i.e. have paid) the accrued fines in respect of both emergency orders.

Based on the material that has been filed in the proceedings to date and having regard to the failure by Cominière to comply with the emergency orders, the Company remains confident that it will prevail in relation to this dispute.

## Jin Cheng Dispute

AVZI's jurisdictional challenge was heard on 5 and 6 October 2023, at which AVZI presented its case that the sale of the 15% of the shares Dathcom was ineffective, either due to the breach of AVZI's pre-emptive right under the Dathcom JVA or due to the circumstances in which that agreement was entered into by Jin Cheng and Cominière some of which were addressed in the IGF Report dated 30 September 2022.<sup>7</sup>

On 15 March 2024, the ICC tribunal found in favour of AVZI, ruling that, for the purposes of jurisdiction, the status of a shareholder in Dathcom is determined by its registration in Dathcom's internal share register and that the ICC tribunal did not have jurisdiction to preside over the proceedings commenced by Jin Cheng.<sup>8</sup>

The ICC tribunal held that Jin Cheng's recourse to arbitration was unjustified, and ordered that Jin Cheng reimburse AVZI USD 75,000 in respect of its arbitration costs and AUD 813,474 in respect of AVZI's defence costs.

AVZ was recently notified Jin Cheng filed an action in the Paris Court of Appeals to set aside the ICC award. AVZ has not been informed of the grounds for the annulment and will have to wait until Jin Cheng files its brief (it has approximately 4 months to do so).

## Dathomir Dispute

The Dathomir Dispute comprises two separate proceedings:

- ICC proceedings (ICC No. 27425/SP) were instituted by AVZI to obtain an order confirming that it validly acquired a further 5% shareholding in Dathcom pursuant to an agreement executed in 2019 (**2019 SPA Proceedings**); and
- ICC proceedings (ICC No. 27401/SP) were instituted by AVZ and AVZI to obtain an order confirming that AVZI validly acquired a further 10% shareholding in Dathcom pursuant to an agreement executed into in 2020 (**2020 SPA Proceedings**).

In the 2019 SPA Proceedings, Dathomir's jurisdictional challenge was heard on 19 January 2024 during which the parties addressed the issue of whether AVZ executed the 2019 agreement on behalf of AVZI. The Company is awaiting the ICC tribunal's decision in respect of this hearing.

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<sup>6</sup> Refer to ASX announcement dated 17 November 2023 titled "AVZ Successfully Restrains Cominière and Additional ICC Arbitration Updates".

<sup>7</sup> Refer to ASX announcement dated 27 September 2023 titled 'Arbitration Proceedings Update'.

<sup>8</sup> Refer to ASX announcement dated 19 March 2024 titled 'AVZI Successfully Defends Against Jin Cheng ICC Proceedings'.

As announced on 19 December 2023, in the 2020 SPA Proceedings, the ICC tribunal made emergency measures requiring Dathomir to preserve the status quo pending the outcome of the 2020 SPA Proceedings including by withdrawing its application before the Commercial Court of Lubumbashi seeking the winding-up of Dathcom.<sup>9</sup> To date, the hearings have been blocked by Dathcom's legal counsel and the Company understands that the competent DRC authorities are investigating judicial irregularities in this matter.

Based on the material that has been filed in the proceedings to date the Company remains confident that it will prevail in the 2019 SPA Proceedings and 2020 SPA Proceedings.

## Fat Tail Dispute

As announced on 18 December 2023 and 13 March 2024, the Company is continuing to vigorously defend the claims made by Fat Tail in the Supreme Court of Western Australia proceedings.

The parties are currently addressing interlocutory issues regarding the process and next steps in the proceedings, which will include Fat Tail being asked to provide security for the defendants' legal costs and to enter into a confidentiality regime in respect of any confidential and commercially sensitive material provided by the Company. Fat Tail may also seek that the Company deal with what Fat Tail says are issues with the Company's defence. Unless the parties can resolve these matters by agreement they will be heard by special appointment on 17 June 2024. Fat Tail is required to file any Reply no later than 7 days following the resolution of those matters.

## Updated Mineral Resource Estimate<sup>10</sup>

The updated Mineral Resource Estimate for the Manono Lithium and Tin Project (**Manono Project**) was announced during January 2024 after generating new results from the 2022 – 2023 drilling programme at the Roche Dure pegmatite.

The updated lithium Mineral Resource includes the Roche Dure deposit, hosting 79% of the lithium Mineral Resource of the Manono Project, with the balance hosted by the Carriere de l'Este mineral deposit<sup>11</sup>.

## Extension of Exclusive Due Diligence Period for a Funding Facility of up to US\$20,000,000<sup>12</sup>

As previously announced on 17 November 2023, the Company signed a Binding Term Sheet (**Term Sheet**) to provide a pathway for the execution of a formal agreement for a general working capital and litigation funding facility of up to US\$20,000,000 (**Funding Facility**) with Locke Capital I, LLC and its investment manager Locke Capital Limited (**Locke**). Locke has substantially advanced its due diligence process. To enable the parties sufficient time to seek final approvals and negotiate and agree the facility documents, an extension to the Term Sheet from 31 March 2024 to 31 May 2024<sup>13</sup> was agreed during the March 2024 quarter, with the aim of executing a formal agreement for the Funding Facility as soon as practicably possible. Locke has affirmed it remains committed to progressing the facility on terms consistent with the Term Sheet, subject to successful finalisation of diligence, final approvals, and negotiating and agreeing facility documents.

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<sup>9</sup> Refer to ASX announcement dated 19 December 2023 titled 'AVZ Successfully Restrains Dathomir'.

<sup>10</sup> Refer to ASX Announcement dated 31 January 2024 'Manono Project Mineral Resource increases 47% to 842Mt as Roche Dure tonnages expanded'.

<sup>11</sup> Refer to ASX Announcement dated 18 December 2023 'Carriere de l'Este Maiden Mineral Resource Estimate'.

<sup>12</sup> Refer ASX announcement dated 17 November 2023 'Binding Term Sheet Signed for Funding Facility of up to US\$20,000,000'.

<sup>13</sup> Refer ASX announcement dated 2 April 2024 'Extension of Exclusive Due Diligence Period for US\$20 Million Facility with Locke Capital'

## Corporate

The Company closed the March 2024 Quarter with a cash balance of A\$4.2M.

Cash for the March 2024 Quarter was used to fund legal expenses for the various arbitration cases and for AVZ and Dathcom corporate expenditure, including:

- A\$1.2M for payroll, administration and corporate costs; and
- A\$1.0M was capitalised as exploration and project development works and evaluation costs to the Manono Project.

Payments made to related parties as reported in the Appendix 5B (refer Items 6.1 and 6.2) for the March 2024 Quarter relate to Director's employment, consultancy services and business expense reimbursements to our Director-related parties.

During the March 2024 Quarter, 400,000 Performance Rights were cancelled by agreement between entity and holder.

As of 31 March 2024, the Company's securities on issue were as follows:

Quoted Securities	Number
Ordinary Fully Paid	3,528,729,748
Unquoted Securities	Number
Performance Rights	33,060,600

Despite being suspended from trading its shares on the ASX the Company continues to comply with all its continuous disclosure requirements.

This release was authorised by the board of AVZ Minerals Limited.

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

Mr. Jan de Jager or Mr. Ben Cohen  
Joint Company Secretary  
AVZ Minerals Limited  
Phone: +61 8 6186 7600  
Email: [admin@avzminerals.com.au](mailto:admin@avzminerals.com.au)

Media Enquiries:  
Mr. Peter Harris  
Peter Harris & Associates  
Phone: +61 (0) 412 124 833



Information required under ASX Listing Rule 5.3.3

List of current mining and exploration tenements (as of 31 March 2024):

Country / Project	Tenement	Interest	Status
DRC – Manono Project	PR 13359	75%*	Granted
DRC – Manono Exploration	PR 4029 PR 4030	100%	Granted

*\*AVZ through its wholly owned entity, AVZ International Pty Ltd ("AVZI") has a legal 75% interest in the Manono Project. On 27 September 2021, AVZ announced that Suzhou Cath Energy Technologies ("CATH") will earn a 24% interest in the Manono Project subject to the satisfaction or waiver of several conditions' precedent stipulated in the Transaction Implementation Agreement ("TIA"). Since 30 November 2021, both parties have agreed on several occasions to amend the closure date for the TIA. The Company advised on ASX Announcement dated 3 July 2023 that the TIA remains valid until either the completion or cancellation by both parties.*

## INFORMATION ABOUT THE MANONO PROJECT

AVZ holds a 75% interest in the Manono Project, located 500km north of Lubumbashi in the south of the Democratic Republic of Congo, hosting the world class Manono Project one of the largest undeveloped hard rock lithium deposits in the world, which includes the Roche Dure and the Carriere de l'Este deposit.

### ***Important information regarding ownership of the Roche Dure and Carriere de l'Este deposit***

*On the 28th December 2016, PR 13359 which authorises exploration and feasibility studies to be undertaken, was granted for a period of 5 years. On the 29th December 2016, PR13359 was transferred from La Congolaise d'Exploitation Miniere SA (Cominiere) to Dathcom Mining SA (Dathcom). On 4th May 2021, Dathcom applied to convert PR13359 into an exploitation permit (PE) which authorises mining. Upon lodging the PE application, PR13359's term was extended indefinitely to allow determination of the PE application.*

*Dathcom undertook the drilling of the Carriere de l'Este deposit pursuant to PR 13359 between 2017 and 2021. It also carried out further drilling of the Roche Dure deposit as part of its Early Works Programme in 2022 and 2023. Subsequently, disputes have emerged relating to the ownership of PR 13359. These disputes are the subject of various arbitration proceedings which are summarised in AVZ's ASX announcements dated October 30th, November 2nd, 15th and 17th, December 19th 2023, 18th January 2024 and 13<sup>th</sup> March 2024.*

*The allegation that Manono Lithium SA holds PR 15775 over the northern portion of the Manono Project is without any legal foundation. This northern area includes the Carriere de l'Este, Malata and Kahungwe deposits, the rebuilt Colline Manono construction camp and administrative centre as well as the Dathcom core yard and core farm that hosts the sample library.*

*AVZ maintains that Dathcom is the holder of PR 13359 in respect of the entire Manono Project (including both the southern and northern areas) and remains the applicant for a PE in respect of that land. AVZ has grounds to believe it has strong prospects of success and is confident of its position. The purpose of the ICSID proceedings which were commenced by AVZ on 8 May 2023 and registered on 8 June 2023 is to authoritatively establish this.*

*On 18 January 2024, the Company announced the ICSID tribunal issued interim orders to the effect that the DRC take all necessary steps to reflect that Dathcom is the holder of PR 13359 (but excluding the northern area) and to protect AVZ, GLH and Dathcom's rights during the pendency of the proceedings. The Company considers the unlawfulness of the transfer of PR 13359 from Dathcom to Cominiere, which has been reversed under the Interim Orders, renders Cominiere's relinquishment of the northern portion of PR 13359 and the subsequent grant of PR 15775 to Manono Lithium SA to be equally unlawful. Accordingly, the Company will continue with its efforts to confirm its and Dathcom's ownership of the northern area of the Manono Project either through its continued negotiations with the DRC government's senior public officials or the prosecution of the ICSID and ICC proceedings to their conclusion. However, the Company's board of directors considers the ICSID tribunal's interim decision provides significant further impetus for a negotiated outcome.*

*In light of the above, there is a reasonable prospect that a party, including the Company, will be granted a PE in respect of both the Roche Dure and Carriere de l'Este Mineral Resources. If Dathcom is granted a PE in respect of both the Roche Dure and Carriere de l'Este Mineral Resources, further negotiations will then be undertaken with the shareholders of Dathcom in relation to the terms of the mining joint venture.*

The Manono Project is strategically positioned as a clean, sustainable source of lithium, significantly contributing to the green energy transition, feeding the global lithium-ion battery value chain. With industry leading ESG credentials, it is forecast to be one of the lowest carbon emitting hard rock mines in the world.

## Manono Project - Ore Reserve Estimate (as of 31 March 2024):

Reserve Category	Tonnes (Mt)	Grade Li <sub>2</sub> O %	Contained Li <sub>2</sub> O (Mt)	Grade Sn (g/t)	Contained Sn (kt)
Proved	65.0	1.64	1.07	942	61.2
Probable	66.6	1.61	1.075	1.037	69.1
<b>Total</b>	<b>131.7</b>	<b>1.63</b>	<b>2.14</b>	<b>990</b>	<b>130.3</b>

*Note: The Ore Reserve estimate has been based on a cut-off > US\$0.00 block value comprising an economic block by block calculation. Figures may not sum due to rounding.*

## Manono Project – Mineral Resource at a 0.5% Li<sub>2</sub>O cut-off (as of 31 March 2024):

Category	Tonnes (Millions)	Li <sub>2</sub> O %	Sn Ppm	Ta ppm
Measured	132	1.65	898	36
Indicated	367	1.62	703	34
Inferred	342	1.57	643	42
<b>Total</b>	<b>842</b>	<b>1.61</b>	<b>709</b>	<b>37</b>

### NO NEW INFORMATION

This document may include references to information that relates to Mineral Resources and Ore Reserves prepared and first disclosed under the JORC Code 2012. The information references the Company's previous ASX announcements noting the following:

- Prior to 18 December 2023, Mineral Resources and Ore Reserves for the Manono Lithium and Tin Operation "MLTO", "Manono Project" or "Roche Dure" references the Company's previous ASX Announcements "Updated Mineral Resource Estimate Includes Pit Floor "Wedge" Drill Results" released to ASX on 24 May 2021 followed by "JORC Ore Reserves increase by 41.6% at Roche Dure" released to ASX on 14 July 2021.
- On 18 December 2023, the maiden Mineral Resource estimate for Carriere de l'Este (CDL MRE) was announced via ASX Announcement "Carriere de l'Este Maiden Mineral Resource Estimate."
- Post 18 December 2023, the Mineral Resources and Ore Reserves for the Manono Lithium and Tin Operation "MLTO" or "Manono Project" include both the Roche Dure and CDL MRE.
- Any reference to tin exploration targets should be read in conjunction with the Company's previous ASX Announcement "Initial Exploration Target for Alluvial Placer Hosted Tin Defined at the Manono Lithium and Tin Project" dated 18 May 2021.
- The Definitive Feasibility Study (DFS) refers to the April 2020 DFS, announced to the ASX on 21 April 2020.

These announcements are available to view on the Company's website [www.avzminerals.com.au](http://www.avzminerals.com.au)

The Company confirms it is not aware of any new information or data that materially affects the information included in the relevant market announcements and, in the case of estimates of Mineral Resources and Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

The Company confirms that the form and context in which the Competent Persons' findings are presented have not been materially modified from the relevant original market announcements.

#### **FORWARD LOOKING INFORMATION**

This announcement contains certain forward-looking statements and comments about future events, including the Company's expectations about the Manono Project and the performance of its businesses. Forward looking statements can generally be identified by the use of forward-looking words such as 'expect', 'anticipate', 'likely', 'intend', 'should', 'could', 'may', 'predict', 'plan', 'propose', 'will', 'believe', 'forecast', 'estimate', 'target' and other similar expressions within the meaning of securities laws of applicable jurisdictions. Indications of, and guidance on, future earnings or financial position or performance are also forward-looking statements.

Forward looking statements involve inherent risks and uncertainties, both general and specific, and there is a risk that such predictions, forecasts, projections and other forward-looking statements will not be achieved. Forward looking statements are provided as a general guide only and should not be relied on as an indication or guarantee of future performance. Forward looking statements involve known and unknown risks, uncertainty and other factors which can cause the Company's actual results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward-looking statements and many of these factors are outside the control of the Company. As such, undue reliance should not be placed on any forward-looking statement. Past performance is not necessarily a guide to future performance and no representation or warranty is made by any person as to the likelihood of achievement or reasonableness of any forward-looking statements, forecast financial information or other forecast. Nothing contained in this announcement, nor any information made available to you is, or shall be relied upon as, a promise, representation, warranty or guarantee as to the past, present or the future performance of the Company.

Except as required by law or the ASX Listing Rules, the Company assumes no obligation to provide any additional or updated information or to update any forward-looking statements, whether as a result of new information, future events or results, or otherwise.

## Appendix 5B

### Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

AVZ Minerals Limited

ABN

81 125 176 703

Quarter ended ("current quarter")

31 March 2024

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
<b>1.</b>	<b>Cash flows from operating activities</b>		
1.1	Receipts from customers	5	5
1.2	Payments for		
	(a) exploration & evaluation	(38)	(82)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(529)	(1,726)
	(e) administration and corporate costs	(674)	(6,719)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	34	158
1.5	Interest and other costs of finance paid	(15)	(50)
1.6	Income taxes paid	-	-
1.7	Government grants: COVID-19 Cashflow Boost	-	-
1.8	R&D Tax Incentive	-	81
<b>1.9</b>	<b>Net cash from / (used in) operating activities</b>	<b>(1,217)</b>	<b>(8,333)</b>
<b>2.</b>	<b>Cash flows from investing activities</b>		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation	(1,079)	(6,276)
	(e) investments	-	-
	(f) other non-current assets	-	-

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(1,079)</b>	<b>(6,276)</b>
<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Payment of lease liability	(67)	(198)
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>(67)</b>	<b>(198)</b>
<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	6,395	18,949
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,217)	(8,333)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(1,079)	(6,276)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(67)	(198)

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (9 months) \$A'000</b>
4.5	Effect of movement in exchange rates on cash held	155	45
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>4,187</b>	<b>4,187</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	4,137	6,345
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (Bank Guarantee)	50	50
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>4,187</b>	<b>6,395</b>

<b>6.</b>	<b>Payments to related parties of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1	Aggregate amount of payments to related parties and their associates included in item 1	174
6.2	Aggregate amount of payments to related parties and their associates included in item 2	55
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

<b>7. Financing facilities</b>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
<b>7.4 Total financing facilities</b>	<b>-</b>	<b>-</b>
<b>7.5 Unused financing facilities available at quarter end</b>		
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
N/A		

<b>8. Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (item 1.9)	(1,217)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(1,079)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(2,296)
8.4 Cash and cash equivalents at quarter end (item 4.6)	4,187
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	4,187
<b>8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	<b>1.82</b>
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: The Company's net operating cashflow will reduce significantly for the remainder of the 2024 Financial Year. Activities at the Manono site, Dathcom office and the Perth office has been reduced to a bare minimum with expected savings in most areas. Site staff and activities has already been reduced to only cater for security and maintenance of critical items.	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: The Company is finalising the due diligence process with Locke Capital as announced on 17 November 2023 and is confident that this facility will be finalised by 31 May 2024.	

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: The Company was successful in obtaining interim measures from ICSID as announced on 18 January 2024. The ICSID tribunal made interim orders to the effect that the DRC government take the necessary steps to reflect that Dathcom Mining SA is the valid holder of PR13359.

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

## Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 30 April 2024

Authorised by: By the Board of AVZ Minerals Limited  
(Name of body or officer authorising release – see note 4)

## Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.