



ASX ANNOUNCEMENT

17 June 2022

Arbitration Proceedings Update

AVZ Minerals Limited (ASX: AVZ, OTCQX: AZZVF) (**AVZ** or **Company**) provides an update on the arbitration proceedings before the International Chamber of Commerce in Paris (**ICC**) instigated by Jin Cheng Mining Company Limited (**Jin Cheng**), a subsidiary of Zijin Mining Group Company Limited (**Zijin**), as previously advised in its ASX Announcement dated 11 May 2022.

Filing of response to Jin Cheng proceedings

AVZ International Pty Ltd (**AVZI**) has filed its response to the ICC proceedings rebutting the meritless claim that La Congolaise D'Exploitation Miniere SA (**Cominière**) has transferred a 15% interest in Dathcom Mining SA (**Dathcom**) to Jin Cheng.

The Company notes any such transfer would be subject to the terms and conditions of the existing articles of association of Dathcom as well as the Dathcom shareholders' agreement dated 27 January 2017 (as amended from time to time) (**Shareholders Agreement**). AVZ confirms that Cominière breached the preemptive rights of AVZI under the Shareholders Agreement by purporting to transfer a 15% interest to Jin Cheng, making it invalid and of no force or effect.

The Company has considered Jin Cheng's claims in detail and considers them to be spurious in nature, without merit, containing fundamental and material errors, and having no substance or foundation in fact or law. The Company is continuing to take all necessary actions to resist these vexatious and meritless claims and to protect its and Dathcom's interests.

After further consultation with the parties to the arbitration, the ICC will now decide whether the arbitral tribunal will be constituted by a single arbitrator (Jin Cheng's preference) or 3 arbitrators (AVZI's preference). This will take about 4 weeks.

Voluntary Suspension

The Company refers to its request for an extension to its voluntary suspension dated 20 May 2022, in relation to the finalisation and release of an announcement with respect to its mining and exploration rights for the Manono Lithium and Tin Project (**Manono Project**) and this announcement is not intended to end the voluntary suspension.

The Company expects to be able to lift the voluntary suspension following a decision with respect to the grant of the Permit d'Exploitation (**PE or Mining Licence**) and an update regarding its exploration rights for the Manono Project.

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ASX Code: AVZ
OTCQX Code: AZZVF

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The Company advises that as at the date of this announcement:

- the subject of the initial trading halt request remains incomplete;
- there is no change to the anticipated timeframe for the completion of the subject of the initial trading halt request (on or before 1 July 2022); and
- the Company is not aware of any other information necessary to inform the market about the voluntary suspension.

This announcement was authorised for release by the Board of Directors of AVZ Minerals Limited.

For further information, visit www.avzminerals.com.au or contact:

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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.

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