

7 February 2024

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Strongly supported equity raise for up to A\$28.3 million underway following receipt of Baniaka mining permit

Highlights

- Funding piece to raise up to A\$28.3 million comprising:
 - a well-supported, two-tranche placement with firm commitments received for approximately A\$13.2 million; and
 - a one for three, non-renounceable entitlement offer to eligible shareholders to raise up to A\$15.1 million
- Placement and entitlement offer are both priced at A\$0.10 per new share with a free attaching, unlisted option (expiring 31 March 2026, strike price A\$0.20) for every three new shares subscribed for, other than tranche 1 of the placement where participants will receive one free attaching, unlisted option for every new share subscribed for
- Strong board and major shareholder leadership with Genmin directors committing approximately A\$1.94 million in the placement and entitlement offer, and Tembo Capital to convert its full loan balances (US\$5.44 million forecast as at 14 March 2024) to equity in the entitlement offer
- At completion of the fundraising, Genmin will be debt free and have cash of approximately A\$12.6 million after creditor payments and costs of the offer¹
- Re-commencement of ASX trading requested for on or around 19 March 2024
- The recently awarded large-scale, 20-year mining permit in conjunction with the Certificate of Environmental Conformance received in August 2023 provides regulatory approval for Genmin to build and operate Baniaka
- This funding piece allows momentum to continue at Baniaka where commencement of commercial production is targeted for mid-2025
- Foster Stockbroking and MST Financial are the joint lead managers, with the Perth office of Herbert Smith Freehills the Australian legal adviser

Emerging African iron ore producer, Genmin Limited (**Genmin** or **Company**) (ASX: GEN) is pleased to announce it has commenced a fundraising to raise up to approximately A\$28.3 million. The Company owns 100% of the Baniaka iron ore project (**Baniaka**) located in Gabon, west Central Africa (Figure 1), which was awarded a large-scale, 20-year mining permit (**Mining Permit**) on 29 December 2023.

The Mining Permit in conjunction with the Certificate of Environmental Conformance received in August 2023 provides regulatory approval for Genmin to build and operate Baniaka. The Company proposes to develop Baniaka

¹ Assuming the Entitlement Offer is fully subscribed.

at an initial rate of 5 million tonnes per annum² (**Mtpa**) and aspires to increase scale over time to more than 20Mtpa. Commencement of commercial production is targeted for mid-2025 with project build financing the next major milestone to be achieved. Genmin is engaged in discussions with several potential financing partners.

The fundraising comprises:

- a well-supported, two-tranche placement (**Placement**) with firm commitments received for approximately A\$13.2 million; and
- a one for three, non-renounceable entitlement offer (**Entitlement Offer**) to eligible shareholders to raise up to A\$15.1 million.

The Placement and Entitlement Offer (together, the **Offer**) are both priced at A\$0.10 per new share (**New Share**) with one free attaching, unlisted option (expiring 31 March 2026, strike price A\$0.20) (**New Option**) for every three new shares subscribed for, other than tranche 1 (**Tranche 1**) of the Placement where participants will receive one free attaching New Option for every New Share subscribed for.

Placement

Genmin has received firm commitments from directors, institutional, sophisticated, and professional investors in the two-tranche Placement for approximately A\$13.2 million at an issue price of \$0.10 per New Share (132.2 million New Shares).³

Investors in Tranche 1 of the Placement total approximately A\$4.43 million (44.32 million New Shares) and are entitled to receive one New Option for every New Share subscribed for (44.32 million New Options) and are required to settle unconditionally on 13 February 2024.

Investors in tranche 2 (**Tranche 2**) of the Placement total approximately A\$8.79 million (approximately 87.89 million New Shares) and are entitled to receive one New Option for every three New Shares subscribed for (approximately 29.3 million New Options).

The issue of New Options under Tranche 1, and New Shares and New Options under Tranche 2 of the Placement are conditional on shareholder approval at an extraordinary general meeting expected to be held on 14 March 2024. Tranche 2 of the Placement is also conditional on the ASX confirming it will lift the voluntary suspension in the trading of Genmin's shares.

Entitlement Offer

Together with the Placement, a non-renounceable Entitlement Offer is being made to eligible shareholders registered at the record date on the basis of one New Share for every three shares held at an issue price of A\$0.10 per New Share to raise up to approximately A\$15.1 million before costs. Eligible shareholders will receive one free attaching, unlisted New Option for every three New Shares subscribed for. The Entitlement Offer is not underwritten.

² Refer to the Production Target confirmation at the end of this announcement.

³ Mr John Hodder, a director of the Company, has committed to subscribe for A\$1,650,000 of New Shares under Tranche 2 of the Placement, subject to completion of Tranche 2 and also to any scale back determined by the Company Board (excluding Mr Hodder) in consultation with the Joint Lead Managers for the Offer. In exercising its discretion to scale back Mr Hodder's commitment, the Company Board (excluding Mr Hodder) will have regard to demand for the Entitlement Offer and will not scale back Mr Hodder to the extent it would reduce the total amount raised under the Offer below A\$24 million.

Based on the capital structure of the Company as at the date of this announcement (with approximately 451.53 million shares on issue) and assuming no existing Performance Rights or existing options are converted to shares prior to the record date, a maximum of approximately 150.5 million New Shares and approximately 50.2 million New Options will be issued pursuant to the Entitlement Offer.

Eligible shareholders who have applied for their full entitlement may also apply for additional securities under a top up facility. Any entitlements not taken up under the Entitlement Offer (or under the top up facility) will become shortfall securities. The directors of the Company reserve the right at their discretion to place any shortfall securities within three months after the closing date of the Entitlement Offer (subject to the terms of the agreement with the Joint Lead Managers to the Entitlement Offer and Placement).

The Entitlement Offer is expected to open on 16 February 2024 and close on 12 March 2024.

Purpose of Offer

The purpose of the Offer is to provide funding to:

- meet corporate costs and provide general working capital to enable the Company to advance Baniaka now that the Mining Permit has been received;
- meet the operating costs of Baniaka and Genmin's small representative office in Libreville, Gabon;
- pay creditors of the Company and extinguish loans from the Company's largest shareholder, Tembo Capital (**Tembo**) maturing in March 2024 through the conversion by Tembo of loan debt to equity via the Entitlement Offer; and
- cover the costs of the Offer.

Genmin's near-term business objectives following completion of the Offer are:

- to continue to advance its Baniaka project following the recent receipt of the Mining Permit; and
- to progress and finalise funding negotiations with potential project build financiers for Baniaka.

Tembo loans

During 2023, Genmin entered into two working capital loans with Tembo, being US\$2 million in May (refer ASX Announcement dated 23 May 2023) and US\$3 million in September (refer ASX Announcement dated 18 September 2023). Both loans are fully drawn and with establishment fees and capitalised interest are forecast to total US\$5,435,768 (A\$8,253,520)⁴ on 14 March 2024. Both loans mature in March 2024.

Tembo has committed to convert the full forecast loan balances of A\$8,253,520 in the Entitlement Offer (which equates to approximately 100% of its full pro rata entitlement) into equity.

The conversion of the loan balances by Tembo will leave Genmin debt free and endorses the technical and economic robustness of Baniaka and the Company's expectation for continued stability in Gabon following the August 2023 regime change.

⁴ Converted at an exchange rate of 1 US\$ to A\$0.6586

Directors' participation

Genmin's directors have committed to subscribe for a total of approximately A\$1.94 million in New Shares in the Entitlement Offer and in Tranche 2 of the Placement.

Directors who hold shares in the Company will be taking up approximately A\$125,000 of their entitlements in the Entitlement Offer and applying for approximately A\$25,000 of additional New Shares under the top up facility, subject to scale back and shareholder approval. The remaining directors who do not hold shares in the Company have committed to subscribe for approximately A\$1.79 million of New Shares under Tranche 2 of the Placement, subject to shareholder approval.⁵

Key dates of Offer

Table 1: Indicative Offer Timetable

Indicative Timetable	Date
Announcement of Offer and lodgement of Prospectus with ASIC	Wednesday, 7 February 2024
Settlement of New Shares issued under Tranche 1	Tuesday, 13 February 2024
Record date for the Entitlement Offer	4.00pm AWST on Tuesday, 13 February 2024
Allotment of New Shares issued under Tranche 1	Wednesday, 14 February 2024
Despatch notice of extraordinary general meeting	Wednesday, 14 February 2024
Entitlement Offer opens	Friday, 16 February 2024
Entitlement Offer closes	5:00pm AWST on Tuesday, 12 March 2024
ASX Announcement of the results of the Entitlement Offer	Thursday, 14 March 2024
Extraordinary general meeting	Thursday, 14 March 2024
Settlement of New Options issued under Tranche 1, New Shares and New Options issued under Tranche 2 & Entitlement Offer	Monday, 18 March 2024
Allotment of New Options issued under Tranche 1, New Shares and New Options issued under Tranche 2 & Entitlement Offer	Tuesday, 19 March 2024
Expected recommencement of ASX trading	Tuesday, 19 March 2024

Note: Recommencement of trading on ASX is subject to ASX's discretion.

⁵ See footnote above.

Advisers

Foster Stockbroking Pty Limited and MST Financial Services Pty Ltd are the joint lead managers to the Offer. Genmin’s legal advisers are Herbert Smith Freehills in Perth, Western Australia. Herbert Smith Freehills has acted as Australian legal adviser (other than in relation to taxation and stamp duty matters) to the Company in relation to the Offer.

Additional information

Detailed information concerning the Offer is contained in the Prospectus dated 7 February 2024, which is available on the ASX platform and on the Company’s website at www.genmingroup.com. Nothing contained in this announcement constitutes investment, legal, tax or other advice. Shareholders should seek appropriate professional advice before making any investment decision.

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This announcement has been authorised by the Board of Genmin Limited.

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About Genmin

Genmin Limited (ASX: GEN) is an ASX-listed emerging African iron ore producer with a pipeline of projects in the Republic of Gabon, west Central Africa. The Company has 100% interests in three projects comprising one granted exploitation (mining) licence and six granted exploration licences covering approximately 5,064km².

Genmin's flagship Baniaka, and nearby Bakoumba iron ore projects are in south-east Gabon and provide an emerging iron ore hub near the Haut-Ogooué provincial capital city of Franceville. The hub is favourably situated adjacent to existing and operating bulk commodity transport and renewable energy infrastructure, to which Baniaka has secured long-term access for commercial operations.

Baniaka has defined JORC Mineral Resources and Ore Reserves, and significant resource upside. It has received environmental approval (Certificate of Environmental Conformance) and has been issued a large-scale, 20-year mining permit. The mining permit in conjunction with the Certificate of Environmental Conformance provides regulatory approval for Genmin to build and operate Baniaka, which will be Gabon's first iron ore mine.

The Company proposes to develop Baniaka at an initial rate of 5Mtpa and aspires to increase scale over time to more than 20Mtpa. Commencement of commercial production is targeted for mid-2025 with project build financing the next milestone to be achieved. Genmin is engaged in discussions with several potential financing partners.

Genmin has additional exploration tenure prospective for polymetallic mineralisation at its Bitam project in the north-west of Gabon located near the Woleu-Ntem provincial capital of Oyem.

Confirmation

The Production Target for Baniaka included in this announcement was presented in a previous announcement released on 16 November 2022 "Positive Baniaka PFS" and is available to view at www.genmingroup.com/investors/asx-announcements. Genmin confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement for Baniaka and that all material assumptions and technical parameters underpinning the estimated Production Targets in the relevant market announcement for Baniaka continue to apply and have not materially changed.

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Figure 1: Location map of Genmin's projects in Gabon