



1 February 2018

AVZ Minerals Commences 20,000m Drilling Program

AVZ Minerals Limited (“AVZ” or the “Company”) is pleased to announce that it has commenced a 20,000m drilling program at the Manono Lithium Project in the Democratic Republic of Congo (“DRC”). Equator Drilling’s (“Equator”) drill rig and associated drilling equipment has arrived at site and all preliminary preparation was completed over the past week with sumps being excavated, drill pipe being offloaded and site inductions completed for all personnel, see Images 1 and 2.



Image 1. Drill rig walking to the drill pad at Manono after unloading.



Image 2. Drill rig arriving at the proposed drill hole site as prepared.

The rig is set up on line 7000mN, approximately 90m east of drill hole MO17DD001, at the Roche Dure Pegmatite in the Kitotolo Sector, see Figure 1. The proposed drill hole location will allow drilling beneath MO17DD001 to test depth extensions and thickness of the Roche Dure pegmatite expected to be in the order of ~230m thick.

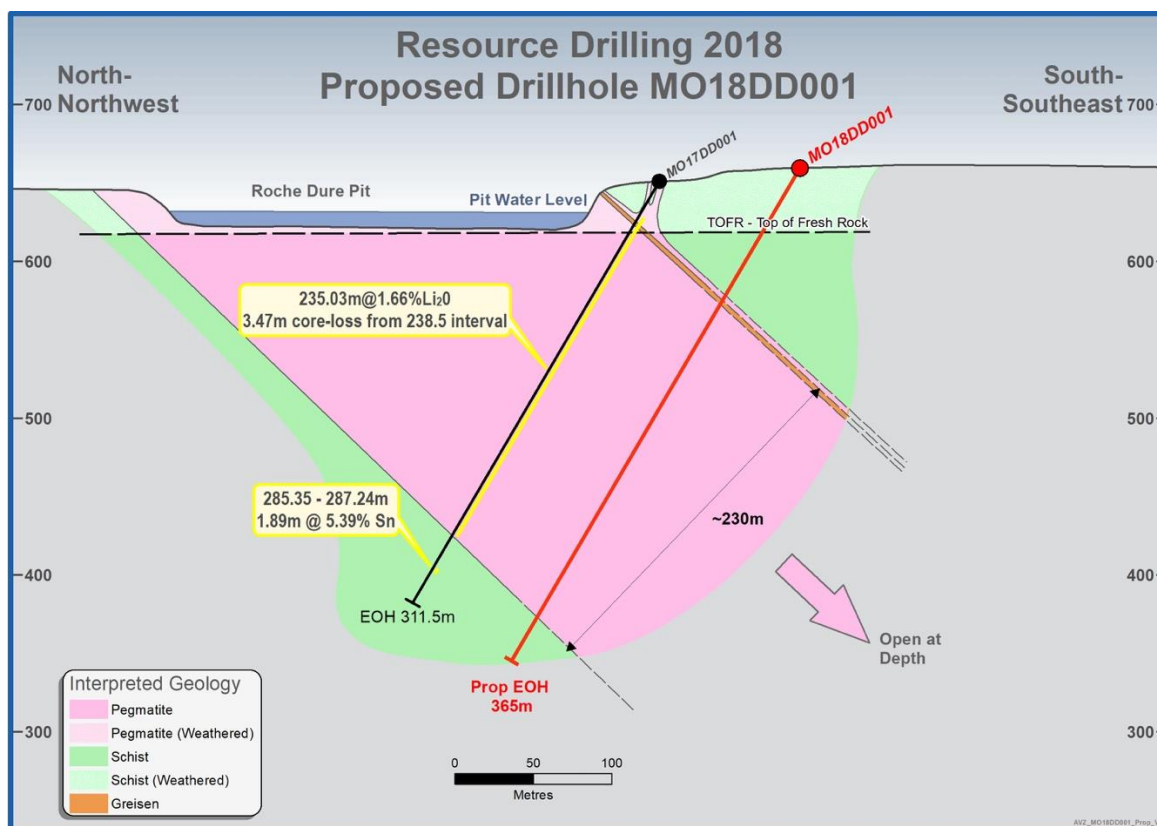


Figure 1. Location of proposed Drill Hole MO18DD001 beneath MO17DD001.

Equity Drilling Limited's ("Equity") drilling equipment has cleared customs and is now located in Lubumbashi, with ancillary equipment also at the Zambia/DRC border. A total of five drill rigs will be operational on site by mid-February and it is expected that JORC compliant resources will be calculated in early Q2 2018.

Technical Director Nigel Ferguson commented: *"The arrival of Equators drilling equipment is a long-awaited milestone for AVZ which will allow the commencement of the initial 20,000m of a 40,000m resource drilling program. The arrival of Equity's drilling equipment on site in mid-February will place five drill rigs operating at the project, to allow the calculation of JORC resources for the first time at Manono. We look forward to presenting additional updates on this work as results become available."*

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

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Competent Persons Statement

The information in this report that relates to Exploration Results is based on information compiled by Mr. Peter Spitalny, a Competent Person whom is a Member of the Australasian Institute of Mining and Metallurgy. Mr. Spitalny is a full-time employee of Hanree Holdings Pty Ltd. Mr Spitalny has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Spitalny consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.