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Positive Preliminary Metallurgical Test Work Results for Manono Lithium Project

HIGHLIGHTS

- Initial metallurgical test work completed on coarse assay reject material from holes MO17DD001 and MO17DD002.
- Simple spodumene mineralogy of the Roche Dure pegmatite responds well to a range of industry standard concentration techniques.
- Initial metallurgical test work demonstrates the Roche Dure prospect at the Manono Lithium Project can produce up to 6.3% DMS concentrate using standard metallurgical laboratory test standards.
- Concentrate specification shows the material is suitable for supply of a chemical grade concentrate to the growing lithium battery market.
- Possible upgrade of specification through further metallurgical test work is now being planned combined with resource drilling.

AVZ's Executive Chairman, Mr Klaus Eckhof, commented: *"Results for this preliminary metallurgical test work on coarse reject material from two diamond drill holes testing the Roche Dure prospect provides further support for an extremely strong project. Having a +6% lithium concentrate produced, with low values of detrimental elements and without optimisation techniques being applied, positions the company extremely well against its peers and compares favourably with historical Belgian work carried out which produced a 6.8% Li₂O concentrate."*

AVZ Minerals Limited (ASX: AVZ) is pleased to provide an update on initial and preliminary metallurgical test work completed on two samples of coarse assay sample reject material, from drill holes MO17DD001 and MO17DD002, from the Company's Manono Lithium Project in the Democratic Republic of Congo.

The test results for samples from assay laboratory reject material are very encouraging with a number of potential processing routes now available to produce a spodumene concentrate product of +6% Li₂O at recoveries of 73% Dense Media Separation (DMS) to 94% Flotation.

The preliminary test work indicates a +6% spodumene concentrate can be produced at 3.35mm crush size with a high overall recovery utilising standard whole-of-ore Flotation or several variations of combined DMS and Flotation.

Two samples were supplied to Nagrom Laboratories, Kelmscott Western Australia for this initial metallurgical test work program.

The test-work detailed within the report was conducted by experienced personnel at Nagrom's Kelmscott Metallurgical Facility under the supervision of the Senior Metallurgist and Senior Management Team. Highlighted findings are below and the full report may be found on the Company's website at www.avzminerals.com.au.

- Feed grade ranged from 1.40 - 1.76% Li_2O with ~ 0.4 Fe_2O_3 and $\sim 2\%$ Mica.
- Reflux Classification proved successful for Mica rejection with up to 65% of the Mica rejected to the overflow stream.
- The test work program identified that both MO17DD001 and MO17DD002 were amenable to Density Separation with successful silica rejection into a SG 2.7 Overflow stream.
- MO17DD001 Comp concentrated 73.34% of the Li_2O to the Cleaner DMS Underflow fraction at a grade of 6.3% and mass yield of 24.09%.
- MO17DD002 Comp concentrated 66.44% of the Li_2O reported to the Cleaner DMS Underflow fraction at a grade of 6.3% Li_2O and mass yield of 17.85%.
- Using flotation 93.85% of the Li_2O was recovered to the combined concentrate fraction at a grade of 5.8% Li_2O and mass yield of 29.13%.
- Flowsheet A (processing via Batch Reflux, DMS and Flotation) was tested and compared against Flowsheet B (processing a whole of ore via cyclone deslime and flotation) to evaluate potential Li_2O recoveries and grades.
- MO17DD001 had the highest circuit grade and recovery via flowsheet B with a combined concentrate grade of 5.8% Li_2O with a recovery of 93.04% and mass yield of 28.76% with the selected circuit summary units.
- MO17DD002 had the highest circuit grade via flowsheet B with a combined concentrate grade of 5.9% Li_2O with a recovery of 58.85% and mass yield of 14.25% with the selected circuit summary units.

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

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Competent Person Statement

The information in this report that relates to metallurgy and metallurgical test work has been reviewed by Dr Slobodanka Vukcevic MSc(Eng) Ljubljana, PhD (Belgrade), Associate Professor at UWA (Mechanical Engineering) MAusIMM. Dr Vukcevic is not an employee of the company and is employed by Nagrom. Dr Vukcevic is a Member of the Australasian Institute of Mining and Metallurgy and has sufficient experience with the style of processing response and type of deposit under consideration, and to the activities 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". Dr Vukcevic consents to the inclusion in this report of the contained technical information in the form and context as it appears.

The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Mr Nigel Ferguson (BSc) as Managing Director of AVZ Minerals Limited who is a Fellow of the Australasian Institute of Mining and Metallurgy and is bound by and follows the Institute's codes and recommended practices. He has sufficient experience which is relevant to the styles of mineralisation and types of deposits under consideration and to the activities 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 Ferguson consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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