



ASX ANNOUNCEMENT

24 April 2020

## Yibin Tianyi Withdraw FIRB Application

AVZ Minerals Limited (ASX:AVZ, “the Company”) has been advised by lawyers acting for Yibin Tianyi Lithium Industry Co., Ltd (“Yibin Tianyi”) that it has withdrawn its proposed investment application in the Company lodged with Australia’s Foreign Investment Review Board (“FIRB”) on 27 November 2019 following advice that its application would be rejected by the Federal Government.

It is understood the Federal Government advised Yibin Tianyi that its \$A14.1 million investment in the Company, representing 11.77% of the Company post investment, would be “contrary to the national interest”.

The Company understands the Federal Government believed AVZ’s forecast production of 87,500 tonnes per annum of lithium carbonate equivalent from operations planned to commence in 2022 (based on it producing 700,000 tonnes of spodumene concentrate (SC6)) was contrary to the national interest of “growing Australia’s critical minerals sector”.

Accordingly, Yibin Tianyi’s proposed A\$14.1million strategic investment in the Company as announced on 11 November 2019<sup>1</sup> will not proceed.

Subsequently, Yibin Tianyi has engaged with the Company to negotiate alternative methods of investment in order to advance the Company’s aspirations of being a producer of lithium products from the Manono Lithium and Tin Project (“Manono Project”).

The Company also advises Yibin Tianyi are still willing to progress the current advanced negotiations for finalising an offtake agreement for lithium products from Manono.

**AVZ Managing Director, Mr Nigel Ferguson, said:** “Naturally, we are disappointed with the outcome of the FIRB application process but will double our efforts and commitment to bring our world-class Manono Project into production.”

“This week’s release of our highly positive Definitive Feasibility Study has generated significant interest from a wide range of investors and potential financiers, and I am confident we will secure the necessary short term funding as well as longer-term debt and equity finance on highly competitive terms.”

### AVZ Minerals Limited

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### Directors:

Non-Executive Chairman: John Clarke

Managing Director: Nigel Ferguson

Technical Director: Graeme Johnston

Non-Executive Director: Rhett Brans

Non-Executive Director: Peter Huljich

Non-Executive Director: Hongliang Chen

### Market Cap

140 M

### ASX Code: AVZ

<sup>1</sup>Please refer to ASX Announcement dated 11 November 2019 “AVZ introduces Yibin Tianyi Lithium as a Strategic Investor”

The Company is pleased to advise the completion of the remaining balance (A\$1.8 million) of the A\$3.6 million placement as announced on the 2 April 2020, through the issue of 40,000,000 shares and 60,000,00 options exercisable at \$0.06 expiring on 8 April 2022.

This release was authorised by Nigel Ferguson, Managing Director of AVZ Minerals Limited.

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

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