



ANNOUNCEMENT

Share Purchase Offer - AVZ Minerals Limited Institutional Shareholders

18 June 2024

Resource Capital Investments Pty Ltd ("Resource Capital") is pleased to announce an offer to all institutional shareholders of AVZ Minerals Limited ("**AVZ**") to purchase all their shares in AVZ (subject to Resource Capital's voting power in AVZ not exceeding 20%).

The Resource Capital offer:

- has been structured and is capable of being accepted only by institutional shareholders of AVZ; and
- **is not** a formal takeover offer under Chapter 6 of the Corporations Act.

AVZ currently has 3,528,729,748 shares on issue, together with a further 33,460,600 performance rights.

AVZ Has Been Delisted

On 13 May 2024, the ASX announced that **AVZ had been removed from the Official List and Delisted**, after being suspended continuously for two years, in accordance with the ASX Guidelines. This appears to have occurred after the Board resolved not to seek reinstatement and without seeking shareholders' approval.

All Key Promises Not Delivered

AVZ repeatedly claimed and promised:

- a "**supportive, collaborative and cooperative relationship**" with the DRC¹
- the grant of a **Mining Licence**²
- the execution of a **Memorandum of Understanding**³ with the DRC
- **US\$20m in Litigation Funding from Locke Capital**⁴

None of which were ever delivered.

AVZ is involved in Litigation

The ASX Activities Report for the Quarter ending 31 March 2024 dated 30 April 2024, details the extensive litigation, both domestically and internationally, that AVZ is involved in. These include:

- one ICSID case against the DRC Government;
- five ICC Arbitration proceedings;
- an Oppression case brought by Fat Tail Holdings;
- other DRC based litigation (including litigation over the seizure of all the Dathcom shares by Jean-Marcel Kabeya); and
- an Omni Bridgeway funded Class Action against AVZ.⁵

All AVZ Litigation is Unfunded

AVZ's ICSID claim (ICSID Case No. ARB/23//20), against the DRC, is currently **unfunded**, raising significant doubts as to the merits of AVZ's claim against the DRC Government. In our opinion is that it appears that there is a real likelihood that AVZ/Dathcom has lost title to PR 13359 lawfully. In addition, all other AVZ litigation appears to be unfunded.

Going Concern Issues

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AVZ, in our opinion, desperately needs to raise funds, and again notwithstanding repeated announcements, no funds have been raised to date.

No Significant Value

For all of the above reasons, Resource Capital is of the opinion that **no significant value** can currently be placed on AVZ shares.

AVZ Institutional Shareholders

Resource Capital will send information to access the website www.rescap.com.au which contains a copy of the offer document to institutional shareholders of AVZ prior to the close of business on 19 June 2024. To gain a proper understanding of the offer it is necessary to read the offer document in full and the institutional shareholders of AVZ are encouraged to seek independent professional advice.

Resource Capital Offer

The Resource Capital offer to institutional shareholders of AVZ:

- is a formal offer;
- is unconditional;
- is for cash;
- carries no settlement risk;
- will allow institutional shareholders to remove this now delisted investment from their books if they so wish; and
- currently is the only formal (and highest) offer to all AVZ institutional shareholders for their AVZ shares.

Alliance Advisors

Resource Capital has retained Alliance Advisors (allianceadvisors.com) to act as an information agent with AVZ Shareholders. Please contact rescap@allianceadvisors.com for global institutional engagement.

A dedicated information website has been created at www.rescap.com.au, to provide further background to the offer.

Issued on 18 June 2024.

By order of the Board

RESOURCE CAPITAL INVESTMENTS PTY LTD

¹Refer to the AVZ ASX Announcements dated 18 August 2021, 10 December 2021 and the 2022 AVZ Annual Report.

² Refer to the AVZ ASX Announcements dated 10 December 2021, 13 April 2022, 28 April 2022, 4 May 2022, AVZ September – December 2022 Quarterly Report dated 31 January 2023, AVZ ASX Announcement dated 6 February 2023.

³ Refer to the AVZ ASX Announcement dated 9 October 2023, AVZ Media Release dated 23 October 2023, and AVZ ASX Announcement dated 30 October 2023.

⁴ Refer to the AVZ ASX Announcements dated 17 November 2023, 2 April 2024, 30 April 2024, 16 May 2024, and 14 June 2024.

⁵ Refer to the AVZ ASX Announcement Dated 13 March 2024 – Disputes Updated.

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