



ASX ANNOUNCEMENT

22 March 2023

Arbitration Proceedings Update and Interim Financial Report Clarification

AVZ Minerals Limited (ASX: AVZ, OTC: AZZVF) (**AVZ** or **Company**) provides an update regarding the arbitration proceedings before the International Chamber of Commerce in Paris (ICC), with respect to the Company's legal rights to a 75% interest in Dathcom Mining SA (**Dathcom**), the entity under which the Manono Project is held, and its pre-emptive rights over 15% out of Cominière's 25% interest, whilst also clarifying a typographical error that appeared in its Interim Financial Report which was released as an ASX Announcement on 16 March 2023.

ICC Proceedings

The Company has considered the cases before the ICC in detail and considers them to be spurious in nature, without merit, containing fundamental and material errors, and having no substance or foundation in fact or law.

The Company believes it is under besiegement by non-state actors who intend to unlawfully acquire, for themselves and/or other third parties, an interest in the Manono Project and continues to take all necessary actions to resist these vexatious and meritless claims and to protect its and Dathcom's interests.

Jin Cheng Dispute

The Company currently defends a case in the ICC brought against its subsidiary AVZ International Pty Ltd ("AVZI") by Jin Cheng Mining Company (**Jin Cheng**), a subsidiary of Zijin Mining Group Company Limited (**Zijin**) regarding a 15% interest Jin Cheng purportedly acquired from La Congolaise d'Exploitation Minière (**Cominière**) in Dathcom.

The status of the Jin Cheng proceedings is as follows:

- on 5 October 2022, the sole arbitrator upheld AVZI's application to bifurcate proceedings, noting that the document production phase was completed on 22 February 2023;
- on 9 December 2022, Jin Cheng submitted its Statement on Jurisdiction and AVZI submitted its Reply on Jurisdiction on 10 March 2023;
- Jin Cheng will submit a rejoinder on jurisdiction on 22 March 2023; and
- the hearing on jurisdiction will take place on 19 - 20 April 2023.

AVZI remains of the view that its jurisdictional challenge will be successful, which will affirm that Jin Cheng does not have the right to instigate the ICC arbitration proceedings against AVZI under the Dathcom Joint Venture Agreement (**JVA**), since it is not a party to the Dathcom JVA. An award on jurisdiction can reasonably be expected to be handed down mid-2023.

It should be noted that this does not finally determine whether the sale of shares from Cominière to Jin Cheng was effective, which will remain to be determined in separate proceedings.

AVZ Minerals Limited

Level 2, 1 Walker Avenue
West Perth, WA 6005
Australia

T: + 61 8 6117 9397

F: + 61 8 6118 2106

E: admin@avzminerals.com.au

W: www.avzminerals.com.au

ABN 81 125 176 703

Directors

Non-Executive Chairman: John Clarke

Managing Director: Nigel Ferguson

Technical Director: Graeme Johnston

Non-Executive Director: Rhett Brans

ASX Code: AVZ

OTC Code: AZZVF

Dathomir Dispute

The Company and AVZI lodged claims against Dathomir Mining SARL (**Dathomir**) with the ICC to affirm AVZ's acquisition in August 2021 of a 15% interest in Dathcom from Dathomir under the Dathomir SPAs and to put an end, once and for all, to Dathomir's claims and to recover losses sustained from them.

The status of the Dathomir proceedings is as follows:

- Dathomir has filed its Answer and Counterclaims in respect of both proceedings on 18 January and 27 February 2023;
- AVZI filed its Reply to Dathomir's counterclaims on 24 February 2023 in ICC Case No. 27401 (re. SPA 2020) and is expected to file its Reply on 30 March 2023 in ICC Case No. 27425/SP (re. SPA 2019);
- Dathomir has withdrawn its nomination of Jackson Francis Ngié Kamga in both proceedings and nominated instead Caroline DeClercq (ICC Case No. 27401) and Marc Henry as co-arbitrator (ICC Case No. 27425/SP);
- On 8 February 2023, Dathomir filed an application for early dismissal of ICC Case No. 27425/SP (re SPA 2019) on grounds of a prima facie test of lack of jurisdiction. AVZI will comment on and object to the application once the ICC Secretariat has decided whether to refer the matter to the ICC Court or the Arbitral Tribunal (at which time it will invite AVZI to comment); and
- On 27 February 2023, Dathomir objected to the confirmation of the co-arbitrator designated by AVZI in the ICC case No. 27425/SP. AVZI is preparing a reply to this objection.

AVZI remains of the view that it will be successful in the Dathomir proceedings, with an award in both proceedings unlikely to occur before September 2024.

Clarification - Interim Financial Report 31 December 2022

As previously advised by the Company, the award of the Mining Licence is not subject to the conclusion of the ICC proceedings with Jin Cheng and Dathomir and the Company continues its discussions with the DRC Government which at the date of this announcement remain incomplete.

The Company notes that the Interim Financial Report 31 December 2022 released to the market on 16 March 2023 contained a typographical error on page 7, which states:

"The Company is confident of a positive outcome in relation to the award of the Mining Licence pending resolution of the ICC arbitrations"

The statement should have read:

*"The Company is confident of a positive outcome in relation to the award of the Mining Licence **and** pending resolution of the ICC arbitrations"*

Voluntary suspension

The Company confirms that this announcement is not intended to end the voluntary suspension.

This announcement was authorised for release by the Board of Directors of AVZ Minerals Limited.

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

Mr. Jan de Jager or Mr. Ben Cohen

Joint Company Secretary

AVZ Minerals Limited

Phone: +61 8 6117 9397

Email: admin@avzminerals.com.au

Media Enquiries:

Mr. Peter Harris

Peter Harris & Associates

Phone: +61 (0) 412 124 833



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Forward looking statements involve inherent risks and uncertainties, both general and specific, and there is a risk that such predictions, forecasts, projections and other forward-looking statements will not be achieved. Forward looking statements are provided as a general guide only and should not be relied on as an indication or guarantee of future performance. Forward looking statements involve known and unknown risks, uncertainty and other factors which can cause the Company's actual results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward looking statements and many of these factors are outside the control of the Company. As such, undue reliance should not be placed on any forward-looking statement. Past performance is not necessarily a guide to future performance and no representation or warranty is made by any person as to the likelihood of achievement or reasonableness of any forward-looking statements, forecast financial information or other forecast. Nothing contained in this announcement nor any information made available to you is, or shall be relied upon as, a promise, representation, warranty or guarantee as to the past, present or the future performance of the Company.

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