



ASX ANNOUNCEMENT

3 December 2021

At-the-Market Subscription Agreement (ATM), OTCQX Secondary Market Application and Notice under Section 708A(5)(e) of the Corporations Act 2001

AVZ Minerals Limited (ASX: AVZ) (“**AVZ**” or “**Company**”) is pleased to announce it has entered into an At-the-Market Subscription Agreement (ATM) with Acuity Capital. The ATM provides AVZ with up to \$50,000,000 of standby equity capital over the coming 27 months.

Importantly, AVZ retains full control of all aspects of the subscription process, having sole discretion as to whether or not to utilise the ATM, the maximum number of shares to be issued, the minimum issue price of shares and the timing of each subscription (if any). There are no requirements on AVZ to utilise the ATM and AVZ may terminate the ATM at any time, without cost or penalty. Acuity Capital and the ATM do not place any restrictions at any time on AVZ raising capital through other methods.

If AVZ does decide to utilise the ATM, AVZ is able to set an issue price floor (at its sole discretion), with the final issue price being calculated as the greater of the nominated floor price and up to a 10% discount to a Volume Weighted Average Price (VWAP) over a period of AVZ's choosing (again at its sole discretion).

As security for the ATM, the Company has agreed to place 60,000,000 AVZ shares from its LR7.1 capacity to Acuity Capital at nil cash consideration. The Company may, however, at any time cancel the ATM as well as buy back (and cancel) those shares for no cash consideration (subject to shareholder approval).

The Company further advises that it is in the process of applying for its shares to be traded on the OTCQX¹ Best Market (OTCQX), enhancing AVZ's visibility and grow its North American shareholder base.

The Company will continue to have its primary listing on the ASX and be subject to, and comply with, the ASX Listing Rules and Corporations Act 2001 (Cth) (Corporations Act).

¹ The OTCQX is the OTC Markets Group's premier market for established companies seeking U.S. investors. The OTC Markets Group Inc. is the operator of financial markets for 11,000 U.S. and global securities. Companies seeking to be traded on the OTCQX meet high financial standards, follow best practice corporate governance, demonstrate compliance with U.S. securities laws, and have a professional third-party sponsor introduction.

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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

Market Cap

\$2.0bn

ASX Code: AVZ

Cleansing Notice

With reference to the shares issued, for the purposes of section 708A(5)(e) of the Corporations Act the Company states that:

- a) the Shares were issued without disclosure to investors under Part 6D.2 of the Corporations Act and this Notice is being given under section 708A(5)(e);
- b) as at the date of this Notice, the Company has complied with the provisions of Chapter 2M of the Act as they apply to the Company and with section 674 of the Act;
- c) as at the date of this Notice, there is no excluded information, as that term is defined in sections 708A(6)(e), 708A(7) and 708A(8) of the Corporations Act.

An Appendix 2A will be lodged with ASX following the release of this announcement.

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

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

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Joint Company Secretary

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