



Quarterly Activities Report for the Quarter ending March 31, 2019

Highlights

- Resource definition drilling phase at Roche Dure essentially complete with assays from final infill holes received
- Assays from drilling at Carriere de l'Este pegmatite highlight a possible large high grade discovery potentially rivalling Roche Dure in size
- Fully funded to Final Investment Decision following the completion of \$15m capital raising for the Manono Lithium and Tin Project
- Work on the Manono DFS preparation continues to progress
- Major Shareholder Hanyou Cobalt Group increases its shareholding in AVZ to 9.49% and new strategic investor Lithium Plus joins the AVZ register

ASX ANNOUNCEMENT

18 April 2019

AVZ Minerals Limited

Level 2, 8 Colin Street,
West Perth WA 6005
Australia

T: + 61 8 6117 9397

F: + 61 8 6118 2106

E: admin@avzminerals.com.au

W: www.avzminerals.com

ABN 81 125 176 703

Directors

Managing Director: Nigel Ferguson
Technical Director: Graeme Johnston
Non-Executive Director: Rhett Brans
Non-Executive Director: Hongliang Chen
Non-Executive Director: Guy Loando

Market Cap

\$91 M

ASX Code: AVZ

For personal use only

AVZ Minerals Limited (ASX: AVZ, “The Company”) is pleased to provide the following report on its activities for the Quarter ended March 31, 2019.

During this Quarter the Company successfully completed a \$15m capital raising to set the platform for an intense period of development related activity in the coming 12 months. With the Scoping Study indicating the potential for a robust development at the Manono Lithium and Tin Project (“Manono Project”) the Company has moved into the Definitive Feasibility Study (“DFS”) stage. The DFS was a core focus of activity in the March Quarter and the Board anticipates its release in Q4, CY19.

Patersons Securities Limited acted as Lead Manager to the Placement.

AVZ has also received assay results from the final holes drilled at Roche Dure which will allow for the penultimate updated JORC Resource to be calculated. Assays from reconnaissance holes at the Carriere de l’Este pegmatite were also received and indicate the potential for an additional massive world class lithium project to rival the Roche Dure Deposit with intercepts including 89.0m* @ 2.01% Li₂O & 348ppm Sn in hole CD18DD002. The grades encountered at Carriere de l’Este are extraordinary and your Board is extremely encouraged by the potential for additional resources at this location.

AVZ’s Managing Director, Nigel Ferguson commented: *“Work continues on preparation of the DFS for the Manono Project and we continue to expect to announce the results as they come to hand. The capital raising completed in February allow us to fast track this asset towards production as well as better understand the enormous potential of our acreage in the Democratic Republic of Congo. The discovery of very high-grade lithium mineralisation at Carriere de l’Este, with grades of up to 4% in individual samples, is simply extraordinary and has the potential for future blending with Roche Dure material and to positively impact Roche Dure economics. We are excited to further understand this resource and the impact it may have on Roche Dure and AVZ more broadly.”*

PROGRESS AT ROCHE DURE

Assay results & pending JORC Update

The resource drilling program for Roche Dure pegmatite was completed in 2018 with the latest updated JORC resource announced in November 2018. However, assay results for the final 19 holes drilled at Roche Dure were not received until the March Quarter and were thus not included in the latest JORC estimate. This data will be included in the next iteration of the JORC resource due towards the end of April 2019.

Five drill holes have further confirmed strong spodumene values along strike in the NE of the Roche Dure orebody as well as from infilled areas in the November 2018 JORC estimate model. All holes intersected mineralisation with widths and grades relatively consistent with prior drilling.

This program also included shallow holes drilled both down dip from the western edge of the pit (MO18DD074) and along strike from the South East of the open pit perimeter to try and obtain information from shallower parts of the orebody, beneath the flooded open pit.

Assays from the remaining unreported 8 holes in the 19 hole program were announced on February 15, 2019. These holes were specifically designed to upgrade resource confidence through resource category upgrades within the pegmatite mineralization directly below the historical Roche Dure open pit. Hole MO18DD072m reported one of the best intersections from Manono to that point: 231.83m @ 1.73% Li₂O & 1,089ppm Sn from ground surface. A full list of these intersections can be found in Appendix 1.

DFS Progress Continues

Work continues on various fronts consistent with the target of completing the DFS in Q4 2019.

During the Quarter, 13 tonnes of drill core was exported from the DRC, to Perth, for full metallurgical testing. The core from 5 vertical PQ drill holes, drilled specifically for metallurgical testing, were completed in late November 2018 and is currently being trans-shipped to Nagrom Laboratories in Perth, via Dar es Salaam in Tanzania, for full metallurgical test work on optimising recoveries of both lithium (spodumene) and tin and associated tantalum. The container with the drill core is expected to arrive in Fremantle Port on or around April 28, 2019.

Unlike the preliminary metallurgical test work, these samples will be subjected to a full suite of tests that will allow a complete understanding of how the Roche Dure pegmatite will process through the planned recovery circuit. Additionally, AVZ will be able to report for the first time, likely recoveries from the 310,000 tonnes of tin and tantalum contained within the current Mineral Resource reported to the market on November 2018. The metallurgical test program will take approximately 3 to 4 months to complete. AVZ will provide progressive updates on this test work in the next quarter.

On the geotechnical front, once the rainy season eases, AVZ plans to commence dewatering of the Roche Dure open pit, using the neighboring M’Pete pit as a settling pond. This is expected to take some 3 to 4 months of continuous pumping and conclude towards the end of the Q3 2019 depending on the conditions encountered.

With the pit empty of water, additional geotechnical and specialised mapping of the pit walls will be undertaken including some potential drilling of shallow holes post dewatering.

It will also be possible to drill from the pit floor to determine the lithium content of the pegmatite that is likely to form the first material to report to any proposed new processing plant. The geological and assay information obtained will be included in the Mineral Resource estimate at that time and is expected to result in increasing the confidence of the material beneath the pit floor from an Inferred to Indicated category or greater.

EXPLORATION SUCCESS CONTINUES

Discovery at Carriere de l'Este (CdeE)

A transformational Li_2O discovery was made at CdeE during the Quarter which the Company believes confirms it as an additional potentially massive world class lithium project to rival the Roche Dure Deposit.

Located ~5km along strike north east of the Roche Dure pegmatite, the CdeE pegmatite is one of 6 pegmatites at the Manono Project which outcrops over a cumulative length of about 5,500m. The CdeE pegmatite has a strike length of approximately 1,500m extending under cover to the southwest. It is the largest pegmatite at the Manono sector and is of similar size to the famous Greenbushes pegmatite in Western Australia (mining only 2,000m of pegmatite with spodumene).

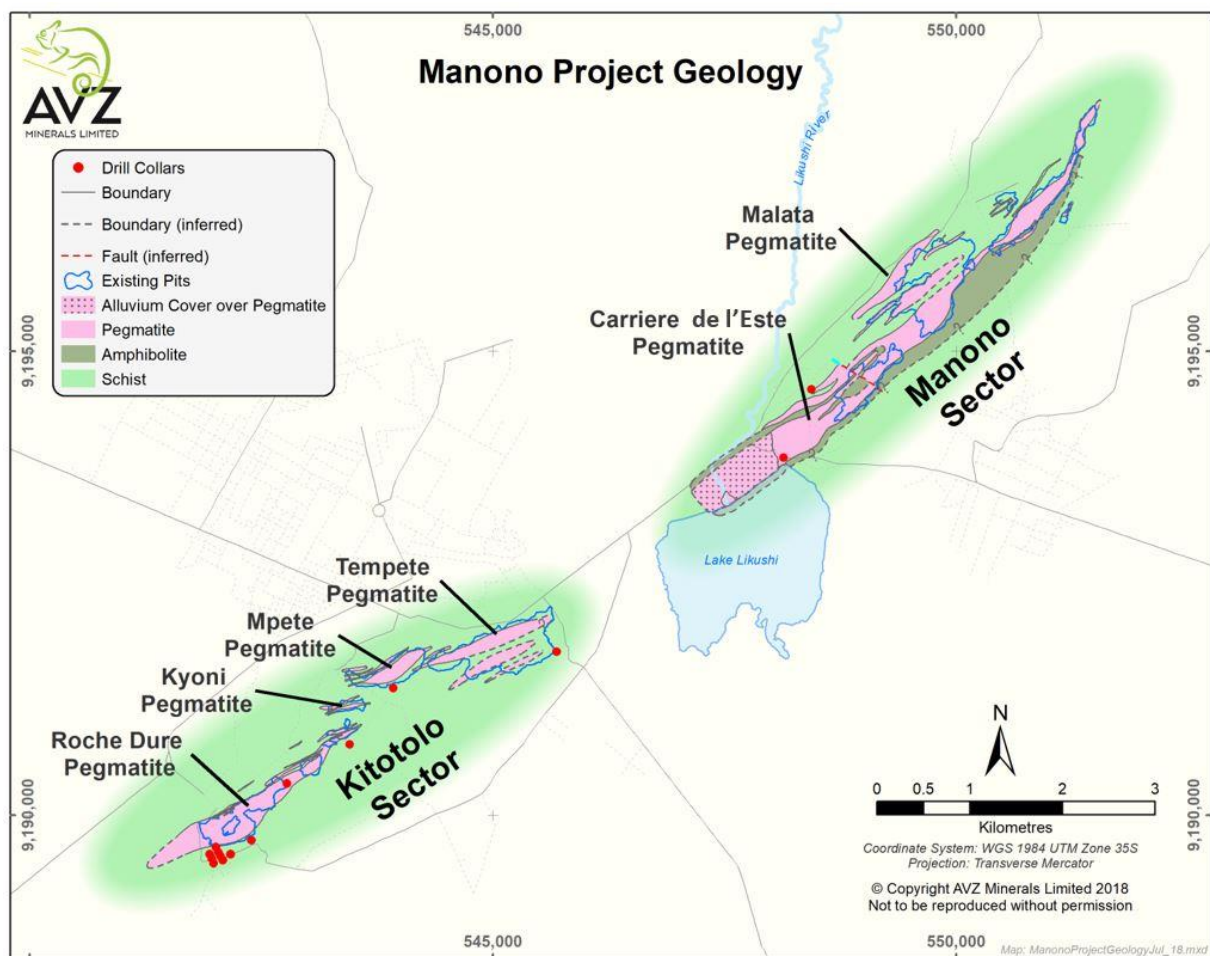


Figure 1: Map of pegmatites at Manono Lithium and Tin Project

Reconnaissance drilling at CdeE was undertaken in 2018 and assays from this 6-hole program were received during the March Quarter. The results confirmed widespread, high grade spodumene lithium mineralization over thick intersections. The pegmatites at Carriere de l'Este are shallower dipping than Roche Dure with an average dip of -25° to -30° SE.

The strike of the main upper pegmatite is drill confirmed at 1,500 meters long and up to 200m thick (down hole length) in places with intersections including 89m @ 2.01% Li_2O and 348ppm Sn (from hole CD18DD002). In regard to assays from the final 2 holes reported in particular, 90 samples returned values greater than 2% including 5 individual samples grading greater than 4% Li_2O with the highest value being from hole CD18DD006 from 181 to 182 meters downhole grading 4.65% Li_2O . A full list of these intersections can be found in Appendix 2.

The exciting near surface, high-grade zones of this flat dipping deposit, coupled with strong surface spodumene mineralisation noted from mapping and these new drill results, have extended the strike of the deposit to at least 1.5 kilometers long and there is no evidence to suggest it does not continue under cover towards the Tempête pegmatite some 2 kilometers to the southwest.



Figure 2: CD18DD006. 181 – 182m 4.65% contained Li_2O



Figure 3: Close up of core from 181 to 182 metres in drill hole CD18DD006 with very coarse spodumene throughout the interval

Potential Size

Given the size and mineralised nature of the pegmatites at Carriere de l'Este, the Company has generated an exploration target tonnage and grade of between 400 and 600Mt at grades between 1.3% to 1.7% Li₂O within spodumene mineralised pegmatite. The potential quantity and grade as stated, is conceptual in nature as there has been insufficient exploration to estimate a Mineral Resource, and it is uncertain if further exploration will result in the estimation of a Mineral Resource.

The estimation is calculated utilising the following parameters: mapped strike length of between 1,500 and 3,000m; thickness as defined in drilling to date of between 200 and 240m; depth down dip of between 350m and 425m; an estimated specific gravity based on significant work completed at Roche Dure to date of between 2.65 and 2.8 g/cm³ and an average grade indicated from assay results reported so far of between 1.3 and 1.7% Li₂O in diamond drill core. In addition, and specifically related to Carriere de l'Este, a data base of some 912 independently reported assay results from CD18DD001-004, MO17DD007 and geological data logged from 2,690m of drill core from holes CD18DD001-006, MO17DD007 has been assembled.

Next Steps at Carriere de l'Este

Drilling of the prospect is planned to take place over the following 3 years, with limited additional drilling works planned for 2019, as the Company's focus is on completion of the DFS for Roche Dure. The Company has planned a 200m line by 100m hole spaced drilling program with up to 4 drill holes per line, of approximately 36 diamond drill holes for between 9,000 to 12,000m of predominantly PQ (25%) and HQ (75%) diamond core. A first pass program to drill 2 wider spaced drill holes per line with an approximate total of some 3,600m is scheduled to commence in Q3 2019.

Carriere de l'Este is unlike Roche Dure in that it has higher grade zones within well mineralised pegmatite suggesting a more classical zonation model for this large pegmatite. Depending on future drilling, this may open up possibilities for high grade blending with potential Roche Dure ore feed to shorten pay back periods and is under consideration as work on the mining study phase of the DFS is completed.

Scoping Study Update

Having completed the 2mtpa Scoping Study in October 2018, the company has evaluated options to best commercialise the very large lithium Mineral Resource at Roche Dure and maximise the NPV.

Given the enormous scale of the resource, it is appropriate to take a staged approach to studying future expansions, including upgrades to throughput and subsequent production of concentrate and production of hydroxide, taking into consideration the costs associated as well as lithium market dynamics. The Company, at this time, is focusing all its efforts on the completion of the 5mtpa expansion case and expects the results of the Scoping Study, including an Independent Transport Study, to be released by end of April 2019, subject to regulatory approval.

CORPORATE

Capital raising

During the period the company successfully raised \$15m (before costs) by way of a \$5m SPP underwritten by Patersons Securities Ltd and a further oversubscribed placement of \$9.8m at 3.8c to strategic investors as well as Australian and global institutions. Funds raised will be used to execute the Company's strategy to fast-track the Manono Lithium and Tin Project towards production. The capital leaves the company extremely well placed to meet its objectives in 2019, especially the completion of the DFS.

Strategic Shareholders

The Placement was corner-stoned by new strategic investor Lithium Plus and existing strategic investor Zhejiang Huayou Cobalt Co., Ltd through its group company Huayou International Mining (Hong Kong) Limited, ("Huayou Cobalt Group").

Huayou Cobalt Group is one of the world's largest manufacturers of cobalt chemicals for use in batteries and has extensive in-country experience with a number of established mining operations in the Democratic Republic of Congo. Following the capital raising Huayou Cobalt Group has purchased additional shares on market during the Quarter to increase its shareholding in AVZ to 9.49%.

Lithium Plus subscribed for \$3 million in the Placement for an initial 3.46% interest in the Company. Lithium Plus is a specialist lithium investment company led by Mr. Bin Guo who has close links to the battery manufacturing industry in China and is also a director of North American Lithium Inc.

The Company welcomes the support of these two strategic shareholders and their investment in AVZ Minerals Ltd highlights the attractiveness of Manono to investors with strong battery metals / lithium industry credentials.

Board candidates

As the Company transitions from explorer to developer the AVZ Board is undertaking an extensive process to add further relevant expertise to its membership. A short list of candidates has been assembled and the Company will update shareholders in due course.

Potential Acquisition of Further Interest in the Manono Lithium and Tin Project

As advised in the previous quarterly report, AVZ is still currently in discussions with its Joint Venture partners of the Manono Lithium and Tin Project ("Manono Project"), Cominière SA and Dathomir Mining SA ("Dathomir") to purchase up to 5% each of their interest in the Manono Project.

At the current stage of the discussions, there is still no certainty that an agreement will be reached between the Joint Venture partners.

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

Mr. Leonard Math
Company Secretary
AVZ Minerals Limited
Phone: +61 8 6117 9397
Email: admin@avzminerals.com.au

Media Enquiries:
Mr. Luke Forrestal
Media + Capital Partners
Phone: +61 411 479 144



Competent Person Statement

The information in this report that relates to the geology and the exploration target is based on information compiled by Mr. Michael Cronwright, a Competent Person whom is a fellow of The Geological Society of South Africa and Pr. Sci. Nat. (Geological Sciences) registered with the South African Council for Natural Professions. Mr. Cronwright is a full-time employee of The MSA Group Pty Ltd. Mr Cronwright has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity 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. Cronwright consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to the exploration targets is based on information compiled by the Company and reviewed by Mr. Nigel Ferguson, Managing Director of AVZ Minerals Limited, a Competent Person whom is a Fellow of The Australian Institute of Mining and Metallurgy and a Member of the Geological Society of Australia. Mr. Ferguson is a Director and consultant of AVZ Minerals Limited. Mr Ferguson has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity 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.

Information required under ASX Listing Rule 5.3.3

List of current mining and exploration tenements (as at 31 March 2019):

Country / Project	Tenement	Interest	Status
DRC – Manono Project	PR 13359	60%	Granted
DRC – Manono Extension Project	PR 4029 PR 4030	100%	Granted

Roche Dure Main Pegmatite Mineral Resource at a 0.5% Li₂O cut-off as at 29 November 2018:

Category	Tonnes (Millions)	Li ₂ O %	Sn ppm	Ta ppm	Fe ₂ O ₃ %	P ₂ O ₅ %	SG
Measured	93.5	1.69	811	34	0.94	0.32	2.74
Indicated	96.3	1.64	759	34	0.97	0.30	2.73
Inferred	210.7	1.65	719	32	1.02	0.29	2.75
Total	400.4	1.66	750	33	0.99	0.30	2.74



Appendix 1 – Roche Dure Intersections MO18DD071 - 83

Hole I.D.	Section	Intersections of the Roche Dure pegmatite
MO18DD071	Between 7300 and 7200	0.00m – 99.17m; 99.17m @ 1.77%Li ₂ O & 1,349ppm Sn (with a 0.4m core loss) 118.50m – 141.05m; 22.55m @ 1.30%Li ₂ O & 901ppm Sn 161.22m – 171.86m; 10.64m @ 1.03%Li ₂ O & 1,297ppm Sn
MO18DD073	7500	0.16m – 84.64m; 84.48m @ 1.82%Li ₂ O & 1,132ppm Sn 93.36m – 101.57m; 8.21m @ 1.38%Li ₂ O & 662ppm Sn 104.12m – 111.35m; 7.23m @ 1.96%Li ₂ O & 723ppm Sn 115.52m – 127.14m; 11.62m @ 1.51%Li ₂ O & 1,258ppm Sn 146.04m – 166.11m; 20.07m @ 1.43%Li ₂ O & 1,112ppm Sn
MO18DD074	7500	40.72m – 42.76m; 2.04m @ 0.22%Li ₂ O & 360ppm Sn 50.10m – 53.56m; 3.46m @ 0.56%Li ₂ O & 278ppm Sn 58.10m – 73.27m; 15.17m @ 0.52%Li ₂ O & 607ppm Sn 93.00m – 109.22m; 16.22m @ 0.03%Li ₂ O & 647ppm Sn (with 3.83m of internal waste) 113.20m – 322.81m; 209.61m @ 1.73%Li ₂ O & 954ppm Sn (with 0.60m of core loss)
MO18DD075	7500	0.44m – 126.82m; 126.38m @ 1.59%Li ₂ O & 1,311ppm Sn (with 5.52m of internal waste and 0.2m of core loss) 141.62m – 181.91m; 40.29m @ 1.62%Li ₂ O & 1,020ppm Sn
MO18DD076	7700	128.62m – 325.10m; 196.48m @ 1.51%Li ₂ O & 982ppmm Sn (with 0.54m of core loss)

For personal use only

Hole I.D.	Section	Intersections of the Roche Dure pegmatite
MO18DD072	7800mN	0.00m – 231.83m; 231.83m @ 1.73%Li₂O & 1,089ppm Sn (with 1.64m of internal waste and 2.62m core loss)
MO18DD077	Drilled off section from 7500mN	0.45m – 112.18m; 111.73m @ 1.80%Li₂O & 1,118ppm Sn 135.53m – 171.25m; 35.72m @ 1.54%Li ₂ O & 893ppm Sn (with 0.21m of core loss)
MO18DD078	Drilled down dip on section 7300mN	31.65m – 33.57m; 1.92m @ 0.03%Li ₂ O & 299ppm Sn 56.00m – 92.21m; 36.21m @ 0.20%Li ₂ O & 908ppm Sn (with 7.08m of core loss) 96.12m – 117.10m; 20.98m @ 1.98%Li ₂ O & 1,090ppm Sn 128.83m – 305.49m; 176.66m @ 1.57%Li₂O & 1,143ppm Sn 307.52m – 311.05m; 3.53m @ 1.22%Li ₂ O & 2,786ppm Sn 315.82m – 320.78m; 4.96m @ 0.60%Li ₂ O & 493ppm Sn with 2.49m of core loss
MO18DD079	Shallow fan hole drilled along strike from SW edge of open pit	0.0m – 23.85m; 23.85m @ 0.19%Li ₂ O & 1,274ppm Sn (with 14.29m of core loss) 24.06m – 300.26m; 276.20m @ 1.45%Li₂O & 1,035ppm Sn (with 0.15m of core loss) and including 147.0m – 300.26m; 153.26m @ 1.87%Li ₂ O & 954ppm Sn
MO18DD080	Shallow fan hole drilled along strike from SW edge of open pit	0.0m – 15.0m; 15.0m @ 0.12%Li ₂ O & 1,009ppm Sn (with 4.12m of core loss) 15.0m – 159.98m; 144.98 @ 0.70%Li₂O & 1,193ppm Sn (with 0.53m of core loss) and including 15.00m – 68.00m; 53.00m @ 0.98%Li ₂ O & 1,252ppm Sn (with 0.3m of core loss) and 95.23 – 130.00m; 34.77m @ 0.99%Li ₂ O & 1,013ppm Sn
MO18DD081	Shallow fan hole drilled along strike from SW edge of open pit	1.0m – 14.25m; 13.25m @ 0.12%Li ₂ O & 1,219ppm Sn (with 1.35m of core loss) 15.35m – 131.15m; 115.8 @ 0.5%Li ₂ O & 1,269ppm Sn (with 1.45m of core loss and 1.47m of internal waste) and including 26.0m – 60.0m; 34.0m @ 1.0%Li₂O & 1,486ppm Sn
MO18DD082	Shallow fan hole drilled along strike from SW edge of open pit	0.0m – 13.0m; 13.0m @ 0.16%Li ₂ O & 566ppm Sn (with 3.14m of core loss) 13.0m – 300.18m; 287.18m @ 1.64%Li₂O & 1,120ppm Sn (with 1.02m of core loss)
MO18DD083	Shallow fan hole drilled across strike from SW edge of open pit	0.0m – 106.24m; 106.24 @ 0.59%Li₂O & 1,302ppm Sn (with 5.66m of core loss) and including 3.0m – 28.0m; 25.0m @ 0.95%Li ₂ O & 1,450ppm Sn (with 4.55m of core loss) and 71.0 – 98.0m; 27.0m @ 1.01%Li ₂ O & 1,266ppm Sn

Appendix 2 – Carrière de l’Este Intersections CD18DD001 - 06

Hole I.D.	Section	Intersections of the Carrière de l’Este pegmatite
CD18DD001	21900mN	<p>5.9m – 27.6m; 21.7m @ 0.02%Li₂O & 307ppm Sn (with 0.65m of internal waste and 2.18m core loss)</p> <p>54.55 – 81.25; 26.7m @ 0.04%Li₂O & 767ppm Sn (with 0.23m of core loss)</p> <p>102.0m – 118.6m; 16.6m @ 0.58%Li₂O & 2,934ppm Sn (with 1.5m of core loss)</p> <p>131.4m – 185.8m; 64.4m @ 0.79%Li₂O & 867ppm Sn (with 1.2m of core loss)</p> <p>205.9m – 239.0m; 33.1m @ 0.68%Li₂O & 621ppm Sn (with 2.2m of core loss)</p>
CD18DD002	21300mN	<p>10.65m – 174.18m; 163.53m @ 1.77%Li₂O & 336ppm Sn (with 0.77m of internal waste) and including 36.0m – 125.0m; 89.00m @ 2.01%Li₂O & 348ppm Sn</p> <p>182.41m – 220.23m; 37.82m @ 1.18%Li₂O & 878ppm Sn (with 4.56m of core loss)</p> <p>227.6m – 244.6m; 17.0m @ 1.69%Li₂O & 1,113ppm Sn and including 227.6m – 234.0m; 6.4m @ 2.7%Li₂O & 983ppm Sn</p> <p>252.87m – 263.91m; 11.04m @ 1.41%Li₂O & 845ppm Sn (with 0.43m of core loss)</p> <p>277.27m – 334.69m; 57.42m @ 1.01%Li₂O & 546ppm Sn</p> <p>348.69m – 364.7m; 16.01m @ 0.05%Li₂O & 99ppm Sn (with 6.24m of core loss) and</p> <p>385.35m – 395.49m; 10.14m @ 0.21%Li₂O & 998ppm Sn (with 0.35m of internal waste)</p>
CD18DD003	21300mN	<p>8.3m – 191.0m; 182.7m @ 1.69%Li₂O & 542ppm Sn and including 8.3m – 67.0m; 58.7m @ 2.06%Li₂O & 731ppm Sn</p> <p>195.22m – 234.4m; 39.18m @ 1.18%Li₂O & 1,148ppm Sn (with 1.83m of core loss) and including 208.31m – 217.0m; 8.69m @ 2.24%Li₂O & 1,168ppm Sn</p> <p>256.47m – 282.85m; 26.38m @ 0.05%Li₂O & 247ppm Sn</p> <p>295.86m – 312.62m; 16.76m @ 0.02%Li₂O & 144ppm Sn</p> <p>320.70m – 329.10m; 8.4m @ 0.01%Li₂O & 47ppm Sn (with 4.55m of core loss) and</p> <p>331.00m – 374.70m; 43.70m @ 0.02%Li₂O & 242ppm Sn (with 2.52m of core loss)</p>

<p>CD18DD004</p>	<p>21500mN</p>	<p>27.66m – 155.34m; 127.68m @ 1.70%Li₂O & 427ppm Sn and including 52.0m – 88.0m; 36.0m @ 2.01%Li₂O & 466ppm Sn</p> <p>158.86m – 195.67m; 36.81m @ 1.31%Li₂O & 1,041ppm Sn and including 161.0m – 173.0m; 12.0m @ 2.0%Li₂O & 1,151ppm Sn</p> <p>199.24m – 209.71m; 10.47m @ 1.67%Li₂O & 1,679ppm Sn and including 200.0m – 204.0m; 4.0m @ 2.74%Li₂O & 1,239ppm Sn</p> <p>221.6m – 260.0m; 38.4m @ 0.14%Li₂O & 367ppm Sn</p> <p>260.0m – 287.7m; 27.7m @ 1.42%Li₂O & 600ppm Sn and including 261.0m – 268.0m; 7.0m @ 2.23%Li₂O & 895ppm Sn</p> <p>298.5m – 307.4m; 8.9m @ 1.79%Li₂O & 485ppm Sn and including 299.0m – 305.0m; 6.0m @ 2.03%Li₂O & 648ppm Sn</p> <p>311.85 – 316.94m; 5.09m @ 0.85%Li₂O & 717ppm Sn</p> <p>331.87m – 339.0m; 7.13m @ 0.09%Li₂O & 111ppm Sn</p> <p>350.2m – 355.29m; 5.09m @ 0.07%Li₂O & 315ppm Sn</p>
<p>CD18DD005</p>	<p>21500mN</p>	<p>10.8m – 19.8m; 9.00m @ 1.05% Li₂O & 1,294ppm Sn with 0.55m of core loss</p> <p>26.43m – 39.58m; 13.15m @ 1.61% Li₂O & 778ppm Sn including 26.43m – 31.00m; 4.57m @ 2.04% Li₂O & 804ppm Sn</p> <p>46.36m – 92.06m; 45.70m @ 1.72% Li₂O & 603ppm Sn including 61.00m – 88.00m; 27.00 @ 2.00% Li₂O and 790ppm Sn</p> <p>97.80m – 194.36m; 96.56m @ 1.43% Li₂O & 695ppm Sn including 110.00m – 132.00m; 22.00m @ 2.03% Li₂O & 687ppm Sn</p> <p>199.58m – 209.16m; 9.58m @ 0.98% Li₂O & 825ppm Sn</p> <p>228.69m – 287.37m; 58.68m @ 0.36% Li₂O & 283ppm Sn</p> <p>289.70m – 303.86m; 14.16m @ 0.21% & 185ppm Sn with 4.21m of internal waste</p> <p>316.52m – 324.00m; 7.48m @ 0.01% Li₂O & 64ppm Sn with 1.89m of internal waste</p> <p>339.00m – 346.00m; 7.00m @ 0.01% Li₂O & 60ppm Sn</p>
<p>CD18DD006</p>	<p>21700mN</p>	<p>17.45m – 140.63m; 123.18m @ 1.89% Li₂O & 713ppm Sn with 1.00m of core loss and 2.27m of internal waste.</p> <p>Including 35.08m-77.00m; 41.92m @ 2.01% Li₂O and 858ppm Sn with 0.70m of internal waste;</p> <p>Including 83.00m-120.00m; 37.00m @ 2.01% Li₂O and 923ppm Sn</p> <p>147.67m – 165.84m; 18.17m @ 1.33% Li₂O & 931ppm Sn including 158.00m – 164.00m; 6.00m @ 2.04% Li₂O & 997ppm Sn with 4.42m of internal waste</p> <p>170.95m – 266.89m; 95.94m @ 1.74% Li₂O & 747ppm Sn including 175m – 243m; 68.00m @ 2.00% Li₂O & 862ppm Sn with 1.42m of internal waste</p> <p>272.57m – 284.20m; 11.63m @ 1.79% Li₂O & 794ppm Sn</p> <p>300.14m – 307.58m; 7.44m @ 0.42% Li₂O & 676ppm Sn</p>

Appendix 3 – Corporate Activities and Site Visit

121 Conference Cape Town



AVZ's Managing Director, Nigel Ferguson (Right) and Dathcom's Administrative Manager, Balthazar Tshiseke attending the 121 Conference in Cape Town February 2019

Executive Team at Manono



Dathcom's Director of Corporate Affairs, Serge Ngandu (left) and AVZ's Managing Director, Nigel Ferguson at the entrance of the Manono Project camp site (April 2019).



AVZ's Executive Team at Manono with local Village Chiefs and Manono Administration Government officials April 2019

Aerial view of the Manono Lithium and Tin Project looking South towards Roche Dure (April 2019)



Aerial view of the Manono Lithium and Tin Project looking North from Roche Dure (April 2019)



North section of the Roche Dure Pit where the dewatering pump will be placed (April 2019)

For personal use only

Core yard at Manono Camp Site
(April 2019)



Manono Camp Site
(April 2019)



For personal use only



*Site Office at Manono Camp Site
(April 2019)*



For personal use only

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

AVZ Minerals Limited

ABN

81 125 176 703

Quarter ended ("current quarter")

31 March 2019

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers		
1.2 Payments for		
(a) exploration & evaluation	(2,204)	(14,602)
(b) development	-	-
(c) production	-	-
(d) staff costs	(211)	(865)
(e) administration and corporate costs	(270)	(1,302)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	5	97
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Deposit paid	(46)	(46)
1.8 Other (net GST/FBT activity)	(52)	(94)
1.9 Net cash from / (used in) operating activities	(2,778)	(16,812)
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	(341)
(b) tenements	-	-
(c) investments ¹	-	(1,059)
(d) other non-current assets	-	-

For personal use only

Mining exploration entity and oil and gas exploration entity quarterly report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements	-	-
	(c) investments	-	-
	(d) other non-current assets	-	7
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	-	(1,393)

1. Advance payment of US\$750,000 to Cominiere SPRL, as part of acquisition cost.

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	15,000	15,000
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	(1,066)	(1,066)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	13,934	13,934

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	910	16,337
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(2,778)	(16,812)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	(1,393)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	13,934	13,934
4.5	Effect of movement in exchange rates on cash held		
4.6	Cash and cash equivalents at end of period	12,066	12,066

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	9,066	910
5.2 Call deposits	3,000	-
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	12,066	910

6. Payments to directors of the entity and their associates	Current quarter \$A'000
6.1 Aggregate amount of payments to these parties included in item 1.2	184
6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

	\$A'000
Payment to directors and related entities – director fees and corporate services (excluding GST)	105
Payment to director related entity – technical services (excluding GST)	79

7. Payments to related entities of the entity and their associates	Current quarter \$A'000
7.1 Aggregate amount of payments to these parties included in item 1.2	-
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

For personal use only

Mining exploration entity and oil and gas exploration entity quarterly report

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

--

9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	2,820
9.2 Development	-
9.3 Production	-
9.4 Staff costs	300
9.5 Administration and corporate costs	285
9.6 Other – Project acquisition instalment	1,072
9.7 Total estimated cash outflows	4,477

10. Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	PR12436 PR12449 PR12450 PR12454 DRC – Katanga Regional	Relinquished	60%	0%
10.2 Interests in mining tenements and petroleum tenements acquired or increased	-	-	-	-

For personal use only

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here:


(CFO & Company secretary)

Date: 18 April 2019

Print name: Leonard Math

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

For personal use only