

28 April 2023

## **Rail, port and clean hydropower agreements signed and Mining Permit application underway**

### **Highlights**

- Anglo American substantially completes technical and ESG due diligence and confirms no fatal flaws
- Work continues with Anglo American to enable them to finalise its investment business case
- Social and environmental impact assessment submitted to support a 20-year, large-scale Mining Permit application
- Long-term, 20-year power agreement signed for the supply of clean, renewable hydroelectricity
- Long term, 15-year integrated rail and port services agreement signed with Owendo Mineral Port
- Mr Joe Ariti to continue as MD and CEO, and Ms Salina Michels to commence as CFO

Emerging African iron ore producer, Genmin Limited (**Genmin** or the **Company**) (ASX: GEN) is pleased to present its quarterly activities report for the period ended 31 March 2023 (**Quarter**).

During the Quarter, Genmin made significant progress in its transition to an emerging iron ore producer.

Commenting on the Quarter, MD and CEO Joe Ariti said: “Our focus during the quarter has remained resolute on delivering production at Baniaka in the second half of 2024. Not only did we sign long-term agreements for the provision of clean, renewable hydroelectricity and rail & port services, but we also completed the first two steps in procuring a large-scale mining permit for Baniaka, which we expect to be granted by the end of June 2023”.

“In addition, Anglo American had substantially completed its technical and ESG due diligence process and importantly confirmed it had not identified any fatal flaws at Baniaka or with Genmin’s proposed execution of the project. Work continues with Anglo American to enable it to finalise its business investment case”.

“Finally, I am delighted for Salina Michels to join Genmin as Chief Financial Officer at this exciting time in our growth. Salina’s financial acumen and depth of experience will be an asset to the Company, as we progress the development of our flagship Baniaka project in Gabon towards production”.

## Projects

Genmin holds six granted iron ore exploration licences in Gabon, west Central Africa, covering approximately 5,064km<sup>2</sup> (Figure 1). The 100% owned exploration licences form three projects (Table 1).

**Table 1: Genmin's iron ore projects in Gabon**

Project Name	Status
Baniaka Iron Ore Project ( <b>Baniaka</b> )	Pre-development stage
Bakoumba Iron Ore Project ( <b>Bakoumba</b> )	Advanced exploration stage
Bitam Iron Ore Project ( <b>Bitam</b> )	Early exploration stage

## Baniaka

The principal focus of the Company's activities during the Quarter was at its flagship Baniaka project. Baniaka, located in south-east Gabon, comprises the Baniaka (G2-537, 774km<sup>2</sup>) and Baniaka West (G2-572, 107km<sup>2</sup>) exploration licences, covering a total area of 881km<sup>2</sup> (Figure 1). Baniaka has a defined cumulative strike length of 85km of iron mineralisation, divided into 12 prospect areas at different levels of maturity (Figure 2).

To date, a global Mineral Resource estimate (**MRE**) of 760 million tonnes (**Mt**) has been defined at Baniaka, and approximately 80% of the strike extent remains undrilled. An Ore Reserve estimate of 101Mt supports a scalable 5Mt per annum (**Mtpa**) starter open pit mining operation at Baniaka (refer to Mineral Resource and Ore Reserve statements on page 8 of this announcement).

### Anglo American due diligence and financing

In July 2022, Genmin entered into a royalty agreement with Anglo American plc (**Anglo American**) whereby Anglo American receives up to a 1% sales revenue royalty on the first 75Mt of iron ore products sold from Baniaka for a cash payment of US\$10 million (**Royalty Agreement**) (refer to ASX Announcement dated 7 July 2022).

As part of the Royalty Agreement, the Company granted Anglo American an exclusive right to negotiate and agree terms with Genmin for the debt piece of project funding and up to 100% of offtake from Baniaka. The exclusivity period is for 120 calendar days and will end on 10 May 2023, unless extended.

At the end of the Quarter, Anglo American had substantially completed technical and environmental, social and governance (**ESG**) due diligence and advised the Company that no fatal flaws had been identified. Consequently, whilst taking longer than initially contemplated, Genmin continues to work together with Anglo American to enable them to finalise their investment business case.

Anglo American has made several recommendations to complete further engineering and cost detailing of the haul road and overhead power transmission line, and adopt its standards for the design and operation of the rejects storage facility. These works are part of the normal detailed design and engineering for a project build and are expected to take several months to complete.

### Mining Permit application

All material commercial agreements and work streams to support a 20-year, large-scale Mining Permit application (**MPA**) are now complete, including submission of the social and environmental impact assessment (**SEIA**) during the Quarter.

In anticipation of the imminent lodgement of the formal feasibility study documentation for the MPA and subsequent receipt of the Mining Permit (**MP**), Genmin continues to progress pre-development activities at Baniaka, including the onboarding of senior project build leadership positions, value engineering, and detailed design and engineering of the longest lead time item, the processing facility. The approval process, which includes the signing of a mining convention is expected to take approximately three months. The Company does not foresee any material impediments to the granting of the large-scale MP for Baniaka in accordance with its target timeline to achieve production.

## Material Agreements

### *Mine to port transport solution*

On 21 February 2023, Genmin signed a long-term, 15-year integrated rail and port services agreement with Owendo Mineral Port (**OMP**) for a mine to ocean-going vessel transport solution for Baniaka. The rail and port agreement guarantees the transport of 5Mtpa<sup>1</sup> with provision to scale volume to 15Mtpa over the 15-year term on a send or pay basis. In addition to normal operations matters, Genmin will continue to work closely with OMP to ensure both parties remain aligned on mutually agreed expansion plans.

### *Renewable hydropower*

On 1 February 2023, Genmin signed a 20-year, long-term power purchase agreement with Gabon's State-owned power utility, Société de Patrimoine du Service Public de l'Eau Potable, de l'Énergie Électrique et de l'Assainissement for the supply of 30 megawatts (**MW**) of renewable hydroelectricity to Baniaka from the Grand Poubara Hydropower Station (**Grand Poubara**) located on the Ogooué River, approximately 35km north-east of Baniaka (Figures 1 and 3).

The initial 20-year agreement term is extendable on mutually agreeable terms with pricing at less than US¢10 per kilowatt hour. The agreement provides for an increased 50MW power reservation, subject to the planned expansion of Baniaka, and providing water flow rates at Grand Poubara support the additional power generation.

## Community

### *Boumango Medical Centre*

During the Quarter, work continued on the refurbishment of the multi-building Boumango Medical Centre. The centre's two primary buildings, the medical station and infant nursery, were previously dilapidated and unusable for the provision of basic health services in the community.

Genmin commenced a detailed refurbishment program in November 2022 designed to fully renovate the medical station and infant nursery buildings. The structures were stripped back to exterior and interior walls to facilitate all new works including roofing and guttering, electrical distribution, ablution and septic tank system, doors, windows, floor and wall tiling, air-conditioning, painting, and concrete repairs.

The refurbishment program is approximately 50% complete and scheduled to be finished during Q2 2023.

## Next Steps

Genmin is now in the value-engineering and optimised design phase of project development for Baniaka. Accordingly, the next steps include:

- submission of the large-scale MPA and signing of a Mining Convention; and
- receipt of the MP allowing finalisation of project financing and a Final Investment Decision.

<sup>1</sup> The guaranteed send or pay tonnage in Year 1 and Year 2 is 1Mt and 3Mt respectively, and 5Mtpa for the remainder of the term.

## Bakoumba

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Bakoumba comprises the Bakoumba (G2-511, 1,029km<sup>2</sup>) and Mafoungui (G7-535, 535km<sup>2</sup>) exploration licences, which cover a total area of 1,564km<sup>2</sup>, and is located approximately 35km west-southwest of the regional city of Moanda within the Baniaka iron ore hub (Figure 1). Bakoumba provides regional upside to Baniaka and is suitably located to leverage the existing bulk transport and energy infrastructure.

During the Quarter, the Company finalised the Auger drilling program commenced in September 2022. The program comprised a total of 146 shallow holes for 2,060m and tested detrital iron deposits (**DID**) mineralisation at the southern Koumbi and Lebombi North prospects, representing approximately 20% of the 36km of banded iron formation strike length (Figure 4). The final geochemical assays are expected to be received in Q2 2023 and results will be released to the market following geological interpretation.

Genmin also completed a bulk density pitting campaign at Bakoumba, which comprised 23 re-sampled and newly excavated pits.

Preparations for a maiden diamond drilling program at Bakoumba were initiated during the Quarter. The program, which is expected to commence in the second half of 2023, will test the potential for Oxide and Primary mineralisation underlying DID at Koumbi and Lebombi North prospects (Figure 4).

## Bitam

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Bitam comprises the Bitam (G9-590, 1,463km<sup>2</sup>) and Ntem (G9-485, 1,156km<sup>2</sup>) exploration licences covering a total area of 2,619km<sup>2</sup> in the north-west of Gabon (refer Figure 1). Both the Bitam and Ntem exploration licences enable the Company to explore for iron, gold, copper and associated substances.

During the Quarter, the Company engaged RSC Consulting Limited, a global, specialist geological consultant to review the non-ferrous prospectivity of Bitam and develop follow-up field exploration programs.

TEREA, an independent, environmental consulting firm was appointed to conduct a baseline evaluation, to document site conditions prior to the commencement of field work at Bitam.

## Corporate

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### Chief Executive Officer's continuing employment

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On 10 March 2023, Genmin advised the continuing terms of employment for the Company's Chief Executive Officer, Mr Giuseppe Ariti. The Company and Mr Ariti entered into an employment agreement in January 2021, which commenced at listing and had a fixed term of two years, with any renewal of term at the option of the Company.

The key terms of the agreement were disclosed in Genmin's prospectus dated 9 February 2021 (**Prospectus**). Genmin agreed to renew Mr Ariti's employment agreement on the same terms, save for an evergreen rather than fixed term. Refer to Genmin's Prospectus and ASX release dated 10 March 2023 for more information.

## Appointment of Chief Financial Officer

On 27 April 2023, and subsequent to the end of the Quarter, Genmin announced the appointment of Ms Salina Michels as Chief Financial Officer (**CFO**), effective from 1 May 2023.

Ms Michels is a Certified Practicing Accountant and qualified Company Secretary. An industry professional with over 20 years' experience at ASX listed resources companies, Ms Michels is a proven leader of highly skilled financial teams. Her vast experience includes driving efficiency and productivity through evaluation of financial management systems and implementation of process improvements across organisations.

The Company welcomes Ms Michels in her new role and wishes former CFO Mr Zaiqian Zhang well in his new endeavours.

## Changes in Capital Structure

The Company's capital structure effective 31 March 2023 is summarised in Table 2.

**Table 2: Capital Structure as of 31 March 2023**

Securities on issue	ASX Security Code	Number
Fully paid ordinary shares	GEN	450,783,234
Unlisted Options @ US\$0.15 exp 31/07/24	GENAM	280,000
Unlisted Options @ US\$0.15 exp 31/07/24	GENAL	250,000
Unlisted Options @ AU\$0.442 exp 07/03/26	GENAN	5,000,000
Performance Rights	GENAE	5,125,000
Performance Rights exp 25/05/25	GENAP	1,607,500
Performance Rights exp 22/06/24	GENAO	720,000

On 3 February 2023, the Company issued 650,000 fully paid ordinary shares upon the exercise of unlisted US\$0.15 options, expiring 31 January 2023 (ASX: GENAJ). The balance of 604,479 unlisted US\$0.15 options (ASX: GENAJ) expired unexercised on 31 January 2023.

All securities subject to mandatory or voluntary escrow were released from escrow on 10 March 2023, being the date that was 24 months after Genmin listed on the ASX. Genmin applied for quotation on ASX of the ordinary shares that were subject to mandatory escrow on 10 March 2023.

On 28 March 2023, 675,000 Performance Rights (ASX: GENAE) and 1,607,500 Performance Rights (ASX: GENAP) lapsed because the vesting conditions had not been or had become incapable of being satisfied.

On 31 March 2023, Genmin had 655 shareholders, and 86.66% of the fully paid ordinary shares on issue were held by the top 20 shareholders.

## Investor Relations

Genmin's 2022 Audited Financial Report for the year ended 31 December 2022 was lodged with the ASX on 29 March 2023 and is available at the Company's website at <https://www.genmingroup.com/investors/reports/>.

On 10 March 2023, the Company announced that its 2022 annual general meeting will be held on Thursday 25 May 2023.

## Compliance

### Related Party Transactions

In accordance with ASX Listing Rule 5.3.5, Table 3 provides a description and explanation of the payments made to related parties of the Company and their associates, which is included in the Appendix 5B for the Quarter.

**Table 3: Related Party Transactions**

Related Party	Description	Amount US\$
Directors	Fees	50,000
	Salary	51,285
	Superannuation	5,385
	Extra Exertion Fees	-
<b>Total</b>		<b>106,670</b>

### Cash Movement & Uses of Funds

In accordance with ASX Listing Rule 5.3.4, Table 4 shows the comparison between the estimated Uses of Funds stated in the Prospectus and the actual expenditure incurred to the end of the Quarter.

**Table 4: Uses of Funds**

Category	Prospectus AU\$'000	Prospectus US\$'000	Actual US\$'000	Variance US\$'000
Income and capital raised	-	-	-	15,721
Baniaka Preliminary Feasibility Study	15,146	11,662	19,621	(7,959)
Bakoumba Resource Definition	1,766	1,360	835	525
Minvoul/Bitam Regional Exploration	476	367	49	318
Capital Items	670	516	650	(134)
General and Administration	1,831	1,410	2,029	(619)
Expenses of the Offer	2,621	2,018	2,081	(63)
Working Capital	7,490	5,767	8,813	(3,046)
Pre-Development (new category)	-	-	2,257	(2,257)
<b>Total</b>	<b>30,000</b>	<b>23,100</b>	<b>36,335</b>	<b>2,487</b>

Since listing on the ASX, the Company has raised further funds (Income and capital raised line in Table 4), which has allowed the Company to undertake additional activities to those that were set out in the Prospectus, resulting in higher than forecast expenditure and variances.

In the two years since listing, the Company has substantially achieved its business objectives set out in Section 2.2 of the Prospectus.

## Licence Schedule

The Company's interests in exploration licences are summarised in Table 5.

**Table 5: Genmin's Exploration Licences in Gabon**

Exploration Licence	Registered Holder <sup>1</sup>	Location	Genmin interest	
			Start of Q1 2023	End of Q1 2023
G2-537 Baniaka	Reminac	Gabon	100%	100%
G2-572 Baniaka West	Reminac	Gabon	100%	100%
G2-511 Bakoumba	Kimin Gabon S.A.	Gabon	100%	100%
G7-535 Mafoungui	Reminac	Gabon	100%	100%
G9-485 Ntem	Afrique Resources S.A.	Gabon	100%	100%
G9-590 Bitam	Azingo Gabon S.A.	Gabon	100%	100%

*Note:*

<sup>1</sup> All Registered Holders are 100% owned subsidiaries of Genmin Limited.

This announcement has been authorised by the Board of Genmin Limited.

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## About Genmin

**Genmin Limited (ASX: GEN)** is an ASX-listed emerging African iron ore producer with a pipeline of projects in the Republic of Gabon, west Central Africa. The Company has 100% interests in three projects comprising six granted exploration licences covering approximately 5,064km<sup>2</sup>.

Genmin's flagship Baniaka, and Bakoumba iron ore projects are in the south-east of Gabon and provide an emerging iron ore hub near the Haut-Ogooué provincial capital city of Franceville. The Company has an extensive footprint and controls all acreage prospective for iron ore with 2,445km<sup>2</sup> of regional landholding that hosts 121km of interpreted iron mineralised strike, with only 16% of it tested with diamond drilling.

The recently completed Baniaka Preliminary Feasibility Study demonstrated the economic robustness of an initial ten year, 5 million tonnes per annum scalable open pit mining operation using a simple, proven processing flowsheet and leveraging existing power, rail and port infrastructure.

All material commercial agreements and work streams including the social and environmental impact assessment to support a Mining Permit application have been completed. In anticipation of the receipt of the Mining Permit, Genmin has progressed some pre-development activities at Baniaka, including the onboarding of senior project build leadership positions and detailed engineering of the longest lead time item, the processing facility.

Genmin has additional exploration tenure prospective for iron ore, gold and base metals at its Bitam iron ore project in the north-west of Gabon located near the Woleu-Ntem provincial capital of Oyem.

## Mineral Resources and Ore Reserves

**Baniaka Mineral Resource statement, effective 31 December 2022**

Class	Material	Tonnes (Mt)	%					
			Fe	SiO <sub>2</sub>	Al <sub>2</sub> O <sub>3</sub>	P	S	LOI <sup>1000</sup>
Indicated	DID	67.1	47.4	15.9	8.0	0.072	0.076	7.5
	Soft Oxide	100.6	43.1	29.1	3.9	0.058	0.054	4.5
	Intact Oxide	61.5	37.0	39.0	3.2	0.059	0.052	3.1
	<b>Total</b>	<b>229.2</b>	<b>42.8</b>	<b>27.9</b>	<b>4.9</b>	<b>0.063</b>	<b>0.060</b>	<b>5.0</b>
Inferred	DID	5.8	41.8	21.3	10.2	0.067	0.071	7.3
	Soft Oxide	15.9	43.7	31.4	2.7	0.055	0.031	2.9
	Intact Oxide	19.3	36.7	42.1	2.6	0.057	0.033	2.0
	Primary BIF	488.6	33.5	44.5	2.3	0.058	0.084	1.2
	<b>Total</b>	<b>529.6</b>	<b>34.0</b>	<b>43.7</b>	<b>2.4</b>	<b>0.058</b>	<b>0.081</b>	<b>1.4</b>
<b>Grand Total</b>		<b>758.7</b>	<b>36.7</b>	<b>38.9</b>	<b>3.2</b>	<b>0.059</b>	<b>0.074</b>	<b>2.5</b>

**Baniaka Ore Reserve Statement, effective 31 December 2022**

Classification	Ore Type	Tonnes (Mt)	%					
			Fe	SiO <sub>2</sub>	Al <sub>2</sub> O <sub>3</sub>	P	S	LOI <sup>1000</sup>
Probable	DID	45.5	48.2	15.3	7.7	0.07	0.07	7.4
	HYB	2.1	35.9	25.8	12.9	0.06	0.07	8.6
	Soft Oxide	53.2	46.2	24.6	3.7	0.06	0.07	4.9
<b>Total</b>		<b>100.9</b>	<b>46.9</b>	<b>20.4</b>	<b>5.7</b>	<b>0.06</b>	<b>0.07</b>	<b>6.1</b>

Notes:

- Estimate totals may vary reflecting the level of rounding accuracy applied.
- Mineral Resources are inclusive of Ore Reserves.



## Confirmation

The information in this report that relates to Mineral Resources and Ore Reserves is extracted from the Company's ASX Announcement dated 16 November 2022 titled "Positive Baniaka PFS", which is available at <https://www.genmingroup.com/investors/asx-announcements> and in which Mr Richard Gaze and Mr Allan Blair were the Competent Persons in respect of Mineral Resources and Ore Reserves respectively.

The Company confirms that all material assumptions and technical parameters underpinning the estimates of Mineral Resources and Ore Reserves in the market announcement above continue to apply and have not materially changed, and that the form and context in which the Competent Persons findings are presented have not been materially modified.



Figure 1: Location map of Genmin's projects in Gabon

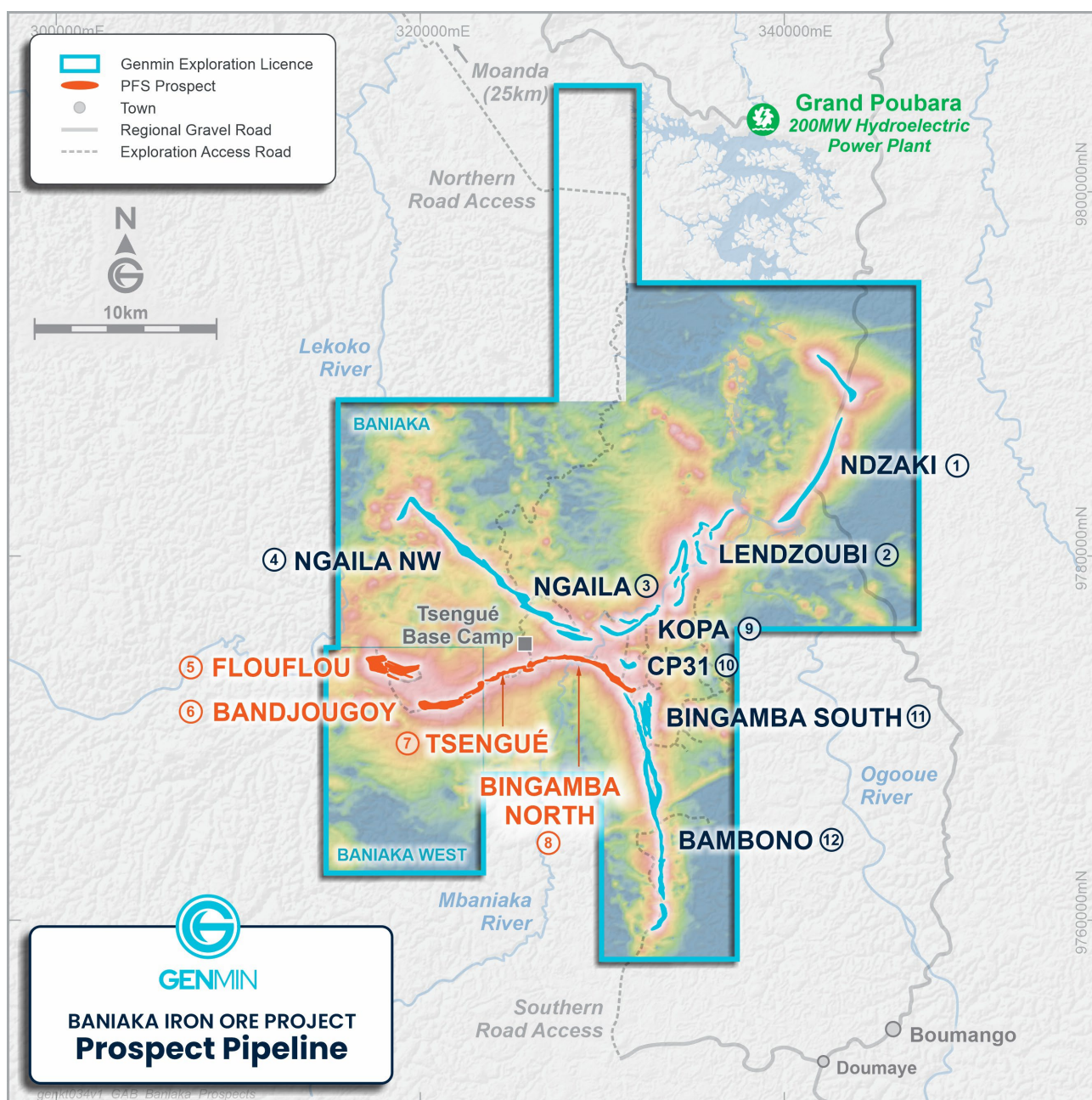


Figure 2: Baniaka prospects



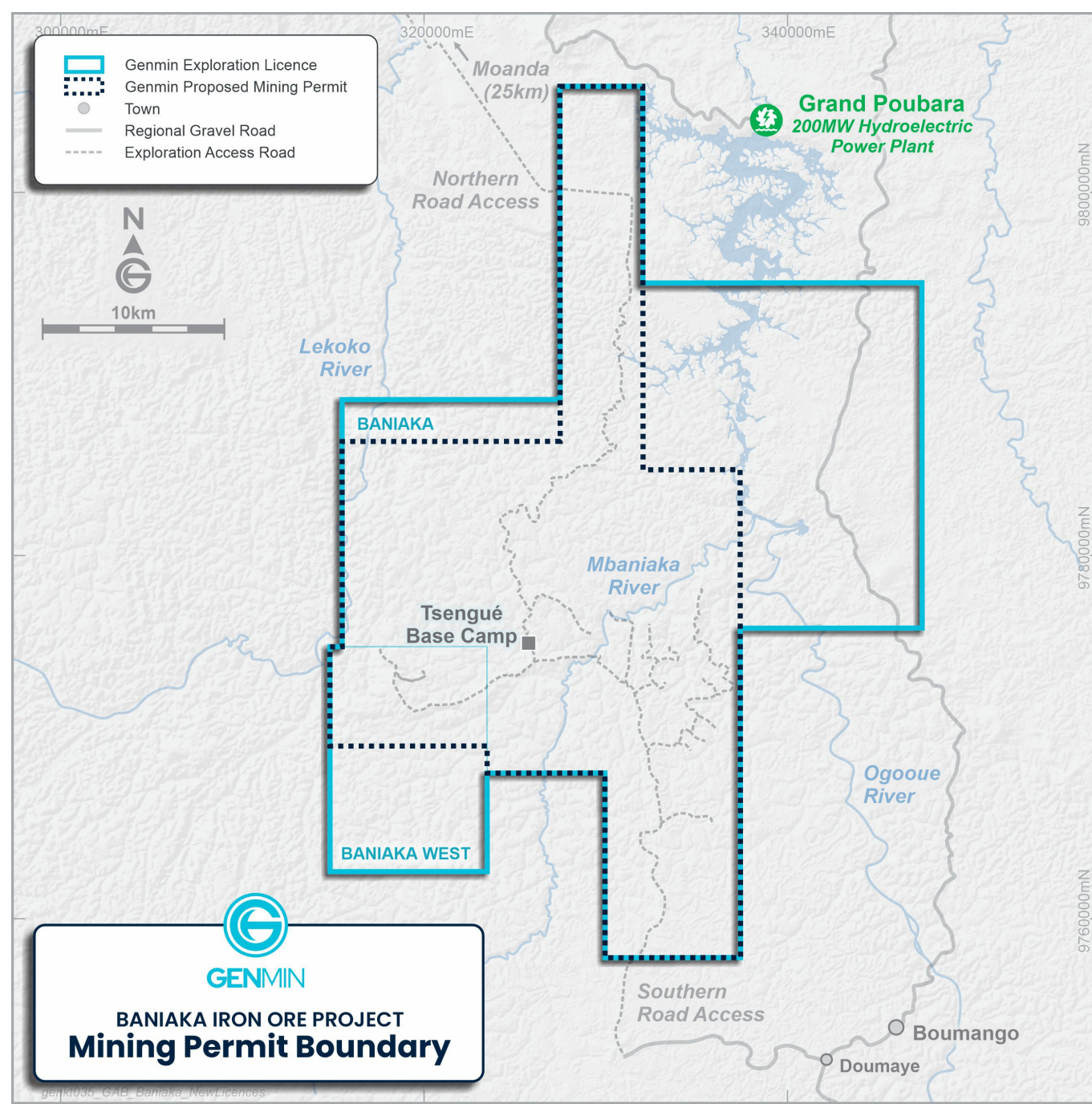


Figure 3: Baniaka exploration licences and proposed Mining Permit shape



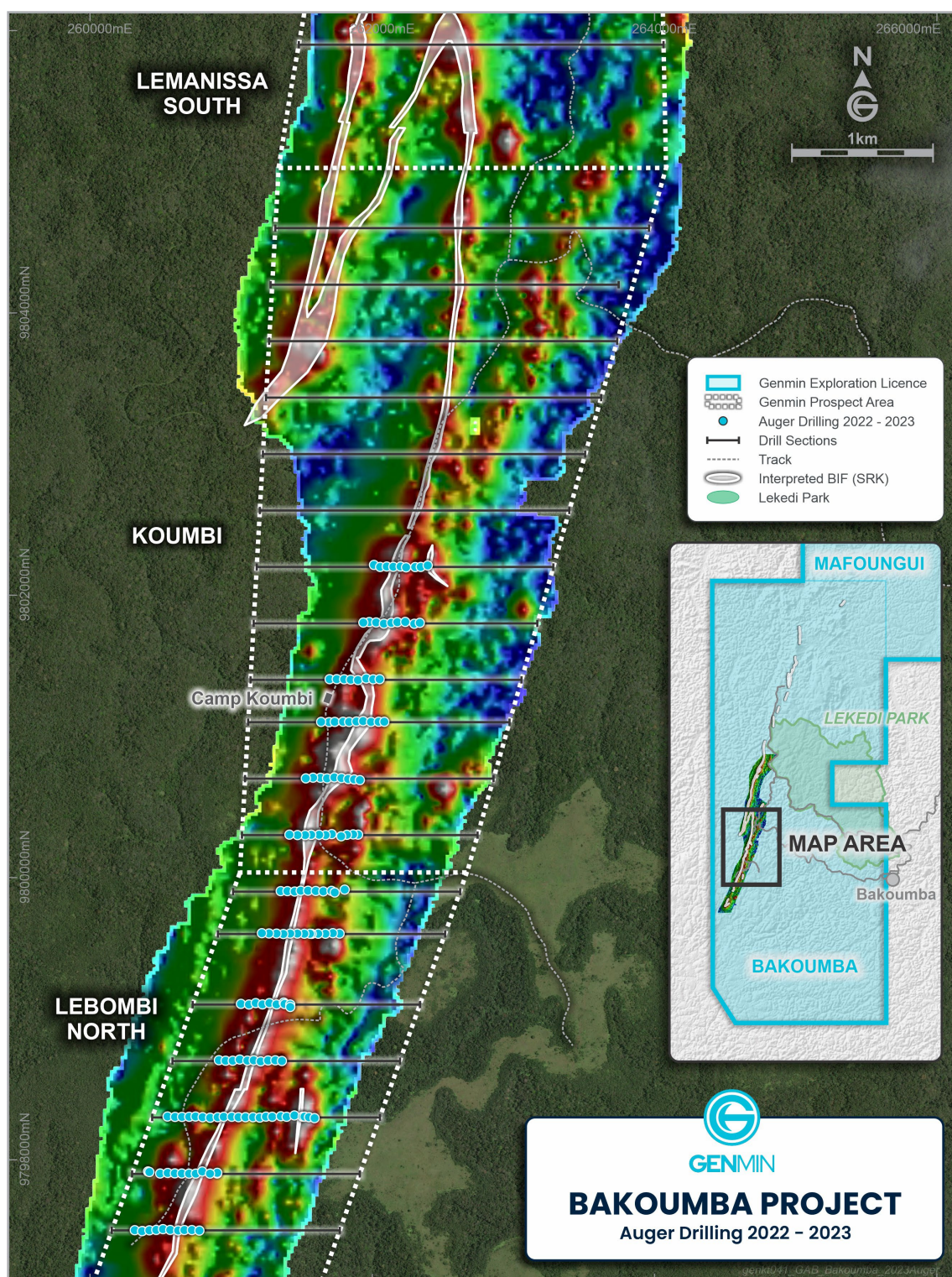


Figure 4: Prospects and completed Auger drill hole locations at Bakoumba