



**GENMIN**

ASX Announcement

26 May 2022

# Annual General Meeting Chairman's Address

Dear fellow Shareholders and Stakeholders, it is my pleasure to welcome you to Genmin's second Annual General Meeting as a listed company.

In the last 12 months, the iron ore market has experienced significant volatility, peaking at US\$220 per tonne a fortnight after our last AGM, before then falling by as much as 61% over the following four months to a low of US\$85 per tonne. Today it currently trades around US\$130 per tonne.

Key drivers of this volatility include the flowthrough of fiscal stimulus deployed by major economies to counter the effects of the coronavirus pandemic, the impacts of China's policy of reducing its reliance on traditional sources of iron ore by increasing contracted supply from additional jurisdictions, and more recently the fallout from the Russian invasion of Ukraine as well as the extended COVID-19 lockdowns across major Chinese cities.

One of the key long-term drivers of the iron ore price is global economic growth, and while forecasts have been tempered, the International Monetary Fund still predicts global growth at 3.6% (from 4.4%) for 2022, and 3.6% (from 3.8%) for 2023. So, while the short-term outlook remains unpredictable, we anticipate the global growth picture will support the long-term outlook for the iron ore price.

China's commitment to its policy of diversifying its sources of iron ore also directly impacts the central West African nation of Gabon. The country presents an attractive choice for new supply in that it has an abundance of undeveloped iron ore projects, excellent existing infrastructure, a favourable mining code and regulatory framework designed to attract foreign investment. Fortescue Metals Group Ltd's recent agreement with the Gabonese Government in late 2021, to study the development of the Belinga project, is testament to the strategic opportunity here.

Your company, Genmin, is perfectly positioned both geographically and geologically to leverage these policy changes by the world's single largest consumer of iron ore. After spending much of the last decade working in Gabon, Genmin is on its way to becoming the country's first iron ore producer by mid-2024, well before FMG is due to have concluded their initial three-year study.

To reach this enviable position, the Genmin team has demonstrated a fierce focus and commitment to excellence and has done so in conditions made no less easy by the restrictions and ramifications of the COVID-19 pandemic.

In the twelve months since our 2021 AGM, your company has:

- Increased the global JORC Mineral Resource inventory at Baniaka by 168% to nearly 700 million tonnes<sup>1</sup>. Importantly, DID and Oxide Mineral Resources, which form the first material to be mined, now stand at 264 million tonnes from four of the twelve major prospects.
- Commenced, and almost concluded, the Baniaka Preliminary Feasibility Study for initial production of 5 million tonnes per annum with expansion to 10 million tonnes per annum. We expect to report progress at the end of this quarter.

<sup>1</sup> Refer ASX announcement dated 25 May 2022 for reporting in accordance with JORC guidelines

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- Announced excellent value-in-use results for Baniaka Fines and Lump from test work conducted by independent Central South University, or CSU, in China, confirming high quality iron making raw material.
- Released CSU's conclusion on Baniaka Fines, which will be ~60% of the product, outlining it is expected to command a 17% premium to benchmark.
- Signed three non-binding Memoranda of Understanding with leading Chinese groups for 16 million tonnes of Baniaka iron ore product offtake.
- Committed to Digbee's ESG reporting framework, enhancing our positioning as a future supplier of greener, high value-in-use, African-sourced iron making raw materials.
- Signed a Memorandum of Understanding for 30 megawatts of renewable hydroelectricity for Baniaka from the Grand Poubara station, located just 30kms from our site, which will give our project a power price of less than US\$0.10 per kWh.

Genmin also continued to strengthen its executive team with several key appointments, including the recent addition of Dr Karen Lloyd as Chief Strategy Officer, who is responsible for coordinating the development of our strategic plan and growth strategy.

With an experienced team, strong momentum, and favourable price environment, Genmin is well positioned to maintain rapid progress toward reaching our goals of developing Baniaka, generating first cash flow in mid-2024 and becoming Gabon's first iron ore exporter.

Tasks to be completed over the next 12 months to take us toward those goals include converting the offtake Memoranda of Understanding to binding agreements, the completion of the Baniaka PFS and Social and Environmental Impact Assessment, plus major service agreements and contracts. We also plan to commence detailed design of processing infrastructure, submit the mining permit application for Baniaka, and announce further mineral resource updates.

The Company will continue to focus on ESG reporting and developing a greener footprint for our project in preparation for its first Digbee ESG rating next year.

In conclusion, we look forward to building upon the great work done to date, as well as Gabon's strategic positioning, and striving toward our goals to ultimately make history by becoming the country's first producer of iron ore.

On behalf of the Board, I extend my thanks to our leadership team, employees, and contractors, and you, our Shareholders and Stakeholders, for your continued support.

Yours sincerely,



**Michael Arnett**  
Non-Executive Chairman

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

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## About GENMIN

**Genmin Limited (ASX: GEN)**, is an ASX-listed African iron ore exploration and development company with a pipeline of projects in the Republic of Gabon, central West Africa. The Company has a 100% interest in three (3) projects comprising six (6) exploration licences covering approximately 5,270km<sup>2</sup>.

Genmin’s Baniaka and Bakoumba projects are located in south-east Gabon near the provincial city of Franceville, where the Company has an extensive footprint and controls all acreage prospective for iron ore. The Baniaka and Bakoumba projects represent a potential iron ore hub with 2,445km<sup>2</sup> of landholding and 121km of iron mineralised strike with only 13% drill tested with diamond drilling.

Genmin’s flagship project, Baniaka, is at feasibility stage with defined JORC Code (2012 Edition) compliant Mineral Resources and is favourably situated adjacent to existing and operating bulk commodity transport and renewable energy infrastructure.

Gabon is a stable central West African country with a mining and oil production history dating back to the early 1960s. It is currently the second largest producer of manganese ore in the world and eighth largest crude oil producer in Africa.



Location map of Genmin’s iron ore projects in Gabon, central West Africa