



16 March 2017

ASX: NZC

FUNDRAISING UPDATE - PLACEMENT AND LOAN CONVERSION

Highlights

- Placement to raise approximately A\$4.78 million from institutional and sophisticated investors.
- Funds raised to primarily be applied to completing the DFS for the Kalongwe Project.
- Conversion of US\$3 million loan and interest in full by Tembo Capital Mining Fund LP.

Nzuri Copper Limited (**ASX: NZC**) (**Nzuri** or the **Company**) is pleased to advise that it has received binding commitments to raise approximately \$4.78 million through a placement of approximately 21.1 million shares at an issue price of \$0.227 per share (**Placement**).

The Placement was oversubscribed, with the Company initially seeking to raise \$3 million. The Board resolved to raise the amount of the Placement following the strong support received from new investors and existing shareholders.

The funds raised pursuant to the Placement are intended to be applied towards funding the completion of the feasibility study for the Kalongwe Project together with carrying out any early project development, undertaking exploration pursuant to the Company's earn-in agreement with Ivanhoe Mines Ltd, as well as providing the Company with working capital.

In conjunction with the Placement, Tembo Capital Mining Fund LP has committed to convert its US\$3 million convertible loan, plus interest, in full (**Loan Conversion**). The Loan Conversion will be at the same issue price as the Placement.

Chief Executive Officer, Mark Arnesen commented: *"We are pleased with the demand for this Placement and thank new investors for their support and acknowledge the continued support of our existing shareholders. The participants in the Placement include several institutional investors and other sophisticated or professional investors whom we anticipate being long term supportive shareholders of the Company. We look forward to completing the feasibility study at Kalongwe, progressing our comprehensive exploration program and bringing the project to fruition."*

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The shares to be issued pursuant to the Placement and Loan Conversion are intended to be issued on or about 22 March 2017.

The shares to be issued pursuant to the Loan Conversion will be issued pursuant to the shareholder approval obtained at the general meeting held on 20 January 2017.

Due to the strong support received for the Placement, the majority of the shares will be issued pursuant to the shareholder approval obtained at the general meeting held on 20 January 2017 and the balance (approximately 1,100,000 shares) will be issued pursuant to the Company's general placement capacity under ASX Listing Rule 7.1.

For further information, please contact:

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