



12 February 2019

ASX: NZC

CORPORATE UPDATE

NZURI ENTERS INTO TERM SHEET FOR \$3M FUNDING TO PROGRESS FINANCING AND DEVELOPMENT OF KALONGWE

Major shareholder Tembo Capital continues its strong support of Nzuri by agreeing commercial terms to provide a \$3M funding facility

Nzuri Copper Limited (**Nzuri** or the **Company**; ASX: **NZC**) is pleased to announce that it has entered into a term sheet with its major shareholder, Tembo Capital Mining Fund LP (**Tembo**), which sets out the commercial terms on which Tembo proposes to provide a loan facility of A\$3 million to Nzuri (**Term Sheet**).

The funding, together with existing cash reserves, will allow Nzuri to complete a number of key ongoing activities currently being progressed in parallel to advance the fully-permitted Kalongwe Copper-Cobalt Project in the DRC towards the commencement of construction.

These include the finalisation of discussions with financiers and the completion of a suitable debt funding package, including political risk insurance, completion of product off-take agreements, and the award of an Engineering & Procurement (EP) fixed-price contract for construction of the plant and associated infrastructure.

Nzuri's Executive Director and CEO, Mark Arnesen, said: *"I would like to take this opportunity to acknowledge the continued strong support of our major shareholder, Tembo Capital, in providing this additional funding. The proceeds will strengthen the Company's balance sheet, ensuring that we are in a strong position to maintain the current momentum of our financing and pre-development activities at Kalongwe without having to undertake a dilutive raising in the current challenging equity market conditions."*

The Term Sheet contemplates an unsecured loan facility amount of A\$3 million, with a maturity date of 9 months from the date that a definitive binding loan agreement (**Loan Agreement**) is entered into. The facility will attract an interest rate of 10% per annum, which will be payable on the maturity date.

The Company expects to finalise the Loan Agreement and satisfy any conditions precedent to draw-down during the first half of February. The Company will provide an update in due course.

For further information, please contact:

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