

18 July 2019

ASX: NZC

FUNDING AND SCHEME UPDATE

Nzuri Copper Limited (**Nzuri** or the **Company**) (ASX: NZC) provides the following update on its proposed scheme of arrangement (**Scheme**) pursuant to which all of the issued capital in Nzuri is proposed to be acquired by Xuchen International Limited (**Xuchen**), a subsidiary of Chengtun Mining Group Co., Ltd.

Nzuri is pleased to advise that further to its announcement of 1 July 2019, amended funding arrangements have been agreed and entered into with Xuchen. Pursuant to the amended arrangements, Xuchen has agreed to advance additional loan funding to Nzuri of up to A\$2 million, in the following tranches:

- A\$800,000 – on or about 1 August 2019;
- A\$700,000 – on or about 1 September 2019; and
- A\$500,000 – on or about 1 October 2019.

The final tranche of A\$500,000 to be advanced on or about 1 October 2019 is only payable in the event that the Scheme is not implemented on or before 30 September 2019.

Xuchen has also agreed to defer the maturity date of the loan until 26 February 2020, to accommodate the delay in the Scheme timetable and the higher aggregate loan amount.

Tembo Capital has similarly agreed to defer the maturity date of its loan until 26 February 2020. Nzuri confirms that no amounts have been drawn down under the Tembo Capital loan as of the date of this announcement.

The updated indicative timetable for the Scheme is as follows:

- Scheme meeting of Nzuri shareholders: Monday, 19 August 2019 at 3pm (WST)
- Final Court hearing for approval of the scheme: Early September 2019
- Implementation of the scheme: Mid September 2019

Nzuri intends to seek orders of the Supreme Court of Western Australia at the hearing now listed for 1 August 2019 at 10.30am (WST) for the despatch of supplementary disclosure to its Scheme Booklet dated 31 May 2019 (as first amended by the supplementary disclosure dated 12 June 2019) and in connection with the adjourned Scheme meeting.

Subject to the required orders being obtained, supplementary disclosure will be released to ASX on, or around, 1 August 2019 and sent to all Nzuri shareholders thereafter.

END

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