

4 August 2016

BAOBAB PHOSPHATE PROJECT - FIRST PRODUCTION DUE IN WEEKS

HIGHLIGHTS:

- **Wet screen plant commissioning has commenced**
- **Mining activity reaches phosphate mineralisation zone**
- **Run of mine material is being stockpiled prior to wet screening**

Avenira Limited (Avenira or Company) is pleased to advise that it has achieved another important milestone with the start of commissioning of the 80%-owned Baobab Phosphate Project in Senegal. The Company's strategy to develop the Project is based on an initial Stage 1 operation producing 500,000 tonnes per annum of phosphate concentrate. Total capital expenditure to production is \$US15 million and the Project is fully funded. The operation has been designed to enable multiple stages of expansion across the Project.

Managing Director, Cliff Lawrenson commented; “*The Baobab Phosphate Project continues to progress steadily to first production. If progress continues to the current plan we anticipate producing the first saleable product in the next few weeks. It has been an exceptional outcome to advance the project as quickly as we have.*”

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Under close geological supervision, phosphate mineralisation has been uncovered on the western side of the Stage 1 Open Pit.



The mineralisation exposed is consistent with the geological model derived from air core and diamond drill logging and sampling and it is expected that primary grade control will be visual.





Initial mineralisation extraction started from the Stage 1 Open Pit.



Mined mineralisation is now being stockpiled on the Run of Mine stockpile adjacent to the processing facilities.



Over the coming weeks, mining and grade control methodology will be optimised to maximise mining efficiency, while minimising dilution and any mineralisation loss.



Water commissioning of the wet screening plant has commenced as a first step in commissioning and to optimise water balance in the plant.



Water commissioning has been undertaken with a temporary water recirculation system in order to minimise water wastage.



Cliff Lawrenson
Managing Director