

9 October 2017

AVENIRA ENHANCES FUNDING POSITION WITH COMMITMENTS TO PROPOSED A\$13 MILLION ENTITLEMENT OFFER

HIGHLIGHTS

- **Key shareholder and marketing partner commits up to A\$5.34 million**
- **Major shareholders have now committed up to approximately A\$12.34 million**
- **Entitlement Issue close to fully underwritten**

Avenira Limited ('Avenira' or the 'Company') is pleased to advise it has received strong support from major shareholders to underwrite the significant majority of the Company's previously announced proposed pro rata entitlement offer to raise a minimum of A\$13 million ('Entitlement Offer' or 'Offer').

The pre-commitments and underwriting support place Avenira in a strong position heading into the Entitlement Offer, which is progressing towards launch this month.

The capital raising is part of the previously announced strategic plan aimed at doubling the nameplate capacity of the Baobab Phosphate Project in the Republic of Senegal, and firmly establishing the project among some of the world's highest quality and lowest-cost phosphate rock producers.

Commitments and underwriting support received to date include:

- Major shareholder and 20% Baobab Project partner Tablo Corporation, an affiliate of Groupe Mimran ('Groupe Mimran'), one of Senegal's largest agri-foods companies, has committed a total of US\$3.36 million. Groupe Mimran will subscribe for its pro rata entitlement of approximately A\$2.26 million of shares, with its remaining commitment contributing to the underwriting of any ultimate shortfall.¹

¹ At an AUD:USD exchange rate of 0.80, Groupe Mimran's total commitment is A\$4.20 million and its underwriting commitment is approximately A\$1.94 million.

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- Avenira's largest shareholder, fertiliser company Agrifos, has agreed to subscribe for US\$2.24 million² of shares under the Entitlement Offer.
- Avenira shareholder and marketing partner Agrifields DMCC, a Dubai-based fertiliser company, has agreed to commit up to A\$5.34 million. Agrifields will subscribe for its pro rata entitlement of approximately A\$0.69 million and has agreed to underwrite up to a further A\$4.65 million of any ultimate shortfall. Agrifields has committed to a minimum support for the capital raising of A\$2.69 million.

As part of a wide-ranging support agreement, Agrifields will nominate an independent non-executive director to the Avenira Board.

Avenira and Agrifields will also finalise and execute a marketing agreement in respect of Baobab's Gadde Bissik phosphate rock product.

The funds from the Entitlement Offer will be used to repay loans from major shareholders Groupe Mimran and Agrifos currently totalling US\$3.6 million, complete the engineering studies required for the expansion project, finalise the Large Mine Permit application, pay the costs of the Offer, and for general working capital.

Managing Director and Chief Executive Officer Mr Louis Calvarin said: *"This is a very positive outcome for Avenira and the Baobab Phosphate Project. The level of support we continue to receive from our major shareholders is testament to the quality of the Gadde Bissik mine product and to the long term potential of the operation. We have set out a clear strategic plan to deliver a capacity and performance expansion of the existing processing facility to improve recovery and product grade. This funding continues to underpin this strategic plan, and will contribute to engineering studies and other upfront costs."*

Louis Calvarin

Managing Director and CEO

² At an AUD:USD exchange rate of 0.80, Agrifos' commitment is A\$2.80 million.