

23 July 2018

STRENGTHENED LEADERSHIP AND CORPORATE UPDATE

HIGHLIGHTS

- **Chairman and experienced mining financier Brett Clark to take a more active role to support Avenira**
- **Baobab Expansion Project Feasibility Study due in the fourth quarter of 2018**
- **Gadde Bissik mine selling phosphate rock to a local major fertiliser company**
- **Improving phosphate price environment led by improved fertiliser market sentiment**

Strengthened leadership team

Avenira Limited (“Avenira” or the “Company”) (ASX: AEV) is pleased to announce that current non-executive Chairman Mr. Brett Clark has agreed to take a more active role with the Company, with a particular focus in engaging with investors and capital markets.

Since his appointment as Chairman in March 2018, Mr Clark has been working closely with the Board and management team and given Avenira’s increased focus on project financing and project implementation, his wealth of experience with public markets and project development brings tremendous value to the Company.

Avenira Managing Director, Louis Calvarin, commented, “Avenira is entering an exciting period and having Brett taking a more active role will greatly complement our team’s strengths. With phosphate rock prices increasing, we believe the Baobab Expansion Project will have its Feasibility Study completed at the right time to capitalise on the improved industry sentiment”.

Baobab Phosphate Project (Avenira 80%) Expansion Feasibility Study Update

Avenira continues to progress the Feasibility Study for the expansion of its 80% owned Baobab Phosphate Project located in Senegal. The Feasibility Study builds on earlier concept studies and is considering a major expansion of the existing Gadde Bissik mine.

Lead engineering consultant Wood PLC (Wood) is advancing key areas in process design, TSF design and mine scheduling and is starting the process to develop capital and operating cost estimates.

While testwork completed to date supports the selected flowsheet, Wood and Avenira have instigated further flotation and magnetic separation testwork to confirm the process robustness and its ability to accommodate potential run-of-mine variability across the life of mine, particularly regarding silica particle size distribution and

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iron content. This additional work will enable Wood to finalise the basis of engineering and freeze the process plant design ahead of finalising the Feasibility Study.

Avenira understands that its application for an Exploitation Permit covering an expanded area of about 75 km² surrounding the existing Small Mine Permit (where current operations are located) is progressing through the Senegalese Government and will provide further updates as information becomes available.

Due to the additional work, the Feasibility Study is now likely to be completed in the fourth quarter of 2018. The Company is planning to initiate the “Bankable” Feasibility Study phase once a final project configuration has been selected, with a targeted second quarter of 2019 completion.

Taking the above into consideration the Company is currently reviewing the potential amount, timing and sources of funds to enable the Company to complete the Feasibility Study.

Baobab’s Gadde Bissik Mine Selling to the Local Fertilizer Industry

Since pausing mining activities during the 2017 wet season, operations at Baobab’s Gadde Bissik mine have been focussed on processing run-of mine material from existing stockpiles. Since June 2018 the Company has been shipping phosphate rock product to a local Senegalese major fertiliser producer.

Whilst small in scale given the current activity level at Gadde Bissik, this achievement means that the Company has now successfully sold phosphate rock to both the domestic and international markets and continues to grow valuable relationships that will support the Expansion Project.

Improving Phosphate Market

Data released by the World Bank in June 2018 indicates that the North Africa phosphate rock benchmark price has been rising steadily this calendar year, recovering by more than 10% after falling to a 10-year cyclical low of US\$85/t (free on board) in late 2017.

Avenira continues to monitor the phosphate market and expects that this improving price environment will benefit its Baobab Expansion Project.

Brett Clark
Chairman

Louis Calvarin
Managing Director and CEO



About Avenira Limited

Avenira Limited (ASX: AEV) is a phosphate rock mining company with a vision to develop a portfolio of agricultural minerals and production assets that will build long term shareholder value by supplying to the world the agricultural nutrients critical to global food security.

Our flagship asset is the 80% owned Baobab Phosphate Project located in Senegal, West Africa. During the 2017 calendar year, the Company has established its strategic plan for the Baobab Project, focused first on a major expansion and upgrade of the beneficiation plant at Baobab's Gadde Bissik mine to bring it to a profitable operational higher level, and subsequently on implementing next-step investments towards its longer-term objective of downstream integration.



Phosphate Concentrate Production



Gadde Bissik Pit 1

Under the plan to expand and upgrade the existing ore beneficiation unit the Company engaged engineering firm Hatch to conduct a conceptual study which delivered positive results. Following the successful completion of its Entitlement Offer and Placement capital raising, the Company has embarked on the next phases of its strategic plan, to include more detailed engineering work, approvals and financing. As detailed in the Company's 16 May 2018 announcement, Avenira has subsequently appointed Wood Group PLC as the lead engineering consultants.

The Company also owns approximately 7% interest in JDCPhosphate Inc., a private company in the USA focused on the development of the Improved Hard Process (IHP), a potentially game-changing proprietary high-grade phosphoric acid production technology. Avenira has exclusive license rights to use the IHP in Australia and Senegal once commercially proven.

The Company's other asset is the 100% owned Wonarah Phosphate Project in the Northern Territory. The project forms part of the Company's long-term strategy and will be enabled by the IHP process. Wonarah is one of the largest known phosphate deposits in Australia.

For further information on the company please refer to the company's website at www.avenira.com.