

18 September 2023

US\$3 million working capital financing executed

Highlights

- Up to US\$3 million working capital loan financing completed with major shareholder Tembo Capital
- Funds to be applied to securing the large-scale mining permit for Baniaka and general working capital
- Environmental approval for Baniaka received in early August 2023; a pivotal milestone in enabling the development and operation of the project
- Genmin has applied for a large-scale mining permit for an initial term of 20 years at Baniaka

Emerging African iron ore producer, Genmin Limited (**Genmin** or the **Company**) (ASX: GEN) advises that it has executed an arm's length US\$3 million (AU\$4.7 million¹) working capital financing (**WCF**) with its largest shareholder Tembo Capital Mining Fund (**Tembo Capital**).

The WCF will provide general working capital whilst the Company continues the process of procuring the large-scale mining permit for its 100% owned Baniaka iron ore project (**Baniaka**), located in the Republic of Gabon, west Central Africa (Figure 1).

Genmin has applied for a large-scale mining permit for an initial term of 20 years to support a starter 5 million tonnes per annum mining operation at Baniaka. In early August 2023, Genmin received approval from Gabon's then Minister of Environment for its comprehensive social and environmental impact assessment which, subject to receipt of the mining permit, enables Genmin to develop and operate Baniaka.

Managing Director and Chief Executive Officer, Mr Joe Ariti commented: "We are delighted with Tembo Capital's continued support through the provision of up to US\$3 million in funding, which enables work to continue on the procurement of the mining permit, and further validates the economic and technical fundamentals of Baniaka, and the beginning of investor confidence that Gabon has returned to being open for business."

The WCF is provided as an unsecured arms' length loan. The loan accrues interest at 10% per annum and is repayable on or before 31 March 2024 (or such later date agreed between the parties), or is immediately repayable in full upon Genmin becoming entitled to draw down on any debt financing raised to fund the development of Baniaka.

Genmin may enter into a further agreement in the future to repay the WCF via the issue of new equity, subject to receipt of all regulatory approvals.

¹ Based on USD:AUD exchange rate of 0.6445.

Key terms

The key terms of the WCF are summarised below:

- **Loan facility limit:** US\$3,000,000, of which US\$1,000,000 is available to be drawn upfront with the remaining US\$2,000,000 to be made available at Tembo Capital's sole discretion (including any applicable conditions precedent to draw down).
- **Purpose:** Proceeds from the loan facility will be used for general corporate purposes, including in relation to Baniaka.
- **Interest:** Interest on each loan drawn under the loan facility will accrue at 10% per annum and will be capitalised quarterly to the extent not paid in cash on or prior to the end of each calendar quarter. Interest on overdue amounts will accrue at 12% per annum and may be capitalised monthly.
- **Repayment or prepayment:** The loan facility must be repaid in cash on or before 31 March 2024 (or such later date agreed between the parties). Genmin will be required to immediately repay the loan facility in full upon becoming entitled to draw down on any debt financing raised to fund the development of Baniaka.
- **Security:** The loan facility is unsecured.

This announcement has been authorised by the Board of Genmin.

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About Genmin

Genmin Limited (ASX: GEN) is an ASX-listed emerging African iron ore producer with a pipeline of projects in the Republic of Gabon, west Central Africa. The Company has 100% interests in three projects comprising six granted exploration licences covering approximately 5,064km².

Genmin's flagship Baniaka, and nearby Bakoumba, iron ore projects are in south-east Gabon and provide an emerging iron ore hub near the Haut-Ogooué provincial capital city of Franceville. The hub is favourably situated adjacent to existing and operating bulk commodity transport and renewable energy infrastructure, to which Baniaka has secured long-term access for commercial operations. The Company has an extensive footprint and controls acreage prospective for iron ore with 2,445km² of regional landholding that hosts 121km of interpreted iron mineralised strike, with only 16% of the mineralisation tested with diamond drilling.

Genmin has additional exploration tenure prospective for iron ore, gold and base metals at its Bitam iron ore project in the north-west of Gabon located near the Woleu-Ntem provincial capital of Oyem.



Figure 1: Location map of Genmin's projects in Gabon