

2 June 2025

Genmin signs non-binding term sheet for US\$3 million unsecured, convertible notes offer with sophisticated, international family office

Highlights

- Genmin has signed a non-binding term sheet for a US\$3 million convertible notes offer with a multi-billion-dollar sophisticated family office located in the United States of America
- The parties will seek to negotiate and enter into a formal legally binding convertible note deed as soon as reasonably practicable

Emerging African iron ore producer, Genmin Limited (**Genmin** or **Company**) (ASX: GEN) is pleased to announce it has signed a non-binding term sheet (**Term Sheet**) for a US\$3 million offer of convertible notes (**Notes**) with ID Advisors LLC, an entity associated with a sophisticated family office located in the United States of America (**Noteholder**).

If the offer of Notes proceeds, Genmin intends to use the net proceeds raised to advance the development of its 100% owned Baniaka iron ore project (**Baniaka**), located in the Republic of Gabon, west Central Africa (Figure 1), and for general working capital.

The Noteholder is a large, multi-billion-dollar family office involved in the North American mining industry, including iron ore and steel making assets, with a history spanning 150 years.

Pursuant to the terms of the Term Sheet, the Noteholder would advance a total of US\$3 million to the Company, and the Company would issue a total of 3,000,000 Notes and 115,758,605 unlisted options to the Noteholder, in two tranches. The issue of the Notes and options under the second tranche would be subject to receipt of Company shareholder approval for the purposes of ASX Listing Rule 7.1.

The Notes would be unsecured, have a face value of US\$1 per Note, a maturity date of 30 June 2027 (**Maturity Date**) and would be convertible into fully paid ordinary shares in Genmin (**Shares**) at the Noteholder's election at a conversion price of AU\$0.040 (**Conversion Price**), being a 25.1% premium to the 30-day volume weighted average closing price (**VWAP**) of Genmin Shares traded on the ASX up to and including 30 May 2025. The Notes would have a 12% coupon paid quarterly in Genmin Shares at a deemed issue price equal to the 30-day VWAP on the ASX prior to the date of payment.

Genmin's Chief Executive Officer, Mr Andrew Taplin, commented: "We are delighted to welcome this sophisticated US family office as a future partner and potential investor in Genmin. Their history and prominence in the global iron ore and steel industry combined with their significant commitment, is a strong display of confidence in both Genmin and Baniaka, and is instrumental in advancing the project towards first production in 2026."

Key terms

The key terms of the non-binding Term Sheet are summarised below:

- **Convertible Notes:** Genmin will issue 3,000,000 Notes (each with a face value of US\$1 and Maturity Date of 30 June 2027) to the Noteholder, and the Noteholder will advance US\$3 million to Genmin in two tranches as follows:
 - **Tranche 1:** the Noteholder will advance US\$1.5 million to Genmin, and Genmin will issue to the Noteholder 1,500,000 Notes as well as 28,939,651 unlisted options with an exercise price of A\$0.060 and expiring 2 years after the date of their issue (**A Options**) and 28,939,651 unlisted options with an exercise price of A\$0.080 and expiring two years after the date of their issue (**B Options**) on the date of execution of the legally binding convertible note deed; and
 - **Tranche 2:** the Noteholder will advance US\$1.5 million to Genmin, and Genmin will issue to the Noteholder 1,500,000 Notes as well as 28,939,651 A Options and 28,939,651 B Options, subject to receipt of Genmin shareholder approval for the purposes of ASX Listing Rule 7.1.
- **Use of funds:** The net proceeds raised from the issue of the Notes will be used to advance the development of Baniaka and for general working capital.
- **Security:** The Notes will be unsecured.
- **Redemption:** The Company must redeem all of the Notes that have not been converted on the Maturity Date by paying the outstanding amount attributable to the Notes to the Noteholder.
- **Conversion and exercise:**
 - The Noteholder may convert all or, provided the outstanding amount to be converted is at least US\$500,000, some of the Notes into Genmin Shares at any time prior to the Maturity Date at the Conversion Price, subject to receipt of all approvals required by applicable law or any government agency.
 - The Company must convert all of the Notes if: (1) a scheme of arrangement in respect of the Company becomes effective; (2) a third party acquires a relevant interest in more than 50% of Genmin Shares on a fully diluted basis under a takeover bid; or (3) the 60-day VWAP of Genmin Shares traded on the ASX is equal to or greater than AU\$0.040.
 - The Noteholder must exercise all of the A Options if the 30-day VWAP of Genmin Shares on the ASX is equal to or greater than AU\$0.060, and must exercise all of the B Options if the 30-day VWAP of Genmin Shares on the ASX is equal to or greater than AU\$0.08.
- **Interest:** Interest on the face value of the Notes will accrue at 12% per annum and will be payable on a quarterly basis. Interest on overdue amounts will accrue at 2% per annum. Interest will be payable in arrears via the issue of Genmin Shares whose deemed issue price will be equal to the 30-day VWAP of Genmin Shares on the ASX prior to the date of payment.

The parties will seek to negotiate and enter into a formal legally binding convertible note deed reflecting the key terms set out above as soon as reasonably practicable.

This announcement has been approved 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 one granted exploitation (mining) licence and four granted exploration licences covering approximately 4,469 km².

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.

Baniaka has defined JORC Mineral Resource and Ore Reserve estimates, and significant potential resource upside. It has received environmental approval (Certificate of Environmental Conformance), has been issued a large-scale, 20-year mining permit, and has signed a Mining Convention with the Gabon Government. The mining permit, in conjunction with the Certificate of Environmental Conformance, provides regulatory approval for Genmin to build and operate Baniaka, which is expected to be Gabon’s first commercial iron ore mine.

The Company proposes to develop Baniaka at an initial rate of 5Mtpa and to increase scale over time to at least 10Mtpa. Commencement of commercial production is targeted for late 2026 with project-build financing the next milestone to be achieved. Genmin is engaged in discussions with several potential financing partners.

Genmin has additional exploration tenure prospective for polymetallic mineralisation at its Bitam project in the north-west of Gabon located near the Woleu-Ntem provincial capital of Oyem.

Confirmation

The Production Targets for Baniaka were presented in an announcement released on 16 November 2022 “Positive Baniaka PFS” and is available to view at www.genmingroup.com/investors/asx-announcements. Genmin confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement for Baniaka and that all material assumptions and technical parameters underpinning the estimated Production Targets in the relevant market announcement for Baniaka continue to apply and have not materially changed.



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