



MINISTRY OF MINING

PRESS RELEASE

RIO TINTO MINING AND EXPLORATION LIMITED \$40.4 MILLION (APPROXIMATELY K29 BILLION) BOOST TOWARDS SOVEREIGN METALS LIMITED COMPANY.

Government through the Ministry of Mining would like to inform the general public of its excitement following a huge strategic investment by Rio Tinto Mining and Exploration Limited (Rio Tinto) towards Sovereign's world class Kasiya Rutile- Graphite Project to the tune of **Australian \$40.4 million (approximately K29 billion)** resulting to an initial 15 percent shareholding.

Rio Tinto is one of the world's largest and most accomplished global mining companies and has agreed to initially subscribe for and purchase 83,095,592 new fully paid ordinary shares and it has also been granted an option to acquire 34,549,598 to increase its shareholding by 4.99 percent within 12 months.

Rio Tinto's investment will represent a significant step towards unlocking a major new supply of low-CO2 footprint natural rutile and flake graphite.

The general public is further informed that under the investment Agreement, Rio Tinto will also provide and advise on the technical and marketing aspects of Kasiya Rutile- Graphite Project with a primary focus on the spherical purified graphite for the lithium-ion battery anode market.

As Government, we applaud the timely investment by Rio Tinto towards Sovereign Metals Limited as it will mark a milestone towards realizing the country's aspirations of

prosperous Malawi for all, as espoused in the Malawi Vision 2063 and the First 10-year Implementation Plan (MIP 2030).

We further inform the general public of Government's commitment to ensuring the growth of the mining sector through various deliberate initiatives aimed at establishing a conducive investment environment in the sector.

We are therefore appealing to the investors, private sector, development partners and all key stakeholders across the globe to emulate Rio Tinto's gesture by supporting government's efforts to transform the economy of Malawi through a modern, efficient and effective mining industry.

Finally, the Government through Ministry of Mining would like to assure the general public that mineral revenues and mining contracts information for any mining project will always be made accessible to the stakeholders in order to bring transparency, accountability and mitigation of mistrust from the citizens of this country.

For more information and clarification, please contact *Mr. Andrew Mkonda- Public Relations and Communication Officer for the Ministry on 0999349007*


Dr. V.C.N. Mkandawire

SECRETARY FOR MINING

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