# **AVZ - AVZ Minerals**

# An ASX case study

#### **Before**

At its peak, AVZ Minerals (ASX:AVZ) was a +\$4B company riding high on the Lithium price and the size of its Manono project, said to be the largest hard rock Lithium project ever discovered. As expected Momentum was strong, however both Quality and Value were lacking for this eventual ASX200 company. It was never profitable, generated no cash and its exposure to the Republic of Congo should also have been noted. It was unsurprising that it only suited momentum investors who had appropriate strategies to manage the risk of such a 'story stock'



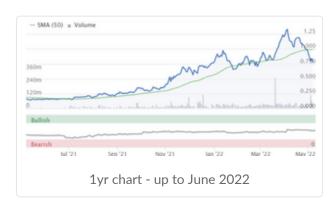
### **After**

Following its peak, the price weakened, and Momentum investors will tell you a number of key support levels were breached. The stock fell 40% in just over a month. In late April 2024 the company told investors it would not incur the costs of reinstating the listing. Instead choosing to delist from the ASX under a mire of law suits, rising costs and project delays. The stock last traded at \$0.78 and it left \$2.8 Billion of paper money on the table that investors will now have a hard time salvaging.



## Lesson

The sheer size of this disaster should not be lost on investors. That is why if you are a conscientious DIY investor you must have Stockopedia. Traders in AVZ should have known the risks they were taking. Stockopedia gave them plenty of warning. Those that listened were forewarned and definitely forearmed. Go to our website to learn more: www.stockopedia.com.au



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