

24 July 2017

## Ironveld plc ("Irveld" or the "Company")

### Company Update

Ironveld plc, the owner of a High Purity Iron ("HPI"), Vanadium and Titanium project located on the Northern Limb of the Bushveld Complex in Limpopo Province, South Africa (the "**Project**"), is pleased to announce material progress with regards to the acquisition of a smelting business ("**Middelburg Smelting**"), commencement of operations, funding and mining progress.

#### Highlights:

- The Company is confident of closing the funding arrangements necessary for the potential acquisition of the Middelburg Smelting facility. Once this is complete, the Company will undertake the refurbishment necessary to process its magnetite ore to produce HPI, Vanadium and titanium slag.
- In the interim period, Ironveld, through its wholly owned subsidiary ("**Ironveld Middelburg**"), has taken management and operational control of the Middelburg Smelting business.
- Ironveld Middelburg has sourced material that could be melted in the induction furnaces at the Middelburg Smelting facility and is expecting to be cash flow positive in August.
- The Sylvania loan facility has been repaid.
- The Section 11 application to transfer the Pan Palladium mining right to Lapon, a 74% owned subsidiary of Ironveld Mining, has been submitted by Pan Palladium and is being processed by the Department of Mineral Resources.

#### Middelburg Smelting business

The Company has put down R8.8m (c.£530k) as a refundable deposit towards the potential acquisition of the Middelburg Smelting facility (the "**Potential Acquisition**") in exchange for a period of exclusivity to conclude the Potential Acquisition and in the interim, to take over the management and operation of the facility.

The Company has identified the potential of using the induction furnaces to melt various materials for sale and has already located various copper, cobalt and iron materials that are suitable for induction smelting and is negotiating commercial arrangements which will allow for profitable processing of these materials. Operations are expected to commence in August 2017, with profits being generated on the first sale of material.

The Company is close to finalising the terms of the Potential Acquisition and the Board expects to announce shortly the funding arrangements for the purchase of the facility and the investment in the necessary upgrades and refurbishment to allow for the processing of the Company's own magnetite ore through the 7.5 MW smelter.

#### Sylvania Loan Facility

The Company is also pleased to announce that it has repaid the R15 million loan facility with Sylvania Metals Pty Limited (the "**Loan Facility**").

**Peter Cox, CEO of Ironveld, said:**

“We continue to make significant progress in moving towards production. The team has successfully identified the revenue generating potential of the induction furnaces and I look forward to the commencement of operations next month.

“I anticipate that we will shortly be announcing the closing of the funding arrangements, which would enable us to proceed with the acquisition of the Middelburg Smelting facility. Immediately following the acquisition, refurbishment work will commence enabling us to begin the smelting of our own magnetite ore and produce our high value HPI, Titanium and Vanadium slag products early next year.”

Ends

**For further information, please contact:**

**Ironveld plc**

Peter Cox, Chief Executive

c/o Camarco

020 3757 4980

**Shore Capital and Corporate Limited**

Stephane Auton / Toby Gibbs (corporate finance)

Jerry Keen (corporate broking)

020 7408 4090

**Camarco**

Gordon Poole / Kimberley Taylor / James Crothers

020 3757 4980