

27 January 2016

**Ironveld plc ("Ironveld" or the "Company")**

**Conversion of Directors' fees into equity**

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") announces that certain of its Directors (the "Relevant Directors") have accepted new ordinary shares of 1p in the Company ("Ordinary Shares") as payment for their services from 1 July 2015 to 31 December 2015 (the "Relevant Period"). As previously outlined in the announcement of 3 December 2014, the conversion of cash fees into Ordinary Shares is to manage the Company's cost base and minimise the cash outflows from the business prior to the planned commissioning of the 15MW smelter.

The Company has approved the conversion of £45,000, representing amounts of fees owed to the Relevant Directors covering the Relevant Period, into 891,090 new Ordinary Shares, which have been issued at 5.05p per Ordinary Share, the average share price between 1 July 2015 and 31 December 2015.

Application will be made for the 891,090 new Ordinary Shares to be admitted to AIM and dealings are expected to commence on 3 February 2016 ("Admission").

This results in the Relevant Directors' applicable shareholdings being as follows:

Directors' Holdings	Current holding Number	new Ordinary Shares being issued	Holding following Admission	
			Number	%
Nick Harrison	12,320,320*	445,545	12,765,865*	3.90%
Giles Clarke	17,098,838*	445,545	17,544,383*	5.36%

\* Giles Clarke and Nick Harrison are directors and shareholders of Westleigh Investments Holdings Limited ("Westleigh"). These numbers include Westleigh's holding of 9,173,581 Ordinary Shares.

**Total voting rights**

Following the issue of the 891,090 new Ordinary Shares, Ironveld's total issued and voting share capital will comprise of 327,544,175 Ordinary Shares. This figure may be used by shareholders as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, securities of the Company.

**Ends**

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**Notes to Editors:**

Ironveld is focussed on the development of a 15MW DC smelter within the Northern Limb of the Bushveld Complex in Limpopo Province South Africa.

The Smelter will produce HPI and associated Vanadium and Titanium slag by-products, which have strong market demand from end users. The world class vanadium grades provides significant by-product credits, which significantly reduces the already low cash costs.

The total Project mineral resources currently stands at 32.05 million tons of Iron in situ and is supported by an excellent infrastructure of roads, rail and access to power and water. The Definitive Feasibility Study published in April 2014 confirms the 15MW smelter project's viability to deliver an exceptionally high grade (99.5% Fe) HPI which commands a premium to the pig iron price. The Project has highly attractive economics with projected annual production of; 42,000 tons of HPI, 415 tons of Vanadium and 8,269 tons of Titanium. Importantly the 15 MW smelter provides proof of concept for a potential future larger project producing a million tons of Iron products per annum. The Project's economics have also been improved through the approval of 12I Tax allowance as well as the award of a CIP grant to the company and completion of the BBBEE mining and smelting structures

The Project's delivery remains on track with the first Mining Right awarded early this year, the approval of the Air Quality Licence for the smelter is expected shortly. Construction contracts and offtake arrangements are being discussed with the funding institutions as part of the funding mechanisms. The detail design of the powerline and servitudes are finalised and arrangements with Eskom are being finalised. The 15MW smelter is expected to deliver full production in 2016.