

18 September 2014

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

Approval of 12I Tax Allowance Incentive application

Ironveld plc, the Pig Iron Developer located on the Northern Limb of the Bushveld Complex in Limpopo Province South Africa, is pleased to announce that its 12I Tax Allowance Incentive application for its 15MW smelter has been approved by the Republic of South Africa's Department of Trade and Industry ("the DTI").

The 15MW smelter has been classified by the DTI as a Greenfield Project with Qualifying Status from September 2014 until 30 September 2018 and the incentive value of the 12I tax allowance scheme is now estimated to be R 54.6 million (approximately GBP 3.1 million).

The approval is subject to conditions stipulated in section 12I of the Income Tax Act, No 58 of 1962 (the Act) and the Regulations made under section 12I of the Act.

Section 12I is an additional income tax allowance, claimed in the tax year when the asset is brought into use. It is not a grant that is paid by the DTI to Ironveld but an additional tax allowance that is claimed over and above normal tax allowances associated with the asset. The incentive value is the after tax value of the additional allowance.

The Company was assisted with the preparation and submission of the 12I application by Deloitte & Touche.

Peter Cox, CEO of Ironveld plc, commented: "The DTI's acknowledgment and the approval of the 12I application is an important milestone, highlighting the Government's support and confidence in the Company as we work towards progressing our pig iron project and first production at the 15MW smelter in late 2015. We are currently awaiting EIA approval of the smelter which was submitted following the acceptance of the scoping study and is expected in October."

Ends

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Notes to Editors:

Ironveld (IRON.LN) is an AIM listed exploration & development mining group focused on the development of the Ironveld pig iron project within the Northern Limb of the Bushveld Complex, South Africa.

Ironveld intends to develop a new pig iron plant with associated commercially viable vanadium and titanium by products. The Company's Pre Feasibility Study published in June 2013 demonstrates the viability of the project with an initial 15MW smaller smelter planned to produce from late 2015.

The Definitive Feasibility Study published in April 2014 confirms the project's viability to deliver an exceptionally high grade iron product (99.5% Fe) called High Purity Iron which commands a premium to the pig iron price. Vanadium and titanium slag containing commercial grades of vanadium and titanium will also be produced and sold.

Ironveld's Board includes; Giles Clarke as Chairman, Peter Cox, CEO and Nick Harrison as a Non-Executive Director.

For further information on Ironveld please refer to www.ironveld.com.