

30 March 2015

IRONVELD PLC
("Ironveld" or the "Group")

Interim results for the six months ended 31 December 2014

Ironveld plc, the High Purity Iron, Vanadium and Titanium project located on the Northern Limb of the Bushveld Complex in Limpopo Province, South Africa is pleased to announce its interim results for the six months ended 31 December 2014 (the "Period").

Operational Highlights:

- Successful placing of £750,000 in November 2014 with proceeds to be used towards finalising plans for the development of the 15MW smelter.
- Significant progress made de-risking the overall project:
 - Approval of the 12I Tax Allowance Incentive to the value of approximately £3.1 million for the 15MW smelter.
 - Approval of the Critical Infrastructure Programme ("CIP") grant of up to approximately £740,000 post period end.
 - Submission of all necessary environmental applications.
 - Completion of the Broad-Based Black Economic Empowerment ("BBBEE") arrangements.

Post Period:

- Granting of a mining right for the mining of iron ore, vanadium and heavy minerals over the farms: Cracouw 391 LR, Aurora 397, Harriets Wish 393 LR to Hacra Mining and Exploration Company (Pty) Ltd ("HACRA") by the Department of Mineral Resources ("DMR").
- In accordance with the terms of the agreement dated 14 March 2012 HACRA will transfer the mining right, via the section 11 process, to HW Iron (Proprietary) Ltd, a subsidiary of Ironveld plc.
- The Republic of South Africa's Limpopo Department of Economic Development, Environment and Tourism ("LEDET") have acknowledged the receipt of the final Environmental Impact Assessment ("EIA") for the Smelter and the approval process is ongoing.

Outlook

- Construction of the 15MW smelter on track to commence in mid-2015, with commissioning to begin in H1 2016 and full production in H2 2016.
- The 15MW smelter has a projected annual output of 42,000 tonnes of HPI, 415 tonnes of Vanadium and 8269 tonnes of Titanium per annum.
- Offtake negotiations with potential partners continue to progress positively with strong demand shown for the products.

Giles Clarke, Chairman said:

"We have made excellent progress during the period as we work towards bringing our world class HPI, vanadium and titanium project to production on time and to budget. We have worked hard to ensure it has the Government's commitment and are delighted with the support shown to date to the project further enhancing its attractive economics.

"Positive discussions continue around the financial arrangements for the project which we are in the process of finalising and the offtake arrangements for the three products. We look to the future with confidence and are excited to begin construction of the smelter which remains on track to begin in mid-2015."

For further information, please contact:

Ironveld plc

Peter Cox, Chief Executive

Shore Capital and Corporate Limited

Stephane Auton / Toby Gibbs (corporate finance)

Jerry Keen (corporate broking)

c/o Camarco

020 3757 4980

020 7408 4090

Notes to Editors:

Ironveld (IRON.LN) is a High Purity Iron, Vanadium and Titanium project located on the Northern Limb of the Bushveld Complex in Limpopo Province South Africa. Ironveld expects to mine its own VTM ore as feedstock for a 15MW smelter which will produce speciality iron products including high purity iron powder as well as Vanadium and titanium products.

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 in the market place. 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.

Ironveld is an AIM traded *company*. For further information on Ironveld please refer to www.ironveld.com.

Chairman's Statement:

During the period we made excellent progress towards delivering the 15MW smelter, a highly attractive project which is on track to commence construction in mid-2015 with commissioning to begin in the first half of 2016.

The 15MW smelter is due to be cash flow positive from commencement of production and once on full production is projected to have an annual output of 42,000 tonnes of HPI, 415 tonnes of vanadium in slag grading 36% V and 8,269 tonnes of titanium in slag grading 65% TiO₂ per annum. HPI, vanadium and titanium are important products with strong market demand and extensive industrial uses. HPI is generally sold as a powder and used to manufacture sintered components, soft magnetic components, brazing, surface coatings, friction, printing and welding products, as well as chemistry and polymer filtrations. Vanadium while predominately used in the steel industry has extensive applications in the grid energy storage market where vanadium redox flow battery systems are coming onto the market. Titanium which is used in the pigment industry as well as in the steel and alloying industries is a key part of a new battery technology. Offtake negotiations with potential partners for all three products continue to progress positively with strong demand shown for our products and we continue to work towards of a near term resolution.

We have worked hard to identify and apply for grants and incentives that financially de-risk the project and improve its already favourable economics. In September 2014, the Republic of South Africa's Department of Trade and Industry ("the DTI") classified the 15MW smelter as Greenfield Project under the 12I tax allowance incentive with qualifying status from September 2014 until 30 September 2018, valuing the incentive scheme at approximately £3.1 million and showing the Government's support and confidence in the project. The Government's commitment was again demonstrated post period end in February 2015 with the approval of the CIP application by the DTI. The CIP is an investment incentive of the South African Government to stimulate investment growth aimed at enhancing investment by supporting critical infrastructure and therefore lowering the business costs. The cost sharing grant covers a maximum of 30% of the project's total infrastructure development costs, up to approximately £740,000, and includes the design, engineering and associated preparatory activities and will be used specifically towards the development of external road infrastructure, bulk electricity infrastructure and bulk water.

The Company has been busy completing other necessary applications to ensure the delivery of the overall project remains on track and we continue to hit its major milestones as planned. We have completed all of the environmental applications required for both our mining and smelting operations by the National Environmental Management Act 107 of 1998 ("NEMA"), submitted our Air Emission License application and LEDET has approved both our Environmental Scoping Report and the Draft EIA for the 15 MW Smelter in 2014. Following this we have submitted the final EIA to LEDET and expect approval within the 90 day regulatory time frame.

In October 2014 we announced the signing and completion of the necessary mining and smelting structures for the BBBEE participation in the project as required by the provisions of the Mineral and Petroleum Resources Act 2002 ("MRPDA") and submitted the community and workers trust documentation for registration. Four global trusts are currently being registered at the Master of the Supreme Court. These trusts will hold, in trust for local communities, tribal authorities and future workers, shares in the BBBEE companies which have a shareholding in the operating companies that make up the Ironveld Group. This shareholding is 26% as per the BBBEE's Code of Good Practice and the Mining Charter and we are currently assisting the BBBEE companies further with their applications for funding to allow them to meet their share of capital requirements for the Company.

In November we successfully raised £750,000 through a fully subscribed share placing at 7p, a premium to the share price with the proceeds to be used towards finalising plans for the development of the 15MW smelter in particular the engineering and design work for project realisation and to provide working capital. We are currently in the process of finalising financial arrangements for the project.

Post period end we hit another significant milestone with the granting of a mining right for the mining of iron ore, vanadium and heavy minerals over the farms Cracouw 391 LR, Aurora 397 and Harriets Wish 393 LR to HACRA a 71% subsidiary of Sylvania Platinum Ltd ("Sylvania") for 30 years. In accordance with the terms of the agreement dated 14 March 2012 for the acquisition by Mercury Recycling Group plc (now Ironveld plc) of the Ironveld Group from Sylvania, HACRA will transfer the mining right, via the Section 11 process, to HW Iron (Proprietary) Limited, a subsidiary of Ironveld plc.

The Company remains actively involved in the "Keep a Girl Child at School" campaign which has received increasingly support from a number of local companies and institutions. The campaign supports the needs of some 900 learners in our local communities.

Financial

The group recorded a loss before tax of £399,000 (H1 2013: £394,000) and cash balances of £928,000 (H1 2013: £1,372,000) at the end of the period. The Company does not plan to pay a dividend for the six months ended 31 December 2014.

Summary

On behalf of the Board of Directors I would like thank our employees and shareholders for their continued support. During the period we have made significant progress and we look to the future with confidence as we make the final preparations to ensure that we are able to commence construction of the smelter as planned in mid-2015. We look forward to updating shareholders on our progress in the near future.

IRONVELD PLC
CONSOLIDATED INCOME STATEMENT
FOR THE PERIOD ENDED 31 DECEMBER 2014

	6 Months ended 31.12.14 £'000	6 Months ended 31.12.13 £'000	12 Months ended 30.06.14 £'000
Administrative expenses	(339)	(354)	(660)
Operating loss	(339)	(354)	(660)
Investment revenues	1	7	10
Finance costs	(61)	(47)	(100)
Loss before taxation	(399)	(394)	(750)
Taxation	(104)	(257)	(409)
Loss from continuing operations	(503)	(651)	(1,159)
Discontinued operations	-	120	120
Loss for the period	(503)	(531)	(1,039)
Attributable to owners of the company	(486)	(531)	(930)
Non-controlling interests	(17)	-	(109)
	(503)	(531)	(1,039)
Profit (loss) per share			
Continuing - Basic (pence)	(0.17)	(0.23)	(0.37)
Discontinued - Basic (pence)	n/a	0.04	0.04
Continuing and discontinued- Basic (pence)	(0.17)	(0.19)	(0.33)
Discontinued - Diluted (pence)	n/a	0.04	n/a

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 DECEMBER 2014

	£'000	£'000	£'000
Loss for the period	(503)	(531)	(1,039)
Exchange differences on the translation of foreign operations	(89)	(1,719)	(2,294)
Total comprehensive income for the period	(592)	(2,250)	(3,333)

IRONVELD PLC
CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2014

	As at 31.12.14 £'000	As at 31.12.13 £'000	As at 30.06.14 £'000
Non-current assets			
Exploration and evaluation	22,363	22,310	21,787
Property, plant and equipment	18	24	22
	22,381	22,334	21,809
Current assets			
Trade and other receivables	112	235	211
Cash and bank balances	928	1,372	738
	1,040	1,607	949
Total assets	23,421	23,941	22,758
Current liabilities			
Trade and other payables	(118)	(237)	(234)
Borrowings	(583)	-	-
	(701)	(237)	(234)
Non-current liabilities			
Borrowings	(953)	(1,383)	(1,465)
Deferred tax liabilities	(6,229)	(6,214)	(6,069)
	(7,182)	(7,597)	(7,534)
Total liabilities	(7,883)	(7,834)	(7,768)
Net assets	15,538	16,107	14,990
Equity			
Share capital	6,207	6,087	6,097
Share premium	14,692	14,097	14,097
Other reserves	21	21	21
Retained earnings reserve	(8,648)	(7,791)	(8,635)
Equity attributable to owners of the company	12,272	12,414	11,580

Non-controlling interests	3,266	3,693	3,410
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Total equity	15,538	16,107	14,990
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IRONVELD PLC
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 DECEMBER 2014

	Equity attributable to equity holders of the Company				
	Share	Share	Other	Retained	Total
	Capital	Premium	Reserves	Earnings	Equity
	£'000	£'000	£'000	£'000	£'000
Balance at 1 July 2013	6,080	14,097	21	(5,600)	14,598
Loss for the period	-	-	-	(531)	(531)
Exchange differences	-	-	-	(1,719)	(1,719)
Equity share based payments	-	-	-	59	59
Issue of share capital (net)	7	-	-	-	7
Balance at 31 December 2013	6,087	14,097	21	(7,791)	12,414
Exchange differences	-	-	-	(575)	(575)
Loss for the period	-	-	-	(399)	(399)
Issue of share capital (net)	10	-	-	-	10
Equity share based payments	-	-	-	130	130
Balance at 30 June 2014	6,097	14,097	21	(8,635)	11,580
Loss for the period	-	-	-	(486)	(486)
Exchange differences on the translation of foreign operations	-	-	-	(89)	(89)
Equity share based payments	-	-	-	513	513
Acquisition of non-controlling interest	-	-	-	(43)	(43)
Disposal of non-controlling interest	-	-	-	92	92
Issue of share capital (net)	110	595	-	-	705
Balance at 31 December 2014	6,207	14,692	21	(8,648)	12,272

IRONVELD PLC
CONSOLIDATED CASH FLOW STATEMENT
FOR THE PERIOD ENDED 31 DECEMBER 2014

	6 Months ended 31.12.14 £'000	6 Months ended 31.12.13 £'000	12 Months ended 30.06.14 £'000
Net cash from operating activities	(188)	(378)	(639)
Investing activities			
Interest received	1	6	9
Purchase of exploration and evaluation assets	(328)	(916)	(1,416)
Purchases of property, plant and equipment	-	(23)	(25)
Proceeds from disposal of property, plant and equipment	-	16	-
Loan advanced	-	(22)	(43)
Net cash inflow on disposal of subsidiary	-	1,370	1,370
Net cash used in investing activities	(327)	431	(105)
Financing activities			
Repayment of borrowings	-	(79)	(79)
New loans received	-	663	823
Proceeds on issue of equity (net costs)	705	7	17
Net cash used in financing activities	705	591	761
Net increase in cash and cash equivalents	190	644	17
Cash and cash equivalents at the start of period	738	748	748
Effect of foreign exchange rates	-	(20)	(27)
Cash and cash equivalents at end of period	928	1,372	738
Note to the cash flow statement			
Operating loss - continuing	(339)	(354)	(660)
Operating profit (loss) - discontinued	-	18	18
Depreciation on property, plant and equipment	4	43	47
Share based payment expense	280	59	189
Profit on disposal of subsidiary	-	-	(2)

Loss on disposal of plant and equipment	-	(2)	16
Operating cash flows before movements in working capital			
	(55)	(236)	(392)
Movement in receivables	(19)	(15)	17
Movement in payables	(110)	(127)	(164)
Cash used in operations	(184)	(378)	(539)
Interest paid	(4)	-	(100)
Net cash from operating activities	(188)	(378)	(639)

IRONVELD PLC
NOTES TO CONSOLIDATED ACCOUNTS
FOR THE PERIOD ENDED 31 DECEMBER 2014

1. Basis of preparation and accounting policies

The results for the six months to 31 December 2014 have been prepared under International Financial Reporting Standards (IFRS) as adopted by the EU and International Accounting Standards Board.

The accounting policies applied are consistent with those of the annual financial statements for the year ended 30 June 2014, as described in those financial statements.

The financial information does not constitute statutory accounts as defined by section 435 of the Companies Act 2006. Full accounts of the company for the year ended 30 June 2014 on which the Auditors gave an unqualified report, have been delivered to the Registrar of Companies.

2. Loss per share

The calculation of basic and diluted loss per share is based upon the loss for the period and the weighted average number of shares in issue during the period.

	6 months to 31.12.14	6 months to 31.12.13	12 months to 30.6.14
	'000	'000	'000
Weighted average number of shares	289,067	285,840	286,169
Options - dilution	-	14,279	15,630
	289,067	300,119	301,799
	pence	pence	pence
Basic loss per share - continuing and discontinued	(0.17)	(0.19)	(0.33)
Basic loss per share - continuing	(0.17)	(0.23)	(0.37)
Basic profit (loss) per share - discontinued	n/a	0.04	0.04
Discontinued - Diluted earnings per share	N/a	0.04	0.04

Where the Group reports a loss for any period, then in accordance with IAS 33, the share options and warrants in issue are not considered dilutive.

4. Register office and copies of the report

The registered office is Ironveld Plc, Lakeside Fountain Lane, St Mellons, Cardiff, CF3 0FB and copies of this report are available from the registered office.

INDEPENDENT REVIEW REPORT

UHY Hacker Young Manchester LLP

St. James Building

79 Oxford Street

Manchester M1 6HT

TO IRONVELD PLC

Introduction

We have reviewed the accompanying balance sheet of Ironveld Plc as at 31 December 2014 and the related statements of income, changes in equity, cash flows for the six month period then ended and other explanatory notes. Management is responsible for the preparation and fair presentation of this interim financial information in accordance with International Financial Reporting Standards. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information does not give a true and fair view of the financial position of the entity as at 31 December 2014, and of its financial performance and its cash flows for the six month period then ended in accordance with International Financial Reporting Standards as applicable in the United Kingdom.

UHY Hacker Young Manchester LLP

Chartered Accountants

Manchester

March 2015

**IRONVELD PLC(
ADVISORS AND OTHER INFORMATION
FOR THE PERIOD ENDED 31 DECEMBER 2014**

Directors	Giles Clarke Peter Cox	(Chairman) (Chief Executive)
	Nicholas Harrison Rupert Fraser	(Non-Executive Director) (Non-Executive Director)
Secretary	Kirsti Jane Pinnell	
Company Number	04095614	
Registered Office	Ironveld Plc Lakeside Fountain Lane St Mellons Cardiff, CF3 0FB	
Nominated Advisor and Broker	Shore Capital Stockbrokers Limited Bond Street House 14 Clifford Street London W1S 4JU	
Solicitors	Kuit Steinart Levy LLP 3 St Marys Parsonage Manchester M3 2RD	
Auditors	UHY Hacker Young Manchester LLP St James Building 79 Oxford Street Manchester M1 6HT	
Bankers	HSBC 97 Bute Street Cardiff CF10 5NA	
Registrars	Capita IRG Plc Northern House Woodsome Park Fenay Bridge Huddersfield HD8 0LA	