

30 March 2016

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

Interim results for the six months ended 31 December 2015

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 its interim results for the six months ended 31 December 2015 ("the Period"). The Period saw a number of important milestones achieved as the Company moves towards delivering the Project.

Operational Highlights

- Key mining right executed to mine magnetite on the Harriets Wish 393LR, Cracouw 391LR and Aurora 397LR Farms
- Approval granted for the Environmental Management Program ("EMP") on the above mentioned farms
- Prospecting right on the farm Non Plus Ultra 683LR executed
- Formal letter received from Eskom confirming power supply availability for the Project
- Implementation of the critical infrastructure program with the design of the electrical infrastructure completed ahead of schedule and below budget
- Draft construction contracts for the 15MW DC smelter circulated and requests for quotes for mining operations issued

Project Financing

- Broad-Based Black Economic Empowerment ("BBBEE") partners received an indicative term sheet from the Industrial Development Corporation ("IDC") for the BBBEE full capital contribution to the Project
- Ironveld received specific financing proposals and the funders are completing due diligence
- ENSafrica, Africa's largest legal firm, appointed to assist Ironveld in reaching financial closure with funders

Appointments

- Appointment to the Board of Mr Vred von Ketelhodt as Chief Financial Officer
- Appointment of Mr Thamaga Mphahlele as CEO designate to Ironveld Smelting (Pty) Ltd, a subsidiary of Ironveld plc

Post Period

- Land lease agreement for the 15 MW smelter is being processed by the Department of Public Works
- Marketing negotiations with offtakers continue to progress positively with strong demand shown for the products.

Outlook

- Financial closure is expected to be in Q2 2016
- Construction of the 15MW smelter expected to commence immediately on financial closure with commissioning to begin in Q2 2017 and full production targeted for Q3 2017.
- The 15MW smelter has a projected annual output of 42,000 tonnes of HPI, 381 tonnes of Vanadium and 8,269 tonnes of Titanium per annum.

Giles Clarke, Chairman said:

"The robustness of our High Purity Iron Powder project is a function of the ore deposit, the developmental plan, and the product mix. The team has made significant progress under trying market conditions to bring the project up the value chain to the cusp of commencing construction. We look forward to updating shareholders with a series of announcements, including our financial partners and commencement of construction."

Peter Cox, CEO said:

“The focus for the Period was on achieving key milestones that would enable Ironveld to move towards financial closure, we have made excellent progress in this respect which is testament to the hard work of the Company. Events such as securing the mining right, EMP approval and receiving confirmation from Eskom for power supply represent tangible milestones towards bringing our world class HPI, vanadium and titanium project into production.

Offtake demand for all three products is strong with multiple offers being considered, this is being run in tandem with positive discussions around financial arrangements for the Project and near term finalisation is expected. We continue to see currency movements that benefit project economics and which are expected to result in a positive cash flow impact.

It is a tremendously exciting time for the Company and we look forward to progressing the Project through financing and into the construction stage later in 2016.”

For further information, please contact:

Ironveld plc

c/o Camarco

Peter Cox, Chief Executive

020 3757 4980

Shore Capital and Corporate Limited

020 7408 4090

Stephane Auton / Toby Gibbs (corporate finance)

Jerry Keen (corporate broking)

Camarco

020 3757 4980

Billy Clegg / Gordon Poole

Notes to Editors:

Ironveld (IRON.LN) is the owner of 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 DC smelter which will produce speciality iron products including high purity iron powder as well as vanadium and titanium slag 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 as CEO, Vred von Ketelhodt as CFO, Nick Harrison and Rupert Fraser as a Non-Executive Directors.

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

Chairman's Statement:

The Period saw Ironveld deliver key milestones that are significant to the progress of the 15MW smelter project and to ensuring we continue on the path to production. The focus remained firmly on de-risking the Project through executing key mining rights and approvals as well as strengthening our Board, preparing it for the next stage of financing. The strong Period means the Company is positioned to consider offtake offers and expressions of interest across all three products and execute on financing arrangements as we look to advance the Project to construction.

The 15MW smelter represents a highly deliverable polymetallic operation that holds significant importance to South Africa, evidenced through the South African Governments support in including the Project in the 12I tax allowance incentive in September 2014. On the basis of the Definitive Feasibility Study ("DFS") published in April 2014 the Project is due to be cash flow positive from commencement of production and deliver high profit margins from an annual output of 42,000 tonnes of HPI, 381 tonnes of vanadium in slag grading 36% V and 8,269 tonnes of titanium in slag grading 65% TiO₂ per annum, with strong market demand for all of the products.

There were a number of significant achievements during the Period. In December the Company was informed by Hacra Mining and Exploration (Pty) Ltd ("HACRA"), a wholly owned subsidiary of Sylvania Platinum Limited, that the mining right for magnetite on the Harriets Wish, Cracouw and Aurora farms had been executed and the associated EMP approved by the Department of Mineral Resources. The Company awaits the execution of the mining right on farms Nonnewerth, La Pucella and Altona for the mining of magnetite. These farms make up the future project farms that the Company anticipates mining. In terms of exploration, in December the Company successfully executed the prospecting right on the Non Plus Ultra farm that sits adjacent to Nonnewerth, La Pucella and Altona and represents a highly prospective target for future VTM feed to the smelter.

Power is an important component to the Project and during the Period we received a written undertaking from Eskom confirming power supply availability. Eskom's power supply has stabilised significantly over the course of the year and their commitment to bring further capacity on line remains strong. It is our intention to augment this power supply with backup power for critical operations as contained in the DFS published in 2014.

Planning is at an advanced stage on the ground with draft construction contracts being negotiated and requests for quotes from mining contractors for mining operations having been circulated. Contracts are currently the subject of due diligence by the senior debt providers and will be concluded upon completion of their due diligence.

The land lease agreement for the farm Altona, where the 15MW DC smelter is planned to be constructed, is currently being finalised by the Department of Public Works, who are the land owner

We have strong relationships with our BBBEE partners who have and will continue to play an important part in the success of the Project. During the Period, our BBBEE partners received an indicative term sheet from the Industrial Development Corporation ("IDC") for the BBBEE's full capital contribution to the Project. As per the BBBEE's Code of Good Practice and the Mining Charter, its shareholding amounts to 26% in Ironveld Smelting (Pty) Ltd the company which will own and operate the 15MW DC smelter.

The Company has been in continual discussions with potential project funders and has received specific financing proposals. The funders are currently completing due diligence. ENSAfrica, Africa's largest legal firm, has been appointed by Ironveld to assist in achieving financial closure. We continue to see currency movements that benefit project economics and which are expected to result in a positive cash flow impact.

Post period, offtake offers and expressions of interest have been received for all three products. Negotiations with potential partners remain ongoing and we are encouraged by the high levels of interest. Market demand for our products remains strong, particularly given their multiple industrial uses and we are confident our production, which is scalable, will fill an important gap in the market. HPI is generally sold as a powder and is widely used in powder metallurgy, magnetic materials and in a variety of specialist applications. The powder metallurgy market is a growing market driven by continuous introduction of new materials and technologies. Vanadium while predominately used in the steel industry has extensive applications in the grid energy storage market where vanadium redox flow batteries are under development, being heralded as the "missing-link" in volume storage

for clean energy. 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.

We are very proud to support the local communities in our project area and our efforts continue with the Keep a Girl Child in School programme where we have partnered with the Imbumba Foundation and the Nelson Mandela Foundation to provide hygiene support to 605 female students at schools in the project area. The Company has received supporting letters from both parents and girls as to the impact the project has made on their lives. The Company is in the process of starting a programme for male students encouraging academic and sporting achievement.

Financial

The group recorded a loss before tax of £318,000 (H1 2014: £399,000) and cash balances of £648,000 (H1 2014: £928,000) at the end of the Period. The Company does not plan to pay a dividend for the six months ended 31 December 2015.

Management

We were delighted to strengthen the Board and management team during the Period and welcome Mr Vred von Ketelhodt as CFO (Board member) and Mr Thamaga Mphahlele as CEO designate to Ironveld Smelting (Pty) Ltd, a subsidiary of Ironveld plc. Mr von Ketelhodt has a 25 year career in the mining industry with significant management, financial and project management expertise and has been providing consultancy services to the Company since February 2013. Thamaga is a registered professional electrical engineer, most recently at Eskom SOC in a variety of technical engineering roles, he will be responsible for managing operations and the team during the development of the project

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 2016. We look forward to a transformational calendar year and to updating shareholders on our progress in the near future.

Giles Clarke

Chairman
30 March 2016

IRONVELD PLC
CONSOLIDATED INCOME STATEMENT
FOR THE PERIOD ENDED 31 DECEMBER 2015

	6 Months ended 31.12.15 £'000	6 Months ended 31.12.14 £'000	12 Months ended 30.06.15 £'000
Administrative expenses	<u>(272)</u>	<u>(339)</u>	<u>(520)</u>
Operating loss	(272)	(339)	(520)
Investment revenues	-	1	1
Finance costs	<u>(46)</u>	<u>(61)</u>	<u>(74)</u>
Loss before taxation	(318)	(399)	(593)
Taxation	<u>(78)</u>	<u>(104)</u>	<u>(288)</u>
Loss for the period	(396)	(503)	(881)
Attributable to owners of the company	(381)	(486)	(828)
Non-controlling interests	<u>(15)</u>	<u>(17)</u>	<u>(53)</u>
	<u>(396)</u>	<u>(503)</u>	<u>(881)</u>
Profit/(loss) per share (pence)			
Basic	(0.12)	(0.17)	(0.28)
Diluted	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>

The accompanying notes form an integral part of these financial statements.

IRONVELD PLC
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 DECEMBER 2015

	6 Months ended 31.12.15 £'000	6 Months ended 31.12.14 £'000	12 Months ended 30.06.15 £'000
Loss for the period	(396)	(503)	(881)
Exchange differences on the translation of foreign operations	(1,980)	(89)	(555)
Total comprehensive income for the period	<u>(2,376)</u>	<u>(592)</u>	<u>(1,436)</u>

The accompanying notes form an integral part of these financial statements.

IRONVELD PLC
CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2015

	As at 31.12.15 £'000	As at 31.12.14 £'000	As at 30.06.15 £'000
Non-current assets			
Exploration and evaluation	18,349	22,363	21,743
Property, plant and equipment	10	18	14
	<u>18,359</u>	<u>22,381</u>	<u>21,757</u>
Current assets			
Trade and other receivable	388	112	77
Cash and bank balances	648	928	1,407
	<u>1,036</u>	<u>1,040</u>	<u>1,484</u>
Total assets	<u>19,395</u>	<u>23,421</u>	<u>23,241</u>
Current liabilities			
Trade and other payables	(174)	(118)	(185)
Borrowings	(995)	(583)	(1,149)
	<u>(1,169)</u>	<u>(701)</u>	<u>(1,334)</u>
Net-current liabilities			
Borrowings	-	(953)	-
Deferred tax liabilities	(5,112)	(6,229)	(6,058)
	<u>(5,112)</u>	<u>(7,182)</u>	<u>(6,058)</u>
Total liabilities	<u>(6,281)</u>	<u>(7,883)</u>	<u>(7,392)</u>
Net assets	<u>13,114</u>	<u>15,538</u>	<u>15,849</u>
Equity			
Share capital	6,491	6,207	6,474
Share premium	16,108	14,692	16,056
Other reserves	21	21	21
Retained earnings reserve	(12,024)	(8,648)	(9,750)
	<u>10,596</u>	<u>12,272</u>	<u>12,801</u>
Equity attributable to owners of the company	<u>10,596</u>	<u>12,272</u>	<u>12,801</u>
Non-controlling interests	2,518	3,266	3,048
Total equity	<u>13,114</u>	<u>15,538</u>	<u>15,849</u>

The accompanying notes form an integral part of these financial statements.

IRONVELD PLC
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 DECEMBER 2015

	Equity attributable to equity holders of the Company				
	Share Capital £'000	Share Premium £'000	Other Reserves £'000	Retained Earnings £'000	Total Equity £'000
Balance at 1 July 2014	6,097	14,097	21	(8,635)	11,580
Loss for period	-	-	-	(486)	(486)
Exchange differences on the translation of foreign operations	-	-	-	(89)	(89)
Equity settled share based payments	-	-	-	513	513
Changes in non-controlling interests	-	-	-	49	49
Issue of share capital	110	595	-	-	705
Balance at 31 December 2014	6,207	14,692	21	(8,648)	12,272
Loss for the period	-	-	-	(342)	(342)
Exchange differences on the translation of foreign operations	-	-	-	(466)	(466)
Issue of share capital	267	1,364	-	-	1,631
Equity settled share based payments	-	-	-	(292)	(292)
Changes in non-controlling interests	-	-	-	(2)	(2)
Balance at 30 June 2015	6,474	16,056	21	(9,750)	12,801
Loss for the period	-	-	-	(381)	(381)
Exchange differences on the translation of foreign operations	-	-	-	(1,980)	(1,980)
Equity settled share based payments	-	-	-	87	87
Issue of share capital (net)	17	52	-	-	69
Balance at 31 December 2015	6,491	16,108	21	(12,024)	10,596

The accompanying notes form an integral part of these financial statements.

IRONVELD PLC
CONSOLIDATED CASH FLOW STATEMENT
FOR THE PERIOD ENDED 31 DECEMBER 2015

	6 Months Ended 31.12.15 £'000	6 Months Ended 31.12.14 £'000	12 Months Ended 30.06.15 £'000
Net cash from operating activities	(353)	(188)	(286)
Investing activities			
Interest received	-	1	1
Purchase of exploration and evaluation assets	(409)	(328)	(840)
Purchases of property, plant and equipment	(2)	-	(1)
Net cash used in investing activities	(411)	(327)	(840)
Financing activities			
Repayment of borrowings	-	-	(333)
Proceeds on issue of equity (net of costs)	6	705	2,129
Net cash used in financing activities	6	705	1,796
Net increase/(decrease) in cash and cash equivalents	(758)	190	670
Cash and cash equivalents at the start of the period	1,407	738	738
Effect of foreign exchange rates	(1)	-	(1)
Cash and cash equivalents at end of period	648	928	1,407
Note to the cash flow statement			
Operating loss	(272)	(339)	(520)
Depreciation on property, plant and equipment	4	4	8
Share based payment expense	43	280	221
Operating cash flows before movements in working capital	(225)	(55)	(291)
Movement in receivables	(139)	(19)	(16)
Movement in payables	11	(110)	24
Cash used in operations	(353)	(184)	(283)
Interest paid	-	(4)	(3)
Net cash from operating activities	(353)	(188)	(286)

The accompanying notes form an integral part of these financial statements.

IRONVELD PLC

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2015

1 Basis of preparation and accounting policies

The results for the six months to 31 December 2015 have been prepared under International Financial Reporting Standards (IFRS) as adopted by the EU and International Accounting Standards Board.

The accounting policies are consistent with those of the annual financial statements for the year ended 30 June 2015, 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 2015 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 31.12.15	6 Months to 31.12.14	12 Months to 30.06.15
	£'000	£'000	£'000
Weighted average number of shares	325,615	289,067	296,115
Options – dilution	-	-	-
	<u>325,615</u>	<u>289,067</u>	<u>296,115</u>
	Pence	Pence	Pence
Basic loss per share – continuing and discontinued	(0.12)	(0.17)	(0.28)
Basic loss per share – continuing	(0.12)	(0.17)	(0.28)
Basic profit/(loss) per share – discontinued	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>
Discontinued – Diluted earnings per share	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>

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.

3 Registered 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 2015 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 the 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 2015, 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

30 March 2016

IRONVELD PLC

OFFICERS, ADVISORS AND AGENTS

Directors:	Giles Clarke Peter Cox Vred von Ketelhodt Nicolas Harrison Rupert Fraser	(Chairman) (Chief Executive Officer) (Chief Financial Officer) (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 Chartered Accountants 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	