

23 November 2015

Ironveld Plc
("Ironveld" or the "Company")

Final results for the year ended 30 June 2015

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 final results for the 12 months ended 30 June 2015.

Highlights

- Successfully raised £750,000 in November 2014 and £1.5 million in June 2015 through the issuance of new shares.
- Positive operational progress made towards delivery of the 15MW DC Smelter "the Project":
 - 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").
 - Mining right application for farms Nonnewerth, LaPucella and Altona submitted.
 - Approval of the 15MW Smelter Environmental Impact Assessment ("EIA") received.
 - 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:

- Management team strengthened through the appointment of Mr Vred von Ketelhodt as Chief Financial Officer. and Mr Thamaga Mphahlele as CEO designate to Ironveld Smelting (Pty) Ltd, a subsidiary of Ironveld plc, responsible for managing operations and the team during the development of the project.
- Application for the transfer of the mining right, via the section 11 process, from Hacra Mining and Exploration Company (Pty) Ltd to HW Iron (Proprietary) Ltd, a subsidiary of Ironveld plc have been submitted by HACRA.
- BBBEE partners received an indicative term sheet from the Industrial Development Corporation ("IDC") for the Broad-Based Black Economic Empowerment's ("BBBEE") full capital contribution to the project, amounting to 26% in the smelting project.

Outlook:

- The company is busy with due diligence investigations with the senior debt providers and providers of the balance of funds required and all agreements including offtake and construction will be finalised concurrent with the conclusion of the due diligences.
- The Project remains on track to commence production of HPI, vanadium and titanium slag by-products in 2016.

Peter Cox, CEO of Ironveld said:

“The past 12 months has seen the Company take important steps to commence the construction of the 15MW smelter, while financially de-risking this attractive project further. We will continue to work hard towards bringing our world class HPI, vanadium and titanium project to production and I would like to thank all our shareholders for their support during this transformative period for the Company.”

For further information, please contact:

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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. In June 2015, the smelter received EIA approval from the Limpopo Department of Economic Development, Environment and Tourism.

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, Chairman, Peter Cox, CEO, Vred von Ketelhodt, CFO and Nick Harrison and Rupert Fraser as Non-executive Directors.

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

Chairman's Statement:

Over the last twelve months we have made strong operational and financial progress towards commencing construction of the 15MW smelter, which will be cash flow positive from the start, and beginning production of High Purity Iron and Vanadium and Titanium slag by-products in 2016, all of which are important products with strong market demand.

A number of significant milestones were achieved in the period, financially de-risking the project further. In September of 2014 the Company had its 12I Tax Allowance Incentive application approved by the Republic of South Africa's Department of Trade and Industry ("DTI") for the project which has been classified as a Greenfield Project with Qualifying Status from September 2014 until 30 September 2018, with the incentive value of the scheme is estimated to be R 54.6 million (approximately GBP 3.1 million).

In February the Company had its CIP grant application for the project approved by the DTI. The CIP is a cost-sharing grant of 30% of the total infrastructure development costs up to a maximum of R. 13,276,500 (approximately GBP 740,000) and relates to the development of external road infrastructure, bulk electricity infrastructure and bulk water, including the design, engineering and associated preparatory activities required ahead of construction. Design of the electrical infrastructure was completed post period end, ahead of schedule and below budget while the necessary applications for the lease of land and water have been submitted.

The Company achieved two successful placings, raising £750,000, through the issue of 10,714,286 placing shares at a price of 7.0p each in November 2014 and £1.5m, through the placing of 23,076,920 new ordinary shares of 1p each at a price of 6.5p in June 2015. The proceeds of the placings were used towards progressing due diligence with both the debt funders who could provide a significant portion of the project's funding and potential Broad-Based Black Economic Empowerment ("BBBEE") partner funders. Post period end our BBBEE partners received an indicative term sheet from the 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 the smelting project.

Operationally we continue to make positive progress towards production, with the approval of the 15 MW smelter EIA by the Limpopo Department of Economic Development, Environment and Tourism received. The award of the 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 was a huge achievement for the team. Upon execution of the right, the Company is required to commence mining within 120 days. In addition the Company has applied for the mining right on farms Nonnewerth, LaPucella and Altona for the mining of iron ore by Pan Palladium. A decision by the Department of Mineral Resources on the Mining Right Application is expected late in 2015.

Planning is at an advanced stage on the ground with draft construction contracts in circulation and requests for quotes for mining operations. Contracts are currently the subject of due diligence by the senior debt providers and will be concluded upon completion of the due diligence.

Offtake negotiations with potential partners for all three products remain ongoing and we are encouraged by the high levels of interest. Market demand for our products remains robust, particularly given its multiple industrial uses. We are confident that our projected 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 will fill an important gap in the market.

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.

The company has continued its Keep a Girl Child in School programme and has partnered with the Imbumva 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. In the coming year the company intends to start a programme for male students encouraging academic and sporting achievement.

Financial

The group recorded a loss before tax of £0.9m (2014: £1m) and cash balances of £1.4m (2014: £0.7m) at the end of the period. The Company does not plan to pay a dividend for the year ended 30 June 2015.

Management

Post period end, we were delighted to strengthen the management team and welcome Mr Vred von Ketelhodt as CFO and Mr Thamaga Mphahlele as CEO designate to Ironveld Smelting (Pty) Ltd, a subsidiary of Ironveld plc, responsible for managing operations and the team during the development of the project. 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.

During the period under review Mr Terry McConnachie resigned as a director of the Company. We would like to thank Terry for his commitment to Ironveld and we wish him all the best for the future.

Outlook

We are currently fully engaged with debt providers and upon financial close will immediately commence construction of the 15MW Smelter. Final preparations including construction contracts for the smelter, ancillary equipment and power and water are all in hand. We continue to make excellent headway both on the ground and with our funding requirements.

The Board is confident that the project will generate significant cash flow and we would like to thank all of our shareholders for their support as we enter a transformational period for the Company. We look forward to updating shareholders in the near future.

Giles Clarke

Chairman

Xx November 2015

CONSOLIDATED INCOME STATEMENT

	Year ended 30 June 2015 £000	Year ended 30 June 2014 £000
Administrative expenses	(520)	(660)
Operating loss	(520)	(660)
Investment revenues	1	10
Finance costs	(74)	(100)
Loss before tax	(593)	(750)
Tax	(288)	(409)
Loss from continuing operations	(881)	(1,159)
Profit from discontinued operations	-	120
Loss for the period	(881)	(1,039)
Attributable to:		
Owners of the company	(828)	(930)
Non-controlling interests	(53)	(109)
	(881)	(1,039)
Loss per share		
From continuing operations - Basic	(0.28p)	(0.37p)
- Diluted	n/a	n/a
From continuing and discontinued operations - Basic	(0.28p)	(0.33p)
- Diluted	n/a	n/a

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Year ended 30 June 2015 £000	Year ended 30 June 2014 £000
Loss for the period	(881)	(1,039)
Exchange difference on translation of foreign operation	(555)	(2,294)
Total comprehensive income for the period	(1,436)	(3,333)
Attributable to:		
Owners of the company	(1,225)	(2,485)
Non-controlling interests	(211)	(848)
	(1,436)	(3,333)

CONSOLIDATED BALANCE SHEET

	30 June 2015	30 June 2014
	£000	£000
Non-current assets		
Goodwill	-	-
Other intangible assets	21,743	21,787
Property, plant and equipment	14	22
	21,757	21,809
Current assets		
Trade and other receivables	77	211
Cash and bank balances	1,407	738
	1,484	949
Total assets	23,241	22,758
Current liabilities		
Trade and other payables	(185)	(234)
Borrowings	(1,149)	-
	(1,334)	(234)
Non-current liabilities		
Borrowings	-	(1,465)
Deferred tax liabilities	(6,058)	(6,069)
	(6,058)	(7,534)
Total liabilities	(7,392)	(7,768)
Net assets	15,849	14,990
Equity		
Share capital	6,474	6,097
Share premium	16,056	14,097
Other reserves	21	21
Retained earnings	(9,750)	(8,635)
Equity attributable to owners of the company	12,801	11,580
Non-controlling interests	3,048	3,410
Total equity	15,849	14,990

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share Capital £000	Share Premium £000	Other Reserve £000	Retained Earnings £000	Total £000	Non- controlling Interests £000	Total Equity £000
At 1 July 2013	6,080	14,097	21	(5,600)	14,598	4,258	18,856
Other comprehensive income	-	-	-	(2,294)	(2,294)	(739)	(3,033)
Issue of share capital	17	-	-	-	17	-	17
Credit to equity for share based payments	-	-	-	189	189	-	189
Loss for the year	-	-	-	(930)	(930)	(109)	(1,039)
At 30 June 2014	6,097	14,097	21	(8,635)	11,580	3,410	14,990
Other comprehensive income	-	-	-	(555)	(555)	(158)	(713)
Issue of share capital	377	1,959	-	-	2,336	-	2,336
Credit to equity for share based payments	-	-	-	221	221	-	221
Arising from change in non-controlling interest	-	-	-	47	47	(151)	(104)
Loss for the year	-	-	-	(828)	(828)	(53)	(881)
At 30 June 2015	6,474	16,056	21	(9,750)	12,801	3,048	15,849

CONSOLIDATED CASH FLOW STATEMENT

	Year ended 30 June 2015 £000	Year ended 30 June 2014 £000
Net cash used in operating activities	(286)	639
Investing activities		
Purchases of property, plant and equipment	(1)	(25)
Purchase of exploration and evaluation assets	(840)	(1,416)
Interest received	1	9
Loan advanced	-	(43)
Net cash inflow on disposal of subsidiary	-	1,370
Net cash used in investing activities	(840)	(105)
Financing activities		
Proceeds on issue of equity (net of costs)	2,129	17
New loans received	-	823
Repayment of borrowings	(333)	(79)
Net cash generated by financing activities	1,796	761
Net cash increase in cash and cash equivalents	670	17
Cash and cash equivalents at the beginning of period	738	748
Effects of foreign exchange rates	(1)	(27)
Cash and cash equivalents at the end of period	1,407	738

Notes to the final results for the 12 month period ended 30th June 2014

1. Basis of preparation

The information in this announcement has been extracted from the Group's audited Financial Statements which have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union.

2. Posting of accounts

The Report and Accounts for the period ended 30th June 2015 will shortly be available on the Group's website and will be sent to registered shareholders by post shortly together with notice of the Group's AGM.