

Ironveld plc ("Ironveld" or the "Group")

Sale of Subsidiary

Ironveld plc, the pig iron and vanadium company, is pleased to announce that it has entered into an agreement to sell its non-core wholly-owned trading subsidiary, Mercury Recycling Limited ("MRL"), to Environmental Safeguard Limited for a total consideration of £1.575 million in cash, comprising a purchase price of £1.45 million and a working capital adjustment of £125,000. MRL operates under a Pollution Prevention and Control (PPC) license from the Government Environment Agency and runs one of the largest lamp recycling facilities in Europe.

The sale is in line with the Board's strategy to focus the Group's resources on the progression of the Ironveld pig iron and vanadium project on the Northern Limb of the Bushveld Complex in Limpopo Province South Africa. The Board also believes that the sale of MRL will enable MRL's management team to better realise the potential of that business.

For the 12 months ended 31 December 2012, MRL contributed revenues of approximately £2.1 million and a loss before tax of approximately £25,000. Its net assets as at 30 June 2013 were approximately £1.3 million.

The sale proceeds will be used towards developing the Group's pig iron and vanadium project.

Commenting on the transaction, Chairman of Ironveld, Giles Clarke said,

"We are very pleased to have agreed the sale of our recycling business. It was no longer a key area of our activities and we will be investing the sale proceeds into the Group's pig iron and vanadium project as we work towards the Definitive Feasibility Study for the first stage of the Project."

For further information, please contact:

Ironveld plc

Giles Clarke, Chairman

Peter Cox, Chief Executive

c/o FTI Consulting

020 7269 7183

Shore Capital and Corporate Limited

Stephane Auton / Toby Gibbs (corporate finance)

Jerry Keen (corporate broking)

020 7408 4090

FTI Consulting

Oliver Winters / Sara Powell

020 7269 7183