

7 June 2016

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

Vanadium Slag Offtake Agreement Signed

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 the finalisation of an offtake agreement for all the Project's vanadium slag product with an established international company.

The company has entered into an agreement for a period of five years from first production for all the vanadium slag produced at attractive price terms.

The market for vanadium is both dynamic and diversified with the majority of current consumption going to steel application. The growth market for vanadium is its use in batteries with the advancement of vanadium redox batteries ("VRBs") as a potential solution for grid energy storage associated with renewable energy.

The Company is also in advanced discussions with an offtake partner for the HPI powder, which, on finalisation, will complete the Company's objective of securing agreements across the Project's three products.

Peter Cox, CEO said:

"The finalisation of the vanadium offtake with an international company is again a huge endorsement of the Project and vanadium product's quality and a sign of the ever growing global demand for vanadium. Vanadium is a highly important product for enhancing steel properties and the advancement of its use in VRBs has the potential to materially impact demand and value for commercial grade vanadium of the kind our project will produce.

The focus for the Company now remains to execute agreements relating to high purity iron powder offtake and the construction contracts. The Project will be the first producer of high purity iron powder in South Africa which is significant given the country imports all the HPI powder it uses."

Giles Clarke, Chairman said:

"This agreement is a further step in the development of the Project and similar to our titanium offtake importantly provides long term security of payment. We look forward to updating our shareholders as we continue to move the Project up the value chain and towards construction."

For further information, please contact:

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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. High Purity Iron Powder is widely used in powder metallurgy, in magnetic materials and in manufacturing of welding rods. Vanadium and Titanium slag containing commercial grades of vanadium and titanium will also be produced and sold. Vanadium has historically been used as ferrovanadium or as a steel additive adding a considerable increase of strength to steel. However it is the development of vanadium redox flow battery systems for grid energy storage applications that has the most potential to have a significant impact on future vanadium demand. Titanium Slag is an upgraded white pigment that is used in the manufacture of paint, paper and plastics.

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.