

19 November 2018

## **Ironveld plc ("Ironveld" or the "Company")**

### **Placing to raise £400,000**

Ironveld plc, the owner of a High Purity Iron ("HPI"), Vanadium and Titanium project ("the Project") located on the Northern Limb of the Bushveld Complex in Limpopo Province, South Africa, is pleased to announce that it has raised £400,000 before expenses through a placing of 24,242,420 new ordinary shares of 1p each at a price of 1.65 pence each (the "Placing").

#### **Highlights:**

- Placing to raise gross proceeds of £400,000 through the issue of 24,242,420 Placing Shares at a price of 1.65 pence each.
- Proceeds of the Placing will be used to fund the purchase of a secondary gyratory crusher and magnetic separation equipment that will be used to process the Company's magnetite ore in order to meet offtake specifications set by a potential off-take partner for commercial scale testing and for general working capital purposes.
- The required ore has been mined and 1,000 tons have already been shipped to the potential off-take partner. The equipment to be acquired will allow for a significant increase in the shipment rate.
- The Company is being paid for the commercial sample and is hopeful that successful testing could result in a long-term offtake agreement.
- SVS Securities plc acted as sole Placing Agent in connection with the Placing.

Peter Cox, CEO of Ironveld, said:

"I am delighted that we have been successful in raising these funds to enable the purchase of equipment that will also us to meet the specifications of the ore that we are able to supply. We are hopeful that the successful delivery of the ore we are supplying through the sampling programme with our potential off-take partner will lead to a longer term agreement, ultimately generating significant revenue for the Company."

"The Company's Project has a vast resource containing 27 million tons of HPI and 1.4 billion pounds of Vanadium in situ. As vanadium prices reach historical highs, we are confident that we can capitalise on the growing demand and move towards monetisation of our asset."

#### **Supply to potential off-take partner**

In September 2018, the Company announced that it commenced mining and the supply of unrefined ore to a potential off-take partner ("the Off-taker"), who is a specialist subsidiary of an international steel group. The Off-taker requested a sample of 10,000 tons for commercial scale testing (the "Commercial Sample"). Initial grades analysis indicated that the Company's ore should be suitable for processing by the Off-taker. Since the Commercial Sample was requested, 1,000 tons of ore have been

shipped to the Off-taker, with deliveries taking place daily The Company is being paid for the Commercial Sample, such that the Company's associated operating costs should be covered.

Should the Commercial Sample be successfully processed, the Off-taker has indicated that they may request to undertake a longer-term test of a significantly larger sample, taken across the licence holdings of the Company for variability testing. It is anticipated that this extended testing programme could last for up to 12 months. Upon the successful conclusion of those tests, the Company could expect to enter into a long term commercial off-take agreement with the Off-taker that would set it on the path to executing its stated strategy of mining its ore and processing on site.

### **Placing Summary**

The Placing will raise, in aggregate, £400,000 before expenses through the placing of, in aggregate, 24,242,420 new Ordinary Shares (the "Placing Shares") at a price of 1.65 pence per share. The Placing Shares to be issued will rank *pari passu* in all respects with the Company's existing Ordinary Shares and will represent approximately 4.1% of the Company's enlarged issued share capital, following admission of the Placing Shares.

Application will be made for the Placing Shares to be admitted to trading on the AIM Market of the London Stock Exchange and it is expected that admission will take place and trading in the Placing Shares will commence from 8:00am on 3 December 2018 ("Admission").

### **Total Voting Rights**

Following Admission, the Company's issued share capital will consist of 592,133,698 Ordinary Shares, with each Ordinary Share carrying the right to one vote. The Company does not hold any Ordinary Shares in treasury. This figure of 592,133,698 Ordinary Shares may therefore be used by shareholders in the Company as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change in their interest in, the share capital of the Company under the FCA's Disclosure Guidance and Transparency Rules ("DTRs").

Ends

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