5 December 2019

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

Final results for the year ended 30 June 2019

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 final results for the 12 months ended 30 June 2019 ("the Period").

Operational Highlights

- Appointed finnCap to conduct a strategic review of the Company's mining assets
- Positively engaged in discussions with several interested parties
- Confidentiality agreements have been entered into with various parties, who are engaged in management discussions and have conducted site visits
- Discussions continue with potential partners who could fund the development of the Project
- Completed a bulk sampling and testing programme, although commercially viable terms could not be agreed

Financial Highlights

- Successfully completed a placing in February 2019 to raise £1.1 million with proceeds used to strengthen the Company's balance sheet and cover our overheads
- Focused on rationalising the cost base across both South Africa and the UK

Outlook

- Expect either to have secured a strategic financing partner or have concluded the strategic review early in 2020

Peter Cox, CEO said:

"This year has seen us pursue multiple routes as we look to maximise the value of our mining assets, whether that be through the commencement of operations or through a sale. We remain engaged in discussions with several parties and all options remain open at this stage.

We remain confident in a successful outcome from the strategic review and look forward to providing updates in due course. We thank all our shareholders for their continued support in Ironveld."

For further information, please contact:

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Gordon Poole / Kimberley Taylor / Thayson Pinedo	

Notes to Editors:

Ironveld (IRON.LN) is the owner of Mining Rights over approximately 28 kilometers of outcropping Bushveld magnetite with a SAMREC compliant ore resource of some 56 million tons of ore grading 1,12% V_2O_5 68,6% Fe_2O_3 and 14,7% TiO_2,

The Definitive Feasibility Study published in April 2014 confirms the project's viability to deliver a Vanadium slag product for which the company has an offtake agreement as well a High Purity Iron product which commands a premium in the market place and Titanium slag containing commercial grades of titanium ,.
Ironveld's Board includes; Giles Clarke as Chairman, Peter Cox as CEO, Vred von Ketelhodt as CFO and Nick Harrison as a Non-Executive Director.

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

CHAIRMAN'S STATEMENT - STRATEGIC REPORT

During the Period, we undertook various activities focused on realising the value of the Company's assets and maximising returns for Ironveld's shareholders. We anticipate significant progress to be made in the coming 3 months.

In July, we announced that finnCap had been engaged to lead a review of the strategic alternatives for Ironveld's mining assets (the "Strategic Review"). These assets include unfettered rights to 56.4 million tonnes of magnetite ore, which the JORC compliant mineral resources demonstrates holds 1.4 billion pounds weight of Vanadium – equivalent to four times annual global Vanadium demand; 27 million tons of High Purity Iron in situ; and 8.3 million tonnes of titanium. The current resource does not include the mineralisation on the Luge Farm prospecting right; this is near the current JORC resource but is yet to be defined, although is believed to have the same geology.

Post-Period end, the Company announced that as part of the Strategic Review, it has been positively engaging with several parties potentially interested in making an offer to purchase all or part of Ironveld's mining assets. Confidentiality agreements were entered into with various parties, who have held discussions with management and have conducted site visits. The Company has gathered expressions of interest from certain of these parties and expects to make further progress toward firm proposals in the New Year although it is unlikely that the Company will have been able to sell the assets by the end of January.

Alongside the Strategic Review, the Company is in discussions with various partners that could lead initially to a further injection of working capital into the business and in the medium term to the funding of the development of the Project and the commencement of smelting operations.

During the Period, we completed a bulk sampling and testing programme with a potential off-take partner, a specialist subsidiary of an international steel group. However, the Board concluded that it would not be possible to agree commercially viable terms with this off-take partner.

The Company continues to have in place an offtake agreement for the Project's envisaged vanadium slag product that was originally entered into in 2016, and also remains in discussions with offtake partners for the other products.

We would like to thank our shareholders for their ongoing support, as we successfully completed a placing raising £1.1 million before expenses through a placing of 62,857,143 new ordinary shares at a price of 1.75 pence each. The net proceeds of the placing have been used to strengthen the Company's financial position and cover its overheads.

We remain committed to operating responsibly, working closely with stakeholders and local communities at grass root level to improve the standards of living. We continue to support our Keep a Girl in School Programme initiative working alongside our local partners, The Imbumba Foundation and the Nelson Mandela Foundation, to provide hygiene support to approximately 600 female students at school in the local area.

Financial

The Group recorded a loss before tax of £0.6m (2018: £0.5m) and had cash balances of £0.6m (2018: £0.5m) at the end of the period. The Company does not plan to pay a dividend for the year ended 30 June 2019.

Going concern

Following the share placing in February 2019 and the rationalisation of the Company's cost base in both South Africa and the UK both prior to the announcement of 30 September 2019 and since, the Group's present financial resources and existing facilities are considered sufficient to enable it to operate until March 2020, by which time, the board of directors anticipates to have either secured further financing or successfully concluded the Strategic Review.

Outlook

Ironveld's Board is committed to delivering value to our shareholders. The Company continues to hold discussions with a number of parties interested in potentially making an offer to purchase all or part of the Company's assets and expects either to have secured a strategic financing partner or have concluded its Strategic Review early in the New Year.

We would like to thank all of our shareholders for their continuing support for both the Company and the Project and we look forward to providing further updates in the near future

Giles Clarke
Chairman
4 December 2019

IRONVELD PLC
CONSOLIDATED INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2019

	Note	Year ended 2019 £'000	Year ended 2018 £'000
Administrative expenses		(629)	(570)
Operating loss	**4**	(629)	(570)
Investment revenues	**6**	6	41
Finance costs	**7**	(2)	(7)
Loss before tax		(625)	(536)
Tax	**8**	-	-
Loss for the year		(625)	(536)
Attributable to:			
Owners of the Company		(624)	(535)
Non-controlling interests		(1)	(1)
		(625)	(536)
Loss per share - Basic and diluted	**9**	(0.10p)	(0.10p)

There is no difference between the results as disclosed above and the results on a historical cost basis. The income statement has been prepared on the basis that all operations are continuing operations.

IRONVELD PLC
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
YEAR ENDED 30 JUNE 2019

	Year ended 2019 £'000	**Year ended 2018** £'000
Loss for the period	(625)	(536)
Exchange differences on the translation of foreign operations	211	(1,505)
Total comprehensive income for the year	(414)	(2,041)
Attributable to:		
Owners of the Company	(448)	(1,805)
Non-controlling interests	34	(236)
	(414)	(2,041)

IRONVELD PLC
CONSOLIDATED BALANCE SHEET
AS AT 30 JUNE 2019

	Note	2019 £'000	2018 £'000
Non-current assets			
Intangible assets	11	27,423	26,218
Property, plant and equipment	12	5	4
Investments - other	13	390	386
		27,818	26,608
Current assets			
Trade and other receivables	14	156	177
Cash and cash equivalents		566	517
		722	694
Total assets		28,540	27,302
Current liabilities			
Trade and other payables	15	(610)	(413)
		(610)	(413)
Net-current liabilities			
Deferred tax liabilities	16	(5,243)	(5,194)
Total liabilities		(5,853)	(5,607)
Net assets		22,687	21,695
Equity			
Share capital	18	9,774	8,903
Share premium	19	19,691	19,161
Retained earnings	19	(10,499)	(10,056)
Equity attributable to owners of the Company		18,966	18,008
Non-controlling interests	22	3,721	3,687
Total equity		22,687	21,695

These financial statements were approved by the Board and authorised for issue on, 4 December 2019
Signed on behalf of the Board

P Cox
Director

Company Registration No: 04095614

IRONVELD PLC
PARENT COMPANY BALANCE SHEET
AS AT 30 JUNE 2019

	Note	2019 £'000	2018 £'000
Non-current assets			
Investments	13	24,074	23,091
Current assets			
Trade and other receivables	14	25	36
Cash and cash equivalents		523	464
		548	500
Total assets		24,622	23,591
Current liabilities			
Trade and other payables	15	(70)	(63)
Total liabilities		(70)	(63)
Net assets		24,552	23,528
Equity			
Share capital	18	9,774	8,903
Share premium	19	19,691	19,161
Retained earnings	19	(4,913)	(4,536)
Total equity (Attributable to owners of the Company)		24,552	23,528

The loss for the financial year dealt with in the financial statements of the parent Company was £382,000 (2018 – loss £460,000).

These financial statements were approved by the Board and authorised for issue on 4 December 2019.

Signed on behalf of the Board

P Cox
Director

Company Registration No: 04095614

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IRONVELD PLC
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2019

Equity attributable to the owners of the Company:

	Share Capital £'000	**Share Premium £'000**	**Retained Earnings £'000**	**Total Total £'000**
At 1 July 2017	7,671	18,211	(8,282)	17,600
Exchange differences on Translation of foreign operations	-	-	(1,270)	(1,270)
Issue of share capital	1,232	950	-	2,182
Credit for equity-settled share based payments	-	-	31	31
Loss for the year	-	-	(535)	(535)
At 30 June 2018	8,903	19,161	(10,056)	18,008
Exchange differences on Translation of foreign operations	-	-	176	176
Issue of share capital	871	530	-	1,401
Credit for equity settled share based payments	-	-	5	5
Loss for the year	-	-	(624)	(624)
At 30 June 2019	9,774	19,691	(10,499)	18,966

IRONVELD PLC
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (continued)
FOR THE YEAR ENDED 30 JUNE 2019

Total equity:	**Owners of the Company £'000**	**Non-controlling interest £'000**	**Total equity £'000**
At 1 July 2017	17,600	3,923	21,523
Exchange differences on Translation of foreign operations	(1,207)	(235)	(1,505)
Issue of share capital	2,182	-	2,182
Credit for equity settled share based payments	31	-	31
Loss for the year	(535)	(1)	(536)
At 30 June 2018	18,008	3,687	21,695
Exchange differences on Translation of foreign operations	176	35	211
Issue of share capital	1,401	-	1,401
Credit for equity settled share based payments	5	-	5
Loss for the year	(624)	(1)	(625)
At 30 June 2019	18,966	3,721	22,687

IRONVELD PLC
COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2019

Equity attributable to the equity holders of the Company:

	Share Capital £'000	Share Premium £'000	Retained Earnings £'000	Total Equity £'000
At 1 July 2017	7,671	18,211	(4,107)	21,775
Credit for equity settled share based payments	-	-	31	31
Issue of share capital	1,232	950	-	2,182
Loss for the year	-	-	(460)	(460)
At 30 June 2018	8,903	19,161	(4,536)	23,528
Credit for equity settled share based payments	-	-	5	5
Issue of share capital	871	530	-	1,401
Loss for the year	-	-	(382)	(382)
At 30 June 2019	9,774	19,691	(4,913)	24,552

IRONVELD PLC
CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019 £'000	2018 £'000
Net cash from operating activities	**20**	(420)	(362)
Investing activities			
Purchases of property, plant and equipment		(4)	(1)
Purchase of investments		-	(386)
Purchase of exploration and evaluation assets		(1,202)	(1,263)
Contributions to exploration and evaluation assets		268	-
Interest received		6	41
Net cash used in investing activities		(932)	(1,609)
Financing activities			
Proceeds on issue of shares (net of costs)		1,401	2,632
Repayment of borrowings		-	(889)
Net cash generated by financing activities		1,401	1,743
Net (decrease)/increase in cash and cash equivalents		49	(228)
Cash and cash equivalents at the beginning o of the year	**20**	517	788
Effect of foreign exchange rates		-	(43)
Cash and cash equivalents at end of year	**20**	566	517

IRONVELD PLC
COMPANY CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2019

	Noted	2019 £'000	2018 £'000
Net cash from operating activities	**20**	(381)	(586)
Investing activities			
Payments to acquire investments		(961)	(1,842)
Net cash used in investing activities		(961)	(1,842)
Financing activities			
Proceeds on issue of shares (net of costs)		1,401	2,632
Net cash generated by financing activities		1,401	2,632
Net increase in cash and cash equivalents		59	204
Cash and cash equivalents at the beginning of the year	**20**	464	260
Cash and cash equivalents at end of year	**20**	523	464

1. General information

Ironveld Plc is a public company incorporated in the United Kingdom under the Companies Act 2006 whose shares are listed on the Alternative Investment Market of the London Stock Exchange. The address of the registered office is given on page 2. The nature of the Group's operations and its principal activities are set out in note 3 and in the Strategic Report on pages 3 to 4.

Adoption of new and revised Standards

In the current year, the Group has applied a number of new or amended standard for the first time which are mandatory for accounting periods commencing on or after 1 January 2018. None of the standards adopted had a material impact on the financial statements. The significant new and amended standards adopted were as follows:-

IFRS 15 – Revenue from Contracts with Customers
IFRS 9 – Financial instruments

At the date of authorisation of these financial statements, the following accounting standards, amendments to existing standards and interpretations are not yet effective and have not been adopted early by the Group.

IFRS 16 - Leases
IFRS 17 - Insurance contracts
Amendments to references to the conceptual Framework in IFRS Standards
Annual Improvements to IFRSs 2015-2017 Cycle.

The adoption of these standards, amendments and interpretations is not expected to have a material impact on the Group and Company's results or equity.

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2.1 Significant accounting policies

The financial statements are based on the following policies which have been consistently applied:

Basis of preparation

The financial statements of the Group and Parent Company have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and the Companies Act 2006.

Under section 408 of the Companies Act 2006 the Parent Company is exempt from the requirement to present its own profit and loss account.

The financial statements have been prepared on the historical cost basis. The financial statements are presented in pounds sterling because that is considered to be the currency of the primary economic environment.

The principal accounting policies are set out below:

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and all entities controlled by the Company (its subsidiaries) made up to the year end. Control is achieved where the Company has power to govern the financial and operating policies of an investee entity so as to obtain benefits from its activities.

Subsidiaries are consolidated from the date of their acquisition, being the date on which the Company obtains control and ceases when the Company loses control of the subsidiary. Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of the subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

2.1 Significant accounting policies (continued)

Basis of consolidation (continued)

Non-controlling interests in subsidiaries are identified separately from the Group's equity therein. Those interests of non-controlling shareholders are initially measured at their proportionate share of the fair value of the acquiree’s identifiable net assets. Subsequent to acquisition, the carrying value of the non-controlling interests is the amount of initial recognition plus the non-controlling interests' share of the subsequent changes in equity.

Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

Business combinations

Acquisitions of subsidiaries are accounted for using acquisition accounting. The consideration for each acquisition is measured at the fair value of assets given, liabilities incurred or assumed and equity instruments issued by the Group in exchange for control in the acquiree. Acquisition-related costs are recognised in the income statement as incurred.

Exploration and evaluation

Costs incurred prior to acquiring the rights to explore are charged directly to the income statement.

Licence acquisition costs and all other costs incurred after the rights to explore an area have been obtained, such as the direct costs of exploration and appraisal (including geological, drilling, trenching, sampling, technical feasibility and commercial viability activities) are accumulated and capitalised as intangible exploration and evaluation (“E&E”) assets, pending determination. Amounts charged to project partners in respect of costs previously capitalised are deducted as contributions received in determining the accumulated cost of E&E assets.

E&E assets are not amortised prior to the conclusion of the appraisal activities. At completion of appraisal activities, if financial and technical feasibility is demonstrated and commercial reserves are discovered then, following development sanctions, the carrying value of the relevant E&E asset will be reclassified as a development and production asset in intangible assets after the carrying value has been assessed for impairment and, where appropriate adjusted. If after completion of the appraisal of the area it is not possible to determine technical and commercial feasibility or if the legal rights have expired or if the Group decide to not continue activities in the area, then the cost of unsuccessful exploration and evaluation are written off to the income statement in the relevant period.

The Group's definition of commercial reserves for such purposes is proved and probable reserves on an entitlement basis. Proved and probable reserves are the estimated quantities of minerals which geological, geophysical and engineering data demonstrate with a specified degree of certainty to be recoverable in future years from the known reserves and which are considered to be commercially producible.

Such reserves are considered commercially producible if management has the intention of developing and producing them and such intention is based upon:

- a reasonable expectation that there is a market for substantially all of the expected production;
- a reasonable assessment of the future economics of such production;
- evidence that the necessary production, transmission and transportation facilities are available or can be made available; and
- agreement of appropriate funding; and
- the making of the final investment decision.

2.1 Significant accounting policies (continued)

Exploration and evaluation (continued)

On an annual basis a review for impairment indicators is performed. If an indicator of impairment exists an impairment review is performed. The recoverable amount is then considered to be the higher of the fair value less costs of sale or its value in use. Any identified impairment is written off to the income statement in the period identified.

Development and production assets

Development and production assets, classified within property, plant and equipment, are accumulated generally on a field basis and represents the cost of developing the commercial reserves discovered and bringing them into production, together with the E&E expenditure incurred in finding the commercial reserves transferred from intangible assets.

Depreciation of producing assets

The net book values of producing assets are depreciated generally on the field basis using the unit or production method by reference to the ratio of production in the period and the related commercial reserves of the field, taking into account the future development expenditure necessary to bring those reserves to production.

Research and development

Research expenditure is recognised as an expense in the period in which it is incurred.

An internally-generated asset arising from any development is recognised only if all of the following conditions are met:

- an asset is created that can be identified;
- it is probable that the asset created will generate future economic benefits; and
- the development cost of the asset can be measured reliably.

Non-current assets held for sale

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of carrying amount and the fair value less costs to sell.

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition. Management must be committed to the sale which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

When the Group is committed to a sale plan involving loss of control of a subsidiary, all of the asset and liabilities of that subsidiary are classified as held for sale when the criteria described above are met, regardless of whether the Group will retain a non-controlling interest in its former subsidiary after sale.

Revenue

Revenue is measured at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, net of discounts and value added tax. The Group reported no revenue for the year.

2.1 Significant accounting policies (continued)

Taxation

The tax expense represents the sum of the tax payable and deferred tax.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax base used in the calculation of the taxable profit and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised on all appropriate taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible timing differences can be utilised. The carrying amount of deferred tax assets is reviewed at each balance sheet date.

Deferred tax is calculated at the tax rates that are expected to be applicable in the period when the liability or asset is realised and is based on tax laws and rates substantially enacted at the balance sheet date. Deferred tax is charged in the income statement except where it relates to items charged/credited in other comprehensive income, in which case the tax is also dealt with in other comprehensive income.

Leases

Rentals payable under operating leases are charged to the income statement on a straight line basis over the lease term.

Property, plant and equipment

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less the estimated residual value of each asset over its expected useful life, as follows:

Plant and machinery	10% - 25% straight line basis or reducing balance basis

Foreign currencies

The individual financial statements of each group company are presented in the currency of the primary economic environment in which it operates (its functional currency). For the purposes of the consolidated financial statements, the results and financial position of each group company are expressed in pounds sterling, which is the functional currency of the Company, and the presentation currency for the consolidated financial statements.

In preparing the financial statements of the individual companies, transactions in currencies other than the entity's functional currency are recognised at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences are recognised in the income statement in the period in which they arise.

When presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated at the exchange rates prevailing at the balance sheet date. Income and expense items are translated at average exchange rates for the period, unless exchange rates have fluctuated significantly in which case the rates at the date of the transactions are used. Exchange differences arising are recognised in other comprehensive income and accumulated in equity (attributed to non-controlling interests where appropriate).

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated using the closing rate.

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2.1 Significant accounting policies (continued)

Financial instruments

Financial assets and financial liabilities are recognised in the Group's balance sheet when the Group becomes a party to the contractual provisions of the instrument.

Other receivables
Other receivables are measured at initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest rate method except for short-term receivables when recognition of interest would be immaterial. Appropriate allowances for the estimated irrecoverable amounts are recognised in the income statement when there is objective evidence that the asset is impaired.

Cash and cash equivalents
Cash and cash equivalents comprise cash on hand and demand deposits, and other short term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value

Financial liability and equity
Interest bearing bank loans and overdrafts are recorded at the proceeds received, net of direct issue costs. Finance charges, including premiums payable on settlement or redemption and direct issue costs, are accounted for on an accrual basis in the income statement using the effective interest rate method and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise.

The Group classifies financial instruments, or their component parts, on initial recognition as a financial asset, financial liability or an equity instrument in accordance with the substance of the contractual arrangement. Financial instruments are initially recognised at fair value and are subsequently amortised using the effective interest method. Fair value is estimated from available market data and reference to other instruments considered to be substantially the same.

Trade and other payables
Trade payables and other financial liabilities are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

The Group's activities expose it primarily to the financial risks of changes in interest rates on borrowings.

Investments

Investments in subsidiaries are stated at cost less any provision for the permanent diminution in value.

Share-based payments

The Group issues equity-settled share-based payments to certain employees and other parties. Equity settled share-based payments are measured at fair value at the date of grant. In respect of employee related share based payments, the fair value determined at the grant date is expensed on a straight-line basis over the vesting period, based on the Group's estimate of shares that will eventually vest. In respect of other share based payments, the fair value is determined at the date of grant and recognised when the associated goods or services are received.

Operating segments

The Group considers itself to have one operating segment in the year and further information is provided in note 3.

2.1 Significant accounting policies (continued)

Going concern

The Directors have, at the time of approving the financial statements, a reasonable expectation that the Company and the Group will have adequate resources to continue in operating existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements. Further details are provided in the note 2.2 and in the Strategic Report on pages 3 to 4. The financial statements therefore do not include the adjustments that would result if the Group and Company were unable to continue as a going concern.

2.2 Critical accounting estimates and judgements

The Group makes estimates and assumptions regarding the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Non-current assets held for sale

As announced by the Company in August 2019, the company entered into confidentiality agreements with several parties interested in potentially making an offer to purchase all or part of the Company's assets. At the date of these financial statements these discussions are ongoing. As a sale of the underlying assets or subsidiary companies did not meet the criteria of International Financial Reporting Standard 5 at the balance sheet date, then no re-classification as Assets held for resale is judged appropriate

Fair value of acquisition

On acquisition of a subsidiary, the Company is required to estimate the fair value of the assets and liabilities acquired and the consideration paid. The estimate in respect of exploration and evaluation assets is affected by many factors including the future viability of commercial reserves which have been based on the judgement of directors supported by third party technical reports.

Going concern

In July 2019, the Company announced that it had commenced a review of the strategic alternatives for the Company's mining assets (the "Strategic Review"). Subsequently, in September 2019, the company announced that it had engaged positively with several parties interested in potentially making an offer to purchase all or part of the Company's mining assets. The parties, with whom Ironveld entered into confidentiality agreements, have held discussions with management and conducted visits to the Company's site.

Whilst the Company expects to advance these discussions, alongside the Strategic Review the Company has been in discussions with various partners and investors that could lead to the funding of the development of the Project and the commencement of smelting operations and, additionally has moved to rationalise its cost base in both South Africa and the UK.

However, further to the announcement of 19 February 2019, the Groups present financial resources and facilities are only considered sufficient to enable it to operate at present levels until March 2020, by which time, the board of Directors anticipates to have either secured further financing or successfully concluded the Strategic Review.

Therefore, whilst the existing resources are not sufficient to develop the mining asset, the Directors have a reasonable expectation that the Group will be able to obtain adequate resources to continue in operational existence for the foreseeable future, being twelve months from the date of the approval of the financial statements. The Group is committed to developing its Strategic Review and is actively engaged with interested parties. For this reason, the Board continues to adopt the going concern basis in the preparation of these financial statements.

2.2 Critical accounting estimates and judgements (continued)

Exploration and evaluation assets

The Group has adopted a policy of capitalising the costs of exploration and evaluation and carrying the amount without impairment assessment until impairment indicators exist (as permitted by IFRS 6). The directors consider that the Group remains in the exploration and evaluation phase and therefore, under IFRS 6, the directors have to make judgements as to whether any indicators of impairment exist and the future activities of the Group. No such indicators of impairment were identified and therefore no impairment review has been carried out.

Deferred tax assets

The directors must judge whether the future profitability of the Group is likely in making the decision whether or not to recognise a deferred tax asset in respect of taxation losses. No deferred tax assets have been recognised in the year.

Useful lives of property, plant and equipment

Property, plant and equipment are amortised or depreciated over their useful lives. Useful lives are based on the management's estimates of the period that the assets will generate revenue, which are based on judgement and experience and periodically reviewed for continued appropriateness. Changes to estimates can result in significant variations in the carrying value and amounts charged to the consolidated income statement in specific periods.

3. Business and geographical segments

Information reported to the Group Directors for the purposes of resource allocation and assessment of segment performance is focused on the activity of each segment and its geographical location. The directors consider that there is only one business segment, which is the activity of prospecting, exploration and mining based in South Africa.

4. Operating loss

Operating loss for the year is shown after charging:	**Year ended 2019 £'000**	**Year ended 2018 £'000**
Depreciation on tangible assets	3	2
Lease payments under operating leases	53	43

Auditors remuneration

Fees payable to the auditors for the audit of the Company's accounts	37	35
Fees payable to the Company's auditors and its associates for other services:-		
The audit of the Company's subsidiaries	14	13
Tax compliance services	7	13
Other assurance services	12	33
Other non-audit services	3	-

5. Staff costs

	Year ended 2019 £'000	Year ended 2018 £'000
Wages and salaries	438	423
Social security costs	15	19
Share based payments	5	31
Directors other fees	382	399
	840	872

The average monthly number of employees, including Directors, during the period was as follows:	2019 Number	2018 Number
Administration and management	20	15
Directors remuneration and other fees	517	534
The aggregate remuneration paid to the highest paid Director was	251	261

Further details of the Directors' remuneration are given in the Directors' Remuneration Report on pages 9 and 10.

Company

	Year ended 2019 £'000	Year ended 2018 £'000
Wages and salaries - directors	135	135
Social security costs	12	18
	147	153

The average monthly number of employees, including Directors, during the period was as follows:	2019 Number	2018 Number
Directors	5	5

6. Investment revenues

	Year ended 2019 £'000	Year ended 2018 £'000
Interest on financial deposits	6	41

7. Finance costs

	Year ended 2019 £'000	Year ended 2018 £'000
Loan interest and similar charges	2	7

8. Tax

	Year ended 2019 £'000	Year ended 2018 £'000
a) Tax charge for the period		
Corporation tax:		
Current period	-	-
Deferred tax (note 16)	-	-
	-	-
b) Factors affecting the tax charge for the period		
Loss on ordinary activities for the period before taxation	(625)	(535)
Loss on ordinary activities for the period before taxation multiplied by effective rate of corporation tax in the UK of 19% (2018 – 19%)	(119)	(102)
Non- deductible expenses	-	-
Unused tax losses not recognised	119	102
Tax expense for the period	-	-

c) Factors that may affect future tax charges - The Group has estimated unutilised tax losses amounting to £4,235,000 (2018 - £3,850,000) the values of which are not recognised in the balance sheet. The losses represent a potential deferred taxation asset of £831,000 (2018 - £760,000) which would be recoverable should the Group make sufficient suitable taxable profits in the future.

In addition, the Group has pooled exploration costs incurred of £8,082,000 (2018 - £7.610,000) which are expected to be deductible against future trading profits of the Group.

9. (Loss)/earnings per share

	2019 £'000	2018 £'000
Loss attributable to the owners of the Company	(625)	(535)
Loss per share – Basic and diluted		
Continuing operations	(0.10p)	(0.10p)

The calculation of basic earnings per share is based on 602,7502,339 (2018 – 529,515,251) ordinary shares, being the weighted average number of ordinary shares in issue during the year. Where the Group reports a loss for the current period, then in accordance with IAS 33, the share options are not considered dilutive. Details of such instruments which could potentially dilute basic earnings per share in the future are included in note 18.

10. Loss attributable to owners of the parent Company

As permitted by Section 408 of the Companies Act 2006, the profit and loss account of the parent Company is not presented as part of these accounts. The parent Company's loss for the financial year amounted to £382,000 (2018 - £460,000).

11. Intangible assets

	Exploration and evaluation assets £'000
Group	
Cost:	
At 1 July 2017	26,750
Additions	1,320
Exchange differences	(1,852)
At 30 June 2018	26,218
Additions	1,225
Contributions received	(268)
Exchange differences	248
At 30 June 2019	27,423
Amortisation:	
At 1 July 2017, 30 June 2018 and 30 June 2019	-
Net book value at 30 June 2019	27,423
Net book value at 30 June 2018	26,218

11. Intangible assets (continued)

The Group's exploration and evaluation assets all relate to South Africa.

In respect of the exploration and evaluation assets which remain in the appraisal phase, the Group has performed a review for impairment indicators, as required by IFRS 6 and in the absence of such indicators no impairment review was carried out. During the period contributions of £268,000 (2018 - £Nil) were received from the project partner in respect of the mineral ore testing.

12. Property plant and equipment

	Plant and machinery £'000
Group	
Cost:	
At 1 July 2018	37
Additions	4
At 30 June 2019	41
Depreciation:	
At 1 July 2018	33
Charge for the period	3
At 30 June 2019	36
Net book value at 30 June 2019	5
Net book value at 30 June 2018	4

	Plant and machinery £'000
Cost:	
At 1 July 2018	39
Additions	1
Exchange	(3)
At 30 June 2019	37
Depreciation:	
At 1 July 2018	34
Charge for the period	2
Exchange differences	(3)
At 30 June 2019	33
Net book value at 30 June 2019	4
Net book value at 30 June 2018	5

All non-current assets in 2019 and 2018 were located in South Africa.

13. Investments

Group – Other investment

	2019	2018
	£'000	£'000
Loans to other entities	390	386

The investment represents the Rand 7million refundable deposit to Siyanda Smelting and Refining Proprietary Limited which the Group has paid in exchange for a period of exclusivity to conclude a potential acquisition of the company. The deposit is interest free and becomes refundable should the acquisition not proceed.

Company – Subsidiary undertakings

	Loans	Equity	Total
	£'000	£'000	£'000
Cost:			
As at 1 July 2017	861	20,352	21,213
Transfers	54	(54)	-
Additions	1,847	31	1,878
At 30 June 2018	2,762	20,329	23,091
Additions	978	5	983
At 30 June 2019	3,740	20,334	24,074
Net book value 30 June 2019	3,740	20,334	24,074
Net book value 30 June 2018	2,762	20,329	23,091

The loans represent loans to Ironveld Holdings (Propriety) Limited of £3,645,000 which incur interest at a rate not exceeding the base lending rate applicable in England and Wales. Under the initial terms of the loan, £2,500,000 is repayable 31 December 2019 with the remainder due 31 December 2020. Also included in loans are working capital loans to Ironveld Mauritius Limited of £95,000 which are interest free.

The Company has investments in the following principal subsidiaries. To avoid a statement of excessive length, details of the investments which are not significant have been omitted:

Name of company	Shares	Proportion of voting rights held	Nature of business
Ironveld Mauritius Limited	Ordinary	*100%	Holding Company
Ironveld Holdings (Pty) Limited	Ordinary	100%	Holdings Company
Ironveld Mining (Pty) Limited	Ordinary	100%	Mining and exploration
Ironveld Middelburg (Pty) Limited	Ordinary	100%	Ore processing and smelting
Ironveld Smelting (Pty) Limited	Ordinary	74%	Ore processing and smelting
HW Iron (Pty) Limited	Ordinary	68%	Prospecting and mining
Lapon Mining (Pty) Limited	Ordinary	74%	Prospecting and mining
Luge Prospecting and Mining (Pty) Limited	Ordinary	74%	Prospecting and mining

* Held directly by Ironveld Plc all other holdings are indirect.

13. Investments (continued)

All subsidiary undertakings are incorporated in South Africa, other than Ironveld Mauritius Limited, which is incorporated in Mauritius.

Further details of non-wholly owned subsidiaries of the Group are provided in note 22.

14. Trade and other receivables

	Group		*Company*	
	2019	**2018**	**2019**	**2018**
	£'000	**£'000**	**£'000**	**£'000**
Other receivables	138	158	11	21
Prepayments and accrued income	18	19	14	15
	156	177	25	36

Credit risk

The Group's principal financial assets are bank balances, cash balances, and other receivables. The Group's credit risk is primarily attributable to its other receivables of which £109,000 (2018 - £104,000) is due from a third party financial institution and further information is provided in note 17. The remaining receivable relates to recoverable VAT. The amounts presented in the balance sheet are net of allowances for doubtful receivables.

15. Trade and other payables

	Group		*Company*	
	2019	**2018**	**2019**	**2018**
	£'000	**£'000**	**£'000**	**£'000**
Trade payables	8	39	8	6
Taxation and social security costs	18	15	14	14
Other payables	10	5	5	5
Accruals and deferred income	574	354	43	38
	610	413	70	63
Due within 12 months	(610)	(413)	(70)	(63)
Due after more than 12 months	-	-	-	-

16. Deferred tax

	Group	
	2019	**2018**
	£'000	**£'000**
Balance at 1 July	5,194	5,580
Exchange differences	49	(386)
Balance at 30 June	5,243	5,194

The deferred tax liability is made up as follows:

	Group	
	2019	**2018**
	£'000	**£'000**
Fair value adjustments		
	5,243	5,194

17. Financial instruments

The Group's policies as regards derivatives and financial instruments are set out in the accounting policies in note 2. The Group does not trade in financial instruments.

Capital risk management

The Group manages its capital to ensure that they will be able to continue as a going concern whilst maximising the return to stakeholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from 2018.

The capital structure of the Group consists of debt, which includes the borrowings disclosed in note 16, cash and cash equivalents and equity attributable to equity holders of the parent Company.

The Group is not subject to any externally imposed capital requirements.

Interest rate risk profile

The Group has no significant exposure to interest rate risk as the group has no external interest bearing borrowings and no significant interest income. The Group's exposures to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management section of this note.

Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Group has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of the transactions concluded is spread where possible.

17. Financial instruments (continued)

Liquidity Risk Management

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has established an appropriate liquidity risk management framework for the management of the Group's short, medium and long term funding and liquidity management requirements. The Group manages liquidity risk by assessing required reserves and banking facilities by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. Details of additional undrawn bank facilities that the Group has at its disposal to manage liquidity are set out below.

Financial facilities

The Group did not have any secured bank loan or overdraft facilities during the current or comparative period.

Financial assets

The Group has no financial assets, other than short-term receivables and cash deposits of £566,000 (2018 - £517,000). The cash deposits attract variable rates of interest. At the year end the effective rate was 0.7% (2018 – 0.5%). The cash deposits held were as follows:-

	2019	2018
	£’000	£’000
Sterling – United Kingdom banks	518	429
USD – United Kingdom banks	2	7
South African Rand – United Kingdom banks	5	29
South African Rand – South African banks	41	52
	566	517

Financial liabilities

The Group had no interest bearing financial liabilities.

Currency exposures

The Group undertakes transactions denominated in foreign currencies and is consequently exposed to fluctuations in exchange rates.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities were as follows:-

As at 30 June 2019	**Assets**	**Liabilities**
	£’000	**£’000**
British Pound Sterling (£)	528	70
USD ($)	2	13
South African Rand (R)	564	41
	1,094	610

As at 30 June 2018	**Assets**	**Liabilities**
	£’000	**£’000**
British Pound Sterling (£)	449	63
USD ($)	7	7
South African Rand (R)	605	343
	1,061	413

17. Financial instruments (continued)

Financial commitments and guarantee

Rehabilitation guarantees of £1,340,000 (R 24,278,412) have been issued to the Department of Mineral Resources for three subsidiaries, HW Iron Proprietary Limited, Lapon Mining Proprietary Limited and Luge Prospecting and Mining Company Proprietary Limited in order to comply with Section 41 of the Mineral and Petroleum Resources Development Act, 2002 (Act 28 of 2002). Under this agreement the Group will pay deposits to a third party financial institution to be held pending discharge of any potential claim on this guarantee. At 30 June 2019 £109,000 (R 1,962,000) (2018 - £104,000 (R 1,879,000)) had been deposited in respect of this agreement and is included in other receivables. This represents a concentration of credit risk and the Group is exposed to currency risk on these amounts. As the project has not yet commenced then no liability is considered to have arisen under this guarantee at the reporting date.

18. Share capital

Group and Company

	2019	**2018**
	£'000	**£'000**
Allotted, called up and fully paid		
654,990,841 (2018 – 567,891,279) ordinary shares of 1p each	6,550	5,679
322,447,158 (2018 - 322,447,158) deferred shares of 1p each	3,224	3,224
	9,774	8,903

On 3 December 2018, the Company issued 24,242,420 ordinary shares of 1.65p each raising £400,000 before expenses.

On 28 February 2019, the Company issued 62,857,143 ordinary shares of 1.75p each raising £1,100,000 before expenses.

Unlike ordinary shares, the deferred shares have no voting rights, no dividend rights and on a return of capital or winding up are entitled to a return of amounts credited as paid. The deferred shares are not transferrable and beneficial interests in the deferred shares can be transferred to such persons as the Directors may determine as custodian for no consideration without sanction of the holder. For this reason the deferred shares are excluded from any Earnings per share calculations.

18. Share capital (continued)

Share options

The Company has a share option scheme for certain employees and former employees of the Group. The share options in issue during the period were as follows:

Date Granted	Exercise Price	As at 1 July 2018	Granted in year	Exercised in year	Lapsed / Cancelled	As at 30 June 2019
		£'000	£'000	No	No	No
21 May 2010	10p	1,600,000	-	-	-	1,600,000
16 August 2012	1p	5,949,558	-	-	-	5,949,558
14 November 2012	1p	6,663,505	-	-	-	6,663,505
16 April 2013	1p	1,033,334	-	-	-	1,033,334
7 November 2013	1p	2,086,667	-	-	-	2,086,667
1 May 2014	1p	200,000	-	-	-	200,000
1 October 2015	1p	2,500,000	-	-	-	2,500,000
27 January 2016	1p	445,545	-	-	-	445,545

The exercise period of the options is as follows:

Date granted	Expiry date	Exercise period
21 May 2010	21 May 2020	To May 2020
16 August 2012	16 August 2022	The options are exercisable 1/3 on the first anniversary of the grant, 1/3 on the second anniversary of the grant and the final 1/3 on third anniversary of the grant
14 November 2012	14 November 2022	
16 April 2013	16 April 2023	
7 November 2013	7 November 2023	
1 May 2014	1 May 2024	
1 October 2015	1 October 2025	
27 January 2016	27 January 2026	

Of the options granted on 1 October 2015, 1,000,000 are exercisable following first commercial production from the proposed 15 MW smelter.

The Group recognised a share based payment expense of £5,000 (2018 - £31,000) in the period. No options were granted in the year

19. Reserves

Group	Share premium account £'000	Retained earnings £'000
At 1 July 2018	19,161	(10,056)
Loss for the year	-	(624)
Exchange difference on translation of foreign operations	-	176
Issue of share capital	530	-
Credit for equity settled share based payments	-	5
At 30 June 2019	19,691	(10,499)

Retained earnings is made up of cumulative profits and losses to date, share based payments, adjustments arising from changes in non-controlling interests and exchange differences on translation of foreign operations.

Company	Share premium account £'000	Retained earnings £'000
At 1 July 2018	19,161	(4,536)
Loss for the period	-	(382)
Issue of share capital	530	-
Credit for equity settled share based payments	-	5
At 30 June 2019	19,691	(4,913)

The balance classified as share premium is the premium on the issue of the Group's equity share capital, comprising 1p ordinary shares and 1p deferred shares less any costs of issuing the shares.

20. Cash generated from operations

Group	2019	2018
	£'000	£'000
Operating loss	(629)	(570)
Depreciation on property plant and equipment	3	2
Operating cash flows before movements in working capital	(626)	(568)
Movement in receivables	22	138
Movement in payables	185	75
Cash used in operations	(419)	(355)
Interest paid	(1)	(7)
Net cash used in operations	(420)	(362)

Cash and cash equivalents	2019	2018
	£'000	£'000
Cash and bank balances	566	517

Company	2019	2018
	£'000	£'000
Operating loss	(404)	(467)
Operating cash flows before movements in working capital	(404)	(467)
Movement in receivables	13	21
Movement in payables	10	(140)
Net cash used in operations	(381)	(586)

Cash and cash equivalents	2019	2018
	£'000	£'000
Cash and bank balances	523	464

21. Related party transactions

Group

During the year the Group incurred £251,000 (2018 - £261,000) for consultancy services to Goldline Global Consulting (Pty) Limited, a company in which P Cox is materially interested. At 30 June 2019, £365,000 remained unpaid in accruals.

During the year the Group incurred £131,000 (2018 - £138,000) for consultancy services to Novem Consulting, a private company in which V Von Ketelhodt is materially interested. At 30 June 2019, £145,000 remained unpaid in accruals.

Group and Company

The key management personnel of the Group are the directors. Directors' remuneration is disclosed in Note 5.

During the year the Company paid £48,000 (2018 - £48,000) for accounting services to Westleigh Investments Limited, a company in which G Clarke and N Harrison are materially interested.

During the year the Company paid £20,000 (2018 - £20,000) for consultancy services to Merlin Partnership LLP, a company in which G Clarke is materially interested.

22. Non-controlling interest

	2019	2018
	£'000	£'000
At 1 July	3,687	3,923
Exchange adjustments	35	(235)
Share of loss for the period	(1)	(1)
At 30 June	3,721	3,687

The table below shows details of non-wholly owned subsidiaries of the Group that have material non-controlling interests:

	Proportion of voting rights and shares held 2019 – (2018)	Profit/(loss) allocated to non-controlling interests		Accumulated non-controlling interests	
		2019	2018	2019	2018
		£'000	£'000	£'000	£'000
HW Iron (Pty) Limited	32% (32%)	-	-	1,184	1,173
Lapon Mining (Pty) Limited	26% (26%)	-	-	2,540	2,517
Other non-controlling interests		(1)	(1)	(3)	(3)
		(1)	(1)	3,721	3,687

22. Non-controlling interest (continued)

Summarised financial information in respect of each of the Group's subsidiaries that have material non-controlling interests is set out below. The summarised financial information below represents amounts before intragroup eliminations. The accounts of the subsidiaries have been translated from their presentational currency of South African Rand (R) using the R : GBP exchange rate prevailing at 30 June 2019 of 17.9497 (2018 – 18.1197).

HW Iron (Proprietary) Limited

	2019	**2018**
	£'000	**£'000**
Non-current assets	7,261	7,007
Current liabilities	(2,122)	(1,916)
Non-current liabilities	(1,441)	(1,427)
	3,698	3,664
Equity attributable to owners of the Company	2,514	2,491
Non-controlling interest	1,184	1,173
Revenue	-	-
Expenses	-	(1)
Loss for the year	-	(1)
Attributable to the owners of the Company	-	(1)
Attributable to non-controlling interests	-	-
Net cash inflow from operating activities	-	230
Net cash outflow from investing activities	(188)	(265)
Net cash inflow from financing activities	188	35
Net cash inflow	-	-
Net cash flow – Attributable to non-controlling interests	-	-

22. Non-controlling interest (continued)

Lapon Mining (Proprietary) Limited

	2019	2018
	£'000	**£'000**
Non-current assets	15,300	14,976
Current liabilities	(1,728)	(1,530)
Non-current liabilities	(3,802)	(3,766)
	9,770	9,680
Equity attributable to owners of the Company	7,230	7,163
Non-controlling interest	2,540	2,517
Revenue	-	-
Expenses	(1)	(1)
Loss for the year	(1)	(1)
Attributable to the owners of the Company	(1)	(1)
Attributable to non-controlling interests	-	-
Net cash inflow from operating activities	(1)	(1)
Net cash outflow from investing activities	(183)	(241)
Net cash inflow from financing activities	184	242
Net cash inflow	-	-
Net cash flow – Attributable to the non-controlling interests	-	-

23. Financial commitments

At the year end the Group had financial commitments under operating leases of £Nil.

24. Control

The Directors consider that there is no overall controlling party.