

4 April 2018

VANADIUM RESOURCE UPGRADE PROGRAM UPDATE

- Stage 1 pXRF program test work 70% complete
- Technical work targeting a resource over 8.3km strike on target for completion in Q2 2018
- Updated geological modelling of vanadium ore zone nearing completion

Protean Energy Ltd (**Protean** or the **Company**) is pleased to provide an update regarding its activities to delineate a potential world-class vanadium deposit at the Daejon Project, Korea.

Protean is currently undertaking non-destructive testing of mineralised sections of 36,000m of historical core stored at the Korean Institute of Geoscience and Minerals (**KIGAM**). To date the company has completed 9,377 pXRF readings of the total 28,000 planned.

The KIGAM core analysis work program consists of data collection from the historical core comprising two stages:

Stage 1 – Testing of 42 high priority holes totalling 2,344m of mineralised core. Currently 1,620m of mineralised core has been analysed with 70% of the program complete. Completion of Stage 1 will enable the company to commence an interim resource estimation of vanadium and uranium mineralisation over a segment of the Chubu prospect. This component of the program is expected to be completed in mid Q2 2018 with an interim resource estimate expected within 6 weeks of completion of the test work.

Stage 2 – Testing of 35 holes totalling 2,315m of mineralised core, analysis of these intercepts will commence in mid-April 2018. The completion of Stage 2 will enable the company to calculate an updated JORC-Code Compliant (2012) vanadium and uranium resource over the entire 8,300m of estimated mineralisation strike length.

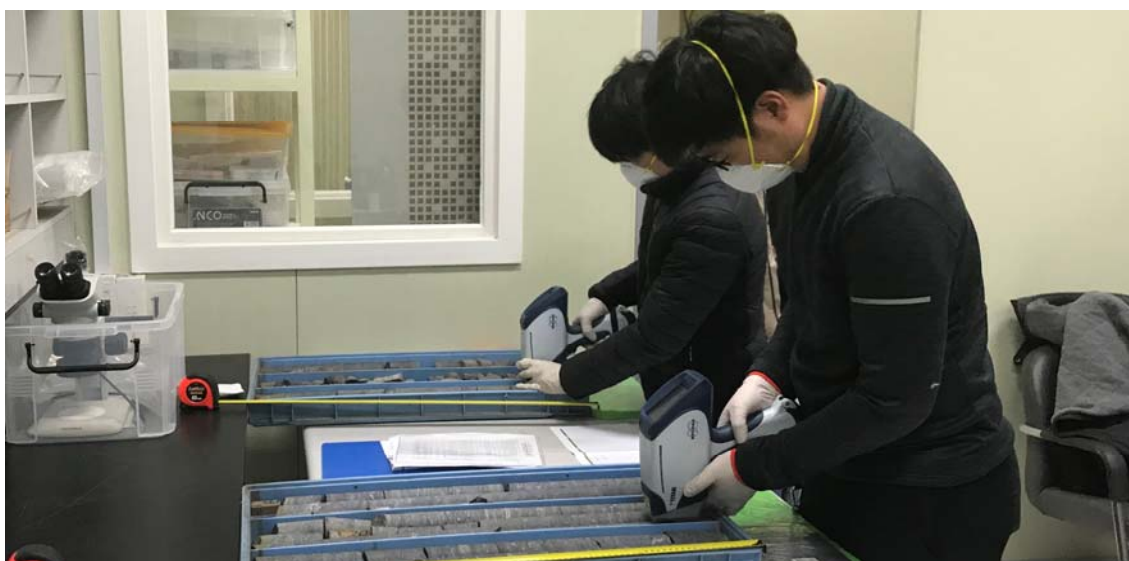


Figure 1: Non-destructive assaying of historical mineralised core from the Daejon project, Korea

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For further information, see www.proteanenergy.com or contact: Protean Energy Ltd T: + 61 8 9481 2276

DAEJON PROJECT BACKGROUND AND OBJECTIVES

The Company's focus during 2010 – 2013 was to develop the Daejon Project primarily as a source of Uranium for Korea's large and growing nuclear power sector. In 2012 and 2013 the Company undertook a significant body of work to understand the metallurgy and processing options for the deposit, and it became apparent that the economic success of the project would be greatly enhanced by maximising the amount of vanadium recovered from mined ore. This conclusion is further reinforced by current depressed uranium prices and strong vanadium prices.

The Company aims to rapidly improve its understanding of the project's potential as a source of vanadium with a uranium co-product. Protean's Project objectives in the next 6 months are to:

1. Generate a material upgrade to the current vanadium resource and update all resources to JORC Code 2012 standards.
2. Review processing options for maximising recovery of vanadium.

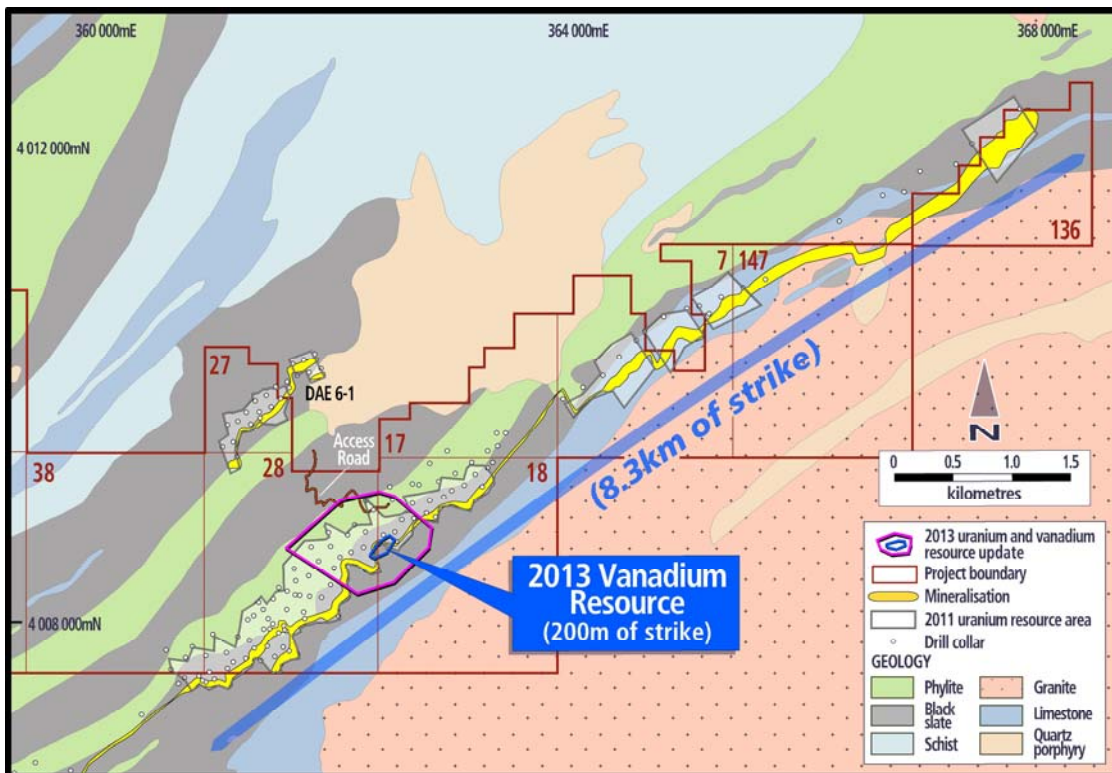


Figure 2. Daejon Project Area – Vanadium Resource Potential

The Project area includes an approximate strike length of 8,300m (8.3km) of variably mineralised shale/slate beds hosting the known vanadium and uranium mineralisation. In the 1970s and early 1980s the Korean government focused their exploration efforts on uranium mineralisation and completed a total of 36,000m of diamond drilling. This drill core was not systematically assayed for vanadium.

In 2013 the Company completed a 5-hole diamond drilling program, targeting a small area of the known 8.3km mineralised strike length in order to improve the confidence levels of the 2011 uranium resource and to support delineation of a maiden JORC 2004 vanadium resource. The drill program achieved both of its aims and importantly resulted in a maiden vanadium resource estimate covering just 200m or 2.4% of the 8.3km known mineralised host rock strike length (see Figure 2 above).

The Company has commenced a non-destructive assay testing programme to delineate an updated vanadium and uranium resource over the entire project strike area. Completion of the testing programme and delivery of an increased vanadium resource is anticipated during Q2 of 2018.

ABOUT STONEHENGE KOREA LIMITED

Protean Energy Limited (ASX Code: POW) is developing a multi-mineral project in South Korea through its 50% holding in Stonehenge Korea Limited (SHK). SHK is a JV company with two KOSDAQ listed industry partners being DST Co Ltd (DST) [formerly KORID] and BHI Co Ltd (BHI). SHK owns 100% of the rights to three projects in South Korea, including the Company's flagship Daejon Project. The Daejon Project contains a vanadium resource of 17.3Mlbs (largely indicated) grading **3,186ppm V₂O₅** at a cut-off of **2,000ppm V₂O₅**. The vanadium resource is coincident with a larger uranium resource advised to ASX on 29/08/2013 and 31/10/2013 (*This information was prepared and disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since announcement on 29/08/2013*).

V ₂ O ₅ Mineral Resource Estimate @ 2,000 ppm V ₂ O ₅ cut-off ²			
Classification	Tonnage	Grade	Metal
	Mt	ppm	Mlbs
Indicated	2.3	3,208	16.5
Inferred	0.1	2,788	0.8
Total	2.5	3,186	17.3

Vanadium Exploration Target ¹		
Tonnes (Mt)	Grade V ₂ O ₅ (ppm)	Contained V ₂ O ₅ (Mlbs)
70 - 90	2,500 - 3,500	385 - 695



¹ The potential quantity and grade of the Exploration Target is conceptual in nature, there has been insufficient exploration to define a Mineral Resource, and it is uncertain if further exploration will result in the definition of a Mineral Resource. The vanadium exploration targets are based on exploration results from the 2013 drilling at Chubu (refer announcements 15 July and 13 November 2013) that demonstrated vanadium mineralisation through the black shales. The geology in the Okcheon belt consists of a meta-sedimentary sequence that comprises three formations, Wunkyori, Hwajeonri and Guryongsan. Stonehenge Korea will test the validity of the exploration target now that access to historical drill core has been obtained and the Company can analyse the core for vanadium mineralisation.

² These estimates were prepared and first disclosed under the JORC Code (2004). They have not been updated since to comply with the JORC Code 2012 on the basis that they have not materially changed since release

COMPETENT PERSON'S STATEMENT

The information contained in this ASX release relating to Mineral Resources has been compiled by Mr Ian Glacken of Optiro Pty Ltd. Mr Glacken is a Fellow of The Australasian Institute of Mining and Metallurgy and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 and 2012 editions of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Glacken consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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