



29 JULY 2019

VANADIUM RESOURCES COMPLETES ACCELERATED ACQUISITION

HIGHLIGHTS

- ◆ **The accelerated acquisition of the Company's interest in the Steelpoortdrift Vanadium Project has now been completed**
- ◆ **Change of company name to Vanadium Resources Limited is now complete. A new ASX code, VR8, will be operational in coming days**
- ◆ **Mr Nico van der Hoven and Mr Jurie Wessels welcomed to the board**
- ◆ **Comprehensive strategy underway to fast-track further development of the VanRes Steelpoortdrift project and assess optimal processing options**
- ◆ **Major marketing initiative planned in conjunction with Mastermines**

The management of Vanadium Resources Limited is pleased to provide this update following the EGM held on Friday the 24th of July.

ACCELERATED ACQUISITION OF 73.95% OF THE STEELPORTDRIFT VANADIUM PROJECT

Ownership milestones have been successfully renegotiated to deliver a maximum of 73.94% of SPD Vanadium Project. The new ownership structure will assist in ensuring the Company is transaction ready.

Completion of the Acquisition enables the Company the ability to deal with certainty in respect of developing the asset, both in terms of off-take discussions and in the context of project development and corporate finance. The Company is now able to be fairly valued based on its attributable interest in the Steelpoortdrift Vanadium Project.

The Company has acquired 50% of the SPD Vanadium Project with the balance of up to 73.95% subject to approval under S11 of the South African Mineral and Petroleum Resources Development Act 2002.

CHANGE OF COMPANY NAME COMPLETED

The company name has now officially changed to Vanadium Resources Limited. The directors believe that the new company name will better reflect an emerging world-class Vanadium resource. The associated ASX code will change to a new code VR8 in coming days.

The decision to change the company name and associated ASX code, will assist in gaining maximum recall from prospects in future planned marketing campaigns .

WELCOME TO NEW BOARD MEMBERS

Mr Nico van der Hoven and Mr Jurie Wessels are welcomed as new board members. The appointment brings a new level of mining experience to the board. Vanadium Resources Managing Director, Bill Oliver stated, "Nico and Jurie have developed a substantial chrome mining operation in the region which freights to the same port intended for VR8. Their combined practical knowledge of mining in the region and in South Africa will be a major positive as the project develops."

- ◆ *Mr Nico van der Hoven is a businessman and entrepreneur holding degrees in Commerce & Law and has over 29 years' experience in exploration and mining, having co-founded and operated 5 mines over this period. Nico is also the founding member of Hernic Chrome, Bauba Resources Ltd (BAU.J), Vanadium Resources (Pty) Ltd and GoldStone Resources Ltd (GRL.L). He currently acts as Chairman of Bauba Resources Ltd, an active chrome mining company and platinum explorer. As Chairman of an active miner Nico has hands-on local experience in mining, beneficiation and shipping to export markets that will be invaluable in progressing the project. In addition, Nico brings skills with exposure to marketing and trading a wide range of commodities including negotiating offtake agreements.*

- ◆ *Mr Jurie Wessels is an exploration and mining entrepreneur holding degrees in Economics and Law with 23 years' experience in the exploration industry. Jurie co-founded a number of exploration and mining companies including Bauba Resources Ltd (BAU.J), Orange-River Pegmatite (Pty) Ltd, GoldStone Resources Ltd (GRL.L) and Vanadium Resources (Pty) Ltd. Jurie has significant experience in the sourcing and assessment of exploration and exploitation projects and in the governance, funding and management of resource companies. Jurie explored for various minerals in Africa, South America and Europe and practised as a minerals lawyer up to 2003 but still is admitted as an attorney (non-practising) and a notary of the High Court of South Africa.*

The board would like to record its appreciation for the efforts of outgoing directors Jeremy King and Luigi Matteucci. Mr Matteucci will continue as a consultant to the Company and as a director of its South African subsidiary Vanadium Resources (Pty) Ltd.

COMPREHENSIVE FUTURE FAST-TRACK STRATEGY UNDERWAY

The new board are currently completing a new strategy to both fast-track the project and expand future processing and commercialisation objectives. Directors are of the opinion that the project has reached a level whereby it can rightfully claim to be one of the world's largest and highest grade vanadium deposits based on its current Mineral Resource (refer ASX Announcement 16 April 2019).

This places the Company in a predominant position to satisfy the anticipated forthcoming demand for vanadium and vanadium products. The Steelpoordrift Vanadium Project has already attracted significant global interest from major mining corporations, trading houses, steel mills and other end users.

While mindful of markets for our exceptionally high grade concentrate, it is believed prudent to expand and explore value added options in order to maximise future shareholder gains.

Bill Oliver said, “We have a remarkable project that should stand apart as a world leader. Our intention is to explore all possibilities to ensure we continue development with the right value-add options in mind. Subsequently we will collaborate with South African and Chinese experts. The key to success will be a clear path forward that we tackle while mindful of overall capex to ensure realistic commercial targets.”

MAJOR MARKETING INITIATIVE UNDERWAY WITH CONSULTANTS MASTERMINES

Mastermines have been appointed as consultants to assist with marketing within Asia. In addition, their contacts within the Vanadium market in China will open doors to industry experts that may assist with forward strategy.

David Gillam of Mastermines commented, “This project has fallen largely under the radar in Asia. Our initial approach will be to ensure that all industry players in Asia are aware of the scale and quality of the project with blanket marketing. We are currently working with management to produce a new presentation in both English and Chinese. We believe that the sheer scale and quality of the project will be welcomed within Asia among both new and existing Vanadium entities, and the Asian investor community.

It has taken over six months to be offered a project of this quality and we’re extremely excited as to the future prospects. The approach and backup of management, (including our experienced new directors), has been exceptional, and we look forward to bringing our passion for the Vanadium market to a team effort that strives for success and ultimately shareholder benefits.”

POST TRANSACTION CAPITAL STRUCTURE

The new Capital Structure of Vanadium Resources is shown in Table 1 below.

Of the 350,110,889 shares on issue, 88,620,016, being 25.31%, are subject to voluntary escrow until 31 December 2019.

26% of the issued share capital is now held by Directors of the Company.

Table 1. Capital Structure of Vanadium Resources Ltd post EGM

	Number
Fully paid ordinary shares	350,110,889
Quoted Options, exercisable at \$0.054 on or before 8 December 2019	51,099,038
Quoted Options, exercisable at \$0.12 on or before 1 June 2021	10,000,001
Unquoted Options, exercisable at \$0.054 on or before 19 December 2020	23,100,000
Unquoted Options, exercisable at \$0.108 on or before 26 September 2021	41,580,001
Fully paid ordinary shares restricted for 24 months from 3 November 2017	1,957,725

For and on behalf of the board:

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