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THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION FOR THE PURPOSES OF ARTICLE 7 OF REGULATION 2014/596/EU. IN ADDITION, MARKET SOUNDINGS WERE TAKEN IN RESPECT OF THE MATTERS CONTAINED IN THIS ANNOUNCEMENT, WITH THE RESULT THAT CERTAIN PERSONS BECAME AWARE OF SUCH INSIDE INFORMATION. UPON THE PUBLICATION OF THIS ANNOUNCEMENT, THIS INSIDE INFORMATION IS NOW CONSIDERED TO BE IN THE PUBLIC DOMAIN AND SUCH PERSONS SHALL THEREFORE CEASE TO BE IN POSSESSION OF INSIDE INFORMATION.

Ironveld plc

Oversubscribed Placing of £4.0 million to finance the acquisition and refurbishment of Ferrochrome Furnaces (Pty) Limited (“FCF”);

Up to £1.0 million Broker Option to enable existing Shareholders to participate in the Placing;

Notice of General Meeting

Ironveld plc ("Ironveld" or the "Company"), the AIM quoted mining development company, is pleased to announce a proposed fundraising of up to £5.0 million.

The fundraising will comprise:

- A placing of, in aggregate, 1,333,333,333 new ordinary shares of 0.1 pence each in the Company (“Ordinary Shares” or "Placing Shares"), at a price of 0.30p per Placing Share ("Placing Price"), to raise £4.0 million before expenses (together, the "Placing").
- A Broker Option to raise a maximum additional £1.0 million. The Broker Option has been granted in favour of Turner Pope Investments (“TPI”) who acted as sole broker in respect of the Placing. The Broker Option will allow existing shareholders who are qualifying investors to invest in Ordinary Shares on the same terms as the Placing. Further details of the Broker Option are set out below.
- 120,000,000 of the Placing Shares (the “First Placing Shares”) will be issued out of authorities granted to the Directors at the Company’s last annual general meeting and the remaining 1,213,333,333 Placing Shares (the “Second Placing Shares”) along with any Ordinary Shares issued pursuant to the Broker Option will be issued subject to approval at a General Meeting of the Company’s shareholders to be convened in due course.

The net proceeds of the Placing will be used to complete the acquisition of FCF (the “Acquisition”) and the refurbishment of its existing smelter located in Rustenburg, South Africa, the terms of which were announced on 24 May 2022.

In addition, the Company is capitalising £350,590 (before tax) that it owes to Directors pursuant to loans and gross deferred salaries (the "Capitalisation") through the issuance of 59,460,725 Ordinary Shares (the "Capitalisation Shares"). Of the Capitalisation Shares 56,066,590 are being issued at the Placing Price and 3,394,135 are being issued at 0.86p being the volume weighted average price ("VWAP") per Ordinary Share during the time at which the relevant salary was deferred, as announced on 27 November 2020.

Highlights

- The Company is undertaking an equity fundraising for total gross proceeds of £5.0 million (assuming the maximum Broker Option amount is issued), comprised of a firm Placing for £360,000 and a conditional Placing for £3.64 million;

- Proceeds will be used to fully fund the Acquisition and planned refurbishment of its smelter facility located in Rustenburg, South Africa, being:

    - Initial purchase consideration of ZAR 15 million (approximately £750,000);

    - Planned refurbishment expenditure (including contingency) of ZAR 40 million (approximately £2.0 million);

- The Acquisition will provide the Company with up to 7.5 MW of smelting capacity within six to nine months, enabling processing of approximately 40,000 tonnes of magnetite ore on an annualised basis to produce high purity iron, vanadium in slag and titanium in slag and has an insurance valuation of ZAR 600 million (approximately £30 million);

- Once the Acquisition and refurbishment have been completed, first product sales and cashflows are expected within 12 months;

- Formal vanadium offtake contract in place with Glencore;

- £350,590 of Director loans and gross accrued fees are being capitalised in shares at an average price of 0.332p and Directors are subscribing for £100,000 cash in the Conditional Placing; and

- The Company has agreed a maximum £1.0 million Broker Option scheme to enable existing shareholders to participate in the fundraising on the same terms as the Placing.

Background to the Placing and the Acquisition and details of General Meeting

Details of the Acquisition were announced by the Company on 24 May 2022. The Board of Ironveld believe that the Acquisition will facilitate the Company's development into a producer of speciality metals more rapidly than would be possible if constructing a new smelter.

Further to the announcement of 24 May 2022, the Company is aware that Grosvenor Resources (Pty) Limited ("Grosvenor") is progressing its financing discussions with a South African institution to complete the investment transactions announced in October and December 2021. The Directors have taken the view that it makes commercial sense to use funds from the Placing to complete the Acquisition and refurbishment due to the possibility that Grosvenor may not secure its funding prior to the end of the Acquisition exclusivity period. The Board remains open to discussing a future alternative investment transaction by Grosvenor when it secures its funding.

Of the funds raised in the Placing, approximately £4.64 million (assuming the maximum Broker Option amount is issued) is conditional, *inter alia*, on the approval by the Company's shareholders of resolutions to provide the relevant authorities to the Directors to issue and allot further Ordinary Shares, which will be sought at a General Meeting to be held on 1 August 2022, further details of which are set out below.

The Company has also agreed the Broker Option to enable, *inter alia*, existing shareholders to participate on the same terms as the Placing. The Broker Option will potentially enable the Company to raise up to an additional £1.0 million through the issue of new Ordinary Shares at the Placing Price. The Broker Option will be open for two trading days following the release of this announcement and details on how to participate are outlined below.

Capitalisation Shares and Related Party Opinion

In addition to the Placing, £350,590 of debt and gross accrued fees owed to Directors is being capitalised ("Capitalisation Shares"). Of the Capitalisation Shares 56,066,590 are being issued at the Placing Price and 3,394,135 are being issued at 0.86p given that, as announced on 27 November 2020, a proportion of Martin Eales's salary accrual is converting at the applicable VWAP during the period such salary was deferred.

Giles Clarke, Nick Harrison, and Martin Eales have also agreed to subscribe a total of £100,000 cash in the Placing, divided equally between them.

The resultant holdings of the relevant Directors are included in the table below:

Director	Existing Holding	Per cent.	Capitalisation Shares	Placing Shares	Revised Holding	Percentage of Enlarged Issued Share Capital**
G Clarke*	29,749,281	2.23	16,360,777	11,111,110	57,221,168	2.10
N Harrison*	22,415,208	1.61	15,036,443	11,111,110	48,562,761	1.78
M Eales	Nil	Nil	28,063,505	11,111,113	39,174,618	1.44

*****G Clarke and N Harrison's interests in 10,062,470 shares above are through their shareholding in Westleigh Investments Holdings Limited.

**Prior to exercise of Broker Option

Each of Giles Clarke, Nick Harrison, and Martin Eales is a related party of the Company for the purposes of the AIM Rules by virtue of their status as Directors of the Company. Peter Cox, being the independent Director for this purpose, considers, having consulted with the Company's nominated adviser, finnCap, that the terms of such conversion is fair and reasonable insofar as the Company's shareholders are concerned.

The Capitalisation Shares are being issued out of authorities granted to the Directors at the Company's last annual general meeting.

Response to alternative funding proposal

On 29 June 2022, the Company announced that it had received a requisition notice (the "Requisition Notice") from Richard Jennings, director of Align Research Ltd ("Align"), pursuant to section 303 of the Companies Act 2006 (the "Act"), requiring that Ironveld's Board convenes a general meeting of shareholders for the purposes of considering the following ordinary resolutions:

1. that Chairman, Giles Clarke, be removed as a Director of the Company; and

2. that CEO, Martin Eales, be removed as a Director of the Company.

The Board has confirmed that in connection with the Requisition Notice it will act in accordance with the Act and communicate its view to shareholders concerning the resolutions in due course, but has set out below various reasons why it believes that the Placing is in the best interests of the Company.

Certainty of Timing – On 24 May 2022 Ironveld announced the agreed terms of the transaction to acquire FCF and that it had agreed a three-month exclusivity period (the "Exclusivity Period") with Tayfin and the sole creditor. In this announcement Ironveld explained that if it could not be sure that Grosvenor's investment in the Company would be completed in line with the Exclusivity Period it would seek alternative funding routes to finance the acquisition and refurbishment of the FCF smelter. Following discussions with the Company's Joint Broker, TPI, and the favourable response of investors immediately following the announcement of the FCF acquisition, Ironveld commenced with a bookbuild for the Placing on 24 June 2022 to ensure that all necessary funds would be obtained within the Exclusivity Period, rather than risk the timing associated with waiting for Grosvenor's funding process to complete.

Certainty of Funding – The Placing is the most appropriate method to raise a sufficient quantum of funding to cover the Acquisition, refurbishment, and the Company's working capital requirements until the forecast sales revenues from finished products will be received. No other funding route available to the Company, at the time the Placing was undertaken (including offers of funding from Mr Jennings), provided sufficient funds to meet the Company's requirements.

Appropriate mix of equity and debt – The terms of the Acquisition include the purchase of ZAR 100 million (approximately £5.0 million) of debt from the sole creditor to FCF. Importantly this is only secured on the smelter itself. Given the market capitalisation of Ironveld the Board considers it imprudent to enter into materially more debt than this amount at the present time. Other offers of funding to the Company (including those from Mr Jennings) included high proportions of debt with onerous terms that would have to be repaid at the end of their term either in cash or shares at the prevailing price – which could be lower than today - and typically with the requirement to also award extremely high levels of warrants with no fixed floor price.

Pricing – The Company's last fundraising was conducted at 0.30p in November 2020, when there was no obvious route to production and development that the Placing and FCF acquisition provide. The Placing Price of 0.30p is therefore in line with the Company's previous fundraising transaction – but on this occasion centred on completing a transformative acquisition. Without the actions of Mr Jennings, whereby his general meeting requisition and the existence of the Placing had to be announced on 29 June 2022, the Board strongly believes that the Placing would have been completed at a significantly higher price given the ‘undisturbed’ mid-market price for the Company’s shares on 28 June 2022 was 0.70p.

Equitable for shareholders – Via the Broker Option, qualifying shareholders are able to obtain shares at the Placing Price and to share the benefits of the Acquisition.

Acquisition overview

Ironveld has agreed with the Business Rescue Practitioners, Tayfin Forensic and Investigative Auditors, to acquire the share capital of FCF for a nominal fee and to purchase outstanding debt from the sole creditor on the following terms:

- ZAR 15 million (approximately £0.75 million) payable to the sole creditor upon completion; and

- ZAR 100 million (approximately £5.0 million) paid to the sole creditor over 10 years calculated as a percentage of profits from the smelter, capped at 13.5 per cent per annum.

The transaction is subject to contract and other standard conditions precedent, with the parties agreeing the Exclusivity Period for completion which expires in August 2022.

FCF owns a mothballed smelter complex in Rustenburg, South Africa which is approximately 400 kilometres from Ironveld's Bushveld mining project. The complex consists of four 2.5 MW tilting EAF furnaces and four convertors with ladles, cranes and associated buildings and equipment. Ironveld, in conjunction with technical experts, has carried out a comprehensive due diligence on FCF over the past eight months. This has included a detailed costing for the refurbishment of the facility and quotations for the necessary equipment and upgrades.

Following the Acquisition, Ironveld has a planned refurbishment programme of up to nine months at a cost of approximately ZAR 40 million (approximately £2.0 million) including contingencies, to bring three of the four EAFs into production on a phased basis. Processing can commence from the first furnace whilst the others are being brought back into production, thereby accelerating cash flow from sales, the first receipts of which Ironveld expects to secure within 12 months of the Acquisition.

Further upgrades to the plant totalling approximately ZAR 25 million (approximately £1.2 million) are planned in future when funding allows and may be possible pursuant to the take up of the Broker Option. The plans enable upgrading of the high purity iron product to higher value powder form.

Once three furnaces are fully operational, the complex will be capable of processing approximately 40,000 tonnes of Ironveld's magnetite ore per annum which, in turn, would provide the following approximate quantities of finished products per annum: 20,000 tonnes of high purity iron; 190 tonnes of vanadium in slag; and 3,800 tonnes of titanium in slag.

Ironveld has been advised by its insurance brokers and technical consultants to insure the facility for at least ZAR 600 million (approximately £30 million) following completion of the transaction.

The smelter complex is currently supplied with electricity from the national grid. Ironveld has, however, signed a Letter of Intent with Enernet Global Inc. to build, own, operate and maintain a hybrid power plant using renewable energy which should provide Ironveld with security of power supply on a capex-free basis. The completion of the installation of the independent power supply by Enernet will be broadly in line with the Company's overall refurbishment timetable.

All necessary environmental and other operational permits are in place for the smelter complex to enable Ironveld to commence production.

Mining of ore can commence within six weeks of completion of the Acquisition and ore will be stockpiled at the smelter complex whilst the furnace refurbishment is taking place. Ironveld intends to use mining contractors on site to minimise capital expenditure and will also use community-based transportation companies to transport ore from the mine to the smelter complex.

Ironveld can announce today that it has secured a formal five year offtake contract with Glencore for all vanadium slag production commencing from the start of commercial production linked to index based prices.

It is anticipated that, subject to, *inter alia*, the Resolutions being passed and signing of final contracts with Tayfin, the Acquisition will complete in late August 2022.

Details of the Placing

The Placing has been supported by a range of new and existing institutional investors, family offices and other investors, and was conducted by TPI acting as sole broker for the Company.

In total, 1,333,333,333 Placing Shares are proposed to be allotted and issued pursuant to the Placing, at a Placing Price of 0.30p per Placing Share to raise gross proceeds of £4.0 million. The Placing Shares, excluding the First Placing Shares (as detailed below) and the Capitalisation Shares, have been conditionally placed by TPI acting as agent and broker of the Company, pursuant to a Placing Agreement, as detailed below.

The Company currently has limited shareholder authority to issue new Ordinary Shares for cash on a non-pre-emptive basis. Accordingly, the Placing is being conducted in two tranches as set out below:

1. First Placing Shares

A total of approximately £360,000, representing the issue of 120,000,000 Placing Shares at the Placing Price, has been raised using the Company's existing share allotment authorities which were granted at the Company's annual general meeting held on 27 January 2022 (the "First Placing"). Application has been made for the First Placing Shares to be admitted to trading on AIM and it is expected that their admission to AIM will take place on or around 18 July 2022 ("First Admission"). The issue of the First Placing Shares is conditional, *inter alia*, on First Admission and the Placing Agreement becoming unconditional in respect of the First Placing Shares and not being terminated in accordance with its terms prior to First Admission. The issue of the First Placing Shares is not conditional on the Second Placing completing.

2. Second Placing Shares

The balance of the Placing, being approximately £3.64 million and representing the issue of 1,213,333,333 Placing Shares, at the Placing Price (the "Second Placing"), is conditional upon, *inter alia*, the passing of resolutions to be put to shareholders of the Company at a general meeting of the Company to be held on 1 August 2022 (the "Resolutions") to provide the relevant authorities to the Directors to issue and allot further new Ordinary Shares, whereby such authorities will be utilised by the Directors to enable completion of the Second Placing (amongst other things, as detailed below). The issue of the Second Placing Shares and the Broker Option shares (as defined below) are to be effected by way of a cash box placing.

Conditional on the passing of the Resolutions application will be made for the Second Placing Shares to be admitted to trading on AIM and it is expected that their admission to AIM will take place on or around 2 August 2022 ("Second Admission").

In addition to the passing of the Resolutions, the Second Placing is conditional, *inter alia*, on Second Admission and the Placing Agreement becoming unconditional in respect of the Second Placing Shares and not being terminated in accordance with its terms prior to Second Admission. The First Placing is not conditional on the Second Placing completing.

The Placing Shares and the Broker Option shares (as defined below) will, when issued, be credited as fully paid and will rank *pari passu* in all respects with the existing Ordinary Shares of the Company, including the right to receive all dividends or other distributions made, paid, or declared in respect of such shares after the date of issue of the relevant Placing Shares.

Broker Option

The Company has also granted an option to TPI under the Placing Agreement in order to deal with additional demand under the Placing in the event that requests to participate in the Placing from existing shareholders who are qualifying investors are received during the period of two trading days following the release of this announcement (the “Broker Option"). To participate in the Broker Option, qualifying investors should communicate their interest to TPI via their independent financial adviser, stockbroker or other firm authorised by the Financial Conduct Authority (all of whom will be required to confirm to TPI that their client is an existing shareholder), as TPI cannot take direct orders from individual private investors. TPI should be contacted by telephone on 020 3657 0050 or by email at: info@turnerpope.com. The Broker Option is conditional on the Resolutions being passed at the general meeting.

TPI may choose not to accept bids and/or to accept bids, either in whole or in part, on the basis of allocations determined at their discretion (after consultation with the Company) and may scale down any bids for this purpose on such basis as TPI may determine. A separate announcement will be made regarding the results of the Broker Option.

Any Ordinary Shares issued pursuant to the exercise of the Broker Option ("Broker Option Shares") will be issued on the same terms and conditions as the Placing Shares. The Broker Option may be exercised by TPI, following consultation with the Company, but there is no obligation on TPI to exercise the Broker Option or to seek to procure subscribers for Broker Option Shares pursuant to the Broker Option. The maximum number of Broker Option Shares that may be issued pursuant to the exercise of the Broker Option is 333,333,333.

The Broker Option Shares are not being made available to the public, only to existing shareholders, and none of the Broker Option Shares are being offered or sold in any jurisdiction where it would be unlawful to do so. No Prospectus will be issued in connection with the Broker Option.

If the Broker Option is exercised for the maximum amount of £1.0 million, settlement for the Broker Option Shares and admission of the Broker Option Shares to trading on AIM is expected to take place on Second Admission. Assuming the Broker Option is fully subscribed, the Placing and Broker Option combined would result in the issue, in aggregate, of 1,666,666,666 new Ordinary Shares, representing approximately 55.5 per cent of the Company's issued ordinary share capital as enlarged by the Placing and Broker Option, excluding the Capitalisation Shares.

Warrants

The Company is proposing to issue TPI with up to 416,666,667 warrants to subscribe for 416,666,667 new Ordinary Shares ("Broker Warrants"), subject to full subscription under the Broker Option. The Broker Warrants are exercisable at the Placing Price for a period of three years from the date of the general meeting.

The issue of the Broker Warrants is conditional on the passing of the resolutions to be put to shareholders of the Company at the general meeting to provide the relevant authorities to the Directors to issue and allot further new ordinary shares on a non-pre-emptive basis. None of the warrants will be admitted to trading on AIM or any other stock exchange.

In the event that the Placing is completed but relevant resolutions necessary for the issue of TPI's Broker Warrants are not passed at the general meeting on 1 August 2022, the Company has agreed to issue twice the quantity of such warrants subject to shareholders passing the necessary resolutions at the Company's next Annual General Meeting.

Placing Agreement

Under the terms of a Placing Agreement between the Company and TPI, TPI will receive a corporate finance fee from the Company, commission relating to the Placing Shares and Broker Option Shares conditional on First Admission and Second Admission. The Company will give customary warranties and undertakings to TPI in relation, *inter alia*, to its business and the performance of its duties. In addition, the Company has agreed to indemnify TPI in relation to certain liabilities that it may incur in undertaking the Placing.

The issue of the Second Placing Shares and Broker Option Shares are to be effected by way of a cash box placing. The Company and TPI have agreed to procure subscribers for ordinary shares in a subsidiary of the Company to be incorporated in Jersey ("JerseyCo"). The funds received from placees taking up Second Placing Shares and relevant existing shareholders taking up Broker Option Shares, will be paid into an account with Jarvis, TPI's custodian, to facilitate this.

In accordance with the Placing Agreement and a subscription and transfer agreement entered into between (1) the Company, (2) JerseyCo and (3) TPI, (i) TPI will procure to have the net proceeds of the Second Placing and Broker Option applied in such account to enable TPI's custodian, Jarvis, to subscribe for redeemable preference shares in JerseyCo, and (ii) the Company will allot and issue the Second Placing Shares and Broker Option Shares on a non-pre-emptive basis to those persons entitled to them (pending transfer of legal title to them through CREST) in consideration for the transfer to the Company by Jarvis of the redeemable preference shares which it holds in JerseyCo.

Accordingly, instead of receiving cash as consideration for the issue of the Second Placing Shares and Broker Option Shares, the Company will, conditional on the passing of the Resolutions and Second Admission and following the conclusion of the Second Placing and Broker Option, own all of the issued share capital of JerseyCo, whose only asset will be its cash reserves, which will represent an amount approximately equal to the net proceeds of the Second Placing and Broker Option. The Company will then be able to access those funds by redeeming the redeemable preference shares it holds in

JerseyCo, or alternatively, during an interim period before redemption, by procuring that JerseyCo lends the amount to the Company.

By taking up or purchasing Second Placing Shares under the Placing or Broker Option Shares under the Broker Option and submitting valid payment in respect thereof, a placee or relevant existing shareholder (as applicable) instructs TPI to instruct Jarvis to hold such payment and: (i) to the extent of a successful application under the Second Placing or Broker Option (as applicable), to apply such payment solely for Jarvis to subscribe for redeemable preference shares in JerseyCo; and (ii) to the extent of an unsuccessful application under the Second Placing or Broker Option (as applicable), to return the relevant payment without interest to the applicant.

TPI also has the right to terminate the Placing Agreement in certain circumstances prior to First Admission and Second Admission, in particular, in the event that there has been, *inter alia*, a material breach of any of the warranties. No part of the Placing is being underwritten.

Total voting rights

Following First Admission, the Company's total issued share capital will consist of 1,513,128,855 Ordinary Shares, with one voting right per share. The Company does not hold any shares in treasury. Therefore, the total number of Ordinary Shares and voting rights in the Company will be 1,513,128,855 from First Admission. This figure may 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 pursuant to the FCA's Disclosure Guidance and Transparency Rules.

Notice of General Meeting

The Company will publish a Circular to convene the general meeting to propose Resolutions to enable completion of the Placing, the issue of the Broker Option Shares and the grant of the Broker Warrants.

The general meeting will be held at 10.00 a.m. on 1 August 2022. The circular containing the notice of general meeting will be published and sent to shareholders in the coming days and will be available on the Company's website, www.ironveld.com. **Shareholders are strongly urged to vote by proxy in accordance with the instructions set out in the notice of general meeting.**

Taking into account available cash resources, the expected net proceeds from the Placing (excluding for these purposes any funds which may be raised by the Broker Option) and cash flows from the smelter when operational, the Company expects to have sufficient cash resources to fund operations on an ongoing basis.

Once issued, the rights of new Ordinary Shares will rank *pari passu* with the Company's existing ordinary shares. Application will be made for the new Ordinary Shares to be admitted to trading on AIM ("Admission").

The maximum aggregate number of new Ordinary Shares that may be issued pursuant to the Placing, Broker Option and Capitalisation Shares is 1,726,127,391.

The exchange rate used in the announcement is £1:ZAR19.9.

****ENDS****

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