

Ironveld Plc

("Ironveld" or the "Company")

Update on IIG Option Agreement

On 30 March 2020, the Company announced that it had entered into arrangements with IIG to raise potential gross proceeds of approximately US\$3.2 million. In particular, the Company and IIG entered into an Option Agreement pursuant to which on the grant of the Option (which is conditional) IIG can subscribe for 440,176,070 New Ordinary Shares in the capital of the Company at a price of 0.42 pence per share. The Option is due to expire on 17 June 2020.

Ironveld and IIG have been working closely together in recent weeks in order to investigate and make application for project development funding, which would facilitate the start of mining and production for Ironveld's magnetite project in South Africa.

The Fundraising transaction and larger project financing application have been impacted by the effect of lockdown restrictions in South Africa due to COVID-19, which has caused interruption at all levels of commerce.

Due to both of these factors, Ironveld and IIG are in negotiations to extend the period during which the Option can be exercised. If such an extension is agreed it is anticipated that IIG will provide bridge funding to Ironveld so that it is capable of meeting its obligations prior to the anticipated exercise of the Option.

For further information, please contact:

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The information communicated in this announcement contains inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) No. 596/2014.

Rule 9 Waiver means the waiver, conditional on its approval by the Independent Shareholders taken by a poll, by the Takeover Panel Executive (the "Panel") of the obligation that, following the issue of the shares pursuant to the exercise of the Option Agreement, would otherwise arise on IIG to make a general offer to all shareholders of the Company pursuant to Rule 9 of the Takeover Code as a result of the allotment and issue of shares pursuant to exercise of the Option Agreement by IIG.*

***Independent Shareholders means the shareholders of the Company, excluding (i) IIG and any person acting in concert with them who holds Ordinary Shares and (ii) the directors of the Company, with the exception of the Independent Director.*