Stock Data

Share Price:	0.036p
Market Cap:	£4.947m*
Shares in issue:	13,742m*
52-week high/low:	0.80p/0.03p

**Post-Placing and Capital Reorganisation numbers*

Company Profile

Sector:	Mining
Ticker:	IRON
Exchange:	AIM

Activities

Ironveld plc ('Ironveld' or 'the Group') is the owner of mining rights over approximately 28 kilometres of outcropping Bushveld magnetite with a JORC 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.

www.ironveld.com/

5-year share price performance

Source: LSE

Past performance is not an indication of future performance.

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Attention is drawn to the disclaimers and risk warnings at the end of this document.

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Ironveld

Ironveld has raised £2.5m (gross) new funding through a conditional equity placing* ('the Placing'), comprising 6,125.0m Ordinary Placing Shares and 819.4m Ordinary Subscription Shares priced at 0.036p each (the closing middle market price on 29 October 2024); each has one warrant attached, exercisable for 3 years from Admission at a 100% premium to the Placing Price (i.e., 0.072p/ Share). An additional, 2,862.6m New Ordinary Shares (with identical warrants attached) at the Placing Price will also be allocated in aggregate settlement of certain loan facilities, deferred salaries/fees owed to certain directors and other amounts owed to certain creditors. Shareholder approval for the Placing and its associated Capital Reorganisation will be sought at a General Meeting that is expected to be held on 20 November 2024 for Admission to trading on AIM on 21 November 2024. TPI's Ironveld valuation remains suspended at this time.

Use of funds raised

Today's fundraising follows the Board's comprehensive work-through, reviewing Ironveld's strategy, costs, and objectives. This highlighted necessary changes to enhance the long-term potential of the Group's High Purity Iron ('HPI'), Vanadium, and Titanium project ('the Project') located on the Northern Limb of the Bushveld Complex in Limpopo Province, South Africa. A comprehensive plan utilising the new funds raised is now ready for implementation. This includes outstanding works/installations required on the existing crushing mill located at the minesite, while also transitioning its Rustenburg smelter to regular production of high purity iron powers ('HPIP'), Vanadium slag and Titanium slag from extracted ore during Q1 2025. With a view to maximising prospective returns, Ironveld intends to create market samples of coarse HPIP onsite, where it will also construct a small demonstration unit for premium water atomised HPIP ('fine HPIP') in order to illustrate product quality and gain market acceptance. A formal offtake agreement(s) for the latter is one of the conditions stipulated in a Term Sheet provided by the South African government-backed fund with which negotiations to secure an asset-level debt drawdown package (potentially for as much as £10m) were agreed in a letter of intent ('LOI').

Allocation of Funds (inc. Working Capital Requirements)	Amount
Minesite (incl. remaining works on DMS plant)	£0.21 million
Smelter Complex (incl. fine HPIP demonstration unit)	£1.11 million
Paydown of most pressing creditors**	£0.69 million
Working capital plus contingency and expenses	£0.49 million
Total	**£2.5 million**

Source: Ironveld, RNS of 30 October 2024

*** The above tabulation also recognises the Board's needs to manage its outstanding creditors and debtors (excluding the Directors' working capital facility), which total c.£2.0m pre-Placing. Payment terms having been negotiated for these on the basis of drawdowns of c.£0.1m/month (South African creditors) from profits for 20 months, while managing £0.17m paydown (UK debt) over 7 months.*

Positive S. African cashflow expected from February 2025

By participating in this funding round, investors are reconfirming their confidence in the intrinsic value of Ironveld's large, fully permitted high-grade surface outcrops of JORC-compliant Magnetite Resource in the

**Key statistics related to the Placing and Capital Reorganisation are detailed on page 12*

Bushveld, along with the production opportunity presented through its 'bargain-basement' acquisition of the Rustenburg smelter complex. Funds raised will re-enable execution of a business plan that proposes vertical integration across a value chain capable of securing lucrative volume sales of HPIP, vanadium slag and titanium slag through existing offtake/marketing agreements, while managing creditors and providing working capital.

Looking to re-awaken Ironveld's South African operations that were suspended early in 2024, the reorganised Board now targets a rapid move to produce market-scale samples of both coarse and water atomised HPIP at the smelter complex around end-2024. Subject to market acceptance of these products, Ironveld will be positioned to then, (i) Commence full time volume production (c.600 tonnes of >99.5% pure Fe product/furnace/month) in the form of coarse HPIP from two furnaces, in anticipation of which the Group's RSA office projects receipt of positive cash flow at the plc level from February 2025 with potential to improve sharply thereafter as throughput increases, efficiencies heighten and the third furnace comes onstream (expected around September 2025) and; (ii) Satisfy the conditions stipulated by the South African government-backed funding partner for the granting of an asset-level loan. Although this funding partner is not the only route to additional funding that the Board is considering securing further, relatively near-term investment in its operations, anticipated favourable terms (typically within 1% of South Africa's Reserve Bank's Interbank rate with the capital being repayable over 5 to 10 years) in support of the local employment and economic expansion, make it an obvious route.

Note that in an RNS release of 6 June 2024, the Board stated that following South Africa's May general election, some delay was possibly in its securing of the direct institutional funding transaction that it originally expected to close in H1 2024. Following further regular interaction, the Board now sees opportunity for its debt proposal to be considered by the fund's credit committee before end-2024. This could come in the form of an initial loan of c.ZAR30m (c.£1.3m) to Ironveld as early as Q1 2025, which would be sufficient to commence the estimated 9-months of work required to bring the third furnace on stream. Beyond this, and assuming the sample fine HPIP product quality is acceptable and volume offtake agreement(s) secured, a further drawdown in the range ZAR70m to ZAR90m (£3m to £3.9m) might be sought to transition to this product through the commissioning of a large water atomising facility at the smelter complex.

Justifying this expenditure, management notes that granulated coarse HPIP is currently fetching US$1,000–1,200/tonne, whereas fine water atomised HPIP is selling for c.US$1,500/tonne. Should it be commissioned and operational within 9 months of receipt of funding, Ironveld would become the African Continent's only producer of this specialised product, for which it has established significant ongoing international demand particularly from producers of high specification sintered differential products, electric motors for the EV industry and 3D printing etc., markets that are presently said to be growing as much as 30% each year. It is estimated that the additional processing cost for its production of fine water atomised HPIP will be c.US$20/tonne when operating at normal capacity. Strong interest also continues to be registered for the smelter's by-products of vanadium slag and titanium slag, with the former's offtake agreement with Glencore potentially entitling Ironveld to a £0.7m pre-payment once onsite volume production commences, while the latter already has a marketing agreement in place to supply volume direct with credible Chinese buyers.

There remains a number of further opportunities for the Group to monetise its large magnetite resource. One that is relatively close to fruition and is included within Ironveld's projection of becoming cash flow positive by February 2025, is based on its creation of a new revenue stream entirely independent of the smelter. This is coming through renegotiation/reset terms of its presently suspended Dense Media Separation ('DMS') Magnetite joint venture. IPace ('the JV'). Set up with Pace SA (Pty) Limited (a trader of magnetite resource) in September 2023, the JV subsequently entered a funding agreement with a subsidiary of JSE-listed Sable Exploration and Mining Limited (ticker: SXM, 'SEAM') under which Ironveld would supply ore into the JV, while retaining a share (c.25%) of any positive cashflows generated without taking responsibility or obligation for the project's upfront capital expenditure.

Further out the Board is also considering a proposal to build a materially large smelter (perhaps as much as 10 times the size of the current 7.5MW unit, with estimated cost of c.£45m), for which there is sufficient space on the existing site. While this proposal is clearly ambitious, it should be noted that Ironveld estimates that its resource is capable of supplying as much as 15% of global vanadium demand, 3% of global titanium demand and 10% of global HPI powders demand for the next 30 years, with in excess of 1 billion tonnes of total reserve. Furthermore, grab samples from the prospect's extensive vanadiferous-titaniferous magnetite ('VTM') out cropping mineral resource on Layer 21 (farms Luge 697 LR and Non Plus Ultra 683 LR), suggest that although they contain a lower vanadium grade than the main magnetite layer, it is on a significantly wider reef which should provide scope to reduce mining costs while also delivering potentially valuable phosphate gradings as high as 6%.

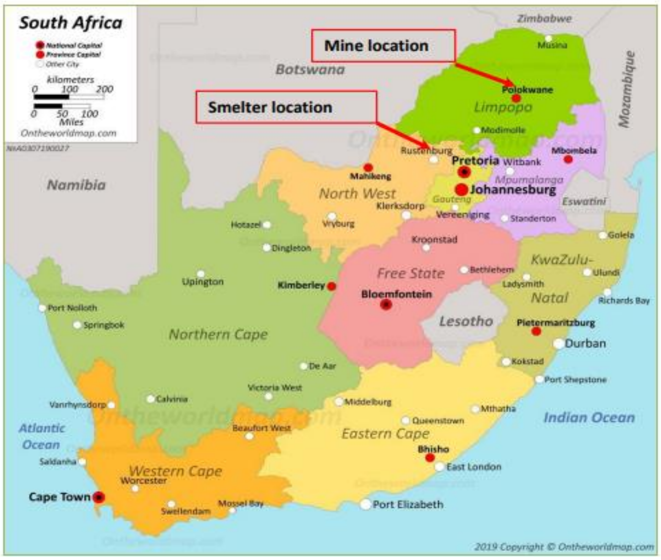
Reflecting commitment and confidence in the opportunities being presented, a Board member and Tracarta Limited ('Tracarta', Ironveld's largest shareholder in which Executive Chair, John Wardle, has a beneficial interest) have substantially participated in today's equity fund raise. Tracarta contributed £0.26m to today's raise, while also converting its entire outstanding working capital loan facility (plus interest accrued) of £0.56m into equity at the Placing price. This takes Tracarta's total equity holding to 21.18%, having invested c.£1m in the Group to date. Dr. Peter Cox, Ironveld's Technical Director, has similarly converted £0.14m of his own working capital loan into equity as part of this Placing and has also separately subscribed for £40,000 of New Ordinary Shares in the Placing. Each of Kris Andersson and Giles Clarke and Nicholas Harrison via Westleigh as creditors of the Group are owed a further £151,972 and have agreed to similarly convert £82,424 of the amount owed at the Placing Price. Additional signs of confidence have also been expressed by certain of Ironveld's South African and UK creditors, which have both agreed to similarly convert c.£0.15m of their outstanding debt into equity.

In this respect, recognition of both the core, long-term value of the Group's assets together with its potential to deliver a rapid turnaround into (elevating) positive cash flow, suggests the collapse in the Group's valuation over the past 18 months has been considerably overdone.

Route to sustainable production and positive, long-term cash generation

Today's funding is expected to be sufficient to move the Group's substantial (56.4 million tonnes), shallow JORC compliant magnetite resource to starting regular extraction around end-2024. Grading at 48% Fe, and 14.7% TiO_2 plus 1.12% V_20_5 (which is approximately twice the level of other Vanadium resources currently being mined/processed within the highly productive Bushveld Complex), the ore will be supplied to the Rustenburg smelter facility for production of high volumes of value-added metal products, specifically HPI (in the form of both coarse and fine HPIP), vanadium slag and titanium slag. The Group already has >600 tonnes of ore stockpiled on the smelter site.

Ironveld's Magnetite Mine and Smelter Locations



Source: Ironveld

The smelter complex has four separate installed tilting Electric Arc Furnaces ('EAF' or 'furnace') in varying states of repair. One is already fully operational, with a second similarly prepared although awaiting a comprehensive software upgrade (which can be installed within one month of receipt of the new funds). On this basis, two furnaces are expected to begin ramping-up production from November 2024. The third furnace requires comprehensive refurbishment, which the Board expects to take around 9 months with a current schedule for it to come fully onstream around September 2025. The fourth installed EAF is presently being planned as future spare capacity available during routine maintenance and, when not required, for undertaking third party test work/toll treatment. Ore costed at ZAR400/tonne (c.£17.5/tonne) from the minesite and delivered to the smelter will first be blended with a reductant (e.g., Anthracite) in the granulator to enable conversion of the oxides into metallic iron, ahead of being passed through to the high temperature furnaces. Titanium-rich slag is extracted at this point of the smelting process with the residual $Fe+C+V_2O_5$ then being passed through one of two argonoxygen decarburization ('AOD') converters onsite (each of c.28/tonnes/day handling capacity) which separates the mix into >99.5% pure coarse HPIP and Vanadium-rich slag.

When fully commissioned, each working furnace is expected to operate with 90% availability based on 90% utilisation, processing an average of 40 to 45 tonnes ore/day during which they will draw steady-state electrical power of 2.5MW. Ironveld expects to deliver up to 1,200 tonnes/furnace/month of magnetite ore (cleaned of waste and contaminants) in order to produce 600 tonnes/month of >99.5% pure Fe in the form of coarse HPIP. The current selling price for this product is in the range of US$1,000/tonne to US$1,200/tonne, for which the Group has already received indicated demand in excess of 1000 tonnes/month (primarily for use in Copper Cementation) based on submitted market samples being of acceptable quality. By-products of Vanadium in slag grading 28% V_2O_5 (estimated selling pricing c.US$7.2/kg) and titanium in slag grading 65% TiO_2 (estimated selling pricing c.US$468/tonne) are also collected. Based on two furnaces remaining in full time operation and an all-in operating cost of c.US$900/tonne of processed ore, the Board targets annualised revenues of c.£19m (derived from production of c.13,500 tonnes of coarse HPIP, plus c.120 tonnes of Vanadium in slag and c.2,400 tonnes of Titanium in slag).

In tandem with this, the Board is also seeking to maximise opportunity presented through its large magnetite resource by creating a source of revenues wholly independent of its smelting operations. As such, it is presently renegotiating the terms of the IPace JV the Group originally established in September 2023. Within this there was a funding agreement (to cover the c.£0.65m required to construct DSM plant capacity of c.27,000 tonnes ore/month) with a subsidiary of SEAM under which Ironveld would supply ore to the JV, entitling Ironveld to a share (c.25%) of any positive cashflows generated after taking all costs and without any responsibility/liability for the project's upfront capital expenditure. With negotiations continuing with all parties, it is understood that the works required are expected to take around 3 months to complete. Understanding that there is significant current demand for DMS magnetite (for coal washing, mineral concentration etc.), this minimal risk, low margin venture presents Ironveld with opportunity to collect a modest positive annualised net profit of c.£0.5m payable to the Group from February 2025 (after distribution for the Broad-based Black Economic Empowerment ('B-BBEE') participation) based on estimated annualised turnover of £11m from February 2025.

Modelling both contributions, the Board projects the plc to become cash flow positive for the first time in February 2025, improving consistently thereafter as with increasing throughput, efficiency gains, the third furnace coming onstream. Assuming the loan funding for commissioning of a large-scale water atomising plant also becomes available, the current market price for fine HPIP of around US$1,500/tonne suggests potential to quite substantially improve these metrics, even after factoring in expected additional processing costs of c.US$20/tonne. Note that there is significant and rapidly growing demand for this supply constrained specialist product, which presently has an estimated 250 to 300 international users, a number of which are keen to enter longer-term offtake agreements with new market entrants. Note that there are presently just five scale producers of fine HPIP which together account for >95% of globally production; significantly the largest of these is Sweden's Höganäs AB, with the second largest being Japan's JFE Steel Corporation, while other participants are located in the UK, Germany and Canada (a Rio Tinto Group company).

Letter-of-Intent signed with South African government-backed fund for asset-level loan

Having signed a LOI plus a non-binding Term Sheet during H1 FY2023/24, negotiations to secure a drawdown facility (for up to £10m) were originally projected to conclude during second half of FY2023/24. On 6 June 2024, however, Ironveld confirmed that it had received a communication from the counterpart suggesting "that the finance package potentially available may be substantially reduced from that original envisaged and that the formal offer of funding remains subject to further due diligence. In addition, following the recent South African elections, it is anticipated all strategic investments will await new policy decisions from decision makers yet to be appointed. Accordingly, the timeframe for securing the funding could be extended by up to four months."

Although there remains no guarantee that it will be successful, the Board continues to express confidence that ongoing negotiations to secure an asset-level loan facility will conclude positively in the coming weeks/months. This could, for example result in an initial c. ZAR30m (c.£1.3m) drawdown during September 2024. This would be directed toward comprehensive refurbishment of the third furnace, a process that is expected to take around 9 months and potentially bring it onstream around September 2025. Beyond this, the fund's Term Sheet stipulates the need for a formal offtake agreement(s) to have been agreed prior to securing additional funding for the construction and commissioning of a large-scale water atomising plant. This is expected to cost in the range of ZAR70m – ZAR90m (£3.0m - £3.9m) and take around one year to complete. As a result, Ironveld will be directing a proportion of today's new funding to producing market samples of both coarse and fine HPIP at the smelter (including construction of a small water atomisation demonstration unit) in order to demonstrate acceptable product quality and market acceptance through which management is confident of securing a positive outcome. Should, for whatever reason, negotiations do not successfully conclude, or the proposed terms ultimately be considered unacceptable, the Board may alternatively seek to fund the plant through internally generated cashflow, opening discussions with other potential counterparts or propose further equity funding.

Key assets with offtake/marketing agreements in place

Ironveld – SAMREC Complaint Ore Resource Statement**, ***

MML Mineral Resources* for the Ironveld Project, <120 m at 20% Fe cut-off, as at 04 Jul, 2013

Farm Name	Cut-off Fe%	Million Tonnes	Density g/cm^3	Fe %	Fe_2O_3 %	Fe Metal millions	TiO_2 %	V_2O_5 %	SiO_2 %	P_2O_5 %	S %
Measured Mineral Resources											
Altona	20	2.18	4.55	51.7	73.9	1.13	16.3	1.15	2.9	0.01	0.08
Total Measured	**20**	**2.18**	**4.55**	**51.7**	**73.9**	**1.13**	**16.3**	**1.15**	**2.9**	**0.01**	**0.08**
Indicated Mineral Resources											
Nonnenwerth	20	22.64	4.20	45.2	64.7	10.24	13.8	1.06	8.5	0.01	0.16
La Pucella	20	5.61	4.50	50.3	72.0	2.83	15.5	1.16	4.4	0.01	0.08
Altona	20	7.48	4.54	51.4	73.6	3.85	15.9	1.15	3.2	0.01	0.08
HACRA Farms	20	12.12	4.31	48.1	68.8	5.83	14.5	1.14	6.0	0.01	0.05
Total Indicated	**20**	**47.85**	**4.31**	**47.5**	**68.0**	**22.74**	**14.5**	**1.11**	**6.6**	**0.01**	**0.11**
Inferred Mineral Resources											
HACRA Farms	20	6.31	4.45	50.1	71.7	3.16	15.4	1.21	4.2	0.01	0.03
Total Inferred	**20**	**6.31**	**4.45**	**50.1**	**71.7**	**3.16**	**15.4**	**1.21**	**4.2**	**0.01**	**0.03**
Measured, Indicated and Inferred Mineral Resources											
Project Total	**20**	**56.35**	**4.34**	**48.0**	**68.6**	**27.03**	**14.7**	**1.12**	**6.1**	**0.01**	**0.10**

**Geological loss factors of 5% for Altona and La Purcella, 8.5% for Nonnenwerth and 2% for HACRA applied*

***Contained in Ironveld Mining's completed and published 2013 CPR, taken from the prospect's mina magnetite layer to 120m depth at a 20% Fe grade*

**** Contained: Iron as Fe at 27 million tons, Vanadium as V_2O_5 at 631,120 tons and Titanium as TiO_2 at 8.3 million tons*

Source: Ironveld

Located on the Northern Limb of the Bushveld Complex in Limpopo Province, Ironveld owns long-term (until 2045 and 2047) and renewable mining licenses. The minesite is in an advanced state of preparation. A box cut (or 'box pit') has been completed to provide a secure access both to surface outcrops and/or slope for deeper excavation, from which an adjacent loading platform provides rapid access for transportation to the proposed DMS-grade magnetite plant. Its output will either be directed to the smelter complex or the DMS magnetite plant should the original IPACE JV (or similar) be reestablished.

Ironveld – Development Timeline

Mining:

- Box cut completed, signaling readiness for production commencement within a month.

DMS Plant:

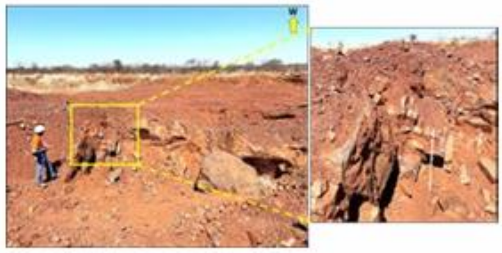
Significant progress achieved:

- Completion of crushing plant.
- Fabrication of mill cradles and completion of mill refurbishment.
- Delivery of magnetic separator.
- Ongoing construction of bagging shed.
- Installation of diesel bund and tank.
- Pending funding from external funder for essential components:
  Pumps, pipes, cyclones, bagging plant, generator, and general plant assembly.
- The plant is anticipated to be completed 3 months after the receipt of external funding

Smelting:

Milestones achieved:

- Full refurbishment of the first furnace.
- Second furnace at 85% readiness.
- Anticipated launch of the third furnace 9 months after availability of external debt funding.
- Refurbishment progress of 2 AOD units at 85%.
- Operational status of granulator with plans for a small upgrade to produce coarse powder.



Source: Ironveld, October 2024 Investor Presentation

The crushing plant, mill cradles fabrication and associated refurbishment at the DMS plant has already been completed, the magnetic separator delivered, the diesel bund/tank installed while the bagging shed construction remains ongoing. Outstanding works include pumps, pipes, cyclones, bagging plant, generator and general plant assembly. Costed at c.£0.3m, final commissioning and testing of the facility is scheduled for early 2025. The plant will then be positioned to supply high volumes of >95% magnetic product to interested parties while delivering crushed ore to Ironveld Smelting.

The Rustenburg smelter facility ('the Plant'), located c.400km from the mine, was acquired through an unconditional agreement with Investec SA back in August 2022 (based on a purchase price of £0.75m plus retention of 13.5% of future profits for up to 10 years, capped at £5m as a deferred payment). Although Ironveld has unencumbered access and use of the facility, final completion of the transaction presently awaits Investec's resolution of an ownership dispute regarding one of the complex's properties, which is expected to be resolved quite shortly. The smelter comprises four 2.5Mw tilting EAFs plus associated buildings and equipment, with an estimated replacement cost (as of December 2022) said to be in excess of £35m. Having been left unattended for some years, the Plant came with a number of problems, including instances of equipment and facilities being in a poorer state of repair than originally assessed or missing key components, which have resulted in delays and unexpected remedial works, most of which have since been substantially resolved. An ongoing effort is being made to identifying areas for improvement and bottlenecks that have potential to hinder progress; refurbishment of the two AOD units is presently almost complete and although the granulator is fully operational, a small upgrade (including a higher-pressure pump and reduced water aperture is presently being specified in order to produce very fine HPIP.

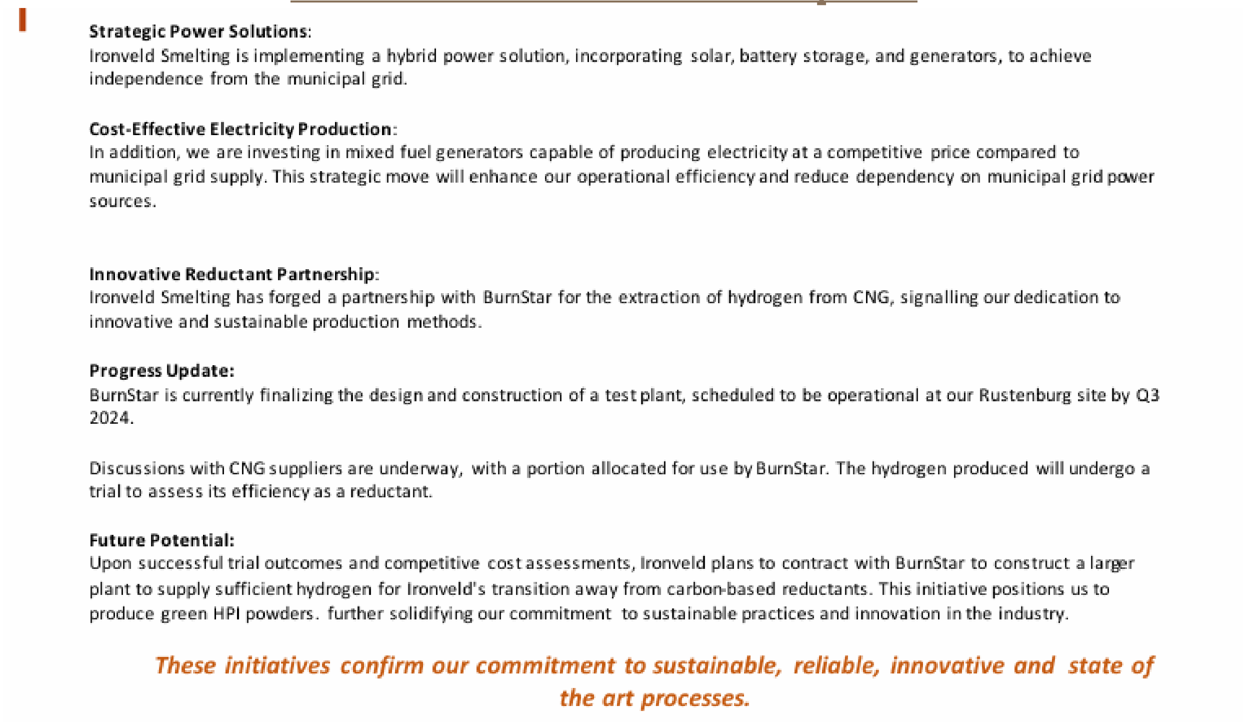
Ironveld – Proposed Smelter Products	
HIGH PURITY IRON	Principal product by volume and revenue. Granulated HPI at 99.5%+ will be sold by specialist marketers in the Iron and steel powder industries to end users
VANADIUM SLAG	c.28% vanadium slag product is covered by a 5-year offtake agreement with Glencore, indexed to the spot price
TITANIUM SLAG	c.65% titanium slag product is currently covered by a marketing agreement with Traxys and Elpis Capital alongside ability to direct sell to other buyers

Source: Ironveld, TPI

A strategic electrical power solution is key to the Plant's economic operation. Its previously installed and uneconomic, leased diesel generators have already been removed and with no onsite connection to the municipal grid operator, ESKOM, being available (and whose routine 'load-shedding' plus high pricing would in any case make the operation uneconomic), management are presently implementing a hybrid power solution proposed by Caterpillar Inc. (NYSE: CAT). This is based on a lease-purchase agreement for brand new 30% diesel/70% LNG generators. These provide electricity at a rate of 7% per kWh below that of the previous generators (or 12% less than current grid price) through a capital recovery transaction that passes ownership of the plant to Ironveld after 10 years. Caterpillar has the three generators required in stock and can arrange for delivery and connection within 8 weeks of signing. This arrangement also offers option for pairing with solar generation and battery storage to maximise renewable production.

Beyond this, Ironveld Smelting has also forged a partnership with BurnStar Technologies ('BurnStar'), a South-African based technology company that holds patents in specialised gas processing, for the extraction of hydrogen from LNG, as a further sign of the Group's dedication to both innovative and sustainable production methods. BurnStar is currently finalising the design and construction of a test plant, which is now scheduled to be operational at the Rustenburg site during Q1/Q2 2025. The hydrogen produced will undertake trials to assess its efficiency as a furnace reductant gas. Upon successful outcomes and competitive cost assessments, Ironveld plans to contract with BurnStar to construct a larger plant at its own cost capable of a production rate of 5kg/h, which is sufficient for Ironveld's transition away from carbon-based products. This initiative positions the Group to produce green (as opposed to 'purple' given its proposed use of LNG) HPIP, further solidifying its commitment to sustainable practices and innovation in the industry.

Ironveld – Power and Reductant Updates



Source: Ironveld, October 2024 Investor Presentation

DMS Magnetite Joint Venture ('JV') for beneficiation of DMS grade magnetite

Magnetite is a naturally occurring iron oxide (Fe_3O_4), the density of which is 5.17g/cm^3. This high density combined with the magnetic properties mean it is used in Dense Media Separation ('DMS'). The magnetite powder is mixed with water to create a slurry or 'dense media', this allows objects of different densities to be separated using the sink/float method, magnetic drums help recover most of the magnetite from the separated material keeping consumption and costs low. Typical applications include scrap separation, coal washing and mineral/ore concentration.

Having received expressions of interest for DMS magnetite production from various industry players/participants, in January 2023 Ironveld established a 50:50 joint venture, IPace, with Pace SA (Pty) Limited ('Pace'). Pace trades in volumes of DMS grade magnetite as a part of its business. In September 2023, the JV made a further agreement for a wholly-owned subsidiary of JSE-listed Sable Exploration and Mining Limited ('SEAM'), Sable Platinum Holdings (Pty) Limited ('SPH'), for the funding of a DMS Magnetite plant to be established at Ironveld's mining area. At that time, it was agreed that SEAM would advance necessary funding of around £0.65m for the establishment of an initial 'quick start' 10,000 tonnes/month capacity plant along with an option to fund future expansions in capacity, depending on the success of the venture.

The JV and its subsequent agreement with SEAM are presently suspended with the new Board engaged in renegotiations for a possible resetting of the terms of the original agreements. These determined Ironveld's ability to supply ore into the JV and benefit from a share (c.25%) of positive cashflows created, without having to fund the upfront capital expenditure or accept any ongoing project liabilities. IPace would be the operating partner and responsibility for the erection, operation and maintenance of the DMS beneficiation plant as well as marketing the final product. It proposed maximum capacity of approximately 27,000 tonnes of ore per month, based on a design throughput of 60 tonnes per hour, with onsite equipment including screens, crushers, mill and a low intensity magnetic separator. From this it was estimated that at full production the plant could produce approximately 10,000 tpm of DMS grade magnetite. The estimated capital cost of the beneficiation plant was c.ZAR15 million. It was proposed that, once the funding plus interest had been recovered by SPH, it would transfer shares prices at ZAR1 each for 50% of the holding vehicle to IPace. SPH and IPace also agreed that, subject to demand, investment in a larger plant would be considered once the proposed plant has reached its full capacity.

As well as cutting the high mining rate (average costs/tonne) required for the mine to become profitable, another key benefit of the JV is that approximately 20% of the normal run of mine material is classed as 'fines'. These are unsuitable for use in the smelter but can be processed into DMS grade magnetite. This would enable Ironveld to earn a revenue stream from what otherwise would be a waste product. The JV will refund all mining costs and management fees prior to profit share. It was expected that site preparation, plant procurement and construction would take approximately four to five months to enter production.

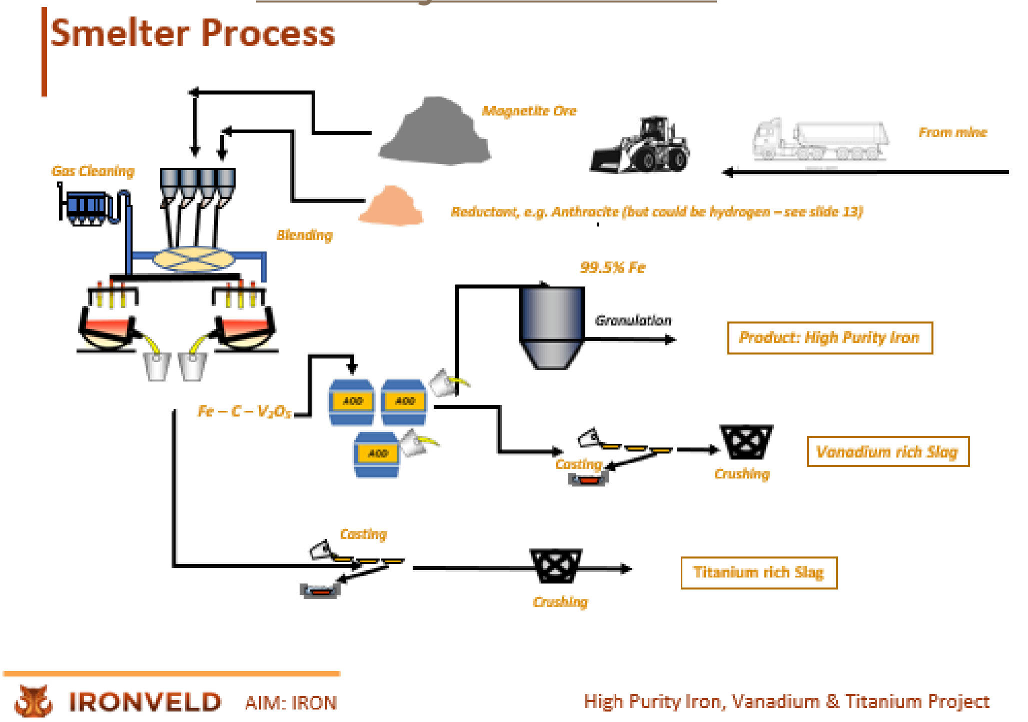
Arrangements and agreements to help resolve a stretched funding situation

Including today's fund raise, the past 40 months have seen Ironveld raise a total of £13.2m through equity placements (of which c.£3m has so far been used in smelter refurbishment), along with £0.56m (principal plus accrued interest as of 15 October 2024) in the form of working capital loans (provided by Directors and related parties). Outstanding creditors presently total c.£2.4m, while Group debt (post conversion of £0.70m of Directors' working capital loan (incl. interest) at Placing price) stands at c.£3m; having agreed a temporary 50% salary reduction during the suspension of operations, potential refund/partial-refund of the c.£0.6m outstanding will be negotiated with South African staff when normal working resumes.

Ironveld's Board considers the £2.5m (gross) raised will provide sufficient investment at its minesite and smelter complex for operations to start ramping up from November 2024 with production of value-added metals products. This is expected to enable the Group to move to positive cash generation at the plc level for the first time. In expectation of having already successfully secured a debt drawdown facility on favourable terms from a South

African government-backed fund that seeks to support employment and economic expansion, the Group expects to become financially self-sustaining from that point, with available funds initially being directed toward the refurbishment of the third furnace, followed by commissioning of a large water atomising plant on the existing smelter site.

Rustenburg – Smelter Process



Source: Ironveld, October 2024 Investor Presentation

Details of the Placing and other shares to be issued

In total, 6,125.0m New Ordinary Shares are proposed to be allotted and issued pursuant to the Placing, at a price of 0.036p per New Ordinary Share to raise gross proceeds of £2.205m; in addition, 819.4m New Ordinary Shares are proposed to be allotted and issued pursuant to the Subscription, at the same price to raise gross proceeds of £0.295m. Of this, Tracarta is subscribing for 708.3m New Ordinary Shares and Peter Cox is subscribing for 111.1m New Ordinary Shares each pursuant to subscription letters between each of Tracarta and Peter Cox and the Group. In addition, there will also be issuance of a further 2,862.6 New Ordinary Shares at the Issue Price in settlement of certain loan facilities, creditors and Directors' salaries. Ironveld is proposing to issue subscribers to the Placing and the Subscription, together with those receiving the remaining Transaction Shares, with an aggregate of 9,807.1m Investor Warrants to subscribe for New Ordinary Shares on the basis of one warrant for every Transaction Share. The Investor Warrants are exercisable at 0.072p pence for a period of three years from the date of their grant, being Admission, and are non-transferrable.

Group working capital

At 18 October 2024, Ironveld held a cash balance of £17,892 and total creditors of £3,685,410 with £2,972,711 payable to South African entities (including the outstanding loan owed to Warmbad, in which Dr. Peter Cox has a beneficial interest) and £757,698 due to creditors in the United Kingdom, including outstanding fees and/ or salaries owed to directors and the outstanding Loan Facilities.

The Group has entered into agreements with certain of these creditors to settle a total of £693,000 from the net proceeds of the Placing. It has also entered into agreements with certain of its creditors to settle a further amount of £231,900 through the issue of 644,167,519 New Ordinary Shares at the Placing Price, being the Creditor Shares.

Following the above cash and share-based settlements with certain creditors, Ironveld will have total creditors of £2,515,888. Ironveld's Board intends to reduce this creditor position from cash flows generated from production, whilst ensuring the Group's operational objectives can be met.

Settlement of loan facilities and certain creditors

Tracarta Working Capital Loans and Warmbad Loan

On 18 September 2023, the Group announced that it had entered into working capital loan agreements with Peter Cox, Giles Clarke, Nicholas Harrison and Tracarta providing for the provision of working capital loans up to maximum of £500,000, of which £250,000 was to be made available by Tracarta. The loans had a term of six months and carried interest at 11% per annum on funds drawn, along with an arrangement fee of 2.5% of the loans' value. Peter Cox's working capital loan up to a maximum amount of R3,500,000, being circa £151,712, was provided to Ironveld Holdings (Pty) Ltd via Warmbad. This loan had a term of 24 months and was interest free during its term. The outstanding balance of the loan owed to Warmbad is £144,067.

Whilst the loan agreements with Giles Clarke and Nicholas Harrison were undrawn, on 2 February 2024 the Company announced that it had agreed to extend the term of the working capital loan totalling £250,000 with Tracarta by 12 months, and in addition had entered into a new £125,000 working capital loan agreement with Tracarta, the latter loan having a term of 6 months, interest at 11% per annum and an arrangement fee of 2.5% of the loan's value. On 24 April 2024, the Group announced that it had entered into a further working capital loan agreement with Tracarta enabling the Group to draw down up to a further £125,000 on equivalent terms to the existing loans with Tracarta.

As at 15 October 2024, the principle amount of the loans, including the arrangement fees, owed by the Group to Tracarta is £500,000 all of which, together with interest in the sum of £55,321, is outstanding. Tracarta has agreed to capitalise the working capital loans made to Group, with an outstanding balance, including interest, of £555,000 into 1,541,666,666 New Ordinary Shares, with the balance of interest continuing to accrue until capitalised and then repayable in cash, and Warmbad has agreed to capitalise its loan made to Ironveld Holdings (Pty) Ltd for the purpose of assisting with operating expenses and creditor payments in the latter part of 2023 and during 2024, with an outstanding balance of £144,067 into 400,186,111 New Ordinary Shares.

Other creditors

Additionally, the Group has outstanding creditors in the sum of £3,685,410, of which certain creditors, including Westleigh and Kristoffer Andersson, in the amount of £151,972 have agreed to the settlement of the outstanding balance £46.337 in cash from the net proceeds of the Placing and the settlement of the outstanding balance £231,900 by the issue to them of New Ordinary Shares.

In settlement of the outstanding balance of £231,900 owed to certain creditors, including Westleigh, the Group has agreed to issue 644,167,519 New Ordinary Shares at the Placing Price to those creditors.

Each recipient of Loan Settlement Shares, Directors' Settlement Shares or Creditor Shares has signed a lock-in agreement with Turner Pope and the Group pursuant to which they agree not to, and to use reasonable endeavours to ensure that their related parties will not (subject to certain exceptions): (i) dispose of any of their interests in their Loan Settlement Shares, Directors' Settlement Shares or Creditor Shares for a period of three months from Admission; and (ii) subject to certain conditions, following the expiry of the lock-in period the Loan Settlement Shares, Directors' Settlement Shares or Creditor Shares must be sold through Turner Pope.

Salary Shares and Related Party Opinion

Each of Giles Clarke, Nicholas Harrison and John Wardle being directors of the Company, has deferred a portion of their salary in order to preserve cash within the business. The aggregate gross amount owed to Giles Clarke, Nicholas Harrison and John Wardle in respect of contractual fees is £144,583, of which £44,997 of tax and employees' national insurance together with £19,639 of employer's national insurance is to be paid in cash from the net Placing proceeds. Giles Clarke, Nicholas Harrison and John Wardle have agreed to convert the balance of their outstanding contractual fees, in the sum of £99,586 into 276,627,721 New Ordinary Shares at the Placing Price. John Wardle via Tracarta and Peter Cox via Warmbad are also owed a further £699,067 in respect of the Loan Facilities referred to above and have agreed to convert such accrued sums into New Ordinary Shares at the Placing Price.

As referred to above, each of Kris Andersson and Giles Clarke and Nicholas Harrison via Westleigh as creditors of the Company are owed a further £151,972 and have agreed to convert £82,424 of the amount owed into New Ordinary Shares at the Placing Price. John Wardle via Tracarta is subscribing for 708,333,333 New Ordinary Shares in the Placing, and Peter Cox is separately, similarly subscribing for 111,111,111 New Ordinary Shares. Each of Giles Clarke, Nicholas Harrison and Peter Cox is a related party of the Group for the purposes of the AIM Rules by virtue of their status as Directors of the Group for the purpose of the issue of the Directors' Settlement Shares.

Malebo Ratlhagane, being the independent director for this purpose, considers, having consulted with the Company's nominated adviser, Cavendish, that the terms of the Capitalisation and the issue of Transaction Shares to the relevant directors or their associates' companies is fair and reasonable insofar as the Company's shareholders are concerned.

Following the Capitalisation and completion of the Placing, the above Directors' interests in the issued share capital of the Group will be as follows (assuming no warrants, options or other rights to subscribe for shares in the capital of the Group are exercised prior to Completion):

Directors' Interests Post Capitalisation and Completion of the Placing

Director's name	No. of Existing Ordinary Shares (as at the date of this Document)	% of Share Capital (as at the date of this document)	Number of Transaction Shares	No. of New Ordinary Shares (on Admission)	% of Enlarged Share Capital (on Admission)[1]
G Clarke [2]	67,221,168	1.7%	297,763,888	364,985,056	2.66
J Wardle [3]	569,428,567	14.5%	2,244,194,388	2,910,845,177	21.18
K Andersson	0	0.0%	21,367,521	21,367,521	0.16
N Harrison [2]	48,562,761	1.2%	301,613,888	350,176,649	2.55
PJ Cox [4]	38,785,490	1.0%	400,186,111	550,082,712	4.00

[1] *Assuming the issue of all of the New Ordinary Shares pursuant to the Placing*
[2] *G Clarke and N Harrison's interests in 217,145,803 shares above are through their shareholding in Westleigh.*
[3] *J Wardle's interest in some shares above is through his beneficial interest in Tracarta.*
[4] *PJ Cox's interest in some shares above is through his beneficial interest in Warmbad*

Source: Ironveld, RNS of 30 October 2024

Capital Reorganisation

The nominal value of the Existing Ordinary Shares is currently 0.1p per share. As a matter of English law, the Group is unable to issue shares at an issue price which is below their nominal value and therefore cannot issue Existing Ordinary Shares at the Placing Price. It is therefore proposed to sub-divide each Existing Ordinary Share into one ordinary share of 0.01 pence nominal value each and nine deferred shares of 0.01 pence nominal value each, thus enabling the Company to lawfully implement the Placing at the Placing Price and effect the Capitalisation. No new certificates for the Existing Ordinary Shares will be dispatched if the Capital Reorganisation becomes effective as expected on 20 November 2024 following application to the London Stock Exchange.

Ironveld - Key Placing and Capital Reorganisation Statistics*

Existing Ordinary Shares in issue as at the date of the General Meeting Circular	3,934,996,886
1pence Deferred Shares in issue as at the date of the General Meeting Circular	322,447,158
0.1pence Deferred Shares in issue as at the date of the General Meeting Circular	5,894,917,569
New Ordinary Shares following the Capital Reorganisation	3,934,996,886
0.01pence Deferred Shares in issue following the Capital Reorganisation	35,414,971,974
New Ordinary Shares to be issued as part of the Placing	6,125,000,000
New Ordinary Shares to be issued as part of the Subscription	819,444,444
New Ordinary Shares to be issued in settlement of the Loan Settlement Shares	1,941,852,777
New Ordinary Shares to be issued in settlement of the Creditors Shares	644,167,519
New Ordinary Shares to be issued in settlement of the Directors' Settlement Shares	276,627,721
Enlarged Share Capital following issue of Transaction Shares & Capital Reorganisation	13,742,089,347
Placing Price	0.036 pence
Gross proceeds of the Placing	£2.5million

**Note the above figures assume that no options/warrants are exercised prior to Admission* *Source: Ironveld, RNS of 30 October 2024*

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