

26 March 2018



Bushveld Minerals Limited

("Bushveld" or the "Company")

Bushveld Minerals US\$22.2 million equity placing

Bushveld (AIM: BMN), the integrated vanadium producer with additional investments in coal, power and tin, is pleased to announce that it has conditionally raised approximately US\$22.2 million (£15.7 million) (before expenses) by way of an oversubscribed placing of 152,749,172 new ordinary shares of 1 penny each (the "Placing Shares") at a price of 10.3 pence per share with leading institutional and mining investors (the "Placing"). The price was calculated as the 5 day volume weighted average price (as published by Bloomberg) at close of trading Monday 19 March 2018. The Placing Shares will represent approximately 14.4% of the Company's issued share capital on Admission (as defined below).

SP Angel Corporate Finance LLP and Alternative Resource Capital, a trading name of Shard Capital Partners LLP, acted as joint brokers (the "Joint Brokers") to the Company in connection with the Placing.

The Placing was led by a consortium of cornerstone investors, including the original founders of Mimosa Platinum and LionOre Mining International ("LionOre"), as well as the key investors in Mantra Resources at its inception. In 2007, LionOre was bought by Norilsk Nickel for US\$6.3 billion. Mantra Resources was sold to Rosatom of Russia in 2010 for US\$1.6 billion.

The planned use of the net proceeds of the Placing, being approximately US\$20.9 million (£14.9 million), is to:

- Redeem the outstanding Atlas Capital Convertible Bond (US\$6.3m) (£4.5 million);
- Simplify Bushveld's organisational and corporate structure to improve Bushveld's exposure to the underlying cash flows of its assets (US\$9.0m) (£6.4 million); and
- Support Bushveld's vanadium expansion programme: Expansion of the vanadium reserves and resources at the Vametco mine and Brits Project for future production and support Vametco's expansion plans to increase production to more than 5,000mtV and beyond (US\$5.6m) (£4.0 million).

Fortune Mojapelo, Chief Executive of Bushveld, commented:

"We are delighted by the response from investors to this capital raise which was significantly oversubscribed. We are particularly pleased to welcome to the Company a consortium of highly experienced mining investors as well as several leading UK institutional investors who buy into and support our ambitions to build a significant low cost and integrated primary vanadium Company. The capital raise will allow us to improve our capital and corporate structure and enhance the Company's

proximity to its underlying cash generating assets as we continue to develop our growth opportunities. We are grateful to the existing Bushveld shareholders who have continued to support the Company.”

Redemption of Convertible Loan

Bushveld announces that notice will be served today to redeem and settle in full the outstanding convertible loan issued and held by Atlas Capital Markets Limited (“Atlas”) and its joint venture company, Atlas Special Opportunities Limited. The Company has agreed to make a full and final repayment of £4.275m, being the outstanding nominal amount of the convertible loan, plus a 5% early redemption charges to Atlas to redeem all these remaining outstanding convertible bonds.

Details of the Placing

The Placing is conditional, amongst other things, on the admission of the Placing Shares to trading on the AIM market of the London Stock Exchange (“Admission”) by 29 March 2018 (or such later date as the Company may agree with the Joint Brokers, being not later than 30 April 2018). Application has been made for admission of these 152,749,172 new Ordinary Shares to trading on AIM and it is expected that Admission and dealings in the Placing Shares will commence at 8.00 a.m. on 29 March 2018.

Voting Rights

Following Admission, there will be a total of 1,061,333,862 Ordinary Shares in issue, 670,000 of which are held in treasury. Shareholders should use the figure of 1,060,663,862 as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, the Company under the FCA's Disclosure Guidance and Transparency Rules.

Market Abuse Regulation Disclosure

Certain information contained in this announcement would have been deemed inside information for the purposes of Article 7 of Regulation (EU) No 596/2014 (“MAR”) until the release of this announcement. In addition, market soundings (as defined in MAR) were taken in respect of the placing and other matters contained in this announcement, with the result that certain persons became aware of such inside information, as permitted by MAR. That inside information is set out in this announcement and is now considered to be in the public domain. Therefore, upon the publication of this announcement, those persons that received is inside information in a market sounding are no longer in possession of inside information relating to the Company and its securities.

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ABOUT BUSHVELD MINERALS LIMITED

Bushveld is an AIM listed integrated vanadium producer with additional investments in coal, power and tin.

The Company's flagship vanadium platform includes a 59.1% controlling interest in Bushveld Vametco Alloys (Pty) Ltd a primary vanadium mining and processing company; the Mokopane Vanadium Project and the Brits Vanadium Project. The coal platform comprises the wholly-owned Imaloto Coal Project, which is being developed as one of Madagascar's leading independent power producers. The Company's tin interests are held through its shareholding in AIM listed AfriTin Mining Limited.

Bushveld's vision is to become a significant, low cost, integrated primary vanadium producer through owned high grade assets. This incorporates development and promotion of the role of vanadium in the growing global energy storage market through Bushveld Energy, the Company's energy storage solutions provider. Whilst the demand for vanadium remains largely anchored in the steel industry, Bushveld Minerals believes there is strong potential for an imminent and significant global vanadium demand surge from the fast-growing energy storage market, particularly through the use and adoption of Vanadium Redox Flow Batteries.

The Company's approach to project development recognises that, whilst attractive project economics are imperative, they are insufficient to secure capital to bring them to account. A clear path to production within a visible timeframe, low capital expenditure requirements and scalability are important factors in ensuring a positive return on investment. This philosophy is core to the Company's strategy in developing projects.

Detailed information on the Company and progress to date can be accessed on the website: www.bushveldminerals.com.

Information to Distributors

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended ("MiFID II"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the "Product Governance Requirements"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the Product Governance Requirements) may otherwise have with respect thereto, the Placing Shares have been subject to a product approval process, which has determined that the Placing Shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients

and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "Target Market Assessment"). Notwithstanding the Target Market Assessment, investors should note that: the price of the Placing Shares may decline and investors could lose all or part of their investment; Placing Shares offer no guaranteed income and no capital protection; and an investment in Placing Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Placing. Furthermore, it is noted that, notwithstanding the Target Market Assessment, the Joint Brokers will only procure investors who meet the criteria of professional clients and eligible counterparties. For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to Placing Shares.