

## QUARTERLY ACTIVITIES REPORT

*Period ending 30<sup>th</sup> June 2021*

### HIGHLIGHTS

- AVL awarded \$3.69M Australian Government manufacturing grant in competitive process for downstream vanadium processing, including:
  - High-purity vanadium pentoxide processing circuit
  - Building and operating a commercial vanadium electrolyte plant in WA
  - Manufacture of residential and stand-alone power systems in WA
- Exceptional 89% vanadium extraction demonstrated in stage 1 pellet roast leach pilot testwork.
- 31.3 Mt Nickel-Copper-Cobalt Mineral Resource reported at the Australian Vanadium Project by Bryah Resources Limited (ASX: BYH, AVL holds 5.11%), paving way for base metal sulphide concentration circuit for critical e-mobility battery materials at the Project.
- Submission of vanadium processing patent application protecting unique processing flowsheet for AVL.
- Co-operative Research Centre Project delivers key project milestones to support Bankable Feasibility Study.
- EIS drilling grant funding awarded for Coates V-Ni-Cu-PGE-Au project SE of Chalice Mining's Julimar discovery.

### Corporate

- Cash at bank on 30<sup>th</sup> June 2021 was \$3.52 million.
- On 30<sup>th</sup> July the Company received \$1,622,806 as an initial payment for the MMI Grant.

### Management comment

On 22<sup>nd</sup> July, AVL announced that it had received a grant from the Australian Government. The successful application was part of intensely competitive application process, with AVL being one of only 12 successful applications under the Resources Technology and Critical Minerals Processing National Manufacturing Priority. The grant has a very meaningful result and enables AVL to pursue opportunities in the rapidly growing Vanadium Redox Flow Battery (VRFB) long duration energy

storage sector, which will add value to the Company and provide opportunities prior to and during mining.

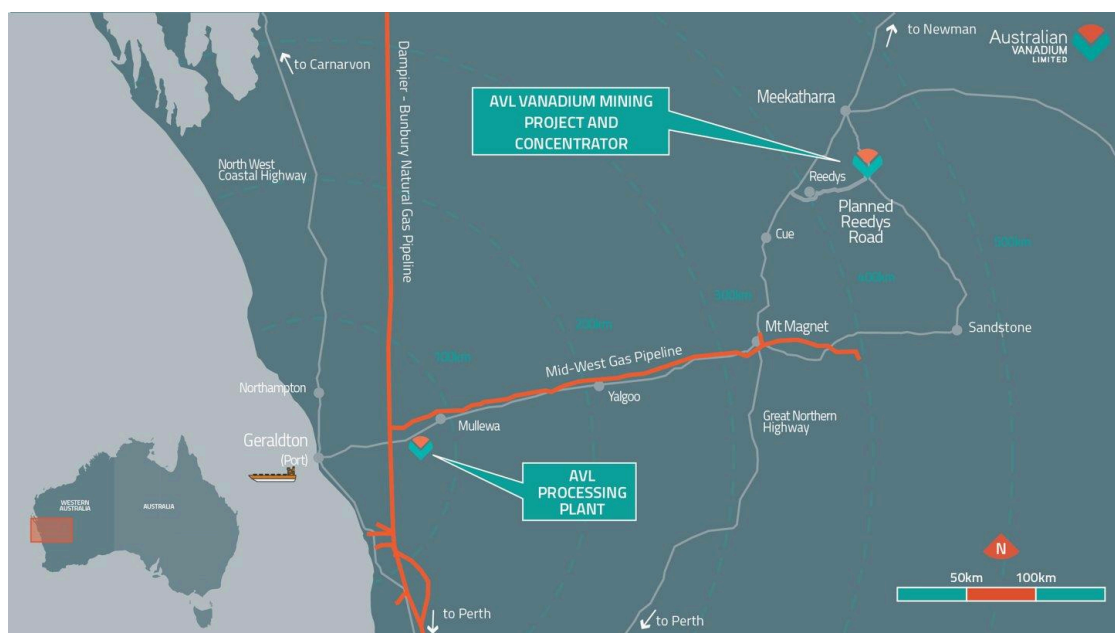
The Company continues to make progress towards the completion of its Bankable Feasibility Study (BFS) on the Australian Vanadium Project Mine and Concentrator at Gabanintha and Tenindewa Vanadium Processing Plant, with essential work being completed and packages going out to prospective suppliers for detailed costings.

Pellet leach testwork has confirmed the Company’s ability to extract high percentages of vanadium during processing. A preliminary patent application was submitted to protect AVL’s Intellectual Property developed in the unique combination of processes used in its vanadium processing solutions.

The release of a base metal resource statement by Bryah Resources Limited represents a significant upgrade to the resource base of potential copper, nickel and cobalt, all viewed as key metals in e-mobility vehicle electrification. This material becomes available for processing at the Project as a tailings stream after removal of the vanadium concentrate for processing. Bryah will now move forward to evaluate a base metal sulphide concentration circuit adjacent to AVL’s CMB plant, adding further value generation options for both companies.

Activities for the quarter ended 30<sup>th</sup> June 2021 for Australian Vanadium Limited (“AVL” or “the Company”) are as follows:

## THE AUSTRALIAN VANADIUM PROJECT



*Figure 1 Project Location Map in Western Australia*

## Award of Australian Government manufacturing grant

*See ASX announcement dated 22<sup>nd</sup> July 2021 'AVL Awarded \$3.69M Federal Government Manufacturing Grant'*

AVL has been awarded a \$3.69 Million competitive grant from the Australian Government under the Resources Technology and Critical Minerals Processing National Manufacturing Priority Grant.

On 30<sup>th</sup> July the Company received \$1,622,806 as an initial payment for the Grant.

The grant is for matched funding to support AVL's plan to:

- Include a high-purity processing circuit to produce battery, chemical and master-alloy grade vanadium pentoxide as part of the development of the Australian Vanadium Project.
- Build and operate a commercial vanadium electrolyte plant based in WA, to support the rollout of vanadium redox flow batteries (VRFBs) in Australia.
- Manufacture prototype/demonstration residential and stand-alone power systems (SPS) based on VRFB technology, for distribution into Australian energy markets.

AVL's vertical integration strategy for the battery market has been developed since it launched VSUN Energy in 2016. VSUN Energy was created to focus on the development of the battery application of vanadium in Australia. The steel market currently consumes most of the world's vanadium production and defines both demand and prices. A secondary market for battery applications will create significant new demand and help to develop price stability.

The Company plans to supply  $V_2O_5$  from the Australian Vanadium Project ("the Project") to manufacture vanadium electrolyte which will then be supplied to VRFB projects in Australia and in the Asia Pacific Region. The electrolyte plant will be the first and only plant of its type in the region.

VSUN Energy installs and maintains commercial VRFB systems. Customers will benefit from the availability of locally produced vanadium electrolyte, which is currently sourced mainly from China.

The AVL strategy and grant objectives complement both the Federal and State governments' plans for the battery industry in Australia and the addition of value to minerals mined in Australia. Emphasising the importance of the value and jobs being retained inside Australia.

## Up to 89% Vanadium Extraction from Roasted Pellets

*See ASX announcement dated 8<sup>th</sup> June 2021 'High Vanadium Extractions Confirmed in Pellet Leach Pilot as BFS Progresses'*

During the quarter, AVL announced that it had confirmed high vanadium extractions through the first part of a two-stage water leach flowsheet pilot. Vanadium extraction from the roast and first stage leach phases of roasted pellets averaged 89%.

The mechanical leach pilot was considered by the AVL team and its consulting engineers to have been highly successful. The results are strongly supportive of the proposed use of pelletised roasting as being highly effective at solubilising the vanadium in the concentrate during the roast phase, importantly confirming at a pilot level the Project's ability to deliver world-leading vanadium leach extraction.



**Figure 2 Pilot feed - roasted pellets crushed to <6.3mm**

Significant amounts of AVL's iron-titanium co-product will be generated by the pilot leach program. Samples of which are destined for blast furnace customer testing in Asia. Vanadium pentoxide ( $V_2O_5$ ) products will be analysed and used for specific customer testing in vanadium redox flow battery and specialty chemical applications.

The importance of representative pilot scale testing and the AVL team's extensive vanadium specific experience has been a key aspect in the successful development of the Company's processing flowsheet which will form the basis of the BFS.

## **Nickel-Copper-Cobalt Mineral Resource**

*See ASX announcement dated 1<sup>st</sup> June 2021 'Bryah Resources (ASX:BYH or "Bryah") Reports 31.3 Million Tonne Nickel-Copper-Cobalt Mineral Resource at the Australian Vanadium Project'*

AVL holds the mineral rights to vanadium, titanium, iron and cobalt at the Australian Vanadium Project (the Project) and a 5.11% equity stake in Bryah Resources. Bryah's mineral rights at the Project include nickel, copper and gold. In June, Bryah Resources reported a 31.3Mt nickel-copper-cobalt Mineral Resource at the Project, a 100% increase from a previous 2018 Resource, (see Table 3).

The cobalt has an Indicated Resource of 229ppm and Inferred 226ppm, with a total of 228ppm.

Metallurgical testwork undertaken during AVL's feasibility study showed the nickel, copper, cobalt and gold present in the non-magnetic tail after separation of the vanadium titanium-magnetite concentrate, can be processed to produce a base metal concentrate.

Under the mineral rights agreement, Bryah and AVL will work closely with one another in relation to the exercise of their respective rights and will agree upon the manner of their exercise in order to minimise interference with one another's operations.

Due to the nature of the very separate disposition of the metals in the orebody, this is seen as being a seamless processing solution that will maximise benefit for both companies.

Any production of a sulphide-rich concentrate will only occur when AVL brings the Project into production.

## **Submission of vanadium processing circuit patent application**

*See ASX announcement dated 12<sup>th</sup> April 2021 'AVL Lodges Patent Application for Vanadium Processing Circuit'*

In April, AVL submitted a unique vanadium processing flowsheet provisional patent application. The application relates to a specific method of preparing high purity vanadium pentoxide and preparing a marketable titanium and iron coproduct from vanadium bearing titanomagnetite (VTM), in a cost effective and environmentally sustainable manner. AVL's unique combination of physical beneficiation, pyrometallurgical and hydrometallurgical steps combine to underline the patent application. The processing circuit is at the core of AVL's ongoing BFS engineering study as part of the Company's plans to develop the Project.

AVL's patent application is concerned with the recovery of high-purity vanadium from run-of-mine VTM ores using an updated and enhanced version of the salt-roast process.

Innovative aspects are particularly concerned with each of the following major stages:

- Physical beneficiation
- Pelletisation of a  $V_2O_5$  concentrate
- Drying and hardening of pellets
- Salt roasting of a pelletised concentrate
- Leaching of a roasted product via various options, including combined ball milling/leaching, resin-in-leach, combined drum/spiral leach and heap leaching
- Recovery of a high-grade vanadium containing solid prior to conversion to  $V_2O_5$
- Recovery of raw marketable titanium and iron containing coproduct(s)

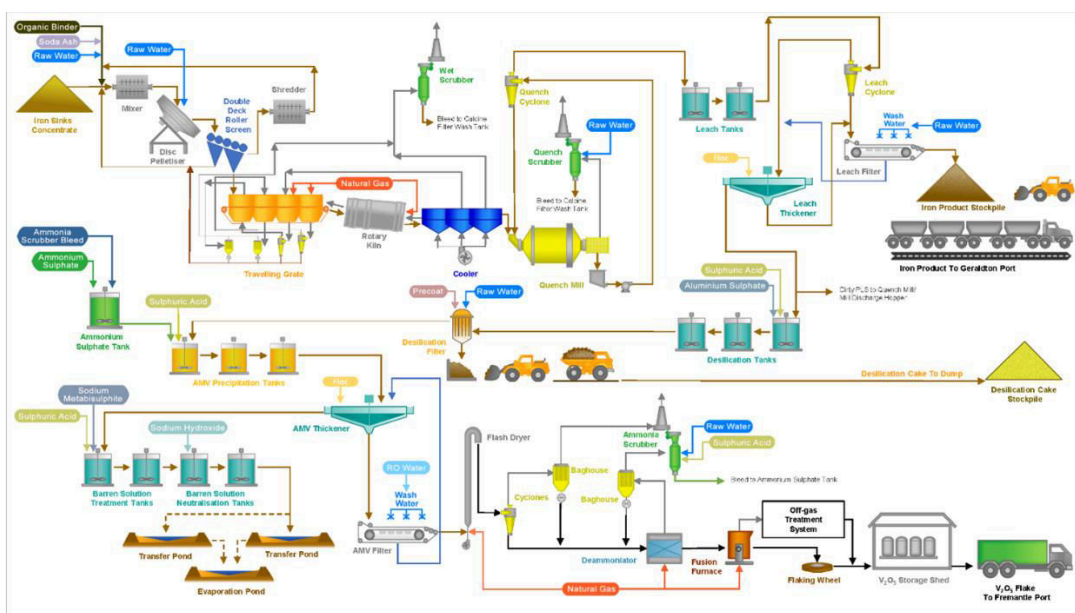


Figure 3 Processing Flowsheet Overview

## EIS grant funding awarded

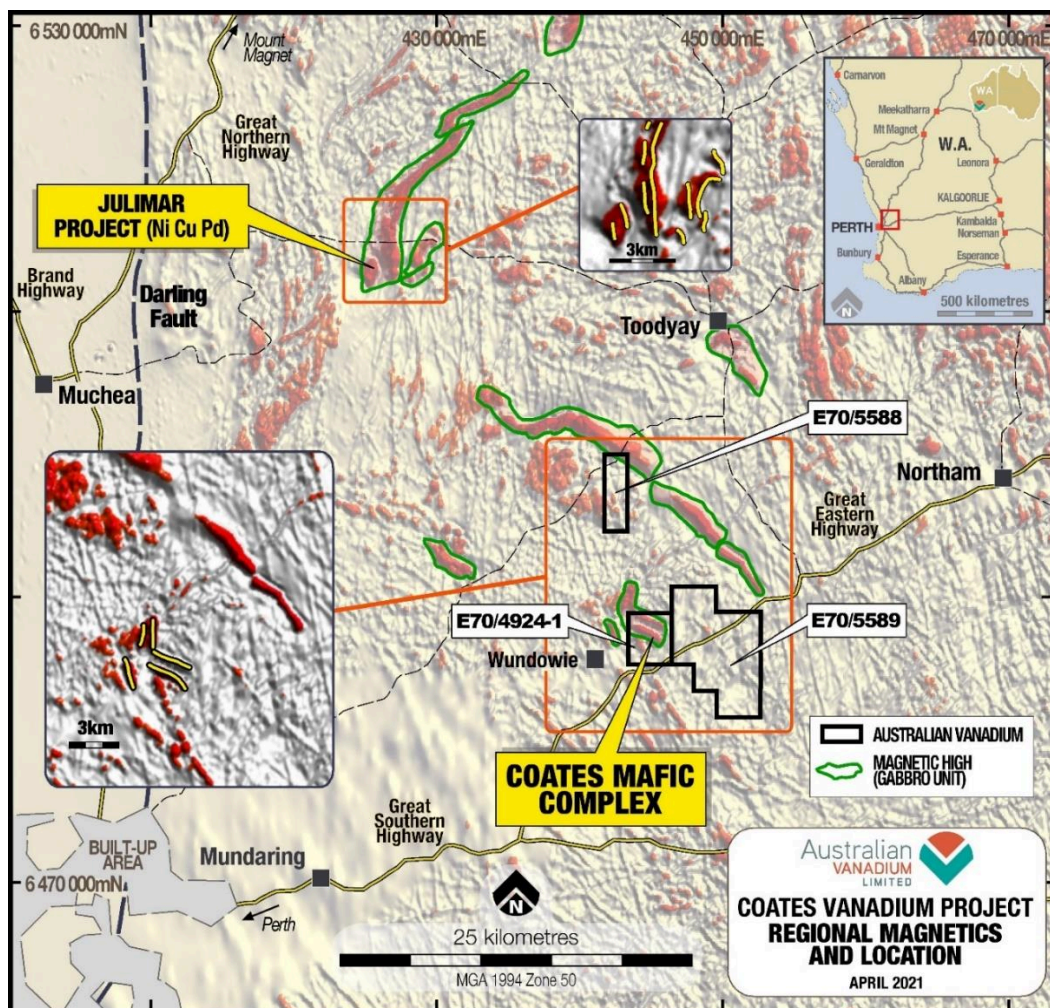
See ASX announcement dated 23<sup>rd</sup> April 2021 'Grant Funding for Nickel-Copper-PGE-Gold Drilling at Coates Project'

AVL has been successful in Round 23 of the Government of Western Australia's Exploration Incentive Scheme (EIS) program for the 2021/22 Financial Year. The program is designed to test for Ni-Cu-PGE-Au mineralisation at AVL's Coates Project, south east of the Julimar PGE discoveries in Western Australia.

The Company will receive grant funding of up to \$112,500 from the Department of Mines, Industry Regulation and Safety (DMIRS) as a contribution towards drilling costs at the Coates Ni-Cu-PGE-Au Project which is located north east of Perth.

Under the co-funded drilling program, the Company will drill eleven drill holes across the intrusion with Reverse Circulation (RC) to 60 - 75 metres depth, followed by diamond drilling of NQ core to maximum total hole depths of between 120 and 300 metres. Holes are planned to achieve full stratigraphic coverage of the gabbro sequence. Downhole ElectroMagnetics (EM) will be used to evaluate the rocks around the drill holes for conductors.

During the Quarter, the Company undertook a base line soil sampling program over the area to identify soil anomalism and relationships with mapped geological units. This initial sampling information will be used to develop an information base line for the EIS drilling and a co-funded CSIRO Research Project to be conducted on the drilling sampling. Assay results from the soil program are expected in coming weeks. Soil sampling programs will continue to outline geochemical targets in tandem with the EIS program.



**Figure 4 Coates Mafic Complex Location with Chalice Gold Mines Julimar Discovery shown on 80m GSWA Aeromagnetics Imagery<sup>1</sup>**

<sup>1</sup> Brett JW, 2020, 80 m Magnetic Merged Grid of Western Australia 2020 version 1: Geological Survey of Western Australia, [www.dmp.wa.gov.au/geophysics](http://www.dmp.wa.gov.au/geophysics)

The Company has drilling locations approved for the proposed program and the EIS drilling will commence when internal resources are available. The program timetable must be concluded and reported within one year of grant.

The program will include downhole EM surveys to identify nearby conductors. This technique has been highly successful in the identification of mineralised bodies in recent exploration in this region. Airborne or ground based EM surveys are also planned for the project but are not part of the EIS project funding.

## VANADIUM IN ENERGY STORAGE

### Opportunities Offered by Manufacturing Grant

The award of the Australian Government’s manufacturing grant to AVL allows advancement of the Company’s residential battery and stand-alone power system (SPS) manufacture plans.

CADDS Group in Bibra Lake has undertaken work to produce concept designs followed by engineering designs for a 5kW/30kWh residential VRFB. The next stage of the project is to build a prototype which can be tested. Feedback is being provided to the manufacturer of the core battery components in China, so that its design can be refined and completed.



*Figure 5 Residential VRFB design intents*

The grant will facilitate the procurement, testing and commissioning onsite, of a VRFB standalone power system (SPS). The SPS has been designed to allow the duplication and mass manufacture of reliable, high penetration renewable energy SPS units. The SPS is targeted at “diesel off” scenarios in the mining, agricultural and remote community markets. The inherent strengths of the VRFB, including long asset life; low maintenance requirements; high temperature tolerance and zero



flammability risk alongside flexibility of operation, allows VSUN Energy to offer a solution for sale which dramatically reduces diesel use, or ideally eliminates it entirely.

During the quarter, VSUN Energy has been able to expand its internal team, increasing the amount of engineering and electrical knowledge available for analysis, installation and maintenance of VRFB systems.

### Project Updates

Beverley Caravan Park – installation of the 26kW solar array has been completed and is ready for the 5kW/30kWh VRFB from V-Flow (Singapore) to be installed when it arrives in Perth.

### VRFB Market

- U.S. Vanadium LLC (USV) successfully demonstrated the ability to recycle vanadium electrolyte from both a technical and economical perspective. The electrolyte was provided by VRFB manufacturer Invinity Energy Systems. USV achieved a vanadium recovery rate of 97%. The primary use of vanadium electrolyte at the end of the VRFB's 20+ year mechanical lifespan is in another VRFB. The alternative is to reduce the vanadium electrolyte to V<sub>2</sub>O<sub>5</sub> for use in another market such as steel. This demonstrates the sustainability of the battery and explains why leasing electrolyte is attractive. For the owner of the electrolyte, there is a revenue during the battery's operating life and then a reclaim value which could potentially exceed the original purchase price.
- A CellCube VRFB has been used to power a PortLiner ship in the Netherlands. The ship can travel for 350 miles (~560 km) and can be fully charged in 30 minutes.



**Figure 6 PortLiner Anna powered by vanadium electrolyte**

PortLiner previously investigated the use of both lithium-ion batteries and hydrogen to power the ships, but neither was appropriate. The company has found that replacing a diesel engine with an electric motor powered by a VRFB requires minimal maintenance and has a much longer lifespan.

- South African vanadium producer Bushveld Minerals invested US\$7.5 million in CellCube manufacturer Enerox for VRFB manufacturing expansion.
- The US Defense Department started its second phase of research into VRFBs with Ameresco, a developer of clean energy and microgrid projects. The research aims to examine the potential of VRFBs in military microgrids to reduce the amount of diesel used.
- China continues to develop MW scale VRFBs throughout the country, with companies such as VRB Energy with a 10MW/40MWh phase 1 project in Hubei to be followed by a 100MW/400MWh phase 2 project for peak shaving. The company has also recently announced a 125kW/500kWh VRFB for the National Photovoltaic and Energy Demonstration Experimental Center in Daqing, north-eastern China. News from China has indicated that the use of second-hand lithium-ion batteries for large-scale energy storage systems will be banned due to fire risk.
- A 2MW/8MWh VRFB was announced by Invinity Energy Systems for Yadlamalka Energy in South Australia. The battery has been supported by an ARENA grant of \$5.7m and will be co-located with a 6MW solar PV array. Invinity Energy also announced a 500kWh VRFB to be located on a US Marine Corps base in Southern California for Indian Energy. The Invinity Energy batteries for the Energy Superhub project in Oxford, England have now been commissioned.
- CellCube installed its first FB500-2000 (500kW/2MWh) in Austria.
- A floating PV array and VRFB will power the junction of two highways in the Netherlands. Power is required for ventilation and lighting in the tunnel.
- VRB Energy announced a US\$24 million investment received to support its global expansion.

## CORPORATE

### Appendix 5B – Quarterly cash flow report

The cash position of AVL as at 30<sup>th</sup> June 2021 was \$3.52million.

The aggregate amount of payments to related parties and their associates included in the current quarter cash flows from operating activities were \$178k, comprising Directors' fees, staff salaries and superannuation.

During the quarter \$25k was expensed for exploration and evaluation which related to tenement management. Of the \$1,660k exploration and evaluation expenditure capitalised, \$250k was spent on activities related to the Cooperative Research Centre Project. A further \$1,282k was spent on the BFS update including engineering work (\$555k), environmental work (\$55k), hydrogeology (\$125k), drilling (\$244k), tailings (\$31k) and native title expenses (\$46k). The balance of exploration

and evaluation expenditure comprised of other consultants and labour, testwork and other tenement expenses.

On 30<sup>th</sup> July the Company received \$1,622,806 as an initial payment for the MMI Grant.

No production and development activities were undertaken during the quarter.

## **ESG**

The Company's environment, social and governance (ESG) practises and plans are a key area of focus as the Project is advanced towards production. ESG frameworks must be well developed in the Company to attract investment and social, legal and environmental licence to operate. Global consultancy Advisian has been engaged and provided initial feedback to the Company on its ESG review. AVL is pleased with the Company's initial scoring and will look to further advance and develop the practices as the Project moves into the development phase.

## **Market engagement**

As the Company moves rapidly towards completion of its BFS, a key activity for the executive team is the identification and conversion of offtake agreements for the vanadium and iron-titanium co-product streams from the Project.

Engagement is ongoing with existing vanadium MOU partners including US Vanadium (speciality vanadium chemical producer), V-Flow Tech (Singaporean VRFB company), CEC VRFB (Chinese VRFB company), CellCube (European VRFB company) and HBIS (Chinese steelmaker and the world's 2<sup>nd</sup> largest vanadium producer). The primary focus for AVL on vanadium offtake is high quality, strong balance sheet counterparties with a wide geographic focus. As the Company approaches technical and financial completion, the emphasis on securing offtake agreements on good terms for the Company become vital. AVL's strong technical focus on quality pilot work and key market relationships place the Company in a strong position relative to its competitors.

Market development activities on the Company's iron-titanium (FeTi) co-product have continued, with AVL's Beijing consultant facilitating fundamental technical analysis of the iron product with the Chinese CISRI organisation. These analyses are essential for steel mills to assess the feedstock and its behaviour. Presentations have commenced for steel mills in China, with a view to specific MOU and end user offtake agreements for the product. The FeTi co-product differentiates AVL from all other non-Chinese primary producers and developing projects. It is produced after the extraction of high value vanadium within Australia and is readily saleable by export from the nearby Port of Geraldton, 60km away from the planned processing plant. Sales of the FeTi co-product will add additional revenue streams to the Project and remove the need for indefinite storage of the material as a waste product.

## Marketing

During the June quarter AVL attended or presented at:

- 100<sup>th</sup> Vanitec Meeting (attended)
- Mines and Money 5@5 (presented)
- Mining and Energy Investment, Perth (attended)
- EMEA 121 Mining Investor Virtual Forum (presented)
- Paydirt Battery Minerals Conference, Perth (presented)
- Energy and Mines Summit (presented)
- Connecting Industry Conference WA, Perth (presented)
- Renewables and Resources Conference, Perth (attended)
- Midwest Investor Forum, Geraldton (presented)

AVL will be attending the following events during the September quarter:

- Energy in WA Conference, Perth (attending)
- Diggers and Dealers, Kalgoorlie (attending)
- Meekatharra Careers Expo (attending)
- Midwest Major Projects Update 2021 (presenting)

The Company maintains a strong presence on social media platforms and through its mailing list, summarising Company and vanadium related news and developments. The Company is promoted under Australian Vanadium, AVL and VSUN Energy brand names.

For further information, please contact:

**Vincent Algar, Managing Director** +61 8 9321 5594

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*This announcement has been produced in accordance with the Company's published continuous disclosure policy and has been approved by the Board.*

## MINERAL RESOURCE

*Table 1 - The Australian Vanadium Project Mineral Resource Estimate at February 2020 by Domain and Resource Classification<sup>2</sup>*

Zone	Classification	MT	V <sub>2</sub> O <sub>5</sub> %	Fe%	TiO <sub>2</sub> %	SiO <sub>2</sub> %	Al <sub>2</sub> O <sub>3</sub> %	LOI%
HG 10	Measured	10.1	1.14	43.9	13.0	9.2	7.5	3.7
	Indicated	25.1	1.10	45.4	12.5	8.5	6.5	2.9
	Inferred	52.7	1.04	44.6	11.9	9.4	6.9	3.3
	<b>Subtotal</b>	<b>87.9</b>	<b>1.06</b>	<b>44.7</b>	<b>12.2</b>	<b>9.2</b>	<b>6.8</b>	<b>3.2</b>
LG 2-5	Measured	-	-	-	-	-	-	-
	Indicated	44.5	0.51	25.0	6.8	27.4	17.0	7.9
	Inferred	60.3	0.48	25.2	6.5	28.5	15.3	6.7
	<b>Subtotal</b>	<b>104.8</b>	<b>0.49</b>	<b>25.1</b>	<b>6.6</b>	<b>28.0</b>	<b>16.1</b>	<b>7.2</b>
Transported 6-8	Measured	-	-	-	-	-	-	-
	Indicated	-	-	-	-	-	-	-
	Inferred	15.6	0.65	28.4	7.7	24.9	15.4	7.9
	<b>Subtotal</b>	<b>15.6</b>	<b>0.65</b>	<b>28.4</b>	<b>7.7</b>	<b>24.9</b>	<b>15.4</b>	<b>7.9</b>
Total	Measured	10.1	1.14	43.9	13.0	9.2	7.5	3.7
	Indicated	69.6	0.72	32.4	8.9	20.6	13.2	6.1
	Inferred	128.5	0.73	33.5	8.8	20.2	11.9	5.4
	<b>Total</b>	<b>208.2</b>	<b>0.74</b>	<b>33.6</b>	<b>9.0</b>	<b>19.8</b>	<b>12.1</b>	<b>5.6</b>

*Table 2 Ore Reserve Statement as at December 2020, at a cut-off grade of 0.7% V<sub>2</sub>O<sub>5</sub>*

Ore Reserve	Mt	V <sub>2</sub> O <sub>5</sub> %	Fe <sub>2</sub> O <sub>3</sub> %	TiO <sub>2</sub> %	SiO <sub>2</sub> %	LOI%	V <sub>2</sub> O <sub>5</sub> production kt	Ore Reserve	Mt
Proved	9.8	1.08	59.9	12.4	8.7	3.5	63.2	Waste	244.5
Probable	22.4	1.04	61.7	11.8	8.3	2.8	158.9	Total Material	276.7
<b>Total Ore</b>	<b>32.1</b>	<b>1.05</b>	<b>61.2</b>	<b>12.0</b>	<b>8.4</b>	<b>3.0</b>	<b>222.1</b>	Strip Ratio	7.6

<sup>2</sup> Using a nominal 0.4% V<sub>2</sub>O<sub>5</sub> wireframed cut-off for low grade and nominal 0.7% V<sub>2</sub>O<sub>5</sub> wireframed cut-off for high grade (total numbers may not add up due to rounding).

**Table 3 - Bryah Resources Limited Base Metals Resource**

2021 Base Metals Resource Area	Classification	Tonnes (Million)	Ni ppm	Cu ppm	Co ppm	S %
In Pit North	Indicated	9.3	723	205	214	0.21
In Pit Central	Indicated	4.5	777	193	228	0.23
In Pit South	Indicated	3.8	829	222	266	0.11
<b>Total In Pits</b>	<b>Indicated</b>	<b>17.7</b>	<b>760</b>	<b>205</b>	<b>229</b>	<b>0.19</b>
Under North Pit	Inferred	5.3	701	208	182	0.19
Under Central Pit	Inferred	3.6	769	200	234	0.25
Under South Pit	Inferred	4.7	823	235	269	0.20
<b>Total Under Pits</b>	<b>Inferred</b>	<b>13.6</b>	<b>761</b>	<b>215</b>	<b>226</b>	<b>0.21</b>
<b>Total Base Metals Resource</b>	<b>Indicated and Inferred</b>	<b>31.3</b>	<b>761</b>	<b>210</b>	<b>228</b>	<b>0.20</b>

*Note: See ASX announcement dated 1<sup>st</sup> June 2021 'Bryah Resources Reports 31.3Mt Nickel-Copper-Cobalt Mineral Resource at the Australian Vanadium Project'*

**Table 4 - Tenement Schedule**

Tenement information as required by Listing Rule 5.3.3 for the quarter ended 30 June 2021.

Project	Location	Tenements	Economic Interest	Notes	Change in Quarter %
Western Australia	The Australian Vanadium Project	E51/843	100% Granted <sup>1</sup>		Nil
		E51/1534	100% Granted <sup>1</sup>		Nil
		E51/1685		Surrendered	100%
		E51/1694		Surrendered	100%
		E51/1695		Surrendered	100%
		E51/1899	100% Granted <sup>1</sup>		Nil
		E51/1943	100% Granted <sup>1</sup>		Nil
		E51/1944	100% Granted <sup>1</sup>		Nil
		L51/116		100% on Application	100%
		P51/3073	100% Granted		Nil
		P51/3074	100% Granted		Nil
		P51/3075	100% Granted		Nil
		P51/3076	100% Granted		Nil
		PLA51/3248		100% <sup>1</sup> on Application	100%
		M51/878	100% Granted		Nil
		M51/888	100% Granted <sup>1</sup>		Nil
MLA51/890		100% <sup>1</sup> on Application	Nil		
Western Australia	Nowthanna	M51/771	100% Granted		Nil
Western Australia	Peak Hill	E52/3349	0.75% NSR Production Royalty		Nil
Western Australia	Coates	E70-4924-I	100% Granted		Nil
		ELA70/5588	100% Granted		100%
		ELA70/5589		100% on Application	Nil
South Africa	Blesberg	(NC) 940 PR	10%		Nil

*Note 1: Australian Vanadium Limited retains 100% rights in V/U/Co/Cr/Ti/Li/Ta/Mn & iron ore on The Australian Vanadium Project. Bryah Resources Limited holds the Mineral Rights for all minerals except V/U/Co/Cr/Ti/Li/Ta/Mn & iron ore only.*

## FORWARD LOOKING STATEMENTS

Some of the statements contained in this report are forward looking statements. Forward looking statements include, but are not limited to, statements concerning estimates of tonnages, expected costs, statements relating to the continued advancement of Australian Vanadium Limited's projects and other statements that are not historical facts. When used in this report, and on other published information of Australian Vanadium Limited, the words such as 'aim', 'could', 'estimate', 'expect', 'intend', 'may', 'potential', 'should' and similar expressions are forward looking statements.

Although Australian Vanadium Limited believes that the expectations reflected in the forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that the actual results will be consistent with these forward-looking statements. Various factors could cause actual results to differ from these forward-looking statements including the potential that Australian Vanadium Limited's project may experience technical, geological, metallurgical and mechanical problems, changes in vanadium price and other risks not anticipated by Australian Vanadium Limited.

Australian Vanadium Limited is pleased to report this information in a fair and balanced way and believes that it has a reasonable basis for making the forward-looking statements in this report, including with respect to any mining of mineralised material, modifying factors, production targets and operating cost estimates.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

## COMPETENT PERSON STATEMENT – EXPLORATION RESULTS AND TARGETS

The information in this report that relates to Exploration Results and Exploration Targets is based on and fairly represents information and supporting documentation prepared by Mr Brian Davis (Consultant with Geologica Pty Ltd). Mr Davis is a member of the Australasian Institute of Mining and Metallurgy and has sufficient experience of relevance to the styles of mineralisation and types of deposits under consideration, and to the activities undertaken to qualify as Competent Persons as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Specifically, Mr Davis consents to the inclusion in this report of the matters based on his information in the form and context in which they appear.



## **COMPETENT PERSON STATEMENT — MINERAL RESOURCE ESTIMATION**

The information in this announcement that relates to Mineral Resources is based on and fairly represents information compiled by Mr Lauritz Barnes, (Consultant with Trepanier Pty Ltd) and Mr Brian Davis (Consultant with Geologica Pty Ltd). Mr Barnes and Mr Davis are members of the Australasian Institute of Mining and Metallurgy (AusIMM) and Mr Davis is a member of the Australian Institute of Geoscientists, both have sufficient experience of relevance to the styles of mineralisation and types of deposits under consideration, and to the activities undertaken to qualify as Competent Persons as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Specifically, Mr Barnes is the Competent Person for the estimation and Mr Davis is the Competent Person for the database, geological model and site visits. Mr Barnes and Mr Davis consent to the inclusion in this announcement of the matters based on their information in the form and context in which they appear.

## **COMPETENT PERSON STATEMENT – METALLURGICAL RESULTS**

The information in this announcement that relates to Metallurgical Results is based on information compiled by independent consulting metallurgist Brian McNab (CP. B.Sc Extractive Metallurgy), Mr McNab is a Member of AusIMM. Brian McNab is employed by Wood Mining and Metals. Mr McNab has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which is undertaken, to qualify as a Competent Person as defined in the JORC 2012 Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr McNab consents to the inclusion in the announcement of the matters based on the information made available to him, in the form and context in which it appears.

## **COMPETENT PERSON STATEMENT – ORE RESERVES**

The technical information in this announcement that relates to the Ore Reserve estimate for the Project is based on information compiled by Mr Ross Cheyne, an independent consultant to AVL. Mr Cheyne is a Fellow of the Australasian Institute of Mining and Metallurgy. He is an employee and Director of Orelogy Mine Consulting Pty Ltd. Mr Cheyne has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a competent person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Cheyne consents to the inclusion in the announcement of the matters related to the Ore Reserve estimate in the form and context in which it appears.