

3 September 2019

EXPLORATION AND CHINA UPDATE

HIGHLIGHTS

- ◆ **Vanadium Resources to attend the Xi'an International Vanadium Summit on Sep. 9-11**
- ◆ **Meetings planned with key members of the vanadium industry in Asia between September 3-15 in conjunction with Mastermines.**
- ◆ **Initial discussions underway for batch testing of V205 from Steelpoortdrift high grade vanadium concentrate**
- ◆ **Drilling progressing well on site with mineralisation intersected as predicted by the resource model**

The management of Vanadium Resources Limited (ASX:VR8) (**VR8** or **the Company**) is pleased to provide an update on current activities by the Company.

MANAGEMENT TO UNDERTAKE ASIAN TOUR

Managing Director Bill Oliver and newly appointed directors Nico van der Hoven and Jurie Wessels will travel to China in September with Mastermines. Intense preparation for this trip has included all company literature from the newly rebranded VR8 being prepared in the new format in both English and Chinese versions.

VR8's Managing Director Bill Oliver said:

"I look forward to visiting China for VR8 and am delighted to be travelling with Nico van der Hoven and Jurie Wessels who currently mine and sell product to China. They bring a great deal of practical experience to this visit and to the team at VR8. Following an extremely busy

preparation period I really look forward to presenting the Company to a fresh, knowledgeable audience. We are in the enviable position of asking the Chinese exactly where their interest lies and planning accordingly. With permits in place we feel we are well ahead with a resource that is absolutely world-class by any comparison.”

Mastermines’ David Gillam said:

“Our last trip to China was financed by Mastermines in December 2018. Over the past few years we have made contact with or visited steel mills, chemical and battery companies. In addition, we have met with many leading professors and have been very grateful for the welcomes and sharing of information that assists our research. This is perhaps the first visit of ours that looks to be fully booked before we leave Australia. Our blanket marketing began just this week and the response has been extremely encouraging. Our intention is to bring VR8 quickly into early discussions and we believe we have the best contacts in vanadium throughout Asia to do just that.”



Figure 1. A copy of the Chinese version of the presentation which can be downloaded at <https://www.tandoresources.com.au/sites/default/files/2019-aug-08%20VR8%20MM%20Final%20Presentation%20CN.pdf>

VANADIUM RESOURCES TO ATTEND THE XI’AN INTERNATIONAL VANADIUM SUMMIT BETWEEN SEPTEMBER 9-11

VR8 will attend the Vanadium conference in Xi’an China over a three-day period. The conference is one of two major vanadium focussed events in China and will be an important step to create a blanket awareness of importance of the Steelpoortdrift Vanadium Project on a global scale.

MEETINGS PLANNED WITH MAJOR VANADIUM ENTITIES IN ASIA BETWEEN SEP 3-15

The Company will attend the conference in the company of Mastermines, its Asian marketing consultant. Mastermines have considerable contacts within the Vanadium Industry in Asia and meetings are being organised around the conference dates. Meetings currently planned are within Mainland China and South Korea

Meetings are scheduled with major companies within the steel, alloy and battery industries who may represent future customers or prospective partners for the project along with leading industry professors and trade groups. The reaction from these groups to the recent investor presentation (in English and Chinese) has been very favourable.

INITIAL DISCUSSIONS FOR BATCH TESTING OF V2O5 FROM STEELPOORTDRIFT HIGH GRADE CONCENTRATE

Management are currently in discussions with processing facilities to consider utilising testwork facilities in China for future testwork. The test facility shown in Figure 2 below was visited by Mastermines in December 2018 and is a modern facility where China's top professors assist local miners in the testing of vanadium along with recommending suitable or innovative processing paths.



Figure 2. Test facility in China visited by Mastermines in December 2018.

China is the world's top producer of vanadium and their local expertise is often overlooked. If implemented testwork by Chinese experts may assist to verify the process and product quality of both the Steelpoortdrift concentrate and a final V2O5 product (either or both of 98% metallurgical grade and 99.5% chemical grade).

DRILLING UPDATE

The Company's reserve drilling programme is progressing well with 13 holes completed for 748m. Mineralisation is being intersected at intervals largely consistent with those expected by the previous resource model (on a visual basis). First samples have been delivered to the lab and results are anticipated during September culminating in an anticipated Mineral Resource update in October. Full drillhole data including collar location, depths and mineralised intervals will be detailed when assays are received.



Figure 3. Mineralised sample (1m) from drilling at Steelpoortdrift (VRC062, 30-31m).

For and on behalf of the board:

Mauro Piccini

Company Secretary