Mokopane Vanadium Project Update PFS and Mining Right Update

30 September 2015

Bushveld Minerals Limited (AIM: BMN), a diversified mineral development company with projects in Africa is pleased to provide a corporate update in respect of the Mokopane Vanadium Project in Limpopo Province, South Africa.

The update comprises the Pre-Feasibility study and Mining Right Application as well as an update in respect of the maiden Mineral Resource Estimate and additional metallurgical testwork results for the AB Zone. The additional metallurgical Davis Tube Testwork (DTT) comprised 10 samples from the AB Zone, so as to assess the variability of the in-situ vanadium grade and the potential recovery of vanadium to a titano-magnetite ("Ti-magnetite") concentrate.

Highlights:

- **AB-Zone Mineral Resource Estimate**
  - Maiden Mineral Resource Estimate of 12.5 Mt at an in-situ grade of 0.7% vanadium pentoxide (V_2O_5) for the AB Zone;
  - AB Zone concentrate grades of between 2.01% and 2.65% V_2O_5 with limited variability, and an average grade of 2.21% V_2O_5;
  - Excellent AB Zone vanadium recoveries to concentrate of up to 97.82%; and
  - Significantly higher V_2O_5 concentrate grades in the AB Zone than those previously reported from the Main Magnetite Layer ("MML").
- **Mokopane Vanadium PFS & Mining Right Application**
  - Mokopane Vanadium Project Pre-feasibility Study and Mining Right Application making good progress.

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Fortune Mojapelo, CEO of Bushveld Minerals, said: *"The maiden Mineral Resource Estimate and updated metallurgical results confirm our expectations that the AB Zone represents significant upside for the project. The exceptional concentrate grades, in excess of 2% V2O5, are approximately 20% higher than the MML concentrate grades on which the Scoping Study and the Pre-feasibility Study have been based. This represents a significant additional Mineral Resource, and moreover significant upside from the excellent vanadium grades that the testwork shows we can recover."*

MINERAL RESOURCE ON THE AB ZONE LAYERS

We are pleased to report a maiden Mineral Resource on the AB Zone of the Mokopane Vanadium Project. The AB Zone consists of a layer of disseminated Ti-magnetite identified approximately 180 metres stratigraphically below and parallel to the MML. During the recent drilling campaign on the Mokopane Vanadium Project, a number of boreholes were drilled to intersect the AB Zone. These drilling results (reported on 26 February 2015) have been used to determine a maiden Mineral Resource Estimate of 12.5 Mt at an in-situ grade of 0.7% vanadium pentoxide (V_2O_5). The Mineral Resource Estimate was undertaken by The MSA Group.

The AB Zone has been subdivided into three units based on the abundance of Ti-magnetite: an upper Ti-magnetite rich zone on average 1.93 metres thick; a Ti-magnetite-poor parting on average 2.86 metres thick; and a lower unit with disseminated Ti-magnetite, which is on average 4.51 metres thick. The Mineral Resource is reported in accordance to the guidelines of the 2012 edition of the JORC Code. It is reported down to a vertical depth of 120 metres below surface and at a cut-off grade of 0.3% V_2O_5.

AB Zone Mineral Resource at 0.3% V_2O_5 cut-off, ≤120 m vertical depth, as at 16 July 2015

Layer Name	Mineral Resource Category	Tonnes [1]Mt	Thickness m	Density t/m³	V_2O_5 %	Fe_2O_3 %	TiO_2 %	P_2O_5* %	SiO_2* %	Al_2O_3* %	S* %	V_2O_5 [2]Kt
AB Upper	Inferred	2.7	1.93	3.29	0.89	34.7	5.4	0.01	30.3	17.1	0.06	24.3
AB Parting	Inferred	3.7	2.86	3.07	0.48	20.9	3.0	0.01	40.0	19.7	0.01	17.9
AB Lower	Inferred	6.0	4.51	3.21	0.75	29.1	4.3	0.01	34.6	18.6	0.01	45.1
[3]Total	**Inferred**	**12.5**	**9.30**	**3.18**	**0.70**	**27.9**	**4.2**	**0.01**	**35.3**	**18.6**	**0.02**	**87.3**

[1]Mt = million tonnes, [2]Kt = thousand tonnes, [3]Rounding may cause computational errors

*Included for informative purposes only, no value will be derived from these materials

Davis Tube Testwork ("DDT") ON THE AB ZONE LAYERS

As a follow-up to the initial DTT on a single sample from the AB Zone, announced on 27 November 2013, the Company commissioned SGS Laboratories (Johannesburg) to undertake additional DTT on a number of samples from the AB Zone. This testing was done to check the previous testwork (done on a single composite sample), to establish the variability in the vanadium grades of Ti-magnetite concentrates produced from these samples, and of the recovery of vanadium to the concentrates. A total of 10 samples were tested, for which the results are shown in the table below:

BH	From-To (m)	Fe %			V_2O_5 %			TiO_2 %		
		Feed	Mags	Recovery	Feed	Mags	Recovery	Feed	Mags	Recovery
VL38	26.00-27.00	24.76	57.35	92.44	0.82	2.01	97.82	4.07	9.02	88.45
VL16	20.24-21.22	24.06	56.30	88.81	0.90	2.29	96.57	4.81	9.95	78.51
VL16	25.00-25.75	22.73	57.56	90.40	0.99	2.65	95.55	4.29	9.71	80.80
VL23	58.58-58.87	38.19	55.12	81.71	1.40	2.23	90.19	8.69	11.80	76.88
VL23	68.29-69.00	17.77	47.14	60.40	0.63	2.17	78.40	3.86	10.80	63.69
VL37	7.50-9.60	35.53	57.63	90.42	1.19	2.08	97.44	7.66	11.10	80.78
VL15	45.50-46.00	19.09	56.51	84.15	0.70	2.19	88.95	3.54	9.52	76.46
VL14	57.60-57.85	34.55	42.88	52.43	1.30	2.04	66.31	8.26	11.70	59.85
VL14	64.00-65.00	25.25	56.23	85.20	0.92	2.22	92.31	5.52	9.73	67.43
VL22	52.69-53.07	28.82	57.00	92.68	1.04	2.17	97.76	6.50	11.00	79.29

The previous sample, announced on 27 November 2013, yielded a concentrate grade of 2.38% V_2O_5, which is within the range of concentrates assayed for the recent and more detailed testwork, but higher than the weighted average grade of 2.21% V_2O_5.

MOKOPANE VANADIUM PROJECT PFS

Separately, the Mokopane Vanadium Project Pre-Feasibility study ("PFS") is ongoing based on the Mineral Resource defined on the MML only It comprises of studies for: business case optimisation; studies to determine an optimum rate of mining; pit designs; tailings studies; infrastructure studies; processing flow sheet development; and financial modelling.

The Company is focused on completing the PFS within the 2015 calendar year, which will enable Bushveld Vanadium to focus on identifying routes to advance the project towards a Definitive Feasibility Study, and to evaluate options to target early production.

Concurrently, the Company's application for a Mining Right continues to progress. An Environmental Impact Assessment has been completed, submitted to and accepted by the Department of Mineral Resources as required by the Mineral and Petroleum Resources Development Act No 28 of 2002 (MPRDA). The Company looks forward to providing further updates on the Mokopane Vanadium Project in due course.

Competent Person

The scientific and technical information relating to Mineral Resource estimation contained within this announcement has been reviewed and approved by Mr. Jeremy Witley, a professional geologist with more than 25 years' experience in base and precious metals exploration and mining as well as Mineral Resource evaluation and reporting. He is Principal Resource Consultant for the MSA Group and has the appropriate relevant qualifications, experience, competence and independence to be considered a "Competent Person" under the definitions provided in the JORC Code 2012 Edition.

For further information on Bushveld please visit www.bushveldminerals.com or see the various contacts on page 1 of this announcement.