



Acquisition of the Brits Vanadium Project

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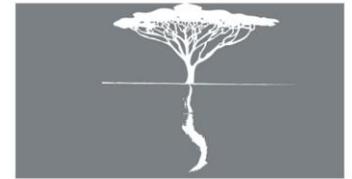
Bushveld Minerals (AIM: BMN), a diversified mineral development company with projects in Africa, is pleased to announce that definitive legal agreements have been signed in respect of the Company's acquisition of the Brits Vanadium Project in South Africa ("the Brits Project"). The definitive agreements have been signed by Bushveld's wholly-owned subsidiary, Lemur Resources ("Lemur"), to acquire the Brits Project from Sable Metals and Minerals Limited ("Sable"). The agreement is pursuant to the binding term sheet signed with Sable and announced on 14 August 2015.

Highlights:

- Comprehensive legal agreement signed for acquisition of Brits Vanadium Project for US\$600,000
- Acquired project adjacent to Vametco Alloys (primary vanadium mining and processing operation) and several other potential processing facilities; well serviced with logistics infrastructure linking project area to these processing plants.
- Acquisition complements Bushveld's strategy to:
 - consolidate quality vanadium resources on the Bushveld Complex; and
 - develop brownfield processing opportunities for its vanadium platform
- Project area known, from historical exploration undertaken, to have excellent vanadium mineralisation

Commenting on the acquisition, Fortune Mojapelo, Bushveld's CEO, said:

"We are pleased to announce the acquisition of the Brits Vanadium Project. While it is not new to the market, having been announced in August 2015 following the signing of the term sheet with Sable, the



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acquisition further reinforces our solid vanadium resource platform on the western limb of the Bushveld Complex.

“The Brits Project is in a geographic location that is well serviced with logistics infrastructure, in close proximity to several existing vanadium processing facilities. This addresses two important aspects of our vanadium platform strategy: Consolidating quality vanadium resources and, more importantly, developing brownfield vanadium processing infrastructure. With high vanadium grades reflected by previously unpublished historical geological data, as well as more recent exploration data undertaken by Sable, we are confident that this acquisition will play a significant role in our development of the Bushveld Vanadium story”.

The Brits Vanadium Project

The Brits Project comprises new order prospecting rights on the properties Portion 3 of Uitvalgrond 431 JQ and the remaining extent of Doornpoort 295 JR, and a contested mining right application on the farms Syferfontein 430 JQ and Portion 2 of Uitvalgrond 431 JQ (together “The Brits Properties”). Collectively, the mineral rights are for vanadium, iron ore and rutile.

Pursuant to the signing of the binding term sheet, Lemur signed a comprehensive legal agreement on 3 November. The terms of the transaction as announced on 14 August 2015 remain unchanged and are summarised below:

- Lemur and Sable entered into a loan agreement on 19 March 2015, whereby Lemur agreed to lend Sable ZAR2.0 million for working capital requirements while Lemur conducted due diligence with a view to potentially acquiring the Brits Project. The terms of the agreement were such that, in the event of a successful acquisition, the loan amount would be offset against the purchase price. In the event that Lemur chose not to proceed with acquisition, the loan amount, together with interest, would be repayable.
- On 22 July 2015 Lemur agreed to lend a further ZAR1.5 million to Sable for additional working capital, under the same terms as the original loan.
- Subsequently, Lemur agreed to the acquisition of the Project for a purchase price of US\$600,000 and a royalty equal to 1.75% of the gross sales of products yielded from the Project’s future production, subject to a minimum and maximum per tonne of product sold.
- On 22 August 2015 ZAR1.5million was transferred to Sable as an installment of the purchase price, treated as an additional loan, pending the execution of the comprehensive legal agreements for the acquisition transaction announced here and provided for through an addendum to the loan agreement described above and signed in March 2015.

- The comprehensive legal agreement signed on 3 November 2015 is subject to the fulfillment of various conditions, including: regulatory approvals for the transfer of the Brits Properties, receipt of written waivers from the minority shareholders in the Brits Project that they will not exercise pre-emptive rights, and approval by directors and shareholders as required.
- The outstanding purchase price of approximately ZAR3.0 million is to be paid in two further installments, to be completed upon the approval of the transaction at a shareholders' meeting of Sable, to be held as soon as practicable. The final amount payable will be calculated based on the prevailing exchange rate at completion.

Acquisition rationale

Based on regional geological mapping and soil geochemistry and a detailed review of historical data, Bushveld believes that the Brits Properties are highly prospective for vanadiferous magnetite. The Main Magnetite Layer and associated magnetite layers, including a number of footwall magnetite layers have been identified. Vanadium values in these layers closely compare with the vanadium grades at the group's flagship Bushveld Vanadium Project in Limpopo Province. The Brits Properties are proximal to excellent road and rail infrastructure, as well as a number of existing vanadium producers.

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

Notes to editors

Bushveld Minerals Limited is a mineral development company with a portfolio of vanadium-and titanium bearing iron ore, tin and coal assets in Southern Africa and Madagascar.

The Group owns the Bushveld Vanadium Project, Mokopane Vanadium Project, Bushveld Iron Ore Project and Mokopane Tin Project, located on the northern limb of the Bushveld Complex, South Africa. Bushveld also owns the Imaloto coal project in Madagascar, acquired in September, 2015, through its takeover of Lemur Resources.

Bushveld was admitted to the AIM of the London Stock Exchange in March 2012.