

14 January 2019

ASX Release

Company and Vanadium Update

Global Vanadium Limited (“**Global**” or “the **Company**”) is pleased to provide the following update to shareholders on the Company’s continued strategic focus on vanadium, along with its existing portfolio of assets.

Vanadium Project Acquisitions and Joint Ventures

To better reflect the Company’s stated strategy of pursuing its investment in the vanadium commodity sector, the Company changed its name on the 11th December 2018 to “Global Vanadium Limited” (ASX: GLV).

The Company has now completed a review of a shortlist of both early stage and advanced projects that was compiled over the previous months. To date, Director Jason Brewer and the Company’s geological and metallurgical consultants have conducted several due diligence site visits and numerous technical and legal meetings in South Africa during that period, including in the recent weeks.

The Company is currently actively pursuing negotiations on two project opportunities, which were identified during this process. To date, these project opportunities have met all the Company’s technical and due diligence requirements (which are ongoing). Negotiations, although at a high level, are incomplete. Accordingly, the Company will continue to provide updates to its shareholders on the progress of these discussions in due course.

Philippines Iron Sands Vanadium-Magnetite Project

As previously announced, the Company’s investment in the Philippines Iron Sands Vanadium-Magnetite Project, is currently through loan advances to Consolidated Iron Sands Limited (**CIS**) or its Philippine’s based subsidiary, Luzon Iron Development Group Corporation (**LIDGC**). These advances are made under a Secured Loan Agreement entered into in 2012 (and varied in 2014) by Global’s wholly owned subsidiary Goldfleet Enterprises Pty Ltd (**Goldfleet**).

CIS holds, via LIDGC, its 97% owned Philippine subsidiary, Exploration Permits for two offshore areas between Sanchez Mira and Gonzaga, offshore of Cagayan Province Luzon. The Exploration Permit’s eastern limit is 3 kms from the Economic Free Zone of Port Irene.

During the period in which the Current Board of Global undertook its review of the Philippines Iron Sands Vanadium-Magnetite Project, being September, October and November 2018, Global provided LIDGC (as CIS’s nominee and subsidiary) with its requested monthly budget advances under the existing Secured Loan Agreement of AU\$26,126.26, AU\$29,937.56 and \$29,936.53 respectively.



As at 31 December 2018, total funds advanced under the Secured Loan Agreement (including accrued interest on the amounts advanced) was \$4,068,930 (unaudited). This amount is over and above the amount envisaged to be loaned by Goldfleet to CIS under the Secured Loan Agreement.

During late November and December additional information was provided regarding the status of the Exploration Permits in various communications with LIDGC and from the ongoing technical and legal review conducted by the Company's in-country consultant. As a result of the Company's review of this information, including but not limited to the fact that: (a) it is unclear if and when the current "renewal" of the Exploration Permits will be granted by the Philippines authorities; (b) none of the loan funds requested in LIDGC's December budget were being used to protect and preserve the Exploration Permits or meet the expenditure required under Philippines law; and (c) the current extent of loan monies provided by GLV/Goldfleet to CIS (and its subsidiary LIDGC) under the Secured Loan Agreement, Goldfleet declined to advance the requested amount of the December budget (AU\$30,890) and notified CIS and LIDGC that further funding would be considered for LIDGC if the requested December budget was revised to incorporate only costs to protect and preserve the Exploration Permits. To date CIS and LIDGC have refused to provide a revised budget to the satisfaction of the Company.

The Company intends to continue to work in good faith with CIS and LIDGC, including attending a meeting with the directors of CIS, in an attempt to advance the Philippines Iron Sands Vanadium Project.

Southern Georgina Basin

Given the lifting of a fracking moratorium, by the Northern Territory Government earlier this year the Company has had significant interest in the Project. The Company has engaged with an unrelated corporate firm for an exclusive period of 4 months to pursue a potential joint venture or other divestment opportunity. An exclusivity fee of \$20,000 was paid to the Company in this regard.

As part of its strategic review of the Company's assets it was concluded that EP 127 is in good standing and represents an under explored asset with potential to add significant value to the Company. The Company has recently been advised that the Northern Territory Government has approved the Company's work commitments and also all maintenance and annual fees have been paid up to 13 December 2019.

If you have any queries please contact the Company on +61 8 6380 2470.

Jason Brewer
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