

China Promotional Trip Underway

Mastermines to visit China on behalf of AVL

Highlights:

- **Meetings arranged with existing and new contacts in the vanadium sector**
- **Mastermines assisting AVL develop relationships in Asia with steel and battery market participants**

Australian Vanadium Limited (ASX: AVL, “the Company” or “AVL”) is pleased to provide an update on the first trip to China on behalf of the Company by Mastermines.

Mastermines is a mining materials promotion and marketing consultancy with an experienced China-focused team. The Company has appointed Mastermines for an initial one year contract (see ASX announcement dated 23rd October 2017).

The Mastermines team is visiting China during the first two weeks in December, paving the way for more focused visits with the AVL executive team early in 2018. During the visit, meetings will take place with both new and existing AVL contacts in the vanadium sector aimed to build relationships for future supply chains. The visit includes meetings with the vanadium electrolyte supplier for the world’s largest battery currently under construction. The 200MW/800MWh vanadium flow battery being built by Rongke Power on the Dalian peninsula is being installed to provide peak-shaving and to enhance grid stabilisation. Visits are also planned with associations and researchers together with vanadium related enterprises and professionals within the battery and chemical sectors.

Managing Director Vincent Algar commented, “As we move towards project development at Gabanintha in Australia we are seeking to understand the potential customers and their product requirements. We aim to value-add in Australia and provide a desirable product for both the Chinese markets and other parts of the world, giving us the best chance of making a profitable mining venture for our shareholders.”

1 December 2017

ASX ANNOUNCEMENT

Australian Vanadium Limited

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Projects:

Gabanintha – Vanadium
Blesberg- Lithium/Tantalum/Feldspar
Nowthanna Hill – Uranium/Vanadium
Coates – Vanadium



Under the marketing and strategic advisor consulting arrangement with Mastermines the parties have agreed for fees to be satisfied by the issue of 20 million fully paid ordinary shares, to be issued quarterly in advance at the rate of 5 million shares per quarter.

For further information, please contact:

Vincent Algar, Managing Director

About Australian Vanadium Limited

AVL is a diversified resource company focused primarily on vanadium, seeking to offer investors a unique exposure to all aspects of the vanadium value chain – from resource through to steel and energy storage opportunities.

AVL is advancing the development of its 100%-owned, world-class Gabanintha vanadium project. The Gabanintha vanadium project is currently one of the highest-grade vanadium projects being advanced globally with 179.6Mt at 0.75% vanadium pentoxide (V_2O_5), made up of a Measured Mineral Resource of 10.2Mt at 1.06% V_2O_5 , an Indicated Mineral Resource of 25.4Mt at 0.62% V_2O_5 , and an Inferred Mineral Resource of 144Mt at 0.75% V_2O_5 reported in compliance with the JORC Code 2012 (see ASX Announcement 5 September 2017).

AVL has developed a local production capacity for high-purity vanadium electrolyte, which forms a key component of vanadium redox flow batteries (VRB).

AVL, through its 100%-owned subsidiary VSUN Energy Pty Ltd, is actively marketing vanadium batteries in Australia.