

28 May 2019

ASX Market Announcements
ASX Limited
20 Bridge Street
SYDNEY NSW 2000

Retraction – High Purity Vanadium Pentoxide Produced

Australian Vanadium Ltd ("AVL" or "the Company") refers to the market release made on 28 May 2019 titled "High Purity Vanadium Pentoxide Produced".

The Company retracts the following statements under **Highlights** on page 1 and under **Project Economics Impact – increased vanadium recovery** on page 5 of the release relating to improved post-tax project Net Present Value as it does not have a reasonable basis for stating an improved post-tax project Net Present Value at this time as a sufficient level of studies has not been completed.

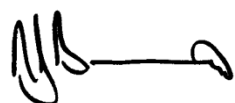
*"Improved vanadium recovery in the refinery process can potentially deliver an overall improvement in post-tax project **Net Present Value (NPV₈) of US\$14.3M for every 1% increase**, assuming a price of US\$13/lb"; and*

"The PFS adopted an 80.4% LOM average vanadium recovery for the refinery circuit. Improved vanadium recovery in the refinery process can potentially deliver an overall improvement in post-tax project Net Present Value (NPV₈) of US\$14.3M for every 1% increase, assuming a price of US\$13/lb".

Investors should not rely on the improved post-tax project Net Present Value as stated in the release as a basis for investment decision about AVL shares, which has since been retracted.

The Company is currently working on a revised pre-feasibility study which it expects to release later this year.

Yours faithfully,



N J Bassett
Company Secretary