

9 October 2019

DAEJON EXCAVATION LICENSE APPLICATION UPDATE

Protean Energy Ltd (**Protean, POW** or the **Company**) provides an update on the status of the Daejon Excavation License application. Protean submitted the Excavation License Application, which aims to convert the Daejon tenements into mining and production status, in June 2019 to the Chungnam provincial office.

The Excavation License Application has been initially reviewed by the Chungnam provincial office as well as consulting with the Korean Institute of Geology and Minerals (KIGAM). The Company is currently working with the Chungnam provincial office on responding to queries in relation to the license application. Accordingly, the Chungnam provincial office has extended its review period to allow time for Protean to provide additional information to 31 January 2020.

Conversion of the tenements to an excavation license would grant the Company tenure for 20 years from the initial registration date (being the date of first registration in 2008), however this can be extended based upon agreement.

Successful conversion to an excavation lease will grant Protean and DST Co. immediate access to commence mining and production from the Daejon tenements. The license will also require the Company to commence production within 3 years of the conversion and maintain production until 2028.

Vanadium Commodity Price Performance

The Company notes that excess supply and low spot demand has seen the ferro-vanadium alloy prices across the globe reach a two-year low in the first week of October. Globally, the non-ferrous alloys market is under pressure from decreasing demand from the steel industry, which has taken a hit from an economic slowdown and low automotive demand amid the escalating US-China tariffs dispute¹.



Figure 1: Ferro Vanadium 80% Price USD/Kg (source: www.vanadiumprice.com)

¹ For further information refer <https://www.argusmedia.com/en/news/1989762-analysis-ferrovanadium-prices-plunge-to-twoyear-low>

For further information, see www.proteanenergy.com or phone: T: + 61 8 9481 2277

ABOUT PROTEAN ENERGY LIMITED (ASX: POW)

Protean Energy Limited is focused on the commercialisation of the V-KOR vanadium battery energy storage systems via its Korean joint venture subsidiary, KORID Energy Ltd (**KORID**).

Protean is also developing a multi-energy mineral project in South Korea through its 50% holding in Stonehenge Korea Limited (**SHK**). SHK is a JV company between Protean and KOSDAQ-listed DST Co Ltd (**DST**). SHK owns 100% of the rights to 3 projects in South Korea, including the Company's flagship Daejon Vanadium Project.