XIUSHUI VANADIUM REGION
JIANGXI, CHINA

BUILDING A MAJOR CHINA VANADIUM COMPANY
FORWARD LOOKING STATEMENTS

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Vanadium Pentoxide (V\textsubscript{2}O\textsubscript{5}) \sim US$6 - 6.50 /lb

- Post Financial Crisis - pricing has been relatively stable
- China imports 1/3 of its annual demand
- China Policy stated that Vanadium development is one of China’s priorities
- With steel production in China increasing by 15% p.a. and increased demand from battery development, both the price and demand are on the rise
Barrack Obama recently championed “multi-megawatt vanadium redox fuel cells” for mass-storage batteries as “one of the coolest things I’ve ever said out loud” (Cleveland, Feb 2011)

USES:
- Steel Industry & Alloys 85%
- Major growth opportunities in large storage batteries for solar/wind energy as well as electric and hybrid vehicles

- Commercial Aviation
- Aerospace
- Tools
- Marine
- Batteries (VRB)
- Buildings
- Bridges
- Pipelines
- Airports
- Subways/Rail
- Nuclear Facilities
<table>
<thead>
<tr>
<th>Advantage</th>
<th>Vanadium Redox</th>
<th>Lithium</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Cycles</td>
<td>35,000+ (35-50 yrs)</td>
<td>300 (3-5 yrs)</td>
</tr>
<tr>
<td>Low Self-discharge</td>
<td>✔️</td>
<td>✗</td>
</tr>
<tr>
<td>Low Environmental Footprint</td>
<td>✔️</td>
<td>✗</td>
</tr>
<tr>
<td>Highly Expandable</td>
<td>✔️</td>
<td>✗</td>
</tr>
<tr>
<td>Generates Low Levels of Heat</td>
<td>✔️</td>
<td>✗</td>
</tr>
<tr>
<td>Charges and Discharges Simultaneously</td>
<td>✔️</td>
<td>✗</td>
</tr>
<tr>
<td>Can Release Energy Instantaneously</td>
<td>✔️</td>
<td>✗</td>
</tr>
<tr>
<td>Suitable for Connection to Power Grid</td>
<td>✔️</td>
<td>✗</td>
</tr>
<tr>
<td>Small Footprint</td>
<td>✗</td>
<td>✔️</td>
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</tbody>
</table>

Source: Wanted: Vanadium Supply The Next Rare Earth Scenario
By Nick Hodge. EnergyandCapital.com December 2011
XIUSHUI PRIMARY VANADIUM DEPOSITS
JIANGXI, CHINA

- LOCATION
- REGIONAL GEOLOGY
- LOCAL GEOLOGY
- "RESOURCES"
- GRADE DISTRIBUTION
- MINERALOGY
- METALLURGY
- FUTURE PROGRAMS

April 2013
FORWARD LOOKING STATEMENTS

XIUSHUI VANADIUM PROJECT LOCATION
JIANGXI PROVINCE

200 KM
LOCAL GEOLOGY
DONGDU LICENCE
Geology and Drill Hole Locations for the Dongdu Vanadium Project
Jiangxi Province, PRC
June 2011

Scale: 1:20,000
Latitude/Longitude WGS84

Quaternary
Paleogene Wuning Group
Middle Cambrian Yanglugang Fm.
Lower Cambrian Guanyintang Fm.
L. Cambrian Wangyinpu Fm. No. 4 layer
L. Cambrian Wangyinpu Fm. No. 3 layer
L. Cambrian Wangyinpu Fm. No. 2 layer
L. Cambrian Wangyinpu Fm. No. 1 layer

Upper Sinian Dengying Fm.
Upper Sinian Doushantuo Fm.
Lower Sinian Nantuo Fm.
Lower Sinian Dongmen Fm.
Mesoproterozoic Shuangqiaoshan Grp.
Fine-grained two mica granite
Fracture zone
Fault

Dongdu exploration license
Team 267 general exploration drill hole
Team 267 detail exploration drill hole
Old drill hole
Drill hole location check projected in WGS84
Surface chip sample
Village
Road
DONGDU LICENCE LOOKING EAST

5-7 DEG. NORTH DIPS

VANADIUM – ZINC – SILVER MINERALIZATION
DONGDU PIT

0.93% V2O5 / 9 METRES

CARBON (15%) RICH “STONE COAL”
MAIN VANADIUM RICH HORIZON
THIN BEDDED CARBONACEOUS SHALE
“STONE COAL”

DONGDU PIT
8 METRES
Dongdu Pit

Carbon rich concretions

0.93% V2O5 / 12 metres
DONGDU PIT

CARBON AND SULPHIDE RICH CONCRETION
LOCAL GEOLOGY
QUANKENG LICENCE
OXIDIZED VANADIUM RICH ZONE

1-2 % V2O5

QUANKENG LICENCE
QUANKENG LICENCE
1.1% V2O5 / 3 METRES
QUANKENG LICENCE
1.3% V2O5 / 5 METRES
FAULT ZONE IN OXIDIZED V RICH SHALE WITH CHERTY LAYERS

QUANKENG LICENCE
QUANKENG LICENCE

FOSSIL SEDIMENTARY FEATURES
CONCRETIONS, WORM BURROWS?
QUANKENG LICENCE

FOSSIL WORM BURROWS
QUANKENG PIT
CU AND V (ox) STAIN
1.5 METRES

DONGU PIT, CU V, OXIDES STRUCTURE MINOR FAULTING
QUANKENG DDH 3 – 11 TOP 3.7 M
QUANKENG DDH 3-11 26.6 - 31.9 M

0.7% V2O5
1.08% V205, 18 g/t Ag, 0.42% Zn

QUANKENG DDH 03-11 45M
QUANKENG DDH 3-11, 53 M

0.9% V2O5, 10.1 g/t Ag, 0.25% Zn over 5 metres
BARREN FOOTWALL DOLOMITE WITH CALCITE VEINING

LOWER CONTACT V MINERALIZED ZONE

QUANKENG DDH 03-11, 54 M
GUOJIAPING - 18.2M tonnes @ 0.820% $V_2O_5$, (0.5% $V_2O_5$ cut off)
- Average thickness 7.0 metres, dip 5-7 deg.
- 27 drill holes (100-200 m spacing), 1/3 licence covered

DONGDU - 35.7M tonnes @0.91% V2O5, (0.7% $V_2O_5$ cut off)
- Average thickness 7.2 metres, dip 4-8 deg.
- 69 drill holes (100m spacing), 75% licence covered

QUANKENG - Approx. 15M tonnes @ 0.9% V2O5, 0.25% Zn, 9.5g/t Ag
- Average thickness 8 metres dip 5-8 deg
- 12 drill holes (100-200m spacing), 40% licence covered

All deposits are open in all directions along strike and down dip
Strip ratio estimates 4:1 after 20 years mining!
WHO FINDS MINES?

FARMER  GEO  GEO  GEO  GEO  GEO
1.1% V2O5 OVER 28 METRES

0.32% ZINC OVER 28 METRES
<table>
<thead>
<tr>
<th>Depth (m)</th>
<th>V2O5 (%)</th>
<th>Silver (g/t)</th>
<th>Zinc (%)</th>
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<tbody>
<tr>
<td>0 - 12</td>
<td>0.90</td>
<td>11.5</td>
<td>0.30</td>
</tr>
<tr>
<td>8.5 - 12</td>
<td>0.83</td>
<td></td>
<td></td>
</tr>
<tr>
<td>24.3</td>
<td></td>
<td>11.5</td>
<td></td>
</tr>
</tbody>
</table>

**Quankeng Licence**

DDH 03-11
36,750,000 TONNES @ 0.91% V205
0.7% cut off!!
AVERAGE THICKNESS 7.0 METRES
DONGDU DRILL CORE
0.95% V205
MINERALOGY
XIUSHUI AREA VANADIUM

VANADIUM: V2O5, AND V2O5.3H2O (Navajoite) adsorbed onto clay minerals, and in chert.

SULPHIDES: Pyrite, Marcasite, Chalcopyrite, Zinc-Silver Minerals

ANOMALOUS: P, Ba, Mo, Cu, Pb, PGE’s???

Research Study Underway
DONGDU DRILL CORE SULPHIDES
1.39% V2O5
FINE GRAINED SULPHIDES IN DRILL CORE
THIN SECTION  MINERALIZED V RICH  BLACK SHALE
THIN SECTION V RICH BLACK SHALE, QUANKENG POLARIZED LIGHT
QUANKENG DRILL CORE

POLARIZED LIGHT

ALTERATION RIMS ON SULPHIDE (PYRITE) GRAINS

PYRITIC CONCRETION

VanSpar
METALLURGY
XIUSHUI AREA VANADIUM

- **TRADITIONAL METHODS** “SALT ROAST” WITH WATER SOLUBLE VANADIUM CHLORIDE—EXPENSIVE, **HIGH POLLUTION LEVELS** —SO₂, AND CL GASES!!! <= 75% RECOVERIES

- **NEWLY PATENTED FLOTATION AND MULTI STAGE LEACH** METHODS USING DILUTE ACID — NON POLLUTING — UP TO 90% RECOVERIES

- NO TAILINGS OR WASTE!
  – EVERYTHING GOES TO CEMENT MANUFACTURE
NEW PATENTS FOR EXTRACTION TECHNOLOGY AND PROCESSING FOR THE ECONOMIC, SCALABLE, PROFITABLE AND ENVIRONMENTALLY FRIENDLY RECOVERY OF VANADIUM IN JIANGXI
RENTIAN VANADIUM PROCESSING PLANT
SALT ROAST PROCESS
Roasting Kiln
Primary Crusher Feed to Roaster
Chlorine Recovery System
Cooling Kiln Water Mix
Marketing Kiln
Ore Storage
Rentian Vanadium Ore Processing Plant
December 2010
V2O5
VANADIUM PENTOXIDE
AGREEMENTS IN PLACE TO ACQUIRE TWO MAJOR VANADIUM PROJECTS

MILESTONES

QUANKENG MINING LICENCE

- 100% purchase with government support available
- Mining License: projected over > 200Mlbs of contained V2O5 (1100 meters drilling completed, more planned)
- Grade 0.9% V2O5 with 9 grams per tonne silver and 0.25% zinc
- Advanced metallurgical testing with 70-90% recoveries
- Independent NI 43-101 Technical report underway
MILESTONES

RENTIAN COMPANY INFRASTRUCTURE

- Shut in Processing Plant Completed 2010: Capacity up to 1000t.p.a. of V2O5 powder
- Can be reactivated in 20 months
- Distressed asset sale or debt restructure at fair acquisition price with government support
SUSTAINED DEVELOPMENT PROGRAM OVER THE NEXT 3-5 YEARS CAN CREATE ONE OF THE STRONGEST VANADIUM COMPANIES IN THE WORLD

- High-value product with demand increasing annually
- Close proximity to the World’s major markets
- Large Vanadium Resources
- Proven effective Metallurgical Process
- Established infrastructure
- Low environmental impact
- Low capital cost and low operating costs
- Vanspar can be a near-term producer of Vanadium (last quarter of 2014)
Grade V2O5 Comparison

QUANKENG SURFACE ASSAYS
+1<2 % V₂O₅

Largo 1.27%
Vanspar 0.920%
Sino Vanadium 0.85%
Energy Fuels 0.760%
Energizer 0.76%

American Vanadium
Rocky Mountain 0.34%
Prophecy 0.430%
EMC 0.515%
Crosshair 0.08%
GJP-DONGDU - QUANKENG vs. INTERNATIONAL VANADIUM PROJECTS

Grade vs. Tonnage Comparison

- Largo Resources
- Sino Vanadium
- Crosshair Exploration
- Crosshair Exploration
- Prophecy Resources
- Energy Fuels
- Energizer Resources
SUMMARY

- World Class PRIMARY Vanadium Resources
- Above Average Grade, Only 30% Explored
- Potential Precious / Base Metal Credits
- Patented Clean Metallurgical Processing
- Low Environmental Impact, Recyclable Waste
- Established Infrastructure
- Low Capex, Low Opex
- High Value Product, Increasing Demand
- Located in Heart of the World’s Major Vanadium Market
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