



# Australian Vanadium Ltd

Jul 13<sup>th</sup> 2016

## Australian Vanadium Ltd ships first vanadium flow battery from Austria

Australian Vanadium Ltd (ASX:AVL) is making positive progress in its vertical integration strategy which aims to deliver vanadium products to end users that can be sourced and processed through the company's mine and plant.

AVL made its first battery sale in May as part of its distribution agreement with GILDEMEISTER Energy Storage GmbH.

This will be Western Australia's first vanadium flow battery and it is currently being shipped from the Austrian factory with commissioning expected in September.

AVL also purchased a vanadium electrolyte pilot plant during June for which construction is underway by leading UK technology company C-Tech Innovation Ltd.

The company continues to advance further battery sale proposals and is currently working on multiple tender responses for energy storage systems within Australia.

### Background

AVL is advancing the development of its 100%-owned Gabanintha Vanadium project measuring 91.4 million tonnes at 0.82% vanadium.

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

The company recently purchased a vanadium electrolyte pilot plant from C-Tech.

This purchase will enable AVL to develop unique vanadium electrolyte production expertise and capability in Australia, through both stand-alone and planned mine-attached facilities.

AVL is actively marketing vanadium redox flow batteries in Australia through a distribution agreement with world-leading flow battery manufacturer, GILDEMEISTER.

### First battery sale update

The first battery purchased through AVL for the Australian market is now leaving the factory in Austria.

This first battery sale has given AVL the opportunity to refine the procedures such as:

- Providing accurate specifications to GILDEMEISTER enabling them to customise the battery to Australian standards;
- Working with Western Power to ensure that their requirements are met;
- Liaising with customs and excise to ensure that the battery and its electrolyte are compliant with relevant regulations; and
- Building relationships with reputable shipping agents.

### Electrolyte pilot plant update

**Price:** A\$0.011

**Market Cap:** A\$12.025M

### 1 Year Share Price Graph



### Share Information

**Code:** AVL

**Listing:** ASX

**Sector:** General Mining

**Website:** www.australianvanadium.com.au

### Company Synopsis:

*Australian Vanadium Ltd (ASX:AVL) is focussed on vanadium at its flagship Gabanintha project in Western Australia.*

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AVL have been working with C-Tech to finalise the pilot plant's design. The design is now complete and construction has commenced.

The company is narrowing down locations for the pilot plant and the ability of local organisations to provide quality testing of electrolyte in Western Australia.

## Analysis

AVL continues to progress down its vertical integration pathway as construction of the pilot plant begins and the first battery sale nears completion.

The battery sale validates AVL's ability to distribute commercial vanadium flow battery products to end users.

The pilot plant also validates the vertical integration strategy by enabling the commercial production of vanadium electrolyte.

Both battery sales and vanadium electrolyte sales have strong earnings potential for the company.

Potential news on additional battery sales is likely to be a short term catalyst.

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