



30 September 2014

Company Announcements Office
Australian Securities Exchange
10th Floor
20 Bond Street
SYDNEY NSW 2000

UPDATE ON SRI LANKAN MINERAL SANDS DUE DILIGENCE

HIGHLIGHTS –

- **Drilling program completed on the Mannar Island licences**
- **Program completed on time with approximately 130 holes drilled to up to 4m depth**
- **Samples sent to South African laboratory with results expected in approximately 6 weeks**

Windimurra Vanadium Limited (“**Company**”) is pleased to provide an update on due diligence activities that are under way pursuant to the option agreement that the Company entered into regarding the acquisition of 100% of the issued capital of Srinel Holdings Limited (“**Srinel**”) an unlisted company registered in Mauritius which owns 13 exploration licenses in various coastal districts of Sri Lanka that are prospective for mineral sands.

Mannar Island in the North West of Sri Lanka where 3 of Srinel’s 13 licences are found was considered to be prospective based on historical non-JORC compliant exploration. Thus, Mannar was selected for detailed due diligence work. Srinel was successful in obtaining regional community and military clearances in Sri Lanka, and a team comprising local and expatriate personnel (including geologists) were mobilised in July 2014 to conduct technical due diligence work on Srinel’s licences.

Hand-held auger drilling has been conducted over the last two months in Mannar. Approximately 130 holes were drilled with depths up to 4m. The drill hole locations were chosen with the intention to validate previous alleged mineralisation and to identify new target areas. Samples were typically taken at 0.5m intervals. Sample drying, splitting and packing was then completed. The samples have been freighted to Scientific Services Laboratories in Cape Town, South Africa for heavy mineral analysis. The laboratory has provided guidance to Srinel that the sample analysis will take approximately 6 weeks to assess and release the initial results.

Commenting on the due diligence, Mr. Jason Ferris the recently appointed Company Director said, "The Company is pleased to have been advised that Srinel swiftly mobilised in Sri Lanka and have already completed a drilling program. Preliminary visual observations of the samples has been very encouraging and the Company looks forward to assessing the laboratory analysis results in November."



Visible Mannar Island Surface Mineralisation

Yours faithfully

A handwritten signature in black ink, reading "Nicki Farley".

Nicki Farley
Company Secretary
Windimurra Vanadium Limited