 **TSX-V: “VRB”**

**VanadiumCorp and Strategic Partners Commence**

**VEPP processing initiative**

VANCOUVER, BRITISH COLUMBIA – June 29, 2016 – Vanadiumcorp Resource Inc. (TSX-V: “VRB”) (the "Company") is pleased to announce the commencement of the 1st processing initiative for the Company’s Lac Dore Vanadium Project. Under the independent governance of the Vanadium Electrolyte Process Partnership (VEPP), this initiative is focused on process definition for integration into further stages of development (pre-feasibility, pilot plant and feasibility) for the Company’s Lac Dore Vanadium Project. VEPP is an independent organization focused on vanadium process development for production of high purity vanadium and other vanadium projects.

VanadiumCorp and Mitacs (a branch of NSERC) are partnered to finance the project, which aims at developing a geometallurgical model for the Lac Dore Project. The doctorate project, to be conducted by Jean-Phillipe Arguin under the guidance of Professor Phillipe Pagé from Université du Québec à Chicoutimi and Réjean Girard from IOS Services Géoscientifiques, includes six aspects highlighted as critical by the currently on-going Preliminary Economic Study (PEA).

**Below is the initial scope of work to date:**

A: Doing numerical analysis of pulverisation data to calculate the work indexes at every sample in order to predict milling energy consumption for each resource blocks.

B: Detailed petrography to characterize grain boundaries and mineral relationship across a transect in order to detect liberation issues and multiple types of magnetite across the deposit.

C: Liberation analysis and study of the effect of the entrapped silicate on the chemistry of the concentrate.

D: Acquire trace element analysis on rocks and various minerals to gain knowledge of the deleterious element distribution across the deposit, with the optic to optimize the production of high purity vanadium chemicals.

E: Quantification of the contaminant elements present as solid solution in the magnetite and ilmenite, and study their zonation across stratigraphy, again in order to optimize purity of the end chemicals.

F: Built a geometallurgical model which can be incorporated into optimize the resource definition model.

The electrolyte market grew exponentially in 2015 in line with energy storage growth. Demand is outpacing supply and the largest high purity vanadium market in the world is located in North America. In early 2016, the main US based supplier to this market, Evraz-Stratcor, ceased production.

**VanadiumCorp and its strategic partners,** Global energy company Schmid Energy GmBH and its leading North American partners are focused on development and integration of high purity vanadium supply with proven VRB technology. Schmid Energy GmBH is targeting integration of competitively priced vanadium electrolyte (VE) as there is no primary supply available worldwide.

**Vanadium Electrolyte Process Partnership (VEPP)** These partners include academia, energy storage companies, government organizations, vanadium industry professionals and independent contractors. [www.vepp.com](http://www.vepp.com)

**Vanadium Redox Batteries (VRB)** are emerging as the technology of choice for grid energy storage and renewable energy. VRBs offer longer life cycle to competing technologies, scalability, superior safety, unlimited capacity and utilize 100% reusable battery material. [www.vanadiumcorp.com](http://www.vanadiumcorp.com)

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Cautionary Note - The information in this news release includes certain "forward-looking statements" All statements, other than statements of historical fact, included herein including, without limitation, plans for and intentions with respect to the company's properties, statements regarding intentions with respect to obligations due for various projects, strategic alternatives, quantity of resources or reserves, timing of permitting, construction and production and other milestones, are forward looking statements. Statements concerning Mineral Reserves and Mineral Resources are also forward-looking statements in that they reflect an assessment, based on certain assumptions, of the mineralization that would be encountered and mining results if the project were developed and mined in the manner described. Mineral resources that are not mineral reserves do not have demonstrated economic viability. This preliminary assessment is preliminary in nature; it includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves, and there is no certainty that the results of the preliminary assessment will be realized. Forward-looking statements involve various risks and uncertainties. There can be no assurance that such statements will prove to be accurate, and actual results and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from VRB's expectations include the uncertainties involving the need for additional financing to explore and develop properties and availability of financing in the debt and capital markets; uncertainties involved in the interpretation of drilling results and geological tests and the estimation of reserves and resources; the need for cooperation of government agencies and local groups in the exploration, and development of properties; and the need to obtain permits and governmental approval. VRB's forward looking statements reflect the beliefs, opinions and projections of management on the date the statements are made. VRB assumes no obligation to update the forward looking statements if management's beliefs, opinions, projections, or other factors should they change.