



16 March 2015

**Ferrum Crescent Limited**  
("Ferrum Crescent", the "Company" or the "Group")  
(ASX: FCR, AIM: FCR, JSE: FCR)

**Final Results for the Half-Year Ended 31 December 2014**

Ferrum Crescent Limited, the ASX, AIM and JSE quoted iron ore developer in Northern South Africa, today announces its results for the half-year ended 31 December 2014.

**Project Highlights**

- JORC (2012) compliant Mineral Resource
- Historical drilling, drilling by the Group, geological modelling and high density geophysical survey conducted by the Company in 2012 confirm huge tonnage upside potential
- 30 year Mining Right granted
- Environmental licence (EIA) in place for the Moonlight mining area (approved 4 April 2013)
- Metallurgical test work indicates the potential for high quality pellets in excess of 69% iron and low deleterious elements possible (DR grade pellets for use in direct reduction iron/electric arc steel-making processes)
- Low stripping ratio; slurry pipeline > pellet plant at rail head (Thabazimbi); export through Richards Bay
- Duferco offtake partner (4.5 mtpa plus first right on 1.5 mtpa if not sold domestically)
- Independent valuation 2014 – The Mineral Corporation's independent valuation of the Project released to the market on 11 June 2014
- Located near Kumba railhead at Thabazimbi (Kumba operation depleting in grade), Limpopo Province, northern South Africa
- New Eskom power station (4,800MW) commissioning first 800MW module
- Richards Bay port expansion for iron ore products

**Developments during Half-Year**

- AUD\$1.03m raised as partially underwritten rights issue completed
- Moonlight BFS progressed
- Drilling programme for mine design and plant final costings
- New mineralisation intersected
- BEE partners for expanded BFS participation engaged with
- Mr Ed Aylmer appointed as Moonlight BFS Study Manager
- Mr Ted Droste and Mr Kofi Morna resign as directors

## Financial Overview

- Current assets as at 31 December 2014 of AUD\$1,862,671 (2013: AUD\$1,612,202)
- Loss for half-year of AUD\$463,690 (2013: AUD\$1,687,725)
- As at 30 June 2011, a financial liability was created in the accounting for the BEE share subscription agreement. Australian Accounting Standards require this liability, which will be satisfied by the issue of the shares, to be re-measured each reporting period to its fair value. The assessment of fair value is significantly impacted by the market value of the shares to be issued in comparison with the subscription price denominated in RAND. As at 31 December 2014, this liability had decreased as a result of a movement in the underlying Company share price and the AUD/RAND exchange rates and the settlement of the first tranche of the BEE share subscription which happened on 28 November 2012. The second tranche was due to be finalised within 120 days from 28 November 2012 as per the terms of the BEE share subscription agreement. However, this has been extended until 31 July 2016.

## Post Period

- Drill core samples currently undergoing analysis - results expected Q1 2015
  - Results all intersected mineralisation
  - Next stage of BFS will be for bulk samples to be taken in order to complete all mining cost components of BFS
- New advisers appointed in UK and South Africa as BFS restarts
- Site visits with potential investors conducted
- First stage work on domestic supply model underway with South African steel producers
- Updated CSR report in final stages as part of funding programme with specific partners
- Agreements with Anwar Asian Investment terminated following its breach of contract

A pdf copy of the full accounts has been released separately and is available on the Company's website ([www.ferrumcrescent.com](http://www.ferrumcrescent.com)) and on the ASX website ([www.asx.com.au](http://www.asx.com.au)).

## Commenting on the final results, Managing Director Tom Revy said:

"The recommencement of the Moonlight BFS at the end of the period should allow us to start the process of completing final mine design costings. My belief is that while public markets and commodity markets are still very challenging we have made the right decision in progressing our high-grade iron resource at this time. With sub-major iron ore companies unable to progress exploration or development due to grade or infrastructure issues, the future of supply to international steel markets is interesting. The BRICS economies have dramatically

slowed in growth, as is well publicised, but now have in place much higher levels of core infrastructure that need to be maintained. Ferrum does not just have the potential to provide high grade product to a consumer looking to unlock low grade iron ore stocks - being located near the Kumba rail hubs, we have access to a fully operating infrastructure route to domestic and international buyers. While securing financing is difficult in these markets, recent advances in our negotiations show that groups with a real interest in securing physical metal supply to feed their industries are once again looking at viable routes to create vertically integrated supply. I look forward to updating the market shortly on our operational and corporate work.”

For more information, please visit [www.ferrumcrescent.com](http://www.ferrumcrescent.com) or contact:

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