



25 February 2016

Ferrum Crescent Limited

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

Fundraising and Notice of General Meeting

Ferrum Crescent, the ASX, AIM and JSE quoted metals project developer, announces that it has received applications to subscribe for 149,681,797 new ordinary shares of no par value each in the capital of Ferrum Crescent (the "Subscription Shares") at a price of £0.0012 per Subscription Share, to raise £179,618 before expenses (the "Subscription"). The Subscription was oversubscribed and closed on Wednesday, 24 February 2016. The Subscription Shares will represent approximately 19.36 per cent. of the Company's enlarged issued share capital and the Subscription is conditional on admission of the Subscription Shares to trading on AIM ("Admission").

Application will be made for quotation of the Subscription Shares on the Australian Securities Exchange and the JSE Limited, and to the London Stock Exchange plc for Admission. It is expected that Admission of the Subscription Shares will become effective and that dealings in the Subscription Shares will commence on AIM at 8.00 a.m. on 1 March 2016. The Subscription Shares will be fully paid and will rank *pari passu* in all respects with the Company's existing ordinary shares. Following Admission, the total issued ordinary share capital of the Company will comprise 772,985,191 ordinary shares.

Pursuant to the Subscription, Grassroots Exploration Pty Limited ("Grassroots Exploration") (a company controlled by Mr Alan Jenks), is investing approximately £5,300 for 4,416,667 new ordinary shares. This additional investment will result in Grassroots Exploration being interested, in aggregate, in 92,987,053 ordinary shares, representing approximately 12.03 per cent. of the Company's enlarged issued ordinary share capital.

By virtue of Grassroots Exploration being an existing substantial shareholder in the Company, its participation in the Subscription is considered to be a related party transaction for the purposes of Rule 13 of the AIM Rules for Companies. Accordingly, the directors of Ferrum Crescent consider, having consulted with Strand Hanson Limited (the Company's Nominated Adviser), that the terms of Grassroots Exploration's participation in the Subscription are fair and reasonable insofar as the Company's shareholders are concerned.

Use of Proceeds and Update re Option to Acquire Interests in Lead-Zinc Exploration Projects in Spain

The Company intends to use the net proceeds from the Subscription for its general working capital purposes and to maintain its option to potentially acquire 100 per cent. of GoldQuest Iberica, S.L. ("GoldQuest"), details of which were announced on 16 February 2016 (the "Option"). GoldQuest, a private company incorporated in Spain, owns 100 per cent. of two lead-zinc exploration projects in the provinces of León and Galicia, in historic Spanish mining areas (the "Iberian Projects"). In order to maintain the Company's exclusive Option, valid until 31 July 2016, it is required to make two cash payments to TH Crestgate GmbH (each of £7,500) in March and April 2016, whilst the Company conducts its due diligence on GoldQuest and the Iberian Projects.

With the initial staged option fee payment now having been settled in part shares and part cash, and the oversubscribed Subscription to be completed utilising the Company's existing share capital authorities, the Company will shortly seek shareholder approval for an increase in its share capital authorities to enable it to, *inter alia*, be able to satisfy the cash and share consideration payable on the potential exercise of the abovementioned Option and raise additional funds for general working capital purposes, including a potential structured work programme across the Iberian Projects with the objective of establishing a maiden JORC Code compliant resource estimate at both projects, the rapid establishment of metallurgical characteristics and a viable metals separation and processing profile.

Notice of General Meeting

A general meeting of shareholders of Ferrum Crescent will be held at 11.00 a.m. (Perth time) on 6 April 2016 at The Hovia Room, Metro Hotel Perth, 61 Canning Highway, South Perth, Western Australia 6151, for the purpose of considering and, if thought fit, passing resolutions covering the following matters:

1. Ratification of the issue of 88,303,061 shares that have been issued as part of the Subscription referred to above, in order to restore the Company's placement capacity that is accorded it under ASX Listing Rule 7.1;
2. Shareholder approval to issue up to a further 500,000,000 shares to investors at an issue price (to be calculated by reference to market price) for working capital purposes and the potential exercise of the Company's option to acquire GoldQuest and conduct exploration activities in relation to the Iberian Projects;
3. Shareholder approval to issue a further 100,000,000 shares in the event that the Company exercises its option to acquire GoldQuest; and
4. Shareholder approval for Mr Tom Revy (the Company's Managing Director) to participate in the proposed private placing referred to in point 2 above.

The formal notice of the general meeting will be dispatched to shareholders in due course.

Commenting today Tom Revy, Managing Director of Ferrum Crescent, said:

“With our Moonlight Project in South Africa subject to the current BFS funding arrangement with Business Venture Investments No. 1709 (Proprietary) Limited, a sister company of Ovation Capital, we are now focusing on our due diligence exercise in respect of GoldQuest and its two highly prospective lead-zinc assets in Spain.

“I am extremely pleased by the response from investors to the Subscription which, I believe, reflects, amongst other things, the inherent quality of GoldQuest’s lead zinc-assets located in a politically stable region. The Subscription price of 0.12p was settled on Monday 22 February 2016 against the Company’s then prevailing closing middle-market price of 0.16p per share and we welcome the continued support and interest of our investor base in the Company’s activities.

“Following the potential exercise of its Option in due course, Ferrum Crescent can seek to rapidly exploit the significant pre-existing data available and define maiden JORC Code compliant resource estimates for the Toral and Lago Projects and conduct process testing work. Low cost resource delineation and metallurgy work should then enable us to advance the exploration projects within a short space of time.

“In the longer term, we are particularly interested by the size of the Toral Project following our own, internal, assessment of the mineralisation to date and believe that its significance may well have previously been overlooked. We are now convening a general meeting to request shareholders to grant us the requisite authorities to be in a position to be able to exercise the Option and then move forward with a planned highly structured work programme on the Iberian Projects to deliver on clearly defined, value accretive, objectives.”

For further information on the Company, please visit www.ferrumcrescent.com or contact:

<i>Australia enquiries:</i>	<i>UK enquiries:</i>
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<i>South Africa enquiries:</i>	Bravura Capital (Pty) Ltd (JSE Sponsor) Doné Hattingh T (direct): +27 11 459 5037

Notes to Editors:

Further Information on GoldQuest and the Iberian Projects

GoldQuest is a private company incorporated in Spain which owns 100 per cent. of both the Toral Project and the Lago Project in northern Spain, each having high prospectivity for lead and zinc.

Principal Terms of the Option

- Option to potentially acquire 100 per cent. of GoldQuest. GoldQuest owns 100 per cent. of two lead-zinc exploration projects in the provinces of León and Galicia, in historic Spanish mining areas.
- Up to £22,500 staged option fee, in part shares and part cash, to be paid by Ferrum Crescent in return for an exclusive option, valid until 31 July 2016, to enable the Company to conduct due diligence on GoldQuest and the Iberian Projects. If exercised, Ferrum Crescent, will be required to:
 - pay up to approximately £320,000 in cash consideration (calculated as a fixed amount of £250,000 plus a further cash payment comprising the lesser of 50 per cent. of GoldQuest's current liabilities and £92,500, minus the abovementioned option consideration); and
 - issue, credited as fully paid, 100 million new ordinary shares in the capital of Ferrum Crescent.

Toral Project

The Toral Project has been extensively explored historically by its previous owners Portex Minerals Inc. and Lundin Mining S.L. and the 2,024ha of mineral rights contains extensive high grade zinc mineralisation. Located in north-west Spain, approximately 400km north-west of Madrid, the project's licence area hosts excellent road, rail and power infrastructure and is situated in a known historic mining jurisdiction. The asset also has a pre-existing NI 43-101 resource estimate reported by Micon International Co. Limited on 30 April 2012.

Lago Project

The Lago Project is located approximately 54km to the north-east of the Toral Project. Historical investigations completed by or on behalf of the Spanish mining firm, Exploracion Minera Internacional Espana S.A. ("EXMINESA"), between 1985 and 1990, indicated that mineralisation at the Lago Project may be similar to that encountered at the Toral Project with vertical, lenticular bodies (probably more than one) approximately 800m long by 300m wide.

Further Information on the Moonlight Project, South Africa

Ferrum Crescent's principal project is the Moonlight Iron Project located in Limpopo Province in the north of South Africa. The Moonlight Deposit (upon which the Project is based) is a magnetite deposit located on the Moonlight, Gouda Fontein and Julietta farms and is the main operational focus for the Company. Iscor Limited ("Iscor"), which explored the Project in the 1980s and '90s, reported mineralisation capable of producing a concentrate grading at 68.7% iron. At that time, Iscor concluded that the deposit, which was described as being comparable to the world's best, was easily mineable due to its low waste-to-ore ratio. The beneficiation attributes of Moonlight ore are extremely impressive, with low-intensity magnetic separation considered suitable for optimum concentration.

Metallurgical tests on Moonlight material, undertaken since then by Ferrum Crescent, suggest that Iscor's historical results are conservative, that good metal recoveries can be achieved, and that the resulting concentrates have a high iron content and only negligible impurities, at grind sizes considered to be industry standard (P80 of 75 - 125 microns).

Key features of the Project to date are:

- JORC (2012) compliant Mineral Resource;
- Historical drilling, drilling by the Group, geological modelling and a high density geophysical survey conducted by the Company in 2012 confirm 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 concentrate and/or pellets with in excess of 69% iron content and low deleterious elements (DR grade pellets for use in direct reduction iron/electric arc steel-making processes);
- The quality of product that can potentially be produced at Moonlight is a clear differentiator against its industry peers, as is the access to infrastructure (port, power and rail);
- Duferco offtake partner (4.5 Mtpa plus first right on a further 1.5 Mtpa if not sold domestically). South Africa currently has a growing demand for high grade iron concentrate and/or pellets for its steel industry;
- Independent valuation by The Mineral Corporation completed in June 2014 - this valuation served as the basis for the recent BVI (Ovation Capital) transaction;
- BEE compliant South African investment company (BVI) will provide a completed BFS to the Group by 2018/19 at no expense to the Group in return for a 39-43% equity position in the Project;
- Located near Kumba railhead at Thabazimbi (Kumba operation depleting in grade), Limpopo Province, northern South Africa;
- New Eskom power plant (4,800MW) commissioning first 800MW module;
- Richards Bay port expansion for potential export of future iron ore products; and
- Local community, Ga-Seleka, has an effective 3% carried interest in the Project.