



EUROPEAN LEAD ZINC  
EXPLORATION

FERRUM CRESCENT LTD

3 July 2017

**Ferrum Crescent Limited**

(“FCR”, the “Company” or the “Group”) (ASX, AIM, JSE: FCR)

**Disposal of Moonlight Iron Ore Project, South Africa**

FCR, the European lead-zinc explorer, announces that it has entered into a legally binding agreement for the sale of Batavia Ltd (“Batavia”), its wholly-owned Mauritian subsidiary which is the investment holding company for all the Group’s South African assets, including the Moonlight iron ore project in Limpopo Province, northern South Africa (the “Moonlight Project”), to NPSPL Africa Holdings Limited and its BEE partner, Ngwenya Capital (Pty) Limited (together, the “Purchasers”).

Further to the Company’s announcement of 27 April 2017 regarding, *inter alia*, the Board’s decision to seek to terminate all activities and expenditures in South Africa due to the depressed iron ore market and the project’s high capital cost and infrastructure requirements, the Company has acted swiftly to identify and secure a suitable purchaser for its South African interests.

For nominal consideration of one thousand Australian dollars, the Purchasers have acquired Batavia and thereby assumed responsibility for all of the Company’s iron ore assets, its South African subsidiaries and all of the associated corporate, audit, fiscal and environmental responsibilities and costs. The sale is effective immediately and the Company has given customary undertakings, representations and warranties for an agreement of this nature.

This disposal of Batavia was considered to be a more cost effective and expeditious means of withdrawing from the Moonlight Project, rather than pursuing the alternative of an orderly winding-up of the Group’s Mauritian and South African subsidiaries and relinquishment of the Moonlight Mining Right and prospecting right application to the South African Department of Mineral Resources with the concomitant requisite actions, including environmental rehabilitation requirements.

Accordingly, today’s disposal effectively ends the group’s exposure to all of the costs and commitments associated with maintaining the Moonlight Project in good standing and enables the Company to focus its resources on its portfolio of European lead-zinc exploration assets.

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**Commenting today, Justin Tooth, Executive Chairman of FCR, said:**

*“Today’s agreement brings to an end our involvement with the Moonlight Project at a time when developing a magnetite iron ore asset of this scale and nature in South Africa has become extremely challenging for foreign companies.*

*“We shall now continue to maximise and focus our efforts and capital deployment on the development of our Spanish lead-zinc assets where we recently intersected our first near-surface mineralisation. I look forward to updating the market with our initial exploration results in due course.”*

For further information on the Company, please visit [www.ferrumcrescent.com](http://www.ferrumcrescent.com) or contact:

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*The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulation (EU) No. 596/2014.*