



29 January 2015

Ferrum Crescent Limited
(“Ferrum Crescent”, the “Company” or the “Group”) (ASX: FCR, AIM: FCR, JSE: FCR)
Quarterly Activities and Cashflow Report
For the period ended 31 December 2014

Ferrum Crescent Limited, the ASX, AIM and JSE quoted iron ore developer in northern South Africa, today announces its quarterly results for the three month period ending 31 December 2014.

HIGHLIGHTS:

Moonlight Iron Ore Project:

- Bankable feasibility study (“BFS”) manager appointed for Moonlight Iron Ore Project
- BFS work program progressed
- Drilling program defined for completion Q1 2015, key objectives:
 - Mine plan preparation for the first ten years of production and
 - Defining sample locations for definitive metallurgical test work
- Advanced stage BEE and other partner process continues
- Consultation with study managers and engineering partners continues
 - Efficiencies identified for key beneficiation plant costings

Corporate:

- Cash as at 31 December 2014 was approximately AU\$1.062m
- Rights issue to raise up to \$2.03m concluded - total gross funds raised being approximately \$1.03m.

(Under ASX Listing Rule 7.2, exception 3, shortfall shares issued within 3 months of the close of a pro-rata rights issue are not counted for the purposes of calculating the 15% capacity to issue shares without shareholder approval, provided the pro-rata rights issue offer document stated that directors had the discretion to place shortfall shares. The offer closed on 10 November 2014, and the \$1.03m included shortfall shares issued after the offer closed).

ACN 097 532 137

Level 4 Suite 5, South Shore Centre, 85 The Esplanade

Share code FCR on the ASX, AIM and the JSE

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Commenting today Tom Revy, Managing Director, said:

“The last quarter of 2014 saw Ferrum Crescent appoint a senior study manager for the Moonlight Iron Ore Project and complete key tasks that will allow us to progress the BFS early in 2015 with the commencement of a new drilling program. We are now gaining real traction for the Moonlight project in terms of completing a BFS that defines the economics for a high-grade iron ore product located near infrastructure. On the ground we are delighted with the support that the Moonlight Iron Ore Project has from the South African local communities and municipalities as well as to the governments of South Africa and Limpopo and their agencies. This support will be particularly important as we move into the logistics-planning phase of the BFS. During Q1 2015 we shall be working with a number of groups on site at Moonlight to secure a new investment partner to complete the BFS”.

Overview

Ferrum Crescent during the quarter carried out a non-renounceable rights issue and raised \$1.03 million before costs. These funds were raised with a view to continuing the Company’s strategy of securing key BEE and other cornerstone investors, as well as preparing the work-flows that will complete key components of the Moonlight Iron Ore Project BFS.

The Board made the decision to appoint a senior study manager to the Moonlight Iron Ore Project, and in December the services of Mr Ed Alymer were secured. Mr Alymer has more than 30 years' experience in the mining and mineral processing industries and has acted as senior study manager for project developments on behalf of Severstal, Vendanta, Goldfields and Ivanplats. Mr Alymer is based in Johannesburg, South Africa.

Mr Alymer, working with Managing Director Tom Revy, completed the planning for a new drilling program to assist in the preparation of a mine plan for the first ten years of operations and to collect samples for the next metallurgical testwork component of the BFS. The planned drilling program consists of 10 reverse circulation (“RC”) holes with the work expecting to be complete during Q1 2015.

Ferrum Crescent is also undergoing a period of corporate development as the Moonlight BFS restarts. In December 2014 Mr Ted Droste and Mr Kofi Morna left the Board of the Company.

The process to secure investment partners for Moonlight continued to the stage where during Q1 2015 a number of groups will make visits to the Moonlight project as part of their own internal due diligence work.

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Exploration Interests

As at 31 December 2014, the Company held an interest in the following mining Rights (“Rights”):

Project	Location	Right Number	Right Status	Holder	Percentage Interest
Moonlight	Limpopo Province, South Africa	30/5/1/2/2/20 1 MR	Mining Right Granted	Ferrum Iron Ore (Pty) Ltd	97%
Moonlight	Limpopo Province, South Africa	30/5/1/2/2/20 1 MR	Prospecting Right Application	Ferrum Iron Ore (Pty) Ltd	97%

No licences were acquired or disposed of during the quarter.

For more information, please visit www.ferrumcrescent.com or contact:

<i>Australia and Company enquiries:</i>	<i>UK enquiries:</i>
Ferrum Crescent Limited Ed Nealon T: +61 8 9367 5681 Chairman Tom Revy T: +61 8 9367 5681 Managing Director	Hume Capital Securities (Broker) Jon Belliss T: +44(0)20 3693 1470 RFC Ambrian Limited (Nominated Adviser) James Biddle/Andrew Thompson T: +44 (0) 20 3440 6800 Ferrum Crescent Limited Laurence Read (UK representative) T: +44 7557672432
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Appendix 5B

Mining exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10

Name of entity

Ferrum Crescent Limited

ABN

58 097 532 137

Quarter ended ("current quarter")

31 December 2014

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (6 months) \$A'000
1.1 Receipts from product sales and related debtors		
1.2 Payments for (a) exploration & evaluation (b) development (c) production (d) administration	(395)	(571)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	3	4
1.5 Interest and other costs of finance paid		
1.6 R&D recoupment tax		
1.7 Other – net income on restricted cash investments	(43)	(43)
Net Operating Cash Flows	(894)	(1,348)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) prospects (b) equity investments (c) other fixed assets		
1.9 Proceeds from sale of: (a) prospects (b) equity investments (c) other fixed assets		
1.10 Loans to other entities		
1.11 Loans repaid by other entities		
1.12 Other (restricted cash investments)	802	772
Net investing cash flows	802	772
1.13 Total operating and investing cash flows (carried forward)	(92)	(576)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(92)	(576)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	1,033	1,033
1.15	Proceeds from sale of forfeited shares		
1.16	Proceeds from borrowings		
1.17	Repayment of borrowings		
1.18	Dividends paid		
1.19.1	Other		
1.19.2	Other - First Tranche proceeds from Anvar Asian Investment		
1.19.3	Other – share issue costs	(187)	(197)
	Net financing cash flows	846	836
	Net increase (decrease) in cash held	754	260
1.20	Cash at beginning of quarter/year to date	245	738
1.21	Exchange rate adjustments to item 1.20	63	64
1.22	Cash at end of quarter	1,062	1,062

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	137
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Financing facilities available

Add notes as necessary for an understanding of the position.

		Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities		

+ See chapter 19 for defined terms.

3.2 Credit standby arrangements		
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Estimated cash outflows for next quarter

		\$A'000
4.1	Exploration and evaluation	300
4.2	Development	
4.3	Production	
4.4	Administration	200
Total		500

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current quarter \$A'000	Previous quarter \$A'000
5.1	Cash on hand and at bank	903	209
5.2	Deposits at call	159	36
5.3	Bank overdraft		
5.4	Other (provide details)		
Total: cash at end of quarter (item 1.22)		1,062	245

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements and petroleum tenements relinquished, reduced or lapsed			
6.2	Interests in mining tenements and petroleum tenements acquired or increased			

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference securities <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	518,787,353	516,487,353	Various	Fully Paid
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	138,184,576	138,184,576	\$0.008	\$0.008
7.5 +Convertible debt securities <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options <i>(description and conversion factor)</i>	400,000 500,000 2,500,000	- - -	<i>Exercise price</i> \$0.10 \$0.03 \$0.08	<i>Expiry date</i> 14 December 2015 21 November 2016 19 February 2017
7.8 Issued during quarter				
7.9 Exercised during quarter				
7.10 Expired / cancelled during quarter				
7.11 Debentures <i>(totals only)</i>				

+ See chapter 19 for defined terms.

7.12	Unsecured notes (<i>totals only</i>)			
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Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does /does not* (*delete one*) give a true and fair view of the matters disclosed.

Sign here:



Date: 29 January 2015

(Company secretary)

Print name: Bob Hair

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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