



Ferrum Crescent Limited

22 July 2016

Ferrum Crescent Limited

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

Nil-cost Extension of Option to Acquire Interests in Lead-Zinc Exploration Projects in Spain

Ferrum Crescent, the ASX, AIM and JSE quoted metals project developer, announces that, further its announcement of 16 February 2016, the parties to the Option and Sale Agreement (as defined therein) have agreed to extend, for nil-cost, the Company's exclusive option to acquire 100 per cent. of GoldQuest Iberica, S.L. ("GoldQuest"), the sole owner of the Toral and Lago lead-zinc exploration projects in northern Spain (the "Option").

The extension is required to enable TH Crestgate GmbH ("Crestgate") to finalise the settlement and documentation of certain administrative issues and an historic back-in right over the Toral licence area held by Lundin Mining Corporation. Accordingly, the Option is now scheduled to expire on 31 August 2016 (or such later date as the parties may agree) and all other terms announced on 16 February 2016 remain unaltered.

A further update in respect of the planned exercise of the Option and completion of the acquisition of GoldQuest will be provided in due course.

Justin Tooth, Executive Chairman of Ferrum Crescent, today commented:

"Whilst this delay is clearly frustrating, it is a very common situation in such international transactions and we are working closely with Crestgate and its major shareholder, Mineral & Financial Investments Limited, to conclude the transaction as swiftly as possible. I am confident that Crestgate can resolve the remaining items expeditiously to enable us to proceed to exercise our Option and commence work on these attractive exploration projects, with the fundamentals for the zinc market, in particular, continuing to look excellent. As there is a significant amount of historic data on the Toral asset, we believe that we can efficiently re-evaluate this data as part of a cost-effective work programme leading to the delineation of a JORC compliant resource and we certainly look forward to commencing this work at the earliest opportunity."

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

Ferrum Crescent Limited

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Notes to Editors:

Further Information on GoldQuest and the Iberian Exploration 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 Ferrum Crescent's 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.
- Exclusive option is valid until 31 August 2016. 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 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 International 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.