

31 January 2012

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 2011

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 2011.

HIGHLIGHTS:

Moonlight Iron Ore Project:

- Appointment of South African geological advisory firm, Mineral Corporation Consultancy (Pty) Ltd to:
 - Complete an update of the resource estimate for the Moonlight iron ore deposit (due by end of Q1 2012);
 - Manage and oversee a drilling programme on the Julietta area; and
 - Carry out a resource estimate in respect of the mineralisation on the Julietta area (adjacent to the Moonlight deposit), with a view to publishing an updated resource estimate for the entire Moonlight Project, including the Julietta deposit, by Q3 2012.
- Mining Right Application expected to be granted in Q1 2012.

Corporate:

- Successful listing on the JSE in 11 November 2011.
- Cash as at 31 December 2011 is approximately A\$4.6m
 - Company fully funded for its currently planned work programmes.

Moonlight Iron Ore Project

The Company’s flagship project, the Moonlight Iron Ore Project, is located on three farms (Moonlight, Julietta and Gouda Fontein) in Limpopo Province, South Africa. It currently has a JORC compliant resource of 74Mt @ 33% Fe in the Indicated Resource category and 225Mt @ 29% Fe in the Inferred Resource category, which is situated entirely within the Moonlight farm. During the quarter, The Mineral Corporation Consultancy (Pty) Ltd (“The Mineral Corporation”) was commissioned to carry out an updated JORC compliant resource estimate taking into account the results of the phase 3 drilling and assays on the Moonlight deposit (“the Report”). Phase 3 consisted

of 11 holes totalling 990m of diamond core drilling and 13 holes totalling 1,600m of reverse circulation drilling (RC) drilling. It is anticipated that the Report, including the Julietta and Gouda Fontein exploration results and resource estimate, will be completed by Q3 2012. As a result of the appointment of a new mining adviser, the updated Moonlight Resource will be released by the end of Q1 2012. The Mineral Corporation is currently actively engaged in carrying out this part of its engagement.

The proposed drilling at the Julietta and Gouda Fontein farms adjacent to the Moonlight deposit, will seek to confirm the magnetite mineralisation previously drilled by South African Iron and Steel Industrial Corporation (“Iskor”). Iskor was the South African government-owned integrated iron and steel company which is now owned by ArcelorMittal. It is anticipated that upwards of 10,000m of drilling will be carried out, consisting of both RC and core drilling. The purpose of the drilling is to establish a total resource estimate for the deposit on all three farms. Planning for this drilling program is well advanced.

Mining Right Application

The Group’s mining right application, which was submitted in January 2011, is expected to be completed in Q1 2012.

Corporate

On the 11th November 2011, the Company announced its successful admission to the Johannesburg Stock Exchange Limited (“JSE”).

The JSE inward listing was a necessary condition precedent to facilitate the Company’s Black Economic Empowerment (“BEE”) share exchange and investment at a listed company level, complying with the objectives of the South African Government’s Mineral and Petroleum Resources Development Act (“MPRDA”) and the revised Mining Charter. Ferrum Crescent’s BEE partner, Mkhombi Investments (Pty) Limited (“Mkhombi”), owns a 26% stake in the Company’s South African operating subsidiary, Turquoise Moon Trading 157 (Pty) Limited (“TMT”). Mkhombi is a partner with significant industry experience and also includes two women’s organisations and a community trust representing local Limpopo communities affected by the Company’s Moonlight Iron Ore Project. Mr Kofi Morna, who is a director of Mkhombi, is also a director of Ferrum Crescent.

The JSE granted the Company a secondary listing of 298,691,705 shares, representing the entire issued ordinary share capital of Ferrum Crescent, in the “Basic Materials – Basic Metals – Industrial Metals & Iron – Iron & Steel” sector under the abbreviated name “Ferrum” and share code “FCR”. No funds were raised through the JSE listing process and the Preliminary Listing Statement is available on the Company’s website.

For further 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 9380 9653 Executive Chairman Robert Hair -T: + 61 414 926 302 Managing Director	Ocean Equities Limited (Broker) Guy Wilkes T: +44 (0)20 7786 4370 Ambrian Partners Limited (Nominated Adviser) Richard Morrison T: +44 (0) 20 7634 4764 Jen Boorer T: +44 (0) 20 7634 4859 Newgate Threadneedle (Financial PR) Laurence Read/Beth Harris T: +44(0)20 7653 9855
<i>South Africa enquiries:</i>	Sasfin Capital Sarah Williams/Leonard Eiser T+27 11 809 7500

Competent Person's Statement:

The information in this report is based on information compiled by Lindsay Cahill, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Cahill has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Cahill is a consultant to the mining industry. This report is issued with Mr Cahill's consent as to the form and context in which the exploration results appear.

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 2011

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	(396)	(1,693)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	54	129
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Other (provide details if material)	-	2
Net Operating Cash Flows	(1,322)	(3,231)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) prospects (b) equity investments (c) other fixed assets	(5)	(17)
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 (provide details if material)		
Net investing cash flows	(5)	(17)
1.13 Total operating and investing cash flows (carried forward)	(1,327)	(3,248)
1.13 Total operating and investing cash flows (brought forward)	(1,327)	(3,248)
Cash flows related to financing activities		

+ See chapter 19 for defined terms.

1.14	Proceeds from issues of shares, options, etc.		
1.15	Proceeds from sale of forfeited shares		
1.16	Proceeds from borrowings		
1.17	Repayment of borrowings		
1.18	Dividends paid		
1.19	Other – share issue costs	-	(17)
	Net financing cash flows	-	(17)
	Net increase (decrease) in cash held	(1,327)	(3,265)
1.20	Cash at beginning of quarter/year to date	6,145	8,114
1.21	Exchange rate adjustments to item 1.20	(146)	(177)
1.22	Cash at end of quarter	4,672	4,672

**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	216
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

+ See chapter 19 for defined terms.

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		
3.2 Credit standby arrangements		

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	350
4.2 Development	
4.3 Production	
4.4 Administration	400
Total	750

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	4,672	6,145
5.2 Deposits at call		
5.3 Bank overdraft		
5.4 Other (provide details)		
Total: cash at end of quarter (item 1.22)	4,672	6,145

+ See chapter 19 for defined terms.

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 relinquished, reduced or lapsed			
6.2	Interests in mining tenements acquired or increased			

+ See chapter 19 for defined terms.

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	298,691,705	292,246,705	Various	Fully Paid
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
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>	2,950,000 18,546,727	2,950,000 18,546,727	<i>Exercise price</i> \$0.0198 \$0.400	<i>Expiry date</i> 07 December 2013 31 December 2013
7.8 Issued during quarter				
7.9 Exercised during quarter				
7.10 Expired during quarter				
7.11 Debentures <i>(totals only)</i>				
7.12 Unsecured notes <i>(totals only)</i>				

+ See chapter 19 for defined terms.

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 give a true and fair view of the matters disclosed.

Sign here:  Date: 31 January 2012
(Company secretary)

Print name: Andrew Nealon

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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