

15 December 2011

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

Moonlight Iron Ore Project Update, South Africa

Ferrum Crescent today announces it has appointed the South African geological advisory firm, Mineral Corporation Consultancy (Pty) Ltd ("The Mineral Corporation") to prepare an updated mineral resource report on the Moonlight Iron Ore Project ("Report"). The Mineral Corporation has extensive experience in magnetite in South Africa and will assist Ferrum Crescent as they develop the Moonlight Iron Ore Project. The Mineral Corporation has been engaged 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, with a view to publishing an updated resource estimate for the entire Moonlight Project, including the Julietta deposit, by Q3 2012.

The Company's flagship project, the Moonlight Iron Ore Project, is located on three farms (Moonlight, Julietta and Gouda Fontein) in Limpopo Province in 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. The Mineral Corporation has been 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. Phase 3 consisted of 11 holes totalling 990m of diamond core drilling and 12 holes totalling 1,540m of reverse circulation (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 rather than by the end of this year as previously announced.

The proposed drilling programme 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 ("Isacor"). Isacor 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.

Mining Right Application

The Group's mining right application, which was submitted in January 2011, was expected to be granted by the end of Q4 2011. It is now expected to be completed in Q1 2012.

Ferrum Crescent Managing Director, Bob Hair, commented, “The Mineral Corporation has extensive experience in magnetite in South Africa, and we look forward to working with them to ensure that we have an updated resource figure for the extended Moonlight Project. The approach to drilling at Julietta will be an integrated one enabling us to achieve a better understanding of the geology and metallurgy obtained as well as geotechnical information which will be invaluable when finalising the mining pit design. Our objective remains to develop a high grade, premium magnetite iron ore product to our offtake partners, Duferco, and other potential customers.”

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

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About the company

Ferrum Crescent Limited is an Australian company, listed on the Australian Securities Exchange (ASX), the London Stock Exchange’s Alternative Investment Market (AIM) and the Johannesburg Stock Exchange Limited (JSE). The Company seeks to capitalise on the future global demand for iron and steel by producing iron products in the Republic of South Africa, for both the domestic and export markets.

To that end, the Company has acquired a controlling interest in a South African company that holds the rights to significant iron ore mineralisation in South Africa. The Moonlight Iron Ore Project is the Company’s flagship project, based around the high quality iron ore (magnetite) deposit known as Moonlight, which is situated in Limpopo Province in South Africa.

The Moonlight Deposit consists of coarse-grained magnetite-quartz rocks that display the following features which set it apart from comparable magnetite deposits:

- the ability to produce very high quality concentrates at a coarse grind size;
- exceptionally low level of detrimental elements in the concentrates;
- near-surface mineralisation; and
- low stripping ratios.

The mineralisation is close to surface and consequently represents a low stripping ratio target with consequential mining cost benefits. The contained iron within the Indicated Resource is sufficient to exceed 20 years' production.

The Company also holds an interest in the De Loskop prospect, which is located approximately 150km east of Moonlight and only 50km north of Polokwane, the regional service centre.

The Company's board and management team have, in aggregate, more than 280 years of mining and/or iron-making experience, having managed and operated development stage and production stage mining and processing operations, with in-depth knowledge of South Africa and the iron ore market.

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.