



EUROPEAN LEAD ZINC EXPLORATION

FERRUM CRESCENT LTD

2 November 2017

Ferrum Crescent Limited

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

Placing to raise approximately £185,250 (gross) and issue of Options

FCR, the European lead-zinc explorer, announces that it has conditionally raised approximately £185,250 before expenses, through a placement via Beaufort Securities Limited ("Beaufort Securities") as agent of the Company, of 370,499,858 new ordinary shares of no par value each in the capital of the Company (the "Placing Shares"), at a price of 0.05 pence per new ordinary share, together with the issue of 185,249,929 options (the "Placing Options") exercisable at a price of 0.075 pence per new ordinary share for a period of thirty months from the date of issue (the "Placing").

The Placing has been conducted with Mr Colin Bird and certain of his associates, including African Pioneer Plc (together, the "Investor Group"). FCR believes that an alignment with a strategic shareholder group of this calibre will enable the Company to derive additional value from its ongoing exploration work, focussed on its wholly owned Toral lead-zinc project in Spain. The Company expects to benefit from having such a new supportive strategic shareholder group on its register, providing significant exploration expertise and with a historical track record in value creation.

Mr Colin Bird, who has participated in the Placing in a private capacity, has been involved with a series of publicly quoted mining companies including Kiwara Plc, which was sold to First Quantum Minerals (TSX: FM) for US\$260 million in November 2009, whilst its project was undertaking infill drilling at the Kalumbila copper-nickel deposit in northwestern Zambia.

The Investor Group has conditionally agreed to subscribe for a total of 370,499,858 Placing Shares, at a price of 0.05 pence per share, to raise approximately £185,250 (gross). Following these subscriptions, the Investor Group will hold, in aggregate, 370,499,858 ordinary shares, representing approximately 12.13 per cent. of the Company's enlarged issued ordinary share capital.

The Placing is conditional on, *inter alia*, admission of the Placing Shares to trading on AIM ("Admission"). The issue of the Placing Shares falls within the Company's existing placement capacity under ASX Listing Rule 7.1, such that specific shareholder approval is not required.

Use of proceeds

The Company intends to utilise the net proceeds from the Placing to support its ongoing lead-zinc exploration programme in North West Spain and for general working capital purposes. As announced on 17 October 2017, the Company is currently working with an independent resource consultant to prepare a maiden JORC (2012) resource estimate for its Toral lead-zinc project, which is currently expected to be completed by the end of 2017.

Ferrum Crescent Ltd (Share code FCR on the ASX, AIM and the JSE)

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Issue of options

In addition to the abovementioned issue of 185,249,929 Placing Options, the Company has agreed to issue a further 50,000,000 options to Beaufort Securities Limited, exercisable at a price of 0.075 pence per new ordinary share, for a period of thirty months from their date of issue (the “Broker Options”).

The issue of both the Placing Options and the Broker Options is subject to shareholder approval at a General Meeting of the Company, to be convened shortly.

Application to trading

Application will be made for quotation of the Placing Shares on the Australian Securities Exchange and the JSE Limited, and to the London Stock Exchange plc for Admission. It is expected that Admission will become effective and that dealings in the Placing Shares will commence on AIM at 8.00 a.m. on 8 November 2017. The Placing Shares will be fully paid and will rank *pari passu* in all respects with the Company’s existing ordinary shares.

Following Admission, the total issued ordinary share capital of the Company will comprise 3,055,281,439 ordinary shares.

Commenting today, Laurence Read, Executive Director of FCR, said:

“We are pleased to have received the backing of Colin Bird and his associates. Colin has a significant track record of delivering value for shareholders from the exploration, sale, development and operation of mining projects. By placing the Company’s equity with such an investor group, I believe that FCR can leverage meaningful value from the ongoing exploration of its promising Toral lead-zinc asset in Spain.”

“The Company’s strategy remains focused on cost-effectively defining economically-attractive lead-zinc assets at a time when zinc demand is at a significant high. Our objective is to define a maiden JORC (2012) resource estimate for Toral by the end of 2017.”

Commenting today, Colin Bird said:

“I am pleased to have supported this financing together with my associates in a material way. We back the existing management of FCR and look forward to sharing our ideas with the Board, working towards the Company’s future development.”

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