



31 January 2018

Ferrum Crescent Limited

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

Quarterly Activities Report For the period ended 31 December 2017

Highlights:

Operational - Toral lead-zinc-silver project, Spain

- Full review of project's exploration strategy with new team suspending further drilling activity whilst undertaking a comprehensive geological and database assessment
- Exploration licence renewed until 2020 further to a successful application to the Director General of Mines of the Province of León
- Addison Mining Services Limited ("AMS") appointed to define a maiden JORC (2012) compliant resource estimate, including verification and analysis of silver (Ag) grades recorded in the historic data set

Corporate

- Full corporate and operational review undertaken by new executive and operational team
- Myles Campion appointed as Technical Director and as a main board Executive Director
- £185,250 (gross) raised via a strategic placement to Mr Colin Bird and certain of his associates, including African Pioneer Plc

Post Quarter End

- Colin Bird appointed to the board as Non-Executive Chairman and Daniel Smith as Company Secretary and a Non-Executive Director
- Maiden independent JORC (2012) resource estimate completed for Toral of 16Mt@6.9% Zn Equivalent (including Pb credits) and 25g/t Ag

Additional Information

Fundraisings

On 2 November 2017, the Company announced that it had conditionally raised £185,250 (before expenses) through a placement via Beaufort Securities Limited as AIM Broker for the Company, of 370,499,858 new ordinary shares of no par value each in the capital of the Company, at a price of 0.05 pence per share, together with the issue of 185,249,929 options exercisable at a price of 0.075 pence per share for a period of thirty months from the date of issue (the "Placing"). The Placing shares were issued to Mr Colin Bird and certain of his associates, including African Pioneer Plc, using the Company's existing placement capacity under ASX Listing Rule 7.1. The Placing completed on 8 November 2017, with the net proceeds being utilised to support ongoing exploration activities at the Company's Toral lead-zinc-silver project in northwest Spain and for general working capital purposes. The issue of the associated options remains subject to shareholder approval at a general meeting of the Company to be convened in due course.



Board and corporate changes

On 17 October 2017, FCR announced the appointment of Mr Myles Champion to the Board as an Executive Director. Mr Champion has a comprehensive background in all technical and financial facets of the resources sector, specialising internationally in resource evaluation and project assessment. Mr Champion holds a BSc (Hons) in Geology from University of Wales College, Cardiff and an MSc (MinEx) from the Royal School of Mines in London, and also holds a graduate Diploma of Business (Finance).

Subsequent to the quarter end, on 12 January 2018 the Company announced the appointment of Mr Colin Bird as a Non-Executive Director and Chairman with Mr Grant Button, interim Non-Executive Chairman, resuming his former role as a Non-Executive Director. Mr Bird is a chartered mining engineer with extensive multi-commodity mine management experience in Africa, Europe, Latin America and the Middle East.

On 16 January 2018, the Company announced the appointment of Mr Daniel Smith as Company Secretary and Non-executive Director. Mr Smith is a member of the Australian Institute of Company Directors and the Governance Institute of Australia and has over 10 years' primary and secondary capital markets expertise. At the same time, Minerva Corporate Pty Ltd., a company which is part owned and controlled by Mr Smith, was appointed by FCR to provide administrative and financial services and support as part of a cost reduction and efficiency review.

Toral Licence renewal

On 22 November 2017, the Company announced that its exploration licence in respect of its Toral lead-zinc-silver project had been renewed for a further 3 year term to November 2020 following a formal application made to the Director General of Mines of the Province of León.

Maiden JORC (2012) Resource Estimate

On 30 January 2018, the Company announced a maiden independent Mineral Resource estimate completed in accordance with JORC (2012) in respect of the Toral Project. FCR commissioned the maiden mineral resource estimate in late 2017 from AMS based on all the available historical data from three drill campaigns conducted on the 15.199 licence area (the 1972 - 1984 Peñarroya-Adaro campaign, the 2006 - 2008 Lundin Mining campaign and the 2016 - 2017 FCR campaign), along with underground channel sampling results from the numerous adits. The Inferred resource for the Toral Pb-Zn-Ag mineralisation located on the Toral property, was estimated at various cut-offs (as set out in Table 1 below).

The Company reviewed a new block model along with its appointed geological consultants, AMS, and concluded that a 4% cut-off was appropriate utilising estimated mining parameters typical for similar types of projects and mineralogy, and an historical three-year trailing average for metal prices, which, although conservative, was deemed appropriate at this stage in the project's development.

Zn Price Used:	US\$2,400/t	US\$/lb1.09
Pb Price Used:	US\$2,000/t	US\$/lb0.91
Ag Price Used:		US\$17/oz

The maiden resource identified potentially economic mineralisation ranging from surface to approximately 1,100m below surface. The block model currently extends for a strike length of



EUROPEAN LEAD ZINC
EXPLORATION

3,300m and is still open to the east along strike and also at depth where it has not yet been closed off.

Cut Off Zn Eq (PbAg)%	Tonnes (Millions)	Density	Zn_Eq (Pb)%	Zn Eq (PbAg)%	Zn %	Pb %	Ag g/t	Contained Zn Tonnes (000's)	Contained Pb Tonnes (000's)	Ag Troy Oz (Millions)
6.0	9	2.65	8.8	9.5	5.0	4.3	31	470	400	9
5.0	12	2.57	7.8	8.4	4.6	3.7	28	580	470	11
4.0	16	2.52	6.9	7.5	4.0	3.3	25	670	540	13
3.0	20	2.50	6.2	6.7	3.7	2.9	23	750	600	15

Table 1: Summary of Inferred mineral resources for the Toral property reported at a 4.0% Zn equivalent cut-off grade and estimated grade and tonnages at the various cut-off grades, as extracted from the AMS Resource Statement released by the Company on 30 January 2018.

Laurence Read, Executive Director of FCR, today commented:

“The quarter under review saw us rapidly restructure the Company, a refocusing of our exploration strategy and introduction of the expertise required to build value in FCR. We have subsequently published a maiden independent JORC 2012 resource estimate which serves to demonstrate the undoubted potential of Toral and we shall now pursue appropriate workflows in a cost effective manner to unlock further economic understanding of the asset from this important first step. Our goal remains to prove up an economically viable European lead, zinc and silver project.”

Exploration Interests

The following listing of tenements held is provided in accordance with ASX Listing Rule 5.3 for the quarter ended 31 December 2017:

Project	Location	Right Number	Right Status	Holder	Percentage Interest
Toral	León Province, Spain	15.199	Investigation Permit	GoldQuest Iberica, S.L.	100%
Lago	Galicia Province, Spain	Lago II 6.056	Exploration Permit in progress	GoldQuest Iberica, S.L.	100%
		Lago III 6.058	Investigation Permit in progress		

No tenements were acquired or relinquished during the quarter.

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

Competent person's statement

The information contained in this announcement that relates to the Toral maiden resource estimate was prepared by Mr J.N. Hogg, MSc. MAIG Principal Geologist for AMS, who is an independent Competent Person within the meaning of the JORC (2012) code and meets the criteria of a qualified person under the AIM guidance note for mining and oil & gas companies. The maiden resource estimate was aided by Mr R. J. Siddle, MSc, MAIG Senior Resource Geologist for AMS, under the guidance of the competent person. Mr Hogg has reviewed and verified the technical information that forms the basis of, and has been used in the preparation of, such mineral resource estimate including all analytical data, diamond drill hole logs, QA/QC data, density measurements, and sampling, diamond drilling and analytical techniques. Mr Hogg consents to the inclusion in this announcement of the matters based on the information, in the form and context in which it appears. Mr Hogg has also reviewed and approved the technical information in his capacity as a qualified person under the AIM Rules.