

19 December 2012

Ferrum Crescent Limited
(“Ferrum Crescent”, the “Company” or the “Group”) (ASX: FCR, AIM: FCR, JSE: FCR)
Operational Summary 2012

Ferrum Crescent Limited, the ASX, AIM and JSE quoted iron ore developer in northern South Africa, today announces an operational summary of work during 2012 progressing component parts of the Bankable Feasibility Study (“BFS”) being carried out the Company’s Moonlight Iron Ore Project.

2012 – key milestones

- **New JORC compliant resource at Moonlight Iron Ore Project of 307.8 million tonnes @ 26.9% Fe.**
- **2,827 line km on 50m line spacing was completed with Interpretation of the results of a high resolution airborne magnetic survey at Moonlight.**
- **Survey enhanced assumptions at existing exploration area and also identified new prospective areas to the south, east and west of the Moonlight Deposit.**
- **Moonlight granted Mining Right with licence covering the farms Moonlight, Julietta and Gouda Fontein, having met all criteria under South African law including environmental and social and labour plans.**
- **Negotiations with Transnet and other infrastructure suppliers progressed.**

Moonlight project overview

The Moonlight Project is currently undertaking a bankable feasibility study (“BFS”) in relation to the potential development of a deliverable, low cost magnetite ore project that produces a high grade, low contaminant iron pellet, product following beneficiation. The current established JORC compliant resource is 307.8 million tonnes Resource, a magnetite ore with metallurgy that demonstrates capability for high grade product up to 69.7% Fe grade. Metallurgical testing phases have also shown that the product is likely to contain extremely low contaminants-2.05% SiO₂, and 0.40% Al₂O₃, and 0.01% P.

It is anticipated that Moonlight will be developed as a contract, open-pit mine with onsite concentrate production. A slurry concentrate pipeline to pelletising plant near railhead will be created, with return water to Moonlight (100 - 220km); current preferred sites are at Lephalale and Thabazimbi. A pelletising plant to produce iron ore pellets (68.5% Fe) for international and domestic markets is planned with production at 6Mtpa DRI and BF pellets. With a high grade, pure product near existing rail infrastructure and producing steel mills an offtake agreement for initial production has already been signed with Duferco. It is expected that production will be a mix of direct reduction iron (“DRI”) grade and blast furnace grade iron pellets.

Strategic rationale for 2012 work programme

With extensive exploration already complete at Moonlight, Ferrum has prioritised increasing economic understanding of the existing mineralisation in order to provide the data need to complete a BFS study for development of the project into near-term production. Focussed work was also undertaken to examine the expansion potential of Moonlight outside of existing JORC delineation. With long lead times often involved in procuring relevant licensing for development the Company also made it a clear objective to secure a full, granted, mining licence over all the Moonlight area.

2013

Ferrum Crescent will continue to progress the Moonlight Iron Ore Project, with the intention of having a BFS completed by the end of 2013.

Commenting today Ed Nealon, Chairman, said, "2012 saw the conclusion of an exploration campaign that established our JORC research to higher levels of economic certainty and also identified additional areas for exploration expansion. Securing our mining licences over all areas of Moonlight was a significant milestone achieved during 2012. I look forward to progressing our infrastructure analysis and process testing working alongside our initial Offtake partners and other parties interested in the near term viability of a potentially high grade, low impurity magnetite iron ore product."

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