

30 April 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 March 2012

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 March 2012.

**HIGHLIGHTS:**

Moonlight Iron Ore Project:

- Phase 3 of exploration programme completed
  - Consisting of 11 holes totalling 990m of diamond core drilling and 13 holes totalling 1,600m of reverse circulation (RC) drilling
- Resource estimate update for the Moonlight iron ore deposit near completion
- Mining right application process outcome expected within the coming weeks
- Drilling programme in Julietta and Gouda Fontein farms planned and ready for implementation upon grant of mining right
  - Aimed to increase in magnetite resource significantly
  - Report, including the Julietta and Gouda Fontein exploration results and resource estimate, will be completed by end of 2012
- Agreement reached with local communities to "farm into" preferential prospecting right

Corporate:

- Cash as at 31 March 2012 is approximately A\$4.2m

Moonlight Iron Ore Project

The Company's flagship project, the Moonlight Iron Ore Project (Ferrum Crescent 81.4% and operator), is located on three farms (Moonlight, Julietta and Gouda Fontein) in Limpopo Province, South Africa. It currently has a JORC compliant resource of 74Mt in the Indicated Resource category and 225Mt in the Inferred Resource category at a grade of 30% iron, which is situated entirely within the Moonlight farm. During the December 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 RC drilling. It is anticipated that the Report, including the Julietta and Gouda exploration results and resource estimate, will be completed by the end of 2012. The updated

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Moonlight Resource is expected to be completed by The Mineral Corporation and to be released to the market in the near future.

Further drilling, to be carried out at the Julietta and Gouda Fontein farms adjacent to the Moonlight deposit, will seek to confirm the extension of the magnetite mineralisation from the current resource area on the Moonlight farm, as 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 programme is well advanced. It is anticipated that a further report, including the Julietta and Gouda Fontein exploration results and resource estimate, will be completed by the end of the calendar year 2012.

In parallel with the exploration work aimed at expanding the JORC compliant resource base, the Company continues to undertake ongoing investigations into development and logistic alternatives for the Moonlight deposit. Whilst such investigations are still at an early stage, the indicatively low strip ratio, high recoveries at a coarse grind size and excellent concentrate grade based on current test work are highly encouraging for potential development economics.

#### Mining Right Application

As announced in the Company's Half Year Report, Ferrum Crescent's wholly owned subsidiary Turquoise Moon Trading 157 (Pty) Ltd ("Turquoise Moon") has been the holder of the Company's interests in both the Moonlight Deposit and the De Loskop prospect. Turquoise Moon's prospecting right under which it held the Moonlight Deposit and the De Loskop prospect expired on 8<sup>th</sup> March 2012. The Moonlight Deposit is the subject of the mining right application, covering the farms Moonlight, Julietta and Gouda Fontein. It is believed that the mining right application process is near completion, and the Company will inform the market as soon as it receives further information thereon.

#### De Loskop

The De Loskop Prospect is located approximately 150km east of Moonlight and 50km north of Polokwane, the capital of the Limpopo province, South Africa and has the potential for an additional 200 - 1000Mt of iron ore mineralisation with metallurgical characteristics similar to Moonlight. This exploration target is conceptual in nature and there can be no guarantee that further exploration will result in the definition of JORC Code compliant Mineral Resources for the prospect.

In respect of De Loskop, the Group has entered into an agreement with local communities who hold approximately 60% of the area previously the subject of Turquoise Moon's prospecting right, whereby the Group will assist those communities to obtain a preferential prospecting right under the Mineral and Petroleum Resources Development Act and the Group will have a right to "farm into" that area (up to an agreed majority percentage) by the carrying out of prospecting activities.

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#### Competent Persons' Statement:

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Lindsay Cahill, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Cahill is employed by Torbinup Resources Pty Ltd who provide consulting services to the Company and the mining industry. Mr Cahill has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking 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 consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

# 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 March 2012

### Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (9 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	(167)	(1,860)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	44	173
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Other (provide details if material)	-	2
<b>Net Operating Cash Flows</b>	<b>(534)</b>	<b>(3,765)</b>
<b>Cash flows related to investing activities</b>		
1.8 Cash flows related to investing activities Payment for purchases of: (a) prospects (b) equity investments (c) other fixed assets	(1)	(18)
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)		
<b>Net investing cash flows</b>	<b>(1)</b>	<b>(18)</b>
1.13 <b>Total operating and investing cash flows (carried forward)</b>	<b>(535)</b>	<b>(3,783)</b>

+ See chapter 19 for defined terms.

1.13	Total operating and investing cash flows (brought forward)	(535)	(3,783)
1.14	Cash flows related to financing activities		
1.15	Proceeds from issues of shares, options, etc.		
1.16	Proceeds from sale of forfeited shares		
1.17	Proceeds from borrowings		
1.18	Repayment of borrowings		
1.19	Dividends paid		
1.19	Other – share issue costs	-	(17)
	Net financing cash flows	-	(17)
	Net increase (decrease) in cash held	(535)	(3,800)
1.20	Cash at beginning of quarter/year to date	4,672	8,114
1.21	Exchange rate adjustments to item 1.20	57	(120)
1.22	Cash at end of quarter	4,194	4,194

**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	109
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

**Financing facilities available**

Add notes as necessary for an understanding of the position.

+ See chapter 19 for defined terms.

	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	200
4.2 Development	
4.3 Production	
4.4 Administration	400
<b>Total</b>	<b>600</b>

### 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	4,194	4,672
5.2 Deposits at call		
5.3 Bank overdraft		
5.4 Other (provide details)		
<b>Total: cash at end of quarter (item 1.22)</b>	<b>4,194</b>	<b>4,672</b>

### 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			

+ See chapter 19 for defined terms.

Appendix 5B  
Mining exploration entity quarterly report

6.2 Interests in mining tenements acquired or increased

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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 (description)				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	298,841,705	292,246,705	Various	Fully Paid
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	150,000	-	\$0.10	Fully Paid
7.5 +Convertible debt securities (description)				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options (description and conversion factor)	2,950,000 21,496,727	- 21,496,727	Exercise price \$0.198 \$0.400	Expiry date 07 December 2013 31 December 2013

+ See chapter 19 for defined terms.

7.8	Issued during quarter				
7.9	Exercised during quarter				
7.10	Expired during quarter				
7.11	Debentures (totals only)				
7.12	Unsecured notes (totals only)				

## 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:



(Company secretary)

Print name: Andrew Nealon

Date: 30 April 2012

## 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.

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+ See chapter 19 for defined terms.

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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