

10 December 2010

Media ASX Announcement

To: Company Announcements Office
Australian Securities Exchange
Exchange Plaza
2 The Esplanade
Perth WA 6000



ASX: FCR

Update – Process for Admission on the AIM Market of the London Stock Exchange

Further to the announcement to ASX on 23 November 2010, the Directors of Ferrum Crescent Limited (“Ferrum” or the “Company”) are pleased to announce that the Company has received acceptances from institutional investors who will subscribe for 100 million new ordinary shares at 10 pence per Share, thereby raising 10 million pounds Sterling (equal to approximately \$16 million) before expenses and has applied for admission to trading on the AIM Market of the London Stock Exchange. Funds are expected to be received by the Company and the new ordinary shares admitted to trading on AIM, on Wednesday, 15 December 2010. The Placing is conditional on Admission.

Ferrum has previously announced that it has engaged Ambrian Partners Limited to act as its nominated adviser and Ocean Equities Limited as its broker in respect of the capital raising and the AIM admission. Ferrum, in conjunction with Ambrian Partners and Ocean Equities, produced an AIM admission document which will be released to ASX during the course of the week commencing 13 December 2010 and will then be made available on the Company’s website at www.ferrumcrescent.com.

The proceeds of the capital raising will be used to fund the upgrade of the magnitude and confidence of the current JORC resource estimate and to carry out a definitive feasibility study in respect of Ferrum’s Turquoise Moon Iron Project in Limpopo Province of South Africa.

Ferrum will, in conjunction with South African engineering firm, AMEC Minproc SA (“AMEC”), carry out the feasibility study in respect of the potential development of a pellet plant at Thabazimbi for the production of iron ore pellets for the South African market, with magnetite concentrate delivered to the plant via a 180 km long slurry pipe from the Moonlight Deposit. As previously announced, the scope of the feasibility study will be agreed by Ferrum and AMEC over the coming two months, and the Company will make further announcements in this regard once further information becomes available.

Commenting on the Placing and the imminent AIM admission, Ferrum's Executive Chairman Mr Ed Nealon, expressing his extreme satisfaction with the success of the capital raising, said: "We received excellent support from the institutional investors that we met and are delighted with how well we have been received".

"The board of this Company is firmly of the view that we have a great project and a real prospect of success in taking Turquoise Moon to the next step. I would like to thank all involved in this process for their hard work and professionalism. We know that we also have the support of the government and the community in the region where Turquoise Moon is located and nationally," he added.

The Company will make further announcements in respect of the capital raising and the AIM admission in due course.

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For more information on the Company visit www.ferrumcrescent.com