

2 October 2013

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

Private Placing Highlights

- Ferrum Crescent conducts placement to raise up to GBP 873,600 (AU\$1.5 Million) before costs of the issue.
- 48 Million shares (3,386,844 of which are subject to shareholder approval) to be issued at GBP 0.0182 (AU\$0.0315) per share ("Placement Shares").
- Proceeds will be used by the Company to fund corporate activities and to carry out feasibility study and mining right activities pending the US\$13.5 Million funding under the terms of the recently announced agreement with Anvwar Asian Investment ("AAI")
- The funds from the private placement will be received in two tranches, with the second tranche representing subscriptions by two Directors of the Company and requiring shareholder approval.

Ferrum Crescent, the ASX, AIM and JSE quoted iron ore developer, today announces that it has today received applications to subscribe for 48 Million fully paid ordinary shares and raise GBP 873,600. The Placement Shares will rank equally with existing fully paid ordinary shares from allotment.

The placement will be conducted in two tranches. The first tranche comprises 44,613,156 shares to raise approximately GBP 811,959. The second tranche, comprising 3,386,844 shares to raise approximately GBP61,641, is subject to shareholder approval, as these subscribers will be Mr Ed Nealon and Mr Robert Hair who are Directors and hence related parties under the provisions of the *Corporations Act 2001*.

Application will be made for quotation of the Placement Shares on the Australian Securities Exchange Limited, the AIM market of the London Stock Exchange and on the JSE Limited, with trading in the first tranche, expected to commence on or around 8 October 2013. Shareholder approval for the second tranche will be sought at the Company's annual general meeting, which will be convened as soon as possible.

Mr. Robert Hair has indicated that he will subscribe for 480,769 Placement Shares and Mr. Ed Nealon has indicated that he will subscribe for 2,906,075 Placement Shares.

Funds received under the share placements will be used as working capital, including for the funding of corporate costs and for feasibility and mining right activities.

Receipt of the proceeds of the issue will mean that the Company remains fully funded, pending completion of the recently announced agreement with Anvwar Asian Investment to facilitate the completion of the Company's Bankable Feasibility Study ("BFS") for the Moonlight Iron Ore Project. Under that agreement, AAI will, subject to satisfaction of certain conditions, pay US\$10 Million to Ferrum Crescent in return for a 35% shareholding in Ferrum Iron Ore which holds the relevant mining right and AAI will also contribute US\$3.5 Million for the ongoing costs of the BFS.

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Following the first tranche of the placement, the number of ordinary shares on issue will be 366,219,541 shares and following the second tranche of the placement, the number of ordinary shares on issue will be 369,606,385 shares.

Commenting today Ed Nealon, Chairman, of Ferrum Crescent said: “we are delighted that even in these difficult times, we have had a vote of confidence in the quality of the Moonlight Iron Ore Project, first from Anvwar Asian Investment and now from existing shareholders and others in London. Our job is now to get on with the BFS, continue to de-risk the project and then to see it through to development and production for the benefit of all stakeholders.”

For more information, please visit www.ferrumcrescent.com or contact:

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