FERRUM CRESCENT LIMITED

18 February 2010

Media ASX Announcement

To: Company Announcements Office
Australian Securities Exchange
Level 4 Exchange Centre
20 Bridge Street
Sydney NSW 2000

ASX: FCR

Ferrum Crescent Limited
Preliminary Drill Results – Moonlight Iron Ore Deposit

HIGHLIGHTS

- **Moonlight magnetite concentrates compare with the best in the world.**
- **Bench scale testing indicates close to 90% iron recoveries.**
- **Conventional magnetic separation produces concentrates of exceptional quality, exceeding 70% iron, with low contaminant levels.**
- **Infill drilling completed at the Moonlight Iron Ore Deposit**
  - **66 RC holes totalling 3,747m.**
- **Significant results include**
  - **53m @ 38.7% Fe commencing 26m from surface in drill hole FCL072**
  - **46m @ 41.8% Fe commencing 46m from surface in drill hole FCL069**
  - **21m @ 37.3% Fe commencing 1m from surface in drill hole FCL031.**
- **Successful results confirm the continuity of mineralization and the amenability to low-cost open pit mining methods with low stripping ratios.**
- **Mineralization remains open.**
- **Present JORC compliant Inferred Resource of 320Mt at 32% iron.**
- **Upgraded resource statement due towards the end of February.**

The Directors of Ferrum Crescent Limited ("Ferrum" or "the Company") are pleased to release the results of assays from drilling at the Moonlight Iron Deposit, part of the Turquoise Moon Project in the Limpopo Province, Republic of South Africa.

The recently completed program consisted of 66 holes (3,747m) of reverse circulation in-fill drilling, which was designed to provide additional data to enable an upgraded estimate of the resource. The cumulative total of all drilling in this section of the deposit now stands at 27,181m.

Drilling focussed on three areas of shallow mineralization that will form the basis for the first 10 years of mining at the Project. Previous drill spacing over these areas was generally at 200m centres, and this has now been reduced to 100m and has confirmed both the continuity and the tenor of the mineralization.

Samples were collected at 1m intervals through a rotary splitter and the rock chips logged by onsite geologists to add to the extensive database available for assembling the geological resource model. Samples were composited to a maximum 4m interval through mineralization, with composites broken across grade and geological boundaries to provide greater resolution of ore types.

The samples were prepared by Genalysis Laboratory Services, Johannesburg, and the pulps assayed by Intertek Indonesia using their method XR20L, Fe, Al_2O_3, CaO, Cr_2O_3, Fe_2O_3, K_2O, LOI, MgO, MnO, Na_2O, P_2O_5, S, SiO_2, TiO_2, V_2O_5, Ni, Co, Cu, Zn, Pb, As. Quality control and assurance methods have been rigorous using two accredited standards, blanks, field re-splits and laboratory repeats. Duplicate samples have been retained for Davis Tube, SATMAGAN and FeO analysis to better define the process characteristics of the magnetite mineralization.

The iron mineralization is hosted by a banded iron formation (BIF), which has been subject to high grade metamorphism and is now represented at depth by course grained quartz magnetite gneiss, Figure 1. Within the oxidized zone (generally within 65m from surface) the magnetite grains within the BIF are, at least partly, altered to hematite, goethite, limonite and maghemite. Generally the alteration is insufficient to preclude good magnetic recoveries from surface. There are at least two BIF horizons that dip at shallow angles to the north. The mineralization is close to surface and will exhibit low stripping ratios, making the deposit particularly amenable to low cost, open pit mining.

Figure 1: Coarse grained quartz magnetite gneiss, characteristic of the Moonlight mineralization.

Mineralized intersections were interpreted from existing holes and used to predict intersections in planned holes. The widths and grade of the actual intercepts produced excellent correlation with predictions demonstrating continuity of mineralization. A potential increase to the resource was noted in several step out holes drilled to define boundaries on the lateral extents of the mineralization. The mineralization remains open in these areas.

All intersections having Fe greater than 32% over a 5m or greater interval are shown in Table 1. Preliminary metallurgical studies by Ferrum have shown that the Moonlight mineralization can be upgraded using conventional magnetic separation techniques to produce concentrates of exceptionally good quality, with more than 70% iron and very low contaminant levels. With average iron recoveries which bench scale testing estimates to be close to 90%, the metallurgical characteristics are excellent for this type of iron ore deposit. Indeed Iscor, the previous operator, reported testwork demonstrating the concentrates produced from Moonlight iron ore were comparable to the best in the world. The performance of many of the Ferrum metallurgical tests exceeds the published Iscor results.

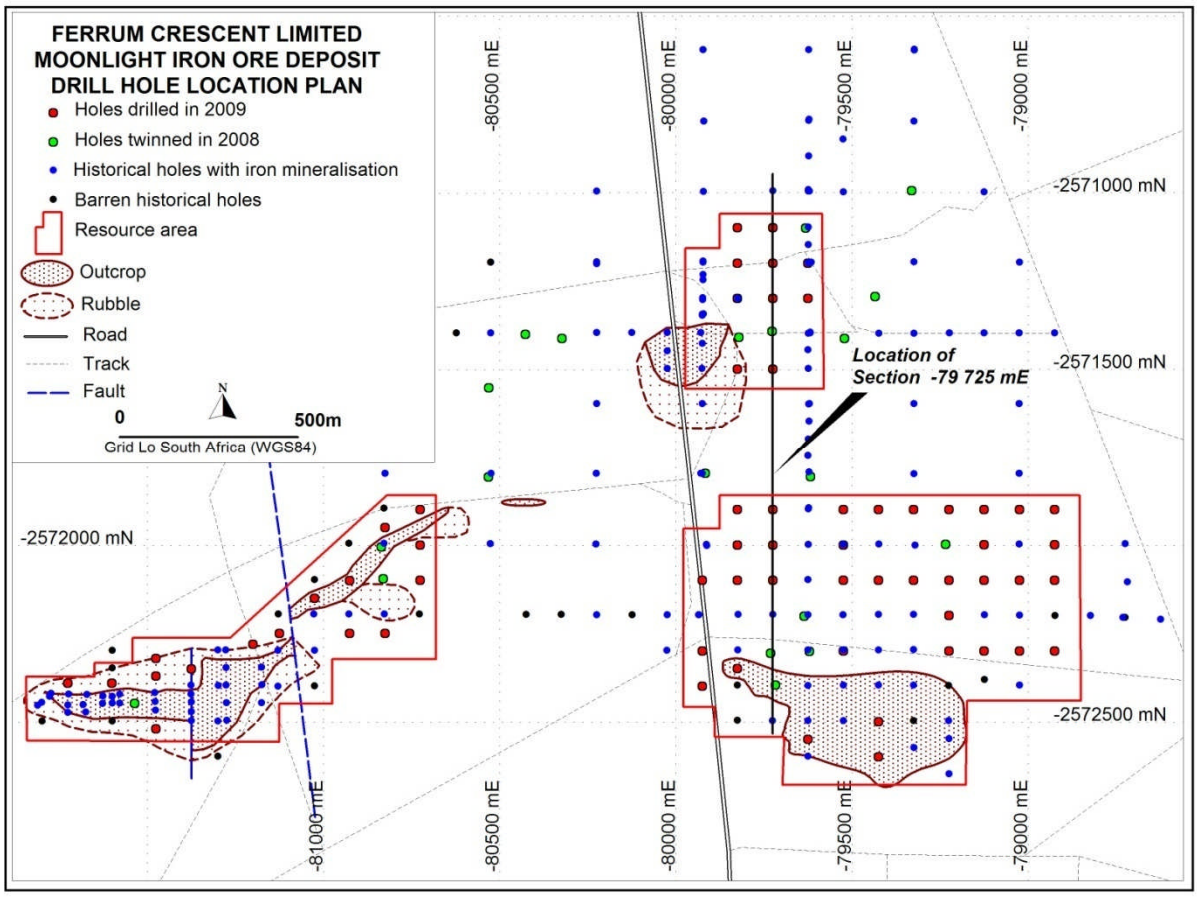

Figure 2: Drill hole location plan

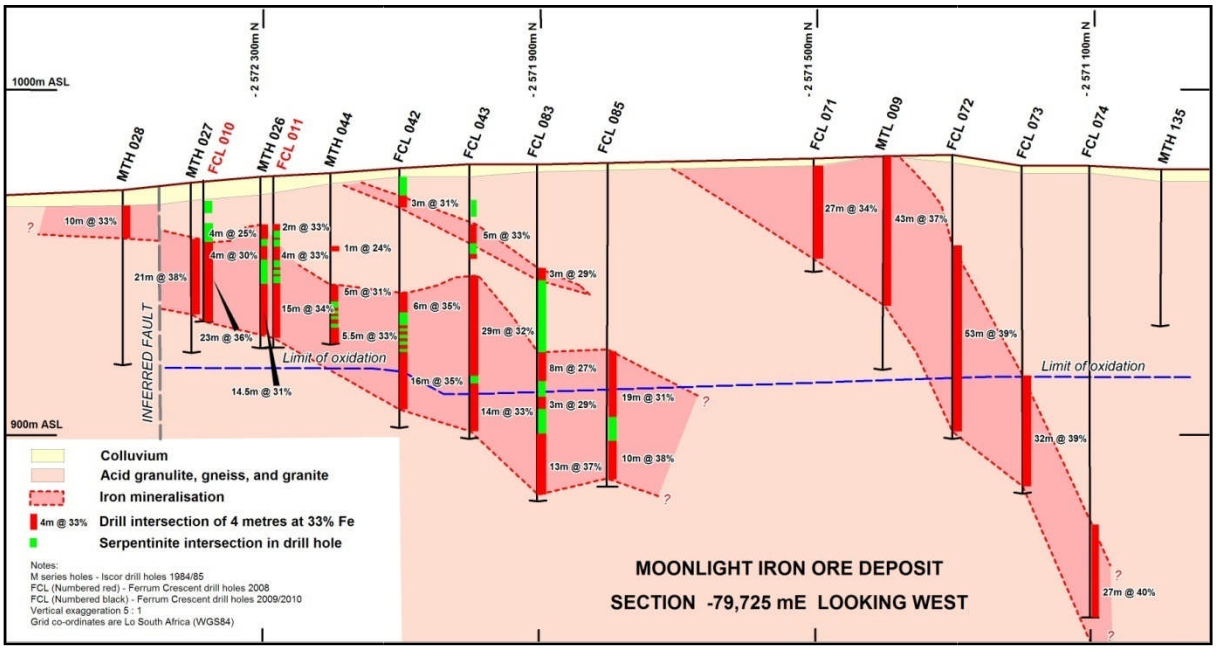

Figure 3: Section -79,725E

Table 1: Significant drilling results

Hole	East (m) WGS84	North (m) WGS84	Elevation (m)	From (m)	To (m)	Interval (m)	Fe%	SiO_2	AL_2O_3%	P%	LOI%
FCL023	-81475	-2572514	976.1	1	11	10	39.3	41.3	0.68	0.01	0.30
FCL026	-81376	-2572345	976.3	1	10	9	36.9	44.0	1.64	0.01	0.36
FCL029	-81023	-2572145	976.2	1	24	23	39.6	41.0	0.67	0.02	0.29
FCL031	-80923	-2572096	975.7	1	22	21	37.3	43.1	1.19	0.02	0.59
FCL034	-80724	-2572095	976.8	1	9	8	34.6	45.7	1.86	0.02	0.46
				13	25	12	36.5	43.2	1.33	0.05	0.20
FCL036	-80724	-2571894	977.4	2	17	15	35.4	45.2	1.36	0.02	0.46
FCL039	-79823	-2572347	973.8	22	31	9	36.0	44.8	1.02	0.03	0.57
FCL040	-79825	-2572097	977.0	2	7	5	32.4	47.9	2.60	0.02	0.86
				34	45	11	32.8	46.4	1.83	0.04	0.80
				64	73	9	39.2	40.3	0.67	0.05	-0.70
FCL041	-79825	-2571997	977.9	67	89	22	35.3	43.8	1.23	0.05	-0.55
FCL042	-79724	-2572096	976.3	35	41	6	35.3	44.1	1.74	0.05	0.65
				53	69	16	34.9	44.6	1.29	0.06	-0.21
FCL043	-79725	-2571997	977.0	16	21	5	32.9	45.2	2.36	0.01	1.05
				31	60	29	32.4	46.4	1.95	0.04	0.81
				62	76	14	32.8	44.5	1.83	0.05	0.41
FCL045	-79526	-2572098	975.3	17	38	21	33.1	46.4	1.98	0.03	0.82
FCL047	-79521	-2571897	976.6	65	70	5	36.5	42.7	0.85	0.05	-0.32
FCL049	-79422	-2571895	975.8	36	55	19	35.7	41.7	2.01	0.06	0.51
FCL050	-79324	-2572098	973.8	30	35	5	39.3	38.8	0.90	0.06	0.30
FCL051	-79324	-2571898	974.9	37	57	20	39.6	39.4	0.70	0.05	-0.59
FCL053	-79228	-2572197	972.9	2	10	8	41.3	39.1	0.57	0.02	0.11
FCL054	-79224	-2572097	973.1	24	40	16	32.4	47.6	1.86	0.04	0.73
FCL055	-79223	-2571892	974.3	52	59	7	37.8	40.2	1.04	0.06	0.17

Hole	East (m) WGS84	North (m) WGS84	Elevation (m)	From (m)	To (m)	Interval (m)	Fe%	SiO_2	AL_2O_3%	P%	LOI%
FCL058	-79123	-2571995	973.0	27	41	14	32.8	46.4	1.85	0.04	1.11
FCL061	-79024	-2572096	971.9	22	29	7	35.4	44.4	1.30	0.03	0.46
FCL063	-78924	-2572298	970.1	11	21	10	35.0	46.0	1.15	0.01	0.43
FCL067	-79825	-2571494	980.1	1	17	16	41.7	38.2	0.59	0.02	0.16
FCL068	-79821	-2571297	975.9	18	70	52	39.9	38.3	0.85	0.04	-0.11
FCL069	-79823	-2571195	975.2	46	92	46	41.8	36.8	0.44	0.05	-0.44
FCL070	-79824	-2571094	974.5	92	101	9	39.9	34.8	2.56	0.10	-0.31
				104	109	5	42.2	37.0	0.47	0.06	-1.48
FCL071	-79727	-2571498	978.9	1	28	27	34.0	46.2	1.98	0.03	1.01
FCL072	-79722	-2571297	976.2	26	79	53	38.7	41.1	0.66	0.05	-0.83
FCL073	-79727	-2571201	975.4	59	91	32	39.4	38.5	0.88	0.05	-0.42
FCL074	-79724	-2571094	977.4	104	131	27	40.1	39.3	0.49	0.04	-0.82
FCL075	-79623	-2571296	976.2	27	41	14	37.4	40.4	2.40	0.04	0.21
				45	83	38	39.2	40.6	0.58	0.05	-0.83
FCL076	-79625	-2571196	976.1	2	8	6	33.7	47.7	2.13	0.02	0.85
				111	116	5	41.6	38.3	0.12	0.04	-0.78
FCL077	-79523	-2572297	974.0	13	32	19	37.2	42.6	0.98	0.03	0.35
FCL082	-79825	-2571795	979.5	97	104	7	33.2	43.5	1.90	0.04	1.21
FCL083	-79730	-2571896	979.0	78	91	13	37.4	42.6	0.49	0.05	-0.91
FCL084	-79827	-2571893	978.6	102	107	5	35.1	42.5	1.89	0.11	-0.19
FCL085	-79724	-2571796	979.0	81	91	10	37.6	42.4	0.44	0.05	-0.98

Supporting notes for Table 1:

- Drilling by reverse circulation;
- All holes drilled vertical;
- Samples collected through a rotary splitter at 1m intervals and composited through mineralisation for assay;
- Maximum composite sample interval is 4m;
- Assays determined by Fusion XRF, LOI (loss on ignition) determined at $1000C^0$;
- Negative LOI represents a mass gain due to oxidation of magnetite to hematite;
- Samples located by differential GPS methods using the South African, Hartbeeshoek94 Lo29 WGS system.

The following features set Moonlight apart from comparable deposits:

- The ability to produce very high quality concentrates at a coarse grind size
- Exceptionally low level of detrimental elements in the concentrates
- Near surface mineralization
- Low stripping ratios

For further information contact:

Ferrum Crescent Limited

Gino D'Anna – Executive Director

T: + 61 8 9485 0755

E: info@ferrumcrescent.com

Ferrum Crescent Limited

Adrian Griffin – Executive Director

T: + 61 8 9477 3031

E: info@ferrumcrescent.com

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

Competent Person's Statement:

The information in this report is based on information compiled by Adrian Griffin, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Griffin has sufficient experience relevant to the style of mineralization and type of deposit under consideration and to the activity being undertaken 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 Griffin is a director of Ferrum Crescent Limited and consultant to the mining industry. This report is issued with Mr Griffin's consent as to the form and context in which the exploration results appear.