



Ferrum Crescent Limited

14 October 2014

[Optionholder address]

Dear Shareholder

NOTICE TO OPTIONHOLDERS – FERRUM CRESCENT LIMITED NON-RENOUNCABLE RIGHTS ISSUE

As announced on 9 October 2014, Ferrum Crescent Limited (**Ferrum** or the **Company**) is undertaking a partially underwritten non-renounceable pro rata Rights Issue of up to 253,735,185 new ordinary shares (**New Shares**) to raise up to approximately A\$2,029,881.48 (before costs, and subject to rounding and exchange rate variations) (**Rights Issue**).

Subject to certain exceptions, the Rights Issue is open to existing holders of shares in the Company (**Shareholders**) with a registered address in Australia, New Zealand, the United Kingdom, South Africa, Hong Kong and any other jurisdiction in which the Ferrum Crescent board determines a Shareholder is not prohibited from participating in the Rights Issue and is eligible to receive an offer under the Rights Issue without disclosure, lodgement, registration or filing (**Eligible Shareholders**) as on 20 October 2014 at 5.00pm (AWST) for Shareholders on the Australian register, 5.00pm (GMT) for Shareholders on the UK register, and 5.00pm (SAST) for Shareholders who hold shares on the South African register (**Record Date**).

The New Shares will be offered on the basis of 2 New Shares for every 3 shares held on relevant Record Date at an offer price of A\$0.008 (for Eligible Shareholders on the Australian register), 0.44 pence (for Eligible Shareholders on the UK register) and ZAR0.0788 (for Eligible Shareholders on the South African register) per New Share.

The terms and conditions of your options do not entitle you to participate in the Rights Issue unless you exercise your options and are entered onto the Company's share register as the holder of ordinary shares in the Company (**Shares**) before the relevant Record Date. If your options were granted subject to vesting conditions, then you will only be able to exercise your options if those vesting conditions have been satisfied. The purpose of this letter is to give you notice of the Rights Issue before the Record Date to allow you to exercise your options (if capable of exercise) should you wish to participate in the Rights Issue.

If you wish to participate in the Rights Issue in respect of Shares that would be issued to you on exercise of your options, then your notice of exercise, together with a cheque for the relevant exercise price, must be received by the Company Secretary at the registered office of the Company on 15 October 2014 by no later than 5.00 pm (AWST) for optionholders on the Australian register, 5.00pm (GMT) for optionholders on the UK register, and 5.00pm (SAST) for optionholders on the South African register, in order to ensure that your Shares are allotted prior to the Record Date. Any Shares to be issued under a notice of exercise received after this date cannot be assured of being allotted before the Record Date.

Optionholders should note that, at the time of writing, the Company's current share price is well below the Company's current range of option exercises prices. **If you do not wish to participate in the Rights Issue in respect of your options, then you do not need to take any action.**

Details of the Rights Issue are contained in the announcement released today, and available from the Company's website at www.ferrumcrescent.com.

This notice is important and requires your immediate attention. Please note that this letter is not an offer or an invitation to acquire Shares or to participate in the Rights Issue.

If you have any questions in relation to the above matters, please contact the relevant share registry as set out below.

For Eligible Shareholders on the Australian register Computershare Investor Services
+61 8 9323 2000 or 1300 557 010 (within Australia)

For Eligible Shareholders on the UK register Computershare Investor Services PLC
+44 (0) 0870 702 0000

For Eligible Shareholders on the South African register Computershare Investor Services (Proprietary) Ltd
+27 11 370 5000 or 086 1100 634 or
corporate.events@computershare.co.za.

If you have any other questions or you are in any doubt as to the action you should take in response to this letter, you should consult an accountant, taxation adviser, stockbroker, lawyer or other professional adviser.

Yours faithfully



Tom Revy
Director