

Australian corporate adviser: Hartleys.



South African corporate adviser: Sasfin Capital,
a division of Sasfin Bank Limited.



FERRUM CRESCENT LIMITED

A.C.N. 128 777 444

INFORMATION MEMORANDUM AUGUST 2009

KEY POINTS FOR INVESTORS

- › Ferrum Crescent Limited has acquired the rights to 74% of the Turquoise Moon Project in South Africa. The Project's Moonlight Deposit alone contains a resource of 470 million tonnes at 36% iron. The magnetite concentrates from this deposit have been described as comparable to the best in the world.
- › The Company has a South African partner with extensive experience in the mining industry there.
- › Historical Project data has been verified by confirmation drilling and resource estimates, resulting in an initial JORC-compliant resource estimate of 320 million tonnes in respect of the Moonlight Deposit.
- › The Company's De Loskop Prospect contains an exploration target of iron-ore mineralisation ranging from 200 to 1000 million tonnes.
- › Results from preliminary metallurgical testwork are exceptional, with high recoveries and low contaminant levels.
- › The grain size of the Project's magnetite is coarser than in comparable deposits worldwide, so production of a commercial concentrate will cost less and require less energy.
- › The potential viability of iron production of 1 million tonnes per annum on site – in the form of pig iron or magnetite pellets – has been verified.
- › The Company is in discussions with a number of potential strategic development partners, including technology suppliers and steel producers.

DISCLAIMER

This publication has been prepared by Ferrum Crescent Limited ('Ferrum' or 'the Company'). It should not be considered as an offer or invitation to subscribe for or purchase any securities in the Company, or as an inducement to make an offer or invitation with respect to those securities. No agreement to subscribe for securities in the Company will be entered into on the basis of this document.

This document contains forecasts and forward-looking information. Such forecasts, projections and information are not a guarantee of future performance, and involve unknown risks and uncertainties. Actual results and developments will almost certainly differ materially from those expressed or implied.

A number of risks, both specific to Ferrum and of a general nature, may affect the future operating and financial performance of the Company and the value of any investment in it, including, but not limited to, economic conditions, stock market fluctuations, variations in demand for iron, variations in the pricing of iron products, timing of access to infrastructure, timing of environmental approvals, regulatory risks, operational risks, reliance on key personnel, reserve and resource estimations, legislation in the Republic of South Africa ('the RSA'), Australia and other jurisdictions, foreign currency fluctuations, and mining development, construction and commissioning risk.

You should not act or refrain from acting in reliance on this presentation material. This overview of Ferrum does not purport to be all-inclusive or to contain all the information that its recipients may require in order to make an informed assessment of the Company's prospects. You should conduct your own investigation and perform your own analysis in order to satisfy yourself as to the accuracy and completeness of the information, statements and opinions contained in this presentation before making any decision with respect to Ferrum.

References to prior work undertaken by South Africa's Iron and Steel Industrial Corporation ('Iskor') at the Moonlight Deposit have been sourced from records of the Department of Minerals and Energy, RSA, research by third parties and information published by Iskor and other parties in peer-reviewed scientific journals. Particular references to "reserves" and "resources" are as published by Iskor in:

G. du Plessis, G.J. Jonck & R. Kruger, 1997. Potential low-grade iron ore deposits in metamorphosed banded iron formations, Northern Province, South Africa. Mineralium Deposita 32:362-70.

The resource figures published by Iskor (du Plessis, Jonck & Kruger, 1997) are not considered JORC-compliant. Ferrum has verified part of the Moonlight Deposit resource in compliance with the JORC Code. However, it should be noted that future JORC-compliant estimates based on drilling and other evaluation undertaken by Ferrum may vary significantly from the published Iskor estimates.

CORPORATE DIRECTORY

AUDITORS

Stantons International Pty Ltd
Level 1, 1 Havelock Street
West Perth WA 6005
Australia

REGISTERED ADDRESS

Unit 1, 135 Great Eastern Highway
Rivervale WA 6103
Australia
Tel: +61 8 9477 3031
Fax: +61 8 9475 0847
Internet: www.ferrumcrescent.com
Email: info@ferrumcrescent.com

AUSTRALIAN CORPORATE ADVISER

Hartleys Limited
141 St George's Terrace
Perth WA 6000
Australia

SOUTH AFRICAN CORPORATE ADVISER

Sasfin Capital
PO Box 95104
Grant Park 2051
Republic of South Africa

SOUTH AFRICAN LEGAL ADVISER

Falcon Attorneys Inc.
92, 11th Street
Parkmore 2196
Republic of South Africa

ENGINEERING CONSULTANTS

ProMet Engineers Pty Ltd
Ground Floor, 267 St George's Terrace
Perth WA 6000
Australia

MARKETING CONSULTANTS

Ferrum Consultants
14 Saladin Street
Swanbourne WA 6010
Australia

INDEPENDENT GEOLOGIST

Continental Resource Management Pty Ltd
10 Hehir Street
Belmont WA 6104
Australia

AUSTRALIAN LEGAL ADVISER

Deacons
Level 39, BankWest Tower
108 St George's Terrace
Perth WA 6000
Australia

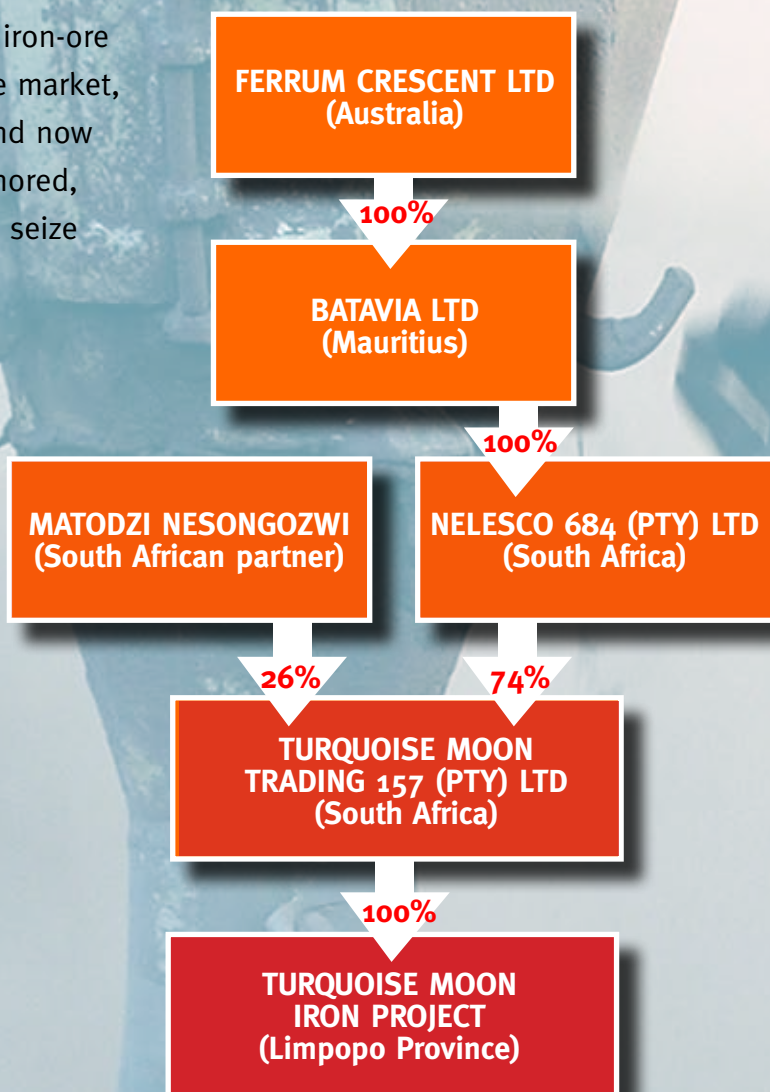
COMPANY AND PROJECT OVERVIEW

Ferrum Crescent Limited was incorporated in 2007.

The Company seeks to capitalise on the future demand for iron and steel worldwide by producing iron products in the RSA – for both the domestic and export markets.

During the recent global rush for iron-ore resources, the RSA – an immature market, dominated historically by Iscor and now by Arcelor Mittal – was largely ignored, prompting Ferrum to identify and seize upon opportunities there.

To that end, the Company has acquired a controlling interest in a South African company that holds the rights to significant iron-ore deposits in the RSA; namely, the Turquoise Moon Project (‘the Project’).

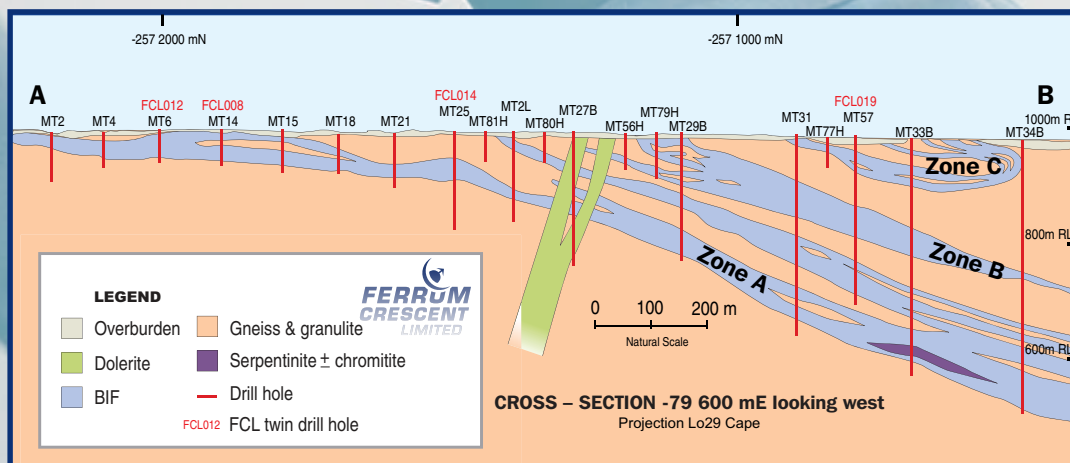


Corporate structure.

The Project consists of two separate occurrences of magnetite iron mineralisation – the Moonlight Deposit and the De Loskop Prospect. Both are situated in Limpopo Province.

The Moonlight Deposit is located on the farms Moonlight, Gouda Fontein and Julietta. Iscor, which explored the Moonlight Deposit in the 1980s and '90s, reported a “reserve” of 470 million tonnes (‘Mt’) of magnetite ore with a grade of around 36% iron, capable of producing a concentrate grading 68.7% iron. At the time, Iscor concluded that the deposit – which it described as comparable to the world’s best – was easily mineable due to its low waste-to-ore ratio. Indeed, the beneficiation attributes of Moonlight ore are extremely impressive, with low-intensity magnetic separation considered suitable for optimum concentration.

Metallurgical tests of Moonlight material, undertaken by Ferrum, suggest that Iscor’s results are conservative, that good metal recoveries can be achieved, and that the resulting concentrates contain more than 70% iron and only negligible impurities, at grind sizes considered to be the industry standard (P80 of 75 microns).



25°



Moonlight

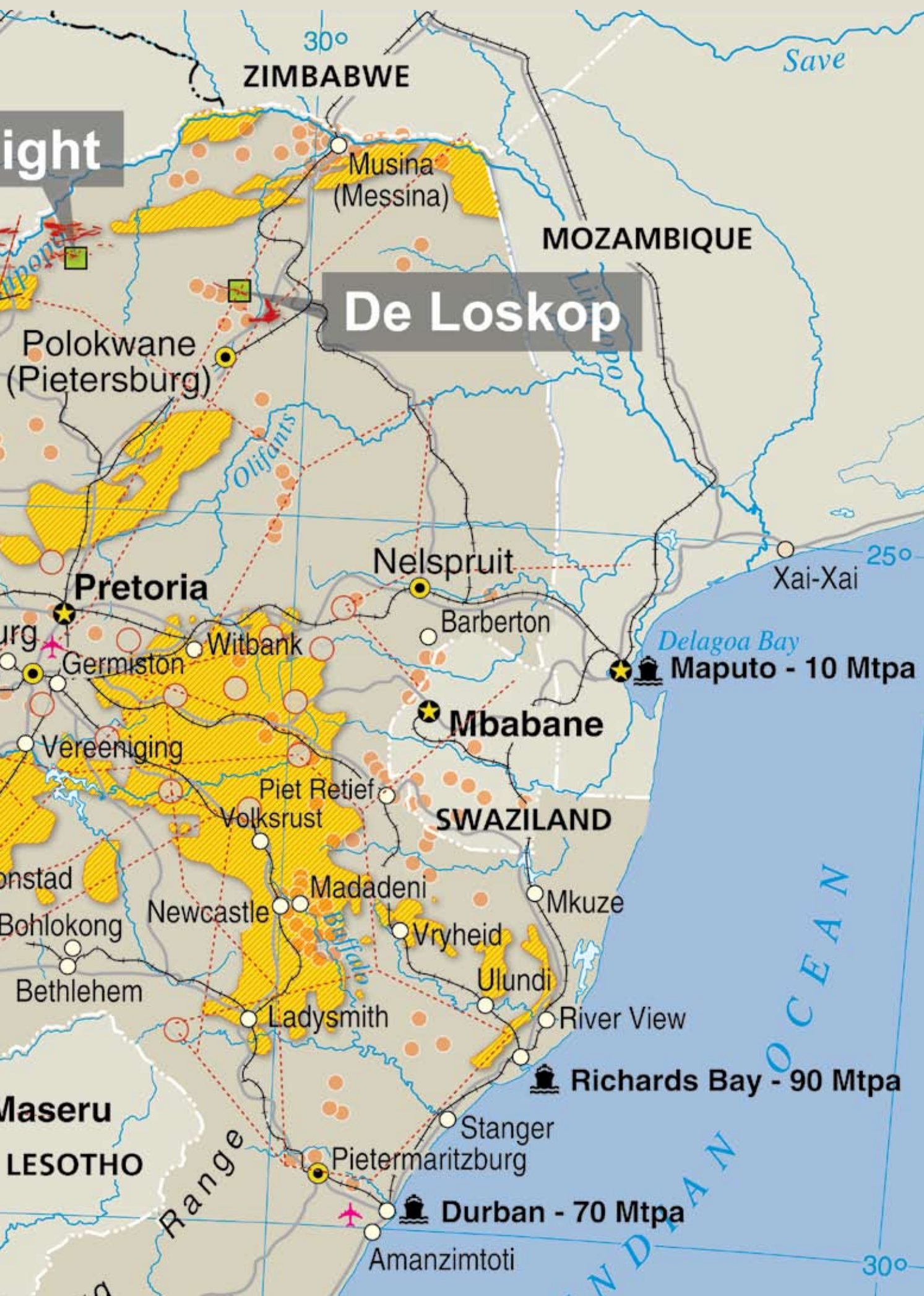
Gaborone



LEGEND

- National capital
- Provincial capital
- Town, village
- ✈ Major airport
- ⚓ Ports
- International boundary
- Main road
- Railroad
- ⊖ Power stations and power grid
- ▨ Coal fields
- Potential Banded Iron Formations
- Iron ore occurrences
- Project area





TURQUOISE MOON PROJECT

As noted, the Project comprises two separate magnetite iron-ore prospects; namely, the Moonlight Deposit and the De Loskop Prospect (see map).

The Moonlight Deposit, the focus of Ferrum's recent geological, engineering and metallurgical studies, is situated in South Africa's Limpopo Province, which borders Mozambique, Botswana and Zimbabwe and has good transport infrastructure. It is 360 kilometres north of Johannesburg, 845 kilometres by road and rail from the port of Maputo and 1,065 kilometres from the port of Richards Bay.

In view of the distance of both the Project and raw materials from these ports, production of a value-added product such as pig iron or pellets appears the most cost-effective means of exploiting the resource. Therefore, a Project scale of 1 Mt per annum ('Mtpa') of merchant pig-iron production, or its equivalent in pellets, is being considered.

Moonlight is a metamorphosed banded iron formation with an average iron content of about 36%. The iron occurs mainly in coarse-grained magnetite. Commonly, magnetite at and near the surface is oxidised to hematite, goethite and limonite. However, oxidation of the magnetite decreases rapidly with depth, so the iron minerals are highly magnetic within a few metres of the surface and easily separated from gangue.

To liberate the iron minerals from the host rock the ores must be milled, and beneficiation may be achieved via a series of magnetic separation processes. Concentrates of exceptionally good quality, containing more than 70% iron and with very low contaminant levels, can be produced. With iron recoveries of more than 80%, the metallurgical characteristics are excellent for this type of iron-ore deposit.



Ferrum can access all the raw materials necessary for pig-iron or pellet production at its Project locally. Good-quality bituminous coal can be sourced from mines operating close to the Project, and will also be available from coal projects due to be developed in the RSA, and in neighbouring Botswana. In addition, substantial coal-bed methane resources within 100 kilometres of the Project, in north-eastern Botswana, are another ideally situated energy source.

The Project will be self-sufficient in its flux requirements, as the Moonlight Deposit is surrounded by marble (metamorphosed limestone).

Importantly for the Project, the RSA boasts mature and efficient road and rail systems. Transnet, the local rail authority, plans to invest substantial amounts in the near term to upgrade and maintain its rail network and rolling stock. Also relevant to the transport of product, there is a main arterial road within 10 kilometres of the Project and a railway line within 160 kilometres of it. Product can therefore be sent by road to an intermediate storage facility before being transported by rail to the ports of Maputo or Richards Bay for export.

Based on the Project's scale and location, as well as access to raw materials and energy sources, Ferrum has selected what are considered the most appropriate metallurgical processes to maximise the resource. The Project will co-generate power, with additional internal base-load generation, and thus be self-sufficient in terms of energy use. The system will provide enough power for both the magnetite concentrator and iron-making facilities.

Operating and capital cost estimates for production of 1 Mtpa of pig iron are summarised in the table below.

Order of magnitude of costs	(million US\$)
Cash operating costs per tonne of pig iron produced (FOB Maputo)	197
Capital cost (mid-range capital cost of a number of flow sheets being investigated)	715

Pellet production, if implemented without pig-iron production, would result in significantly lower capital and operating costs and a lower product price.

FERRUM'S PROGRESS TO DATE

Expenditure to date (in excess of AU\$2.5 million) has not only significantly advanced the Company's technical knowledge of the Project but also enhanced its corporate and legal status.

Ferrum's progress has involved the following.

- Acquisition of 74% of the Turquoise Moon Project, ratified by the RSA's Department of Minerals and Energy. (Ferrum's South African partner, who has extensive experience and expertise in the local mining industry, holds the remaining 26%.)
- Significant advances in its understanding of the Moonlight Deposit, including:
 - i. acquisition of Iscor data covering 11,000 metres of diamond-core drilling and 10,000 metres of percussion drilling within the farm Moonlight;
 - ii. site surveys to confirm historical Iscor drillhole coordinates;
 - iii. auditing of the Iscor database, checking of resource calculations and verification of Iscor's results of a 470 Mt resource;
 - iv. completion of 2,000 metres of reverse-circulation drilling, a significant amount of which verified the accuracy of the Iscor drill logs and assay results;
 - v. assaying of current drill samples;
 - vi. metallurgical testing (preliminary) comprising optimum grind size, Bond Work Index and the development of a Davis Tube method for the

mineralisation. The Company's consultant reports that the testwork yielded exceptionally good results, with silica levels in concentrate lower than 5% at a very coarse grind size (P80 of 220 microns) – the grind size suggests the ore will be more amenable to mining, crushing and milling, and the magnetite easier to recover, than in comparable Australian deposits, leading to greater returns at a lower cost (see table below);

- vii. compositing of bulk samples for further metallurgical testing, and
- viii. an independent engineering study of on-site pig-iron production, which has confirmed the potential viability of same.

Recovery at a grind of 80% passing 220 micron (whole orebody)

Feed grade (% iron)	Recovery (%)	Concentrate grade (% iron)
35.0	88.86	68.08

- A geological review of the De Loskop Prospect – this indicates that it contains an exploration target of between 200 and 1000 Mt of iron-ore mineralisation at a grade of 30 to 40% iron.
- Development of relationships with technology providers, in order to streamline the feasibility process and fast-track development of the Project.

(Note: references to resources and exploration targets are from an internal Ferrum report prepared in 2009 by the Company's Independent Geologist, Continental Resource Management Pty Ltd).

THE FUTURE

Ferrum will continue with its evaluation of the Project, in order to advance it towards commercial production. This will involve raising enough funds to complete a definitive feasibility study.

The planned programme – to be financed and implemented in discrete stages extending into 2010 – will include the following.

- › Upgrading the current JORC resource estimate.
- › Conducting more metallurgical testing, to set the final process parameters.
- › Developing technology supply agreements.
- › Forming a strategic alliance with an existing steel producer.
- › Expanding the exploration base to dominate ore positions in Limpopo Province, RSA.
- › Commencing Reserve drilling.
- › Implementing trial mining.
- › Conducting a feasibility assessment.





For further information, contact:

Adrian Griffin
PO Box 588, Belmont
Western Australia 6984
Australia
Phone: +61 8 9477 3031
Fax: +61 8 9475 0847
Cell: +61 418 927 658
Email: adrian.griffin@ferrumcrescent.com.