

27 May 2014

Ferrex plc ('Ferrex' or 'the Company')
Rock samples return DSO iron grades at Mebaga Iron Ore Project in Gabon

Ferrex plc, the AIM quoted iron ore and manganese development company focused in Africa, is pleased to announce that high iron values have been returned from rock samples collected as part of the mapping programme in February 2014 to increase the mineralised area at its 309 sq km Mebaga DSO Iron Ore Project in northern Gabon.

Overview

- Assays of up to 63.6% Fe returned from 13 rock samples
- Samples taken from iron ore mineralisation exposed on the west and east ridges confirm presence of DSO grades and potential for significant tonnages within the newly mapped mineralised areas
- Drilling scheduled for H2 2014
- Exploration Target¹ (estimated over 11km of 19km BIF strike) totals 630 - 1,050Mt @ 25 – 65% Fe, including 90 to 150Mt @ 35 – 65% Fe oxide (weathered)
- Outstanding conditions precedent for execution of Anglo/Kumba deal progressing

¹The potential quality and quantity is conceptual in nature and there has been insufficient work completed at present to define a Mineral Resource in this area under the JORC (2004) Code. The nature of an Exploration Target is such that it is uncertain if further exploration will result in the determination of a Mineral Resource.

Ferrex Managing Director Mr. Dave Reeves said, "At the beginning of the year we were delighted to report that mapping activities undertaken in February 2014 had discovered two new areas of high grade iron ore mineralisation at Mebaga, 7km east and 3km west of the area we drilled in 2013. The assay results from rock samples taken from these areas confirm the potential for additional extensive significant DSO grade iron ore mineralisation within the licence area.

"Looking ahead for the project, the next drill campaign, which will target extensions to the previously defined mineralisation and the west ridge, is expected to commence in early Q3 2014. In addition, we have recently received approval from the Gabon Ministry of Economy for the proposed Anglo American and Kumba transaction and believe that due diligence on this transaction is entering its final stages."

Further Information

As reported on 6 March 2014, 13 rock samples collected from float blocks and rare outcrops of iron-enriched BIF at Mebaga were submitted to the Set Point laboratory facility in Libreville for preparation, with pulps freighted to Set

Point in Johannesburg for analysis. Samples were assayed using the industry-standard technique for iron ore of lithium borate fusion with XRF finish.

Iron values reported for the samples range up to 63.6% Fe. The results are listed in Table 1 and sample locations shown on Figure 1.

Detailed geological mapping of the west ridge, located about three kilometers west of the area drilled by Ferrex last year, has indicated that the host BIF could be up to 200m wide with iron enrichment (as itabirite) found in outcrop up to 70m below the crest of the ridge.

Table 1: Rock sample assay results. mar = martite (hematite), goe = goethite, ita = itabirite (Fe-enriched, friable iron formation).

Sample	East	North	Description	Fe ₂ O ₃ %	Fe%
M0618	827020	95499	mar-goe	85.67	59.9
M0619	825836	95073	goe; laterite contamination	86.5	60.5
M0620	828894	96189	Ita	57.68	40.3
M0621	828030	96382	mar-goe	90.87	63.6
M0622	826121	95668	mar-goe; laterite contamination	81.52	57.0
M0623	813928	95168	Goe	86.22	60.3
M0624	826845	94419	goe-mar	90.63	63.4
M0625	827783	96019	mar-goe	85.53	59.8
M0626	814277	94665	goe; minor remnant silica	82.99	58.0
M0627	814463	95221	Mar	89.77	62.8
M0628	827016	94881	goe-mar	86.94	60.8
M0629	826860	95317	Ita	54.62	38.2
M0631	825630	95474	goe-mar	77.22	54.0

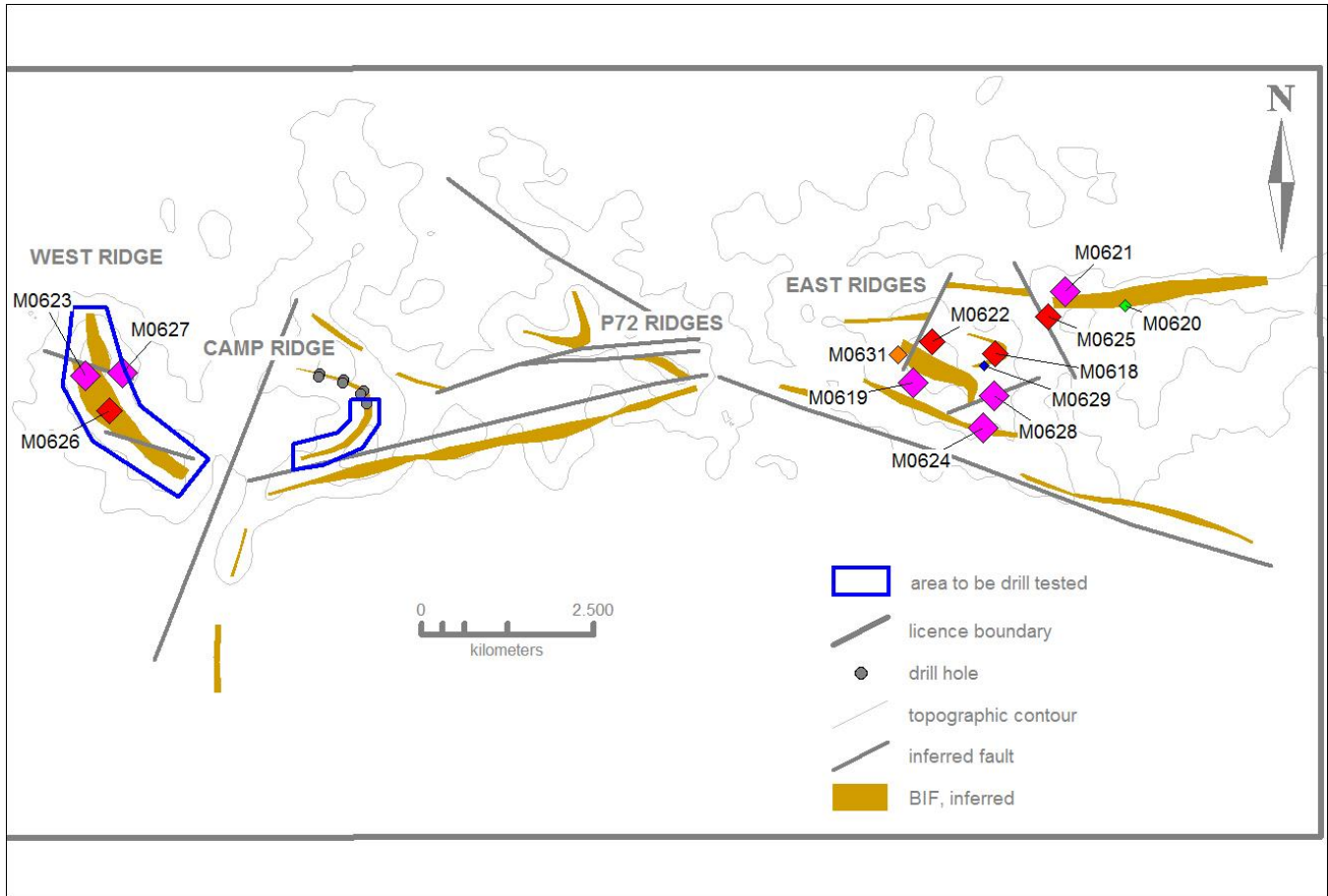


Figure 1: Rock sample locations, colour coded for Fe%; pink >60% Fe, red 55-60% Fe, orange 50-55% Fe, green 40-50% Fe, blue <40% Fe.

Mebaga Project - Further Information

Mebaga is a DSO iron ore project located in the north of Gabon within an extensive iron ore province which extends from Gabon into the Republic of Congo ('ROC') and Cameroon. Iron ore mineralisation in the district is hosted in Archean Banded Iron Formation ('BIF') horizons belonging to the Belinga Supergroup. Major deposits in the region include Belinga in Gabon (1Bt @ 60% Fe); Mbalam in Cameroon (775Mt @ 57% Fe); and Avima in the ROC (690Mt @ 58% Fe).

Geological mapping and magnetic interpretation lead to the definition of high priority drill targets and an Exploration Target1 comprised of 90 to 150Mt @ 35 to 65% Fe oxide (weathered) material and 550 to 900Mt @ 25% to 40% Fe primary (fresh) material. The oxide target includes DSO* and bBSO** material. The target was defined over only 11km of BIF strike, with up to 19km of BIF strike identified in the project area, which points to significant upside exploration potential.

A phase one drill programme, conducted over 800m of the identified 19km BIF strike at Mebaga, returned DSO* and bBSO** intercepts in all holes. A total of nine diamond holes were drilled, including one hole solely to provide drill core for metallurgical test work. The best intercept, in the final hole drilled, was 28.7m @ 61.4% Fe from surface.

Mebaga is strategically located just 30km from a sealed highway and has two potential infrastructure routes. There is a rail line 100km south of the project area that runs to the Port of Owendo, which currently exports 3.5mtpa of manganese, or sealed highways that link the project area to the Libreville estuary 300km away.

Competent Person Statement

Information in this release that relates to exploration results is based on information compiled by Ferrex Exploration Manager Mr Mark Styles. Mr Styles is a qualified geologist, a member of the Australian Institute of Geoscientists and is a Competent Person as defined in the Australasian Code for Reporting of Exploration Results. Mr Styles consents to the inclusion in the release of the matters based on his information in the form and context in which it appears.

Caution Regarding Forward Looking Statements: Information included in this release constitutes forward-looking statements. There can be no assurance that ongoing exploration will identify mineralisation that will prove to be economic, that anticipated metallurgical recoveries will be achieved, that future evaluation work will confirm the viability of deposits that may be identified or that required regulatory approvals will be obtained.

**DSO - Direct Shipping Ore is of high enough grade that it can be mined, crushed to a uniform size, transported and sold.

***bBSO - Beneficiate Before Shipping Ore can be upgraded using simple processing techniques to produce a saleable product. Grinding is not required in the beneficiation process

****ENDS****

For further information and the full Admission document visit www.ferrexplc.com or contact the following:

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Notes

Ferrex plc is an AIM quoted, leading iron-ore and manganese exploration and development company in Africa. The Company is focussed on advancing low capex deposits, which benefit from proximal established infrastructure, up the development curve and into production. Ferrex has a solid portfolio of assets including three primary projects: Nayega Manganese Project in Togo ('Nayega'), Mebaga Iron Ore Project in Gabon ('Mebaga'), and Malelane Iron Ore Project in South Africa ('Malelane').

At Nayega, Ferrex is currently conducting a Bankable Feasibility Study and expects to be developing Nayega during 2014. A Scoping Study indicates that Nayega could produce 250,000 tonnes per year of manganese concentrate at 38% with an initial capital expenditure of under \$15m. The Company anticipates that cash generated from production at Nayega will be used to assist in the future funding of development at its additional projects.

In parallel with this, Ferrex is focussed on proving up resources at its Mebaga concession in Gabon. A recent review has led to the estimation of an exploration target comprising 90 to 150Mt @ 35 to 65% Fe (oxide target) and 550 to 900Mt @ 25% to 40% Fe (primary target) for Mebaga. The Oxide target will incorporate both DSO* and bBSO* material. Ferrex has completed an initial drill programme at Mebaga that has intersected significant widths of DSO and bBSO mineralisation.

The Company also holds the Malelane Iron Ore concession in eastern South Africa. A Scoping Study on Malelane has demonstrated its potential to produce 1.8Mtpa of beneficiated ore per year, with initial capital expenditure of \$139m, a payback of 1.9 years, a Net Present Value of US\$523m (10% discount rate) and a 16.6 year life-of-mine. Conceptually, cash generation from Nayega and Mebaga will be utilised to obtain finance for Malelane once again limiting share dilution.

Ferrex has 934M shares on issue on a fully diluted basis. The Directors have subscribed for and purchased approximately 28% of the issued share capital of the Company and are thus aligned with shareholders interests.