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Ferrex plc ('Ferrex' or 'the Company')
Drill holes intersect high grade iron ore 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 an update from its 3,000m drilling programme at its 309 sq km Mebaga DSO Iron Ore Project in northern Gabon.

Overview

- First three drill holes from the on-going 23 hole 3,000m drilling programme have intersected visually high grade iron ore mineralisation¹
- Intersected enriched iron to a depth of 50m in hole NGDH003 – highlights potential for the Mebaga deposit to hold significant iron ore grades at depth
- Expediting core cutting and assaying from the drill programme – JORC Code compliant resource statement on track for H2 2013
- Assay results received for 28 rock samples collected at Mebaga in January, highest reported iron value of 67.51%
- Exploration Target² for DSO material of 20Mt @ 60% Fe based on historic work undertaken by BRGM, with pits dug to a depth of 29.4m over a strike length of 1.8km (less than 10% of the identified 20km strike length of banded iron formation at Mebaga)
- Ferrex assessing magnetic data, geological mapping, sampling and drill information from 3,000m programme with a view to increasing the Exploration Target to include the identified 20km strike of banded iron formation (BIF) at Mebaga
- Excellent infrastructure in place – 30km from a sealed highway, 100km north of the Trans-Gabon railway

¹ Mineralisation intersected in drilling is similar in appearance to high grade mineralisation in assayed rock samples; similar high grade results are expected to be reported for core samples.

² The 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, “The presence of high grade iron ore in our first three drill holes in Gabon is significant, especially having intersected enriched iron to a depth of 50m in one of the holes. This is potentially one of the thickest intercepts to be reported by a junior miner in West Africa and highlights the exciting possibility for the deposit to hold significant grades at depth.

“We are now expediting the core cutting and assaying whilst we accelerate the drill programme. This will enable us to delineate a JORC Code compliant resource in the second half of the year. In addition, we are working on

updating our historic Exploration Target of 20Mt at 60% Fe, which covers less than 10% of the identified 20km strike length of BIF at Mebaga, to further highlight the economic potential of the project and help crystallise its inherent value as a significant DSO project with near term production potential in West Africa. We look forward to keeping the market updated on drill developments on a regular basis."

Further Information

The Company has commenced a 3,000m drill programme at Mebaga which will comprise 23 holes up to 250m deep. This has been designed to provide sufficient information to allow estimation of a mineral resource compliant with the JORC Code in H2 2013.

The first hole (NGDH002) was drilled to a depth of 96.6m and intersected detrital iron ore clasts in clay matrix to 9.7m and then in situ bedded ore to 25.8m. The second hole (NGDH003) was completed at 72.1m and intersected detrital iron ore clasts in clay matrix from 7.45m to 14.85m and then in situ bedded ore and friable itabarite to 50m. The third (NGDH004) hole, located 330m to the northwest of the first drilled line, was completed at 64.65m and intersected detrital iron ore clasts in clay matrix from 4.7m to 10.3m and then in situ bedded ore and friable itabarite to 29.8m.

Initial interpretation indicates the iron-enriched BIF has a shallow dip. Geological logging has recorded the presence of bedded, friable goethite-hematite-martite-kenomagnetite/magnetite mineralisation. This mineralisation is similar in appearance to high grade mineralisation in assayed rock samples and similar high grade results are expected to be reported for core samples.

As reported on the 19th of February 2013, a total of 28 rock samples collected from Mebaga were submitted to Intertek in South Africa for assay by lithium borate fusion with XRF finish. Final assay results have been received for 26 of the samples, with results for the two remaining samples pending QA/QC confirmation. Fe values reported for the samples range up to 67.51%. Of the 26 samples for which final results have been received, 20 returned Fe assay values higher than the average of readings taken with a Niton XRF analyser (reported on the 19th of February 2013). Sample descriptions, average (of three) Niton readings and assay results for Fe are listed in Table 1.

Please click the following link to view a cross section and photos of the drill core, which highlight the iron ore intercepts (the lack of silica bands indicates we can expect grades of plus 55% Fe).

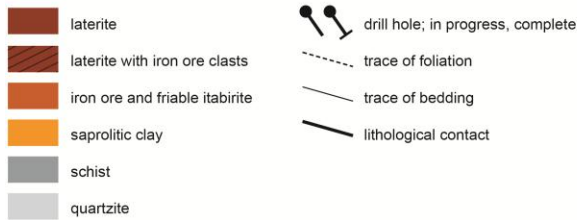
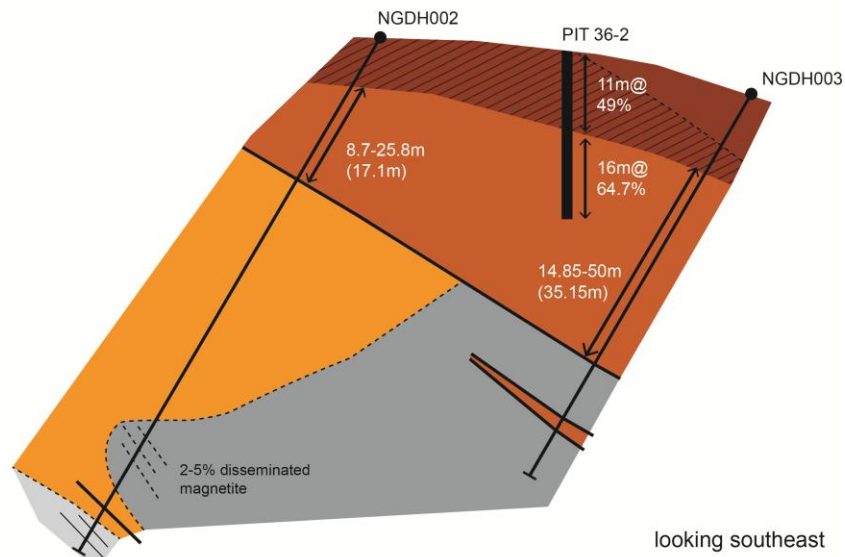
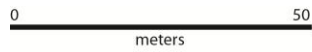
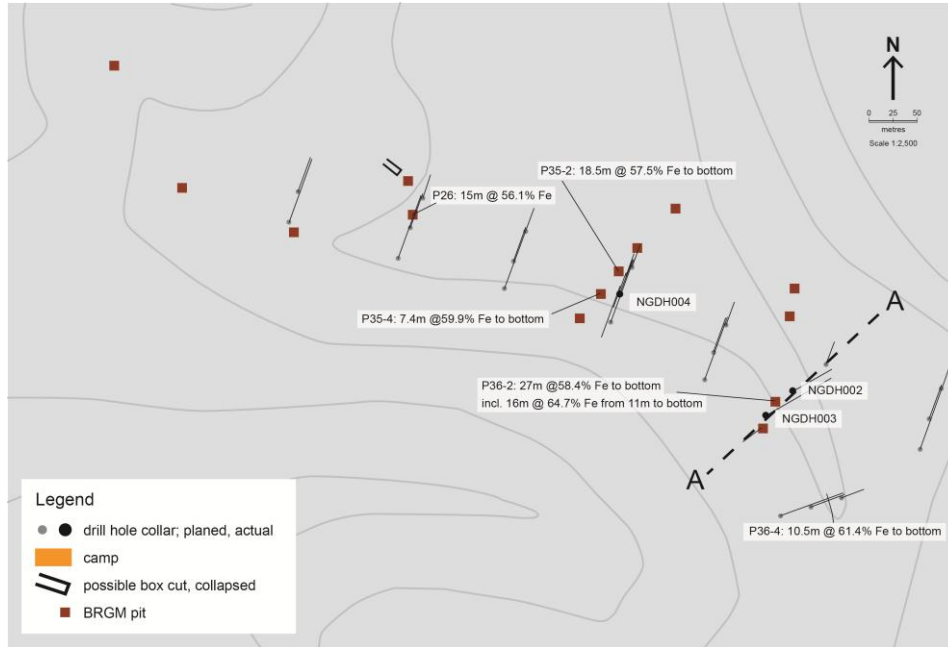




Table 1: Sample descriptions, Niton readings and assay results for Fe. mag = magnetite, ken = kenomagnetite, mar = martite, goe = goethite.

Sample	East	North	Description	XRF Fe% average	Assay Fe%
M0031	816905	95556	mag BIF	19.80	34.49
M0032	816935	95555	goe; clay coated	52.43	61.55
M0033	817087	95383	ken-mar-(goe)	58.93	64.46
M0034	817380	95296	ken-mar; laterite contamination	63.03	63.13
M0035	817325	95366	ken-goe-mar	55.57	59.61
M0036	817479	95339	ken-mar-goe	60.97	61.46
M0037	817749	95138	ken-mar-goe	54.70	58.72
M0038	817924	95072	mar-goe	59.70	60.88
M0039	817938	95131	goe-ken-mar; clay coated	54.33	59.88
M0040	817950	95162	partly enriched, goe BIF; clay coated	40.07	49.82

M0041	817974	95076	goe; laterite contamination	50.47	52.25
M0042	818033	95034	ken-mar-goe	65.40	63.11
M0043	817961	95005	ken-mar-goe	64.80	60.71
M0044	818002	94858	ken-mar-goe	66.70	65.97
M0045	818042	94854	partly enriched BIF; ken-mar, remnant chert	33.03	pending
M0046	818061	95010	ken-mar-(goe)	62.00	pending
M0047	815087	93916	banded goe; clay coated	47.23	53.57
M0048	815065	93939	banded goe; clay coated	56.90	56.18
M0049	814737	94121	banded goe with intercalated schist	57.80	55.53
M0050	818244	94789	mag BIF	29.80	50.51
M0051	818017	94766	ken-goe; clay coated	63.13	61.73
M0052	818018	94806	ken-mar-(goe); clay coated	60.50	60.56
M0053	818028	94719	ken-mar-(goe)	57.17	64.7
M0054	818022	94691	ken-mar	64.33	67.51
M0055	818034	94678	ken-mar; clay coated	57.50	63.98
M0056	818083	94574	goe-ken-(mar); clay coated	56.17	61.07
M0057	818011	94248	mar-goe; laterite contamination	53.93	55.3
M0058	817751	95142	goe-ken-mar; laterite contamination	52.37	53.27

Mebaga hosts a historic exploration target of 20Mt @ 60% Fe estimated by the BRGM which was based on pitting to a maximum depth of 29.4m over a strike length of 1.8km. Ferrex is working with a geophysical consultant who will assess the reprocessed aeromagnetic data, plus use information from recent geological mapping, sampling and drill information from the current programme to estimate an Exploration Target over the full strike length of BIF at Mebaga to provide investors with a better understanding of the project's potential.

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.

****ENDS****

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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 2013. 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. Earlier work at Mebaga by the BRGM, the French public earth sciences institution, produced an exploration target of 20Mt @ 60% iron (Direct Shipping Ore* ('DSO')). Ferrex has full access to the BRGM records and plans to produce a JORC resource and Scoping Study before the end of 2013 at which time it will apply for a Mining Licence. A 3,000m drill program is currently underway.

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 805m shares on a fully diluted basis. The Directors have subscribed for and purchased approximately 32% of the issued share capital of the Company and thus aligned with shareholders interests.

*Direct Shipping Ore is ore which is high enough grade that the iron does not need capital intensive processing into concentrate at the mine. Conceptually it can simply be dug up, crushed to a uniform size, transported and sold.