

4 December 2015

Ferrex plc ('Ferrex' or 'the Company')
Work Commences at Australian Gold Production Project

Ferrex plc, the AIM quoted resource development company, is delighted to announce that following the acquisition of a five year tribute agreement, to mine certain defined gold deposits located on the leases owned by Norton Gold Fields Ltd a subsidiary of Zijin Mining Group Co., Ltd ('Norton') to mine in the heart of the Western Australian goldfields, initial fieldwork has commenced. This is in line with its goal to commence initial gold production of 20,000 to 30,000 ounces per annum in Q2 2016.

A detailed land survey is currently being undertaken to assess the existing drill holes and previous mining operations, which have historical resources of 5,741,155t at 2 g/t of gold for 363,599 ounces. The survey will be used to finalise an initial, high priority, in-pit grade control drill programme before the end of December 2015.

As part of Ferrex's mining development plan it will initially target shallow laterite and oxide deposits to generate near-term revenues. The deposits comprise previously mined pits with remnant economic material below the pit floor, previously unmined near-surface deposits and other high-grade underground opportunities.

Ferrex Managing Director Mr. Dave Reeves said, "With limited work and capital required to commence gold production in Australia, we have hit the ground running in line with our target of delivering first production in Q2 2016. A small-scale drill programme is set to start ahead of the New Year to formally confirm the grades identified as part of the historic resource of over 350,000 ounces of gold. This will provide plenty of newsflow in Q1 2016, and we look forward to updating the market with this in the near term."

****ENDS****

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Notes

Ferrex plc is an AIM quoted, resource development company. The Company is focussed on advancing lowest quartile, low capex deposits which benefit from proximal established infrastructure up the development curve and into production. Ferrex plans to commence production at its Australian Gold Project in Q2 2016 and then use this cashflow to develop the Nayega Manganese Project within nine months of securing the mining permit for the Project.

At Nayega, Ferrex has concluded a Bankable Feasibility Study and expects award of the mining permit in 2015. The Bankable Feasibility Study indicates that Nayega could produce 250,000 tonnes per year of manganese concentrate at 38%. The company is focussed on bringing the mine into production on grant of the mining permit as soon as possible to generate cashflows for the Company.

The Company also holds iron ore and manganese projects in Gabon and South Africa and is actively assessing ways to realise value from these assets.

Ferrex has 1,193,794,390 shares in issue. The Directors have subscribed for and purchased approximately 25.5% of the issued share capital of the Company and are thus aligned with shareholders' interests.