

6 March 2014

Ferrex plc ('Ferrex' or 'the Company')
Additional High Grade Iron Ore Identified At Mebaga DSO Iron Ore Project, Gabon

Ferrex plc, the AIM quoted iron ore and manganese development company in Africa, is pleased to provide an update on its exploration activities at its 309 sq km Mebaga DSO grade Iron Ore Project ('Mebaga' or 'the Project'), located in an extensive iron ore rich province in northern Gabon, Africa.

Overview

- Completion of geological mapping designed to evaluate the entire 19km strike length of banded iron formation ('BIF')
- Mapping programme identified high grade iron ore mineralisation in the eastern half of the licence, 7km east of the area drilled by Ferrex in 2013 and 3km east of the easternmost BRGM historical pit P72
- Rock chips taken and submitted for assay
- Information from mapping will be used to design a further drill programme to be undertaken in mid-2014
 - Thickest interval of +55% Fe mineralisation encountered to date – 2013 drill programme results included 28.7m @ 61.4% Fe from surface in NGDH008
- Significant exploration potential identified in work to date - Exploration Target estimated over only 11km of 19km BIF strike totals 630 to 1,050Mt @ 25 – 65% Fe, including 90 to 150Mt @ 35 – 65% Fe (oxide)
- Gabon Ministry of Mines approval received for proposed Anglo/Kumba transaction

Ferrex Managing Director Mr Dave Reeves said, "I am delighted that we have kick-started 2014 by discovering a new area of high grade iron ore mineralisation at the Mebaga DSO grade project. Rock chips have been taken from the area and we look forward to reporting the results when the assays are returned. Importantly, planning for the impending drill programme is well underway to expand on what we delineated last year. In tandem, the proposed transaction with Anglo American and Kumba has now received approval from the Gabon Ministry of Mines, we are now waiting for the outcome of the due diligence process and subsequent required corporate approvals to be given. We look forward to making further updates in due course as we move towards completion."

Further Information

Geological mapping

The geological mapping programme at Mebaga is now complete, and it has evaluated the full extent of prospective magnetic highs attributable to BIF. A total of 13 rock samples were collected during the programme; these samples have been submitted to the Set Point facility in Libreville for preparation prior to assay in Johannesburg.

During the programme, additional high (DSO) grade iron ore mineralisation, as float blocks and in rare outcrops, was discovered about seven kilometers east of the area drilled by Ferrex last year. Mineralisation comprises a

combination of martite (hematite) and goethite, similar in appearance to the DSO grade blocks located above the drilled area during the mapping campaign in January last year. Samples of blocks located above the drilled area returned Fe values ranging up to 67.51%; similar values are expected from the recently-collected samples. Outcrop in this area is poor, so additional work will be required prior to drill testing of this newly identified occurrence. Photographs of selected mineralised samples are shown in Plates 1-4.

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.

Planning for a phase 2 drill programme, due to commence in mid 2014, is well underway. Drilling will be designed to test along strike and down dip of mineralisation identified in the phase 1 drill campaign and to test some of the additional targets defined during mapping. The programme will allow Ferrex to better understand the potential of the Mebaga licence to host a significant DSO iron ore deposit.

Figure 1 is a magnetic image of the licence area, showing Ferrex drill hole locations, the area mapped (and drilled) by Ferrex personnel last year and targets where DSO grade mineralisation has been identified.

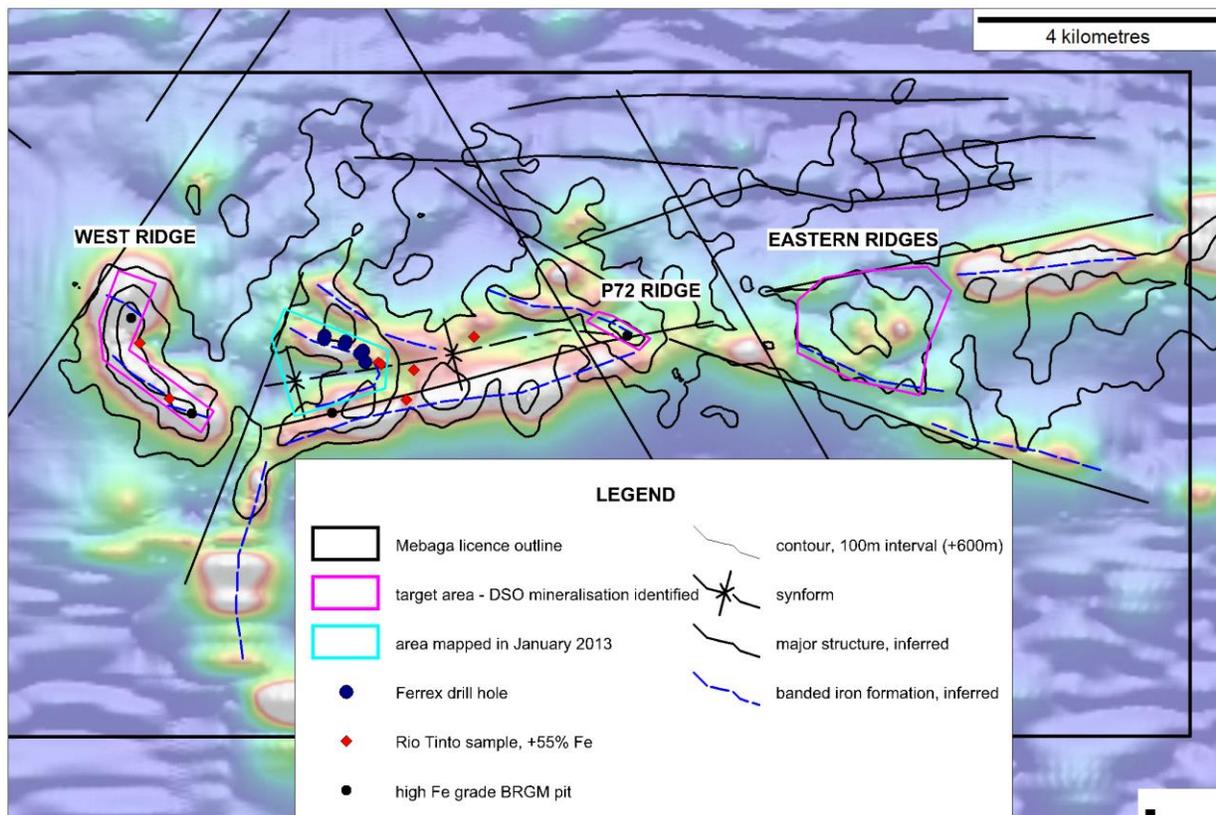


Figure 1: Mebaga magnetic image, Ferrex drill hole locations and targets.

Plate 1

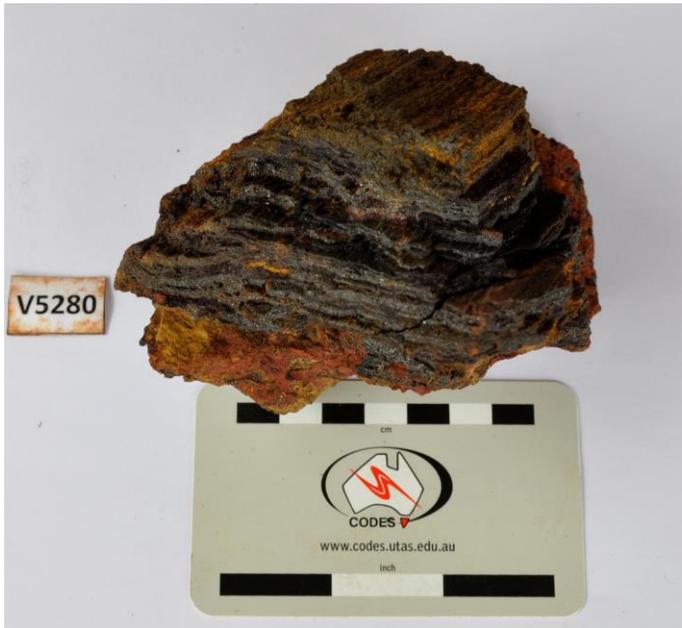


Plate 2



Plate 3



Plate 4



Plates 1-4: Rock samples collected during geological mapping. Plate 1 (eastern ridges): medium grained, bedded martite-goethite ore; Plate 2 (eastern ridges): coarse grained martite ore; Plate 3 (eastern ridges): coarse grained martite-(goethite) ore; Plate 4 (west ridge): fine grained martite ore.

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.

* Ferrex holds an 82% interest in Mebaga through its holding in Gabonese holding company Ressources Equatoriales SARL.

**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.

¹ 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.

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 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 lead 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 recently 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 841 M shares on a fully diluted basis. The Directors have subscribed for and purchased approximately 31.26% of the issued share capital of the Company and are thus aligned with shareholders interests.

