

29 April 2015

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## MARCH 2015 QUARTERLY REPORT

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### HIGHLIGHTS:

- Substantially progressed due diligence relating to the binding memorandum of understanding (the “**MOU**”) to acquire Quangas Poly Ltd, which through its wholly owned subsidiary PEI LLC, has rights under a co-investment agreement over 3 oil projects in the Kyrgyz Republic (the “**Proposed Acquisition**”). The Proposed Acquisition is subject to shareholder approval (which has been obtained) and recompliance with Chapters 1 & 2 of the Listing Rules;
- Proposed the issuance of 100 million Company's shares to raise between A\$3.5 million and A\$5 million in connection with the Proposed Acquisition and for working capital (the “**Placement**”);
- Receipt of US\$4.47 million for the settlement of a loan receivable in January 2015;
- A special general meeting took place on 13 February 2015, approving, amongst other things, the Proposed Acquisition and the Placement;
- Cancellation of 416,753,871 treasury shares to facilitate a simple capital structure. Investors subscribing for shares of the Company under the Prospectus dated 12 February 2015 will be issued as new fully paid ordinary shares.



FeOre Limited (**FeOre** or the **Company**) provides the following commentary for the three months ended 31 March 2015.

## **UPDATE ON THE PROPOSED ACQUISITION**

In July 2014, the Company entered into a binding memorandum of understanding (the "**MOU**") with Gain Diligence Limited (the "**Seller**") to acquire 100% of Quangas Poly Ltd (the "**Target Company**"). The Target Company is involved in oil projects in Kyrgyzstan. The Proposed Acquisition could potentially lead to the establishment of profitable oil production operations in the Kyrgyz Republic (or "**Kyrgyzstan**").

In January 2015, the Company had renegotiated the terms of the Proposed Acquisition and convened a special general meeting for approval, amongst other things, of the Proposed Acquisition. The meeting was subsequently held on 13 February 2015 and the approval by the shareholders concerning the Proposed Acquisition and the Placement was obtained.

## **THE PLACEMENT**

The Company will also seek shareholder approval for the proposed issue or transfer (in the case of treasury shares) of up to 100 million shares in the Company to raise up to a maximum of A\$5 million (the "**Placement**").

Further details regarding the Proposed Acquisition and the Placement are set out in the Company's announcement and notice of special general meeting dated 20 January 2015.

The special general meeting was subsequently held on 13 February 2015. Further details regarding the results of the special general meeting are set out in the Company's announcement dated 13 February 2015.

## **RECEIPT OF PAYMENT FOR SETTLEMENT OF LOAN RECEIVABLE**

In January 2015, the Company received approximately US\$4.74 million for the settlement of a loan receivable. For further details, please refer to the Company's announcement dated 7 January 2015.

## **CANCELLATION OF TREASURY SHARES**

In April 2015, in order to facilitate a simple capital structure, the Company has cancelled 416,753,871 treasury shares being all the treasury shares held under the name of the Company consequential to the buyback which took place in July 2014. Investors subscribing for shares of the Company under the Prospectus dated 12 February 2015 will be issued as new fully paid ordinary shares.

**MINING AND EXPLORATION TENEMENTS HELD AT THE END OF QUARTER ENDING 31 DECEMBER 2014 AND 31 MARCH 2015**

Country	Name of Tenement	Nature	Tenement	Number of Tenements	Holder	Interest as of 31 Dec 2014	Interest as of 31 Mar 2015
NA	NA	NA	NA	NA	NA	NA	NA

No Mining or exploration tenements were acquired or disposed of during the quarter.

**- Ends -**

**For more information:**

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## Forward Looking Statements

This announcement contains certain forward looking statements which by nature, contain risk and uncertainty because they relate to future events and depend on circumstances that will occur in the future. There are a number of factors that could cause actual results or developments to differ materially from those expressed or implied by these forward looking statements.

Certain statements made herein, including statements relating to matters that are not historical facts and statements of FeOre's beliefs, intentions and expectations about developments, results and events which will or may occur in the future, constitute "forward-looking information" within the meaning of applicable legislation and "forward-looking statements" within the meaning of applicable provisions. Forward-looking information and statements relate to future events or future performance, reflect current expectations or beliefs regarding future events and are typically identified by words such as "anticipate," "could," "should," "expect," "seek," "may," "intend," "likely," "plan," "estimate," "will," "believe" and similar expressions suggesting future outcomes or statements regarding an outlook.

Forward-looking statements and information are made based upon certain assumptions and other important factors that, if untrue, could cause the actual results, performances or achievements of the Company to be materially different from future results, performances or achievements expressed or implied by such statements or information. Such statements and information are based on numerous assumptions regarding present and future business strategies and the environment in which the Company will operate, including the price of iron ore and/or oil, anticipated costs and ability to achieve goals, as well as the timing of the completion of any fund-raising activities. Certain important factors that could cause actual results, performances or achievements to differ materially from those in the forward-looking statements and information include, among others, iron ore and/or oil price volatility, discrepancies between actual and estimated production, reserves and resources, operational and development risks, litigation risks, regulatory restrictions (including environmental regulatory restrictions and liability), activities by governmental authorities, currency fluctuations, the speculative nature of iron ore exploration and/or oil exploration and development, the global economic climate, dilution, share price volatility, competition, loss of key employees, funding requirements and defective title to mineral claims, subsoil use rights or property. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements and information, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended.

All such forward-looking information and statements are based on certain assumptions and analyses made by FeOre's management in light of their experience and perception of historical trends, current conditions and expected future developments, as well as other factors management believes are appropriate in the circumstances. These statements, however, are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking information or statements. Such factors include, among other things, the risks associated with FeOre re-complying with Chapters 1 and 2 of the Listing Rules.

Important factors that could cause actual results to differ from these forward-looking statements include those described in the issuer's previous Quarterly Reports, Annual Financial Reports and notice of special general meeting dated 20 January 2015. These risk factors may be generally stated as the risk that the assumptions and estimates expressed above do not occur, including the assumption in many forward-looking information or statements that other such information or statements will be correct. The reader is cautioned not to place undue reliance on forward-looking information or statements. All forward-looking information and statements herein are made as of the date hereof. FeOre does not intend or undertake to update or revise forward-looking statements or information, whether written or oral or whether as a result of new information, future events or otherwise, that may be made by FeOre or on its behalf, except as required by law.