

# ASX Announcement

8 July 2010

Australian Securities  
Exchange Code: **FEL**

**Ordinary Shares:**  
99,098,747

**Unlisted Options:**  
8,908,749 (\$0.12 exp 31 Dec 2012)  
500,000 (\$0.50 exp 27 Sep 2010)  
800,000 (\$0.32 exp 1 Oct 2010)  
750,000 (\$0.42 exp 1 Oct 2010)  
375,000 (\$0.15 exp 23 Mar 2014)

**Board of Directors:**  
Tony Sage  
*Non-Executive Chairman*  
Mark Gwynne  
*Executive Director*  
Simon McDonald  
*Non-Executive Director*  
Paul Kelly  
*Non-Executive Director*  
Eloise von Puttkammer  
*Company Secretary*

**Key Projects & Interests:**  
Mooloogool Iron Project

Crossroads Project  
Kalgoorlie Regional  
Gold Project  
Kalgoorlie Nickel Project  
Mt Elvire Project

**Fe Ltd Contact:**  
Mark Gwynne  
*Executive Director*  
Tel: +61 (8) 9380 9555

**Corporate Office:**  
18 Oxford Close Leederville,  
Western Australia 6007 Australia  
Telephone +61 8 9380 9555  
Facsimile +61 8 9380 9666

**Australian Enquiries:**  
Professional Public Relations  
David Tasker  
Tel: +61 8 9388 0944  
Mob: +61 433 112 936  
Email: david.tasker@ppr.com.au

Fe Limited is an Australian domiciled,  
resources exploration and  
development company.

## PROPOSED TAKEOVER BID FOR PADBURY MINING LIMITED

### Key points:

- **Propose cash and scrip takeover bid for Padbury Mining Limited,**
- **Padbury assets complementary to the Company's current interests in the Yilgarn Province and Midwest region of WA, and**
- **Further consolidation adding to current interests in 3,000 km<sup>2</sup> of land prospective for iron ore and other minerals in Midwest WA (see attached map).**

Australian resources company Fe Limited (**ASX: FEL**) ("**Fe**") proposes to make a cash and scrip takeover bid for all of the ordinary shares in Padbury Mining Limited.

Subject to satisfaction of the pre-conditions referred to below, Fe proposes to make a cash and scrip takeover bid for all of the ordinary shares in Padbury Mining Limited within 2 months after the date of this proposal on the basis of 1 cent per share (post takeover) and one (1) Fe share for every thirteen (13) Padbury Mining Limited shares.

Fe has developed a strategy based on advancing its existing iron ore projects for intensive exploration and the acquisition of new projects targeting emerging iron ore provinces with a view to positioning itself as a key participant in the development of iron ore projects in the Yilgarn Province and the Midwest region of Western Australia. As a bulk commodity it is critically important for iron ore aspirants to be of a sufficient size to meet the costs and challenges associated with the development of iron ore assets and the associated infrastructure critical to delivering the product to end users.

The pre-conditions for Fe making the proposed takeover bid are as follows:

- 1 The appointment of Messrs Tony Sage, Mark Gwynne, Paul Kelly and Simon McDonald to the Padbury Mining Limited board and the resignation or removal of Messrs Luke Innes, Gary Stokes and Colin Stirling from that board.
- 2 No directors other than any of Messrs Tony Sage, Mark Gwynne, Paul Kelly and Simon McDonald being appointed to the Padbury Mining Limited board in the period between this announcement and the lodgement of the Bidder's Statement.



- 3 Padbury Mining Limited having net tangible assets as at the date the Bidder's Statement is lodged of not less than \$2,000,000.
- 4 None of the 'prescribed occurrences' set out in section 652C of the Corporations Act occurring between the date of this announcement and the lodgement of the Bidder's Statement.

In the event that any of the pre-conditions are not met, Fe will make a further announcement as to whether it intends to proceed with its proposed takeover bid notwithstanding the failure of the pre-conditions to be met.

The proposed takeover bid will itself be subject to the following conditions:

- 1 At the end of the offer period, Fe having a relevant interest in at least 51% of all shares on issue in Padbury Mining Limited.
- 2 Fe acquiring all of the Padbury Mining Limited unlisted options on issue as at the date of the Bidder's Statement exercisable at 1 cent each for their subscription price of 0.03 cents each.
- 3 None of the 'prescribed occurrences' set out in section 652C of the Corporations Act occurring during the offer period.
- 4 Permission for admission to quotation for the Fe shares to be issued to Padbury Mining Limited shareholders accepting the offer being granted by ASX no later than 7 days after the end of the offer period.

Yours faithfully

Tony Sage  
**Non-Executive Chairman**





Map Grid of Australia, 1994 - Zone 50

TENGRAPH (c) 1992, 1993

