

Thursday 5 May 2011

Response to Wah Nam Announcement

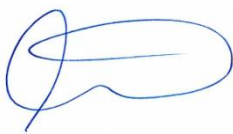
FerrAus Limited (FerrAus) notes the announcement by Wah Nam International Holdings Limited (Wah Nam) that it intends to waive the 90 per cent minimum acceptance condition of its off-market takeover offer for FerrAus if it receives acceptances that result in Wah Nam holding a relevant interest in more than 50 per cent of FerrAus shares.

The Board notes that this move by Wah Nam aligns the offer for FerrAus with the offer for Brockman, which also has a 50 per cent minimum acceptance condition, and introduces less restrictive offer conditions, in part addressing one of the Board's concerns in relation to the Wah Nam offer.

FerrAus is continuing to monitor and review Wah Nam's offers for both FerrAus and Brockman and the Board may reconsider its recommendation in relation to the offer for FerrAus should circumstances change.

In particular, the level of acceptances for the Brockman offer is one of the important factors, as the Board considers there to be merit in combining the assets of FerrAus and Brockman.

FerrAus will continue to update FerrAus shareholders and the market in relation to the Wah Nam offers as appropriate.

A handwritten signature in blue ink, appearing to read 'Christopher Hunt', is positioned above the name and title.

Christopher Hunt
Company Secretary

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