

25 January 2011

RESPONSE TO MEDIA REPORTS

In response to media reports today, FerrAus Limited (FerrAus or the Company) wishes to clarify that it is not currently in active merger discussions with Brockman Resources Limited (Brockman).

Following yesterday's overwhelming shareholder approval to undertake a capital raising, FerrAus remains focussed on advancing its Pilbara Project in a timely manner.

In conjunction with advancing the Project, FerrAus expects that discussions may be held with various corporate parties in the normal course of business in an effort to maximise value for its shareholders.

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Detailed information about FerrAus Limited can be found on the company's website www.ferraus.com.