

## RESULTS CONFIRM MIRRIN MIRRIN AS NEW DISCOVERY

- Drill results confirm discovery of substantial iron mineralisation
- Significant intercepts of up to 76m @ 60.3% Fe
- Additional potential for detrital ore
- Maiden resource expected to be confirmed during first quarter

FerrAus Limited (ASX: FRS) is pleased to announce further exploration success at its East Pilbara exploration project, continuing the flow of high grade Direct Shipping Ore (DSO) results from its Davidson Creek area.

The Mirrin Mirrin Prospect is located two kilometres north west from Python Resource and is the closest of the FerrAus prospects to the Jimblebar rail head (approximately 30 kilometres to the west).

The initial identification of the Mirrin Mirrin mineralised trend was announced in August 2009 after an 18 hole drill program. A further 39 RC drill holes, completed towards the end of 2009 for a total of 5,556 metres, outlined iron mineralisation over a strike length of 800m.

**Best results include the following intersections:**

<b>DCRC0622</b>	<b>56 metres</b>	<b>@</b>	<b>59.3 per cent Fe</b>
<b>DCRC0650</b>	<b>60 metres</b>	<b>@</b>	<b>58 per cent Fe</b>
<b>DCRC0651</b>	<b>76 metres</b>	<b>@</b>	<b>60.3 per cent Fe</b>
<b>DCRC0661A</b>	<b>54 metres</b>	<b>@</b>	<b>59.4 per cent Fe</b>
<b>DCRC0663</b>	<b>48 metres</b>	<b>@</b>	<b>60.2 per cent Fe</b>

Managing Director, Mike Amundsen, said this new resource, together with updated results from other areas drilled in the fourth quarter of 2009, is expected to be announced during the next month.

"We are seeing a rebound in iron ore demand and spot prices, as well as strong customer interest and support in new emerging projects with substantive resources," he said.

"In recent months we have received visits from major Asian steel mills expressing interest in FerrAus.

"We have already identified more than 166 million tonnes\* in total resources, concentrated within a 20 kilometre radius and have just commenced an aggressive drilling program for 2010," Mr Amundsen said.

The Mirrin Mirrin Prospect has a mineralised trend of some three kilometres strike extent and is still open to the east, west and down dip. This drilling also intersected zones of detrital ore, which have not been closed off.

Results from this drilling program, covering approximately one third of the total Mirrin Mirrin mineralisation trend, will form the basis for a maiden resource.

Further drilling on the remainder of the Mirrin Mirrin trend is planned for the second quarter of 2010. Drillhole locations and assay results from the above project is presented in Figure 1 and a summary of the results listed in Table 1, below.

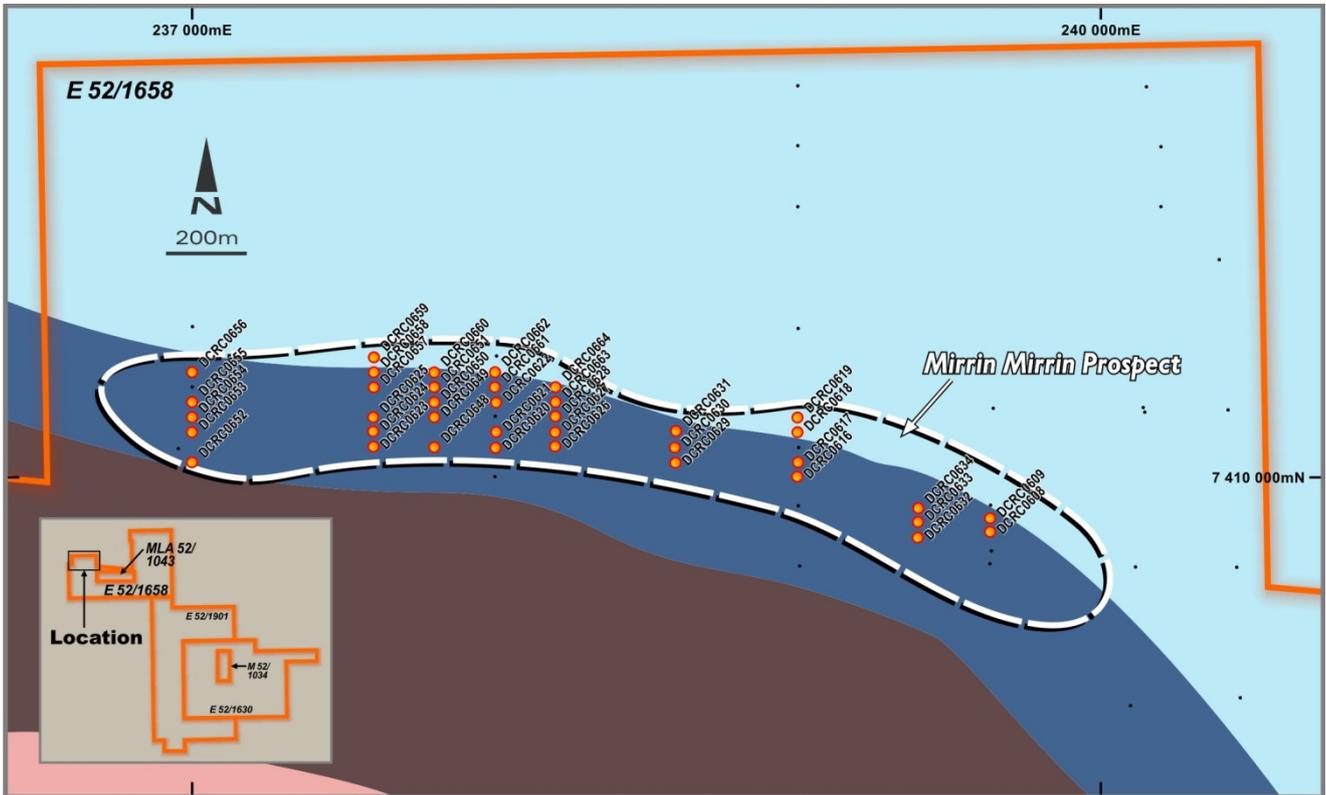
\* 166.6 million tonnes (23.8 million tonnes – Measured, 43.2 million tonnes - Indicated, 99.6 million tonnes - Inferred). Resource estimates are in accordance with AusIMM JORC Code 2004 reported in ASX announcement 3/6/2009

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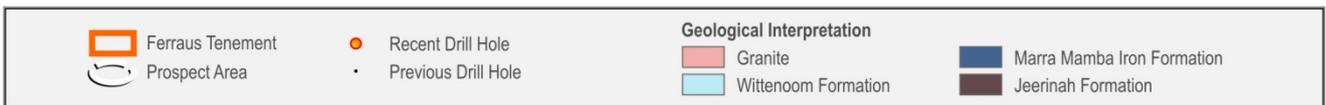
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Figure 1: Mirrin Mirrin Prospect Outline and RC Collar Locations



Geological Interpretation by Ferraus Ltd. November 2009



**Table 1: Mirrin Mirrin Prospect RC Drilling Results**

Hole ID	From (m)	To (m)	Interval Width (m)	Fe Grade %	SiO <sub>2</sub> %	Al %	P %	LOI 1000 %
DCRC0608	56	74	18	58.06	4.6	4.36	0.12	7.36
DCRC0608	90	108	18	55.89	5.06	2.57	0.16	11.08
DCRC0611	40	52	12	57	4.01	3.74	0.11	10.03
DCRC0616	90	94	4	58.1	5.57	3.22	0.11	7.07
DCRC0616	132	144	12	55.28	10.54	1.45	0.1	8.48
DCRC0617	70	80	10	58.86	4.86	4.94	0.05	5.32
DCRC0617	94	110	16	57.98	8.67	2.57	0.09	5.3
<b>DCRC0622</b>	<b>82</b>	<b>138</b>	<b>56</b>	<b>59.28</b>	<b>3.25</b>	<b>1.85</b>	<b>0.12</b>	<b>9.44</b>
DCRC0626	38	44	6	57.1	3.95	3.71	0.06	10.18
DCRC0626	88	100	12	57.63	4.15	2.68	0.04	10.39
DCRC0627	76	108	32	59.83	3.45	2.29	0.07	8.29
<b>DCRC0628</b>	<b>68</b>	<b>108</b>	<b>40</b>	<b>59.26</b>	<b>3.21</b>	<b>2.5</b>	<b>0.07</b>	<b>8.92</b>
DCRC0634	78	84	6	58.7	6.07	4.95	0.09	4.48
DCRC0649	110	120	10	56.98	6.8	2.65	0.02	8.62
<b>DCRC0650</b>	<b>84</b>	<b>144</b>	<b>60</b>	<b>57.96</b>	<b>4.34</b>	<b>2.42</b>	<b>0.03</b>	<b>9.93</b>
<b>DCRC0651</b>	<b>98</b>	<b>174</b>	<b>76</b>	<b>60.34</b>	<b>2.81</b>	<b>1.53</b>	<b>0.13</b>	<b>8.81</b>
DCRC0654	118	130	12	57.18	4.49	2.1	0.07	10.76
DCRC0656	88	94	6	56.93	6.6	2.41	0.05	9.08
DCRC0657	78	84	6	56.3	6.11	4.16	0.07	8.72
DCRC0658	84	102	18	58.52	3.83	2.72	0.09	9.26
DCRC0659	78	106	28	57.56	3.91	2.97	0.11	10.16
DCRC0660	104	114	10	57.4	5.2	2.25	0.18	9.71
DCRC0660	120	128	8	56.25	6.34	2.78	0.17	9.69
DCRC0660	146	160	14	57.4	5.92	2.11	0.13	9.26
<b>DCRC0661A</b>	<b>84</b>	<b>138</b>	<b>54</b>	<b>59.44</b>	<b>2.94</b>	<b>1.43</b>	<b>0.08</b>	<b>8.95</b>
<b>DCRC0662</b>	<b>104</b>	<b>150</b>	<b>46</b>	<b>58.04</b>	<b>7.04</b>	<b>1.33</b>	<b>0.1</b>	<b>8.05</b>
DCRC0662	156	174	18	59.08	3.78	2.05	0.1	8.93
DCRC0662	178	194	16	59	4.56	2.19	0.08	8.28
<b>DCRC0663</b>	<b>90</b>	<b>138</b>	<b>48</b>	<b>60.17</b>	<b>2.54</b>	<b>1.81</b>	<b>0.07</b>	<b>8.95</b>
<b>DCRC0664</b>	<b>92</b>	<b>132</b>	<b>40</b>	<b>57.95</b>	<b>3.42</b>	<b>2.4</b>	<b>0.1</b>	<b>10.41</b>

Note: All RC samples are collected through an industry standard cone splitting system; all are 2 metre composites, and split fractions sent for XRF analysis weigh approx 3kg. Results reported represent weighted average Fe intercepts of > 55% Fe, with maximum internal waste of 2 metres. Minimum interval width reported is 4m.

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### **Competent Person Statement**

*Geological interpretation, exploration results, and mineral resource information contained in this report to which this statement is attached is based on information compiled by Mr Peter Brookes who is member of the Australian Institute of Geoscientists (AIG) and who is a full time employee of FerrAus Ltd. Peter Brookes has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which is being undertaken to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources, and Ore Reserves". Mr Brookes consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.*

### **Forward Looking and Exploration Target Statements**

*This release may include forward-looking statements that are based on management's expectations and beliefs concerning future events. Forward-looking statements are necessarily subject to risks, uncertainties and other factors, many of which are outside the control of FerrAus Limited, that could cause actual results to differ materially from such statements. Forward looking statements include, but are not limited to, statements concerning the Company's exploration program, outlook, target sizes, resource and mineralised material estimates. They include statements preceded by words such as "potential", "target", "scheduled", "planned", "estimate", "possible", "future", "prospective", and similar expressions. The term "Direct Shipping Ore (DSO)", "Target", and "Exploration Target", where used in this announcement, should not be misunderstood or misconstrued as an estimate of Mineral Resources and Reserves as defined by the JORC Code (2004), and therefore the terms have not been used in this context. Also, FerrAus Limited makes no undertaking to subsequently update or revise the forward-looking statements made in this release to reflect events or circumstances after the date of this release.*