

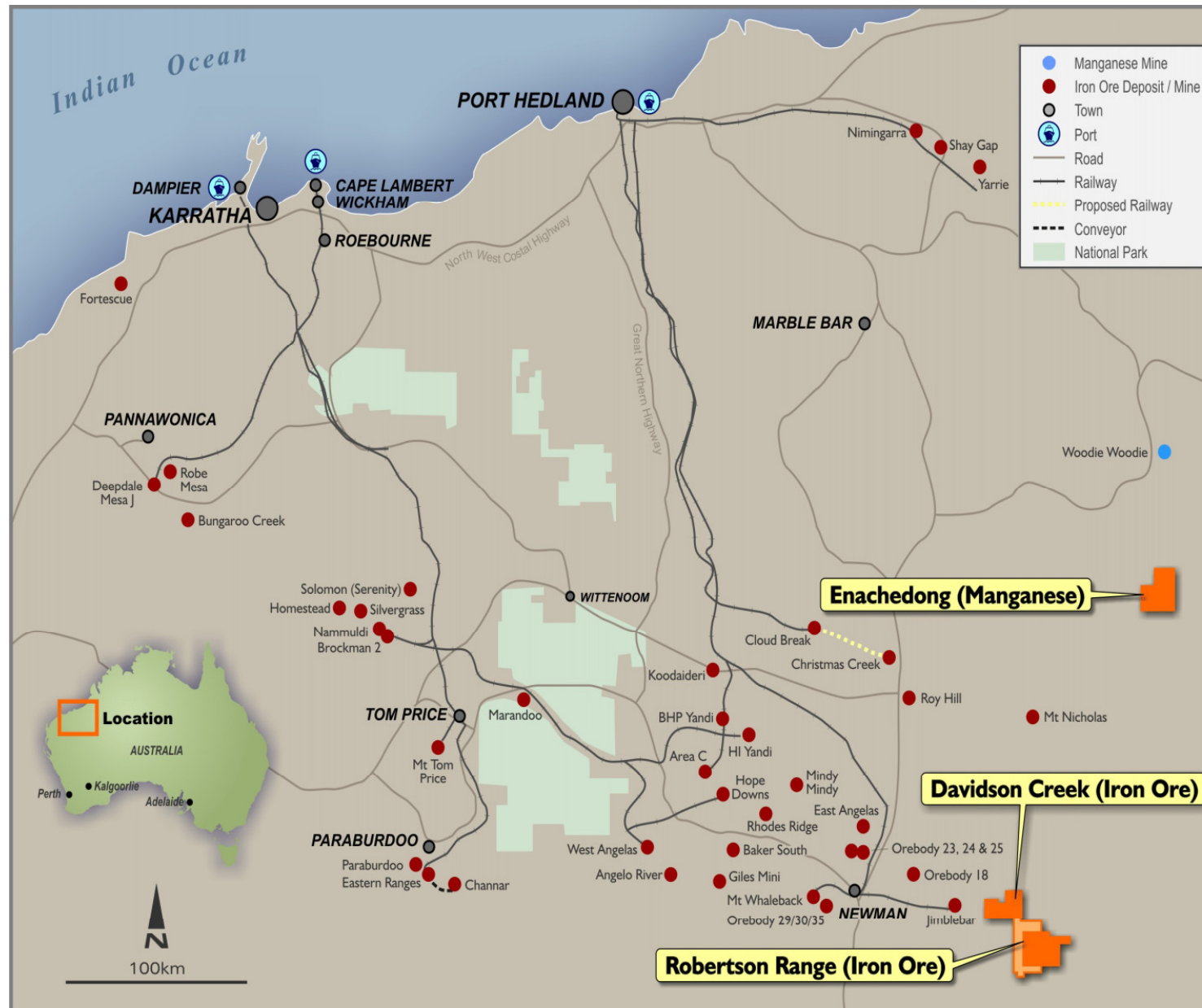


*A successful iron ore explorer*

*An emerging iron ore developer*

15 September 2009

# Building Momentum



## Recent Milestones

- Resource Inventory
- Indigenous Agreement
- Development Planning
- Mining Approval
- New EL granted

## Turning Points

- New MD
- New Board Structure
- New Partners
- New Funding

## Deals - Drive Value

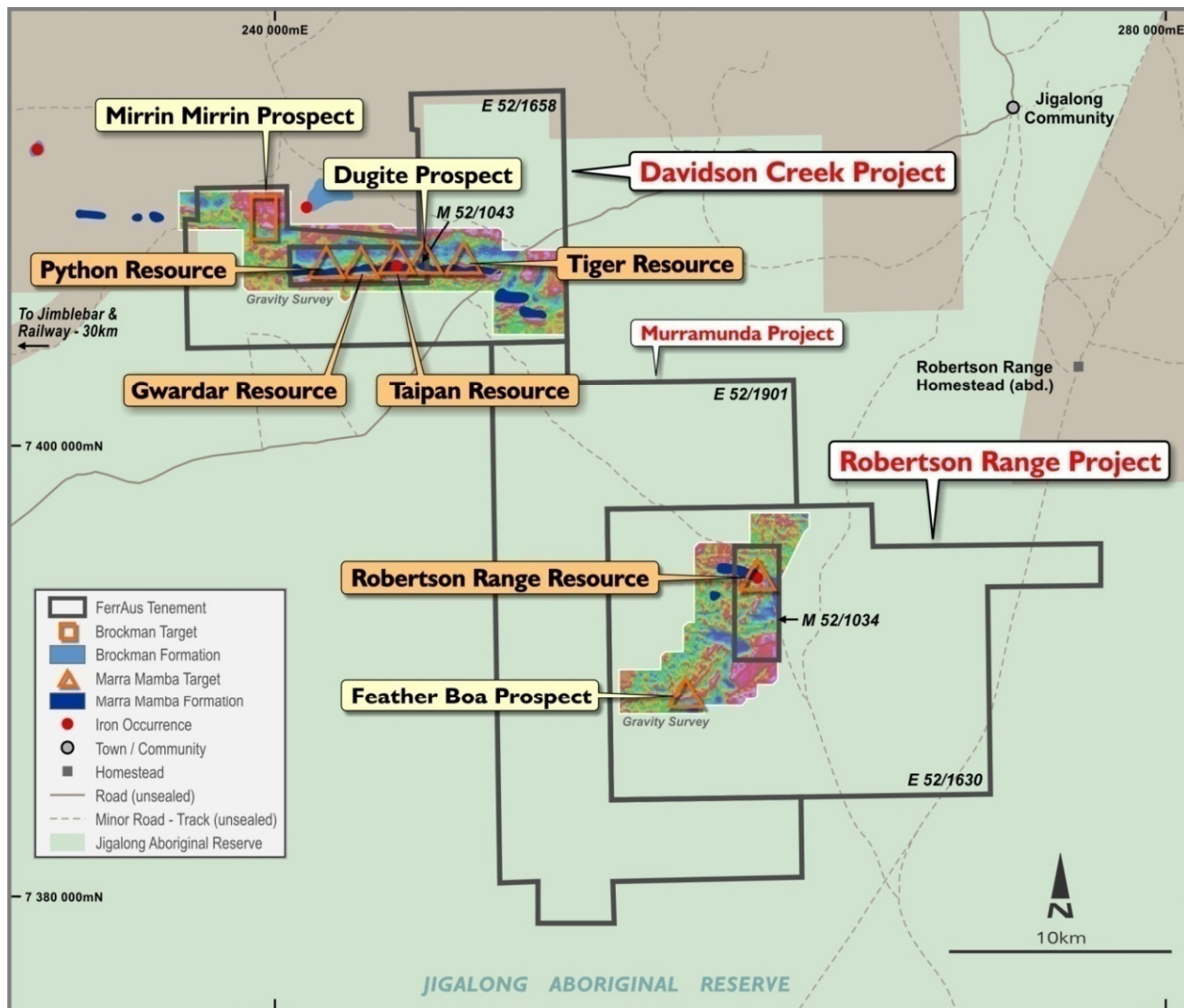
- Infrastructure
- Corporate
  - including M & A

## Cash Position

(as at 31 July 2009)

~ A\$15 million

# Quality Resources



**Highly Prospective  
Ground – 540 km<sup>2</sup>**

**Focused Project Areas**

**Robertson Range\***

**52.3Mt @ 59.0% Fe**

Measured 23.8Mt @ 58.9% Fe

Indicated 20.2Mt @ 59.2% Fe

Inferred 8.2Mt @ 58.7% Fe

**Davidson Creek\***

**114.2Mt @ 58.4% Fe**

Indicated 23Mt @ 58.4% Fe

Inferred 91.4Mt @ 58.4% Fe

- Mineralised corridor ~ 30 km
- Still open along strike
- Five (5) iron deposits located
- Relatively flat lying
- 2009 discovery – Tiger Resource

**Total Resource**

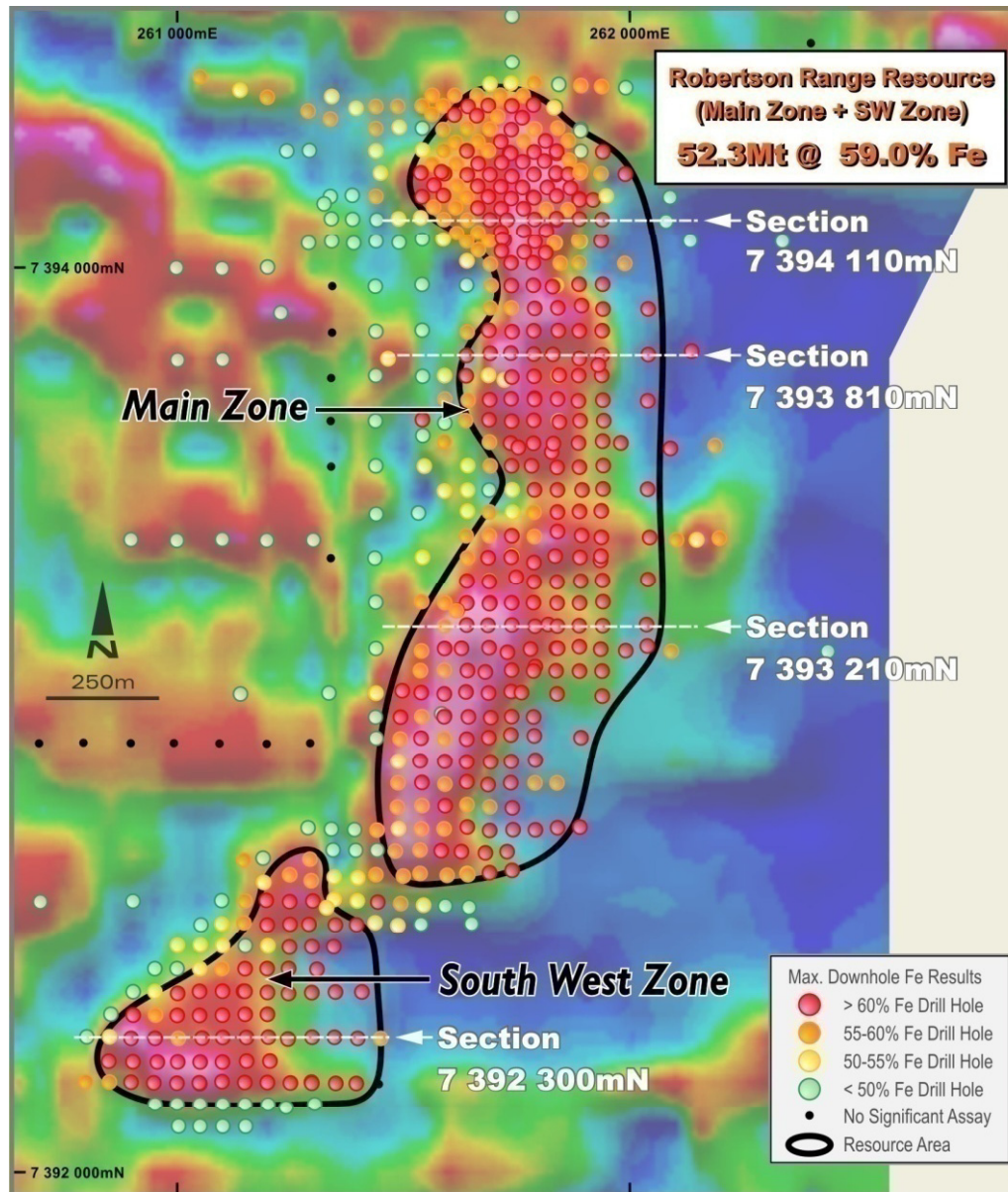
**166.6Mt @ 58.6% Fe**

\* Resource estimates are in accordance with AusIMM JORC Code 2004 reported in ASX announcements 17/4/ 2009 and 3/6/2009

*FerrAus Limited has not yet reported Mineral Resources from exploration of unnamed gravity targets on its Robertson Range iron ore project. While the company remains optimistic it will report resources in the future, any discussion in relation to exploration potential or targets or potential iron mineralisation is only conceptual in nature and it is uncertain if further exploration will result in determination of a Mineral Resource.*



# Robertson Range Resource



## King Brown Deposit\*

**52.3Mt @ 59.0% Fe**

Measured 23.8Mt @ 58.9% Fe

Indicated 20.2Mt @ 59.2% Fe

Inferred 8.2Mt @ 58.7% Fe

A quality resource well defined and primed for conversion to reserves

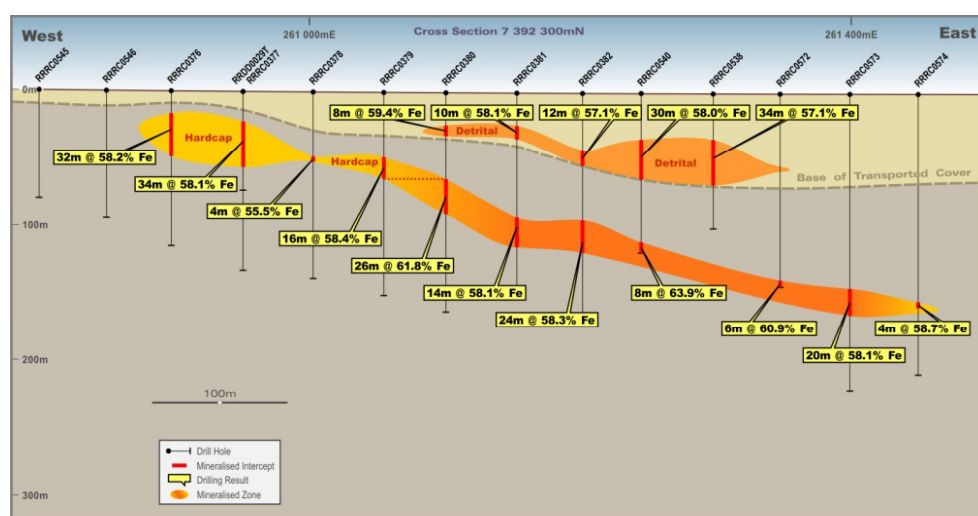
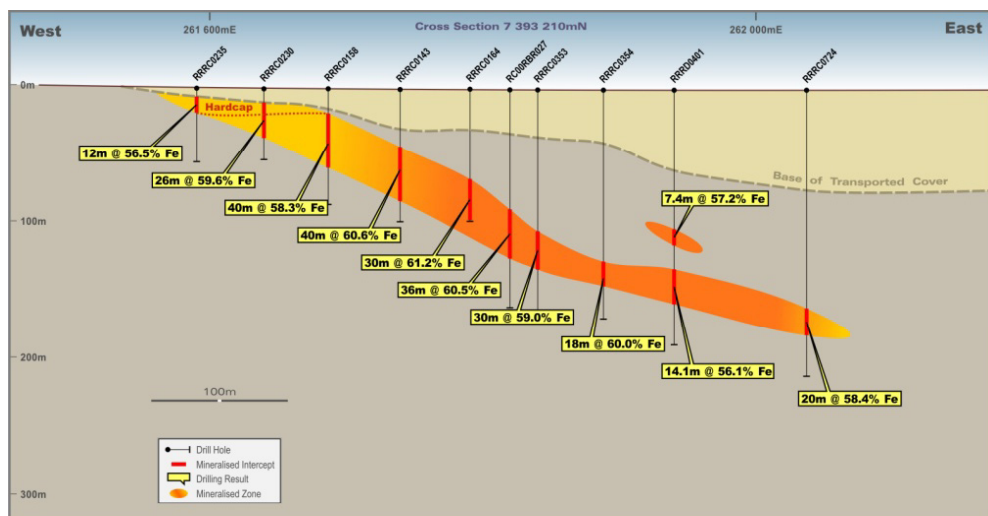
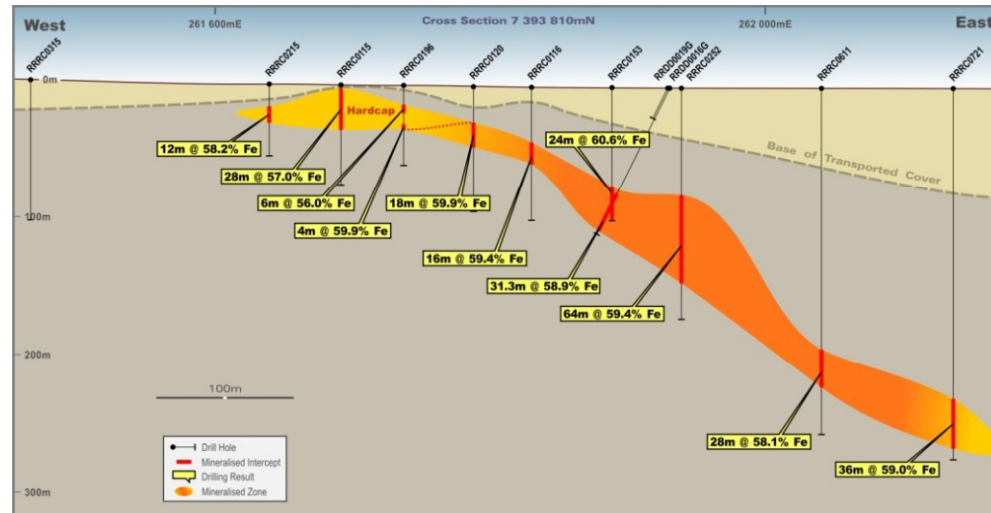
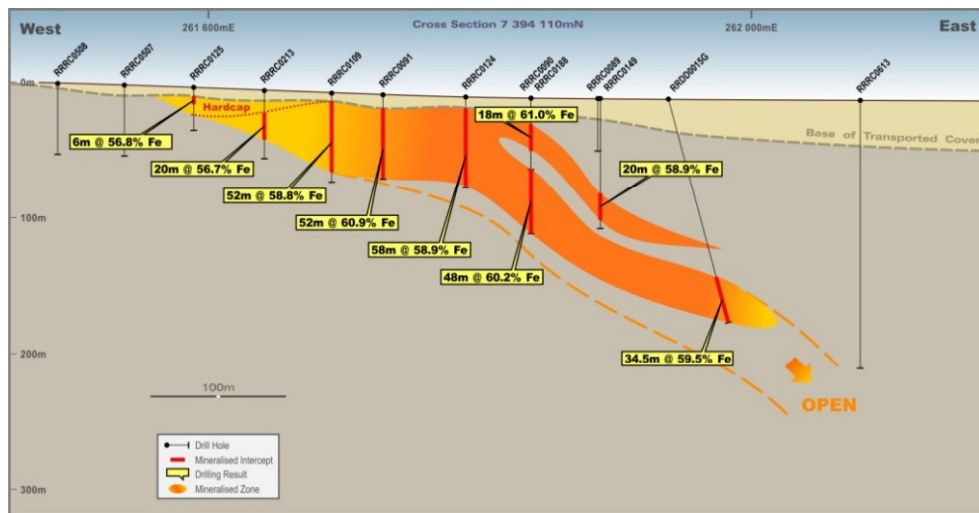
Comprising Main Zone and South West Zone mineralisation

South West Zone contributes inferred 10.1Mt @ 59.1% Fe and growing

Mining Lease with consent to mine

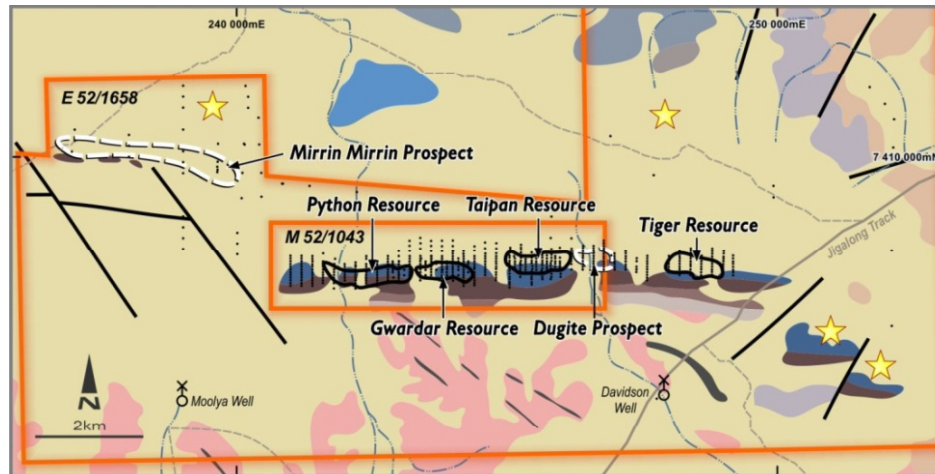
\* Resource estimates are in accordance with AusIMM JORC Code 2004 reported in ASX announcements 17/4/2009 and 3/6/2009

# Robertson Range Resource





# Davidson Creek Resources



**Davidson Creek\***  
114.2Mt @ 58.4% Fe

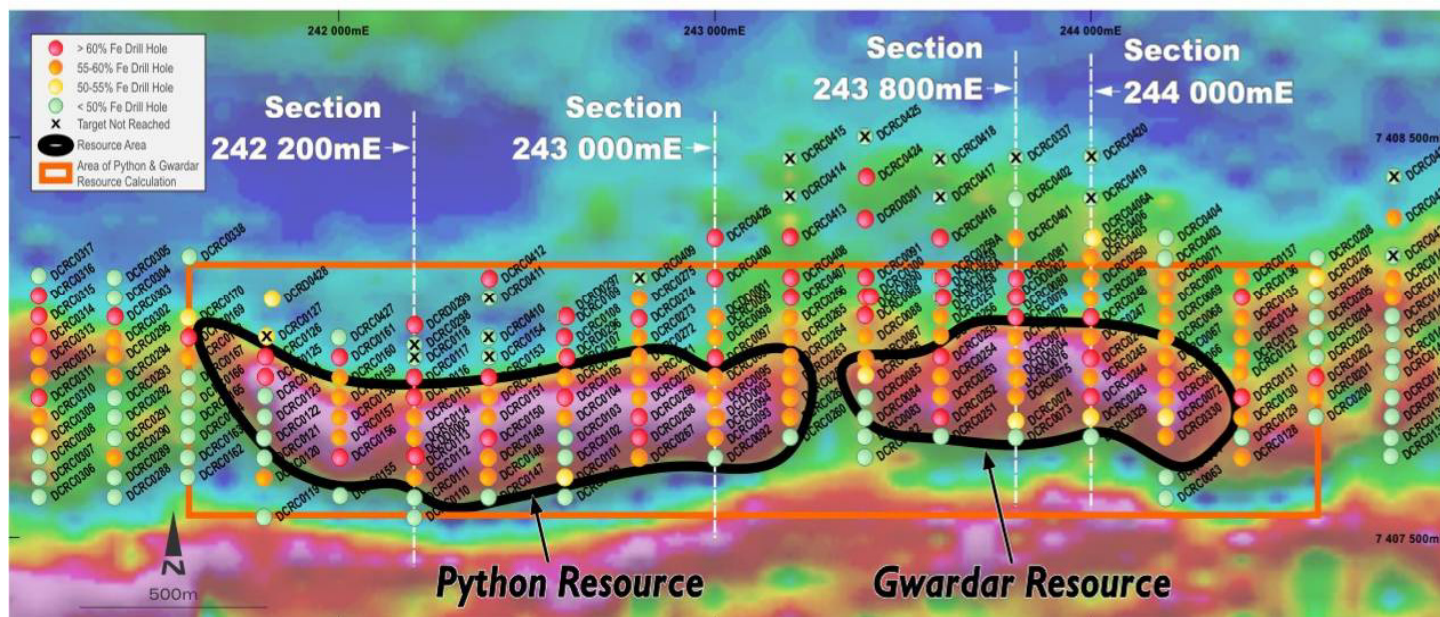
Comprising:

**Python and Gwardar**  
88.6Mt @ 58.7% Fe  
Indicated = 13.7Mt @ 58.8% Fe  
Inferred = 74.9Mt @ 58.7% Fe

**Taipan**  
13.76Mt @ 57.5% Fe  
Indicated = 9.3Mt @ 57.9% Fe  
Inferred = 4.4Mt @ 56.8% Fe

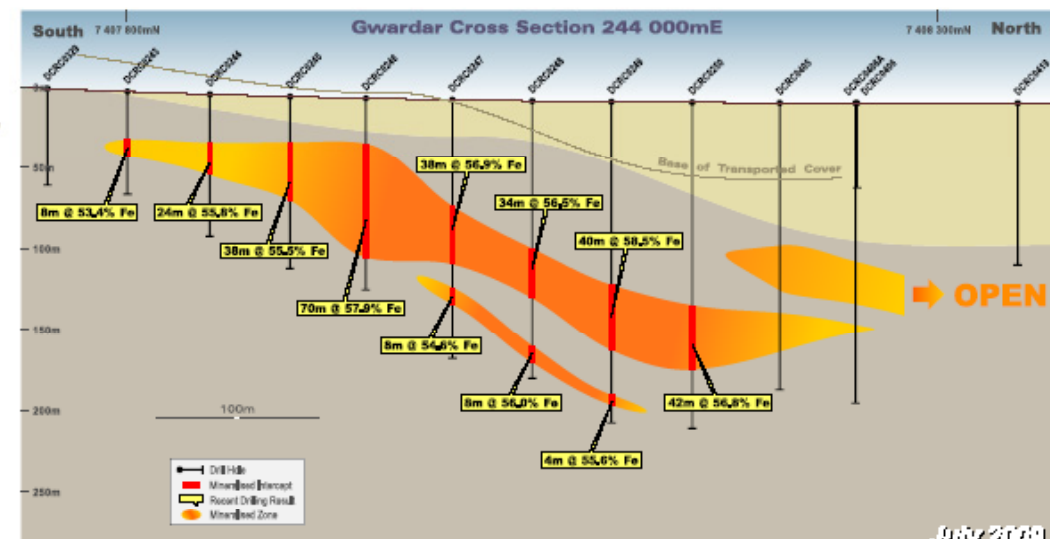
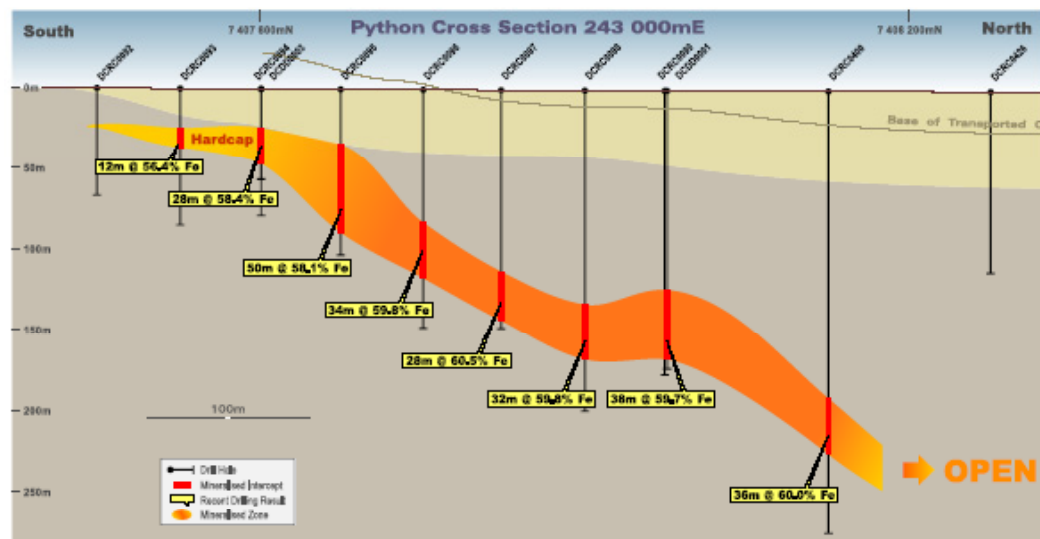
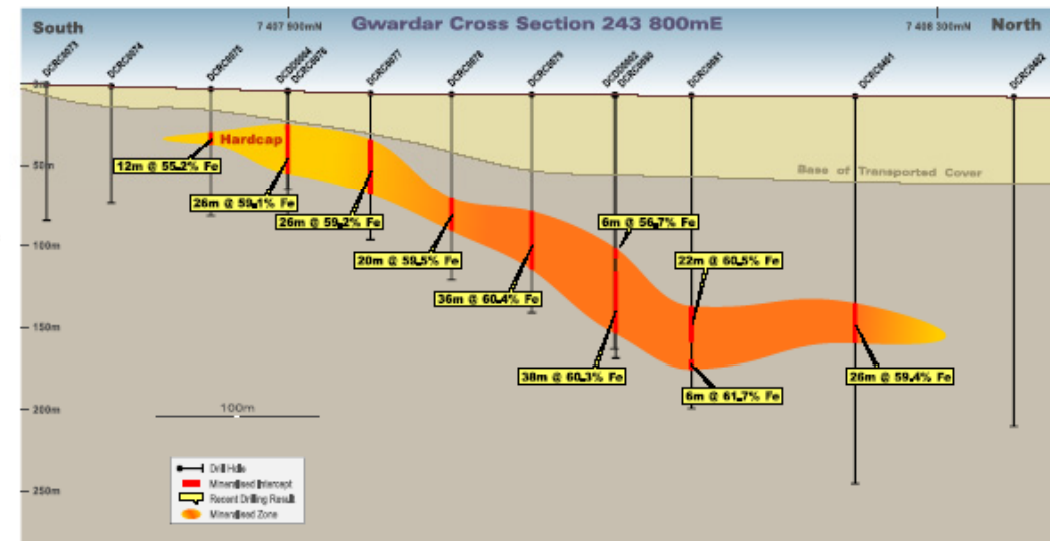
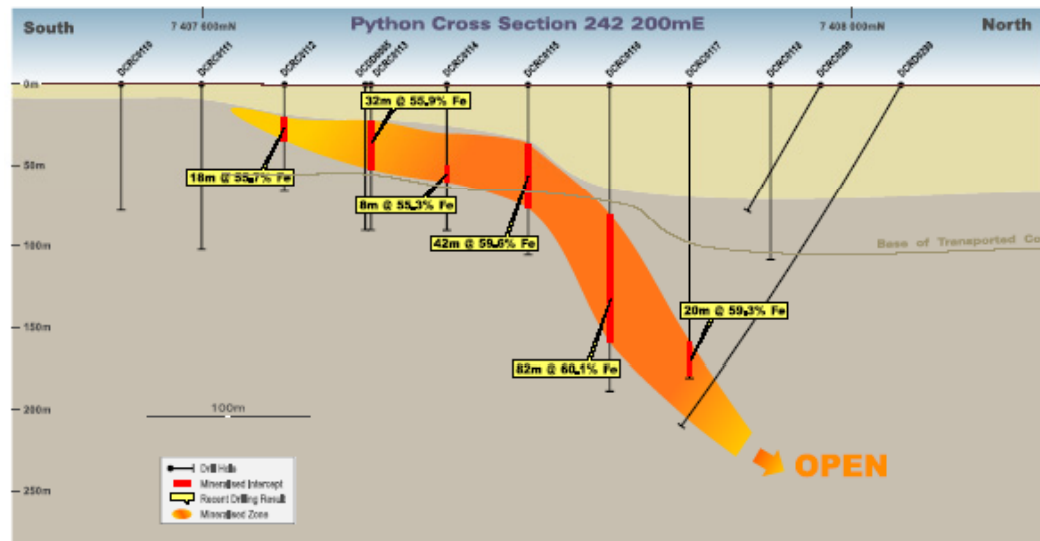
**Tiger**  
12.1Mt @ 57.2% Fe  
Inferred = 12.1Mt @ 57.2% Fe

Currently drilling to  
prove-up additional  
resources and test new  
targets



\* Resource estimates are in accordance with AusIMM JORC Code 2004 reported in ASX announcements 17/4/ 2009 and 3/6/2009

# Davidson Creek



July 2009



# Indigenous Agreement



**Forging valuable partnerships with the community**

**The Jiggalong Community and Nyiyaparli Native Title claimants have provided their “recommendation and agreement of support for mining”**

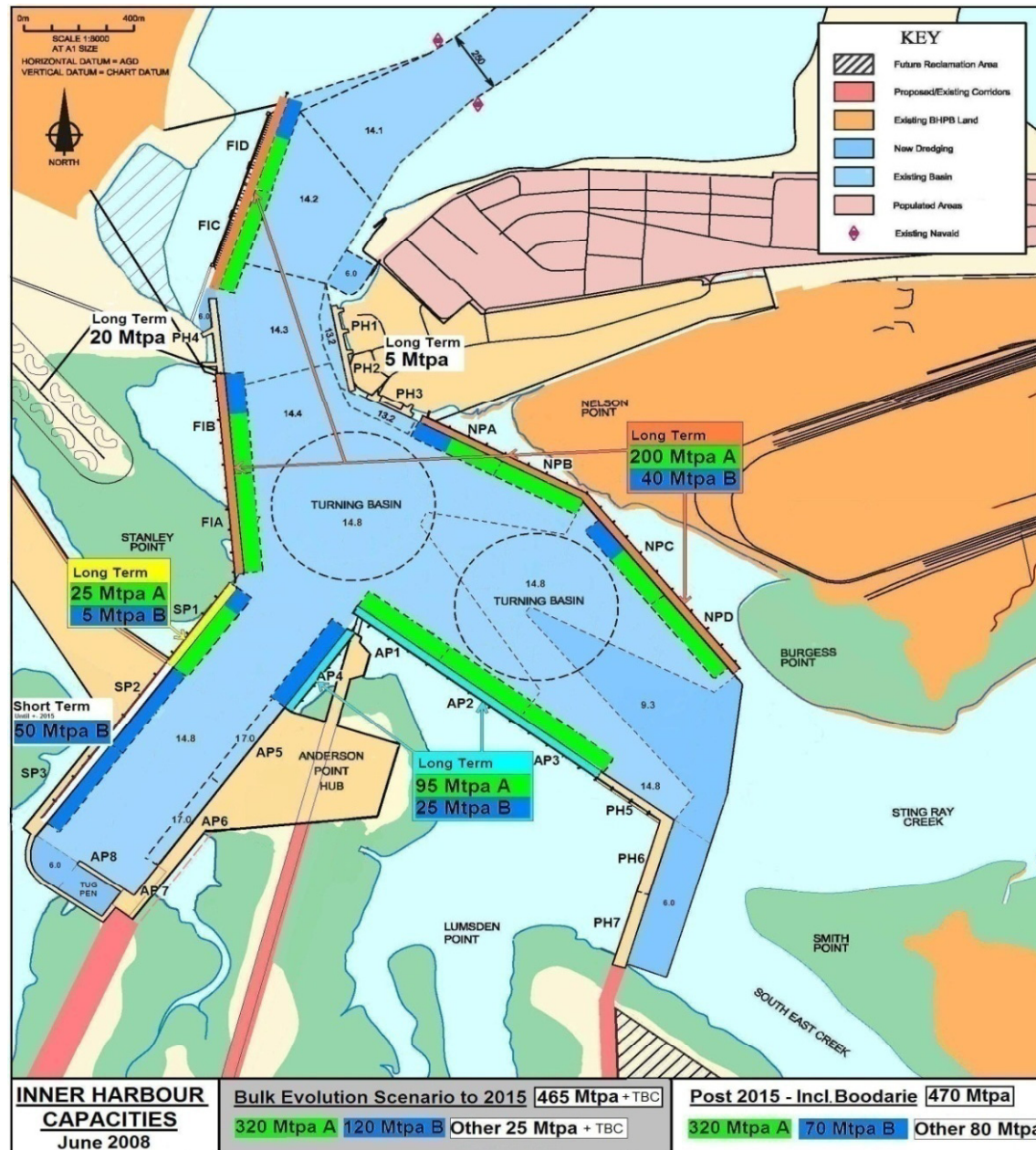
**FerrAus has the opportunity to provide employment, training and other benefits to indigenous residents at Jigalong Community**

**Consent to mine on FerrAus tenements has been granted by the WA Government – a first for the Jigalong Reserve**





# Port Project – NWIOA (North West Iron Ore Alliance)



FerrAus is founding member of NWIOA

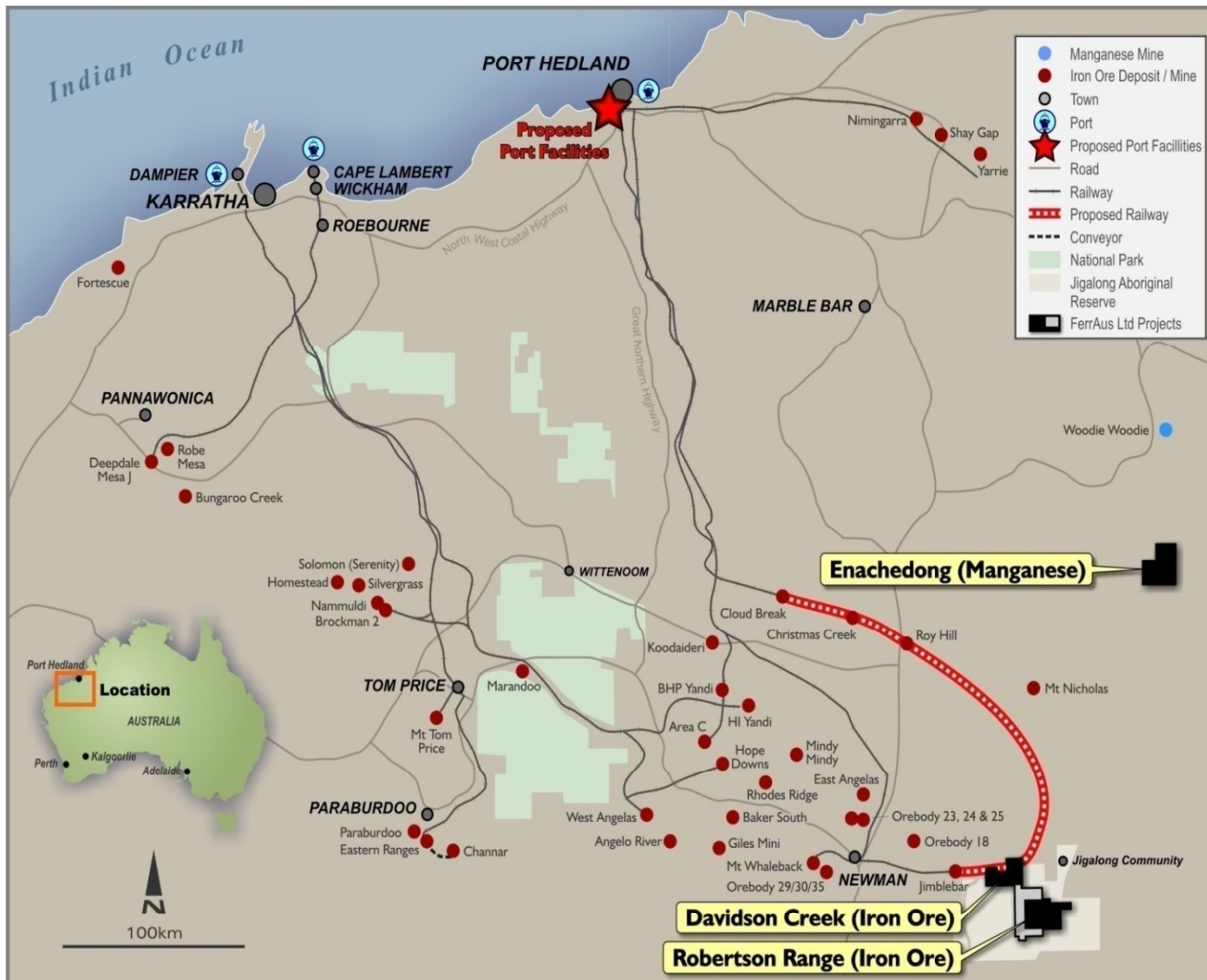
NWIOA has been allocated 50Mtpa capacity

Pre-Feasibility Study (PFS) due for completion end 2009

In process of incorporating the company with shareholder agreement

Engaged ANZ to make preparations for project funding

# Rail Opportunities



Connection to  
established  
infrastructure

Best case to link to Mt  
Newman rail line at  
Jimblebar

Pilbara East Alliance Rail  
Link (PEARL)

Strong support from  
Premier on rail haulage

Strategic customer  
positioning to establish  
supply diversity



# ***Project Development Options***



## ***FAST TRACK CASE:***

***1.5 - 2.0Mtpa commencing in 2011***

- Infrastructure deal timing
- Mining at Robertson Range with mining approval already granted
- Minimal capital requirement with contract mining and processing
- Trucking to infrastructure owner for rail haulage or mine gate sales
- Estimated capital cost \$25-30 million including road and pre-strip

## ***OPTIMAL CASE:***

***10Mtpa commencing in 2013-14***

- Infrastructure deal timing
- 5Mtpa Robertson Range plus 5Mtpa Davidson Creek
- Significant capital needed to connect infrastructure to rail and at Port
- Rail haulage via one of the Pilbara infrastructure owners
- Port service via NWIOA facilities
- Estimated capital cost \$600-800 million
- Strong commercial returns

# ***China Railway Materials (CRM) Strategic Alliance***



## **Four Key Elements:**

- **Share placement for 12 per cent stake for \$12.6 million and CRM representative on FerrAus Board**
- **Cooperation on expanding the FerrAus resource position via other potential iron ore opportunities in the Eastern Pilbara region**
- **CRM to assist FerrAus with sourcing of finance for rail infrastructure**
- **In return for securing funding, CRM will receive off-take at market terms**

## **Win : Win**

- **CRM gains position in an emerging Pilbara iron ore producer and potential ore supply to offset pricing exposure on its steel consumption (currently >10Mtpa)**
- **FerrAus gains cash injection and a strong partner to support development**



# ***The Next Steps***



- **Implement strategic alliance with CRM including pursuing consolidation opportunities and building critical mass**
- **Exploration momentum**
  - **to target around 230 million tonnes resource by mid 2010**
  - **complete testing of conceptual targets by mid 2011**
  - **NWIOA PFS completed by end 2009 including heritage & native title studies, finalise shareholder agreement and structure, commence environmental studies**
- **Rail haulage solution anticipated by mid 2010**
- **Continual refinement of development studies**

# Shareholders



	% Pre CRM	% Post CRM <sup>1</sup>
CRM – China	0.0	13.1
WMC – China	10.0	9.8
Penfold Limited	9.7	8.3
Directors <sup>2</sup>	7.3	6.3
Three Leading Fund Managers	15.9	13.6
<b>Total</b>	<b>42.5</b>	<b>50.8</b>
ASX Listed Shares (million)	151.6	177.1
Fully Diluted (million)	168.2	193.7

**Market Capitalisation ~ \$100 million on an undiluted basis** (as at 15 September 2009)

<sup>1</sup> Assumes WMC exercise its “top-up” right and this is matched by CRM

<sup>2</sup> Excludes shares held by J Singer



# Directors



**John Nyvlt**

**Non-Executive Chairman**

Ex Normandy – Marketing

Penfold Group - Director



**Mike Amundsen**

**Managing Director and CEO**

Ex- BHP Billiton Iron Ore

Ex-Samarco Director (Brazil)



**Joe Singer**

**Non Executive Director**

Ex Glencore – Marketing

Penfold Group – Founding Director



**Jim Wall**

**Non Executive Director**

Ex-Chairman, CBH Resources

Ex-Savage Resources Limited



**Robert Greenslade**

**Non Executive Director**

Ex Normandy – Corporate M&A

Gryphon Partners - Founding Director



**David Turvey**

**Non Executive Director**

Ex Normandy – New Business Development

Penfold Group - Associate



**Donald Stephens**

**Company Secretary**

Chartered Accountant

HLB Mann Judd Stephens – Partner

Minotaur - Non Executive Director



## **FORWARD-LOOKING STATEMENTS**

This document or presentation may include forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning FerrAus Limited's planned exploration program, commencement of exporting of iron ore and other statements that are not historical facts. When used in this presentation, the words such as "could", "target", "plan", "estimate", "expect", "intend", "may", "potential", "should" and similar expressions are forward-looking statements.

Although FerrAus Limited believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results and outcomes will be consistent with these forward-looking statements.

## **QUALIFICATION STATEMENTS**

Mr David Turvey BSc (Hons), MAusIMM, who is Non-Executive Director and of the FerrAus Limited, has over 24 years experience in mineral exploration and resource project evaluation. He has more than five years relevant experience in the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "AusIMM Australasian Code for Reporting of Exploration Results". Mr Turvey consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

FerrAus Limited has not yet reported Mineral Resources from exploration of unnamed gravity targets on its Davidson Creek or Robertson Range iron ore project. While the company remains optimistic it will report resources in the future, any discussion in relation to exploration potential or targets or potential iron mineralisation is only conceptual in nature and it is uncertain if further exploration will result in determination of a Mineral Resource.

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.



*...Thank you*

***[www.ferraus.com](http://www.ferraus.com)***