

28 March 2014

Ferrex plc ('Ferrex' or 'the Company')
AGM Statement and Result

Ferrex plc, the AIM quoted iron ore and manganese development company in Africa, held its Annual General Meeting today and all resolutions were duly passed.

At the AGM, Ferrex's Chairman Brian Moritz said, "This has been a year of substantial development for your company which has seen us deliver on our objectives of unlocking the value of our portfolio of iron ore and manganese assets in Africa, through exploration and development and strategic alliances.

"To this end, we were delighted to announce in December 2013 that we had entered into a term sheet agreement with Anglo American and Kumba Iron Ore to fund the exploration of our Mebaga DSO iron ore project in Gabon ('Mebaga'). We have received approval from the Gabon Ministry of Mines for the proposed transaction and we look forward to making further updates in due course as we move towards completion.

"Since acquiring Mebaga in January 2013 we have implemented a comprehensive field exploration and drilling programme which returned stand out results such as 28.7m @ 61.4% DSO iron from surface. In addition, we have also discovered a significant banded iron formation (BIF) strike length of 19km which runs across our licence area. Of this we have defined a potential Exploration Target of 90 to 150Mt @ 35 to 65% Fe as oxide (weathered) material and 550 to 900Mt @ 25% to 40% Fe primary over 11km of the 19 km BIF strike length which demonstrated the significant exploration upside of our Gabonese iron asset. This is also reiterated by recent mapping which discovered previously unidentified high grade iron ore mineralisation in the eastern half of the licence, 7km east of the area drilled by Ferrex in 2013 and 3km east of the easternmost BRGM historical pit.

"We also have a manganese asset with near-term production credentials in northern Togo. By rapidly developing a low-capex, open pit, 250,000tpa, 38% Mn manganese operation, this project has the potential to provide cashflow for Ferrex. Likewise, since our admission to AIM, we have worked quickly to define a JORC compliant resource, and we are currently completing the DFS. As part of this, we continue to work with the Togolese Ministry of Mines to progress the award of the mining permit so that we can commence development.

"Whilst we added to our iron-ore portfolio during the past year, we also have a significant iron asset in South Africa where, since our listing in 2011, we have defined a JORC compliant resource of 139Mt at 37%Fe and completed a Scoping Study that outlines the robust economics of developing Malelane as an initial 1.8Mtpa open pit, low strip ratio operation with a 57% Fe product over a 16.6 year LOM. At these production rates, the project has a NPV of US\$523m and an IRR of 72%, with a capital cost of US\$139m and capital intensity of US\$77/t, which places it in the lowest quartile for capital intensity of new iron ore projects globally.

“Taking into account the recently announced placing and the pending Mebaga project funding agreement with Anglo American and Kumba Iron Ore, we expect to have cash to fund our exploration programmes at least until late 2015.

“With these three core projects within Ferrex’s asset register, and a healthy cash position, I believe that we are trading at a significant discount compared to our relative peers within the junior iron-ore and manganese space. As substantial investors in the company, the management is strongly aligned with its shareholders and, with strong news-flow expected for 2014 as we advance Mebaga, Nayega and Malelane through defined development plans, we believe that Ferrex is ideally placed for significant growth and in-turn a crystallisation of our share price.”

****ENDS****

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Notes

Ferrex plc is an AIM quoted, leading iron-ore and manganese exploration and development company in Africa. The Company is focussed on advancing low capex deposits, which benefit from proximal established infrastructure, up the development curve and into production. Ferrex has a solid portfolio of assets including three primary projects: Nayega Manganese Project in Togo ('Nayega'), Mebaga Iron Ore Project in Gabon ('Mebaga'), and Malelane Iron Ore Project in South Africa ('Malelane').

At Nayega, Ferrex is currently conducting a Bankable Feasibility Study and expects to be developing Nayega during 2014. A Scoping Study indicates that Nayega could produce 250,000 tonnes per year of manganese concentrate at 38% with an initial capital expenditure of under \$15m. The Company anticipates that cash generated from production at Nayega will be used to assist in the future funding of development at its additional projects.

In parallel with this, Ferrex is focussed on proving up resources at its Mebaga concession in Gabon. A recent review has lead to the estimation of an exploration target comprising 90 to 150Mt @ 35 to 65% Fe (oxide target) and 550 to 900Mt @ 25% to 40% Fe (primary target) for Mebaga. The Oxide target will incorporate both DSO* and bBSO* material. Ferrex has recently completed an initial drill programme at Mebaga that has intersected significant widths of DSO and bBSO mineralisation.

The Company also holds the Malelane Iron Ore concession in eastern South Africa. A Scoping Study on Malelane has demonstrated its potential to produce 1.8Mtpa of beneficiated ore per year, with initial capital expenditure of

\$139m, a payback of 1.9 years, a Net Present Value of US\$523m (10% discount rate) and a 16.6 year life-of-mine. Conceptually, cash generation from Nayega and Mebaga will be utilised to obtain finance for Malelane once again limiting share dilution.

Ferrex will have 934M shares on the conclusion of this placement on a fully diluted basis. The Directors have subscribed for and purchased approximately 28% of the issued share capital of the Company and are thus aligned with shareholders interests.