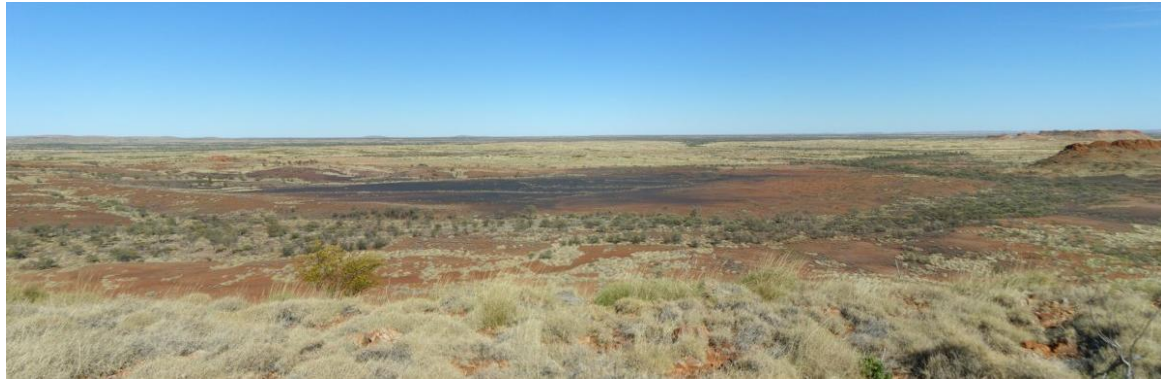


Wednesday 27 October 2010

EAST PILBARA HIGH GRADE MANGANESE RESULTS

- Outstanding in situ rock chip results up to 57.5 per cent Manganese
- Woodie Woodie style high grade manganese targets
- Manganese shale targets with strike extent of more than 5 km
- Aggressive exploration drilling program planned for 2011



Enachedong Manganese Project, East Pilbara, Western Australia – Eastwood Prospect viewed from the East

FerrAus Limited (ASX: FRS) today announced the results of geological mapping and sampling recently completed at its wholly owned Enachedong Manganese Project located 60 kilometres south of known world class resource, Woodie Woodie (Figure 1).

The recent mapping program discovered previously unknown manganese outcrops within the tenement (EL46/614) and identified apparent high grade mineralisation in several zones at the surface. This mineralisation is consistent with known manganese producing mineralisation models such as Consolidated Minerals' Woodie Woodie style hydrothermal deposits and Hancock Prospecting's Boogina Hill manganese shale deposits.

A total of 69 surface rock chip samples were collected from around the Project area and submitted for analysis. Of the original suite, 56 samples returned significant manganese assay results.

The Executive Director, Bryan Oliver, described the results from this mapping and sampling exercise as a new and exciting development for FerrAus.

"These initial results indicate that there is tremendous potential for a high grade manganese deposit to be developed," he said.

"FerrAus is planning to develop a comprehensive manganese exploration program to confirm this potential.

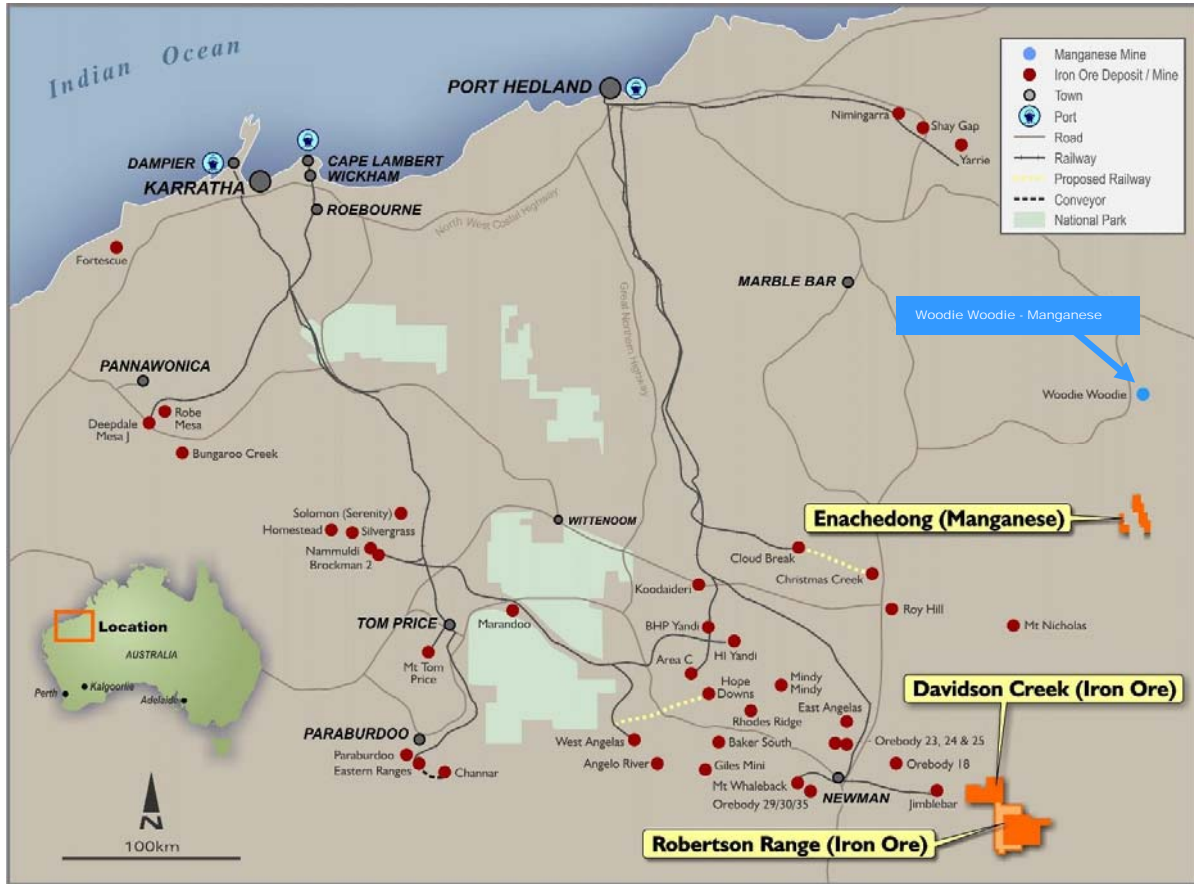
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"We are currently completing all of the necessary approvals, then we will establish an exploration camp which will allow FerrAus to begin an aggressive exploration effort at the beginning of the 2011 field season," Mr Oliver said.

Figure 1: Enachedong Project Location



The 56 manganese results (Table 1) show values that range from 26.6 per cent to 57.5 per cent manganese. Of these, there are 24 samples that returned manganese values of greater than 40 per cent.

Detailed mapping has identified three main prospect areas, Eastwood, Omen and Black Stripe, which delivered outstanding first pass rock chip assay results.

Mapping at Eastwood Prospect has shown anomalous manganese up to 40.6 per cent Mn within Balfour Formation shales over a 5 kilometre strike length recognisable from aerial and satellite photography by dark manganiferous staining, not dissimilar to Hancock Prospecting's Boogina Hill shale deposits.

Mapping at Omen and Black Stripe Prospects has shown anomalous manganese up to 57.5 per cent Mn 1.1 per cent Fe within strongly altered, brecciated and hydrothermally invaded Carawine dolomite, not dissimilar to Consolidated Minerals' Woodie Woodie style hydrothermal deposits. (See images at Figure 2 below.)

It is anticipated that the reconnaissance RC drilling program, scheduled to commence in second quarter of the 2011 calendar year, will include an initial 4,000 metres with provision to extend to 6,000 metres subject to results.

*** ENDS ***

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Table 1: Selection: Enachedong Rock Chip Results October 2010

Sample Identity	Prospect Location	Mn %	Fe %	Al ₂ O ₃ %	SiO ₂ %	P ₂ O ₅ %	LOI %
EDRK0015	Omen	47.80	6.20	0.86	2.94	0.41	14.25
EDRK0017	Omen	54.80	1.30	1.85	7.43	0.39	11.15
EDRK0018	Omen	54.80	0.50	2.00	6.09	0.23	12.05
EDRK0019	Omen	55.30	1.70	1.18	3.22	0.36	11.95
EDRK0020	Eastwood	27.50	1.50	4.33	32.20	0.25	8.04
EDRK0022	Eastwood	36.50	3.60	6.01	20.10	0.22	10.15
EDRK0023	Omen	42.30	11.80	2.32	5.42	0.07	11.85
EDRK0024	Omen	48.30	3.70	1.52	9.73	0.20	11.15
EDRK0025	Omen	34.80	2.80	3.28	29.70	0.04	8.09
EDRK0026	Omen	43.80	5.90	1.94	11.30	0.32	11.25
EDRK0028	Omen	36.20	1.00	1.02	38.70	0.08	7.75
EDRK0029	Omen	57.50	1.10	1.86	4.92	0.26	11.90
EDRK0030	Omen	29.80	13.40	3.75	17.40	0.44	10.90
EDRK0031	Omen	27.90	10.10	7.42	20.70	0.24	10.10
EDRK0032	Omen	46.10	4.50	2.66	11.20	0.29	10.70
EDRK0033	Omen	52.40	1.90	2.16	7.84	0.26	11.60
EDRK0034	Omen	27.30	3.30	4.25	39.40	0.09	8.10
EDRK0035	Omen	45.00	2.40	2.41	17.85	0.21	9.74
EDRK0036	Omen	44.50	1.00	1.23	23.80	0.13	9.67
EDRK0037	Omen	54.40	0.50	0.82	9.09	0.12	10.65
EDRK0039	Omen	51.60	3.50	0.79	8.90	0.45	12.25
EDRK0041	Regional	45.10	5.00	3.79	10.65	0.51	10.30
EDRK0044	Omen	45.00	1.80	5.50	12.50	0.05	10.95
EDRK0045	Omen	47.80	1.20	4.16	8.57	0.03	11.20
EDRK0048	Eastwood	36.90	2.70	5.63	19.25	0.20	10.05
EDRK0049	Omen	57.20	2.10	0.83	2.70	0.24	12.60
EDRK0050	Regional	54.10	2.50	1.92	6.44	0.55	10.50
EDRK0051	Regional	32.80	8.40	5.36	20.30	0.11	8.07
EDRK0057	Black Stripe	30.40	6.20	0.66	17.45	0.05	16.80
EDRK0058	Black Stripe	33.90	5.60	0.57	13.60	0.06	16.70
EDRK0059	Black Stripe	39.50	1.10	0.53	22.90	0.05	12.50
EDRK0060	Black Stripe	37.30	2.10	0.19	32.50	0.05	8.59
EDRK0061	Black Stripe	28.00	9.10	0.77	21.10	0.27	14.90
EDRK0064	Black Stripe	30.00	7.10	0.23	39.10	0.09	7.33
EDRK0068	Black Stripe	35.30	10.00	2.62	20.20	0.06	10.60
EDRK0069	Black Stripe	36.70	1.90	3.42	25.00	0.30	8.14
EDRK0070	Black Stripe	49.50	3.00	3.03	10.60	0.22	11.25
EDRK0071	Black Stripe	45.80	2.10	2.64	14.05	0.09	10.65
EDRK0072	Black Stripe	40.20	4.00	2.06	23.30	0.19	8.96
EDRK0073	Black Stripe	33.60	9.60	0.82	6.11	0.21	18.40
EDRK0074	Black Stripe	38.10	4.60	0.57	28.90	0.13	8.63
EDRK0075	Black Stripe	27.60	12.80	0.08	32.80	0.19	8.31
EDRK0076	Eastwood	30.40	13.40	5.79	18.35	0.44	10.55
EDRK0077	Eastwood	30.70	11.80	5.67	20.50	0.58	9.44
EDRK0078	Eastwood	38.30	3.20	6.12	17.05	0.25	10.10
EDRK0079	Eastwood	26.60	15.30	6.05	20.00	0.25	9.49
EDRK0080	Eastwood	39.60	2.80	5.99	17.95	0.39	9.80
EDRK0081	Eastwood	30.70	17.00	4.08	11.45	0.46	11.20
EDRK0082	Eastwood	26.80	12.70	7.29	22.60	0.41	9.06
EDRK0083	Eastwood	37.50	5.30	4.86	14.20	0.24	10.50
EDRK0084	Regional	32.80	20.80	1.43	9.99	0.17	10.20
EDRK0085	Eastwood	28.20	4.00	8.58	29.60	0.27	9.46
EDRK0086	Eastwood	30.40	8.30	4.19	26.50	0.45	8.95
EDRK0087	Regional	51.30	1.50	0.58	5.78	0.11	9.64
EDRK0089	Eastwood	36.70	4.40	7.74	18.40	0.11	10.45
EDRK0090	Eastwood	40.70	10.50	3.39	9.67	0.31	10.75

Note: The analytical method applied to these whole rock analyses is XRF. Calculations used to determine Mn percentages from MnO is: Mn% = MnO%/70.93*54.93 An oxide factor of 1.42973 has been applied to the Fe₂O₃% results to provide Fe%

Figure 2 – Selected Images – Enachedong Manganese Project



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 Limited. 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", "substantial", "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.