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Investor Briefing

16 - 19 November 2010



Disclaimer

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 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.



FerrAus Limited – Summary

Market Capitalisation: \$245 million (at \$1.19 per share 15 November 2010)

Resources: 328.7 Mt (JORC) Target: 400 Mt (JORC)

- Good quality
- Compact area
- Lower technical risk

Reserves: 126 Mt (JORC)

Robust PFS results:

- 15Mtpa production target
- NPV₈ of A\$1,120m to A\$1,340m
- IRR of 24% to 26%

Rail solution being actively progressed

Port solution well advanced (one of three members of NWIOA)

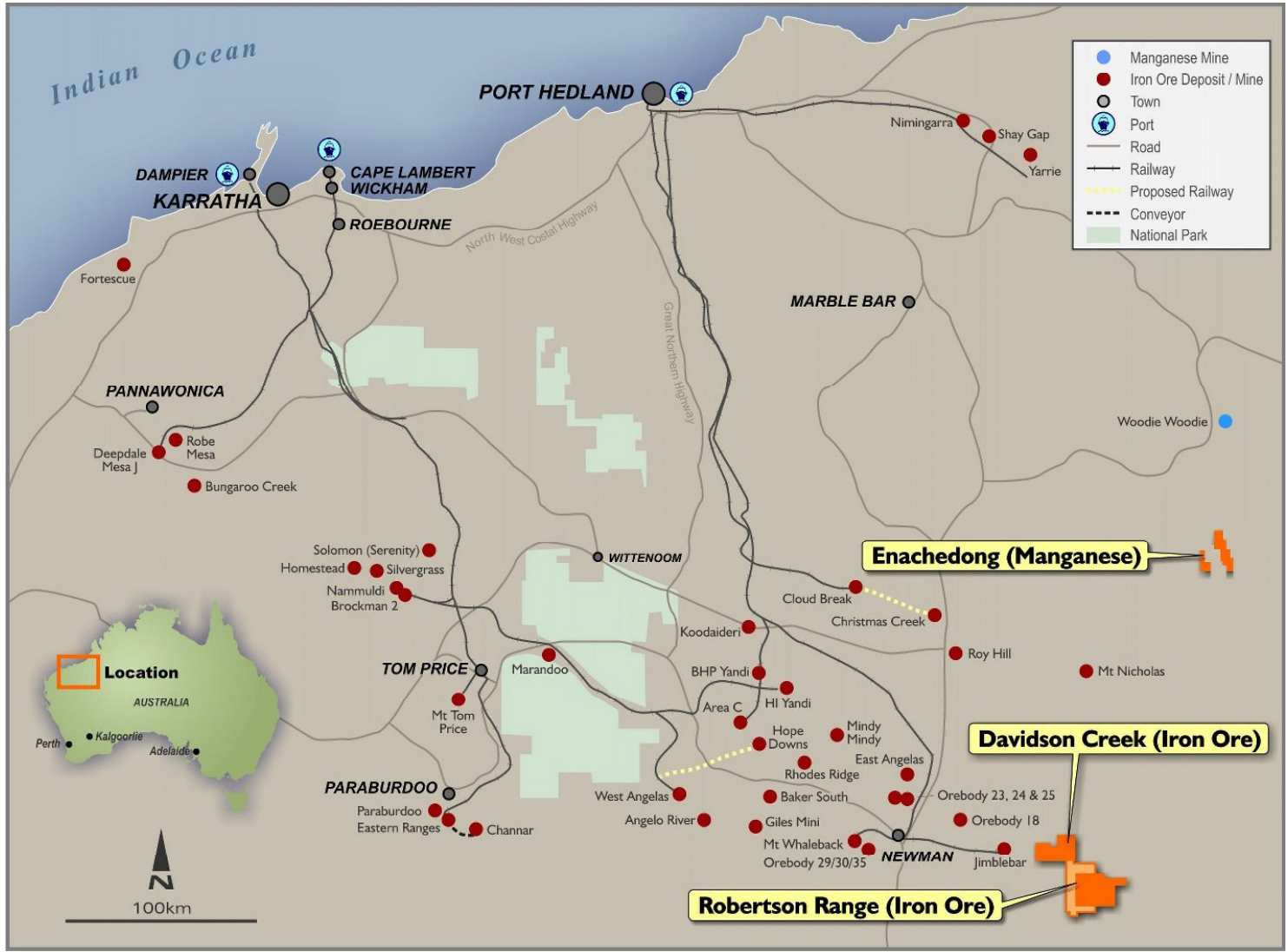
Shipments targeted to commence 2014

Strong strategic Chinese support: Wah Nam, CRM, WMC

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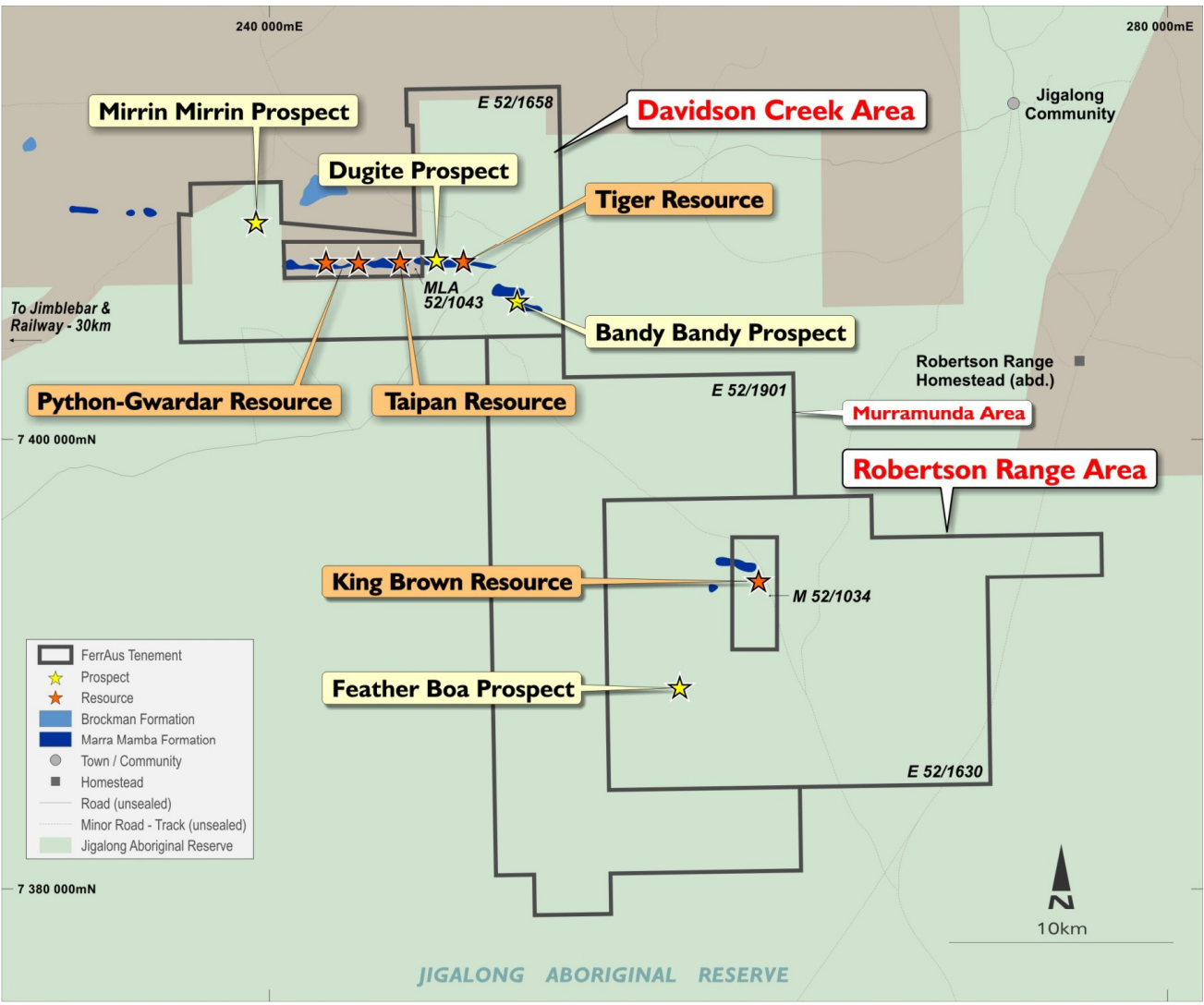
Project Locations





FerrAus Pilbara Project

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Current Resources 328.7 Million Tonnes JORC

| Area | JORC (2004) Resource Category | Tonnes Mt | Fe (%) | SiO2 (%) | Al2O3 (%) | P (%) | LOI (%) | CaFe (%) |
|---|-------------------------------|---------------|--------------|-------------|-------------|-------------|-------------|--------------|
| High Grade Resources (+55% Fe) | | | | | | | | |
| Robertson Range | Measured | 23.40 | 58.93 | 4.54 | 2.71 | 0.11 | 7.69 | 63.84 |
| | Indicated | 20.70 | 58.98 | 5.40 | 2.99 | 0.10 | 6.48 | 63.07 |
| | Inferred | 10.60 | 58.11 | 6.56 | 3.37 | 0.10 | 6.15 | 61.93 |
| | Total | 54.60 | 58.79 | 5.26 | 2.94 | 0.11 | 6.93 | 63.18 |
| Davidson Creek | Measured | 9.50 | 58.10 | 4.31 | 2.83 | 0.08 | 9.12 | 63.90 |
| | Indicated | 91.60 | 58.70 | 4.44 | 2.43 | 0.08 | 8.63 | 64.20 |
| | Inferred | 62.10 | 58.00 | 4.94 | 2.69 | 0.10 | 8.63 | 63.48 |
| | Total | 163.20 | 58.40 | 4.60 | 2.54 | 0.09 | 8.66 | 63.91 |
| Total (+ 55% Fe) | | 217.80 | | | | | | |
| Medium Grade Resources (between 50-55% Fe) | | | | | | | | |
| Robertson Range | Inferred | 16.20 | 53.00 | 8.51 | 5.40 | 0.12 | 8.85 | 58.20 |
| Davidson Creek | Inferred | 94.60 | 53.20 | 8.41 | 5.11 | 0.09 | 9.28 | 58.60 |
| Total (between 50-55% Fe) | | 110.80 | | | | | | |
| Total Resources | | 328.70 | | | | | | |

Small discrepancies may occur in the tabulated resources due to the effects of rounding. Calcined Fe grade calculated as follows: $CaFe = (Fe \times 100) / (100 - LOI)$. Resources are reported above a 55% Fe cut-off grade, except for medium grade resources which are between 50-55% Fe. The above resources were classified and reported in accordance with the 2004 Australasian Code for Reporting of Exploration Results, Mineral Resources, and Ore reserves (the JORC Code). Snowden Mining Industry Consultants classified the mineral resources listed in the above table.



Current Reserves 126 Million Tonnes JORC

| Area | JORC (2004) Reserve Category | Tonnes Mt | Fe (%) | SiO2 (%) | Al2O3 (%) | P (%) | LOI (%) |
|-----------------------|------------------------------|--------------|-------------|------------|------------|------------|------------|
| Robertson Range | Proved | - | - | - | - | - | - |
| | Probable | 31.0 | 58.1 | 5.5 | 3.1 | 0.1 | 7.4 |
| | Total | 31.0 | 58.1 | 5.5 | 3.1 | 0.1 | 7.4 |
| Davidson Creek | Proved | - | - | - | - | - | - |
| | Probable | 95.0 | 57.0 | 5.5 | 3.3 | 0.1 | 8.9 |
| | Total | 95.0 | 57.0 | 5.5 | 3.3 | 0.1 | 8.9 |
| Total Reserves | | 126.0 | | | | | |

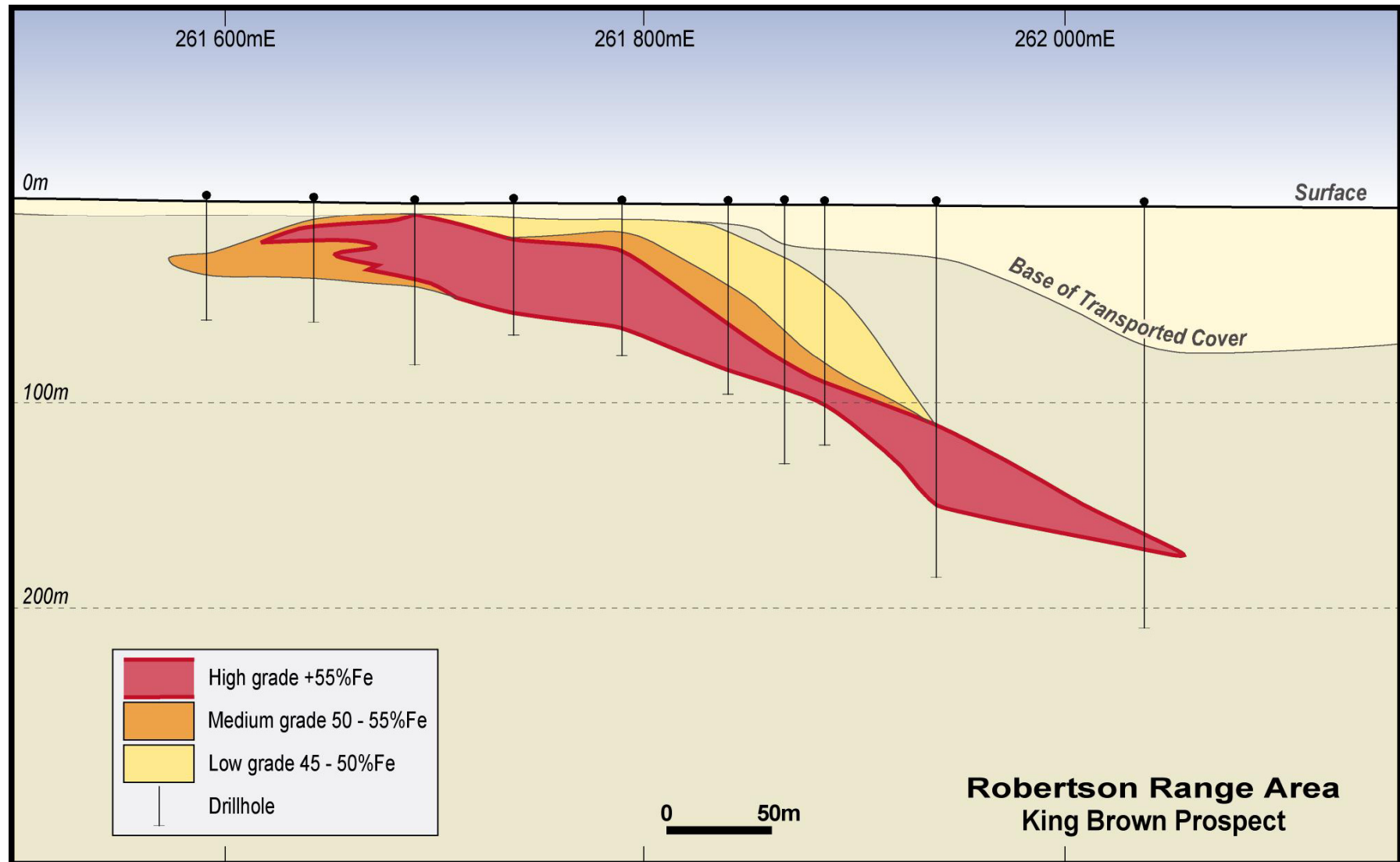
The Ore Reserve Statement has been prepared by Snowden Mining Industry Consultants ('Snowden') on behalf of FerrAus Limited.

The author of the report, Mr. Alan G. Cooper, Principal Mining Consultant for Snowden Mining Industry Consultants, states that he is a Member of The Australasian Institute of Mining and Metallurgy (The AusIMM) and has more than five years mining experience applicable to the mining of Iron Ore. He consents to the public release of this Ore Reserve estimate, providing it remains in the context presented.



Resources – Medium Grade Ore Potential

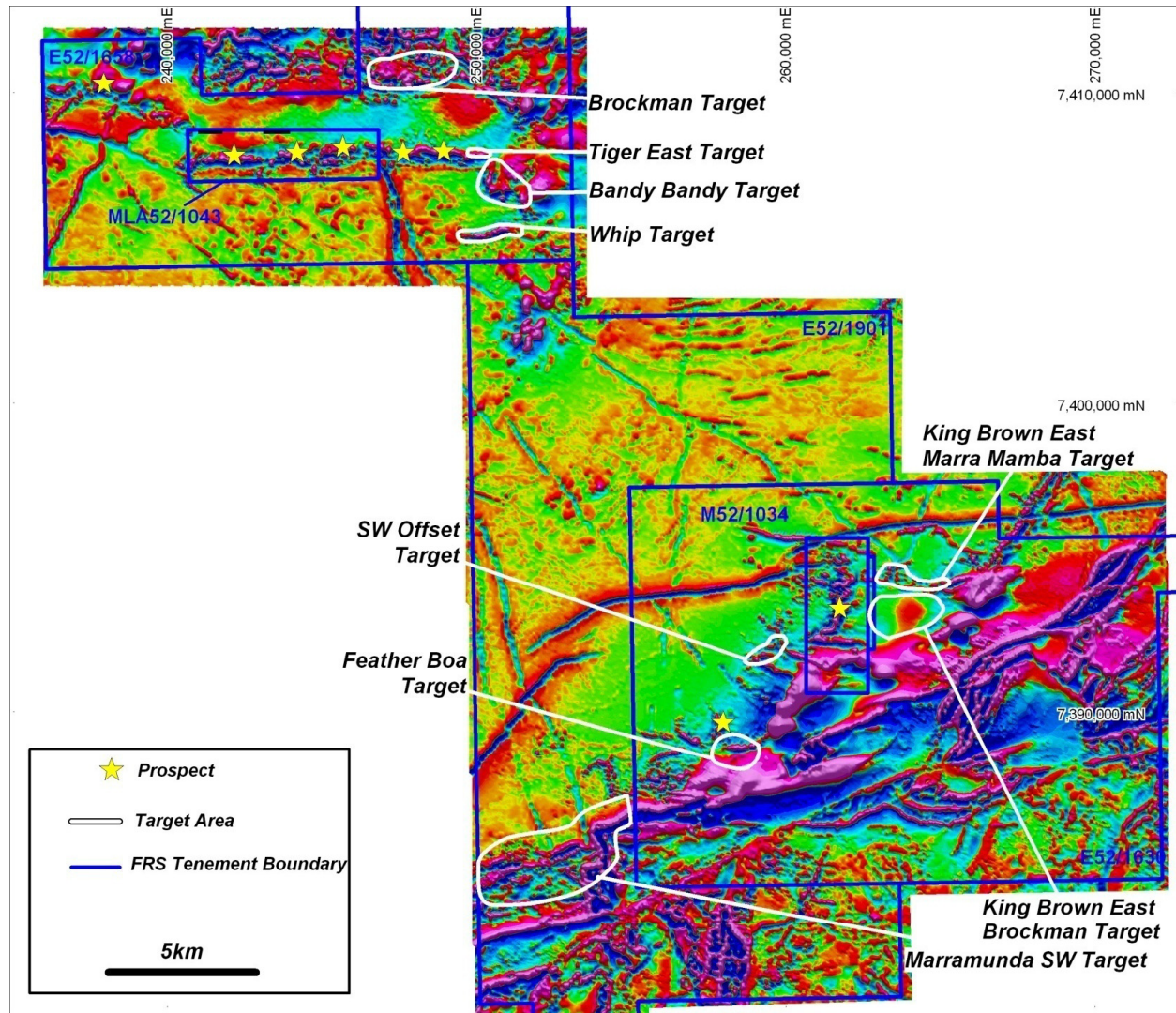
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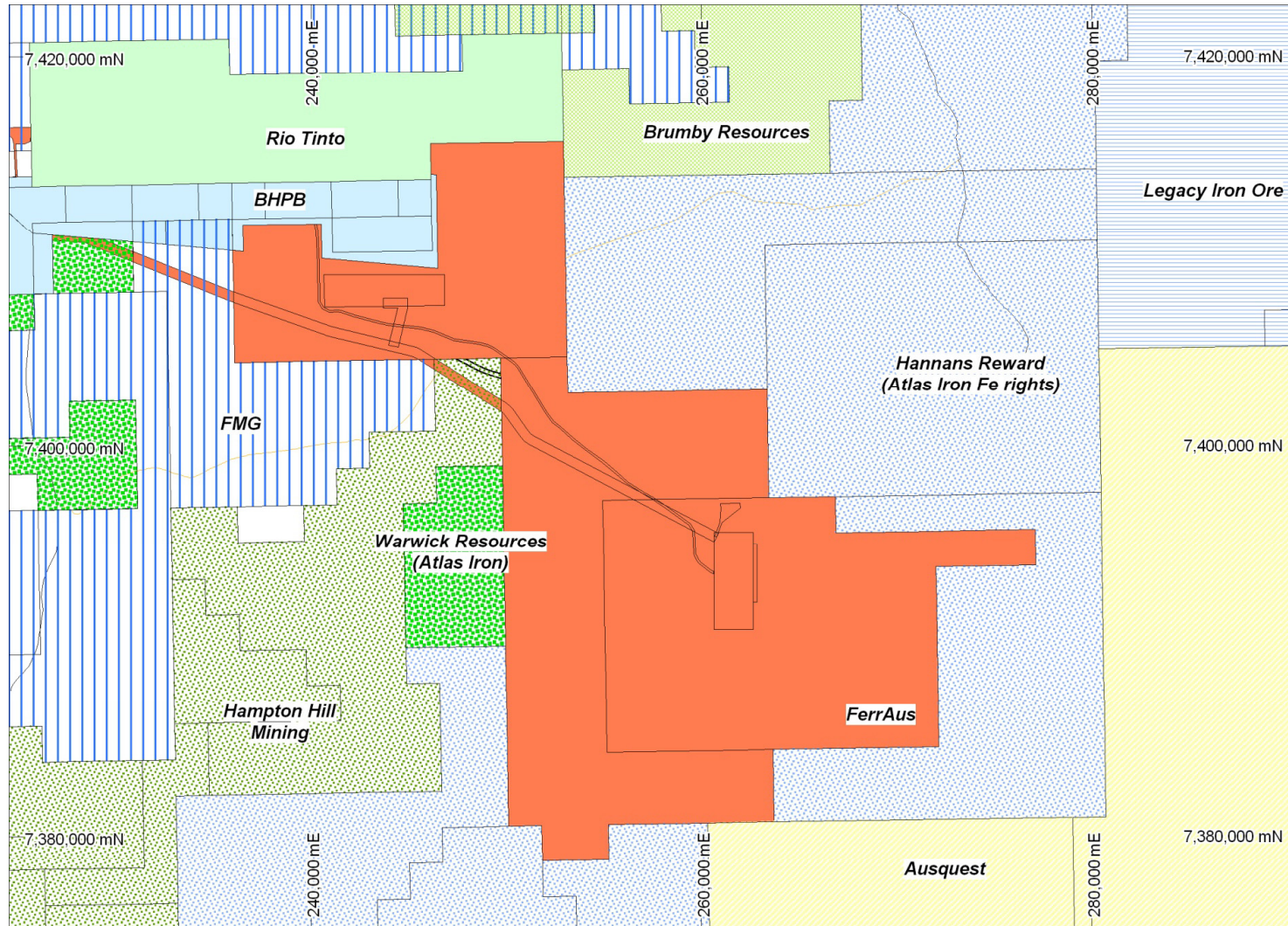
Resource – Strong Potential to Increase

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Nearby Areas – Further Resource Potential



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Enachedong Manganese Project

Recent High Grade Manganese Results (27 October 2010)

- 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



Manganiferous boulders in situ at Black Stripe Prospect



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



Manganiferous Carawine Dolomite at Omen Prospect- EDRK0029, 57.5% Mn



Port Outcome

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Infrastructure – Port Outcome

Port project well advanced

NWIOA shipments scheduled to commence by end 2013

FerrAus founding member of North West Iron Ore Alliance (NWIOA)

NWIOA has port allocation of 50 Mtpa

PFS outlined two stages:

Stage 1: 40Mtpa nominal capacity

Stage 2: Up to 80Mtpa nominal capacity

Estimated capital expenditure for both stages: \$2.7 Billion

Definitive Feasibility Study scheduled for completion December 2010

Environmental approvals progressing

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Port – North West Iron Ore Alliance



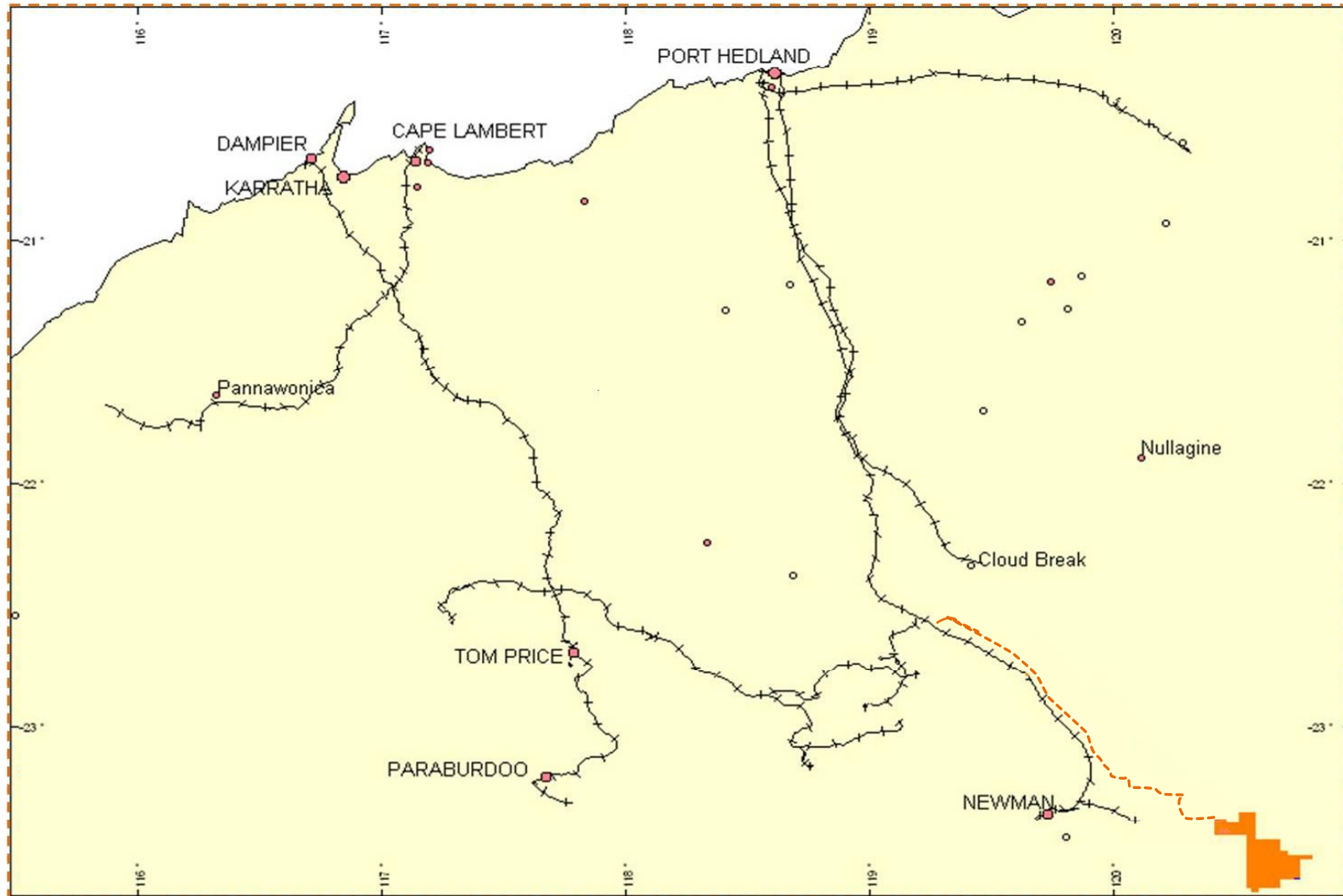


Rail Outcome

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Pilbara – Rail





Infrastructure – Rail Outcome

State Agreements(1964) and RTA(1987)

– rail haulage obligation: Mt Newman Joint Venture

TPI Access or haulage agreement

Hancock Roy Hill rail to be constructed by 2013

Rail spur route selected to provide flexibility

Discussions commenced with existing rail owners / operators



PFS Results



Pre Feasibility Study - Financially Robust and Technically Viable

Pre Feasibility Study Results

| | |
|-------------------------------------|--|
| PFS Probable Ore Reserve | 126 Mt (dry) |
| FerrAus Additional Inventory | 125 Mt (dry) [refer full table at Slide 20] |
| NPV (8% real after tax) | A\$1,120 Million to A\$1,340 Million |
| IRR (real after tax) | 24 to 26 per cent |
| Payback Period (discounted) | 4 years |

Key Assumptions

- **Life of Mine Production** 227 Mt (wet)
- **Waste to Ore Ratio:** 4.32
- **Peak Production:** 15Mtpa (wet)
- **Product:** Fines
- **Product Grade:** 59.1% Fe
- **Iron ore price:** Metalytics Base Case (with long term US101 cents per dmtu from 2023)
- **Exchange rate :** Metalytics Base Case (with long term US\$0.77 to A\$1.00 from 2023)



Upside Potential For FerrAus Pilbara Project

| PFS Mining Inventory (including Inferred) | |
|--|--|
| Davidson Creek (DC) and Robertson Range (RR) | 153 Mt (dry) - this includes 126 Mt of Probable Ore Reserves |
| FerrAus Internal Preliminary Mining Inventory – Inferred Category | |
| Mirrin Mirrin (MM) +52% Fe | 32 Mt (dry) |
| Low Grade (RR, DC and MM) 50-52% Fe DC, MM and 50-53% Fe RR | 17 Mt (dry) |
| Sub Total | 49 Mt (dry) |
| Total Dry Tonnes | 202 Mt (dry) |
| Corporate Target | |
| Corporate Exploration Target | 49 Mt (dry) |
| Total | |
| Nominal Total Dry Tonnes (including Corporate Target) | 251 Mt (dry) |
| Product | |
| Life of Mine Average Yield | 82.8 % |
| Moisture | 9 % |
| Life of Mine Production | 227 Mt (wet) |
| Product Grade | 59.1 % Fe |

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.



Pre Feasibility Study - Financially Robust and Technically Viable

Operating Costs (exc royalties, admin & marketing)

A\$43.5/wmt to A\$46.5/wmt

- Includes contract mining, processing and rail costs
- Includes a tariff for the rail spur and port with a capital recovery and a return on capital to the funding party
- Excludes royalties and general and administration

Upfront Capital Expenditure

A\$960 million

- Includes mine infrastructure, processing plants, train load-out, rolling stock and a capital contribution for the North West Iron Ore Alliance port



Pre Feasibility Study - Financially Robust and Technically Viable

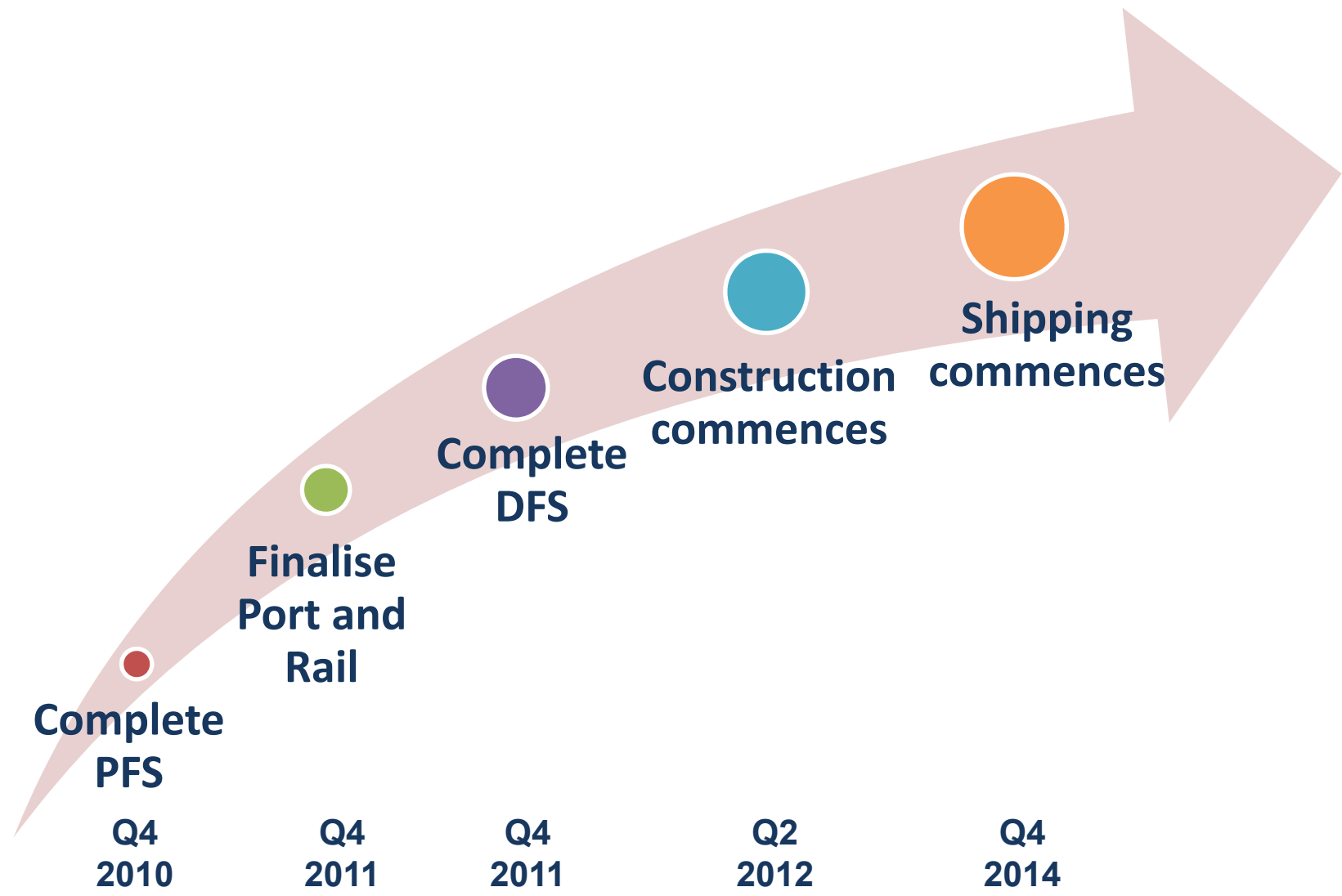
Key Consultants

| | |
|---|--------------------------------------|
| Resource, Geotechnical, Mining | Snowden |
| Hydrology & Hydrogeology | Aquaterra |
| Metallurgy, Process Design & Infrastructure | SKM |
| Rail | Calibre |
| Marketing | LFJ Consulting |
| Pricing | Metalytics |
| Environmental | Ecologia, Phoenix and G&G |
| Heritage | Eureka |

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Development Timetable – Well Advanced





Wah Nam Offer

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Wah Nam Offer

The Offer

- **Unsolicited, conditional proposal to acquire all ordinary FerrAus shares** from a wholly owned subsidiary of Wah Nam International Holdings Limited (Wah Nam)
- **6 Wah Nam shares : 1 FerrAus share.** Implied value of approximately A\$1.29 per FerrAus share on the date of the offer
- **Wah Nam presently holds 19.9% of FerrAus**

Offer Conditions

- Wah Nam shareholder approval
- 90% minimum acceptance
- No regulatory actions
- No material transaction
- No material adverse change



FerrAus Response

- The **FerrAus Board will carefully review and consider Wah Nam's Offer** as outlined in its Bidder's Statement, before forming a recommendation in relation to the Offer
- The FerrAus Board is unanimous in its view that **FerrAus shareholders should take no action** until it has provided its recommendation.
- The **FerrAus Board will outline its recommendation to Shareholders in its Target's Statement**, which should be dispatched in December.
- **Wah Nam's unsolicited Offer is complex and conditional but will be seriously considered** given that Wah Nam is a Hong Kong listed company with a market capitalisation of >A\$900m and is one of FerrAus' largest shareholders.
- FerrAus note that the Offer represents a significant premium to the recent trading value of FerrAus shares, and believes that this demonstrates the significant strategic value in iron ore in the Pilbara region as well as FerrAus' projects.



Wah Nam International Holdings Limited (Wah Nam)

Who is Wah Nam

- Wah Nam has been listed on the Hong Kong Stock Exchange (Code: 159) since 2002
- Market Capitalisation of >A\$900m
- Wah Nam's eight largest shareholders control >45%.

Principle Activities

- Wah Nam's principal activities include:
 - Copper mining and exploration (Damajianshan Mine – Yunnan Province, China)
 - 19.9% of FerrAus: A\$45m value as at 11 November 2010
 - 22.6% of Brockman: A\$193m value as at 11 November 2010
 - Limousine and airport shuttle rental services (in Hong Kong and mainland China)
- The vehicle rental services accounted for >80% of Wah Nam's revenue for the year end Dec 2009



Directors



Bryan Oliver
Executive Director

Ex CEO Mid West Corporation
Ex Exec Director – Robe River Mining



Jim Wall
Non Executive Director

Executive Chairman - Kimberley Metals
Ex MD Savage Resources Limited



John Nyvlt
Non-Executive Chairman

Ex Normandy – Marketing
Penfold Group - Director



Guoping Liu
Non Executive Director

Vice President - China Railway
Materials Commercial Corp (CRM)
Ex Director - Mt Gibson Iron Limited



Joe Singer
Non Executive Director

Ex Glencore – Marketing
Penfold Group – Founding Director



Robert Greenslade
Non Executive Director

Ex Normandy – Corporate M&A
Gryphon Partners - Founding Director



Key Share Details

FerrAus Limited ASX:FRS

| | |
|---|------------------|
| Shares | 205.7 M |
| <i>Class B Performance Shares</i> | 7.5 M |
| Options (Unlisted) | 7.5 M |
| Share Price (as at 15 November 2010) | A\$1.19 |
| Market Cap | A\$245 M |
| Cash on hand (30 September 2010) | A\$22.1 M |

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Major Shareholders

| Shareholder | Current Per Cent |
|------------------------------|-------------------------|
| Wah Nam International | 19.90 |
| CRM – China | 12.61 |
| WMC – China | 7.36 |
| Penfold Limited | 7.16 |
| Directors | 4.39 |
| Total | 51.42 |

ASX Listed Shares (million) 205.7

Fully Diluted (million) 220.7