

Monday 4 April 2011

Key Definitive Feasibility Study Contracts Awarded

Key Management Appointments Confirmed

- DFS - Major Contracts Awarded
- Additional Key Management Members Appointed
- Chief Executive Appointment – EGM Approval 18 April 2011

FerrAus Limited (ASX: FRS) today announced that it had awarded the major contracts to complete its Definitive Feasibility Study (DFS) and confirmed the appointment of key members of its senior management team.

Both the engineering, design and study management services for the railway alignment and process plant and infrastructure components of the DFS, have been awarded to Sinclair Knight Merz (SKM).

The process plant and infrastructure design contract includes the mine site footprint, including metallurgical input, implementation planning, CAPEX, OPEX, risk and operations management.

Railway, roads, support infrastructure design, implementation planning, CAPEX, OPEX, risk and operations management are included in the railway alignment services contract for the DFS.

Executive Director, Bryan Oliver, said the awarding of the substantial DFS contracts marked another major milestone in the development of FerrAus Limited.

“By any measure these are significant contracts that are absolutely essential to ensure we have everything in place to commence production in 2014,” Mr Oliver said.

“Sinclair Knight Merz has a proven track record in delivering major studies and we are confident that it will successfully complete all of the activities to achieve completion by the end of this year.

“Following the completion of the DFS, we intend to move immediately to complete a Bankable Feasibility Study.

FerrAus has also confirmed the appointment of the following people to key management roles in the Owner’s Team:

Brett Hazelden - Project Director

Brett, who was a key member of the Prefeasibility Study Owner’s Team, brings 15 years of experience in project management, engineering design and operations serving the Australasian resources industry. His previous activities include project management, feasibility study evaluation, engineering and design, estimating and financial evaluation, with Newcrest, Fluor and Rio Tinto.

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Jason Hyde - Study Manager

Jason has 20 years' experience with major capital projects in rail, mining, civil works, buildings and telecommunications. His most recent role was as Deputy Project Manager at BHP Billiton's RGP5 Rail Project, which followed his role as a Project Manager at Rio Tinto Iron Ore Expansion Projects.

Diane Dowdell - Environment and Land Access Manager

Diane joins FerrAus following more than 10 years working in a range of senior environmental roles covering team management, strategic planning, consultation, stakeholder engagement, compliance, approvals and budget control. Her recent role as Group Manager – Environment at FMG place her in an ideal position to work with our close knit team during the DFS and on through to the production phase.

Rudolph Van Niekerk - Area Manager Plant and Infrastructure

Rudolph joins FerrAus from Ausenco where he was Project Manager of the Tonkolili Stage 1B Iron Ore Project in Sierra Leone, North West Africa. He has also worked as Senior Project Engineer, Commissioning Engineer and in a variety of project engineer roles for different resource projects.

Omer Mol - Senior Mining Engineer

Omer, who was also a key member of the Prefeasibility Study Owner's Team brings over 30 years of experience in mine planning and mine design with experience mine planning, economic evaluations, contract management, studies, pit optimisations, as well as mine planning and scheduling. His background includes both overseas and Australian roles, where he held senior operational management positions, one of which was at Yandi for BHP Iron Ore.

Richard (Dick) Wright - Project Advisor (Mentor)

Dick has an outstanding track record in project management and has delivered major land mark projects in the mining, infrastructure and oil and gas sectors. Working for major Australian, American and French corporations he has acquired a broad range of experience in the implementation and development of many major iron ore mines as well as the associated infrastructure.

"We are extremely fortunate to have been able to assemble a talented and experienced team under the leadership of Brett Hazelden," Mr Oliver said.

"One of the most valuable commodities within any team is experience and with the expert external advice being provided by Dick Wright, this team has tremendous depth.

"In addition, we expect shareholders to officially ratify the appointment of Cliff Lawrenson to the role of Managing Director and Chief Executive Officer at the Extraordinary General Meeting scheduled for 18 April.

"With Cliff's appointment confirmed, FerrAus will enter a new leadership phase as his extensive global commercial experience will be a tremendous asset.

"I intend to step across to a non-executive role as a Director and Cliff will oversee the transition of this business from an exploration group to a significant iron ore producer.

"Our commitment and confidence continues to grow as we work through each of the challenges with the support of an excellent team," he said.

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