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ASX ANNOUNCEMENT

Thursday, 26 April 2012

POSITIVE EREENY IRON ORE DRILLING RESULTS

The Board of FeOre Limited (**FeOre** or the **Company**) is pleased to advise that it has received very encouraging results from recently completed Davis Tube Recovery (**DTR**) test work on Diamond Drill Samples from the Company's Ereeny Project.

HIGHLIGHTS

FeOre has drilled an additional six core holes to infill portions of the Ereeny Resource. The purpose of the drilling was

- (i) to confirm and increase the confidence of the resource base; and
- (ii) to confirm and increase the metallurgical understanding of the ore.

The drilling has confirmed the mineralisation in areas of more widely spaced drilling, with some long intersections recovered. Davis Tube Recovery (**DTR**) results, which indicate a potential saleable product grade and yield, were completed on this drilling and include encouraging iron grades of up to 68% Fe in concentrate on an individual interval basis, at a grind size of 75 microns. These results confirm earlier work done and in the case of CK0-1 has significantly widened the intersection. Widest high grade intercepts include the following DTR results:

CK0-1 88.3m @ 32.2% DTR Fe (Magnetic) in Rock, 63.1% TotFe, and 9.3% SiO₂ in Concentrate from 26.6m

CK0-1 68.4m @ 28% DTR Fe (Magnetic) in Rock, 50.8% TotFe, and 16.7% SiO₂ in Concentrate from 118.8m

CK0-1 30.7m @ 42.3% DTR Fe (Magnetic) in Rock, 58.9% TotFe, and 14% SiO₂ in Concentrate from 202.8m

CK3-1 36.3m @ 43.8% DTR Fe (Magnetic) in Rock, 62.8% TotFe, and 8.9% SiO₂ in Concentrate from 150.3m

CK3-1 39.2m @ 34% DTR Fe (Magnetic) in Rock, 57.6% TotFe, and 13.7% SiO₂ in Concentrate from 222.9m

CK3-4 43m @ 26.2% DTR Fe (Magnetic) in Rock, 59% TotFe, and 11.7% SiO₂ in Concentrate from 37.7m

CK3-4 55m @ 30.3% DTR Fe (Magnetic) in Rock, 54% TotFe, and 16.6% SiO₂ in Concentrate from 138.7m

CK3-4 105.6m @ 32.1% DTR Fe (Magnetic) in Rock, 55.3% TotFe, and 16.6% SiO₂ in Concentrate from 219.2m

The DTR testing was the first on the project. The method will be refined and it is expected that with such refinement impurities in the concentrate such as Silica (SiO₂), Alumina (Al₂O₃), Phosphorous (P) and Sulphur (S) will be reduced.

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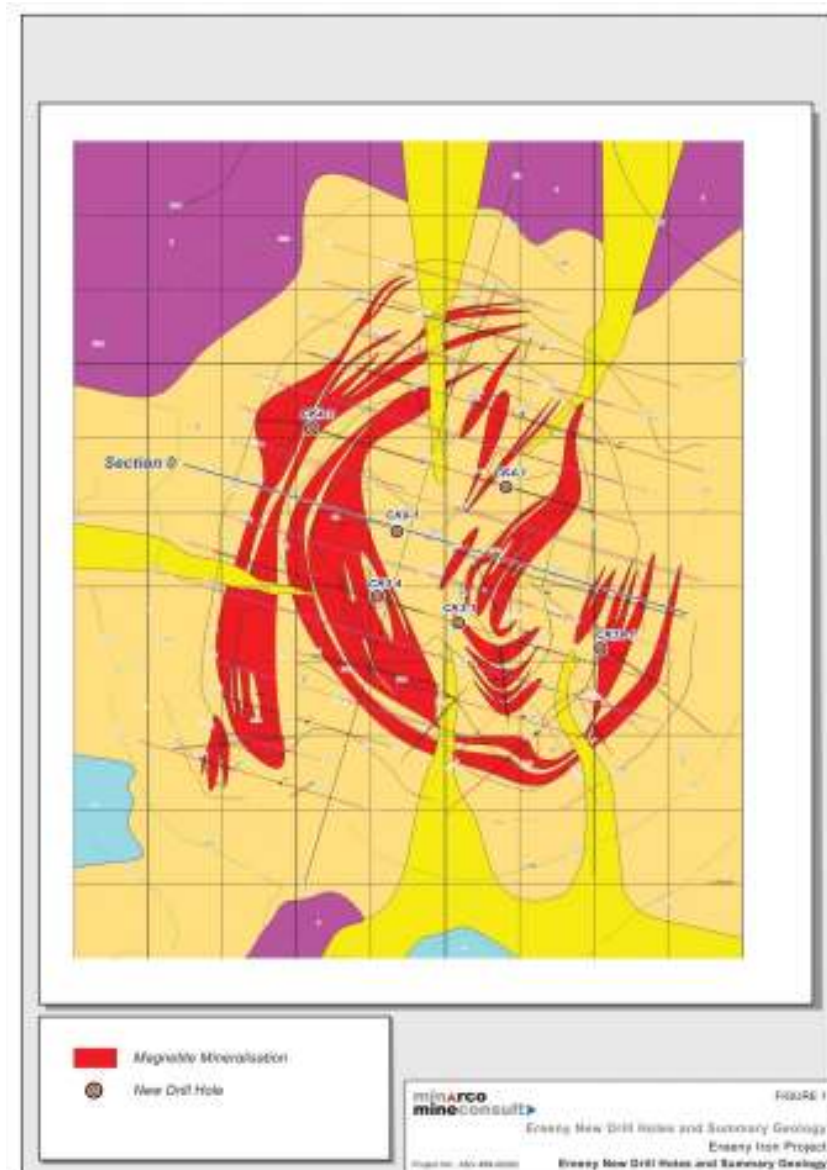
DETAILS

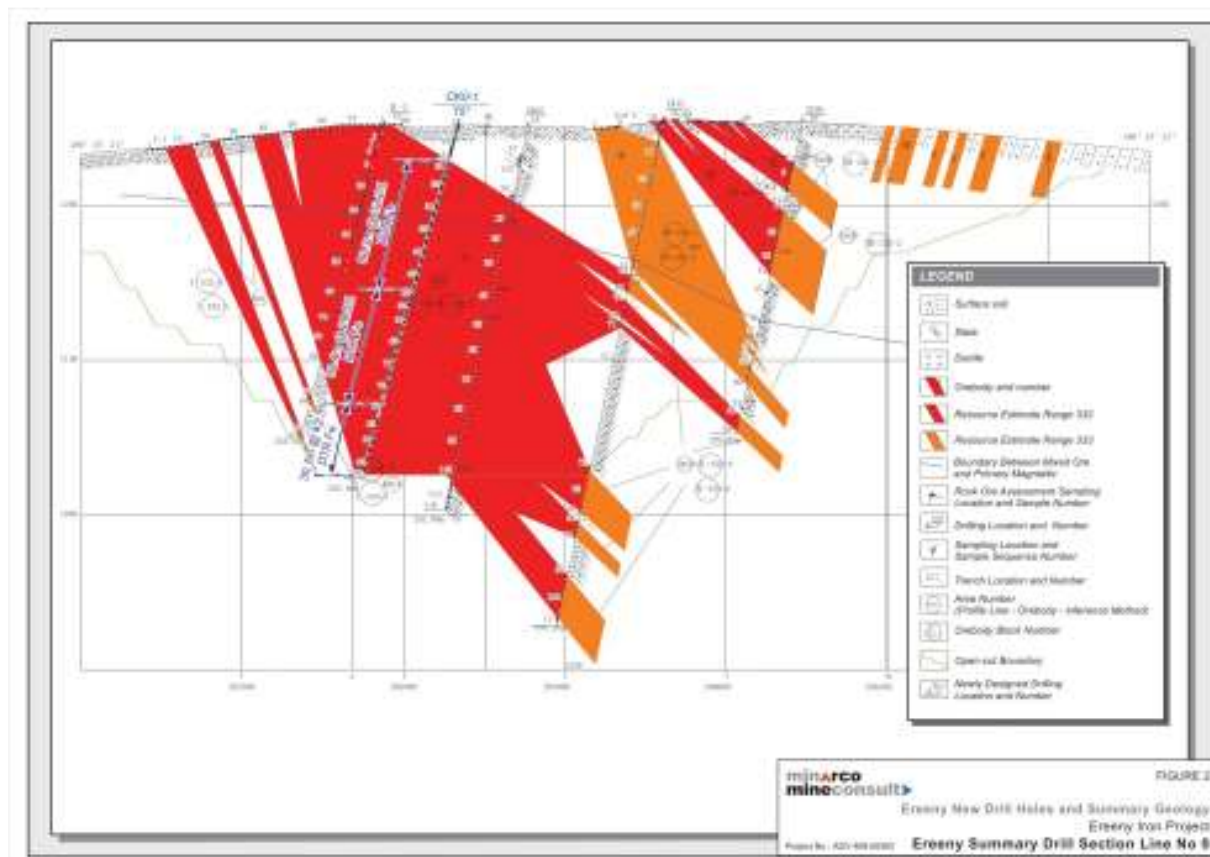
The Company is pleased to advise that it has received very encouraging results from recently completed Davis Tube Recovery (DTR) test work on Diamond Drill samples from FeOre's Ereeny Magnetite Project, Mongolia.

FeOre have previously released a JORC guideline Resource on the project, which is included in its listing documents.

Runge Asia Limited (**Runge**) was engaged to complete the following compilation and assessment of the recent exploration results.

Interpretation reveals that the additional holes generally confirm the previous geologic interpretation in portions of the Resource, which were formerly of lesser confidence. Long intervals of magnetite iron mineralization (up to 106m long) were intersected at an applied cut-off of 15% magnetic iron, including occasional below cut-off intervals of less than 2m long. These additional intersections have confirmed the generally synformal geometry of the iron mineralisation at Ereeny, which is illustrated in Figure 1. A section through the current drilling is given in Figure 2.





These currently reported intersections further confirm the potential for an economically viable project. DTR up to 99%, with concentrate grade of up to 68% Fe on an individual sample basis, were achieved.

The current drilling programme comprised 6 drill holes. A total of 1,379.5m was diamond drilled, together with the 23 holes previously drilled, a total of 29 holes were drilled on the Ereeny Project.

The iron formations at Ereeny form a broadly circular arrangement as can be seen in Figure 1 and are interpreted to have originally been a BIF, which was folded into a cup shaped synform. Metamorphic processes have greatly modified the iron horizons coalescing lenses to form large continuous bodies in places as can be seen in Figure 2. On this section line the original tipped cup shape synformal nature is evident, with lenses dipping into the center of the deposit on the left and right hand sides of the section. However, on this section the left limb is greatly thickened through metamorphic processes and the hinge of the synform is removed by shearing.

New drill hole locations are presented in Figure 1 and tabulated locations and orientations are given in Appendix 1. A summary of all averaged DTR results is presented in Appendix 2.

Davis Tube Test Work on Drill Samples

This test work was carried out in order to obtain initial information on likely magnetite recoveries and concentrate grade and degree of rejection of undesirable elements that can be achieved at the Ereeny project.

A total of 408 individual interval determinations from 6 drill holes were obtained from the DTR test work. These included samples with magnetite contents ranging from 0.05% to 88.4% and averaging approximately 40% magnetite content.

The samples were pulverized to a P80 of 75 microns.

Results of the DTR work are presented in Appendix 2 and a representative cross section of averaged results is presented in Figure 2.

Minimum, maximum and weighted averages of total and magnetically recoverable iron (Fe%) in rock (with >15% magnetic iron) and the iron (Fe), alumina (Al₂O₃), silica (SiO₂), loss on ignition (LOI), phosphorous (P) and sulphur (S) in DTR concentrate are presented in Table 1.

	Intercept (m)	Pre DTR (%)		Post DTR (%)					
		TFe	mFe	Fe	Al ₂ O ₃	SiO ₂	LOI	P	S
Minimum	0.7	26.5	8.3	40.6	0.1	3.3	0.0	0.0	0.0
Maximum	105.6	52.7	49.8	64.7	5.2	31.2	11.7	0.2	0.9
Weighted Average		36.4	30.4	56.4	1.1	13.4	1.9	0.1	0.1

Table 1. Values for Pre DTR Rock and Post DTR Concentrates

Results from this work suggest that the Ereeny deposit includes significant zones where excellent DTR recoveries and concentrate grades will exist. Pre DTR is an indication of the run of mine ore quality that can be achieved and Post DTR Concentrates is a good indication for saleable product qualities that can be achieved. Figure 1 and Figure 2 show the location of the iron mineralisation and reveal the open cut mining compatible geometry of the deposit; broadly circular with some very thick and massive lenses of mineralisation. This geometry is likely to result in favourable waste to ore ratios for the operation being planned.

- END -

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About FeOre

FeOre limited principally engages in the exploration and development of mineral resources in Mongolia. The Company currently owns 80% of the Ereeny Iron Ore Project and the Dartsagt Iron Ore Project, located in Mongolia.

Competent Persons Compliance Statement

Exploration results, mineral resources and reserves

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Bob Dennis, who is a Member of the Australasian Institute of Mining and Metallurgy. Bob Dennis is a full time employee of Runge Limited. Bob Dennis has sufficient experience which is relevant to the style of mineralisation and the type of ore deposit under consideration and the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Mineral Resources and Ore Reserves'. Bob Dennis has inspected the Project Area and has relied on further information provided by FeOre. Bob Dennis consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Appendix 1

Drill Hole Locations and Orientations

Hole ID	Length	Easting	Northing	RL	Dip	Azimuth
CK0-1	235.8	285835	5084274	1302	75°	287°
CK4-1	311.7	285981	5084334	1302	75°	287°
CK3-1	265.6	285917	5084151	1303	75°	287°
CK4-2	119.1	285721	5084413	1290	65°	287°
CK19-1	121.6	286108	5084117	1289	75°	119°
CK3-4	325.7	285808	5084187	1305	78°	287°

Datum: Beijing 54

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Appendix 2

Summary of all Averaged DTR Results

Drill Hole	From (m)	Intercept (m)	Pre DTR (%)		Post DTR (%)					
			TFe	mFe	Fe	Al2O3	SiO2	LOI	P	S
CK0-1	11.2	1.6	52.3	17.5	62.1	0.3	10.9	0.9	0.1	0.0
CK0-1	26.6	88.3	44.8	32.0	63.1	0.5	9.3	0.5	0.1	0.1
CK0-1	118.8	68.4	33.5	28.0	50.8	1.7	16.7	1.1	0.1	0.1
CK0-1	202.8	30.7	45.3	42.3	58.9	0.4	14.0	0.4	0.2	0.0
CK4-1	82.2	6.3	31.9	27.1	55.6	1.3	18.1	0.8	0.1	0.1
CK4-1	93.2	7.5	30.6	26.3	55.3	1.2	18.2	1.8	0.1	0.0
CK4-1	106.7	12.0	26.5	21.4	57.6	0.8	16.1	1.4	0.1	0.2
CK4-1	124.7	1.7	49.2	40.9	64.1	1.1	6.4	0.0	0.1	0.2
CK4-1	183.2	1.5	36.2	28.0	59.3	2.0	11.4	1.6	0.1	0.1
CK4-1	194.5	1.1	42.6	34.8	59.6	2.1	10.2	2.6	0.1	0.5
CK4-1	271.0	1.3	27.5	14.9	40.6	4.4	31.2	2.5	0.1	0.4
CK4-1	282.0	1.0	27.7	15.2	40.9	5.2	28.5	2.2	0.1	0.9
CK4-1	291.0	1.0	29.2	15.2	43.3	3.9	27.4	2.6	0.1	0.6
CK4-1	298.2	0.8	33.0	23.8	48.5	1.7	26.0	0.0	0.0	0.7
CK3-1	97.8	0.8	33.3	19.3	50.5	1.4	23.0	3.3	0.1	0.0
CK3-1	111.6	0.7	41.8	17.7	56.7	0.7	16.9	2.2	0.1	0.0
CK3-1	115.2	2.4	37.9	28.9	59.3	0.3	6.9	2.8	0.0	0.0
CK3-1	119.0	6.7	42.3	49.8	58.1	0.8	20.0	4.1	0.1	0.4
CK3-1	134.0	10.6	52.7	49.4	64.7	0.5	3.7	4.0	0.1	0.0
CK3-1	150.3	36.3	46.7	42.7	62.8	0.2	8.9	0.2	0.1	0.0
CK3-1	187.6	14.3	39.2	33.6	58.1	1.4	12.6	2.0	0.1	0.1
CK3-1	222.9	39.2	40.4	34.0	57.6	1.5	13.7	0.8	0.1	0.1
CK4-2	4.4	7.4	39.3	18.3	58.0	0.1	6.0	0.4	0.0	0.0
CK4-2	25.4	3.0	29.3	16.6	54.1	0.4	20.6	1.3	0.0	0.0
CK4-2	32.2	2.0	35.7	8.3	62.2	0.8	5.0	11.7	0.1	0.0
CK4-2	36.0	1.0	40.0	18.3	62.5	0.6	7.5	7.7	0.0	0.0
CK4-2	43.4	14.0	44.5	20.5	60.8	1.2	7.4	5.2	0.1	0.1
CK19-1	11.6	2.0	38.7	21.3	60.8	1.0	11.2	1.6	0.1	0.0
CK19-1	79.6	1.1	47.3	23.7	57.2	1.1	15.2	1.4	0.1	0.0
CK19-1	85.7	4.2	46.1	39.7	63.0	0.3	3.3	0.3	0.0	0.0
CK19-1	95.5	1.5	32.3	15.5	56.7	1.6	14.4	2.3	0.1	0.0
CK19-1	111.4	1.0	38.3	30.9	57.9	1.3	14.2	1.0	0.1	0.1
CK19-1	113.1	3.5	34.3	28.5	56.1	1.6	15.2	2.3	0.2	0.0
CK3-4	5.4	1.3	41.6	16.4	61.0	0.4	11.5	3.7	0.0	0.0
CK3-4	8.2	14.5	42.0	16.9	62.4	0.3	11.5	1.8	0.0	0.0
CK3-4	37.7	43.0	39.7	26.2	59.0	0.9	11.7	5.0	0.1	0.0
CK3-4	82.1	10.7	35.1	21.7	52.5	2.4	19.3	3.9	0.1	0.0
CK3-4	95.2	24.0	38.1	33.6	59.4	1.2	10.0	4.8	0.1	0.1
CK3-4	121.3	1.0	42.7	39.0	58.6	2.5	12.2	0.1	0.1	0.2
CK3-4	126.6	1.1	32.4	25.4	48.7	3.5	22.3	2.8	0.1	0.2
CK3-4	130.7	6.8	34.9	28.5	55.6	2.6	15.3	3.9	0.1	0.2
CK3-4	138.7	55.0	35.8	30.3	54.0	1.8	16.6	3.4	0.2	0.2
CK3-4	201.6	7.1	26.9	17.7	43.6	4.3	26.9	3.1	0.1	0.3
CK3-4	212.7	1.1	26.7	16.4	42.6	3.2	29.4	1.4	0.2	0.5
CK3-4	219.2	105.6	36.9	32.1	55.3	1.2	16.6	1.1	0.1	0.1
	Average	646.1	39.2	30.4	56.4	1.1	13.4	1.9	0.1	0.1

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