

Appendix 5B

Mining exploration entity monthly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

FERROWEST LIMITED

ABN

14 074 009 091

Month ended ("current month")

31 January 2010

Consolidated statement of cash flows

Cash flows related to operating activities	Current month \$A	Year to date (7 months) \$A
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration and evaluation (b) development (c) production (d) administration	(11,197)	(329,342)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	534	2,192
1.5 Interest and other costs of finance paid	(2,897)	(8,163)
1.6 Income taxes paid		
1.7 Other		
Net Operating Cash Flows	(23,264)	(524,789)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a)prospects (b)equity investments (c) other fixed assets	-	-
1.9 Proceeds from sale of: (a)prospects (b)equity investments (c)other fixed assets	-	2,000
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other – Bonds	-	-
Net investing cash flows	-	2,000
1.13 Total operating and investing cash flows (carried forward)	(23,264)	(522,789)

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1.13	Total operating and investing cash flows (brought forward)	(23,264)	(522,789)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	399,160
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	10,000	20,000
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Capital raising costs	-	(23,220)
	Net financing cash flows	10,000	395,940
	Net increase (decrease) in cash held	(13,264)	(126,849)
1.20	Cash at beginning of month/year to date	28,891	142,476
1.21	Exchange rate adjustments to item 1.20		
		15,627	15,627
1.22	Cash at end of month		

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current month \$A
1.23	Aggregate amount of payments to the parties included in item 1.2	-
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Financing facilities available

Add notes as necessary for an understanding of the position.

		Amount available \$A	Amount used \$A
3.1	Loan facilities	-	-
3.2	Credit standby arrangements	-	-

+ See chapter 19 for defined terms.

Estimated cash outflows for next month

		\$A
4.1	Exploration and evaluation	8,000
4.2	Development	-
Total		-

Reconciliation of cash

Reconciliation of cash at the end of the month (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current month \$A	Previous month \$A
5.1 Cash on hand and at bank	15,627	28,891
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of month (item 1.22)	15,627	28,891

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of month	Interest at end of month
6.1	Interests in mining tenements relinquished, reduced or lapsed			
6.2	Interests in mining tenements acquired or increased			

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Issued and quoted securities at end of current month

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference securities <i>(description)</i>				
7.2 Changes during month				
7.3 +Ordinary securities	76,171,015	76,171,015		
7.4 Changes during month (a) Increases through issues				
7.5 +Convertible debt securities <i>(description)</i>	1,875,000 #	-	\$0.40 face value	\$0.40 face value
7.6 Changes during month (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options <i>(description and conversion factor)</i>	3,325,000 26,900,561 643,500 1,875,000 1,250,000 1,250,000 1,250,000	- 26,900,561 - - - - -	<i>Exercise price</i> \$0.20 \$0.25 Various \$0.60 \$0.47 \$0.57 \$0.67	<i>Expiry date</i> 1 January 2011 1 June 2010 Various 30 June 2010 31 January 2011 31 January 2011 31 January 2011
7.8 Issued during month				
7.9 Exercised during month				
7.10 Expired during month				
7.11 Debentures <i>(totals only)</i>				
7.12 Unsecured notes <i>(totals only)</i>				

The principle terms of the Notes are as follows:

Number:	1,875,000
Face value:	\$0.40 per Note
Term:	2 years from issue
Conversion price:	\$0.40 per share
Interest rate:	10%

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Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does ~~does not~~* (*delete one*) give a true and fair view of the matters disclosed.



Sign here: Date: 12 February 2010
(Director/Company secretary)

Print name: Brett Manning

Notes

- 1 The monthly report provides a basis for informing the market how the entity's activities have been financed for the past month and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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