



2019 Annual General Meeting

Chief Executive Officer's presentation
Larry Ingle
22 November 2019



Good morning Ladies and Gentlemen.

It is with pleasure that I present today at the Iron Road 2019 AGM

Notice

Forward Looking Statements

This announcement contains certain statements with respect to future matters which may constitute "forward-looking statements". Such statements are only predictions and are subject to inherent risks and uncertainties which could cause actual values, results, performance or outcomes to differ materially from those expressed, implied or projected. Investors are cautioned that such statements are not guarantees of future performance and accordingly not to put undue reliance on forward-looking statements due to the inherent uncertainty therein.

Competent Persons' Statements

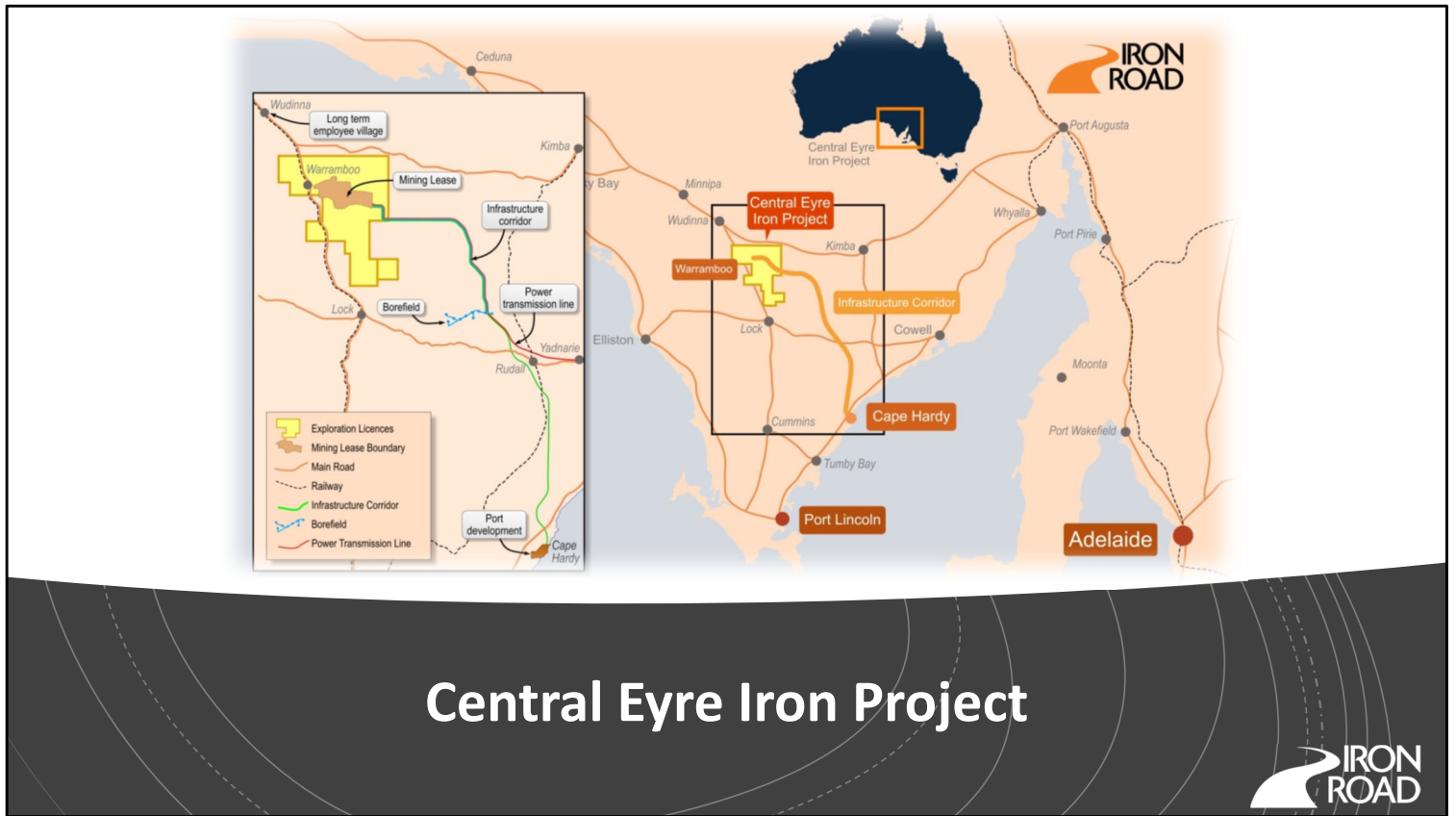
The information in this report that relates to the Inferred Mineral Resources (Oxide and Transitional) estimated for the Murphy South - Boo-Loo/Dolphin prospect is based on and fairly represents information and supporting documentation compiled by Mr Iain MacFarlane, who was a Fellow of the Australasian Institute of Mining and Metallurgy. Mr MacFarlane at the time of release was a full time employee of Coffey Mining Limited. There has been no material change and as such this resource is reported as it was released in 2011. Mr MacFarlane had sufficient experience relevant to the style of mineralisation and the type of deposits under consideration and to the activity which he was undertaking 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 MacFarlane has consented to the inclusion in reports of the matters based on his information in the form and context in which it appears.

The information in this report that relates to Resources estimated in 2013 for the Murphy South/Rob Roy (Fresh) prospect is based on and fairly represents information and supporting documentation compiled by Ms Heather Pearce, who is a member of the Australasian Institute of Mining and Metallurgy, and was a full-time employee of Iron Road Limited. This estimation was peer reviewed by Dr Isobel Clark, who is a member of the Australasian Institute of Mining and Metallurgy and who at the time of release was employed by Xstract Mining Consultants. Dr Clark has sufficient experience relevant to the style of mineralisation and the type of deposits under consideration and to the activity which she is undertaking 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". Dr Clark consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

The information in this report that relates to Mineral Resources (Fresh) estimated for the Boo-Loo/Dolphin prospect is based on and fairly represents information and supporting documentation compiled by Ms Heather Pearce, who is a member of the Australasian Institute of Mining and Metallurgy, and was a full-time employee of Iron Road Limited at the time of release. This estimation was peer reviewed by Mr Alex Virisheff, who is a member of the Australasian Institute of Mining and Metallurgy and employed by AMC Consultants. Mr Virisheff has sufficient experience relevant to the style of mineralisation and the type of deposits under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Virisheff consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

The Ore Reserves estimated for CEIP involving mine planning is based on and fairly represents information and supporting documentation compiled by Mr Bob McCarthy, a Member of the Association of Professional Engineers and Geoscientists of British Columbia (Canada) and a full time employee of SRK Consulting (North America). Mr McCarthy has sufficient experience relevant to the style of mineralisation and the type of deposits under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr McCarthy consents to the inclusion in the report of the matters based on his information in the form and context in which it appears. The Ore Reserves estimated for the CEIP involving aspects other than mine planning is based on and fairly represents information and supporting documentation compiled by Mr Larry Ingle, a Member of the Australian Institute of Mining and Metallurgy and a full time employee of Iron Road Limited. Mr Ingle has sufficient experience relevant to the style of mineralisation and the type of deposits under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Ingle consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.





Central Eyre Iron Project

I will be making much mention of the CEIP or Central Eyre Iron Project so it is prudent that we familiarise ourselves as to what exactly we are referring to...

The CEIP is located on the Eyre Peninsula (EP), South Australia.

Three major components are proposed -

- A large open pit, beneficiation plant, integrated waste landform and loadout facility located within the Mining Lease approx. 20km SE of Wudinna.
- A deep sea port and industrial port precinct of 1,100ha at Cape Hardy on the eastern side of the EP on the Spencer Gulf comprising various sized berths, ship loading infrastructure and other facilities.
- An infrastructure corridor that connects the two and comprises a haul road (or heavy gauge railway) and includes a borefield with services for power and water.

The haul road / railway and port are designed for third party use and it is intended that in the future Cape Hardy be connected to the national rail network at or near to Whyalla.

CEIP Development Strategy

Key focus 2019 -

- Necessity for a less capital intensive start-up approach
- Staging infrastructure and mining where practicable

Key focus 2020 -

- Source investment in the revised project
- Commence construction of critical project infrastructure



The key focus for 2019, as articulated at the 2018 AGM was that a new development strategy -

Necessitates a less capital intensive start-up approach and the staging of infrastructure and mining.

Following naturally on from this the focus for 2020, and being articulated today is value creation by -

Sourcing investment in the revised project and commencing construction of critical project infrastructure.

I will cover off on all of these during the presentation.

You may think you are looking at a cropped field of wheat and the seaside- you are also looking at a world class magnetite deposit and a deep sea port in the making.

Revised CEIP development

- Project capital requirement reduced from US\$4.0B to US\$1.7B
- Rescaled mining operation with iron concentrate production reduced from 24Mtpa to 12Mtpa
- 45% reduction in pre-strip requirement and 28% decrease in life of mine strip ratio
- Product haulage using dual-powered road trains
- Energy consumption reduced by 66%



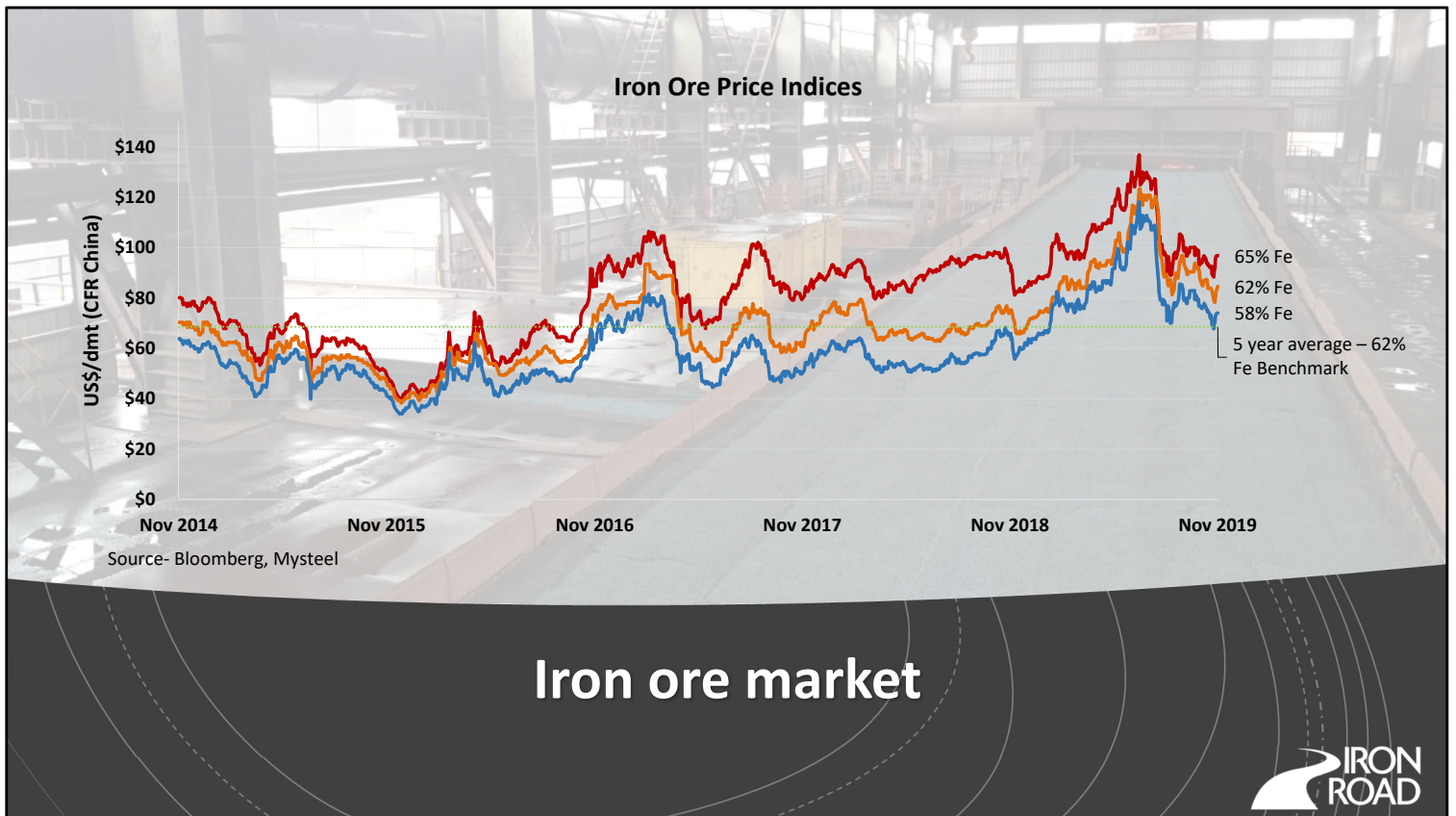
| IRR at Financial Close ¹ | | | | | |
|--|-------|-------|-------|-------|-------|
| High Grade 65% Iron Index Price (US\$/dmt) | | 80 | 90 | 100 | 110 |
| AUD/USD | 0.650 | 21.0% | 30.9% | 39.1% | 46.5% |
| | 0.717 | 14.1% | 25.0% | 33.5% | 40.8% |
| | 0.750 | 10.3% | 22.1% | 30.8% | 38.2% |

¹ geared, post-tax IRR at financial close, tax rate of 30%



Firstly the revised CEIP development -

- The revised CEIP physicals were released late Feb 2019 with the total capital hurdle reduced substantially from US\$4.0B to US\$1.7B.
- Rescaling of the mining operation was achieved by focussing on a single pit (Rob Roy) with a reduction in total production from 24Mt to 12Mt iron concentrate per annum.
- A 45% reduction in pre-strip requirement and 28% decrease in life of mine strip ratio was a key consideration and the reduction in the final tonnage contained by the IWL by 69% indicates this.
- The use of road haulage from the mine to the port, as opposed to rail also contributed to a reduction in the total CEIP capital cost.
- The project IRR reported at the time remains comfortably within the outcomes as per the table that indicates sensitivities around price and exchange rate.
- Energy consumption was reduced by 66%, largely due to the change from IPCC to truck and shovel in the pit.
- This allowed the Company to engage with new interested parties and to re-engage with those already familiar with the project. This is an ongoing process.



...and since we are dealing in iron concentrate, some comments on the seaborne iron ore trade...

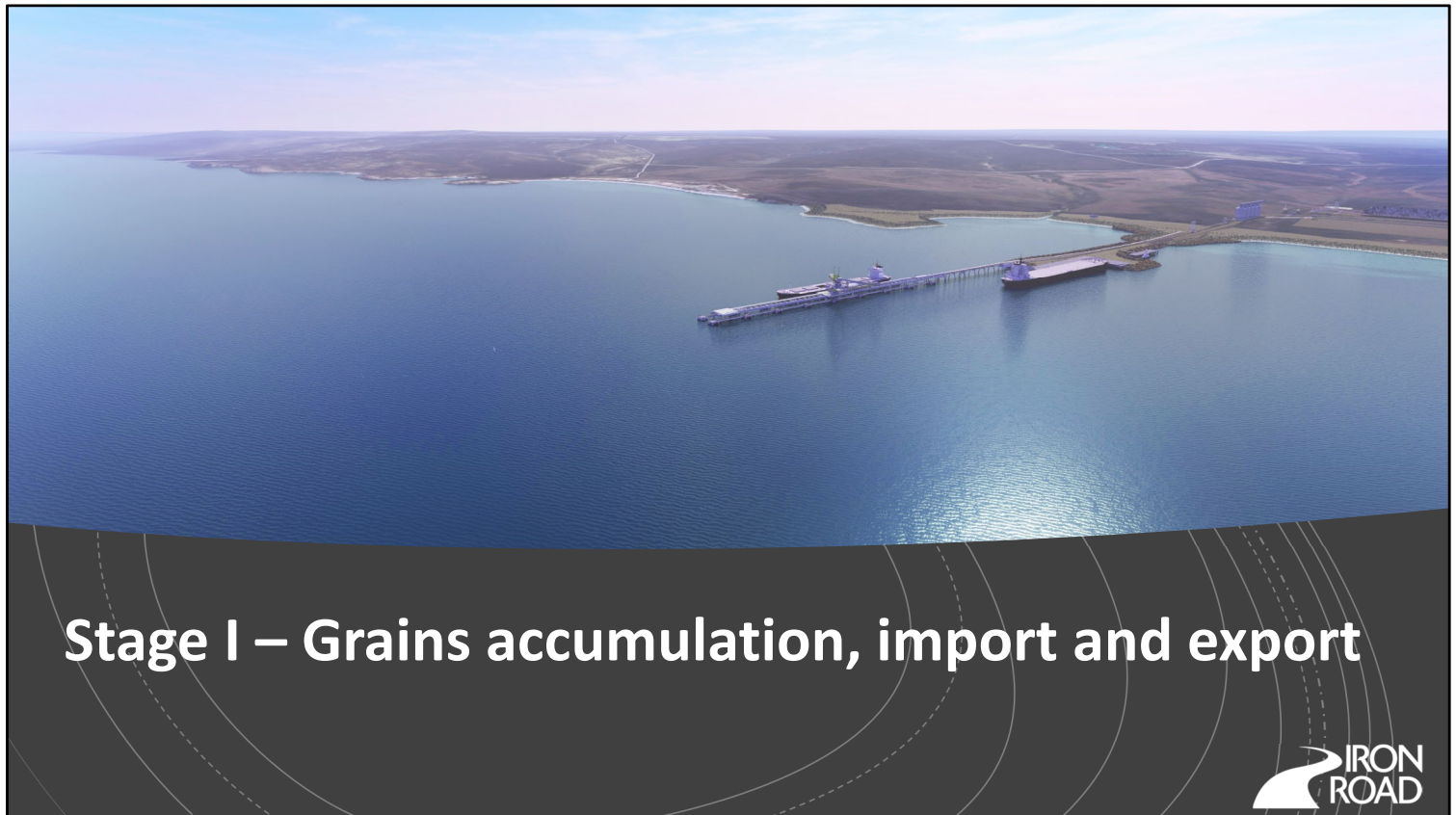
- Chinese year to date (Jan – Oct 2019) iron ore imports of 877Mt down just 1.6% YoY despite significant and protracted supply side cuts from Brazil following the January Brumadinho tailings dam tragedy. To a lesser extent, adverse early 2019 weather conditions in the Pilbara also impacted shipments.
- Chinese iron ore imports still well on track to again exceed 1050Mt this year and will likely be comparable to 2018 import number of 1065Mt.
- Global year to date crude steel production (Jan – Sep 2019) up 3.9% YoY according to the World Steel Association with China reportedly up 8.4% YoY, comprising a 53.8% share of global crude steel output.
- Chinese port stocks and overall inventory levels have declined and higher cost domestic production has been required to meet steel mill feedstock requirements => this key driver continues to support the seaborne trade and a robust pricing environment.
- Iron ore industry majors are maintaining 'value over volume' mantra / supply side discipline.
- Vale have acknowledged restoring output equivalent to 2018 levels will take several years.
- Sanctioned industry projects will primarily offset orebody depletion issues => modest, incremental growth remains the focus of industry majors and, in the case of Vale, safely and gradually restoring previous levels of production.
- High cost Chinese domestic supply remains the marginal producer which will continue to underpin pricing fundamentals.
- Price premiums for high quality products are beginning to now widen again after experiencing some compression during 2019. 65% Index is now trading at around a 15% premium to the benchmark price.



Deep sea port proposition



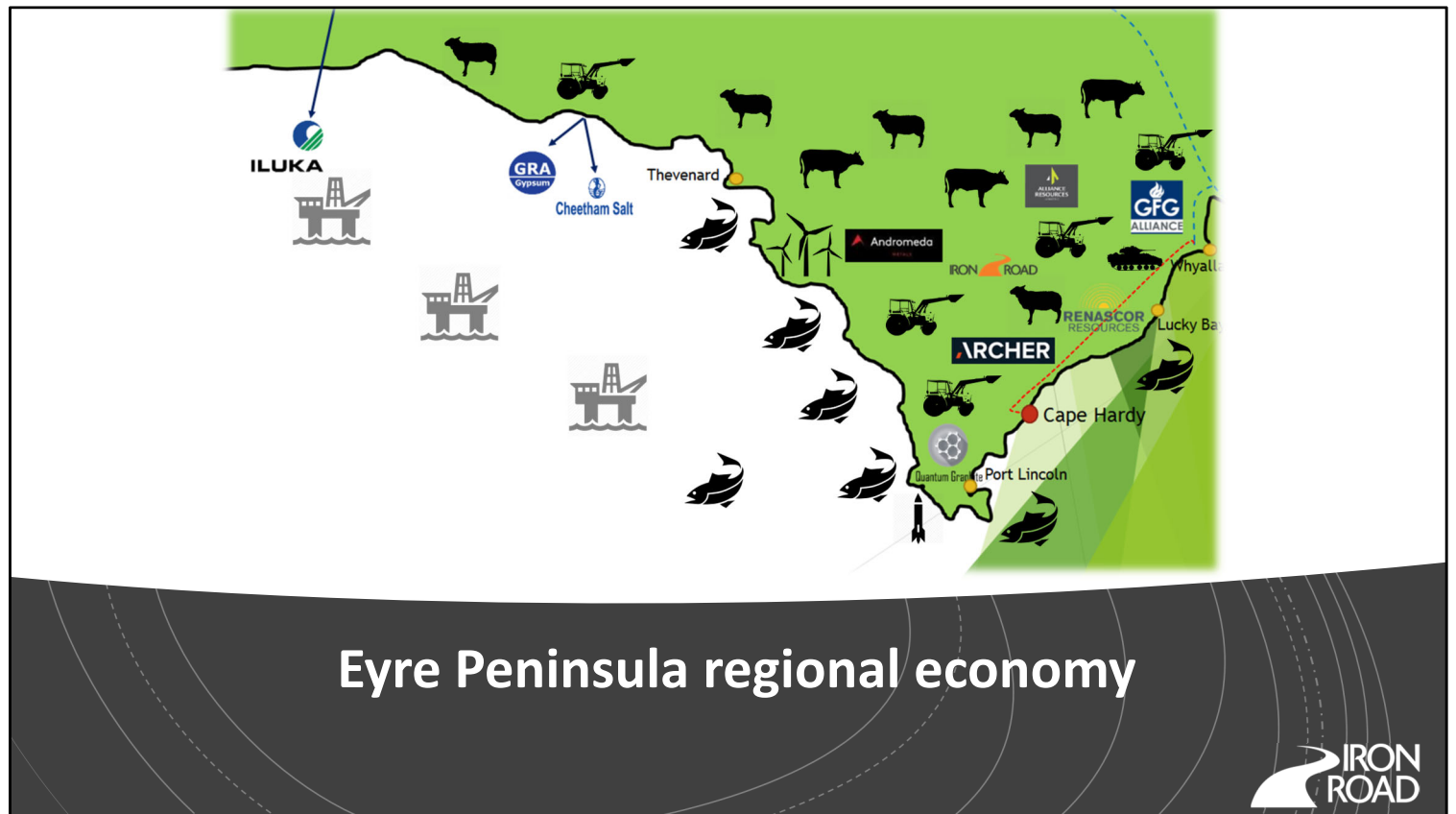
- There is an opportunity to commence construction of key project infrastructure by executing the staged port strategy. This involves a two-staged process with construction of the first stage commencing ahead of mining operations. This allows for transitioning to the CEIP 'proper' and requires a far more manageable capital hurdle.
- Deep sea ports, that can accommodate Cape-class ships, are rare and those ports that are naturally deep (ie. don't require dredging) are even rarer. There are no deep sea ports between Esperance, WA and Port Kembla, NSW and only nine across Australia.



Stage I – Grains accumulation, import and export



- Stage I has as its basis the export of grain, an existing traded commodity & well-established EP industry – the strategy often referred to as ‘Grain First’.
- Iron Road has worked with Eyre Peninsula Cooperative Bulk Handling (EPCBH) for some time to establish a grains export business with facilities at Cape Hardy.
- A stage I port will comprise one Panamax berth, dedicated grains storage and conveyor with ship loader and have the capability to import and export other goods that I will get to shortly. It is a true multi-user, multi-commodity port.
- Preliminary engineering work and a capital cost estimate undertaken in-house by Iron Road has been reviewed and verified by several experienced and independent port designers and constructors.
- The port enjoys Development Approval & the Company is in discussions with the relevant State government agency on staging the port’s construction.
- The Co-operative has recently provided estimated volume commitments by its members and both parties have sought expressions of interest from various grain traders; we are confident of attracting several parties allowing for a healthy level of competition.
- Iron Road has a registered Indigenous Land Use Agreement (ILUA) with the Barngarla, the traditional owners of the land, and has close relationships with farmers and various businesses including aboriginal businesses- the harmonious working together of miners, farmers and traditional owners is quite unique .



Eyre Peninsula regional economy

- Iron Road has received over 50 formal expressions of interest from various parties relating to Cape Hardy. The port, once fully developed, will be well placed for the import of low-volume, high value cargoes such as fertiliser, cement, feed for the aquaculture industry, agricultural machinery / components as well as the export of grain, hay, mineral concentrates (such as iron ore, copper, graphite, mineral sands, kaolin) and small quantities of various containerised cargoes.
- District Council Tumby Bay plans to link a new light industrial park with the port precinct & together with a majority of EP District Councils strongly supportive of the port.
- There are several other potential users with an estimated 600,000+ tonnes of minerals (non-iron ore) to be exported.
- Note that some proponents, such as those producing graphite and kaolinite, may be interested in further processing or value-adding within the Cape Hardy industrial precinct and we have already had enquiries to this effect.
- The EP desperately needs an efficient multi-commodity port and the multitude of port studies and proposals made over a number of years tends to strongly support this.

THE very low production costs of Black Sea grain are on the rise as its farmers invest in improved productivity, and Australia can expect no let-up in competitiveness from this formidable producer in key Australian markets.

AUSTRALIA will have to contend with rival wheat producers that can provide much the same product but at two thirds the cost.

...improved logistics through Black Sea ports are putting pressure on the volume of Australian wheat exports into Asia...

Black Sea wheat producers are a competitive threat to Australia that won't go away, says agribusiness banking specialist Rabobank.

Eyre Peninsula's crumbling rail risks 'disastrous' shift to roads

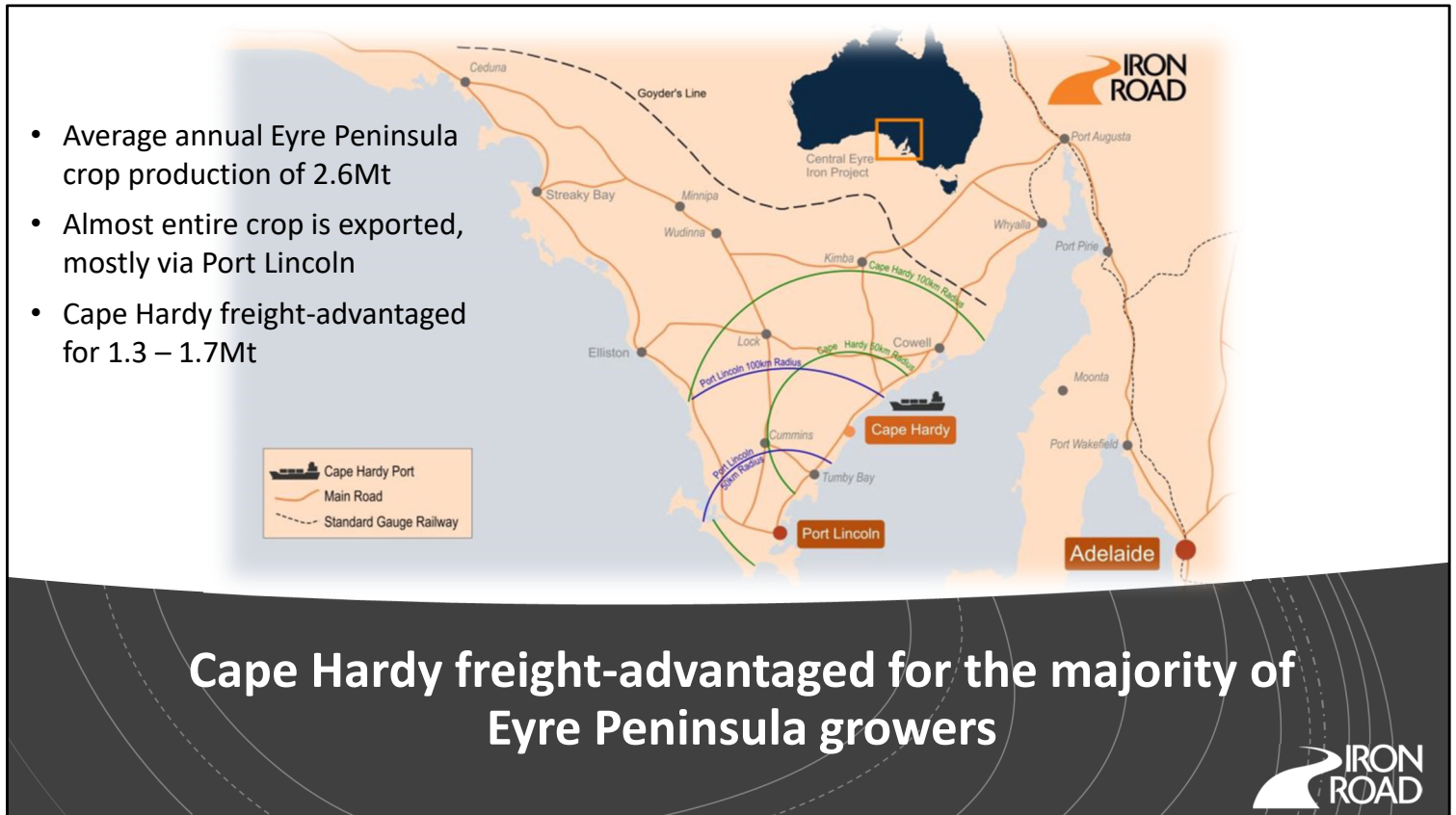
Current situation facing Eyre Peninsula grain



Now specifically to grain.

The current situation on the EP encompasses both global and local challenges-

- Global challenges for EP growers relate to increasing competitiveness of Black Sea grain (Russia and Ukraine) due to their very low production costs. The Black Sea enjoys a large export share with improving quality as well as rising production.
- Indonesia is the number-one importer of wheat in the world with dominance growing by Black Sea producers. Australian grain is being displaced due to diversion to domestic markets in the eastern states as a result of the current drought.
- Locally on the EP a lack of domestic market demand results in a comparative lack of grain buying competition, resulting in lower grain prices and therefore lower returns to EP growers in comparison to other areas of Australia. Grain infrastructure is also generally in poor condition and in need of significant investment.
- The closure of rail on the EP earlier this year is expected to result in 30,000 additional truck movements pa. through Port Lincoln (or as much as 60,000 during a bumper harvest). Trucking through Port Lincoln has been a contentious issue even prior to the rail closure.
- It is estimated that the first million tonnes of grain exported from Cape Hardy will remove 53,000 truck movements from Port Lincoln.



Cape Hardy has an optimal and strategic geographical location and-

- Is the only naturally protected deep water port site in the State
- Is not hampered by urban encroachment
- Is located within an established agriculture region and close to mining
- Enjoys strong community support
- The figure shows the 50km and 100km radii from the existing grain export port at Port Lincoln (situated at the bottom of the EP), in blue and Cape Hardy situated on the east coast of the EP and approximately 80km north of Port Lincoln, in green.

There are three key elements of relevance as highlighted on the slide

- Average annual production
- Export port and its locality
- Annual tonnage freight advantaged

Cape Hardy is freight advantaged for a majority of EP growers

EPCBH through studies funded by the Federal government has estimated that a grain export business at Cape Hardy will bring-

- Up to \$45M pa of direct benefits to growers
- Up to 428 direct and indirect supply-chain jobs plus 260 additional jobs associated with consumption growth in the local economy



Stage II – Bulk commodities export

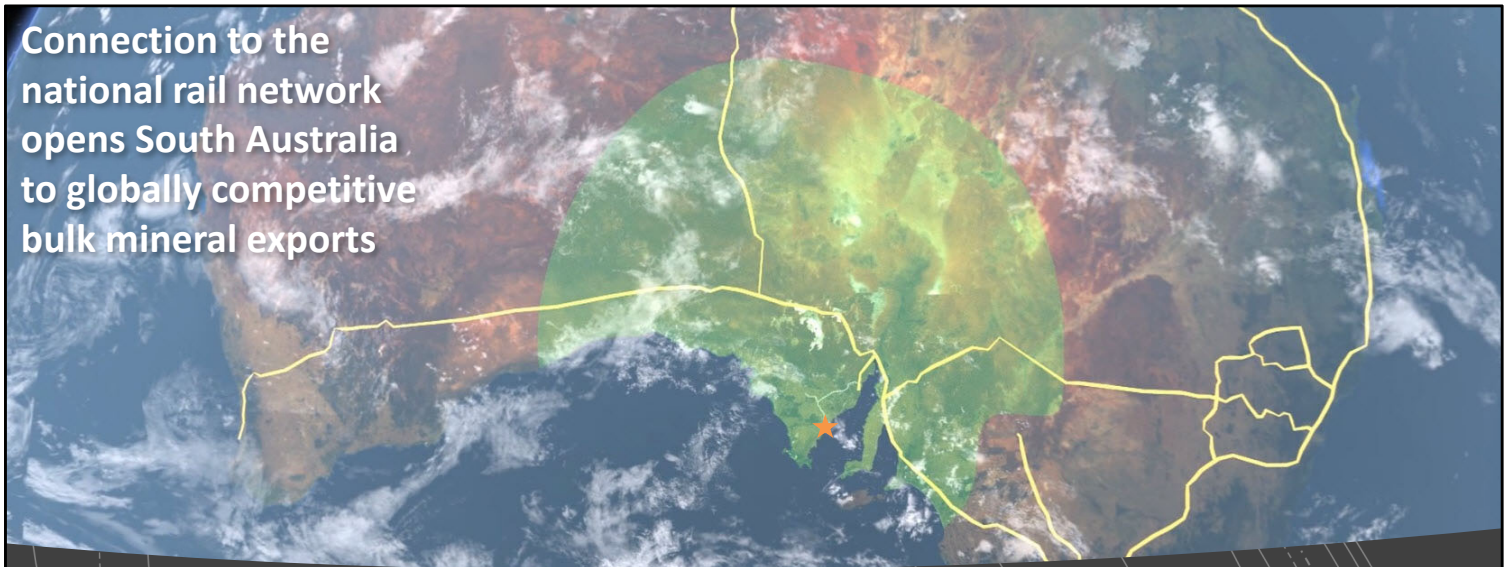


The infrastructure at Cape Hardy has been designed to handle the anticipated iron concentrate production of between 12-24Mtpa from the CEIP.

Stage II is to be developed once construction of the greater CEIP commences and envisage -

- Extension of the jetty structure to allow the addition of two Capesize berths, serviced by a single ship loader.
- Roll-on, roll-off capabilities allowing for the unloading of large modules and consumables, including shipping containers.
- Tug harbour.

Connection to the national rail network opens South Australia to globally competitive bulk mineral exports



Stage III – Connection to the national rail network



- Stage III envisages a rail connection from the port to join onto the national railway network in the vicinity of Whyalla.
- This will allow for the export of bulk commodities via Cape Hardy from further afield, including for those commodities facing restrictions at ports situated within urbanised areas.
- The infrastructure component of the CEIP enjoys priority project status with Infrastructure Australia and it is expected that construction of the rail link will be supported via Federal government funding.



Green manufacturing and energy export



- Iron Road has signed a Heads of Agreement and Project Development Accord with the Hydrogen Utility (H2U) that allows for the development of a large-scale green hydrogen production and export hub at Cape Hardy, extending over 200ha (the footprint for Port Kembla is 186Ha).
- H2U and others such as FMG and Woodside are actively engaging with the emerging hydrogen economies in North Asia, and have been inducted in the Green Ammonia Consortium, launched in Tokyo in July 2019.
- The EP is well placed to play a major role in green manufacturing due to its ample wind and solar resources. At a recent international hydrogen conference in South Korea, Denmark and South Australia (and particularly the EP) were identified as the two top jurisdictions for green manufacturing potential.
- Associated with hydrogen production is potable water production, ammonia production (for fertiliser and explosives) and power generation. A potential local customer for hydrogen could be the steelworks at Whyalla and other industries.
- In September 2019 the South Australian Premier released South Australia's Hydrogen Action Plan, including the commitment of over \$1 million towards a landmark study to identify optimal locations for renewable hydrogen production and export infrastructure.
- Due to the unique dimensions and requirements of the next generation of ammonia and hydrogen ships it is likely that any port chosen will need to have purpose built berths and be located well away from population centres.
- As a Greenfields port located on the Eyre Peninsula, Cape Hardy is perfectly placed to meet this requirement.

Conclusion

- Less capital intensive CEIP attracting interest from credible parties
- Cape Hardy Stage I port leveraging long term CEIP development plan
- Financing and construction of Cape Hardy Stage I anticipated during 2020



In conclusion -

- The less capital intensive CEIP remains an advanced long life development opportunity and is attracting much interest.
- Construction of the Stage I port will support the longer term CEIP development plan.
- The Stage I port development at Cape Hardy is being aggressively pursued with financial close and construction commencement anticipated during 2020.

At the 2018 AGM we said we would do a number of things and in 2019 we delivered on these, we intend to continue to do so.

Appendix

Table 1 – CEIP Ore Reserve Summary

| Resource Classification | Metric Tonnes (Mt) | Fe (%) | SiO ₂ (%) | Al ₂ O ₃ (%) |
|-------------------------|--------------------|--------|----------------------|------------------------------------|
| Proved | 2,131 | 15.55 | 53.78 | 12.85 |
| Probable | 1,550 | 14.40 | 53.58 | 12.64 |
| Total | 3,681 | 15.07 | 53.70 | 12.76 |

The Ore Reserves estimated for CEIP involving mine planning is based on and fairly represents information and supporting documentation compiled by Mr Bob McCarthy, a Member of the Association of Professional Engineers and Geoscientists of British Columbia (Canada) and a full time employee of SRK Consulting (North America). Mr McCarthy has sufficient experience relevant to the style of mineralisation and the type of deposits under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr McCarthy consents to the inclusion in the report of the matters based on his information in the form and context in which it appears. The Ore Reserves estimated for the CEIP involving aspects other than mine planning is based on and fairly represents information and supporting documentation compiled by Mr Larry Ingle, a Member of the Australian Institute of Mining and Metallurgy and a full time employee of Iron Road Limited. Mr Ingle has sufficient experience relevant to the style of mineralisation and the type of deposits under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Ingle consents to the inclusion in the report of the matters based on his information in the form and context in which it appears. This report includes results that have previously been released under JORC 2012 by the Company on 2 May 2016. The Company is not aware of any new information or data that materially affects the information included in this announcement and all material assumptions and technical parameters underpinning the Ore Reserve continue to apply and have not materially changed.

This report contains forecast financial information announced as "Revised CEIP Development Strategy" on 25 February 2019. The Company is not aware of any new information or data that materially affects the information included in this announcement and all material assumptions underpinning the forecast financial information derived from this production target continue to apply and have not materially changed.



Appendix

Table 2 – CEIP Global Mineral Resource

| Location | Classification | Tonnes (Mt) | Fe (%) | SiO ₂ (%) | Al ₂ O ₃ (%) | P (%) | LOI (%) |
|----------------------|----------------|-------------|--------|----------------------|------------------------------------|-------|---------|
| Murphy South/Rob Roy | Measured | 2,222 | 15.69 | 53.70 | 12.84 | 0.08 | 4.5 |
| | Indicated | 474 | 15.6 | 53.7 | 12.8 | 0.08 | 4.5 |
| | Inferred | 667 | 16 | 53 | 12 | 0.08 | 4.3 |
| Boo-Loo/Dolphin | Indicated | 796 | 16.0 | 53.3 | 12.2 | 0.07 | 0.6 |
| | Inferred | 351 | 17 | 53 | 12 | 0.09 | 0.7 |
| Total | | 4,510 | 16 | 53 | 13 | 0.08 | 3.5 |

The Murphy South/Rob Roy Mineral Resource estimate was carried out following the guidelines of the JORC Code (2004) by Iron Road Limited and peer reviewed by Xstract Mining Consultants. The Murphy South - Boo-Loo/Dolphin oxide and transition Resource estimate was carried out following the guidelines of the JORC Code (2004) by Coffey Mining Limited. The Boo-Loo/Dolphin fresh Mineral Resource estimate was carried out following the guidelines of the JORC Code (2012) by Iron Road Limited and peer reviewed by AMC Consultants. This report includes results that have previously been released under JORC 2004 and JORC 2012 by the Company on 30 June 2010, 28 May 2013 and 27 February 2015. The Company is not aware of any new information or data that materially affects the information included in this announcement and all material assumptions and technical parameters underpinning the Mineral Resource continue to apply and have not materially changed.

Table 3 – CEIP Indicative Concentrate Specification – 100 micron (p80)*

| Iron (Fe) | Silica (SiO ₂) | Alumina (Al ₂ O ₃) | Phosphorous (P) |
|-----------|----------------------------|---|-----------------|
| 66.7% | 3.36% | 1.90% | 0.009% |

* The concentrate specifications given here are based on current data from metallurgical test work, bulk samples and simulation modelling designed specifically to emulate the proposed beneficiation plant.

