12 January 2021

GREEN MANUFACTURING MASTER PLAN TO COMMENCE FOR CAPE HARDY PORT PRECINCT

Iron Road Ltd (Iron Road or Company, ASX: IRD) is pleased to advise that master planning for a green manufacturing precinct at Cape Hardy is due to commence and will integrate an iron ore 'green pellet' plant fuelled by renewable energy, using high grade iron concentrate from the Central Eyre Iron Project (CEIP). This follows an extension to the Company's 2019 Heads of Agreement and Project Development Accord with The Hydrogen Utility (H2U) that during November 2020, attracted Mitsubishi Heavy Industries, Ltd. a leading Japanese multinational engineering, technology and investment partner. Having secured this strategic cornerstone investor, H2U is now able to accelerate its development projects in South Australia, including detailed planning for a green manufacturing precinct at Iron Road's 1,100-hectare Cape Hardy port site.

Mitsubishi Heavy Industries, Ltd. (MHI) investment in H2U recognises South Australia as the leading economy, globally, in the integration of variable renewable energy into its electricity generation mix. By leveraging abundant renewable energy resources on the Eyre Peninsula to produce green hydrogen and green ammonia as part of the State's carbon-free energy solutions, these initiatives will help decarbonise mineral processing and agricultural industries in the region. An early mover business model also lays the foundation to export locally produced green hydrogen, green ammonia and processed mineral commodities such as green iron ore pellets to Japan and other destinations. Commencement of commercial production of green hydrogen and ammonia in South Australia is planned towards the end of 2022 (refer attached MHI Press Information).

H2U has identified, that within a broader master plan, a minimum 200-hectare footprint on the Cape Hardy site is required for the proposed green manufacturing precinct with commercial arrangements anticipated to be negotiated during 2H 2021 following evaluation of the master plan. The key elements according to H2U includes the planned development of up to 5GW electrolyser capacity, production facilities for green hydrogen, further analysis of the downstream green chemical manufacturing opportunities and the development of input renewable energy resources. South Australia's recent hydrogen export prospectus entitled *South Australia: A global force in hydrogen,* recognises the ideal location of Cape Hardy on the Eyre Peninsula, connecting renewable resources with an indicative distance to the port of 60 kilometres, and the potential for small-scale and large-scale green hydrogen export ranging from 60,000 - 250,000 tonnes per annum[1]. The potential to further leverage the region's rich endowment of renewable energy resources to drive wider economic growth opportunities for the State such as the 12Mtpa CEIP (66.7% Fe) highlights steadily increasing recognition of Iron Road's asset base from a growing number of joint development partners.

[1] *ASX announcement "Cape Hardy Poised for Major Role in South Australia's Hydrogen Future" on 30 October 2020.*

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Authorised for release by the board of Iron Road Ltd

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About The Hydrogen Utility™ - H2U

H2U is the leading developer of green hydrogen infrastructure projects in Australia.

H2U focuses its infrastructure development initiatives on the opportunity to value-add renewable energy, and integrating it in the production of green hydrogen, for use as a fuel for energy, mobility, and industrial applications, including as the building block for the manufacturing of green chemicals, primarily ammonia, and as a feedstock in the manufacturing of green metals, primarily green steel.

The H2U business model is based on a build-own-operate approach combining the lean and agile developer model with the long-term focus of an infrastructure operator. H2U has established a portfolio of strategically located development sites across Australia and New Zealand designed to provide a significant footprint of industrial-scale green hydrogen production facilities and deliver cost-effective green hydrogen products and solutions to support and accelerate deep decarbonisation in the industrial, chemicals, energy, and mobility markets.

H2U is based in Australia with a vision to operate throughout the Asia-Pacific.

PRESS INFORMATION

MHI to Invest in Green Hydrogen & Green Ammonia in South Australia -- To Deliver Project Engineering, Hydrogen Gas Turbines and Compressors to Decarbonize Local Industries, Targeting Green Hydrogen and Ammonia Exports to Japan and Other Countries Going Forward --

2020-11-26

Tokyo, November 26, 2020 - Mitsubishi Heavy Industries, Ltd. (MHI) has agreed to make a capital investment in H2U Investments, the holding entity of the H2U Group. The H2U Group includes The Hydrogen Utility (H2U), the leading Australian developer of green hydrogen and green ammonia projects using power derived from renewable energy sources. The agreement also includes MHI's support for H2U's projects and business development initiatives, including supporting the Front-End Engineering and Design (FEED) study for H2U's Eyre Peninsula Gateway™ project in South Australia.

South Australia has a rich endowment of wind and solar resources, and is now the leading economy, globally, in the integration of variable renewable energy into its electricity generation mix. By leveraging abundant renewable energy resources in the region to produce green hydrogen and green ammonia as part of the State's carbon-free energy solutions, the initiatives will help decarbonize mineral processing and agricultural industries in the region, and lay the foundation to export locally produced green hydrogen and green ammonia to Japan and other destinations to help drive industrial decarbonization on a global scale.

The first project of the initiatives, Eyre Peninsula Gateway™ in southwest South Australia is planned to commence commercial production of green hydrogen and ammonia towards the end of 2022. Green hydrogen produced by water electrolysis using power derived from renewable energy sources such as wind and solar, will be used in the manufacture of green ammonia, and to demonstrate hydrogen-powered gas turbine generators.

MHI will participate in the project by contributing engineering resources to the FEED study phase, and also by providing key plant equipment, including hydrogen gas turbines and hydrogen compressors. As part of the project, MHI and H2U will investigate synergies with nearby industrial operations, including shared infrastructure for the further reduction of total CO_2 emissions in the region.

In the wake of the 2015 Paris Agreement, initiatives are underway worldwide to achieve decarbonization, with a target of net zero greenhouse gas emissions. Against this backdrop, two types of next-generation clean energy are now coming sharply into focus: green hydrogen and green ammonia. Both produce no carbon emissions either in the production or combustion stages.

MHI is an active participant in Australia's green energy transition as the Australian Government, the Government of South Australia and other State Governments are actively promoting the development and operation of renewable energy projects.

In October 2018 MHI signed a memorandum of understanding (MOU) with the Government of New South Wales to propose a range of

solutions for energy management and other technologies in conjunction with a comprehensive development plan for the Western Sydney region. Now, by investing in H2U Investments, and supporting a world-leading green hydrogen and green ammonia project in South Australia, MHI will make a further contribution to Australia's industrial development utilizing carbon-free energy.

MHI Group is delivering solutions to achieve a carbon neutral world, one of the most important challenges facing all of us, by creating and marketing new business models that leverage its deep experience and leading technologies across the entire hydrogen supply chain – including hydrogen production and hydrogen-fueled power generation.

MOVE THE WORLD FORWARD MITSUBISHI HEAVY INDUSTRIES GROUP