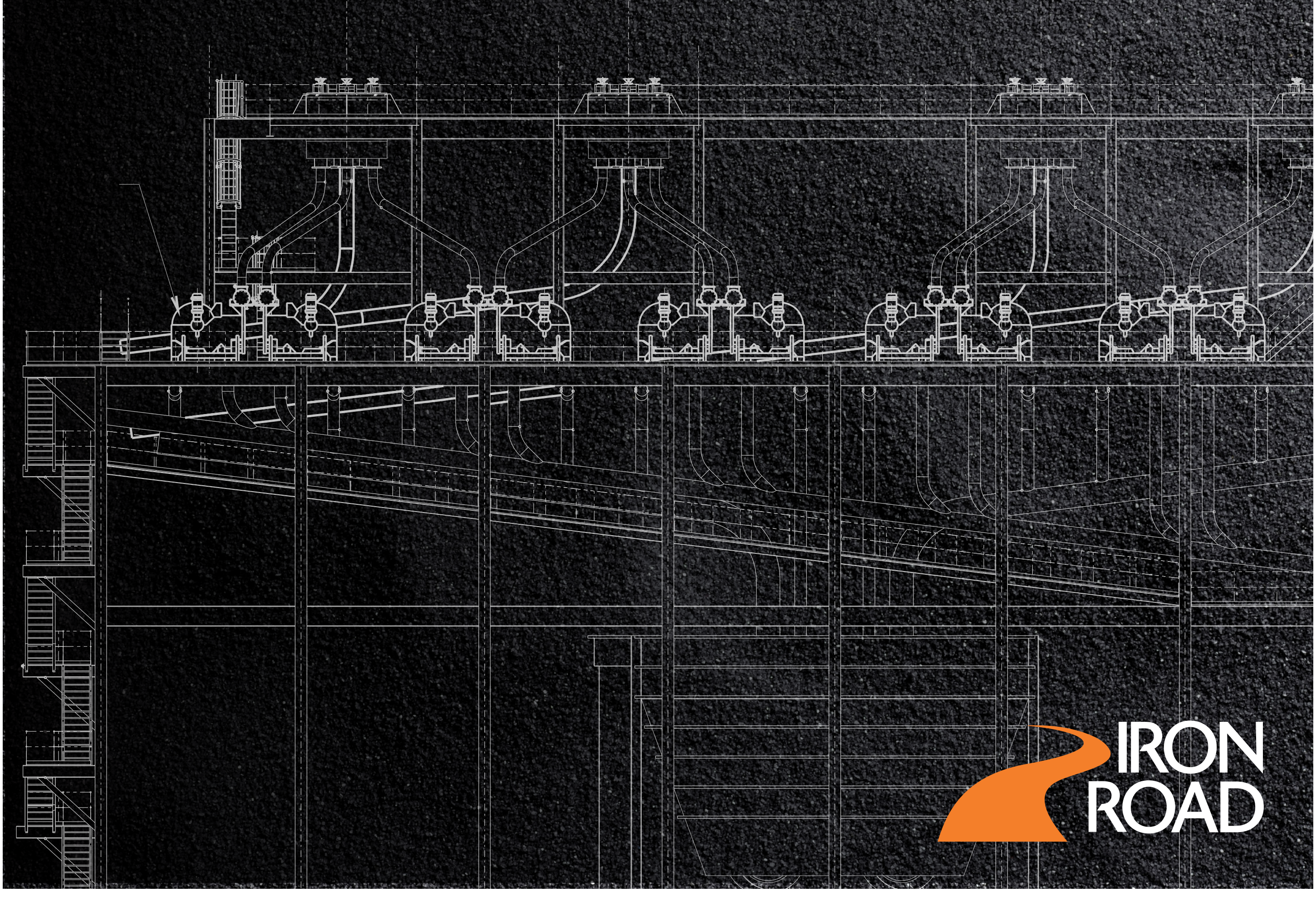
2021 ANNUAL REPORT

FOR THE YEAR ENDED
30 JUNE 2021

ABN 51 128 698 108



IRON ROAD

CORPORATE DIRECTORY

Directors

Peter Cassidy
Chairman

Jerry Ellis AO
Non-Executive Director

Ian Hume
Non-Executive Director

Glen Chipman
Executive Director

Chief Executive Officer
Larry Ingle

Company Secretary
Jaroslaw (Jarek) Kopias

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Corporate Governance Statement
www.ironroadlimited.com.au/index.php/about-us/corporate-governance

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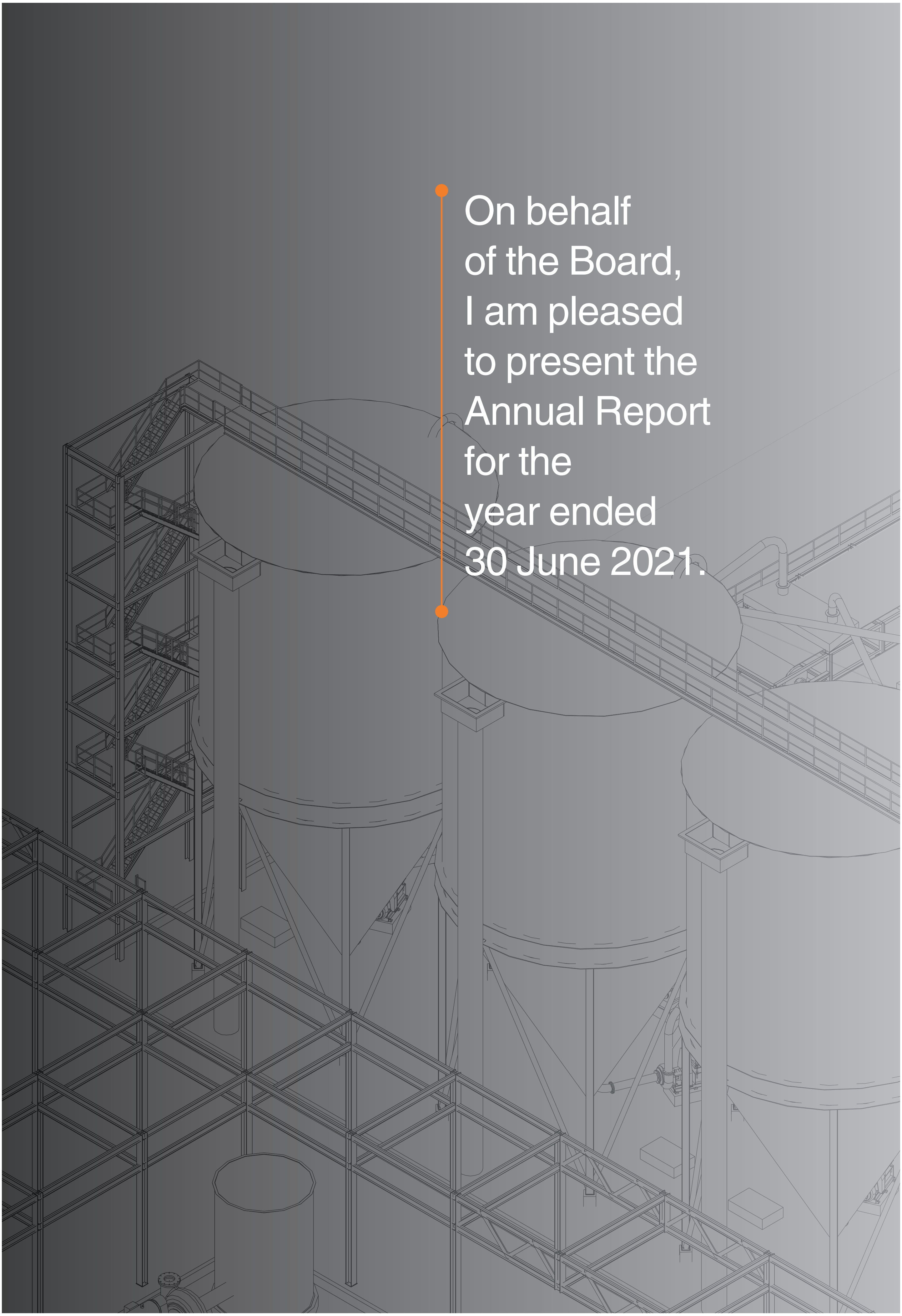


On behalf of the Board, I am pleased to present the Annual Report for the year ended 30 June 2021.

MESSAGE FROM THE CHAIRMAN

Dear Shareholder

On behalf of the Board, I am pleased to present the Annual Report for the year ended 30 June 2021.

A more positive year for your company was characterised by renewed strategic interest in our Central Eyre Iron Project (CEIP) aided by an iron ore pricing environment that continued to outperform consensus expectations through FY21. Potential steel mill customers recognise the advanced status of the CEIP in a favourable, low-risk jurisdiction as well as the demonstrated positive attributes of our high-quality iron concentrate product. Suitable equity investment terms and associated commercial arrangements remain a work in progress. By their nature, industry developments that present growth opportunities of State and National significance typically have a long gestation period transitioning from a well-defined evaluation phase through to partnership milestones, equity and debt financing and ultimately, construction activity. However, your Company remains committed in further advancing the CEIP asset, and in parallel, developing additional business opportunities afforded by its asset base that can realise strong value for all shareholders.

Despite three consecutive years of progressively higher iron ore pricing to end FY21, the industry supply-side outlook remains noticeably subdued which is a further positive signal for the development prospects of your Company's assets. The lack of a material supply-side response contrasts sharply with the aggressive expansion witnessed in the last equivalent iron ore bull market in 2010-12 when the seaborne market was of considerably lesser size. In an industry noted for its high barriers to entry, we believe the advancement and ultimate financing success of new project proponents will be driven primarily by end user appetite looking to secure long-term future supply of increasingly sought high-quality feedstock.

Our Cape Hardy Stage I port development partners, Eyre Peninsula Cooperative Bulk Handling (EPCBH) and Macquarie Capital worked diligently with us on the grain led export opportunity following the signing of a Joint Development Agreement in late September 2020. Strong underlying grower and wider stakeholder support has again been confirmed for a multi-commodity, multi-user port at Cape Hardy that will assist in driving diverse regional growth opportunities for the Eyre Peninsula. It was also particularly pleasing for Infrastructure Australia to reclassify Cape Hardy in its Infrastructure Priority List in February 2021. Infrastructure Australia noted the Federal Government's $25 million commitment towards developing and constructing the Cape Hardy port that will ultimately bring together agriculture, mining, renewable hydrogen, green manufacturing and indigenous business into a multi-user, multi-commodity manufacturing and export hub in South Australia.

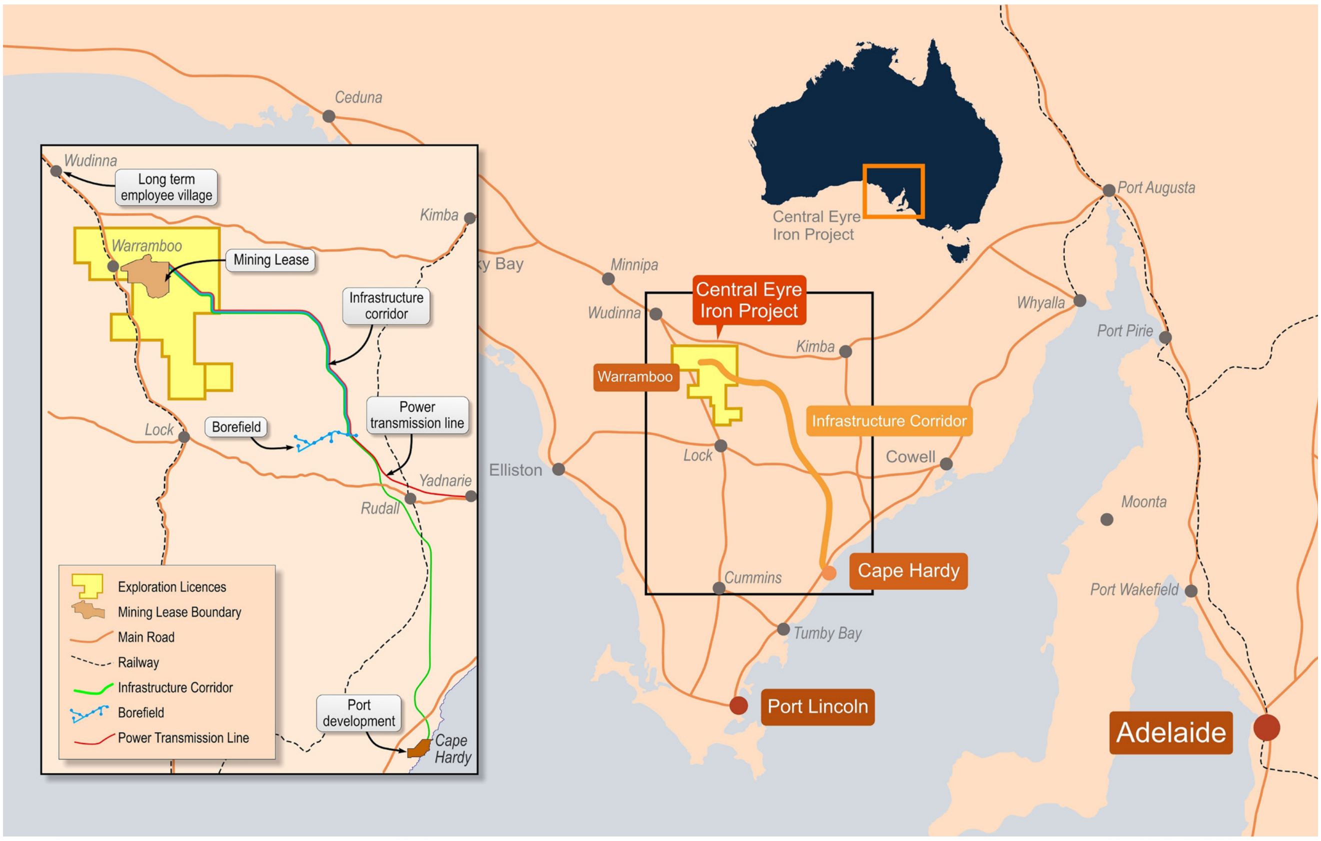
After several particularly tough years for Iron Road, we are encouraged by the progress made through FY21 and remain wholly focused on our overall business development and value enhancement trajectory. I thank you, my fellow shareholders for your continued support.

Peter Cassidy

Chairman

OPERATIONS REPORT

Central Eyre Iron Project (CEIP, IRD 100%)



Location of the CEIP, showing the mine, infrastructure corridor and port

The CEIP is situated on the Eyre Peninsula, South Australia. The proposed mine at Warramboo is located approximately 30 kilometres southeast of the regional centre of Wudinna and the proposed port, seven kilometres south of Port Neill at Cape Hardy. The mine and port are planned to be linked by an infrastructure corridor with road haulage the preferred method for iron concentrate transport. The corridor includes a power line and water pipeline over part of its length.

The beneficiation plant located at the mine will produce a high quality, low impurity iron concentrate that will serve as a clean, superior blending product for steel mill customers. Production of 12Mtpa of 67% iron concentrate is projected over an initial mine life of 22 years. The lower capital, 12Mtpa production strategy demonstrates the potential for highly competitive operating margins (See ASX announcement Revised CEIP Development Strategy dated 25 February 2019). Hosting Australia's largest magnetite Ore Reserve with a Definitive Feasibility Study (DFS) and post-DFS optimisation studies complete, the CEIP will be an intergenerational asset producing consistent premium quality, high-grade iron concentrate over many decades.

Principal CEIP engagement and associated investment opportunities gained momentum during the year with potential steel mill customers that recognise the advanced status of the CEIP and demonstrated positive attributes of the iron concentrate product. Early in CY2021 discussions and due diligence commenced with a large and expanding Asian steel producer and industrial manufacturing group. This entity's primary interest is the proposed mining operation and the production and offtake of premium iron concentrate. A continuous downhole 88-metre diamond core sample, drilled through part of the Rob Roy orebody, was provided to Australian representatives of the group to perform test work as part of a broader due diligence process. In addition to providing access to the CEIP data room, various meetings and a site visit to the proposed mine and infrastructure corridor occurred during May 2021. Due diligence and potential partnership discussions continue with this party and others with no commercial agreements having been executed to date.

OPERATIONS REPORT

CEIP – key metrics and economics

Preferred Lower Capital, Lower Risk 12Mtpa CEIP Delivery Model

Operating Parameters	
Concentrate production (dry)	12Mtpa
Concentrate grade	66.7% Fe
Life of Mine	22 years
Life of Mine concentrate (dry)	250Mt
Strip ratio	0.97:1
Mean power demand	167MW

Financial Metrics	
Capital Cost	US$1.74 billion
Capital intensity	US$134/wmt
FOB operating cost	US$44.50/wmt[1]

[1] ex state royalty and sustaining capex

IRR and NPV10 Sensitivity at Financial Close[2]

High Grade 65% Iron Index Price (US$/dmt)		90	100	110	120
AUD/USD	0.717	25.0% / US$949M	33.5% / US$1.68B	40.8% / US$2.41B	47.5% / US$3.13B
	0.750	22.1% / US$761M	30.8% / US$1.49B	38.2% / US$2.22B	44.8% / US$2.95B
	0.800	17.7% / US$473M	26.8% / US$1.21B	34.3% / US$1.94B	41.0% / US$2.66B

[2] geared, post-tax IRR and NPV_{10} at financial close, tax rate of 30%
Refer to ASX announcement "Revised CEIP Development Strategy Reduces Project Capex Requirements by 56%" on 25 February 2019

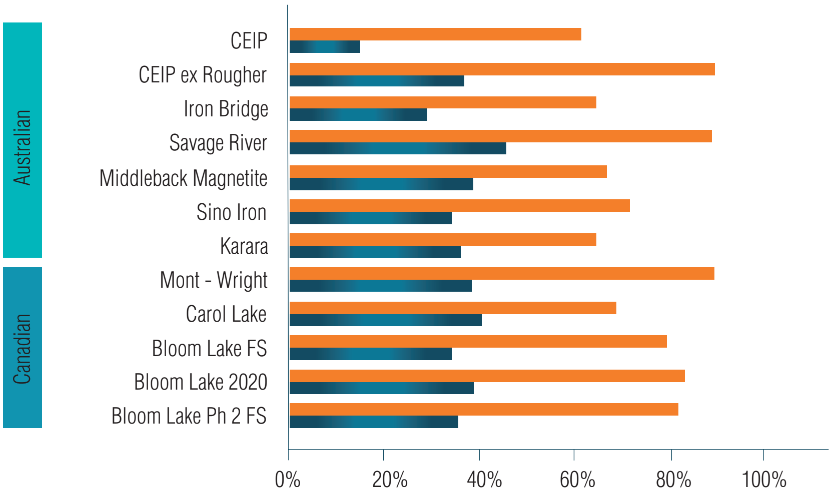
Macquarie Capital secured certain co-development rights, consultation rights and formal rights of first refusal with Iron Road as part of the Cape Hardy Stage 1 agreement, with respect to the future development of the Cape Hardy port precinct, including an integrated port development involving the CEIP and green hydrogen potential.

Metalytics, a highly regarded specialist consulting firm to the iron ore and steel industries, completed an independent technical review of the CEIP validating the ore processing flow sheet and benchmarked projected iron and mass recoveries with comparable Australian and Canadian high-grade iron ore concentrate projects. They also assessed key characteristics of CEIP concentrate in the context of high-grade iron ore products in international trade. The report has been made available on a confidential basis to potential CEIP partners.

A key finding of the Metalytics report is that the coarse grain size and moderate hardness of the CEIP ore make it possible to reject 60% of the run-of-mine (ROM) mass early in the processing stage at the Rougher Magnetic Separation (RMS) step. Consequently, only the remaining 40% mass flow is subject to further beneficiation. This 40% stream is estimated to have an average iron grade of around 27.5% Fe, which is well within the usual range for magnetite mining operations. The resultant material is then beneficiated to the finished concentrate product (66.63% Fe per Metalytics analysis and modelling) at a mass recovery of 37% and an iron recovery of 90%. Further, because of the coarse-grained nature of the CEIP ore, its processing from that point is simpler, less energy-intensive and therefore potentially has lower operating cost than comparative projects from their respective ROM ore stages. Front end processing rejection of 60% material also has important and advantageous implications for unit capital intensity since this ore pre-concentration step substantially reduces the capacity that would otherwise be required for downstream processing.

OPERATIONS REPORT

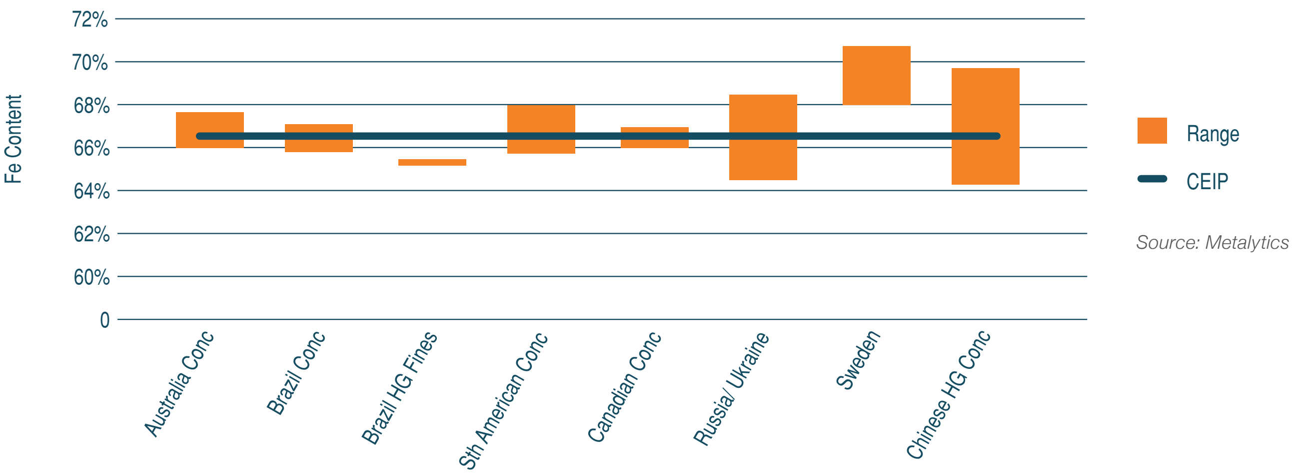
Comparable Australian and Canadian high-grade iron ore concentrate projects



Source: Metalytics analysis; indicative only, may not reflect current results, some data estimated

The iron content of CEIP concentrate is highly competitive against other concentrates available in the seaborne market and is well-placed relative to Chinese domestic concentrates. It sits higher than Brazilian high-grade sinter fines (principally Carajas Fines), which is the volume supply and trade benchmark in this market segment. As the figure below shows, high-grade Swedish concentrates stand out but play little role in Asian markets. It is Metalytics view that CEIP concentrate can play the same role as existing high-grade products in both sinter and pellet feed blends by enriching the iron grade and contributing to energy and emission reductions.

CEIP concentrate also fits the expected band of silica content for high-grade fines and concentrates and is significantly better than some higher-silica concentrates and fines, particularly Chinese domestic concentrates. As the silica level is also lower than mainstream Australian and Brazilian medium-grade fines, CEIP product can contribute to controlling silica content in ore feed blends.



Source: Metalytics

In Metalytics view, CEIP magnetite concentrate can deliver benefits generally provided by high-grade iron ore products in steel making – ie. reduced energy usage, emissions and slag generation and increased blast furnace productivity. Moreover, the exothermic oxidation of magnetite can reduce the heat energy required for pelletisation by 60% relative to hematite ores. These thematics align with tightening environmental regulations and policies that are being applied in China's steel sector, which include increased use of pellets.

Metalytics has decades of experience consulting to resource companies (including iron ore majors), steel producers, the financial sector and public sector entities. For more detail the reader is referred to IRD ASX Releases: 19 May 2021 Independent Technical Review Verifies Processing Flow Sheet and 9 June 2021 CEIP Key Processing Metrics and Benchmarked Analysis.

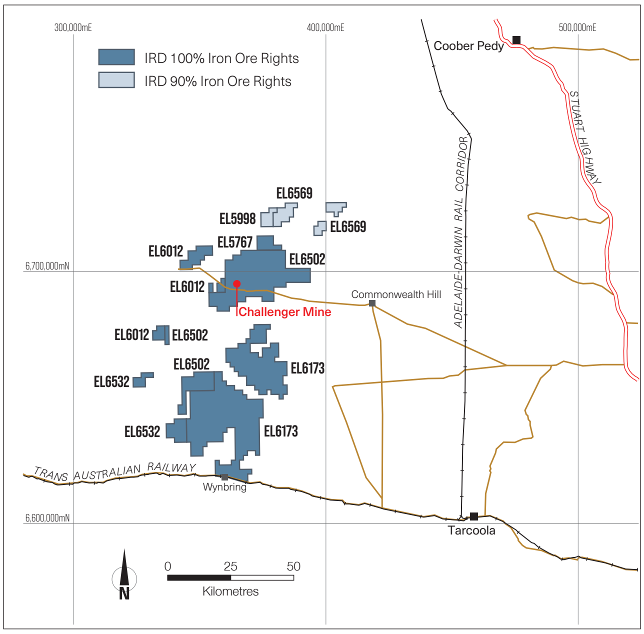
OPERATIONS REPORT

Gawler Iron Project (GIP, IRD 90-100% iron ore rights)

The Gawler Iron Project (GIP) is located approximately 25km north of the standard gauge Trans-Australian Railway that connects to the Central Australia Railway at Tarcoola. The GIP hosts mineralisation anticipated to support a small to medium scale hematite / magnetite iron ore mining operation with the potential to produce a quality iron ore using a simple beneficiation process.

The Company has received renewed interest in the GIP and is progressing potential asset partnership discussions now that due diligence has been completed. The GIP comprises several magnetite occurrences outcropping at surface, one of which is proven to encompass a significant oxidised (hematite) cap. This prospect and another have been systematically RC / diamond drilled (105 drillholes in total) and undergone mineralogical analysis and metallurgical test work.

Drilling at NW Fingerpost Hill, 2010



Location of Gawler tenements

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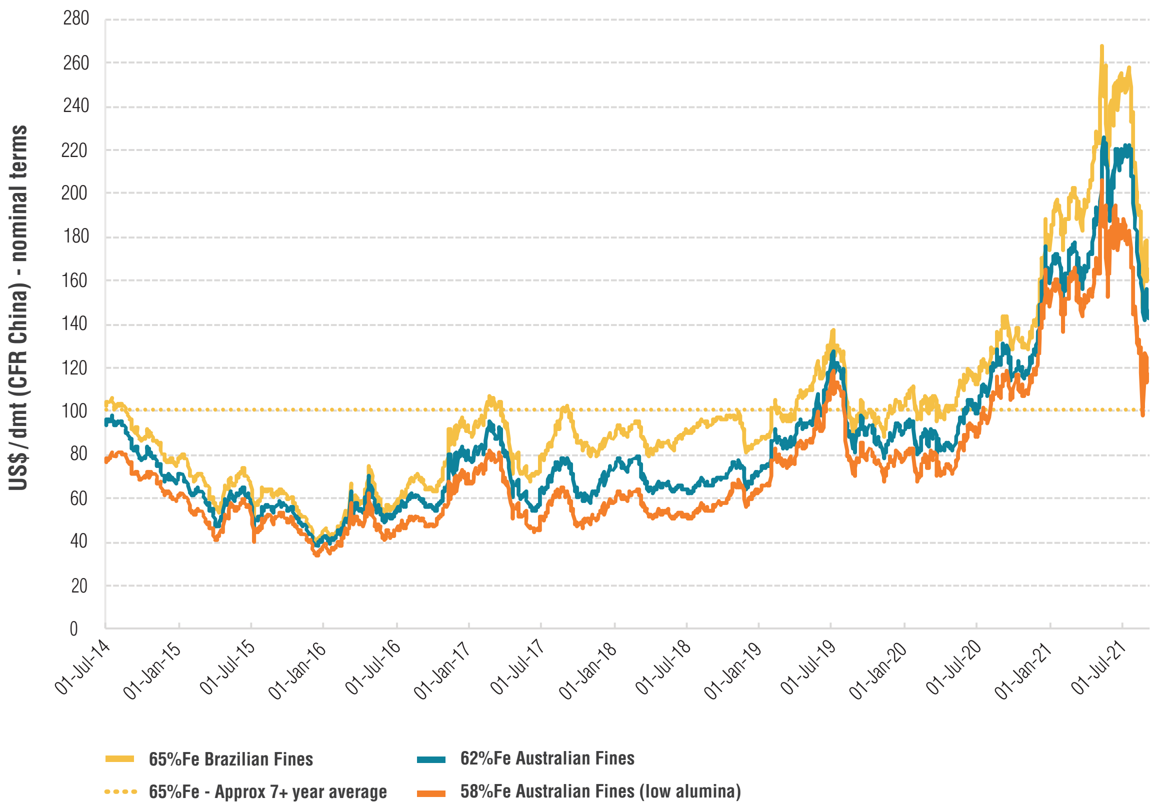
Iron Ore Market

Iron Ore Price Indices – 7+ year trend (1 July 2014 - 3 September 2021)



Source: Bloomberg, Mysteel

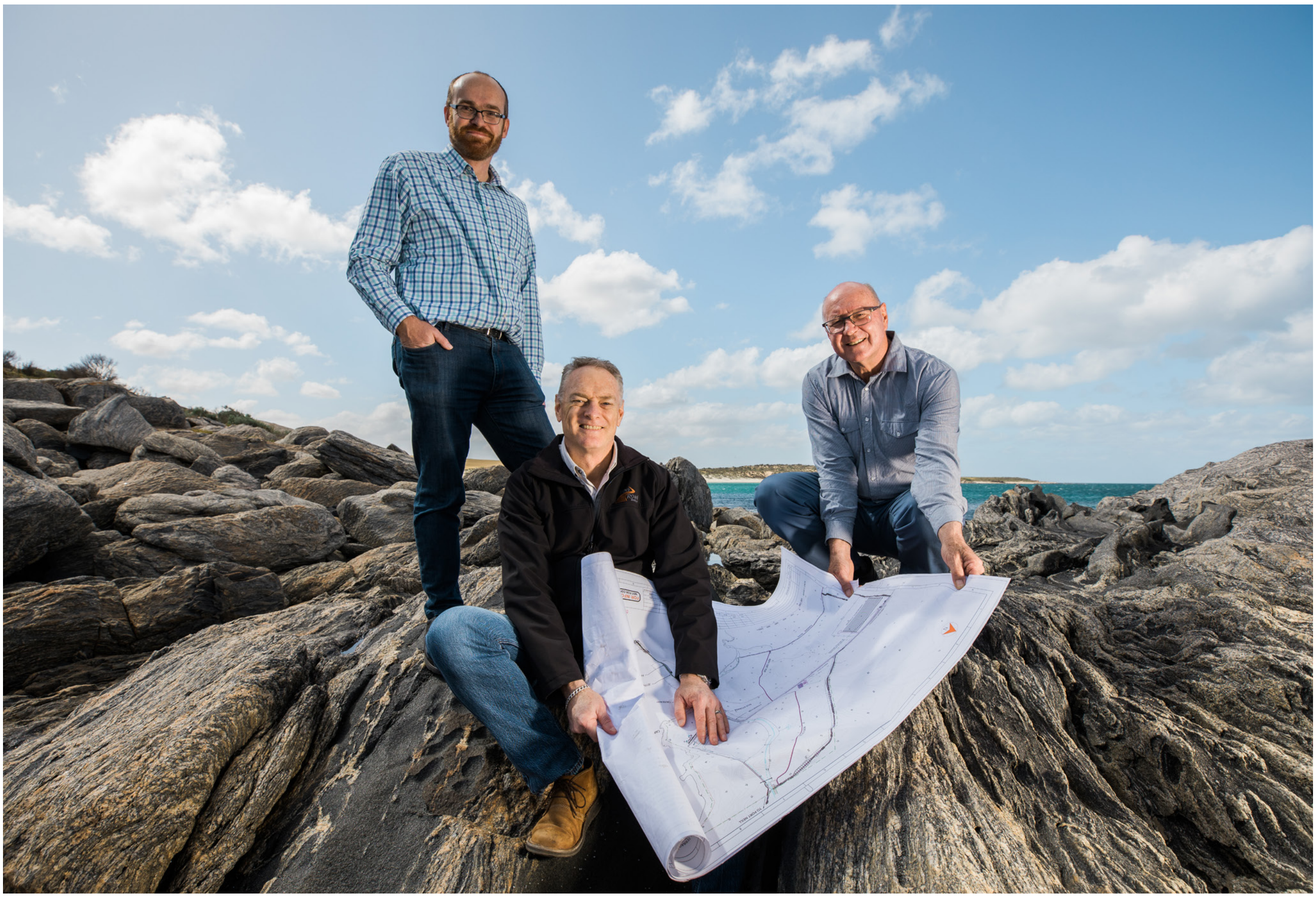
Recurring themes continued to dominate the iron ore market during FY21. Ongoing constrained iron ore supply, combined with very strong Chinese economic activity and a recovery in demand from ex-China markets lifted benchmark 62% Fe prices well above US$200/dmt, peaking at record levels in both nominal and real terms. In Q2 CY2021, 62% Fe Fines averaged US$200/mt with the high-grade 65% Fe index averaging US$233/dmt. Tightening environmental measures on industry in China remains the primary driver for favourable pricing dynamics associated with high-grade steel mill feedstock as evidenced by record pricing spreads between the indices.

China's crude steel production in H1 CY2021 increased 11% YoY and although significant output restrictions are anticipated to be enforced during the latter half of 2021, it appears likely that China will mark another record high for crude steel production approaching 1.1 billion tonnes. High raw material prices have squeezed Chinese steel mill margins, but these pressures are expected to ease considerably in H2 CY2021 as steel output and associated demand is tempered. Ex-China, steel sector operating conditions continue to improve with all major markets recovering to pre-pandemic levels. Downstream demand remains strong despite difficult supply chain conditions creating long lead times. In the absence of a resurgence of adverse COVID-19 societal impact, the global steel demand outlook remains positive.

Despite three consecutive years of progressively higher iron ore pricing, the supply-side outlook remains noticeably subdued which is a further positive signal for the development prospects of industry competitive and well advanced iron ore projects. Aside from an expected continuation of Vale's steady and safe pathway to previously targeted output levels, there is yet to be a material wider supply response to the high price environment through FY21. This contrasts sharply with the aggressive supply side expansion witnessed in the last equivalent bull market in 2010-12 when the seaborne market was of considerably lesser size. In an industry noted for its high barriers to entry, the advancement and ultimate financing success of new project proponents will primarily be driven by end user appetite looking to secure future supply of increasingly sought high-quality feedstock.

OPERATIONS REPORT

Cape Hardy Stage I port



Andrew Newman, Division Director, Macquarie Capital, Larry Ingle, CEO, Iron Road and Tim Scholz, CEO, Eyre Peninsula Co-operative Bulk Handling on the headland at the Cape Hardy port site (September 2020)

On 24 September 2020 Iron Road announced that Macquarie Capital had entered into a Joint Development Agreement (JDA) with the Company and Eyre Peninsula Co operative Bulk Handling (EPCBH). The JDA provides the framework to advance development and financing plans for the proposed $250 million Cape Hardy Stage I multi-user, multi commodity port facility, including defined steps for securing of equity and debt capital. Macquarie will also provide financial advisory services to the Project.

During early October 2020 Iron Road advised that all conditions precedent to the JDA had been satisfied, allowing Macquarie and Iron Road to move into the first phase of the project's Development Plan with both parties obliged to pay their respective shares of budgeted costs.

As a key priority, the Joint Developers (JD's) commenced engagement with various stakeholders on the Eyre Peninsula. The presentations and discussions are part of a well-established and continuing grower and community consultation process. In addition the JD's met with and briefed several South Australian State government politicians, including members of the opposition, Chief Executives, and various bureaucrats.

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Former South Australian Premier and widely respected farming advocate Rob Kerin was appointed Project Chair of the proposed Cape Hardy Stage I port

During December 2020, the JD's announced the appointment of former South Australian Premier and widely respected farming advocate, Rob Kerin, as Project Chair of the proposed Cape Hardy Stage I port development. Mr Kerin's appointment coincided with the launch of the joint venture's name – Portalis.

On 16 March 2021, Andrew Newman was appointed as Project Director of Portalis, bringing over 20 years' experience in infrastructure and project financing and advisory across a broad range of public and private sector developments of State and national significance. Andrew joined Portalis after 13 years as a senior infrastructure developer in the Adelaide office of Macquarie Capital, part of Australian-headquartered global infrastructure leader, Macquarie Group.

Extensive EPCBH led and Portalis supported, grower, trader and stakeholder meetings have been held across the Eyre Peninsula, and the JD's have collated and worked through responses received. Feedback confirms strong support for a multi-commodity, multi-user port at Cape Hardy that will drive diverse regional growth opportunities for the Eyre Peninsula.

In parallel Iron Road has progressed work at the port precinct relating to realignment and extinguishment of easements and rights of way and significantly progressed the process required for the grant of a Certificate of Title in favour of the State over the seabed underlying the marine infrastructure.

During July 2021 Iron Road executed contracts to acquire a further 24 hectares of gulf front land at Cape Hardy. This adds to the 1,100 hectares of port precinct land already 100% owned by the Company and consolidates key components of the land package. Consideration for these acquisitions, including ongoing stakeholder and regulatory activities relating to the proposed port, was expected to exceed $1 million for Q3 CY2021.

Infrastructure Australia's February 2021 Infrastructure Priority List noted the Federal Government's $25 million commitment towards developing and constructing the Cape Hardy port that will ultimately bring together agriculture, mining, renewable hydrogen, green manufacturing and indigenous business into a multi-user, multi-commodity manufacturing and export hub in South Australia.

OPERATIONS REPORT

Approvals

The EIS Amendment with the South Australian State government allows for construction of a port at Cape Hardy to be staged. Stage I is anticipated to be designed and constructed to allow for Panamax vessels, with handling for both grain and other goods (including minerals). Stage II will involve expansion of the jetty and wharf to allow for Cape-class vessels and the export of iron concentrate from the Central Eyre Iron Project (CEIP) and other bulk mineral commodities. A draft EIS Amendment was lodged with Planning Land Use Services-Attorney General's Department (PLUS-AGD) during March 2021 for an adequacy check. The report and appendices were circulated to the following agencies: Department for Environment and Water, EPA, Primary Industries and Regions SA, Department for Infrastructure and Transport and Aboriginal Affairs. Agencies have provided comment, and all can review the documents and provide comment again during the public exhibition period.

During December 2020 Iron Road lodged an application for the partial surrender of ML6467 with the Department of Energy and Mining (DEM). The Deputy Executive Director, Mineral Resources, in accordance with delegated Ministerial powers and functions, consented to the partial surrender and variation to the Memorandum of Exemption for Mining Lease (ML) 6467. The partial surrender of the above lease was entered on the Mining Register on 16 March 2021. The new area of the lease is 6,414 hectares representing a reduction of approximately 24% or 2,044 ha agricultural land. The revised mine plan with 12 Mtpa iron concentrate production, as announced on 25 February 2019, does not require as large a footprint as the previous significantly larger mine plan (21.5 Mtpa iron concentrate production). Reduced Mining Lease rental obligations of $433,465 per annum for the Company became effective from May 2021. Approximately 95% of these payments continue to be distributed to landowners on the CEIP Mining Lease area in accordance with statutory requirements.

The Company has commenced a review of the Mining Lease (ML) conditions to inform the updating and completion of the current draft Program for Environmental Protection and Rehabilitation (PEPR) document. Primary approvals were granted by the State and Federal Governments for a larger 21.5 Mtpa iron concentrate project prior to the revised and less capital intensive 12 Mtpa model proposed in early 2019.

DEM has declared the CEIP a new mine in accordance with section 17A of the Mining Act 1971 and will accordingly apply a reduced royalty rate of two percent of the value of the minerals recovered, less any prescribed costs as set out in the Act. The reduced royalty rate will commence on the day that royalty is first payable and will apply until the earlier of five years or 30 June 2026.

Growers Meeting, Eyre Peninsula, Early 2021

Community & Stakeholder Engagement

Iron Road participated and presented at the 84th Annual Eyre Peninsula Local Government Association (EPLGA) Conference held over two days during late February 2021 in Port Lincoln. This included meetings with Regional Development Australia Eyre Peninsula (RDAEP) and other stakeholders. Strong support was evident from member district councils for a new multi-commodity port on the Eyre Peninsula and for associated hydrogen / renewables development.

Iron Road representatives attended several grower and service provider JD meetings across the Eyre Peninsula during March and April 2021 and were available to answer questions relating to the Company, the proposed Cape Hardy port and the broader CEIP. Strong support was evident across all stakeholders for the multi-commodity port concept. The Company was a major sponsor of the @ the bay and Tumby Bay Street Art Festival held during early March 2021.

EPCBH as JD for Cape Hardy Stage I, continues to engage with its membership and provide updates on progress via numerous grower meetings across the Eyre Peninsula. Iron Road has provided general updates to DEM and the Department of Trade and Investment (DTI), South Australia. Macquarie Capital has recently, on behalf of the JD's, engaged with several State Government Ministers and key staff providing an update of progress and the current strategy.

In conjunction with its Cape Hardy Stage I JD partners, Iron Road continued to engage with the Federal Government's Department of Infrastructure, Transport, Regional Development and Communications given the Commonwealth's $25 million commitment towards developing and constructing the Cape Hardy port.

The Company regularly briefs the CEIP Task Force (and the CEIP Working Group when required), both of which are sponsored by the Minister for Energy and Mining (SA), The Honourable Dan van Holst Pellekaan.

OPERATIONS REPORT

The Eyre Peninsula Link comprises a new 270 kilometre, high-voltage transmission line to be constructed from Cultana to Port Lincoln, via Yadnarie (Image- Electranet)

Eyre Peninsula Power Upgrade

As a large-scale, long-life proposed mining and beneficiation operation, the Company's CEIP will be a significant consumer of power and a stable demand anchor located at the south-western end of the National Electricity Market (NEM). This presents a clear opportunity for development proponents of proximate, low-cost renewable energy resources on the Eyre Peninsula with a viable connection to an upgraded grid that further supports take-up of low carbon emission generation into the NEM.

CEIP mean power demand requirements of 167MW from pit-to-port were verified following an independent review by a power industry expert as part of ongoing due diligence activities. Previous CEIP mean power demand guidance into the public domain of 212MW was incorrectly classified, referring closer to installed and peak power demand requirements.

During May 2021 ElectraNet, owners and managers of South Australia's high voltage transmission network, announced the commencement of major works to construct a new 270km, high voltage transmission line across the eastern Eyre Peninsula. The $300 million project, Eyre Peninsula Link, will take approximately 18 months to complete, with the new line expected to be energised by the end of 2022.
The new transmission line will extend from Cultana to Port Lincoln via Yadnarie. Comprising double circuit 132kV, the Cultana to Yadnarie section is 275kV capable when required. Upgrades to substations at Cultana, Yadnarie, Port Lincoln Terminal, Wudinna and Middleback also form part of the project.

As well as a more secure and reliable power supply for homes and businesses across the Eyre Peninsula, other benefits of the new transmission line, according to ElectraNet, include:

- Enabling new renewable energy and mining projects to connect in the future;
- An opportunity to extend the network in future; and
- Contractors supporting the local economies they work within.

Additionally, during May 2021, the Australian Energy Regulator (AER) announced approval of capital expenditure of $2.28 billion to deliver the proposed SA-NSW interconnector, Project EnergyConnect. According to ElectraNet, independent analysis shows Project EnergyConnect will drive competition in the wholesale electricity market by connecting more, low-cost generation to the grid and support the ongoing transition to a lower carbon emissions future.

OPERATIONS REPORT

Surveying of control point at Cape Hardy

Green Hydrogen / Green Manufacturing Planning

In January 2021, Iron Road announced that master planning for a green manufacturing precinct at Cape Hardy by The Hydrogen Utility (H2U) will integrate an iron ore 'green pellet' plant fuelled by renewable energy, using high grade iron concentrate from the CEIP. This follows an extension to the Company's 2019 Heads of Agreement and Project Development Accord with 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 green hydrogen development projects in South Australia, including detailed planning for a green manufacturing precinct at Iron Road's 1,100-hectare Cape Hardy port site. Iron Road is encouraged by developments with respect to hydrogen both at the State and Federal level.

Corporate

Iron Road and Macquarie Capital entered into an agreement that, subject to satisfaction of the conditions precedent to the September 2020 JDA and other procedural conditions, permitted the issuance of a total 40 million Iron Road warrants with vesting contingent on Financial Close and Commercial Operations being achieved for the Cape Hardy Stage I port. An initial 25 million tranche is exercisable from Financial Close with the second 15 million tranche exercisable from the Commercial Operations Date (COD). All warrants provide the holder with a right to acquire shares in Iron Road and have an exercise price of $0.075 - equivalent to Iron Road's October 2018 entitlement offer price (and last capital raising price prior to the JDA) - and will expire 24 months post COD. The exercise price was reduced to $0.07376 in accordance with the terms of the warrants following completion of the latest entitlement offer undertaken during November 2020.

During November 2020, Iron Road announced a non-renounceable entitlement offer of new Iron Road shares at an offer price of $0.14 (14 cents) per share. The entitlement offer was made on the basis of 1 new share for every 7 existing shares held by eligible shareholders on the Record Date. The Offer received significant support from eligible investors with applications received for entitlement and shortfall of approximately $10.42 million. All Iron Road's directors participated up to their full entitlement under the Offer and were not eligible to participate in the shortfall offer. Iron Road's largest shareholder participated fully in the offer, which resulted in the extinguishment of $8.7 million of the total $9.0 million in debt owed to Sentient Global Resources Fund IV, L.P.

A share placement of fully paid ordinary shares in the Company to institutional and sophisticated investors was completed during May 2021 and raised $4.25 million (before costs) at an offer price of $0.215 per share. In addition, a share purchase plan (SPP) offered to all eligible shareholders raised a further $0.84 million on the same terms as that offered to participants in the share placement. All directors and the CEO applied for their full entitlement under the SPP. Having received Australian Foreign Investment Review Board and shareholder approval, the Company has raised approximately $16 million in funds (before costs) since December 2020, leaving the Company in a healthy cash and debt free position.

Funds received from the placement and SPP are being used for the Cape Hardy port precinct development, maintenance of the CEIP Mining Lease, secondary CEIP approvals & updated 12Mtpa costings, costs of the capital raise and for working capital purposes.

OPERATIONS REPORT

Global mineral resource and ore reserves statement

Table 1: CEIP Ore Reserve Summary 2020 and 2021				
Resource Classification	Dry Tonnes (Mt)	Fe (%)	SiO_2 (%)	Al_2O_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.

Table 2: CEIP Global Mineral Resource 2020 and 2021								
Location	**Classification**	**Tonnes (Mt)**	**Fe (%)**	**SiO_2 (%)**	**Al_2O_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**

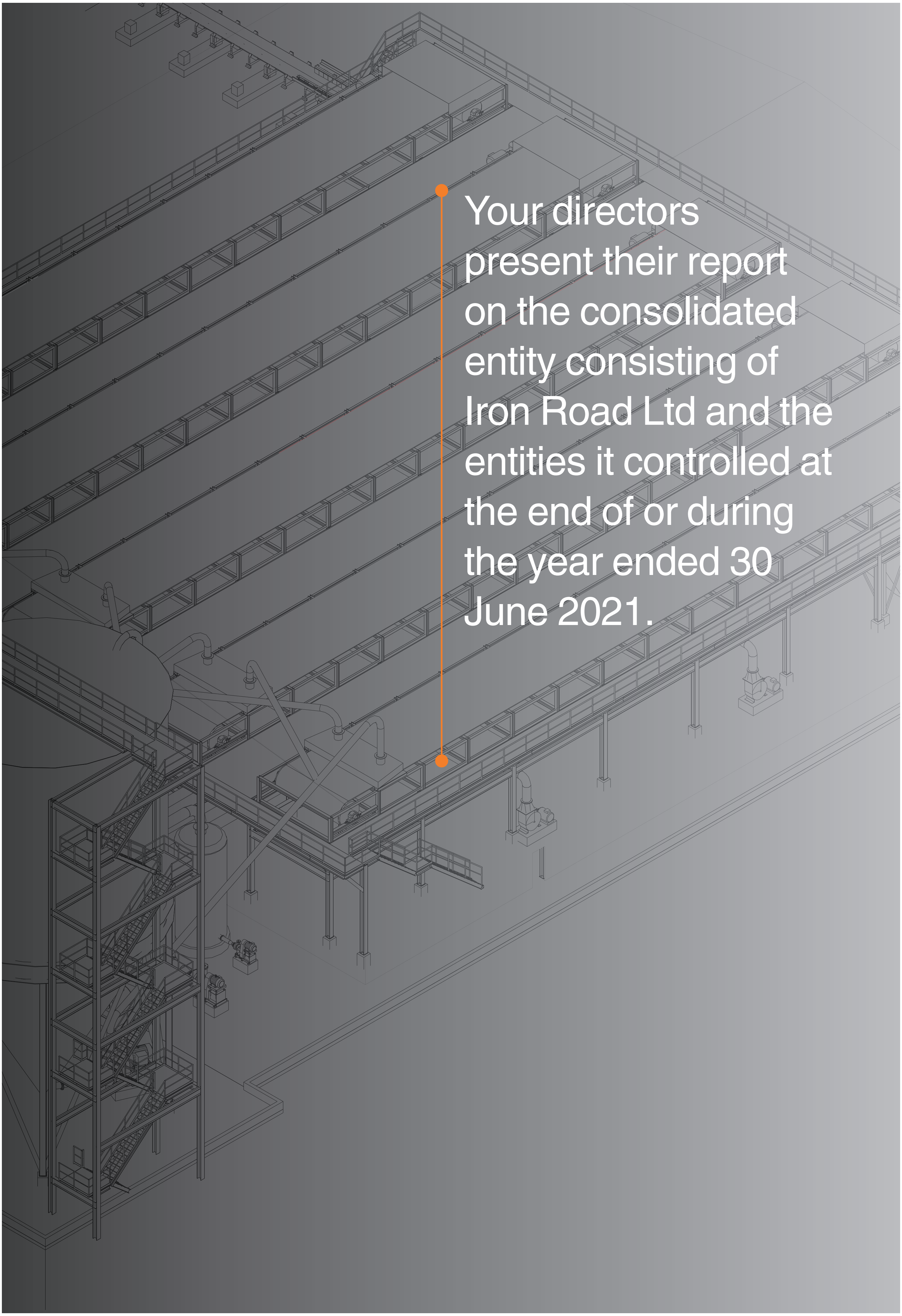
The Murphy South/Rob Roy Mineral Resource estimate was carried out following the guidelines of the JORC Code (2004) by Iron Road Limited and peer reviewed by Xstract Mining Consultants. The Murphy South - Boo-Loo/Dolphin oxide and transition Resource estimate was carried out following the guidelines 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 these announcements 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 – 106 micron (p80)*			
Iron (Fe)	Silica (SiO_2)	Alumina (Al_2O_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.

OPERATIONS REPORT

Proposed jetty site at Cape Hardy



Your directors present their report on the consolidated entity consisting of Iron Road Ltd and the entities it controlled at the end of or during the year ended 30 June 2021.

DIRECTORS' REPORT

Throughout this report, the consolidated entity is referred to as the Group.

Directors and Company Secretary

The following persons were directors of Iron Road Ltd during the whole of the financial year and up to the date of this report (unless otherwise disclosed):

Peter Cassidy

Jerry Ellis AO

Ian Hume

Glen Chipman

Jaroslaw Kopias – Company Secretary

Principal activities

The principal activity of the Group during the year was the exploration and evaluation of the Group's iron ore interests at the Central Eyre Iron Project (CEIP) in South Australia including pursuit of the Cape Hardy Stage I multi-user, multi-commodity (grain led) port facility.

Dividends

No dividends were paid, declared or recommended during the year ended 30 June 2021.

Corporate governance statement

Iron Road Ltd and the Board are committed to achieving and demonstrating high standards of corporate governance. Iron Road's corporate governance statement was approved by the Board and can be viewed at **www.ironroadlimited.com.au/index.php/about-us/corporate-governance.**

Review of operations

Information on the operations and financial position of the Group and its business strategies and prospects is set out in the review of operations and activities on page 27 of this report.

Significant changes in the state of affairs

There were no significant changes in the state of affairs of the Group during the financial year.

Events since the end of the financial year

On 12 July 2021 Iron Road announced it had executed contracts to acquire a further 24 hectares of gulf front land at Cape Hardy on the Eyre Peninsula. This added to the 1,100 hectares of port precinct land already 100% owned by the Company. Total consideration, including costs, for the purchase was $0.9 million.

Following shareholder approval at a general meeting on 24 August 2021 the Company issued 2,311,014 ordinary shares to Sentient Executive GP IV, Limited (Sentient) as settlement of total amounts owing of approximately $497,000. The amounts owing to Sentient represent repayment in full of $343,119 under an unsecured loan facility and accrued director fees payable to Sentient in relation to Mr Glen Chipman's role as a Director from 1 April 2018 to 31 March 2021.

At the same general meeting shareholders approved the issue of 4,500,000 unlisted performance rights to Mr Larry Ingle and 4,050,000 unlisted performance rights to Mr Glen Chipman under the company's Performance Share Plan. The rights vest and become exercisable if various performance conditions are satisfied by 31 December 2021. The rights were subsequently issued on 23 September 2021.

Likely developments and expected results of operations

Likely developments in the operations of the Group and expected results of these operations in future financial years have been included in the Operating and Financial Review.

Environmental regulation

The Group's operations are subject to environmental regulation of its exploration activities on its mineral tenements. No on-ground exploration or other exploration activity was undertaken during the financial year and there were no breaches of any environmental requirements. The Group's proposed CEIP Infrastructure is subject to the Environment Protection and Biodiversity Conservation Act 1999 (Cth) as this element of the Project was declared a 'Controlled Action' on 26 August 2014. The Group has reviewed its energy consumption and greenhouse gas emissions for the reporting year, with both found to be below the reporting threshold as specified within the *National Greenhouse and Energy Reporting Act 2007* (Cth) (NGER).

DIRECTORS' REPORT

Peter Cassidy

CHAIRMAN

Dr Cassidy has been an international private capital investor since the 1990's. He holds a degree in geology and a first class honours degree in chemistry from the University of Tasmania and a PhD in coal science from Monash University.

No other directorships of listed companies have been held in the last three years.

Jerry Ellis AO

NON-EXECUTIVE DIRECTOR

Mr Ellis has had a long and distinguished career in business, particularly in the resources sector. Mr Ellis' career includes three decades at BHP, chairing the company from 1997 to 1999. He also served on the boards of a number of listed companies and governing bodies including Newcrest Mining, Aurora Gold, the International Copper Association, Australia and New Zealand Banking Group, the International Council on Metals and the Environment and the American Mining Congress.

In September 2020 Mr Ellis was appointed Chairman of North Stawell Minerals (ASX:NSM). Mr Ellis is the former Chairman of Alzheimers Australia (NSW), former Chancellor of Monash University, former President of the Minerals Council of Australia and former Chairman of the Australia-Japan Foundation and the Australian National Occupational Health and Safety Commission.

DIRECTORS' REPORT

Ian Hume

NON-EXECUTIVE DIRECTOR

Mr Hume's career in the resources industry stretches back several decades, primarily in the fields of managed fund investments, capital raising and project development. Mr Hume was a Founding Partner of The Sentient Group, a manager of closed end private equity funds specialising in global investments in the natural resource industries.

Prior to the founding of The Sentient Group, Mr Hume was a consultant to AMP's Private Capital Division.

In the three years immediately prior to the end of the financial year, Mr Hume served as a director of the following companies:

» Golden Minerals Company

» African Energy Resources Limited*

** denotes current directorship*

Glen Chipman

EXECUTIVE DIRECTOR

Mr Chipman has been engaged with Iron Road since 2013 across commercial, strategy, project optimisation, investor relations and capital raising. He was appointed Executive Director in November 2019 having joined the board as a non-executive director in March 2018 and represented Iron Road's major shareholder, the Sentient Global Resources Funds, until the end of the financial year.

Mr Chipman has a chemical engineering background and more than 20 years of combined industry, mineral economics and equity capital markets experience including with Bank of America Merrill Lynch and Citigroup.

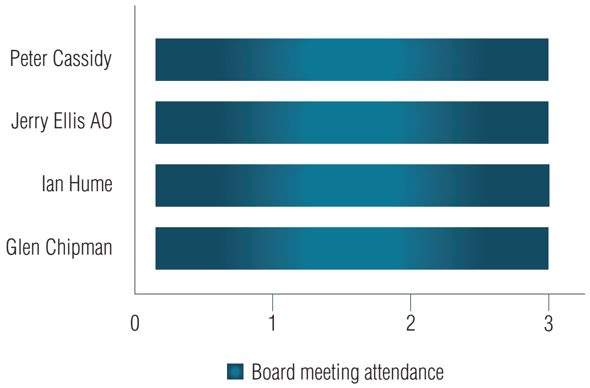
In the three years immediately prior to the end of the financial year, Mr Chipman served as a director of Brazilian high grade iron ore producer Ferrous Resources Limited. On 1 August 2019, Mr Chipman resigned his directorship from Ferrous following its acquisition by Vale S.A.

DIRECTORS' REPORT

Remuneration report

Meetings of directors

There were three board meetings held during the year ended 30 June 2021 with attendance as follows:



Unissued Shares Under Option

Unissued ordinary shares of the Company subject to vesting and exercise of unquoted options (warrants) at the date of this report are:

Grant date	Estimated expiry date	Exercise price	Number of options
9 October 2020	31 December 2025	$0.07376	25,000,000
9 October 2020	31 December 2025	$0.07376	15,000,000
			40,000,000

In September 2020 Iron Road, Macquarie Capital and Eyre Peninsula Co-operative Bulk Handling (EPCBH) entered into a Joint Development Agreement (JDA) to progress the Cape Hardy Stage I port development. The terms of the JDA included the issuance of 40 million unlisted Iron Road warrants to Macquarie during the period with vesting contingent on Financial Close and Commercial Operations being achieved for the Cape Hardy Stage I port. An initial 25 million tranche is exercisable from Financial Close with the second 15 million tranche exercisable from the Commercial Operations Date (COD). All warrants provide the holder with a right to acquire shares in Iron Road and have an exercise price of $0.07376. This exercise price is broadly equivalent to Iron Road's October 2018 entitlement offer price reflecting the Company's last capital raise prior to the JDA with the warrants expiring 24 months post COD.

Unissued ordinary shares of the Company subject to vesting and exercise of unquoted performance rights at the date of this report are:

Date Rights Granted	KPI Vesting	Expiry Date	Number of Rights
24 November 2020	24 November 2020	31 December 2023	2,601,000
24 November 2020	19 February 2021	31 December 2025	5,000,000
15 March 2021	31 December 2021	31 December 2024	10,600,000
24 August 2021	31 December 2021	31 December 2024	4,050,000
			22,251,000

During the financial year ended 30 June 2021, 18,201,000 performance rights were granted to non-executive directors, key management personnel, employees and contractors under the Company's Performance Share Plan. Of these, 7,601,000 have vested but have not yet been exercised. On 24 August 2021 a further 4,050,000 unvested performance rights were granted to Glen Chipman, Executive Director, following approval by shareholders.

These options and rights do not entitle the holders to participate in any share issue of the Company or any other body corporate.

Remuneration report

The directors present the Iron Road Ltd 2021 remuneration report, outlining key aspects of the remuneration policy and framework and the remuneration awarded during the year.

The report is structured as follows:

a) Key management personnel (KMP) covered in this report
b) Remuneration policy and link to performance
c) Elements of remuneration
d) Remuneration expenses for executive KMP
e) Contractual arrangements for executive KMP
f) Non-executive director arrangements
g) Additional statutory information

a) Key management personnel covered in this report

Executive and Non-executive directors:

Peter Cassidy – Chairman

Jerry Ellis AO – Non-executive Director

Ian Hume – Non-executive Director

Glen Chipman – Executive Director

Other key management personnel:

Larry Ingle – Chief Executive Officer

Andrew Stocks – Managing Director
(resigned 22 November 2019)

DIRECTORS' REPORT

Remuneration report

b) Remuneration policy and link to performance

The remuneration policy of Iron Road Ltd has been designed to align director and executive objectives with shareholder and business objectives by providing a fixed remuneration component and offering specific long term incentives based on key performance areas. The Board of Iron Road Ltd believes the remuneration policy is appropriate and effective in its ability to attract and retain high calibre executives and directors to manage the Group.

The remuneration policy, detailing the terms and conditions for the Chief Executive Officer and other senior executives, was developed by the Board. All executives receive a base salary (which is determined by factors such as skills and relevant experience) and superannuation. The Board reviews executive packages annually by reference to the Group's results, executive performance and relevant information on prevailing remuneration practices across the resources sector for comparable roles within other listed organisations.

The Group has in place a Performance Share Plan and a Share Option Plan which form part of the Group's remuneration policy and provides the Group with a mechanism for driving long term performance for shareholders and the retention of executives. The Board has the discretion to issue shares or rights to acquire shares and offers may be subject to performance criteria consistent with the Group's key strategic objectives. The plan is administered by the Board which has the discretion to determine which persons are eligible to participate in the plan. Additional information on these plans are contained in section c).

In the event of serious misconduct or a material misstatement in the Group's financial statements, the Board can cancel or defer performance-based remuneration and may also claw back performance-based remuneration paid in previous financial years.

Directors, executives and other employees receive a superannuation guarantee contribution required by the government and do not receive any other retirement benefits. Some individuals, however, may choose to sacrifice part of their salary towards superannuation.

Statutory performance indicators

The Board aims to align executive remuneration to strategic and business objectives. As required by the *Corporations Act 2001* (Cth), the figures below show the Group's financial performance over the last five years. However, these are not necessarily consistent with the measures used in determining the variable amounts of remuneration to be awarded to KMP. As a consequence, there may not always be a direct correlation between the statutory key performance measures and the variable remuneration awarded.

c) Elements of remuneration

Fixed annual remuneration

Executives receive their fixed remuneration as cash and statutory superannuation. Fixed remuneration is reviewed annually by the Board and benchmarked against market data for comparable roles in listed companies across the resources sector.

Long term incentives

The remuneration policy has been designed to align the long-term objectives between the Group, its directors and executives by encouraging strong performance in the realisation of the Group's growth strategy and the enhancement of shareholder value.

During the year the Company established a Performance Share Plan ("PSP") and Share Option Plan ("SOP") as part of its overall remuneration strategy, replacing the previous Equity Incentive Plan. The plans were approved by shareholders at the Annual General Meeting held on 24 November 2020.

The PSP and SOP provide for the issue of Performance Rights or Options to directors, executives, employees or contractors of the Company and its associated bodies corporate as an incentive to maximise the return to shareholders over the long term and to assist in the attraction and retention of key personnel. Awards under the plans may include specific performance criteria that are to be satisfied within defined time restrictions.

A copy of the PSP and SOP rules is available on the Company's website **www.ironroadlimited.com.au/index.php/about-us/corporate-governance**

For details of individual interests in options and performance rights at year end, refer to page 24.

	30 June 2021 $	30 June 2020 $	30 June 2019 $	30 June 2018 $	30 June 2017 $
Revenue	50,265	50,762	21,351	1,844	4,407
Loss before tax	(5,435,595)	(1,769,964)	(2,161,350)	(3,253,530)	(3,926,284)
Share price at 30 June	0.265	0.063	0.053	0.100	0.175
Basic loss per share (cents)	(0.74)	(0.26)	(0.31)	(0.48)	(0.58)

d) Remuneration expenses for KMP

The following table shows details of the remuneration expense recognised for the Group's KMP for the current and previous financial year measured in accordance with the requirements of the accounting standards.

		Fixed remuneration				Variable remuneration	
		Short term employee benefits		Long term benefits	Post employment benefits	Share based payments	
		Salary / fees	Non-monetary benefits	Annual and long service leave	Superannuation	Performance rights*	Total
Name	**Year**	**$**	**$**	**$**	**$**	**$**	**$**
Non-executive Directors							
Peter Cassidy	**2021**	**42,500**	**-**	**-**	**-**	**405,785**	**448,285**
	2020	-	-	-	-	-	-
Jerry Ellis	**2021**	**35,000**	**-**	**-**	**-**	**327,430**	**362,430**
	2020	5,000	-	-	-	-	5,000
Ian Hume	**2021**	**35,000**	**-**	**-**	**-**	**327,430**	**362,430**
	2020	5,000	-	-	-	-	5,000
Executive Directors							
Glen Chipman (Executive Director)	**2021**	**57,500**	**-**	**-**	**-**	**-**	**57,500**
	2020	-	-	-	-	-	-
Andrew Stocks (Managing Director resigned 22 Nov 2019)	**2021**	**-**	**-**	**-**	**-**	**-**	**-**
	2020	150,025	-	16,357	13,821	(216,762)	(36,559)
Other key management personnel							
Chief Executive Officer							
Larry Ingle	**2021**	**330,400**	-	**17,549**	**25,000**	**204,648**	**577,597**
	2020	311,510	-	26,319	22,817	(144,508)	216,138
Total Directors and KMP	**2021**	**500,400**	**-**	**17,549**	**25,000**	**1,265,293**	**1,808,242**
	2020	471,535	-	42,676	36,638	(361,270)	189,579

* Performance rights under the executive LTI scheme are expensed over the vesting period and reversed if performance conditions are not met. Refer to page 44 for additional information.

On 13 November 2019 Glen Chipman was appointed Executive Director having joined the Board as a non-executive director in March 2018. As a representative of Iron Road's major shareholder, the Sentient Global Resources Funds (Sentient) until the end of the financial year, Mr Chipman did not receive any remuneration directly from the Group. The Directors fees disclosed above are payable to Sentient.

During the year, 12,101,000 (2020: nil) performance rights were granted as remuneration to KMP. The share-based payments expense is recognised at fair value over the vesting period for performance rights granted. The share-based payments for each KMP reflect the attributable portion of performance rights in the relevant financial year. A component of the performance rights issued to non-executive directors (share based payments expense) represents unpaid director fees in the period from April 2018 to December 2020.

No cash bonuses were paid to executive KMP during the financial year.

DIRECTORS' REPORT

Remuneration report

e) Contractual arrangements for executive KMP

	Larry Ingle Chief Executive Officer
Fixed remuneration	$355,400 including statutory superannuation
Contract duration	No fixed term arrangement
Notice by the individual/company	Three months

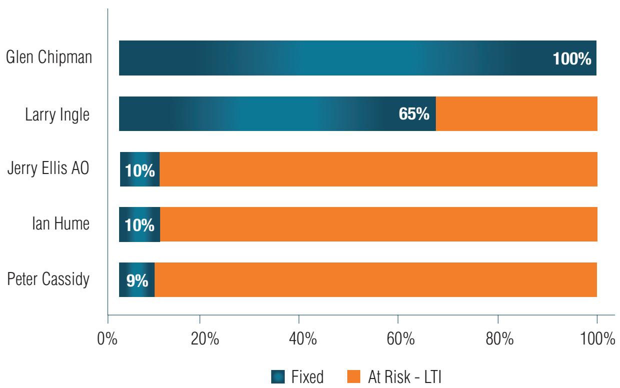
f) Non-executive director arrangements

Details of non-executive director fees and performance rights expensed during the year are included in the remuneration table above. A total $277,500 in accrued fees as at 30 June 2021 includes $153,750 for fees relating to Glen Chipman for the period April 2018 to March 2021 to be paid by an issue of the shares to Sentient, subject to the approval of the Foreign Investment Review Board (FIRB) and Iron Road shareholders as required by the ASX Listing Rules.

The maximum aggregate amount of fees that can be paid to non executive directors is currently $400,000 per annum which was approved by shareholders at the 2012 AGM on 23 November 2012.

g) Additional statutory information

Remuneration mix for financial year 2021



Long term incentives are currently provided by way of performance rights or options and are calculated on the value of the right or option expensed during the year.

Terms and conditions of share-based payment arrangements

Performance rights

The Iron Road Performance Share Plan ("PSP") was adopted in November 2020 as part of the Group's remuneration policy to encourage long term performance and retention of Directors, senior executives, employees and contractors of the Company or its associated body corporate. It is targeted at those whose responsibilities provide them with opportunity to significantly influence long term shareholder value. The plan is administered by the Board which has discretion over persons eligible to participate and any performance criteria attached to performance rights.

Performance rights under the PSP entitle its holder to an ordinary share which can be exercised once the right has become exercisable and provided it has not lapsed. The Board may determine that certain performance conditions must be satisfied before the right becomes exercisable. If the performance conditions are satisfied, the rights vest and become exercisable although satisfaction of any vesting condition will not automatically trigger the exercise of the right.

The fair value of the rights is determined using Monte Carlo simulation with reference to the market price and expected share price volatility of Iron Road Ltd shares at the grant date. Rights are granted under the plan for nil consideration and carry no dividend or voting rights. Once vested and exercised, any share acquired by participants will rank equally with all existing shares of the same class.

Should the participants' employment cease due to genuine redundancy, resignation under reasonable circumstances if so determined by the Board, death or invalidity, the unvested performance rights will not lapse and may vest or the performance criteria may be waived.

DIRECTORS' REPORT

Remuneration report

The following performance rights were granted during the year ended 30 June 2021:

a) Past Director Performance Rights – vested rights to compensate for unpaid director fees from April 2018 to December 2020 (other than director Glen Chipman as described above) as follows:

Director	Grant date	Expiry date	Fair value at grant date	Balance at start of period	Granted during the year	Lapsed during the year	Balance at end of period	Vested and exercisable at end of period
30 June 2021								
Peter Cassidy	24 November 2020	31 December 2023	$0.145	-	913,000	-	913,000	913,000
Ian Hume	24 November 2020	31 December 2023	$0.145	-	844,000	-	844,000	844,000
Jerry Ellis	24 November 2020	31 December 2023	$0.145	-	844,000	-	844,000	844,000
Total				**-**	**2,601,000**	**-**	**2,601,000**	**2,601,000**

The fair value of the rights at grant date is equal to the closing Iron Road share price on that day.

b) Future Director Performance Rights – rights that vest if Company's share price exceeds a Volume Weighted Average (VWAP) equal to 130% of the 5-day VWAP prior to the 2020 AGM at any time in the period to 31 December 2022 for a period of at least 1 month (KPI) as follows:

Director	Grant date	Expiry date	Fair value at grant date	Balance at start of period	Granted during the year	Lapsed during the year	Balance at end of period	Vested and exercisable at end of period
30 June 2021								
Peter Cassidy	24 November 2020	31 December 2025	$0.137	-	2,000,000	-	2,000,000	2,000,000
Ian Hume	24 November 2020	31 December 2025	$0.137	-	1,500,000	-	1,500,000	1,500,000
Jerry Ellis	24 November 2020	31 December 2025	$0.137	-	1,500,000	-	1,500,000	1,500,000
Total				**-**	**5,000,000**	**-**	**5,000,000**	**5,000,000**

The table below outlines the inputs used in Monte Carlo fair valuation of the Future Director Performance Rights:

Exercise Price	Nil
Right Life	5.08 years
Underlying Share Price	$0.135
Expected Share Price Volatility	99.24%
Risk Free Interest Rate	0.09%
Weighted Average Fair Value	$0.137
Weighted Average Contractual Life	5.0 years

c) Employee Performance Rights granted to Larry Ingle – rights that vest subject to various performance conditions as follows

KPI	Grant date	Expiry date	Fair value at grant date	Balance at start of period	Granted during the year	Lapsed during the year	Balance at end of period	Vested and exercisable at end of period
30 June 2021								
#1	15 March 2021	31 December 2024	$0.226	-	1,200,000	-	1,200,000	-
#2	15 March 2021	31 December 2024	$0.214	-	800,000	-	800,000	-
#3	15 March 2021	31 December 2024	$0.217	-	500,000	-	500,000	-
#4	15 March 2021	31 December 2024	$0.217	-	2,000,000	-	2,000,000	-
Total				**-**	**4,500,000**	**-**	**4,500,000**	**-**

KPI 1 - IRD share price 1 - VWAP for calendar year 2021 of a minimum 20 cents including year-end close

KPI 2 - IRD share price 2 - VWAP for July-December 2021 of a minimum 30 cents including year-end close

KPI 3 - Attract non-grain trade value accretive Cape Hardy port business commitments via respective indicative agreements

KPI 4 - Obtaining initial investment in the Central Eyre Iron Project (CEIP) from a single partner of no less than $50 million in relation to a % interest in the CEIP at an IRD see-through valuation determined substantial and acceptable by the Board of the Company, which amount will be set prior to the date of issue.

DIRECTORS' REPORT

Remuneration report

The table below outlines the inputs used in Monte Carlo fair valuation of the Employee Performance Rights:

Exercise Price	Nil
Right Life	3.9 years
Underlying Share Price	$0.275
Expected Share Price Volatility	110.07%
Risk Free Interest Rate	0.10%
Weighted Average Fair Value	$0.219
Weighted Average Contractual Life	3.5 years

Options

The Share Option Plan ("SOP") was adopted in November 2020 as part of the Group's remuneration policy to encourage long term performance and retention of Directors, senior executives, employees and contractors of the Company or its associated body corporate. Participants are granted options, some of which vest on issue and others that vest if certain market and non-market vesting conditions are met. Options are granted under the plan for nil consideration, carry no dividend or voting rights and expire if not exercised within five years from issue. When exercisable, each option is convertible into one ordinary share.

Participation in the plan is at the Board's discretion and no individual has a contractual right to participate in the Plan or to receive any guaranteed benefits.

There are no unissued ordinary shares of Iron Road Ltd under option for directors and KMP as at 30 June 2021.

Shareholdings

Changes to director and KMP holdings over the year to 30 June 2021 are shown below:

Ordinary Shares held by:	30 June 2020	Acquired	30 June 2021
Peter Cassidy	8,689,973	1,660,029	10,350,002
Jerry Ellis AO	326,074	434,371	760,445
Ian Hume	5,914,344	984,441	6,898,785
Glen Chipman	624,371	540,164	1,164,535
KMP			
Larry Ingle	207,000	216,380	423,380
Total	**15,761,762**	**3,835,385**	**19,597,147**

Shares were acquired on market and through participation in the Company's rights issue in December 2020 and Share Purchase Plan in May 2021. None of the shares above are held nominally by the directors or KMP.

Voting of shareholders Annual General Meeting held on 26 November 2020

Iron Road Ltd received more than 99% of "yes" votes on its remuneration report for the 2020 financial year. The company did not receive any specific feedback at the Annual General Meeting or throughout the year on its remuneration practices. .

This is the end of the audited remuneration report.

Insurance of directors and officers

During the financial year, Iron Road Ltd paid an insurance premium to insure the directors and officers of the Group and its controlled entities.

No details of the nature of the liabilities covered and the amount of premium paid in respect of the directors and officers liability insurance policy have been disclosed as such disclosure is prohibited under the terms of the policy.

The Group has also entered into a Deed of Indemnity, Insurance and Access with each director. In summary, the Deed provides for:

- access to corporate records for each director for a period after ceasing to hold office in the company;
- the provision of directors and officers liability insurance; and
- indemnity for legal costs incurred by directors in carrying out the business affairs of the company.

Proceedings on behalf of the company

No person has applied to the Court under section 237 of the *Corporations Act 2001* (Cth) for leave to bring proceedings on behalf of the Group, or to intervene in any proceedings to which the Group is a party, for the purpose of taking responsibility on behalf of the Group for all or part of those proceedings.

Non-audit services

The Group may decide to engage the auditor on assignments additional to their statutory audit duties where the auditors expertise and experience with the Group are important. The Board is satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001* and none of the services undermine the general principles relating to auditor independence as set out in *APES 110 Code of Ethics for Professional Accountants.*

Details of the amounts paid or payable to the auditor (PricewaterhouseCoopers, Australia) for audit and non-audit services provided during the year are set out in Note 16.

Auditor's independence declaration

A copy of the Auditor's Independence Declaration as required under section 307C of the *Corporations Act 2001* is set out on page 26.

Signed in accordance with a resolution of the directors, for and on behalf of the Board by:

Peter Cassidy

Chairman
28 September 2021

Auditor's Independence Declaration

As lead auditor for the audit of Iron Road Ltd for the year ended 30 June 2021, I declare that to the best of my knowledge and belief, there have been:

(a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

(b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Iron Road Ltd and the entities it controlled during the period.

M. T. Lojszczyk
Partner
PricewaterhouseCoopers

Adelaide
28 September 2021

PricewaterhouseCoopers, ABN 52 780 433 757
Level 11, 70 Franklin Street, ADELAIDE SA 5000, GPO Box 418, ADELAIDE SA 5001
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OPERATING AND FINANCIAL REVIEW

Company strategy and operating activities

The Group's primary focus during the year has been continuing to advance potential partnership proposals and investment models into the Company's Central Eyre Iron Project (CEIP).

Together with its Cape Hardy Stage I port development partners, Macquarie Capital and Eyre Peninsula Co-operative Bulk Handling (EPCBH), the Company also progressed foundation steps for a 'grain first' export strategy, which aims to build a globally competitive grain terminal and a Panamax-capable port export facility at Cape Hardy ahead of CEIP mining activities.

Operating results for the year

The principal activities of the Group during the year and associated expenditure was geared to the Company's operating focus summarised above.

The Group incurred an operating loss after income tax for the year ended 30 June 2021 of $5,435,595 (2020: $1,769,964). Share based payments expense increased by $3.1 million of which $1.2 million related to the issue of unlisted Iron Road warrants to Macquarie Capital with vesting contingent on Financial Close and Commercial Operations being achieved for the Cape Hardy Stage I port. The balance relates to performance based remuneration and compensation for past Directors' fees. In addition, consulting and legal fees have increased by $0.6 million, mainly relating to project finance advice and negotiation of Cape Hardy Port agreements (refer Notes 4 and 14 for further details).

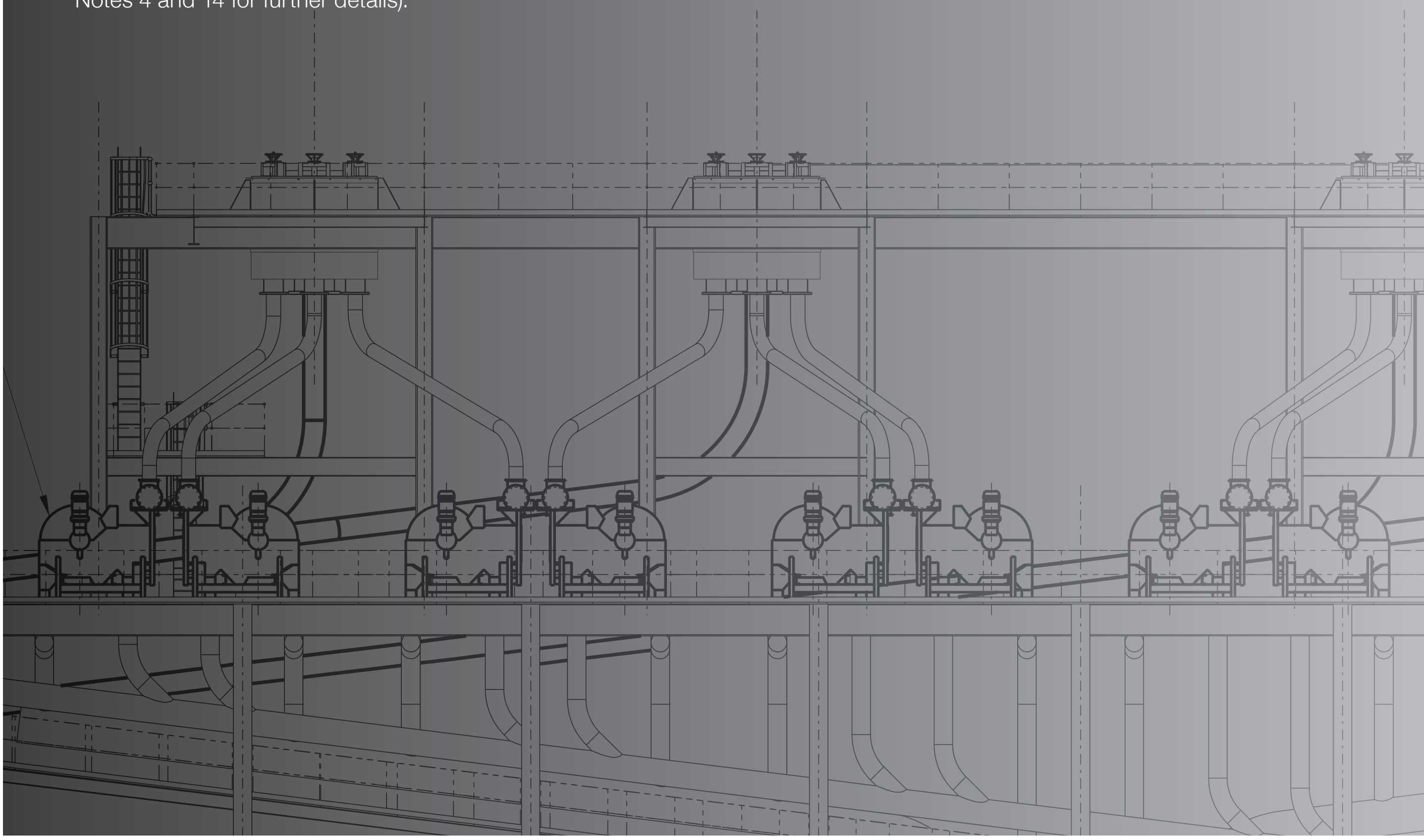
Changes in financial position

The Group's net assets increased by 10% this year (2021: $135,826,447 from 2020: $123,163,117). The Company has raised approximately $16 million in equity from existing shareholders and institutional and sophisticated investors since December 2020. These funds are being applied towards repayment of the Sentient Global Resources Fund IV facility, Cape Hardy port precinct development, maintenance of the CEIP Mining Lease, secondary CEIP approvals & updated 12Mtpa costings, costs of the capital raise and for working capital purposes.

The Group currently has no cash generating assets in operation and $4,747,945 of available cash at 30 June 2021. There remains material uncertainty as to the Group's ability to continue as a going concern as defined under the accounting standards (refer to Note 17a (iv) for further details).

Risk management

Operational, financial, environmental, and regulatory risks are considered and addressed by management, with specific areas of significant risk referred by management to the Board. The Board considers that it is important for all Board members to be a part of this process and as such has not established a separate risk management committee.



FINANCIAL STATEMENTS

For the year ended 30 June 2021

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Notes to the consolidated financial statements	**Structure of notes and materiality**	Page 33

Note disclosures are split into five sections shown below to enable a better understanding of how the Group performed.

KEY NUMBERS	STRUCTURES	CAPITAL	ADDITIONAL INFORMATION	UNRECOGNISED ITEMS
1. Cash	9. Controlled entities	13. Share Capital	16. Remuneration of auditors	19. Commitments
2. Exploration	10. Segment information	14. Reserves and Share based payments	17. Accounting policies	20. Contingencies
3. Property, plant and equipment	11. Related parties		18. Risk management	21. Events after reporting date
4. Operating activities	12. Parent entity information	15. Loss per share		
5. Provisions				
6. Taxation				
7. Prepayments and other receivables				
8. Trade payables				

Accounting policies and critical accounting judgements applied to the preparation of financial statements have been moved to the relevant section.

Information is only being included in the Notes to the extent that is has been considered material and relevant to the understanding of the financial statements.

CONSOLIDATED INCOME STATEMENT AND STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 June 2021

	Note	2021 ($)	2020 ($)
Revenue and other income			
Other income		50,265	50,762
Expenses			
Loss on disposal of assets		(34,000)	-
Depreciation	3	(46,829)	(48,358)
Employee benefits expense	4	(2,441,857)	(351,575)
Exploration expenses	2	(478,151)	(887,753)
General expenses		(68,357)	(55,223)
Professional fees	4	(890,896)	(193,468)
Travel and accommodation		(47,357)	(72,933)
Marketing		(9,249)	(8,424)
Rent and administration		(252,663)	(202,992)
Share based payments - Cape Hardy Stage I Warrants	14	(1,216,501)	-
Loss before income tax		**(5,435,595)**	(1,769,964)
Income tax expense	6	**-**	-
Loss for the period		**(5,435,595))**	(1,769,964)
Other comprehensive loss for the period		**-**	-
Total comprehensive income for the period attributable to owners of Iron Road Ltd		**(5,435,595)**	(1,769,964)

Loss per share attributable to the ordinary equity holders of the company:

		Cents	Cents
Basic and diluted loss per share (cents)	15	**(0.74)**	(0.26)

The above consolidated income statement and statement of comprehensive income should be read in conjunction with the notes to the consolidated financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2021

ASSETS	Note	2021 ($)	2020 ($)
Current assets			
Cash and cash equivalents	1	**4,747,945**	340,455
Bank term deposits	1	**45,000**	45,000
Prepayments and other receivables	7	**94,080**	45,069
Total current assets		**4,887,025**	430,524
Non-current assets			
Exploration and evaluation expenditure	2	**122,725,631**	121,959,760
Property, plant and equipment	3	**9,699,192**	9,793,021
Total non-current assets		**132,424,823**	131,752,781
Total assets		**137,311,848**	132,183,305

LIABILITIES	Note	2021 ($)	2020 ($)
Current liabilities			
Trade and other payables	8	**1,212,609**	8,720,441
Provisions	5	**271,695**	264,885
Total current liabilities		**1,484,304**	8,985,326
Non-current liabilities			
Provisions	5	**1,097**	34,862
Total non-current liabilities		**1,097**	34,862
Total liabilities		**1,485,401**	9,020,188
Net assets		**135,826,447**	123,163,117

EQUITY	Note	2021 ($)	2020 ($)
Contributed equity	13	**177,406,872**	162,093,715
Reserves	14	**7,552,526**	4,766,758
Accumulated losses		**(49,132,951)**	(43,697,356)
Total equity		**135,826,447**	123,163,117

The above consolidated statement of financial position should be read in conjunction with the notes to the consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2021

		Attributable to owners of Iron Road Ltd			
		Contributed Equity	Accumulated losses	Reserves	Total Equity
	Note	$	$	$	$
Balance at 1 July 2019		162,093,715	(41,927,392)	5,128,028	125,294,351
Loss for the year		-	(1,769,964)	-	(1,769,964)
Transactions with owners in their capacity as owners:					
Contributions to equity net of transaction costs	13	-	-	-	-
Share based payments	14	-	-	(361,270)	(361,270)
Balance at 30 June 2020		**162,093,715**	**(43,697,356)**	**4,766,758**	**123,163,117**
Loss for the year		-	(5,435,595)	-	(5,435,595)
Transactions with owners in their capacity as owners:					
Contributions to equity net of transaction costs	13	15,313,157	-	-	15,313,157
Share based payments - employees	14	-	-	1,569,267	1,569,267
Share based payments - Cape Hardy Stage I Warrants	14	-	-	1,216,501	1,216,501
Balance at 30 June 2021		**177,406,872**	**(49,132,951)**	**7,552,526**	**135,826,447**

The above consolidated statement of changes in equity should be read in conjunction with the notes to the consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 30 June 2021

	Note	2021 ($)	2020 ($)
Cash flows from operating activities			
Payments to suppliers and employees (inclusive of GST)		(2,546,179)	(2,398,378)
Government grant received		50,000	50,000
Interest received		265	762
Net cash outflow from operating activites	4	**(2,495,914)**	(2,347,616)
Cash flows from investing activities			
Payments for term deposits		(180,000)	(180,000)
Proceeds from term deposits		180,000	180,000
Payments for exploration and evaluation		(765,871)	-
Proceeds from sale of assets		13,000	-
Net cash outflow from investing activities		**(752,871)**	-
Cash flows from financing activities			
Proceeds from issue of shares	13	15,614,728	-
Share issue transaction costs		(301,571)	-
Proceeds of short term finance		1,000,000	2,000,000
Repayment of short term finance		(8,656,882)	-
Net cash inflow from financing activities		**7,656,275**	2,000,000
Net increase/(decrease) in cash and cash equivalents		**4,407,490**	(347,616)
Cash and cash equivalents at the beginning of the year		340,455	688,071
Cash and cash equivalents at the end of the year	1	**4,747,945**	340,455

The above consolidated statement of cash flows should be read in conjunction with the notes to the consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2021

KEY NUMBERS

1. Cash

Where we spent money

Cash expenditure from operating activities during the year was in line with the prior year at $2,546,179 (2020: $2,398,378). Share capital raised during the year was mainly invested into progressing the CEIP, including Cape Hardy Stage I port (see note 2) and used to repay $8,656,882 in short term finance from Sentient Global Resources Fund IV (2020: nil).

Cash and cash equivalents at 30 June 2021 was $4,747,945 (2020: $340,455) and bank term deposits held were $45,000 (2020: $45,000). The bank term deposit of $45,000 is held as security for the Group's credit card facility.

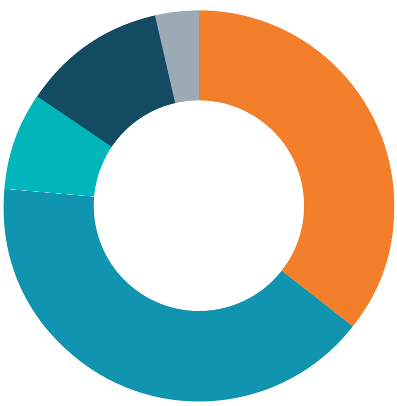
Cash at bank earns a floating interest rate based on the at call daily rate. Funds held in a term deposit facility for 3 months or more have been reclassified to bank term deposits in the consolidated statement of financial position per AASB 107.

2021

Exploration and evaluation	$1,388,210
Employee benefits expense	$623,936
Professional fees	$890,896
Rent and administration	$ 352,402
Share issue transaction costs	$ 301,571
Repayment of borrowings	$ 8,656,882
Other	$ 56,606

$12,270,503

2020



Exploration and evaluation	$857,452
Employee benefits expense	$979,763
Professional fees	$193,468
Rent and administration	$286,338
Other	$81,357

$2,398,378

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2021

KEY NUMBERS

2. Exploration

Exploration and evaluation expenditure capitalised in relation to CEIP for the year ended 30 June 2021 totalled $765,861 (2020: Nil) The total capitalised exploration and evaluation expenditure relating to the CEIP at 30 June 2021 was $122,725,631 (2020: $121,959,760).

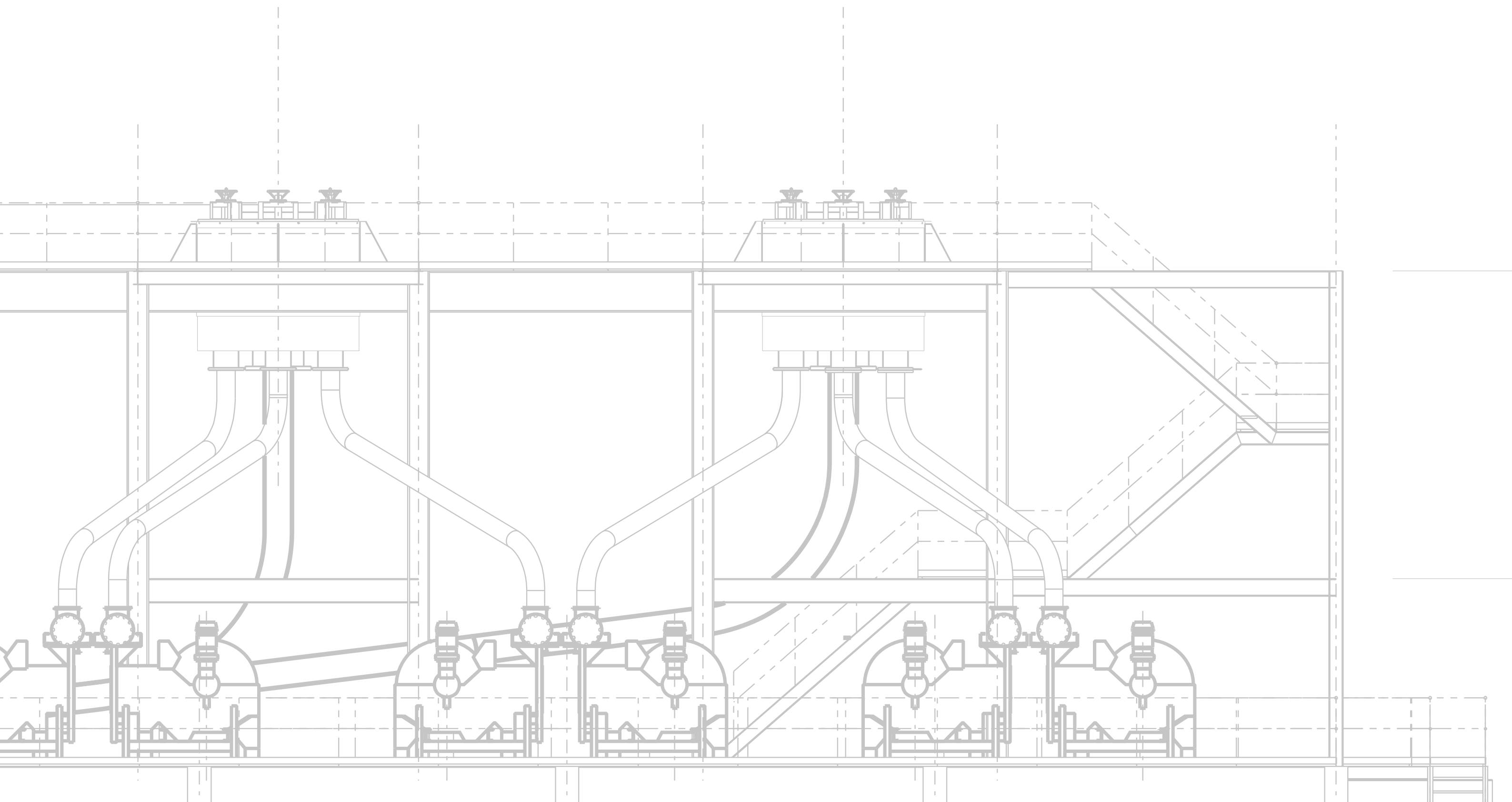
From 1 January 2019 expenditure on maintaining the mining lease that has not progressed the CEIP has been expensed. The total exploration expense for the year was $478,151 (2020: 887,753).

The CEIP asset is tested for impairment periodically or when events or circumstances indicate the carrying value may not be recoverable. For the year ended 30 June 2021, the directors deemed the current capitalisation of development of the CEIP mineral resource to be appropriate, as the Group continues to refine mining and processing methods and capital cost estimates.

The Group's exploration and evaluation policy is to capitalise and carry forward exploration and evaluation expenditure where a JORC compliant mineral resource has been identified. This appropriately recognises that these projects are in an advanced exploration, evaluation or feasibility phase. Expenditure incurred in the acquisition of rights to explore is capitalised, classified as tangible or intangible and recognised as an exploration and evaluation asset. Exploration and evaluation assets are measured at cost at time of recognition. Recoverability of the carrying amount of exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest. For areas of interest where a JORC compliant mineral resource is yet to be identified or where exploration rights are no longer current, the capitalised values are subsequently impaired and charged to the profit and loss.

Recoverability of exploration and evaluation assets

The Group's accounting policy requires management make certain assumptions as to future events and circumstances. Exploration and evaluation costs are carried forward based on the accounting policy set out above. Should development not be possible, or the existence of ore reserves not allow for economic development, amounts recorded may require impairment in future periods. Iron Road periodically evaluates the economic potential of the CEIP using discounted cashflow modelling techniques. The model includes assumptions for production volumes, forecast iron ore pricing, foreign exchange rates and project costs, which are updated for the latest available data.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2021

KEY NUMBERS

3. Property, plant and equipment

During the year ended 30 June 2021, the Group did not acquire any property, plant and equipment (2020: nil).

All property, plant and equipment is stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Reconciliation of the carrying amounts of property, plant and equipment:

	LAND AND BUILDINGS		PLANT AND EQUIPMENT		
	Land ($)	Buildings & Improvements ($)	Plant & Equipment ($)	Motor Vehicles ($)	Total ($)
Year ended 30 June 2020					
Opening net book value	9,025,418	691,818	122,315	1,828	9,841,379
Additions	-	-	-	-	-
Depreciation charge	-	(21,526)	(26,357)	(475)	(48,358)
Closing net book amount	**9,025,418**	**670,292**	**95,958**	**1,353**	**9,793,021**
At 30 June 2020					
Cost or fair value	9,025,418	847,518	875,561	40,097	10,788,594
Accumulated depreciation	-	(177,226)	(779,603)	(38,744)	(995,573)
Net book amount	**9,025,418**	**670,292**	**95,958**	**1,353**	**9,793,021**
Year ended 30 June 2021					
Opening net book value	9,025,418	670,292	95,958	1,353	9,793,021
Additions/(Disposals)	(47,000)	-	-	-	(47,000)
Depreciation charge	-	(21,526)	(24,828)	(475)	(46,829)
Closing net book amount	**8,978,418**	**648,766**	**71,130**	**878**	**9,699,192**
At 30 June 2021					
Cost or fair value	8,978,418	847,518	772,039	40,097	10,638,072
Accumulated depreciation	-	(198,752)	(700,909)	(39,219)	(938,880)
Net book amount	**8,978,418**	**648,766**	**71,130**	**878**	**9,699,192**

The Group's land holdings are predominantly located at the Cape Hardy Port precinct. Other Cape Hardy project costs are included in the capitalised exploration and evaluation balance (refer Note 2).

Depreciation methods and useful lives

Subsequent costs are included in the assets' carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All repairs and maintenance are charged to profit and loss during the reporting period in which they are incurred.

Land is not depreciated and depreciation on other assets is calculated using the straight-line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives as follows:

» Computer equipment 3 - 4 years

» Office equipment 3 - 20 years

» Plant and equipment 3 - 20 years

» Buildings & improvements 4 - 40 years

» Motor vehicles 5 - 10 years

In the case of leasehold improvements, the allocation of cost is over the term of the lease. The assets' residual values and useful lives are reviewed and adjusted if appropriate at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with the carrying amount and included in profit or loss.

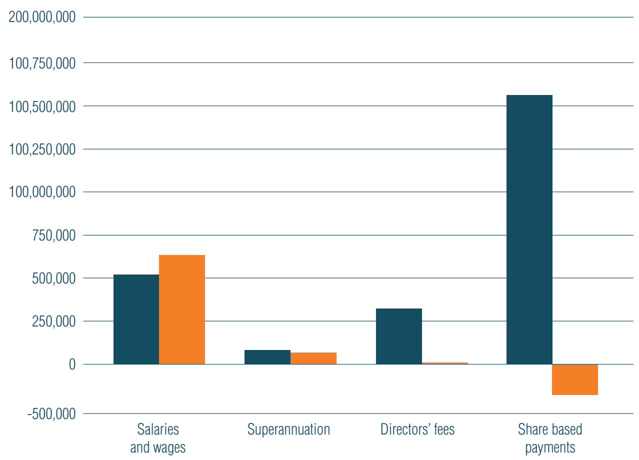
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2021

KEY NUMBERS

4. Operating activities

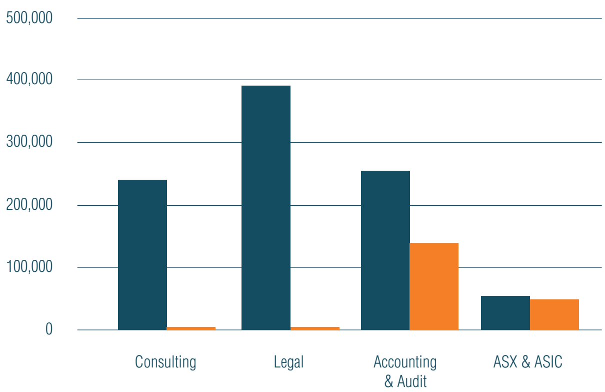
Operating expenses were $5,485,860 for the year ended 30 June 2021 (2020: $1,820,726) and include the following:



Employee benefits expense

	2021	2020
Total	**$2,441,857**	**$351,575**
Salaries and other employee benefits	$515,364	$631,124
Superannuation	$74,726	$71,721
Directors' fees	$282,500	$10,000
Share based payments - employees	$1,569,267	($361,270)

Share based payments – employee benefits expense includes the value of performance rights granted to Non-executive Directors, KMP, employees and consultants of $1,569,267 (Refer Note 14). Share based payments expense in the prior year of -$361,270 included reversal of previously expensed amounts where executive KPIs were not met and the related performance rights have lapsed.



Professional fees

	2021	2020
Total	**$890,896**	**$193,468**
Consulting	$247,150	$3,745
Legal	$390,456	$3,440
Accounting & audit	$202,502	$137,706
ASX & ASIC	$50,788	$48,577

Share based payments – Cape Hardy Stage I Warrants

Share based payments – Cape Hardy Stage I Warrants expense of $1,216,501 relates to professional services supplied by Macquarie Capital (2020: Nil). Refer Note 14 for additional information.

Reconciliation of loss after income tax to net cash outflow from operating activities is as follows:

	2021 ($)	2020 ($)
Net loss for the period	**(5,435,595)**	**(1,769,964)**
Depreciation	46,829	48,358
Share based payments - employees	1,569,267	(361,270)
Share based payments - Cape Hardy Stage I Warrants	1,216,501	-
Gain/(loss) on disposal of asset	34,000	-
Change in operating assets and liabilities		
(Decrease)/Increase in other receivables	(49,011)	(11,214)
Increase/(Decrease) in trade payables	149,050	195
Increase/(Decrease) in other provisions	(26,955)	(253,721)
Net cash outflow from operating activities	**(2,495,914)**	**(2,347,616)**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2021

KEY NUMBERS

5. Provisions

The employee benefits provision covers the Group's liability for long service leave and annual leave. This provision represents a present obligation resulting from past events, where it is probable that an outflow of resources will be required to settle the obligation. The current portion of this liability includes all accrued annual leave and the unconditional entitlements to long service leave where employees have completed the required period of service. However, based on experience, the Group does not expect all employees to take the full amount of accrued leave or require payment within twelve months.

	CURRENT			NON CURRENT	
Provisions	Annual leave $	Long service leave $	Sub-total $	Long service leave $	Total $
Carrying amount as at 1 July 2020	120,732	144,153	264,885	34,862	299,747
Additional provision recognised during the year	70,120	8,148	78,268	(33,765)	44,503
Amounts used or paid out during the year	(71,458)	-	(71,458)	-	(71,458)
Carrying amount as at 30 June 2021	**119,394**	**152,301**	**271,695**	**1,097**	**272,792**

Short term employee benefit obligations

Liabilities for wages and salaries, including non-monetary benefits and accumulating leave that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. All other short-term employee benefit obligations are presented as payables.

Other long term employee benefit obligations

The liabilities for long service leave and annual leave are not expected to be settled wholly within twelve months after the end of the period in which the employees render the related service. Consequently, they are recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service.

Notwithstanding the classification of annual leave as a long term employee benefit, the related obligations are presented as current liabilities in the balance sheet if the Group does not have an unconditional right to defer settlement for at least twelve months after the reporting date, regardless of when actual settlement is expected to occur.

The following amounts reflect leave that is not expected to be taken or paid within twelve months:

	2021 $	2020 $
Annual leave obligations expected to be settled after twelve months	71,636	72,439
Current long service leave obligations to be settled after twelve months	153,398	144,152
Total current leave obligations expected to be settled after twelve months	**225,034**	216,591

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2021

KEY NUMBERS

6. Taxation

Iron Road Ltd and its wholly-owned Australian controlled entities have implemented the tax consolidation legislation. As a consequence, these entities are taxed as a single entity and the deferred tax assets and liabilities of these entities are set off in the consolidated financial statements.

This note provides an analysis of the Group's income tax expense, amounts recognised and deferred tax assets and liabilities. The income tax expense of nil for the year ended 30 June 2021 (2020: nil) represents the tax payable on the current period's taxable loss adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Deferred income tax is determined using a tax rate applicable at the end of the reporting period and expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Reconciliation of income tax benefit to prima facie tax	2021 $	2020 $
Loss from continuing operations before income tax benefit	(5,435,595)	(1,769,964)
Tax at the Australian tax rate of 30% (2020: 30%)	(1,630,678)	(530,989)
Tax effect of amounts which are not deductible/(assessable) in calculating taxable income	(785,912)	(108,381)
Current year tax losses not recognised	844,766	639,370
Income tax expense	**-**	**-**

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is also recognised in other comprehensive income or directly in equity.

Deferred tax assets and liabilities	2021 $	2020 $
The balance of deferred tax assets comprises temporary differences attributable to:		
Tax losses	45,400,264	44,513,300
Business related costs	76,718	-
Accrued expenses	157,508	105,178
Total recognised and unrecognised deferred tax assets	**45,634,490**	44,618,478
The balance of deferred tax liabilities comprises temporary differences attributable to:		
Exploration expenditure	34,101,004	33,997,465
Total deferred tax liabilities	**34,101,004**	33,997,465
Net deferred tax assets	11,533,486	10,621,014
Deferred tax assets not recognised	(11,533,486)	(10,621,014)
Net deferred tax assets	-	-

A net deferred tax asset of $11,533,486 (2020: $10,621,014) has not been recognised as it is not probable within the immediate future that taxable profits will be available against which temporary differences and tax losses can be utilised.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2021

KEY NUMBERS

7. Prepayments and other receivables

Prepayments and other receivables for the year ended 30 June 2021 were $94,080 (2020: $45,069).

$94,080
2021

GST receivable	$63,205
Prepayments	$30,697
Other receivables	$178

$45,069
2020

GST receivable	$19,586
Prepayments	$25,304
Other receivables	$178

As at 30 June 2021 there were no other receivables that were past due or impaired (2020: nil). At initial recognition, the Group measures a financial asset at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Loans and receivables are subsequently carried at amortised cost using the effective interest method. Exposure to risk is considered in Note 18(a).

Due to the short-term nature of current receivables, their carrying amount is assumed to approximate fair value.

8. Trade payables

	2021 $	2020 $
Trade payables	713,252	670,642
Accruals	156,239	49,799
Short term loan facility	343,118	8,000,000
Total trade and other payables	**1,212,609**	8,720,441

The Group received $1,000,000 in short term finance from Sentient Global Resources Fund IV taking the facility balance to $9,000,000 before repaying $8,656,882 through the issue of shares in the December 2020 rights issue (see Note 13). The balance of the facility at 30 June 2021 was $343,118 (2020: $8,000,000). The facility attracts nil interest and is repayable by 30 September 2021. It is proposed that the remaining balance of the facility will be extinguished by an issue of the shares to Sentient, subject to the approval of the Foreign Investment Review Board (FIRB) and Iron Road shareholders as required by the ASX Listing Rules.

Trade payables includes $433,465 in annual mining lease rental fees associated with the CEIP mineral lease ML6467 (2020: $571,426) and $187,000, including GST, payable to Sentient for Director's fees related to Glen Chipman for the period April 2018 to June 2021 (2020: Nil). It is proposed that $153,750 of the amount owing to Sentient will be extinguished by an issue of shares to Sentient, subject to the approval of the Foreign Investment Review Board (FIRB) and Iron Road shareholders as required by the ASX Listing Rules.

All amounts are unsecured and are presented as current liabilities unless payment is not due within 12 months from the reporting date. The carrying amount of trade and other payables are assumed to approximate their fair values, due to their short-term nature.

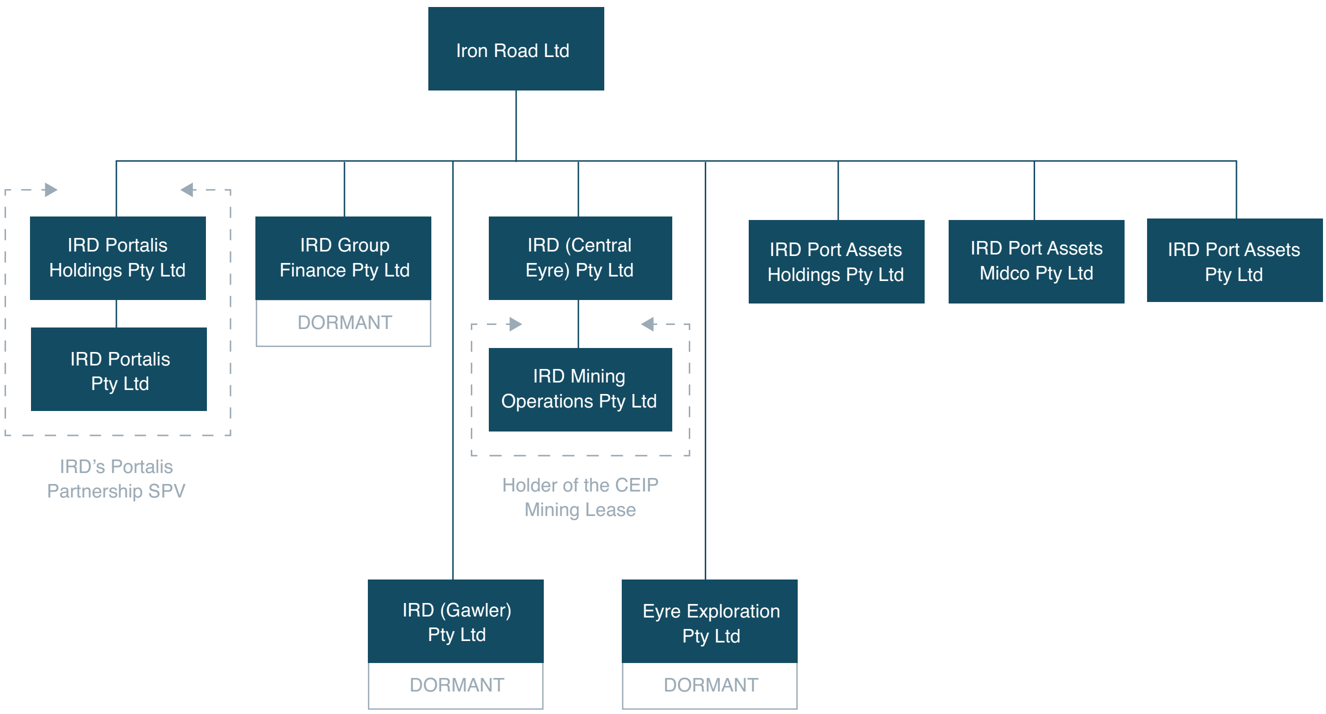
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2021

STRUCTURES

9. Controlled entities

The Group has the following corporate structure. All subsidiaries are 100% owned (2020: 100%) and located and registered in Australia.



The following subsidiaries were deregistered during the year:

IRD Cargo Services Pty Ltd

IRD Corporate Services Pty Ltd

IRD Marine Operations Pty Ltd

IRD Track Services Pty Ltd

IRD Train Operations Pty Ltd

10. Segment information

Operating segments are reported in a manner consistent with the internal reporting provided to the Board of Directors and management of the Group. These internal management reports are reviewed monthly and are aligned with the information provided in the statement of comprehensive income, statement of financial position and statement of cash flows. The Group does not have any customers or operating segments with discrete financial information and all of the Group's assets and liabilities are located within Australia. As a result no reconciliation is required.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2021

STRUCTURES

11. Related parties

The parent entity of the Group and the ultimate parent entity and controlling party is The Sentient Global Resources Funds (Sentient) which at 30 June 2021 owned 72.62% (2020: 74.03%) of the issued ordinary shares of Iron Road Ltd.

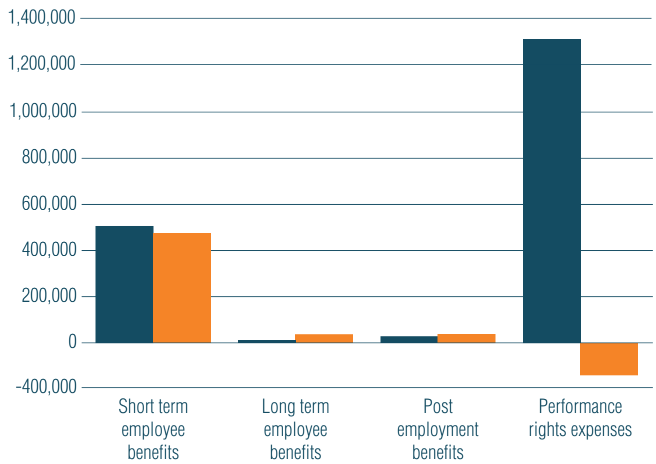
The following transactions occurred with Sentient:

	2021 ($)	2020($)
Proceeds of issue from shares	**8,656,882**	-
Short term finance - loan	**1,000,000**	2,000,000
Short term finance - repayment	**(8,656,882)**	-
Director's fees (April 2018 to June 2021)	**(170,000)**	-

The Group received $1,000,000 in short term finance from Sentient Global Resources Fund IV taking the facility balance to $9,000,000 before repaying $8,656,882 through the issue of shares in the December 2020 rights issue (see Note 13). The balance of the facility at 30 June 2021 was $343,118 (2020: $8,000,000). The facility attracts nil interest and is repayable by 30 September 2021. All of the Director fees related to Mr Glen Chipman and remained outstanding at 30 June 2021 (2020: Nil). It is proposed that the remaining short term facility of $343,118 and Director fees relating to the period April 2018 to March 2021 of $153,750 be settled via an issue of shares to Sentient, subject to the approval of the Foreign Investment Review Board (FIRB) and Iron Road shareholders as required by the ASX Listing Rules.

All transactions were made on standard commercial terms and conditions and at market rates other than the engagement of Mr Chipman which was at no cost to Iron Road.

Transactions with Directors and other Key Management Personnel having authority and responsibility over the Group's activities are as follows:



	2021	2020
Total	**$1,808,242**	**$189,580**
Short term employee benefits	$500,400	$471,535
Long term employee benefits	$17,549	$42,676
Post employment benefits	$25,000	$36,639
Performance rights expenses	$1,265,293	($361,270)

Detailed remuneration disclosures are provided in the Remuneration Report on page 22. Share based payments – employee benefits expense includes the value of performance rights granted to Non-executive Directors and KMP of $1,265,293 (Refer Note 14). Share based payments expense in the prior year of -$361,270 includes reversal of previously expensed amounts where executive KPIs were not met and the related performance rights have lapsed.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2021

STRUCTURES

12. Parent entity information

The individual financial statements for the parent entity show the following amounts:

Parent entity financial statements	2021 $	2020 $
ASSETS		
Total current assets	15,901,017	11,438,180
Total non-current assets	121,887,000	121,133,091
Total assets	**137,788,017**	**132,571,270**
LIABILITIES		
Total current liabilities	1,484,305	8,985,326
Total non-current liabilities	1,097	34,863
Total liabilities	**1,485,402**	**9,020,189**
Net assets	**136,302,615**	**123,551,082**
EQUITY		
Issued capital	177,406,872	162,093,715
Reserves	7,552,526	4,766,758
Accumulated losses	(48,656,783)	(43,309,391)
Total equity	**136,302,615**	**123,551,082**
Loss for the year	**(5,347,392)**	**(1,725,553)**
Total comprehensive loss for the year	**(5,347,392)**	**(1,725,553)**

The financial information for the parent entity, Iron Road Ltd, has been prepared on the same basis as the consolidated financial statements, except as set out below.

(i) Investments in subsidiaries, associates and joint ventures.

Investments in subsidiaries are accounted for at cost in the financial statements of Iron Road Ltd.

(ii) Tax consolidation

Iron Road Ltd and its wholly-owned Australian controlled entities have implemented the tax consolidation legislation. The head entity, Iron Road Ltd, and the controlled entities in the tax consolidated group account for their own current and deferred tax amounts. These tax amounts are measured as if each entity in the tax consolidated group continues to be a stand-alone taxpayer in its own right. In addition to its own current and deferred tax amounts, Iron Road Ltd also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from controlled entities in the tax consolidated group.

The company has not provided any financial guarantees as at 30 June 2021 and has no contingent liabilities as at 30 June 2021.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2021

CAPITAL

13. Equity and reserves

Share capital	2021 Shares	2020 Shares	2021 $	2020 $
Opening balance 1 July	693,683,634	693,683,634	162,093,715	162,093,715
Shares issued as part of 1 for 7 non-renounceable rights issue	74,444,467	-	10,422,225	-
Issue of shares in Share placement	19,767,444	-	4,250,000	-
Issue of shares to consultant as consideration for services	465,116	-	100,000	-
Issue of shares in Share Purchase Plan (SPP)	3,918,619	-	842,503	-
Cost of rights issue	-	-	(301,571)	-
Balance 30 June	**792,279,280**	693,683,634	**177,406,872**	162,093,715

In December 2020 the Company completed a non-renounceable entitlement offer of new Iron Road shares at an offer price of $0.14 (14 cents) per share on the basis of 1 new share for every 7 existing shares held. Applications were received for entitlement and shortfall of approximately $10.42 million. All Iron Road's directors participated up to their full entitlement under the offer and were not eligible to participate in the shortfall offer. Iron Road's largest shareholder Sentient Global Resources Fund IV, L.P. participated fully in the offer, which resulted in the repayment of $8.7 million of the total $9.0 million in debt owed to Sentient Global Resources Fund IV, L.P. (refer Note 11).

In May 2021 the Company completed a share placement for $4.25 million and Share Purchase Plan (SPP) which raised a further $0.84 million before costs. Both the placement and SPP were priced at $0.215 (21.5 cents) per share. All directors and the CEO, Larry Ingle applied for their full entitlement under the SPP.

Ordinary shares entitle the holder to participate in dividends and to share in the proceeds of winding up of the Group in proportion to the number of and amounts paid on the shares held. Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Ordinary shares have no par value and the company does not have a limited amount of authorised capital.

Dividends

There have been no dividends paid during the current or prior financial years.

14. Reserves and Share-based payments

Share capital	2021 Options & Rights	2020 Options & Rights	2021 $	2020 $
Opening balance 1 July	-	5,000,000	4,766,758	5,128,028
Equity Incentive Plant Rights lapsed	-	(5,000,000)	-	(361,270)
Past Director Performance Rights issued	2,601,000	-	377,145	-
Future Director Performance Rights issued	5,000,000	-	683,500	-
Employee Performance Rights issued	10,600,000	-	508,622	-
Share-based payments - employee benefits expense			**1,569,267**	(361,270)
Cape Hardy Stage I Warrants issued	40,000,000	-	1,216,501	-
Share-based payments - Cape Hardy Stage I Warrants expense			**1,216,501**	-
Balance 30 June	**58,201,000**	-	**7,522,526**	**4,766,758**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2021

CAPITAL

14. Reserves and Share-based payments

(continued)

The share-based payment reserve is used to recognise the value of options and performance rights granted. Options and Performance rights with vesting conditions are expensed throughout the vesting period and should they fail to vest before the expiry date, no amount is recognised.

During the year Share based payments – employee benefits expense included the value of performance rights granted to Non-executive Directors, KMP, employees and consultants of $1,569,267. Share based payments expense in the prior year of -$361,270 included reversal of previously expensed amounts where executive KPIs were not met and the related performance rights have lapsed.

Share based payments – Cape Hardy Stage I Warrants expense of $1,216,501 relates to professional services supplied by Macquarie Capital (2020: Nil).

Share-based compensation benefits are provided to Directors, KMP, employees and consultants through the Iron Road Ltd Performance Share Plan and Share Option Plan.

Performance rights

The Iron Road Performance Share Plan ("PSP") was implemented in November 2020 as part of the Group's remuneration policy to encourage long term performance and retention of Directors, senior executives, employees or contractors of the Company or its associated body corporate. It is targeted at those whose responsibilities provide them with opportunity to significantly influence long term shareholder value. The plan is administered by the Board which has discretion over persons eligible to participate and any performance criteria attached to performance rights.

Performance rights under the PSP entitle the holder to an ordinary share which can be exercised once the right has become exercisable and provided it has not lapsed. The Board may determine that certain performance conditions must be satisfied before the right becomes exercisable. If the performance conditions are satisfied, the rights vest and become exercisable although satisfaction of any vesting condition will not automatically trigger the exercise of the right.

The fair value of the rights is determined using Monte Carlo simulation with reference to the market price and expected share price volatility of Iron Road Ltd shares at the grant date. Rights are granted under the plan for nil consideration and carry no dividend or voting rights. Once vested and exercised, any share acquired by participants will rank equally with all existing shares of the same class.

Should the participants' employment cease due to genuine redundancy, resignation under reasonable circumstances (if so determined by the Board), death or invalidity, the unvested performance rights will not lapse and may vest or the performance criteria may be waived.

The following performance rights were granted during the year ended 30 June 2021:

a) Past Director Performance Rights – vested rights to compensate for unpaid director fees from April 2018 to December 2020 (other than director Glen Chipman as described in Note 11) below:

The fair value of the rights at grant date is equal to the closing share price of Iron Road shares on that day.

b) Future Director Performance Rights – rights that vest if Company's share price exceeds a Volume Weighted Average (VWAP) equal to 130% of the 5 day VWAP prior to the 2020 AGM at any time in the period to 31 December 2022 for a period of at least 1 month (KPI) below:

a)

Director	Grant date	Expiry date	Fair value at grant date	Balance at start of period	Granted during the year	Lapsed during the year	Balance at end of period	Vested and exercisable at end of period
30 June 2021								
Peter Cassidy	24 November 2020	31 December 2023	$0.145	-	913,000	-	913,000	913,000
Ian Hume	24 November 2020	31 December 2023	$0.145	-	844,000	-	844,000	844,000
Jerry Ellis	24 November 2020	31 December 2023	$0.145	-	844,000	-	844,000	844,000
Total				**-**	**2,601,000**	**-**	**2,601,000**	**2,601,000**

b)

Director	Grant date	Expiry date	Fair value at grant date	Balance at start of period	Granted during the year	Lapsed during the year	Balance at end of period	Vested and exercisable at end of period
30 June 2021								
Peter Cassidy	24 November 2020	31 December 2025	$0.137	-	2,000,000	-	2,000,000	2,000,000
Ian Hume	24 November 2020	31 December 2025	$0.137	-	1,500,000	-	1,500,000	1,500,000
Jerry Ellis	24 November 2020	31 December 2025	$0.137	-	1,500,000	-	1,500,000	1,500,000
Total				**-**	**5,000,000**	**-**	**5,000,000**	**5,000,000**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2021

CAPITAL

The table below outlines the inputs used in Monte Carlo fair valuation of the Future Director Performance Rights:

Exercise Price	Nil
Right Life	5.08 years
Underlying Share Price	$0.135
Expected Share Price Volatility	99.24%
Risk Free Interest Rate	0.09%
Weighted Average Fair Value	$0.137
Weighted Average Contractual Life	4.5 years

c) Employee Performance Rights – rights that vest subject to various performance conditions as follows

Grant date	Expiry date	Fair value at grant date	Balance at start of period	Granted during the year	Lapsed during the year	Balance at end of period	Vested and exercisable at end of period
15 March 2021	31 December 2024	$0.214 - $ 0.226	-	10,600,000	-	10,600,000	-
Total			**-**	**10,600,000**	**-**	**10,600,000**	**-**

The table below outlines the inputs used in Monte Carlo fair valuation of the Employee Performance Rights:

Exercise Price	Nil
Right Life	3.9 years
Underlying Share Price	$0.275
Expected Share Price Volatility	110.07%
Risk Free Interest Rate	0.10%
Weighted Average Fair Value	$0.219
Weighted Average Contractual Life	3.5 years

Options

Share Option Plan

The Share Option Plan (“SOP”) was implemented in November 2020 as part of the Group’s remuneration policy to encourage long term performance and retention of Directors, senior executives, employees or contractors of the Company or its associated body corporate. Participants are granted options, some of which vest on issue and others that vest if certain market and non-market vesting conditions are met. Options are granted under the plan for nil consideration, carry no dividend or voting rights and expire if not exercised within five years from issue. When exercisable, each option is convertible into one ordinary share.

Participation in the plan is at the Board’s discretion and no individual has a contractual right to participate in the Plan or to receive any guaranteed benefits.

There are no unissued ordinary shares of Iron Road Ltd under option for directors and KMP as at 30 June 2021.

Cape Hardy Stage I Warrants

In September 2020 Iron Road, Macquarie Capital and Eyre Peninsula Co-operative Bulk Handling (EPCBH) entered into a Joint Development Agreement which included the issue of 40 million unlisted Iron Road warrants to Macquarie with vesting contingent on Financial Close and Commercial Operations under being achieved for the Cape Hardy Stage I port. An initial 25 million tranche is exercisable from Financial Close with the second 15 million tranche exercisable from the Commercial Operations Date (COD). All warrants provide the holder with a right to acquire shares in Iron Road and had an exercise price of $0.075 - equivalent to Iron Road’s October 2018 entitlement offer price - and expiry of 24 months post COD. The exercise price was reduced to $0.07376 in accordance with the terms of the warrants following completion of the December 2020 entitlement offer.

Tranche	Grant date	Expiry date	Exercise price	Fair value at grant date	Balance at start of period	Granted during the year	Lapsed during the year	Balance at end of period	Vested and exercisable at end of period
30 June 2021									
1	9 October 2020	24 months from COD	$0.07376	$0.132	-	25,000,000	-	25,000,000	-
2	9 October 2020	24 months from COD	$0.07376	$0.132	-	15,000,000	-	15,000,000	-
Total					**-**	**40,000,000**	**-**	**40,000,000**	**-**

A total of $1,216,501 was recognised as Share Based Payment – Cape Hardy Stage I Warrants expense in the period (2020: Nil).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2021

CAPITAL

15. Loss per share

Basic earnings per share is calculated by dividing:

i) the profit attributable to owners of the company, excluding any costs of servicing equity other than ordinary shares, and

ii) the weighted average number of ordinary shares outstanding during the financial year.

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

i) the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and

ii) the weighted average number of additional ordinary shares that would have been outstanding, assuming the conversion of all dilutive potential ordinary shares.

Basic and diluted earnings per share	2021	2020
Total basic loss per share attributable to the ordinary equity owners of the company (cents)	**(0.74)**	(0.26)
Total diluted loss per share attributable to the ordinary equity owners of the company (cents)	**(0.74)**	(0.26)
Loss from continuing operations attributable to the members of the group used in calculating basic earnings per share ($)	**(5,435,595)**	(1,769,964)

Weighted average number of shares used as the denominator is 736,636,637 (2020: 693,683,634).

ADDITIONAL INFORMATION

16. Remuneration of auditors

During the year ended 30 June 2021, total fees paid or payable for services provided by PricewaterhouseCoopers and its related practices were as follows:

PricewaterhouseCoopers (Australia)	2021 $	2020 $
Total remuneration for audit and other assurance services	72,709	71,410
Total remuneration for tax services	5,100	5,100
Total remuneration of PricewaterhouseCoopers (Australia)	**77,809**	**76,510**

It is the Group's policy to employ PricewaterhouseCoopers (PwC) on assignments additional to their statutory audit duties where PwC expertise and experience is important. These assignments are principally audit and assurance services and taxation advice. PwC is awarded assignments on a competitive basis and it is the Group's policy to seek competitive tenders for all major projects.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2021

ADDITIONAL INFORMATION

17. Accounting policies

Summary of significant accounting policies

The principal accounting policies adopted in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements are for the consolidated entity consisting of Iron Road Ltd and its controlled entities. The financial statements were authorised for issue by the directors on 28 September 2021. The directors have the power to amend and reissue the financial statements.

(a) Basis of preparation of historical financial information

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board and the Corporations Act 2001. Iron Road Ltd is a for-profit entity for the purpose of preparing the financial statements. Iron Road Ltd is a company limited by shares, incorporated and domiciled in Australia. The financial statements are presented in Australian Dollars.

(i) Compliance with IFRS

The consolidated financial statements of Iron Road Ltd also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

(ii) Historical cost convention

These financial statements have been prepared under the historical cost convention.

(iii) Critical accounting estimates

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statement are disclosed in Note 17(h).

(iv) Going concern

For the year ended 30 June 2021 the Group has experienced a loss for the period of $5,435,595 and negative operating and investing cash flows of $3,248,785.

The Group currently has no cash generating assets in operation and $4,747,945 of available cash at 30 June 2021. The continuing viability of the Group and its ability to continue as a going concern and meet its debts and commitments as they fall due is dependent on the Group being successful in:

1) raising further funds through a placement or entitlement offer; and/or

2) funding from a project partner.

As a result of these matters, there is a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business. However, the directors believe that the Group will be successful in implementing a combination of the above matters and, accordingly, have prepared the financial report on a going concern basis.

If the above matters are not executed successfully, the going concern assumption may not be appropriate and result in the Group having to potentially realise assets and extinguish liabilities at amounts different to those stated in the financial report. No allowance for such circumstances has been made.

(v) New and amended standards adopted by the Group

There are no standards that are not yet effective and that would be expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future.

(vi) New standards and interpretations not yet adopted

There are no new standards that are not yet effective and that would be expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

(b) Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all controlled entities of Iron Road Ltd as at 30 June 2021 and the results of all controlled entities for the year then ended. Iron Road Ltd and its controlled entities together are referred to in this financial report as the Group.

Controlled entities are all entities (including special purpose entities) over which the Group has control. The Group controls an entity when the Group is exposed to or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity.

Controlled entities are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

ADDITIONAL INFORMATION

17. Accounting policies (continued)

The acquisition method of accounting is used to account for business combinations by the Group. Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of controlled entities have been changed where necessary to ensure consistency with the policies adopted by the Group.

c) Goods and service tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense. Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the balance sheet. Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flows.

d) Investment and other financial assets

The Group classifies its financial assets as loans and receivables. Management determines the classification of its investments at initial recognition. Financial assets are initially measured at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. For loans and receivables, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate.

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a Group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or Group of financial assets that can be reliably estimated.

e) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Australian dollars, which is Iron Road's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions are recognised in profit or loss.

f) Revenue recognition

Interest income on bank term deposits is calculated on the term of the deposit and the bank interest rate at lodgement date and accrued in revenue from continuing operations.

g) Leases

As a lessee the Group will recognise a right-of-use asset, representing its right to use the underlying asset, and a lease liability, for all leases with a term of more than 12 months; exempting those leases where the underlying asset is deemed to be of a low value.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date, i.e. when the underlying asset is first available for use. The right-of-use asset is initially measured to be equal to the lease liability and adjusted for any lease incentives received, initial direct costs and estimates of costs to dismantle or remove the underlying leased asset. Subsequently the right-of-use asset is measured at cost less any accumulated depreciation and impairment losses, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate, adjusted for asset-specific factors. The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payments made.

h) Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed in Note 2. Exploration and evaluation assets.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2021

ADDITIONAL INFORMATION

18. Risk management

The Group's activities expose it to a variety of financial and market risks (including interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group.

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. Management monitors and manages the financial risks relating to the operations of the Group through regular reviews of the risks, to minimise potential adverse effects on the financial performance and position of the Group.

a) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial asset fails to meet its contractual obligations and arises principally from the Group's receivables, cash and cash equivalents and bank term deposits.

The maximum exposure to credit risk at the end of the reporting period is the carrying amount of each class of cash and cash equivalent and bank term deposit.

Exposure to credit risk

The carrying amount of the Group's financial assets represents the maximum credit exposure. There are no significant concentrations of credit risks, whether through exposure to individual customers or specific industry sectors. The Group's maximum exposure to credit risk at the reporting date was $4,887,025 (2020: $430,524).

The credit quality of financial assets that are neither past due not impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates.

Financial assets that are neither past due nor impaired are as follows:

	2021 $	2020 $
Counterparties without an external credit rating:		
Financial assets with no default in the past	**94,080**	45,069
Cash at bank and fixed term deposits with a credit rating:		
AA-	**4,792,945**	385,455
Total	**4,887,025**	430,524

b) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group manages liquidity risk by maintaining adequate reserves and continuously monitoring forecast and actual cash flows.

Typically the Group ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 60 days, including the servicing of financial obligations. This excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

The Group received $1,000,000 in short term finance from Sentient Global Resources Fund IV taking the facility balance to $9,000,000 before repaying $8,656,882 through the issue of shares in the December 2020 rights issue (see Note 13). The balance of the facility at 30 June 2021 was $343,118 (2020: $8,000,000)

The following are the contractual maturities of undiscounted financial liabilities, including estimated interest payments and excluding the impact of netting agreements:

Contractual maturities of financial liabilities	Less than 6 months	Total contractual cash flows	Carrying amount
At 30 June 2021			
Trade and other payables	1,212,609	1,212,609	1,212,609
Total non-derivatives	**1,212,609**	**1,212,609**	**1,212,609**
At 30 June 2020			
Trade and other payables	8,720,441	8,720,441	8,720,441
Total non-derivatives	**8,720,441**	**8,720,441**	**8,720,441**

There are no derivative financial instruments.

c) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates which will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising returns. The following market risk exposures have been assessed:

(i) Currency risk

The Group operates in Australian dollars with infrequent and low value transactions in other currencies. Such transactions present immaterial currency risk.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2021

ADDITIONAL INFORMATION

(ii) Interest rate risk

Exposure arises from assets bearing variable interest rates. With consideration of the cash balance at 30 June 2020 and the Group's intention to hold fixed rate assets to maturity, the impact of interest rate risk is considered to be immaterial.

(iii) Price Risk

Changes in commodity prices may impact the Group's projected cash flows in future years and may impact the assessment of the carrying value of its assets. However, given the company is not yet in production, changes in commodity prices do not currently impact the Group's profit or loss or its cash flows.

d) Capital risk management

The Group's objectives when managing capital are to safeguard their ability to continue as a going concern.

There were no changes to the Group's approach to capital management during the year. The Group is not subject to externally imposed capital requirements.

UNRECOGNISED ITEMS

19. Commitments

Mining tenements

All of the Group tenements are situated in the South Australia. In order to maintain an interest in the mining and exploration tenements, the Group is committed to meet the conditions under which the tenements were granted. The timing and amount of exploration expenditure commitments and obligations of the Group are subject to the minimum expenditure commitments required as per the Mining Act 1971.

The following obligations are not provided for in the financial report:

Exploration and mineral expenditure commitments	2021 $	2020 $
Within one year	652,540	439,092
Later than one year but no later than five years	-	430,000
Total exploration expenditure commitments	**652,540**	**869,092**

As part of the South Australian Government's response to the COVID-19 pandemic mineral exploration expenditure commitments have been waived for a 12-month period. The impact of this waiver is reflected in the table above.

UNRECOGNISED ITEMS

The Group's interest in mining and exploration tenements is as follows:

South Australia	Tenement Reference	Interest
Warramboo	ML6467	100%
	EL5934	100%
Lock	EL6425	100%
Mulgathing	EL6012	100% Iron Ore rights
	EL6173	100% Iron Ore rights
	EL6502	100% Iron Ore rights
	EL6532	100% Iron Ore rights
	EL5767	100% Iron Ore rights
	EL5998	90% Iron Ore rights
	EL6569	90% Iron Ore rights

Lease commitments

The Group's entered into a month to month lease on its new office in Adelaide in January 2019. Consequently, the total commitments for minimum payments in relation to operating leases for the year ended 30 June 2021 were nil (2020: nil).

Capital commitments

There were no outstanding contractual commitments as at 30 June 2021 (2020: nil).

20. Contingencies

There are no material contingent liabilities or contingent assets of the Group at reporting date.

21. Events after reporting date

On 12 July 2021 Iron Road announced it had executed contracts to acquire a further 24 hectares of gulf front land at Cape Hardy on the Eyre Peninsula. This added to the 1,100 hectares of port precinct land already 100% owned by the Company. Total consideration, including costs, for the purchase was $0.9 million.

Following shareholder approval at a general meeting on 24 August 2021 the Company issued 2,311,014 ordinary shares to Sentient Executive GP IV, Limited (Sentient) as settlement of total amounts owing of approximately $497,000. The amounts owing to Sentient represent repayment in full of $343,119 under an unsecured loan facility and accrued director fees payable to Sentient in relation to Mr Glen Chipman's role as a Director from 1 April 2018 to 31 March 2021.

At the same general meeting shareholders approved the issue of 4,500,000 unlisted performance rights to Mr Larry Ingle and 4,050,000 unlisted performance rights to Mr Glen Chipman under the company's Performance Share Plan. The rights vest and become exercisable if various performance conditions are satisfied by 31 December 2021. The rights were subsequently issued on 23 September 2021.

DIRECTORS' DECLARATION

Iron Road Limited and its Controlled Entities

The directors' of the Group declare that:

1. The consolidated financial statements, comprising the consolidated income statement and statement of comprehensive income, consolidated statement of financial position, consolidated statement of changes in equity, consolidated statement of cash flows and accompanying notes are in accordance with the *Corporations Act 2001* and:

   a) comply with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and

   b) give a true and fair view of the Group's financial position as at 30 June 2021 and of its performance for the financial year ended on that date.

2. In the directors' opinion, there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

3. The remuneration disclosures included in the directors' report (as part of audited Remuneration Report), for the year ended 30 June 2021, comply with section 300A of the *Corporations Act 2001*.

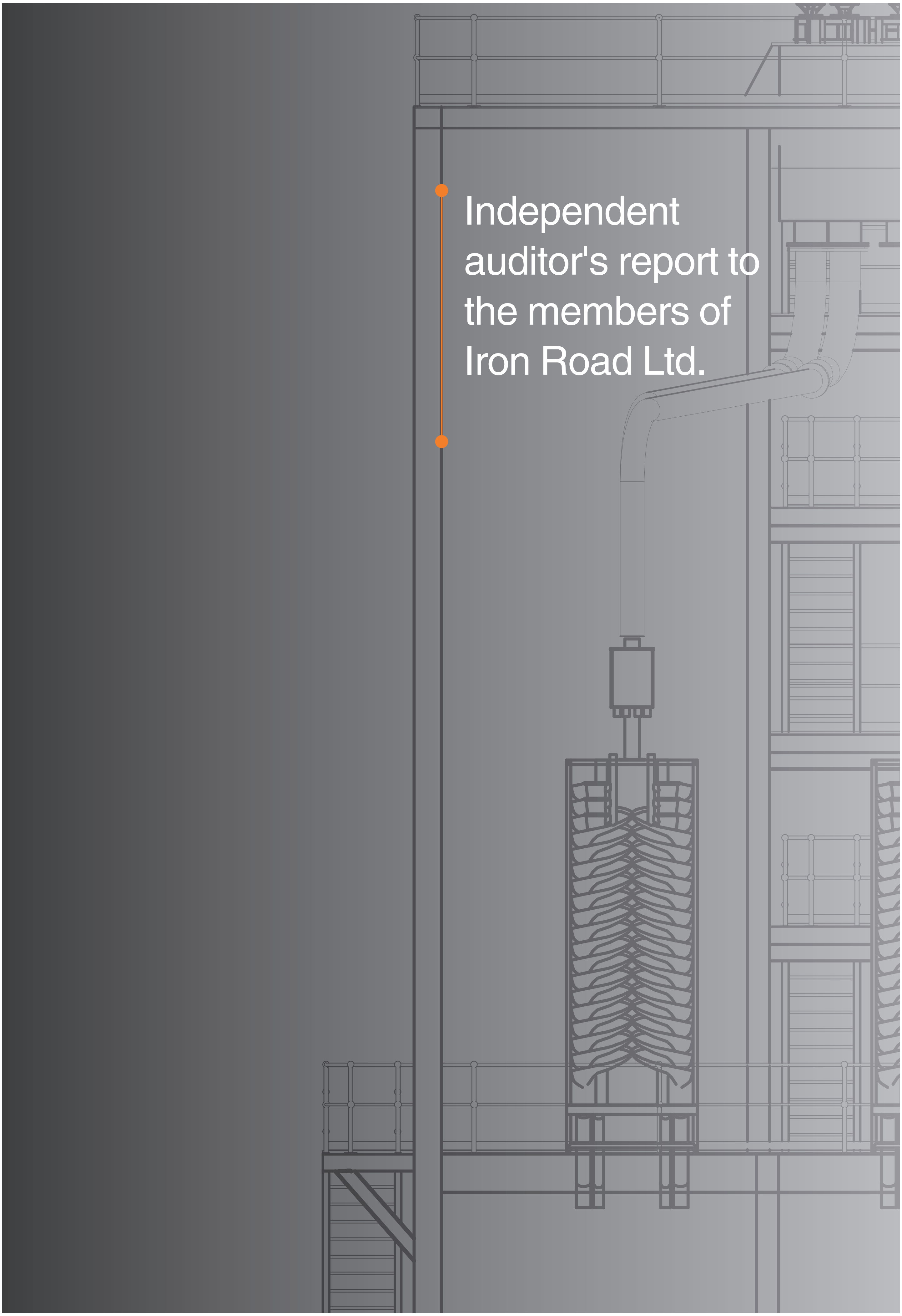
4. The directors' have been given the declarations by the chief executive officer and finance manager required by section 295A of the *Corporations Act 2001*.

5. The Group has included in the notes to the consolidated financial statements an explicit and unreserved statement of compliance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.

This declaration is made in accordance with a resolution of the Board of directors and is signed for and on behalf of the directors by Peter Cassidy.

Peter Cassidy

Chairman
28 September 2021



Independent auditor's report to the members of Iron Road Ltd.

INDEPENDENT AUDITOR'S REPORT

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Independent auditor's report

To the members of Iron Road Ltd

Report on the audit of the financial report

Our opinion

In our opinion:

The accompanying financial report of Iron Road Ltd (the Company) and its controlled entities (together the Group) is in accordance with the *Corporations Act 2001*, including:

(a) giving a true and fair view of the Group's financial position as at 30 June 2021 and of its financial performance for the year then ended

(b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

What we have audited

The Group financial report comprises:

- the consolidated statement of financial position as at 30 June 2021
- the consolidated income statement and statement of comprehensive income for the year then ended
- the consolidated statement of changes in equity for the year then ended
- the consolidated statement of cash flows for the year then ended
- the notes to the consolidated financial statements, which include significant accounting policies and other explanatory information
- the directors' declaration.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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Independent auditor's report to the members of Iron Road Ltd (continued)

Material uncertainty related to going concern

We draw attention to Note 17(a)(iv) in the financial report, which indicates that the Group incurred a loss for the period of $5,435,595 and negative operating and investing cash flows of $3,248,785 during the year ended 30 June 2021. The Group currently has no cash-generating assets in operations and with $4,747,945 of available cash at balance date required additional future funding as detailed in Note 17(a)(iv). These conditions, along with other matters set forth in Note 17(a)(iv), indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Our audit approach

An audit is designed to provide reasonable assurance about whether the financial report is free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial report as a whole, taking into account the geographic and management structure of the Group, its accounting processes and controls and the industry in which it operates.

Materiality

- For the purpose of our audit we used overall Group materiality of $1,370,000, which represents approximately 1% of the Group's total assets.
- We applied this threshold, together with qualitative considerations, to determine the scope of our audit and the nature, timing, and extent of our audit procedures and to evaluate the effect of misstatements on the financial report as a whole.
- We chose Group total assets because, in our view, it is the metric against which the performance of the Group is most commonly measured given it is an exploration and evaluation company that has no production or sales.
- We utilised a 1% threshold based on our professional judgement, noting it is within the range of commonly accepted thresholds in the mining industry.

INDEPENDENT AUDITOR'S REPORT

Independent auditor's report to the members of Iron Road Ltd (continued)

Audit Scope

- Our audit focused on where the Group made subjective judgements; for example, significant accounting estimates involving assumptions and inherently uncertain future events.
- The Group's accounting processes are performed at their head office in Adelaide, which is where we performed our audit procedures.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report for the current period. The key audit matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Further, any commentary on the outcomes of a particular audit procedure is made in that context. We communicated the key audit matters to the Board.

In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matter(s) described below to be the key audit matters to be communicated in our report.

Key audit matter	***How our audit addressed the key audit matter***
Carrying value of exploration and evaluation assets *(Refer to note 2) $122,725,631* The Group accounts for exploration and evaluation activities in accordance with the policy in note 2 of the financial report. The amount recorded at balance date relates entirely to the Group's Central Eyre Iron Project (CEIP). Judgement is required by the Group to determine whether there were indicators of impairment of the exploration and evaluation assets, due to the need to make estimates about future events and circumstances, such as whether the resources may be economically viable to develop in the future. The carrying value of exploration and evaluation assets was considered a key audit matter given the size of the balance recorded on the consolidated statement of financial position at 30 June 2021 and the fact that determination of the balance involves significant judgement made by the Group as outlined above.	We performed the following procedures: • Evaluated the Group's assessment that there had been no indicators of impairment during the current period with reference to the requirements of Australian Accounting Standards. • Considered the latest available information regarding the CEIP through inquiries of management and the directors, and review of press releases. • Inquired of management and the directors as to whether there had been any changes to, and obtained evidence to support, the Group's right of tenure to the CEIP. This includes identifying the licence status recorded by the South Australian Department of State Development.

Independent auditor's report to the members of Iron Road Ltd (continued)

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report for the year ended 30 June 2021 but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf. This description forms part of our auditor's report.

INDEPENDENT AUDITOR'S REPORT

Independent auditor's report to the members of Iron Road Ltd (continued)

Report on the remuneration report

Our opinion on the remuneration report

We have audited the remuneration report included in pages 20 to 25 of the directors' report for the year ended 30 June 2021.

In our opinion, the remuneration report of Iron Road Ltd for the year ended 30 June 2021 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

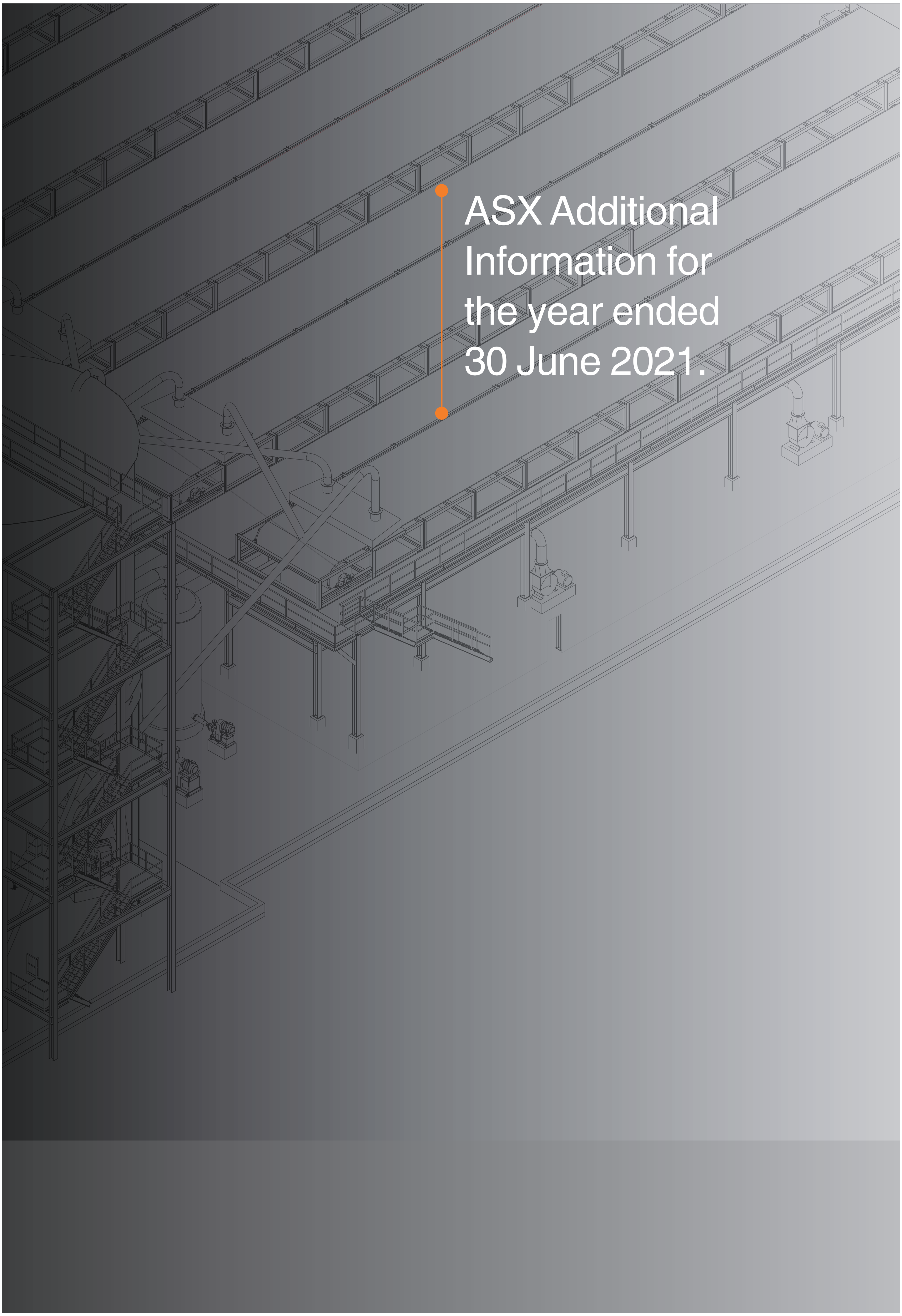
The directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of *the Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

PricewaterhouseCoopers

PricewaterhouseCoopers

M. T. Lojszczyk
Partner

Adelaide
28 September 2021



ASX Additional Information for the year ended 30 June 2021.

ASX ADDITIONAL INFORMATION

For the year ended 30 June 2021

Additional information required by the Australian Securities Exchange Ltd and not shown elsewhere in this report is shown below. All information is current as at 31 August 2021.

Distribution of equity securities

Analysis of number of equity security holders by size of holding:

Spread of holding	Number of holders	Shares held	Percentage of ordinary fully paid shares	Unquoted rights	Unquoted warrants
1-1,000	169	61,417	0.01%	-	-
1,001-5,000	703	2,108,843	0.27%	-	-
5,001-10,000	366	2,965,651	0.37%	-	-
10,001-100,000	853	27,289,269	3.43%	-	-
100,001 and over	210	762,165,114	95.92%	3	1
Total holders	**2,301**		**100.00%**	**3**	**1**
Total securities		**794,590,294**	**100.00%**	**7,601,000**	**40,000,000**

All unquoted warrants are held by Macquarie Corporate Holdings Pty Ltd.
There are 427 holders of less than a marketable parcel of ordinary shares (calculated at 20.5 cents per share).
There are 465,116 shares subject to voluntary escrow to 10 May 2022.

Twenty largest shareholders

The names of the twenty largest shareholders of quoted ordinary shares are:

	Holder name	Shares held	Percentage of ordinary fully paid shares
1	Sentient Executive GP IV Limited	496,989,991	62.55%
2	HSBC Custody Nominees (Australia) Limited	80,601,109	10.14%
3	Sentient Executive GP III Limited	51,558,593	6.49%
4	Sentient Executive GP II Limited	29,131,005	3.67%
5	SANBA II Inv Company	9,861,112	1.24%
6	DEVIPO Pty Ltd	6,898,785	0.87%
7	Cedarose Pty Ltd	5,635,425	0.71%
8	SEISUN Capital Pty Ltd	4,714,577	0.59%
9	JEM Investment Fund Holdings Pty Ltd	4,443,566	0.56%
10	CM & SM Anderson	3,639,535	0.46%
11	Geoffrey John Paul	3,100,000	0.39%
12	BNP Paribas Nominees Pty Ltd	3,071,392	0.39%
13	Citicorp Nominees Pty Limited	2,773,707	0.35%
14	HSBC Custody Nominees (Australia) Limited - A/C 2	2,543,484	0.32%
15	Bond Street Custodians Limited	1,560,037	0.20%
16	Claire Margaret Stocks	1,442,657	0.18%
17	Andrew James Stocks	1,442,656	0.18%
18	Glen Anthony Chipman	1,189,535	0.15%
19	S3 Consortium Holdings Pty Ltd	1,162,791	0.15%
20	Momentous Capital Group Pty Ltd	1,150,000	0.14%
	Total	**712,909,957**	**89.73%**

Substantial shareholder

These substantial shareholders have notified the company in accordance with section 671B of the *Corporations Act 2001 (Cth)*:

	Shares held
Sentient Executive GP II, Limited	29,131,005
Sentient Executive GP III, Limited	51,558,593
Sentient Executive GP IV, Limited	496,989,991
Total holding	**577,679,589**

Voting rights

All ordinary shares are fully paid and carry one vote per share without restriction. There are no voting rights attaching to unquoted performance rights and warrants on issue.

Buy back

There is no current on-market buy-back.

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