



QUARTERLY ACTIVITIES REPORT

For the period ended 30 September 2024

SEPTEMBER QUARTER REVIEW

Cape Hardy Industrial Port Precinct – Amp Energy and Northern Water transactions

Iron Road Ltd (ASX:IRD, Company or Iron Road) announced on *19 August 2024* that the Company received a \$2.5 million Cape Hardy land deposit from Amp Energy in accordance with terms previously disclosed on *21 May 2024*.

On *20 September 2024*, Iron Road further advised that a final condition precedent, relating to Foreign Investment Review Board (FIRB) approval, had triggered an initial \$1.5 million Cape Hardy project milestone payment from Amp Energy. Importantly, receipt of FIRB approval by Amp Energy, for its Cape Hardy land purchase option, made the earlier \$2.5 million land deposit non-refundable. FIRB approval has also unlocked the next \$3 million project milestone payment from Amp Energy which is due for receipt by the Company on or before end Q4 2024.

The following table includes the balance of non-dilutionary payments Iron Road expects to receive during Q4 2024, less amounts received to date. Amp Energy and Northern Water's planned industrial scale developments are viewed as fundamental enablers for the Cape Hardy site to also credibly host a potential green iron industrial precinct from 2030, supporting the South Australian Government's *State Prosperity Project* and *Green iron and steel strategy*.

Amp Energy and Northern Water investigations continue at the Cape Hardy site with various environmental and engineering studies accompanying ongoing stakeholder engagement. Specific Cape Hardy site visits and investigations are performed in accordance with a formal Land Access Protocol for all project personnel and their contractors.

The Company continues to make available to Northern Water and Amp Energy, all complementary Cape Hardy development work previously undertaken by the Company, including engineering and design, feasibility studies, numerous terrestrial and marine studies relating to both Environmental Impact Statement (EIS) and EPBC approval, geotechnical / seismic / LIDAR and bathymetric surveys.

Date	Non-Dilutionary Payment	Amount Received to Date	Counterparty
Q3 2024 ¹	\$2.50m	\$2.50m	
Q3 2024 ¹	\$1.50m	\$1.50m	
Q4 2024 ¹	\$3.00m	-	
Q2 - Q4 2024 ²	\$3.37m	\$815k	

Notes:

¹ Final condition precedent for retention of \$2.5m deposit and Q3/Q4 2024 milestone payments has now been met by Amp Energy obtaining Foreign Investment Review Board (FIRB) approval for the Cape Hardy land purchase option.

² Non-refundable monthly instalments are payable to Iron Road until the exercise of Northern Water's option to proceed with the purchase of Cape Hardy land. The option is expected to be exercised by 31 December 2024, however, this may be extended by a further three months.

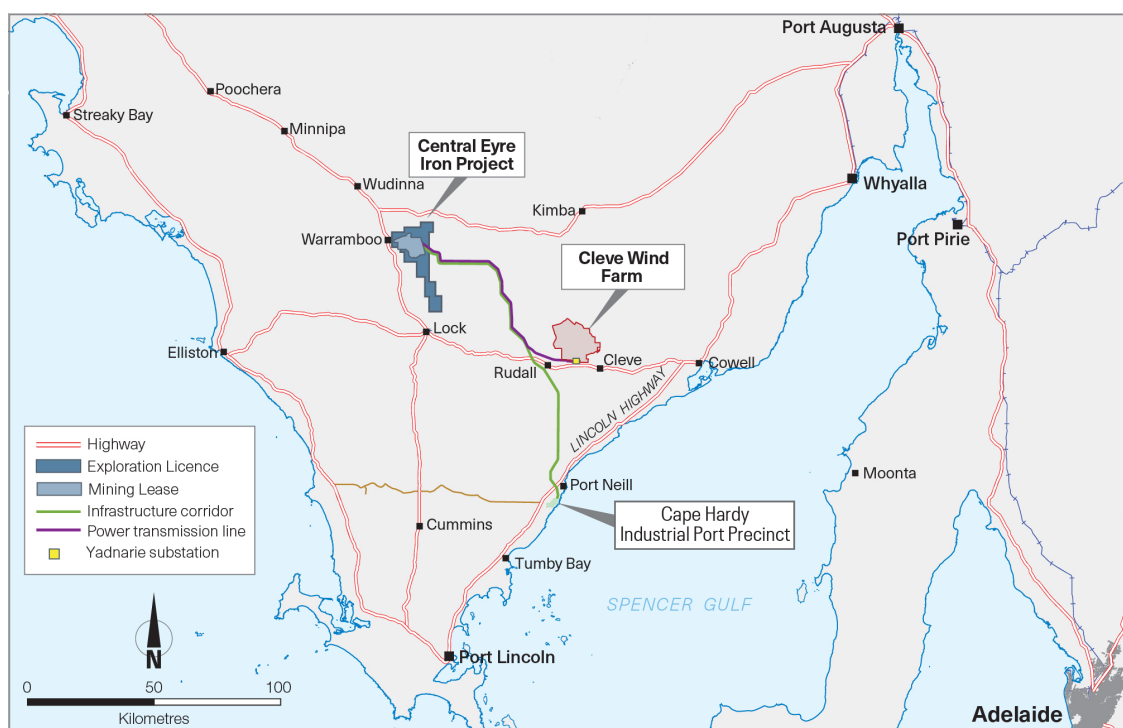
Central Eyre Iron Project (CEIP)

During Q3 2024, the 62% Fe Fines benchmark price averaged approx. US\$100/dmt, circa 12% lower quarter-on-quarter. The higher grade 65% Fe index averaged approx. US\$114/dmt, circa 10% lower quarter-on-quarter. Steel mill margins remain low in China, a dynamic which historically has temporarily led to lower demand for higher grade iron ore via procurement adjustments for steel mills to preserve operating cashflow. However, this Q3 2024 price premium of 14% for the higher grade 65% Fe index compared to the benchmark 62% Fe index, demonstrates that seaborne supply of high-grade feedstock remains relatively tight and a continued positive demand signal for high quality iron ore products when the global steel market recovers. China’s property market downturn remains the primary driver for easing seaborne iron ore prices, combined with concerns over provincial government debt and low consumer confidence. This has led to continued strong (albeit easing) Chinese steel exports during what is frequently a seasonally weak Q3 market for iron ore, amplified this year by maintenance at Chinese steel mills.

The Company submitted an Expression of Interest as its initial response to the South Australian Government’s Green Iron Opportunity on 1 October 2024. The CEIP Ore Reserve provides optionality across both coarser-grind sinter feed (circa. 67% Fe concentrate @ p80 -106µm) and finer-grind direct-reduced iron (DRI) grade products (circa. 70% Fe concentrate @ p80 -38 to -53µm). Higher grade iron concentrates are an increasing focus for potential CEIP proponents and project partners. The global iron ore mining and steelmaking industry acknowledges that DRI grade products are likely to remain the most viable mid-term solution for progressively reducing Scope 3 industry emissions. Consequently, Iron Road continues to position the CEIP opportunity as a credible and advanced high iron grade development option as this key industry thematic steadily advances.

On 27 September 2024, Iron Road advised that the Company and Vestas Development Australia Pty Ltd (Vestas) are co-operating on green power supply offtake opportunities for the CEIP. Vestas is a wholly owned subsidiary of Denmark based [Vestas Wind Systems A/S](#), a world leader in the onshore wind market.

Iron Road and Vestas have already established an informal 18-month relationship to understand respective and complementary development opportunities across the Eyre Peninsula region. Vestas’ Campoona Energy development consists of two projects – Cleve Wind Farm & Campoona Energy Hub with both projects having the combined capacity to deliver up to 3GW of high-quality wind energy. The [Campoona Energy project fact sheet](#) provides further detail.



Vestas’ Campoona Energy project – proximate to Iron Road’s assets

In addition to the Company and Vestas investigating the optimal configuration of green electricity supply and storage to meet CEIP power demand, other commercial opportunities and potential synergies will be evaluated as part of the Co-operation Agreement.

Iron Road also advised on 20 September 2024 that the Company has commissioned *WSP Australia* (WSP) to investigate a slurry pipeline option for the transport of iron concentrate from the CEIP mine to the proposed industrial port precinct at Cape Hardy. This logistics option is expected to be more efficient and reduce previously estimated capital and/or operating costs vs. heavy haulage rail or private road haulage alternatives. It has also been raised as a clear logistics preference by potential CEIP investors.



A below surface pipeline system is expected to comprise a process water pipeline to the processing plant at the mine and a return slurry pipeline conveying iron concentrate to the Cape Hardy Industrial Port Precinct (illustrative image).

The WSP study team is composed of engineering resources from WSP’s Adelaide office supported by WSP’s pipeline specialist capacity based in the United States. The study will produce a concept design for the transport system and capital and operating cost estimates for the proposed system by the end of 2024.

To date the study team has:

1. Established a basis of study for a nominal 12Mtpa concentrate production rate
2. Completed preliminary analysis on the magnetite concentrate slurry hydraulic properties
3. Completed a review of IRD’s approved infrastructure corridor, verifying suitability for a pipeline installation
4. Completed hydraulic analysis to determine the system pressure – confirming the duty requirements can be met using conventional, well-proven pumping equipment and piping components.

Post quarter-end, Iron Road alongside a number of South Australian energy and resources companies, joined *South Australian Trade and Investment Minister, Joe Szakacs on a delegation to Korea and Japan* to advance trade and investment opportunities with two key regional partners.

Iron Road welcomed this excellent opportunity for further direct engagement with both government and strategic enterprises in Korea and Japan. There is a growing awareness and appreciation in these markets that the South Australian Government is actively pursuing plans to ensure critical fundamental infrastructure including strategic, industrial-scale water supply and continued growth in energy generation and storage act as catalysts to unlock major economic growth and high-wage intergenerational employment opportunities in the State.



Minister Szakacs led Trade and Investment delegation to Korea and Japan pictured with South Australian company executives (20-25 October 2024)

Photo at Korea Midland Power Co. Ltd. (KOMIPO) Seoul, Monday 21 Oct 2024 supplied by Government of South Australia - Department of State Development

Corporate

At quarter end, the Company held cash reserves of \$2.9 million and no debt. Total cash inflow from operating and investing activities during the quarter was a net \$3.2 million inclusive of the settlement of Iron Road’s annual Mining Lease Rental obligations for Mineral Lease 6467. A \$0.5 million interest free loan from Iron Road’s major shareholder was repaid during the period.

On 1 July 2024, the Company advised it had entered into a Warrant Implementation Deed and associated Warrant Deed Poll with Macquarie Corporate Holdings Pty Limited (Macquarie). Following shareholder approval on 2 August 2024, the Company agreed to cancel unvested Subscription Warrants previously issued to Macquarie in Q4 2020 and re-issue unvested Replacement Warrants. The original Subscription Warrants were granted in connection with arrangements under a Joint Development Agreement between Macquarie, Iron Road and Eyre Peninsula Co-Operative Bulk Handling dated 23 September 2020 and a Side Agreement, related to the Joint Development Agreement, between Macquarie and Iron Road on the same date. The terms of the Replacement Warrants were provided in the Company’s Notice of General Meeting lodged with the ASX on 1 July 2024.

During the quarter, the Company paid \$642k in relation exploration & evaluation expenditure. The expenditure included a \$485k payment related to the Company’s Mineral Lease as well as expenditure on progressing the slurry pipeline study and Cape Hardy industrial port precinct development activities.

Items 6.1 and 6.2 of the Appendix 5B include payment of \$248k of executive and non-executive director fees during the quarter that also incorporated the settlement of deferred salary and director fees accrued over the previous nine months. A portion of this total figure has been allocated to progressing the CEIP.

- ENDS -

Tenement Schedule – 30 September 2024

South Australia	Tenement Reference	Interest
Warrambo	ML6467	100%
Warrambo	EL5934	100%
Mulgathing	EL6012	100% interest in iron ore rights
	EL6173	
	EL6502	
	EL6532	
	EL6625	
Mulgathing	EL5998	90% interest in iron ore rights
	EL6569	

There were no changes to tenement interests during the quarter.

Authorised for release by the board of Iron Road Ltd

For further information, please contact:

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Iron Road Ltd

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Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Iron Road Ltd

ABN

51 128 698 108

Quarter ended ("current quarter")

30 September 2024

Consolidated statement of cash flows	Current quarter \$A'000	Year to date 3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(504)	(504)
(b) development	-	-
(c) production	-	-
(d) staff costs	(391)	(391)
(e) administration and corporate costs	(61)	(61)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other – option fees and milestone payments	4,300	4,300
1.9 Net cash from / (used in) operating activities	3,344	3,344
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	-
(d) exploration & evaluation	(138)	(138)
(e) investments	-	-
(f) other non-current assets	-	-

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date 3 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(138)	(138)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(498)	(498)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	(498)	(498)

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	235	235
4.2	Net cash from / (used in) operating activities (item 1.9 above)	3,344	3,344
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(138)	(138)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(498)	(498)

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date 3 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	2,943	2,943

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	2,898	190
5.2	Call deposits	45	45
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	2,943	235

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	187
6.2	Aggregate amount of payments to related parties and their associates included in item 2	61

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	3,344
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(138)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	3,206
8.4 Cash and cash equivalents at quarter end (item 4.6)	2,943
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	2,943
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	N/A
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: N/A	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: N/A	
8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer: N/A	
<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>	

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 30 October 2024

Authorised by: the Board of the Company
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.