

About Iron Road

Iron Road (ASX:IRD) was established to capitalise on the growing global demand for iron ore. Iron Road has a strong project portfolio comprised of an advanced stage exploration project with excellent infrastructure nearby, complimented by early stage projects.

Iron Road's flagship project is the 100% owned Warramboe iron project in South Australia which is highly prospective for iron ore mineralisation and is complemented by early stage projects (Windarling, Murchison) prospective for iron ore mineralisation in Western Australia.

The Company has a distinguished Board and management team that are multi-disciplinary and experienced in the areas of exploration, project development, mining and finance.

Highlights

- Iron Road Limited joins the official list of the ASX after raising \$5,000,000 and welcomes The Sentient Group as a major shareholder.
- Data and geophysical review conducted for the Warramboe iron project.
- Drilling contractor appointed for the Warramboe Stage I drilling program, comprising ~6,000 metres and commencing in August.
- Mr Larry Ingle appointed as General Manager.

Australian Securities Exchange (ASX) Listing

Iron Road lodged its prospectus with the ASIC to raise \$5,000,000 on 18 April 2008 and due to strong public interest the offer closed heavily oversubscribed.

Iron Road commenced trading on 12 June and debuted solidly in recognition of its quality projects, proven management and excellent capital structure. The Directors remain appreciative of the support and faith shown by shareholders and look forward to delivering positive results.

Projects

South Australia – Eyre Peninsula

The Warramboe iron project (663km²) is located on the Eyre Peninsula of South Australia (Figure 1). The project area consists of three distinct prospects – Warramboe, Kopi and Hambridge – with initial work to commence at the strongest anomaly, Warramboe.

The project contains extensive magnetite-bearing gneiss units with a cumulative strike length in excess of 50 kilometres. Limited exploration drilling to date has returned wide intervals of magnetite mineralisation below shallow sand and weathered bedrock cover.

The Company's goal at Warramboe is to build a Resource inventory to warrant developing stand-alone mining operations with a view to feeding the rapidly expanding Direct Reduced Iron (DRI) and concentrate markets of Asia, Europe, and the Middle East.



Figure 1 - Warramboe location plan

A drill program to investigate the Warrambo project area has been prepared, with Stage I awarded to Drill Rig Engineering and Maintenance Services Pty Ltd, with work planned to commence during August. The drill program will investigate the continuity of the Warrambo and Collins prospects and provide material for an expanded metallurgical testing and ore beneficiation test programme.

A geophysical review, including reprocessing historical data, highlighted the strength of Warrambo and facilitated fine tuning of the drill program. Reconnaissance work and liaison with land leaseholders has commenced.

The project is located in a farming area with good infrastructure, including a third party railway which runs through the lease area, connecting the project to the deep water harbour at Port Lincoln, 175km to the south.

Western Australia

Iron Road has commenced a data review program covering its Western Australian projects and is developing a staged plan of ground work (refer Figure 2).

CORPORATE

Entitlement issue

The Iron Road prospectus contemplated that all registered Shareholders of the company at a date approximately eight weeks after the Company's shares are quoted on the ASX will be entitled to participate in a proposed non-renounceable rights issue of Options. At the request of Adelaide Resources Limited, Iron Road has agreed to coordinate the entitlement issue with Adelaide Resources' in specie distribution of Iron Road shares thereby allowing shareholders of Adelaide Resources to participate in the entitlement issue.

The terms and conditions of the Options to be issued pursuant to the rights issue are set out in the entitlement Prospectus which will be posted to all shareholders. Shareholders may subscribe on the basis of one option for every two Iron Road shares held.

Application will be made for the Options to be granted quotation on the ASX.

Indicative Timetable

Date	Action
7 August 2008	Prospectus lodged with ASIC and ASX
28 August 2008	Record Date to identify shareholders entitled to participate in the Rights Issue
3 September 2008	Despatch Prospectus
17 September 2008	Closing Date
18 September 2008	Deferred settlement quotation of Options

Personnel

Mr Larry Ingle was appointed to the position of General Manager effective 1 July 2008. His primary duties include the investigation of the Company's projects in South Australia and Western Australia.

Mr Ingle graduated with a BSc (Hons) and MSc in geology from the University of Witwatersrand, Johannesburg, and a MBA from the Graduate School of Business, Curtin University of Technology, Perth. He has approximately 22 years experience in a variety of mining operations, exploration, project development and business improvement roles in Australia and Africa. His strong expertise in geology and experience in project development will be of immense value to Iron Road, particularly as the Company investigates its Warrambo project in South Australia.



Figure 2 - Iron Road projects location plan

Rule 5.3

Appendix 5B

Mining exploration entity quarterly report

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

Name of entity

IRON ROAD LIMITED

ABN

51 128 698 108

Quarter ended ("current quarter")

30 June 2008

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (12 months) \$A'000
1.1 Receipts from tax returns and related debtors	-	-
1.2 Payments for		
(a) exploration and evaluation	(28)	(29)
(b) development	-	-
(c) production	-	-
(d) administration	(156)	(160)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	29	30
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (GST to be recouped)	(18)	(19)
Net Operating Cash Flows	(173)	(178)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects	(60)	(63)
(b) equity investments	-	-
(c) other fixed assets	(3)	(3)
1.9 Proceeds from sale of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (state if material)	-	-
Net investing cash flows	(63)	(66)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(236)	(244)
	Cash flows related to financing activities		
1.14	Proceeds from shares /shares to be issued	5,004	5,251
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Proceeds from release of tenement bond	-	-
1.19	Other (Cost of Capital Raising/Prospectus)	(94)	(124)
	Net financing cash flows	4,910	5,127
	Net increase (decrease) in cash held	4,674	4,883
1.20	Cash at beginning of quarter/year to date	209	0
1.21	Exchange rate adjustments to item 1.20		
1.22	Cash at end of quarter	4,883	4,883

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

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	64
1.24	Aggregate amount of loans to the parties included in item 1.10	NIL

1.25 Explanation necessary for an understanding of the transactions

All transactions involving Directors and associates were on normal commercial terms.

Non-cash financing and investing activities

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

NIL

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

NIL

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	NIL	NIL
3.2 Credit standby arrangements	NIL	NIL

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	750
4.2 Development	-
Total	750

Reconciliation of cash

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

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	1,883	209
5.2 Deposits at call	3,000	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	4,883	209

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed	NIL			

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

6.2 Interests in mining tenements acquired or increased	Warrambo EL 3699	Direct	-	100%
	Windarling EL 77/1236	Option to purchase	-	-
	EL 77/1237	Option to purchase	-	-
	EL 77/1245	Option to purchase	-	-
	PL 77/3508	Option to purchase	-	-
	PL 77/3509	Option to purchase	-	-
	PL 77/3528	Option to purchase	-	-
	PL 77/3529	Option to purchase	-	-
	Wanmulla EL 20/681	Option to purchase	-	-
	Rose Well EL/58/365	Option to purchase	-	-

Issued and quoted securities at end of current quarter

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

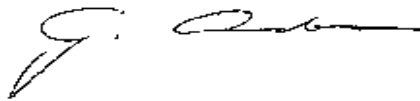
	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference +securities (description)				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	53,650,000	26,237,500		Fully Paid
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	53,650,000	26,237,500		
7.5 +Convertible debt securities (description)				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options (description and conversion factor)	7,125,000 7,500,000 2,000,000		<i>Exercise price</i> 20 cents 35 cents 20 cents	<i>Expiry date</i> 22/1/13 22/1/13 11/3/13
7.8 Issued during quarter	7,125,000 7,500,000 2,000,000		<i>Exercise price</i> 20 cents 35 cents 20 cents	<i>Expiry date</i> 22/1/13 22/1/13 11/3/13
7.9 Exercised during quarter				
7.10 Expired during quarter				

+ See chapter 19 for defined terms.

7.11	Debentures <i>(totals only)</i>			
7.12	Unsecured notes <i>(totals only)</i>			

Compliance statement

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



Sign here: Date: 31 July 2008
(~~Director~~/Company secretary)

Print name: GRAHAM DOUGLAS ANDERSON

Notes

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

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