

MARKET UPDATE

- Record Date for participation in non-renounceable rights issue confirmed as 28 August 2008 – in one week.
- Adelaide Resources to await favourable Australian Tax Office ruling before enacting its in-specie distribution of Iron Road shares.
- Field work underway at Warrambo, with drilling expected to commence early September 2008.

Entitlement Issue

A Short Form Prospectus was submitted to ASIC and ASX on 7 August 2008. All shareholders listed on the Share Register of Iron Road at the Record Date of Thursday, 28 August 2008 are entitled to participate in this pro rata non-renounceable entitlement issue (Rights Issue) of Options on the basis of one Option for every two Shares held.

These fully tradable Options represent tremendous leverage for Iron Road shareholders and the Directors would encourage all shareholders to take up their entitlement. The Rights Issue is fully underwritten by Iron Road's Directors.

| Date | Action |
|-------------------|--|
| 7 August 2008 | Prospectus lodged with ASIC and ASX |
| 22 August 2008 | Entitlement Date is the last day to purchase Iron Road shares |
| 28 August 2008 | Record Date to identify shareholders entitled to participate in the Rights Issue |
| 3 September 2008 | Dispatch Prospectus |
| 17 September 2008 | Closing Date |
| 18 September 2008 | Deferred settlement quotation of Options |

The Options will be issued at one (1) cent each with an exercise price of 20 cents and an expiry date of 30 September 2010.

Adelaide Resources in-specie distribution

Adelaide Resources Limited (ASX:ADN) advised its shareholders on 12 August 2008 that the capital reduction and in-specie distribution of Adelaide Resources Limited's shares in Iron Road Limited will not be effected until Adelaide Resources has received a favourable ruling from the Australian Taxation Office. Iron Road awaits further advice from Adelaide Resources regarding this matter.

Warrambo Drilling Program (Phase 1)

Field staff are currently pegging 37 hole locations in preparation for drilling to commence early September 2008. The drill programme of approximately 6,000 metres will test the Warrambo and Collins Prospects and provide material for an expanded metallurgical testing and ore beneficiation test programme. This is the first of three drilling programmes planned for Warrambo.

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

-ENDS-

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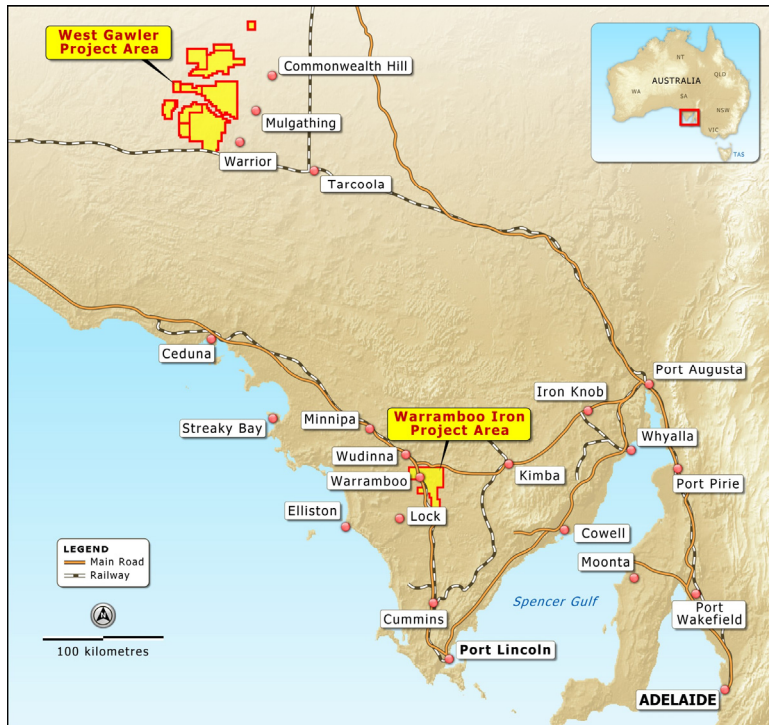
Or visit www.ironroadlimited.com.au

About Iron Road

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

Iron Road’s principal project is the Warrambo Iron Project in South Australia with identified iron ore mineralisation. Further exploration upside exists with an agreement to earn in to the iron ore rights over the 3380km² West Gawler Project area and two exploration projects (Windarling and 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.



South Australia project areas