

## High Grade Iron Concentrate Results and New Discovery

**Iron Road Limited** (Iron Road, ASX:IRD, IRDO) is pleased to announce that the Stage I drilling programme at the Company's wholly owned Warrambo Iron Project (Figure 1) is complete and results for approximately half of the metallurgical test work have been received.

### Highlights

- Metallurgical test work indicates consistent high quality concentrates averaging 70.1% iron.
- High iron concentrate grade with low levels of impurities indicate a superior DRI quality concentrate may be produced.
- Potential free dig hematite (maghemite/martite) resource discovered.
- Stage II drilling programme to commence H1 2009.



Figure 1 - Warrambo project location

The Stage I drilling programme was completed at Warrambo during December 2008, with 32 holes drilled totalling 5,170m. The programme was located to test the northernmost magnetic anomalies whose combined strike length exceeds 16km – all drill holes intersected magnetite gneiss as planned. Assay results (XRF) have been received for all drilling (refer announcement 25 November 2008) with just over half of the metallurgical test work (DTR) results received to date.

The programme deliberately targeted both lower and higher grade areas including those zones displaying varying degrees of magnetite oxidation to hematite (maghemite/martite). Of significance, the results confirm consistent results averaging 70.1% iron with low silica, alumina and phosphorous irrespective of location or in situ grade.

Forty-seven Davis Tube Recovery (DTR) tests returned the following average values (grind at 40µ).

**Concentrate (%)**

Fe	SiO <sub>2</sub>	Al <sub>2</sub> O <sub>3</sub>	CaO	MgO	Na <sub>2</sub> O	K <sub>2</sub> O	TiO <sub>2</sub>	P	Mn	S	LOI
<b>70.14</b>	<b>1.006</b>	<b>0.895</b>	<b>0.032</b>	<b>0.115</b>	<b>0.022</b>	<b>0.033</b>	<b>0.112</b>	<b>0.004</b>	<b>0.673</b>	<b>0.002</b>	<b>-3.325</b>

It is also noted that the test work emulates a concentrate produced from grinding and magnetic separation only, without additional processes such as flotation.

**Large grain size means lower power consumption.**

The host lithology is granular quartz-feldspar gneiss with an average magnetite grain size of 1.5mm. These grains have sharp boundaries with the gangue mineralogy and very few inclusions, resulting in simple liberation of the magnetite grains at a relatively coarse grind. Figure 2 compares and highlights Warramboos high concentrate grade with a number of other well known deposits.

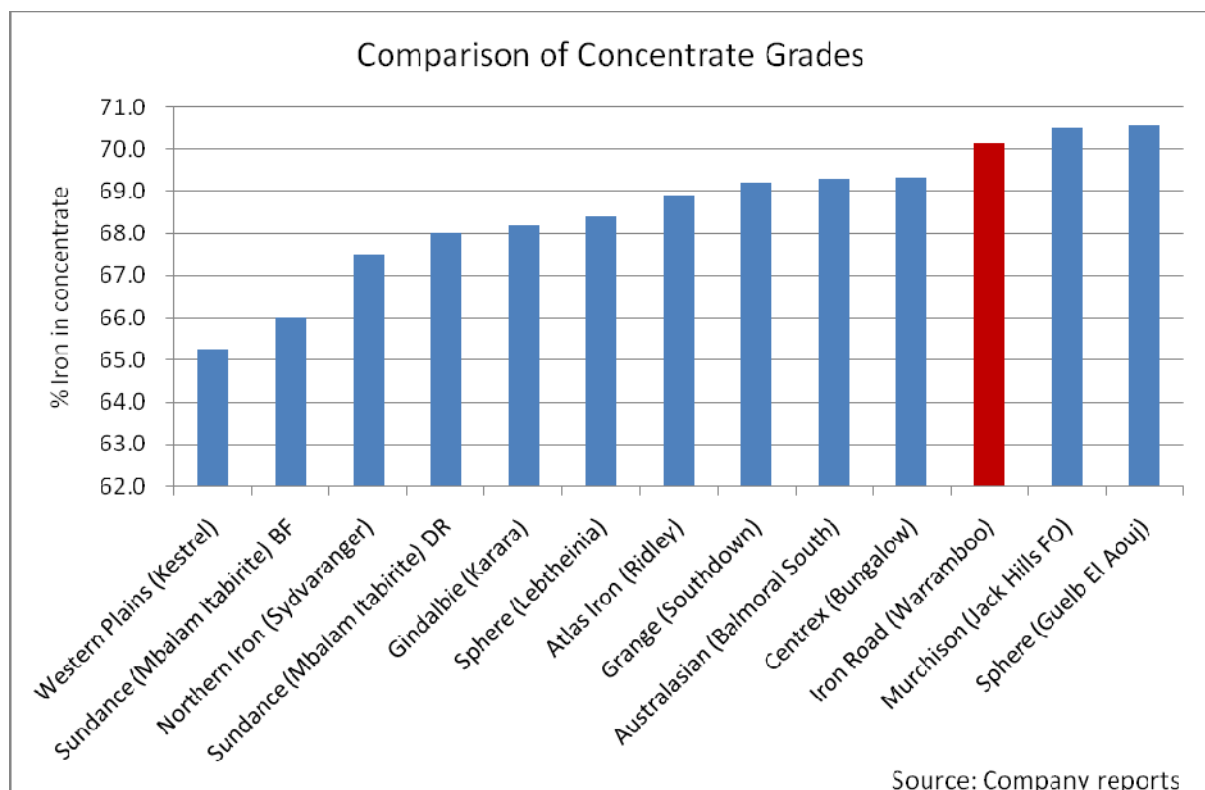


Figure 2 – Comparison of concentrate grades

***Potential free dig hematite resource discovered.***

A hematite capping is apparent in several of the areas drilled where magnetite close to surface has oxidised to form hematite. Hematite that has formed exclusively from the destruction of magnetite is often referred to as martite. Of significance is that this material is free dig to approximately 55m vertically below surface. Depending on the extent of the hematite both in thickness and strike length, a significant and economically mineable resource of hematite may well be present.

The Stage II drilling programme, planned in conjunction with mining consultants Coffey Mining, will investigate this occurrence further, delineating its extent and grade. Specialist consulting metallurgists ProMet are investigating the recovery of this material within the same process used to recover and concentrate the magnetite.

***Further 34km of strike length still to be investigated.***

The northernmost area under investigation forms only part of the Warrambo project area, with Collins (to the west) and Bens Hill/Arunta areas (to the east) relatively unexplored. Further magnetic anomalies occur to the south, colloquially known as 'Kopi' and 'Hambidge'.

Iron Road Managing Director, Mr Andrew Stocks, said that the results from the Stage I program confirmed the excellent potential of the Warrambo project.

"I am particularly pleased we have been able to demonstrate the prospective quality of magnetite concentrate from Warrambo, with a very high iron grade and particularly low levels of contaminates. Equally importantly, we have consistently achieved this quality across the drilling area, with simple processing," said Mr Stocks.

"The discovery of additional hematite mineralisation is also a significant bonus and has the potential to further improve the future economics at Warrambo," continued Mr Stocks.

Further detailed analysis of the test results is underway and further information is expected to be included in the Company's Quarterly Report to be issued shortly. A complete tabulation of significant drill intercepts is included at Appendix 1.

-ENDS-

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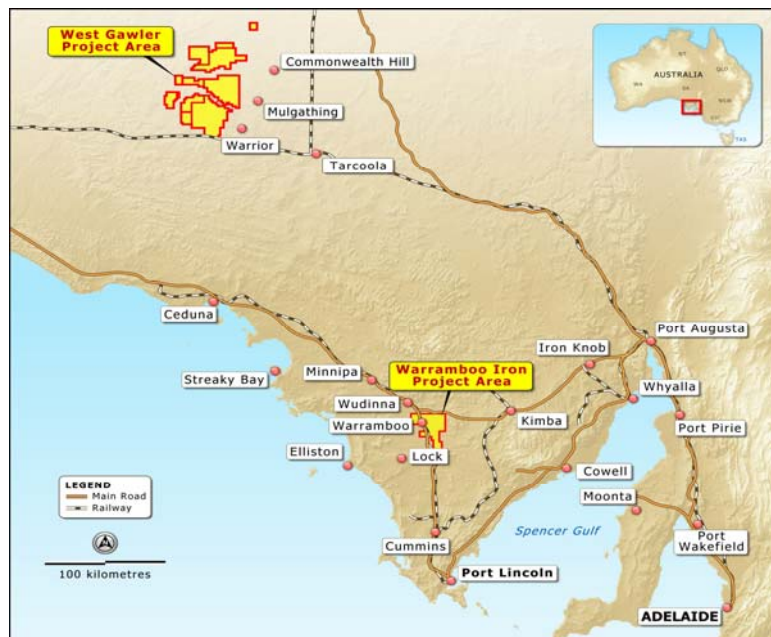
Or visit [www.ironroadlimited.com.au](http://www.ironroadlimited.com.au)

**About Iron Road**

Iron Road has a strong project portfolio comprised of an advanced stage exploration project with excellent infrastructure nearby, complimented by early stage projects. The Company's principal project is the Warramboe Iron Project in South Australia (Figure 3) with identified iron ore mineralisation and excellent potential concentrate specifications. This project is complemented by early stage projects prospective for iron ore mineralisation in Western Australia (Windarling, Murchison) and South Australia (West Gawler).

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.

*The information in this report relating to Exploration Results is based on information compiled by Mr Malcolm Castle who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Castle is a consultant to the Company. Mr Castle has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activity, which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Castle consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*





## APPENDIX 1

### In situ iron grades, prior to concentration

Hole ID	Easting (MGA 94)	Northing (MGA 94)	Dip (?)	Azimuth (MGA)	EOH (m)	From (m)	To (m)	Width (m)	SATMAGAN (% magnetite)	Fe (%)				
<b>Dolphin</b>														
RCIR001	560974	6322672	-60	345	120	17	24	8	2.2	22.1				
						33	36	4	21.1	21.3				
						42	45	4	25.1	21.5				
						54	55	2	20.6	20.4				
						57	86	30	23.6	23.6				
				includes	72	82	11	29.1	25.6					
<b>Murphy</b>														
RCIR002	561327	6322516	-60	345	78	71	73	3	26.1	23.5				
RCIR003	561344	6322468	-60	345	132	24	28	5	1.5	22.9				
						33	36	4	5.0	26.7				
RCIR004	561359	6322420	-60	345	192	19	33	15	1.6	25.2				
									includes	19	24	6	1.5	28.3
										85	108	24	28.2	22.2
									includes	91	96	6	34.9	26.1
								includes	99	101	3	34.8	26.5	
RCIR005	561375	6322372	-60	345	182	17	19	3	1.0	23.2				
RCIR007	561490	6322346	-60	345	162	28	29	2	0.8	21.3				
						129	130	2	29.9	24.6				
RCIR008	561771	6322652	-60	0	150			NTR						
RCIR009	561769	6322592	-60	0	132	20	21	2	1.3	22.6				
RCIR010	561768	6322540	-60	0	150	62	69	8	27.2	25.0				
									includes	66	68	3	30.1	27.5
										91	103	13	21.6	20.4
										105	107	3	17.2	20.1
										101	104	4	34.5	27.2
RCIR011	561770	6322490	-60	0	181	112	120	9	19.5	23.0				
						127	138	12	11.1	21.3				
						145	146	2	15.4	20.9				
						149	150	2	10.5	21.2				
						159	162	4	18.4	22.4				
						165	168	4	23.0	22.5				
													NTR	
RCIR012	562028	6322711	-60	0	100			NTR						
RCIR013	562027	6322661	-60	0	192	25	26	2	0.4	22.4				
						42	77	36	21.4	21.5				
					includes	42	46	5	20.7	25.0				
RCIR014	562028	6322612	-60	0	140	92	96	5	31.6	25.1				
						122	123	2	23.1	23.6				
						128	130	3	19.4	20.3				
RCIR016	562888	6322831	-60	0	150	21	35	15	-	24.4				
						43	50	8	-	29.0				
									includes	47	50	4	-	31.6
						87	89	3	-	25.0				
								98	100	3	-	22.5		
RCIR017	562889	6322787	-60	0	185	67	92	26	-	24.0				
									includes	77	81	5	-	28.8
						109	120	12	-	24.9				
						149	151	3	-	20.6				
RCIR019	562717	6322820	-60	0	120	9	14	6	-	23.4				
									includes	12	14	3	-	27.6
						22	26	5	-	22.4				
						27	38	12	-	21.5				
									includes	28	30	3	-	24.7
						46	47	2	-	20.4				
						60	65	7	-	21.3				
RCIR022	56129	6322223	-60	0	150	52	62	11	16.0	21.5				
						74	115	42	22.8	22.7				
									includes	78	81	4	31.2	26.2
								119	120	2	33.5	28.8		

Hole ID	Easting (MGA 94)	Northing (MGA 94)	Dip (?)	Azimuth (MGA)	EOH (m)	From (m)	To (m)	Width (m)	SATMAGAN (% magnetite)	Fe (%)	
RCIR024	560127	6322136	-60	0	182	106	107	2	11.9	21.0	
						122	127	6	31.5	25.8	
						146	149	4	22.9	22.1	
						156	159	4	38.4	28.8	
						175	182	8	30.9	24.7	
RCIR025	560129	6321996	-60	0	84	15	33	19	1.3	30.0	
						includes	16	20	5	1.1	36.0
						includes	51	82	32	23.7	27.0
						includes	53	56	4	20.5	29.5
						includes	65	71	7	26.4	30.0
RCIR026	560129	6321946	-60	0	96	41	57	18	4.9	21.9	
						60	61	2	15.5	20.8	
						79	88	10	27.6	27.4	
						includes	80	84	5	29.8	29.4
						RCIR049	562263	6321936	-60	0	100
RCIR050	562262	6321888	-60	0	150	9	10	2	0.63	26.0	
						56	57	2	23.4	21.8	
RCIR053	562263	6321739	-60	0	190	21	22	2	-	27.0	
						29	33	5	27.3	25.3	
						65	69	5	15.5	21.1	
						102	104	3	24.1	23.1	
						110	114	5	24.6	20.0	
						124	127	4	17.7	20.2	
						143	145	2	28.1	23.8	
157	164	8	18.6	21.4							
RCIR054	561940	6321838	-60	0	119	63	65	3	28.2	22.9	
						99	100	2	24.9	21.2	
						112	115	4	27.6	22.0	
RCIR055	561939	6321787	-60	0	156	96	97	2	23.7	22.7	
						100	101	2	26.0	24.4	
						129	133	5	23.0	23.0	
						140	143	4	26.5	22.0	
RCIR061	563308	6322161	-60	0	100	24	38	15	-	26.2	
						includes	27	34	8	-	30.1
RCIR062	563308	6322111	-60	0	126	73	82	10	-	22.5	
						includes	76	79	4	-	31.5
						89	95	7	-	22.3	
RCIR063	564212	6322043	-60	0	100	15	19	5	1.0	20.8	
						22	29	8	1.3	23.6	
						45	46	2	-	23.7	
						51	52	2	-	20.9	
RCIR064	564213	6321997	-60	0	150	50	51	2	14.1	26.8	
						55	80	26	24.1	22.4	
						84	85	2	7.2	21.7	
<b>Collins</b>											
RCIR045	553274	6324431	-60	37	54				NTR		
RCIR046	553239	6324384	-60	37	144	73	95	23	-	21.0	
						108	129	22	-	21.1	
						134	142	9	-	23.3	
						includes	139	140	2	-	30.7
RCIR047	553200	6324332	-60	37	198	32	33	2	-	22.1	
						131	133	2	-	21.7	
						159	160	2	-	20.7	

Note: All widths are apparent with a cutoff of 20% Fe. Minimum interval of 2m.