GAWLER IRON PROJECT DRILLING PROGRAMME APPROVAL AND COMMENCEMENT

Iron Road Limited (Iron Road, ASX: IRD, IRDO) is pleased to announce that all approvals are in place for commencement of the Company's maiden drilling programme to investigate potential for direct shipping ore (DSO) at the Gawler Iron Project. The start date for the programme is scheduled for 16 March 2010.

Highlights

- Exploration Work Approval (EWA) granted by Primary Industries and Resources South Australia (PIRSA) for an initial 81 Reverse Circulation (RC) drill holes and six diamond drill holes at the Gawler Iron Project.
- Approval by Department of Defence for drilling programme that is situated within southern fringe of Woomera Prohibited Area (WPA).
- Heritage clearance granted by the Antakarinja Matu-Yankunytjatjara Aboriginal Corporation (AMYAC) on behalf of the native title claimants.
- Identification of ten high priority hematite DSO targets from previous in-situ field chip sampling and analysis of high resolution aeromagnetic and gravity anomalies.
- Exploration model shows potential for DSO mineralisation with an analogy to Cliffs Natural Resources' Koolyanobbing iron deposits in Western Australia.
- Several in-situ chip samples collected during July 2009 returned grades of >60% Fe with low silica, alumina and phosphorous indicating potential suitability for DSO.
- Historical test work at Mt Christie by the South Australian Department of Mines & Energy (SADME) indicated that lower grade hematite/magnetite ores are amenable to upgrading using simple mechanical processes.

Drilling Programme Approvals

Approvals from PIRSA, Department of Defence and the Antakarinja Matu-Yankunytjatjara native title claimants for Iron Road's maiden drilling programme for DSO at the Gawler Iron Project are now in place. Commencement of the drilling programme is scheduled for 16 March 2010.

Iron Road Managing Director, Andrew Stocks, said that it was a major step for Iron Road to have two concurrent drilling programs underway.

"The Gawler Iron project has advanced significantly since we entered into the project, shortly after the Company's ASX listing.

"With the DSO potential at Gawler and the substantial magnetite exploration target at the Central Eyre Iron project, Iron Road has a highly complementary portfolio of iron projects in South Australia.

"We have also brought on Dr Fop Vanderhor to project manage the Gawler Iron project as it enters a more demanding stage of development. Fop led the team that discovered the Railway iron ore deposit and we welcome the additional exploration and evaluation skills he brings to the Company," said Mr Stocks.

The project area is located approximately 25km north of the standard gauge Trans Australian Railway that connects to the Central Australia Railway at Tarcoola and ultimately a number of ports.

Planned Drilling Programme

The drilling programme is situated within the southern block of EL4014 Mulgathing, centred around Mt Christie and to the south of Dominion's Challenger Mine (Figure 1).

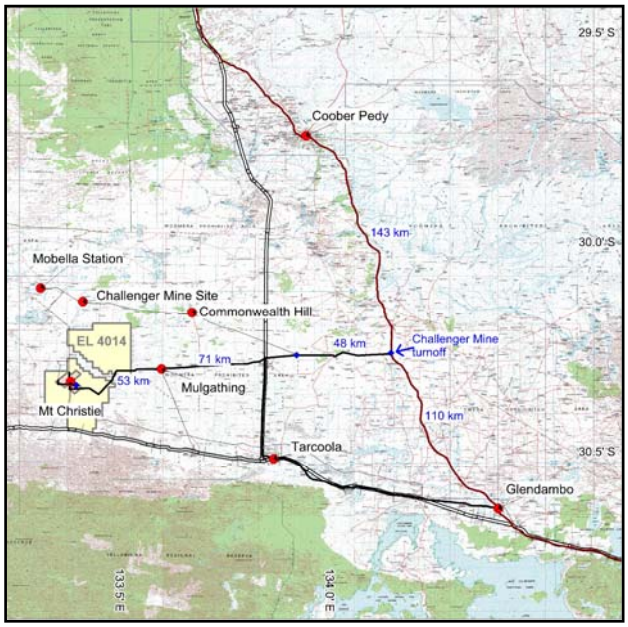

Figure 1 – Location of drilling programme near Mt Christie.

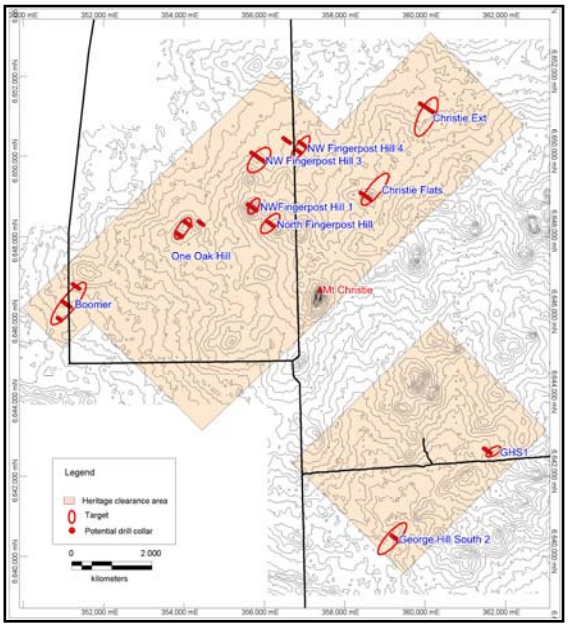

Figure 2 – Location of drilling programme near Mt Christie. Ten high priority targets have been identified for testing.

Ten high priority targets have been identified from in-situ field chip sampling and the analysis of high resolution magnetic and gravity data. The initial drilling programme entails 81 Reverse Circulation (RC) drill holes and six diamond drill holes ranging from 20m to 120m depth (Figure 2).

Dr Fop Vanderhor will project manage the Gawler Iron Project. Dr Vanderhor led the geological team that discovered the United Minerals Corporation (UMC) Railway Iron Ore Deposit in the Pilbara Region of Western Australia.

Exploration Model

The proposed exploration model for the Gawler Iron Project demonstrates excellent potential for BIF hosted DSO hematite mineralisation of a similar style to the Koolyanobbing deposit in the Yilgarn Craton of Western Australia.

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Close inspection of BIF outcrops within the exploration area has revealed that occasionally enclosed in the magnetite-gneiss are lenses of massive, coarse grained hematite or specularite (Figure 3). Iron Road considers it unlikely that the specularite is the product of alteration of magnetite. Instead, it is interpreted to be the product of a structurally controlled hypogene process, either metamorphic or hydrothermal. Although volumetrically insignificant in outcrop, the presence of specularite lenses is considered evidence for a process that may produce economic concentrations of high-grade direct-shipping hematite ore (DSO) in the right structural setting.

Figure 3 – Specular hematite sample collected near North Fingerpost Hill.

An example of this style of mineralisation may be found in the K-Deposit at Koolyanobbing in the Archaean Yilgarn Block of Western Australia. The BIF-hosted K-Deposit has been the main ore producer for Cliffs Natural Resources Koolyanobbing operations for many years and is unique among the Yilgarn iron ore deposits for the common occurrence of specularite.

Dry magnetic separation test work on core samples by the South Australian Department of Mines and Energy in the 1960's produced high-grade concentrates at 56-65% iron with recoveries of 70-90%. A field sampling programme undertaken by Iron Road during 2009 from ten localities returned an average grade of 53.4% iron (55.7% CaFe) from all samples collected, with several individual samples recording >60% iron, indicating potential suitability for direct shipping ore.

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Iron Road has an existing farm-in agreement with tenement holder Dominion Mining to earn up to 90% interest in the iron ore rights at West Gawler, with the objective of expanding its footprint in the potential iron ore province. The project area is located approximately 25km north of the standard gauge Trans Australian Railway that connects to the Central Australia Railway at Tarcoola and ultimately a number of ports.

Iron Road's principal project is the Central Eyre Iron Project, South Australia (Figure 4). This project is complemented by early stage projects prospective for iron ore mineralisation in Western Australia (Windarling, Murchison) and South Australia (West Gawler).

The information in this report that relates to Exploration Results is based on and accurately reflects information compiled by Mr Larry Ingle who is a fulltime employee of Iron Road Limited and a Member of the Australasian Institute of Mining and Metallurgy. Mr Ingle has sufficient experience relevant to the style of mineralisation and type of deposits 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 Ingle consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

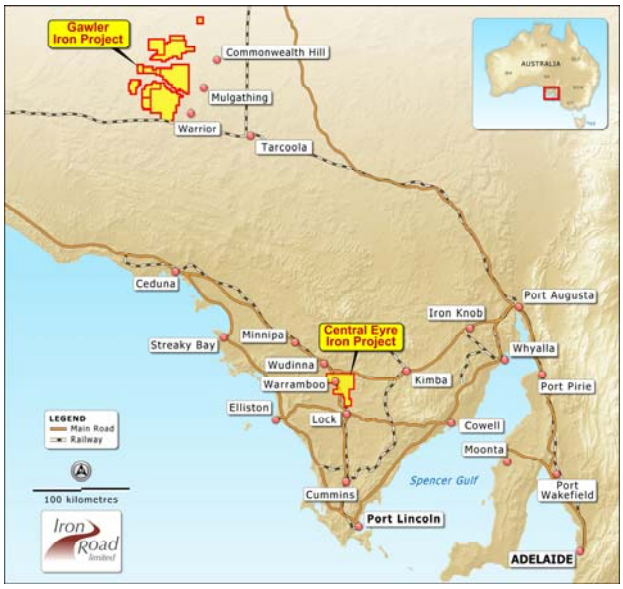

Figure 4 – South Australia project location map