

INSTITUTIONAL CAPITAL RAISING

Iron Road Limited (Iron Road, ASX: IRD, IRDO) today announced it has placed 9,623,928 shares at a price of A\$0.64 per share, raising total funds of A\$6.1M. The shares were predominantly placed to existing institutional investors of Iron Road and new North American based institutional investors. The shares have been issued pursuant to ASX listing rule 7.1.

Highlights

- A\$6.1 million raised before costs through 15% placement priced at A\$0.64 per share
- Iron Road welcomes two US based institutional investors to the register
- Cornerstone investor The Sentient Group maintains investment
- Proceeds from the raising to fund exploration at the Gawler Iron Project and Resource expansion at Iron Road's 100% owned Central Eyre Iron Project

Iron Road Managing Director, Andrew Stocks, said that the funds raised would primarily be used to complete the company's exploration programme this year.

"We have an aggressive and exciting few months ahead on the exploration front with an ongoing resource expansion drill programme underway at the Central Eyre Iron Project, aimed at meeting our corporate goal of increasing inferred resources of iron ore up to 500Mt in 2010," said Mr Stocks.

"Drilling is also about to commence at the complementary Gawler project, which offers Iron Road the opportunity to potentially develop a direct ship iron ore project, of a similar style to the Koolyanobbing Hematite deposit."

"I would also like to welcome the fresh North American institutional investors to our register, as well as thank our cornerstone shareholder The Sentient Group for their continued support. I look forward to seeking to maintain the same level of support amongst our new investors as we have enjoyed with The Sentient Group."

"The strong institutional backing Iron Road enjoys from its shareholder base and our continued independence is a key strength of the Company," said Mr Stocks.

Iron Road is sufficiently funded for its planned drilling programmes. In addition to exploration expenses, funds raised will also be used to meet general working capital needs.

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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.