

Gawler Iron Project Award of PACE Grant to Support Exploration

Iron Road Limited (Iron Road, ASX:IRD, IRDO) is pleased to announce that the South Australian Government has awarded the Company a PACE grant for diamond drilling at the Gawler Iron Project.

Funding to the level of A\$60,000 has been approved as part of the South Australian Government's Plan for Accelerating Exploration (PACE) initiative under *Theme 2 – Drilling Collaboration between PIRSA and Industry*. Only 23 projects from 63 proposals were successful.

Iron Road is currently testing several iron ore targets during the Stage I RC drilling at the Gawler Iron Project approximately 25km north of the Trans Australian Railway. This area has not been systematically explored for iron ore despite reconnaissance drilling of surface outcrops by the South Australian government in the 1960's that identified several BIF-hosted iron deposits.

The proposed diamond drilling programme planned as part of Stage II drilling, supported by the approved PACE funding, will test coincident gravity and magnetic anomalies potentially associated with recessive zones of iron enrichment. An exploration model similar to the style of mineralisation found at the Archaen K Deposit at Kollyanobbing has been proposed. Confirmation of this model would present a new style of iron mineralisation in South Australia that may have economic benefits.

Iron Road Managing Director, Andrew Stocks said that the award of the grant was a welcome vote of support from the South Australian Government.

"We've developed a robust exploration model for Gawler, and it is very pleasing to have the South Australian Government agree that both the model and project are worthy of support. Stage I drilling has already delivered some very wide hematite intercepts and we look forward to testing this potential further in Stage II," said Mr Stocks.



Figure 1 – Stage 1 RC drilling at the Gawler Iron Project, South Australia.

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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.

Iron Road's principal project is the Central Eye Iron Project, South Australia (Figure 2). This project is complemented by early stage projects prospective for iron ore mineralisation in Western Australia (Windarling, Murchison) and South Australia (West Gawler).

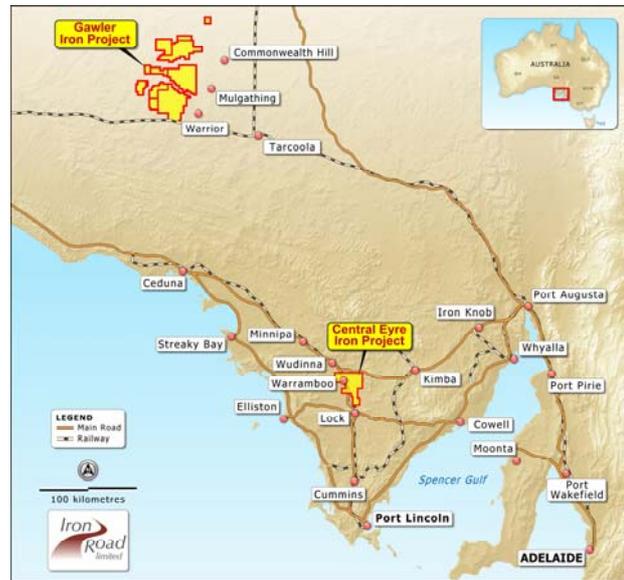


Figure 2 - South Australia project location map

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