

Completion of Resource Expansion Drilling Central Eyre Iron Project, South Australia

Iron Road Limited (Iron Road, ASX:IRD, IRDO) is pleased to announce that the interim resource expansion drilling at the Company's wholly owned Central Eyre Iron Project is now complete. This drilling programme will be followed by another programme that is currently with the Department of Primary Industries and Resources of South Australia (PIRSA) for approval.

Highlights

- Completion of first drill programme for 2010, comprising 57 holes for 14,490m at the Boo-Loo and Dolphin prospects, located within the Warramboe area.
- Programme has successfully defined the extent of this prospect within the Warramboe area and is expected to significantly increase the existing JORC inferred mineral resource estimate report of 110Mt at Boo-Loo.
- Iron head grades and concentrate grades appear consistent with those attained previously during Stage II resource drilling.
- Coffey Mining has completed structural analysis and correlation of the magnetite gneiss and commenced mineral resource modelling. Completion expected during June 2010.
- Four large diameter drill holes for 1,310m are currently being drilled for metallurgical test work purposes as part of the Pre-Feasibility Study (PFS).
- Iron Road's corporate objectives for 2010 include increasing the mineral resource across the Central Eyre Iron Project to 500Mt, outlined at the Company's 2009 Annual General Meeting. The project has an exploration target size defined by Coffey Mining to be to be between 2.8-5.7 billion tonnes of magnetite gneiss.



Figure 1 – Diamond drilling at Boo-Loo West, Central Eyre Iron Project.

The first of several drilling programmes planned for the Central Eyre Iron Project during 2010 is now complete. The programme included both additional drill holes at Boo-Loo West and Dolphin as well as the deepening of selected drill holes from previous programmes at Boo-Loo to fully intersect magnetite gneiss at depth. One *Gomex Drilling* RC drill rig on single shift and two *Coughlan Drilling* diamond drill rigs working double shifts were utilised.



Figure 2 – Alan Rose, Coughlan Drilling, holding magnetite gneiss diamond core with typical high competency and recovery.

This latest drilling programme better defines the extent of magnetite gneiss at the prospective Boo-Loo and Dolphin area and is expected to result in a significant increase in the existing 110Mt mineral resource estimate at Boo-Loo (Figure 3).

Several other programmes are planned to test large high potential targets within the Kopi and Hambidge clusters in addition to other targets within the Warramboos cluster where the most recent drilling has taken place. An application for Exploration Work Approval (EWA) is currently under review by PIRSA.

Iron Road Managing Director, Mr Andrew Stocks, said that Iron Road was on track to achieve its ambitious corporate goal set for 2010 to outline a significantly increased mineral resource.

“Iron Road is looking to fast track project activities in 2010, working towards the conclusion of a pre-feasibility study in early 2011. The drilling campaign just completed and future planned campaigns awaiting approval to commence will underpin a significant increase in resources to feed into the current project studies,” said Mr Stocks.

The recent drilling programmes form part of a planned strategy to establish a long-life +10Mtpa magnetite concentrate export operation at the CEIP. Test work from the Stage I and II drilling programmes indicates that a high quality concentrate may be produced from the Warramboos project area grading ~70% iron with low impurities. In addition metallurgical test work indicates excellent beneficiation characteristics with good potential for optimisation leading to a reduction in operating costs.

As announced on 31 March 2010, a Pre-Feasibility Study (PFS) is underway examining the viability of a long life mining and beneficiation operation at the CEIP initially producing 10Mtpa of magnetite concentrate. The PFS completion is expected in Q1 2011.

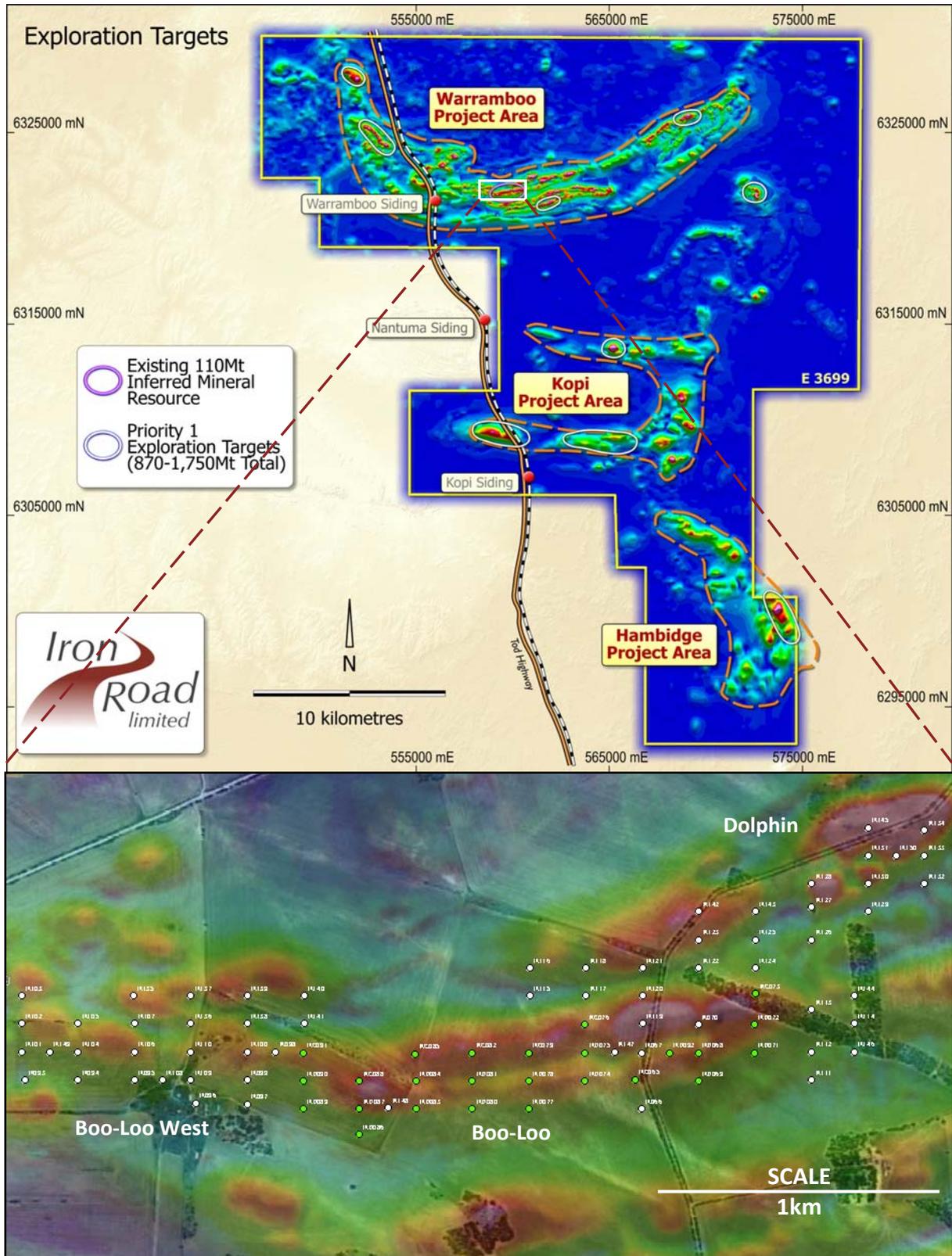


Figure 3 – Central Eyre Iron Project, highlighting Boo-Loo and Dolphin Resource expansion drilling – previous holes shown in green, current programme in white. Image shows Total Magnetic Intensity (TMI) superimposed on satellite image.

-ENDS-

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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.

The information in this report that relates to Mineral Resources is based on and accurately reflects information compiled by Mr Iain Macfarlane, Coffey Mining, who is a consultant and advisor to Iron Road Limited and a Member of the Australasian Institute of Mining and Metallurgy. Mr Macfarlane has sufficient experience relevant to the style of mineralisation and the 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 Macfarlane consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to exploration targets is based on and accurately reflects information compiled by Mr Albert Thamm, Coffey Mining, who is a consultant and advisor to Iron Road Limited and a Fellow of the Australasian Institute of Mining and Metallurgy. Mr Thamm has sufficient experience relevant to the style of mineralisation and the 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 Thamm consents to the inclusion in the report of the matters based on his information in the form and context in which it appears on 31 August, 2009 in West Perth.

Iron Road's principal project is the Central Eye Iron Project in 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).



Figure 4 - South Australia project location map