



*Iron
Road
limited*
Delivering Iron Ore Opportunities



Central Eyre Iron Project - Progress Towards Development -

Larry Ingle, General Manager
7th SA Explorers' Conference
26 November 2010

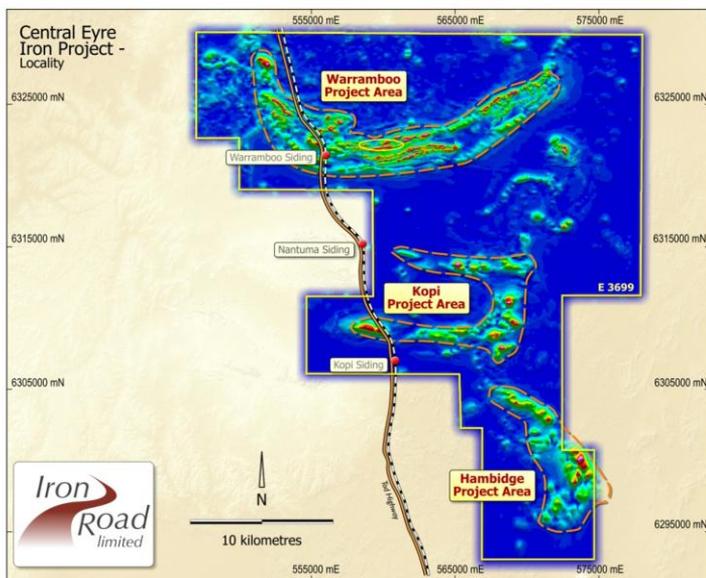


Overview

- 100% owned
- 663km²
- Kyancutta/Wudinna to north, Lock to south
- Gneiss ± magnetite, Sleaford Complex
- Site office Warramboo
- ✓ Four geologists
- ✓ Eight field assistants
- Drilling
- ✓ One RC rig
- ✓ Three diamond rigs

Notes

- EL3699 is located in the centre of the Eyre Peninsula
- Overview as per bullet points on slide
- Staffing levels and number of drill rigs apply during a typical drilling programme



Previous Work

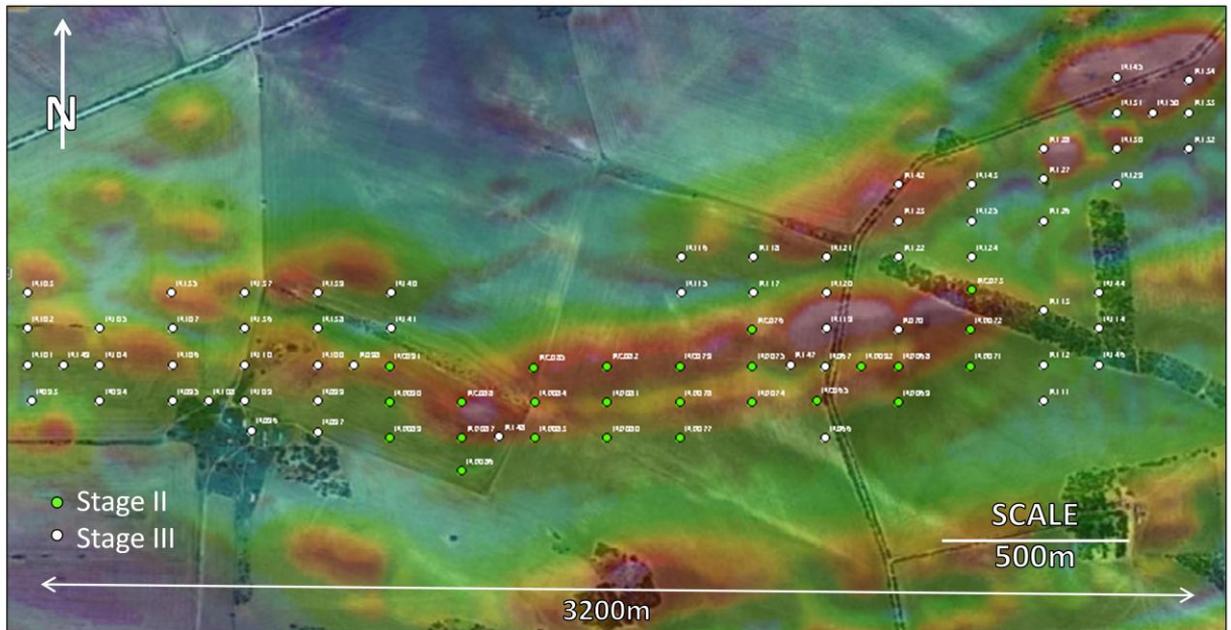
- Stage I drilling Aug 2008
- Stage II and III Mineral Resource drilling 2009-2010
 - ✓ Mineral resource upgrade Jun 2010 from 110Mt to 328Mt
- Stage IV drilling Jun 2010

Current work

- Pre-feasibility study Mar 2010-Mar 2011
- Stage V drilling Aug-Dec 2010

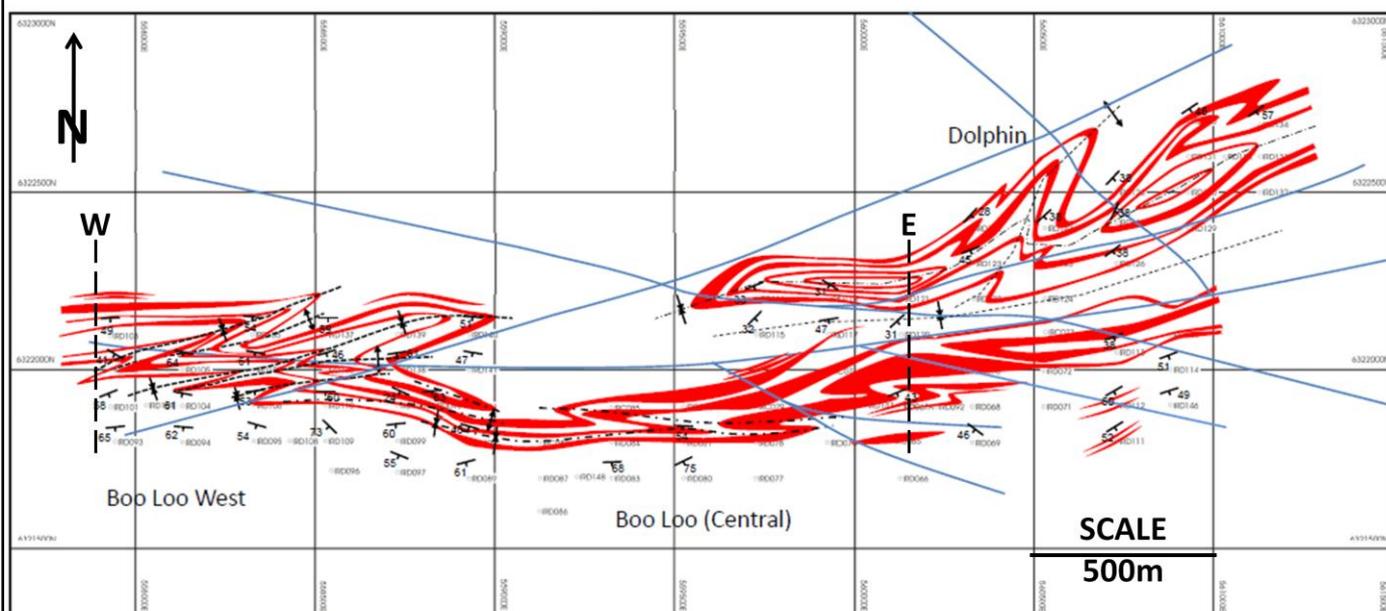
Notes

- Stage I drilling allowed for ‘testing’ of the upper part of the tenement
- Stage II and III drilling related to a maiden mineral resource and a later upgrade at Boo-Loo and Dolphin; position on tenement indicated by the yellow ellipse
- Stage IV drilling involved testing priority targets across the tenement within the Warrambo, Kopi and Hambidge project areas
- Current work involves the PFS and Stage V drilling.



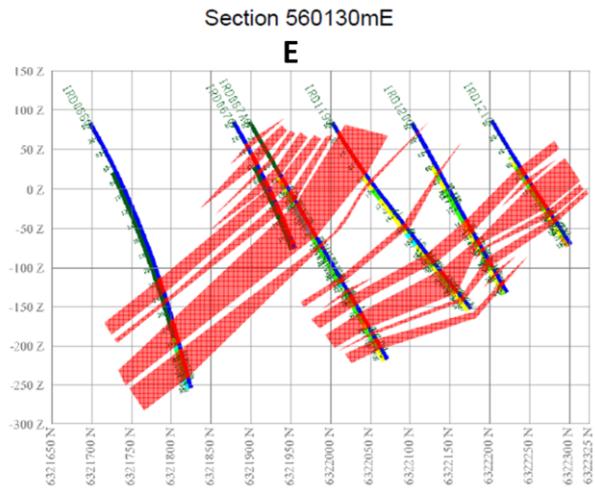
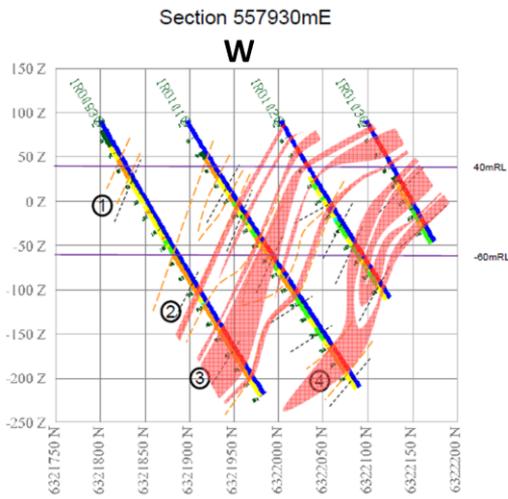
Notes

- Close up of the Boo-Loo and Dolphin area.
- Stage II drilling collars in green with white indicating the expansion drilling during Stage III
- Total strike length of 3.2km
- All metallurgical test work referred to in this presentation is derived from samples taken within this area



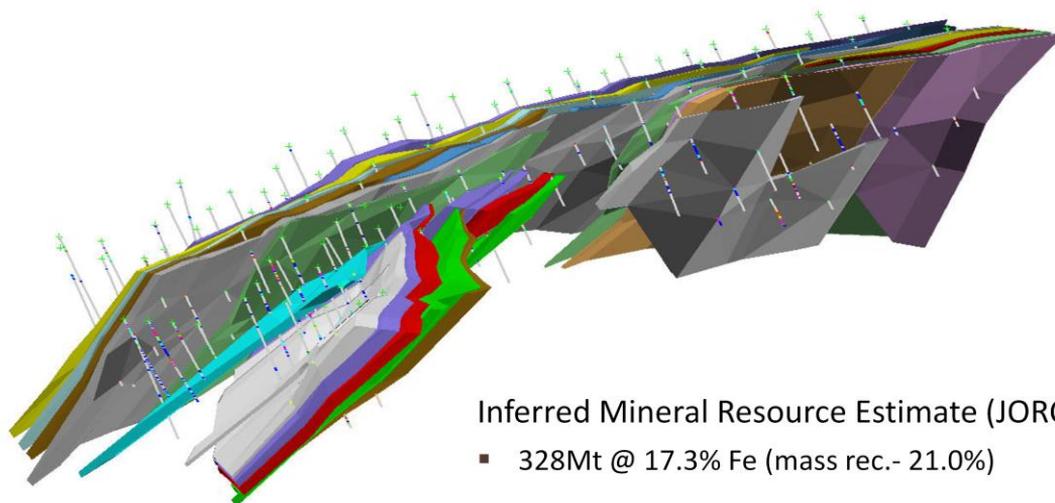
Notes

- Stage II and III drilling programmes allowed for a detailed structural analysis/study assisted by Coffey Mining that commenced at an early stage
- Structural measurements are possible since all holes are RC drilled to top of fresh rock only and then diamond tailed (NQ2)
- Structural study allowed for development of a predictive exploration model used in the planning of the Stage IV drilling programme that led to the discovery of Murphy South (defined by Stage V drilling)
- Interference folding with general thickening in fold hinges. Note the line to the west marked W and the line to the east marked E. These indicate positions of cross-sections shown on the next slide



Notes

- The western-most section at Boo-Loo shows steeply dipping magnetite gneiss whilst the eastern-most section shows a flattening and thickening across the Boo-Loo and Dolphin area
- Grid is 50mx50m; looking west



Inferred Mineral Resource Estimate (JORC)

- 328Mt @ 17.3% Fe (mass rec.- 21.0%)

Indicative Concentrate Specifications

- 70% Fe, 1.3% SiO₂, 1.0% Al₂O₃, 0.00% P (1,414 DTR; P80 40µm)

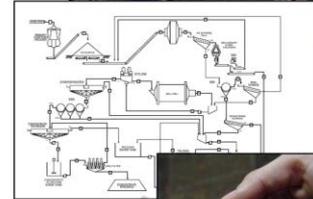
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Notes

- Boo-Loo and Dolphin resource model looking toward the southwest.
- Drill hole spacing of 200mx100m
- Inferred mineral resource of 328Mt. Important number is the 21% mass recovery not necessarily the head grade of 17.3%
- High quality concentrate with low deleterious elements. Data derived from over 1,400 Davis Tube Recovery tests at a P80 of 40µm (all from diamond core)

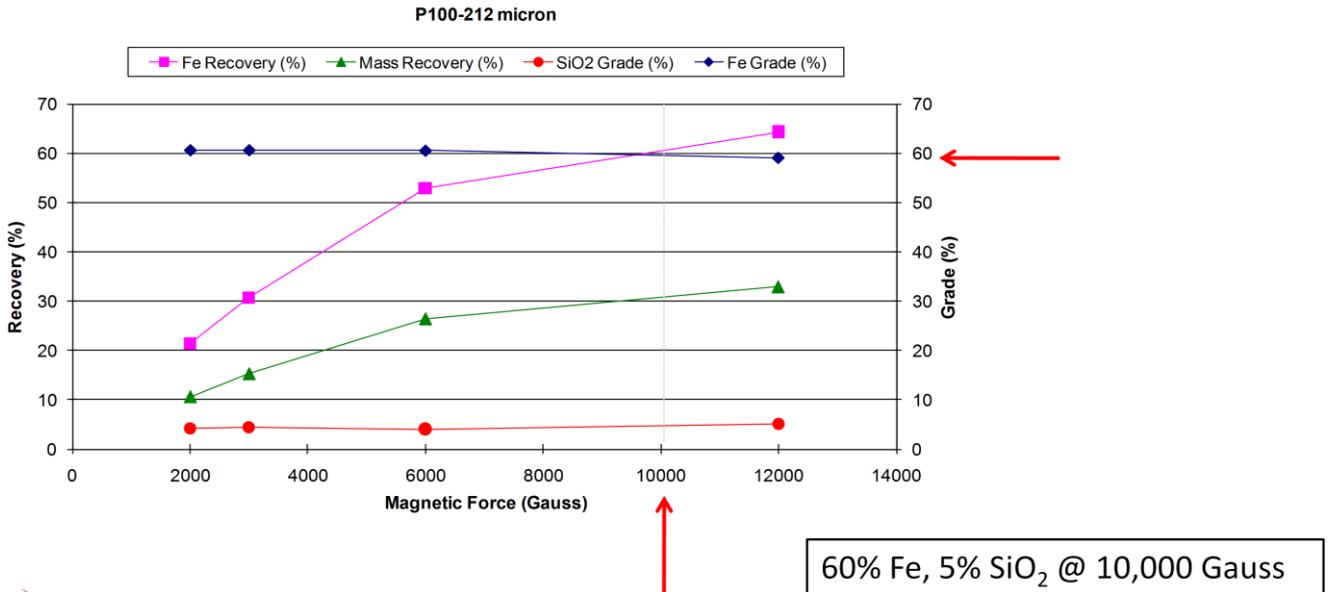
Comprehensive PFS, with Oversight by *Iron Road* and *Evans & Peck*

- *Evans & Peck* - Project implementation plan, scheduling, personnel, risk & opportunity management
- *Coffey Mining* – Mineral resource, geotechnical and mining
- *Mineral Engineering Technical Services (METS)* - Beneficiation plant, mine site infrastructure, mine to port concentrate transport & power supply
- *Sinclair Knight Metz (SKM)* - Port options & ground water
- *Community Engagement Group Australia (CEGA)* - Community engagement & access
- *Various* - Marketing, environmental, financial analysis



Notes

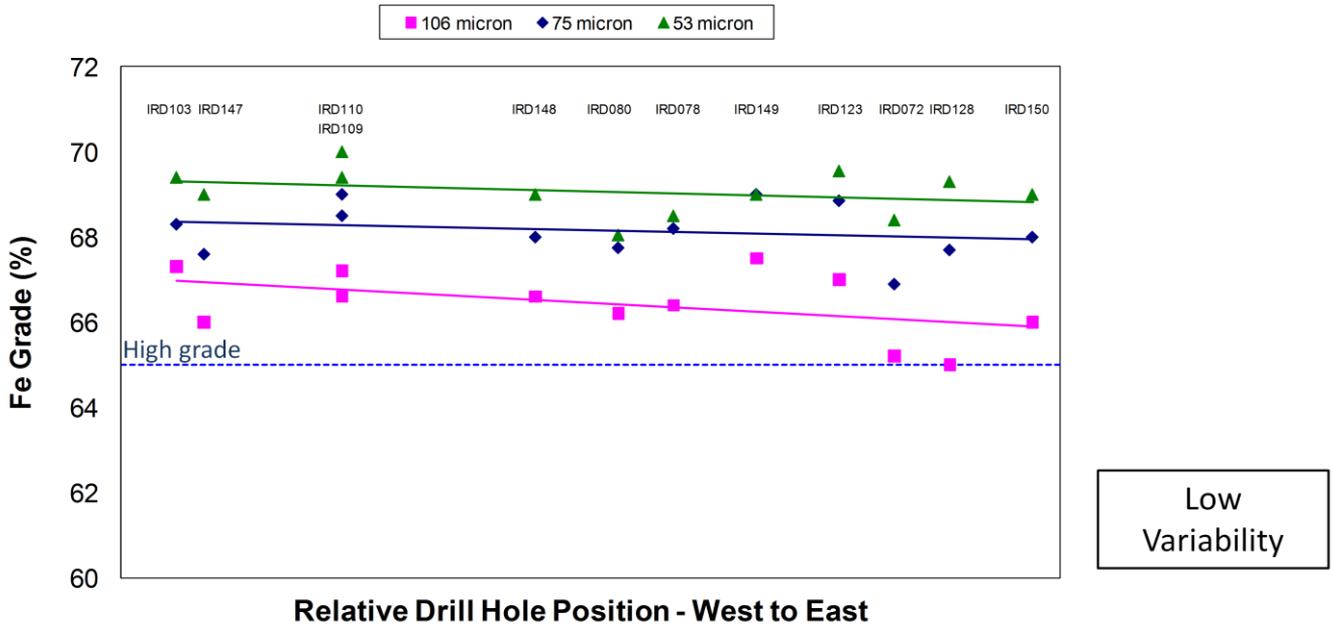
- The PFS relates to Stage I project development that encompasses the production of 10Mtpa of high grade iron concentrate
- Iron Road has engaged accomplished consultants to assist with the study
- The slides that follow cover off on the metallurgical results/test work for the study; this work is fundamental to the project and furthest advanced



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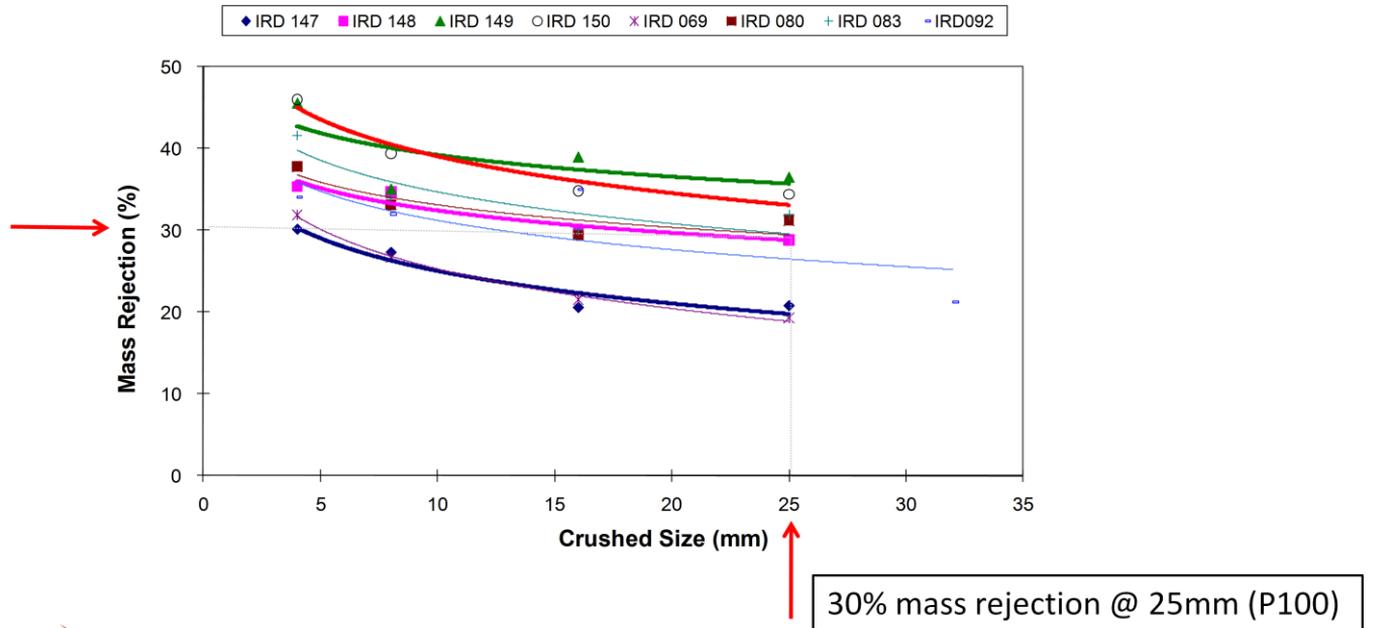
Notes

- The deposit has an oxide cap (mainly martite)
- Since this component of the orebody is not a major focus of the PFS, limited test work has been done to date
- WHIMS at a P100 of 212µm and 10,000 gauss produces a saleable product of 60% iron and 5% silica
- Other test work has been done using a Wilfley concentrating table



Notes

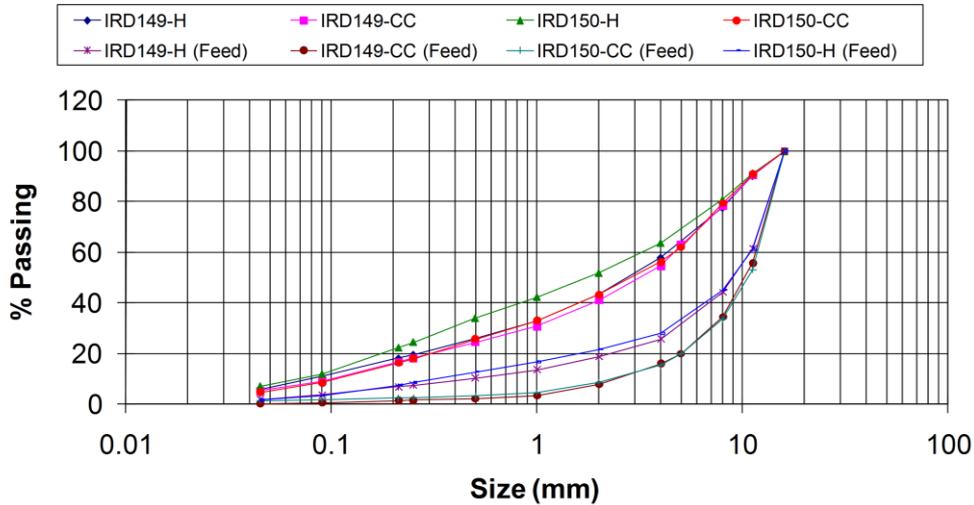
- The iron concentrate indicates low variability across the 3.2km strike length at Boo-Loo and Dolphin particularly at finer grind sizes
- This indicates chemical consistency within the orebody and negates the need for blending of ore from stockpiles during mining



Notes

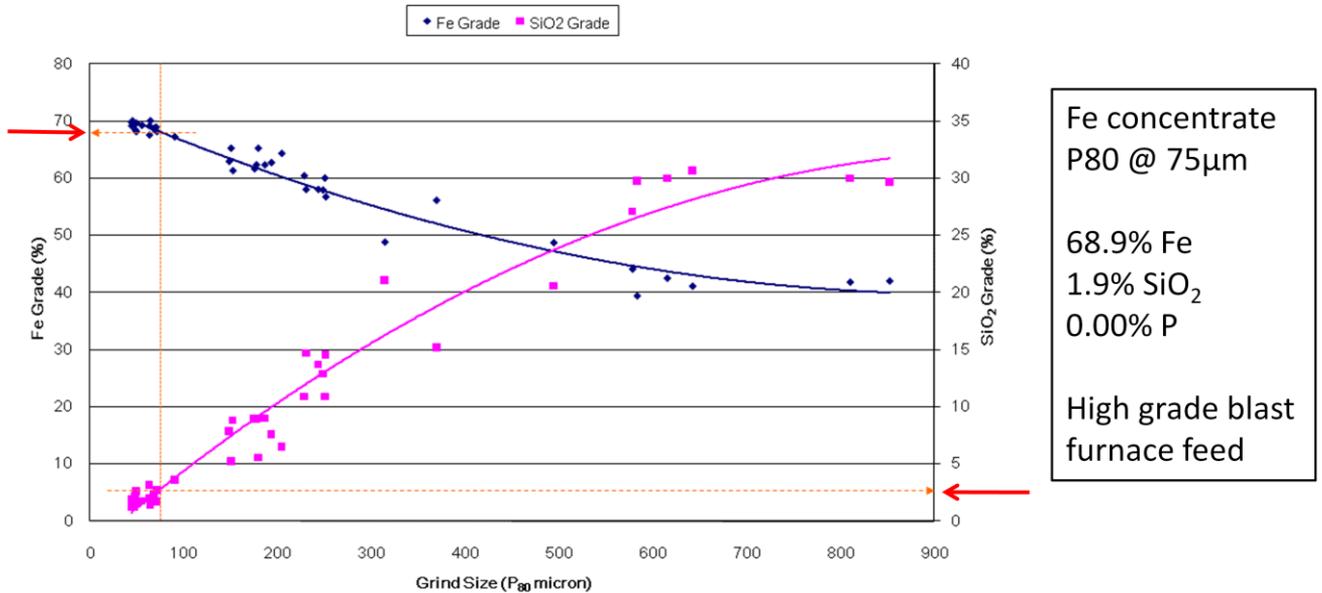
- Using dry LIMS these curves indicate that 30% mass rejection is possible at a P100 of 25mm
- Mass rejection of this magnitude at this size is exceptional since DLIMS very seldom produces satisfactory results for sizes exceeding 5mm

Combined Product



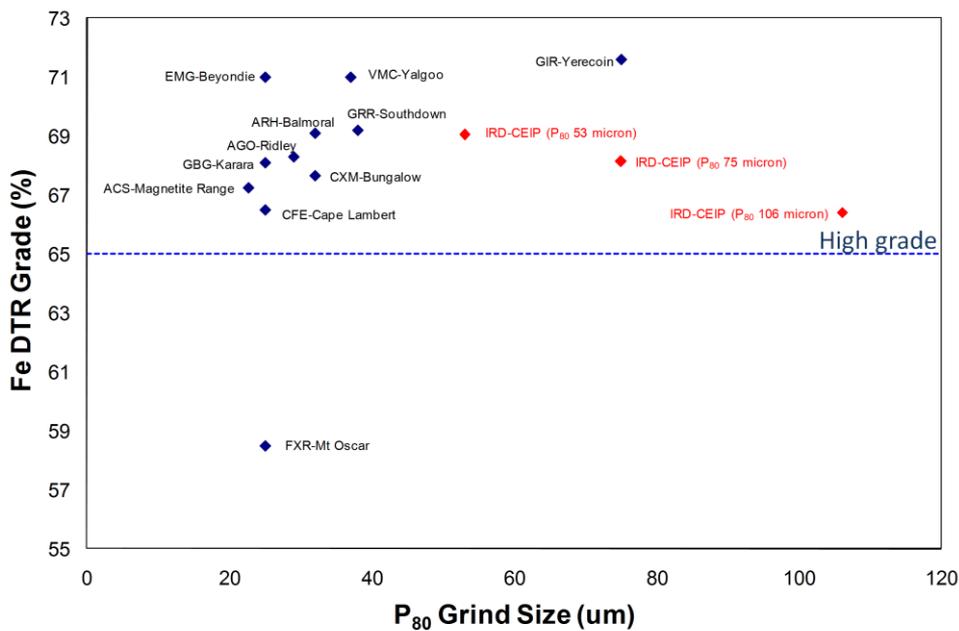
Notes

- The graph above is one of many produced during extensive high pressure grinding rolls (HPGR) crusher test work
- For a HPGR crusher to work favourably the ore to be crushed must meet several criteria and 'fall' within a relatively tight envelope
- The coarse grained nature of the magnetite gneiss at the CEIP, its medium strength (UCS) and the presence of magnetite with sharp crystal boundaries are all thought to be factors favouring HPGR
- HPGR crushers are more energy efficient than alternatives, in this instance a semi-autogenous (SAG) mill; HPGR power consumption is approximately a third of that required by a SAG mill



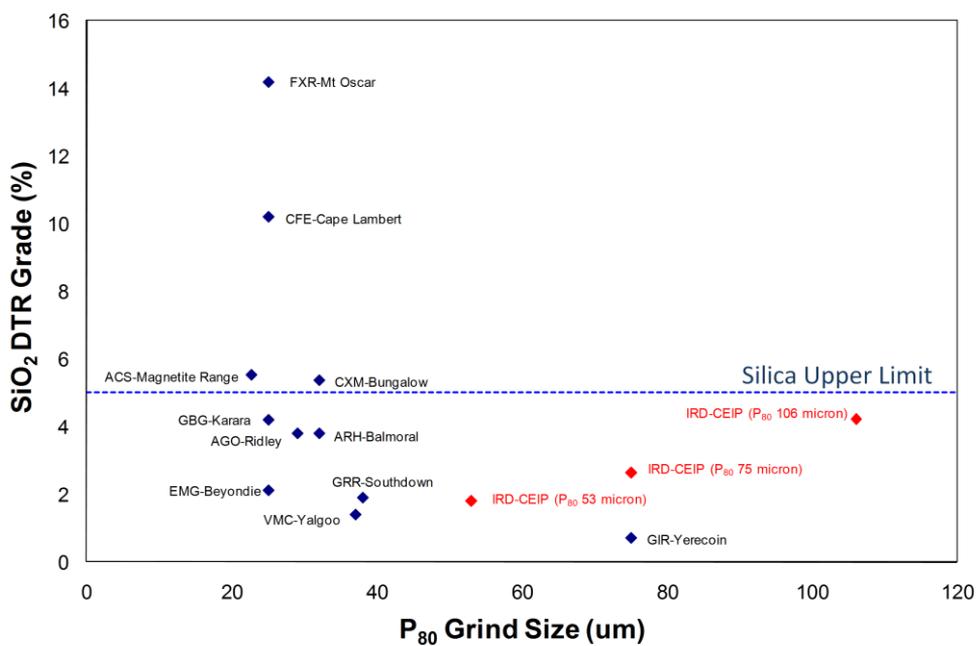
Notes

- Iron and silica curves derived from various grind sizes indicates an optimum product at 75µm. This grind size is more than double than that of most WA magnetite projects where grinding as low as 28µm is required
- Despite fine grinding, some WA magnetite projects still have elevated levels of silica that requires further processing (reverse flotation)
- At 75µm grind size the iron concentrate produced at the CEIP is very high quality blast furnace feed and close to direct reduction (DR) grade



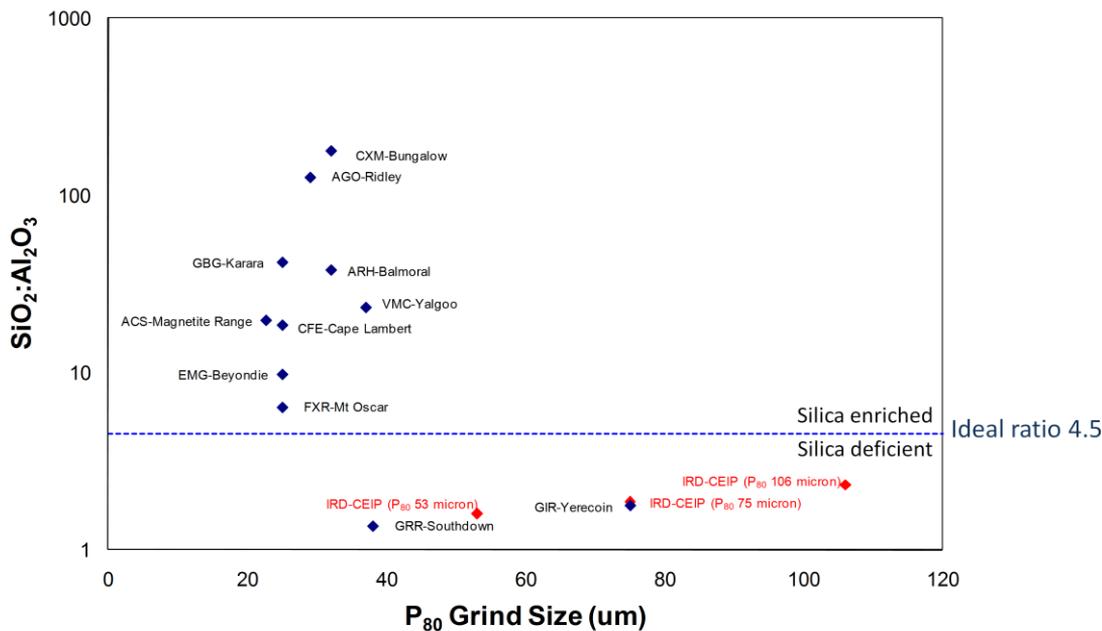
Notes

- CEIP iron concentrate grade is comparable with several other projects but in almost all cases at a far coarser grind.



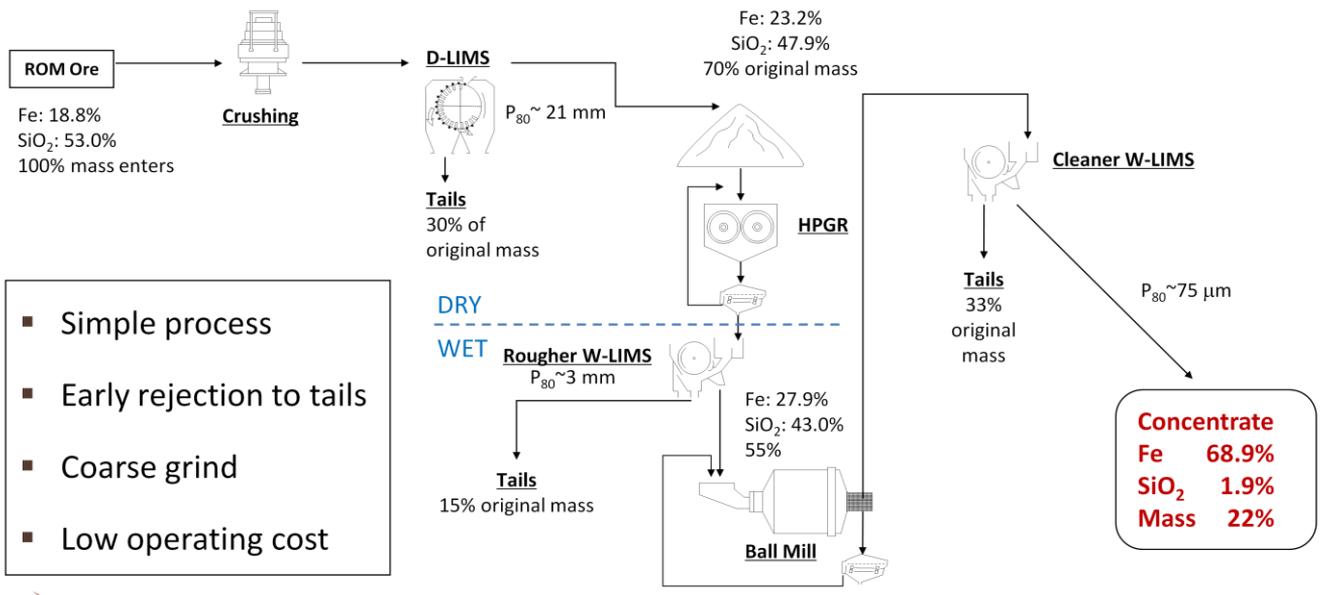
Notes

- CEIP silica content is comparable with several other projects but in almost all cases at a far coarser grind.



Notes

- The silica:alumina ratio discriminates between two populations, one relatively silica deficient and the other relatively silica enriched
- Note that all the silica deficient iron concentrates are Archaean in age (two are gneisses) whilst those silica enriched appear to be Proterozoic in age and predominantly banded iron formation (BIF)
- Products above and below the line complement one another and will be blended by steel makers to achieve the ideal ratio of 4.5



- Simple process
- Early rejection to tails
- Coarse grind
- Low operating cost

Notes

- Based on the metallurgical test work presented, one possible process scenario is shown

Key factors of this process are:

- Early rejection of significant waste material;
- Low power consumption (operating costs).

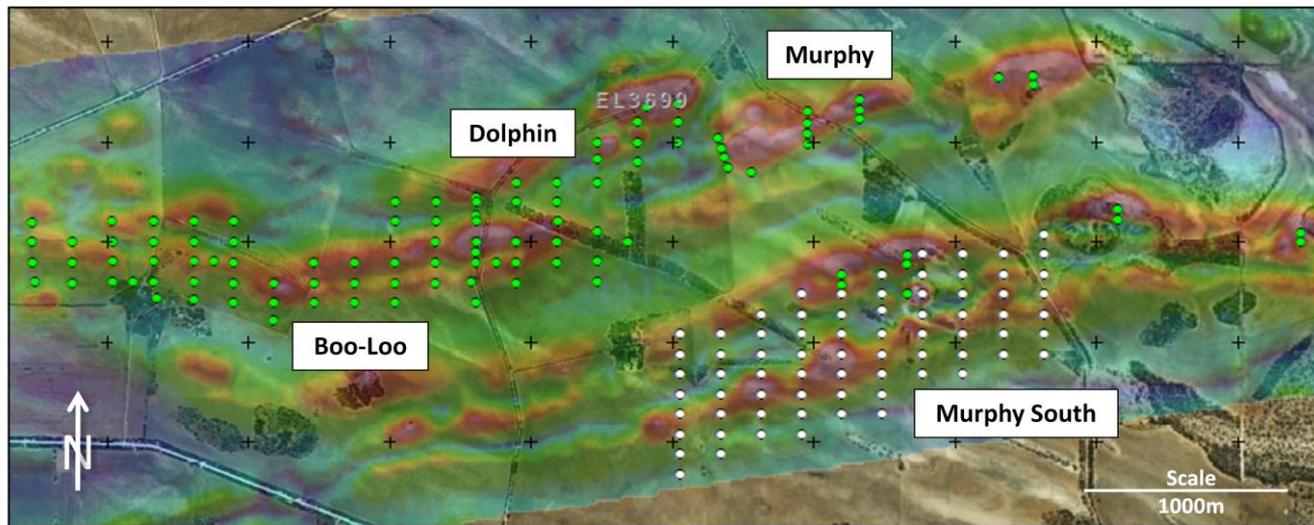
Many magnetite projects in Australia have grinds of 28-35um, and some require flotation to reduce silica.



- ~160km slurry pipeline preferred transport medium
- Shared port – Sheep Hill
- Possible desalination unit at Sheep Hill
- New power line from Port Augusta

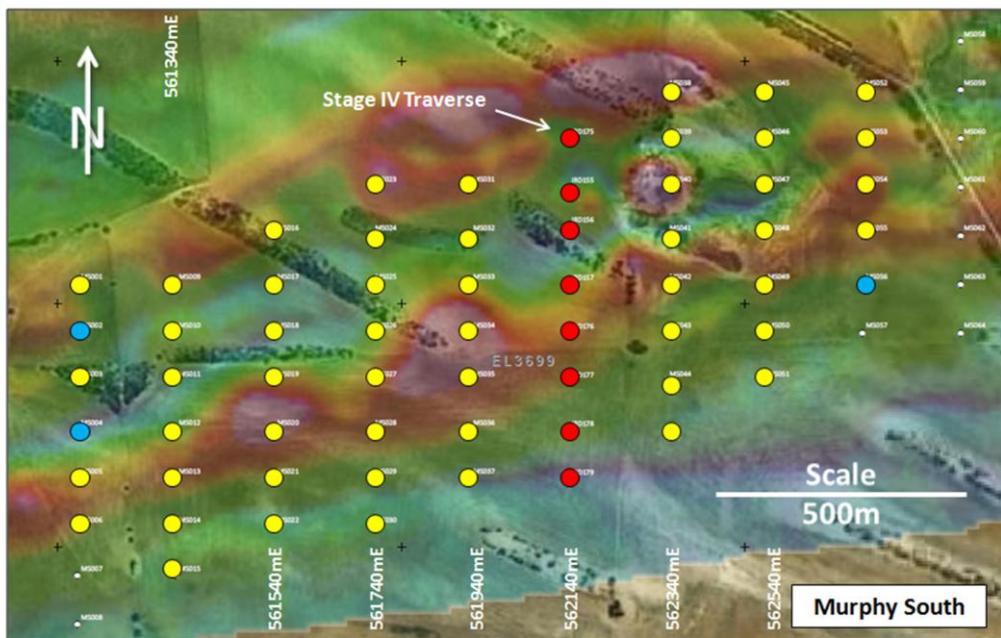
Notes

- Iron Road is currently considering a slurry pipeline as the operating cost is a small fraction of rail
- Studies include power from Port Augusta
- The Company has been in discussions for some time concerning shared infrastructure, including power, water and port



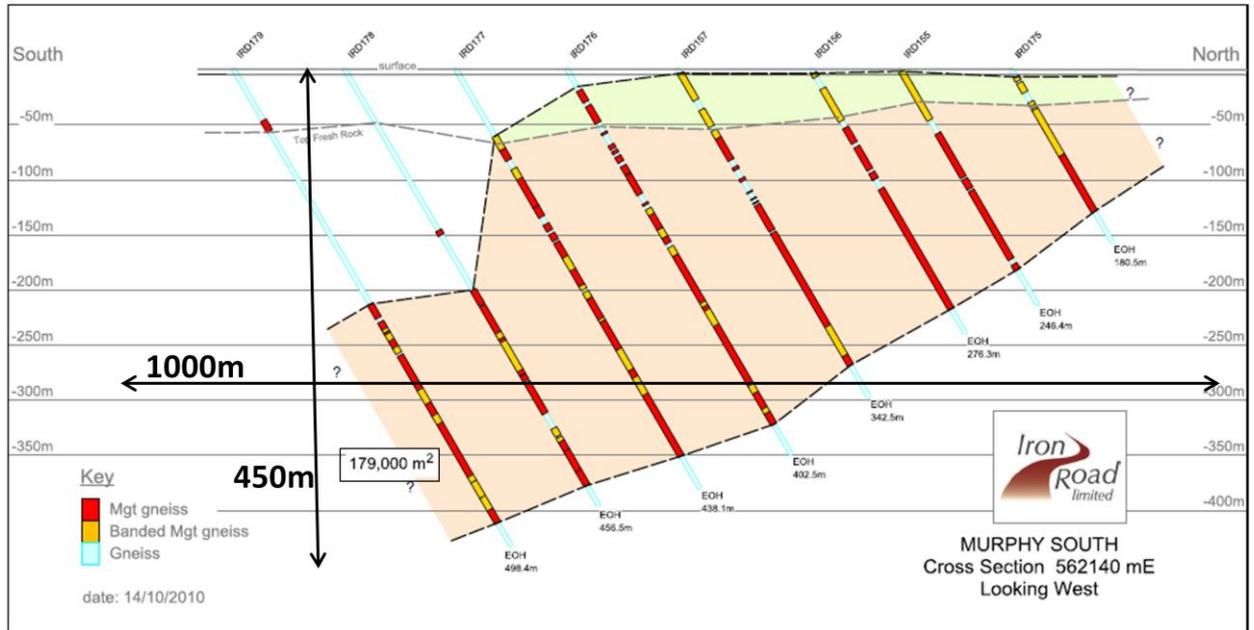
Notes

- Apart from the PFS the Company is currently drilling the Stage V programme at Murphy South (collars shown in white)
- Murphy South occurs southeast of the existing mineral resource at Boo-Loo and Dolphin (328Mt).



Notes

- Close up of the Stage V drilling programme at Murphy South
- As per previous resource drilling at the CEIP the current practice is a pre-planned 200mx100m drill spacing to achieve a JORC inferred mineral resource estimate report
- The Stage IV 'discovery traverse' is shown in red, completed Stage V drilling in yellow and current positions of drill rigs are shown in blue



MURPHY SOUTH
Cross Section 562140 mE
Looking West

Notes

- Murphy South discovery cross-section as shown by red collars on the previous slide
- The overall geometry suggests a large isoclinal fold (closure to south)
- Subsequent Stage V drilling shows consistent results on each section as they are drilled; these are indicated within fortnightly Company update announcements
- Cross-section indicates excellent geometry for large open cut mining with a low strip ratio



- Large potential
 - ✓ Exploration target of 2.8-5.7Bt
- Mineral Resource
 - ✓ On track to deliver an additional 400-800Mt by Jan 2011
- Pre-feasibility study
 - ✓ Low waste:ore strip ratio
 - ✓ No geotechnical issues
 - ✓ Simple process flow, early rejection of waste, low operating cost
 - ✓ Premium product at coarse grind
 - ✓ Realistic infrastructure alternatives

Notes

- Iron Road is an iron ore company focussed on developing it's flagship Central Eyre Iron Project
 - Significant target identified by Coffey Mining
 - Mineral Resource of 328Mt already identified, drilling underway to add 400-800Mt
 - Pre-Feasibility study for potential 10Mtpa operation expected to be delivered in 1Q 2011
- Support of key strategic investor, the Sentient Group, a well regarded investment firm with strong track record of investing in the global resources industry.
- Strong community relationships and local government support.

On the Road to Development



Forward-Looking Statements

This presentation contains forward looking statements concerning the projects owned by Iron Road Limited. Statements concerning mining reserves and resources may also be deemed to be forward looking statements in that they involve estimates based on specific assumptions. Forward-looking statements are not statements of historical fact and actual events and results may differ materially from those described in the forward looking statements as a result of a variety of risks, uncertainties and other factors. Forward looking statements are based on management's beliefs, opinions and estimates as of the dates the forward looking statements are made and no obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments. Data and amounts shown in this presentation relating to capital costs, operating costs and project timelines are internally generated best estimates only. All such information and data is currently under review as part of Iron Road Limited's ongoing development and project studies. Accordingly, Iron Road Limited cannot guarantee the accuracy and/or completeness of the figures or data included in the presentation until the project studies are completed.

Competent Person's Statements

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 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 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 and Mr Alex Virisheff, both of Coffey Mining Ltd, who are consultants and advisors to Iron Road Limited and Members of the Australasian Institute of Mining and Metallurgy. Mr Macfarlane and Mr Virisheff have sufficient experience relevant to the style of mineralisation and the type of deposits under consideration and to the activity which they are undertaking to qualify as Competent Persons as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Macfarlane and Mr Virisheff consent to the inclusion in the report of the matters based on their information in the form and context in which it appears.

Exploration Targets

It is common practice for a company to comment on and discuss its exploration in terms of target size and type. The information in this presentation relating to exploration targets should not be misunderstood or misconstrued as an estimate of Mineral Resources or Ore Reserves. Hence the terms Resource(s) or Reserve(s) have not been used in this context. Any potential quantity and grade is conceptual in nature, since there has been insufficient work completed to define them beyond exploration targets and that it is uncertain if further exploration will result in the determination of a Mineral Resource.

Boo-Loo Resource Estimate							
Resource Classification	Material Type	Mt	Fe %	SiO ₂ %	Al ₂ O ₃ %	P %	LOI %
Inferred	Fresh	277	17.3	52.5	11.5	0.095	0.5
	Transitional	13	17.0	52.4	11.6	0.094	10.7
	Oxide	38	17.2	52.1	11.6	0.094	10.8
Total		328	17.3	52.4	11.5	0.095	2.1

The Boo-Loo resource estimate was carried out following the guidelines of the JORC Code (2004) by Coffey Mining Ltd, refer announcement of 30 June 2010 for further detail.

Indicative Concentrate Specifications						
Project	Fe %	Mass Rec %	SiO ₂ %	Al ₂ O ₃ %	P %	LOI %
Stage 1 drilling *	70.3	21.0	1.0	0.8	0.00	-3.3
Boo-Loo **	69.9	21.8	1.3	1.0	0.00	-2.8
Boo-Loo update ***	70.0	21.0	1.3	1.0	0.00	-3.3
P80 passing 40µm						
* based on 72 DTR composites across the upper portion of the CEIP deposit from Stage 1 drilling						
** based on 396 DTR composites across the Boo-Loo project only						
*** based on an additional 1018 DTR composites outside the original Boo-Loo resource						