

CENTRAL EYRE IRON PROJECT – HAMBIDGE

Completion of Stage IV Drilling Programme and Estimation of Exploration Target

Iron Road Limited (Iron Road, ASX:IRD) is pleased to announce that Stage IV drilling at the Central Eyre Iron Project (CEIP) is complete. The completed drilling programme has allowed for the estimation of an exploration target for the Hambidge prospect.

Highlights

- The Stage IV drilling programme investigates the Hambidge magnetic anomaly.
- A total of four traverses totalling 12 holes were completed for 5,412m.
- Drill holes intersected continuous magnetite gneiss of up to 200m apparent thickness.
- An exploration target of 800Mt-1,000Mt magnetite gneiss with a grade of 15-18% iron has been estimated for this prospect¹.

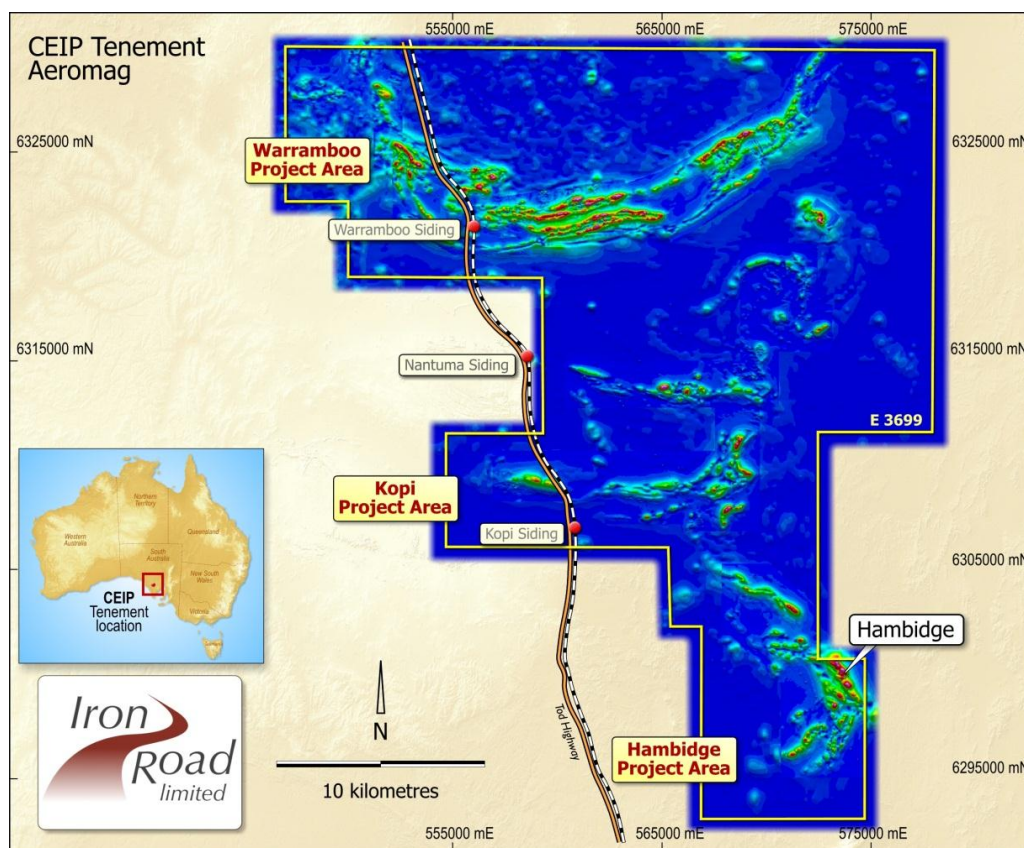


Figure 1

Location of Hambidge on EL3699

¹ It is common practice for a company to comment on and discuss its exploration in terms of target size, grade and type. The potential quantity and grade of an exploration target is conceptual in nature since there has been insufficient work completed to define the prospects as anything beyond exploration target. It is uncertain if further exploration will result in the determination of a Mineral Resource, in cases other than the Boo-Loo and Murphy South prospect.

Hole Type	Drilling completed (metres)	Holes completed (number)
Diamond – programme complete	5,412	12

The Stage IV drilling programme comprises 12 diamond drill holes for 5,412m. A plan view of the drill hole collars is shown in Figure 2, below.

Hambidge is located approximately 25km to the south of the Murphy South deposit, which forms the basis of Iron Road’s prefeasibility study for a 12.4Mtpa operation (Stage I). The Definitive Feasibility Study will consider Stage II expansion options of between 50%-100%.

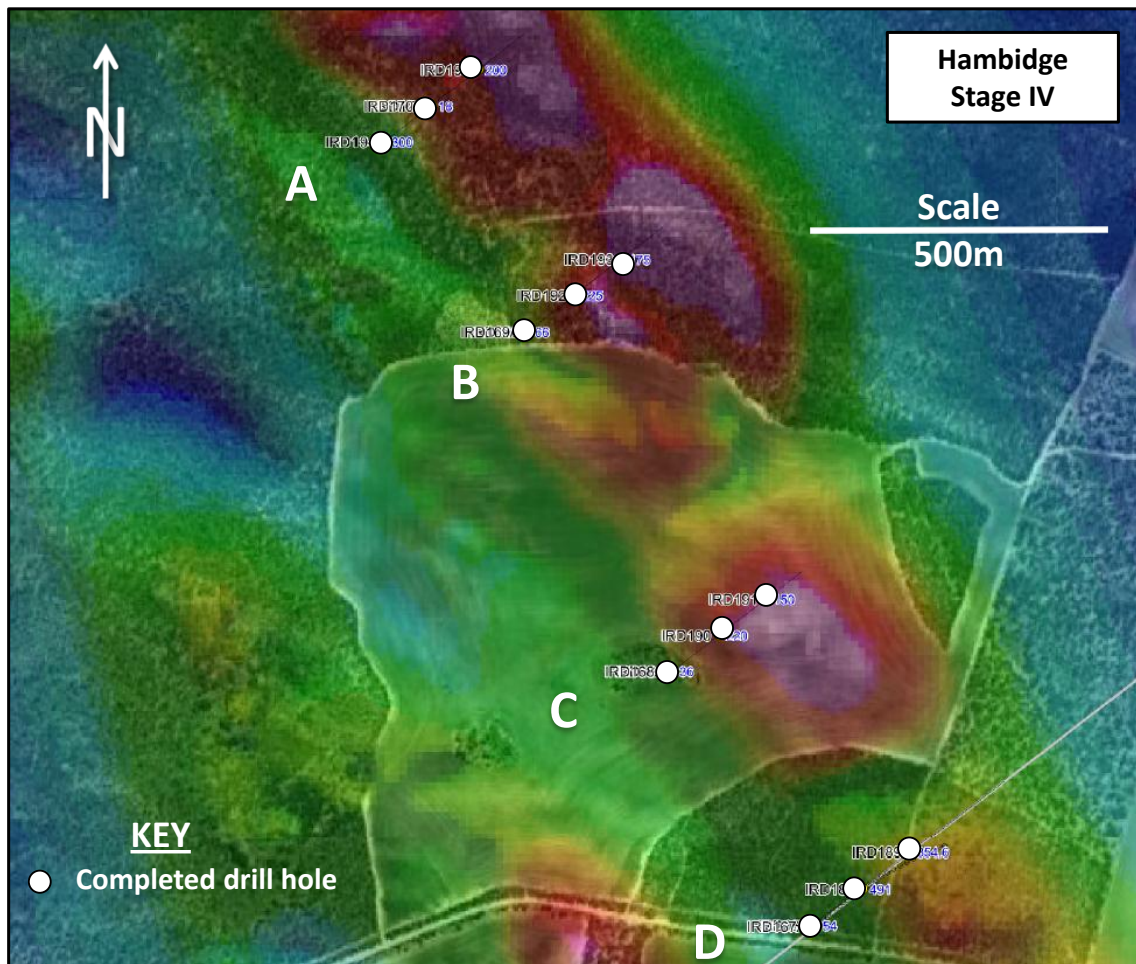


Figure 2 Plan view of CEIP Stage IV drilling programme – Hambidge

Cross-sections of traverses A, B, C, and D are presented overleaf. Also included are cross-sections that include extrapolation of the magnetite gneiss up and down dip of the drilling, as would be reasonably expected to occur. Conceptual drilling traces are shown using 100m spacing between collars with all holes at -60° inclination. The deepest holes are projected to 700m depth, this being the current standard maximum.

The geology intersected in all traverses is consistent with interpretations from inversion modelling of high resolution aeromagnetic surveys. Using extrapolation of the magnetite gneiss on dip and on strike and with guidance from initial assays received, **an exploration target for Hambidge of 800-1,000Mt magnetite gneiss with a grade of 15-18% iron² is estimated.**

² The potential quantity and grade of an exploration target is conceptual in nature since there has been insufficient work completed to define the prospects as anything beyond exploration target. It is uncertain if further exploration will result in the determination of a Mineral Resource, in cases other than the Boo-Loo and Murphy South prospect.

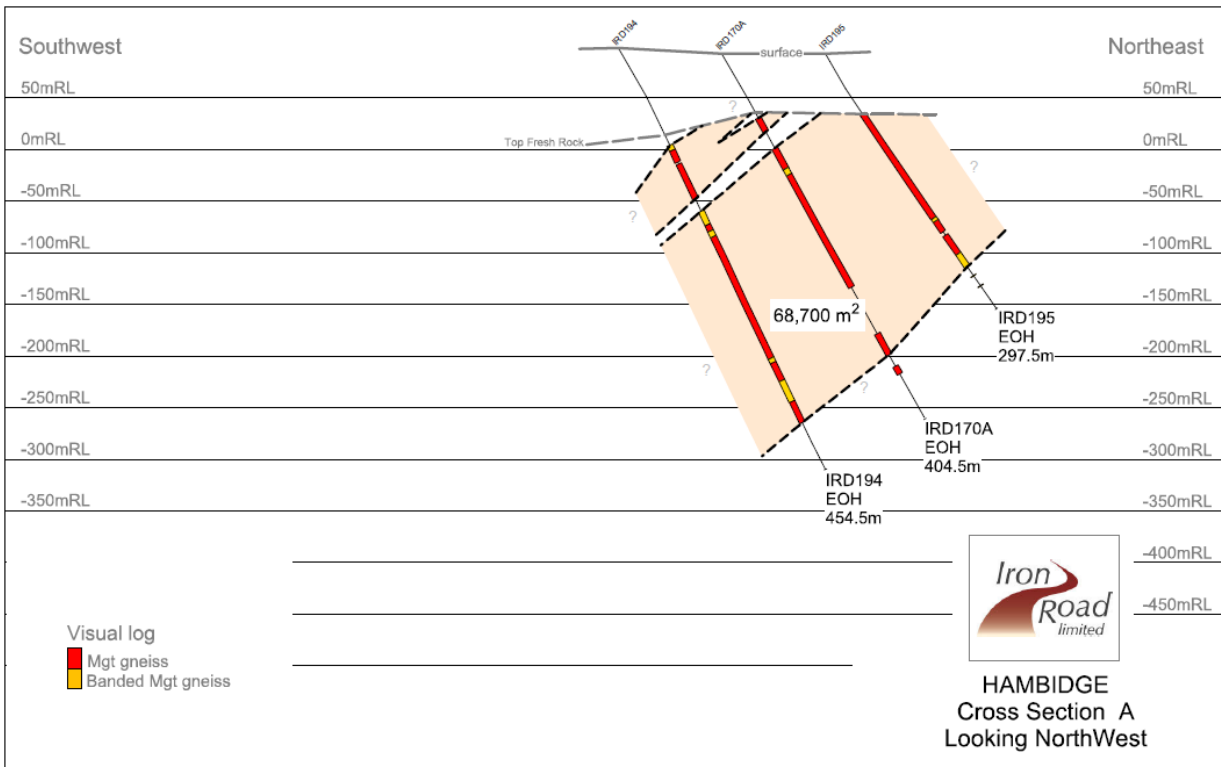


Figure 3a

Cross-section A

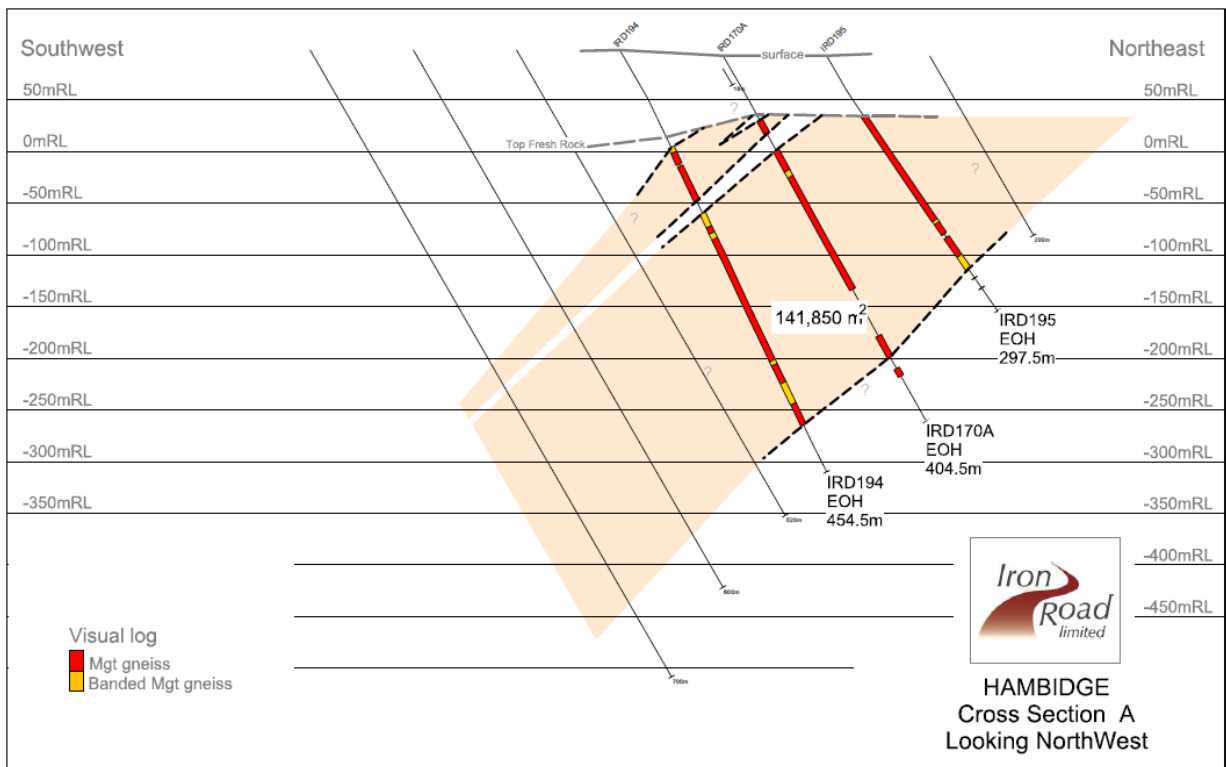


Figure 3b

Cross-section A with extrapolation of magnetite gneiss

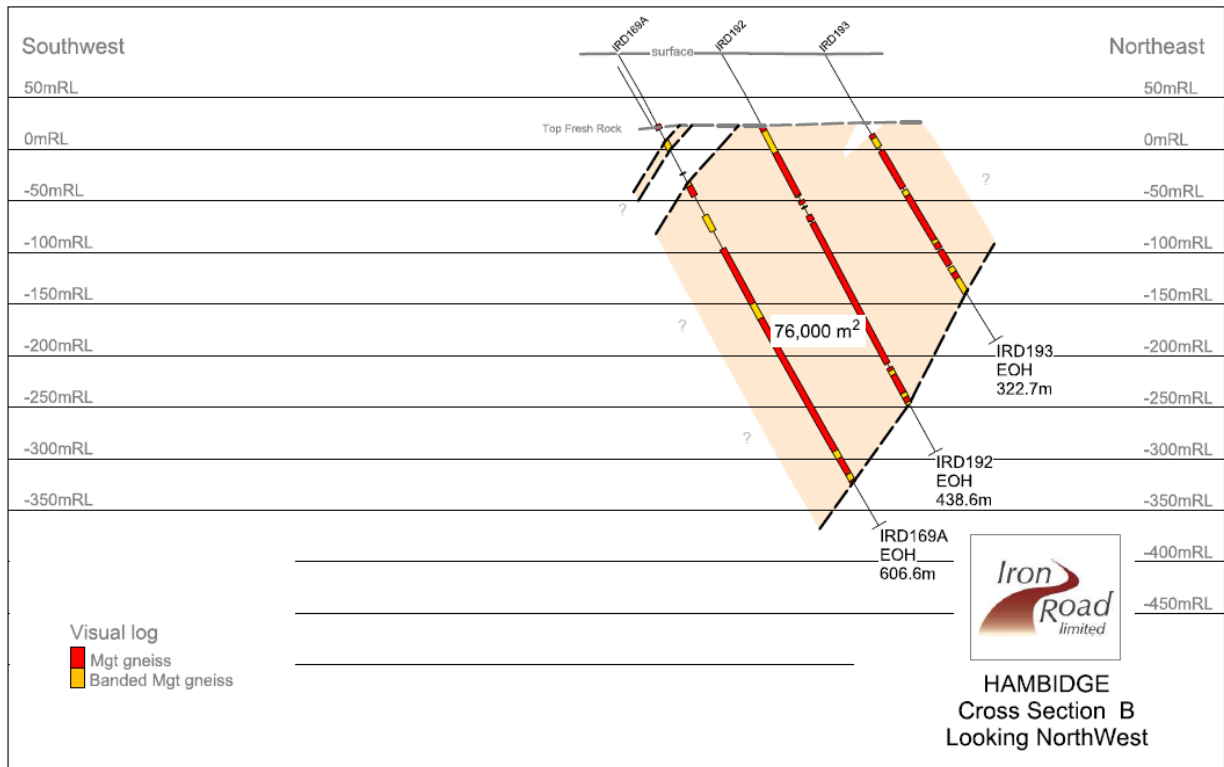


Figure 4a

Cross-section B

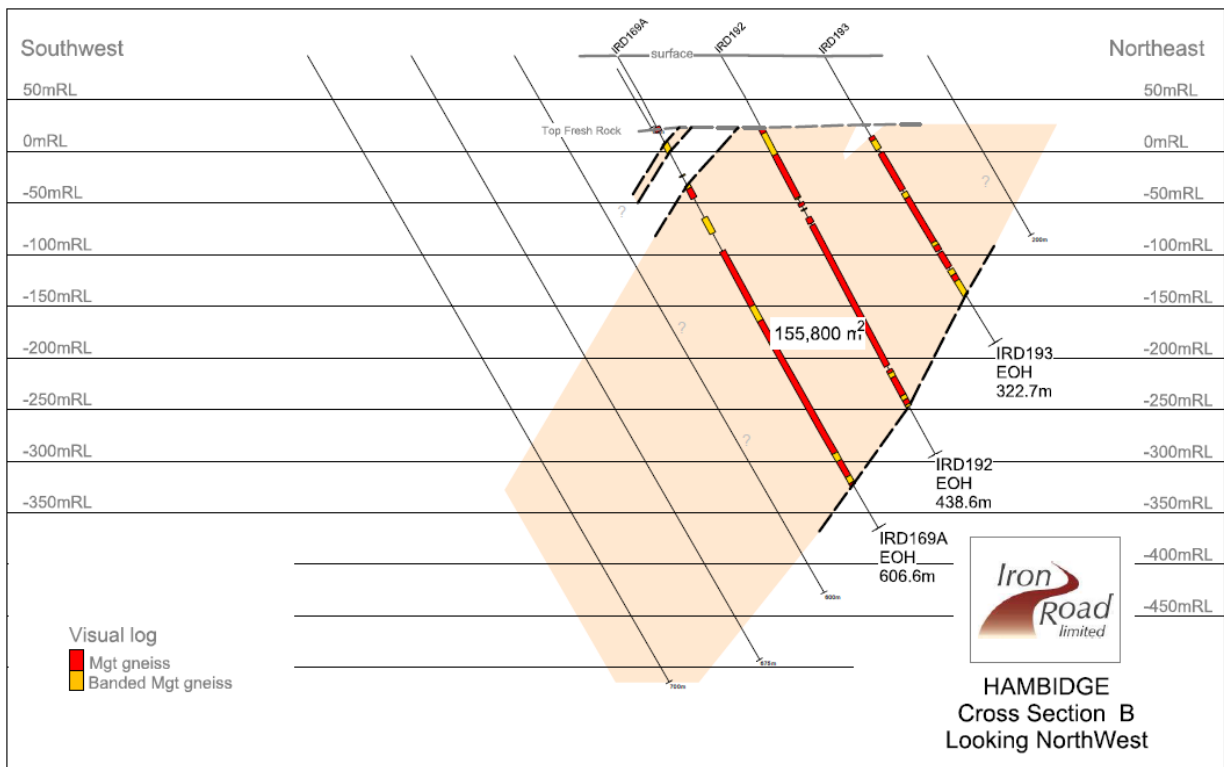


Figure 4b

Cross-section B with extrapolation of magnetite gneiss

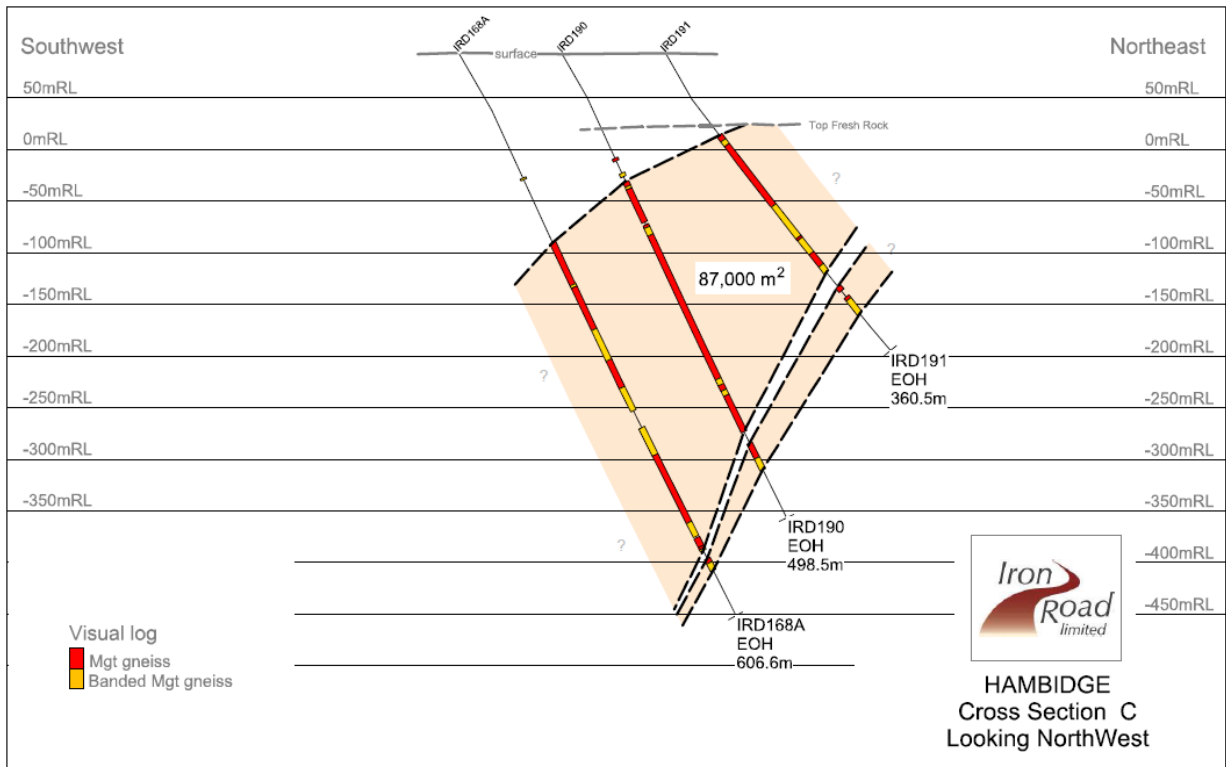


Figure 5a

Cross-section C

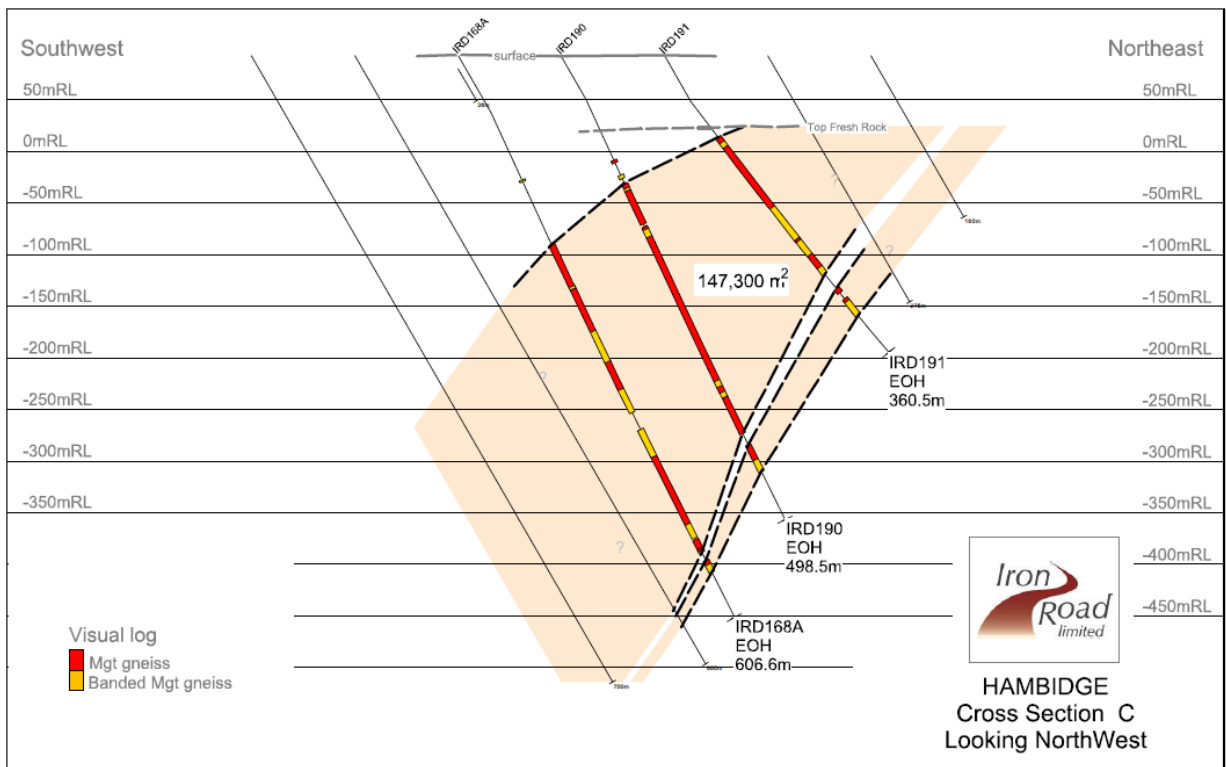


Figure 5b

Cross-section C with extrapolation of magnetite gneiss

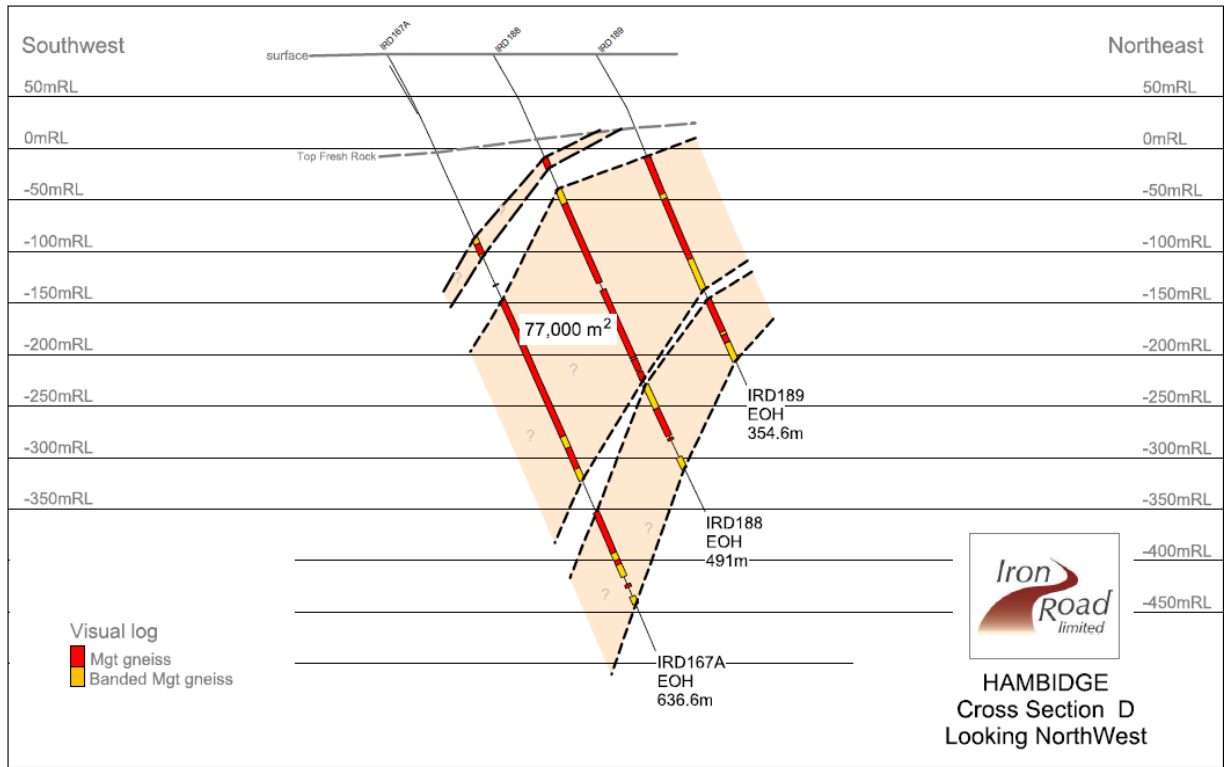


Figure 6a

Cross-section D

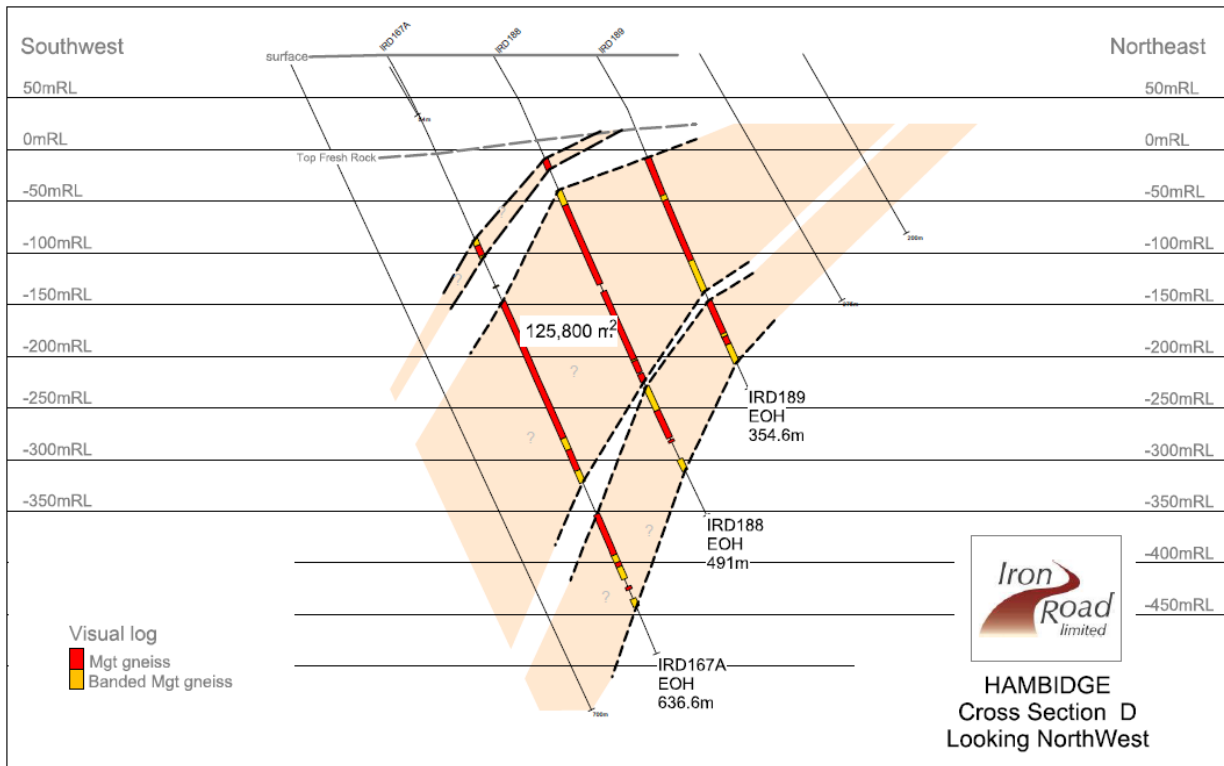


Figure 6b

Cross-section D with extrapolation of magnetite gneiss



Figure 7

Diamond drilling at Hambidge

– ENDS –

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Iron Road's principal project is the Central Eyre Iron Project, South Australia (Figure 8). The wholly owned Central Eyre Iron Project is a collection of three iron occurrences (Warrambo, Kopi & Hambidge) with an exploration potential of 2.8-5.7 billion tonnes of magnetite gneiss at a grade of 18-25 % iron*.

* Coffey Mining (Iron Road Limited ASX announcement 01 September 2009).

* It is common practice for a company to comment on and discuss its exploration in terms of target size, grade and type. The potential quantity and grade of an exploration target is conceptual in nature since there has been insufficient work completed to define the prospects as anything beyond exploration target. It is uncertain if further exploration will result in the determination of a Mineral Resource, in cases other than the Boo-Loo and Murphy South prospect.

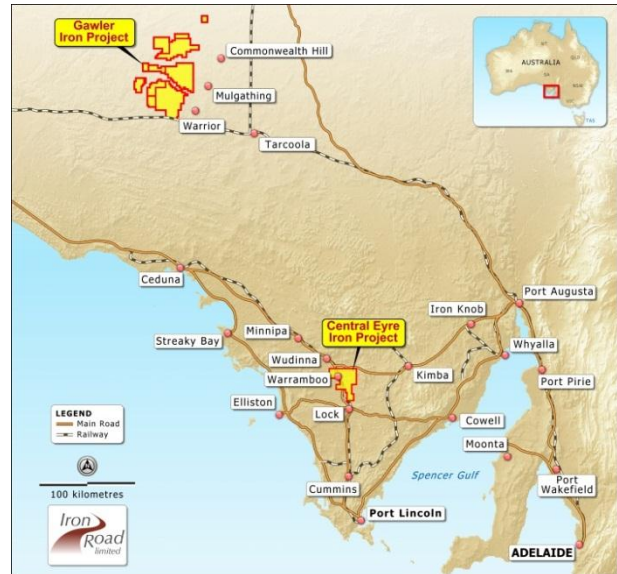


Figure 8 South Australia project location map

The information in this report that relates to Exploration Results and exploration targets at Murphy South and Hambidge 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 global exploration targets at the Central Eyre Iron Project 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.