



Central Eyre Iron Project A Closer Look

Community update and discussion
Lock, South Australia, 20 February 2012



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.

A Closer Look – Lock Agenda

Registration and refreshments

1. Welcome and introductions
2. Introduction to Central Eyre Iron Project

Questions and answers

3. Community engagement

Questions and answers

4. Where to from here?

5. Feedback Stations

- i. Benefits
- ii. Challenges
- iii. What do you most value about your township/community?



Welcome to a Closer Look at the Central Eyre Iron Project

The purpose of this community meeting is to:

- Update you with the current status of our work
- Hear your views on topics that are of interest to you, and
- Learn more about your expectations and how we might manage or incorporate ideas

Following this presentation:

- We will explain our community engagement processes
- You will have an opportunity to discuss ideas with project staff



Central Eyre Iron Project

- Centrally located on Eyre Peninsula, SA
- Large, scalable, low grade, iron ore (magnetite) project, with low variability
- Largest iron ore resource in South Australia and growing
- Mineral resource – 2.1 billion tonnes¹
- Large potential – 2.8-5.8 billion tonnes exploration target²
- Experienced and knowledgeable team
- Backed by well regarded institutions
- Strong potential for long life project
- Favourable infrastructure options
- CEIP expected to underwrite many other infrastructure projects and upgrades



¹ Refer to Competent Persons Statement on page 2. ² Refer to Exploration Target notes on page 2.

Strong quality, innovation and environmental ethic

- Low grade deposit requires innovative approach
- Hyper-saline ground water is contained
- Cereal cropping and irregular rainfall requires sensitive work methods
- Ground work and procedures subject to external audit
- Work is peer reviewed prior to publication



How We Work

Drill sites are prepared after careful planning

Soil is stockpiled accordingly



How We Work

Sumps are currently lined

Investigating water and slimes tanks to further reduce impact



How We Work

Drilling water is currently reticulated to reduce water truck movement, ground compaction, dust and disturbance to residents



How We Work

Vehicular traffic confined to demarcated zones to minimise crop disturbance



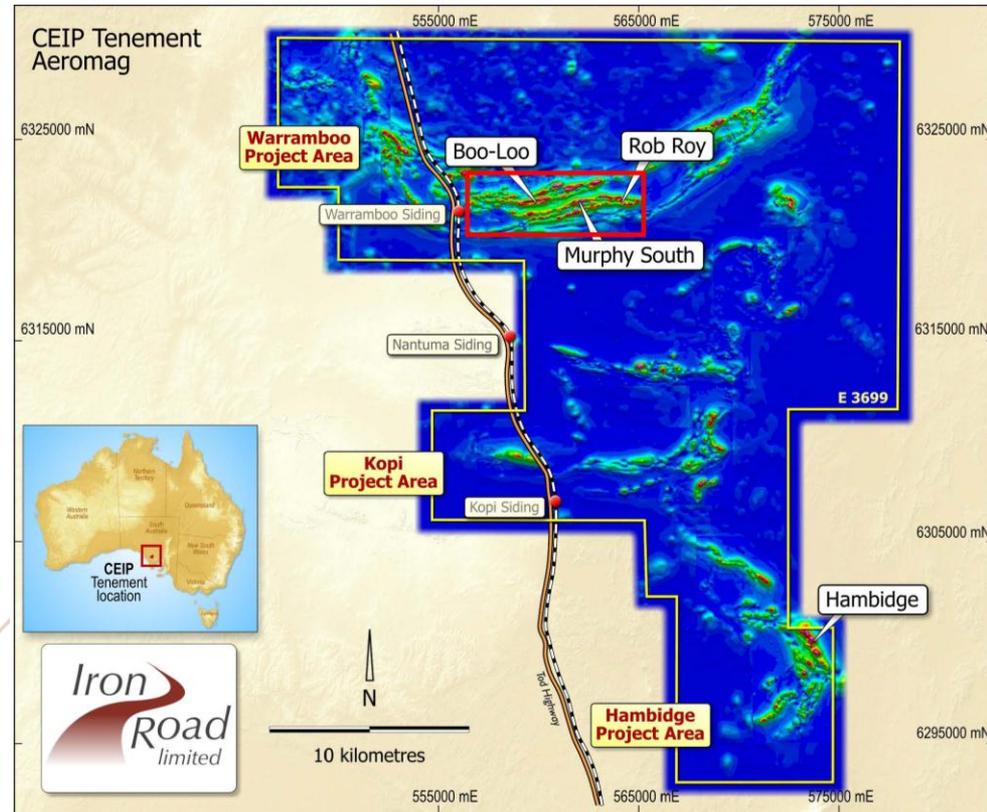
How We Work

Rehabilitation occurs in consultation with local contractors and land owners



Prefeasibility Summary

- Prefeasibility study is an intermediary study examining the project's viability
- Detailed study conducted over 15 months using strong and reputable consultants
- Open pit mining and concentration operations described
- 12.4Mtpa of iron concentrates produced
- Slurry pipeline or rail to the coast
- Power upgrade included
- Desalination plant included
- Simple and efficient beneficiation process using off the shelf processing technology



Simple Processing

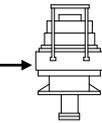
67.6Mtpa

ROM Ore

Mass 100%

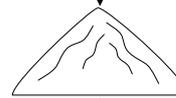
Fe: 16.8%

SiO₂: 53.0%

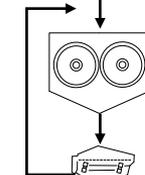


Crushing

P₈₀ ~ 30 mm



HPGR



DRY

WET

Rougher W-LIMS

P₈₀ ~ 8 mm



61%

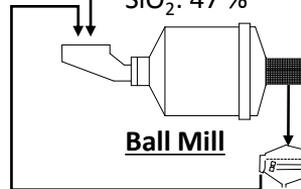
Fe: 24%

SiO₂: 47 %

Tails

Mass 39%

Ball Mill



MURPHY SOUTH DEPOSIT

Wet low-intensity
magnetic separation

Tails

Mass 43%

P₈₀ ~ 106 μm

Concentrate

12.4Mtpa

Mass 18%

Iron: 67%

Silica: 4.7%

Large, though simple plant

Mechanical method, rather than a chemical process

Export Solution

Base case PFS includes slurry pipeline to port

Other options being considered with encouraging results

Rail to port has been considered at scoping level, more detailed rail review underway

PFS includes costs and charges to use a third-party port

Project scale sufficient to justify development of standalone port facility



A Credible, Long Life Project

Prefeasibility Study Key Findings

- Life of Operation
 - On PFS mineral resource 14 years
 - On exploration target +30 years
- Direct Employment
 - Construction mine +1000
 - port 250
 - rail 350
 - Permanent 480
- Numerous indirect employment opportunities

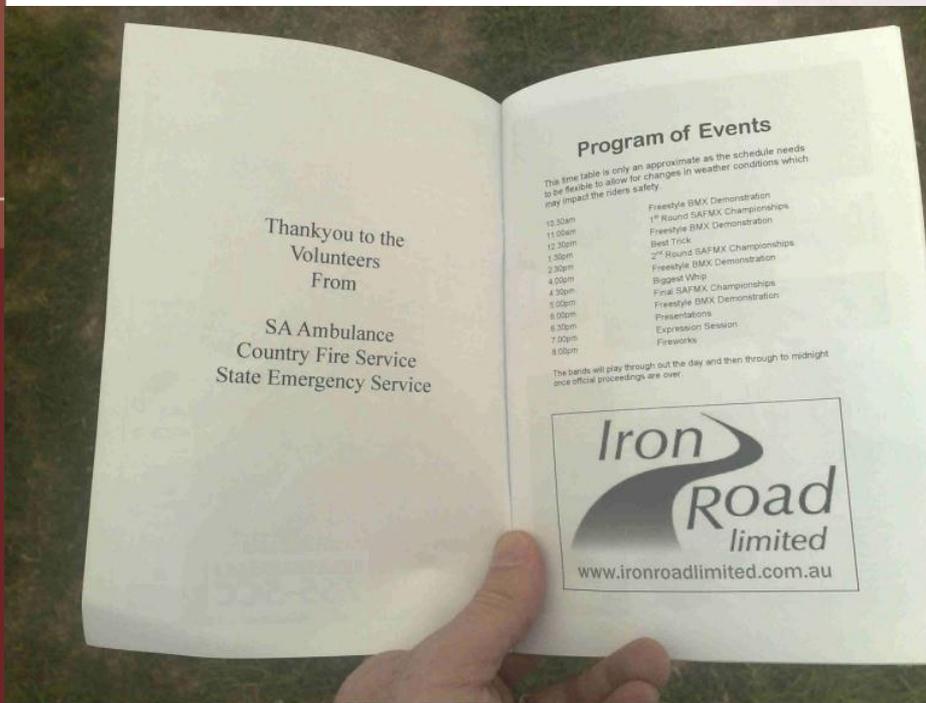


A Credible, Long Life Project

- Infrastructure
 - Power 275kV line upgrade
 - Water Desalination plant
 - Potential port +200,000t vessel capable
 - Potential rail Standard gauge heavy haul alternative to pipeline
- DFS
 - Definitive Feasibility Study has commenced.
 - Staff recruitment almost complete
 - Contractor selection almost complete



Becoming Part of the Eyre Peninsula Community



*Iron Road sponsored the 2009
freestyle MX championships*

Becoming Part of the Eyre Peninsula Community



2010 shearing competition





WUDINNA AREA SCHOOL

Telephone
(08) 8680 2263

Fax
(08) 8680 2393

Box 30
WUDINNA 5652



Becoming Part of the Eyre Peninsula Community

7 July 2011

Coughlan Drilling
Attention: Dean Coughlan
PO 2446
DRY CREEK SA 5094

*Leigh,
Please pass onto all the guys
that allow to reap up the good
work. With love - Thank You.
Miss. A. ...*

Dear Dean
I am writing as a mark of appreciation on behalf of the Warrambo School Bus Drivers who transport our students to and from Wudinna Area School.
They have expressed their gratitude and appreciation towards your mining company drivers' safety awareness. They have noted that they slow down, acknowledge the school bus and take care not to speed or impact on aspects that could be potentially dangerous.
Please pass on our appreciation to the drivers concerned.

Yours Sincerely
Maria McCallum
Maria McCallum
Principal

**Adherence to strong procedures
is important to the project team**



Major sponsor of the 2011 and 2012 Lock Cup

Becoming Part of the Eyre Peninsula Community



The Wudinna District Council attended an investor visit to site where EP produce was highlighted

Where to now – Definitive Feasibility Study

- A Definitive Feasibility Study (DFS) is also known as a Bankable Feasibility Study
- A DFS comprises a variety of individual studies that provide a comprehensive forward analysis of a project's viability
- May be used by financial institutions to assess the credit-worthiness of project financing
- Studies undertaken by Iron Road and its service providers as part of the DFS include:
 - Environmental – flora/fauna; water; groundwater; identify current contaminated lands; dust
 - Social impacts – traffic; noise; accommodation & housing; local services; education
 - Infrastructure – power, rail, desalination plant, pipeline, port
 - Engineering – mine and infrastructure design; safety; rehabilitation
- The DFS is underway and will progress throughout 2012
- Results of the DFS will assist with the preparation of a Mining Lease proposal and Program for Environmental Protection and Rehabilitation (PEPR) as required under the Mining Act 1971

Continuing support of local events

- Lock Cup 2012
- Wudinna Area School 'Pedal Prix'
- Warramboe Breast Cancer Awareness event
- Wudinna Hospital Fundraising Cabaret
- Eyre Peninsula versus Port Adelaide 20/20 Cricket
- Wudinna & Districts SuperSkinz Bowls Tournament
- Wudinna Tennis Club
- Warramboe Christmas Tree Committee
- Central Eyre Peninsula Ag Bureau annual Sticky Beak Day
- Wudinna Show Shearing Competition
- Waddikee Warramboe Cricket Club



Increasing Community and Government Consultation

Iron Road values its relationships with the communities within which we work

- Routinely meeting with local farmers and council
- Following PFS release, immediately met with impacted farmers, local council, EP radio and newspapers
- Continuing sponsorship of local community and sporting events
- Foundation member of the Eyre Peninsula Mining Alliance



Farmers Q&A session September 2009

Increasing Community and Government Consultation

Moving ahead with

- Stakeholder, government and community engagement supported by user friendly communications
- *Closer Look* meetings held in Warramboo and Wudinna during September 2011
- Establishment of the CEIP Focus Groups following the *Closer Look* meetings to identify and address issues and maximise positive outcomes



DMITRE site visit July 2010

Becoming Part of the South Australian Community

Long life mining operation

- 14 years on PFS mineral resource +30 years on exploration target
- Reviewing potential apprenticeships and training in partnership with local TAFE and contractors
- Project philosophy of employ local, house local
- Exploring innovative rosters (eg. Potential for job sharing during harvest)
- Local and regional business opportunities (eg. Local procurement where practical)
- Expected direct employment of 480
- Additional 1500 indirect jobs expected
- Providing economic certainty in uncertain times

A South Australian based team

- Currie Street, Adelaide
- Study team recruitment almost complete
- Identification of appropriate consultants for DFS finalised
- Well known Adelaide firm, Gould Thorpe Planning assisting in-house team with community and stakeholder engagement
- CEIP likely to provide much needed infrastructure, justifying development or improving the business case for other initiatives



Community Engagement – Now and in the Future Central Eyre Iron Project



What is community engagement?

Connecting with communities

- Sharing information
- Consultation
- Participation
- Community Involvement



Iron Road's Commitment

We will:

- engage with and respond to communities
- involve communities in shaping a mutually beneficial future
- seek out the views and needs of a diverse range of community interests
- provide information - timely, accurate, relevant and accessible
- use methods and tools that reduce barriers to participation and encourage involvement
- report consultation feedback accurately to inform project development



Why?

- Pool diverse perspectives, knowledge and experience
- Build a positive future - collaboratively
- Address the challenges - collaboratively
- Improve decision- making



Objectives

- Develop trust - build relationships
- Gain an understanding of the community's perceptions of the project's benefits and concerns
- Identify how the community wants to be engaged
- Identify local stakeholders
- Increase understanding of the Central Eyre Iron Project



Future Engagement

- One of our community relations team members lives here
 - is part of your community
 - is always accessible – office at Wudinna Telecentre
 - providing informal coffee-n-chat opportunities at the Town Hall each month
- Form focus groups/community consultative committee
- Continue dialogue with key stakeholders including landowners Councils, indigenous groups, environmental groups and Government agencies
- Dissemination of up to date project information to all interested parties
- DMITRE staff happy to meet with stakeholders to discuss what is expected from Iron Road



Contact us

- Chat with Vesna face-to-face
- Email us on community@ironroadlimited.com.au
- Visit our website at www.ironroadlimited.com.au
- Register a comment on line through our website's *Contact Us* menu
- Call our toll free Information Line on 1800 176 008
- Post us your written comments (free post envelope supplied)
- Register as a stakeholder to be invited to consultation events and be kept up-to-date
- Participate in ongoing consultation events



Set to become South Australia's premier iron ore mine

Focused on Central Eyre Iron Project (CEIP)

- Strong potential for long life project
- Favourable infrastructure options
- CEIP expected to underwrite many other infrastructure projects and upgrades

Now moving ahead with

- Strengthening the Iron Road team further
- Wider government and communities consultation and involvement
- Preparations for definitive feasibility study



IRD board members briefed by Larry Ingle on site



Thank you for your participation in a Closer Look at the CEIP

www.ironroadlimited.com.au

admin@ironroadlimited.com.au

1800 176 008

GPO Box 1164

Adelaide SA 5001





Appendices



Appendix 1a – CEIP Resource Statement

Central Eyre Iron Project Global Mineral Resource Estimate

Location	Classification	Tonnes (Mt)	Fe (%)	SiO ₂ (%)	Al ₂ O ₃ (%)	P (%)	LOI (%)
Murphy South	Indicated	585	16.7	52.9	12.6	0.09	0.3
	Inferred	421	16.6	52.6	12.7	0.08	1.2
Boo-Loo	Inferred	328	17.3	52.4	11.5	0.09	2.1
Total		1,334	16.8	52.7	12.3	0.09	1.0

The Murphy South and Boo-Loo mineral resource estimates were carried out following the guidelines of the JORC Code (2004) by Coffey Mining Ltd.

Appendix 1b – CEIP Resource Statement

Murphy South Mineral Resource Estimate

Resource Classification	Oxidation	Material Type	Tonnes (Mt)	Fe (%)	SiO ₂ (%)	Al ₂ O ₃ (%)	P (%)	LOI (%)	
Inferred	Fresh	Disseminated	272	17.7	52.5	12.0	0.09	0.3	
		Banded	79	13.3	54.7	14.1	0.07	0.5	
	Transitional Oxide	Disseminated and banded	27	16.3	50.6	14.0	0.06	5.7	
			43	16.4	50.3	14.0	0.06	5.9	
	Total Inferred			421	16.6	52.6	12.7	0.08	1.2
Indicated	Fresh	Disseminated	325	19.2	51.6	11.4	0.10	0.2	
		Banded	259	13.6	54.4	14.0	0.08	0.5	
	Total Indicated			585	16.7	52.9	12.6	0.09	0.3
	Total Murphy South			1,006	16.7	52.8	12.6	0.09	0.7

The Murphy South mineral resource estimate was carried out following the guidelines of the JORC Code (2004) by Coffey Mining Ltd.

Appendix 1c – CEIP Resource Statement

Boo-Loo Mineral Resource Estimate

Resource Classification	Oxidation	Tonnes (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 mineral resource estimate was carried out following the guidelines of the JORC Code (2004) by Coffey Mining Ltd.