

CENTRAL EYRE IRON PROJECT & GAWLER IRON PROJECT

University of Adelaide PhD Sponsorship in Partnership with the Geological Survey of South Australia, DMITRE

Iron Road Limited (Iron Road, ASX: IRD) is pleased to announce the co-sponsorship of a University of Adelaide PhD Project entitled *Influence of crustal architecture and tectonic reworking on the Warramboo magnetite gneiss iron ore deposit, southern Gawler Craton*.

Highlights

- Sponsorship over three years of a University of Adelaide PhD project focussing on the Warramboo magnetite gneiss at the Central Eyre Iron Project (CEIP).
- The project is in partnership with co-sponsor Geological Survey of South Australia, DMITRE.
- Research work to complement metallurgical studies currently underway by Iron Road during Definitive Feasibility Study (DFS) and aid in mine planning, ore delivery for beneficiation and future exploration/target generation.
- The project will greatly enhance knowledge of the geology of the southern Gawler Craton in a highly prospective region currently poorly studied and understood.
- The project comprises four main modules with key aims-
 - To understand the local scale structural setting of the Warramboo deposit.
 - To understand the nature and timing of deformation and metamorphism at Warramboo and the influence these events have had on the geochemical profile of the deposit, with implications for the stratigraphy.
 - To use detailed detrital zircon datasets to resolve the large scale geochemical layering and to utilise Hylogger to test whether the stratigraphic order can be extended across and along strike within the deposit.
 - To compare and contrast the timing of sedimentation, mineralisation and tectonism in the Mt Christie region with that at Warramboo.

Iron Road's Managing Director, Mr Andrew Stocks, said that Iron Road was particularly pleased to support the strong local scientific expertise available at the University of Adelaide and the Geological Survey of South Australia.

"Iron Road has benefited significantly in developing the Central Eyre Iron Project through the ready availability of local scientific talent, pre-competitive mineral exploration data and State Government initiatives such as the Plan for Accelerating Exploration or PACE and the State Core Library.

"As such, we are very pleased to contribute back to the pool of geological knowledge covering South Australia and so continuing to build the number of highly skilled geoscientists available in the state," said Mr Stocks.

Project Background

Deformation in the southern Gawler Craton over geological time has juxtaposed layers of crust of different age, stratigraphy, geochemistry and economic potential. The nature of the process and the stratigraphy/geochemistry of these layers remain poorly understood, particularly in the central-western Eyre Peninsula in the vicinity of the Warramboo iron ore deposit. The PhD project will focus on the geology and tectonics of the Eyre Peninsula by investigating the stratigraphy and mineralogy of the Warramboo magnetite gneiss and host rocks in the region.

The systematic and extensive diamond drilling of the sub-surface fresh rock strata by Iron Road at Warramboo, exceeding 110,000m to date, provides opportunity to physically examine, log and sample fresh rock core, offering an exceptional opportunity for valuable research.

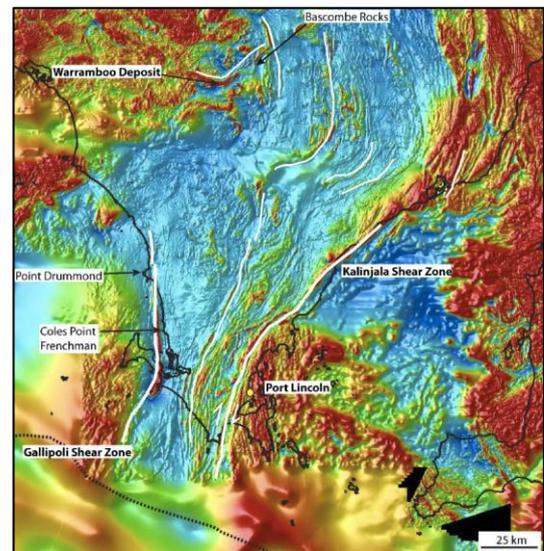


Figure 1 - Total Magnetic Intensity (TMI) Image of the Eyre Peninsula showing regional structural fabric trends in white.

Project Researcher and Supervision

The PhD project will be undertaken by University of Adelaide student Kathleen Lane under the guidance of Professor Martin Hand. Kathleen has previously worked for Iron Road on the Central Eyre Iron Project (CEIP) as a vacation student and is familiar with the geology. Martin is the project leader and primary supervisor and is a lead researcher in the Centre for Tectonics, Resources and Exploration (TRaX) at the University of Adelaide. TRaX is supported by the Institute for Mineral and Energy Resources whose aim is to shed light on the evolving Earth and its resource potential. South Australia's unique geological characteristics offer insights for global mineral and resource sectors. Martin focuses on fundamental and applied research in tectonic systems using a broad based approach that integrates petrological and isotopic tools with geophysics and field mapping.

Project co-supervision is provided by Dr Anthony Reid and Dr Rian Dutch of the Geological Survey of South Australia, DMITRE. Anthony and Rian have considerable experience in the geology of the Gawler Craton; Anthony having worked in the region for the past eight years and Rian himself having completed a PhD on the geology of Eyre Peninsula several years ago.

Project Benefits

The University of Adelaide through TRaX, along with the Geological Survey of South Australia (DMITRE) will contribute to the scientific research of a highly prospective though geologically poorly understood terrain in South Australia. Furthermore, Iron Road and industry alike will gain valuable insight into a unique world-class orebody and the geological processes that determined its evolution through time.



Government of South Australia
Department for Manufacturing,
Innovation, Trade, Resources and Energy



THE UNIVERSITY
of ADELAIDE

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Iron Road's principal project is the Central Eyre Iron Project, South Australia. The wholly owned Central Eyre Iron Project is a collection of three iron occurrences (Warrambo, Kopi & Hambidge) with an exploration target 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, Dolphin and Murphy South prospect.



The information in this report that relates to 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.