

IRON ROAD ADDS HALF A BILLION TONNES TO CENTRAL EYRE IRON PROJECT

Mineral Resource Now Tops 2.6 Billion Tonnes

Iron Road Limited (Iron Road, ASX: IRD) is pleased to announce a resource upgrade at the Central Eyre Iron Project (CEIP), with the Mineral Resources increasing in size from 2.1Bt to 2.6Bt. The upgrade comes as part of an ongoing Mineral Resource expansion drilling programme.

Highlights

- Stage VII expansion drilling adds half a billion tonnes to existing 2.1Bt Mineral Resource estimate (compiled in accordance with the JORC Code) report for CEIP.
- Interim upgrade continues to demonstrate the size, scale and potential long term production life for CEIP.
- Global Mineral Resources for CEIP now 2.6Bt at a grade of 16% iron and includes Murphy South, Boo-Loo and part of Rob Roy areas – remainder of Rob Roy, Hambidge and other areas yet to be added.
- Interim upgrade delivered as part of current Mineral Resource expansion drilling at Rob Roy with an exploration target of 700-900Mt magnetite gneiss and a grade of 16-18% iron estimated¹.
- Test work indicates that the magnetite at CEIP can be readily upgraded to high quality concentrate grading 67% iron using a coarse grind size of -106µm, thereby reducing energy required in beneficiation.
- At the Hambidge prospect an exploration target of 800Mt-1,000Mt magnetite gneiss with a grade of 15-18% iron has been estimated¹.
- Coffey Mining established a global exploration target in 2009 of 2.80 to 5.70Bt of magnetite gneiss with a grade of 18-25% iron at the project¹.
- The Mineral Resource expansion programme is now approaching the lower end of the global exploration target for CEIP, with significant areas remaining to be delineated. The Company now believes that the ultimate Mineral Resource is likely to be closer to the upper end of the exploration target.

CEIP Global Mineral Resource							
Location	Classification	Tonnes (Mt)	Fe (%)	SiO ₂ (%)	Al ₂ O ₃ (%)	P (%)	LOI (%)
Murphy South – Rob Roy	Indicated	1,108	16.0	53.2	12.9	0.08	0.4
	Inferred	1,161	16	54	13	0.08	0.9
Boo-Loo	Inferred	328	17	52	11	0.09	2.1
Total		2,597	16	53	13	0.08	0.8

The mineral resource estimates were carried out following the guidelines of the JORC Code (2004) by Coffey Mining Ltd (Murphy South and Boo-Loo) and Iron Road Limited with peer review by Xstract Mining Consultants Pty Ltd (Rob Roy).

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/Rob Roy prospects.

Iron Road Managing Director, Mr Andrew Stocks said that the interim upgrade was a terrific result for the Company.

“We have now well and truly passed two and a half billion tonnes in Mineral Resources at the Central Eyre iron Project, which is entering the world stage for significance,” said Mr Stocks.

“Drilling is ongoing, so we expect to add even more to resources in the near future. Given our success in bringing in our exploration targets to Mineral Resources in the past, we have increasing confidence that we will repeat this success across our global resource.

“Looking at our long term vision, we ultimately expect to define enough resources to produce a billion tonnes of high quality concentrate for export from the CEIP operations, over a very long life. This will more than underpin the capital requirement to get this unique and special operation into production.

“With every tonne we drill and add into Mineral Resource inventory our vision of becoming a trusted and reliable supplier of premium iron concentrates grows closer and more secure, adding significant value for shareholders.

“This really is a project that will stretch well into the economic future of South Australia,” said Mr Stocks.

By adding more than two and a half billion tonnes into the Mineral Resource inventory to date, Iron Road continues to demonstrate the necessary size and scale of resource to underpin the capital required for a potential long life 20Mtpa high grade iron concentrate export operation and the development of associated export infrastructure.

The ongoing Definitive Feasibility Study for the project, together with the previous Prefeasibility Study have shown the Mineral Resource at CEIP can be readily upgraded to high quality concentrate grading 67% iron using a coarse grind size of -106µm. This product is suited as a high grade blast furnace sinter feed with low impurities.

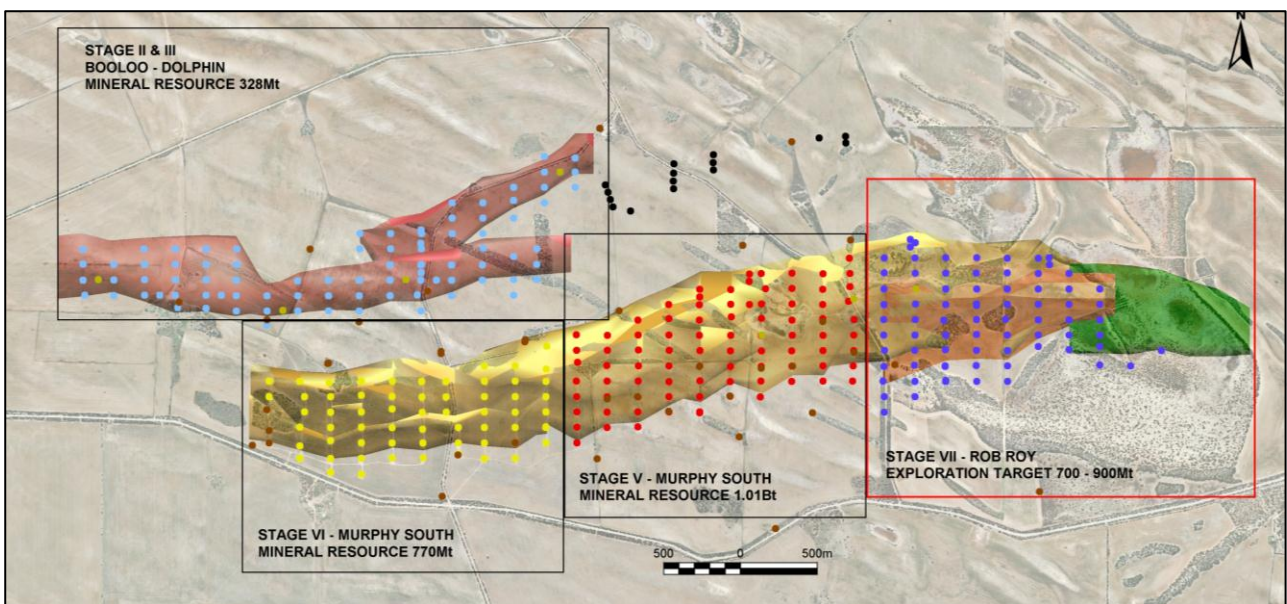


Figure 1. Orebody solids model showing Stages III, IV, V, VI and completed portion of Stage VII diamond drilling programmes.

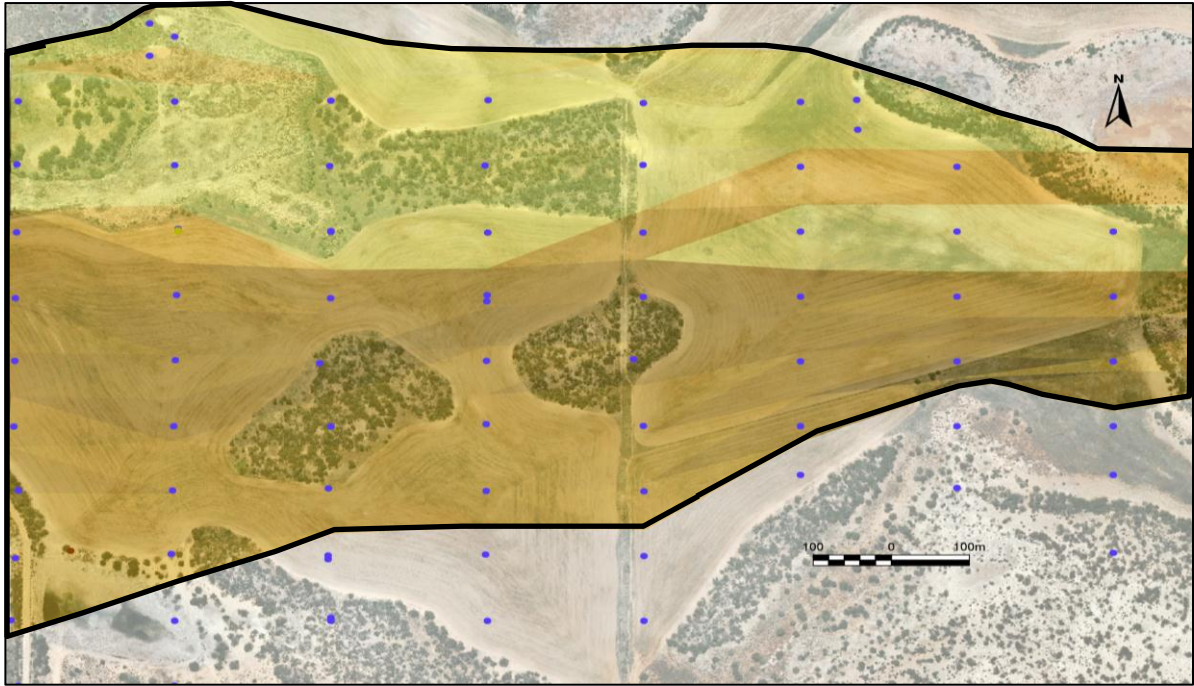


Figure 2. Rob Roy prospect showing area covered by the current Mineral Resource upgrade

The Mineral Resource was estimated by Iron Road Limited and peer reviewed by Xstract Mining Consultants Pty Ltd and is summarised in the table below. Full details can be found in Attachment 2.

Rob Roy Mineral Resource Estimate							
Resource Classification	Oxidation	Tonnes (Mt)	Fe (%)	SiO₂ (%)	Al₂O₃ (%)	P (%)	LOI (%)
Inferred	Fresh	493	16	54	13	0.08	0.4
Total Rob Roy		493	16	54	13	0.08	0.4

The Rob Roy mineral resource estimate was carried out following the guidelines of the JORC Code (2004) by Iron Road and Peer reviewed Xstract Mining Consultants (refer attachment 2).

-ENDS-

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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 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, Dolphin and Murphy South/Rob Roy prospect.

The information in this report that relates to Exploration Results and exploration targets at Murphy South and Rob Roy 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". Coffey 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 Resources estimated for the Boo-Loo and Murphy South is based on and accurately reflects information compiled by Mr Ian MacFarlane, Coffey Mining, who is a consultant and advisor to Iron Road Limited and a Fellow 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". Coffey Mining 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 Resources estimated for the Rob Roy is based on and accurately reflects information compiled by Ms Heather Pearce, who is a full time employee of Iron Road Limited. This estimation was peer review by Dr Isobel Clark of Xstract Mining Consultants. Dr Clark has sufficient experience relevant to the style of mineralisation and the type of deposits under consideration and to the activity which she 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". Xstract Mining Consultants consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.



Attachment 1 – Mineral Resource Estimates

Murphy South / Rob Roy Mineral Resource Estimate							
Resource Classification	Oxidation	Tonnes (Mt)	Fe (%)	SiO ₂ (%)	Al ₂ O ₃ (%)	P (%)	LOI (%)
Inferred	Fresh	1042	16	54	13	0.08	0.4
	Transitional	32	16	51	14	0.05	5.5
	Oxide	87	16	51	14	0.05	5.8
<i>Total Inferred</i>		1,161	16	53	13	0.08	0.9
Indicated	Fresh	1,108	16.0	53.2	12.9	0.08	0.4
<i>Total Indicated</i>		1,108	16.0	53.2	12.9	0.08	0.4
Total	Murphy South/Rob Roy	2,269	16	53	13	0.08	0.7

The Murphy South/Rob Roy mineral resource estimate was carried out following the guidelines of the JORC Code (2004) by Coffey Mining Ltd (Murphy South and Boo-Loo) and Iron Road Limited and peer reviewed by Xstract Mining Consultants (Rob Roy) see Attachment 2.

Boo-Loo Mineral Resource Estimate							
Resource Classification	Oxidation	Tonnes (Mt)	Fe (%)	SiO ₂ (%)	Al ₂ O ₃ (%)	P (%)	LOI (%)
Inferred	Fresh	277	17	52	12	0.01	0.5
	Transitional	13	17	52	12	0.09	10.7
	Oxide	38	17	52	12	0.09	10.8
Total		328	17	52	12	0.09	2.1

The mineral resource estimates were carried out following the guidelines of the JORC Code (2004) by Coffey Mining Ltd.

CEIP Global Mineral Resource							
Location	Classification	Tonnes (Mt)	Fe (%)	SiO ₂ (%)	Al ₂ O ₃ (%)	P (%)	LOI (%)
Murphy South/Rob Roy	Indicated	1,108	16.0	53.2	12.9	0.08	0.4
	Inferred	1,160	16	53	13	0.08	0.7
Boo-Loo	Inferred	328	17	52	11	0.09	2.1
Total		2,597	16	53	13	0.08	0.7

The Murphy South/Rob Roy and Boo-Loo mineral resource estimate was carried out following the guidelines of the JORC Code (2004) by Coffey Mining Ltd (Murphy South and Boo-Loo) and Iron Road Limited and peer reviewed by Xstract Mining Consultants (Rob Roy) see Attachment 2.

21 November 2012

Milo Res
Geology Manager
Iron Road Ltd
Level 1, 1139 Hay Street
West Perth 6005
Western Australia

Dear Milo,

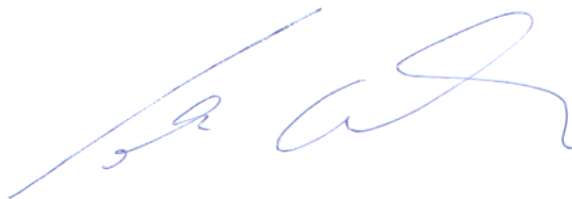
Re: Resource Estimation for the Rob Roy extension Magnetite Prospect

The Mineral Resource estimate for the mineralisation in the extension of the Murphy South deposit known as “Rob Roy” has been completed by Heather Pearce and intensively reviewed by Xstract personnel including myself, Kevin Lowe and Michelle Smith. The statement as of 21st November 2012 is tabulated overleaf with accompanying remarks.

The information in the technical report prepared by Ms Pearce has been reviewed, discussed and approved by Dr Isobel Clark, who is a Fellow of the Australasian Institute of Mining and Metallurgy. This work was completed under contract to Xstract Mining Consultants based in Perth, Western Australia.

Dr Clark has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which she has undertaken to qualify as a Competent Person as defined in the 2004 Edition of the “Australasian Code for Reporting of Mineral Resources and Reserves”.

For and on behalf of Xstract Mining Consultants



Isobel Clark

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Xstract - Excellence from the outset

Central Eyre Iron Project Rob Roy Prospect Maiden Mineral Resources (Fresh Material Only) - November 2012 Lower Grade Cutoff of 12% Fe Applied												
Resource Classification	Material Type	Tonnage (Mt)	Fe(%)	SiO ₂ (%)	Al ₂ O ₃ (%)	P	LOI_1000	K ₂ O(%)	TiO ₂ (%)	MgO(%)	Mn(%)	CaO(%)
Inferred	Fresh	493	16	54	13	0.08	0.4	3.1	0.6	2.4	1.3	1.2

Note: precision of figures as recommended within JORC classifications.

Notes:

- Drilling coverage for the 8 items estimated follows north/south section lines at 200m separation drilled at 100m centres. Drillholes dip uniformly 60° down in a northerly direction. All drillholes in the fresh material were diamond drill cores predominantly composited on 4m lengths.
- Knowledge of the geological environment and previous experience with the main Murphy South area to the west of Rob Roy were used to construct a major wireframe for the mineralised volume. A secondary wireframe was constructed for a cohesive waste zone within the main mineralised zone.
- Statistical analyses on the composites and variography were carried out but only used as background support for the estimation process. A natural (geological) cutoff was identified at 8%Fe verifying one of the main criteria in the construction of the wireframes.
- Grade estimates were calculated on the basis of a 50m (east-west) by 25m (north-south) by 10m (elevation) parent block. Sub-blocking was used to preserve the shape of the mineralised and waste zones.
- Inverse distance squared interpolation was used to estimate the mineral values. A multi-run approach was used with steadily increasing ellipsoid sizes to fill the block model. The first run used a search ellipsoid of 150m (east-west) by 100m (north-south) by 10m (elevation) in the plane of the major dip of the wireframed zone. Distances were scaled up by a factor of 1.5 for the second run. A minimum of 4 samples were used in the first run and a minimum of 2 in the second. Four runs sufficed to fill the defined wire frames.
- Bulk density of 3.1 t/m³ was used for fresh rock.
- Resource classification was determined using prior knowledge from Murphy South and independent assessment of the Rob Roy area itself. Decisions were made on the basis of confidence in the drilling methods, drilling density and location of holes, geological understanding and interpretation, statistical and geostatistical modelling, estimation technique and quality. The resource detailed above results from a combination of the first two runs of the inverse distance model.