

ASX Announcement

14 June 2013

Company Announcements Office
Australian Securities Exchange
20 Bridge Street
SYDNEY NSW 2000

Dear Sir/Madam

Iron Road Limited Entitlement Offer – Notice to Shareholders

Pursuant to the Entitlement Offer announced on 13 June 2013, please find attached a letter despatched to Iron Road Limited shareholders today.

Yours sincerely,
IRON ROAD LIMITED



Graham Anderson
Company Secretary

14 June 2013

Dear Shareholder

Iron Road Limited Entitlement Offer - Notice to shareholders

On 13 June 2013, Iron Road Limited (**Iron Road**) announced a fully underwritten 1 for 1 non-renounceable pro-rata entitlement offer of fully paid ordinary shares in Iron Road (**New Shares**) at an offer price of \$0.18 per New Share (**Offer Price**) to raise approximately \$50.7 million (after costs) (**Entitlement Offer**).

1 Purpose of the Entitlement Offer

The proceeds of the Entitlement Offer will be used to:

- (a) complete the definitive feasibility study on the Central Eyre Iron Project (**CEIP**);
- (b) continue, as and when appropriate, the purchase of land required to support the CEIP; and
- (c) undertake feasibility studies on the Gawler Iron Project subject to a successful scoping study outcome.

2 Details of the Entitlement Offer

The Entitlement Offer will be available to eligible Iron Road shareholders on Iron Road's share register as at 7pm (AEST) Friday, 21 June 2013 (**Record Date**). The Entitlement Offer and applications to participate in the shortfall facility close at 5pm (AEST) on Tuesday, 16 July 2013.

Following completion of the Entitlement Offer, Iron Road will have issued 290,968,452 New Shares, resulting in a total of 581,936,904 Iron Road shares on issue (plus the options to subscribe for unissued shares).

The New Shares will rank equally with all other fully paid ordinary shares of Iron Road including in respect of dividends, from the date of allotment. Iron Road has applied for quotation of all of the New Shares on ASX.

The Entitlement Offer is non-renounceable and entitlements will not be tradeable on ASX or otherwise transferable. Shareholders who do not take up their entitlements in full will not receive any value in respect of those entitlements and their percentage shareholding in Iron Road will be reduced following the issue of all New Shares under the Entitlement Offer.

A handling fee of 1% (plus GST) up to a maximum of \$250 per application will be payable by Iron Road to stockbrokers (being those entities named as full service (advisory) brokers or non-advisory brokers on the ASX website) who submit a valid claim for a broker stamping fee on successful applications.

3 Underwriting

The Entitlement Offer is fully underwritten by Sentient Global Resources Fund III, L.P (**Sentient Fund III**) and Sentient Global Resources Fund IV, L.P (**Sentient Fund IV**) (together the **Underwriters**), funds advised by the Sentient Group and Iron Road's largest shareholders. The Underwriters will be paid a total underwriting fee of 2% of the total

proceeds of the Entitlement Offer (excluding proceeds raised by the sale of any shortfall shares procured by the Joint Shortfall Managers as referred to below).

4 Shortfall facility

There will also be a shortfall facility under which eligible shareholders other than:

- (a) the Underwriters or any sub-underwriters of the Offer;
- (b) a related party (as defined in the ASX Listing Rules) of Iron Road (**Related Party**); or
- (c) a related party or associate (as defined in section 12 of the *Corporations Act 2001* (Cth) (**Corporations Act**)) of the Underwriters,

may subscribe for additional New Shares if they wish to do so, subject to compliance with the ASX Listing Rules, the Corporations Act and any other applicable laws.

5 Joint Shortfall Managers

Iron Road has also appointed CIBC Australia Ltd and Blue Ocean Equities Pty Limited as joint shortfall managers to the Entitlement Offer (**Joint Shortfall Managers**) to assist Iron Road with the placement to sophisticated and professional investors of any remaining shortfall under the Entitlement Offer after applications under the shortfall facility have been fulfilled. To the extent there is sufficient demand for such remaining shortfall, this will be conducted by way of an institutional bookbuild following the close of the Entitlement Offer. The Underwriters and their associates, and any Related Party of Iron Road will not be permitted to receive any such New Shares. The Underwriters will take up any remaining shortfall after this process.

The Joint Shortfall Managers will receive a total management fee of \$100,000 and 5% of the proceeds raised by the sale of any New Shares procured by the Joint Shortfall Managers.

6 Eligible Shareholders

Eligible Shareholders are those holders of Iron Road shares who:

- (a) are registered as a holder of Iron Road shares as at 7pm (AEST) on the Record Date; and
- (b) have a registered address in Australia or New Zealand or in any other jurisdiction as Iron Road has determined (in its absolute discretion) is eligible to participate in the Entitlement Offer. Based on Iron Road's understanding of the locations of its shareholders as at the date before the date of announcement of the Entitlement Offer, Iron Road expects that all shareholders will be eligible to participate.

7 Proposed timetable

The following are key dates relating to the Entitlement Offer that you need to be aware of:

Announcement of the Entitlement Offer	Thursday, 13 June 2013
Ex-date	Monday, 17 June 2013
Record Date (7pm AEST)	Friday, 21 June 2013
Despatch of Offer booklet and Entitlement and Acceptance Forms	Tuesday, 25 June 2013
Entitlement Offer opens	
Entitlement Offer closes (5pm AEST)	Tuesday, 16 July 2013

Deferred settlement trading on ASX commences	Wednesday, 17 July 2013
Iron Road notifies ASX of under subscriptions	Friday, 19 July 2013
Issue of New Shares under Entitlement Offer	Wednesday, 24 July 2013
Deferred settlement trading ends	
Issue of New Shares under shortfall institutional bookbuild	
Notify Underwriters of under subscriptions	
Entitlement Offer New Shares commence normal settlement trading on ASX	Thursday, 25 July 2013
Issue of New Shares to Underwriters	Tuesday, 30 July 2013

**This timetable is indicative only. The Directors of Iron Road reserve their right to extend the closing date for the Entitlement Offer at their discretion, in consultation with the Underwriters and subject to the ASX Listing Rules. Should this occur, the extension will have a consequential effect on the anticipated date of issue for the New Shares.*

8 Entitlement Offer booklet

The Entitlement Offer is being made in accordance with section 708AA of the Corporations Act (as modified by ASIC Class Order 08/35), meaning that no prospectus needs to be prepared.

Iron Road proposes to send an offer booklet regarding the Entitlement Offer and personalised Entitlement and Acceptance Form to Eligible Shareholders on or before Tuesday, 25 June 2013.

A copy of the offer booklet has been lodged with ASX and is available on www.asx.com.au and on Iron Road's website (www.ironroadlimited.com.au).

You should consider the booklet in deciding whether to participate in the Entitlement Offer. Anyone who wants to participate in the Entitlement Offer will need to complete the Entitlement and Acceptance Form.

On behalf of the Board of Iron Road, I thank you for your continued support.

Yours faithfully



Mr Graham Anderson
Company Secretary

For further information, please contact:

Lex Graefe
Chief Financial Officer
Iron Road Ltd
Tel: +61 8 8214 4400
Mob: +61 (0)400 204 156
Email: lgraefe@ironroadlimited.com.au

Shane Murphy
FTI Consulting
Tel: +61 8 9485 8888
Mob: +61 (0)420 945 291
Email: shane.murphy@fticonsulting.com

Or visit www.ironroadlimited.com.au