



Central Eyre Iron Project On the Road to Production



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 mid tier iron ore project developer (\$120M market cap)
- Focused on Central Eyre Iron Project (CEIP) in South Australia
 - Prefeasibility Study indicates a robust 12.4 Mtpa project is viable, with base case NPV \$1.1 billion
 - Competitive capital and operating costs
 - Favourable export infrastructure options
- Now moving ahead with expanded resource drilling, partner search and preliminary DFS works
- Backed by experienced board, management and study consultants along with supportive key investors



Iron Road is

**ON THE ROAD
TO PRODUCTION**

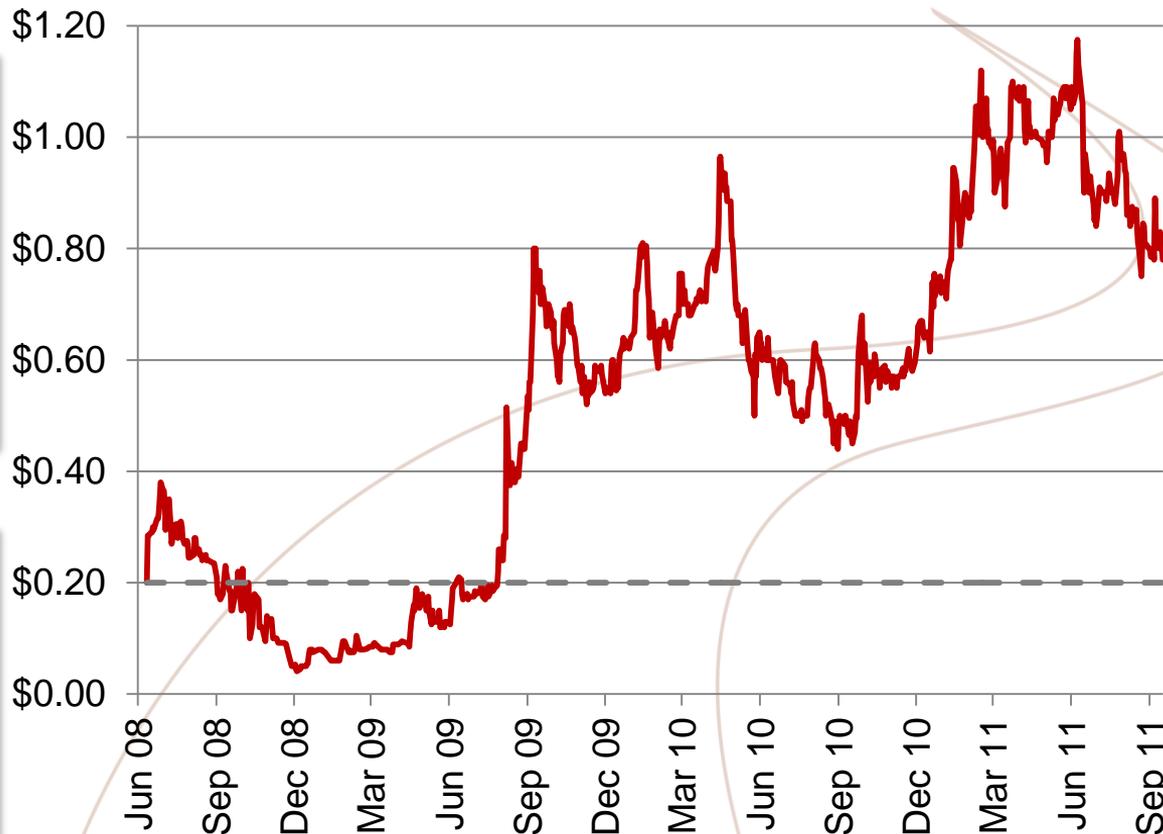
Corporate Overview

Board

Julian Gosse	Non-exec Chair
Ian Hume	Non-exec
Jerry Ellis	Non-exec
Matthew Keegan	Non-exec
Andrew Stocks	MD

Major Shareholders

The Sentient Group	30.7%
Management	10.4%
Columbia University	6.6%
Duke University	6.2%



Central Eyre Iron Project Overview

- Centrally located on Eyre Peninsula, SA
- Well serviced by established towns on road and rail networks
- Favourable geographical and climatic location
- Supportive state and local governments
- Good relationships with local communities
- Large scalable magnetite project, with low variability
- Growing resource – 1.3 billion tonnes¹
- Large potential – 2.8-5.8 billion tonnes exploration target²
- South Australia's largest iron ore resource and set to get bigger



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

CEIP Prefeasibility Study Outcomes

- Substantial 12.4Mtpa iron product operation outlined
- Capital and operating costs compare favourably to similar Australian projects
- Significant competitive advantages
 - Coarse grind size (-106 micron)
→ *reduced power use, lower operating costs*
 - Blast furnace feed (sinter) → *much wider market, no need for pellet plant*
 - Large open cut mine, low strip ratio and good geotechnical characteristics
→ *minimised mining costs*
- Close to coast, with realistic infrastructure solution
- Project economics dictated by physical characteristics of ore and low strip ratio, not in ground grades
- Preliminary partnership and financing discussions have commenced

PFS Result by Numbers

Capex – direct	A\$1,744M
Capex – indirect	A\$517M
Capex – contingency	A\$338
Opex – FOB	A\$59/t
Base case NPV	A\$1,091M
Strip ratio (waste:ore)	0.8:1
Process rate	67.6Mtpa
Concentrate production	12.4Mtpa
Concentrate grade	67% Fe

Future Growth and Development Pathway

Additional Resource definition, with Stage VI drilling underway

- On track to define a mineral resource estimate of considerable size and tonnage additional to 1.01 billion tonnes identified at Murphy South so far
- Exploration Target for the current programme of 500-800Mt magnetite gneiss*
- Exploration Target at CEIP of 2.8-5.8 billion tonnes of magnetite gneiss*

Community related activities

- Increasing community, stakeholder and government liaison
- Community meetings in Warrambo and Wudinna conducted Sept 2011
- EPMA community information session conducted Sept 2011

Definitive Feasibility Study to commence

- Secure project locations, project impact studies and permitting
- Complete infrastructure selection and identify synergies with others
- Investigate alternative transport & grinding options
- Include Stage 2 – increasing production 50-100% from Stage 1

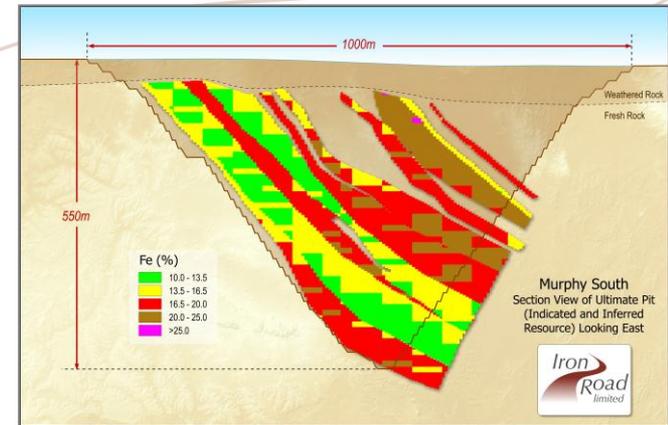
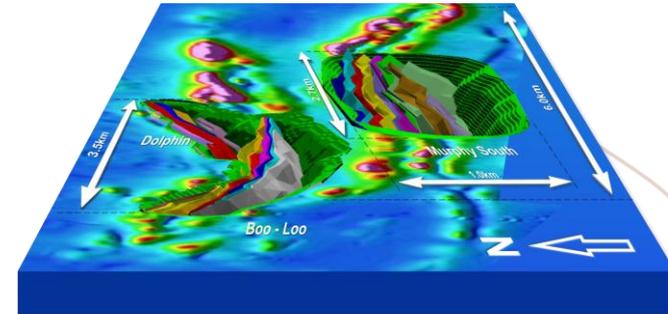
Offtake and finance partnership discussions have commenced

- Prefer an industrial partner, with sizeable balance sheet
- Potential sale/JV up to 50% of project
- Overall financing structure not determined, but 70% debt / 30% equity reasonable objective

* Refer Exploration Target notes page 2

Project Resources & Geology

- Project resource made up of coarse grained magnetite
 - Low variability, mineralisation is consistent through ore body
 - Excellent product characteristics offset lower head grade
- Allows conventional open cut mining with a low strip ratio
 - Optimised pit depth of 550m, may increase with latest drilling
 - Stable ground conditions, allowing large benches (15m bench, 70° batters)
 - Operating cash flow versus pit shell size curve is very flat – shell selected for detailed design work not critical
- Significant upside with further resource definition – material to date covers only part of the resource strike length



Magnetite Iron Ore Primer

Globally, half of iron ore production comes from magnetite ores

- Industry in Australia dominated by Pilbara haematite DSO operations
- DSO grades continue to decline
- Magnetite products offer higher grade, lower impurities, economic advantages to steel makers
- Can command a premium price as a result
- World's largest iron ore producer, Brazilian Vale group (NYSE:VALE) recently reached record quarterly production levels in magnetite pellets
- Growing market opportunity for Australian magnetite producers to emerge alongside other global participants

Iron Ore Prices

- Global switch to spot / short term pricing over annual benchmark
- Prices have remained strong through 2010 – 2011
- 2011 heading towards record year for steel production in China: 700+ million tonnes



China import Iron Ore Fines 62% Fe spot (CFR Tianjin port) USD/metric tonne. Source: Bloomberg.com

Magnetite – Why Iron Road?

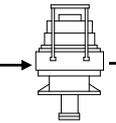
	CEIP magnetite gneiss	Typical BIF
Age	Archaean	Proterozoic
Geological history	High grade metamorphism	Low grade metamorphism
Mineralogy	Granular, low impurities	Microcrystalline, impurities vary
Magnetite grain size	1.5mm average, crystalline sharp boundaries	Very fine grained, intergrown
Hardness	Moderate	Very hard
Deposit size	Very large	Varies
Grind size (to achieve <5% silica)	106-125 μ m	28-38 μ m
Net effect	High grade product, minimal grinding, no pelletising	Variable product quality, significant grinding, pelleting required

Simple Processing

67.6Mtpa

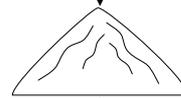
ROM Ore

Mass 100%
Fe: 16.8%
SiO₂: 53.0%



Crushing

P₈₀ ~ 30 mm



HPGR

DRY

WET

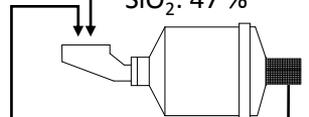
Rougher W-LIMS

P₈₀ ~ 8 mm



61%
Fe: 24%
SiO₂: 47%

Tails
Mass 39%



Ball Mill

MURPHY SOUTH DEPOSIT

Cleaner W-LIMS

Tails
Mass 43%

P₈₀ ~ 106 μm

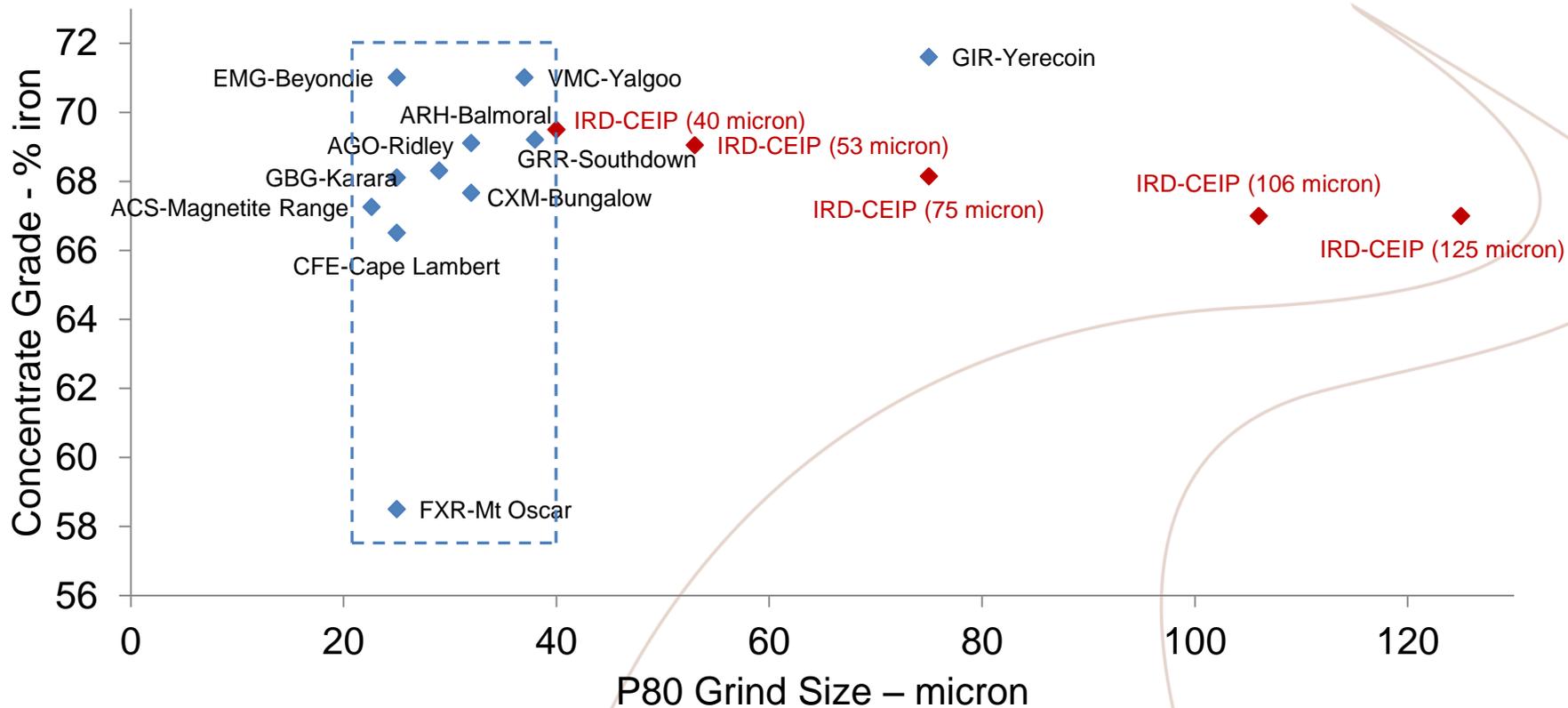
Concentrate
12.4Mtpa
Mass 18%
Fe: 67%
SiO₂: 4.7%

Premium Concentrate Product



- Beneficiation design by Mineral Engineering Technical Services (METS)
- Grind size of $-106\mu\text{m}$ (p80) resulting in 67% Fe concentrate
- Potential $-125\mu\text{m}$ option currently being investigated
- To be marketed as a high quality sinter feedstock
- Blast Furnace grade and product characteristics – no need for pellet plant
- Expected to be suitable for blending with 'earthy' Pilbara style fines
- Large potential customer base

Benchmarking Concentrate Grade



Export Solution

Base case PFS includes slurry pipeline to port

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

Potential upside, including rail options, have been considered at scoping level with encouraging results

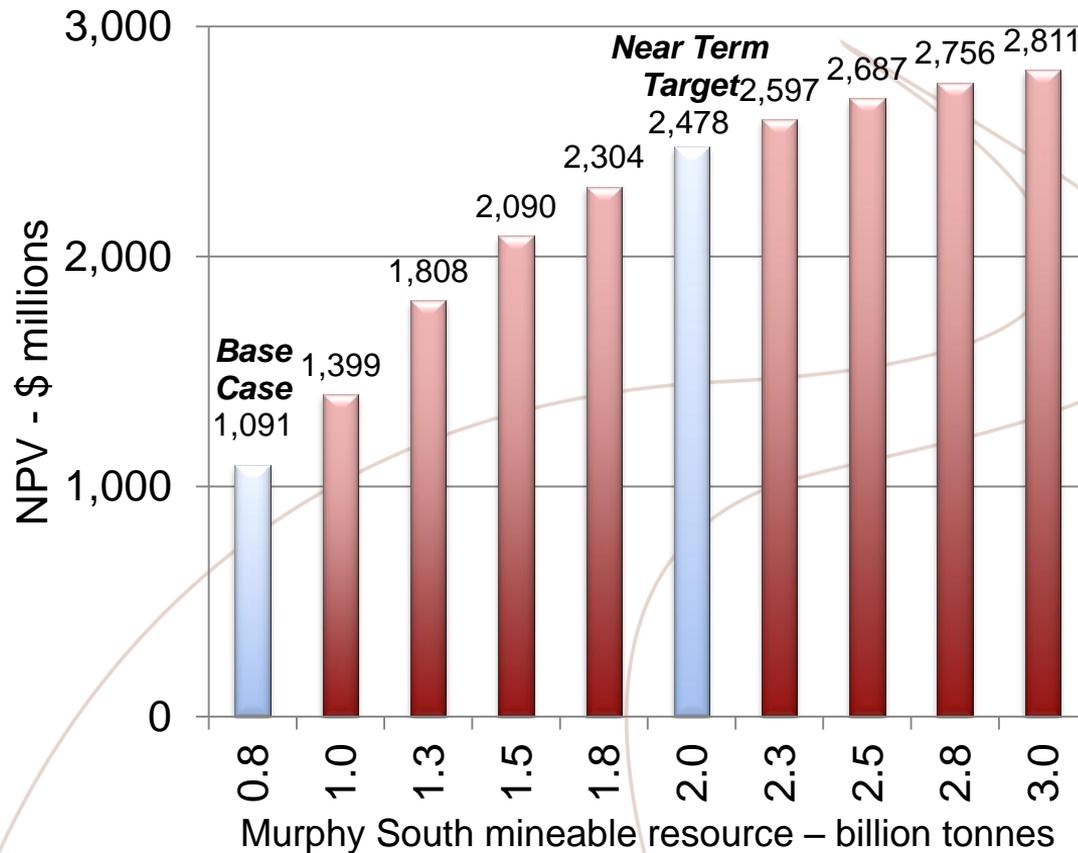
More detailed rail review underway

Project scale sufficient to justify development of standalone port facility



Adding Value Through Resource Growth

- Base case incorporates current Murphy South Mineral Resource.
- Murphy South Mineral Resource is now 1.0Bt
- Current drill programme on Murphy South (west) expected to increase Mineral Resource by 500-800Mt¹ this year.
- Further drill programme for Murphy South (east) approved by Primary Industry & Resources SA.
- Additional mineral resources will substantially increase project value.



¹ Refer Exploration Target notes on slide 2

Community Engagement



- Iron Road believes that being part of a community is an important part of doing business
- Major Sponsor of a number of local community events since 2009
- Toll free contact number and extensive community program in place
- Just completed community stakeholder consultation, including several public forums
- Community will remain at the heart of future developments

- Early stage entry to new, large, credible iron ore project
- Near term value enhancing events:
 - Resource upgrade underway, drilling complete
 - Establishing a 30 year mine life has potential to more than double project NPV from \$1.1 billion to \$2.4 billion
 - Project development partner discussions commenced, active engagement with a number of groups
 - Definitive feasibility study to commence, will assess Stage 2 expansion options of between 50% - 100%
- Strong corporate backing from key investors – successfully raised \$49 million to date to pursue development
- Near term value coupled with strong long term vision for production and future expansion

"In the case of iron ore, we expect that over the next eight years, global supply additions need to be at the rate of at least 100 million tonnes each year to satisfy growth,"

"This represents a staggering increase in demand."

David Joyce - Rio Tinto Iron Ore
MD Expansion Projects
September 2011



On the Road to Production

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Appendices



Appendix 1 – Board & Management



Chairman
Julian Gosse



Non-Exec
Director
Ian Hume



Non-Exec
Director
Jerry Ellis



Non-Exec
Director
Matthew Keegan



Managing
Director
Andrew Stocks



Company
Secretary
Graham
Anderson



General
Manager
Larry
Ingle



Land
Manager
Laura
Johnston



Geology
Manager
Milo Res



Project
Manager
Fop
Vanderhor

Appendix 2a – 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
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
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 2b – 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.

Appendix 2c – 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 3 – Capital Cost Estimate

Direct Costs	Estimated A\$ Millions	Indirect Costs	Estimated A\$ Millions	Contingency	Estimated A\$ Millions
Crushing circuit	244.1	Field indirect – 12.0%	209.3	Direct and indirect – 15%	337.8
Fine grind & mag sep	152.4	EPCM – 8.0%	139.5		
Milling area & infrastructure	294.1	Vendor reps – 1.5%	26.2		
Tailings handling	59.3	Capital spares – 4.0%	69.8		
Desalination plant	76.9	Commissioning – 0.5%	8.7		
Port facility	117.7	First fills	2.2		
Pump stations	463.0	Insurances – 3.0%	52.3		
Plant services	6.1				
Power lines and coms	170.5				
Tailings dam - prework	160.2				
Total directs	1744.3	Total indirects	508.0	Total contingency	337.8