

About Iron Road

Iron Road (ASX:IRD) was established to capitalise on the growing global demand for iron ore. Iron Road has a strong project portfolio comprised of an advanced stage exploration project with excellent infrastructure nearby, complimented by early stage projects.

Iron Road's flagship project is the 100% owned Warrambo iron project in South Australia which is highly prospective for iron ore mineralisation and is complemented by early stage projects prospective for iron ore mineralisation in Western Australia (Windarling, Murchison) and South Australia (West Gawler).

The Company has a distinguished Board and management team that are multi-disciplinary and experienced in the areas of exploration, project development, mining and finance.

Iron Road continued its high level of activities during the quarter, with an emphasis on the Warrambo project in South Australia. The Company also entered into a farm-in agreement with Dominion Gold Operations Pty Limited to acquire the iron ore rights over its extensive West Gawler tenements also in South Australia.

Highlights

- Warrambo 6,000m RC drilling programme well underway – 19 holes completed.
- Geological modelling and metallurgical test work planned to confirm beneficiation characteristics.
- Strategic location in central Eyre Peninsula of South Australia – five possible transport options under review.
- Data review covering Windarling tenements in progress.
- Agreement to acquire the iron ore rights to the West Gawler tenements of Dominion Gold Operations Pty Limited.
- Entitlement option issue fully subscribed.



Figure 1 - Drilling at Warrambo



Projects

South Australia – Eyre Peninsula

The Warrambo iron project (663km²) is located on the Eyre Peninsula of South Australia. The project area consists of three distinct prospects – Warrambo, Kopi and Hambidge.

RC drilling commenced at the Warrambo area during the Quarter and a total of 19 holes (of the planned 37) had been drilled at the date of this report. These holes total 3,154m all of which are oriented northwards at -60 degrees from horizontal (Figure. 2). All drill holes have intersected magnetite gneiss and preliminary results from the visual inspection and logging of the RC chips, supported by handheld magnetic susceptibility readings, are encouraging. The total strike length currently under investigation in *Stage I* at Warrambo (including the Collins area to the northwest) exceeds 16km.

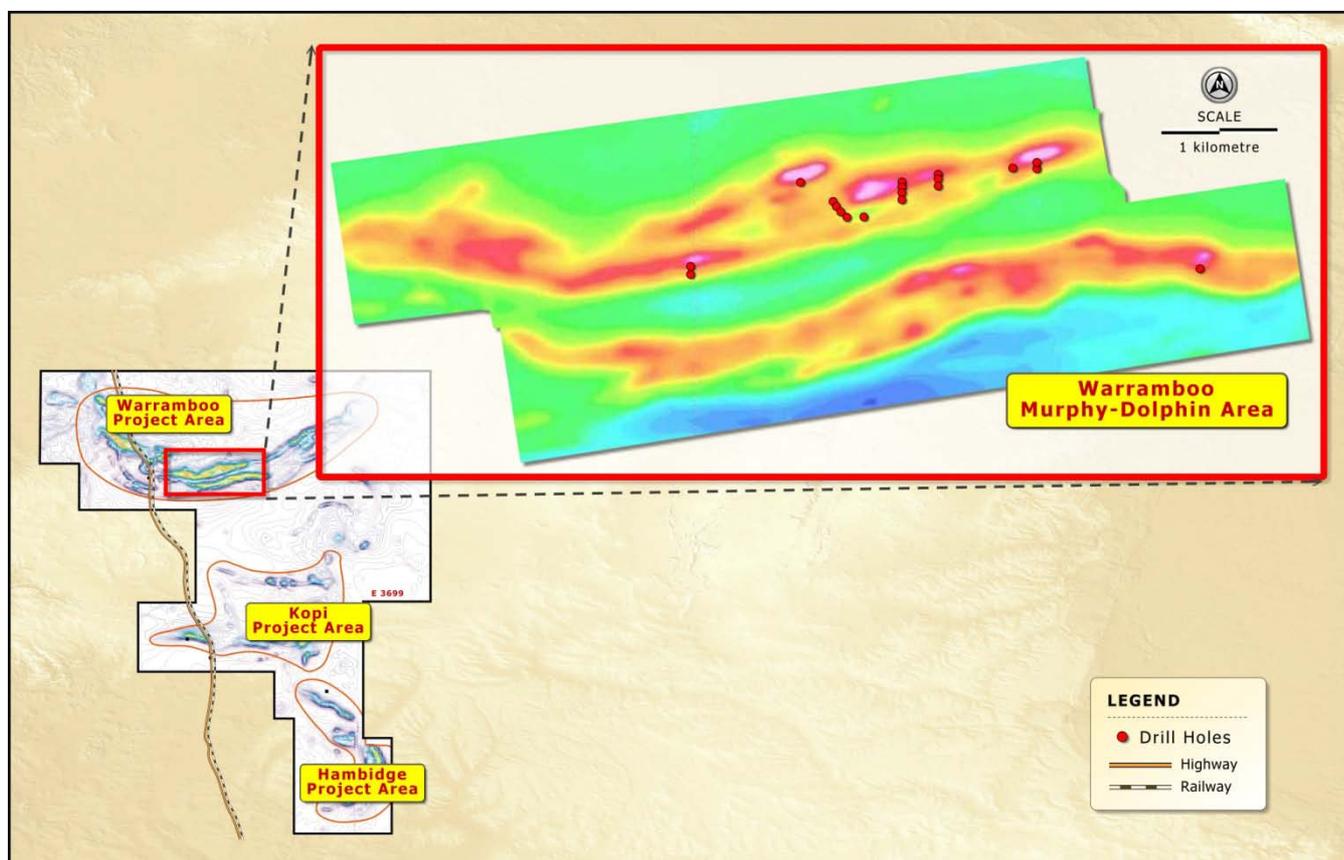


Figure 2 - Drill holes completed during current programme

Sample batches from the drill holes are being regularly dispatched to Genalysis for XRF analysis (X-Ray Fluorescence - to determine iron grade) and to Amdel for SATMAGAN testing (Saturation Magnetic Analyser – to determine natural magnetic intensity correlated to the percentage of magnetite). These and future samples will provide material for an ore beneficiation test work program by ProMet and an Order of Magnitude Study by Engenium. The current phase of drilling forms *Stage I* of a planned initial three stage drilling program with a view to establishing a long-life +5Mtpa magnetite concentrate export operation. Planning for *Stage II* of the drilling programme will be made in consultation with the Company's resource specialist, Coffey Mining.

The project is located in a farming area with good infrastructure, including a third party railway which runs through the lease area, connecting the project to the deep water harbour at Port Lincoln, 175km to the south. Community relationships and support is excellent with great interest shown in possible development scenarios.

South Australia – West Gawler

Iron Road announced on 5 August 2008 that it has entered into an agreement to acquire the iron ore rights (100%) to 3380km² of Dominion Gold Operations Pty Limited's (a wholly owned subsidiary of Dominion Mining Limited) West Gawler tenements in South Australia, located on the Trans Australian Railway and within 100 kilometres of the Adelaide-Darwin Railway in South Australia (Figure 3).

The Project area includes over ten areas of known iron occurrences, including the Mt Christie deposit which was the subject of beneficiation test work in the 1960's by the South Australian Department of Mines.

The West Gawler tenements include a large database of historic and modern exploration results and investigations. The Company has commenced a comprehensive evaluation of the existing data before developing a strategy for exploration activities and investigation.



Figure 3 – General Manager Larry Ingle at the West Gawler tenements

Western Australia

Iron Road has commenced a data review program covering its Western Australian projects and is developing a staged plan of ground work, the majority of activity centred on the Windarling project (Figure 4).

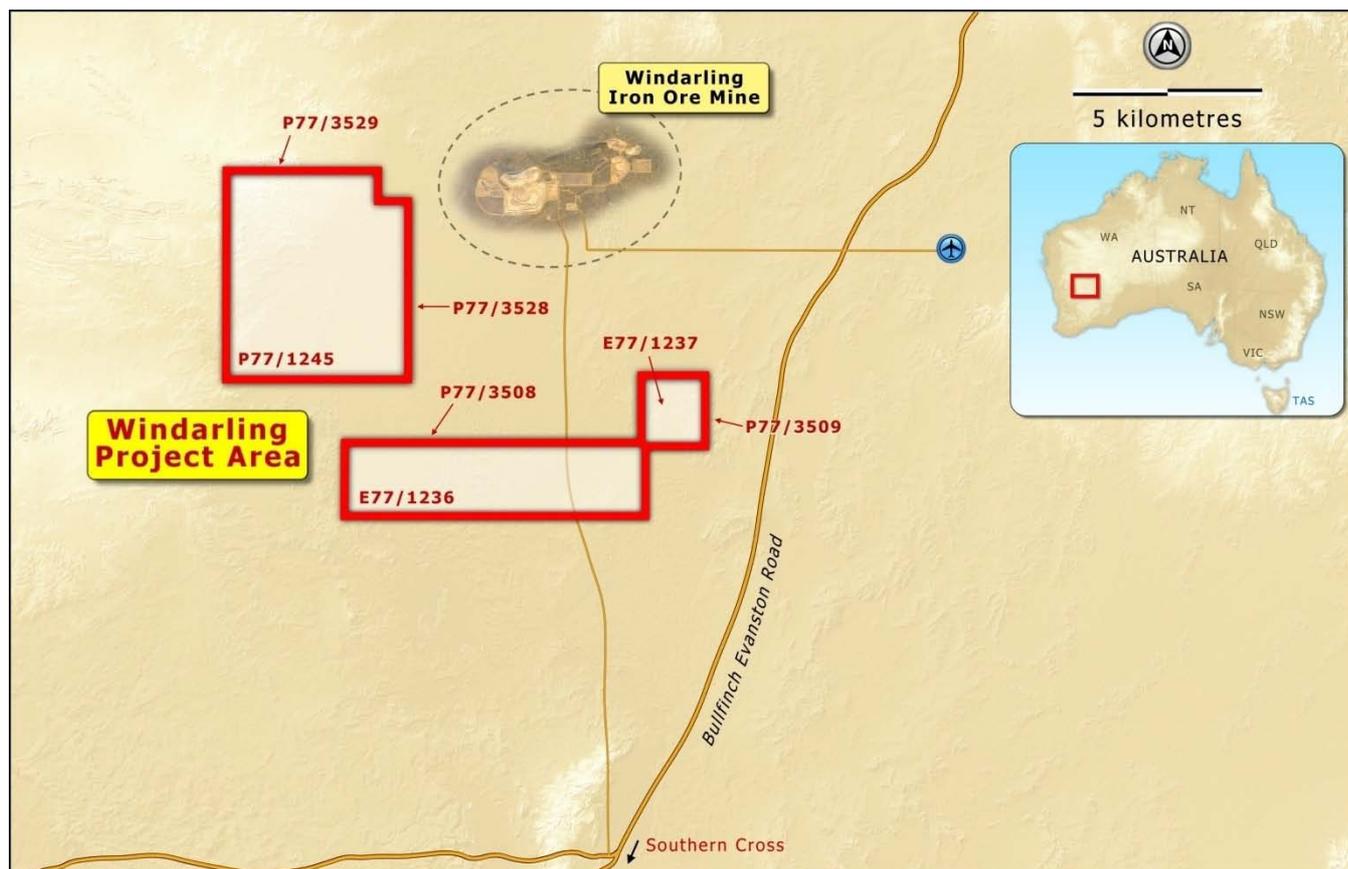


Figure 4 - Windarling project location

CORPORATE

Entitlement issue

The Iron Road prospectus contemplated a non-renounceable rights issue of Options and a short-form prospectus was issued to shareholders during the Quarter. The Company received subscriptions for 24,383,301 options, representing 89% of the total entitlements available. The shortfall was also placed in accordance with the Prospectus, resulting in a full take up of the options.

The options are quoted on the ASX as IRDO.



Figure 5 - Iron Road projects location plan

Competent Person's Statement

The information in this presentation that relates to Exploration Results and Mineral Resources is based on and accurately reflects information compiled by Mr Malcolm Castle, who is a consultant and advisor to Iron Road Limited and a Member of the Australasian Institute of Mining and Metallurgy. Mr Castle has sufficient experience which is 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 Castle consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Rule 5.3

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

IRON ROAD LIMITED

ABN

51 128 698 108

Quarter ended ("current quarter")

30 September 2008

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (3 months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from tax returns and related debtors	-	-
1.2 Payments for		
(a) exploration and evaluation	(282)	(282)
(b) development	-	-
(c) production	-	-
(d) administration	(152)	(152)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	90	90
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (GST to be recouped)	(35)	(35)
Net Operating Cash Flows	(379)	(379)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	(19)	(19)
1.9 Proceeds from sale of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (state if material)	-	-
Net Investing cash flows	(19)	(19)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(398)	(398)
Cash flows related to financing activities			
1.14	Proceeds from shares /shares to be issued	244	244
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Proceeds from release of tenement bond	-	-
1.19	Other (Cost of Capital Raising/Prospectus)	(109)	(109)
Net Financing cash flows		135	135
Net increase (decrease) in cash held		(263)	(263)
1.20	Cash at beginning of quarter/year to date	4,895	4,895
1.21	Exchange rate adjustments to item 1.20		
1.22	Cash at end of quarter	4,632	4,632

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	98
1.24	Aggregate amount of loans to the parties included in item 1.10	NIL

1.25 Explanation necessary for an understanding of the transactions

All transactions involving Directors and associates were on normal commercial terms.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

NIL

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

NIL

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	NIL	NIL
3.2 Credit standby arrangements	NIL	NIL

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	750
4.2 Development	-
Total	750

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	1,569	1,895
5.2 Deposits at call	3,063	3,000
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	4,632	4,895

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed	NIL			
6.2 Interests in mining tenements acquired or increased	NIL			

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference +securities <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	54,650,000	27,237,500		Fully Paid
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	1,000,000	1,000,000	Nil	Fully Paid
7.5 +Convertible debt securities <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options <i>(description and conversion factor)</i>	7,125,000 7,500,000 2,000,000 4,500,000 27,325,017	27,325,017	<i>Exercise price</i> 20 cents 35 cents 20 cents 35 cents 20 cents	<i>Expiry date</i> 22/1/13 22/1/13 11/3/13 6/8/13 30/9/10
7.8 Issued during quarter	4,500,000 27,325,017	27,325,017	<i>Exercise price</i> 35 cents 20 cents	<i>Expiry date</i> 6/8/13 30/9/10
7.9 Exercised during quarter				
7.10 Expired during quarter				
7.11 Debentures <i>(totals only)</i>				
7.12 Unsecured notes <i>(totals only)</i>				

+ See chapter 19 for defined terms.

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does ~~not~~* (*delete one*) give a true and fair view of the matters disclosed.



Sign here: Date: 31 October 2008
(~~Director~~/Company secretary)

Print name: GRAHAM DOUGLAS ANDERSON

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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+ See chapter 19 for defined terms.