



South Australian Resources &  
Energy Investment  
Conference

20 April 2016

Central Eyre Iron Project



**Building South Australia's Infrastructure Gateway**

# Cautionary Statements

## Forward Looking Statements

This announcement contains certain statements with respect to future matters which may constitute "forward-looking statements". Such statements are only predictions and are subject to inherent risks and uncertainties which could cause actual values, results, performance or outcomes to differ materially from those expressed, implied or projected. Investors are cautioned that such statements are not guarantees of future performance and accordingly not to put undue reliance on forward-looking statements due to the inherent uncertainty therein.

## Competent Persons' Statements

The information in this report that relates to the Inferred Mineral Resources (Oxide and Transitional) estimated for the Murphy South - Boo-Loo/Dolphin prospect is based on and fairly represents information and supporting documentation compiled by Mr Iain MacFarlane, who was a Fellow of the Australasian Institute of Mining and Metallurgy. Mr MacFarlane at the time of release was a full time employee of Coffey Mining Limited. There has been no material change and as such this resource is reported as it was released in 2011. Mr MacFarlane had sufficient experience relevant to the style of mineralisation and the type of deposits under consideration and to the activity which he was 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 MacFarlane has consented to the inclusion in reports 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 in 2013 for the Murphy South/Rob Roy (Fresh) prospect is based on and fairly represents information and supporting documentation compiled by Ms Heather Pearce, who is a member of the Australasian Institute of Mining and Metallurgy, and was a full-time employee of Iron Road Limited. This estimation was peer reviewed by Dr Isobel Clark, who is a member of the Australasian Institute of Mining and Metallurgy and who at the time of release was employed by 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". Dr Clark consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

The information in this report that relates to Mineral Resources (Fresh) estimated for the Boo-Loo/Dolphin prospect is based on and fairly represents information and supporting documentation compiled by Ms Heather Pearce, who is a member of the Australasian Institute of Mining and Metallurgy, and was a full-time employee of Iron Road Limited at the time of release. This estimation was peer reviewed by Mr Alex Virisheff, who is a member of the Australasian Institute of Mining and Metallurgy and employed by AMC Consultants. Mr Virisheff 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 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Virisheff consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

The Ore Reserves estimated for CEIP involving mine planning is based on and fairly represents information and supporting documentation compiled by Mr Bob McCarthy, a Member of the Association of Professional Engineers and Geoscientists of British Columbia (Canada) and a full time employee of SRK Consulting (North America). Mr McCarthy 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 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr McCarthy consents to the inclusion in the report of the matters based on his information in the form and context in which it appears. The Ore Reserves estimated for the CEIP involving aspects other than mine planning is based on and fairly represents information and supporting documentation compiled by Mr Larry Ingle, a Member of the Australian Institute of Mining and Metallurgy and a full time employee of Iron Road Limited. 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 2012 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 Central Eyre Iron Project



# Mining and Ore Processing Operations





# Multi-Use Infrastructure





# Strengthening the Team – Emerald Grain



**Strengthening the Team – Local Relationships**



# Strengthening the Team – China Railway Group





# Strengthening the Team – China Railway Group



# Strengthening the Team – China Railway Group





# Strengthening the Team – China Railway Group



# Strengthening the Team – Shandong Iron and Steel



# 铁之路公司、中国中铁和山钢集团三方合作意向书 Iron Road Limited, China Railway Group and Shandong Iron and Steel Group Tripartite Co-operation Agreement

IRON  
ROAD

山钢集团  
SD STEEL



## 签约仪式



Shansteel and Iron Road and China Railway





# Identifying Additional Strength and Opportunity



# Operating Costs (US\$/dmt FOB)





# Capital Requirements

\$600-800  
million

of targeted reductions







Key project partners established  
CEIP has been de-risked over 8 years  
Project essential to South Australia's  
prosperity

“This project has the potential to  
transform the Eyre Peninsula”

*Premier Weatherill*

*September 2015*



# Appendix 1

**Table 1 – CEIP Ore Reserve Summary**

Resource Classification	Metric Tonnes (Mt)	Fe (%)	SiO <sub>2</sub> (%)	Al <sub>2</sub> O <sub>3</sub> (%)
Proved	2,131	15.55	53.78	12.85
Probable	1,550	14.40	58.58	12.64
Total	3,681	15.07	53.70	12.76

The Ore Reserves estimated for CEIP involving mine planning is based on and fairly represents information and supporting documentation compiled by Mr Bob McCarthy, a Member of the Association of Professional Engineers and Geoscientists of British Columbia (Canada) and a full time employee of SRK Consulting (North America). Mr McCarthy 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 2012 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Mr McCarthy consents to the inclusion in the report of the matters based on his information in the form and context in which it appears. The Ore Reserves estimated for the CEIP involving aspects other than mine planning is based on and fairly represents information and supporting documentation compiled by Mr Larry Ingle, a Member of the Australian Institute of Mining and Metallurgy and a full time employee of Iron Road Limited. 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 2012 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.

# Appendix 2

**Table 2 – CEIP Global Mineral Resource**

Location	Classification	Tonnes (Mt)	Fe (%)	SiO <sub>2</sub> (%)	Al <sub>2</sub> O <sub>3</sub> (%)	P (%)	LOI (%)
Murphy South/Rob Roy	Measured	2,222	15.69	53.70	12.84	0.08	4.5
	Indicated	474	15.6	53.7	12.8	0.08	4.5
	Inferred	667	16	53	12	0.08	4.3
Boo-Loo/Dolphin	Indicated	796	16.0	53.3	12.2	0.07	0.6
	Inferred	351	17	53	12	0.09	0.7
<b>Total</b>		<b>4,510</b>	<b>16</b>	<b>53</b>	<b>13</b>	<b>0.08</b>	<b>3.5</b>

The Murphy South/Rob Roy Mineral Resource estimate was carried out following the guidelines of the JORC Code (2004) by Iron Road Limited and peer reviewed by Xtract Mining Consultants. The Murphy South - Boo-Loo/Dolphin oxide and transition Resource estimate was carried out following the guidelines of the JORC Code (2004) by Coffey Mining Limited. The Boo-Loo/Dolphin fresh Mineral Resource estimate was carried out following the guidelines of the JORC Code (2012) by Iron Road Limited and peer reviewed by AMC Consultants.

**Table 3 – CEIP Indicative Concentrate Specification – 100 micron (p80)\***

Iron (Fe)	Silica (SiO <sub>2</sub> )	Alumina (Al <sub>2</sub> O <sub>3</sub> )	Phosphorous (P)
66.7%	3.36%	1.90%	0.009%

\* The concentrate specifications given here are based on current data from metallurgical test work, bulk samples and simulation modelling designed specifically to emulate the proposed beneficiation plant.

# Appendix 3

## Tripartite agreement with China Railway and ShanSteel

- 3 party agreement to work towards joint development of the Central Eyre Iron Project
- Builds upon existing agreements with CREC and ShanSteel
- Working towards Final Investment Decision

## Strategic cooperation agreement with China Railway

- Agreement to execute 'Project Commercialisation Programme' including bankable construction contracts, iron concentrate sales and financing.

## Agreement with Emerald Grain

- Partnership to explore third party access to Cape Hardy port
- Subsidiary of major Japanese conglomerate, Sumitomo

## Executed MoUs with five globally significant Chinese steel companies

- Agreement to evaluate the commercial and technical benefits of using CEIP's product
- Shows strong interest from steel companies in CEIP's higher grade, lower emission product

## Agreement with Shandong Iron & Steel Group

- A higher level agreement successfully executed due to strong relationship and Shandong's positive evaluation of CEIP's product
- September 2015

## MoU to progress funding with AIXI Investments

- AIXI to explore possibilities with global pension funds for funding of CEIP infrastructure