

About Iron Road

Iron Road Limited was established to capitalise on the growing global demand for iron ore. Iron Road has a strong project portfolio including a well-located development stage project, complemented by early stage projects.

Iron Road's principal project is the Central Eyre Iron Project (CEIP) in South Australia. A prefeasibility study has demonstrated the viability of a mining and beneficiation operation initially producing 12.4Mtpa of premium iron concentrate for export. A definitive feasibility study is currently assessing production of 20Mtpa of iron concentrates.

Metallurgical test work indicates that a coarse-grained, high grade, blast furnace quality concentrate may be produced at a grind size of -106µm grading 67% iron with low impurities.

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

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Iron Road continues to advance its objective of becoming a premium supplier of iron concentrates to the Asian marketplace. Significant progress was achieved at both the Central Eyre Iron Project and the Gawler Iron Project.

Highlights

Central Eyre Iron Project (CEIP)

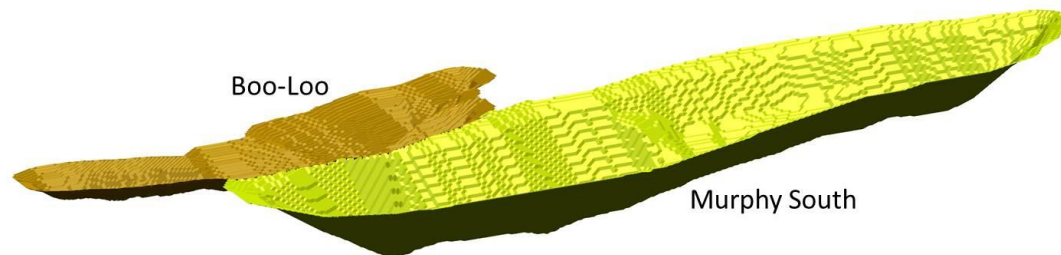
- Significant global Mineral Resource increase for CEIP, increasing by 42% to 3.7Bt at a grade of 16% iron (Refer to Attachment 1, page 19).
- Mineral Resource contains 2.7Bt in the Measured and Indicated categories at a grade of 15.7% iron, eligible for conversion to a Mining Reserve.
- CEIP is the largest Measured + Indicated magnetite resource in Australia and ranks within the Top 20 magnetite projects globally by tonnage.
- Additional Resource tonnage and increased confidence comes at a gross cost of only 0.67 of a cent per tonne
- Definitive Feasibility Study (DFS) continues to progress well and on schedule in all areas – including mine site, infrastructure and port.
- Work progressed towards establishing a Community Consultative Committee (CCC) for the Warramboo-Wudinna area.

Gawler Iron Project

- Stage III drilling programme of 21 holes completed.
- Continued scoping study evaluating the feasibility of an iron ore operation producing 1-2 million tonnes of high quality iron concentrates per annum.

Corporate

- Fully underwritten capital raising to raise \$50.7 million launched. Funds to be used to complete the CEIP definitive feasibility and infrastructure studies, as well as enabling Iron Road to continue strategic acquisitions of property. Gawler to also receive funding beyond completion of the current scoping study.



Preliminary Warramboo pit optimisation is underway.



Projects

South Australia – Central Eyre Iron Project

The Central Eyre Iron Project (CEIP) is located on the Eyre Peninsula of South Australia approximately 30km southeast of the regional centre of Wudinna (Figure 1). Project studies incorporate mining and ore processing, as well as rail and concentrate export facilities. Concentrate is being marketed primarily as a 67% iron, high quality blending feedstock to the international sinter market, which feeds the majority of blast furnaces.

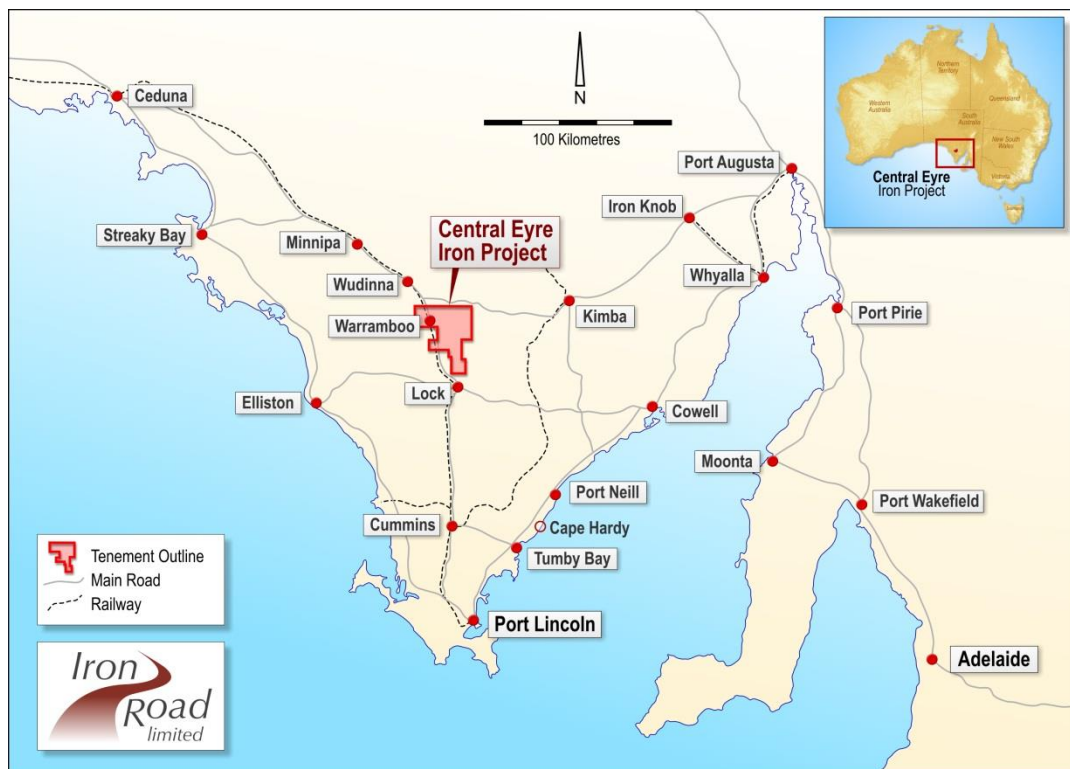


Figure 1 Location of the CEIP (EL4849) on the Eyre Peninsula.

The CEIP is being studied with a potential operating life exceeding 30 years. Components include a large scale mine, ore treatment facilities, as well as concentrate transport and export facilities. The defined resource at Warrambo contains continuous and consistent mineralisation over more than 6km of strike and is amenable to large scale, open pit extraction methods.

The Murphy South - Rob Roy prospects were remodelled incorporating new drilling results and global mineral resources at the CEIP were upgraded, now 3.7 billion tonnes magnetite gneiss at 16% iron.¹

CEIP Resource Expansion

During May 2013 it was announced that an additional one billion tonnes in Mineral Resources had been added to the Central Eyre Iron Project (CEIP), increasing from 2.6 billion tonnes to 3.7 billion tonnes at a grade of 16% iron. The Measured and highest confidence level part of the resource now makes up 2.2 billion tonnes or 60% of the overall Mineral Resource.

¹ Resource statement contained at Attachment 1, page 19.

The global mineral resource of 3.7 billion tonnes includes the Murphy South, Rob Roy and Boo-Loo prospects, collectively known as Warrambo (Figure 2).

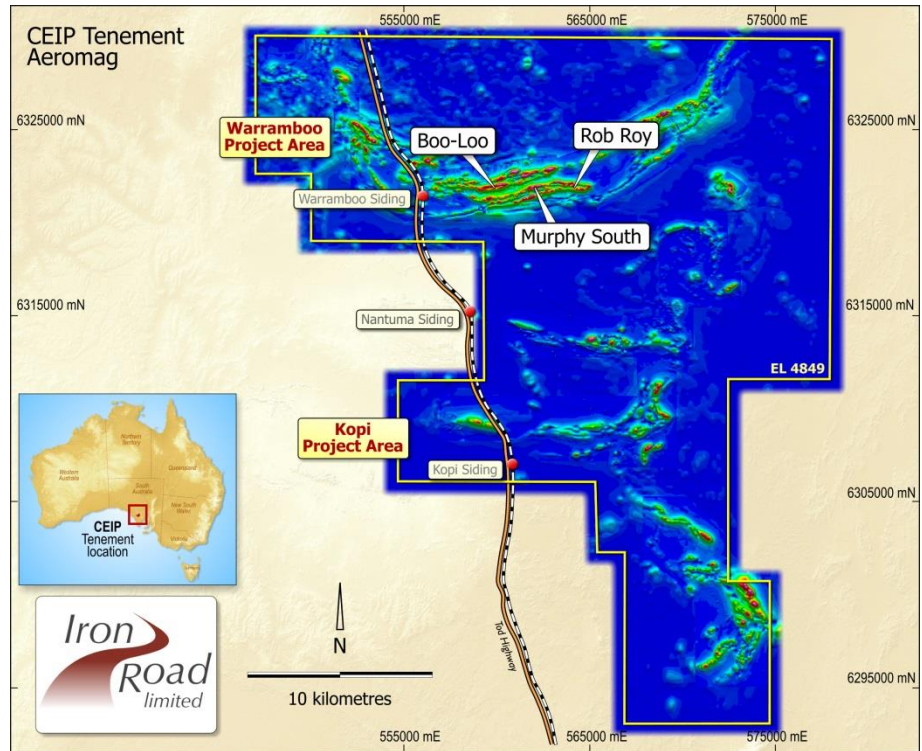


Figure 2
CEIP tenement (EL4849) highlighting the Murphy South, Rob Roy and Boo-Loo prospects at the Warrambo project area.

Drill hole locations used to calculate the global mineral resource estimate are shown in Figure 3 and the solids model in Figure 4.

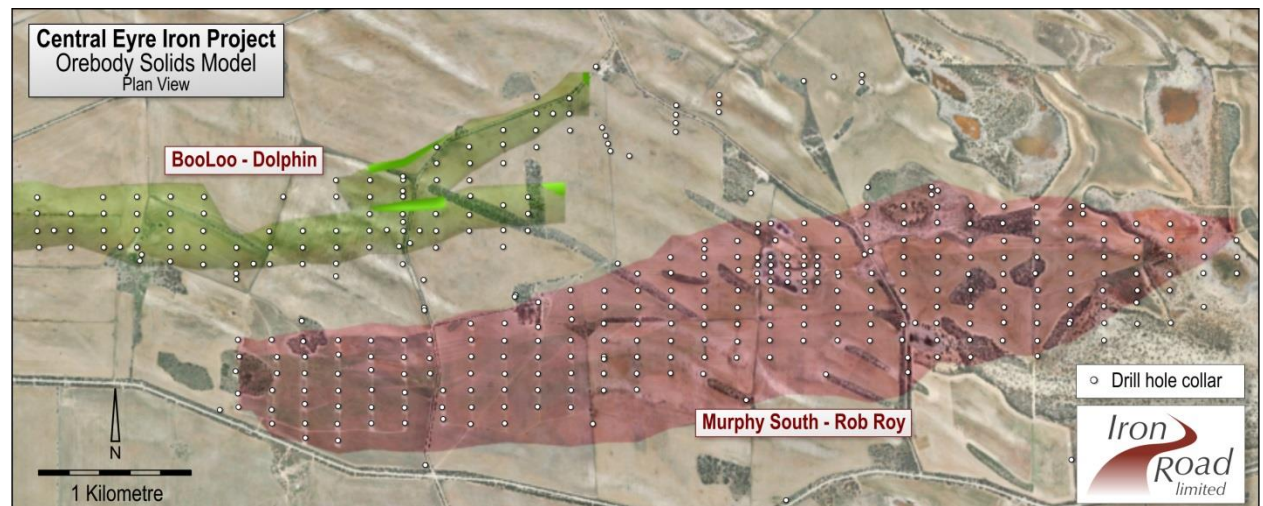


Figure 3 Drill hole locations at Warrambo, Central Eyre Iron Project.

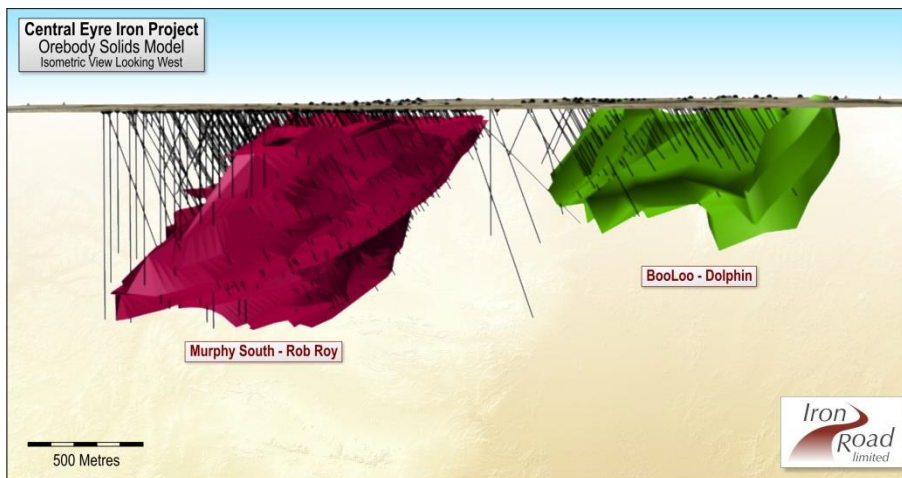


Figure 4

Cross section through Murphy South-Rob Roy and Boo-Loo-Dolphin solids model of the CEIP.

Mineral Resource highlights:

- The Global Mineral Resource for CEIP increased by 42% to 3.7Bt at a grade of 16% iron for the Warramboos mineralisation (Table 1).
- The Mineral Resource contains 2.7Bt in the Measured and Indicated categories (at a grade of 15.7% iron) that is eligible for conversion to a Mining Reserve (Table 2 and Figure 5).
- CEIP has the largest Measured + Indicated magnetite resource in Australia – whilst test work also indicates the project is one of the easiest to process with significantly less grinding required than other large scale projects.
- The additional tonnage and increased confidence comes at a gross cost of only 0.67 cents per tonne.
- Globally, the project now ranks in the Top 20 of magnetite projects alongside producing projects from Russia and the Ukraine together with advanced development projects in Canada.
- The upgrade demonstrates the potential for a long mine life that is expected to impact positively on discussions with development and financing partners, whilst also enhancing the potential returns from the associated rail and port infrastructure.

Table 1

CEIP Global Mineral Resource						
Location	Classification	Tonnes (Mt)	Fe (%)	SiO ₂ (%)	Al ₂ O ₃ (%)	P (%)
Murphy South/Rob Roy	Measured	2,222	15.69	53.70	12.84	0.08
	Indicated	474	15.6	53.7	12.8	0.08
	Inferred	667	16	53	12	0.08
Boo-Loo	Inferred	328	17	52	12	0.09
Total		3,691	16	53	13	0.08
CEIP Indicative Concentrate Specification – 106 micron (p80)						
Iron (Fe)		Silica (SiO ₂)		Alumina (Al ₂ O ₃)		Phosphorous (P)
67%		3.3%		1.9%		0.005%

The updated Mineral Resource estimate for the Murphy South – Rob Roy prospect was completed by Heather Pearce following the guidelines of the JORC Code (2004) and peer reviewed by Xstract personnel including Dr Isobel Clark, Kevin Lowe and Michelle Smith. The Mineral Resource Estimate for Boo-Loo was carried out following the guidelines of the JORC Code (2004) by Coffey Mining Ltd.

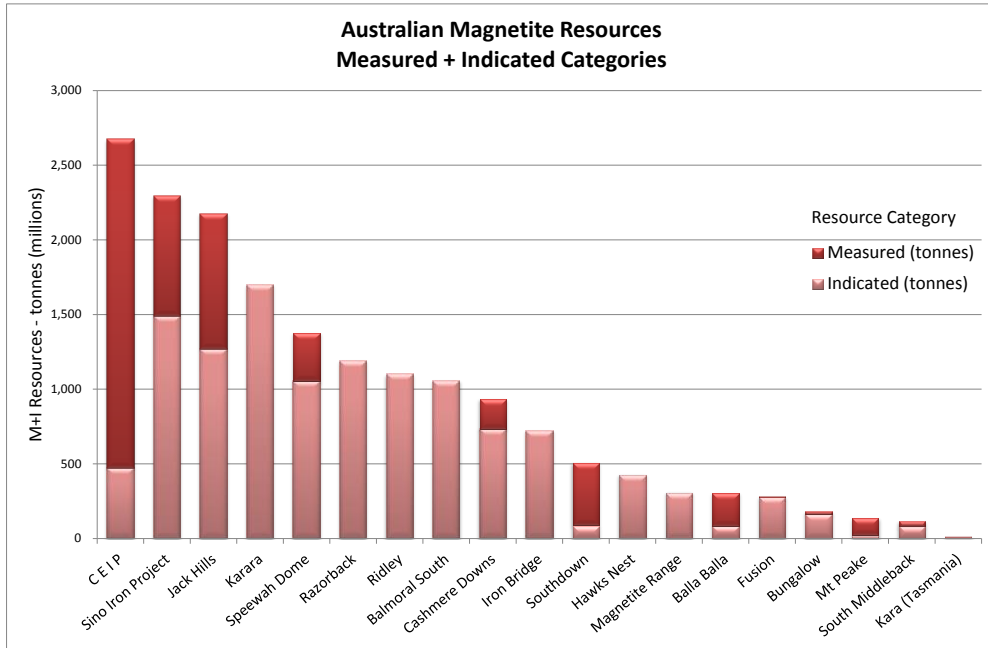


Figure 5

Australian Magnetite Resources detailing categories.

Source: Public company reports

Results from drilling at Stage VIII Murphy South strongly suggest potential flattening of the mineralised horizon, translating into further down-dip accessibility of the ore horizon and presenting opportunity for future resource expansion drilling activities at Murphy South (Figure 6).

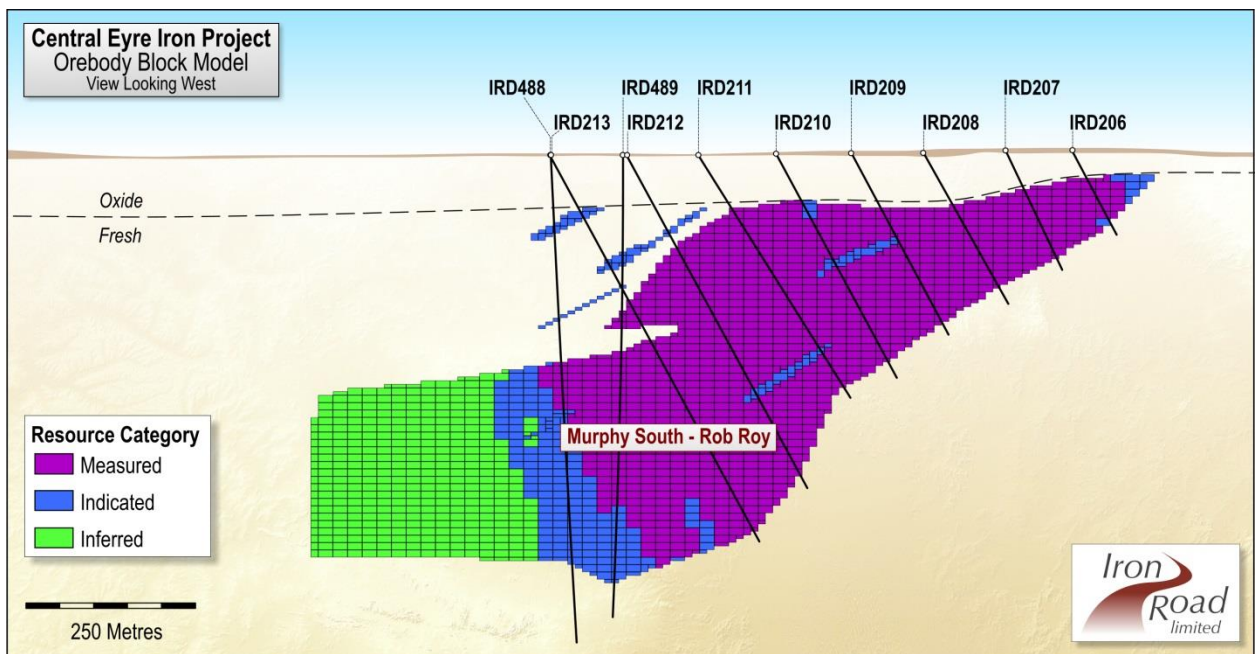


Figure 6 Cross section through the Murphy South - Rob Roy area of the Warrambo Resource block model.



Figure 7

Looking south towards IRD's core facility at 'Crow's Nest', Kyancutta.

Definitive Feasibility Study (DFS)

Ore treatment by conventional crushing, milling and magnetic separation is being planned to deliver high-grade concentrates containing 67% iron at a relatively coarse size distribution of $-106\mu\text{m}$ or 150 mesh (80% passing; P80). Fine and coarse tailings will be distributed into a storage facility at the mine site, via conventional slurry spigotting and beaching or into bulk storage respectively.

Iron Road has acquired 1,100 hectares of land at Cape Hardy for a Capesize port facility as part of its integrated export solution for the CEIP iron concentrate. The port is planned to have an initial capacity of 30Mtpa, with 10Mtpa of the capacity available to third parties. Planning is underway to construct a heavy haulage, standard gauge rail line between the mine and port sites. The rail line could potentially be expanded to connect with the existing national rail network, extending port access for the larger Capesize vessels to approximately 25% of Australia's land mass. The site has relatively benign weather all year round, with no seasonal cyclonic activity to hinder operations.

Studies are continuing for the delivery of power and water to the sites. A water treatment and storage facility at the mine site is being investigated to supply fresh water for concentrate washing as well as potable water for construction and domestic uses. The majority of water used in the project will be untreated seawater.

Environmental impact and benefit assessments are progressing well in the areas of air (including dust), water (ground, surface and marine), flora and fauna. Social, transport, noise and tailings assessments will be a focus during the upcoming quarter.

Mine, Processing Plant and Associated Infrastructure

Coffey Mining has commenced open pit optimisation and mine planning following the close-out of the recent Murphy South – Rob Roy drilling programme and upgraded mineral resource estimate. This planning exercise will result in feasibility pit designs for the Murphy South and Boo-Loo resources, and will generate indicative life of mine production schedules, along with improved confidence in site layouts and infrastructure configuration (Figure 8). Progressive mine production schedules, generated during the course of feasibility studies, will be used to refine mining cost models and mining equipment requirements.

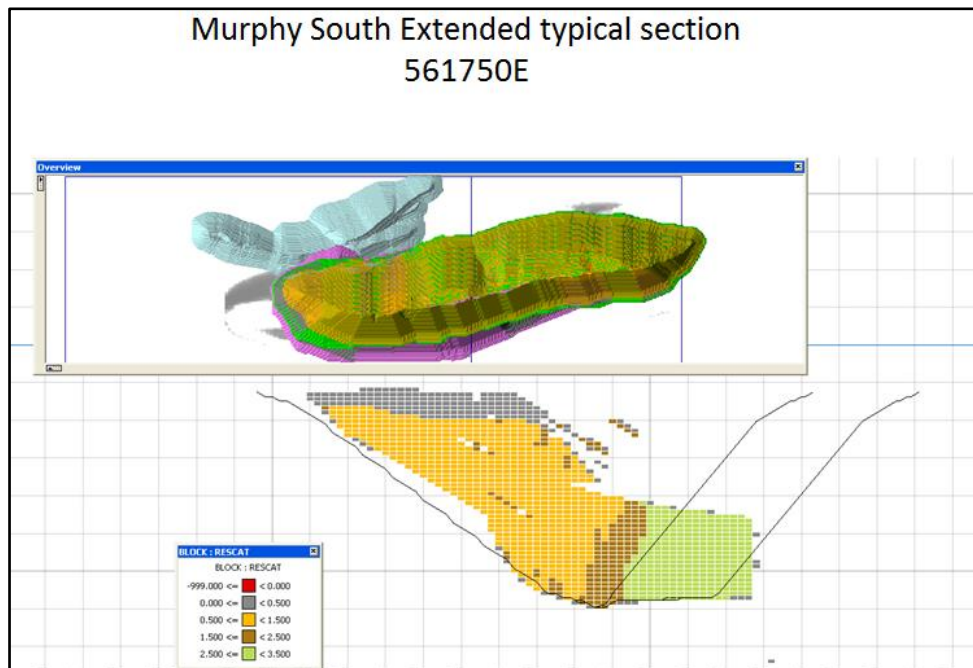


Figure 8

Pit optimisation work is underway.

Mine optimisation and planning utilises recent open pit geotechnical analysis and assessment, also completed by Coffey Mining. Geotechnical criteria from this assessment are based on data acquired from a combination of exploration and dedicated drilling of geotechnical core. The geotechnical database is extensive, totalling 338 diamond core holes that have been geotechnically logged, including 295 angled holes that provide defect orientation data. In addition to the primary acquisition of rock defect data, geotechnical investigations over recent months includes:

- Compressive and shear strength test work,
- Rockfall analysis; and
- Rock-mass and structural stability analysis.

Geotechnical review during the recent quarter excludes some of the last exploratory holes drilled in the resource upgrade programme. These holes, along with the most up to date hydro-geological assessment, will be included in a final geotechnical analysis, to be completed later in the year.

SKM commenced the second phase of hydrogeological investigation and assessment in May 2013, which will build on findings from the initial investigations completed in 2012. The earlier investigations considered the broader characterisation of the ground water regime, along with a conceptual understanding of potential influences of likely mining activities on the groundwater system. The first programme included the installation of eight long-term monitoring bores, which are suitable for detecting changes to the groundwater level and quality as the CEIP progresses from exploration through study to operation. The second phase of investigation is intended to include the installation of additional test bores and pumping test work. Hydrogeological studies will specifically quantify the likely dewatering requirements and consider dewatering infrastructure associated with open pit mining and other activities, along with assessment of potential influences on the groundwater in vicinity of the open pit.



A preliminary study into the tailings storage facility (TSF) was completed in 2012, which has been the subject of intense internal and external review during the first half of 2013. The definitive feasibility stage of study commenced in June 2013 and will be completed by ATC Williams Pty Ltd; an Australian engineering consultancy with international experience in the areas of mine tailings storage and management. The feasibility study will investigate, analyse and assess a TSF design proposal which is expected to provide robust and safe disposal or tailings over the life of mine, as well as suitable closure time-frame and long-term arrangements for site rehabilitation.

Investigations and study of infrastructure and concentrate delivery facilities continued throughout the quarter. The basis of design has been established for the following facilities.

- Port marine – design development of tug harbour, wharf and jetty arrangements and module offloading facilities (Figure 9), including confirmation of the general arrangement of facilities.
- Port infrastructure – optimisation of cut and fill, building layout and configuration, drainage design, and improved alignment of the access roads.
- Materials handling – design development including confirmation of stockyard machines and length of pile, conveyors alignment and profiles, rail car dumper and dust controls.
- Rail system – simulation of the network was completed based on steady state production of concentrate.

Planning to complete the infrastructure studies is well advanced and design and engineering will now ramp-up. Estimation and capital costs for infrastructure components are envisaged to commence during the September quarter, leading to completion of the DFS Report by year-end.

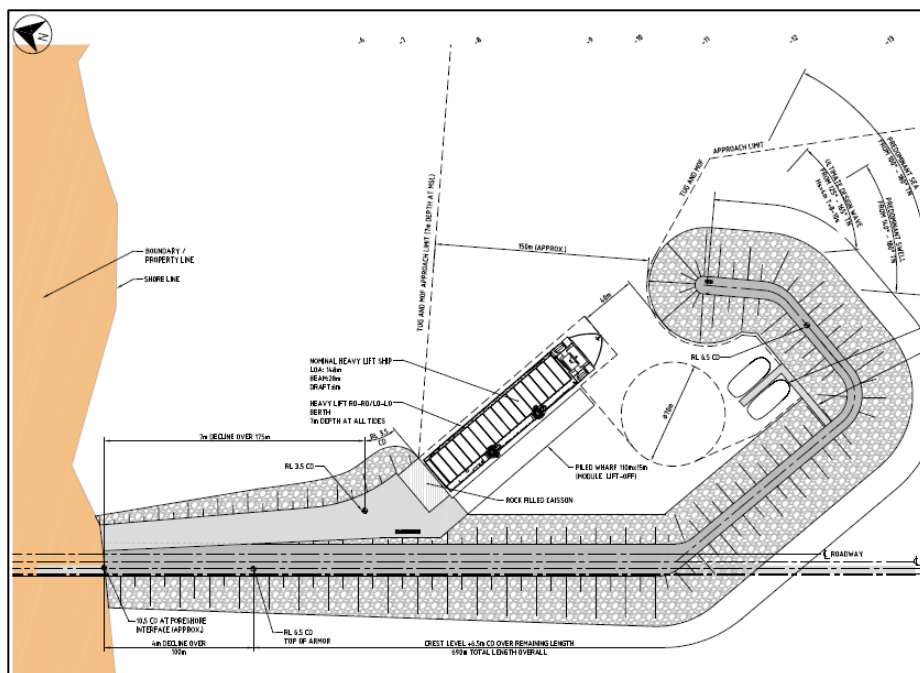


Figure 9
Tug harbour and module offloading facilities (MOF).

Proposals have been received for study of seawater supply to the ore processing facilities and treatment of sea water to provide desalinated water for concentrate washing, as well as for the construction camp and operations village. Adjudication and award of study service will be closed early in the next quarter.

Tenova Projects, (formerly Bateman), has made significant progress through the preliminary engineering of the process plant and associated facilities. Sizing and budget costing of all major equipment in the current layout has been completed and costs estimates are well underway.



Recently completed modelling, based on data derived from microscopic analysis of the ore body, has indicated that potential benefits may be gained from a gravity circuit in the milling area scalping off a high grade, coarser concentrate.

This is expected to yield further early rejection of tailings with an overall saving in mill power and reduction in the number of operating units required in the screening and cleaner magnetic separation circuits, as less material is required to pass through. The overall outcome is a reduction in consumed power as well as both capital and operating costs. A gravity test work campaign will be conducted in July and August 2013 to confirm the magnitude of the benefits and to provide information for the design of the circuit to be included in the definitive feasibility study.

Metallurgical Test Work

AMDEL-BV, a leading mineral testing service provider, is conducting metallurgical investigation of core intersections from mineralised zones drilled in zones likely to be mined early in the mine life. Testing has advanced to completion of a pilot milling campaign on a bulk sample, generating a ‘rougher’ concentrate sample for further confirmatory classification test work in the USA. The products of this screening investigation will then be used for the proposed gravity recovery test work and to conduct a cleaner magnetic separation pilot trial. This definitive test work programme will confirm process design criteria for improved iron recovery and generate additional concentrate for marketing purposes.

A programme of metallurgical Davis tube recovery tests (MDTR), at the target grind size of the process plant (106µm), were conducted in parallel with geological Davis tube recovery tests (GDTR) on the same core intervals. The GDTR tests are conducted at a finer grind size, and provide a quicker procedure for determination of magnetite recovery compared to conventional metallurgical test work. More than 5000 GDTR tests have been conducted to date across the CEIP prospects. The results from both DTR test datasets were analysed statistically and demonstrated a strong, positive, linear relationship between the MDTR and GDTR recoveries ($R^2 = 0.95$) (Figure 10). This outcome allows the GDTR tests results to be applied to the prediction of metallurgical recovery of mineralisation across the mining zones, enabling Iron Road to avoid the costly requirement to run additional MDTR tests.

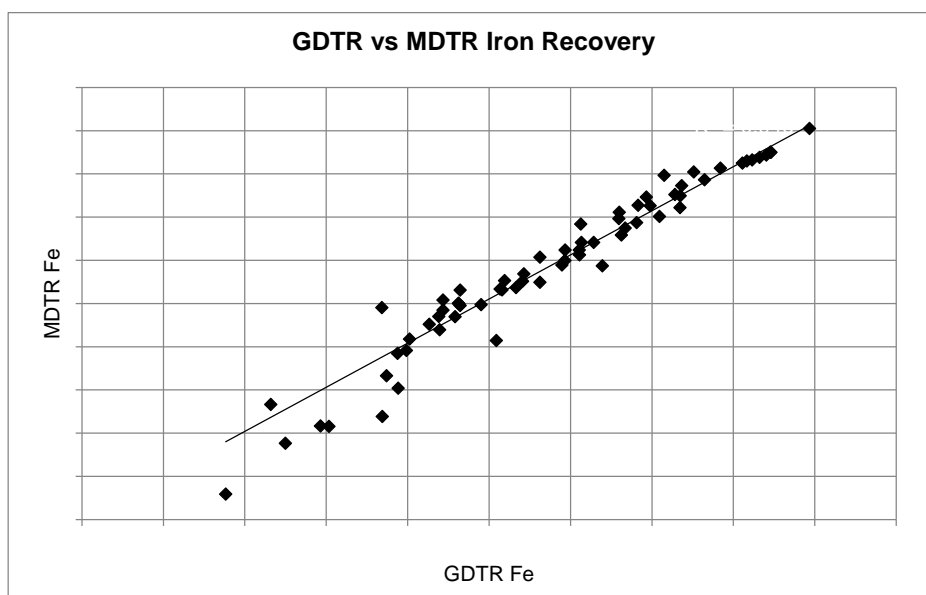


Figure 10
Strong linear relationship between geological and metallurgical DTR iron recoveries.

The Davis tube recovery test apparatus containing a CEIP magnetite sample during testing is shown in Figure 11. The black accumulation in the glass tube in the middle of the image is the magnetite concentrate being held in the Davis tube magnetic field while the gangue minerals are washed clear through to the discharge stream.

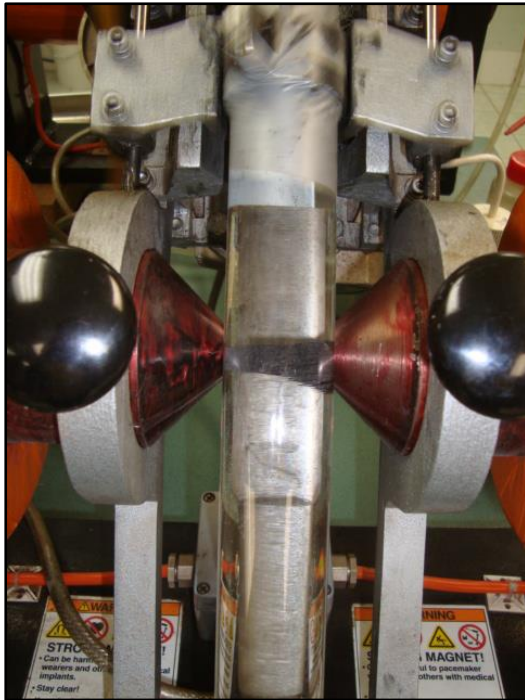


Figure 11

Close up of Davis Tube Recovery Test apparatus showing magnetite concentrate between the two magnetic poles.

The bulk composite material, obtained from PQ cores was subjected to high pressure rolls crushing, (HPRC) and wet screening to the target RMS feed size. Rougher magnetic separation (RMS) testing of the bulk sample was conducted in wet condition to reflect plant operation, and an expected small increase in the efficiency of fine particle separation was realised. A 100kg portion of the RMS concentrate was subsequently milled and put through cleaner magnetic separation (CMS) to generate final concentrate and tailings samples for further test work for confirmation of tailings properties and to confirm mass recovery in this section of the flowsheet. Figure 12 shows the CMS concentrate and tailings (unfiltered) and Figure 13 the pilot milling circuit used for the test work.



Figure 12

Final concentrate (left) and cleaner magnetic separation tails (right).



Figure 13

Pilot milling circuit in operation at Amdel. The mill is located within the yellow guarding in centre right of the picture.

Marketing

Iron Road marketing and senior staff continue to visit the Chinese steel market and receive strong expressions of interest in the CEIP as a future provider of iron concentrate. The possibility of IRD providing the market with earlier iron concentrate from the Gawler Iron Project (GIP) has also been well received.

A significant acceleration in marketing related visits to Chinese steel mills is planned for the next quarter.

Community Engagement

Iron Road hosted two public information sessions at Warrambo and Wudinna during May 2013 to discuss the next phase of community engagement and how community members could take a lead role in the development of a Community Consultative Committee (CCC) or similar reference group, in relation to the proposed mine at Warrambo.

The sessions comprised presentations from Iron Road's community team, the Department of Manufacturing, Innovation, Trade, Resources and Energy (DMITRE) and Community Engagement Group Australia (cega), highlighting how a CCC could work to meet the needs of the community, the Regulator and the Company. Cega provided information on how other companies have utilised consultative groups to effectively involve communities in developing projects and representatives from DMITRE gave an overview of the Regulator's expectations in relation to community consultation.

The nomination process is underway, with the aim of capturing broad community representation. The CCC will be chaired by an Independent Chairperson acceptable to the community and the Company.



Figure 14

**Wudinna Information Session
L-R: Bob Goreing, cega, Peter Treloar MP, Michael Smith and Melissa Muller, DMITRE, Tim Scholz and Tilly Smart, Iron Road.**

(Photo courtesy J & T Spence).

South Australia – Gawler Iron Project

The Gawler Iron Project is located approximately 25km north of the standard gauge Trans-Australian Railway that connects to the Central Australia Railway at Tarcoola and ultimately a number of ports.

The project hosts potential for a small to medium scale iron ore development with the potential to produce 1-2Mtpa of a high quality concentrate through simple beneficiation, with similar characteristics to that proposed for the larger CEIP. A scoping study to further define that potential is currently underway.

Exploration by Iron Road at Gawler commenced during July 2009. This work included the Stage I regional RC drilling programme (6,101m) and follow-up Stage II diamond drilling programme (1,433m). The results from Stage I & II drilling identified the Boomer prospect as a potentially significant iron deposit situated below 25m of unconsolidated sand. The iron mineralisation has a thin cap of hematite mineralisation and occurs in a ~110m wide zone of moderately to steeply dipping folded and faulted, coarse-grained, magnetite-rich ironstone.

The ironstone has been mapped along strike for at least 1,000m and is open at depth. Drill samples from the Boomer prospect returned an average grade of 25% iron with high grade zones containing over 40% iron. During June 2012 the Company moved to secure 90% ownership of the iron ore rights at Gawler. Shortly afterward the current scoping study was initiated to review the economic viability of potential mining and beneficiation operations.

As part of the scoping study the Stage III drilling programme commenced during March 2013 at the Boomer prospect and concluded during the quarter (Figure 15). The programme comprised three PQ diamond drill holes (669m) and 21 RC (reverse circulation) holes (3,795m), for a total of 4,464m. Rehabilitation of drill sites has commenced and is expected to be completed shortly.

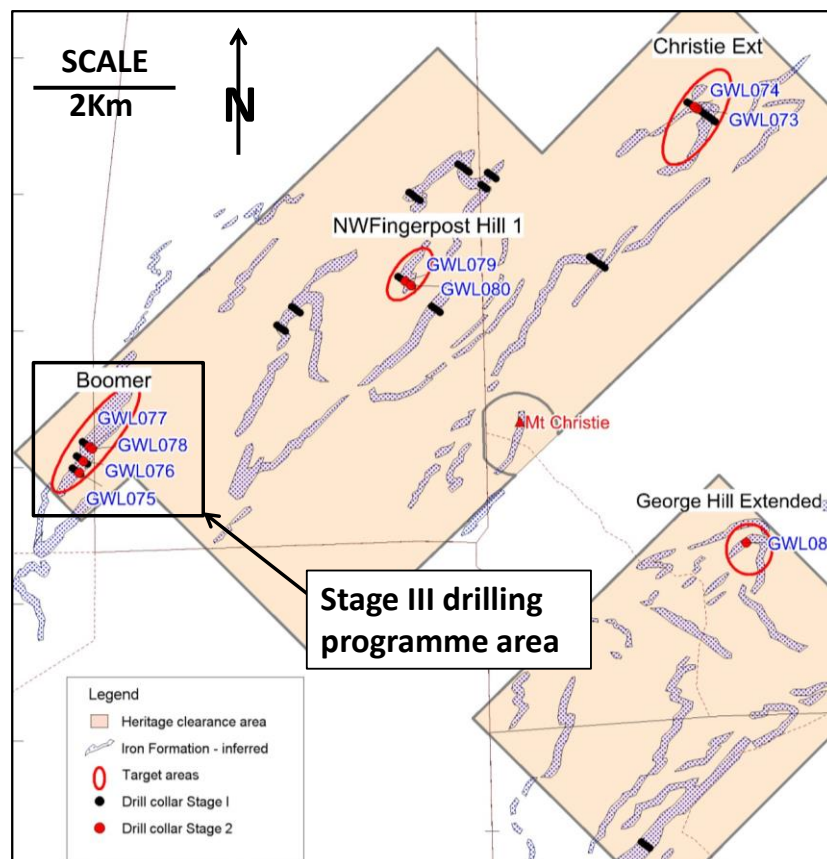


Figure 15

Stage III drill programme location map, together with Stage I and II collar locations.

All RC holes were drilled at -60 degrees set on north-westerly azimuth of 300° at depths varying from 108m to 319m, with a total of eight sections completed. Sections are spaced varying from 100m to 200m apart and specifically planned to determine the strike extent of the Boomer prospect in a south-westerly and north-easterly direction (Figure 16 & 17).

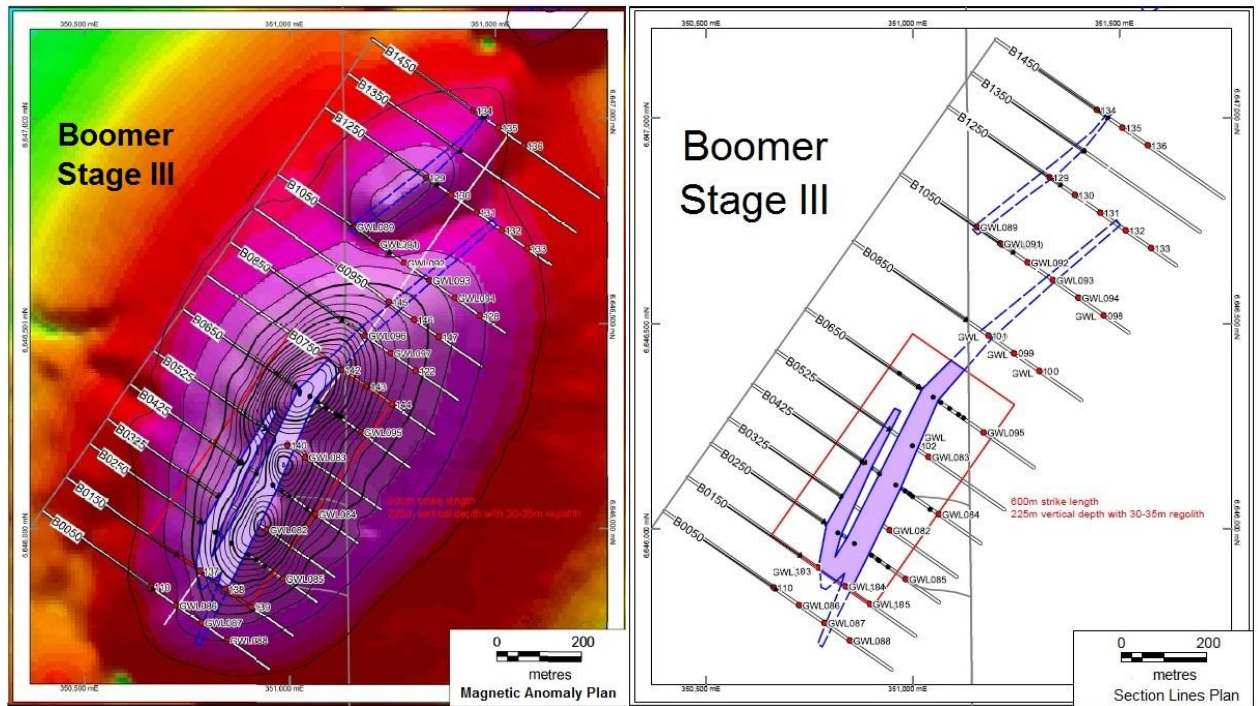


Figure 16 Magnetic anomaly and interpreted geology at the Boomer prospect showing Stage III drilling traverses.

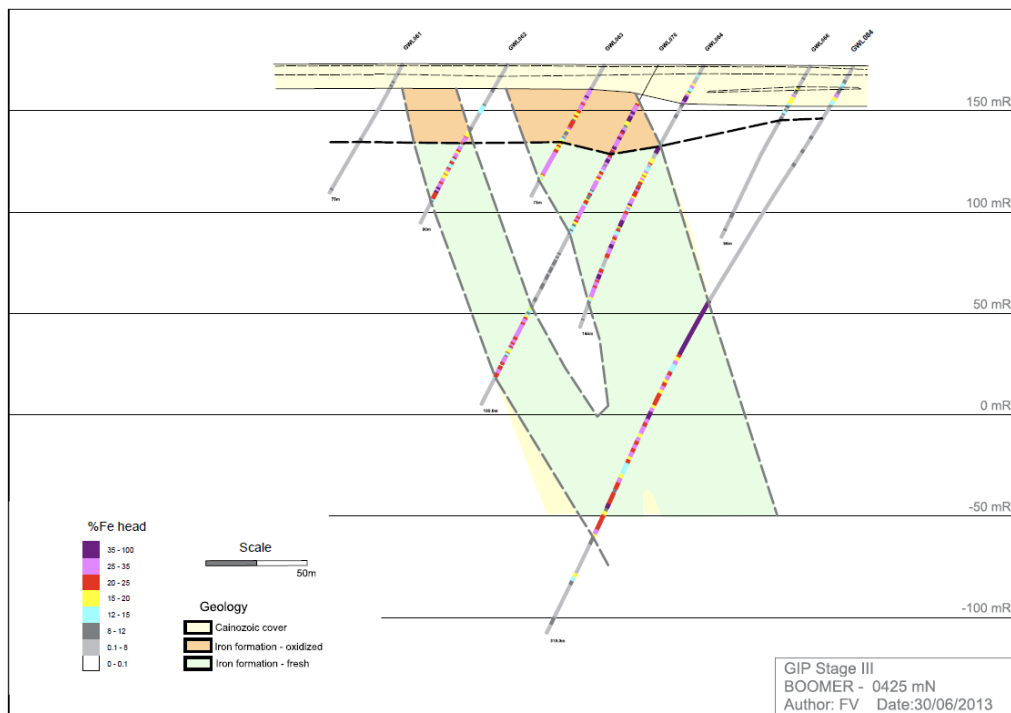


Figure 17
Cross-section looking northeast, section B0425, Stage III drilling, Boomer Prospect.

Eighteen of the 21 RC drill holes intersected magnetite-rich ironstone with significant downhole intercepts shown in bold in Table 2. Two drill holes, GWL090 and GWL105, were abandoned due to hole collapse.

Table 2

SiteID	Drilling Type	Date Finished	Section ID	Planned mE	Planned mN	Planned Depth (m)	Final Depth (m)	Mineralization from m	Mineralization to m	Mineralization interval m
GWL082	DD	23/03/2013	B0325	350,944	6,645,998	200	190.9	31	188	157
GWL083	DD	7/04/2013	B0525	351,038	6,646,176	200	210.3	46	199	153
GWL084	RC	1/04/2013	B0425	351,063	6,646,037	320	319.0	5	265	260
GWL085	DD	15/04/2013	B0250	350,983	6,645,879	305	267.5	121	256	135
GWL086	RC	17/04/2013	B0050	350,725	6,645,816	150	151.0	120	127	7
GWL087	RC	22/04/2013	B0050	350,786	6,645,773	150	151.0	51	89	38
GWL088	RC	24/04/2013	B0050	350,848	6,645,730	150	107.5	72	85	13
GWL089	RC	25/04/2013	B1050	351,155	6,646,735	150	157.0	120	126	6
GWL090	RC	26/04/2013	B1050	351,217	6,646,692	200	37.0	10	30	20
GWL091	RC	28/04/2013	B1050	351,217	6,646,692	200	145.0	12	40	28
GWL092	RC	1/05/2013	B1050	351,278	6,646,649	150	145.0	119	133	14
GWL093	RC	3/05/2013	B1050	351,339	6,646,606	150	151.0	No Mineralisation		-
GWL094	RC	5/05/2013	B1050	351,401	6,646,563	200	157.0	No Mineralisation		-
GWL095	RC	7/05/2013	B0650	351,171	6,646,235	350	331.0	145	331	186
GWL096	RC	8/05/2013	B0850	351,184	6,646,471	150	129.0	No Mineralisation		-
GWL097	RC	10/05/2013	B0850	351,245	6,646,428	200	253.0	147	222	75
GWL098	RC	13/05/2013	B1050	351,307	6,646,385	300	331.0	184	328	144
GWL099	RC	15/05/2013	B0850	351,188	6,646,346	250	253.0	118	240	122
GWL100	RC	19/05/2013	B0850	351,229	6,646,317	300	301.0	153	301	148
GWL101	RC	22/05/2013	B0850	351,126	6,646,387	150	115.0	53	70	17
GWL102	RC	26/05/2013	B0525	350,995	6,646,206	150	151.0	6	113	107
GWL103	RC	27/05/2013	B0150	350,783	6,645,897	150	151.0	28	40	12
GWL104	RC	28/05/2013	B0150	350,844	6,645,854	200	199.0	32	125	93
GWL105	RC	29/05/2013	B0150	350,906	6,645,811	250	60.0	-	-	-

From visual estimates, grades are expected to vary from less than 10% to above 30% of magnetite iron which are within expectations. The three large diameter (PQ) diamond holes were drilled at -60 degrees dip with downhole ironstone mineralisation intercepts of up to 260m, providing four tonnes of ironstone sample for dispatch to Europe for metallurgical test work.

Drilling suggests that mineralisation at the Boomer Prospects extends at least 600m along strike in a north-easterly direction, with an apparent width of intercepts varying from 6m to 260m and averaging 87m. The two holes terminated due to technical issues were still in mineralisation. Geological and assay data will allow for geological interpretation, geostatistical evaluation and mineral resource modelling of the Boomer Prospect during the next quarter. The current exploration target at Boomer is 55-95Mt ironstone at an estimated grade of 25-30% iron².

The metallurgical test programme commenced during June 2013 and is expected to be completed by the end of August 2013. The test programme will provide data necessary for the design of the ore processing facility.

² 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.

Work is also being undertaken in the areas of:

- a) Concentrate transport, including rail and port facilities;
- b) Haul road construction from the ore treatment facility to the (existing) rail siding and provision of road haulage services for concentrate transport;
- c) Water supply and treatment; and
- d) Transportation of modularised ore treatment plant to site.

Further discussions have taken in relation to access to the Wynbring rail siding on the Trans-Australian railway line. After rail operators have submitted concentrate transport proposals, assessment will be made of the works required to make the Wynbring rail siding operational.

CORPORATE

Iron Road launched a fully underwritten one-for-one non-renounceable entitlement offer of new Iron Road shares at an offer price of \$0.18 per New Share to raise approximately \$50.7 million (after the costs of the Entitlement Offer).

The Entitlement Offer is fully underwritten by two of Iron Road's major shareholders, and private equity resources funds, being Sentient Global Resources Fund III, L.P. and Sentient Global Resources Fund IV, L.P.

The Entitlement Offer will provide funding to complete the DFS, as well as enabling Iron Road to continue strategic acquisitions of property to support the combined mining, processing, rail and port operation. Iron Road's smaller scale Gawler Iron Project will also receive a portion of the funds to formally establish, beyond the current scoping study, the potential for shorter term production with lower capital outlay.

Continuing community activities included the sponsorship of the Wudinna Area School, Girls U16 Pedal Prix Team, being the third year that Iron Road has sponsored Wudinna Area School's participation in the Pedal Prix.

Figure 21

Iron Road sponsored the Wudinna Area School, Girls U16 Pedal Prix Team.



- ENDS -

ADDITIONAL INFORMATION – Glossary

Aeromag survey – Short for aeromagnetic survey, an aeromag survey is a common type of geophysical method carried out using a magnetometer aboard or towed behind an aircraft. The aircraft typically flies in a grid like pattern with height and line spacing determining the resolution of the data. As the aircraft flies, the magnetometer records tiny variations in the intensity of the ambient magnetic field and spatial variations in the Earth's magnetic field. By subtracting the solar and regional effects, the resulting aeromagnetic map shows the spatial distribution and relative abundance of magnetic minerals (most commonly magnetite) in the upper levels of the crust.

DTR – Davis Tube Recovery testing is used to separate ferromagnetic and non-magnetic fractions in small samples of approximately 20g at a time. The test is suited to establishing the recoveries likely from a magnetic separation process. This can assist mineral body assessment for magnetite, hematite or combinations thereof.

Gravity survey – A geophysical method undertaken from the surface or from the air which identifies variations in the density of the earth from surface to depth. It is used to directly measure the density of the subsurface, effectively the rate of change of rock properties. From this information a picture of subsurface anomalies may be built up to more accurately target mineral deposits. For iron exploration gravity surveys are commonly overlain on magnetic surveys to help identify and target fresh and oxidised iron ore (ie. magnetite and hematite).

HBF – Horizontal Belt Filters are commonly used vacuum filters due to their flexibility of operation and suitability to handle large throughputs.

Hematite – Hematite is a mineral, coloured black to steel or silver-grey, brown to reddish brown or red. Hematite is a form of Iron (III) oxide (Fe_2O_3), one of several iron oxides.

LiDAR – Light Detection and Ranging. LiDAR is an active remote sensing system that uses a laser light beam to measure vertical distance from the features of interest.

Magnetite – Magnetite is a form of iron ore, one of several iron oxides and a ferrimagnetic mineral with chemical formula Fe_3O_4 and a member of the spinel group. It is metallic or dull black and a valuable source of iron ore. Magnetite is the most magnetic of all the naturally occurring minerals on Earth, and these magnetic properties allow it to be readily refined into an iron ore concentrate.

Martite – The name given for Hematite pseudomorphs after Magnetite. More simply put primary magnetite that has been totally replaced by secondary hematite through oxidation.

Specularite – A black or grey variety of hematite with brilliant metallic lustre, occurring in micaceous / foliated masses or in tabular or disk-like crystals. Also known as specular iron.

XRF – X-Ray Fluorescence spectroscopy is used for the qualitative and quantitative elemental analysis of geological and other samples. It provides a fairly uniform detection limit across a large portion of the Periodic Table and is applicable to a wide range of concentrations, from 100% to few parts per million (ppm).

HBF – Horizontal Belt Filters are commonly used vacuum filters due to their flexibility of operation and suitability to handle large throughputs.

Attachment 1 – Mineral Resource Estimates

CEIP Global Mineral Resource							
Location	Classification	Tonnes (Mt)	Fe (%)	SiO ₂ (%)	Al ₂ O ₃ (%)	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	Inferred	328	17	52	12	0.09	2.1
Total		3,691	16	53	13	0.08	4.3

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 Xstract Mining Consultants (Rob Roy). The Boo-Loo mineral resource estimate was carried out following the guidelines of the JORC Code (2004) by Coffey Mining Ltd.

CEIP Indicative Concentrate Specification – 106 micron (p80)			
Iron (Fe)	Silica (SiO ₂)	Alumina (Al ₂ O ₃)	Phosphorous (P)
67%	3.3%	1.9%	0.005%

Murphy South - Rob Roy Mineral Resource Estimate							
Resource Classification	Oxidation	Tonnes (Mt)	Fe (%)	SiO ₂ (%)	Al ₂ O ₃ (%)	P (%)	LOI (%)
Measured	Fresh	2,222	15.69	53.70	12.84	0.08	4.5
Indicated	Fresh	474	15.6	53.7	12.8	0.08	4.5
Inferred	Fresh	548	16	53	12	0.09	4.0
	Transitional	32	16	51	14	0.05	5.5
	Oxide	87	16	51	14	0.05	5.8
Total	Murphy South/Rob Roy	3,363	16	53	13	0.08	4.5

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 Xstract Mining Consultants (Rob Roy).

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 Boo-Loo mineral resource estimate was carried out following the guidelines of the JORC Code (2004) by Coffey Mining Ltd.

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Iron Road's principal project is the Central Eyre Iron Project (CEIP) in South Australia. The wholly owned CEIP 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*.

A prefeasibility study has demonstrated the viability of a mining and beneficiation operation initially producing 12.4Mtpa of premium iron concentrate for export. A definitive feasibility study is currently assessing production of 20Mtpa of iron concentrates

Metallurgical test work indicates that a coarse-grained, high grade, blast furnace quality concentrate may be produced at a grind size of -106µm grading 67% iron with low impurities.

* 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 an 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.*

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 prospect 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 Murphy South – Rob Roy prospect 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 reviewed 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.

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/10.

Name of entity

IRON ROAD LIMITED

ABN

51 128 698 108

Quarter ended ("current quarter")

30 June 2013

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date \$A'000 (12 months)
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for		
(a) exploration & evaluation	(7,442)	(28,184)
(b) development	-	-
(c) production	-	-
(d) administration	(932)	(4,041)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	192	795
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other GST to be recouped	(105)	(264)
Net Operating Cash Flows	(8,287)	(31,694)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	(57)	(6,708)
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 (provide details if material)	-	-
Net investing cash flows	(57)	(6,708)
1.13 Total operating and investing cash flows (carried forward)	(8,344)	(38,402)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(8,344)	(38,402)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	40,909
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other – capital raising costs	(293)	(2,097)
	Net financing cash flows	(293)	38,812
	Net increase (decrease) in cash held	(8,637)	410
1.20	Cash at beginning of quarter/year to date	15,547	6,500
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	6,910	6,910

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	169
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	12,550
4.2 Development	-
4.3 Production	-
4.4 Administration	940
Total	13,490

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	2,638	3,775
5.2 Deposits at call	4,272	11,772
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	6,910	15,547

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)	Amount paid up per security (see note 3)
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	290,968,452*	290,968,452		Fully paid
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
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>	3,000,000		<i>Exercise price</i> \$0.3426	<i>Expiry date</i> 6/8/13
	625,000		\$0.1926	15/12/14
	625,000		\$0.2426	15/12/14
	625,000		\$0.2926	15/12/14
	625,000		\$0.3426	15/12/14
	500,000		\$0.9926	25/07/16
	100,000		\$0.9926	24/08/16
	100,000		\$1.2426	24/08/16
	100,000		\$1.4926	24/08/16
7.8 Issued during quarter				
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>				

*Note *:* This does not include the proposed issue of 290,968,452 fully paid ordinary shares pursuant to the fully underwritten pro-rata 1 for 1 non-renounceable entitlement offer announced by Iron Road on 13 June 2013 to eligible shareholders of Iron Road (Entitlement Offer).

+ 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 /does not* (delete one) give a true and fair view of the matters disclosed.

Sign here:  Date: 16 July 2013
~~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.