Quarterly Activities Report

for the period ended 30 September 2013

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 between -150 to -170µm 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 is on track to achieve its objective of becoming a premium supplier of iron concentrates to the Asian marketplace. Significant progress was made at both the Central Eyre Iron Project and the Gawler Iron Project.

Highlights

Central Eyre Iron Project (CEIP)

- Definitive Feasibility Study (DFS) is on schedule in all areas – incorporating mine site, infrastructure and port. Compilation of the DFS report has commenced.
- Conceptual exploration potential estimated at 8 to 17 Billion tonnes (Bt) of magnetite gneiss in the range of 14% to 20% iron[1]. This is in addition to the mineral resource estimate of 3.7Bt magnetite gneiss at a grade of 16% iron.
- The Community Consultative Committee (CCC) for the Warramboo-Wudinna area established and an Independent Chairperson appointed.

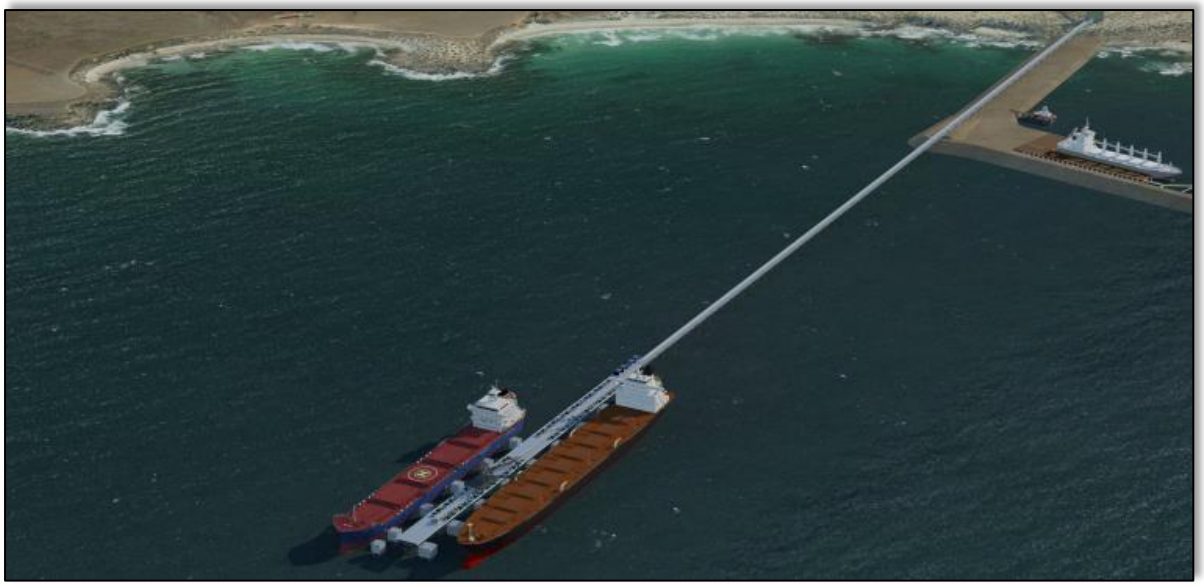
Gawler Iron Project

- Scoping study work continued with evaluation of the feasibility of an iron ore operation producing 1-2 million tonnes per annum of high quality iron concentrates.
- Metallurgical test work completed during the Quarter being followed up with processing analysis to allow for optimisation of the iron recovery necessary for the resource estimation modelling.
- Budget proposals submitted for contract mining, water, concentrate transport and haul road construction.

Corporate

- Successful completion of underwritten non-renounceable entitlement offer of new shares announced to raise approximately $50.7 million (after costs).
- Central Eyre Iron Project (CEIP) declared a major development by the South Australian Minister for Planning. A significant recognition for the importance of the project to the state of South Australia.

[1] *The information in this report relating to exploration targets should not be misconstrued as an estimate of Mineral Resources of Ore Reserves. Hence the terms Resource(s) or Reserve(s) have not been used in this context. 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, in cases other than the Boo-Loo, Dolphin and Murphy South/Rob Roy prospects.*



Rendering of Iron Road's port proposal, Cape Hardy, showing jetty, wharf and module offloading facility (MOF).

Projects

South Australia – Central Eyre Iron Project

The Central Eyre Iron Project (CEIP) is located on the Eyre Peninsula of South Australia approximately 30 kilometres 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.

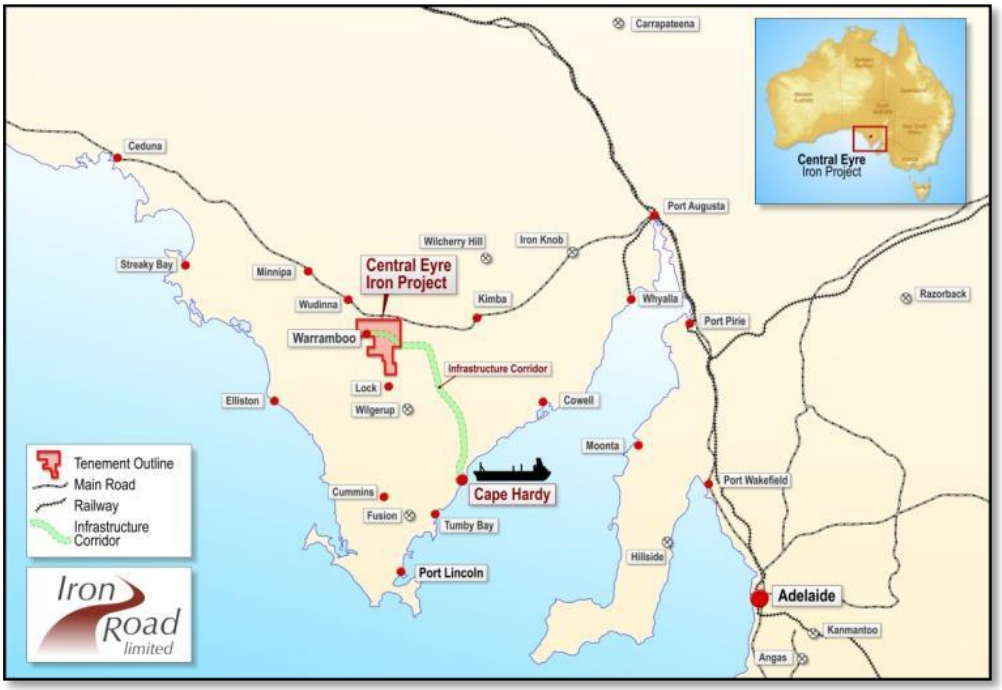


Figure 1

Location of the CEIP, illustrating mine, infrastructure corridor and port.

The CEIP may offer 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 Warramboo contains continuous and consistent mineralisation over more than six kilometres of strike and is amenable to large scale, open pit extraction methods.

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 -106µm or 150 mesh (80% passing; P80). The planned addition of a gravity circuit is expected to increase the size distribution of the iron concentrate to between -150 to -170µm (80% passing; P80).

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 haul, 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.

Regulation & Approvals

The South Australian Minister for Planning declared the infrastructure corridor and port facilities a 'Major Project' under Section 46 of the Development Act 1993, on the 11 August 2013 (Gazetted 15 August 2013). An Initial Development Application will be submitted before years end for the Development Assessment Commission (DAC) to set the level of required impact assessment and subsequently publish Guidelines for the assessment.

Concurrently, the Project has been introduced to the Australian Government Department for the Environment (previously the Department for Sustainability, Environment, Water, Population and Communities). Two referrals under the Environmental Protection and Biodiversity Conservation Act will be submitted, one for the infrastructure corridor and port and one for the mine.

Environmental impact and benefit assessments continue to progress well for the mine, infrastructure corridor and port. Discussions have been frequent and ongoing with a range of stakeholders including government departments and the general communities to ensure environmental and social issues are thoroughly understood prior to completing the impact assessments.

A significant benchmarking visit occurred to the major coal export port of Hay Point in Queensland. The outcome was a greater understanding of coastal stockpile management with the proposed management at Cape Hardy aligned with fit-for-purpose practice. Veneering is successfully applied to manage dust emissions within regulatory limits for the 14 large stockpiles, exporting approximately 100Mtpa.

Mine, Processing Plant and Associated Infrastructure

Open pit optimisation and mine planning is underway, following the close-out of the Murphy South/Rob Roy drilling programme and upgraded Mineral Resource estimate. This planning exercise will result in pit designs for the Murphy South and Boo-Loo mineral resources and generate indicative life of mine production schedules, along with improved confidence in site layouts and infrastructure configuration.

Progressive mine production schedules generated during the course of feasibility studies will be used to refine mining cost models and mining equipment requirements. Ore delivery schedules for treatment, and hence magnetite production rate, will be used by other engineering service providers to advance the process plant design and concentrate handling aspects of the study.

Mine optimisation and planning utilises recent open pit geotechnical analysis and assessment. Geotechnical criteria are based on data acquired from a combination of exploration and dedicated drilling of geotechnical core. This geotechnical database is extensive, totalling 338 geotechnically logged diamond core holes, including 295 angled holes that provide defect orientation data.

In addition to the primary acquisition of defect data, geotechnical investigations over recent months have included:

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

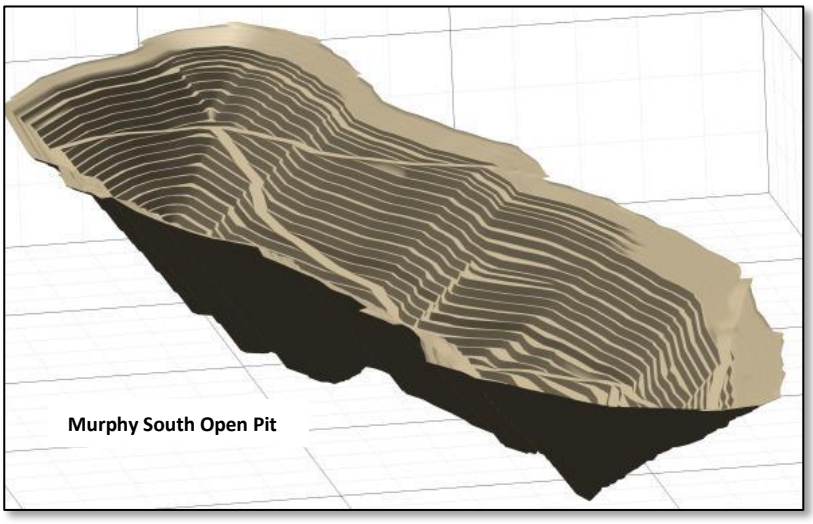


Figure 2

Initial pit optimisation work has commenced.

Hydrology studies are being undertaken by RPS-Aquaterra, a consultancy with significant experience in mine water management for large, open pit mines. The surface drainage network at the mine site has been characterised as lacking significant drainage lines or permanent water bodies. The design of surface water management plans and infrastructure has commenced.

SKM commenced the second phase of hydrogeological investigation and assessment in May 2013, building on findings from the initial investigations completed in 2012. The earlier investigations considered the broader characterisation of the groundwater 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 suitable for detecting changes to the groundwater level and quality as the CEIP progresses from exploration through study and into operation.

The second phase of investigation includes the installation of additional test bores, together with pumping tests. Drilling and construction of 10 additional test bores has recently been completed and pumping tests are currently in progress. Preliminary hydrogeological modelling has also commenced. Hydrogeological studies will specifically quantify the likely dewatering requirements, consider dewatering infrastructure associated with open pit mining and other activities, and the assessment of potential influences on the groundwater in the vicinity of mining operations.

The 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 stage of the study is being conducted by ATC Williams, an Australian engineering consultancy with international experience in the areas of mine tailings storage and management. Current studies aim to provide robust and safe disposal of tailings over the life of mine, as well as suitable closure time-frame and long-term arrangements for site rehabilitation. To ensure that this is achieved, several options are being assessed for inclusion. The study also includes a further programme of geotechnical fieldwork to establish ground conditions across and around the facility for design purposes. This programme is expected to commence shortly.

Investigations and study of infrastructure and concentrate delivery facilities continued throughout the Quarter.

- **Port marine** – Work proceeded on tug harbour, dolphins, access jetty designs, wave and navigation modelling and mooring analysis. Requests for budget proposals have been issued for construction of the causeway, tug harbour and MOF.
- **Mine and Port infrastructure** – Requests for budget quotations have been issued for the bulk earthworks for port and infrastructure corridor. Work is progressing on design of infrastructure buildings. Petroleum companies are being consulted on the functional design of the refuelling system for the mining fleet.
- **Materials handling** – 3D model and DFS engineering has been completed at the mine site and is 80% complete at the port site. Budget quotations have been received for stackers, reclaimers and the ship loader. Lift studies have been completed at the port site to enable selection of heavy lift cranes for port site construction.
- **Rail system** – The infrastructure corridor arrangement is being optimised as opportunities are identified during discussions with affected landholders to minimise the impact on their farming operations. Budget quotations have been received for rail components including rail and sleepers.
- **Water Supply** – DFS engineering is well advanced with modelling of pipeline design complete. Work has commenced on development of the construction sequence of facilities located inside the infrastructure corridor.
- **Airport** – The study to upgrade Wudinna Airport has commenced with Wudinna District Council engaging Aerodrome Design on behalf of Iron Road to complete the study.
- **Accommodation Camps** – Budget proposals have been submitted for the port and mine site construction camps. Requests for proposal for the operations village construction located at Wudinna will be issued in the coming months.
- **Local Roads** – The District Councils of Cleve, Tumby Bay and Wudinna are being consulted on road modifications required in their respective areas and have all accepted a request to submit estimates for the required upgrades and alterations.
- **Power Supply** – Review of power supply options to the mine, port, and infrastructure corridor is progressing.

New information provided from work in the mining area has resulted in changes to the configuration of the primary crushing circuit. Dynamic modelling, incorporating maintenance programming, equipment maximum capacities and various operational scenarios resulted in the need to revisit the configuration of the secondary and tertiary crushing circuits. The revised layout has been achieved using the existing equipment sizes and quantity of crushers and screens. Moreover, other configurations, such as the use of SAG milling are also being evaluated in parallel to this work.

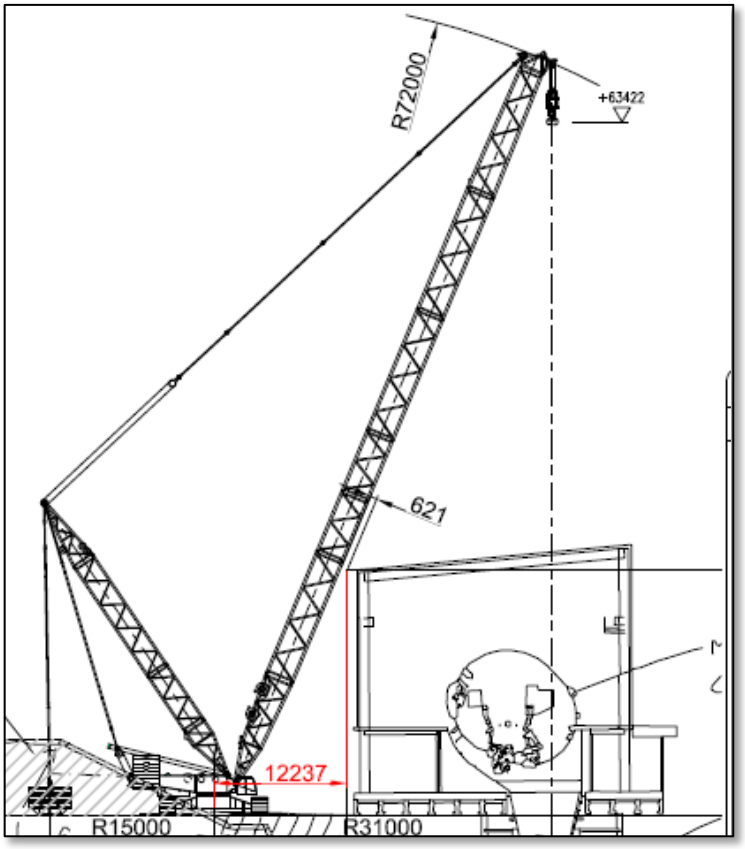


Figure 3
Port site rail car dumper lift study.

Results from the preliminary gravity beneficiation test work and additional QEMScan data have been used to complete a revised mass balance and a request for proposal has been issued for design of the gravity beneficiation circuit. There are a number of changes required to the milling and downstream circuits as a result of the incorporation of gravity beneficiation into the ore processing facility design. These changes will be evaluated and costed at a PFS level to meet the target dates in the schedule. The changes include a reduction in mill sizes, changes to the coarse tailings dewatering area and a reduction in the numbers of multi-deck screens and cleaner magnetic separators.

Metallurgical Test Work

Additional Metallurgical and geological Davis tube recovery tests were conducted and the recovery relationship described in the previous Quarterly has now been extended across the entire extent of the Murphy South and Rob Roy mineralisation.

Confirmatory classification testing was conducted on one of the bulk milling pilot run products. Several screen aperture sizes and flow rates were trialled to obtain the target P80 of -106um in the screen undersize. Once an appropriate aperture size had been confirmed, the bulk sample was sized to produce a screen oversize and screen undersize (Figure 4). The screen oversize was then used as the feed sample for the gravity test work programme.

Figure 4

Classification test work underway in the USA.

The proposed gravity test work programme was completed at Mineral Technologies in Queensland and the report has been received and evaluated. The programme consisted of heavy liquid separation, gravity table tests and bulk tests using rougher and cleaner spirals in open circuit configuration. Figure 5 shows the gravity table test and illustrates the clean separation between the coarser high density dark iron oxide-rich particles and the lighter low density gangue-rich particles.

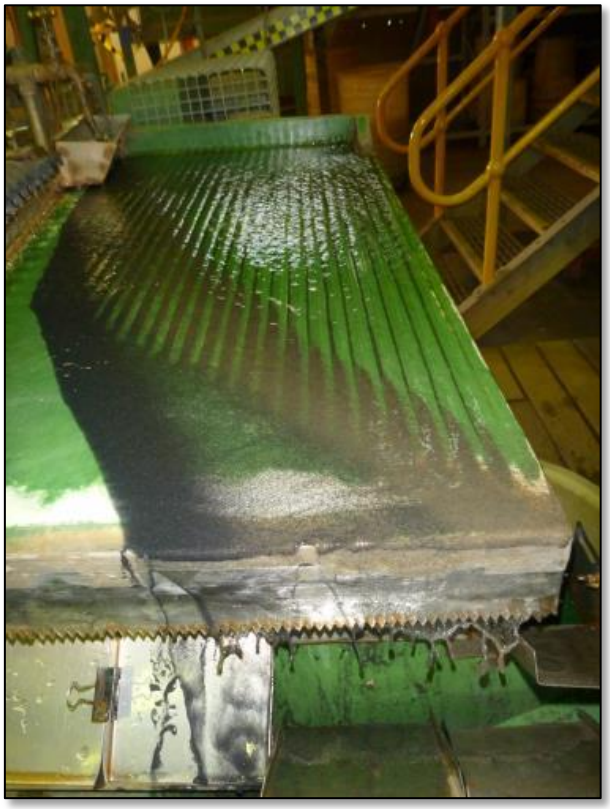


Figure 5

Gravity table test work showing clean separation between dark coloured high density iron oxide-rich particles on the left and pale coloured low density gangue-rich particles on the right.

The promising results from the heavy liquid separation and the gravity table tests led to full scale open circuit tests in rougher spirals as shown in Figure 6. A high yield (high mass recovery) concentrate was taken from the rougher spirals and further treated through a cleaner spiral.

Figure 6

Open circuit rougher spiral test showing collection of the darker concentrate material.

The coarser than design size distribution has supported the decision to conduct a broader confirmatory bulk sample metallurgical test work programme. This programme will generate a larger sample for further gravity test work and also yield a coarser concentrate to enable additional sintering/pelletising test work at the expected coarser concentrate particle size. Further filtration and washing testing will also be conducted on the concentrate as well as additional material characterisation studies on the concentrate (transportable moisture limit, dust extinction, bulk density, etc.). These handling characteristics are expected to improve significantly from those used in the current design.

The potential change in tailings size distributions will also necessitate additional coarse tailings test work. It is anticipated that some of this test work will be vendor specific and provide information for basic engineering and detailed design.

Operational Readiness and Project Execution

The Project Execution Plan for the CEIP is being refined for review and subsequent inclusion in the DFS report. Additionally, planning for the owners risk workshop has been finalised and will commence shortly.

Service providers for Operational Readiness and Project Commissioning strategies have been engaged and the development of the respective plans and costings for inclusion in the DFS report have commenced. Work also continues on the development of the overarching CEIP Safety Management Plan.

The Iron Road team is continuing to engage with various contracting entities regarding project opportunities. Iron Road is also in discussion with specialist providers regarding the development and review of anticipated contracts and procurement strategy.

CEIP Exploration Potential

Following the completion of the revised Mineral Resource inventory during the previous Quarter, effort focussed on reassessment of the Exploration Potential of the Exploration Licence in its entirety (EL4849).

An initial exploration target for the Exploration Licence was estimated by Coffey Mining during September 2009 that identified 2.8 to 5.7 Billion tonnes magnetite gneiss in the range 18-25% iron[2]. This estimate included Priority 1 and 2 ranked targets with initial target generation undertaken using magnetic, gravity and drilling data, both from the Company's drilling programmes and extracted from open file data held by the Department for Manufacturing, Innovation, Trade, Resources and Energy (South Australia). These target areas were considered to have the potential to contain significant occurrences of magnetite gneiss and some targets were followed up in 2010 by drilling. Results from the programme (Stage IV) were detailed in an Iron Road ASX release dated 31 May 2011.

During September 2013 an announcement was made by Iron Road based on a detailed review of the potential for iron mineralisation at the Central Eyre Iron Project (CEIP), for all areas of the Exploration Licence, excluding the existing mineral resource estimate of 3.7 Billion tonnes at 16% iron[3]. The review identified a conceptual exploration potential of 8 to 17 Billion tonnes of magnetite gneiss in the range of 14% to 20% iron[2] (Figure 7).

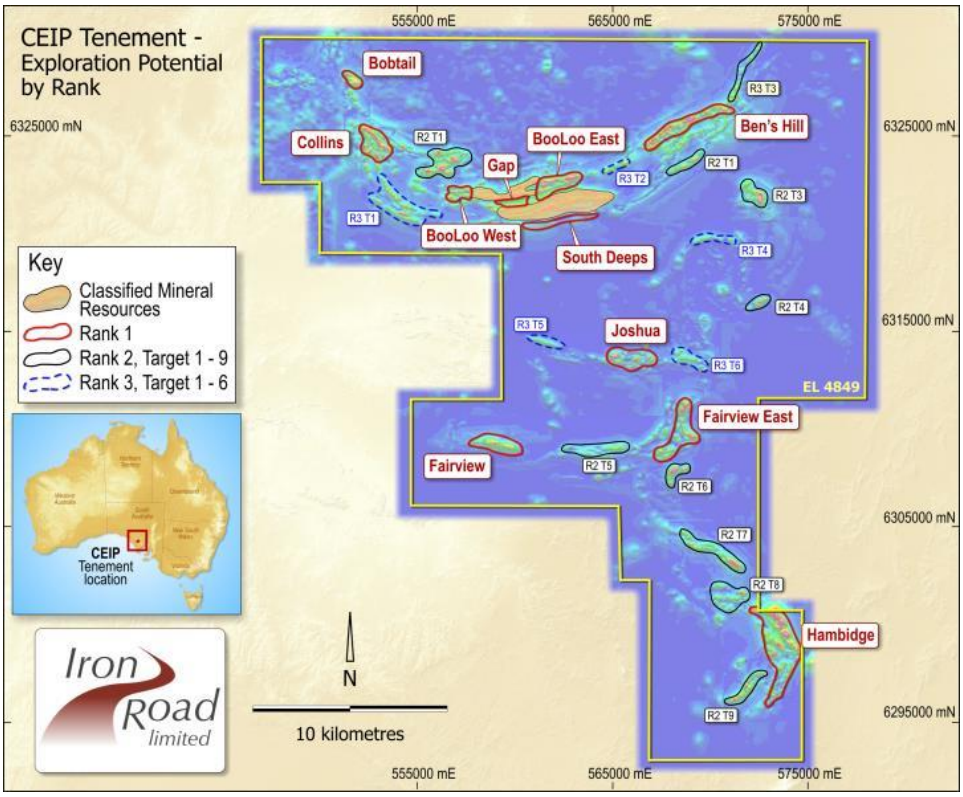


Figure 7

Exploration Potential of EL 4849, classified by rank.

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[3] *See Attachment 1 at end of report.*

The current review of the various exploration targets is based on known magnetic anomalies and combining data obtained from eight stages of extensive resource definition drilling confined predominately, but not entirely, to the Warramboo Prospect. This includes over 500 drill holes for approximately 110,000m drilling, most of which are diamond cored.

The review incorporated information gained from the drilling of the priority one ranked regional targets during 2010, ensuring better understanding of the distribution of magnetite mineralisation across the Exploration Licence. The relatively large database and geological knowledge of the Murphy South-Rob Roy and Boo-Loo areas ensures a high degree of confidence for the assessment. Each individual target was reassessed.

Investigations confirm that aeromagnetic anomalies are a robust indicator of magnetite mineralisation and magnetite gneiss has always been intersected in drill holes targeting these. The trend over the project area appears to suggest steeper dipping mineralisation in the west and a flattening to the east.

The assumptions used to estimate the conceptual tonnages are:

- The Murphy South-Rob Roy Measured and Indicated Resource yielded 400Mt/km. Assuming 50% conversion for geophysical anomalies, an expectation of 200Mt/km is used for ranked targets.
- The mineralisation is projected to occur between 200m and 300m below the surface, conservative by comparison with ~600m recent drilling depths at Murphy South.
- An average depth to fresh rock is 50m.
- The dip of the mineralisation is in a range of -40 degrees to -70 degrees.
- Thicknesses with a true width of 40 – 100m.
- An average density of the fresh rock of 3.1g/cm2.
- Head grades range from 14 to 20% Fe.

Based on the above assumptions, the interpreted tonnages range for the Exploration Targets ranked 1 and 2 is estimated between 7Bt and 13Bt. These targets account for a total of 52.2 kilometres in strike length. The lower intensity magnetic targets identified during the assessment were ranked 3 and with a strike length of 16 kilometres suggest a tonnages potential between 1Bt and 4Bt.

Following the completion of the Resource Definition drilling at Murphy South and Rob Roy all drill sites and access tracks were rehabilitated in accordance with Iron Road procedures and Department for Manufacturing, Innovation, Trade, Resources and Energy (DMITRE) guidelines (Figure 8).

Figure 8

Rehabilitated Stage 8 drill site in paddocks at Murphy South looking west.

The entire EL4849 was audited by DMITRE representatives during September 2013 with landowners invited to participate (Figure 9).

Figure 9

DMITRE audit in progress at rehabilitated and cropped drill site with landowner present.

September 2013 saw the recommencement of hydrogeological drilling across the area of planned mining operations and associated infrastructure. These sites were also visited during the DMITRE audit (Figure 10).

Figure 10

Hydrogeology drill site at Rob Roy, September 2013.

Iron Ore Marketing

Iron Road continued to receive strong interest and support for future concentrate supply from the CEIP during visits to Asian steel mills during the Quarter. Iron Road staff also showcased the CEIP at a key Chinese iron ore conference in September 2013, which attracted significant interest.

Feedback from steel mills relative to potential -150 to -170µm (P80) iron concentrate as sinter feed, proved very positive. Subject to finalisation of the gravity circuit test work, it is planned to have a bulk sample of the coarser concentrate tested by the China Iron & Steel Research Institute Group (CISRI) in Beijing.

Community Engagement

Iron Road held public meetings at Warramboo and Wudinna during August 2013 to update the community on progress made with the CEIP and to release the footprint of the proposed mining lease. The meetings also included information on the proposed infrastructure corridor from Warramboo to Cape Hardy and details of the proposed port.

The Warramboo-Wudinna Community Consultative Committee (CCC) for the proposed mine has now been established with an Independent Chairperson being appointed and Terms of Reference nearing finalisation. Iron Road is grateful for the willingness shown by all participants to represent their community in this forum.

At the invitation of the Tumby Bay District Community Consultative Group, Iron Road gave a presentation on all aspects of the CEIP at a meeting held in Port Neill during September 2013. Iron Road representatives also presented to the Cleve District Council and hosted a "Drop-In" Session at the Cleve Town Hall, open to all members of the community. Many interested and impacted parties came along and had one-on-one discussions with members of the team.

Figure 11 Managing Director Andrew Stocks presenting a CEIP update at the Warramboo Community Club on 27 August 2013.

South Australia – Gawler Iron Project

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

The project hosts mineralisation anticipated to support a small to medium scale magnetite iron ore mining operation with the potential to produce 1-2Mtpa of a high quality magnetite concentrate using a simple beneficiation process, with similar characteristics to that proposed for the larger CEIP. A scoping study to further define such potential is currently in progress.

Iron Road commenced exploration at Gawler 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 Iron Road Limited secured 90% ownership of the iron ore rights at Gawler. Shortly afterward a scoping study was initiated to review the economic viability of potential mining and beneficiation operations. As part of this study, the Stage III drilling programme commenced during March 2013 at the Boomer prospect (Figure 12).

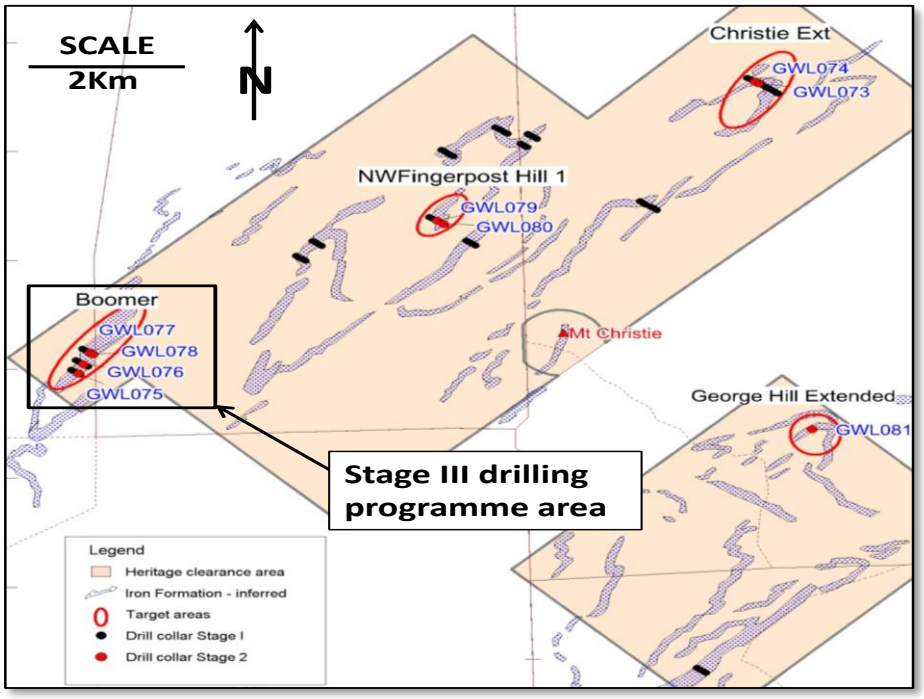

Figure 12

Interpreted geology at Gawler showing Stage III drilling traverses at the Boomer prospect.

Final assay results for the Stage III drilling programme were received by the end of June 2013. Drilling comprised two PQ diamond drill holes totalling 669m and 21 RC (reverse circulation) holes totalling 3,795m, for an overall total of 4,464m. Eighteen of the 21 RC drill holes intersected magnetite-rich ironstone with significant downhole intervals shown in Table 1**.** All samples were assayed by XRF methods and RC chips were sampled using 2m composites.

Drilling suggests that iron mineralisation at the Boomer prospect extends over at least 600m along strike in a north-easterly direction with apparent thicknesses of intercepts varying from 6m to 260m.

Geological and assay data will be used to create a mineral resource model and estimate. Metallurgical test work on recoveries, required for the Resource Estimation, is currently in progress.

Figure 13 **Typical mineralised PQ core from metallurgical drill hole GWL082.**

Rehabilitation of all the drill sites and of the access tracks at Stage III Boomer is complete. RC residues, collected during the drilling, have been removed for storage at Kyancutta, Eyre Peninsula. Remedial work at Stage III Boomer drill sites was inspected to ensure that the rehabilitation across the area met appropriate standards (Figure 14).

Figure 14

Stage III Boomer, rehabilitated drill site, August 2013.

A bulk sample of the PQ core was dispatched to Germany for metallurgical processing tests. In addition, a metallurgical Davis tube recovery test programme has commenced to further improve the certainty of recoveries expected from ore processing. This information is required for the design of the ore processing facility to confirm the crushing and grinding specification to maximise recovery of magnetite iron concentrate. Work on the ore processing plant will be completed following the Davis tube recovery test programme.

Gawler III - Table of Significant Intercepts				
Drillhole	**Depth from**	**Depth to**	**Average %Fe**	**Metre interval**
GWL083	6	12	17	6
GWL084	10	22	16	12
	136	266	27	130
GWL085	120	132	33	12
	150	182	23	32
	188	224	23	36
	256	262	19	6
GWL086	108	126	18	18
GWL087	26	38	17	12
	44	90	17	46
GWL088	74	108	29	34
GWL089	120	126	25	6
GWL091	32	38	22	6
GWL092	118	134	22	16
GWL095	152	186	28	34
	190	244	22	54
	250	331	25	81
GWL097	158	178	24	20
	188	212	37	24
GWL098	184	232	24	48
	266	276	20	10
	280	300	31	20
	304	320	24	16
GWL099	118	140	28	22
	148	180	22	32
	186	204	26	18
	208	234	38	26
GWL100	154	172	24	18
	176	216	28	40
	222	270	24	48
	280	292	25	12
GWL101	52	70	30	18
GWL102	8	60	23	52
	68	112	27	44
GWL103	26	52	22	26
	134	148	18	14
GWL104	24	79	31	55
	83	115	25	32

Table 1 Summary of Stage III significant iron intercepts at the Boomer prospect (all depths shown are downhole depths and thus all intervals are apparent width).

Budget proposals have been submitted for the following areas:

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) Contract mining.

Proposals are also being prepared for the air services requirements for the project, an assessment is being made on the viability of using the current air strip at Wynbring rail siding.

CORPORATE

Iron Road successfully concluded its fully underwritten non-renounceable entitlement offer of new Iron Road shares to raise approximately $50.7 million (after costs).

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

The infrastructure component of the CEIP was declared a major development by the South Australian Minister for Planning. This was an important development for Iron Road with the State Government recognising Iron Road's integrated iron ore export project's significance to South Australia.

The declaration ensures that project approvals will occur in a co-ordinated and timely fashion across all State Government departments. There is also a wider significance for the region and local resources industry through initial 10Mtpa of export capacity for potential third party bulk exports, as part of the initial 30Mtpa deep water port development at Cape Hardy. Iron Road will now prepare its Development Application for consideration.

- ENDS -

ADDITIONAL INFORMATION – *Glossary*

Aeromagnetic survey (Aeromag) – 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.

Bentonite – an absorbent type of clay which increases its volume several times when in contact with water. Fine bentonite is mixed with iron ore fines and water and rolled in balling drums to create spherical balls or pellets. Once the bentonite absorbs the water, the sticky bentonite particles bind the iron ore particles together. The iron pellets may be used directly in a blast furnace or direct reduction steel-making plant.

Cleaner Magnetic Separation (CMS) – a process whereby an already partially upgraded ore containing minerals which respond to a magnetic field is passed over a rolling drum with a magnetic field applied. The magnetic minerals attach to the roll and are scraped off into a high grade concentrate. The non-magnetic material passes straight over the roll and is rejected to tailings. It is generally performed wet on material which has been milled to a fine grind size.

Downhole intervals – depth interval along the drill hole. Not necessarily a true depth below surface.

Davis Tube Recovery (DTR) – a test 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).

Hematite – 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.

Loss on Ignition (LOI) – a test where a small weighed sample is heated at a controlled rate under controlled conditions to measure the volatile components of the sample (water from hydrates, carbon dioxide from carbonates, etc.). The loss is reported as a percentage of the original weight. For iron ore, hematite usually returns a positive result, magnetite returns a negative result. Hematite ores report positive LOI readings mostly due to the presence of goethite which contains water in the lattice. When magnetite is heated it gains weight as it starts to convert to hematite. The gain in mass is reported as a negative LOI. The value of the LOI may be important in sales contracts where this has a direct bearing on the performance of the ore in smelting.

Magnetite – 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.

Mineralisation – refers to the distribution and characteristics (including chemical formula, crystal structure, interaction with other minerals) of the various minerals contained with a mineral deposit.

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.

Spigotting – a spigot is a device that controls the flow of liquid from a device or pipe. For tailings deposition, a spigot is the outlet point on the tailings pipeline via which the tailings are deposited into the dam. Spigotting refers to the configuration of the spigots in a particular tailings storage facility design.

X-Ray Fluorescence spectroscopy (XRF) – 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 a few parts per million (ppm).

Attachment 1 – Mineral Resource Estimates

CEIP Global Mineral Resource							
Location	**Classification**	**Tonnes (Mt)**	**Fe (%)**	**SiO_2 (%)**	**Al_2O_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_2O_3)**	**Phosphorous (P)**	**LOI (%)**
67%	3.3%	1.9%	0.005%	-2.4

Murphy South - Rob Roy Mineral Resource Estimate							
Resource Classification	**Oxidation**	**Tonnes (Mt)**	**Fe (%)**	**SiO_2 (%)**	**Al_2O_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_2O_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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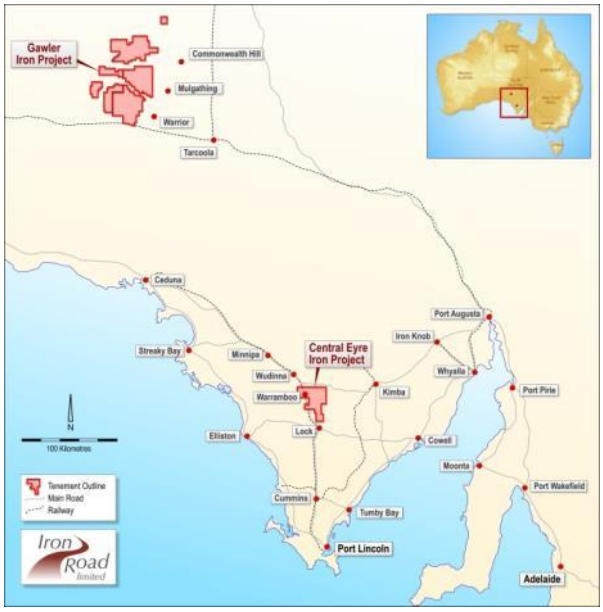
Iron Road's principal project is the Central Eyre Iron Project (CEIP) in South Australia. The wholly owned CEIP is a collection of three iron occurrences (Warramboo, Kopi & Hambidge) with an exploration potential of 8-17 billion tonnes of magnetite gneiss at a grade of 14-20% iron*.

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 -150 to -170µm 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 exploration potential at the Central Eyre Iron Project is based on and accurately reflects information compiled by Mr Milo Res, who is a full time employee of Iron Road Limited and a Member of the Australasian Institute of Mining and Metallurgy. Mr Res 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 Res 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.

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, 01/06/10.

Name of entity

IRON ROAD LIMITED

ABN	Quarter ended ("current quarter")
51 128 698 108	30 September 2013

Consolidated statement of cash flows

		Current quarter $A'000	Year to date $A'000 (3 months)
Cash flows related to operating activities			
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for (a) exploration & evaluation	(6,649)	(6,649)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(795)	(795)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	290	290
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other	-	-
	Research and development tax refund	1,172	1,172
	Net Operating Cash Flows	(5,982)	(5,982)
	Cash flows related to investing activities		
1.8	Payment for purchases of:		
	(a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	(71)	(71)
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	(71)	(71)
1.13	Total operating and investing cash flows (carried forward)	(6,053)	(6,053)

+ See chapter 19 for defined terms.

1.13	Total operating and investing cash flows (brought forward)	(6,053)	(6,053)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	52,374	52,374
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	(1,274)	(1,274)
	Net financing cash flows	51,100	51,100
	Net increase (decrease) in cash held	45,047	45,047
1.20	Cash at beginning of quarter/year to date	6,910	6,910
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	**Cash at end of quarter**	51,957	51,957

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	306
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	12,110
4.2	Development	-
4.3	Production	-
4.4	Administration	920
	Total	13,030

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	5,508	2,638
5.2	Deposits at call	46,449	4,272
5.3	Bank overdraft	-	-
5.4	Other (provide details)	-	-
	Total: cash at end of quarter (item 1.22)	51,957	6,910

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	EL77/1236 PL77/3508	Wholly owned Wholly owned	100% 100%	nil nil
6.2	Interests in mining tenements acquired or increased	Nil			

+ See chapter 19 for defined terms.

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** *(description)*				
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3	+**Ordinary securities**	581,936,904	581,936,904		Fully paid
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	290,968,452	290,968,452	18 cents	Fully paid
7.5	+**Convertible debt securities** (*description)*				
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	**Options** *(description and conversion factor)*	625,000 625,000 625,000 625,000 500,000 100,000 100,000 100,000		*Exercise price* $0.1926 $0.2426 $0.2926 $0.3426 $0.9926 $0.9926 $1.2426 $1.4926	*Expiry date* 15/12/14 15/12/14 15/12/14 15/12/14 25/07/16 24/08/16 24/08/16 24/08/16
7.8	Issued during quarter				
7.9	Exercised during quarter				
7.10	Expired during quarter	3,000,000		$0.3426	6/8/13
7.11	**Debentures** *(totals only)*				
7.12	**Unsecured notes** *(totals only)*				

+ 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: 30 October 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.