

ASX Release and Media Announcement

IRON ROAD EXPANDS PROSPECTIVE IRON ORE FOOTPRINT

Iron Road Limited (Iron Road, ASX:IRD) is pleased to announce that it has entered into an agreement to acquire the iron ore rights (100%) to 3380km² of Dominion Gold Operations Ptv Limited's (a wholly owned subsidiary of Dominion Mining Limited. "Dominion") West Gawler tenements in South Australia, located on the Trans Australian Railway and within 100 kilometres of the Adelaide-Darwin Railway in South Australia (Figure 2).

Iron Road Managing Director, Mr Andrew Stocks, said that the West Gawler project represents an excellent fit with Iron Road's wholly owned Warramboo project and the company's strategy of investigating advanced exploration projects in close proximity to existing infrastructure.

The Project area covers 3380km² and includes over ten areas of known iron occurrences, including the Mt Christie deposit which was the subject of beneficiation test work in the 1960's by the South Australian Department of Mines.

The West Gawler tenements include a large database of historic and modern exploration results and investigations. Iron Road has engaged a project geologist to undertake a comprehensive evaluation of all existing data and assist in developing a strategy for exploration activities and investigating the project. The following targets are of particular interest to Iron Road:

Mount Christie

Hematite and Banded Iron Formation (BIF) targets (Figure 1). Beneficiation test work conducted by the South Australian Mines Department produced concentrates of 56 - 65% iron (Fe) and recoveries of 70 - 90%.

Black Fellow Hill

Mineralisation consists of two, sub-cropping horizons of iron formation. Historic drilling returned grades of 46.8% Fe.



Figure 1 - Mount Christie BIF

George Hill & Claude Hill

Banded iron formations located in the keel of a syncline. Historic drilling intersected iron mineralisation at a down hole depth of 15 - 40 metres and returned an assay of 49.9% Fe.

"This major acquisition significantly increases the scope for Iron Road to become a substantial producer of high quality iron ore. We are now developing a work plan that will complement our existing activities at Warramboo," said Mr Stocks.



Key Terms of the Heads of Agreement

Consideration for the acquisition is an initial 1,000,000 Iron Road ordinary fully paid shares followed by a progressive farm-in agreement, detailed below.

- Iron Road will commit to a minimum of \$250,000 expenditure in the first year.
- Iron Road will earn 51% interest in the iron ore rights upon total expenditure of \$1,000,000 and issuing to Dominion \$500,000 of Iron Road fully paid ordinary shares or 1% of Iron Road's fully paid ordinary shares on issue, whichever is higher, at the end of year 2;
- Iron Road will earn a 90% interest in the iron ore rights upon total expenditure of \$3,000,000 and issuing to Dominion \$500,000 of Iron Road fully paid ordinary shares or 1% of Iron Road's fully paid ordinary shares on issue, whichever is higher, at the end of year 3;
- If Iron Road acquires a 90% interest in the iron ore rights, then Dominion shall retain a 10% interest in the iron ore rights and shall be free-carried to the completion of a definitive feasibility study.
- On completion of a definitive feasibility study, Iron Road has the right to buy Dominion's 10% interest in the iron ore rights for an amount equal to 15% of the inground value of Dominion's 10% holding in the mineable resource as defined in the feasibility study in cash or shares or a combination of both at Iron Road's election. If Iron Road does not exercise this right then Dominion must contribute its 10% interest.

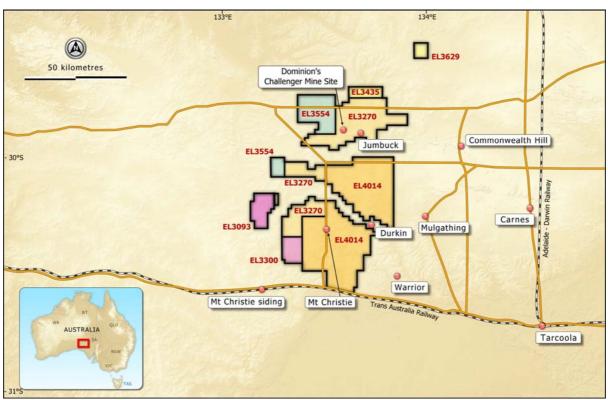


Figure 2 - West Gawler project area

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About Iron Road

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

Iron Road's principal project is the Warramboo Iron Project in South Australia (Figure 3) with identified iron ore mineralisation and has two exploration projects (Windarling and Murchison) prospective for iron ore mineralisation in Western Australia.

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

All shareholders registered on the share register after the completion of the Adelaide Resources In-specie distribution will be entitled to participate in a proposed nonrenounceable rights issue of options on the basis of one option for every two Iron Road shares held. The options are to be issued at one cent with an exercise price of 20 cents and an expiry date of two years following their issue.

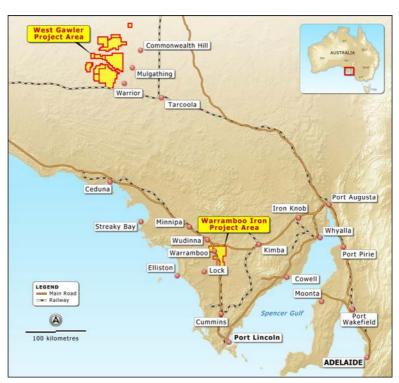


Figure 3 - South Australian project areas

The historical information contained in this report, including drill assays and beneficiation test work results, is sourced from Department of Primary Industries and Resources SA public records.