

Iron Road 2011 AGM – Chairman's Address

Welcome ladies and gentlemen to the Iron Road Limited Annual General Meeting for 2011. As I am instructed that there is a quorum present, I would now like to formally declare the meeting open.

I am your Chairman, Julian Gosse. With me here today from Iron Road are:

- Your Board members – Mr Jerry Ellis, Mr Ian Hume, Mr Matthew Keegan and your Managing Director Mr Andrew Stocks.
- Also present are your General Manager Mr Larry Ingle and Company Secretary Mr Graham Anderson.

A representative of our auditor BDO, Louise Worsley will be available to discuss any questions from shareholders about the accounts.

Hopefully most of the Board here today will be familiar to you, although we did welcome Jerry as a new Board member this year. Jerry has had an outstanding career, most notably with BHP and with a succession of very senior board positions and I am very pleased to welcome him to his first AGM for Iron Road.

Before we move to the formal business of the meeting and Andrew Stocks' presentation, I would like to say a few words.

This year our company has achieved a tremendous milestone with the delivery of the Prefeasibility Study for the Central Eyre Iron Project. The study established that a very large scale operation is viable, with complete operating and capital costs. I will leave it to Andrew to lay out the specific details in his presentation, but shareholders should be pleased that we hold a project with an indicated net present value of just over one billion dollars with reasonable scope to grow too much more, potentially in excess of two or three billion dollars.

We believe that the Central Eyre Iron Project has now emerged as one of Australia's leading magnetite developments.

The company will not rest on its laurels – the PFS established a number of areas of potential improvement which we are now pursuing. Again, I will leave it to Andrew to lay out the specifics but we are working across further potential resource upgrades, process improvements and potentially superior transport arrangements.

As a result of the PFS outcomes, the Board has authorised the company to begin the formal search for a development partner to bring aboard the large corporate partner we need to progress the CEIP towards construction and ultimately production. The search to date proceeds well, with a number of potential partners engaged in the process. This is something we all look forward to providing further updates on as the process progresses. Potentially, bringing on board a development partner will be one of the most significant events in the life of the company to date.

Continuing to look ahead to the next year, the company is in the early stages of our Definitive Feasibility Study. Drilling of course remains an ongoing proposition for Iron Road, as we increase the resource base at CEIP. During the year we reached just over 1 billion tonnes of resources at Murphy South, drilling of the western limb is complete and resource modelling is about to commence. I am very much looking forward to more resource being added in the year ahead.

Of course, shareholders can hardly have failed to have noticed our share price performance in recent months. Certainly the Board feels that the company has a higher intrinsic value than current market prices would suggest, particularly given the strategic nature of our assets. We continue to engage with market participants with a view to ultimately increasing buying interest in our company. We have a number of milestones ahead for the year which will provide scope for a potential re-rating of Iron Road by the market.

With that, I would like to again thank our shareholders, partners and staff for achieving the significant results we have this year and their ongoing support.

I'd now like to move to the formal business of the meeting.