

# Central Eyre Iron Project

## Project Overview Information Sheet



Iron Road Limited has proposed the development of an open cut iron ore mine near Wudinna on Eyre Peninsula in South Australia. The Central Eyre Iron Project has potential to be a major producer of iron concentrates in Australia.

High quality iron ore is in high demand across the world. It is used in traditional blast furnaces and as 'direct reduced iron' for electric arc furnaces. This mine project shows potential for both uses. Markets are likely to include Australia, Asia, Europe and the Middle East.

Please note that quantities mentioned in this overview are for discussion purposes and analysis and are only targets. They should not be considered estimates.

### Background

Exploration for iron ore began in the general area in the early 1960's under the South Australian Government. In 2000, drilling and elementary test results indicated that the iron might be technically processed. At that time, a total of six holes had been drilled across the tenement and assayed for iron.



### Location

The Central Eyre Iron Project is located within the Warramboo exploration area in a grain growing area on Eyre Peninsula in South Australia, approximately 26 kilometres south of Wudinna and approximately 244 kilometres by road, west of the existing iron ore and steel making operations at Whyalla. The site already has some base infrastructure in place due to this location. It is on the route of the narrow gauge rail line that transports grain to Port Lincoln. A power transmission line and a water pipeline cross the project area. The townships of Warramboo, Wudinna, Kyancutta and Lock are nearby.



### Iron Road's work to date

Iron Road has held Exploration Licence 3699 (EL 3699) over an area of 663km<sup>2</sup> since June 2008 and the Central Eyre Iron Project is located within that EL. Iron Road's goal is to identify resources that merit stand-alone mining operations.

#### Stage 1

Stage 1 included a broad spaced drilling campaign of 32 drill holes. This achieved good results, including an indicative concentrate grade of 70.3% Fe with low impurities (Fe is the chemical symbol for iron).

#### Stage 2

Stage 2 included a close spaced drilling programme of 35 drill holes around the Boo-Loo area. This resulted in the Company's maiden Mineral Resource of 110Mt @ 19.4% Fe and an indicative average concentrate grade of 69.9% Fe.

#### Stage 3

Stage 3 commissioned Coffey Mining to determine if the project had sufficient potential to justify further work. All previous work was reviewed. Coffey Mining reported potential of 2.8 - 5.7 billion tonnes of magnetite gneiss. Because the magnetite is coarse grained and the boundaries between minerals are sharp and clean, working the ore is expected to be easier and cheaper than at many deposits in Australia. The mineral resource was also expanded to 328Mt @ 17.3% Fe and an indicative concentrate grade of 70.0% Fe with low impurities.

#### Stage 4

Stage 4 included more drilling across the tenement, metallurgical test work and commencement of a prefeasibility Study. Magnetite gneiss was found at all targets (Bens Hill, Murphy South, Joshua, Fairview East and Hambidge North).

#### Stage 5 & 6

Stage 5 extended the drilling programme confirming ore at Murphy South and Stage 6 is currently investigating the extension of the Murphy South ore body to the west. The current global mineral resource estimate for the Central Eyre Iron Project is 1.3 billion tonne @ 16.8% Fe.

## Findings

The area covers extensive Archaean iron formations that occur as coarse-grained magnetite-bearing gneiss (metamorphic rock). Magnetite is a common black iron oxide. Aerial surveys, collecting magnetic data over the area, indicate that substantial iron mineralisation sections extend at least 95 kilometres. The mine is considered likely initially to produce about 12.4 million tonnes of magnetite concentrate per annum. Test work shows that high grade iron concentrate may be produced with low impurities.

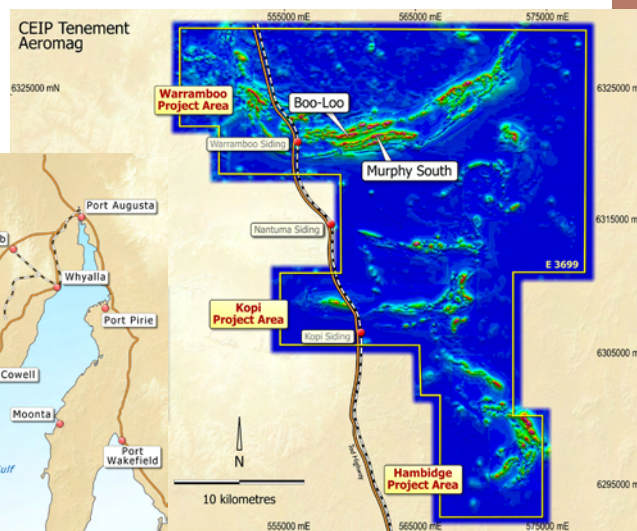


## Next Steps

The company is focusing its resources on the Central Eyre Iron Project. It is time for us to strengthen our relationships with the people in the area, to ensure that the community of Central Eyre understands the project and the planning and approval processes to come. We want to learn about and discuss the community's hopes and plans and expectations about the future of the mine within the community.

Our next steps will be:

- meeting more community members, holding community information sessions, listening to the community and stakeholders and identifying further discussions
- continuing ore body investigations and drilling
- investigating options to increase project value (eg transport, processes, infrastructure, etc)
- examining financing and partnering options
- preparing environmental and social baseline studies
- initiating a Definitive Feasibility Study
- continuing discussions with the Eyre Peninsula Mining Alliance and all levels of government.



## A closer look?

Your views and your participation in the planning process are very important to the Iron Road Management Team. Iron Road encourages communities, individuals and special interest groups to ask questions, provide comments and make suggestions.

You are invited to:



visit the Iron Road website at [www.ironroadlimited.com.au](http://www.ironroadlimited.com.au)



email on [admin@ironroadlimited.com.au](mailto:admin@ironroadlimited.com.au)



call our toll free Community Information Line on 1800 176 008



post written comments to:  
Iron Road Limited  
GPO Box 1164  
Adelaide SA 5001

**Register as a Stakeholder by web, e-mail or phone to be invited to consultation events and kept up-to-date on project communications, the progress of the government's approvals processes and project options as they arise and participate in on-going consultation events.**