

Dear Reader

It is my pleasure to introduce to you a new and exciting iron focused company, **Iron Road Limited**. We are working towards listing on the ASX early March 2008 and our current schedule has our Prospectus being lodged with ASIC in January 2008.

Iron Road is in the process of establishing a portfolio of projects and last week executed a Memorandum of Understanding with Adelaide Resources Limited to acquire the Warramboe Iron Project (Warramboe) located on the Eyre Peninsula of South Australia. The Company believes in the fundamentals of the metals markets and in particular iron ore – Iron Road therefore intends to be a dedicated iron ore explorer and developer of iron ore projects.

Iron Road intends to raise \$5 million through an IPO, issuing 25 million 20 cent shares, with an entitlement issue of options to its shareholders, on the basis of one option for every two Iron Road shares held. Options are likely to be issued at 1.0 cents each with an exercise price of 20 cents and an expiry date approximately 2 years following the issue of the options.

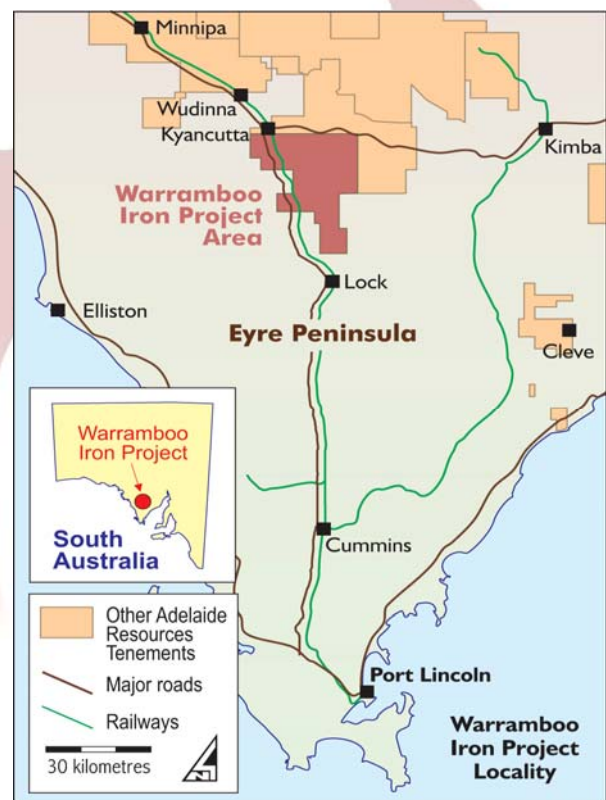
The Company has also has attracted a keystone investor, The Sentient Group, which intends holding 19.9% of the issued stock upon listing. Sentient manages over US\$500 million of assets and invests in quality metal, mineral and energy assets across the globe.

Warramboe will be Iron Road's immediate focus. Following the IPO, the Company intends to aggressively drill the project and commence a scoping study for potential development.

Warramboe is located in a farming area with good infrastructure, including a narrow gauge railway that connects the project to the deep-water harbour at Port Lincoln 175 km to the south. The tenement area (663 square kilometres) contains extensive magnetite-

bearing gneiss units mapable as prominent linear magnetic anomalies with a cumulative strike length in excess of 50 kilometres. Limited exploration drilling to date has returned wide intervals of magnetite mineralisation below shallow sand and weathered bedrock cover.

Metallurgical test-work by Adelaide Resources Limited produced encouraging results. Chemical analyses of magnetite concentrates from 18 Davis Tube tests returned an average iron grade of 70.4%, an exceptionally high value. This would enable Warramboe magnetite concentrate to be used in the production of feedstock for Direct Reduced Iron (DRI) plants as well as blast furnace feed.



Warramboe Locality Map, South Australia

Moreover, elements potentially deleterious in the iron and steelmaking process are at low levels. For example, the magnetite concentrates average only 0.007% Phosphorous, an exceptionally low value. Results achieved to date show that Warramboe is a high quality iron ore exploration project where more

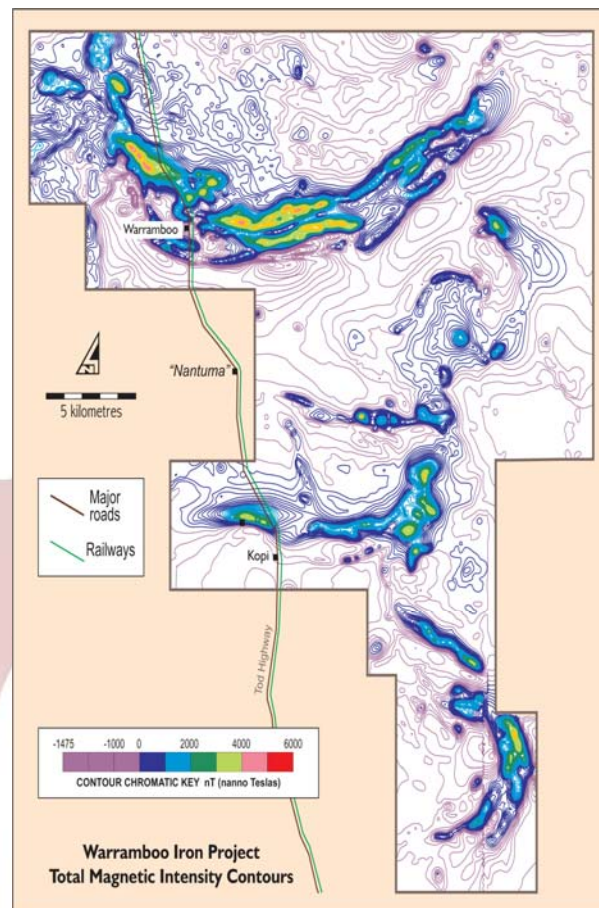
detailed exploratory work is warranted as the basis for advancing the project to potential development status. The purchase of the project by a focused company such as Iron Road presents an outstanding opportunity to achieve this aim.

The Iron Road team brings together technical and corporate experience in the fields of exploration, project development, mining and finance. Mr Andrew Stocks (BE, Grad Dip Bus, FAusIMM, JP), the Managing Director has twenty years experience in mining operations, including project evaluation and development of mining projects in Australia and overseas. Andrew was previously Managing Director and Chief Executive Officer of Siberia Mining Corporation, prior to which he was Vice President, Operations of Crew Gold Corporation, a London based mining and exploration company.

Mr Matthew Keegan (B.App.Sci. - Geology), Non-executive Director gained extensive experience as a mine geologist working for companies such as Rio Tinto and Barrick across a range of commodities including iron ore, nickel, and gold. Matthew is currently an Investment Advisor at the Sentient Group. Prior to joining Sentient, he worked as a mining analyst with a major research house, culminating in the publication of several mining industry cost studies.

Mr Graham Anderson (BBus, DipFP, CA) is Iron Road's Company Secretary and brings over 20 years commercial experience as a Chartered Accountant. He operates his own specialist accounting and management consultancy practise, providing a range of corporate advisory services to both public and private companies. He is currently Director and Company Secretary of APA Financial Services Limited, Echo Resources Limited, Pegasus Metals Limited and Dynasty Metals Australia Limited and Company Secretary of Apex Minerals NL.

Mr Chris Drown, Managing Director of Adelaide Resources commented recently on the sale of Warrambo, *"We believe that with its exceptional Board, its tight capital structure, and its cornerstone investor, Iron Road, will enjoy a successful listing and the opportunity to progress the Warrambo Iron Ore Project towards a production decision"*.



Warrambo Magnetic Intensity Contours

I shall keep you informed of progress.

Iron Road Limited

Andrew Stocks
Managing Director

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