

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003.

Name of entity

IRON ROAD LIMITED (IRON ROAD)

ABN

51 128 698 108

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|--|--|
| 1 | +Class of +securities issued or to be issued | Fully paid ordinary Shares |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | <p>Iron Road will issue approximately 124.9 million fully paid ordinary shares pursuant to the fully underwritten pro-rata 31 for 40 non-renounceable entitlement offer announced by Iron Road on 2 August 2012 (Entitlement Offer) which comprises an offer to certain eligible institutional shareholders of Iron Road (Institutional Component) and an offer to eligible retail shareholders of Iron Road (Retail Entitlement Offer).</p> <p>This number is subject to reconciliation of entitlements as at the record date for the entitlement offer and rounding of fractional entitlements.</p> |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | As per existing fully paid ordinary shares |

4	Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities? If the additional securities do not rank equally, please state: - the date from which they do - the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment - the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	Yes
5	Issue price or consideration	\$0.32 per share
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	The net proceeds of the Entitlement Offer will fund Iron Road's ongoing work program for the definitive feasibility study on the Central Eyre Iron Project (the CEIP), land acquisitions associated with the CEIP and completion of a scoping study on the Gawler Iron Project.
7	Dates of entering +securities into uncertificated holdings or despatch of certificates	Holding statements for shares issued under the Institutional Component will be despatched 16 August 2012. Holding statements for shares issued under the Retail Entitlement Offer will be despatched on 11 September 2012.

	Number	+Class
8	Number and +class of all +securities quoted on ASX (including the securities in clause 2 if applicable)	Up to approximately 124.9 million Fully paid ordinary shares

	Number	*Class
9	Number and *class of all *securities not quoted on ASX (including the securities in clause 2 if applicable)	
	7,125,000	Options exercisable at \$0.20 expiring 22 January 2013
	7,500,000	Options exercisable at \$0.35 expiring 22 January 2013
	2,000,000	Options exercisable at \$0.20 expiring 10 March 2013
	3,000,000	Options exercisable at \$0.35 expiring 6 August 2013
	625,000	Options exercisable at \$0.20 expiring 15 December 2014
	625,000	Options exercisable at \$0.25 expiring 15 December 2014
	625,000	Options exercisable at \$0.30 expiring 15 December 2014
	625,000	Options exercisable at \$0.35 expiring 15 December 2014
	500,000	Options exercisable at \$1.00 expiring 25 July 2016
	100,000	Options exercisable at \$1.00 expiring 24 August 2016
	100,000	Options exercisable at \$1.25 expiring 24 August 2016
	100,000	Options exercisable at \$1.50 expiring 24 August 2016
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Dividends are paid as authorised by Directors

Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	No
12	Is the issue renounceable or non-renounceable?	Non-renounceable and entitlements will not be tradeable on ASX or otherwise transferable
13	Ratio in which the *securities will be offered	31 shares offered for every 40 shares held at the record date
14	*Class of *securities to which the offer relates	Fully paid ordinary shares
15	*Record date to determine entitlements	7:00pm (AEST) 13 August 2012
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	N/A
17	Policy for deciding entitlements in relation to fractions	Where fractions arise in the calculation of entitlements, they will be rounded up to the nearest whole number.
18	Names of countries in which the entity has *security holders who will not be sent new issue documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	Shareholders whose registered address is not in Australia, New Zealand or such other jurisdictions to which Iron Road has decided to make offers.
19	Closing date for receipt of acceptances or renunciations	Institutional Component: 1 August 2012 Retail Entitlement Offer: 4 September 2012
20	Names of any underwriters	CIBC Australia Ltd

21	Amount of any underwriting fee or commission	In relation to the Institutional Component, a management fee of 0.75% and an underwriting fee of 1.00% of the total proceeds of the Institutional Component. In relation to the Retail Entitlement Offer, a management fee of 0.75% of the total proceeds of the Retail Entitlement Offer, an underwriting fee of 1.00% of the first \$9,595,021.44 of the proceeds of the Retail Entitlement Offer and an underwriting fee of 3.50% of the remainder of the proceeds of the Retail Entitlement Offer.
22	Names of any brokers to the issue	N/A
23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders	A handling fee of 1% (plus GST) up to a maximum of \$250 per application will be payable by Iron Road.
25	If the issue is contingent on +security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	The Entitlement Offer will be made without disclosure to investors and under a cleansing notice in accordance with section 708AA of the Corporations Act. No prospectus or product disclosure statement is being issued. An offer document and rights issue application form will be sent to Eligible Shareholders on or about 14 August 2012
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	N/A
28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A
30	How do +security holders sell their entitlements <i>in full</i> through a	N/A

broker?	
31 How do +security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	N/A
32 How do +security holders dispose of their entitlements (except by sale through a broker)?	N/A
33 +Despatch date	Institutional Component: 16 August 2012 Retail Entitlement Offer: 11 September 2012

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities
(tick one)

(a) ☒ Securities described in Part 1

(b) ☐ All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35 ☐ If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders
- 36 ☐ If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
 1 - 1,000
 1,001 - 5,000
 5,001 - 10,000
 10,001 - 100,000
 100,001 and over
- 37 ☐ A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

38	Number of securities for which +quotation is sought	N/A	
39	Class of +securities for which quotation is sought	N/A	
40	Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities? If the additional securities do not rank equally, please state: - the date from which they do - the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment - the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	N/A	
41	Reason for request for quotation now Example: In the case of restricted securities, end of restriction period (if issued upon conversion of another security, clearly identify that other security)	N/A	
42	Number and +class of all +securities quoted on ASX (<i>including</i> the securities in clause 38)	Number	+Class
		N/A	

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- We warrant that if confirmation is required under section 1017F of the Corporations Act in relation to the +securities to be quoted, it has been provided at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here:
(~~Director~~/Company secretary)

Date: 2 August 2012

Print name: GRAHAM ANDERSON

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+ See chapter 19 for defined terms.