Clarifying Statement regarding Die Hardy Scoping Study

On 29 August 2011 Radar Iron Ltd (ASX: RAD) announced the results of a Scoping Study supporting the business case for its Die Hardy Range magnetite project in Western Australia's Yilgarn iron ore province. The results were subsequently included in a presentation announced to ASX on 31 August 2011.

The purpose of the Scoping Study was to assess the viability of the Die Hardy Project, specifically providing justification for ongoing studies, identifying key aspects of the forward work programme such as production strategy and, infrastructure and transport solutions based upon the Company's previously announced exploration target of 700-1,200 million tonnes of magnetite at 29-33% Fe[1], and de-risking the Company's options.

The Scoping Study indicated a mine life of at least 20 years based upon either a 2 million tonne per annum or a 10 million tonne per annum production rate option (Production Target). The Production Target assumed an inventory of at least 100 million and 500 million tonnes respectively; assumptions that the Company considers conservative having regard to the previously announced exploration target of the Die Hardy project[1]. The Scoping Study also made findings on net present value and internal rate of return.

The Company clarifies that the Production Target used in the Scoping Study, and announced to ASX, is not a production forecast by the Company but an assumption used in the Scoping Study.

The Production Target, net present value and internal rate of return statements (Scoping Study Statements) were made in circumstances where the Company has not yet identified Mineral Resources or Ore Reserves with respect to the Die Hardy Project in accordance with the JORC Code. It is uncertain if further exploration will result in sufficient resources being identified within the Project to meet the assumptions used in the Scoping Study.

In the absence of a JORC Code compliant Mineral Resource or Ore Reserve for the Die Hardy Project, the Scoping Study Statements for Die Hardy may not have sufficient certainty of being achieved for such statements to be reliable.

Accordingly, the Company cautions investors that until such time as the Company has established a JORC Code compliant Mineral Resource or Ore Reserve for Die Hardy, reliance should not be placed on the accuracy or otherwise of the Scoping Study Statements made by the Company to date based on the Scoping Study for the Die Hardy Project.

1 The potential quantity and grade of iron deposits reported as exploration target is conceptual in nature and there has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource.

RADAR IRON LTD

ACN 146 455 576

ASX Release

7 September 2011

Suite 2, 12 Parliament Place
West Perth WA 6005
PO BOX 902
West Perth WA 6872

P + 61 8 9482 0580
F + 61 8 9482 0505
E info@radariron.com.au
W www.radariron.com.au

Contact:

Jonathan Lea
Managing Director
E jlea@radariron.com.au

Phillip Wingate
Company Secretary
E pwingate@radariron.com.au

Directors:

Alan Tough - Chairman
Jonathan Lea - Managing Director
Ananda Kathiravelu - Non-Executive

Issued Capital:

62,880,112 Ordinary Shares
20,626,704 Listed Options
22,750,000 Unlisted Options

ASX Code:

RAD (Fully Paid Ordinary Shares)
RADO (Listed Options)

Media Enquiries:

Fortbridge +612 9331 0655
Luke Dean 0414 535 433

The Scoping Study Statements made by the Company with respect to the Die Hardy Project were contained in the following announcements and documents previously released to ASX and are accordingly withdrawn by the Company:

Date	Description of ASX Announcement Title
31/08/2011	Investor Presentation
29/08/2011	Die Hardy Range Scoping Study

The maiden resource estimate for the Die Hardy Project is planned for completion in November this year. Following the resource statement, further drilling and project development studies will be planned.

Yours faithfully,

For or on behalf of Radar Iron Ltd

Jonathan Lea
Managing Director

About the Die Hardy Project

The Die Hardy project is located within the Marda-Diemals greenstone belt, approximately 120km north of Southern Cross. Granted tenements at the project cover an area of about 18km^2, whilst the applications cover a further 533ha. Work to date by Radar includes approximately 6,000m of RC drilling and 166 Davis tube tests to provide an indication of metallurgical performance. Resource drilling is currently in progress at the project (see Radar Iron's press release dated August 24th, 2011 for a recent update).

Assay results from three drill sections indicate that this high grade magnetite mineralisation varies in width from 100m to 300m and averages 29-33% Fe. Radar has defined an exploration target for the Die Hardy mineralisation as 700-1,200Mt at 29-33% Fe*.

* *The potential quantity and grade of iron deposits reported as exploration target is conceptual in nature and there has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource.*

Metallurgical test work (Davis tube tests) indicates a potential concentrate grade of 69.4% Fe, silica at 4.1% and a mass recovery of 40.3% at a relatively coarse grind size of 50 micron.

The information in this announcement accurately reflects information prepared by competent persons (as defined by the Australasian Code for Reporting of Mineral Resources and Ore Reserves). It is compiled by Mr Jonathan Lea, an employee of the Company who is a Member of The Australasian Institute of Mining and Metallurgy with the requisite experience in the field of activity in which he is reporting. Mr Lea has sufficient experience which is relevant to the style of mineralisation and the type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Lea consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The potential quantity and grade of iron deposits reported as exploration target is conceptual in nature and there has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource.