

For personal use only



**NOTICE OF GENERAL MEETING
EXPLANATORY STATEMENT
AND PROXY FORM**

**General Meeting of
IronClad Mining Limited
ABN 79 124 990 405**

NOTICE OF GENERAL MEETING

Notice is given that the General Meeting of IronClad Mining Limited will be held at The Celtic Club, 48 Ord Street, West Perth on Wednesday 2 June 2010 at 11.00 am.

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting. Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on (08) 9485 1040.

VOTING IN PERSON

To vote in person, attend the General Meeting on the date and at the place set out in this Notice of Meeting.

PROXIES

1. A member entitled to attend and vote at a meeting of the Company is entitled to appoint not more than two proxies to attend and vote instead of the member. If two proxies are appointed, and a member does not specify the proportion or number of the member's votes each proxy may exercise, each proxy may exercise half the votes.
2. Where more than one proxy is to be appointed or voting intentions cannot be adequately expressed using this form an additional form of proxy is available from the Company or you may copy this form.
3. A duly appointed proxy need not be a Shareholder of the Company. In the case of joint holders, all must sign.
4. Corporate Shareholders should comply with the execution requirements set out on the proxy form or otherwise with the provisions of Section 127 of the Corporations Act. Section 127 of the Corporations Act provides that a company may execute a document without using its common seal if the document is signed by:
 - directors of the company;
 - a director and a company secretary of the company; or
 - for a proprietary company that has a sole director who is also the sole company secretary – that director.For a company to rely on the assumptions set out in Section 129(5) and (6) of the Corporations Act, a document must appear to have been executed in accordance with Section 127(1) or (2) as applicable. In particular, a person who witnesses the affixing of a common seal and who is the sole director and sole company secretary of the company must state that next to his or her signature.
5. In order to vote on behalf of a company that is a shareholder of IronClad Mining, a valid Power of Attorney in the name of the attendee, must be lodged with the Company prior to the Meeting in a like manner as this proxy.
6. Forms to appoint proxies, and the Power of Attorney (if any) under which they are signed, must be lodged at the registered office of the Company, at Level 2, 679 Murray Street, WEST PERTH WA 6005, or by facsimile (61 8) 9485 1050 not less than 48 hours before the time of the Meeting or resumption of an adjourned meeting at which the person named in the instrument proposes to vote.
7. An instrument appointing a proxy:
 - a) Shall be in writing under the hand of the appointer or of his attorney, or if the appointer is a corporation, either under seal or under the hand of a duly authorised officer or attorney;
 - b) May specify the manner in which the proxy is to vote in respect of a particular resolution and, where an instrument of proxy so provides, the proxy is not entitled to vote on the resolution except as specified in the instrument;
 - c) Shall be deemed to confer authority to demand or join in demanding a poll; and
 - d) Shall be in such form as the Directors determine and which complies with Section 250A of the Corporations Act 2001 and the Listing Rules;
 - e) Must be lodged with the Company prior to the Meeting in a like manner as this proxy.
8. Completion of a proxy form will not prevent individual Shareholders from attending the meeting in person if they wish. Where a Shareholder completes and lodges a valid proxy form and attends the meeting in person, then the proxy's authority to speak and vote for that shareholder is suspended while the shareholder is present at the meeting.

NOTICE OF GENERAL MEETING

Notice is given that a General Meeting of Shareholders of the Company will be held at 11.00am (WST) at The Celtic Club, 48 Ord Street, West Perth on Wednesday 2nd June 2010.

The Explanatory Statement that accompanies and forms part of this Notice of Meeting describes in more detail the matters to be considered. The Explanatory Statement and the proxy form are part of this Notice of Meeting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the General Meeting are those who are registered Shareholders at the close of business on Friday 28th May 2010.

AGENDA

SPECIAL BUSINESS

1. Earn-in of MCCM Capital Management Co. Ltd. ("MCMC")

To receive, consider and adopt, with or without amendment

"that for the purposes of Listing Rule 11.1.2 and for all other purposes, the Company be authorised to enter into an Agreement whereby "MCMC earn-in up to 62.5% of the Company's 80% Joint Venture Interest in Stage 1(a) of the Wilcherry Hill Iron Ore Project by the expenditure of \$35 million".

Short explanation: The Wilcherry Hill Iron Project consists of defined production stages. Stage 1(a) relates to Direct Shipping Ore that may be shipped by dry magnetic separation. It specifically excludes Stages 1(b), Stage 2 and the final Stage 3.

The Company will disregard any votes cast on this resolution by any person who may have an interest in this matter and a person who might receive a benefit except a benefit solely in the capacity of a security holder (if the resolution is passed) and any associate of them. However, the Company need not disregard a vote if it is cast by such a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or if it is cast by the person chairing the meeting as a proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

2. Authority to Issue Further Shares

To consider and, if thought fit, pass the following resolution as an ordinary resolution of shareholders of the Company:

"That for the purposes of ASX Listing Rules 7.1 and for all other purposes, approval is hereby given and the Directors be authorized to make placements of up to 7,200,000 fully paid ordinary shares at a price(s) to be determined by the Board of the Company, but not at less than 80% of the average ASX market price over the five days on which sales in the securities were recorded proceeding the date of such placement(s), within 3 months from the date of this meeting to such professional and sophisticated investors as the Directors may determine, as defined in the Corporations Act, other than related parties".

For the purposes of ASX Listing Rule 7.3.8, the Company will disregard any votes cast on Resolution 2 by any person who may participate in the proposed issue or who may obtain a benefit except a benefit solely in the capacity of a Shareholder and any of their associates. However the Company need not disregard a vote if it is cast by such a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or if it is cast by the person chairing the meeting as a proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

By Order of the Board

Neil. W McKay Secretary 3rd May 2010

For personal use only

CHAIRMAN's LETTER

Dear Members,

As production start up draws closer, there is an increasing need for capital in order to achieve our goals – not only in the short term, but in the medium and long terms as well.

The value of commencing production at the earliest possible time cannot be underestimated. A window of opportunity exists for your Company to firmly establish itself among an elite group of Australian iron ore producers

Similarly the value of the overall project should not be underestimated and longer term, capital will be required over time to fully transform the Company into a major producer.

It is with all of the above in mind that the Board entered into the Memorandum of Understanding (MoU) with MCCM Capital Management Co. Ltd. which is put before you for approval.

I believe that the relationships that will be developed and the benefits that will be gained as a result of this MoU will have far reaching positive effects way into the future. I commend it to you.



Ian D Finch
Chairman

EXPLANATORY STATEMENT

INTRODUCTION

This Explanatory Statement has been prepared for the information of members of IronClad Mining Limited ("IronClad") in connection with the business to be conducted at the General Meeting of Members to be held on Wednesday 2nd June 2010 commencing at 11.00 am at The Celtic Club, 48 Ord Street, West Perth

This Explanatory Statement forms part of and should be read in conjunction with the accompanying Notice of General Meeting.

Shareholders should note that all directors approved the proposal to put the resolution to shareholders as outlined in the Notice of General Meeting and to prepare the Explanatory Statement.

Resolution 1 – Earn-in of MCCM Capital Management Co. Ltd. ("MCMC")

ASX Listing Rule 11.1.2

ASX Listing Rule 11.1 relevantly states that where an entity proposes to make a significant change in its activities, whether directly or indirectly, to the nature of its activities it must provide full details to ASX as soon as practicable.

The Company has consulted with ASX as required by Listing Rule 11.1 and the ASX has advised that Listing Rule 11.1.2 will apply to the proposed joint venture with MCMC. Listing Rule 11.1.2 states that if ASX requires, the entity must get the approval of holders of ordinary securities and must comply with any requirements of the ASX in relation to the notice of meeting.

ASX has indicated to the Company that given the nature of the proposed transaction with MCMC shareholder approval must be obtained. Resolution 1 seeks shareholder approval so that the Company be authorised to enter into the transaction with MCMC and fund the development of the Wilcherry Iron Project.

Background

On 21st April 2010 the Company announced that it had entered into a conditional Memorandum of Understanding ("**MoU**") with MCCM Capital Management Co. Ltd. ("**MCMC**") whereby MCMC has the right to earn 62.5% of the 80% interest held by the Company in Stage One of the Direct Shipping Ore which is defined as "DSO fines and lump via normal crushing and screening process and near DSO by dry process" i.e. Stage 1(a).

The MoU further defines Stage Two as being "all other iron concentrated through wet process, exclusive of any DSO produced at Stage One" i.e. Stages 1(b) and Stage 2.

The MoU defines Stage Three as referring to the Hercules Project.

For clarity the MoU tabularises the Joint Venture parties' interests in the Wilcherry Hill Iron Project as follows:

| | Stage One(a) | Stage One(b) | Stage Two | Stage Three |
|--------------|---------------------|---------------------|-------------------|--------------------|
| | % interest | % interest | % interest | % interest |
| MCMC | 50 | 0 | 0 | 0 |
| IFE | 30 | 80 | 80 | 80 |
| TRF | 20 | 20 | 20 | 20 |
| TOTAL | 100 | 100 | 100 | 100 |

The MoU provides MCMC with a 120 day period commencing from 19th April 2010 in which to complete a satisfactory due diligence and enter into a formal Joint Venture Agreement pursuant to which they will earn their 50% interest in Stage One (dry magnetic separation) by spending \$35 million. The formal Joint Venture Agreement will contain industry standard terms and conditions and detail the interests of the parties and each parties right to receive product and revenues from the Wilcherry Hill Project.

Summary

Simply put, upon MCMC spending \$35 million on the Wilcherry Hill Iron Project MCMC will earn the right to 50% of Stage 1(a) Direct Shipping Ore(DSO) that can be produced to meet specification either by crushing and screening, or by simple dry magnetic separation.

Background on MCMC

MCMC's funding will be drawn from the capital of a mining fund sourced from Asia-Pacific institutional investors and Chinese private steel enterprises. Its investment strategy is to support Australian mining companies through capital, technology and marketing, and to build a bridge between Australian mining and trading companies and Chinese end-users.

Advantages of the Transaction

The Directors are of the view the following non-exhaustive list of advantages may be relevant to a Shareholders decision on how to vote on the proposed Resolution:

1. A net cash inflow of \$35,000,000 is likely to ensure the progress of the Wilcherry Hill Iron Project.
2. The Company retains its 80% Joint Venture interest in all other stages of proposed iron ore production.
3. Current shareholders are not diluted in the future potential of the Company
4. Access to major Chinese engineering, procurement for Stages 1(b), 2 and 3 infrastructure.

Disadvantages of the Transaction

The Directors are of the view the following non-exhaustive list of disadvantages may be relevant to a Shareholders decision on how to vote on the proposed Resolution:

1. The Company cannot be certain that it has accurately valued the 80% of Stage 1(a) of its joint venture interest
2. Future revenue to the Company from Stage 1(a) is reduced.

Effect on the Company

As previously announced the Company has offered MCMC a placement of 4.4 million shares in two tranches. The first tranche of 2.2 million is to be issued at \$1.50 cents. The placement is not contingent upon MCMC earning a 50% interest in Stage 1(a) of the Wilcherry Hill Iron Project.

Directors Recommendation

Mr. Ian Finch and Mr. Neil McKay will not vote on the Resolution and make no recommendation on the Resolution as they may have a material personal interest in the outcome.

Mr. Peter Rowe who holds no shares in the Company considers that the Resolution is in the best interests of the Company and recommends that Shareholders vote in favour of the Resolution.

Resolution 2 - Authority to Issue Further Shares

Background to Resolution 2

It is anticipated that increased development activities may require additional expenditure to fully complete the capital works programme and working capital when in production.

ASX Listing Rule Requirements

Listing Rule 7.3

In accordance with ASX Listing Rule 7.3 the Company discloses:

- a. The maximum number of securities to be issued and allotted pursuant to this resolution is 7,200,000 shares
- b. The date by which the securities will be issued is as soon as practicable but not later than three months from the date of this meeting.
- c. The issue price of the securities will be a price not less than 80% of the average ASX market price of ordinary shares of the Company over the five days on which sales in the securities were recorded proceeding the date of the issue thereof.
- d. The allottees of the securities are not known at this time but will be such persons or entities who are professional and sophisticated investors as the Directors may determine, other than related parties.
- e. Allotment will occur progressively.
- f. The funds to be raised from the issue and allotment of shares will be applied towards the Company's development at Wilcherry Hill, South Australia and for related purposes.
- g. The fully paid ordinary shares will rank pari passu with all other ordinary shares issued by the Company.

ADDITIONAL INFORMATION FOR RESOLUTION 2

The Shares issue will expand issued share capital of the Company by more than 15% in one year

Under ASX Listing Rule 7.1 a Company must obtain shareholder approval to issue more than 15% of its total issued equity securities in any twelve month period. The following shares have been issued within the past twelve months.

| Date | Quantity | % of Issued Capital |
|-------------------------------|-----------|---------------------|
| 21 st January 2010 | 3,534,892 | 8.8% |
| 13 th April 2010 | 329,139 | 0.7% |
| May 2010 (<i>Note 1</i>) | 2,200,000 | 5.0% |
| June 2020 (<i>Note 1</i>) | 2,200,000 | 4.1% |

and thus the approval of shareholders is required to issue any further equity securities within twelve months of those dates.

Note 1

Subject to completion of a due diligence by MCMC Capital Management Co., Ltd. as announced 21st April 2010.

Percentage of expanded capital of proposed share issue

The number of shares proposed to be issued pursuant to Resolution 2 will comprise 14.9% of the total of the then issued equity securities of the Company.

Basis of Share Issue

Pursuant to Resolution 2 the Company is seeking approval for the issue and allotment of up to 7,200,000 shares which may be released periodically over the next three months. The details of each issue, including date and number of shares will be determined by the Board. There is at present no definite basis on which Directors will decide who the allottees will be. If any issue of shares is to be made Directors will allot the shares to Investors who are prepared to take up shares at not less than the minimum issue price. The minimum issue price will be 80% of the average market price for the Company's securities traded on the ASX. The average market price will be calculated over the last five days on which sales were recorded on the ASX before the day on which the issue will be made, in accordance with ASX Rule 7.3.3. Such shares will not be issued or allotted to related parties of the Company.

Purpose of Share Issue

Whilst the amount of funds to be raised pursuant to this resolution are not yet ascertainable, the intention is to apply all of such funds, less any cost of fund raising, to further advancing the development program and working capital when in production at Wilcherry Hill, South Australia where the Company has magnetite joint venture interests.

CAPITAL STRUCTURE

On completion of the issue of Shares contemplated by this Notice of General Meeting, the capital structure of the Company will be as follows:

| | Capital Structure Now | Capital Structure if Resolutions 2 is passed and all shares are issued |
|------------------|-----------------------|--|
| Shares | 48,264,034 | 55,464,031 |
| Unlisted Options | 7,800,000 | 7,800,000 |

For personal use only

| | |
|---|---|
| \$ | means Australian dollars. All amounts in this Explanatory Statement are in Australian dollars unless otherwise stated. |
| ASX | means ASX Limited. |
| ASX Listing Rules or Listing Rules | means the Listing Rules of ASX and any other rules of ASX which are applicable while the Company is admitted to the Official List of ASX, each as amended or replaced from time to time, except to the extent of any express written waiver by ASX. |
| Directors | means the directors of the Company. |
| Official Quotation: | has the same meaning as in the ASX Listing Rules. |
| Share | means a fully paid ordinary share in the capital of IronClad |
| Share Placement Issue | means the proposed issue of up to 7,200,000 Shares subscribed and issued, at a subscription price no less than 80% of the average market price calculated in accordance with ASX Listing Rules, payable in full on application. |
| IronClad or the Company | means IronClad Mining Limited (ABN 79 124 990 405). |

Appointment of Proxy – IronClad Mining Limited ABN 79 124 990 405

PROXY FORM

| | |
|------|--|
| I/WE | The Secretary IronClad Mining Limited P O Box 1124 WEST PERTH WA 6872 |
|------|--|

being a member/members of IronClad Mining Limited (the “Company”) hereby appoint

of _____

Print proxy’s name in full

of _____

print proxy’s address

and (if you wish to appoint two proxies) _____

print second proxy’s name in full

of _____

print second proxy’s address

or, in the proxy’s/proxies’ absence or if no other appointee is mentioned, the Chairman of the meeting as my/our proxy/proxies to vote for me/us on my/our behalf at the General Meeting of the Company to be held the **2nd June at 11.00 a.m. at The Celtic Club, 48 Ord Street, West Perth** and at any adjournment of that meeting in respect ofof my/our shares or, failing any number being specified, ALL of my/our shares.

| | |
|---|---|
| <p>If you do not wish to direct your proxy how to vote, please place a mark in the box.</p> <p>If the Chair of the meeting is appointed as your proxy, or may be appointed by default and you do not wish to direct your proxy how to vote as your proxy in respect of a resolution, please place a mark in the box.</p> <p>By marking this box, you acknowledge that the Chair of the meeting may exercise your proxy even if he has an interest in the outcome of the resolution/s and that votes cast by the Chair of the meeting for those resolutions other than as proxy holder will be disregarded because of that interest. The Chair will vote in favour of all of the resolutions if no directions are given.</p> <p>If you do not mark the box, and you have not directed your proxy how to vote, the Chair will not cast your votes on the resolution and your votes will not be counted in calculating the required majority if a poll is called on the resolution.</p> | <input style="width: 50px; height: 20px;" type="checkbox"/> |
|---|---|

If you wish to indicate how your proxy is to vote, please tick the appropriate places below. If no indication is given on a resolution, the proxy may abstain or vote at his or her discretion.

I/We direct my/our proxy to vote as indicated below:

| SPECIAL BUSINESS | | | | |
|---------------------------------------|--------------------------|--------------------------|--------------------------|--|
| RESOLUTION | FOR | AGAINST | ABSTAIN | |
| 1. Earn-In of MCMC Management Capital | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | |
| 2. Issue of Shares | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | |

Note:

1. If you have appointed two proxies the proportion of your voting rights allocated to each proxy is:
Proxy No. 1 _____% Proxy No. 2 _____%.
2. If the appointment of a proxy is signed by the appointor’s attorney, this form must be accompanied by the authority under which the appointment was signed, or a certified copy of the authority.

For personal use only

PROXY FORM

Signed this _____ day of _____ 2010

If a natural person:

SIGNED by _____)
in the presence of: _____)
_____) (Signature)

(Signature of Witness)

(Name of Witness in full)

If a Company:

THE COMMON SEAL of _____)
ACN _____)
was affixed in the presence of: _____)

(Signature of Secretary/other Director)

(Signature of Director/Sole Director)

(Name of Secretary/other Director in full)

(Name of Director/Sole Director in full)

PROXY VOTES

A vote given in accordance with the terms of an instrument or proxy is valid notwithstanding the previous death or unsoundness of mind of the principal, the revocation of the instrument (or the authority under which the instrument was executed), or the transfer of the Share in respect of which the instrument or power is given, if no intimation in writing of the death, unsoundness of mind, revocation or transfer has been received by the Company at the Registered Office before the commencement of the Meeting or adjourned Meeting at which the instrument is used or the power is exercised.

REPRESENTATIVES OF CORPORATE SHAREHOLDERS

A body corporate ("the Appointor") that is a Shareholder may authorise, in accordance with Section 250D of the Corporations Act 2001, by resolution of its Directors or other governing body such person or persons as it may determine to act as its Representative at any Meeting of the Company or of any class of Shareholders. A person so authorised shall be entitled to exercise all the rights and privileges of the Appointor as a Shareholder. When a Representative is present at a Meeting of the Company, the Appointor shall be deemed to be personally present at the Meeting unless the Representative is otherwise entitled to be present at the Meeting.

For personal use only