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ASX RELEASE

IronClad Secures Port Access



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Highlights:

- **Option with Sea Transport Corporation Exercised**
- **50 Hectares of Land Set Aside for IronClad Port Operations**
- **Full Harbour Access**

The directors of IronClad Mining Limited (ASX : IFE) are pleased to announce that the Company has exercised the option it held with Sea Transport Corporation over the port facilities at Lucky Bay in South Australia.

The exercise of the option now gives the Company full access to a designated 50 Hectare site, with harbour frontage and full usage of the port itself. This paves the way for a two stage transshipping operation due to commence very early in 2012.

Stage one will see IronClad's direct shipping magnetite ore (DSO) transported in customised containers, by road from Wilcherry Hill, to its harbourside facility. In the first instance, the containers will be loaded onto a specially designed barge and powered by tug to waiting Panamax size vessels anchored 5–6 Kms offshore. Onboard cranes will load the ore by tipping the containers into the holds. The Company has purchased the tug which is currently being fully refurbished in Queensland. Construction of the purpose built barge will commence soon.

Stage one loading will be augmented in 2012 by the addition to the fleet of a powered feeder vessel capable of delivering up to 12,000 tonnes per day. The design of the feeder vessel will be compatible to its eventual role as feeder to IronClad's proposed floating harbour. In all, two feeder vessels are planned for completion by the time the floating harbour is commissioned.

Stage two transshipment of ore will commence from Lucky Bay when the proposed floating harbour is commissioned. It will anchor approximately 10 kms offshore and will be capable of docking full cape size (150,000 tonne capacity) vessels.

A negatively pressurised storage shed will be constructed onshore from which the two feeder vessels will ferry ore. The floating harbour will have the capacity to store, onboard, up to 100,000 tonnes of ore, also in a negatively pressurised environment. With two feeder vessels delivering a further total of 24,000 tonnes per day a fast loading time of around 4 days can be anticipated

The floating harbour design has commenced. Once construction begins it is anticipated that the build time will be approximately 18 months. Commissioning will be aimed to coincide with upgraded throughput from the mine in late year two or early year three.

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The South Australian Government, has already supported the multi-user harbour concept under Section 49 of the Development Act, which facilitates approvals for infrastructure projects considered essential to the South Australia's development.

Sea Transport Corporation is currently preparing a comprehensive development application utilising key design and environmental impact assessment specialists.

Final government approval for the port is anticipated towards the end of the year.

IronClad chairman, Mr Finch, said both developments – the multi user port and floating harbour would provide an important port outlet and significant cost savings for the Joint Venture's Wilcherry Hill Iron Ore project (the Wilcherry Hill project is an 80:20 Joint Venture between IronClad Mining Limited and its associated company Trafford Resources Limited), situated near Kimba on the Eyre Peninsula, and would also strengthen economic growth and employment opportunities in the region.

Although the Wilcherry Hill project will begin life as a relatively small project by iron ore industry standards, it will be producing a premium grade product and it is planned to expand rapidly, in three stages, to a total production target over 10 - 12 million tonnes of iron ore a year.

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