



APPROVAL OF MAJOR PORT INFRASTRUCTURE FACILITY FOR IRONCLAD MINING'S WILCHERRY HILL ORE

A development application for port facilities designed for iron ore shipments from IronClad Mining Limited's (ASX: "IFE") new Wilcherry Hill mine in South Australia has been approved by the South Australian Government.

Today's Project Development Approval concludes all the processes required for IronClad to commence construction of infrastructure at the existing Lucky Bay port, near the township of Cowell on the coast of the Spencer Gulf, and permits future iron ore exports via the new Eyre Peninsula facilities.

IronClad's iron ore export facilities – which open up a new multi-user shipping avenue for South Australian exporters – include iron ore storage at the port.

In a "first" for South Australia, IronClad will initially use the Lucky Bay facility to transport iron ore from this port to ships anchored offshore adjacent to the port.

IronClad's growth plans could potentially upgrade this system to incorporate the innovative concept of a floating harbour, with suitable holding warehouses for the ore, both on land and at sea.

Cape-sized vessels with a carrying capacity of up to 150,000 tonnes could then be loaded with iron ore from the floating harbour, which would potentially be owned and operated by IronClad.

IronClad has an agreement with Sea Transport Development SA Pty Ltd (SEATS) for full access rights to the designated 50-hectare port site at Lucky Bay, where it will store and ship iron ore from its Wilcherry Hill and Hercules projects.

The Company has a 50-year lease to this facility and the accompanying land within the 50-hectare site.

"We are most appreciative of the South Australian Government's expeditious approval of this Development Application for another vital piece of SA mining infrastructure," IronClad Mining Managing Director, Mr Wayne Richards, said today.

"For IronClad, development approval for the port facility finalises the Company's requirements for an 'end-to-end' logistics supply chain for the ore produced from our Wilcherry Hill Project, and has the potential to be expanded to accommodate the ore from our larger Hercules Project currently under review," he said.

"The port facility will provide an important export point not only for IronClad, but for other potential mining companies and exporters in the region.

"Further, the facility will provide an economic and viable export option (in a timely manner), for the development of our projects, and will stimulate economic growth and employment opportunities within the area."

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Mr Richards said the Company's transshipment operations would involve the utilisation of a customised motorised feeder barge that will transport the ore from the Lucky Bay loading facilities to the awaiting ships. Future transshipment upgrades will consider the incorporation of a floating harbour facility anchored offshore, or the utilisation of a floating crane. Both designs will significantly increase the ship loading rates whilst reducing port operating charges and barge cycle times".

"The construction of the first purpose-built barge for the transshipment of ore is well advanced, with the vessel scheduled to arrive in South Australia early in the third quarter of this calendar year," Mr Richards said.

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ABOUT THE WILCHERRY HILL IRON ORE PROJECT

The Wilcherry Hill iron ore project ("the Project") on South Australia's Eyre Peninsula is an 80:20 Joint Venture between IronClad Mining Limited (ASX: IFE) and Trafford Resources Limited (ASX: TRF).

The first two years of production from the project has been contracted for sale to international steel mills under comprehensive sales and marketing agreements.

Additionally, 50% of year three and four's forecast production has been contracted for sale through an off-take agreement with Hong Kong based company New Page Investments Limited.

Stage One of the project involves production of 1Mtpa of Direct Shipping Ore ("DSO") magnetite, increasing to 2Mtpa in the project's second year of operation.

Ore will be transported via road from the Project to the Company's port facilities at Lucky Bay, near Cowell, on South Australia's Spencer Gulf, before being exported via transshipments to awaiting ships anchored off-shore in Spencer Gulf.

Stage Two of the Project involves a further increase in production to 4-5Mtpa of iron ore by combining Wilcherry Hill magnetite concentrate with the DSO product.

Stage Three includes the exploration and development of the joint venture's Hercules Project, 15 kilometers south east of Wilcherry Hill, which has an inferred and indicated JORC classification of 198Mt, and is expected to increase output from IronClad's operations to 10-12Mtpa by 2015.

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