



ASX ANNOUNCEMENT

Iron Road Ltd (Iron Road, ASX: IRD)

CAPE HARDY INDEPENDENT LAND VALUATION

Iron Road Ltd (Iron Road or Company, ASX:IRD) is pleased to provide a market update relating to the findings of independent property valuations undertaken by a respected Australian property valuation firm (*Valuer*). Iron Road commissioned comprehensive valuation reports to facilitate commercial negotiations with two separate proponents of proposed industrial-scale developments at Cape Hardy.

The *Valuer* was tasked with assessing market value of one of the core strategic lots positioned in the Company's proposed Cape Hardy port and industrial precinct, capable of supporting a project of significant scale. Additionally, the *Valuer* assessed appropriate market rental ranges for a second industrial-scale project for long-term leasing purposes based on a broader Cape Hardy land footprint.

Summary information related to the valuations is included in the following slides.

Authorised for release by the board of Iron Road Ltd

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Cape Hardy, South Australia Independent Land Valuation



Cape Hardy – a strategic asset now in focus

- State Government Development Approval and Federal Government EPBC Act approval in place for a proposed deep-water port precinct & export facilities
- Indigenous Land Use Agreement (ILUA) registered with the National Native Title Tribunal - export royalty regime for bulk commodities including iron ore and grain, green hydrogen / ammonia recently added
- Demonstrated support from Eyre Peninsula Local Government Association (EPLGA), Regional Development Australia Eyre Peninsula (RDAEP), Barngarla Determination Aboriginal Corporation (BDAC), Eyre Peninsula Landscape Board, Eyre Peninsula Cooperative Bulk Handling (EPCBH) and other key stakeholders



Cape Hardy - key credentials

- 1,207 hectares of strategically located gulf-side land with nearshore access to deep water; freight advantaged for imports & exports across the Eyre Peninsula
- Only naturally protected nearshore deep water in South Australia; all year-round shipping
- Greenfields, unconstrained by population or existing outmoded infrastructure
- Planned bulk loading facilities suitable for Capesize, Panamax & Handymax vessels
- Marine offload facility for fixed & mobile plant, modules, containers
- Less environmentally sensitive than other localities in Spencer Gulf
- High quality water & marine energy suitable for desalination & brine dispersion
- High level of acceptance by regional communities and other key stakeholders after more than a decade of sustained engagement



Land valuation methodology

- An independent and respected Australian property valuation firm (*Valuer*) has provided Iron Road two comprehensive Cape Hardy valuation reports to facilitate commercial negotiations with the proponents of two separate industrial-scale proposed developments at Cape Hardy
- The *Valuer* has prior 2021 Cape Hardy land valuation experience, coinciding with the requirement for Iron Road to negotiate with the South Australian Government over the “Unimproved Market Value” of intertidal and subjacent land, extending into the Spencer Gulf
- The basis of the *Valuer’s* independent expert findings are that valuation practice requires a valuer to assess the market value of an asset in line with the “Highest and Best Use” and not some other less intensive use
- The *Valuer* has also determined that the market value of Cape Hardy property must be supported by reasoned argument and evidence with greatest weight given to precedent transactions involving large areas of remote land capable of supporting major infrastructure

Land valuation summary and key metrics

- The *Valuer* considers it relevant that no project development milestones had been reached when the majority of Cape Hardy property was acquired by Iron Road in 2012
- The *Valuer* notes that much of the development work subsequently completed by Iron Road will assist proponents who are now seeking to gain access to Cape Hardy land for major infrastructure / industrial-scale projects
- At significant cost to Iron Road, Cape Hardy development work has included planning and engineering, design, feasibility studies, numerous terrestrial and marine studies relating to both Environmental Impact Statement (EIS) and EPBC approval, geotechnical / seismic / LIDAR surveys, bathymetric surveys, stakeholder engagement, community consultation, consultation with Government and negotiations with the Barnjarla Traditional Owners culminating in a National Native Title Tribunal registered ILUA
- The *Valuer* recommends that Iron Road should only consider selling and / or leasing certain Cape Hardy land parcels where the sale price or rental rate recognises the strategic importance of the unencumbered land it already owns
- For a highly strategic and core Cape Hardy land parcel proximate to the coastline and associated easements required to facilitate a major infrastructure development, the *Valuer* assesses a **sale value rate range of \$35,000 - \$45,000 per hectare**
- For highly strategic and core Cape Hardy land parcels proximate to the coastline required to facilitate a second industrial-scale development, the *Valuer* assesses an **annual rental value rate range of \$3,000 - \$4,000 per hectare (\$0.30/m² - \$0.40/m²)**
- For less strategic Cape Hardy land parcels further removed from the coastline required to facilitate a second industrial-scale development, the *Valuer* assesses an **annual rental value rate range of \$1,500 - \$2,500 per hectare (\$0.15/m² - \$0.25/m²)**
- Iron Road wholly owns **1,207 hectares** at Cape Hardy and will retain optimal port precinct land critical to the Central Eyre Iron Project's export path to market and sufficient additional real estate catering for high-grade iron concentrate value-adding opportunities



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