NEVADA IRON LTD

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ASX RELEASE

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FIRST PASS DRILLING RESULTS FROM SECTION 27 INDICATE BROAD IRON MINERALISATION FROM SURFACE WITH HIGH GRADE CORE

Nevada Iron Ltd (the Company) (ASX: NVI and TSX: NVR) is pleased to announce drill results from its first pass drill program over the Section 27 prospect at the Buena Vista Iron Project in Nevada, USA. Section 27 is located approximately 5.1km to the northeast of the proposed processing plant, and 3.5km to the northeast of the proposed primary crusher location at the Section 5 pit (Refer Figure 1).

Ground mapping over the Section 27 prospect has identified an area 800m long by an average width of 180m wide with an extensive magnetite surface float. The first phase of drilling has covered approximately 60% of the strike length and indicates that the mineralisation is open to both the north and south, and at depth.

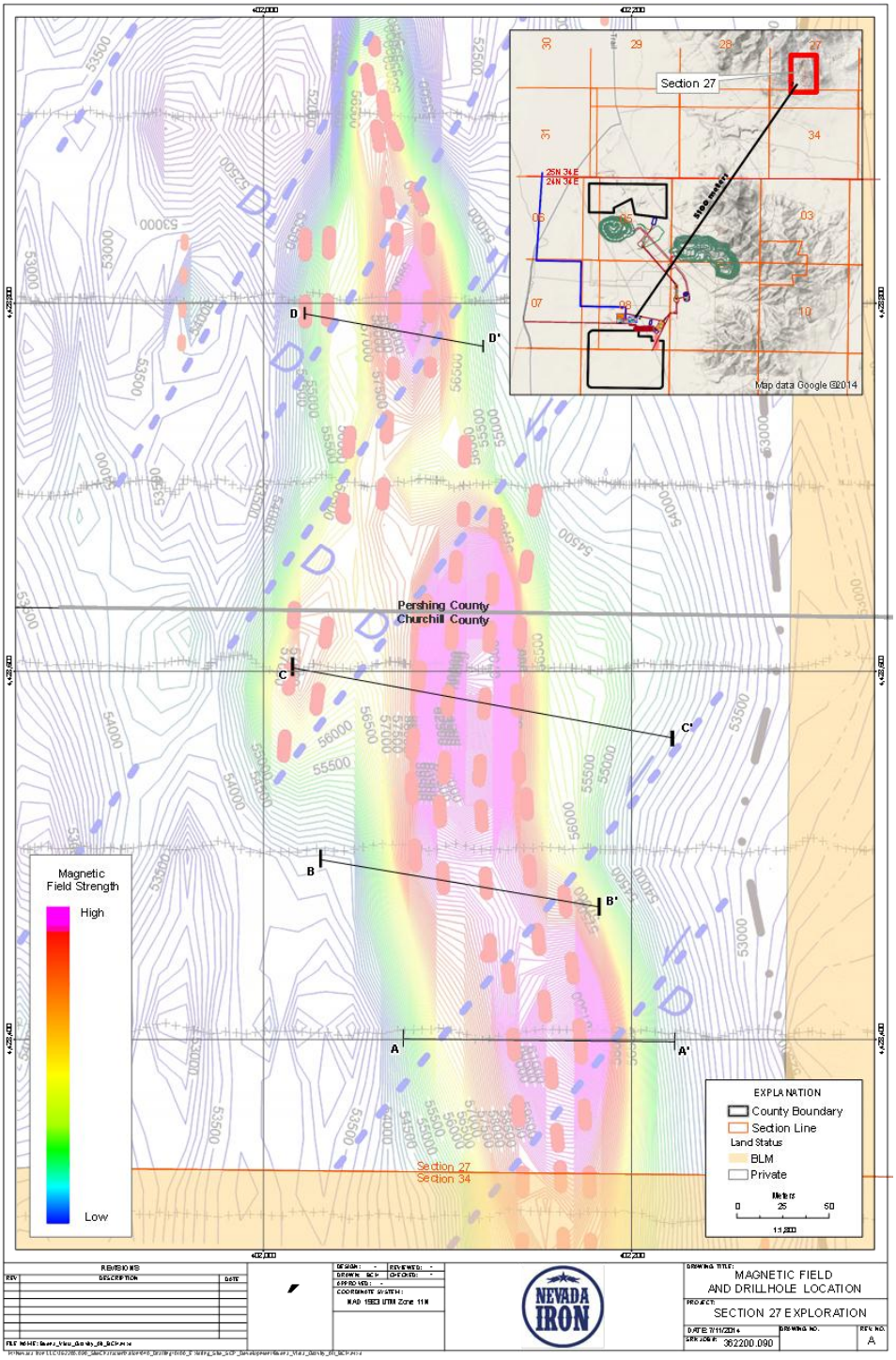
Results include:

- 33.5 metres grading 20.1% Total Fe in hole 2714-002
- 76 metres grading 22 % Total Fe in hole 2714 –003, **including 9.7m grading 52.1% Total Fe**
- 30.4 metres grading 21.9% Total Fe in hole 2714-004
- 80.8 metres grading 23.4% Total Fe in hole 2714-006, **including 6.5m grading 51.8% Total Fe and 3.2m grading 60% Total Fe**
- 73.1 metres grading 20.0% Total Fe in hole 2714-009

The complete results are set out in Table 1.

The Section 27 prospect is part of the land package acquired by the Company on 31 October 2013 and this drill program confirms the prospectivity of the area. The at surface nature of the mineralisation makes it amenable to bulk tonnage open pit mining at very low waste to ore ratios and low cost extraction. This prospect is located on private land controlled by the Company and is within a short haul of the planned crushing facilities.

Figure 1 – Location of Section 27 and Ground Magnetics



As seen in the cross sections in Figures 2, 3 and 4, the mineralisation is broad, starts at surface and contains higher grade cores grading above 20% Total Fe. The economic cut off grade used for the Section 5 and West Deposit pit mineral reserves is 10% Total Fe and anything above that grade is considered to be potentially economic.

Figure 2 - Section A-A'

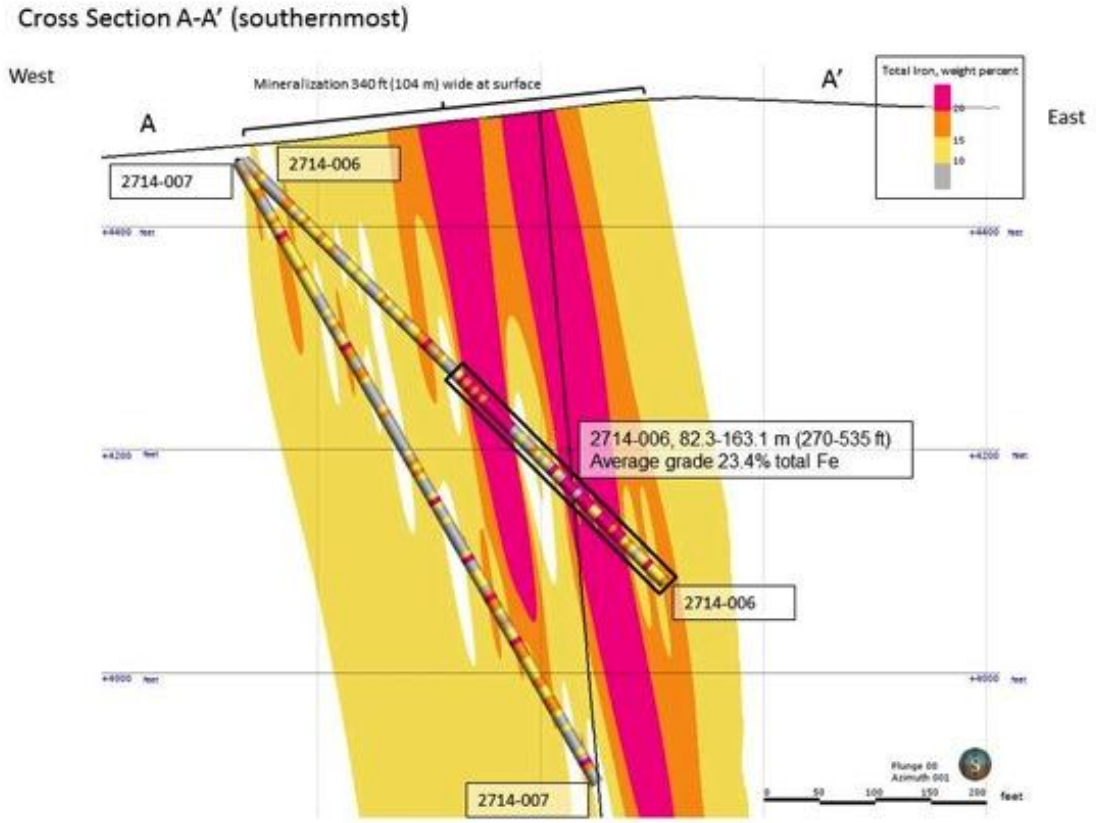


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Figure 3 - Section B-B'

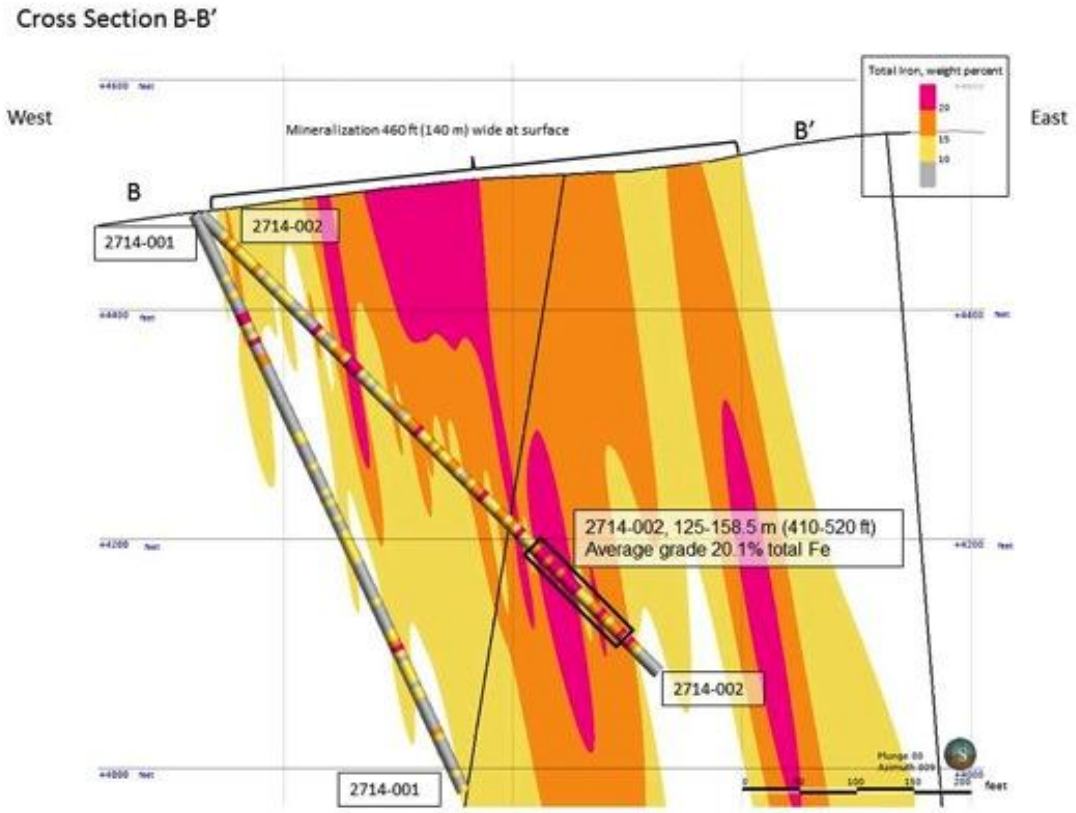

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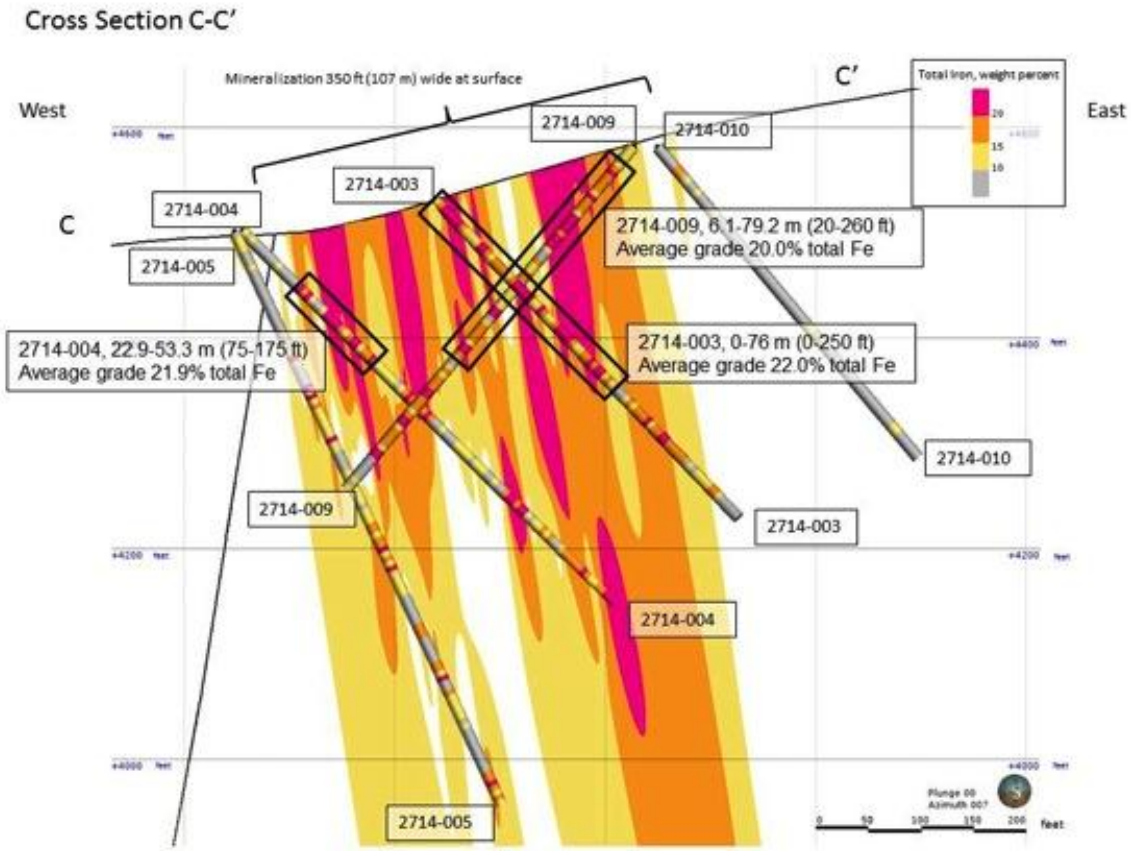
Figure 4 - Section C-C'



Commentary

Mick McMullen, Executive Chairman commented on the results: " The drill results confirm our belief that the Section 27 prospect contains a broad, at surface zone of magnetite mineralisation with higher grade cores. Additional drilling is planned along the open strike length to the north and south, and at depth to better define the higher grade shoots as seen in the 9.7m grading 52.1% Total Fe in hole 2714-003 and the 6.5m grading 51.8% Total Fe and 3.2m grading 60% Total Fe in hole 2714-006

We strongly believe that what the Company now controls in the area constitutes not just one iron deposit, but a field of iron deposits that have the potential to host much larger mineral resources and to support a large, centralised processing facility sourcing mineralisation from multiple mines in the field.

This has the potential to transform Nevada Iron into a large, long life US iron ore supplier producing high quality (+67% Fe) concentrates at a competitive cost."

Michael Higginson
Company Secretary

JORC Competent Persons Statement

Information in this report to which this statement is attached that relates to Exploration Results is based on information compiled by Mick McMullen, who is a Member of the Australian Institute of Mining and Metallurgy. Mr McMullen is an officer of the Company, is self-employed and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity to which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr McMullen consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Canadian QP Statement

The information in the news release that relates to the exploration results at the Section 27 prospect is based on information compiled by Mr. William Mitchell P.G. is owner and consulting geologist full time with Wheeldon Geology. Mr. Mitchell has sufficient experience, which is relevant to the style of mineralization and type of deposit under consideration and to the activity which he is undertaking, to qualify as a "Qualified Person" under NI 43-101. Mr. Mitchell consents to the inclusion in the news release of the matters based on his information in the form and context in which it appears.

Table 1 –Complete Drill Results

Reverse Circulation Hole Number	Northing	Easting	Elevation	Total Depth	Azimuth	DIP	Feet		Metres		15 % Fe cutoff		
							FROM	TO	FROM	TO	Avg Fe	Length ft	Length m
2714- 001	1503964.10	2747540.40	4482.75	555	099	65	95	125	29.0	38.1	17.4	30	9.1
							135	145	41.1	44.2	17.5	10	3.0
							400	420	121.9	128.0	15.4	20	6.1
							495	500	150.9	152.4	15.3	5	1.5
2714-002	15039693.31	2747545.82	4482.98	565	099	45	30	50	9.1	15.2	15.2	20	6.1
							65	70	19.8	21.3	15.0	5	1.5
							140	**145**	**42.7**	**44.2**	**24.8**	**5**	**1.5**
							160	175	48.8	53.3	15.3	15	4.6
							175	**200**	**53.3**	**61.0**	**26.3**	**25**	**7.6**
							235	300	71.6	91.4	15.2	65	19.8

Table 1 –Complete Drill Results continued

Reverse Circulation Hole Number	Northing	Easting	Elevation	Total Depth	Azimuth	DIP	Feet		Metres		15 % Fe cutoff		
							FROM	TO	FROM	TO	Avg Fe	Length ft	Length m
							300	395	91.4	120.4	16.4	95	29.0
							410	**520**	**125.0**	**158.5**	**20.1**	**110**	**33.5**
							525	**535**	**160.0**	**163.1**	**20.6**	**10**	**3.0**
2714-003	15040011.28	2747647.60	4530.24	425	114	45	**0**	**250**	**0.0**	**76.2**	22.0	**250**	**76.2**
							265	400	80.8	121.9	15.9	135	41.1
2714-004	15040021.48	2747463.74	4501.83	500	095	45	**75**	**175**	**22.9**	**53.3**	**21.9**	**100**	**30.5**
							180	255	54.9	77.7	16.6	75	22.9
							350	**385**	**106.7**	**117.3**	**20.6**	**35**	**10.7**
							400	405	121.9	123.4	15.4	5	1.5
							410	415	125.0	126.5	15.0	5	1.5
							425	475	129.5	144.8	15.9	50	15.2
							475	**500**	**144.8**	**152.4**	**20.9**	**25**	**7.6**
2714-005	15040021.74	2747456.06	4500.84	600	095	45	110	115	33.5	35.1	15.5	5	1.5
							125	140	38.1	42.7	16.0	15	4.6
							160	230	48.8	70.1	15.7	70	21.3
							290	365	88.4	111.3	15.1	75	22.9
							410	425	125.0	129.5	16.4	15	4.6
							450	470	137.2	143.3	17.8	20	6.1
							565	600	172.2	182.9	16.5	35	10.7
2714-006	15039386.84	2747706.00	4459.11	535	091	45	15	20	4.6	6.1	15.6	5	1.5
							50	65	15.2	19.8	15.4	15	4.6
							75	80	22.9	24.4	15.0	5	1.5
							95	100	29.0	30.5	15.8	5	1.5
							110	115	33.5	35.1	15.9	5	1.5
							175	180	53.3	54.9	16.4	5	1.5
							200	205	61.0	62.5	16.5	5	1.5
							210	250	64.0	76.2	15.5	40	12.2
							270	**535**	**82.3**	**163.1**	**23.4**	**265**	**80.8**
2714-007	15039386.71	2747701.33	4458.93	645	091	60	10	15	3.0	4.6	17.4	5	1.5
							20	40	6.1	12.2	15.5	20	6.1
							55	95	16.8	29.0	15.1	40	12.2
							110	115	33.5	35.1	15.6	5	1.5

Table 1 –Complete Drill Results continued

Reverse Circulation Hole Number	Northing	Easting	Elevation	Total Depth	Azimuth	DIP	Feet		Metres		15 % Fe cutoff		
							FROM	TO	FROM	TO	Avg Fe	Length ft	Length m
							170	175	51.8	53.3	17.4	5	1.5
							180	205	54.9	62.5	15.9	25	7.6
							215	225	65.5	68.6	17.1	10	3.0
							255	265	77.7	80.8	15.4	10	3.0
							310	320	94.5	97.5	15.2	10	3.0
							345	355	105.2	108.2	17.3	10	3.0
							405	415	123.4	126.5	19.2	10	3.0
							445	**460**	**135.6**	**140.2**	**20.1**	**15**	**3.0**
							460	465	140.2	141.7	18.6	5	1.5
							475	480	144.8	146.3	16.6	5	1.5
							495	575	150.9	175.3	15.4	80	24.4
							610	630	185.9	192.0	16.1	20	6.1
2714-008	15040662.12	2747477.73	4621.88	365	101	45	5	25	1.5	7.6	15.6	20	6.1
							60	70	18.3	21.3	15.0	10	3.0
							90	115	27.4	35.1	15.6	25	7.6
							175	200	53.3	61.0	15.5	25	7.6
							280	**315**	**85.3**	**96.0**	**20.4**	**35**	**10.7**
							315	350	96.0	106.7	15.2	35	10.7
2714-009	15039972.47	2747831.96	4582.02	425	277	50	**20**	**260**	**6.1**	**79.2**	**20.0**	**240**	**73.2**
							270	300	82.3	91.4	15.4	30	9.1
							300	**325**	**91.4**	**99.1**	**20.3**	**25**	**7.6**
							325	370	99.1	112.8	17.1	45	13.7
							370	**385**	**112.8**	**117.3**	**20.6**	**15**	**4.6**
2714-010	15039950.60	2747852.39	4581.51	385	096	50	25	35	7.6	10.7	17.5	10	3.0

JORC TABLE 1

Section 1: Sampling Techniques and Data

Criteria	**Explanation**
Sampling techniques	Reverse circulation drilling was used to obtain 1.5 meter (5 feet) samples from which 2 kg (5 lbs) were crushed then dried at 120 C. Sample was fine crushed >70% passing 10 mesh then split and 250 gram was pulverized to >85% passing 200 mesh. This pulp was assayed by X-ray fluorescence spectrometry (XRF) in an accredited lab.
Drilling techniques	*Reverse Circulation (RC)*
Drill sample recovery	The collection of sample throughout the 1.5 m interval was closely monitored. The rotary splitter was adjusted to deliver a consistent cutting volume throughout the sample interval.
Logging	Lithology and hole conditions were logged in the field while drilling and finalized from chip trays with representative cuttings from each 1.5 m sample. Chip trays were assembled while drilling from 0 to end of hole (EOH) logged then transferred to secure storage.
Sub-sampling techniques and sample preparation	Reverse circulation cuttings went through a cyclone then a rotary splitter. Samples were collected from a "y" at the discharge port into a cloth sample bag. Field duplicates were collected at this y and the two sample volumes were compared. The splitter was rinsed at the end of each connection before drilling continued.
Quality of assay data and laboratory tests	*Acceptable QA/QC. Assaying by ALS in Reno, Nevada with XRF and check assaying with American Corporation Labs in Sparks, Nevada with XRF.*
Verification of sampling and assaying	*Standards and blanks submitted at 1 in 20 sample intervals*
Location of data points	*Refer to Figures 1, 2, 3 and 4 above, drill hole collars provided in Table 1. Drill sites located by DGPS*
Data spacing and distribution	*Variable hole spacing, sample intervals of 5 feet down hole*
Orientation of data in relation to geological structure	*True widths are estimated at 60% of down hole drilling widths*
Sample security	*Bagged at site and delivered to laboratory by contracted staff, chain of custody maintained at all times*
Audits or reviews	*Information compiled by independent third party geologist and reviewed by the Company*

Section 2: Reporting of Exploration Results

Criteria	Explanation
Mineral tenement and land tenure status	*Section 27 leased private mineral lands*
Exploration done by other parties	*No previous exploration by other previous owners. Ground mapping and ground magnetic survey completed by independent third party contractors under Company oversight. Drilling completed by independent drilling contractor under supervision of independent geologist and Company management.*
Geology	*Magnetite iron mineralisation*
Drill hole Information	*Reverse circulation –angled*
Data aggregation methods	*Composited to +15% total Fe intervals. No top cuts applied to high assay results however not considered necessary due to the relatively uniform nature of the iron mineralisation*
Relationship between mineralisation widths and intercept lengths	*True widths are estimated at 60% of down hole drilling widths except for hple 2714-009 which is estimated to be true width*
Diagrams	*Figures, 1,2,3 and 4 above*
Balanced reporting	*Yes, all results reported are representative*
Other substantive exploration data	*Surface mapping and ground magnetics as previously released*
Further work	*Follow up drilling planned*