



NEVADA IRON LTD

ABN 98 123 423 987

ASX RELEASE

5 February 2015

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ACQUIRES 2.5% NSR OVER HISTORICAL IRON MINE

Nevada Iron Ltd (the "Company") (NVI-ASX, NVR-TSX) is pleased to announce that it has expanded its mineral interest holdings in the Buena Vista Iron Ore district. The Company's wholly owned subsidiary Nevada Iron LLC has acquired a 2.5% royalty interest encompassing 640 acres in Section 31, Township 26 North, Range 34 East, M.D.M. in Pershing County, Nevada (Figure 1). New Nevada Resources, LLC conveyed the royalty interest to the Company for no additional consideration.

A magnetic survey was conducted in the 1960's over Section 31, which was used to identify locations for exploration drilling (Figure 2). Exploration activities identified two anomalies, both of which are vein-like massive ore bodies. The North Orebody appears to be a large body of disseminated magnetite. The South Orebody appears to be a large high grade magnetite orebody.

Figure 1 – Location of Section 31

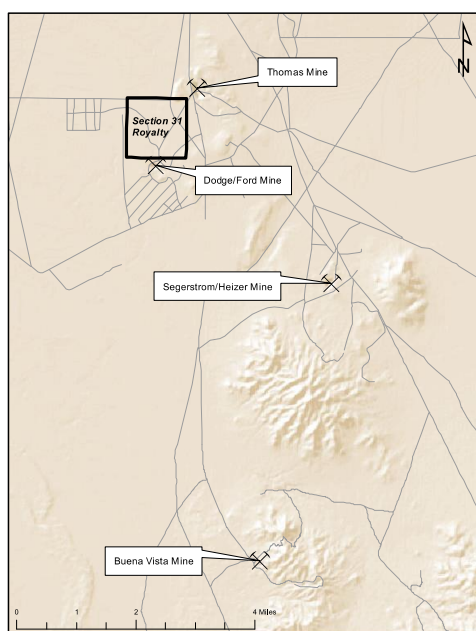
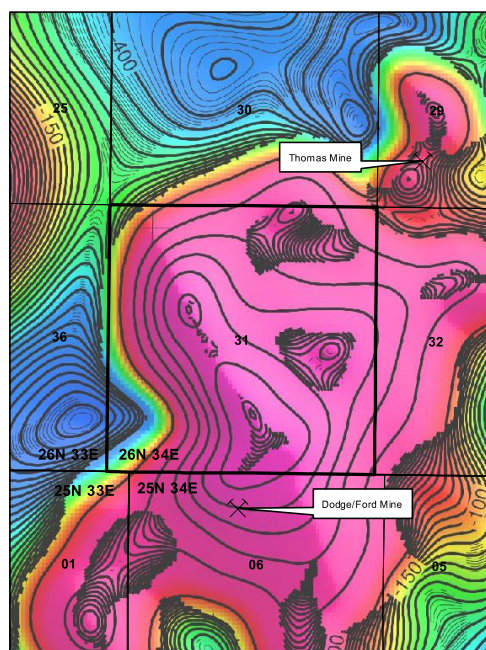


Figure 2 – Magnetic Survey over Section 31



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Work conducted by Southern Pacific Rail Road Company and the Nevada-Barth Corporation indicate that the mineralization extends 1,100m into Section 31, is approximately 250m wide and at least 90m deep. Based upon data gathered from the historical exploration drill holes, the overburden varies from 5 and 25m deep with an average depth of 15m.

The South Orebody was mined for a length of 90m, and is an extension of the Ford Deposit located in Section 6. Approximately 500,000 tons of magnetite ore was mined from the Ford Pit, which extended from Section 6, T25N, R34E, north into Section 31. The average grade was reported to be 60% Fe.

Mr McMullen, Executive Chairman, commented on the royalty acquisition: "As indicated at the time of the agreement with New Nevada Resources, the Company has expanded its footprint at low cost over the adjoining iron ore mineralization through the acquisition of both mineral claims and royalty interests. The Section 31 prospect was historically mined at a very high grade of 60% Fe, and the ground magnetics indicate potential for additional high grade mineralization. The Company is of the view that any adjacent iron ore deposits will need to be developed using the Company's planned concentrating and logistics infrastructure. Acquiring the royalty interests over these adjoining claims provides the Company with additional upside."

Michael Higginson
Company Secretary

JORC Competent Persons Statement

Information in this report to which this statement is attached that relates to the historical Exploration Results at the Section 31 prospect 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.