



NEVADA IRON LTD

ABN 98 123 423 987

ASX RELEASE

17 August 2015

EQUITY ISSUES & SHARE PLACEMENT

Nevada Iron Ltd (the "Company") (NVI-ASX) advises that, subject to obtaining the approval of members, it has resolved to issue 15,229,337 fully paid ordinary shares ("Shares") to the following parties in order to extinguish debts owed by the Company.

Samuel Engineering Inc

Samuel Engineering Inc completed the designs of the crushing and milling circuits for the Company's Buena Vista Iron Project located in Nevada USA (the "Project"). The designs include the site plan, process flow sheets and containment designs and calculation

The Company has entered into a settlement agreement for the purpose of agreeing the payment terms for a US\$439,180.58 debt owing to Samuel Engineering Inc for work completed by them on the Project and invoiced to the Company's wholly owned US subsidiary Nevada Iron LLC ("NVI LLC").

In full and final settlement of the US\$439,180.58 debt, NVI LLC agreed to pay and cause the Company to issue to Samuel Engineering Inc 1,097,951 Shares and Samuel Engineering agreed to accept as full and final consideration for the debt the following;

- US\$219,590, to be paid by NVI LLC in twelve equal monthly instalments of US\$18,299.17, and
- the issue of 1,097,951 Shares.

Samuel Engineering Inc has further agreed that it can only sell the Shares once the Share price on ASX at any time in the future equals or exceeds \$0.40 per Share. In that regard the Company will impose a trading lock on the 1,097,951 Shares.

MRI Advisory AG

On 8 February 2012, the Company entered into an Advisory Services Agreement with MRI Advisory AG ("MRI"), for the provision of ongoing strategic and technical advisory services (the "Advisory Agreement").

The Advisory Agreement was for a term of 2 years (the "Term") and the fee payable to MRI during the Term was \$10,000 per month payable monthly in arrears. Subsequent to the expiration of the Term, MRI continued to provide services to the Company and additional fees totalling \$130,000 have been accrued by the Company.

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The Company has entered into a Deed of Acknowledgment with MRI whereby MRI agreed that the amount of \$130,000 be satisfied by way of an issue of 2,600,000 Shares at an issue price of \$0.05 per Share.

Related Parties

Alec Peck

Mr Peck was appointed to the Board on 7 November 2013 and was entitled to receive fees at that rate of \$35,000 per annum. For the period commencing October 2014 and ending June 2015, Mr Peck has not been paid for his services as a Non-Executive Director. During this period, the Company accrued fees totalling \$26,250 for Mr Peck. Mr Peck resigned as a Director on 30 June 2015.

The Company has entered into a Deed of Acknowledgment with Mr Peck whereby Mr Peck agreed that the amount of \$26,250 (excluding GST) be satisfied by way of an issue of 525,000 Shares at an issue price of \$0.05 per Share.

Heath Rushing

Mr Rushing was appointed to the Board on 7 November 2013 and was entitled to receive fees at that rate of \$35,000 per annum. For the period commencing October 2014 and ending September 2015, Mr Rushing has not been paid for his services as a Non-Executive Director. During this period, the Company accrued fees totalling \$35,000 for Mr Rushing.

The Company has entered into a Deed of Acknowledgment with Mr Rushing whereby Mr Rushing agreed that the amount of \$35,000 (excluding GST) be satisfied by way of an issue of 700,000 Shares at an issue price of \$0.05 per Share.

Andrew Brice

Mr Brice was appointed to the Board on 7 February 2012 and was entitled to receive fees at that rate of \$35,000 per annum. For the period commencing January 2015 and ending September 2015, Mr Brice has not been paid for his services as a Non-Executive Director. During this period, the Company accrued fees totalling \$26,250 for Mr Brice.

The Company has entered into a Deed of Acknowledgment with Mr Brice whereby Mr Brice agreed that the amount of \$26,250 (excluding GST) be satisfied by way of an issue of 525,000 Shares at an issue price of \$0.05 per Share.

Donald Pattalock

Mr Pattalock was appointed to the Board on 7 November 2013 and was entitled to receive fees at that rate of \$35,000 per annum. For the period commencing October 2014 and ending September 2015, Mr



Pattalock has not been paid for his services as a Non-Executive Director. During this period, the Company accrued fees totalling \$35,000 for Mr Pattalock.

The Company has entered into a Deed of Acknowledgment with Mr Pattalock whereby Mr Pattalock agreed that the amount of \$35,000 (excluding GST) be satisfied by way of an issue of 700,000 Shares at an issue price of \$0.05 per Share.

Arden Morrow

Mr Morrow was appointed to the Board on 7 November 2013 and was entitled to receive fees at that rate of \$35,000 per annum. For the period commencing October 2014 and ending September 2015, Mr Morrow has not been paid for his services as a Non-Executive Director. During this period, the Company accrued fees totalling \$35,000 for Mr Morrow.

The Company has entered into a Deed of Acknowledgment with Mr Morrow whereby Mr Morrow agreed that the amount of \$35,000 (excluding GST) be satisfied by way of an issue of 700,000 Shares at an issue price of \$0.05 per Share.

Taj Singh

Mr Singh was appointed to the Board on 29 April 2013 and was entitled to receive fees at that rate of \$35,000 per annum. For the period commencing November 2014 and ending September 2015, Mr Singh has not been paid for his services as a Non-Executive Director. During this period, the Company accrued fees totalling \$32,083 for Mr Singh.

The Company has entered into a Deed of Acknowledgment with Mr Singh whereby Mr Singh agreed that the amount of \$32,083 (excluding GST) be satisfied by way of an issue of 641,660 Shares at an issue price of \$0.05 per Share.

Wildville Enterprises Pty Ltd - Mick McMullen

Mr Mick McMullen was appointed to the Board on 17 February 2012. Effective 1 August 2013, the Company entered into a Consultancy Agreement with Wildville Enterprises Pty Ltd ("Wildville"), a company related to Mr McMullen, for the engagement of Mr McMullen as Executive Chairman of the Company (the "Agreement").

The Agreement is for a term of 3 years and the fee payable to Wildville during the term is \$250,000 per annum (exclusive of GST) payable monthly in arrears (the "Fee").

For the period commencing October 2014 and ending September 2015, Wildville has not been paid the Fee. During this period, the Company accrued Fees totalling \$250,000 for Wildville.



The Company has entered into a settlement agreement with Wildville whereby Wildville agreed that the amount of \$250,000 (excluding GST) be satisfied by way of an issue of 5,000,000 Shares at an issue price of \$0.05 per Share.

New Nevada Resources Pty Ltd - Heath Rushing

Pursuant to contract 189120, for mining leases acquired from Kircher Mine Development, NVI LLC owes New Nevada Resources Pty Ltd ("NNR") US\$45,000 as part of a scheduled payment. In addition, in 2014, NVI LLC owed US\$40,000 as part of this same agreement and schedule of payments. However, NVI LLC paid only US\$35,000, as a result, NVI LLC owes an additional US\$5,000 for its 2014 obligation, or a total of US\$50,000 per contract 189120.

Pursuant to contract 428970, NVI LLC owes NNR US\$50,000 for annual fees for easements. The agreement requires NVI LLC to pay NNR US\$50,000 in August 2015.

The Company has entered into a settlement agreement with NNR whereby NNR agreed that the amount of US\$100,000 (excluding GST) be satisfied by way of an issue of 2,739,726 Shares at an issue price of \$0.05 per Share.

NNR is a company associated with Mr Rushing.

Placement of Shares and Options

In accordance with Listing Rule 7.1, the Company will seek shareholder approval for the issue of up to 16,500,000 Shares at an issue price of \$0.05 per Shares with every two Shares subscribed for carrying an entitlement one free attaching option exercisable at \$0.10 and expiring 30 September 2017 ("Option") to raise up to \$825,000 in working capital for the Company ("Placement").

Grant of Options

Following completion of the placement on 7 August 2015 of 2,923,067 Shares, at an issue price of \$0.05 per Share, to Mr Ashwath Mehra it is proposed that Mr Mehra be granted 1,461,533 Options. The granting of these Options will result in Mr Mehra receiving the same consideration as those parties subscribing for the Placement.

It is intended that the meeting of members to consider the matters outlined in this ASX release will be held in late September 2015.

Michael Higginson
Company Secretary