

IronClad Mining Limited

ABN 79 124 990 405



*For the half –year ended
31 December 2009*

TABLE OF CONTENTS

CORPORATE DIRECTORY	3
DIRECTORS' REPORT	4
AUDITOR'S INDEPENDENCE DECLARATION	9
STATEMENT OF COMPREHENSIVE INCOME FOR THE HALF-YEAR ENDED 31 DECEMBER 2009	10
STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2009	11
STATEMENT OF CHANGES IN EQUITY FOR THE HALF YEAR ENDED 31 DECEMBER 2009	12
STATEMENT OF CASH FLOWS FOR THE HALF-YEAR ENDED 31 DECEMBER 2009	13
NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2009	14
DIRECTORS' DECLARATION	18
INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF IRONCLAD MINING LIMITED	19

CORPORATE DIRECTORY

DIRECTORS

Ian D. Finch
Neil W. McKay (Non Executive)
Peter W. Rowe (Non Executive)
Shane B. Sadleir (alternate to Ian D. Finch)

COMPANY SECRETARY

Neil W. McKay

REGISTERED OFFICE

Level 2, 679 Murray Street
West Perth WA 6005
Telephone: +61 (08) 8224 0411
Facsimile: +61 (08) 8227 0411

PRINCIPAL OFFICE

Level 1, 307 Pulteney Street
Adelaide SA 5000
Telephone: +61 (08) 82127577
Facsimile: +61 (08) 82127377

AUDITORS

Bentleys
Level 1, 12 Kings Park Road
WEST PERTH WA 6005

SHARE REGISTRAR

Advanced Share Registry Services
110 Stirling Highway
NEDLANDS WA 6009
Telephone: (08) 9389 8033
Facsimile: (08) 9389 7871

STOCK EXCHANGE LISTING

Australian Stock Exchange
(Home Exchange: Perth, Western Australia)
Code: IFE

BANKERS

Westpac Banking Corporation
Murray Street
WEST PERTH WA 6005

DIRECTORS' REPORT

Your directors submit the financial report of the company for the half-year ended 31 December 2009.

Directors

The names of directors who held office during or since the end of the half-year:

Mr. Ian Finch

Mr Neil Mckay

Mr. Peter Rowe

Review of Operations

Overview

In the last six months, IronClad Mining Limited ("IronClad") has been engaged primarily in exploration and project development activities on its Wilcherry Hill Project in the northern Eyre Peninsula of South Australia.

Highlights of the reported progress include:

- **Completion of DSO drilling and return of assay results defines extensive areas of direct shipping ore at Wilcherry Hill**
- **Completion of initial metallurgical test work on DSO Material proves 50-60% Fe easily upgradeable to +60% Fe using simple dry processes**
- **South Australian Government grants mineral claims at Wilcherry Hill**
- **Ironclad signs comprehensive logistics proposal with Flinders Ports to fast track export of Iron Ore from Wilcherry Hill through Port Adelaide**
- **Completion of Internal Pre-Feasibility report**
- **A bankable study for the Stage 1 Direct Shipping Ore commenced January**

Exploration

Targeted drilling completed in October has identified extensive areas of shallow (<50 vertical metres) Direct Shipping Ore (DSO) in a targeted drilling campaign at the Wilcherry Hill Iron Ore Project in South Australia (Figure1).

Direct shipping iron grades, with assay results of up to 66% Fe, and consistently low levels of impurities, particularly phosphorous, were encountered over a strike length of approximately 400m at the Weednana prospect and other targets including Weednana North, Ultima Dam East and Ultima Dam West (Table 1).

DIRECTORS' REPORT

Hole ID	From	To	Interval	Fe%	Calcined Fe%	SiO2%	Al2O3	P%	S%	LOI
09WDRC007	10	20	10	61.5	63.0	5.0	3.8	0.022	0.036	2.4
	60	70	10	56.0	58.6	4.1	0.7	0.008	5.35	4.4
09WDRC009	40	42	2	58.3	60.5	7.0	4.4	0.045	0.060	3.7
09WDRC010	30	34	4	55.2	59.0	8.5	4.4	0.072	0.105	6.5
09WDRC011	20	24	4	56.4	60.0	8.5	4.1	0.011	0.085	6.0
	48	52	4	59.4	62.0	5.4	2.1	0.045	0.020	4.3
09WDRC012	16	18	2	61.2	63.7	2.9	3.0	0.042	0.260	3.9
09WDRC019	20	32	12	58.2	61.0	5.6	4.4	0.042	0.118	4.5
	40	46	6	63.2	62.8	7.4	1.1	0.003	0.012	-0.6
09WDRC022	0	4	4	58.5	60.1	7.0	4.8	0.001	0.030	2.7
	12	18	6	60.5	62.1	5.8	3.6	0.033	0.047	2.7
	46	52	6	62.3	63.0	6.3	1.9	0.014	0.027	1.1
09UWRC005	12	16	4	54.7	55.3	18.7	0.8	0.018	0.014	1.0
09UWRC006	88	92	4	54.1	56.0	6.5	0.1	0.007	0.036	3.6
09UWRC007	8	12	4	54.3	55.9	13.2	4.1	0.014	0.029	2.8
	92	96	4	58.9	59.0	6.8	0.2	0.004	0.016	0.2

Table 1: Highlights of DSO assays.

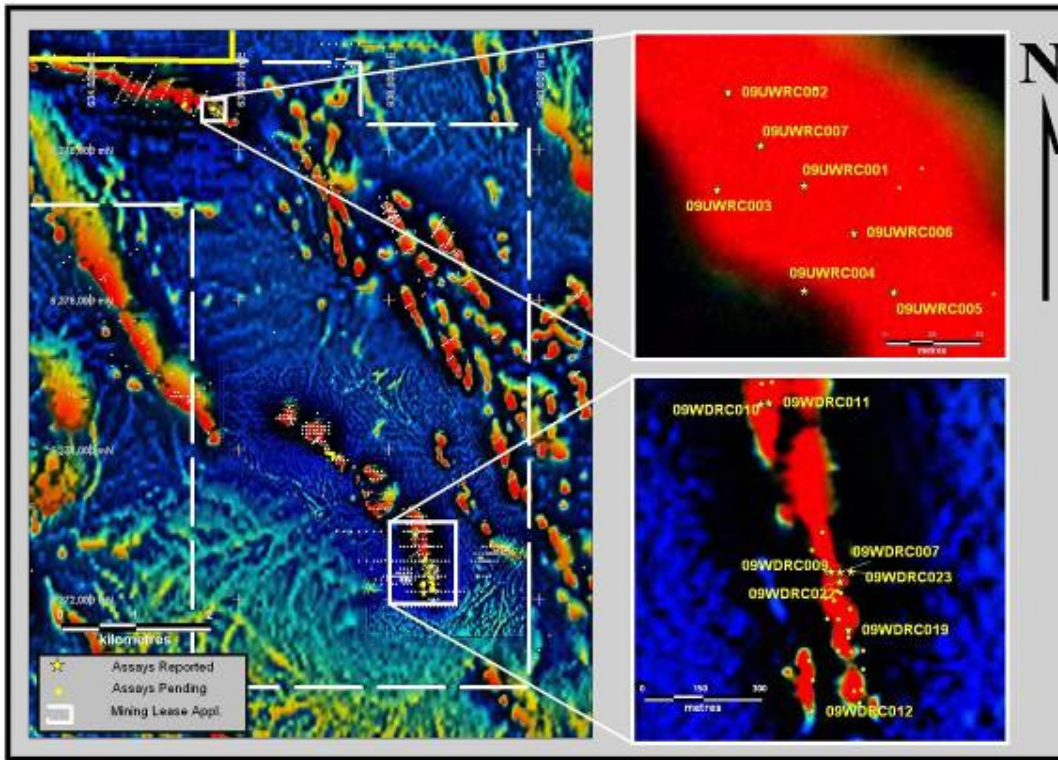


Figure 1 : Magnetic map showing drilling areas

Metallurgical Test Work

Metallurgical test work of its high grade iron ore at Wilcherry Hill confirms that simple dry, low cost processing will enable the Company to commence production of 2 million tonnes a year of premium >60% Fe Direct Shipping Ore (DSO) late this year.

Low cost processing on site is likely to be carried out utilising a simple mobile crushing and screening plant with accompanying low intensity magnetic separation options.

DIRECTORS' REPORT

The work, carried out by Promet Engineers, involved multiple tests on typical ore samples from recent drilling on the Weednana Prospect at Wilcherry Hill. Due to the extremely high grade nature of the in situ ore at the Weednana Prospect, it is the likely site for the first open cut DSO mining operation.

Significantly the test work has also confirmed that Ironclad will be able to extend its proposed Stage 1 DSO operation by simple processing of material down to 50% Fe. A lower cut off grade of 50% Fe readily and economically upgrades to + 60% Fe by crushing, screening and low intensity dry magnetic separation.

Dry magnetic separation is preferred as it is a low cost option and does not require extensive amounts of water. Further test work will be undertaken during the bankable feasibility study to optimise plant design.

The test work has also shown a significant upgrade by size from simple crushing and screening with high lump to fines ratio of 52:48. This ratio should enable Ironclad to negotiate a premium price for its shipped product.

Quality products can be produced with low impurities (table 2). In addition to the high lumps and fines grades the test work shows that a high grade (>65% Fe), <3mm sinter additive can also be produced.

	Lump	Fines
Size Range	95% -32+8mm	80% -8mm+150micron
%Fe	>62%	>60%
%SiO₂	<5%	<5%
%Al₂O₃	<3%	<3%
%CaO	0.02-0.04%	0.02-0.04%
%MgO	0.7-0.9	0.7-0.9
%TiO₂	<0.04	<0.04
%Na₂O+K₂O	<0.12	<0.12
%P	<0.02	<0.02
%S	<0.04	<0.04
%MnO	0.12-0.15	0.12-0.15
%LOI	2.0 – 4.0%	2.0 – 4.0%

Table 2: Summary of Likely Specifications from test work.

Mineral claims

The South Australian State Mining Registrar has granted the Company's application for 17 Mineral Claims which comprise the 4,200 hectare Mining Lease for the Wilcherry Hill iron ore mine (Figure 2). This is an important regulatory milestone in advancing the project towards a fast tracked start-up.

DIRECTORS' REPORT

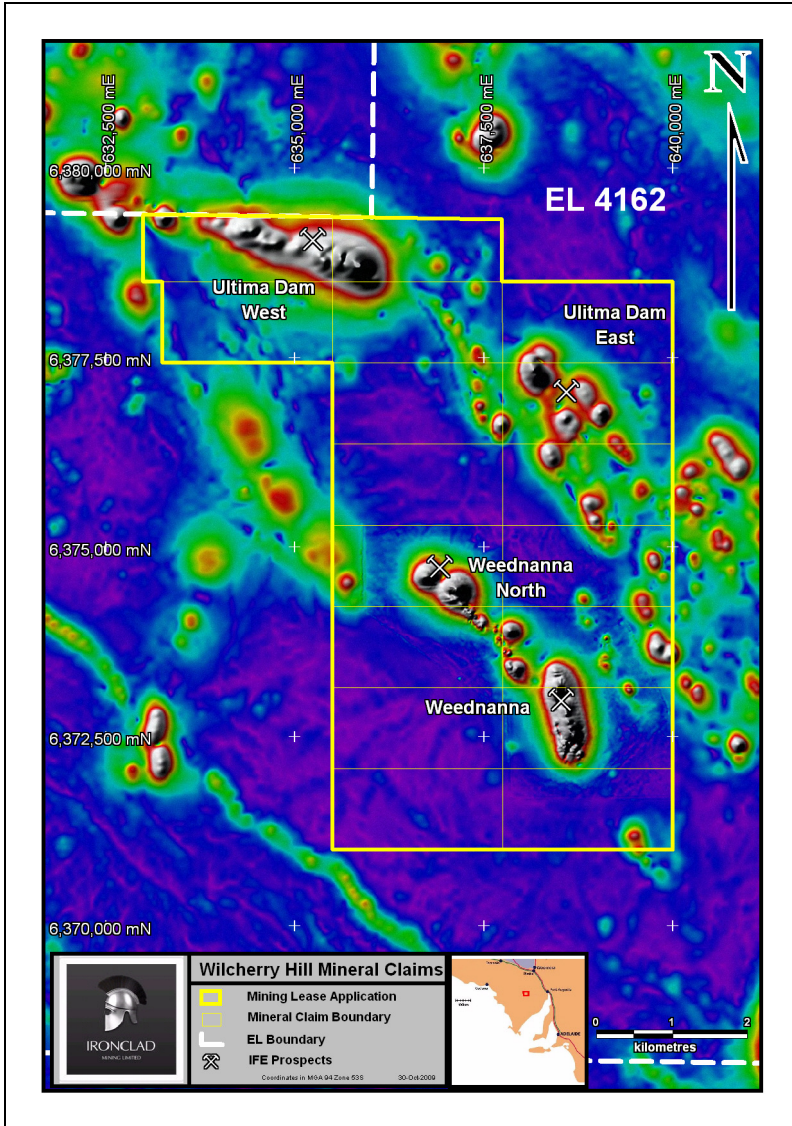


Figure 2 : Wilcherry Hill Mineral Claims

Pre-feasibility Study

The results of a Pre-Feasibility Study into the production and sales of the proposed two million tonnes per annum of Direct Shipping Ore (DSO) from the Wilcherry Hill project in South Australia indicate that it is a robust project and likely to provide significant financial returns for the foreseeable future.

The Pre-Feasibility Study investigated: project scope, cost, schedule and risks based on the pre-defined assessment criteria of:

- Shortest development time to first sales
- Minimum capital requirement
- Easiest and earliest regulatory approvals

Approval Process

The approvals process is progressing according to schedule. Several of the long lead time items in this process were identified and commenced at the earliest opportunity. For instance, the first biodiversity study was completed in the spring of 2008 and that work is near completion. Community impact studies were carried out during 2007 and 2008.

DIRECTORS' REPORT

The approvals process has been expedited by the engagement of the leading consultant in this field in South Australia and by the appointment of an internal approvals manager. Both are working closely with the various regulatory authorities in South Australia to achieve the earliest satisfactory completion.

Corporate

On 3rd December 2009, the Company announced a non-renounceable entitlement issue on the basis of one share for every ten shares held by shareholders as at 11th December 2009 at an issue price of 65 cents per share. The prospectus closed with a short fall of 12% which directors will place in accordance with the prospectus.

Competent Persons Statement

The information in the Directors Report that relates to Exploration Results is based on information compiled by Ian D. Finch, who is the Executive Chairman of IronClad Mining Limited and a Member of the Australian Institute of Mining and Metallurgy and who has more than five years experience in the field of activity being reported on.

Mr. Finch has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr. Finch consents to the inclusion in the Directors Report of the matters based on his information in the form and context in which it appears.

Auditor's Declaration

The lead auditor's independence declaration under section 307C of the *Corporations Act 2001* is set out on page 9 of the half-year ended 31 December 2009 financial report.

This report is signed in accordance with a resolution of the Board of Directors.



Director.....

Mr. Ian D. Finch

Dated this 12th day March 2010

To The Board of Directors

Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

This declaration is made in connection with our review of the financial report of Ironclad Mining Limited for the half year ended 31 December 2009 and in accordance with the provisions of the Corporations Act 2001.

We declare that, to the best of our knowledge and belief, there have been:

- no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the review;
- no contraventions of the Code of Professional Conduct of the Institute of Chartered Accountants in Australia in relation to the review.

Yours faithfully



BENTLEYS
Chartered Accountants



CHRIS WATTS
Director

DATED at PERTH this 12th day of March 2010

**STATEMENT OF COMPREHENSIVE INCOME FOR THE HALF-YEAR ENDED
31 DECEMBER 2009**

	31.12.2009	31.12.2008
	\$	\$
Revenue	55,438	238,464
Administration expense	(20,968)	(30,385)
Consultancy expenses	(40,055)	(67,128)
Compliance & regulatory expenses	(60,981)	(17,893)
Director fees	(46,018)	(68,000)
Depreciation and amortisation expense	(41,254)	(15,964)
Legal fees	(250)	(20,172)
Occupancy costs	(18,508)	(7,671)
Option issue expense	(71,132)	41,250
Public relations cost	(90,440)	(61,804)
Staff costs expenses	(79,156)	(66,922)
Training, membership and conference expenses	-	(1,435)
Asset Write-downs	-	(8,000)
Exploration Written Off	(230,381)	(39,534)
Other expenses	(26,496)	(26,945)
Total expenses	<u>(725,639)</u>	<u>(390,603)</u>
(Loss) before income tax expense	(670,201)	(152,139)
Income tax expense	-	-
(Loss) for the period attributable to members	(670,201)	(152,139)
Other comprehensive income	-	-
Total Comprehensive income for the period	(670,201)	(152,139)
 Overall Operations		
Basic and Diluted earnings per share (cents per share)	(0.017)	(0.004)

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2009

	31.12.2009	30.06.2009
	\$	\$
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	2,232,320	3,648,635
Trade and other receivables	83,120	275,268
TOTAL CURRENT ASSETS	<u>2,315,440</u>	<u>3,923,903</u>
NON-CURRENT ASSETS		
Trade and other receivables	26,200	11,200
Property, plant and equipment	141,288	182,542
Capitalised exploration expenditure	15,469,595	14,393,935
TOTAL NON-CURRENT ASSETS	<u>15,637,083</u>	<u>14,587,677</u>
TOTAL ASSETS	<u>17,952,523</u>	<u>18,511,580</u>
CURRENT LIABILITIES		
Trade and other payables	247,228	150,092
Short-term provisions	59,293	116,417
TOTAL CURRENT LIABILITIES	<u>306,521</u>	<u>266,509</u>
NON-CURRENT LIABILITIES		
TOTAL NON-CURRENT LIABILITIES	<u>-</u>	<u>-</u>
TOTAL LIABILITIES	<u>306,521</u>	<u>266,509</u>
NET ASSETS	<u>17,646,002</u>	<u>18,245,071</u>
EQUITY		
Issued capital	19,324,789	19,324,789
Reserves	2,844,982	2,773,850
Accumulated Losses	(4,523,769)	(3,853,568)
TOTAL EQUITY	<u>17,646,002</u>	<u>18,245,071</u>

**STATEMENT OF CHANGES IN EQUITY FOR THE HALF YEAR ENDED
31 DECEMBER 2009**

	\$	\$	\$	\$
	Issued Capital	Accumulated Losses	Reserves	Total
Balance at 1.7.2008	19,324,789	(3,995,643)	2,993,850	18,322,996
Total comprehensive income for the period	-	(152,139)	-	(152,139)
Issue of options to Director and Employees	-	-	(41,250)	(41,250)
Subtotal	19,324,789	(4,147,782)	2,952,600	18,129,607
Dividends paid or provided for	-	-	-	-
Balance at 31.12.2008	19,324,789	(4,147,782)	2,952,600	18,129,607

	\$	\$	\$	\$
	Issued Capital	Accumulated Losses	Reserves	Total
Balance at 1.7.2009	19,324,789	(3,853,568)	2,773,850	18,245,071
Total comprehensive income for the period	-	(670,201)	-	(670,201)
Issue of options to Director and Employees	-	-	71,132	71,132
Subtotal	19,324,789	(4,523,769)	2,844,982	17,646,002
Dividends paid or provided for	-	-	-	-
Balance at 31.12.2009	19,324,789	(4,523,769)	2,844,982	17,646,002

**STATEMENT OF CASH FLOWS FOR THE HALF-YEAR ENDED
31 DECEMBER 2009**

	31.12.2009	31.12.2008
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Payments to suppliers and employees	(410,317)	(406,443)
Payments for exploration activity	(1,234,464)	(4,397,273)
Interest received	39,965	240,357
R&D Rebate	188,639	-
Net cash provided by (used in) operating activities	<u>(1,416,177)</u>	<u>(4,563,359)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of non-current assets	-	(10,014)
Net cash provided by (used in) investing activities	<u>-</u>	<u>(10,014)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Loans to (paid by) Other Entities	-	29,976
Net cash provided by (used in) financing activities	<u>-</u>	<u>29,976</u>
Net increase (decrease) in cash held	(1,416,177)	(4,543,397)
Cash at beginning of period	3,648,635	9,598,521
Effects of Foreign Exchange on Cash	(138)	282
Cash at end of period	<u><u>2,232,320</u></u>	<u><u>5,055,406</u></u>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED
31 DECEMBER 2009**

NOTE 1: BASIS OF PREPARATION

The half-year financial statements are a general purpose financial report prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standard AASB 134: Interim Financial Reporting, Australian Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board.

It is recommended that this financial report be read in conjunction with the annual financial report for the year ended 30 June 2009 and any public announcements made by IronClad Mining Limited during the half-year in accordance with continuous disclosure requirements arising under the *Corporations Act 2001*.

The accounting policies have been consistently applied by the company and are consistent with those in the June 2009 financial report.

The half-year report does not include full disclosures of the type normally included in an annual financial report.

Accounting Standards not Previously Applied

The Group has adopted the following new and revised Australian Accounting Standards issued by the AASB which are mandatory to apply to the current interim period. Disclosures required by these Standards that are deemed material have been included in this financial report on the basis that they represent a significant change in information from that previously made available.

Presentation of Financial Statements

AASB 101 prescribes the contents and structure of the financial statements. Changes reflected in this financial report include:

- the replacement of Income Statement with Statement of Comprehensive Income. Items of income and expense not recognised in profit or loss are now disclosed as components of 'other comprehensive income'. In this regard, such items are no longer reflected as equity movements in the Statement of Changes in Equity;
- the adoption of the separate income statement/single statement approach to the presentation of the Statement of Comprehensive Income;
- other financial statements are renamed in accordance with the Standard; and
- presentation of a third Statement of Financial Position as at the beginning of a comparative financial year where relevant amounts have been affected by a retrospective change in accounting policy or material reclassification of items.

Operating Segments

From 1 January 2009, operating segments are identified and segment information disclosed on the basis of internal reports that are regularly provided to, or reviewed by, the group's chief operating decision maker which, for the Company, is the board of directors. In this regard, such information is provided using different measures to those used in preparing the Statement of Comprehensive Income and Statement of Financial Position. Reconciliations of such management information to the statutory information contained in the interim financial report have been included.

As a result of the adoption of the revised AASB 8, certain cash generating units have been redefined having regard to the requirements in AASB 136: Impairment of Assets.

Reporting Basis and Conventions

The half-year report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied.

NOTE 2: OPERATING SEGMENTS**Segment Information****Identification of reportable segments**

The Company has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision makers) in assessing performance and determining the allocation of resources.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED
31 DECEMBER 2009**

The Company is managed primarily on the basis of its exploration projects. Operating segments are therefore determined on the same basis.

Reportable segments disclosed are based on aggregating tenements where the tenements are considered to form a single project. This is indicated by:

- Having the same ownership structure.
- Exploration being focused on the same mineral or type of mineral.
- Exploration programs targeting the tenements as a group, indicated by the use of the same exploration team, and shared geological data, knowledge and confidence across the tenements.
- Shared mining economic considerations such as mineralisation, metallurgy, marketing, legal, environmental, social and government factors.

Basis of accounting for purposes of reporting by operating segments

Accounting policies adopted

Unless stated otherwise, all amounts reported to the Board of Directors as the chief decision maker with respect to operating segments are determined in accordance with accounting policies that are consistent to those adopted in the annual financial statements of the Company.

Segment assets

Where an asset is used across multiple segments, the asset is allocated to the segment that receives the majority of economic value from the asset. In the majority of instances, segment assets are clearly identifiable on the basis of their nature and physical location.

Unless indicated otherwise in the segment assets note, investments in financial assets, deferred tax assets and intangible assets have not been allocated to operating segments.

Segment liabilities

Liabilities are allocated to segments where there is direct nexus between the incurrence of the liability and the operations of the segment. Borrowings and tax liabilities are generally considered to relate to the Group as a whole and are not allocated. Segment liabilities include trade and other payables and certain direct borrowings.

Unallocated items

The following items of revenue, expense, assets and liabilities are not allocated to operating segments as they are not considered part of the core operations of any segment:

- income tax expense;
- deferred tax assets and liabilities;
- discontinuing operations.

Comparative information

This is the first reporting period in which AASB 8: Operating Segments has been adopted. Comparative information has been stated to conform to the requirements of the Standard.

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2009

NOTE 2: OPERATING SEGMENTS (CONT'D)

	Wilcherry Joint Venture	Lincoln Joint Venture	Corporate	Total
	\$	\$	\$	\$
(i) Segment performance				
Six months ended 31.12.2009				
External sales	-	-	-	-
Interest revenue	-	-	55,438	55,438
Segment revenue	-	-	55,438	55,438
Segment result	-	(230,381)	(439,820)	(670,201)
Included within segment result:				
Depreciation	-	-	(41,254)	(41,254)
Exploration written off	-	(230,381)	-	(230,381)
Six months ended 31.12.2008				
External sales	-	-	455	455
Interest revenue	-	-	238,009	238,009
Segment revenue	-	-	238,464	238,464
Segment result	(39,534)	-	(112,605)	(152,139)
Included within segment result:				
Depreciation	-	-	(15,964)	(15,964)
Exploration written off	(39,534)	-	-	(39,534)
(ii) Segment assets				
Six months ended 31.12.2009				
Additions to non-current assets:				
Capital expenditure	-	-	-	-
Exploration expenditure	1,305,152	889	-	1,306,041
Other – security bond	-	-	15,000	15,000
Segment Assets	15,469,595	-	2,482,928	17,952,523
Unallocated assets	-	-	-	-
Six months ended 30.06.2009				
Additions to non-current assets:				
Capital expenditure	-	-	3,025	3,025
Exploration expenditure	967,058	7,596	-	974,654
Other	-	-	359	359
Segment Assets	14,164,443	229,492	4,117,645	18,511,580
Unallocated assets	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2009

NOTE 2: OPERATING SEGMENTS (CONT'D)

	Wilcherry Joint Venture	Lincoln Joint Venture	Corporate	Total
	\$	\$	\$	\$
(iii) Segment liabilities				
Six months ended 31.12.2009				
Segment liabilities	-	-	306,521	306,521
Unallocated liabilities	-	-	-	-
Six months ended 30.06.2009				
Segment liabilities	-	-	266,509	266,509
Unallocated liabilities	-	-	-	-

NOTE 3: CONTINGENT LIABILITIES

There has been no change in contingent liabilities since last annual reporting date.

NOTE 4: EVENTS SUBSEQUENT TO REPORTING DATE

On 21st January 2010 the Non Renounceable Rights Issue closed with 3,534,892 shares being taken up at \$0.65 per share raising \$2,297,679.80 before costs.

On 4th February the Company announced its withdrawal from its joint venture with Lincoln Resources.

NOTE 5: DIVIDEND

No Dividend has been paid during or recommended for the half year ended 31 December 2009.

DIRECTORS' DECLARATION

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 10 to 17:
 - a. comply with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations; and
 - b. give a true and fair view of the company's financial position as at 31 December 2009 and of its performance for the half-year ended on that date.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

Director



Mr. Ian D. Finch

Dated this

12th day of March 2010

Independent Auditor's Review Report

To the Members of Ironclad Mining Limited

We have reviewed the accompanying half-year financial report of Ironclad Mining Limited ("the Company") which comprises the statement of financial position as at 31 December 2009, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, a statement of accounting policies, other selected explanatory notes and the directors' declaration.

**Bentleys Audit
& Corporate (WA) Pty Ltd**
ABN 33 121 222 802

Level 1
12 Kings Park Road
West Perth WA 6005

PO Box 44
West Perth WA 6872

T +61 8 9226 4500
F +61 8 9226 4300

www.bentleys.com.au

Directors Responsibility for the Half-Year Financial Report

The directors of the Company are responsible for the preparation and fair presentation of the half-year financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the half-year financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 Review of an Interim Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of the Company's financial position as at 31 December 2009 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001. As the auditor of Ironclad Mining Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Matters Relating to the Electronic Presentation of the Audited Financial Report

This review report relates to the financial report of Ironclad Mining Limited for the half-year ended 31 December 2009 included on the website of Ironclad Mining Limited. The directors of the Company are responsible for the integrity of the website and we have not been engaged to report on its integrity. This review report refers only to the half-year financial report identified above and it does not provide an opinion on any other information which may have been hyperlinked to or from the financial report. If users of this report are concerned with the inherent risks arising from electronic data communications, they are advised to refer to the hard copy of the reviewed financial report to confirm the information included in the reviewed financial report presented on the Company's website.

Independent Auditor's Review Report

To the Members of Ironclad Mining Limited (Continued)

Independence

In conducting our review, we have complied with the independence requirements of the Corporations Act 2001.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Ironclad Mining Limited is not in accordance with the Corporations Act 2001 including:

- a. Giving a true and fair view of the Company's financial position as at 31 December 2009 and of its performance for the half-year ended on that date; and
- b. Complying with Accounting Standard AASB 134: Interim Financial Reporting and Corporations Regulations 2001.



BENTLEYS
Chartered Accountants



CHRIS WATTS
Director

DATED at PERTH this 12th day of March 2010