



# IRONCLAD

MINING LIMITED

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30<sup>th</sup> July 2010

## **QUARTERLY REPORT 30<sup>TH</sup> JUNE 2010**

Activities in the last reporting period include:

- **Rehabilitation of historical drill holes**
- **Identification of sufficient water supply for planned mining operations**
- **Resource and geological modelling**
- **Continued design engineering of future mining pits**
- **IronClad to raise \$7.5million to bring Stage 1 of the three Stage development into production**

### **Rehabilitation**

IronClad Mining together with Trafford Resources began an extensive rehabilitation programme during the quarter. Three staff were employed full-time to complete the programme, including 2 field assistants and a site supervisor. This programme included the scarification of unused access tracks, re-planting of native vegetation and clean-up of reverse circulation (RC) and diamond drill sites. The aim of the programme was to begin restoration of disturbed land to its pre-exploration condition. In order to demonstrate the effect of rehabilitation procedures, photos were taken both before and after the restoration of each site and/or area. This programme is to be continued into the next quarter.

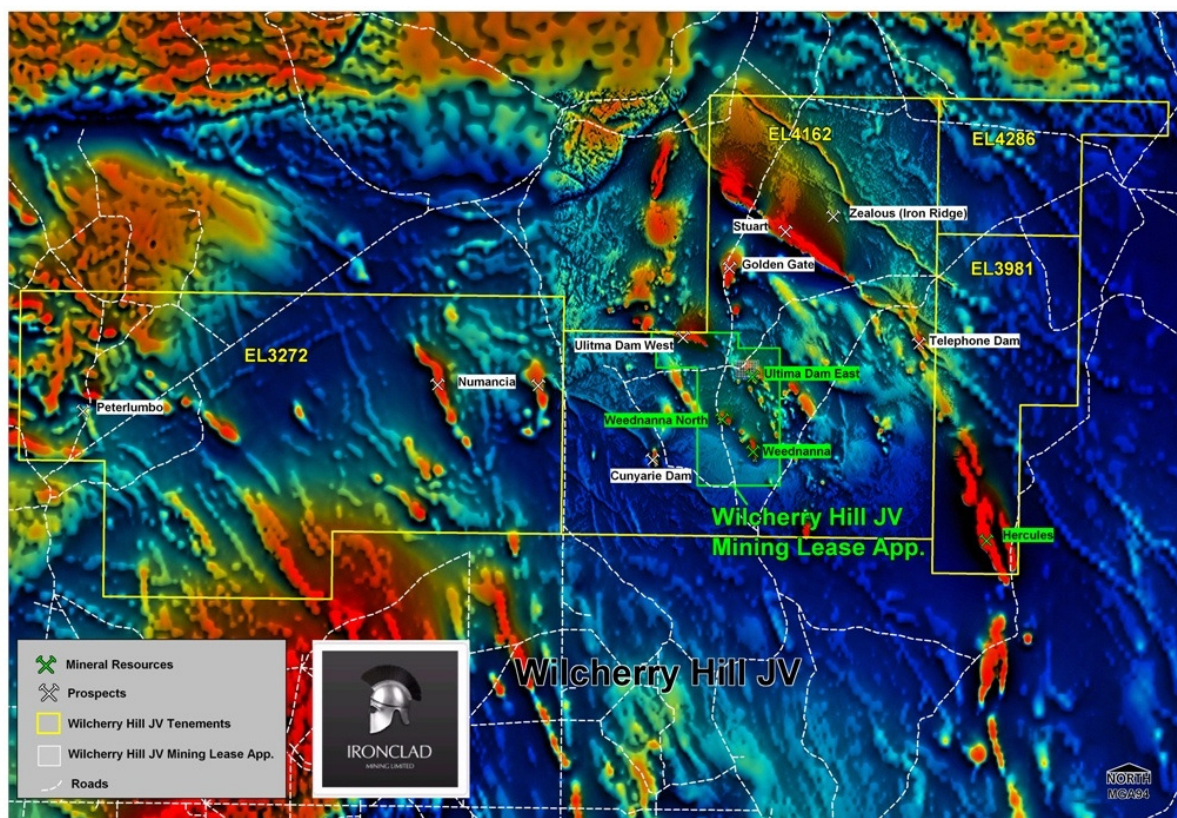
IronClad Mining will continue to rehabilitate sites as work in the area increases, paying particular attention to areas of Aboriginal and anthropological significance.

## Water Supply

Hydrogeological consultants from Sinclair Knight Menz (SKM) drilled seven water bores in order to determine the salinity of the ground water and locate a sufficient water source to be utilised during the construction and operation of the mine. The seven bore holes indicated that a fractured rock aquifer, located within 10km from the stage 1 DSO operations, will give a sustainable combined yield that is to exceed 2 ML/day. The salinity of the groundwater is expected to range between 30,000 and 40,000mg/L.

## Resource and Geological Modelling

During the first period of the year, IronClad Mining drilled more than 8000m of reverse circulation drill holes in order to move the DSO magnetite resource from the inferred to indicated category. The definition drilling was focused on the Weednanna prospect, but also covered Weednanna North and Ultima Dam East prospects (Figure 1). During this reporting period work on the resource has continued and is expected to be completed in the next quarter.



**Figure 1:** Map showing tenement boundaries and the Wilcherry Hill JV Mining Lease Application and highlighting the Weednanna, Weednanna North and Ultima Dam East prospects.

## **Pit Design**

Using information gained from geotechnical holes reported during the last period, engineers have continued work on the designing of mining pits for Weednanna, Weednanna North and Ultima Dam East. The final pit designs will be completed during the next quarter.

## **Corporate and Subsequent Events**

During the reporting period a Renounceable Rights Issue was offered to shareholders at \$0.85 a share on a one for five basis, to raise \$7,456,866. The Company's major shareholder, Trafford Resources, which owns 22 million issued shares in IronClad, fully participated in the funding. Trafford Resources has a 50% direct interest in IronClad Mining and a 20% free carried interest in the Wilcherry Hill Iron Ore Project.

The Rights Issued closed 29<sup>th</sup> July 2010 and in accordance with the Prospectus, the Company will announce any shortfall, and its intention to place to ASX on 4<sup>th</sup> August 2010.



Ian D. Finch

Chairman

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*The information in this announcement that relates to results, is based on information compiled by Ian D. Finch, who is a Member of The Australasian Institute of Mining and Metallurgy and who has more than five years experience in the field of activity being reported on and is Executive Chairman of the Company.*

*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 report of the matters based on his information in the form and context in which it appears.*