



**IRONCLAD**  
MINING LIMITED

## **MEDIA RELEASE**

1st September 2010

### **NATIVE TITLE AGREEMENT OPENS WAY FOR ANOTHER NEW S.A. IRON ORE MINE**

The signing yesterday in Port Augusta of a Native Title Mining Agreement has opened the way for the development of IronClad Mining Limited's (ASX: IFE) Wilcherry Hill iron ore project on Eyre Peninsula, South Australia.

The Native Title Mining Agreement – signed by the Gawler Ranges Native Title Claim Group and executives of IronClad Mining - provides for a range of measures and opportunities that will flow from the development of a mining operation at Wilcherry Hill in a manner sensitive to Aboriginal cultural and heritage issues.

Development of the Wilcherry Hill iron ore project, 120 kilometres west of Whyalla, is scheduled to begin production with Stage 1 commencing next year. It will be one of the first iron ore export operations in the world to ship high quality, high grade crystalline magnetite as Direct Shipping Ore (DSO).

Chinese steel mills are showing strong interest in this new high grade product and Ironclad is currently finalising a Definitive Feasibility Study for the production of up to 2 million tonnes a year.

The Company is considering options for DSO sales under both annual contract arrangements and as spot sale cargoes.

IronClad's Executive Chairman, Mr Ian Finch, said details of the terms of the Native Title Mining Agreement were confidential to the parties and were signed off today by members of the Gawler Ranges Native Title Claim Group after negotiations which were conducted in a constructive, open and timely manner.

"Ironclad Mining looks forward to working with the Gawler Ranges Native Title Claim Group, and with the Eyre Peninsula community generally in the development of the Wilcherry Hill Iron Ore Project," Mr Finch said.

Gawler Ranges Native Title Group spokesperson, Mr Elliott McNamara, said: "Today's agreement is not just about Aboriginal people but also the general community around Kimba."

"This is a win-win situation for both parties and we have been impressed with IronClad's professionalism and goodwill throughout these negotiations."

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“We are particularly excited at the economic development opportunities this agreement will have for the local community, including traineeships and scholarships for Aboriginal people in the mining industry.”

“This agreement is proof of what can be achieved when there is goodwill on both sides of the negotiating table.”

Gawler Ranges Native Title Group spokesperson Glen Wingfield said: “We have been really impressed with the way IronClad has worked with us during these negotiations.”

“Aboriginal heritage was the main issue, but IronClad was very understanding of our concerns and was happy to work through those issues with us.”

“Today is a good result for both parties.”

**For Further Information Contact:-**

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**About IronClad Mining Limited (ASX: IFE)**

The Direct Shipping Ore (DSO) magnetite scheduled to be mined from 2011 at IronClad Mining Limited’s Wilcherry Hill tenement in South Australia and shipped direct to buyers in China – will be one of the first iron ore export operations in the world to ship high quality, high grade crystalline magnetite as DSO.

What makes this so exciting is the relatively simple extraction of the magnetite, with only crushing, screening and some dry magnetic separation involved.

When IronClad’s parent company, Trafford Resources Limited, was still in its infancy as a junior explorer, it acquired the Wilcherry Hill tenements, 120 kilometres west of Whyalla on South Australia’s Eyre Peninsula, from Aquila Resources.

Trafford began exploration on the tenements and struck gold with the first holes drilled. However, during the initial exploration campaign, the company recognised the presence of extensive areas of high grade crystalline magnetite mineralisation with few impurities.

The subsequent compilation and interpretation of 30 years and 15,000 pages of historical data from previous exploration identified the potential for significant tonnages of this magnetite material.

The discovery, which coincided with a strong demand and record prices for iron ore from the rapid growth of the Chinese economy, switched Trafford’s immediate focus from gold to iron ore.

Upon establishing the size and nature of the deposit, IronClad was subsequently formed and floated on the ASX to raise \$20 million – for the exploration and initial development of the Wilcherry Hill iron ore project.

As a new company with exciting deposits, IronClad set to work. A total of 471 holes and 52,513 metres were drilled and the extent of this work has directly reduced the overall risk and increased the potential profitability of the project.

IronClad subsequently released an initial JORC compliant resource of 60 million tonnes at Wilcherry Hill with a target potential of 200 million – 300 million tonnes of its high grade, low impurity crystalline magnetite.

Because of the high quality and ease of mining the Wilcherry Hill crystalline magnetite deposits, IronClad decided to fast track initial development to generate an early cash flow, starting next year.

**Stage One** of the Wilcherry Hill Project only requires a mobile crushing and screening plant, which keeps initial costs low and margins high. **Stage Two** of the project will be the production and beneficiation of the remaining ore at Wilcherry Hill.

The IronClad board has made a significant effort to maintain shareholder equity within the company, and there are only 50 million shares currently on issue in the market.

IronClad's DSO has a unique purpose for Chinese steel mills as a high grade blending ore, with low grade domestic Chinese ores and also certain imported ores which contain higher phosphorous levels and can achieve a higher grade steel.

This makes IronClad's ore particularly sought after and highly marketable. It is also why high quality, low cost crystalline magnetite is IronClad's flagship product.