

IRONCLAD MINING LIMITED

ABN 79 124 990 405

ENTITLEMENT ISSUE PROSPECTUS

For a pro rata renounceable entitlement issue of one (1) Share for every five (5) Shares held by Shareholders at an issue price of \$0.85 per Share to raise approximately \$7,456,886 (**Entitlement Issue**).

IMPORTANT NOTICE

This document is important and should be read in its entirety. If after reading this Prospectus you have any questions about the Shares being offered under this Prospectus or any other matter, then you should consult your stockbroker, accountant or other professional adviser.

The Shares offered by this Prospectus should be considered speculative. Investors may lose some or all of their investment.

The Company will apply to ASX for quotation of the Shares within seven days after the date of this Prospectus.

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1. SUMMARY OF IMPORTANT DATES AND IMPORTANT NOTES

TIMETABLE AND IMPORTANT DATES*

Lodgement of Prospectus and Appendix 3B with ASIC	22 June 2010
Notice sent to Shareholders	23 June 2010
Ex Date – rights trading commences	25 June 2010
Record Date for determining Shareholder entitlements	1 July 2010
Prospectus despatched to Shareholders	6 July 2010
Rights trading ceases	22 July 2010
Closing Date of Offer	29 July 2010
Notify ASX of under-subscriptions	4 August 2010
Despatch date/Shares entered into shareholders security holdings	9 August 2010

* These dates are determined based upon the current expectations of the Directors and may be changed with 6 Business Days prior notice.

IMPORTANT NOTES

Shareholders should read this document in its entirety and, if in doubt, should consult their professional advisers.

This Prospectus is dated 22 June 2010 and a copy of this Prospectus was lodged with the ASIC on that date. The ASIC and ASX take no responsibility for the content of this Prospectus.

The expiry date of the Prospectus is that date which is 13 months after the date of this Prospectus (**Expiry Date**). No Shares will be allotted or issued on the basis of this Prospectus after the Expiry Date.

Applications for Shares offered pursuant to this Prospectus can only be submitted on an original Entitlement and Acceptance Form which accompanies this Prospectus.

This Prospectus does not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer.

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any of these restrictions. Failure to comply with these restrictions may violate securities laws. Applicants who are resident in countries other than Australia should consult their professional advisers as to whether any governmental or other consents are required or whether any other formalities need to be considered and followed.

No person is authorised to give information or to make any representation in connection with this Prospectus which is not contained in the Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with this Prospectus.

In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.

ELECTRONIC PROSPECTUS

Any person accessing the electronic version of this Prospectus for the purpose of making an investment in the Company must be an Australian or New Zealand resident and must only access the Prospectus from within Australia or New Zealand.

The Corporations Act prohibits any person passing onto another person an Entitlement and Acceptance Form unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered version of this Prospectus. Any person may obtain a hard copy of this Prospectus free of charge by contacting the Company.

2. CORPORATE DIRECTORY

Directors

Ian D. Finch
Executive Chairman

Neil W. McKay
Non Executive Director

Peter W. Rowe
Non Executive Director

Company Secretary

Neil W. McKay

Registered Office

Level 2
679 Murray Street
WEST PERTH WA 6005

Telephone: (08) 9485 1040
Facsimile: (08) 9485 1050

Email: admin@ironcladmining.com.au

Website: www.ironcladmining.com.au

Share Registry*

Advanced Share Registry Ltd
150 Stirling Highway
NEDLANDS WA 6009

Telephone: (08) 9389 8033

Solicitors

Price Sierakowski Corporate
Level 24, St Martin's Tower
44 St George's Terrace
PERTH WA 6000

Auditor*

Bentleys
Level 1
12 Kings Park Road
WEST PERTH WA 6005

*This party has been included for information purposes only. It has not been involved in the preparation of this Prospectus.

3. DETAILS OF THE OFFER

3.1 Offer

By this Prospectus, the Company offers for subscription approximately 8,772,807 Shares pursuant to a pro-rata renounceable entitlement issue to Shareholders of one (1) new Share for every five (5) Shares held on the Record Date at an issue price of \$0.85 per Share. Fractional entitlements will be rounded up to the nearest whole number.

Based on the capital structure of the Company (and assuming no existing Options are exercised prior to the Record Date), the maximum number of Shares to be issued pursuant to the Offer is approximately 8,772,807. The Offer, if successful, will raise approximately \$7,456,886. The purpose of the Offer and the use of funds raised are set out in Section 4 of this Prospectus.

Holders of existing Options will not be entitled to participate in the Offer. The Company currently has 8,050,000 Options on issue as at the date of this Prospectus. Options may be exercised by the Option holder prior to the Record Date in order to participate in the Offer.

3.2 Rights Trading

Entitlements to Shares pursuant to the Offer are renounceable and accordingly, rights will be traded on ASX. Details on how to sell your rights are set out in Section 3.3 below.

3.3 How to Accept the Offer

Your acceptance of the Offer must be made on the Entitlement and Acceptance Form accompanying this Prospectus. Your acceptance must not exceed your Entitlement as shown on that form. If it does, your acceptance will be deemed to be for the maximum Entitlement.

You may participate in the Offer as follows:

- (a) if you wish to accept your Entitlement in full:
 - (i) complete the Entitlement and Acceptance Form, filling in the details in the spaces provided; and
 - (ii) attach your cheque for the amount indicated on the Entitlement and Acceptance Form; or
- (b) if you only wish to accept part of your Entitlement:
 - (i) fill in the number of Shares you wish to accept in the space provided on the Entitlement and Acceptance Form; and
 - (ii) attach your cheque for the appropriate application monies (at \$0.85 per Share);
- (c) if you do not wish to accept all or part of your Entitlement, you are not obliged to do anything.

Alternatively, you can trade your Entitlement rights as follows:

- (a) to sell any or all of your Entitlement you will need to instruct a stockbroker to sell the Entitlement rights which you wish to renounce. If you wish to do so you must instruct your stockbroker by completing the panel headed "Instructions to your Stockbroker" on the back of the Entitlement and Acceptance Form and lodge that form with your stockbroker. Your stockbroker must sell those rights before the rights trading ceases; or
- (b) if you wish to transfer all or part of your rights to another person other than on ASX you must forward a completed renunciation form (which you can obtain by contacting the Company) together with the Entitlement and Acceptance Form.

All cheques must be drawn on an Australian bank or bank draft made payable in Australian currency to "Ironclad Mining Limited – Trust Account" and crossed "Not Negotiable".

Your completed Entitlement and Acceptance Form and cheque must reach the Company's share registry no later than 5.00pm WST on the Closing Date.

Please note that all payments using the Bpay payment option must be made by 4.00pm (WST) on the Closing Date.

3.4 Minimum Subscription

The minimum subscription in respect of the Offer is \$7,456,886

3.5 Shortfall

If you do not wish to take up any part of your Entitlement you are not required to take any action. That part of your Entitlement not taken up will form part of the Shortfall. Shareholders who wish to apply for Shares above their Entitlement can complete the Shortfall Application Form attached to the back of this Prospectus and return it, together with a cheque for the value of those Shortfall Shares (at \$0.85 per Share) to the Company.

The offer of the Shortfall is a separate offer pursuant to this Prospectus. The issue price of any Shares offered pursuant to the Shortfall Offer shall be \$0.85 cents being the price at which the Entitlement has been offered to Shareholders pursuant to this Prospectus.

If any Shortfall remains after Shareholders have taken up their Entitlements, the Directors reserve the right pursuant to Listing Rule 7.2 (exception 3) to allot and issue any Shortfall with parties selected by them. Notably as above, Shareholders (besides directors) may apply for Shortfall by filling out the attached form, and shall be given priority.

All Shortfall will be placed within 3 months of the Closing Date and will be issued on the same terms as are being offered to Shareholders pursuant to this Prospectus. New Shares not taken up by Shareholders will not be placed to the Directors or any related parties of the Directors, without shareholder approval.

3.6 Australian Securities Exchange Listing

Application for official quotation by ASX of the Shares offered pursuant to this Prospectus will be made within 7 days after the date of this Prospectus. If the Shares are not quoted on ASX before the expiration of 3 months after the date of issue of the Prospectus (or such period as modified by the ASIC) the Company

will not issue any Shares and will repay all application monies for the Shares within the time prescribed under the Corporations Act, without interest.

The fact that ASX may grant official quotation to the Shares is not to be taken in any way as an indication of the merits of the Company or the Shares now offered for subscription.

3.7 Allotment of Shares

Shares issued pursuant to the Offer will be allotted as soon as practicable after the Closing Date. The Company will allot the Shares on the basis of a Shareholder's Entitlement. Where the number of Shares issued is less than the number applied for, or where no allotment is made, surplus application monies will be refunded without any interest to the applicant as soon as practicable after the Closing Date.

Pending the allotment and issue of the Shares or payment of refunds pursuant to this Prospectus, all application monies will be held by the Company in trust for the Applicants in a separate bank account as required by the Corporations Act. The Company, however, will be entitled to retain all interest that accrues on the bank account and each Applicant waives the right to claim interest.

3.8 Offer in New Zealand

The Offer to New Zealand investors is a regulated offer made under Australian and New Zealand law. In Australia, this is Chapter 8 of the Corporations Act and the Corporations Regulations 2001. In New Zealand, this is Part 5 of the Securities Act 1978 and the Securities (Mutual Recognition of Securities Offerings – Australia) Regulations 2008.

The Offer and the content of the Prospectus are principally governed by Australian rather than New Zealand law. In the main, the Corporations Act sets out how the Offer must be made.

There are differences in how securities are regulated under Australian law.

The rights, remedies, and compensation arrangements available to New Zealand investors in Australian securities may differ from the rights, remedies, and compensation arrangements for New Zealand securities.

Both the Australian and New Zealand securities regulators have enforcement responsibilities in relation to the Offer. If you need to make a complaint about the Offer, please contact the Securities Commission, Wellington, New Zealand. The Australian and New Zealand regulators will work together to settle your complaint.

The taxation treatment of Australian securities is not the same as for New Zealand securities.

If you are uncertain about whether this investment is appropriate for you, you should seek the advice of an appropriately qualified financial adviser.

The Offer may involve a currency exchange risk. The currency for the securities is not New Zealand dollars. The value of the securities will go up or down according to changes in the exchange rate between that currency and New Zealand dollars. These changes may be significant. If you expect the securities to pay any amounts in a currency that is not New Zealand dollars, you may

incur significant fees in having the funds credited to a bank account in New Zealand in New Zealand dollars.

As noted in the Prospectus at Section 3.7, the Company will apply to the ASX for quotation of the Shares offered under this Prospectus. If quotation is granted, the Shares offered under this Prospectus will be able to be traded on the ASX. If you wish to trade the securities through that market, you will have to make arrangements for a participant in that market to sell the securities on your behalf. As the ASX does not operate in New Zealand, the way in which the market operates, the regulation of participants in that market, and the information available to you about the securities and trading may differ from securities markets that operate in New Zealand.

3.9 Overseas Shareholders

This Offer does not, and is not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus.

It is not practicable for the Company to comply with the securities laws of overseas jurisdictions having regard to the number of overseas Shareholders, the number and value of Securities these Shareholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction. Accordingly, the Offer is not being extended and Securities will not be issued to Shareholders with a registered address which is outside Australia or New Zealand.

Shareholders resident in New Zealand should consult their professional advisers as to whether any government or other consents are required, or other formalities need to be observed, to enable them to exercise their Entitlements under the Offer.

3.10 Taxation Implications

The Directors do not consider that it is appropriate to give Applicants advice regarding the taxation consequences of applying for Shares under this Prospectus, as it is not possible to provide a comprehensive summary of the possible taxation consequences. The Company, its advisers and officers do not accept any responsibility or liability for any taxation consequences to Applicants. Potential Applicants should, therefore, consult their own professional tax adviser in connection with the taxation implications of the Shares offered pursuant to this Prospectus.

3.11 Clearing House Electronic Sub-Register System (CHESS) and Issuer Sponsorship

The Company will not be issuing share certificates. The Company will apply to ASX to participate in CHESS, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHESS will be issuer sponsored by the Company. Because the sub-registers are electronic, ownership of securities can be transferred without having to rely upon paper documentation.

Electronic registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with a statement (similar to a bank account statement) that sets out the number of Shares allotted to them under this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHESS and issuer sponsorship.

Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

3.12 Privacy Act

If you complete an application for Shares, you will be providing personal information to the Company (directly or by the Company's share registry). The Company collects, holds and will use that information to assess your application, service your needs as a Shareholder, facilitate distribution payments and corporate communications to you as a Shareholder and carry out administration.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your securities in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Company's share registry.

You can access, correct and update the personal information that we hold about you. Please contact the Company or its share registry if you wish to do so at the relevant contact numbers set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the *Privacy Act 1988* (Cth) (as amended), the Corporations Act and certain rules such as the ASTC Settlement Rules. You should note that if you do not provide the information required on the application for Shares, the Company may not be able to accept or process your application.

4. UPDATE AND PURPOSE AND EFFECT OF THE OFFER

4.1 Update on the Company and Purpose of the Offer

The purpose of the Offer is to raise approximately \$7,456,886 (before expenses). The funds raised, after deducting the expenses of the Offer (of approximately \$50,000), will be allocated to the completion of a bankable feasibility study and an early works programme on the projects of the Company. The Directors estimate that the outstanding commitment of the bankable feasibility study is expected to be approximately \$5 million and early works of \$1.4 million, which includes a trial shipment of ore to China and down payments on long lead time items related to the full production schedule.

The Directors estimate that the working capital will be used as follows:

(a)	Salaries not included in development or early works	-	\$200,000
(b)	Additional first shipment	-	\$500,000
(c)	Other/working capital	-	\$356,886

4.2 Effect of the Offer and Pro Forma Consolidated Balance Sheet

The principal effect of the Offer will be to (assuming the Offer is fully subscribed):

- (a) increase the cash reserves by approximately \$7,408,732 immediately after completion of the Offer after deducting the estimated expenses of the Offer; and
- (b) increase the number of Shares on issue from 43,864,034, to approximately 52,636,841 Shares following completion of the Offer (assuming no Options are exercised prior to completion of the Offer).

4.3 Consolidated Balance Sheet

The unaudited Consolidated Balance Sheet as at 31 March 2010 and the unaudited Pro Forma Consolidated Balance Sheet as at 31 March 2010 shown on the following page have been prepared on the basis of the accounting policies normally adopted by the Company and reflect the changes to its financial position. They have been prepared on the assumption that all Shares pursuant to the Offer in this Prospectus are issued.

The unaudited Consolidated Balance Sheets have been prepared to provide Shareholders with information on the assets and liabilities of the Company and pro-forma assets and liabilities of the Company as noted below. The historical and pro-forma financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements.

Consolidated Balance Sheet and Pro Forma Consolidated Balance Sheet as at 31 March 2010 (Unaudited)

	Note	31 March 2010 Actual \$	31 March 2010 Pro-forma \$
CURRENT ASSETS			
Cash and cash equivalents		2,474,750	9,883,482
Trade and other receivables		441,589	441,589
TOTAL CURRENT ASSETS		2,916,339	10,325,071
NON-CURRENT ASSETS			
Property, plant and equipment		196,288	196,288
		19,030,277	19,030,277
		62,132	62,132
TOTAL NON-CURRENT ASSETS		19,288,697	19,288,697
TOTAL ASSETS		22,205,036	29,613,768
CURRENT LIABILITIES			
Trade and other payables		2,291,424	2,291,424
Provisions		80,682	80,682
TOTAL CURRENT LIABILITIES		2,372,106	2,372,106
TOTAL LIABILITIES		2,372,106	2,372,106
NET ASSETS		19,832,930	27,241,662
EQUITY			
Issued capital		21,628,324	29,037,056
Reserves		2,844,982	2,844,982
Accumulated Losses		(4,640,376)	(4,640,376)
TOTAL EQUITY		19,832,930	27,241,662

Notes:

1. Pro forma adjustment based on the Company receiving the proceeds from the issue of Shares under the Offer. The adjustments reflect the Offer being fully subscribed, and the Company receiving proceeds of \$7,456,886 via the issuance of 8,772,807 Shares at a price of \$0.85 per Share. The Company's anticipated costs associated with the Entitlements Issue, being approximately \$48,154, have been applied against the proceeds received, giving a net cash inflow of \$7,408,732.

4.4 Effect on Capital Structure

A comparative table of changes in the capital structure of the Company as a consequence of the Offer is set out below, assuming that the Offer is fully subscribed.

Shares

	Number
Shares on issue at date of Prospectus	43,864,034
Shares offered pursuant to the Offer	8,772,807
Total Shares on issue after completion of the Offer¹	52,636,841

Options

	Number
Unquoted exercisable at \$2.00 on or before 11 July 2010	3,750,000
Unquoted exercisable at \$3.00 on or before 11 June 2011	3,000,000
Unquoted exercisable at \$1.50 on or before 31 August 2012	320,000
Unquoted exercisable at \$2.00 on or before 31 August 2012	80,000
Unquoted exercisable at \$1.25 on or before 26 May 2013	150,000
Unquoted exercisable at \$1.25 on or before 1 September 2014	500,000
Unquoted exercisable at \$1.675 on or before 28 February 2015	250,000
Total Options on issue after completion of the Offer	8,050,000

Notes:

1. The tables above assume that no Options are exercised prior to completion of the Offer.

5. RIGHTS AND LIABILITIES ATTACHING TO THE SHARES

5.1 Terms of Shares

The following is a summary of the more significant rights and liabilities attaching to Shares to be issued pursuant to this Prospectus. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

Full details of the rights and liabilities attaching to Shares are set out in the Company's Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

5.2 General Meetings

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

Shareholders may requisition meetings in accordance with Section 249D of the Corporations Act and the Constitution of the Company.

5.3 Voting Rights

Subject to any rights or restrictions for the time being attached to any class or classes of Shares, at general meetings of Shareholders or classes of Shareholders:

- (a) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (b) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- (c) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for each Share held, but in respect of partly paid shares shall have a fraction of a vote equivalent to the proportion which the amount paid up bears to the total issue price for the share.

5.4 Dividend Rights

The Directors may from time to time declare and pay or credit a dividend in accordance with the Corporations Act. Subject to any special right as to dividends attaching to a share, all dividends will be declared and paid according to the proportion which the amount paid on the Share is to the total amount payable in respect of the Shares (but any amount paid during the period in respect of which a dividend is declared only entitles the Shareholder to an apportioned amount of that dividend as from the date of payment). The Directors may from time to time pay or credit to the Shareholders such interim dividends as they may determine. No dividends shall be payable except out of profits. A determination by the Directors as to the profits of the Company shall be conclusive. No dividend shall carry interest as against the Company.

The Directors may from time to time grant to Shareholders or any class of shareholders the right to elect to reinvest cash dividends paid by the Company by subscribing for Shares in the Company on such terms and conditions as the

Directors think fit. The Directors may, at their discretion, resolve in respect of any dividend which it is proposed to pay or to declare on any Shares of the Company, that holders of such Shares may elect to forgo their right to the whole or part of the proposed dividend and to receive instead an issue of Shares credited as fully paid to the extent and on the terms and conditions of the Constitution. The Directors may set aside out of the profits of the Company such amounts as they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.

5.5 Winding-Up

If the Company is wound up, the liquidator may, with the authority of a special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders. The liquidator may, with the authority of a special resolution, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any Shares or other securities in respect of which there is any liability.

5.6 Transfer of Shares

Generally, Shares in the Company are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act and the Listing Rules.

5.7 Future Increase in Capital

The allotment and issue of any new Shares is under the control of the Directors of the Company. Subject to restrictions on the issue or grant of securities contained in the Listing Rules, the Constitution and the Corporations Act (and without affecting any special right previously conferred on the holder of an existing share or class of shares), the Directors may issue Shares as they shall, in their absolute discretion, determine.

5.8 Variation of Rights

Under Section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders vary or abrogate the rights attaching to Shares.

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of three quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

6. RISK FACTORS

6.1 Risks Associated with Investment

Prospective investors should be aware that the market price of the Shares following official quotation may be influenced by many unpredictable factors and that subscribing for Shares involves various risks. The value of the Company's securities on the ASX may rise and fall depending on a range of factors, some of which are beyond the control of the Company.

The Company is in the development stage for the mining and export of Direct Shipping Ore ("DSO"). This represents Stage 1 of a 3 Stage production programme. Any profitability in the future from the Company's business will be dependent upon the successful development, production and marketing of iron ore from the Company's projects.

The Shares being offered under this Prospectus are considered speculative due to the present stage of development of the Company. This Prospectus carries no guarantee with respect to the return of capital or price at which the Shares will trade.

The factors detailed below should be considered by any potential investors; however, this is by no means an exhaustive list of the risks that may affect the Company.

6.2 Share Market

Share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance.

Share market conditions are affected by many factors including but not limited to the following:

- (a) general economic outlook;
- (b) interest rates and inflation rates;
- (c) currency fluctuations;
- (d) mineral price fluctuations;
- (e) changes in investor sentiment toward particular market sectors;
- (f) the demand for, and supply of, capital;
- (g) terrorism or other hostilities; and
- (h) other factors beyond the control of the Company.

6.3 Exploration and Development Risk

Whilst independently audited resources exist (as disclosed and announced on ASX) on some of the Company's mineral properties, there can be no assurance that a feasibility study will lead to the delineation of economic resources or that any resources can be extracted at a cost that is economically viable for the Company.

Accordingly, no assurance can be given that the cost estimates and the underlying assumptions made by the Company will be realised in practice, which may materially and adversely affect the Company's viability and the market value of the Shares.

The Company is in the development stage for the mining and export of Direct Shipping Ore ("DSO"). This represents Stage 1 of a 3 Stage production programme. Any profitability in the future from the Company's business will be dependent upon the successful development, production and marketing of iron ore from the Company's projects which is by its nature an uncertain and speculative endeavor. The Directors are aware of many of the difficulties and risks associated with iron ore exploration and development and will use their best business judgement to minimize the impact of development risk on the Company.

The successful exploration of mineral properties is speculative. Most exploration projects do not result in the discovery of commercially viable deposits. The mineral tenements of the Company are at various stages of exploration and development. There can be no assurance that further exploration of tenements held or acquired by the Company in the future, will result in the discovery of an economic deposit. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited into a producing mine.

The exploration costs of the Company are based on certain assumptions with respect to the method and timing of exploration. By their nature, these estimates and assumptions are subject to significant uncertainties and, accordingly, the actual costs may materially differ from these estimates and assumptions.

The business of mineral exploration, project development and production, by its nature, contains elements of significant risk with no guarantee of success. Ultimate and continuous success of these activities is dependent on many factors such as:

- the discovery and/or acquisition of economically recoverable reserves;
- access to adequate capital for project development;
- design and construction of efficient development and production infrastructure within capital expenditure budgets;
- securing and maintaining title to interests;
- obtaining consents and approvals necessary for the conduct of mineral exploration, development and production; and
- access to competent operational management and prudent financial administration, including the availability and reliability of appropriately skilled and experienced employees, contractors and consultants.

Whether or not income will result from projects undergoing exploration and development programs depends on successful exploration and establishment of production facilities. Factors including costs, and commodity prices affect successful project development and operations.

Drilling activities carry risk as such activities may be curtailed, delayed or cancelled as a result of weather conditions, mechanical difficulties, shortages or delays in the delivery of drill rigs or other equipment.

There is no assurance that any exploration on current or future interests will result in the discovery of an economic deposit. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically developed.

6.4 Operating Risks

The operations of the Company may be affected by various factors, including failure to locate or identify deposits, failure to achieve predicted grades in exploration and mining, operational and technical difficulties encountered in mining, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs, adverse weather conditions, industrial and environmental accidents, industrial disputes and unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment.

6.5 Commercialisation Risks

Even if the Company discovers commercial quantities of minerals, there is a risk the Company will not achieve a commercial return. The Company may not be able to transport the minerals at a reasonable cost or may not be able to sell the minerals to customers at a rate which would cover its operating and capital costs. The Company has to receive regulatory and environmental approval to convert its exploration permits into production concessions. There is a risk that these approvals may not be obtained.

6.6 Future Capital Needs

Further funding of projects will likely be required by the Company to support its ongoing activities and operations. There can be no assurance that such funding will be available on satisfactory terms or at all. Any inability to obtain funding will adversely affect the business and financial condition of the Company and, consequently, its performance and market value of Shares. A failure to meet cash calls under any joint venture or similar agreement would likely result in a default of joint venture obligations which, if not remedied, could result in forfeiture of permits or concessions.

6.7 Economic and Government Risks

The future viability of the Company is also dependent on a number of other factors affecting performance of all industries and not just the exploration and mining industries including, but not limited to, the following:

- (a) general economic conditions in Australia and its major trading partners;
- (b) changes in Government policies, taxation and other laws;
- (c) the strength of the equity and share markets in Australia and throughout the world, and in particular investor sentiment towards the commodities (resources) sector;
- (d) movement in, or outlook on, interest rates and inflation rates; and
- (e) natural disasters, social upheaval or war in Australia or overseas.

6.8 Compliance Risk

The Company has acquired and presently holds an interest in various mining tenements. Title to these tenements is subject to the Company, as tenement holder, complying with the terms and conditions of each tenement, including the minimum annual expenditure commitments. There is a risk that if the

Company does not comply with the terms and conditions of each tenement, it may lose its interest in the relevant tenement.

The Company has implemented appropriate policies and practices to mitigate the risk that the terms and conditions attaching to each of the tenements it has acquired an interest in are not complied with. These policies and procedures ensure that the Company will comply with not only the terms and conditions of its tenements but legal obligations throughout its operations.

6.9 Commodity Price and Exchange Rate Risk

As the Company's potential earnings will be derived from the sale of mineral commodities, either in processed or concentrate forms, the Company's future market value, revenues and cash flows will be impacted by changes in the prices of these commodities. Commodity prices fluctuate and are affected by numerous factors beyond the control of the Company. These factors include current and expected future supply and demand, forward selling by producers, production cost levels in major metal producing centres as well as macroeconomic conditions such as inflation and interest rates.

Furthermore, the international prices of most commodities are denominated in United States dollars while the Company's cost base will be in Australian dollars. Consequently changes in the Australian dollar exchange rate will impact on the earnings of the Company. The exchange rate is affected by numerous factors beyond the control of the Company, including interest rates, inflation and the general economic outlook.

7. ADDITIONAL INFORMATION

7.1 Continuous Disclosure Obligations

The Company is a "disclosing entity" (as defined in Section 111AC of the Corporations Act) for the purposes of Section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company's securities.

This Prospectus is a "transaction specific prospectus". In general terms "transaction specific prospectuses" are only required to contain information in relation to the effect of the issue of securities on the Company and the rights attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the 12 months before the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the

purpose of ASX making that information available to the stock market conducted by ASX.

Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

The Company, as a disclosing entity under the Corporations Act states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in Section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:
 - (i) the financial statements of the Company for the financial year ended 30 June 2009 being the last financial statements for a financial year, of the Company lodged with the ASIC before the issue of this Prospectus;
 - (ii) any half year financial statements of the Company lodged with ASIC since the lodgement of the last financial statements for the year ended 31 December 2009 lodged with ASIC before the issue of this Prospectus; and
 - (iii) any documents used to notify ASX of information relating to the Company in the period from lodgement of the financial statements referred to in paragraph (i) above until the issue of the Prospectus in accordance with the Listing Rules as referred to in Section 674(1) of the Corporations Act.

Copies of all documents lodged with the ASIC in relation to the Company can be inspected at the registered office of the Company during normal office hours.

The Company has lodged the following announcements with ASX since lodging the last annual report for the year ended 30 June 2009:

Date	ASX Announcement
16 June 2010	IronClad to raise \$7.5 million
10 June 2010	Appendix 3B – Employee Options
31 May 2010	General Meeting Deferred
04 May 2010	Notice of General Meeting/Proxy Form
03 May 2010	Quarterly Activities Report
30 April 2010	Quarterly Cashflow Report
23 April 2010	Clarification on MCCM Capital's Stage One Funding

21 April 2010	Chinese Mining Fund Signs MOU for stage 1 DSO
21 April 2010	IronClad to issue 4.4 million ordinary shares
20 April 2010	Appendix 3B Shortfall Non Renounceable
19 April 2010	Trading Halt
14 April 2010	Lapse of short fall
08 April 2010	Water Supply Secured For Mining Operations
07 April 2010	Iron Ore Price Agreement Opens Way for Higher Returns
18 March 2010	Alternative Director Resignation / Appendix 3Z
16 March 2010	Extensive Drilling Programmes at Wilcherry Hill
12 March 2010	Half Yearly Report and Accounts
08 March 2010	RIU Explorers Conference Presentation
01 March 2010	Change of Director's Interest Notice
22 February 2010	Senior appointments made to expedite Wilcherry Hill Iron Ore
16 February 2010	Full copy of Query lodged 12 February 2010
12 February 2010	Amended presentation
12 February 2010	ASX Query 11 February
12 February 2010	Boardroom Radio MOU signed with LISCO for 50% of production
11 February 2010	MOU signed to sell 50% of annual iron ore production
10 February 2010	Investor Presentation February 2010
04 February 2010	Clarification of Wilcherry Hill
01 February 2010	Boardroom Radio Profitable Low Cost Start Up
29 January 2010	Quarterly Activities Report
29 January 2010	Quarterly Cashflow Report
28 January 2010	Change of Director's Interest Notice x 2
28 January 2010	Change of Director's Interest Notice x 2
28 January 2010	Pre-Feasibility Demonstrates Profitable Low Cost Start Up
27 January 2010	Trafford change in substantial holding from TRF
19 January 2010	88% Take Up of Non Renounceable Rights Issue

11 January 2010	Board Room Radio Wilcherry Hill
11 January 2010	IFE Details Timetable for Wilcherry Hill Production
07 January 2010	DSO Test Work Additional Information
06 January 2010	Key appointments to fast track Wilcherry Hill Project
04 January 2010	Metallurgical tests confirm low cost start and quality DSO
17 December 2009	Despatch of non renounceable pro rata offer document
03 December 2009	Shareholder Letter
02 December 2009	Option Holder Letter
02 December 2009	Appendix 3B
02 December 2009	Entitlements Issue Prospectus
01 December 2009	IronClad upgrades Board and Management
26 November 2009	Annual General Meeting video presentation
25 November 2009	Non Renounceable Rights Issue for Stage 1 Production
25 November 2009	Results of Annual General Meeting
19 November 2009	Iron ore port deal marks major step
17 November 2009	Drilling defines extensive DSO at Wilcherry Hill
16 November 2009	Quarterly Activities and Cashflow Report
2 November 2009	S.A Government grants Mineral Claims at Wilcherry Hill
2 November 2009	IronClad on Target with D.S.O from Wilcherry Hill
30 October 2009	Quarterly Activities Report
30 October 2009	Quarterly Cashflow Report
29 October 2009	Notice of General Meeting / Proxy Forms
1 October 2009	Full Year Statutory Accounts

ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at ASX during normal office hours.

The announcements are also available through the Company's website www.ironcladmining.com.

7.2 Directors' interests

Other than as set out below or elsewhere in this Prospectus, no Director has, or had within two years before lodgement of this Prospectus with ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer; or
- (c) the Offer,
- (d) and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any Director;
- (e) to induce him to become, or to qualify him as, a Director; or
- (f) for services rendered by him in connection with the formation or promotion of the Company or the Offer.

All Directors have stated that they intend to take up their full Entitlement under the Offer. The direct and indirect interests of the Directors in the securities of the Company as at the date of this Prospectus are as follows:

Director	Shares		Options	
	Direct	Indirect	Direct	Indirect
Ian D. Finch	11,000	16,500	-	1,125,000
Neil W. McKay	-	11,000	-	1,125,000
Peter W. Rowe	-	-	-	-

- (a) Ian D. Finch has received cash fees of \$248,491 (excluding GST) prior to the day before the date of this Prospectus for services rendered to the Company since 1 July 2009.
- (b) Neil W. McKay has received cash fees of \$143,920 (excluding GST) prior to the day before the date of this Prospectus for services rendered to the Company since 1 July 2009.
- (c) Peter W. Rowe has received cash fees of \$48,000 (excluding GST) prior to the day before the date of this Prospectus for services rendered to the Company since 1 July 2009.
- (d) The annual financial report for the period ended 30 June 2009 details amounts paid to Directors prior to 1 July 2009.
- (e) The Company has effected Directors' and Officers' Liability and Corporate Reimbursement insurance on behalf of the Directors. The Company intends to maintain this insurance.

7.3 Interests and Consents of Experts and Advisers

Other than as set out below or elsewhere in this Prospectus, no expert, promoter or any other person named in this Prospectus as performing a function in a professional advisory or other capacity in connection with the preparation or distribution of the Prospectus, nor any firm in which any of those persons is or was a partner, nor any company with which any of those persons is or was associated, has or had within 2 years before the lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company; or
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer of Shares pursuant to this Prospectus; or
- (c) the Offer of Shares pursuant to this Prospectus,

and no amounts have been paid or agreed to be paid (in cash or Shares or otherwise) to any expert, promoter or any other person named in this Prospectus as performing a function in a professional advisory or other capacity in connection with the preparation or distribution of this Prospectus, or to any firm in which any of those persons is or was a partner, or to any company with which any of those persons is or was associated, for services rendered by that person, or by the firm or the company, in connection with the formation or promotion of the Company or the Offer pursuant to this Prospectus.

Pursuant to Section 716 of the Corporations Act, Price Sierakowski has given, and has not withdrawn its consent to being named as Solicitors to the Company in the Corporate Directory of this Prospectus in the form and context in which it is named. Price Sierakowski has not caused or authorised the issue of this Prospectus, does not make or purport to make any statement in this Prospectus and takes no responsibility for any part of this Prospectus.

Price Sierakowski act as Solicitors to the Company. Price Sierakowski will be paid approximately \$5,000 for services in relation to this Prospectus.

Pursuant to Section 716 of the Corporations Act, Bentleys has given, and has not withdrawn its consent to being named as Auditor to the Company in the Corporate Directory of this Prospectus and to the reference to its name in Section 6.2 in the form and context in which it is named. Bentleys has not caused or authorised the issue of this Prospectus, does not make or purport to make any statement in this Prospectus and takes no responsibility for any part of this Prospectus.

Pursuant to Section 716 of the Corporations Act, Advanced Share Registry Limited has given, and has not withdrawn its consent to being named as the share registry to the Company in the Corporate Directory of this Prospectus and to the reference to its name in Section 6.2 in the form and context in which it is named. Advanced Share Registry Limited has not caused or authorised the issue of this Prospectus, does not make or purport to make any statement in this Prospectus and takes no responsibility for any part of this Prospectus.

7.4 Legal Proceedings

There is no litigation, arbitration or proceedings pending against or involving the Company as at the date of this Prospectus.

7.5 Estimated Expenses of Offer

In the event that the Offer is fully subscribed, the estimated expenses of the Offer are as follows:

	\$
ASIC fees	2,010
ASX fees	14,644
Corporate Advisory fees	6,500
Legal & compliance expenses	5,000
Printing and other expenses	20,000
Total	<u>48,154</u>

7.6 Market Price of Shares

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX.

The highest and lowest market sale prices of the Company's Shares on ASX during the three months immediately preceding the date of lodgement of this Prospectus with the ASIC and the respective dates of those sales were:

Highest: \$1.67 on 13 April 2010

Lowest: \$0.85 on 21 May 2010

The latest available closing sale price of the Company's Shares on ASX prior to the lodgement of this Prospectus with the ASIC was \$0.98 on 18 June 2010.

7.7 Electronic Prospectus

Pursuant to Class Order 00/044, the ASIC has exempted compliance with certain provisions of the Corporations Act to allow distribution of an electronic prospectus and electronic application form on the basis of a paper prospectus lodged with the ASIC, and the publication of notices referring to an electronic prospectus or electronic application form, subject to compliance with certain conditions.

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the application form. If you have not, please phone the Company and the Company will send you, for free, either a hard copy or a further electronic copy of the Prospectus, or both.

The Company reserves the right not to accept an application form from a person if it has reason to believe that when that person was given access to the electronic application form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

8. AUTHORITY OF DIRECTORS

8.1 Directors' Consent

Each of the Directors of Ironclad Mining Limited has consented to the lodgement of this Prospectus with the ASIC in accordance with Section 720 of the Corporations Act.

Dated the 22nd day of June 2010

A handwritten signature in black ink, appearing to read 'I. D. Finch', written in a cursive style.

**Signed for and on behalf of
Ironclad Mining Limited
Mr Ian D. Finch
Executive Chairman**

9. DEFINITIONS

Applicant means a Shareholder who applies for Shares pursuant to the Offer.

ASIC means the Australian Securities and Investments Commission.

ASTC Settlement Rules means the settlement rules of the securities clearing house which operates CHESS.

ASX means the ASX Limited (ACN 008 624 691).

Board means the board of Directors unless the context indicates otherwise.

Business Day means a day on which trading takes place on the stock market of ASX.

Closing Date means the closing date of the Offer, being 5.00pm (WST) on 29 July 2010 (unless extended).

Company means Ironclad Mining Limited (ABN 79 124 990 405).

Constitution means the Company's Constitution as at the date of this Prospectus.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the directors of the Company at the date of this Prospectus.

Dollar or "\$" means Australian dollars.

Entitlement means the entitlement of a Shareholder who is eligible to participate in the Offer.

Entitlement and Acceptance Form means the entitlement and acceptance form either attached to or accompanying this Prospectus.

Issue means the issue of Shares offered by this Prospectus.

Listing Rules or **ASX Listing Rules** means the Listing Rules of the ASX.

Offer means the renounceable entitlement offer pursuant to the Prospectus of one (1) new Share for every five (5) Share held by a Shareholder on the Record Date issued to raise \$7,456,886.

Offer Period means the period commencing on the Record Date and ending on the Closing Date.

Official List means the official list of ASX.

Option means an option to acquire a Share.

Prospectus means this prospectus.

Quotation and **Official Quotation** means official quotation on ASX.

Record Date means 5.00pm (WST) on 1 July 2010.

Related Corporation has the meaning given to that term in the Corporations Act.

Securities means Shares and Options.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a shareholder of the Company.

Shortfall means those Shares under the Offer not applied for by Shareholders under their Entitlement.

Shortfall Application Form means the shortfall application form attached to or accompanying this Prospectus.

WST means Western Standard Time.

INSTRUCTIONS TO APPLICANTS

Please post or deliver the completed Shortfall Application Form together with a cheque to the share registry of the Company. If an Applicant has any questions on how to complete this Shortfall Application Form, please telephone the Company. The Form must be received by the Share Registry no later than **5.00pm on the date which is 3 months after the Closing Date (or such earlier date as directed by the Company)**.

A. Application for Shares

The Shortfall Application Form must only be completed in accordance with instructions included in the Prospectus.

B. Name of Applicant

Write the Applicant's FULL NAME. This must be either an individual's name or the name of a company. Please refer to the bottom of this page for the correct form of registrable title. Applications using the incorrect form of registrable title may be rejected.

C. Name of Joint Applicants or Account Designation

If JOINT APPLICANTS are applying, up to three joint Applicants may register. If applicable, please provide details of the Account Designation in brackets. Please refer to the bottom of this page for instructions on the correct form of registrable title.

D. Address

Enter the Applicant's postal address for all correspondence. If the postal address is not within Australia, please specify Country after City/Town.

E. Contact Details

Please provide a contact name and daytime telephone number so that the Company can contact the Applicant if there is an irregularity regarding the Shortfall Application Form.

F. CHESS HIN or existing SRN Details

The Company participates in CHESS. If the Applicant is already a participant in this system, the Applicant may complete this section with their existing CHESS HIN. If the applicant is an existing shareholder with an Issuer Sponsored account, the SRN for this existing account may be used. Otherwise leave the section blank and the Applicant will receive a new Issuer Sponsored account and statement.

G. Cheque Details

Make cheques payable to "Ironclad Mining Limited – Trust Account" in Australian currency and cross them "**Not Negotiable**". Cheques must be drawn on an Australian Bank. The amount of the cheque should agree with the amount shown on the Shortfall Application Form.

H. Declaration

By completing the Shortfall Application Form, the Applicant will be taken to have made to the Company the declarations and statements therein. The Shortfall Application Form does not need to be signed.

If a Shortfall Application Form is not completed correctly, or if the accompanying payment is for the wrong amount, it may still be accepted. Any decision of the Directors as to whether to accept a Shortfall Application Form, and how to construe, amend or complete it, shall be final. A Shortfall Application Form will not however, be treated as having offered to subscribe for more Shares than is indicated by the amount of the accompanying cheque.

Forward your completed application together with the application money to:

**Ironclad Mining Limited – Trust Account
C/O Advanced Share Registry Ltd
PO Box 1156
NEDLANDS WA 6909**

CORRECT FORMS OF REGISTRABLE TITLE

Note that ONLY legal entities are allowed to hold securities. Shortfall Application Forms must be in the name(s) of a natural person(s), companies or other legal entities acceptable to the Company. At least one full given name and the surname is required for each natural person. Shortfall Application Forms cannot be completed by persons under 18 years of age. Examples of the correct form of registrable title are set out below.

Type of Investor	Correct Form of Registration	Incorrect Form of Registration
Individual Use given names in full, not initials	Mr John Alfred Smith	J A Smith
Company Use the company's full title, not abbreviations	ABC Pty Ltd	ABC P/L or ABC Co
Joint Holdings Use full and complete names	Mr Peter Robert Williams & Ms Louise Susan Williams	Peter Robert & Louise S Williams
Trusts Use the trustee(s) personal name(s).	Mrs Susan Jane Smith <Sue Smith Family A/C>	Sue Smith Family Trust
Deceased Estates Use the executor(s) personal name(s).	Ms Jane Mary Smith & Mr Frank William Smith <Est John Smith A/C>	Estate of late John Smith or John Smith Deceased
Minor (a person under the age of 18) Use the name of a responsible adult with an appropriate designation.	Mr John Alfred Smith <Peter Smith A/C>	Master Peter Smith
Partnerships Use the partners personal names.	Mr John Robert Smith & Mr Michael John Smith <John Smith and Son A/C>	John Smith and Son
Long Names.	Mr John William Alexander Robertson-Smith	Mr John W A Robertson-Smith
Clubs/Unincorporated Bodies/Business Names Use office bearer(s) personal name(s).	Mr Michael Peter Smith <ABC Tennis Association A/C>	ABC Tennis Association
Superannuation Funds Use the name of the trustee of the fund.	Jane Smith Pty Ltd <Super Fund A/C>	Jane Smith Pty Ltd Superannuation Fund

APPLICATION FORM

THIS DOCUMENT IS IMPORTANT. IF YOU ARE IN DOUBT AS TO HOW TO DEAL WITH IT, PLEASE CONTACT YOUR STOCKBROKER OR LICENSED PROFESSIONAL ADVISER.

IRONCLAD MINING LIMITED

ABN. 79 124 990 405

REGISTERED OFFICE: Level 2, 679 Murray Street, WEST PERTH WA 6005

SHARE REGISTRY: Advanced Share Registry Services, 150 Stirling Highway, Nedlands WA 6009

Telephone: (08) 9389 8033 Facsimile: (08)9389 7871 Email: admin@advancedshare.com.au

*
*

Securities Sub Register	
HIN/SRN	
Form Number	
Shareholding at 5.00 pm WST 1 July 2010	
Entitlement to shares on 1 New Share for every 5 Shares held basis	
Amount Payable at \$0.85 (85 cents) per Share	

**To the Directors,
IRONCLAD MINING LIMITED**

- (1) I/We the above named being registered on 1 July 2010 (at 5.00pm Australian WST) as the holder(s) of ordinary shares in your Company hereby accept and apply for the undermentioned New Shares where indicated, to be issued in accordance with the terms of the Prospectus accompanying this form.

NUMBER OF NEW SHARES ACCEPTED (BEING NOT MORE THAN THE ENTITLEMENT SHOWN ABOVE)	@ \$0.85 PER SHARE	AMOUNT ENCLOSED
		AUD\$

- (2) I/We enclose my/our cheque made payable to **IRONCLAD MINING LIMITED – TRUST ACCOUNT**, for the amount shown being payment at the rate of \$0.85 per New Share applied for.
- (3) I/We hereby authorise you to place my/our name(s) on the register of members in respect of the number of New Shares allotted to me/us.
- (4) I/We agree to be bound by the Constitution of the Company.
- (5) If any information on this form is not completed correctly, or if the accompanying payment is for the wrong amount, it may still be accepted. Any decision of the directors as to whether to accept this form, and how to construe, amend or complete it shall be final.
- (6) My/Our contact numbers in case of enquiries are:

Telephone
Area Code

Facsimile
Area Code

PAYMENT DETAILS

Please complete the following payment details:

Drawer	Bank	Branch	Amount

Cheques should be made payable to “IronClad Mining Limited – Trust Account” and crossed “Not Negotiable”.

NOTE: Only cheques and/or bank drafts in **Australian currency** and drawn or payable on a bank within Australia should be sent, made payable to **IRONCLAD MINING LIMITED – TRUST ACCOUNT** crossed Not Negotiable and forwarded to Advanced Share Registry Services together with this Application Form:

NO LATER THAN 5.00PM WST ON 29 JULY 2010

THIS FORM DOES NOT REQUIRE SIGNING UNLESS YOU WISH TO CHANGE YOUR ADDRESS

Please complete **ONLY** if your ISSUER SPONSORED address is INCORRECT.

<p>NEW ADDRESS: <u>(CHESS HOLDERS CAN ONLY AMEND THEIR ADDRESS BY ADVISING THEIR SPONSORING BROKER)</u></p> <p>BLOCK LETTERS PLEASE</p> <p>Your Signature/s</p>

RETURN OF THIS DOCUMENT WITH THE REQUIRED REMITTANCE WILL CONSTITUTE YOUR ACCEPTANCE OF THE SECURITIES BEING OFFERED

THIS ISSUE CLOSSES 5.00PM WST ON 29 JULY 2010

INSTRUCTIONS TO YOUR STOCKBROKER

I/We have accepted

New Shares as per reverse side

and attach a cheque/bank draft for

\$

being acceptance money at \$0.85 per New Share

I/We wish to sell

rights to New Shares.

This instruction *has/has not previously been notified to you. (*Delete whichever is not applicable).

LODGEMENT INSTRUCTIONS**Acceptance of your entitlement in full**

If you are accepting your entitlement in full or in part, please:

- complete the reverse side of this Entitlement and Acceptance Form; and
- forward it, together with your payment, so that it reaches IronClad Mining Limited's share registry, Advanced Share Registry Services no later than 5pm WST on 29 July 2010.

Sale of your entitlement in full by your stockbroker

If you wish to sell your entitlement in full through your stockbroker, you should either:

- contact your stockbroker verbally and provide details as requested which appear overleaf; or
- complete the "Instructions to Your Stockbroker" section above and forward this Entitlement and Acceptance Form to your Stockbroker.

Sale of Part of Entitlement

If you wish to sell part of your entitlement and take up the balance:

- complete the front of this Entitlement and Acceptance Form where indicated in respect of the New Shares and New Options for which you want to subscribe;
- complete the section above marked "Instruction to Your Sharebroker" in respect of that part of your entitlement which you wish to sell; and
- lodge your completed Entitlement and Acceptance Form, together with your cheque for the amount due in respect of the New Shares you have accepted, with your sharebroker.

Transfer of Entitlement other than on ASX

If you wish to transfer your entitlement to another person other than on ASX, forward a completed and stamped standard renunciation form(s) (obtainable from your sharebroker or the Company's registry) together with your Entitlement and Acceptance Form to Advanced Share Registry Services not later than 5pm WST on 22 July 2010.

Entitlements Not Taken Up

If you decide not to accept all or part of your entitlement, you are advised to deal with the Rights rather than allow them to lapse. The part of the entitlement not accepted will revert to the Underwriter and you will receive no benefit. It is therefore important that you take action either to accept or renounce (sell) your entitlement in accordance with the above instructions.

QUESTIONS AND CONTACT DETAILS

If you have any questions regarding the Rights issue or how to deal with your Rights, please contact your stockbroker or other professional adviser or IronClad Mining Limited's share registry:

Advanced Share Registry Services

PO Box 1156
NEDLANDS WA 6909

Tel No: (61 8) 9389 8033
Fax No: (61 8) 9389 7871