

19th January 2010

ASX Release

88% TAKE UP OF IRONCLAD'S ENTITLEMENT ISSUE

The Directors of IronClad Mining Limited (ASX:IFE) are pleased to announce that the Non-Renounceable Entitlement Issue of Shares offered to existing shareholders on a one for ten basis at 65c a share, pursuant to the Prospectus lodged on 2 December 2009, has closed.

The shortfall of the issue is 465,108 fully paid shares (or approximately 12%) which will be placed at the discretion of the Directors as detailed in Section 1.8 of the Prospectus.

The issue was made to assist in fast-tracking the low cost first phase development of the Wilcherry Hill Iron Ore Project in South Australia.

Since listing in July, 2007 IronClad has defined JORC code iron ore Resources of 275 million tonnes. Of the 60 million tonnes of high quality skarn magnetite defined at the Wilcherry Hill prospect, 35 million tonnes are in the indicated category and 25 million tonnes are in the inferred category. All of the 215 million tonnes defined at the Hercules project is in the indicated category. Within the Wilcherry Hill resource, IronClad has identified significant areas of shallow, Direct Shipping Ore (DSO) within consistent high grade zones (in excess of 60% Fe) with low levels of impurities such as phosphorous and sulphur. A figure for this DSO Resource is currently being calculated.

Planning for the first phase, low cost development is now well advanced. Mine infrastructure will consist mainly of a mobile crushing and screening plant probably supplied and operated by contractors. It is intended that 50% - 60% Fe material will be upgraded to DSO specification by minimal processing via low cost crushing and screening and dry magnetic separators.

The project will transport iron ore by road and the existing rail system to Port Adelaide for export, minimising the need for expensive new infrastructure which is a major cost for many new iron ore projects.

IronClad has received numerous inquiries from Chinese entities, both steel mills and traders, wishing to negotiate supplies of Wilcherry Hill's high quality iron ore.

Yours sincerely



Ian D Finch
Executive Chairman



IRONCLAD
MINING LIMITED

Registered Office:
Level 2, 679 Murray Street
West Perth, WA, 6005
Telephone: +61 (08) 9485 1040
Facsimile: +61 (08) 9485 1050

Principal Office:
Level 1, 307 Pulteney Street,
Adelaide, SA, 5000
Telephone: +61 (08) 8212 7577
Facsimile: +61 (08) 8212 7377

\

The information that relates to exploration targets, exploration results and drilling data is based on information compiled by Ian Finch, who is 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 is the Executive Chairman of the Company.

Mr Finch has sufficient experience which is relevant to the style of mineralisation and type of deposits 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, Minerals 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.