



IRONCLAD

MINING LIMITED

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29th October 2010

QUARTERLY REPORT 30TH SEPTEMBER 2010

The Directors of IronClad Mining (**ASX: IFE**) are pleased to announce that work on the definitive feasibility study, including resource definition and approvals, has progressed rapidly in the last quarter and the Company is on track to begin mining in the first quarter of 2011. Activities in the last reporting period include:

- **Successful raising of \$7.5 million.**
- **Resource upgrade for Wilcherry Hill project: resource of 69Mt**
- **High Grade Direct Shipping Ore resource of 10.2Mt**
- **Sales and Marketing agreement signed with OM Singapore Pte. Ltd.**
- **Native Title Signing**

Resource Upgrade

During the first period of the year, IronClad Mining drilled more than 16000m of reverse circulation drill holes and 2000m of diamond drilling in order to move the magnetite resource from the inferred to indicated category.

A significant upgrade of the resource was completed during this quarter bringing the resource to 69.3Mt, which included a high grade Direct Shipping Ore (DSO) resource of 10.2Mt. The definition drilling was focused on the Weednanna prospect, but also covered Weednanna North, Ultima Dam East and Ultima Dam West prospects (See Figure 1).

The significant upgrade of the Wilcherry Hill resource to 69Mt includes 48Mt indicated and 21Mt inferred (Table 1). This indicated resource was independently verified and JORC Code

classified by independent SRK Consulting and enables IronClad to finalise its mining study and reserve statement.

Table 1: Summary of JORC classification for the Wilcherry Hill Project. The minimum cut-off grade used to define wireframes is 15% Fe.

JORC classification of updated Wilcherry Hill magnetite resource September 2010										
Prospect	Jorc Classification	Tons (mt)	Fe %	Sg	Sio2 %	Al2o3%	P %	Loi	Strike Length	Average Dip
Weednana	Inferred	0.78	41.84	3.44	17.30	4.15	0.02	3.70	1.2 Kilometers	45 Degrees
	Indicated	19.50	25.56	3.01	32.27	11.03	0.04	6.46		
	Total	20.28	26.19	3.03	31.72	10.78	0.04	6.36		
Ultima Dam East	Inferred	9.50	24.06	2.95	39.67	7.45	0.10	6.93	1.4 Kilometers	40 Degrees
	Indicated	14.48	27.05	3.04	33.62	9.49	0.12	9.04		
	Total	23.97	25.86	3.00	36.02	8.68	0.11	8.20		
Weednana North	Inferred	3.01	31.63	3.14	13.80	5.22	0.03	7.90	1.1 Kilometers	< 40 Degrees
	Indicated	14.18	23.83	2.96	32.52	10.14	0.05	7.24		
	Total	17.19	25.19	3.00	29.25	9.28	0.04	7.36		
Ultima Dam West	Inferred	7.86	26.54	3.00	30.96	2.92	0.05	6.64	250 meters	> 60 Degrees
	Indicated	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
	Total	7.86	26.54	3.00	30.96	2.92	0.05	6.64		
Combined Total Inferred		21.2 Mt	26.7	3.0	31.9	5.3	0.07	6.8		
Combined Total Indicated		48.2 Mt	25.5	3.0	32.8	10.3	0.07	7.5		
Combined Total		69.3 Mt	25.9	3.0	32.5	8.8	0.07	7.3		
Notes	Specific Gravity (SG) calculated by applying the polynomial best fit equation $SG = (0.00043 * fe_est * fe_est) - (0.00008 * fe_est) + 2.67682$ derived from 439 pycnometer values and assuming a 2% porosity									

The high grade resource is the crystalline magnetite targeted to be mined during the planned Stage 1 DSO mining operations which are on track to commence in 2011. A summary of the high grade (+40% Fe lower cut-off) Indicated Resource is provided in Table 2.

Table 2: Summary of updated Wilcherry Hill High Grade Crystalline Magnetite Resource

(JORC code classified), September 2010.

Prospect	Wire Frame	Jorc Classification	Tons (mt)	Fe %	Sg	Sio2 %	Al2o3 %	P %	Loi	Strike Length	Average Dip
Weednanna	> 40% High Grade	87 % Indicated	4.4	46.72	3.62	15.29	4.38	0.02	3.67	1.2 Km	45 Degrees
Ultima Dam East	> 40% High Grade	93% Indicated	3.5	43.74	3.51	15.32	6.06	0.19	10.79	1.4 Km	40 Degrees
Weednanna North	> 40% High Grade	81% Indicated	2.4	44.73	3.55	17.19	5.75	0.04	5.25	1.1 Km	< 40 Degrees
Total	> 40% High Grade	87 % Indicated	10.2	45.06	3.56	15.93	5.40	0.08	6.57	3.7 Km	40 Degrees

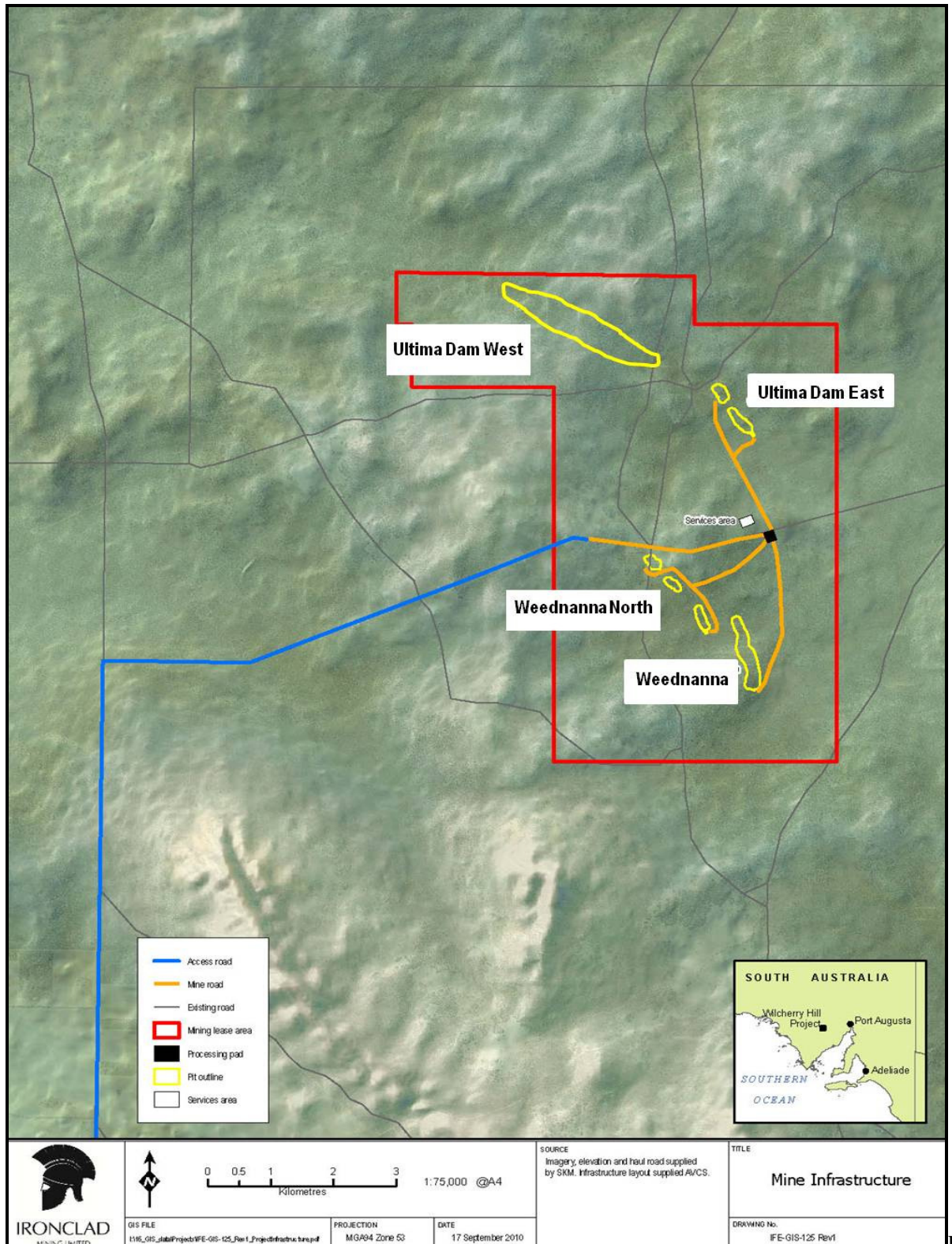


Figure 1: Map showing Wilcherry Hill Mining Lease Application and highlighting the Weednanna, Weednanna North, Ultima Dam East and Ultima Dam West prospects.

Sales and Marketing Agreement

IronClad has signed a comprehensive Sales Contract and a Marketing Agreement with Singapore-based marketing and trading company, OM Materials (S) Pte Ltd (OMS), whereby OMS will purchase the first two years of production of iron ore from the Wilcherry Hill Project.

IronClad has also appointed OMS as its exclusive marketing agent in China for the Wilcherry Hill iron ore. OMS will provide appropriate marketing support services, technical marketing liaison and marketing interface between IronClad and Chinese steel mills assisting in the establishment of the IronClad brand name in the China marketplace.

Native Title Signing

The signing of a Native Title Mining Agreement during the quarter has opened the way for the development of IronClad Mining's Wilcherry Hill iron ore project. The Native Title Mining Agreement was signed by the Gawler Ranges Native Title Claim Group and executives of IronClad Mining. It 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.

Corporate

During the reporting period a Renounceable Rights Issue was offered to shareholders at \$0.85 a share on a one for five basis. The Rights Issue closed with acceptances of \$5,908,427.35. A shortfall of 1,821,716 shares was successfully placed. The Renounceable Rights Issue raised \$7,456,886.

Trafford Resources has a 50% direct interest in IronClad Mining and a 20% free carried interest in the Wilcherry Hill Iron Ore Project.



Ian Finch

Chairman

Tel: 08 9485 1040

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.