



TRAFFORD
RESOURCES LIMITED

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ASX/Media Release

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Trafford to Fully Participate In IronClad Share Issue

The Board of Trafford Resources Limited (ASX:TRF) advises that the Company intends to take up its full entitlement of 2 million shares at the issue price of \$0.65 per share in the 1 for 10 non-renounceable issue of shares by its subsidiary company IronClad Mining Limited (ASX:IFE).

The raising by IronClad of \$2.6 Million will be used to fund the final stages of the feasibility study into the development of the Wilcherry Hill Iron Ore Mine in South Australia, for securing government development approvals and for mine development in the low-cost first stage of the Wilcherry Hill Project.

All IronClad shareholders registered at 5.00pm (WST) on 11 December 2009 are entitled to participate in the issue. Trafford Resources has a 50% direct interest in IronClad Mining and a 20% free carried interest in the Wilcherry Hill Iron Ore Project.

On the back of exceptionally good metallurgical testwork (announced yesterday) the Board of IronClad has decided to continue and, where possible accelerate, the fast-track approach to the first stage of the Wilcherry Hill project. First production is targeted for the third quarter of the current year to take advantage of the strong demand for iron ore by China's rapidly expanding steel industry and the resulting high prices for sea borne iron ore.

The recent metallurgical tests, which were conducted for IronClad by Promet Engineers, confirmed that simple dry, low cost processing will enable IronClad to commence production of 2 million tonnes a year of premium >60% Fe Direct Shipping Ore (DSO) by the third quarter. Low cost processing on-site is likely to be carried out utilising a simple mobile crushing and screening plant with accompanying low intensity magnetic separation options.

Trafford, which was listed on the ASX in mid 2006 discovered the Wilcherry Hill iron ore deposits in South Australia's Eyre Peninsula region soon after listing and established IronClad in May 2007 to explore develop and mine the premium grade iron ore deposits. The Directors of Trafford also intend to take up their respective entitlements in the IronClad issue.

Ian D. Finch
Managing Director