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## ASX Release

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### Directors:

**Alan Tough** - Chairman  
**Jonathan Lea** - Managing Director  
**Ananda Kathiravelu** - Non-Executive

### Issued Capital:

61,880,112 Ordinary Shares  
16,614,773 Listed Options  
22,750,000 Unlisted Options

### ASX Code:

RAD (Fully Paid Ordinary Shares)  
RADO (Listed Options)

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## Exploration Update - drilling continues

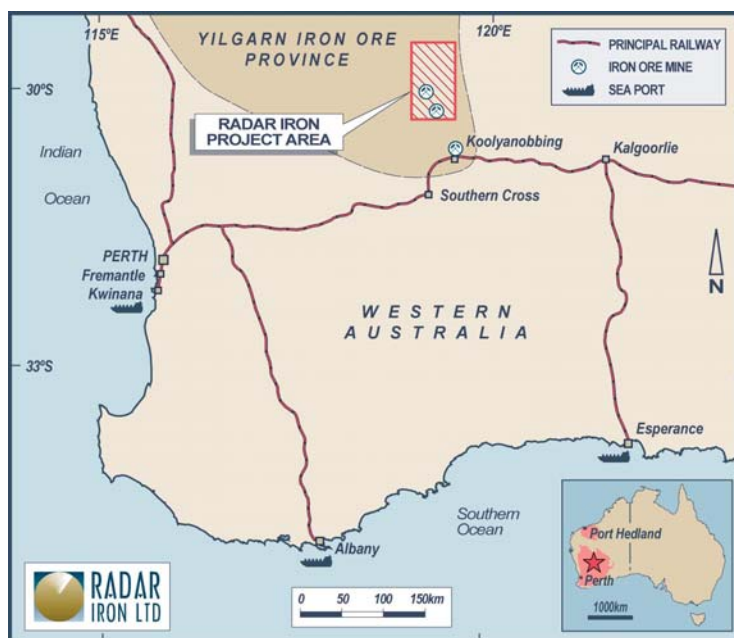
Radar Iron Ltd (ASX: RAD) is pleased to provide shareholders with an update of its exploration and development plan. The initial exploration plan was released in January 2011, and the primary objectives of the plan remain largely unchanged.

New developments and knowledge from exploration efforts, along with the acquisition of the large holding of tenements from Southern Cross Goldfields (ASX: SXG) in April have led the Board of Radar to tailor the exploration plan to fully exploit these new gains.

### Overall Exploration Objectives

- To define initial hematite and magnetite resources in 2011
- To continue exploration on the tenement holding (including the newly acquired tenure) to identify all potential targets and ensure continuity in drill testing opportunity
- To continue assessment of regional opportunities for acquisition of high potential iron ore tenements

Figure 1: Regional Location



## Exploration Review

Radar's substantial tenement holding in the Yilgarn Region has high potential to host both hematite and magnetite mineralisation. The 1,200 km<sup>2</sup> tenement holding is being evaluated through a systematic exploration program involving:

- Initial assessment of existing knowledge of the areas
- Geological mapping
- Geophysical data acquisition and interpretation
- Target selection
- Initial drilling on selected targets
- Mineralisation assessments and metallurgical sampling and analysis
- Resource drilling and confirmation
- Resource estimation

Work to date has been focussed on the tenements at Johnson Range and Die Hardy as initial information on these project areas is available and better understood than other areas at present. Geological mapping, geophysical interpretation and initial drilling have now been completed at Johnson Range and Die Hardy. In coming months these project areas will continue to be the main focus of ongoing exploration while exploration will commence at other prospective areas (particularly Jackson, Boondine and Evanston).

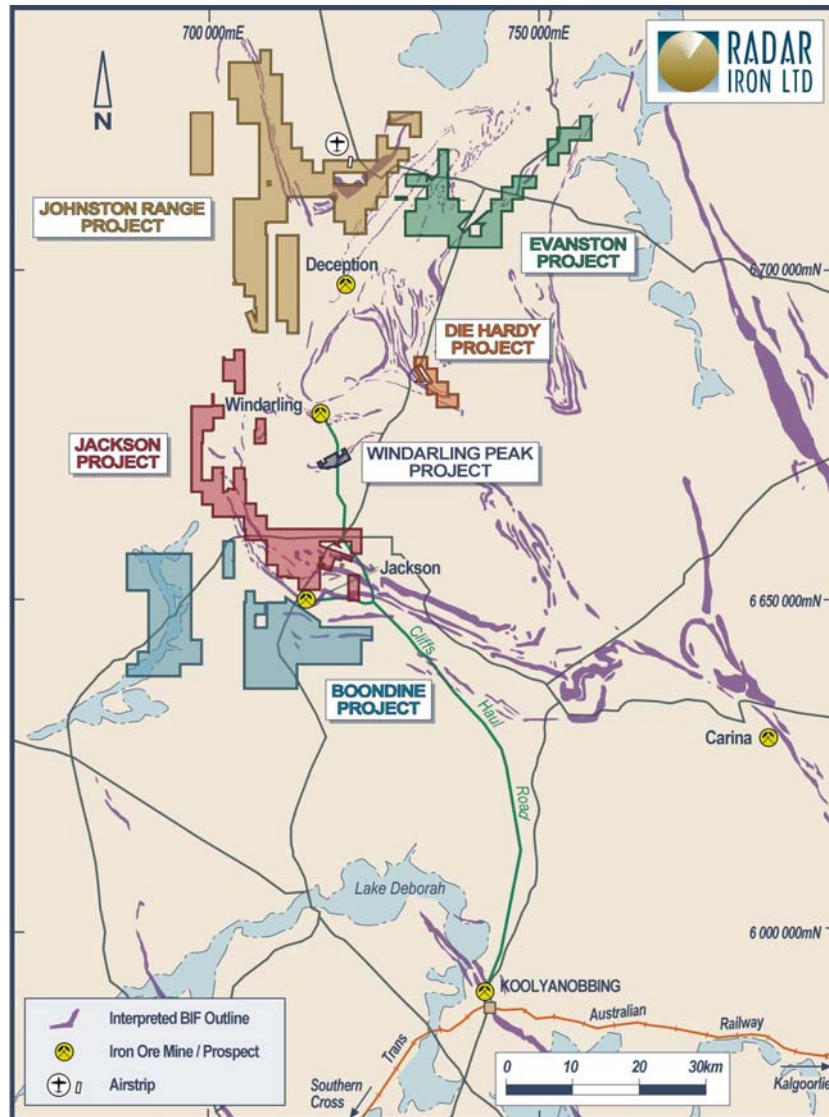
Since listing in 2011, two drilling programs have been completed aimed at obtaining metallurgical samples and first pass testing of potential mineralisation at both Johnston Range and Die Hardy.

A third drilling program is currently in progress aimed at:

1. further metallurgical sampling and testing of magnetite targets at Johnston Range, and;
2. resource evaluation drilling at Die Hardy (commenced late May)

The latest program commenced in late April and approximately 10,000m of RC drilling over a 2-3 month period is planned. Initially one drill rig is being utilised but it is likely a second rig will be sourced so that further testing of the hematite targets at Johnson Range can continue. Resource estimation is likely to be completed in the third and fourth quarters 2011 as drill results permit.

Figure 2: Project Location Plan



Johnston Range

Approximately 20 hematite and 10 magnetite prospects have been identified at Johnston Range. Results from the initial drill programs and geophysical interpretation have confirmed the presence of potentially large economic magnetite mineralisation at the Project.

Drill testing of hematite targets at Johnson Range is continuing with 15 targets remaining to be tested and new targets being generated. Drill testing (up to February this year) of 5 targets has returned yet to deliver a clearly identified zone of mineralisation but with the large number of targets remaining to be tested it is anticipated that significant mineralisation will be identified.

With the identified primary magnetite exploration potential for the Johnston Range mineralisation being 4.0Bt - 6.7Bt at 20-45% Fe\* covering over 30km in strike length, it is considered likely that significant magnetite bodies will be delineated as exploration progresses over this large area.

Metallurgical test work completed on the Johnston Range magnetite drill intercepts to date has not been conclusive with respect to the potential to efficiently remove silica during treatment.

Input from metallurgical consultants suggested further samples of fresh magnetite mineralisation are needed to effectively characterise the treatment qualities – in particular to establish optimum grind sizes for silica liberation. Drilling to obtain these new samples commenced in early May. Metallurgically assessment will continue in coming months to assist in identifying the best Johnston Range magnetite targets to drill in future.

During April and May, 11 holes were completed at Johnston Range for 1844m at a number of locations. Hole detail will be provided at the time assay results are available.

\* The potential quantity and grade of iron deposits reported as exploration potential is conceptual in nature and there has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource.

### Die Hardy

Two drill holes were completed at Die Hardy in December 2010. Mapping, geophysics and drilling indicate that a magnetite body is present 200-300m wide with a strike length of greater than 3km. Ongoing metallurgical test work from this drilling has provided consistently encouraging results with regard to product grades and mass recovery.

Consequently the Die Hardy magnetite deposit (Lara Prospect) has been selected for the initial magnetite resource evaluation drilling. Approvals to proceed with the drilling were obtained in early May and drill testing commenced during the third week of May. The drill spacing on 400m spaced lines with holes at 80m centres should provide sufficient coverage to permit the estimation of an Inferred Mineral Resource.

A metallurgical data review will continue with test work being commissioned to specifically identify the optimal process and grinding size for the Die Hardy mineralisation. Once established all magnetite samples will undergo Davis Tube Testing to confirm treatment properties.

Regional Exploration

Following the acquisition of the large package of iron ore rights in the district, a review of available data has been completed and a plan for exploration developed.

Aero-magnetic data will either be purchased (existing data) or purpose flown (scheduled for July/August 2011) over the ground in coming months.

Ongoing regional reconnaissance mapping throughout the tenements will occur to identify potential new mineralisation and input from a consultant mapping specialist is scheduled for July. This work, completed in conjunction with the planned geophysics, will facilitate target identification for drilling later in 2011 as priorities permit.

Drill testing will follow later in the year as targets are defined. Further information will be provided to shareholders as assay results from the current drill programme are received.

**For or on behalf of Radar Iron Ltd**



Jonathan Lea  
**Managing Director**

The information in this report accurately reflects information prepared by competent persons (as defined by the Australasian Code for Reporting of Mineral Resources and Ore Reserves). It is compiled by Mr Jonathan Lea, an employee of the Company who is a Member of The Australasian Institute of Mining and Metallurgy with the requisite experience in the field of activity in which he is reporting. Mr Lea has sufficient experience which is relevant to the style of mineralisation and the 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 Lea consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.