

18 August 2011

**PERSHING COUNTY PLANNING COMMISSION
UNANIMOUSLY APPROVES SPECIAL USE PERMIT**

Richmond announces the grant of the Special Use Permit by Pershing County, Nevada to the Company's wholly owned US subsidiary, Nevada Iron LLC (Nevada Iron).

In a unanimous vote of support, the Pershing County (Nevada) Planning Commission approved Nevada Iron's request for a Special Use Permit to construct extensive infrastructure for the Buena Vista Iron Ore Project ("Project").

The Planning Commission's approval allows Nevada Iron to proceed with plans to construct 25 miles (40 km) of electrical transmission lines, 25 miles of slurry pipeline, a dewatering plant and railroad loading facility at Colado Junction. This infrastructure is in support of the proposed iron ore mining operations at the Buena Vista Mine located in northern Churchill County, Nevada. The Churchill County Planning Commission had previously approved its own Special Use Permit for the Project.

Nevada Iron has now received approval from both Counties with planning jurisdiction for the Project. Those approvals, coupled with Nevada Iron's approval from the State of Nevada to use up to 1,750 acre feet of water annually (2.16 million cubic metres per year) and the recent approval from the Nevada Division of Wildlife for wildlife protection at the tailings facility puts the Buena Vista Project well on track to complete all of its permitting requirements as scheduled.

Michael Johnson, Pershing County Planning Director, said that Nevada Iron's early project coordination with the Pershing County through meetings with the Planning Department's staff and Nevada Iron's willingness to attend public meetings and publicly share the details of the Project, which will bring in the order of 150 jobs to the region, was the ideal way for mining companies to present a project to the elected and appointed officials of Pershing County.

There was no public opposition to the application.

Nevada Iron representatives thanked the Planning Commission and its staff for their support and guidance during the application process, which has lead to this significant endorsement of Buena Vista.

Buena Vista - Background

The Buena Vista Feasibility Study, which is based solely on accessing ore from the West deposit, investigated producing 1.75 Mtpa (million wet tonnes per annum) of concentrate for an initial 10 years of operation.

Importantly the mine will be the producer of a high grade iron ore concentrate with very low impurities, assaying 66-69% Fe; 1.5-4.5% SiO₂; <1% Al₂O₃; 0.003% P; and 0.003% S.

The concentrate will be sent via a 40 km slurry pipeline to a rail siding located at Colado Junction, 10 km northeast of Lovelock, and then transported by rail to a Port in the San Francisco Bay/Delta Region of California.

The existing resources and known exploration targets have the potential to significantly expand the Project's life past the initial 10 years. This potential should underpin a long-life operation at Buena Vista.

The Buena Vista Feasibility Study yields the following results:

<i>Direct capital cost</i>	US\$161 million (including cost of slurry pipeline)
<i>Project NPV_{7.5%} after tax and capital</i>	US\$160 million
<i>Project IRR_{7.5%}</i>	41%
<i>FOB concentrate price</i>	US\$110 average FOB price for initial 10 years production

Buena Vista is scheduled to be operational by the fourth quarter of 2012.

Max Nind
Managing Director

Issued Shares: 79.2 million

Market Capitalisation: \$23.8 million