



1<sup>st</sup> March 2012

Registered Office:  
Level 2, 679 Murray St.  
West Perth, WA, Australia, 6005  
Telephone: +61 (0)8 9485 1040  
Facsimile: +61 (0)8 9485 1050

Principal Office:  
307 Pulteney St.  
Adelaide, SA, Australia, 5000  
Telephone: +61 (0)8 8224 0411  
Facsimile: +61 (0)8 8227 0411  
Website: ironcladmining.com

## OPTION EXPIRY

As an Option Holder in IronClad Mining Limited ("IronClad" ASX: IFE) I am writing to inform you that your Options are due to expire at 5.00 pm on 30 March 2012. This provides an opportunity for you to become a full shareholder in IronClad by exercising your options and making a payment of 75 cents per option held. If you choose to exercise your options, you will receive one new fully paid share in IronClad for each option exercised that will rank pari-passu with existing IronClad shares.

Options not exercised by 5.00pm 30 March 2012 **WILL** expire. Quotation of the options will cease at the close of trading on 23 March 2012. Failure to exercise the Option will result in the forfeiture of any rights that the Option holder may have in relation to the Ordinary shares.

To exercise your options, you will need to complete the enclosed Exercise of Option form, attach a cheque for the number of options you wish to exercise, and return both documents to:

Advanced Share Registry Ltd.  
P.O. Box 1156  
NEDLANDS WA 6909

or deliver to: Advanced Share Registry Ltd.  
150 Stirling Highway  
NEDLANDS WA 6009

Cheques should be made payable to IronClad Mining Limited. The due date for payment is 30 March 2012. Receipt of payment will not be forwarded. Once all forms/cheques have been received, and the option term expires, Advanced Share Registry Ltd. will mail out your final share notice.

The number of options you hold in IronClad as at 29 February 2012 are indicated on the enclosed Exercise of Option form. I look forward to you exercising your options to become full shareholders in IronClad and sharing the journey of iron ore production with us.

The highest and lowest market price of the underlying securities during the 3 months immediately before this notice is issued are as follows:

	Price	Date
Highest	95 cents	20 February 2012
Lowest	50 cents	22 December 2011
Last Traded	88 cents	29 February 2012

The Company's 2012 Half Yearly and Annual Report for year ended 30 June 2011 are available for viewing on our website at [www.ironcladmining.com](http://www.ironcladmining.com) together with all investor presentations and ASX announcements. I encourage option holders to take the time to review as well as further information on IronClad's activities as it moves closer to first shipment of iron ore.

If you wish to clarify any taxation consequences relating to the exercise of options, please consult your solicitor, accountant or professional advisor.

## **STRATEGIC DIRECTION**

Towards the end of the second quarter of this year the first shipment of iron ore will leave the port of Lucky Bay in South Australia. This is not an end in itself, but rather the beginning of a well thought out strategy to make IronClad one of the major Australian iron ore companies.

The 1 million tonnes of direct shipping ore (DSO) planned to be exported in the first year will be increased, in year two, by a further 1 million tonnes by the construction of a simple gravity circuit. Year 3 will see the addition of a wet beneficiation plant, to treat the remainder of the high quality Wilcherry Hill ore. Shipments will be by larger, cape size, vessels loaded via a revolutionary floating harbour anchored approximately 10 kms offshore. Total exports are anticipated to reach 4 to 5 million tonnes by 2014.

Throughout the first 3 years the Company will also be carrying out a series of feasibility studies on the massive Hercules ore body such that years 4 and 5 should see the ramp up of production to approximately 10 to 12 million tonnes per annum.

Yours sincerely

Wayne Richards  
Managing Director