



NEVADA IRON LTD

ABN 98 123 423 987

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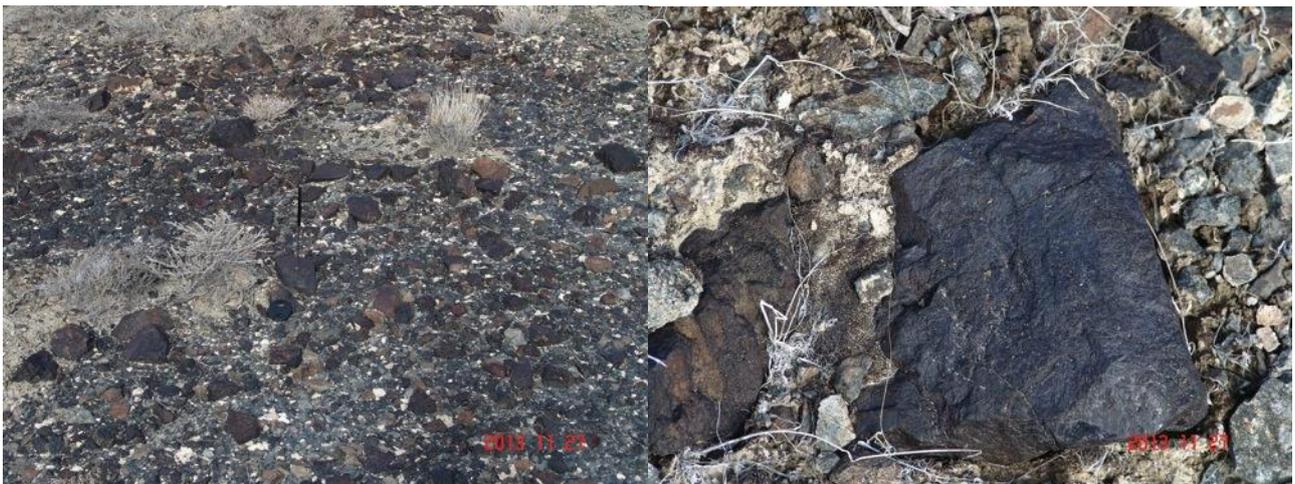
INITIAL EXPLORATION OVER RECENTLY ACQUIRED MINERAL RIGHTS INDICATES STRONG POTENTIAL

Nevada Iron Ltd (the Company) is pleased to announce that the initial exploration over the mineral rights recently acquired from New Nevada Resources LLC indicates strong potential for magnetite mineralisation.

Ground mapping over the Section 27 area (3 km to the north east of the West Deposit) has identified an area 800 m long by an average width of 180 m wide with extensive magnetite surface float (Figures 1 and 2).

Figure 1 – Extensive Magnetite Surface Float

Figure 2 – Close up of High Grade Magnetite Float



No mineral resources have been defined for the Section 27 target but the mapping indicates the presence of a large area of strong magnetite mineralisation. Following the encouraging surface mapping results, the Company has moved quickly to cover the area with ground magnetics and the resulting anomaly is shown in Figure 3.

The magnetic anomaly measures 1.6 km long by 1 km wide and appears to have a stronger intensity than the anomaly that covers the existing mineral resources located at the West, Section 5 and East Deposits.

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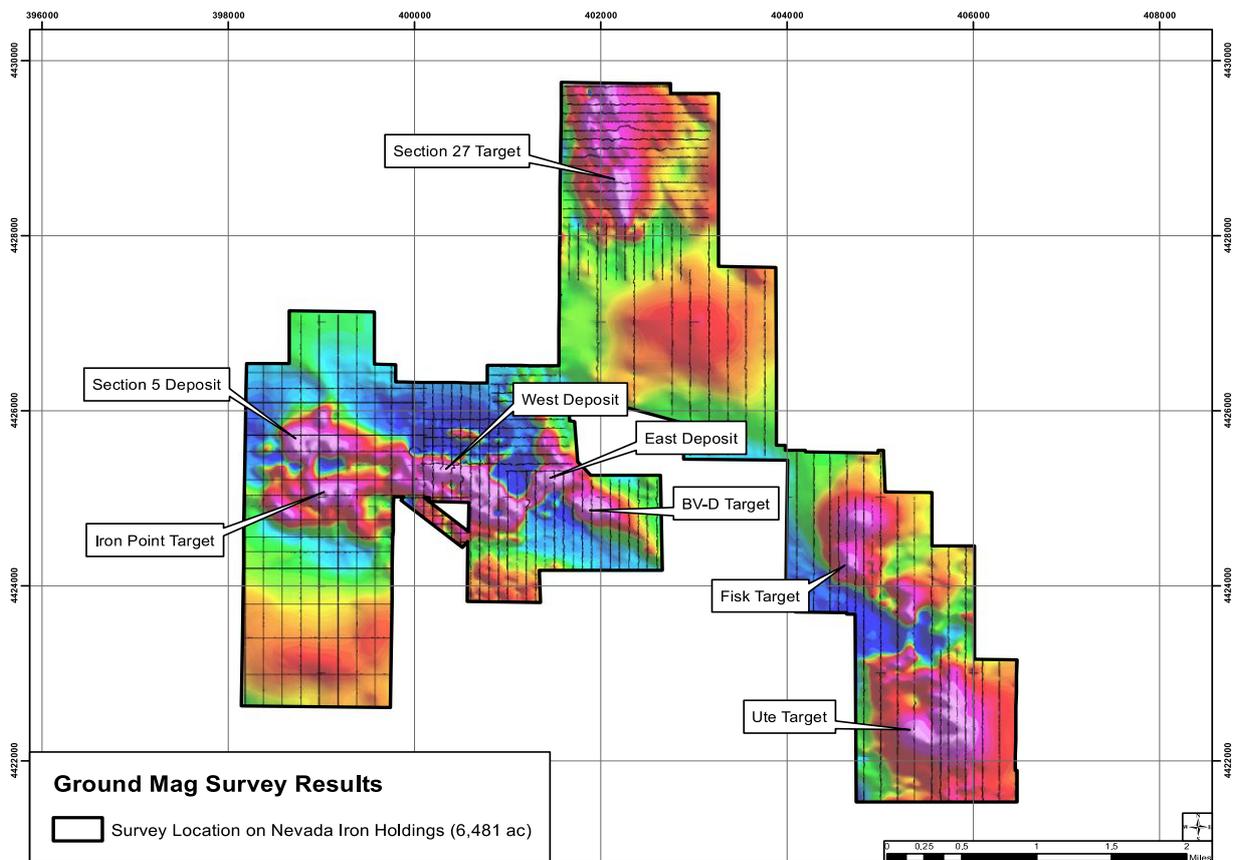
Drilling of the Section 27 target is planned during the upcoming field season and results will be released when available. The presence of extensive high-grade magnetite on surface and a large, strong intensity magnetic anomaly provide excellent indicators for targeting of drill holes.

Commentary

Mick McMullen, Executive Chairman commented on the results: "These initial results confirm our belief that the recently acquired ground holds significant potential and were a major value adding transaction for the Company. We now have significantly greater potential for mineralisation proximal to where we are planning to develop our processing plant. We have a strong treasury and are pushing on with the permitting of the Buena Vista Project.

We strongly believe that what the Company now controls in the area constitutes not just one iron deposit, but a field of iron deposits that have the potential to host much larger mineral resources and to support a large, centralised processing facility sourcing mineralisation from multiple mines in the field. "

Figure 3 – Ground Magnetics Showing New Anomalies at Section 27





Michael Higginson
Company Secretary

Information in this report to which this statement is attached that relates to Exploration Results is based on information compiled by Mick McMullen, who is a Member of the Australian Institute of Mining and Metallurgy. Mr McMullen is an officer of the Company, is self-employed and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity to 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 McMullen consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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