



# Trafford Resources Limited

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## **ASX RELEASE**

15th December 2010

### **IFE: Placement of Shares & Proposed Renounceable Rights Issue**

The Directors of Trafford Resources Limited (ASX: TRF) are pleased to announce that IronClad Mining has announced the placement of shares and a proposed renounceable rights issue for the start of operations at the Wilcherry Hill Iron Ore Project, in South Australia.

IronClad Mining Limited (ASX: IFE) is a subsidiary of Trafford Resources Limited. The Wilcherry Hill iron ore project is a joint venture between the two companies, with Trafford Resources retaining a 20% free carried into production. IronClad has undertaken a feasibility study on behalf of the joint venture on the Wilcherry Hill direct shipping ore (DSO) magnetite project over the last year.

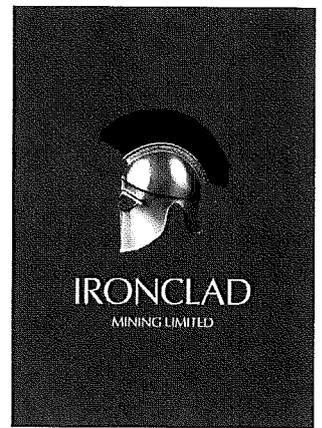
Development of the Wilcherry Hill iron ore project, 120 kilometres west of Whyalla, is scheduled to begin production in 2011.

It will be one of the first iron ore export operations in the world to ship high quality, high grade crystalline magnetite as Direct Shipping Ore (DSO).

Neil McKay

Company Secretary

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15<sup>th</sup> December 2010

## ASX Release

### **Placement of Shares & Proposed Renounceable Rights Issue to fund \$26 million Capital Requirement for First Production**

The Board of IronClad Mining Limited (ASX : IFE) is pleased to announce that the company is pursuing a capital raising, in two tranches, for a total of \$28,620,690 by way of a 15% placement and a renounceable rights issue totalling 38,160,920 shares.

The funds raised in these two tranches will give the company the necessary capital to advance the Wilcherry Hill Iron Project in South Australia to Production. This is a major milestone for the company which has been working for the last year on the Wilcherry Hill Direct Shipping Ore magnetite feasibility study, and is now a step closer to production in 2011.

The tranche 1 raising of \$5,921,250.00 by way of a 15% placement of 7,895,000 ordinary shares ("Placement Shares") in the company at \$0.75 per share was successfully completed on the 14<sup>th</sup> December 2010.

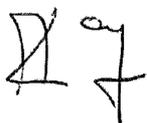
The Placement was made to a range of institutional and sophisticated investors through Phillip Capital Australia, a partner of Intersuisse, in accordance with section 708 of the Australian Corporations Act 2001.

Subsequently tranche 2 will seek to raise the remainder of the funds (\$22,699,440) by way of a renounceable rights issue of 30,265,920 ordinary shares ("Rights Issue Shares") in the company at \$0.75 per share. It is planned that full details of the rights issue will be distributed to shareholders in the near future.

Mr Finch, Executive Chairman of IronClad, said: "I am greatly encouraged by the response to the placement and by the fact that we can now include institutional investors on our register for the first time since listing 3.5 years ago. It is a positive sign from investors that they have confidence in the team at IronClad and share our high aspirations for the Wilcherry Hill project in the future. The funds raised through this capital raising will allow IronClad to become a premiere iron ore mining house in South Australia."

Further information required by Listing Rule 3.10.3 in relation to the placement accompanies this announcement.

Yours sincerely



Neil W. McKay  
Company Secretary

### Listing Rule 3.10.3 Information

In accordance with Listing Rule 3.10.3, IronClad Mining Limited provides the following details of the intended placement of securities:

<b>Class of Security</b>	Fully paid ordinary shares
<b>Number to issued</b>	7,895,000
<b>Principal terms of security</b>	The shares will carry standard rights applicable to ordinary shares in IronClad Mining Limited and will, from the date of issue, rank equally with fully paid ordinary shares currently on issue.
<b>Issue price</b>	\$0.75
<b>Proposed use of funds</b>	The funds raised will be allocated to the completion of Stage 1 of the Wilcherry Hill Iron Ore Project and working capital.
<b>Shareholder approval</b>	IronClad Mining Limited will not seek shareholder approval prior to the placement issue of the shares and will rely on its capacity under ASX Listing Rule 7.1
<b>Issue to Class</b>	The placement is being made to institutional and sophisticated investors under section 708 of the Australian Corporations Act 2001.