INTERIM REPORT
FOR THE HALF-YEAR ENDED
31 DECEMBER 2023

ABN 51 128 698 108

CONTENTS

DIRECTORS' REPORT

The Directors present the consolidated report of Iron Road Ltd and its controlled entities for the half-year ended 31 December 2023.

Throughout this report, the consolidated entity is referred to as the Group.

Directors

The following persons were directors of Iron Road Ltd during the whole of the half-year and up to the date of this report except where indicated:

Peter Cassidy	Non-Executive	Chairman
Jerry Ellis AO	Non-Executive	Director
Ian Hume	Non-Executive	Director
Glen Chipman	Executive	Director

Review of Operations

CEIP Iron Ore

During the half-year, the Company progressed discussions with potential CEIP (Central Eyre Iron Project) strategic partners and facilitated a detailed due diligence process with an Australian mining consultancy appointed by one such proponent. This included Iron Road hosting a field visit to the proposed CEIP mine, Cape Hardy port and infrastructure corridor accompanied by technical teams from both parties. Those involved during the due diligence and field visit included specialists in the disciplines of geology, resource modelling, mining, mine planning, metallurgy, beneficiation, steel making, infrastructure, approvals, ESG and techno-economic / financial modelling. A bulk diamond core sample was requested to be delivered to the proponent's R&D laboratories for analysis and metallurgical test work.

The CEIP Ore Reserve provides optionality across both coarser-grind sinter feed which was the focus of Iron Road's feasibility and optimisation studies and potential finer-grind direct-reduced iron (DRI) products or hot briquetted iron (HBI) that proponents are now increasingly focused on. The global iron ore mining and steelmaking industry expects that DRI and HBI products are likely to remain the most viable mid-term solution for progressively reducing Scope 3 industry emissions.

Iron Ore Market Backdrop

World Steel Association data indicates 2023 global crude steel production was flat year-on-year reaching a total estimated 1,888.2Mt. China's crude steel output, also flat year-on-year, still exceeded 1 billion tonnes, with production remaining more than seven times larger than India's output. This major gap between the world's two largest steel producers, indicates the latter nation's scope for continued growth in steel intensity and, to a lesser extent, for other developing countries in Asia.

During Q4 2023, the 62% Fe Fines benchmark price averaged circa US$128/dmt with the high-grade 65% Fe index averaging approximately US$139/dmt. Seaborne iron ore prices continue to comfortably outperform market consensus expectations with quarterly pricing for both benchmark and the high-grade index rising 11-13% quarter-on-quarter and 25-30% year-on-year. It is apparent to some independent commodity market forecasters that a primary driver for this continued strong pricing is China's ongoing reliance on high marginal cost domestic iron ore production that supplements overall feedstock requirements of the Chinese steel industry along with annual ore imports that exceed 1.1 billion tonnes.

Top 10 Crude Steel Producing Countries	Jan – Dec 2023 million tonnes	% change Jan – Dec 23/22
China	1,019.1	0.0
India	140.2	+11.8
Japan	87.0	-2.5
United States	80.7	+0.2
Russia*	75.8	+5.6
South Korea	66.7	+1.3
Germany	35.4	-3.9
Türkiye	33.7	-4.0
Brazil	31.9	-6.5
Iran	31.1	+1.8

** – estimated*

Source: World Steel Association

Cape Hardy Green Hydrogen & Ammonia Project

In early January 2024, it was announced that the Company and Amp Energy (Amp) had agreed to extend the Strategic Framework Agreement and associated exclusivity period by three months to 12 April 2024. The extension is expected to provide adequate additional time to finalise and execute transaction documents associated with the next phase of the Cape Hardy green hydrogen and ammonia project. In return for Iron Road granting the extension, Amp agreed to waive its right to receive a refund of $500k (one-third of the initial $1.5m exclusivity fee paid by Amp in 2023), resulting in the removal of this $500k liability from Iron Road's balance sheet. The Strategic Framework Agreement commercial terms remain unchanged and are expected to underpin transaction documents in Q2 2024.

The green hydrogen and ammonia strategy complements a broader vision for the proposed Cape Hardy port and industrial precinct. This includes the Cape Hardy site facilitating water security to sustain major South Australian industry operations and growth objectives, providing value-add optionality to high-quality magnetite resources on the Eyre Peninsula and strengthening multi-commodity export opportunities. Large-scale renewable energy projects, currently in the planning phase, are expected to provide the required green energy for both the green hydrogen and ammonia development at Cape Hardy and the proposed CEIP mine.

Northern Water (NW)

The NW project is a priority initiative for South Australia and aims to provide a sustainable water supply to end-users that currently extract water from the Great Artesian Basin (GAB) and River Murray - water sources that support significant environmental and cultural value. This proposed secure source of new water will serve mineral production, defence, agriculture (pastoralists), and emerging green energy industries, whilst also providing the opportunity to supply SA Water and its customers.

On 21 November 2023, NW advised that, consistent with the outcomes of a multi-criteria Analysis by engineering consultants Jacobs and GHD, and aligned with feedback from many community members, further studies for NW would focus on Cape Hardy as the preferred site for a desalination plant with production capacity of up to 260ML/day.

An initial Crown Development application (DA) was lodged on 6 December 2023 by NW, conveying the potential social, environmental and economic significance of the Project. Under state legislation, a decision was subsequently made by the Minister for Planning (SA), who determined the NW Project should be *Impact Assessed,* necessitating an Environmental Impact Statement (EIS). A referral to the Department of Climate Change, Energy, the Environment and Water (DCCEEW) has also been submitted under the Environment Protection and Biodiversity Conservation Act 1999

(EPBC). In due course, DCCEEW will undertake public consultation on the referral, prior to the Minister for the Environment and Water (Cwth) determining if further assessment is required, and the level of that assessment.

On 16 January 2024, the Industry Capability Network (ICN) portal for the NW project became live. Suppliers and organisations interested in future opportunities in relation to the project have been encouraged to lodge their interest via the NW ICN Expression of Interest process.

In the interim an investigative work program by NW continues at the Company's Cape Hardy site, under an agreed *Land Access Protocol* (LAP).

Community and stakeholder engagement

The Company continued to engage with the Eyre Peninsula community and directly with various South Australian state government agencies, which includes representatives from Department of Energy and Mines (DEM), as well as independent advisors. The Company also continued engagement with the Department for Trade and Investment (DTI) and Austrade representatives within Australia and Asia.

Corporate

Cash flows in the half-year included $924k of gross proceeds from a Share Purchase Plan (SPP) that was targeting $1.0 million. Offsetting this was a $300k financing expense representing a cash repayment of an earlier prepayment received for Iron Road shares. This repayment was made in lieu of issuing shares and did not incur any interest costs.

The Annual General Meeting was held on 16 November 2023 in Sydney and all resolutions were passed on a poll. A copy of the AGM presentation may be found by clicking this link or on the Company's website at https://www.ironroadlimited.com.au/index.php/investor-centre/asx-announcements.

At 31 December 2023, the Company held cash reserves of $0.54 million and no debt. Total cash outgoings for operating and investing activities during the December quarter were $677k, expended primarily to progress the Company's proposed Cape Hardy port and industrial precinct development. Budgeted outgoings for operating and investing activities in the March 2024 quarter are approximately $430k.

On 29 January 2024, the Company advised that its long-term major shareholder, Sentient Executive GP IV, Limited (Sentient), had agreed to loan Iron Road up to $1 million interest free with the funding repayable by 30 June 2024.

At Sentient's election, the financing facility may be partially or fully settled via the issuance of convertible notes, each with a face value of $0.08 and converting to an equivalent number of shares, prior to the loan maturity date. The pricing of $0.08 is equivalent to Iron Road's previous capital raise (September 2023 Share Purchase Plan). The issuance of convertible notes will firstly require the approval of Iron Road shareholders.

Continued support from the major shareholder enables Iron Road to remain focused on current commercial negotiations associated with the proposed Cape Hardy port and industrial precinct as well as advancing investment prospects for the CEIP. The Company is currently negotiating commercial arrangements with the proponents of two separate industrial-scale proposed developments on the 1,207-hectare gulf-side Cape Hardy property owned by Iron Road.

Effective 1 October 2023, the Company's Executives and Non-Executive Directors elected to defer a portion of salaries/fees ($355k pa. in aggregate).

The Company reasonably expects to be able to attract non-dilutionary capital and raise further equity to successfully progress its projects through 2024.

Mineral Resources and Reserves

Table 1 – CEIP Ore Reserve Summary

Resource Classification	Metric Tonnes (Mt)	Fe (%)	SiO_2 (%)	Al_2O_3 (%)
Proved	2,131	15.55	53.78	12.85
Probable	1,550	14.40	53.58	12.64
Total	**3,681**	**15.07**	**53.70**	**12.76**

The Ore Reserves estimated for CEIP, involving mine planning, is based on and fairly represents information and supporting documentation compiled by Mr Bob McCarthy, a Member of the Association of Professional Engineers and Geoscientists of British Columbia (Canada) and a full-time employee of SRK Consulting (North America). Mr McCarthy has sufficient experience relevant to the style of mineralisation and the type of deposits under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr McCarthy consents to the inclusion in the report of the matters based on his information in the form and context in which it appears. The Ore Reserves estimated for the CEIP involving aspects other than mine planning is based on and fairly represents information and supporting documentation compiled by Mr Larry Ingle, a Member of the Australian Institute of Mining and Metallurgy and a full-time employee of Iron Road Limited. Mr Ingle has sufficient experience relevant to the style of mineralisation and the type of deposits under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Ingle consents to the inclusion in the report of the matters based on his information in the form and context in which it appears. This report includes results that have previously been released under JORC 2012 by the Company on 2 May 2016. The Company is not aware of any new information or data that materially affects the information included in this announcement and all material assumptions and technical parameters underpinning the Ore Reserve continue to apply and have not materially changed. The Company is not aware of any new information or data that materially affects the production target or the forecast financial information derived from the production target as cross referenced in this report.

Table 2 – CEIP Global Mineral Resource

Location	Classification	Tonnes (Mt)	Fe (%)	SiO_2 (%)	Al_2O_3 (%)	P (%)	LOI (%)
Murphy South/Rob Roy	Measured	2,222	15.69	53.70	12.84	0.08	4.5
	Indicated	474	15.6	53.7	12.8	0.08	4.5
	Inferred	667	16	53	12	0.08	4.3
Boo-Loo/Dolphin	Indicated	796	16.0	53.3	12.2	0.07	0.6
	Inferred	351	17	53	12	0.09	0.7
Total		**4,510**	**16**	**53**	**13**	**0.08**	**3.5**

The Murphy South/Rob Roy Mineral Resource estimate was carried out following the guidelines of the JORC Code (2004) by Iron Road Limited and peer reviewed by Xstract Mining Consultants. The Murphy South - Boo-Loo/Dolphin oxide and transition Resource estimate was carried out following the guidelines of the JORC Code (2004) by Coffey Mining Limited. The Boo-Loo/Dolphin fresh Mineral Resource estimate was carried out following the guidelines of the JORC Code (2012) by Iron Road Limited and peer reviewed by AMC Consultants. This report includes results that have previously been released under JORC 2004 and JORC 2012 by the Company on 30 June 2010, 28 May 2013 and 27 February 2015. The Company is not aware of any new information or data that materially affects the information included in these announcements and all material assumptions and technical parameters underpinning the Mineral Resource continue to apply and have not materially changed.

Table 3 – CEIP Indicative Concentrate Specification – 106 micron (p80)*

Iron (Fe)	Silica (SiO_2)	Alumina (Al_2O_3)	Phosphorous (P)
66.7%	3.36%	1.90%	0.009%

* The concentrate specifications given here are based on current data from metallurgical test work, bulk samples and simulation modelling designed specifically to emulate the proposed beneficiation plant.

The Company confirms that the Mineral Resource (MR) and Ore Reserve (OR) Estimates are unchanged from prior year. The Company ensures that all MR and OR estimates are subject to appropriate levels of governance and internal controls and are prepared by qualified Competent Persons in accordance with the JORC code.

Results of Operations

The Group incurred a loss for the half-year ended 31 December 2023 of $853,377 (2022: $369,412). The increased loss is mainly attributable to a partial reversal of previously expensed Cape Hardy Stage 1 Warrants in the prior period of $0.9 million, offset by lower employee benefits expense of $0.3 million.

Events after the Reporting Date

On 12 January 2024, the Company announced an extension to the Strategic Framework Agreement with Amp Energy to 12 April 2024. In return for Iron Road granting the extension, Amp has agreed to waive its right to receive a refund of $500k (one-third of the initial $1.5m exclusivity fee paid by Amp), resulting in the removal of this $500k liability from Iron Road's balance sheet.

On 15 January 2024 and 15 February 2024, the Company issued 833,333 and 1,388,889 fully paid ordinary shares respectively in accordance with the terms of its Subscription Agreement with Bulk Commodity Holdings, LLC.

On 29 January 2024, the Company advised that its long-term major shareholder, Sentient Executive GP IV, Limited (Sentient), had agreed to loan Iron Road up to $1 million interest free with the funding repayable by 30 June 2024. At Sentient's election, the financing facility may be partially or fully settled via the issuance of convertible notes, each with a face value of $0.08 and converting to an equivalent number of shares, prior to the loan maturity date. The pricing of $0.08 is equivalent to Iron Road's previous capital raise (September 2023 Share Purchase Plan). The issuance of convertible notes will firstly require the approval of Iron Road shareholders.

Auditor's Independence Declaration

A copy of the Auditor's independence declaration as required under section 307C of the *Corporations Act 2001* (Cth) is set out on page 6.

This report is made in accordance with a resolution of directors and is signed on behalf of the directors by Dr Peter Cassidy.

Peter Cassidy
Chairman
Adelaide, South Australia
5 March 2024

Auditor's Independence Declaration

As lead auditor for the review of Iron Road Ltd for the half-year ended 31 December 2023, I declare that to the best of my knowledge and belief, there have been:

(a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and

(b) no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Iron Road Ltd and the entities it controlled during the period.

Julian McCarthy
Partner
PricewaterhouseCoopers

Adelaide
5 March 2024

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CONSOLIDATED INCOME STATEMENT AND STATEMENT OF COMPREHENSIVE INCOME

FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

	Note	Half-year 2023 $	2022 $
Revenue from continuing operations			
Interest received		**565**	16
Expenses			
Depreciation	3	**(20,797)**	(24,624)
Employee benefits expense	4	**(422,629)**	(731,219)
Exploration expenses	2	**(11,761)**	(9,949)
Finance charges		**-**	(43,750)
General expenses		**(56,533)**	(43,672)
Professional fees		**(167,786)**	(186,085)
Travel and accommodation		**(24,236)**	(49,297)
Marketing		**(11,099)**	(8,305)
Rent and administration costs		**(139,101)**	(150,871)
Share based payments - Cape Hardy Stage I Warrants	8	**-**	878,344
Loss before income tax		**(853,377)**	(369,412)
Income tax expense		**-**	-
Loss for the period		**(853,377)**	(369,412)
Other comprehensive loss for the period		**-**	-
Total comprehensive loss for the period attributable to owners of Iron Road Ltd		**(853,377)**	(369,412)

Loss per share for loss attributable to the ordinary equity holders of the company:

		Cents	Cents
Basic and diluted loss per share (cents)	9	**(0.10)**	(0.05)

The above consolidated income statement and statement of comprehensive income should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2023

	Note	31 December 2023 $	30 June 2023 $
ASSETS			
Current assets			
Cash and cash equivalents	1	**492,577**	1,735,915
Bank term deposits	1	**45,000**	45,000
Prepayments and other receivables		**135,205**	32,602
Total current assets		**672,782**	1,813,517
Non-current assets			
Exploration and evaluation expenditure	2	**123,691,247**	123,434,912
Property, plant and equipment	3	**10,523,613**	10,542,379
Total non-current assets		**134,214,860**	133,977,291
Total assets		**134,887,642**	135,790,808
LIABILITIES			
Current liabilities			
Trade and other payables	5	**678,307**	1,320,253
Subscription to be settled	6	**1,487,490**	1,787,490
Provisions		**328,588**	334,303
Total current liabilities		**2,494,385**	3,442,046
Non-current liabilities			
Provisions		**8,237**	5,114
Total non-current liabilities		**8,237**	5,114
Total liabilities		**2,502,622**	3,447,160
Net assets		**132,385,020**	132,343,648
EQUITY			
Contributed equity	8	**181,005,736**	179,856,222
Reserves	8	**5,859,996**	6,114,761
Accumulated losses		**(54,480,712)**	(53,627,335)
Total equity		**132,385,020**	132,343,648

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

		Attributable to owners of Iron Road Ltd			
	Note	Contributed Equity $	Accumulated losses $	Reserves $	Total Equity $
Balance at 1 July 2022		**178,731,844**	**(53,158,906)**	**8,249,008**	**133,821,946**
Total loss for the half-year		-	(369,412)	-	(369,412)
Transactions with owners in their capacity as owners:					
Contributions to equity net of transaction costs	8	503,296	-	-	503,296
Share based payments – employees	8	-	-	(507,012)	(507,012)
Share based payments – Cape Hardy Stage I Warrants	8	-	-	(878,344)	(878,344)
Balance at 31 December 2022		**179,235,140**	**(53,528,318)**	**6,863,652**	**132,570,474**
Balance at 1 July 2023		**179,856,222**	**(53,627,335)**	**6,114,761**	**132,343,648**
Total loss for the half-year		-	(853,377)	-	(853,377)
Transactions with owners in their capacity as owners:					
Contributions to equity net of transaction costs	8	1,149,514	-	-	1,149,514
Share based payments – employees	8	-	-	(254,765)	(254,765)
Balance at 31 December 2023		**181,005,736**	**(54,480,712)**	**5,859,996**	**132,385,020**

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

	Note	Half-year 2023 $	Half-year 2022 $
Cash flows from operating activities			
Payments to suppliers and employees (inclusive of GST)		**(1,594,840)**	(1,719,369)
Interest received		**565**	16
Net cash outflow from operating activities	4	**(1,594,275)**	(1,719,353)
Cash flows from investing activities			
Payments for term deposits		**(90,000)**	(90,000)
Receipts from term deposits		**90,000**	90,000
Payments for exploration and evaluation		**(240,813)**	(135,314)
Payments for property, plant and equipment	3	**(2,999)**	-
Net cash outflow from investing activities		**(243,812)**	(135,314)
Cash flows from financing activities			
Proceeds from issue of shares	8	**924,200**	-
Share issue transaction costs		**(29,451)**	(2,915)
Subscriptions received	6	**-**	625,000
Repayment of subscriptions	6	**(300,000)**	-
Net cash inflow from financing activities		**594,749**	622,085
Net increase/(decrease) in cash and cash equivalents		**(1,243,338)**	(1,232,582)
Cash and cash equivalents at the beginning of the half-year		**1,735,915**	1,894,350
Cash and cash equivalents at the end of the half-year		**492,577**	661,768

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

Structure of Notes and materiality

Note disclosures are split into four sections shown below to enable better understanding of how the Group performed.

KEY NUMBERS	STRUCTURES AND CAPITAL	ADDITIONAL INFORMATION	UNRECOGNISED ITEMS
1. Cash	7. Related parties	10. Segment information	12. Contingencies
2. Exploration	8. Equity and reserves	11. Accounting policies	13. Events after reporting date
3. Property, plant and equipment	9. Loss per share		
4. Operating activities			
5. Trade and other payables			
6. Subscription to be settled			

Information is only included in the Notes to the extent that it has been considered material and relevant to the understanding of the financial statements.

1: Cash

The Consolidated Statement of Cash Flows, shows total cash expended during the half-year ended 31 December 2023 was $2,168,103 (2022: $1,857,598), utilised in the following areas:

	Note	2023 $	2022 $
Exploration and evaluation		715,365	483,872
Payments to employees		452,078	787,009
Professional fees		167,786	186,085
Rent and administration		465,089	340,115
Share issue transaction costs		29,451	2,915
Purchase of property, plant and equipment	3	2,999	-
Repayment of subscriptions	6	300,000	-
Other		35,335	57,602
Total		**2,168,103**	1,857,598

The balance of cash and cash equivalents at 31 December 2023 was $492,577 (June 2023: $1,735,915) and bank term deposits was $45,000 (June 2023: $45,000). The bank term deposit is held as security for the Group's credit card facility.

Funds held in a term deposit facility for greater than 3 months are classified as bank term deposits in the consolidated statement of financial position.

2: Exploration

Exploration and evaluation expenditure encompasses expenditures incurred by the Group in connection with the exploration for the evaluation of mineral resources.

Exploration and evaluation expenditure capitalised in relation to CEIP for the half-year ended 31 December 2023 totalled $256,335 (2022: $135,314). The total capitalised exploration and evaluation expenditure relating to the CEIP at 31 December 2023 was $123,691,247 (June 2023: $123,434,912).

Expenditure on maintaining the mining lease that has not progressed the CEIP has been expensed. The total exploration expense for the half-year was $11,761 (2022: $9,949).

Recoverability of exploration and evaluation assets

Recoverability of the carrying amount of the exploration and evaluation asset is dependent on successful development and commercial exploitation, or alternatively sale of the respective area of interest. The exploration and evaluation assets are tested for impairment periodically or when events or circumstances indicate the carrying value may not be recoverable. For the half-year ended 31 December 2023, the directors deemed the current capitalisation of development of the CEIP resource to be appropriate.

The Group's accounting policy requires management to make certain assumptions as to future events and circumstances. Exploration and evaluation costs are carried forward based on the accounting policy set out above. Should development not be possible, or the existence of reserves does not allow for economic development, amounts recorded may require impairment in future periods. Iron Road periodically evaluates the economic potential of the CEIP using a discounted cashflow modelling technique. The model includes assumptions for production volumes, forecast iron ore pricing, foreign exchange rates and project costs, which are updated for the latest available data.

3: Property, plant and equipment

During the period ended 31 December 2023, the Group acquired $2,999 in property, plant and equipment (2022: Nil). Reconciliation of the carrying amounts of property, plant and equipment:

	LAND AND BUILDINGS		PLANT AND EQUIPMENT		
Reconciliation of the carrying value of property, plant and equipment	**Land $**	**Buildings & Improvements $**	**Plant & Equipment $**	**Motor Vehicles $**	**Total $**
At 30 June 2023					
Cost or fair value	9,876,462	847,518	770,135	40,097	11,534,212
Accumulated depreciation	-	(241,686)	(710,050)	(40,097)	(991,833)
Net book amount	**9,876,462**	**605,832**	**60,085**	**-**	**10,542,379**
Half-year ended 31 December 2023					
Opening net book value	9,876,462	605,832	60,085	-	10,542,379
Additions	-	-	2,999	-	2,999
Disposals	-	-	(968)	-	(968)
Depreciation charge	-	(10,822)	(9,975)	-	(20,797)
Closing net book amount	**9,876,462**	**595,010**	**52,141**	**-**	**10,523,613**
At 31 December 2023					
Cost or fair value	9,876,462	847,518	772,166	40,097	11,536,243
Accumulated depreciation	-	(252,508)	(720,025)	(40,097)	(1,012,630)
Net book amount	**9,876,462**	**595,010**	**52,141**	**-**	**10,523,613**

The Group's land holdings are predominantly located at the Cape Hardy Port precinct. Other Cape Hardy project costs are included in the capitalised exploration and evaluation balance (refer Note 2).

4: Operating activities

Operating expenses were $853,942 for the half-year ended 31 December 2023 (2022: $369,428). There was no share-based payments expense related to Cape Hardy Stage I Warrants in the period. The prior period includes an expense reversal of $878,344 relating to professional services supplied by Macquarie Capital.

Loss before tax includes the following specific expenses:

	Note	**2023** $	2022 $
Salaries and other employee benefits		479,663	660,107
Superannuation		39,597	67,726
Directors' fees		107,500	107,500
Sub-total		626,760	835,333
Less: allocated to exploration		(204,131)	(104,114)
Total employee benefits expense		**422,629**	731,219

Reconciliation of loss after income tax to net cash outflow from operating activities is as follows:

	Note	**2023** $	2022 $
Net loss for the period		**(853,377)**	(369,412)
Depreciation		20,797	24,624
Finance charges		-	43,750
Share based payments - Cape Hardy Stage I Warrants		-	(878,344)
Change in operating assets and liabilities			
Decrease/(increase) in other receivables		(102,603)	(85,408)
(Decrease)/increase in trade and other payables		(656,501)	(464,069)
Increase/(decrease) in other provisions		(2,591)	9,506
Net cash outflow from operating activities		**(1,594,275)**	(1,719,353)

5: Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the reporting period, which are unpaid. The amounts are presented as current liabilities unless payment is not due within 12 months from the reporting date.

	31 December 2023	30 June 2023
	$	$
Trade payables	89,557	513,484
Accruals	88,750	171,897
GST payable	-	134,872
Refundable exclusivity fee	500,000	500,000
Total trade and other payables	**678,307**	1,320,253

In April 2023, the Group executed a Strategic Framework Agreement with Amp Energy and commenced a nine-month exclusivity period following a competitive Cape Hardy green hydrogen offer-to-bid process. Amp Energy paid a $1.5 million exclusivity fee with a further conditional payment of $1.5 million to be received upon execution of detailed transaction documents. If agreement was not reached, $0.5 million of the initial exclusivity fee was refundable and is, therefore, recorded as a payable at 31 December 2023 (June 2023: $0.5 million).

On 12 January 2024 the Company announced an extension to the Strategic Framework Agreement with Amp Energy to 12 April 2024. In return for Iron Road granting the extension, Amp has agreed to waive its right to receive a refund of this $0.5 million exclusivity fee.

6: Subscription to be settled

	31 December 2023	30 June 2023
	$	$
Opening balance 1 July	1,787,490	924,400
Subscription funds received	-	1,087,000
Repayment of subscription funds	(300,000)	-
Subscription Shares issued	-	(300,000)
Finance charge	-	76,090
Closing balance	**1,487,490**	1,787,490

In December 2021 the Company entered into a Subscription Agreement with Bulk Commodity Holdings, LLC (the Investor), an US based investor, for a private placement of shares for an aggregate subscription value of up to $5,175,000 over three separate investments. Proceeds from the placement, along with existing cash reserves, are to be used to further advance the Company's assets and fund general working capital requirements. The bespoke terms of the placement effectively defer the issuance of shares to the Investor across three separate investments.

The Company has the right (but no obligation) to forego issuing shares in relation to the Investor's request for issuance and instead opt to repay the subscription amount by making a payment to the Investor equal to the market value of the shares that would have otherwise been issued. During the half-year, the Company elected to make a $300,000 cash repayment to the Investor in lieu of issuing shares to the Investor and, by agreement with the Investor, did not incur any interest costs.

STRUCTURES AND CAPITAL

7: Related parties

The parent entity of the Group and the ultimate parent entity and controlling party is The Sentient Global Resources Funds (Sentient) which at 31 December 2023 owned 70.43% (2022: 72.07%) of the issued ordinary shares of Iron Road Ltd.

The were no transactions with Sentient in the half-year to 31 December 2023 and 31 December 2022.

Subsequent to the balance date, Sentient agreed to loan Iron Road up to $1 million interest free with the funding repayable by 30 June 2024. At Sentient's election, the financing facility may be partially or fully settled via the issuance of convertible notes, each with a face value of $0.08 and converting to an equivalent number of shares, prior to the loan maturity date. The pricing of $0.08 is equivalent to Iron Road's previous capital raise (September 2023 Share Purchase Plan). The issuance of convertible notes will firstly require the approval of Iron Road shareholders.

There were no securities issued under the Company's Performance Share Plan and a Share Option Plan during the half-year to 31 December 2023.

8: Equity and reserves

SHARE CAPITAL

	6-months to 31 December 2023	Year to 30 June 2023	**6-months to 31 December 2023**	Year to 30 June 2023
Share capital	**Shares**	Shares	**$**	$
Opening balance 1 July	**806,891,472**	798,991,304	**179,856,222**	178,731,844
Issue of shares in Share Purchase Plan	**11,552,500**	-	**924,200**	-
Settlement of subscription shares	**-**	3,006,168	**-**	300,000
Exercise of Director and Employee Performance Rights	**1,757,000**	4,894,000	**254,765**	834,442
Cost of issues	**-**	-	**(29,451)**	(10,064)
Closing balance	**820,200,972**	806,891,472	**181,005,736**	179,856,222

In September 2023 the Company completed a Share Purchase Plan (SPP) which raised $0.92 million before costs at $0.08 per share. All Directors and the CEO, Larry Ingle applied for their full entitlement under the SPP.

The Company issued 1,757,000 ordinary shares to Directors who exercised vested performance rights resulting in a transfer of $254,675 from the Share Based Payment Reserve to the Share Capital account.

Ordinary shares entitle the holder to participate in dividends and to share in the proceeds of winding up of the Group in proportion to the number of and amounts paid on the shares held. Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are deducted from equity, net of tax. Ordinary shares have no par value and the company does not have a limited amount of authorised capital. All shares have been issued and are fully paid.

RESERVES and SHARE-BASED PAYMENTS

Share Based Payment Reserve	**6-months to 31 December 2023 Options & Rights**	Year to 30 June 2023 Options & Rights	**6-months to 31 December 2023 $**	Year to 30 June 2023 $
Opening balance 1 July	45,437,000	50,331,000	6,114,761	4,766,758
Past Director Performance Rights exercised	(1,757,000)	(844,000)	(254,765)	(122,380)
Future Director Performance Rights exercised	-	(1,500,000)	-	(205,050)
Employee Performance Rights exercised	-	(2,550,000)	-	(507,012)
Performance Rights - movement in reserve			**(254,765)**	(834,442)
Share-based payments - Cape Hardy Stage I Warrants expense			-	(1,299,805)
Closing balance	**43,680,000**	45,437,000	**5,859,996**	6,114,761

The share-based payment reserve is used to recognise the value of options and performance rights granted. Options and Performance rights with vesting conditions are expensed throughout the vesting period and should they fail to vest before the expiry date, no amount is recognised.

Of the 43,680,000 options and rights outstanding at 31 December 2023, 180,000 Employee Performance Rights (June 2023: 180,000) and 3,500,000 Directors Performance Rights (June 2023: 5,437,000) are vested and exercisable. The remaining 40,000,000 Cape Hardy Stage I warrants are unvested.

Performance Rights

Share-based compensation benefits are provided to Directors, KMP, employees and consultants through the Iron Road Ltd Performance Share Plan and Share Option Plan.

During the half-year, share-based payments – employee benefits expense was nil as there were no new performance rights or options issued during the period (2022: Nil). The value of vested performance rights exercised during the half-year was $254,675 (June 2023: $834,442).

Cape Hardy Stage I Warrants

In September 2020 Iron Road, Macquarie Capital and Eyre Peninsula Co-operative Bulk Handling (EPCBH) entered into a Joint Development Agreement which included the issue of 40 million unlisted Iron Road warrants to Macquarie with vesting contingent on Financial Close and Commercial Operations under being achieved for the Cape Hardy Stage I port. For further information refer to the Company's 2023 Annual Report. No amount is recognised in the Share Based Payments Reserve in relation to the Warrants.

9: Loss per share

	31 December 2023	31 December 2022
Loss attributable to the members of the group used in calculating loss per share	(853,377)	(369,412)
Weighted average number of shares used as the denominator in calculating basic and diluted loss per share	813,624,048	799,778,478
Total basic and diluted loss per share attributable to the ordinary equity owners of the company (cents)	(0.10)	(0.05)

There were 43,680,000 warrants and performance rights outstanding at the end of the half-year (2022: 47,781,000) that have not been considered in calculating diluted loss per share due to their effect being anti-dilutive.

ADDITIONAL INFORMATION

10: Segment information

Operating segments are reported in a manner consistent with the internal reporting provided to the Board of Directors and management of the Group. These internal management reports are reviewed on a monthly basis and are aligned with the information provided in the statement of comprehensive income, statement of financial position and statement of cash flows. The Group does not have any customers or operating segments with discrete financial information and all of the Group's assets and liabilities are located within Australia, as a result no reconciliation is required.

11: Accounting policies

Basis of Preparation of the Interim Financial Report

This condensed consolidated interim financial report for the half-year reporting period ended 31 December 2023 has been prepared in accordance with requirements of the *Corporations Act 2001* (Cth) and Australian Accounting Standard AASB 134: *Interim Financial Reporting*.

This condensed consolidated interim financial report does not include all the notes of the type normally included in the annual financial report. Accordingly, this report is to be read in conjunction with the Annual Report for the year ended 30 June 2023 and any public announcements made by Iron Road Ltd during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001* (Cth).

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

Going concern

For the half-year ended 31 December 2023, the Group has reported a loss for the period of $853,377 (2022: $369,412) and operating and investing cash outflows of $1,594,275 (2022: $1,719,353) and $243,812 (2022: $135,314) respectively. As at 31 December, the Group was in a net current liability position of $1,821,603 (2022: $1,215,848), currently has no cash generating assets in operation, and $492,577 of available cash (2022: $661,768).

As disclosed in note 5, post the reporting date Amp Energy has waived rights to a refund of $0.5 million in exclusivity fees in return for an extension of 90 days to the Strategic Framework Agreement to April 2024 at which time a conditional payment of $1.5 million may be received upon execution of detailed transaction documents, with the mutual agreement of both parties and FIRB approval.

As disclosed in Note 7, the Company has announced that Sentient Executive GP IV, Limited (Sentient), had agreed to loan Iron Road up to $1 million interest free with the funding repayable by 30 June 2024. At Sentient's election, the financing facility may be partially or fully settled via the issuance of convertible notes, each with a face value of $0.08 and converting to an equivalent number of shares, prior to the loan maturity date. The pricing of $0.08 is equivalent to Iron Road's previous capital raise (September 2023 Share Purchase Plan). The issuance of convertible notes will firstly require the approval of Iron Road shareholders.

The continuing viability of the Group and its ability to continue as a going concern and meet its debts and commitments as they fall due is dependent on the Group being successful in:

- Sourcing non-dilutionary funds that may result from one or more transactions associated with the Company's Cape Hardy land assets; and/or
- Agreeing to satisfactory deal terms with Amp Energy and executing transactions documents that results in a further $1.5m framework fee payment and additional follow-on project milestone payments, and
- Sentient electing to convert the loan funds to equity prior to the repayment date (subject to shareholder approval); or
- raising further funds through a placement, entitlement offer or Share Purchase Plan (SPP); and/or
- funding from a CEIP project partner.

As a result of these matters, there is a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business. However, the directors believe that the Group will be successful in implementing a combination of the above matters and, accordingly, have prepared the financial report on a going concern basis.

If the above matters are not executed successfully, the going concern assumption may not be appropriate and result in the Group having to potentially realise assets and extinguish liabilities at amounts different to those stated in the financial report. No allowance for such circumstances has been made.

UNRECOGNISED ITEMS

12: Contingencies

There are no material contingent liabilities or contingent assets of the Group at 31 December 2023.

13: Events after reporting date

On 12 January 2024, the Company announced an extension to the Strategic Framework Agreement with Amp Energy to 12 April 2024. In return for Iron Road granting the extension, Amp has agreed to waive its right to receive a refund of $500k (one-third of the initial $1.5m exclusivity fee paid by Amp), resulting in the removal of this $500k liability from Iron Road's balance sheet.

On 15 January 2024 and 15 February 2024, the Company issued 833,333 and 1,388,889 fully paid ordinary shares respectively in accordance with the terms of its Subscription Agreement with Bulk Commodity Holdings, LLC.

On 29 January 2024, the Company advised that its long-term major shareholder, Sentient Executive GP IV, Limited (Sentient), had agreed to loan Iron Road up to $1 million interest free with the funding repayable by 30 June 2024. At Sentient's election, the financing facility may be partially or fully settled via the issuance of convertible notes, each with a face value of $0.08 and converting to an equivalent number of shares, prior to the loan maturity date. The pricing of $0.08 is equivalent to Iron Road's previous capital raise (September 2023 Share Purchase Plan). The issuance of convertible notes will firstly require the approval of Iron Road shareholders.

DIRECTORS' DECLARATION

In the directors' opinion:

a) the financial statements and notes set out on pages 8 to 20 are in accordance with the *Corporations Act 2001* (Cth), including:

   i.) complying with the *Corporations Regulations 2001* (Cth) and *Australian Accounting Standard AASB 134 Interim Financial Reporting* and other mandatory professional reporting requirements; and

   ii.) giving a true and fair view of the Group's financial position as at 31 December 2023 and of its performance for the half-year ended on that date; and

b) there are reasonable grounds to believe that Iron Road Ltd will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the directors.

Peter Cassidy
Chairman
Adelaide, South Australia
5 March 2024

Independent auditor's review report to the members of Iron Road Ltd

Report on the half-year financial report

Conclusion

We have reviewed the half-year financial report of Iron Road Ltd (the Company) and the entities it controlled during the half-year (together the Group), which comprises the consolidated statement of financial position as at 31 December 2023, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, selected explanatory notes and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of Iron Road Ltd does not comply with the *Corporations Act 2001* including:

1. giving a true and fair view of the Group's financial position as at 31 December 2023 and of its performance for the half-year ended on that date

2. complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* (ASRE 2410). Our responsibilities are further described in the *Auditor's responsibilities for the review of the half-year financial report* section of our report.

We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to the audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Material uncertainty relating to going concern

We draw attention to Note 11 in the half-year financial report, which indicates that the Group incurred a net loss of $853,377 during the period ended 31 December 2023 and, as of that date, the Group's current liabilities exceeded its total assets by $1,821,603, currently has no cash generating assets in operations, and $492,577 of available cash.

The continuing viability of the Group and its ability to continue as a going concern and meet its debts and commitments as they fall due is dependent on the Group being successful in:

- Sourcing non-dilutionary funds that may result from one or more transactions associated with the Company's Cape Hardy land assets; and/or

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INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF IRON ROAD LTD

- Agreeing to satisfactory deal terms with Amp Energy and executing transactions documents that results in a further $1.5m framework fee payment and additional follow-on project milestone payments, and
- Sentient electing to convert the loan funds to equity prior to the repayment date (subject to shareholder approval); or
- raising further funds through a placement, entitlement offer or Share Purchase Plan (SPP); and/or
- funding from a CEIP project partner.

These conditions, along with other matters set forth in Note 11, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

Responsibilities of the directors for the half-year financial report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement whether due to fraud or error.

Auditor's responsibilities for the review of the half-year financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2023 and of its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

PricewaterhouseCoopers

Julian McCarthy
Partner

Adelaide
5 March 2024