

# » **SUPPLEMENTARY PROSPECTUS**

For personal use only

## **Important Information**

This Supplementary Prospectus is dated 27 August 2010 and is supplementary to the prospectus dated 16 August 2010 issued by BrazIron Limited ARBN 133 221 084 (Company) (Prospectus).

This Supplementary Prospectus was lodged with the Australian Securities and Investments Commission (ASIC) on 27 August 2010. The ASIC does not take any responsibility for the contents of this Supplementary Prospectus.

This Supplementary Prospectus must be read together with the Prospectus. If there is a conflict between the Prospectus and this Supplementary Prospectus, this Supplementary Prospectus will prevail. Terms and abbreviations defined in the Prospectus have the same meaning in this Supplementary Prospectus.

This Supplementary Prospectus will be issued with the Prospectus as an electronic prospectus and may be accessed on the internet at [www.braziron.com](http://www.braziron.com)

This document is important and should be read in its entirety. Please consult your legal, financial or other professional adviser if you do not fully understand the contents.

## **1. USE OF FUNDS**

Section 3.7 of the Prospectus discloses the Purpose of the Offer and Use of Proceed.

The Company wishes to amend the Prospectus for the purposes of clarifying that the amounts that will be allocated to the evaluation and exploration of the Projects will be \$7,280,000 (assuming the Minimum Subscription is raised and \$10,740,000 (assuming the Maximum Subscription is raised) respectively.

Shareholders will note that the proposed exploration expenditure is reported in the Independent Geologist's Report in Section 7 in currency of the United States of America. The amount of evaluation and exploration expenditure in the use of funds table in Section 3.7 reflects an aggregate of all amounts disclosed in the Independent Geologist's Report based on a conversion rate of AUD\$1.00:\$0.88USD.

A replacement use of funds table is set out below:

	<b>MINIMUM SUBSCRIPTION (AUD\$)</b>	<b>MAXIMUM SUBSCRIPTION (AUD\$)</b>
Evaluation and exploration	7,280,000	10,740,000
Acquisition prepayment costs	270,000	270,000
Expenses of issue	700,000	900,000
Administration Costs	1,400,000	1,400,000
General working capital	350,000	1,690,000
<b>Total</b>	<b>\$10,000,000</b>	<b>\$15,000,000</b>

» **IMPORTANT  
INFORMATION**

It is the view of the Board that following completion of the Offer, the Company will have sufficient working capital to carry out its stated objectives.

If the Company raises between the Minimum and Maximum Subscriptions, the Company intends to apply the funds (after increased Offer costs) first to evaluation and exploration and second to general working capital.

The above table is a statement of current intentions as of the date of lodgement of this Prospectus with ASIC. As with any budget, intervening events (including exploration success or failure) and new circumstances have the potential to affect the ultimate way funds will be applied. The Board reserves the right to alter the way funds are applied on this basis.

## **2. COMPETENT PERSON'S STATEMENT**

Section 5 of the Prospectus contains an overview of the Company and its Projects. The Company wishes to amend the Prospectus to insert a new subsection for the purposes of providing a Competent Person's Statement in the Prospectus, as follows.

### **Section 5.7**

*The information provided in this Prospectus that relates to Exploration Results is based on information compiled by Mr Andrew Spinks a consultant to the Company. Mr Spinks is a qualified geologist with over 20 years experience and is a Member of the Australasian Institute of Mining and Metallurgy (AusIMM). Mr Spinks has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting Exploration Results, Minerals Resources and Ore Reserves. Mr Spinks consents to the inclusion in this Prospectus of the matters based on the information in the form and context in which it appears.*

## **3. TIMETABLE**

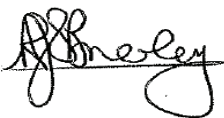
Section 3.6 of the Prospectus contains an indicative timetable for the Offer. The Company wishes to update the timetable with the effect that the Opening Date is 31 August 2010. The Offer Closing Date will remain 20 September 2010.

## **4. DIRECTORS' CONSENT**

This Supplementary Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

Each of the Directors of BrazIron Limited has consented to the lodgement of this Prospectus with the ASIC in accordance with Section 720 of the Corporations Act.

Signed for and on behalf of BrazIron Limited.



**ROBERT BRIERLEY  
MANAGING DIRECTOR**

Note: All other details in relation to the terms of the Offer and other matters under the Prospectus remain unchanged.