

**CHAIRMAN'S ADDRESS
ANNUAL GENERAL MEETING, 17 NOVEMBER 2016**

Dear Fellow Shareholders,

As you know, during the year Eastern Iron welcomed Fortune Future Holdings as its major shareholder. With their support, the strategic direction of Eastern Iron has moved from the development of an iron ore project to seek other opportunities within the mining industry. To assist in this initiative, Mr Dahui Zhang and Mr Yungang Wu have joined the board. Mr Zhang, who is with us today, has extensive experience in the Australian mining industry and is currently the managing director of CMOC Mining Pty Ltd, the owner of the Northparkes copper-gold mine. Mr Wu is a registered professional geologist resident in Canada. Both gentlemen have contributed strongly and productively to the oversight of Eastern Iron since their appointments. The longer-standing non-executive directors, Mr Michael Giles and Mr Greg Jones, have also effectively contributed during the year.

Eastern Iron has, for much of the past year, been focussed on identifying and acquiring a significant mining project or operating mine. As a result of consultation with our major shareholder during this period, the geographic focus of our search pattern has narrowed, whereas the range of asset values has broadened. The range of commodities of interest established in early 2016 remains unchanged.

Over the year, we have reviewed (with varying degrees of intensity) more than twenty potential targets. As of the date of this meeting, three assessments are ongoing. Two of these involve a formal sale process where we are competing openly with other potential buyers. The third is the subject of an on-going negotiation. Whereas any of these assets would contribute substantial value to the company, none of these potential transactions are certain to progress to completion.

Our iron ore project at Nowa Nowa remains of interest to the Company. There has been a recent increase in the iron ore price, but the board expects that current price levels will not be sustained in the medium term. Should this belief prove unfounded, we will be ready to resume the permitting and development activities necessary to progress this project to production.

At the end of this month, our long-standing CEO, Mr Greg De Ross, will retire. Amongst other achievements, Greg was responsible for identifying the Nowa Nowa opportunity and, more recently, the potential targets under review. On behalf of the Board, I thank him for his valuable and patient contribution to the company over the years that he has served with it, and wish him the very best for the future.

On behalf of the board, I also express our thanks to Mr Ian White, our company secretary, Mr Myles Fang, our project advisor, Ms Michelle Lilley, our financial controller, and to our consultants and contractors for their hard work and application throughout the year. I also express our thanks, of course, to shareholders for their continuing encouragement and support.

Steve Gemell
Chairman