

Iron Mountain Mining Limited (ASX Code : IRM) Quarterly Report: 30 September 2014

HIGHLIGHTS

GOLDEN CAMEL (Gold)

- Tenement Sale and Purchase Agreement signed with Golden Camel Mining Pty Ltd on 1 October 2014 for the sale of the Victorian gold tenement package including the Golden Camel Project
- Golden Camel Mining Pty Ltd paid \$25,000 in October 2014 for a 120 day due diligence period to undertake independent technical test work and evaluation

TREASURE JV (Base Metals)

- Notification received from MMG of their intent to withdraw from the Treasure Joint Venture
- Full Treasure JV exploration database including aeromagnetic survey data received by the company
- Company considering a small self-funded exploration program or seeking a replacement joint venture partner for the project.

VIC HMS (Mineral Sands)

- Sale of EL5303 to Murray Zircon Pty Ltd for A\$40,000 completes total divestment from Vic HMS Project in Victoria

CORPORATE

- General Meeting held at 9:00am on 8 August 2014 which included the adoption of a new Constitution
- Conditional Purchase Agreement signed to acquire 100% of the issued capital of Eon Pty Ltd subject to conditions being satisfied within 90 days of signing
- The Company subsequently advised it had elected not to proceed with the Eon Pty Ltd transaction in accordance with the terms of the agreement
- Establishment of a share sale facility for the sale of Unmarketable Parcels of IRM shares (market value less than \$350 on Record Date) expected to materially reduce administrative costs and benefit the holders of unmarketable parcels
- Shareholders with Unmarketable Parcels on the Record Date will have until 5.00pm WST on 26 November 2014 to determine whether they want to opt out of the share sale facility

General

In line with its ongoing review and rationalisation strategy, the Company signed a Tenement Sale and Purchase Agreement with Golden Camel Mining Pty Ltd for the sale of its Victorian gold tenement package which included the company's advanced Golden Camel Project. Golden Camel Mining Pty Ltd has a due diligence period of 120 days to undertake independent technical test work and project evaluation.

The Company signed Conditional Purchase Agreement to acquire 100% of Eon Pty Ltd which was the 100% beneficial owner of the Endeavour Antimony and Bullendale Gold Projects in New Zealand subject to conditions being satisfied within 90 days of signing. The Company subsequently advised it had elected not to proceed with the transaction in accordance with the terms of the agreement.

During the quarter, notification was received from MMG of their intent to withdraw from the Treasure Joint Venture.

The location of company projects are shown in Figure 1 below.

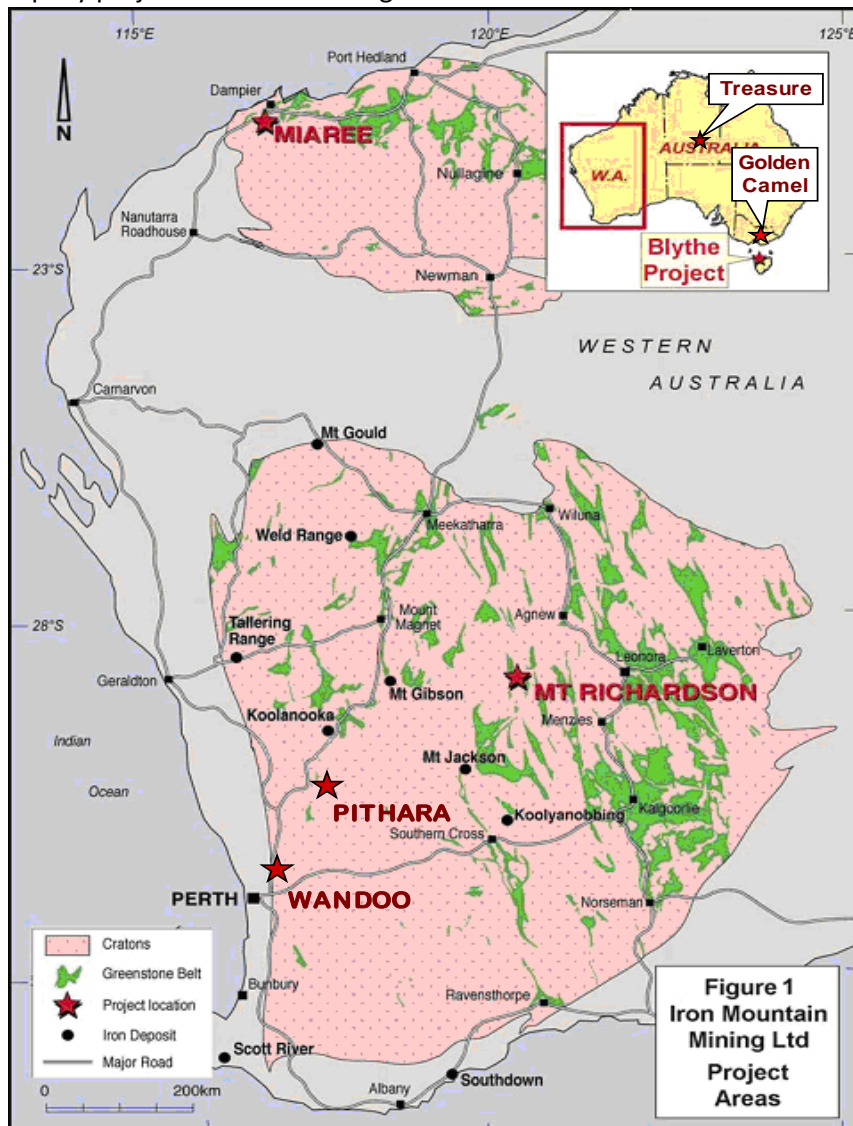


Figure 1 – Location of Iron Mountain Mining Ltd Projects in Australia.

GOLDEN CAMEL PROJECT

The Golden Camel Project in Victoria is comprised of granted Mining Licence MIN5548 which hosts the Golden Camel Resource and Infrastructure Only Mining Licence MIN5570 located on the Mt Camel Range within the Heathcote Greenstone Belt in North-Central Victoria. The project was formerly known as the Cornella gold deposit contained within former MIN4149 (see Fig.2).

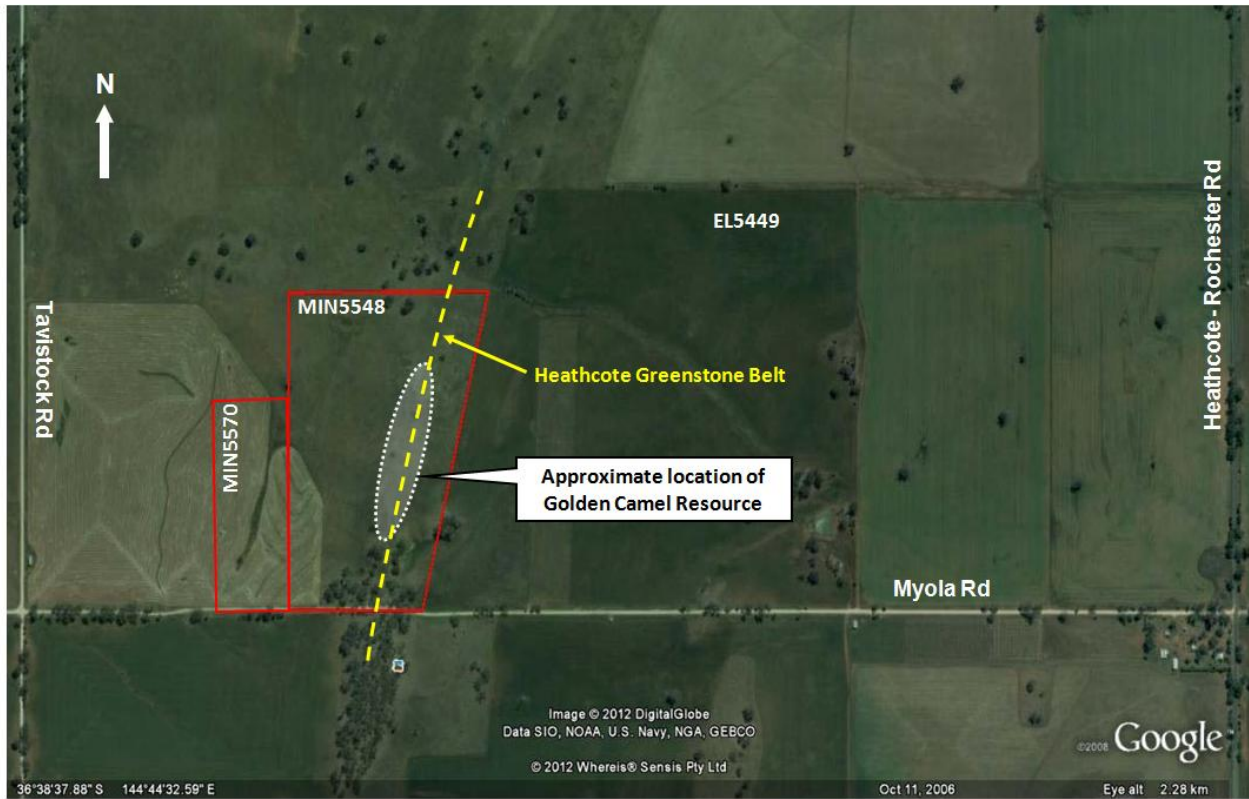


Figure 2 – Location of Golden Camel resource (MIN5548) and adjacent MIN5570 over Heathcote Greenstone Belt

The Golden Camel Project currently hosts a Measured, Indicated & Inferred JORC Resource of 266,000t @ 1.7g/t Au (ASX:IRM, 22 Oct 2013) on which the Company continues to investigate commercialisation options.

In line with an ongoing review and rationalisation strategy, the Company announced on 1 October 2010 that it had signed a Tenement Sale and Purchase Agreement with Golden Camel Mining Pty Ltd for the sale of its Victorian gold tenement package which included the company's advanced Golden Camel Project. The tenements that are the subject of the agreement are MIN5548 (Golden Camel), MIN5570, EL5449 and EL5490 located over the Heathcote Greenstone Belt in Central Victoria.

Under the terms of the Agreement, Golden Camel Mining Pty Ltd will pay a deposit of A\$25,000 and have a due diligence period of 120 days to undertake independent technical test work and project evaluation. In the event that Golden Camel Mining Pty Ltd elect not to proceed with the purchase, the company will refund the cost of independent and value add work up to an amount of A\$25,000 in exchange for all work and results acquired during this period.

If the Agreement proceeds to Settlement, the following consideration is payable Iron Mountain:

1. If mining commences on or before 3 years of the Settlement date, Golden Camel Mining Pty to pay;
 - A\$100,000 one month after commencement of mining
 - A\$200,000 two months after commencement of mining
2. If mining has not commenced with 3 years of the Settlement date, Golden Camel Mining Pty to pay;
 - A\$150,000 one month after commencement of mining
 - A\$250,000 two months after commencement of mining
 - In lieu of payments, Golden Camel Mining Pty can elect to transfer 100% of the interest in each tenement back to Iron Mountain
3. A royalty of A\$2/t on all gold ore mined after the first 20,000oz has been produced

The company will assist Golden Camel Mining Pty Ltd with its evaluation during the due diligence period with a view to ensuring an expedited and beneficial outcome for both parties. The sale of the Victorian gold tenements is part of an ongoing review of the company's assets and rationalisation of its exploration strategy.

DROMEDARY PROJECT

The Dromedary Gold Project is comprised of two granted exploration licences in Victoria that include EL5449 covering 47 graticules and EL5490 covering 173 graticules. Both EL5449 and EL5490 are included as part of the Tenement Sale and Purchase Agreement with Golden Camel Mining Pty Ltd (ASX:IRM, 1 Oct 2014), the details of which are listed within the Golden Camel Project in this report.

HMS PROJECT

As part of the ongoing review and evaluation of the Heavy Mineral Sands (HMS) Project in Victoria, the company announced on 23 May 2014 that it had agreed to the sale of its last remaining HMS Project tenement (EL5303).

On 22 July 2014, the Company announced that the sale of Exploration Licence 5303 had been completed following the successful execution of all transfer documents and the full receipt of the agreed consideration (A\$40,000). The sale of EL5303 completed the company's total divestment from its HMS Project in Victoria.

PITHARA PROJECT

The Pithara Gold Project is comprised of a single granted exploration licence (E70/3948) that covers 55km² and is located approximately 15km southeast of Dalwallinu in Western Australia. The company's interest in E70/3948 stems from the internally excised mining licence M70/1279 which hosted a small high grade gold deposit that was mined during 2010-2011 (see Fig.4).

The company continues to assess exploration options including the reprocessing of a past ground magnetic survey (2007) followed by targeted geochemical auger sampling with a view to identifying coincident anomaly drilling targets. Any proposed auger sampling program to coincide with completion of cropping.



Figure 4 – Historically defined mineralised corridor interpreted as extending into Pithara E70/3948

MIAREE PROJECT

The Miaree Project is comprised of exploration licenses E08/1350, E47/1309 & E47/1707 (approximately 150km²). The project tenements are currently held under a joint venture between Iron Mountain Mining Ltd and Red River Resources Ltd. As at 30 September 2014, Iron Mountain's equity in the Miaree Project was an unadjusted 60.25% with costs incurred so far during the calendar year yet to be attributed.

MIAREE MAGNETITE PROJECT

As previously reported, the Miaree Magnetite Project contains an independently estimated JORC Inferred Resource of 286Mt of magnetite at an overall grade of 31.36% Fe (see Table 3). The company continues to seek expressions of interest from a strategic partner or buyer with a view to a potential joint venture or outright sale of the project as a way of realising value from this key asset.

Drilling	Tenements	Inferred Resource (Mt)	Fe (%)	Al ₂ O ₃ (%)	SiO ₂ (%)	P (%)	LOI (%)	Cut-off Fe (%)
2008 ¹	E08/1350, E47/1309 & E47/1707	177	29.68	3.18	43.80	0.05	1.80	25
2012 ²	E08/1350	109	34.10	1.76	42.27	0.07	-0.82	25
TOTAL MIAREE INFERRED RESOURCE		286	31.36	2.64	43.22	0.06	0.80	25

1 48 RC holes for 4229m, Av. Depth = 88m, Vertical resource projection to -125RL

2 6 RC holes for 2102m, Av. Depth = 350m, Vertical resource projection to -325RL

Table 3 – Summary of the Total Miaree Magnetite Inferred Mineral Resource at a 25% Fe head grade cut-off¹

MIAREE GOLD PROJECT

The Miaree Gold Project is contained primarily within tenement E47/1309 and contains multiple prospect areas that have regularly returned high gold grades from past exploration including two phases of drilling.

WANDOO PROJECT

The Wandoo Project tenements were sold to Alpha Bauxite Pty Ltd in 2012 for A\$4,000,000. Iron Mountain Mining Ltd retains a royalty of A\$0.75 per Dry Metric Tonne on future production of bauxite ore transported from the Wandoo Project tenements payable within 30 days of the end of each quarterly reporting period. Total Inferred Resources of bauxite at Wandoo at the time of the sale was 89.4Mt @ 41.75% Al₂O₃ (ASX 5 May 2011). No update was received on the progress at Wandoo for the September 2014 quarter. Future updates on the status of the Wandoo Project will be announced as provided by Alpha Bauxite Pty Ltd.

BLYTHE PROJECT

Forward Mining Ltd acquired the Blythe Iron Ore Project in Tasmania from Iron Mountain Mining Ltd and Red River Resources Ltd in 2012. The project is currently being evaluated as a proposed open cut DSO operation. Under the amended Blythe sale agreement, Iron Mountain Mining Ltd and Red River Resources Ltd are entitled to post production milestone payments and a production royalty on a 50:50 basis.

During the September 2014 quarter, no updates were received. Future updates on the status of the Blythe Project will be announced as provided by Forward Mining Ltd.

¹ Refer to announcement “Miaree Magnetite Project Maiden JORC Resource” (ASX 13 Aug 2012) for full details.

TREASURE JV

The Treasure Project is comprised of EL25346 covering 101km² located approximately 130km northeast of Alice Springs in the Northern Territory (see Fig.5). The project was currently being managed by MMG Exploration Pty Ltd "MMG" under an Option and Joint Venture Agreement (IRM:ASX, 17 Sep 2013) whereby MMG could acquire up to 90% of EL25346 by sole funding A\$3,000,000 of expenditure.

On 23 October 2014, the Company announced it had received notification from MMG of their intent to withdraw from the Treasure Joint Venture.

Since the commencement of the Option and JV agreement, MMG have completed a detailed review of previous work and available data within the tenement as well as undertaking a high-resolution, low-altitude, fixed wing aeromagnetic survey which was completed in late 2013. This aeromagnetic survey was part of a larger exploration program within this region of which a total of 1,738.9 line km was partially flown over EL25346. The aeromagnetic survey was deemed successful in identifying possible gabbroic intrusions under cover which are analogous to the nearby "Baldrick" and "Blackadder" gabbroic intrusions that host anomalous Ni-Cu mineralisation. The "Baldrick" prospect lies within Iron Mountain's EL25346. More recently, MMG completed a technical review of the Treasure Project and concluded that the previously proposed RC drilling program was no longer warranted. This decision was largely based upon magnetic modelling of the inferred intrusions which revealed that the targets are not of sufficient scale to satisfy the minimum target criteria requirements of a company the size of MMG.

The decision was in line with previous guidance (ASX:IRM, 22 Jul 2014) which noted that magnetic anomaly targets initially selected for drilling were subsequently deemed not to be of sufficient scale to satisfy MMG target size criteria. Ground EM was proposed as a possible substitute but ultimately not undertaken.

As part of the Treasure Joint Venture Agreement, Iron Mountain has received all of the exploration data relevant to EL25346. The company will now undertake an internal evaluation of MMG's findings with a view to either undertaking a small self-funded exploration drilling program to test the possible gabbroic intrusions or seek a replacement joint venture partner for the project.

MOUNT RICHARDSON PROJECT

Cliffs Asia Pacific Iron Ore Pty Ltd ("Cliffs") is the owner of E29/571 following finalisation of the sale of the Mt Richardson Project on 13 July 2010. Iron Mountain retains a royalty of 2% on average/tonne FOB sales value of iron ore product that departs E29/571 as well as a one off payment of AUD 0.50 per dry metric tonne on tonnages in excess of independently evaluated Indicated or Measured resources of 10,000,000 tonnes. No update was received on the progress at Mt Richardson for the September 2014 quarter. Future updates on the status of the Mt Richardson Project will be announced as provided by Cliffs.

During a recent site visit, IRM observed evidence of extensive drilling having been completed within E29/571. The Company is also aware of recent media reports that the new board of Cliffs has commenced a divestment program of offshore USA assets, including the Koolyanobbing mining operations and the Mt Richardson Project.

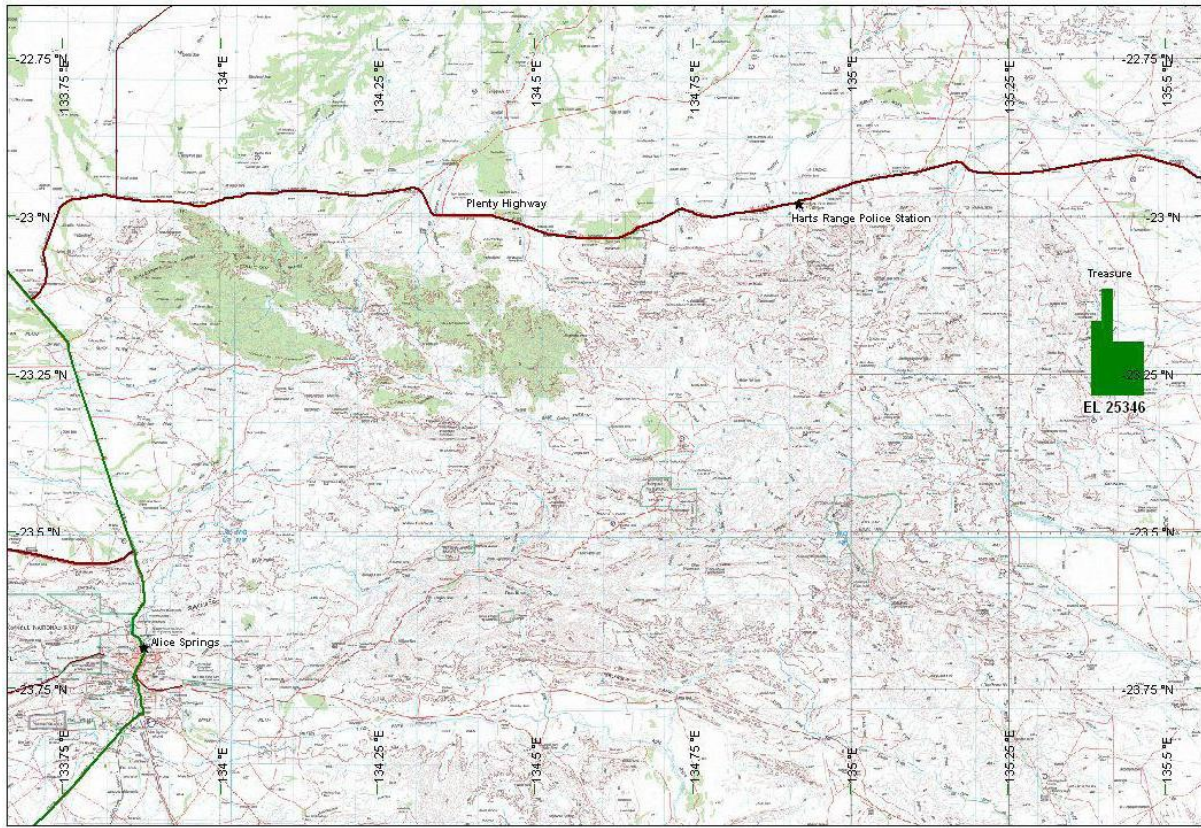


Figure 5 – Location of EL25346.

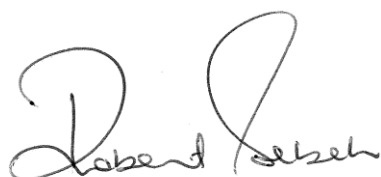
CORPORATE

On 4 July 2014, the company announced a Notice of General Meeting. The General Meeting was held at 9:00am on 8 August 2014 at the company's office at Level 7, 231 Adelaide Tce in Perth. Prior to the meeting commencing, Resolutions 2 & 3 were withdrawn. All other Resolutions were passed and the results announced on 8 July 2014. As a result of the General Meeting on 8 August 2014, a new Constitution of Iron Mountain Mining Ltd was adopted and subsequently released to the market on 8 August 2014.

On 19 September 2014, the Company announced it had signed a Conditional Purchase Agreement to acquire 100% of the issued capital of Eon Pty Ltd which was the 100% beneficial owner of the Endeavour Antimony (PP53311) and Bullendale Gold Projects (PP52889) located in the south island of New Zealand. The agreement was subject conditions that had to be satisfied within 90 days of signing. On 24 October 2104, the Company subsequently updated the market to advise that following a detailed assessment and in accordance with the terms of the agreement, it had elected not to proceed with the transaction and had notified the relevant parties accordingly.

The establishment of a share sale facility for the sale of Unmarketable Parcels was announced on 9 October 2014. The initiative forms part of Iron Mountain's capital management planning and the Company expects the sale of the Unmarketable Parcels of shares (market value less than \$350 based on closing price \$0.015 on Record Date) to materially reduce the administrative costs associated with maintaining a large number of small shareholdings. The sale will also benefit the holders of unmarketable parcels who otherwise might find it difficult to sell their shares due to the small size of their holdings.

The Record Date for determining the Unmarketable Parcels is the close of trade on the ASX on 8 October 2014. Shareholders with Unmarketable Parcels on the Record Date will have until 5.00pm WST on 26 November 2014 to determine whether they want to opt out of the share sale facility by completing and returning the share retention form



ROBERT SEBEK
Managing Director

31 October 2014

The information in this report that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Robert Sebek BAppSc(Geol), BSc(Hons), MBA, a Competent Person who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Sebek is a full-time employee of the company. Mr Sebek sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken 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 Sebek consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

IRM TENEMENTS

Mining Tenements at 30 September 2014

Location	Tenement	Name	Holder	Equity	Status	Area
HEATHCOTE						
VIC	MIN5548	Golden Camel	Iron Mountain Mining Ltd	100%	Granted	24.52Ha
VIC	MIN5570	Cornella	Iron Mountain Mining Ltd	100%	Granted	6.3Ha
VIC	EL5449	Dromedary	Iron Mountain Mining Ltd	100%	Granted	47 grats
VIC	EL5490	Mount Camel	Iron Mountain Mining Ltd	100%	Granted	173 grats
MIAREE						
WA	E08/1350-I	Kaninda Well	Red River Resources Ltd	60.25%	Granted	10 BL
WA	E47/1309-I	Karratha	Red River Resources Ltd	60.25%	Granted	32 BL
WA	E471707-I	Boondamurra Hill	Red River Resources Ltd	60.25%	Granted	13 BL
DAMBORING						
WA	E70/3948	Pithara	Iron Mountain Mining Ltd	100%	Granted	20 BL
TREASURE						
NT	EL25346	Treasure JV	Iron Mountain Mining Ltd	100%	Granted	101km ²

Mining Tenements Acquired During the Quarter

No mining tenements were acquired during the quarter ending 30 September 2014.

Mining Tenements Surrendered, Withdrawn, Expired or Sold during the Quarter

No mining tenements were surrendered, withdrawn, expired or sold during the quarter ending 30 September 2014.