

31 July 2015

ASX Release

**Iron Mountain Mining Limited (ASX Code : IRM)**  
**Quarterly Report: 30 June 2015**

**HIGHLIGHTS**

**ROGETTA (Magnetite)**

- Mining Lease ML1996P/M granted 4 June 2015 for a proposed magnetite iron ore mine at Rogetta in Tasmania
- Iron Mountain Mining Ltd entitled to post-production milestone payments and royalty benefits subject to mining commencing at Rogetta

**GOLDEN CAMEL (Gold)**

- Golden Camel Mining Pty Ltd have received approval for their Work Plan for Mining Licence 5548 (Golden Camel)
- Construction and mining hoped to commence in 2015 subject to remaining regulatory requirements and negotiations
- Iron Mountain Mining Ltd entitled to post-production payments subject to mining commencing at Golden Camel

**MIAREE (Magnetite & Gold)**

- Applications for Transfer executed and lodged and subject to standard regulatory assessment and approval

**CORPORATE**

- Acquisition of residual interests in the Miaree Joint Venture and the Blythe Joint Venture from Red River Resources Ltd

## ROGETTA PROJECT

The Rogetta Project (formerly Blythe Iron Ore Project) located approximately 30km south-southwest of Burnie in Tasmania (see Fig.1) was sold to Forward Mining Ltd in 2012 by 50:50 Joint Venture holders Iron Mountain and Red River who retained milestone production payments and a royalty over the project tenements. Iron Mountain subsequently acquired the residual 50% interest from Red River in April 2015 (ASX 24 Apr 2015) and is now entitled to 100% of all milestone payments and royalty benefits generated subject to mining commencing at Rogetta.

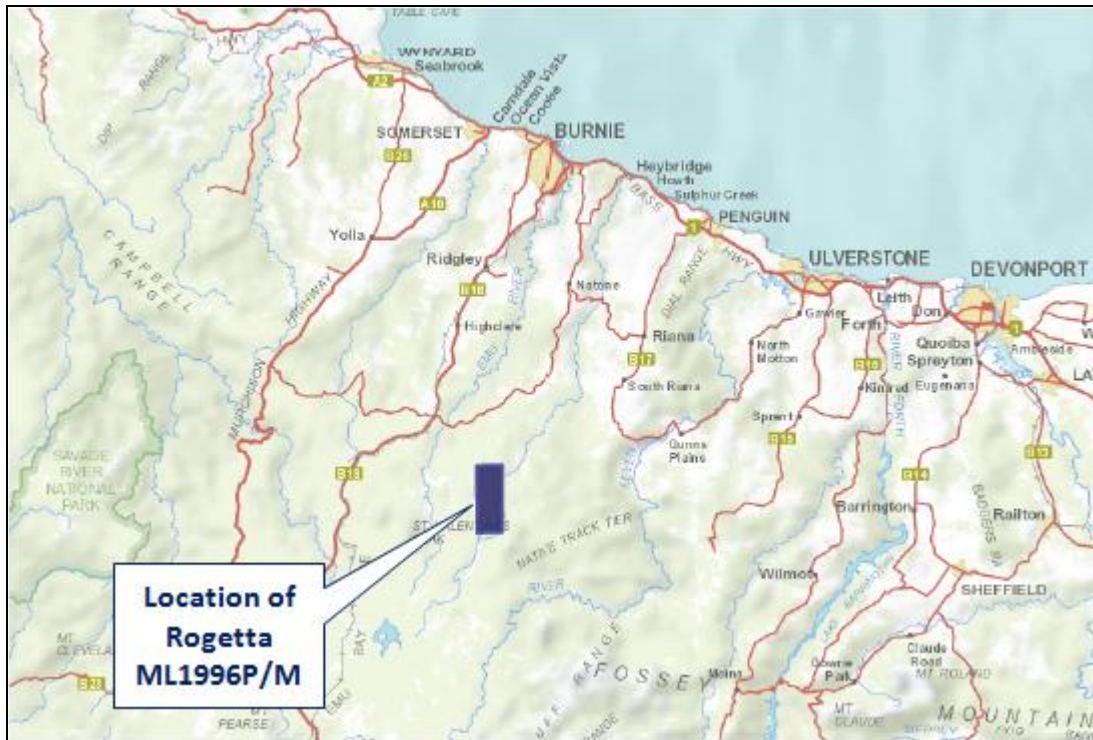


Fig.1 – Location of Rogetta granted Mining Lease ML1996P/M approximately 30km south of Burnie (image and location details from Mineral Resources Tasmania).

Triggers for the post-production milestone payments and the production royalty were subsequently modified under amended Blythe Sale Agreement<sup>1</sup> and include:

- A\$1,000,000 upon the first shipment of iron ore from the Rogetta Project tenements
- A\$2,000,000 upon the first anniversary of the first shipment of iron ore from Rogetta
- A\$2,000,000 upon the second anniversary of the first shipment of iron from Rogetta
- A royalty of 1.5% payable on the gross Free on Board revenue from all shipments of iron ore from the Rogetta Project tenements

<sup>1</sup> Refer to announcement “Blythe option exercised with restructured payment terms” (ASX 27 Jun 12) for full details.

## Rogetta Project Mining Lease ML1996P/M

Mining Lease ML1996P/M was granted on 4 June 2015 for a proposed magnetite iron ore mine at Rogetta (see Fig.2). ML1996P/M is located within Exploration Licences EL18/2007 and EL53/2007 covered by the original (ASX 28 Mar 2011) and amended (ASX 27 Jun 2012) Blythe sale agreement between Iron Mountain and Forward Mining Ltd. News of the grant of ML1996P/M was widely reported by the media including a release from the Minister of Resources in Tasmania.

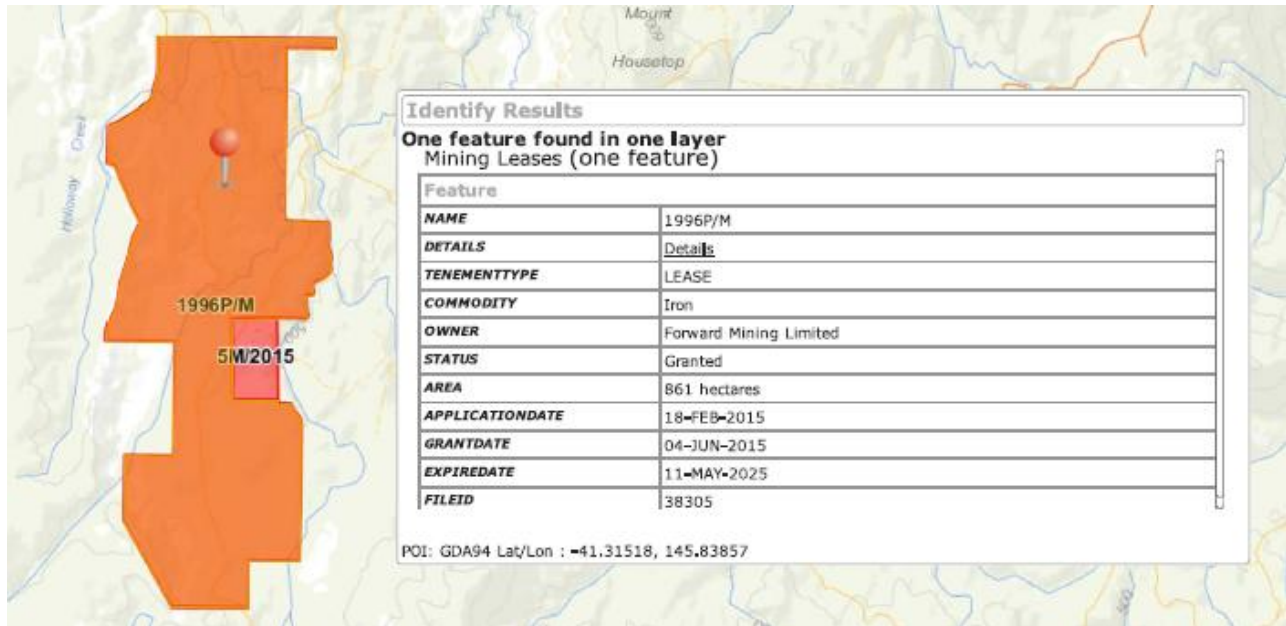


Fig.2 – Current details, dimensions and status of Rogetta Project granted ML1996P/M (Forward Mining Ltd) as reported and available on Mineral Resources Tasmania website.

Given the potential future milestone and royalty payment stream attributable to Iron Mountain in the event of the successful development of the Rogetta Project, the Company will regularly monitor and report all future progress. During the June 2015 quarter, no updates were received. All future Rogetta Project status updates will be announced as provided by Forward Mining Ltd or as identified by the Company.

## GOLDEN CAMEL PROJECT

The sale of the Golden Camel Project tenements to Golden Camel Mining Pty Ltd was completed on 27 January 2015 under the terms of a Tenement Sale and Purchase Agreement announced on 1 October. The tenements the subject of the sale agreement were MIN5548 (Golden Camel), MIN5570, EL5449 and EL5490 located over the Heathcote Greenstone Belt in Central Victoria. The Golden Camel Project is comprised of granted Mining Licence MIN5548 which hosts the Golden Camel Resource as well as MIN5570, EL5449 and EL5490 located over the Heathcote Greenstone Belt in North-Central Victoria. (see Fig.3). The Golden Camel Project currently hosts a Measured, Indicated & Inferred JORC (2012) Resource of 266,000t @ 1.7g/t Au<sup>2</sup>.

<sup>2</sup> Refer to announcement “Golden Camel Resource Update” (ASX 22 Oct 13) for full details.

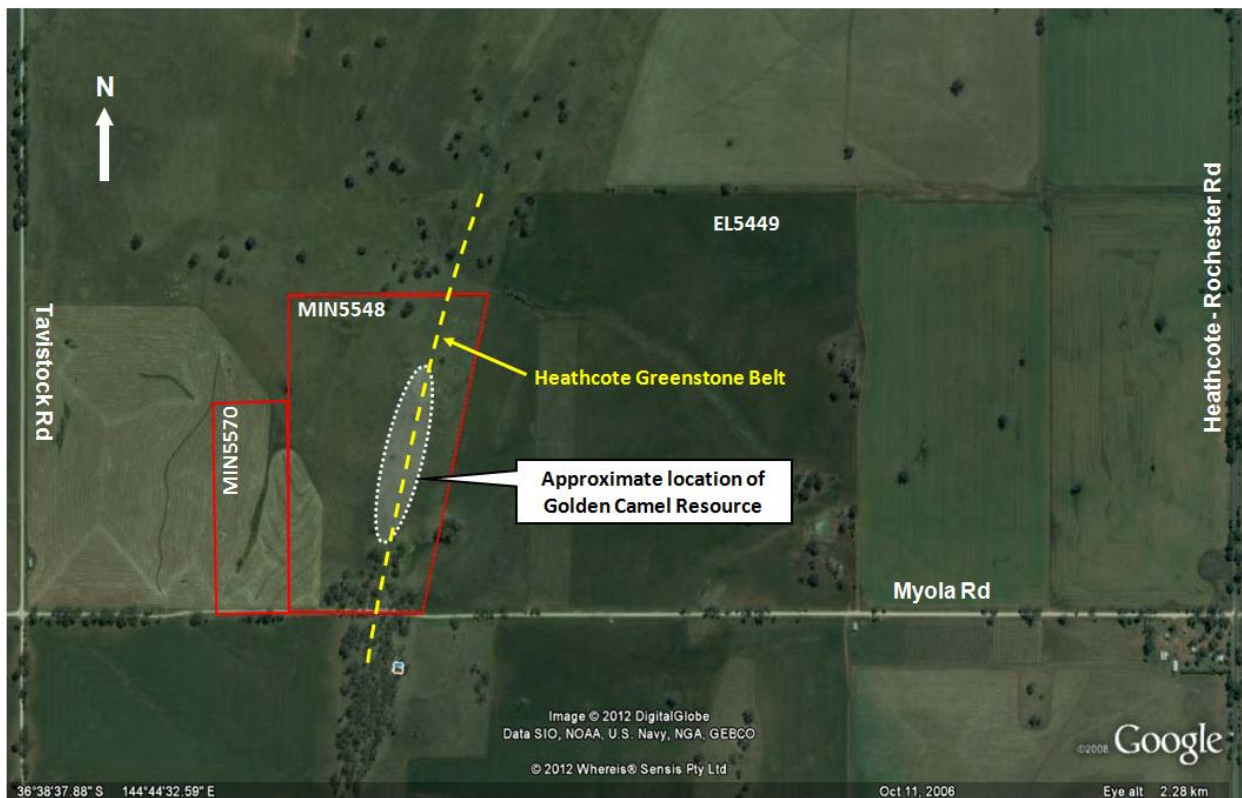


Figure 3 – Location of Golden Camel resource (MIN5548) and adjacent MIN5570 over Heathcote Greenstone Belt

Iron Mountain were recently notified that Golden Camel Mining Pty Ltd (“GCM”) had received approval for their Work Plan for Mining Licence 5548 (Golden Camel) and hoped to commence construction and mining in 2015 (ASX 27 Jul 2015). GCM acquired the Golden Camel Project from Iron Mountain in October 2014. Under the terms of the Tenement Sale and Purchase Agreement<sup>3</sup>, Iron Mountain is entitled to the following consideration if mining commences on or before 27 January 2018;

- A\$100,000 one month after the commencement of mining
- A\$200,000 two months after the commencement of mining

The Agreement also includes a royalty to Iron Mountain of A\$2/t on all gold ore mined after the first 20,000oz has been produced.

The Project is expected to run over a 12-18 month period including site preparation and rehabilitation. Proposed mining will be by traditional drill & blast, excavation and haulage methods during an anticipated six month life of mine (see Fig.4). Ore is intended to be transported to an offsite processing facility for toll treatment and the extraction of gold.

<sup>3</sup> Refer to announcement “Agreement for Sale of Victorian Gold Tenements” (ASX 1 Oct 14) for full details.

Remaining regulatory requirements prior to work commencing on the site are a planning permit to be issued by the Shire of Campaspe and the required bond to be lodged with the Department of Environment, Land Water & Planning. GCM principals are both ex-Newmont Mining and have extensive international and domestic experience in the evaluation, commissioning and operation of gold mining operations. Iron Mountain has confidence in both the project and the operators and will continue to provide assistance as required.



Figure 4 – View east on Myola Rd showing elevated Golden Camel deposit on Heathcote Greenstone Belt.

## **MIAREE PROJECT**

The Miaree Project is comprised of exploration licenses E08/1350, E47/1309 & E47/1707 (approximately 138km<sup>2</sup>) located approximately 30km southwest of Karratha in Western Australia. Iron Mountain Mining Ltd (“Iron Mountain”) recently acquired the outstanding 39.75% interest in the Miaree Joint Venture from Red River Resources Ltd (“Red River”) and is now the 100% legal and beneficial owner of the Miaree Project (ASX 24 Apr 2015). Applications for transfer of title have been executed and lodged and expected to be completed in the third quarter of 2015 which will allow Iron Mountain the freedom to explore the best commercial outcome for the project.

## MIAREE MAGNETITE PROJECT

The Miaree Magnetite Project contains an independently estimated JORC (2004) Inferred Resource of 286Mt of magnetite at an overall grade of 31.36% Fe (see Table 1). 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 <sub>2</sub> O <sub>3</sub> (%)	SiO <sub>2</sub> (%)	P (%)	LOI (%)	Cut-off Fe (%)
2008 <sup>1</sup>	E08/1350, E47/1309 & E47/1707	177	29.68	3.18	43.80	0.05	1.80	25
2012 <sup>2</sup>	E08/1350	109	34.10	1.76	42.27	0.07	-0.82	25
<b>TOTAL MIAREE INFERRED RESOURCE</b>		<b>286</b>	<b>31.36</b>	<b>2.64</b>	<b>43.22</b>	<b>0.06</b>	<b>0.80</b>	<b>25</b>

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 1 – Summary of the Total Miaree Magnetite Inferred Mineral Resource at a 25% Fe head grade cut-off<sup>4</sup>

## MIAREE GOLD PROJECT

The Miaree Gold Project is contained primarily within tenement E47/1309 and contains multiple prospect areas that have regularly returned encouraging gold grades from surface sampling and drilling including 101m @ 0.30g/t Au (0-101m) from CKTARC009 (ASX 27 Jul 2011).

## WEST PILBARA IRON ORE PROJECT (Australian Premium Iron Joint Venture)

The Company has received correspondence from API Management Pty Ltd (“API”) in regards to the West Pilbara Iron Ore Project which is a substantial greenfields, iron ore mine, and multi-user rail and port infrastructure development for iron ore mining in the region. The required heavy haul railway to a proposed new port at Anketell Point is planned to pass through Miaree E47/1309 where a Special Railway Licence and/or Lateral Access Road Licences will be required. The Company is currently discussing options with API.

## INDICATOR PROJECT

The Company received confirmation during the quarter that Exploration Licence 5440 (20km<sup>2</sup>) in Central Victoria had been granted. The Indicator Project target is a historically mined, high grade indicator/quartz vein mineralized system discovered in 1984 as in-situ gold in quartz mineralization outcropping at surface on the crown of a small hill. The outcrop and surrounds including the shallow alluvial lead down slope was a textbook elluvial/colluvial/alluvial system which was still shedding at the time of its discovery. Previous small scale operators have mined approximately 75m of strike down to 3-5m from 1985-1999 (see Fig.5). The indicator/quartz setting is remarkably similar to that which occurred at the Poverty Reef Mine at nearby Tarnagulla (Liongold Corp).

<sup>4</sup> Refer to announcement “Miaree Magnetite Project Maiden JORC Resource” (ASX 13 Aug 12) for full details.



Figure 5 – Original discovery claim corner post (1984) with Indicator target historical surface disturbance on crown of hill in the distance.

The system is a north-south striking, near vertical (easterly dipping) quartz vein with associated indicator. The width of the quartz reef is up to 1.5m. The ferruginous indicator is located on the western footwall of the system and is identified as a thin, dark reddish-brown stained oxide layer and controls the occurrence of gold mineralisation. Previous operators noted that gold was also frequently visible on the indicator.

The Company believes there is potential to drill and delineate shallow, narrow vein high grade mineralisation extensions to the north and south along strike as well as at depth. The process of reviewing historical mining and exploration records has commenced with a view to identifying a priority target for testing with a small drilling program to confirm the existence of the high grade mineralised system.

## **PITHARA PROJECT**

The Pithara Gold Project is comprised of exploration licence E70/3948 that covers 55km<sup>2</sup> and is located approximately 15km southeast of Dalwallinu in Western Australia. The tenement surrounds internally excised mining licence M70/1279 which hosted a small high grade gold deposit that was successfully mined as a small open pit operation during 2010-2011. No work was undertaken during the June 2015 quarter.

## WANDOO PROJECT

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 following the sale of the project to Alpha Bauxite Pty Ltd in 2012. Total Inferred Resources of bauxite at Wandoo at the time of the sale was 89.4Mt @ 41.75% Al<sub>2</sub>O<sub>3</sub> (ASX 5 May 2011). No update was received on the status of the Wandoo Project for the June 2015 quarter. Future updates on the status of the Wandoo Project will be announced as provided by Alpha Bauxite Pty Ltd.

## 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 June 2015 quarter. Future updates on the status of the Mt Richardson Project will be announced as provided by Cliffs.

## TREASURE JV

The Treasure Project is comprised of EL25346 covering 101km<sup>2</sup> located approximately 130km northeast of Alice Springs in the Northern Territory (see Fig.2). This nickel-copper project has returned to Iron Mountain following the completion of Joint Venture stints with Mithril Resources Ltd and more recently MMG Exploration Pty Ltd. The Company continues to evaluate its options with EL25346 including seeking expressions of interest for a joint venture or outright sale.

## PROJECT EVALUATION

The Company is aggressively seeking and evaluating suitable investment opportunities for exploration and development projects targeting key selected minerals. The Company is well positioned with cash at hand, tangible assets and anticipated future revenue streams from retained interests in various advanced projects. During the reporting period, the Company continued its evaluation strategy and reviewed several potential opportunities that were ultimately deemed unsuitable due to assessment criteria and current market conditions.

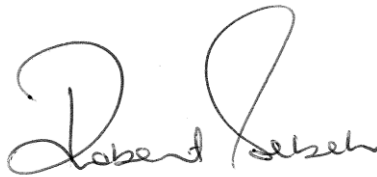
## CORPORATE

The Company has acquired outstanding interests in the Miaree Joint Venture and the Blythe Joint Venture from Red River Resources Ltd (ASX 24 Apr 2015). As a result of this acquisition, both joint ventures will terminate and the Company will assume 100% ownership of all joint venture assets.



The proceedings commenced by the Company for the recovery of legal fees paid on behalf of former director Mr Zohar remains stayed pending the outcome of his bankruptcy proceedings. The Company has been in regular contact with the bankruptcy trustee and the Australian Financial Services Authority to ensure the assessment of all relevant assets is accurately and expeditiously determined.

The Company continues to pursue the recovery of a portion of the legal fees via a taxation of the costs paid to the lawyers who advised Mr Zohar.



ROBERT SEBEK  
Managing Director

31 July 2015

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*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.*

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## IRM TENEMENTS

### Mining Tenements at 30 June 2015

Location	Tenement	Name	Holder	Equity	Status	Area
<b>MIAREE</b>						
WA	E08/1350-I	Kaninda Well	Red River Resources Ltd	100%	Granted	10 BL
WA	E47/1309-I	Karratha	Red River Resources Ltd	100%	Granted	32 BL
WA	E471707-I	Boondamurra Hill	Red River Resources Ltd	100%	Granted	8 BL
<b>DAMBORING</b>						
WA	E70/3948	Pithara	Iron Mountain Mining Ltd	100%	Granted	20 BL
<b>TREASURE</b>						
NT	EL25346	Treasure JV	Iron Mountain Mining Ltd	100%	Granted	101km <sup>2</sup>
<b>VICTORIA</b>						
VIC	EL5540	Indicator	Iron Mountain Mining Ltd	100%	Granted	20 grats

### Mining Tenements Acquired During the Quarter

No mining tenements were acquired or applied for during the quarter ending 30 June 2015.

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

No mining tenements were surrendered, withdrawn, expired or sold during the quarter ending 30 June 2015.