

**ASX
ANNOUNCEMENT**

IOH

15 October 2010

Iron Ore Holdings Ltd
ABN 17 107 492 517

Ordinary Shares on Issue:
135,381,616
Listed Options:
4,701,635

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Emerging Junior Iron Ore Producer

**OUTSTANDING DRILLING RESULTS AT BUCKLAND HILLS.
IOH TOTAL RESOURCES NOW OVER HALF A BILLION
TONNES**

HIGHLIGHTS:

- The current total IOH JORC Resource inventory stands at 593.3Mt.
- Resource increased by more than 800% in Bungaroo South Eastern Area from 14.8Mt to 144.4Mt.
- Total Bungaroo South resource has increased by 116% to 241.6Mt @ 57.2% Fe. This includes 193.2Mt of high grade resource at 58.1% Fe.
- Thick high grade intersections including:
 - 82m @ 58.94%Fe (Hole BH136)
 - 92m @ 58.25%Fe (Hole BH149)
 - 60m @ 58.58%Fe (Hole BH156)
 - 70m @ 60.01% Fe (Hole BH176)
 - 76m @ 58.96% Fe (Hole BH177)
 - 68m @ 58.87% Fe (Hole BH178)
- Diamond drilling continues on site at Eastern Area.
- Drill testing of additional targets using HeliRig was completed at Mesa J Southwest and is continuing at Snake Valley.
- Bungaroo South is located 35kms from the Robe River Mesa J Mine and 50km from the proposed rail to Port Anketell.

ON BEHALF OF THE BOARD OF DIRECTORS OF IRON ORE HOLDINGS LTD

**Mal Randall
Executive Chairman**

Buckland Hills

IOH is pleased announce major resource updates on the Bungaroo South Deposit which is located on IOH's 100% owned Buckland Hills tenement in the Western Pilbara. The Project is close to existing infrastructure and within 35km of the Mesa J deposit which is operated by the Robe River Joint Venture and is 50km from the proposed rail to Port Anketell (Figure 1 and 2).

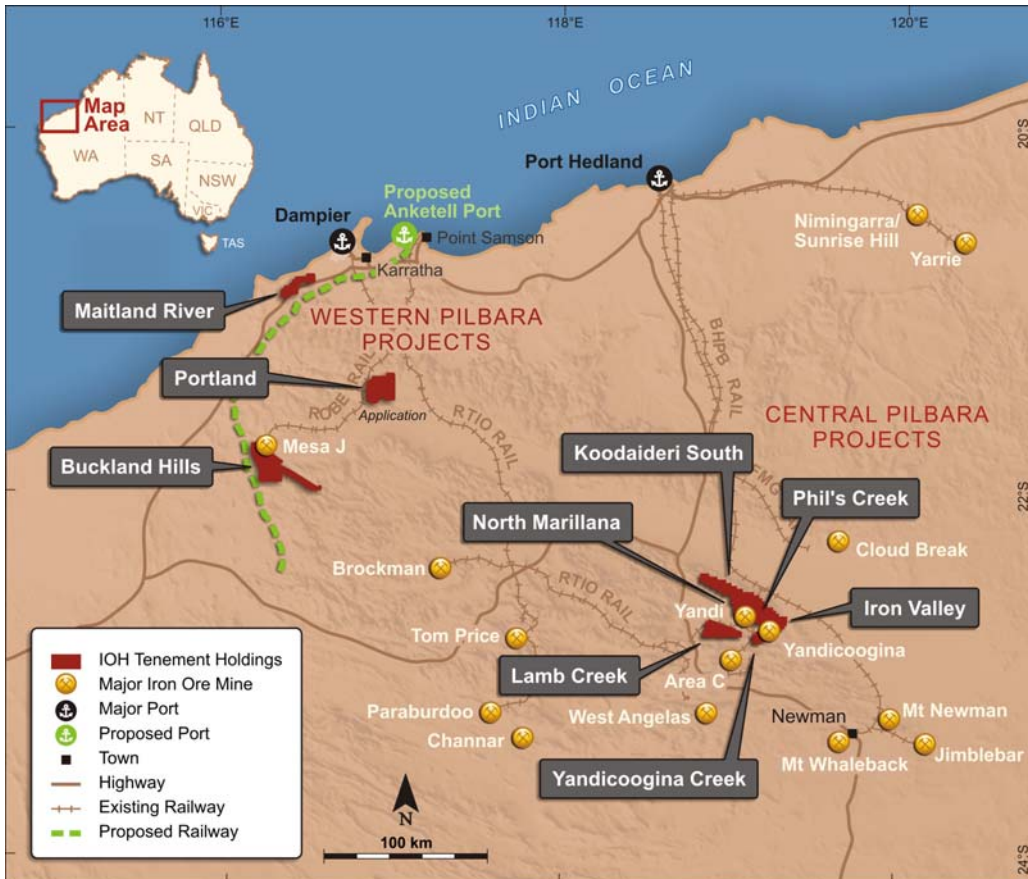


Figure 1: Plan showing existing and planned rail and port infrastructure in the Western Pilbara

The Bungaroo South Deposit is separated into two parts, West and East, as shown in Figure 3. An update to the resources contained in the Eastern Area has been calculated following the receipt of all assay data from the step-out and infill RC drilling program completed earlier this month. See Figure 4 for drill location with resource outline of Eastern Area.

The **Eastern Area** JORC Resource now stands at **144.4Mt @ 57.2% Fe** which represents an **increase of 878%** over the previous calculation announced in February 2010. The total Bungaroo South JORC Resource now totals **241.6 Mt @ 57.2% Fe** as detailed in Table 1 below.

Project	JORC Indicated	JORC Inferred	Fe%	SiO ₂ %	Al ₂ O ₃ %	P%	LOI%	Cut-off Fe
Bungaroo South East		144.37Mt	57.23	6.98	2.27	0.144	7.82	50%
Bungaroo South West		97.20Mt	57.14	7.02	2.70	0.149	7.82	50%
Bungaroo South Total		241.57Mt	57.20	7.00	2.44	0.146	8.06	50%

Table 1 – Bungaroo South (West and East) - JORC Mineral Resource

In addition to the ongoing Diamond drilling in the Eastern Area; a program of diamond drilling has commenced utilising an ultra-portable 'HeliRig' diamond drilling rig. Following the completion of two initial drill holes at the Bungaroo South Deposit, this innovative drilling rig will be used to access mapped CID at the Snake Valley and Mesa J Southwest prospects.

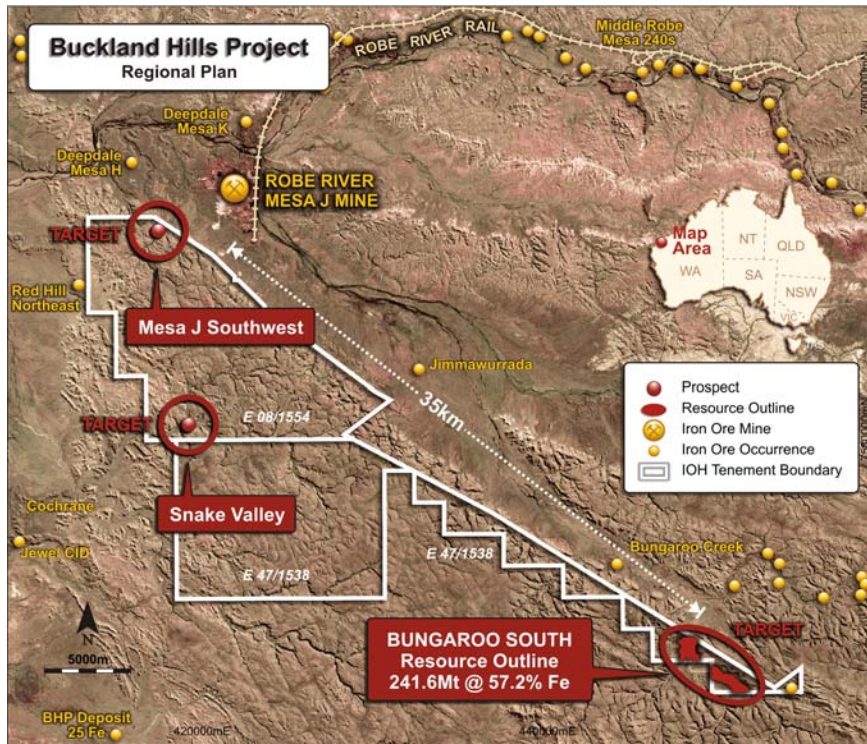


Figure 2: Buckland Hills Location

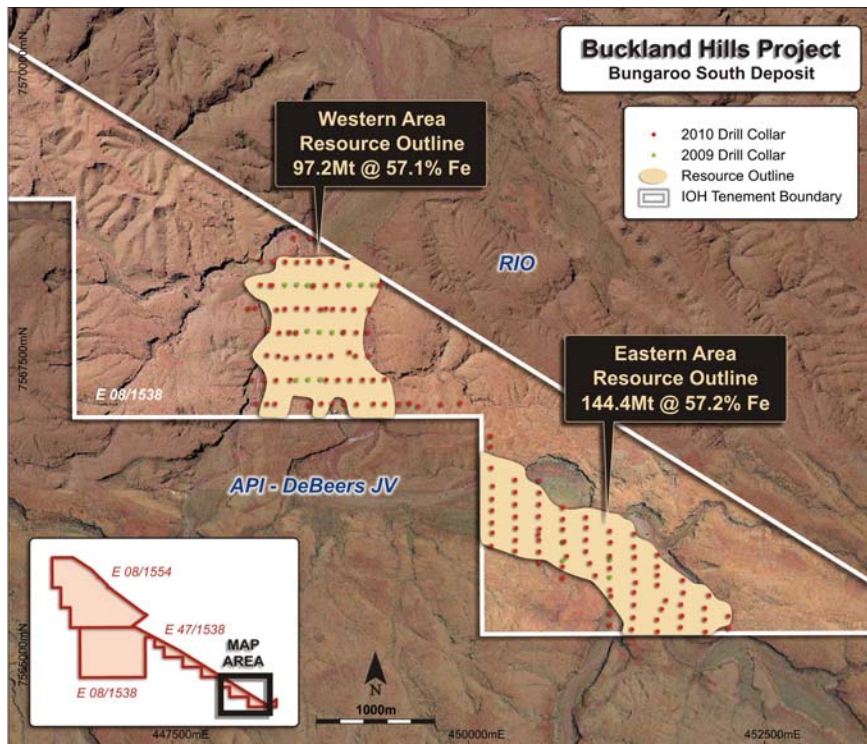


Figure 3: Bungaroo South Deposit Drill Location Plan

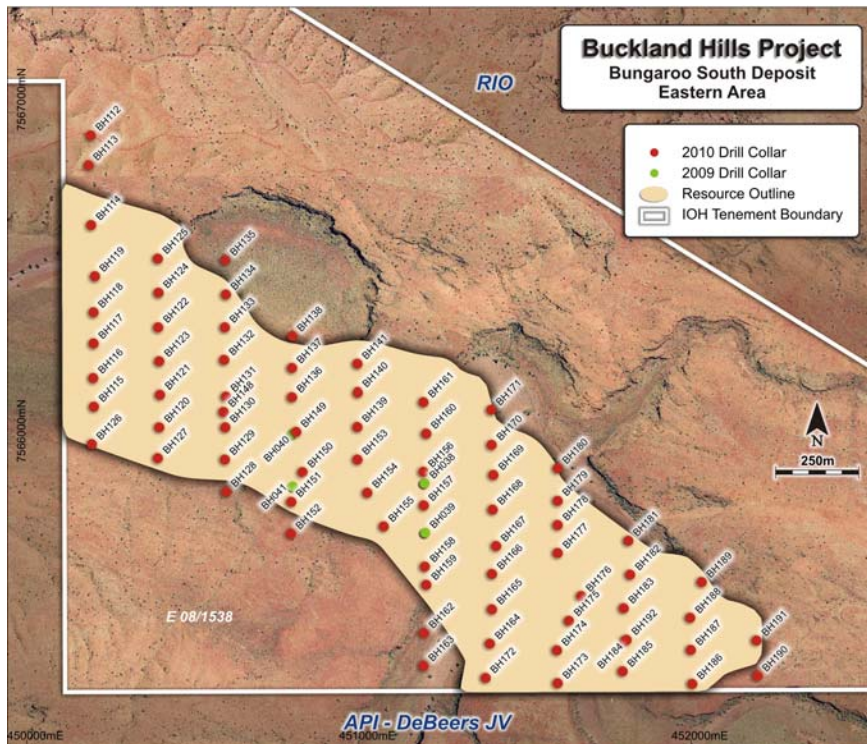


Figure 4 – Bungaroo South - Drill Location with resource outline of Eastern Area

Phils' Creek

Further to IOH's announcement on 9th August 2010, the Board have decided not to seek a new revised agreement with Rio Tinto on Phil's Creek. The Company will now focus on its major resource projects in its Western and Central Iron Ore Hubs.

IOH Overview

The total **JORC Mineral Resource** over all IOH projects has now reached **593.3Mt** (refer Table 2). Exploration drilling continues at several locations. The Company now has a Central Pilbara hub that contains 350Mt within 50km radius of existing rail infrastructure and is developing a Western Pilbara hub which now exceeds 240Mt close to existing infrastructure.

Project	JORC Indicated	JORC Inferred	Fe%	SiO ₂ %	Al ₂ O ₃ %	P%	LOI%	Cut-off Fe	
Iron Valley	183.0Mt	56.7Mt	58.9	4.6	3.0	0.18	7.2	50%	
Phil's Creek	15.1Mt		55.6	7.2	4.2	0.10	8.1	50%	
Extension	46.8Mt		50.0	9.5	7.7	0.05	10.4	45%	
Bungaroo South		241.6Mt	57.2	7.0	2.4	0.15	8.1	50%	
Boundary Prospect		26.7Mt	58.4	6.4	2.9	0.11	6.5	50%	
Fingers Prospect		23.4Mt	58.5	5.1	2.8	0.138	7.6	50%	
	244.9Mt	348.4Mt	Total Resource (Indicated and Inferred)					593.3Mt	
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Table 2 – Complete IOH JORC Mineral Resource



Buckland Hills

Bungaroo South Project - Eastern Area (Average Grade for +55% Fe)

HoleID			From (m)	To (m)	Width (m)	Fe%	SiO2%	Al2O3%	P%	LOI%
BH131	450599	7566142	16	30	14	56.99	6.99	3.39	0.151	7.31
BH131	and	and	54	102	48	58.70	5.30	1.90	0.142	8.24
BH131	and	and	106	122	16	57.47	8.76	1.45	0.128	7.04
BH132	450594	7566250	48	54	6	56.36	7.99	3.35	0.173	7.33
BH132	and	and	58	60	2	58.00	7.28	2.51	0.144	6.63
BH132	and	and	66	84	18	59.38	3.33	2.11	0.171	8.97
BH132	and	and	90	98	8	58.27	5.81	1.63	0.159	8.59
BH132	and	and	102	110	8	57.46	5.59	2.25	0.161	9.30
BH132	and	and	116	136	20	59.20	4.95	2.01	0.139	7.78
BH136	450799	7566139	20	102	82	58.94	5.45	1.62	0.136	8.08
BH137	450798	7566226	34	68	34	58.12	5.65	2.51	0.131	8.08
BH137	and	and	72	82	10	56.89	9.75	2.01	0.117	6.30
BH139	450995	7566050	42	96	54	58.26	6.61	1.70	0.136	7.81
BH143	448330	7568199	No Significant Results							
BH144	448948	7567804	No Significant Results							
BH145	448484	7567797	No Significant Results							
BH146	448695	7568200	No Significant Results							
BH149	450811	7566035	10	22	12	58.89	5.64	2.32	0.137	7.07
BH149	and	and	32	124	92	58.25	5.71	1.81	0.153	8.56
BH150	450831	7565913	32	36	4	57.19	8.12	2.07	0.181	7.31
BH150	and	and	40	70	30	58.16	5.80	2.05	0.138	8.35
BH152	450796	7565727	No Significant Results							
BH153	450995	7565952	0	12	12	59.92	4.68	2.20	0.150	6.77
BH153	and	and	14	16	2	56.11	10.89	1.96	0.120	6.38
BH153	and	and	26	48	22	57.67	5.35	2.65	0.182	8.78
BH153	and	and	56	98	42	58.21	5.84	1.94	0.157	8.32
BH153	and	and	104	122	18	57.21	8.52	1.47	0.158	7.54
BH154	451025	7565851	18	22	4	58.76	6.74	2.07	0.136	6.47
BH154	and	and	38	40	2	55.39	5.77	3.74	0.190	10.39
BH154	and	and	44	92	48	59.19	4.71	1.99	0.143	8.02
BH156	451194	7565914	4	20	16	59.46	5.05	2.19	0.184	6.90
BH156	and	and	54	58	4	57.53	5.93	2.54	0.159	8.59
BH156	and	and	62	122	60	58.58	6.03	1.68	0.160	7.87
BH157	451195	7565813	2	18	16	59.03	5.63	2.04	0.144	7.10
BH157	and	and	58	62	4	57.12	5.11	2.57	0.167	9.93
BH157	and	and	76	80	4	55.26	10.35	2.32	0.139	7.67
BH157	and	and	98	100	2	56.26	10.00	2.93	0.100	5.91
BH158	451199	7565628	26	28	2	56.25	7.17	2.58	0.160	9.11
BH159	451205	7565575	No Significant Results							



Buckland Hills

Bungaroo South Project - Eastern Area (Average Grade for +55% Fe)

HoleID			From (m)	To (m)	Width (m)	Fe%	SiO2%	Al2O3%	P%	LOI%
BH160	451202	7566030	28	30	2	55.18	7.01	3.91	0.078	9.45
BH160	and	and	34	36	2	55.57	6.54	3.79	0.096	9.49
BH160	and	and	38	88	50	58.18	5.96	1.87	0.140	8.36
BH161	451195	7566125	No Significant Results							
BH162	451200	7565428	No Significant Results							
BH163	451195	7565329	No Significant Results							
BH164	451394	7565395	6	12	6	55.87	7.31	3.58	0.113	8.60
BH164	and	and	18	22	4	56.90	5.38	2.77	0.201	9.70
BH164	and	and	34	42	8	55.63	8.48	2.38	0.155	8.91
BH164	and	and	48	52	4	55.77	8.68	2.06	0.152	8.83
BH164	and	and	56	58	2	58.12	5.68	1.32	0.196	9.20
BH165	451400	7565499	34	48	14	56.23	6.83	3.32	0.105	8.76
BH165	and	and	54	58	4	56.36	8.93	2.33	0.145	7.51
BH165	and	and	62	64	2	55.78	11.40	1.67	0.156	6.45
BH166	451401	7565605	30	70	40	57.31	7.42	2.57	0.099	7.47
BH167	451413	7565690	28	48	20	57.87	5.42	2.77	0.100	8.33
BH167	and	and	64	72	8	55.54	8.66	2.59	0.155	8.58
BH167	and	and	76	78	2	55.28	8.83	1.95	0.159	9.47
BH167	and	and	80	94	14	56.78	9.20	1.32	0.166	7.59
BH168	451402	7565801	18	22	4	55.58	6.13	3.49	0.112	10.26
BH168	and	and	36	96	60	56.91	7.35	2.12	0.143	8.50
BH168	and	and	98	100	2	55.60	12.96	0.91	0.143	5.98
BH169	451405	7565905	16	20	4	56.96	5.07	3.50	0.119	9.33
BH169	and	and	38	44	6	56.69	5.51	2.79	0.140	9.93
BH169	and	and	48	54	6	55.80	7.35	2.48	0.142	9.71
BH169	and	and	56	70	14	56.45	8.91	1.60	0.141	8.12
BH169	and	and	74	76	2	57.65	8.44	1.48	0.128	7.01
BH170	451400	7565996	38	40	2	55.84	9.68	2.18	0.095	7.68
BH171	451401	7566099	No Significant Results							
BH172	451381	7565292	2	22	20	57.71	6.15	2.71	0.168	7.84
BH172	and	and	32	36	4	55.74	7.57	2.65	0.222	9.23
BH172	and	and	54	90	36	57.94	6.46	1.84	0.151	8.18
BH172	and	and	94	98	4	56.45	7.34	1.80	0.165	9.41
BH173	451599	7565275	2	12	10	58.53	5.56	2.28	0.110	7.79
BH174	451596	7565375	0	18	18	59.81	3.39	2.39	0.133	8.05
BH174	and	and	30	40	10	59.95	3.80	1.95	0.183	7.88
BH175	451632	7565464	12	28	16	59.51	4.35	2.14	0.106	7.78
BH175	and	and	32	44	12	57.25	4.99	3.22	0.178	8.91
BH175	and	and	50	104	54	58.39	5.74	2.04	0.175	8.03



Buckland Hills

Bungaroo South Project - Eastern Area (Average Grade for +55% Fe)

HoleID			From (m)	To (m)	Width (m)	Fe%	SiO2%	Al2O3%	P%	LOI%
BH176	451669	7565538	14	30	16	58.65	3.54	2.87	0.179	8.86
BH176	and	and	36	40	4	62.27	2.22	1.32	0.121	6.81
BH176	and	and	50	120	70	60.01	4.35	1.54	0.168	7.48
BH177	451599	7565669	0	20	20	59.10	4.70	2.41	0.116	7.71
BH177	and	and	32	108	76	58.96	5.71	1.66	0.141	7.72
BH178	451598	7565753	4	72	68	58.87	5.23	2.00	0.136	7.94
BH179	451598	7565827	30	50	20	57.81	6.25	2.30	0.149	8.11
BH180	451600	7565924	No Significant Results							
BH181	451814	7565709	No Significant Results							
BH182	451817	7565603	6	28	22	56.62	7.30	3.03	0.148	7.92
BH183	451797	7565502	10	26	16	60.19	3.28	2.22	0.121	7.86
BH183	and	and	36	50	14	57.95	6.91	1.95	0.156	7.61
BH184	451799	7565402	30	68	38	59.90	4.53	1.88	0.143	7.27
BH184	and	and	74	80	6	57.16	10.40	1.08	0.138	6.14
BH185	451794	7565311	28	72	44	58.19	6.18	2.00	0.136	8.00
BH186	452003	7565273	4	8	4	55.64	10.03	2.33	0.149	7.26
BH187	451999	7565376	0	12	12	59.84	5.15	2.17	0.150	6.35
BH188	451998	7565473	0	24	24	59.64	5.04	2.46	0.157	6.38
BH189	452032	7565581	0	2	2	55.09	6.73	4.08	0.144	9.67
BH190	452200	7565297	No Significant Results							
BH191	452197	7565405	2	12	10	55.75	6.35	2.83	0.099	10.27
BH192	451806	7565407	30	64	34	58.38	5.78	2.30	0.148	7.75
BH192	and	and	76	86	10	57.35	11.06	1.55	0.133	4.63

Down hole intersection selection is based on a lower cut off 55% Fe, 2m minimum width and internal dilution maximum of 2metres. Samples are individual 2m cone or riffle split RC samples. Results are from XRF Analysis by Ultra Trace Laboratories in Perth Western Australia.

Competent Persons Statement:

The Mineral Resource estimates were based on data collated and interpreted by IOH staff and prepared and estimated by independent geological consultants, Lynn Widenbar & Associates. The resource was estimated in accordance with the guidelines of the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code 2004).

The Buckland Hills Resource Model has been constructed using ordinary kriging Interpolation within geological constrained domains. Drill spacing is 200m by 100m. Densities of 2.8 have been used for CID material and 2.75 for reworked CID material. The material within the resource is classified as Inferred.

The resource base estimate was based on information from 85 Reverse Circulation (RC) holes drilled at Bungaroo South East. Two metre composite samples were collected, either by cone splitter or grab sampling. Samples were submitted to Ultra Trace Pty Ltd, Perth for analysis via X-Ray Fluorescence (XRF) with LOI determined Thermo Gravimetric Analysis.

The information in this report that relates to Mineral Resources has been compiled by Mr Lynn Widenbar.

Mr Widenbar, who is a Member of the Australasian Institute of Mining and Metallurgy, is a full time employee of Widenbar and Associates and produced the Mineral Resource Estimate based on data and geological information supplied by IOH. Mr Widenbar has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2004 edition of the Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves. Mr Widenbar consents to the inclusion in this report of the matters based on his information in the form and context that the information appears.

The information in this report that relates to mineralisation and exploration and drilling results is based on information compiled by Mr. Deep Shankar, who is a Member of the Australian Institute of Geoscientists. Mr. Shankar is a full time employee of Iron Ore Holdings Ltd and 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 of Exploration Results, Mineral Resources and Ore Reserves. Mr Shankar consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.