

29 October 2010

ASX Release

Company Announcements Office
Australian Securities Exchange
20 Bridge Street
SYDNEY NSW 2000

Iron Mountain Mining Limited (ASX Code : IRM) Quarterly Report: 30 September 2010

HIGHLIGHTS

WANDOO (Alumina)

- Results received from maiden Air Core drilling program completed within E70/2693 with individual assay grades as high as 53.9% Total Al₂O₃ with little or no recorded overburden.
- 500+ samples submitted for Reactive Silica analysis using hydroxide leach analysis. Results have been received and merged into the maiden drilling database for resource estimation to commence.
- Approximately 250 holes remain to be drilled and are expected to be completed in early 2011 following scheduled crop harvesting in December 2010.
- Planning for bulk sample metallurgical test work including bauxite profile analysis and beneficiation studies has commenced.
- Resource estimation based on validated historical database ongoing by independent consultant. Remaining Area 8 of historical drilling within the Central Wandoo Project tenements identified as most prospective with resource upgrade expected during the December 2010 quarter.

MIAREE (Iron Ore, Gold)

- Assay results from in excess of 1000 soil samples collected from 3 stages of sampling have extended significant gold and arsenic anomalism at the Miaree Gold Project.
- 11 distinct gold anomalies within 4 parallel extensional fault systems generated by sinistral movement along the Sholl Shear Zone have been identified.
- A peak soil assay result of 18.5g/t Au was recorded at the Cockatoo "A" anomaly west of the significant Bergsma Prospect Au-As anomalism.

MT RICHARDSON (Iron Ore)

- The sale of the Mt Richardson Project to Cliffs Asia Pacific Iron Ore Pty Ltd ("Cliffs") was finalised on 13 July 2010 following the handover of mining titles and the receipt of A\$6,000,000.

BLYTHE (Iron Ore)

- Assessment of expressions of interest for possible farm-in, joint venture or sale ongoing.
- Potential for limited magnetite resources to be estimated at Hampshire and Kara North Prospects.

General

Iron Mountain Mining Limited (“Iron Mountain”) continued to explore and evaluate a number of highly prospective bauxite, iron ore and gold projects in Australia. During the September 2010 Quarter, Iron Mountain focussed primarily on the recently acquired Wandoo Bauxite Project where work completed included the receipt and evaluation of assay results from a maiden AC drilling program as well as ongoing land access negotiations and preparation for metallurgical test work on the Wandoo bauxites. Resource estimation work also continued using both historical and maiden drilling databases. An extensive soil sampling program was completed at the Miaree Gold Project where several mineralised fault systems identified for further testing and possible drilling. The Mt Richardson Project to Cliffs Asia Pacific Iron Ore Pty Ltd was finalised on 13 July 2010. The location of company projects are shown in Figure 1 below.

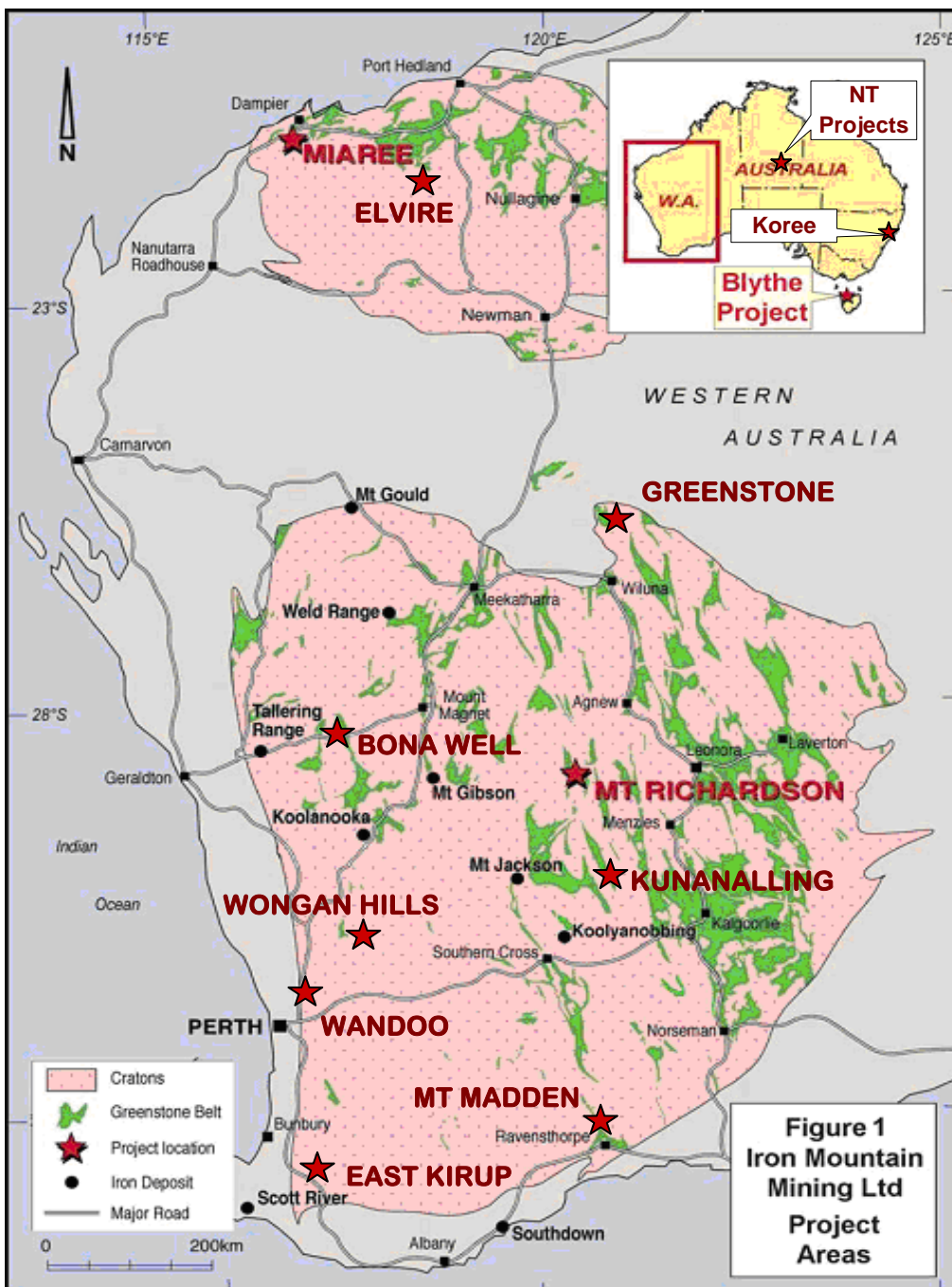


Figure 1 – Location of Iron Mountain Mining Projects in Australia

WANDOO PROJECT

The Wandoo Bauxite Project is comprised of 12 granted exploration licences (E70/2444, E70/2692-93, E70/3124, E70/3146-47, E70/3712-15 & E70/3508-09) covering 850km² and 1 exploration licence application (E70/2943) covering 217km² in the Darling Ranges, approximately 100km north of Perth, Western Australia (see Fig. 2)

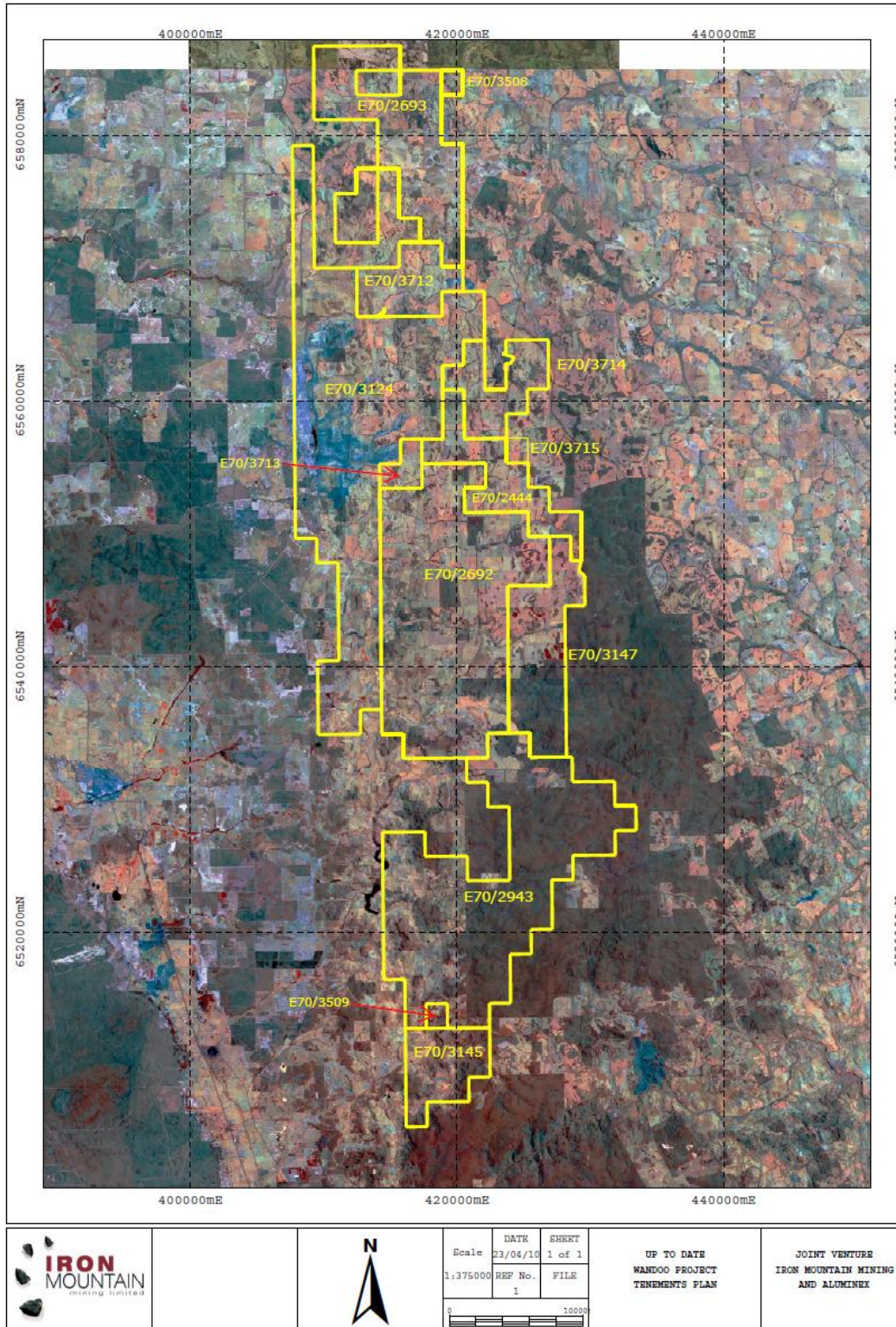


Figure 2 – Tenement location and land use cover of the Wandoo Project.

The Wandoo Project was acquired through the off-market takeover of Aluminex Resources Ltd (“Aluminex”) that was completed in December 2009. The project tenements cover predominantly freehold agricultural areas within the extensive Darling Plateau bauxite province Western Australia (see Fig. 2). Pacminex Pty Ltd explored the Darling ranges for bauxite from 1968-1971 and left an enormous open file database containing the details of over 10,000 drill holes and associated reports which Iron Mountain Mining has painstakingly validated and converted into appropriate formats to assist with exploration and evaluation and allow resource estimations to be undertaken where feasible.

MAIDEN DRILLING PROGRAM (New Norcia)

Iron Mountain Mining completed its maiden drilling program at Wandoo within E70/2693 during June 2010. A total of 287 Air Core Blade holes were drilled for 1937m. A total of 500+ holes were initially planned but approximately 250 holes were unable to be drilled due to some proposed drilling being sown as a result of early seasonal rain (see Fig. 3). Harvesting generally takes place in December and the company has been welcomed to complete any drilling early in 2011.

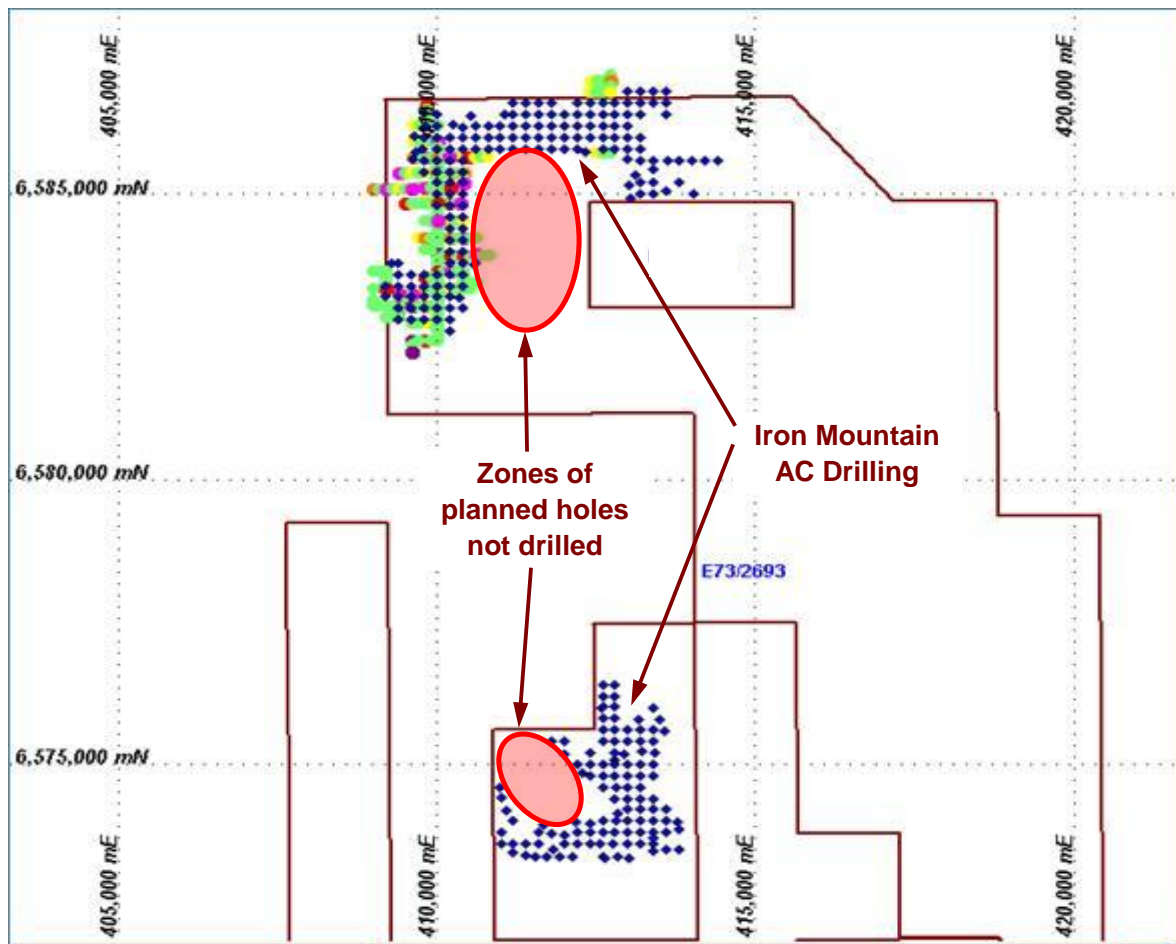


Figure 3 – Location of recent AC drill hole collars (blue) and historical drilling (coloured).

Drilling was undertaken on a 200m x 200m grid in to satisfy JORC confidence requirements for the estimation of an Inferred Resource. A total of 1066 drill samples were submitted to Genalysis laboratories in Perth for XRF analysis and results received in early September. Results were very encouraging in regards to the extent and grade of the bauxite profile identified and its proximity to existing road and rail

infrastructure. Individual assay grades as high as 53.93% Total Al₂O₃ were encountered with little or no recorded overburden (see Table 1 – Compositing grade intervals).

HOLE ID	FROM	TO	WIDTH	AL ₂ O ₃
WDC002	0	6	6	45.41%
WDC035	1	5	4	43.60%
WDC041	0	7	7	47.71%
WNM001	0	3	3	42.48%
WNM004	1	4	3	40.42%
WNM005	0	3	3	40.58%
WOC024	0	3	3	47.90%
WOC046	0	4	4	44.10%
WOC080	0	5	5	46.13%
WPL005	0	3	3	42.10%
WPL006	0	3	3	42.08%
WPL007	0	4	4	44.61%
WRM002	0	4	4	44.45%
WRM013	1	5	4	45.75%
WRM089	0	5	5	47.58%

Table 1 – Selected compositing assay grades from maiden drilling program

In addition to the 1311 assays already received (includes quality control samples), a total of 512 samples were selected and submitted for reactive silica analysis during the quarter utilising hydroxide leach analysis. The reactive silica results have been received and subsequently merged with the existing maiden drilling database in preparation for resource estimation by independent consultants Hackman & Associates Pty Ltd. A resource for the maiden Wandoo drilling program is expected to be completed in the December 2010 quarter. Data from this maiden drilling program will also allow calibration studies to be undertaken on the substantial historical drilling database that will hopefully allow the accuracy and confidence of past and future resources estimated using historical data to be significantly improved. Twin hole data analysis will also be conducted to compare the historical and 2010 drilling data within E70/2693.

METALLURGICAL TEST WORK

During the September 2010 quarter, preliminary planning commenced for necessary metallurgical test work to be conducted on the bauxite profiles within the maiden drilling program area. Relevant consultancies are to be sourced to define the scope of the test work and identify all relevant specifications. Early indications are that a bulk sample of bauxite (<500kg) from various locations will be collected and subjected to detailed analysis including assaying, available alumina, reactive silica and amenability to beneficiation by wet/dry screening, magnetic separation and flotation. It is expected that following the appointment of a metallurgical consultant, the required bulk sample will be collected and submitted for analysis in the December 2010 quarter.

WANDOO DATA VALIDATION

As reported in the previous quarter, validation of the entire historical drilling database relevant to the Wandoo Project tenements was completed in the June 2010 quarter. A total of 4,260 holes and corresponding 6,552 assay results were retrieved and validated from 5 historical project areas that were found to lie within the current Wandoo Project tenement boundaries (see Table 2). Following evaluation of the validated historical database, Area 8 (Bindoon) was identified according to a variety of development criteria including grade, reactive silica and average bauxite thickness as a priority area to undergo resource estimation analysis. Area 8 contains in excess of 50% of the validated historical drilling and assaying data.

Area	No. of Holes	Total Assays	No of Significant Holes*
4 (Julimar Forest)	794	1182	488
5 (Red Hil)	773	934	439
8 (Bindoon)	2279	3878	1893
9 (Wannamal)	154	342	107
19 (Gillingarra)	260	216	106
Total	4260	6552	(3033)

* Significant Holes : Min Thickness of composite sample = 1.83 m and Al₂O₃ grade >= 30%

Table 2 – Total historical drilling data retrieved and validated relevant to Wandoo Project tenements.

Resource estimation work on Area 8 by independent consultants Hackman & Associates Pty Ltd has been ongoing throughout the September 2010 quarter and has been delayed as a result of priorities switching between historical Area 8 and the maiden drilling program resource estimation as drilling and assaying data has become available. Estimation of a resource for the maiden drilling area as well as a resource upgrade for historical Area 8 is nearing completion with results for both expected to be announced sometime during the December 2010 quarter (see Fig. 4). The Area 8 resource upgrade will be in addition to the maiden 17.48Mt Bindoon Inferred Resource announced on 16 March 2010.

Given its close proximity to Perth, ports all necessary infrastructure, the Wandoo Bauxite Project is being recognised as perfectly positioned to exploit the increasing demand for seaborne direct shipping bauxite. The company continues to field expressions of interest in the Wandoo Project in regards to its current status and its anticipated development and expects that continued advancement of the project will result in additional investment and accelerated development opportunities in the future.

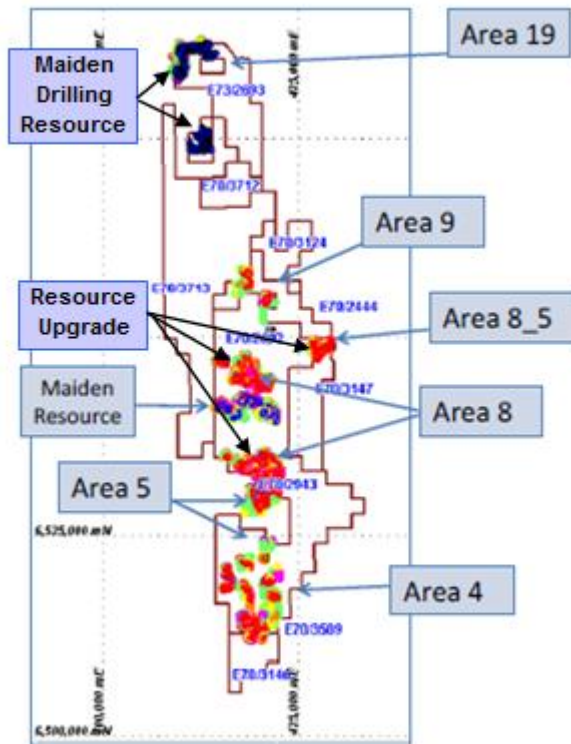


Figure 4 – Location of validated areas of historical drilling including location of Maiden Resource as well as anticipated Area 8 Resource Upgrade and expected Maiden Drilling Resource

MOUNT RICHARDSON PROJECT

On 13 July 2010, the sale of the Mt Richardson Project to Cliffs Asia Pacific Iron Ore Pty Ltd (“Cliffs”) was finalised. Settlement occurred with the handover of required documents and mining titles and the receipt of AUD 6,000,000 representing the balance of the consideration. This followed earlier payments from Cliffs of AUD 3,000,000 and AUD 1,000,000 on 1 October 2008 and 2 March 2010 respectively.

Under the terms of the Option to Purchase agreement, Cliffs had the right to explore and the option to acquire total ownership of E29/571 subject to agreed milestones and payments. A total of AUD 10,000,000 was payable under the Option to Purchase and has now been received. 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.

Future updates on the drilling and development progress of Mt Richardson will be announced as provided by Cliffs.

MIAREE PROJECT

The Miaree Project is held under a joint venture between Iron Mountain and Red River Resources Limited (“Red River”) whereby Iron Mountain can earn up to 70% of the project. The Miaree Project is currently comprised of 3 exploration licenses (E08/1350, E47/1309 & E47/1707) covering approximately 176km² following the recent surrender of 3 prospecting licences (P08/560-562). The exploration licenses cover approximately 25km of Miaree Magnetite Trend strike that occurs within the extensive Cleverville

Formation, a geological unit of banded iron formation rich in magnetite (1.6Bt Cape Lambert magnetite deposit) and only recently reported as hosting surface gold occurrences

MIAREEE GOLD PROJECT

During the September 2010 quarter, an extensive soil sampling program consisting of over 1000 samples was undertaken in two stages which identified and delineated gold and arsenic anomalism within an expanding number of gold Prospects southwest of Karratha in Western Australia. Exploration in the area is targeting significant mineralised extensional fault zones formed as a result of sinistral movement along the regional Sholl Shear Zone (see Fig. 5).

Stage 1 sampling (500m x 50m) identified strong and extensive gold and arsenic anomalism at the Bergsma Prospect which was subsequently confirmed and extended by Stage 2 sampling (100m x 50m) and finally Stage 3 sampling (50m x 25m) in early October 2010. In addition to focussing on accurately defining the extent and intensity of the Bergsma Au-As anomaly, several other possible fault style targets were identified from aerial photo interpretation. Soil sampling results subsequently confirmed the existence of three additional sub-parallel fault zones northwest of the Bergsma Prospect with surface gold anomalism and named the Cockatoo, Crystal and Walter Prospects (Fig. 6).

In total, the four identified gold prospects within E47/1309 host 11 distinct gold anomalies. Highlights from the sampling program include:

- A peak soil gold assay of 18.5g/t Au at the Cockatoo "A" anomaly
- Gold in soil values of up to 0.3-0.6g/t Au at the Walter "A" anomaly
- The extent of the Bergsma "A" and "B" anomalies are 500m and 1000m respectively and are associated with strong arsenic anomalism and hydrothermal alteration

Results are currently being evaluated with a view to planning a drilling program to test for the source of the anomalism. Results from rock chip sampling over the Cockatoo "A" anomaly are expected in early November.

MIAREE MAGNETITE PROJECT

No work was carried out on the Miaree Magnetite Project during the September 2010 quarter as a result of efforts being directed towards evaluating and testing the gold potential of the Miaree Project tenements.

WONGAN HILLS PROJECT

The Wongan Hills Project is comprised of exploration licence E70/2728 immediately west of Wongan Hills in the Archaean Yilgarn Iron Ore Province Province of Western Australia. Quadrio Resources Pty Ltd ("Quadrio"), a subsidiary of Dominion Mining Limited, have earned an 80% interest in the project by satisfying expenditure requirements as outlined in the farm-in agreement with Red River and Iron Mountain announced on 28 August 2009.

During the September 2010 quarter, Quadrio was unable to undertake exploration at Wongan Hills as a result of the land in question being under crop. The resumption of exploration is expected to occur in early 2011 however the exact date is dependant on crop maturity and the completion of harvesting.

The majority of the Wongan West prospect is subject to a farm-in agreement with Red River Resources Limited and Iron Mountain Mining Limited under which Dominion Mining Ltd has earned an 80% interest. The equity interests of Red River and Iron Mountain in E70/2728 have been reduced to 15% and 5% respectively.

BLYTHE PROJECT

The Blythe Project area is currently comprised of 6 granted exploration licences covering 324km² (see Fig. 7). The project is held under a joint venture between Iron Mountain and Red River with both parties contributing equally to all exploration costs. Drilling and exploration has been ongoing at Blythe since 2008 and a significant amount of drilling and assay data has been accumulated.

The company continues to explore solicited and unsolicited expressions of interest in the Blythe Project tenements for a possible farm-out, joint venture or outright sale if proposed terms and conditions are mutually satisfactory. An independent review of the drilling database has confirmed that there exists the potential for limited magnetite resources to be delineated at both the Hampshire and Kara North Prospects. No field work was undertaken at Blythe during the September 2010 quarter.

BONA WELL PROJECT

The Bona Well Project is comprised of two granted exploration licences (E59/1194 & E59/1457) covering 62km² and a single exploration licence application (ELA59/1650) covering 56km² and is strategically located along the Mid West Infrastructure corridor approximately midway between Mt Gibson's Wolla Wolla project and Ferrowest Ltd's Yogi Project, approximately 500km north of Perth.

Bona Well is regarded as being prospective for iron ore and more recently uranium courtesy of an announcement by Enterprise Metals Ltd ("Enterprise") highlighting the discovery of a significant airborne radiometric response within calcrete over Archean Greenstones at their adjacent Yalgoo Project. The project is currently being evaluated to determine whether a small composite drilling program can be planned to test both the extent and grade of interpreted subsurface banded iron formations as well as possible uranium enrichment within paleochannels identified using radiometric imaged data. No field work was undertaken at Bona Well during the September 2010 quarter.

KUNANALLING PROJECT

The Kunanalling Project is comprised of a single granted exploration licence E16/316 covering 50km² located to the East of Cliffs Asia Pacific Iron Ore Pty Ltd (formerly Portman Iron Ore Ltd) Koolyanobbing operations. Remote sensing imagery of the project area indicates the possibility of up to 22km strike length of potentially iron rich BIF that extending down the centre of the license area as three separate zones identified from aeromagnetic data and field mapping.

The Kunanalling Project is currently undergoing evaluation as a viable exploration and development proposition as a result of its single tenement nature and the lengthy exploration hiatus resulting from uncertainty over long-term water rights caused by the Miscellaneous Licence Application (L16/80) of Heron Resources Ltd. While L16/80 was subsequently withdrawn by Heron Resources Ltd, the resultant delay during which Iron Mountain Mining Limited could not justify exploration has created a situation where a 50% compulsory reduction is now required without sufficient work having been undertaken to effectively assess the ground in question. The company is currently assessing whether the post-reduction size of E16/316 warrants the allocation of valuable time and resources. No field work was undertaken at Kunanalling during the September 2010 quarter.

NERRAMYNE PROJECT

The Nerramyne Project is comprised two granted exploration licences (E70/2652-2653) covering a total of 434km² that were acquired as part of the Aluminex acquisition in December 2009. Under the pre-existing agreement, Iron Mountain can earn 100%. The project is located approximately 126km inland from Northampton in Western Australia. The area is prospective for nickel, copper and platinum group element mineralisation associated with Archean basic rocks.

During the quarter, results for 20 random surface samples submitted for analysis during the previous quarter were received. Each of the samples was analysed for a suite of 60 elements. Following a review of the results, it was determined that no further work was warranted and that Iron Mountain would withdraw from the agreement. Swancove Enterprises Pty Ltd, the holder of the tenements, was advised of the company's intentions and it was mutually agreed that the tenements be surrendered.

MT MADDEN PROJECT

The Mt Madden Project is comprised of one granted exploration licence (E74/312) covering 189km² that was acquired as part of the Aluminex acquisition in December 2009. Under the pre-existing agreement, Iron Mountain can earn 100%. The project is located approximately 30km northwest from Ravensthorpe in Western Australia and is prospective for nickel and lithium. No field work was undertaken at Mt Madden during the September 2010 quarter.

EAST KIRUP PROJECT

The East Kirup Project is a new single exploration licence application (ELA70/3886) covering 12km² approximately 8km east of Kirup and 15km northwest of the world class Greenbushes mine (total resources of 25.2Mt @ 3.6% Li₂O). Red River has reported the existence of a lithium-tantalum-tin geochemical anomaly in adjacent E70/2435 which is approximately 20km northwest and on the same interpreted offset structural trend as the Greenbushes lithium-tantalite-tin mine. Geochemical sampling undertaken by Red River on adjacent E70/2435 has delineated an extensive zone of anomalous lithium-tantalite-tin which may represent a dispersed mineralised halo over a primary pegmatitic mineralisation at depth. No field work was undertaken at East Kirup during the September 2010 quarter, the application is still pending.

NORTHERN TERRITORY PROJECT

On 3 June 2010, Iron Mountain announced that it had entered into a Heads of Agreement with United Orogen Limited ("United Orogen") whereby Iron Mountain proposes to purchase the outstanding available interests in three United Orogen Exploration Licences in the Northern Territory in which Iron Mountain already held minority interests. The three exploration licences in question are EL25894 (Florence Creek), EL25329 (Lucky U) and EL25346 (Treasure) where Iron Mountain was already earning interests of 50%, 30% and 30% respectively (see Fig. 8). The proposed transaction is subject to and conditional upon the approval of shareholders from both companies and will be determined at the relevant Annual General Meetings to be held later this year.

FLORENCE CREEK & LUCKY U

The Florence Creek and Lucky U tenements are located adjacent to each and cover a combined 306km² northeast of Alice Springs. The tenements were originally picked up as part of the Aluminex acquisition in

December 2009 (see Fig. 8). Under the pre-existing agreement, Iron Mountain can earn 50% of Florence and 30% of Lucky U but should the proposed Heads of Agreement with United Orogen be approved, Iron Mountain will move to 100% of both.

During the September 2010 quarter, a one day helicopter reconnaissance survey was flown by United Orogen over the Florence Creek (EL25894) and Lucky U (EL25329) prospects and a combination of 12 stream sediment and rock chip samples were collected from areas of interest identified by the interpretation of previous acquired available airborne magnetic data. The purpose of the reconnaissance and sampling program was to search for the presence of intrusive gabbroic formations similar to those associated with significant surface copper - cobalt mineralisation discovered by Mithril Resources Ltd 30km to the south east. The Mithril discovery strikes northwest for over 10km with past samples assaying up to 6.3% copper. Results from the United Orogen sampling are pending.

During the September 2010 quarter, applications for 3 additional exploration licences in the vicinity of Lucky U were submitted. Applications for Exploration Licences 28217, 28227 & 28228 covering a total of approximately 41km² are currently being processed by the Department of Resources, Minerals and Energy of the Northern Territory.

TREASURE

The Treasure Prospect is comprised of EL25346 covering 101km² that was originally picked up as part of the Aluminex acquisition in December 2009 (see Fig. 8). Under the pre-existing agreement, United Orogen and Iron Mountain held 70% and 30% respectively. The project is currently subject to a Joint Venture Agreement with Mithril Resources Ltd ("Mithril") announced on 30 September 2008 whereby Mithril can earn 60% in EL25346 by spending \$1m over the first three years (Stage 1) and a further 20% by spending an additional \$1m over the following 2 years (Stage 2).

Under the pre-existing agreement, Iron Mountain was being diluted to 6% but should the proposed Heads of Agreement with United Orogen be approved, Iron Mountain could move to 40% should Mithril exercise Stage 1 (60% farm-in) or 20% should Mithril exercise Stage 2 (80% farm-in). The project is located approximately 130km northeast of Alice Springs in the Northern Territory and is currently being managed by Mithril under the terms of the JV agreement.

During the September 2010 quarter, no field work was completed by Mithril however plans for a gravity survey to be undertaken in the December 2010 quarter were finalised.

GREENSTONE PROJECT

The Greenstone Project is comprised of 11 exploration licence applications covering a total of 1878km² approximately 200km northeast of Meekatharra in Western Australia. The project is targeting VMS copper-gold mineralisation similar to the Degruessa copper-gold discovery of Sandfire Resources NL (10.67Mt @ 5.6% Cu, 1.9g/t Au & 15g/t Ag) located approximately 115km west-northwest. No field work was undertaken at Greenstone during the September 2010 quarter as all applications are still pending.

MT ELVIRE PROJECT

The Mt Elvire Project is comprised of a single exploration licence application covering 12km². The area is prospective for channel iron ore accumulations similar in nature to the Yandi deposit (Rio Tinto) and for detrital iron ore deposits. No exploration was undertaken during the September 2010 quarter as this application is still pending.

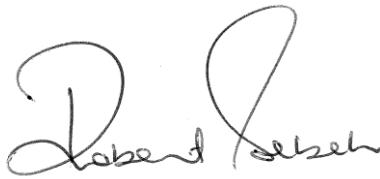
HMS PROJECT

The HMS Project is comprised of 5 new exploration licence applications lodged in the September 2010 quarter over 624km² covering 6 known heavy mineral sand (HMS) deposits within the Murray Basin in Western Victoria. The Murray Basin covers North Western Victoria, South Western New South Wales and South Eastern South Australia and is a prolific producer of heavy mineral sands. Iluka Resources Ltd, currently the largest producer of zircon in the world, operates the Douglas HMS mine south of Horsham and a Mineral Separation Plant in Hamilton, Western Victoria.

MACQUARIE MARBLE AND LIME PTY LTD (KOREE LIMESTONE)

Iron Mountain has a 60% interest in Macquarie Marble and Lime Pty (MML) which exercised an option to acquire ML 1446 and surrounding EL 7084 at Wauchope, near Port Macquarie in New South Wales in 2008. The tenements cover the Koree Limestone quarry which contains a deposit of lightly metamorphosed limestone determined to be suitable for the production of a marble dimension stone product with waste to be crushed for agricultural lime.

Following a review of the project in 2009, the company decided to formally consider unsolicited expressions of interest with a view to divesting the project. Negotiations to dispose of this non-core asset are ongoing and will hopefully be concluded by the end of 2010. This will allow the site in question to be developed by experienced operators and the company to focus its time and resources on core projects.



Robert Sebek
Managing Director

29 October 2010

The information within this report as it relates to geology and mineral resources was compiled by the Managing Director, Mr Robert Sebek. Mr Sebek is a Member of the Australian Institute of Mining and Metallurgy. Mr. Sebek has sufficient experience which is relevant to the style of mineralization and the type of deposit under consideration 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, the JORC Code". Mr Sebek is employed by Iron Mountain Mining Limited and consents to the inclusion in the report of the matters based on information in the form and context which it appears.

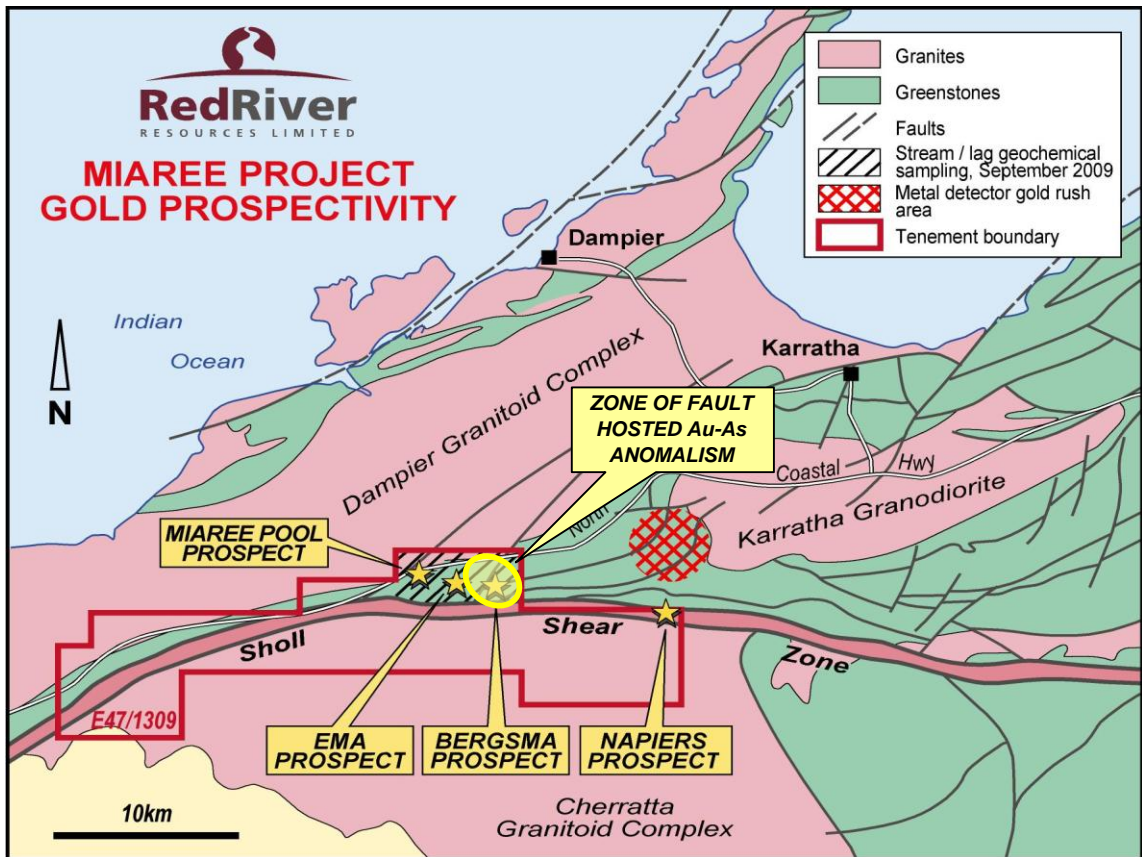


Figure 5 – Miaree Gold Project showing locations of fault related surface gold anomalism.

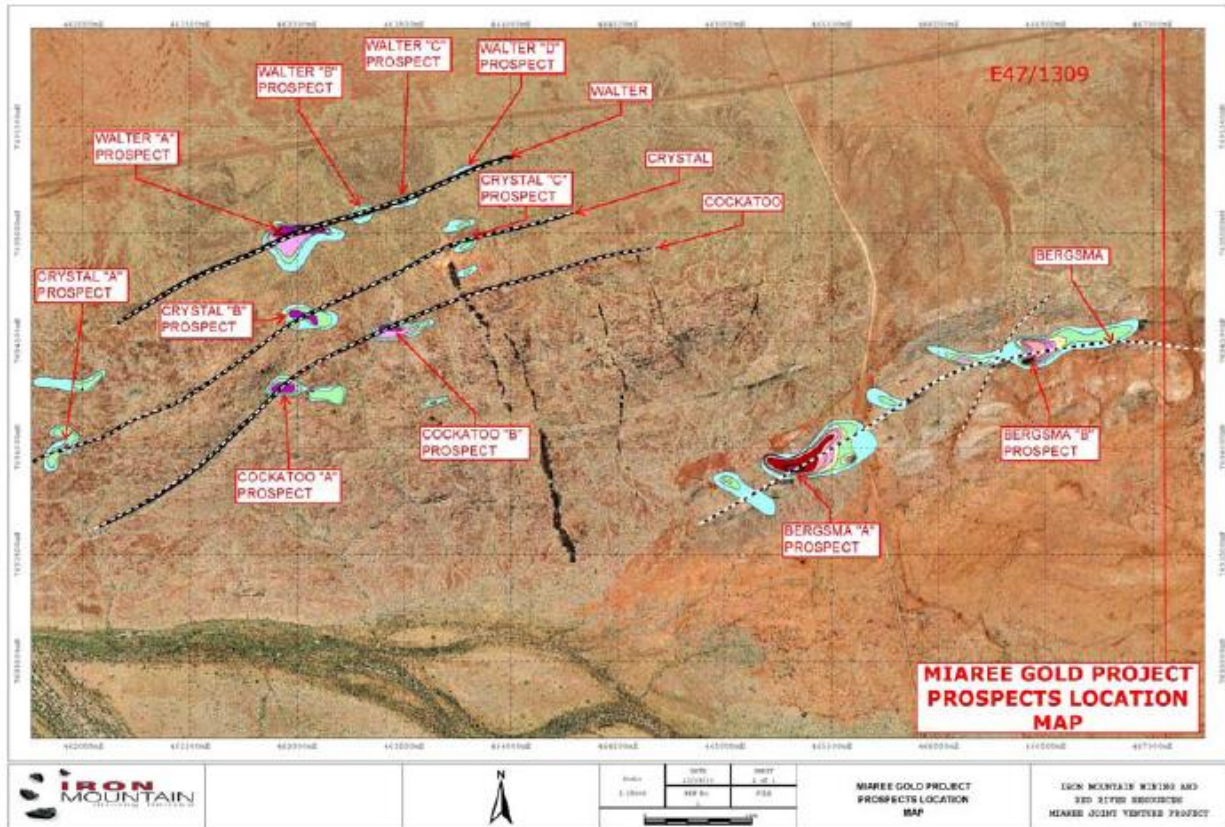


Figure 6 – Miaree Gold Project showing locations of fault related surface gold anomalism at the Bergsma, Cockatoo, Crystal and Walter Prospects

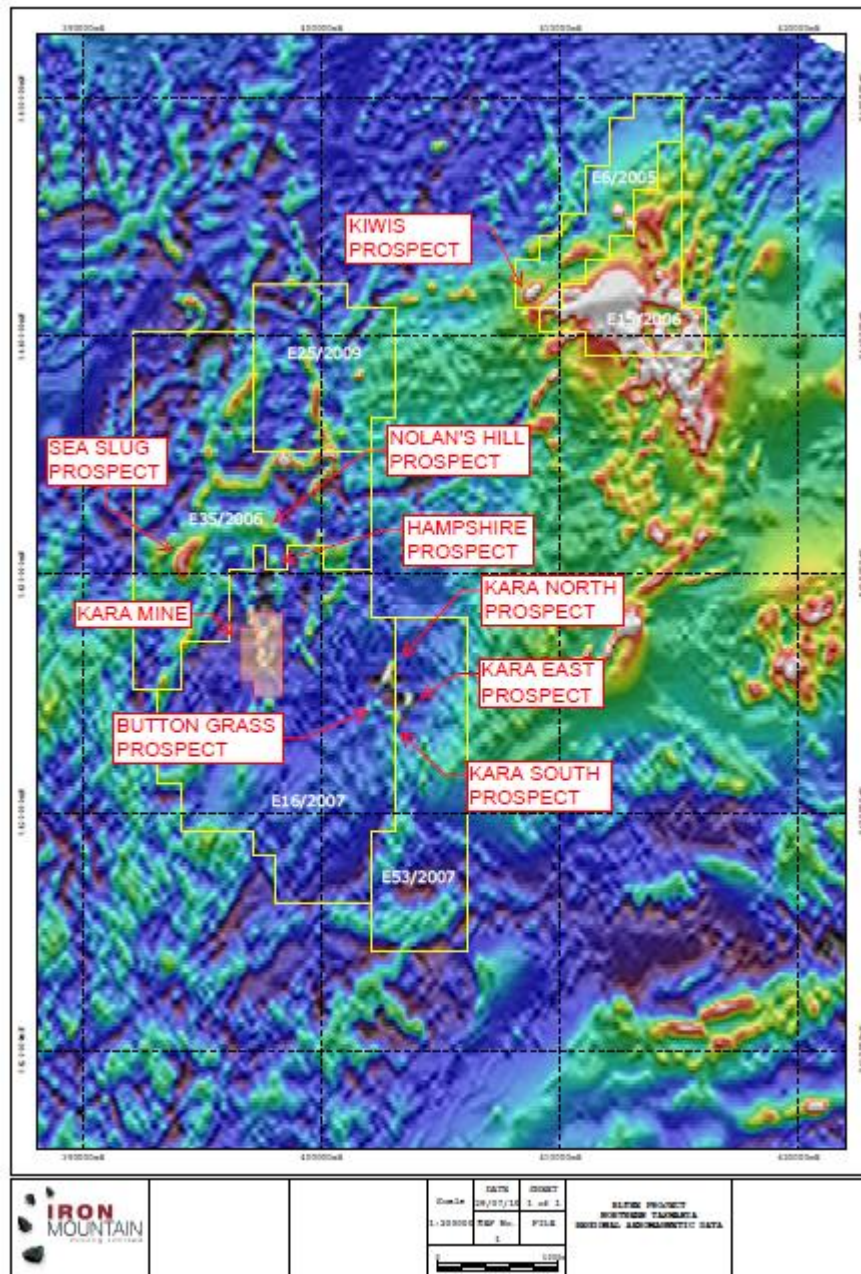


Figure 7 – Location of Blythe Project tenements.

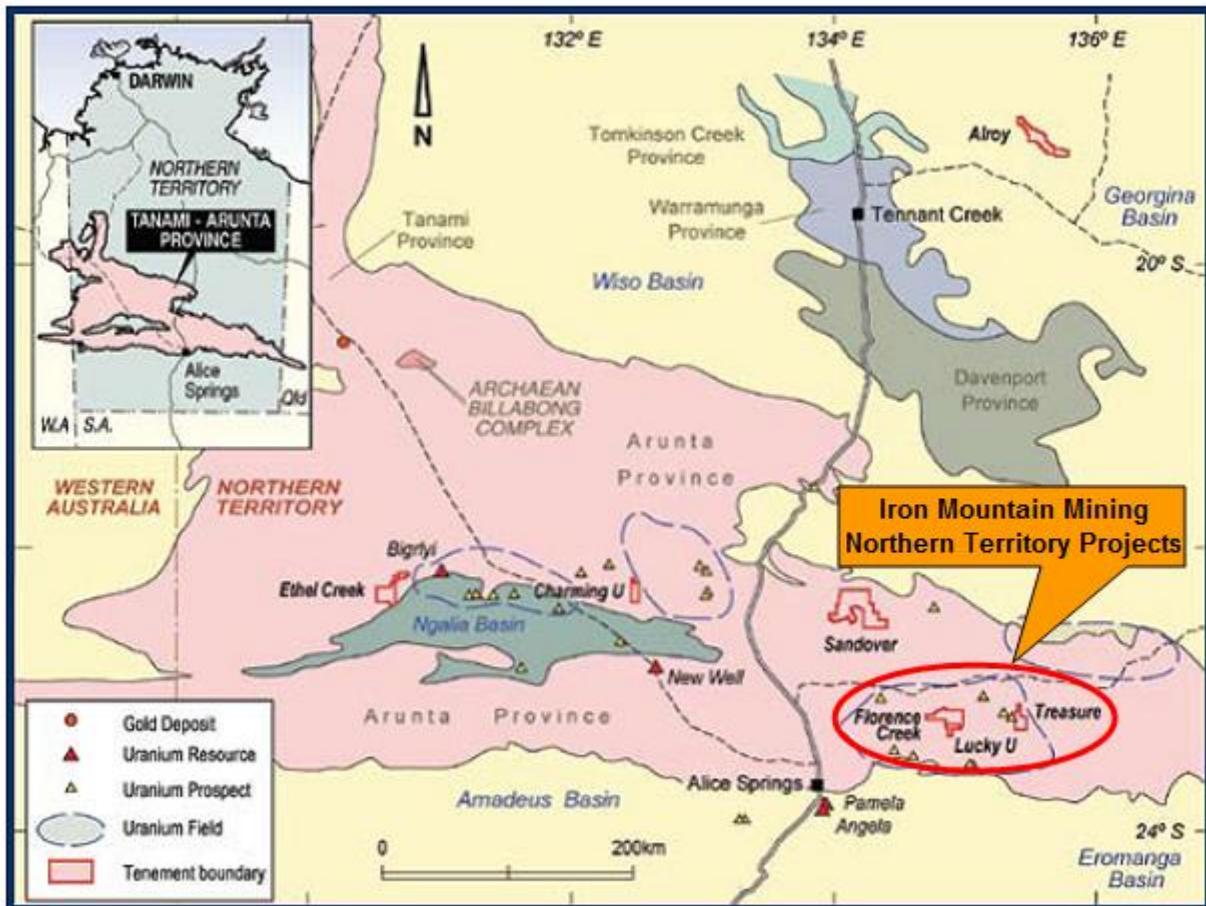


Figure 8 –Northern Territory Project locations (from Aluminex Resources Ltd)

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/10.

Name of entity

IRON MOUNTAIN MINING LIMITED

ABN

62 112 914 459

Quarter ended ("current quarter")

30 September 2010

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (3 months) \$A'000
1.1 Receipts from product sales and related debtors	NIL	NIL
1.2 Payments for: (a) exploration & evaluation	(276)	(276)
(b) development	NIL	NIL
(c) production	NIL	NIL
(d) administration	(469)	(469)
1.3 Dividends received	NIL	NIL
1.4 Interest and other items of a similar nature received	47	47
1.5 Interest and other costs of finance paid	NIL	NIL
1.6 Income taxes & GST	NIL	NIL
1.7 Other (provide details if material) –		
Rental Income	5	5
Net GST Collected/Paid	604	604
Option Fee Income	6,000	6,000
Net Operating Cash Flows	5,911	5,911
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) prospects	NIL	NIL
(b) equity investments	(109)	(109)
(c) other fixed assets	(5)	(5)
(d) security deposits	(3)	(3)
1.9 Proceeds from sale of: (a) prospects	NIL	NIL
(b) equity investments	NIL	NIL
(c) other fixed assets	2	2
(d) security deposits	NIL	NIL
1.10 Loans to other entities (Subsidiary: Aluminex – Wandoo Bauxite Project)	5	5
1.11 Loans repaid by other entities	NIL	NIL
1.12 Other (provide details if material)	NIL	NIL
Net investing cash flows	(110)	(110)
1.13 Total operating and investing cash flows (carried forward)	5,801	5,801

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	5,801	5,801
Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, etc.	NIL	NIL
1.15	Proceeds from sale of forfeited shares	NIL	NIL
1.16	Proceeds from borrowings	NIL	NIL
1.17	Repayment of borrowings	NIL	NIL
1.18	Dividends paid	NIL	NIL
1.19	Other (provide details if material)	NIL	NIL
Net financing cash flows		NIL	NIL
Net increase (decrease) in cash held		5,801	5,801
1.20	Cash at beginning of quarter/year to date	1,414	1,414
1.21	Exchange rate adjustments to item 1.20		
1.22	Cash at end of quarter	7,215	7,215

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	86
1.24	Aggregate amount of loans to the parties included in item 1.10	NIL

1.25 Explanation necessary for an understanding of the transactions

1.23 Directors Fees paid to Directors

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

N/A

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

N/A

Financing facilities available

Add notes as necessary for an understanding of the position.

		Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities	NIL	NIL
3.2	Credit standby arrangements	NIL	NIL

+ See chapter 19 for defined terms.

Estimated cash outflows for next quarter

		\$A'000
4.1	Exploration and evaluation	250
4.2	Development	NIL
4.3	Production	NIL
4.4	Administration	160
Total		410

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	174	70
5.2 Deposits at call	7,041	1,344
5.3 Bank overdraft		
5.4 Other (provide details)		
Total: cash at end of quarter (item 1.22)	7,215	1,414

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed	E29/571	Transferred to Cliffs Asia Pacific Iron Ore Pty Ltd 19/07/2010	100%	0% (other than royalties if applicable)
	E77/1267	Withdrawn 10/09/2010	100%	0%
	P08/560	Surrendered 12/08/2010	100%	0%
	P08/561	Surrendered 12/08/2010	100%	0%
	P08/562	Surrendered 12/08/2010	100%	0%
6.2 Interests in mining tenements acquired or increased	N/A	N/A	N/A	N/A

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference securities <i>(description)</i>	NIL			
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions	NIL			
7.3 +Ordinary securities	122,086,881	122,086,881		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	NIL NIL	NIL NIL		
7.5 +Convertible debt securities <i>(description)</i>	NIL			
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	NIL			
7.7 Options <i>(description and conversion factor)</i>	40,186,250	40,186,250	<i>Exercise price</i> 20 cents each	<i>Expiry date</i> 01/02/2012
7.8 Issued during quarter	NIL			
7.9 Exercised during quarter	NIL			
7.10 Expired during quarter	NIL			
7.11 Debentures <i>(totals only)</i>	NIL			
7.12 Unsecured notes <i>(totals only)</i>	NIL			

+ See chapter 19 for defined terms.

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here:

(Company secretary)

Date: 29 October 2010

Print name: MARK KILLMIER

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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