

Quarterly Activities Report

For the period ending 31 March 2011

ASX : IOH



HIGHLIGHTS

Overview

- Continued exploration success has resulted in the Company's total JORC Mineral Resource reaching **689.7M Tonnes**.

Central Pilbara Hub

- A JORC Mineral Resource upgrade was achieved on three projects within the Central Pilbara Hub during the Quarter with the addition of **42.7M Tonnes**. This comprises a maiden JORC Resource at the Bight project and additional JORC Resources at the Fingers and Boundary projects.
- RC drilling commenced at the Iron Valley Project with **18** holes drilled for a total of **1,253m**.
- SRK was appointed to lead the Mining Study and URS Corporation was appointed to undertake an Environmental and Hydrology Study as part of the Company's broad Pre-Feasibility Stage (PFS) work for the Iron Valley Project. The project currently contains a **240M Tonnes** JORC Mineral Resource of bedded mineralisation @ **58.8% Fe**.

Western Pilbara Hub

- SRK was appointed to lead a Concept Study on the Bungaroo South Project. The project currently contains a **241M Tonnes** JORC Mineral Resource of channel iron deposits @ **57.2% Fe**.

Corporate

- On 4th April, the Company lodged a Prospectus for an Entitlement Offer to raise approximately \$40M fully underwritten.

Issued Shares: 139,691,811

Listed Options: 616,440

ASX Code: IOH

Cash position: \$5.7million
at 31 March 2011

For further information regarding
Iron Ore Holdings Ltd contact:

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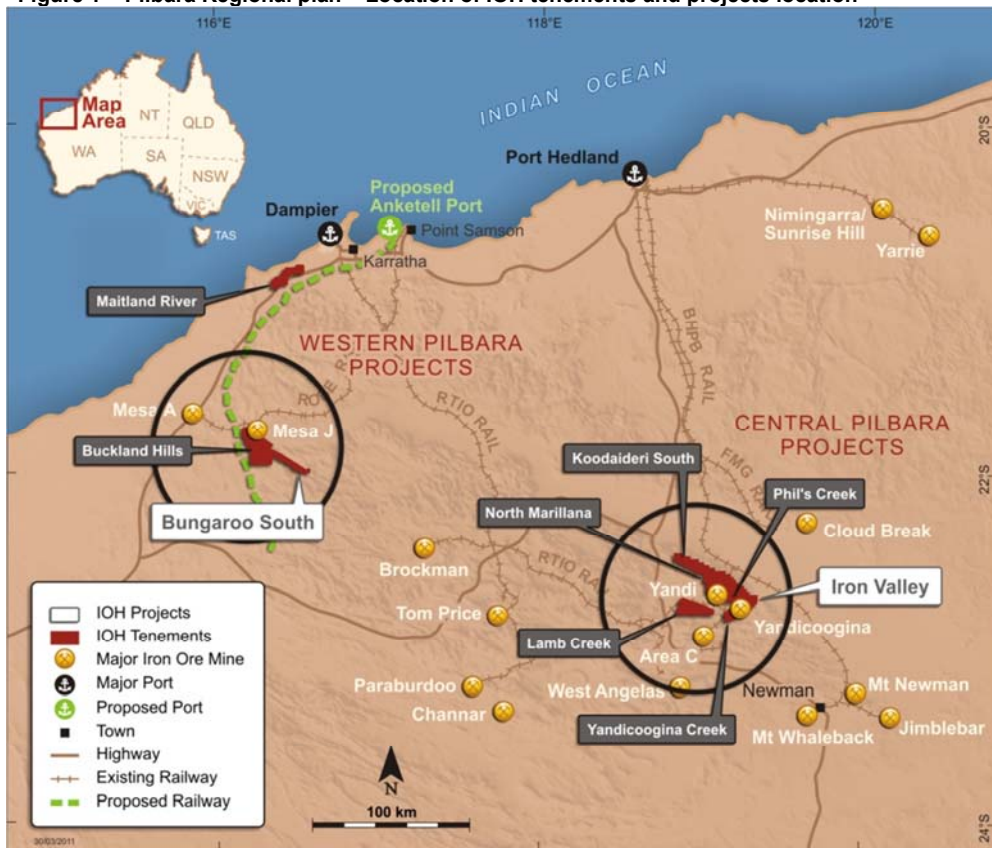
1 Activities Review

With the announcement of the Maiden Resource at Bight and Resource Upgrades at the Fingers and Boundary projects in March 2011, Iron Ore Holdings Limited (“IOH” or “The Company”) has increased its total JORC Mineral Resource to **689.7Mt** as illustrated in Table 1 and Figure 1.

Table 1- IOH Total JORC Mineral Resource

Project/Tenement	JORC Indicated	JORC Inferred	Fe (%)	CaFe* (%)	SiO ₂ (%)	Al ₂ O ₃ (%)	P (%)	LOI (%)	Cut-off Fe
Iron Valley	183.0Mt		58.9	63.5	4.6	3.0	0.18	7.2	50%
		56.7Mt	58.3	62.4	5.4	3.6	0.16	6.5	50%
Phil's Creek	15.1Mt		55.6	60.5	7.2	4.2	0.10	8.1	50%
North Marillana	46.8Mt		50.0	55.8	9.5	7.7	0.05	10.4	45%
Lamb Creek	15.2Mt		60.6	64.5	4.4	2.2	0.13	6.0	50%
		24.5Mt	54.9	58.6	10.3	4.0	0.09	6.3	50%
Koodaideri South		106.8Mt	58.6	63.7	5.1	2.5	0.14	7.9	50%
Bungaroo South		241.6Mt	57.2	62.2	7.0	2.4	0.15	8.1	50%
Total Resource (Indicated and Inferred)			=						689.7Mt
	260.1Mt	429.6Mt							

Figure 1 – Pilbara Regional plan – Location of IOH tenements and projects location



The Company now has a Central Pilbara Hub Resource of more than **448Mt** within a 50km radius of existing rail infrastructure (refer Figure 1) and a Western Pilbara Hub Resource in excess of **240Mt** close to existing and planned infrastructure.

2 Exploration Overview

During the quarter IOH conducted Reverse Circulation (RC) drilling activities within the Central Pilbara Hub at the Iron Valley Project (refer Table 2).

Table 2- IOH Drilling for Quarter

Area	Project	Type	Holes	Metres
Central Pilbara Hub	Iron Valley	RC	18	1,253
Total			117	1,253

2.1 Central Pilbara Hub

2.1.1 ML47/1439 - Iron Valley Project

IOH announced in March 2011 the appointment of Steffen Robertson Kirsten (SRK) to undertake a Mining Study and URS Corporation (URS) to undertake an Environmental and Hydrological Study as part of the company's broader Pre-Feasibility Stage(PFS) work for the Iron Valley Project (refer Figure 2). Both studies are targeted for completion by mid-2011.

The objectives of this part of the PFS are firstly to update the Scoping Study finalised in 2010 with regard to the latest infrastructure options, mineral resources, mine planning and financial information, and secondly to identify and investigate any potential technical and environmental matters which may require further definition during a definitive feasibility phase which is to follow.

The RC drilling program has recommenced at the Iron Valley project. A total of 1,253m of drilling was completed at 18 drill holes. The drilling is continuing and is expected to be completed by mid-2011. This proposed drilling is targeted to determine the extent of the mineralisation along the northern boundary of the tenement and adjacent to FMG's Nyidinghu project (refer Figure 3).

Figure 2 – Central Pilbara regional project location map.

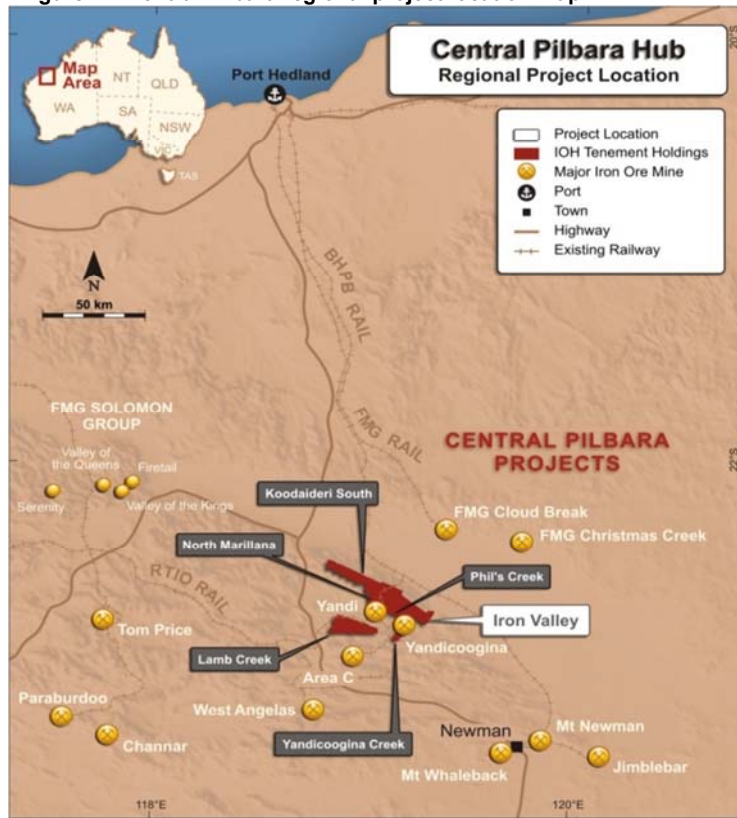
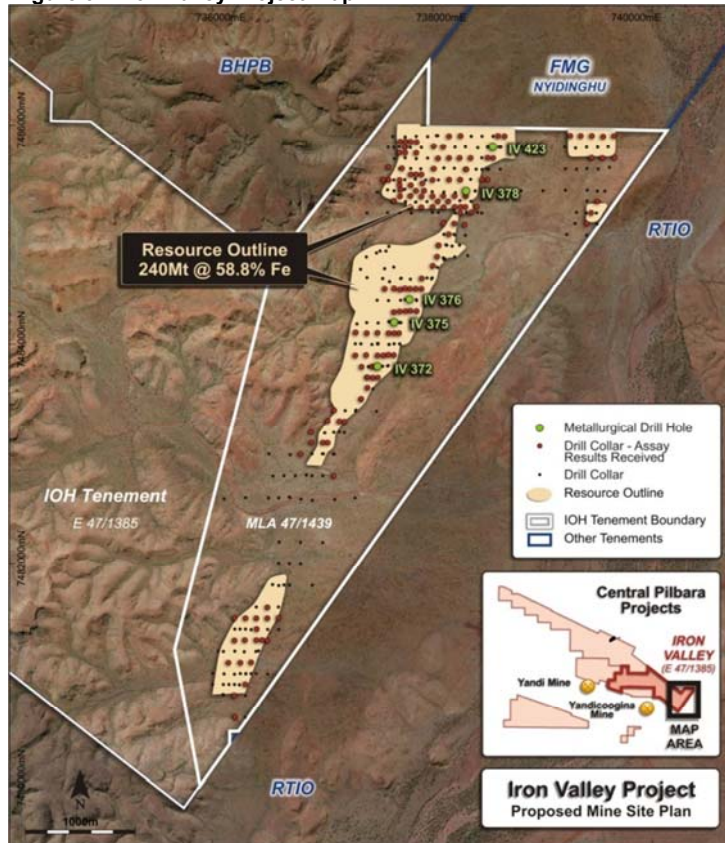


Figure 3 – Iron Valley Project map



2.1.2 E47/1539 – Koodaideri South Tenement

IOH announced a Resource Upgrade in March 2011 within the E47/1539 Koodaideri South tenement (Refer Figure 1 for project location).

The total JORC Mineral Resource within tenement E47/1539 has increased from **77.1Mt @ 58.5% Fe** to **106.8Mt @ 58.6% Fe**. This represents an **increase of 38%** from the previous calculation (ASX release in November 2010). The additional Resource is located at the Bight and Fingers Projects. A maiden resource was announced at the Bight project, and resource upgrade to the Finger project. The updated JORC Mineral Resource at E47/1539 is summarised in Table 3.

Table 3: E47/1539 Koodaideri South Tenement JORC Mineral Resource

Project	Resource Classification	Tonnes	Fe	CaFe*	SiO ₂	Al ₂ O ₃	P	LOI	Cut-off
		Mt	(%)	(%)	(%)	(%)	(%)	(%)	Fe
Kurrajura	Inferred	53.7	58.2	63.0	5.9	2.5	0.14	7.7	50%
Fingers	Inferred	29.5	58.5	63.8	4.6	2.7	0.15	8.3	50%
Bight	Inferred	23.6	59.7	64.9	3.9	2.1	0.12	8.0	50%
Total		106.8	58.6	63.7	5.1	2.5	0.14	7.9	50%

Koodaideri South Tenement has the potential to be a significant value driver in IOH's Central Pilbara Hub, given the quality of iron mineralisation, the proximity to IOH's Iron Valley project (25km) and the expected low waste to ore stripping ratios.

2.1.3 E47/1238 - Lamb Creek Tenement

IOH announced a Resource Upgrade in March 2011 at the Boundary Project located within the Lamb Creek Tenement. The discovery of high grade bedded mineralisation hosted within the Brockman Iron Formation at the Boundary Project was first announced on 10 June 2009 and was followed by the announcement of a Maiden Inferred JORC Resource of **26.7Mt @ 58.4% Fe** on 8 February 2010.

An RC drilling program of 68 holes was completed for a total of 3,684m during 2010 at the Boundary Project. The drilling was designed to test for extensions to the previously announced high-grade zone of iron mineralisation and consisted of infill drilling on 100m x 100m gridlines.

The updated Resource is based on the results of 110 RC holes drilled on 100m gridlines with 100m hole spacing. The total Indicated and Inferred JORC Mineral Resource for Boundary is currently **39.7Mt @ 57.1% Fe**, which represents an **increase of 49%** from the previous calculation announced in March 2010. The updated JORC Mineral Resource at the Boundary Project is summarised in Table 4.

Table 4: Boundary Project - JORC Mineral Resource

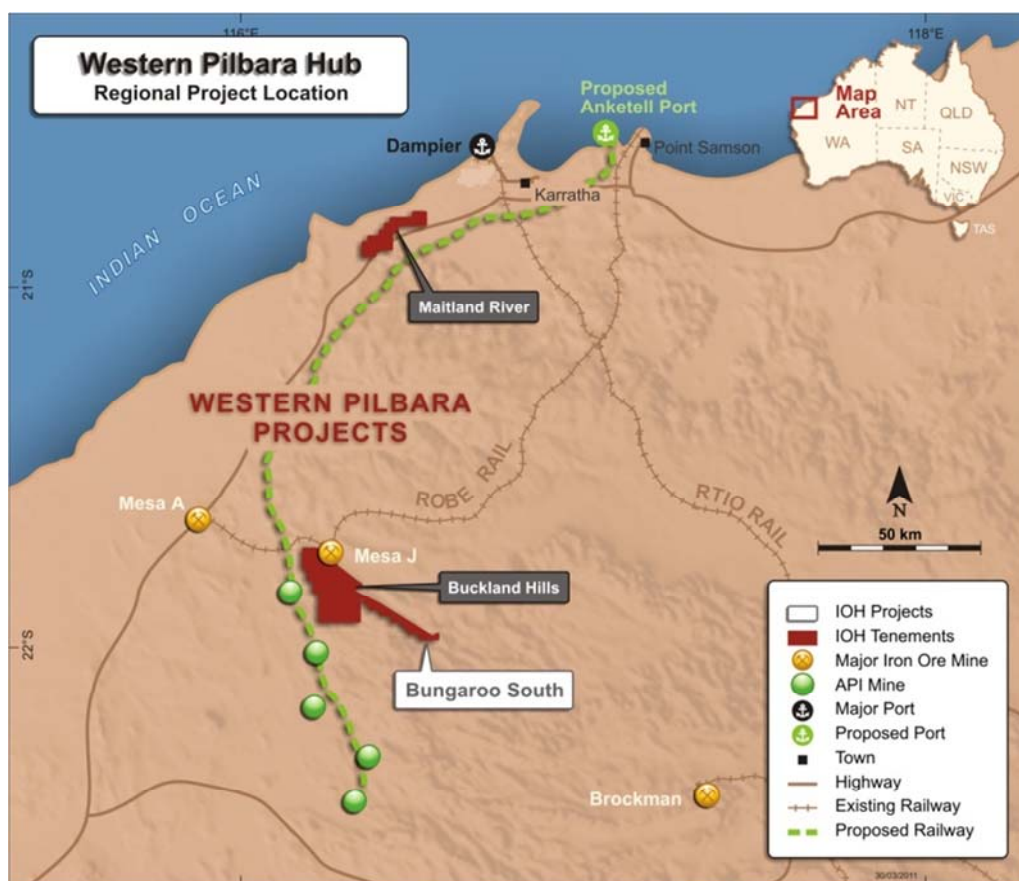
Resource Classification	Tonnes Mt	Fe (%)	CaFe* (%)	SiO ₂ (%)	Al ₂ O ₃ (%)	P (%)	LOI (%)	Cut-off Fe
Indicated	15.2	60.6	64.5	4.4	2.2	0.13	6.0	50%
Inferred	24.5	54.9	58.6	10.3	4.0	0.09	6.3	50%
Total	39.7	57.1	60.9	8.0	3.3	0.11	6.2	50%

2.2 Western Pilbara Hub

2.2.1 Bungaroo South Project

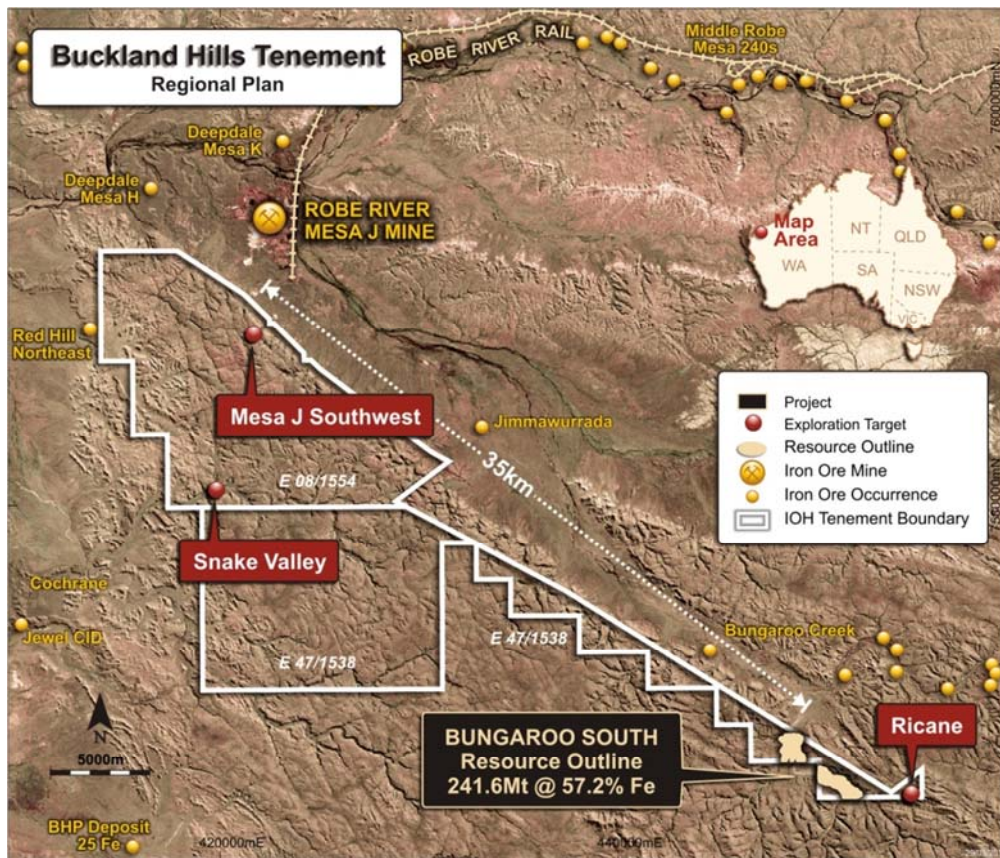
IOH announced in February 2011 that SRK has been awarded the Concept Study contract for the Bungaroo South Project. The Project is located approximately 45 km south east of Pannawonica, 35 km from existing Robe rail infrastructure and 50 km from the proposed Australian Premium Iron (API) JV's planned rail infrastructure to Anketell port (see Figures 4 and 5).

Figure 4: Western Pilbara regional map



The Bungaroo South Project consists of a Channel Iron Deposit (CID) and currently contains **241Mt** of JORC Mineral Resource at average **57.2% Fe** grade (see Figure 5). Further drilling in close proximity to the project will be undertaken in the next few months. The Resource is expected to support the production of a high quality direct shipping fines product.

Figure 5: Bungaroo South Project Location Map

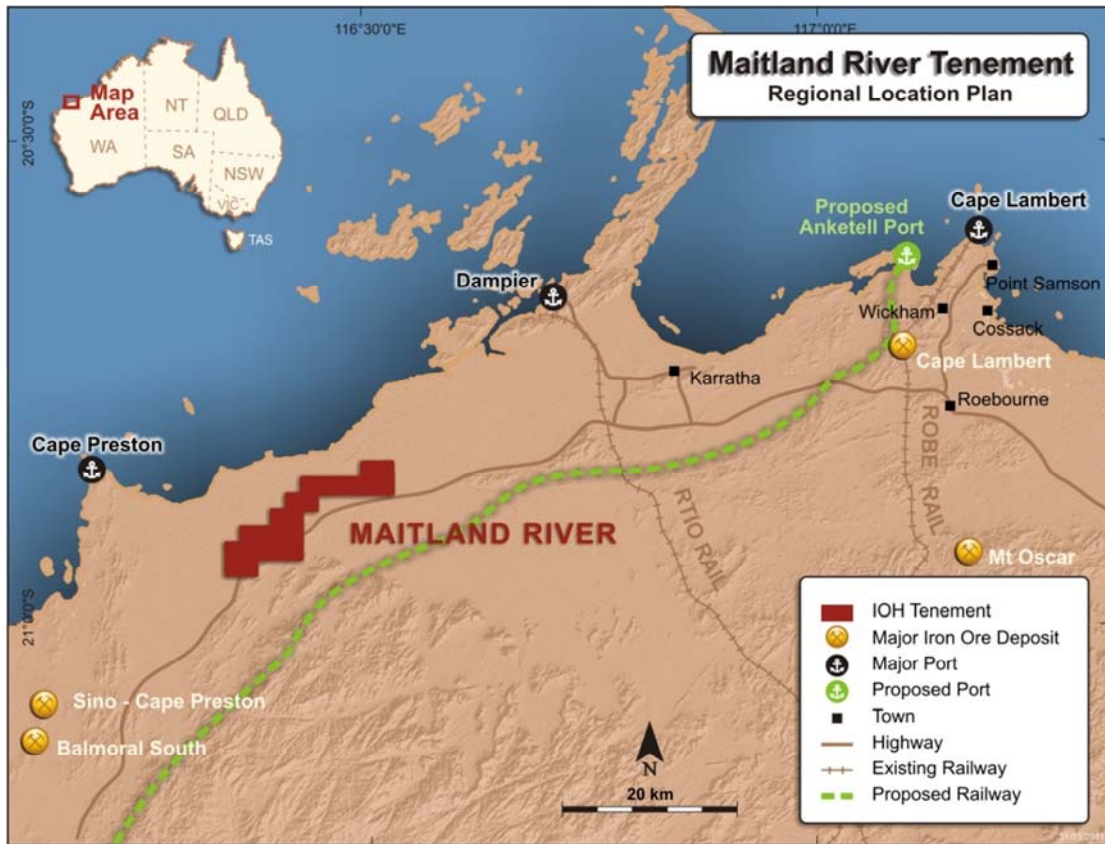


The Concept Study is targeted for completion in Q2 of CY2011, and will consider all key mine design concepts, identify risk factors and long lead activities required for the development of a mine, and develop preliminary financial parameters for the project. Subject to results of the Concept Study, IOH will consider taking the Project to an advanced study phase.

2.2.2 Maitland River

IOH is planning a major drilling program to follow up on previous encouraging drilling results and work is advanced on obtaining the necessary approvals to commence drilling in the first half of this year (H1 2011).

Figure 6: Maitland River Regional Location Plan



3 Other Exploration Activity

IOH worked diligently in the last quarter to secure land access and prepare ground for drilling. Drilling has commenced at Iron Valley in the Central Pilbara Hub and will continue during the next quarter on the following projects and other exploration targets.

Central Pilbara Hub

RC drilling will continue in the Central Pilbara Hub with drilling at Iron Valley, Kurrajura and Fingers Projects and within the exploration target areas Wedge, Breakaway, Hidden Valley and Yandicoogina Creek. The drilling programs at Wedge, Breakaway, Hidden Valley and Yandicoogina Creek are first stage for these new targets identified by IOH geologists.

Western Pilbara Hub

Once drilling is completed in the Central Pilbara Hub the rig will mobilise to the Western Pilbara Hub to drill targets at Detritals and Ricane.

Maitland River

A second RC rig will mobilise to the Maitland River prospect in early April. This rig is targeting magnetic mineralisation which has been identified from geophysical surveys, field mapping and initial drilling conducted in the last quarter 2010.



4 Corporate Activity

On 4th April 2011, the Company lodged a Prospectus for a fully underwritten renounceable pro rata offer of two (2) new Shares for every eleven (11) Shares held, each at an issue price of \$1.60, to raise approximately \$40 million before costs (Offer). The Offer has been underwritten by Foster Stockbroking Pty Ltd.

For more information regarding Iron Ore Holdings Ltd please contact:

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Ordinary Shares on Issue:

139,691,811

Listed Options:

616,440

About Iron Ore Holdings

Iron Ore Holdings Ltd ("IOH") is an ASX listed company which owns and manages a portfolio of high-quality iron ore tenements and projects within its Central and Western hubs in the Pilbara region of Western Australia. The company's projects are all strategically located within close proximity to existing and planned infrastructure. IOH has a stable share register and highly experienced Board and senior management team.

Visit: www.ironoreholdings.com

Competent Persons Statement:

The information in this report that relates to exploration and drilling results is based on information compiled by Mr Mark Strizek, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Strizek 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 Strizek consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to Mineral Resources has been compiled by Mr Lynn Widenbar, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Widenbar 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.