

22 June 2011

ACQUISITION OF LAND FOR BUENA VISTA PLANT SITE COMPLETED

Richmond Mining Limited (Richmond) announces that its wholly owned subsidiary, Nevada Iron LLC (Nevada Iron), has acquired the surface rights to the Section 5 patented land claim that comprises some 525.75 acres.

The acquisition of the Section 5 surface rights is very significant in that it provides Nevada Iron with full surface rights to the land that will house all of Buena Vista's proposed production facilities, plant, workshops, stockpiles and the tailings dam.

The total consideration paid for the Section 5 surface rights was US\$130,813.

Following settlement of the acquisition of the Buena Vista iron Project and having secured the essential water rights permit, the Churchill County Special Use Permit and the Section 5 surface rights, Nevada Iron continues to be confident that all other permits, licences and approvals necessary for the development of Buena Vista will be secured in a timely manner.

Buena Vista - Background

The Buena Vista Feasibility Study, which is based solely on accessing ore from the West deposit, investigated producing 1.75 Mtpa (million wet tonnes per annum) of concentrate for an initial 10 years of operation.

Importantly the mine will be the producer of a high grade iron ore concentrate with very low impurities, assaying 66-69% Fe; 1.5-4.5% SiO₂; <1% Al₂O₃; 0.003% P; and 0.003% S.

The concentrate will be sent via a 40 km slurry pipeline to a rail siding located at Colado Junction, 10 km northeast of Lovelock, and then transported by rail to a Port in the San Francisco Bay/Delta Region of California.

The existing resources and known exploration targets have the potential to significantly expand the Project's life past the initial 10 years. This potential should underpin a long-life operation at Buena Vista.

The Buena Vista Feasibility Study yields the following results:

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| <i>Direct capital cost</i> | US\$161 million (including cost of slurry pipeline). |
| <i>Project NPV_{7.5%} after tax and capital</i> | US\$160 million |
| <i>Project IRR_{7.5%}</i> | 41% |
| <i>FOB concentrate price</i> | US\$110 average FOB price for initial 10 years production. |

Richmond is scheduling to have Buena Vista operational by the fourth quarter in 2012.

Michael Higginson
Company Secretary