

14 February 2012

## BOARD CHANGES, PROPOSED PLACEMENT AND NAME CHANGE

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### HIGHLIGHTS

- **Mick McMullen, Tom Duckworth and Andrew Brice to join the Board. Jim Malone, Greg Barns and Howard Dawson to retire.**
  - **Messrs McMullen, Duckworth and Brice have extensive large project experience and bring important finance and development skills to the Board as Buena Vista moves into the development stage.**
  - **Proposed \$3 million placement comprising 12 million shares at an issue price of \$0.25 to clients of MRI Advisory AG ("MRI").**
  - **Mr McMullen to subscribe for a minimum of \$1 million in the placement.**
  - **Placement to be completed at a 16% premium to 30 day VWAP.**
  - **12 million options each exercisable at \$0.30 and expiring 31 March 2015 to be issued to MRI or nominees for ongoing advisory services.**
  - **Proposed name change to Nevada Iron Limited to better reflect the focus of the Company's operations.**
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### Board Changes

After an extensive review, Richmond Mining Limited ("Richmond" or the "Company") is pleased to advise that Messrs McMullen, Duckworth and Brice have agreed to join the Board of Richmond to advance the Company through the next stage of its growth and development.

It is intended that Mr McMullen will be appointed Non-Executive Chairman and Messrs Duckworth and Brice will be appointed as Non-Executive Directors.

Mr McMullen, who is an advisor to MRI, has extensive experience in project development, debt and equity financing and a proven track record in managing producing companies. He is an advisory board member of Champion Minerals Inc, a TSX listed iron ore company developing three large (+3 billion tonnes combined) iron ore projects in Quebec. He is also chairman of Lachlan Star Limited, an ASX and TSX listed company that owns the CMD Gold Mine in Chile where production is being ramped up to 75,000 ozs per annum.

Mr McMullen also co-founded ASX listed Northern Iron Limited, which acquired the Sydvaranger magnetite project in Norway. He oversaw the financing and development of this project and subsequent growth in the company to a market capitalisation of around +\$500 million at the time of his departure.

Tom Duckworth is a consultant metallurgist with extensive knowledge of Buena Vista, having worked on the project during the past 18 months as an integral member of Richmond's technical consulting team.

Mr Duckworth has worked on test work, process design and production for a large range of mining projects over the last 50 years. These projects include the magnetite operations at Sydvaranger, gold operations at Boddington, Mt Keith nickel project and base metals projects at Cannington, Tritton and Hellyer.

Andrew Brice is a mechanical engineer and has worked on project development and operations for a significant range of projects for companies such as Alcoa, Iluka Resources, BHP Billiton and Rio Tinto. Mr Brice has substantial experience ranging from feasibility studies through to project commissioning with a detailed understanding of alumina and iron ore operations.

Mr Brice's most recent assignment was completing the bankable feasibility study over the Weld Range iron ore project for SinoSteel Midwest Corporation.

Messrs McMullen, Duckworth and Brice will be joining Messrs Nind and Jelenich on the Board and will form the team to take Buena Vista through the development stage.

Additional information on each of the Directors, including Messrs Nind and Jelenich is attached.

It is proposed that the new Board members will be appointed within 7 to 10 days of the date of this announcement.

Following the appointment of the new Directors, Messrs Jim Malone, Greg Barns and Howard Dawson will retire as Directors of Richmond.

As retiring Chairman, I would like to acknowledge the contribution that both Jim Malone and Greg Barns have made to Richmond and I sincerely thank them for their efforts.

As testament to the belief of the retiring Directors in both the Buena Vista project and new Board, Messrs Malone, Barns and Dawson will voluntarily escrow their 6.3 million Richmond shares. This escrow period will be for an initial 6 months, with possible extensions based on mutual consent.

The existing Directors are very pleased with the calibre and already demonstrated commitment to both Richmond and Buena Vista of the new Directors. They further acknowledge the importance of these appointments in the evolution of the Company.

### **Proposed Capital Raising**

Subject to shareholder approval, it is proposed to place 12 million shares at an issue price of \$0.25 per share with clients of MRI Advisory AG (MRI). This includes a minimum of 4 million shares (\$1 million) to each of Messrs McMullen and Ashwath Mehra. The proposed placement represents a 16% premium to the 30 day VWAP and demonstrates the strong endorsement by MRI and its clients to both Richmond and the Buena Vista iron project.

Argonaut has been appointed as the Company's advisors for this proposed capital raising.

It is further proposed to issue 12 million options with clients of MRI for ongoing advisory services. These options will have an exercise price of \$0.30, an expiry date of 31 March 2015 and will be issued for no consideration.

The Directors of Richmond strongly support the proposed placement of shares and options and intend voting their shares in support of these resolutions at a General Meeting of shareholders that is expected to be held prior to the end of March 2012.

### **Advisory Services**

MRI will provide ongoing advisory services including strategic, planning and technical advice to the Company. The principal of MRI is Mr Ashwath Mehra.

Messrs McMullen and Mehra have extensive experience in the financing and development of mining assets globally, and have developed a broad range of contacts within the capital markets, banking and offtake spheres that will be of use to Richmond as the Company progresses the development of the Buena Vista iron project to production.

Mr Mehra is an economist who has worked in the minerals industry for over 25 years, starting his career with Philipp Brothers after which he spent 10 years with Glencore International AG, where he was a senior partner and ran the nickel and cobalt divisions. He is a co-founder and non-executive director of Northern Iron Limited and a non-executive director and shareholder of Champion Minerals Inc, a TSX listed iron ore development company with assets in Quebec. He is also a non-executive director of EMED Mining Public Limited, a TSX and AIM listed company with a development copper asset in Spain.

### **Proposed Name Change**

At the General Meeting, aside from seeking shareholder approval for the proposed issue of shares and options, shareholders will also be asked to approve a change of Company name to Nevada Iron Limited.

This proposed name change will more directly align the Company with its operations in North America and is a more relevant, marketable and appropriate name for the Company.

The Directors of Richmond similarly support this proposal and intend voting their shares in support of the resolution.

### **Proposed Issue of Options to Board Members**

In recognition of the commitment and effort that will be required as Richmond enters the development and production phase at Buena Vista, it is proposed that the following Directors options be issued. The granting of these options will be subject to the receipt of shareholder approval at the planned General Meeting.

The options will each have an exercise price of \$0.50 and expire on 30 March 2015.

Mick McMullen (Non-Executive Chairman) – 1.25 million options  
Max Nind (Managing Director) – 1.25 million options  
Lou Jelenich (Non-Executive Director) – 0.75 million options  
Tom Duckworth (Non-Executive Director) – 0.75 million options  
Andrew Brice (Non-Executive Director) – 0.75 million options

Howard Dawson  
**Non-Executive Chairman**

## **INFORMATION ON DIRECTORS**

### ***Mick McMullen***

Mr McMullen is a geologist with a BSc (Geology) from the University of Newcastle, Australia and has in excess of 19 years' experience in exploration, financing, development and operation of mining projects. He was the Managing Director and a co-founder of Northern Iron (ASX: NFE), an ASX listed iron ore mining company with assets in Norway.

He is on the advisory board and shareholder of Champion Minerals Inc, a TSX listed iron ore development company with assets in Quebec. He is also the Executive Chairman of Lachlan Star Limited, an ASX and TSX listed company with an operating gold mine in Chile.

### ***Max Nind***

Mr Nind joined Richmond in June 2008 and has over 20 years' experience in the resource sector, ranging from exploration and mining geology, mine production, corporate research, project development and capital markets.

He holds a Bachelor of Science degree and Master of Science degree, both majoring in geology, as well as a Graduate Diploma in Applied Finance and Investment (Securities Institute).

Prior to joining Richmond, Mr Nind was the Business Development and Exploration Manager for Sinosteel Australia, a subsidiary of the largest integrated raw material supplier and service provider to the Chinese steel industry. The role focused on identifying resource sector investments, particularly in the iron ore industry.

The experience and contacts he developed from this role, in tandem with the 10 years he spent with Western Mining Corporation, has given Mr Nind a very sound base from which to advance the Buena Vista iron project.

### ***Lou Jelenich***

Mr Jelenich is a qualified Chemical Engineer and Chemist with over 35 years of experience in iron making operations and technologies at BHP Steel and iron ore marketing with BHP Billiton Iron Ore.

In July 2009, Mr Jelenich established his own consulting practice which delivers specialist technical and strategic services to the mining and resources sectors. In this role, Mr Jelenich implements strategies and systems to identify growth opportunities and productivity improvements across the sales, marketing, operations, distribution and service level disciplines within a corporation.

Prior to July 2009, Mr Jelenich held the position of Manager Technical Services BHP Iron Ore, Perth wherein he was responsible for promoting iron ore sales into Asia and Europe, product quality, market analysis, customer processes and quality performance requirements.

Through his roles as Technical Superintendent Ironmaking and Operations Superintendent Sinter Plant with BHP Steel in Newcastle he gained considerable hands on expertise in the safe and efficient operation of the sinter plant and in the implementation of technical developments to improve the operational performance of the blast furnace, sinter plant and coke ovens.

Over Mr Jelenich's career he has developed extensive operational leadership, technical, and marketing experience, an excellent domestic and international network of contacts within mining and associated end user industries and a deep understanding of research and development providers.

He has a unique blend of experience, enhanced by quality professional associates and strong global customer relationships that will provide additional strength to the Richmond Board as it advances the Buena Vista project to production status.

His extensive experience, knowledge and contact base will assist Richmond in determining additional strategies for the optimisation of Buena Vista and the identification of growth opportunities across the operational, sales and marketing activities of the Company.

### ***Tom Duckworth***

Mr Duckworth is a consulting metallurgist who holds a BSc, ARSM (Mineral Processing) from the Royal School of Mines, Imperial College, London and is a Chartered Engineer.

He has over 50 years' experience in resource development and engineering. Recent roles have been as a metallurgical consultant for iron, gold and base metal projects in Australia and Europe with previous major roles in the metallurgical development of a number of base metal projects including Hellyer, Cannington, Rapu Rapu and Tritton.

Mr Duckworth has been an independent consultant for 18 years, prior to which he was a founding director of Signet Engineering, and previous to that he held positions as Chief Metallurgist for BP/Seltrust in Australia and Group Metallurgist for Selection Trust in London.

His experience covers the plant design and processing of most minerals including iron ore, diamonds and coal in all five continents.

### ***Andrew Brice***

Mr Brice holds a Bachelor of Engineering (Mechanical) degree from the University of Western Australia and a Graduate Diploma in Applied Finance and Investment from the Financial Services Institute of Australasia.

He has in excess of 20 years working experience in the resource industry, predominantly in the development and delivery of major projects. His understanding of the development processes for multi-billion dollar resources and infrastructure projects ranges from the initial conceptualisation through to project completion.

Mr Brice has accumulated considerable project development and operational experience for a range of projects for companies such as Alcoa, Iluka Resources, BHP Billiton and Rio Tinto and has a detailed understanding of alumina and iron ore operations.

His most recent assignment was completing the bankable feasibility study over the Weld Range iron ore project for SinoSteel Midwest Corporation.