

## Positive Iron Valley Progress

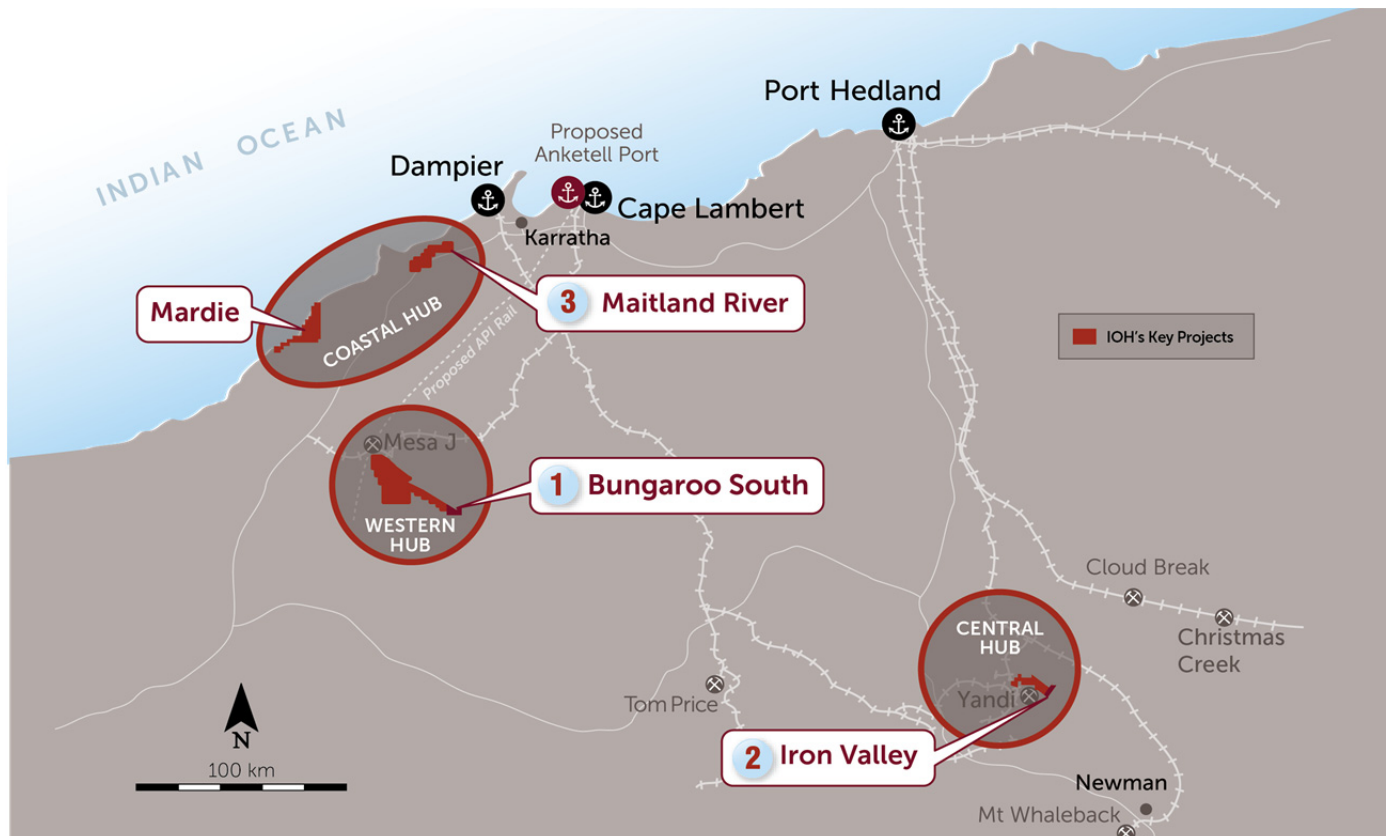
### Highlights

- Initial Iron Valley JORC Probable Ore Reserve estimate of 134 Mt at 58.5% Fe.
- Western Australian environmental approval of 5 Mtpa above water table mining at Iron Valley.
- Conclusion of secondary approvals expected mid-year which should make Iron Valley development ready.

### 1. Maiden Iron Valley Ore Reserves

Iron Ore Holdings Ltd (IOH) is pleased to announce that following a further mining study of its Iron Valley Project, a maiden JORC (2004) Probable Ore Reserve of 134.7 million tonnes (Mt) at an average 58.5% Fe (based on a cut-off grade of 53% Fe) has been estimated for the initial mining development located in the Central Pilbara Region of Western Australia (see Figure 1).

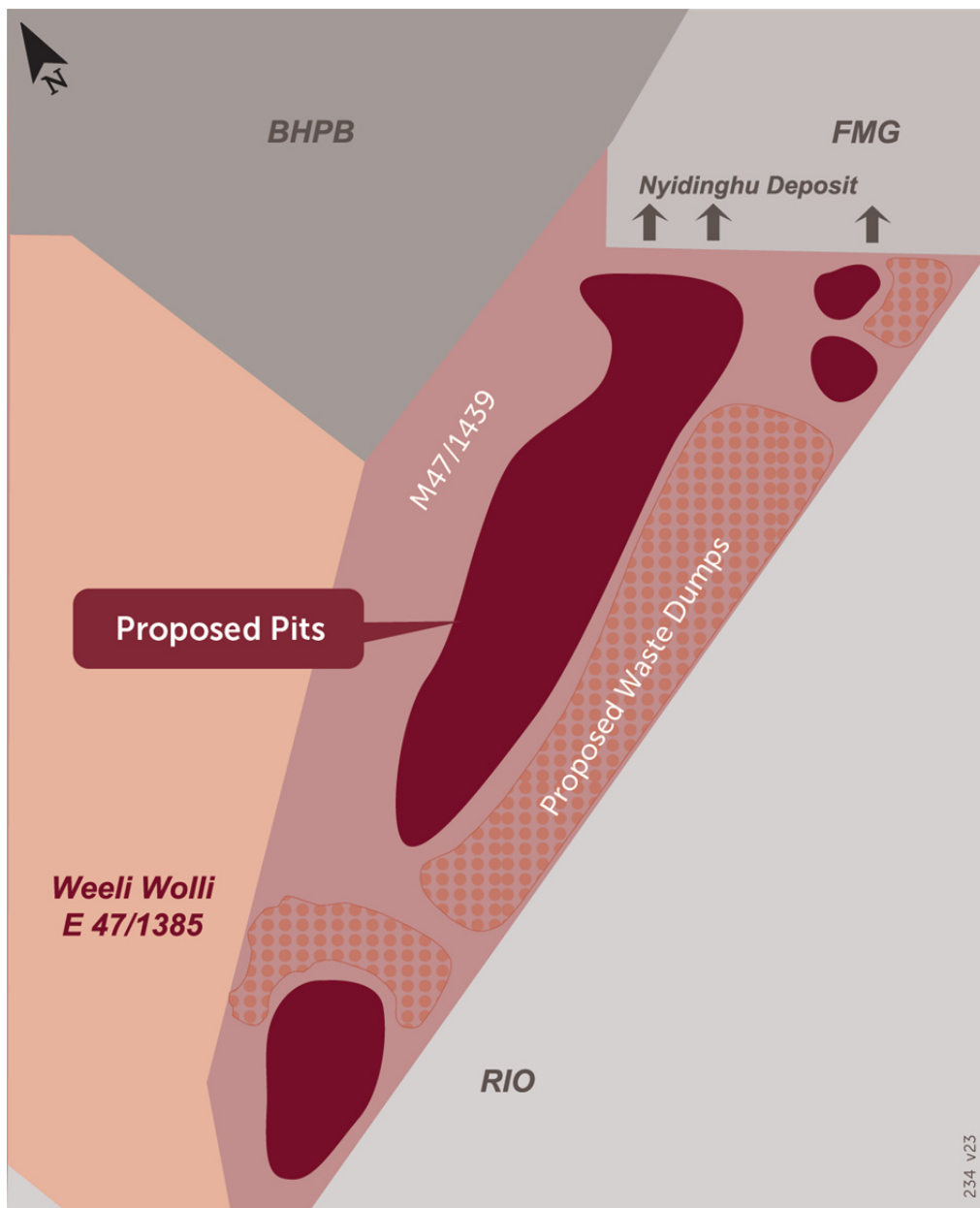
Figure 1: IOH Project Location



Snowden Mining Industry Consultants Pty Ltd (Snowden), an independent mine planning consultancy, has completed the mining study which defined this initial Probable Ore Reserve estimate. This additional Ore Reserve increases IOH's total Ore Reserves by 145%.

The Ore Reserve estimate is based on the Iron Valley JORC (2004) Mineral Resource of 259 Mt and the economic case assumed a mine gate sale concept to an existing infrastructure provider. The proposed mine plan will lead to development of three pit areas and a mining stripping ratio of 1.9 tonnes of waste to 1 tonne of ore (see Figure 2). Importantly the mining study indicated that within the Probable Ore Reserve category approximately 90 Mt tonnes have an average grade above 60% Fe, which will allow a high grade mining approach if required.

**Figure 2: Iron Valley Mining Lease Area**



Highlights of the mining study are presented in Table 1 below.

**Table 1: Summary of Mining Study Findings**

Item	Mining Study Findings
<b>JORC (2004) Mineral Resources<sup>1</sup></b>	<b>259.1 Mt @ 58.3% Fe</b> (includes 216.3 Mt @ 58.4 Indicated Resource)
<b>JORC (2004) Probable Ore Reserve<sup>2</sup></b>	<b>134.7 Mt @ 58.5% Fe</b> (includes >89 Mt @ >60% Fe)
<b>Life of Mine (LoM)</b>	<b>&gt; 25 years</b> (based on initial 5 Mtpa and approvals to expand)
<b>Production Case</b>	<b>Initial 5 Mtpa</b>
<b>Strip Ratio - LoM</b>	<b>1.9 tonne waste : 1 tonne ore</b>
<b>Tenure</b>	Mining Lease secured Native Title Agreement secured State EPA Part 4 Above Water Table approval secured Federal EPBC Act approval secured

<sup>1</sup> See Appendix A Table 1

<sup>2</sup> See Appendix A Table 2

The updated IOH JORC (2004) Resource and Reserves are presented in Appendix A.

## 2. Environmental Approval

The Western Australian Minister for the Environment has now approved the implementation of the Iron Valley Above Water Table (AWT) Mining Project. This State environmental approval will allow the mining and processing of 5 Mtpa ore from AWT.

This approval means IOH has met the requirements of the environmental impact assessments referred to under Part 4 of the Environmental Protection Act 1986.

IOH has previously secured a Native Title Land Access Deed and Federal EPBC Act environmental approval for the Project.

Applications for secondary approvals including the Department of Mines and Petroleum mining proposal, the Department of Environment and Conservation works approvals and the Department of Water licences have commenced. These approvals are targeted for completion by latest the third quarter of the 2013 calendar year which should then make the Iron Valley Project development ready.

Following the recent announcement of the amicable agreement to terminate Fortescue's exclusive option on the Iron Valley Project, IOH is now considering a number of alternative development opportunities for the Project.

## APPENDIX A

**Table 1: IOH JORC (2004) Mineral Resource at 7 February 2013**

Location	Project or Tenement	Cut off (% Fe)	JORC Indicated Resources (Mt)	JORC Inferred Resources (Mt)	Fe (%)	CaFe (%)	SiO <sub>2</sub> (%)	Al <sub>2</sub> O <sub>3</sub> (%)	P (%)	LOI (%)	Total (Mt)
Central Pilbara	Iron Valley	50	216.3 <sup>A</sup>	-	58.4	63.0	5.1	3.1	0.18	7.3	259.1
		50	-	42.8	57.9	61.1	7.0	3.9	0.14	5.2	
Western Pilbara	Bungaroo South	53	179.7 <sup>B</sup>	-	58.0	63.1	5.9	2.4	0.15	8.1	282.5
		53	-	68.6	55.1	60.0	9.6	2.6	0.14	8.2	
	Dragon	50	-	21.5	55.4	60.5	7.9	3.6	0.15	8.4	
	Rabbit	50	-	5.5	57.1	61.1	7.5	3.3	0.12	6.5	
	Rooster	52	-	7.2	56.2	60.6	6.5	4.8	0.08	7.2	
<b>Bedded Iron Deposit &amp; Channel Iron Deposit Total</b>			<b>396.0</b>	<b>145.6</b>							<b>541.6</b>
Central Pilbara	North Marillana	45	46.8	-	50.0	55.8	9.5	7.7	0.04	10.4	46.8
<b>Blending Material Total</b>			<b>46.8</b>	<b>-</b>							
Coastal Pilbara	Maitland River (Magnetite)	26	-	1,106.0	30.4	30.8	44.0	2.3	0.06	1.2	1,106.0
<b>Magnetite Total</b>			<b>-</b>	<b>1,106.0</b>							
<b>Total Mineral Resources</b>			<b>442.8</b>	<b>1,251.6</b>	<b>Total Resources (Indicated and Inferred)</b>						<b>1,694.4</b>

<sup>A</sup> Includes Probable Ore Reserve of 134.7 Mt (see Table 3 below).

<sup>B</sup> Includes Probable Ore Reserve of 92.4 Mt (see Table 3 below).

**Table 2: IOH JORC (2004) Probable Ore Reserve at 7 February 2013**

Location	Project or Tenement	Cut-off (% Fe)	JORC Proven Reserve (Mt)	JORC Probable Reserve (Mt)	Fe (%)	CaFe (%)	SiO <sub>2</sub> (%)	Al <sub>2</sub> O <sub>3</sub> (%)	P (%)	LOI (%)	Total (Mt)	
Central Pilbara	Iron Valley	53		134.7	58.5	63.0	4.9	3.2	0.17	7.2	134.7	
Western Pilbara	Bungaroo South	West	54	-	31.4	57.9	62.7	5.9	2.9	0.15	7.7	92.4
		East	54	-	61.0	57.5	62.3	6.5	2.3	0.15	8.3	
<b>Total Ore Reserve</b>				<b>227.1</b>							<b>227.1</b>	

**Competent Persons Statements:**

The information in this report that relates to exploration, exploration targets and drilling results is based on information compiled by Mr Manohar Ghorpade, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Ghorpade 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 Ghorpade 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 estimates 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 Estimates 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 Ore Reserve estimations for Bungaroo South and Iron Valley Deposits is based on information compiled by Mr Alan G. Cooper, who is a member of the Australasian Institute of Mining and Metallurgy. Mr Cooper is a full time employee of Snowden Mining Industry Consultants Pty Ltd. Mr Cooper 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 Cooper consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

**Disclaimer:**

This document may include forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning Iron Ore Holdings Ltd's planned exploration program, commencement of exporting of iron ore, industry outlook and other statements that are not historical facts. When used in this document, the words such as "could," "target," "plan," "estimate," "intend," "may," "potential," "should," and similar expressions reflected in these forward-looking statements are reasonable, such as statements involving risks and uncertainties and no assurance can be given that actual results be consistent with these forward-looking statements.

**Corporate Profile (as at 7 February 2012)**

Iron Ore Holdings Ltd (ASX: IOH) owns and manages a portfolio of bedded hematite, channel iron and magnetite iron ore tenements and projects within its Central, Western and Coastal 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, as well as an experienced Board and senior management team.

**Ordinary Shares on Issue:** 161,174,005

**Board of Directors:**

Hon Richard Court AC	Non-Executive Chairman
Alwyn Vorster	Managing Director
Mal Randall	Non-Executive Director
Brian O'Donnell	Non-Executive Director
Ryan Stokes	Non-Executive Director

**Company Secretary:**

Simon Robertson

**Executive Team:**

Alwyn Vorster	Managing Director
Christian Johnstone	Chief Financial Officer
Brett Hazelden	GM Project Development
Zen Davison	GM Business Development
Manohar Ghorpade	Chief Geologist

**Share Registry:**

Security Transfer Registrars Pty Ltd  
770 Canning Highway  
Applecross WA 6153  
[www.securitytransfer.com.au](http://www.securitytransfer.com.au)

**Registered Office:**

Level 1  
1 Altona Street  
West Perth WA 6005

**Major Shareholders:**

Wroxby Pty Ltd	52.7 %
Sumisho Iron	4.3 %

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