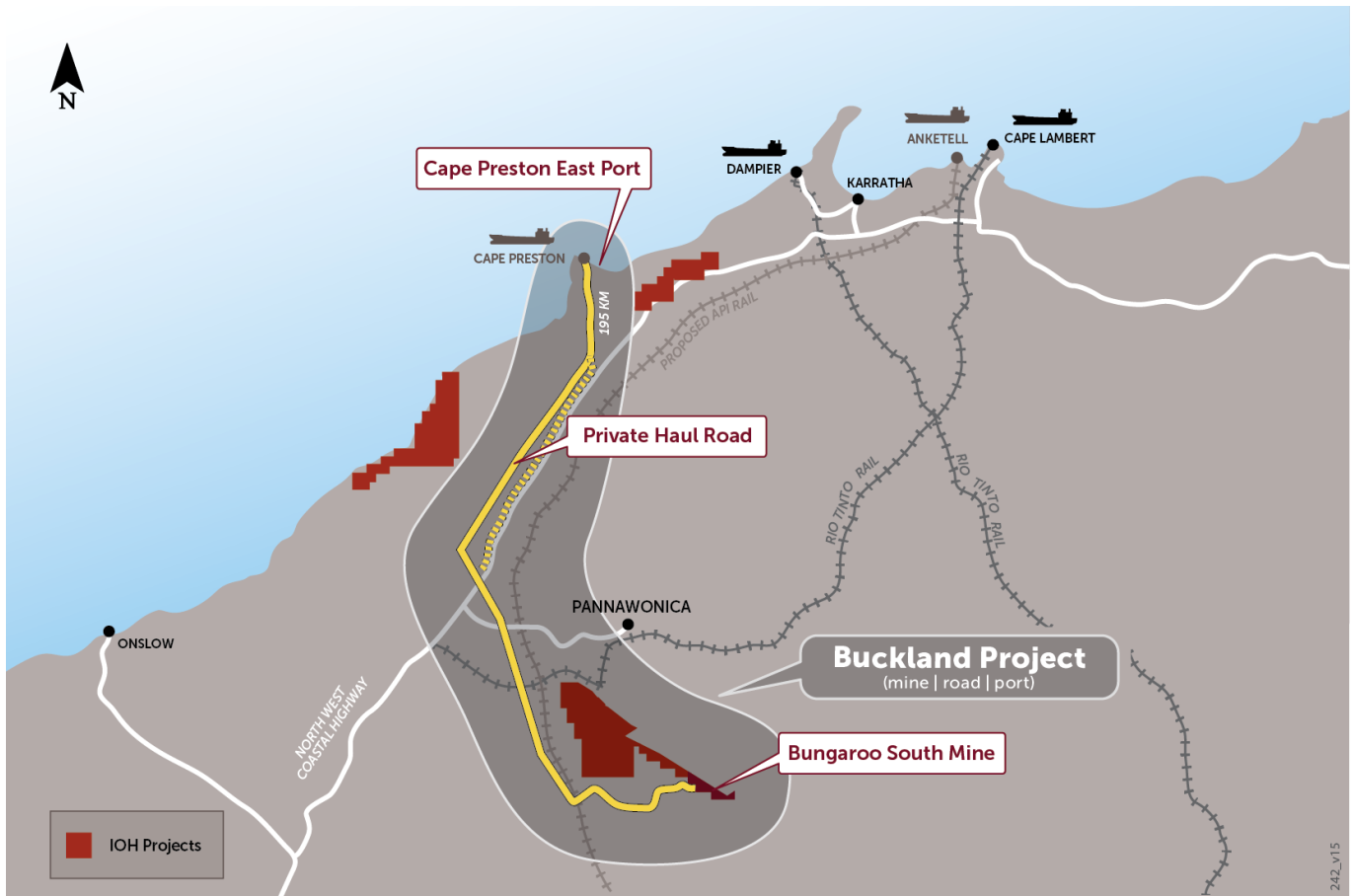


Quarterly Activities Report

For the period ending 31 December 2012



Buckland Project – Independent Mine-to-Port Solution

HIGHLIGHTS DURING THE QUARTER

Buckland Project

- Buckland Project Pre-Feasibility Study delivers positive results
- Mining Lease secured for Bungaroo South
- Maiden Ore Reserve at Bungaroo South of 92.4Mt at an average 57.6% Fe
- Non-Binding MOU signed for potential transshipping facility at Cape Preston East
- Two Native Title Agreements Signed

Maitland River Project

- Positive Maitland River Concept Study completed

1. COMPANY OVERVIEW

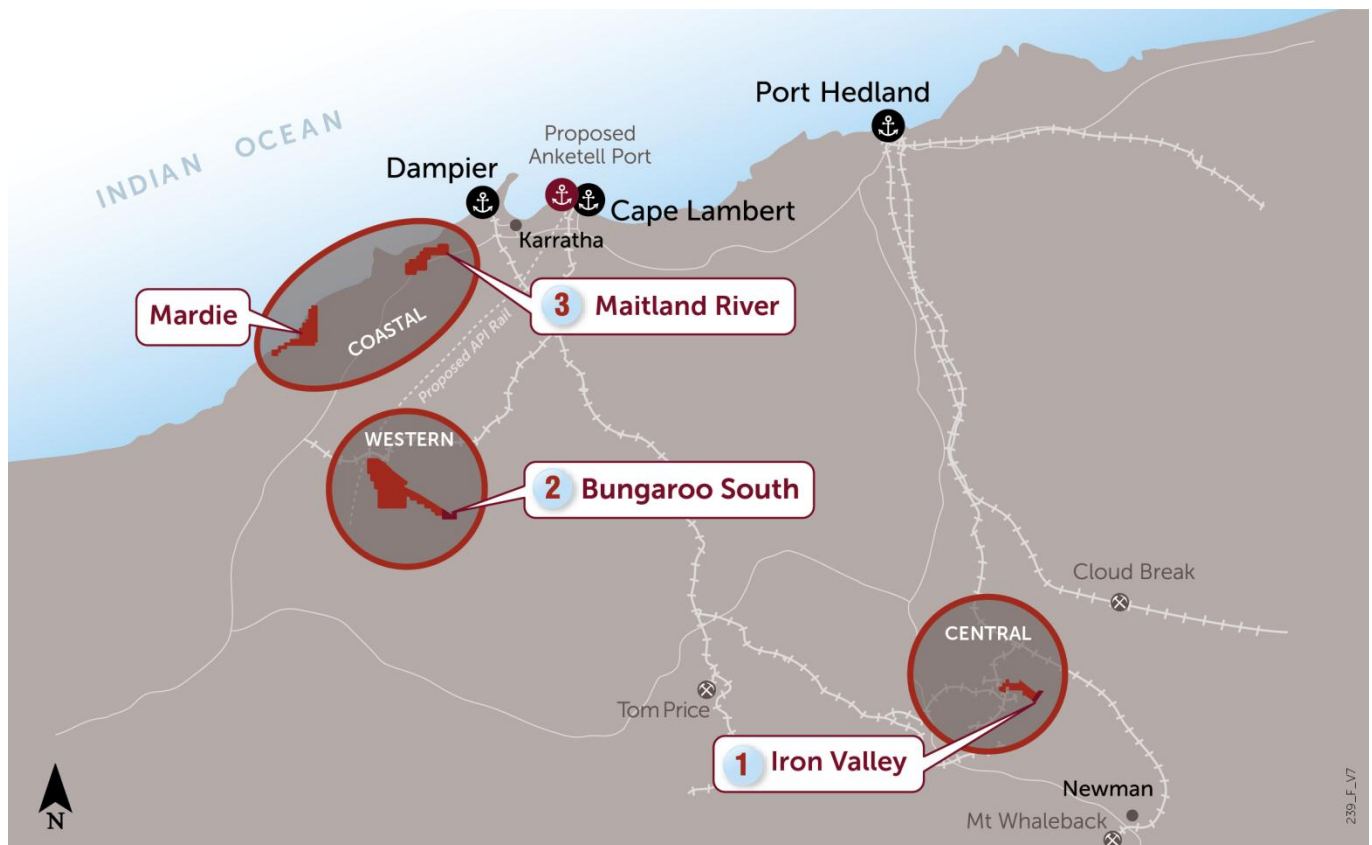
Iron Ore Holdings Ltd (IOH) owns and manages a portfolio of iron ore projects in the Pilbara region of Western Australia.

The three key projects are located within close proximity to existing and planned infrastructure (see Figure 1).

With more than 1.6 billion tonnes of JORC Resource, more than \$91 million in cash, a stable share register, as well as an experienced Board and senior management team, the company continues to be well positioned to deliver value.

Project locations are shown below:

Figure 1: IOH Project Locations in the Pilbara



2. IRON VALLEY PROJECT

Fortescue Metals Group (FMG) continued its investigation into the feasibility of development of the deposit. IOH progressed regulatory and environmental approvals relating to the tenements during the quarter.



3. BUCKLAND PROJECT

The Buckland Project covers all the activities associated with the potential development of a ~8 Mtpa Bungaroo South mine, a dedicated ~195 kilometre private haul road and a small scale transshipment facility at Cape Preston East on the Pilbara coast (see cover graphic).

IOH has achieved a number of significant value enhancing milestones relating to the Buckland Project in the last quarter. All of these achievements are critical in developing a robust set of project credentials to support a final investment decision in CY2013.

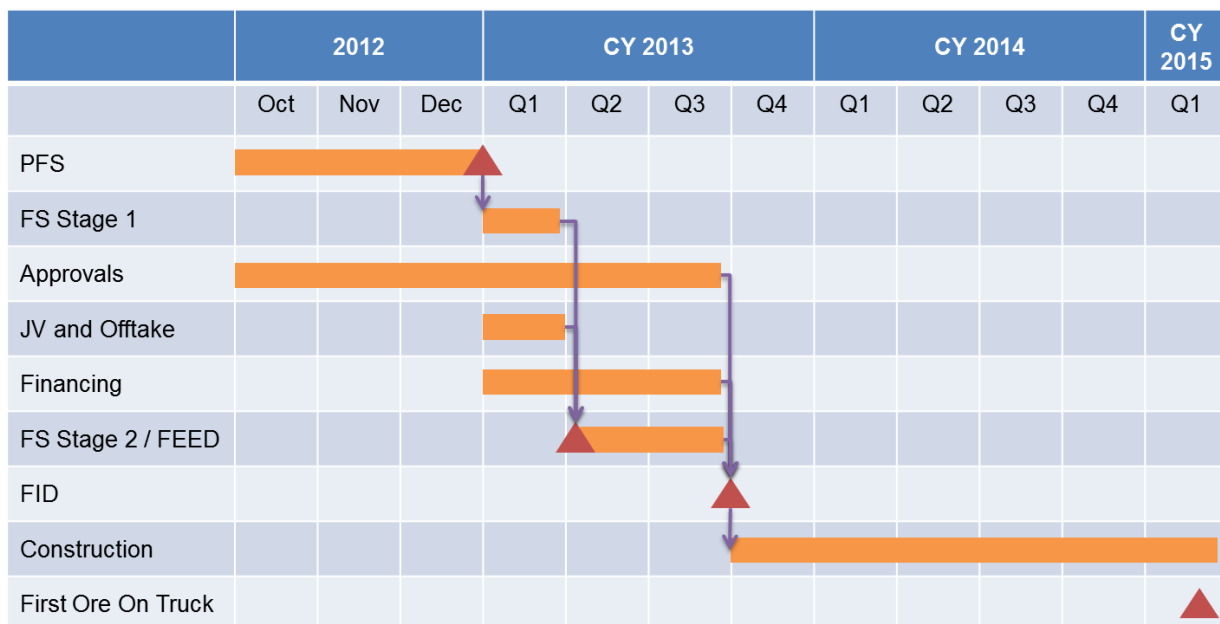
3.1. Pre-Feasibility Study

IOH completed a comprehensive Pre-Feasibility Study (PFS) on the Project during the quarter. This is the first mine to port PFS completed in IOH’s seven year history and is a significant milestone that should enable IOH to control its own development pathway and timing.

Key Points:

- PFS confirmed technical and financial viability of a 4Mtpa to 8Mtpa mining operation from Bungaroo South, transport via private haul roads and shipping via a new transshipment facility at Cape Preston East.
- An initial 92Mt JORC Ore Reserve¹ to underpin the production of a 58% Fe Fines iron ore product for more than 15 years (see section 3.2 for further details).
- Estimated Capital Cost of ~\$575 million (Direct) plus ~\$235 million (Indirect – including contingency, EPC/M & owners cost) to reach 8Mtpa.
- Estimated Life of Mine C1 Direct Operating Cash Cost of ~\$48 per tonne FOB.
- Potential Construction Start - Q4 CY13; Potential Production Start - Q1 CY15 (see Figure 2).

Figure 2: Buckland Project Schedule (Anticipated)



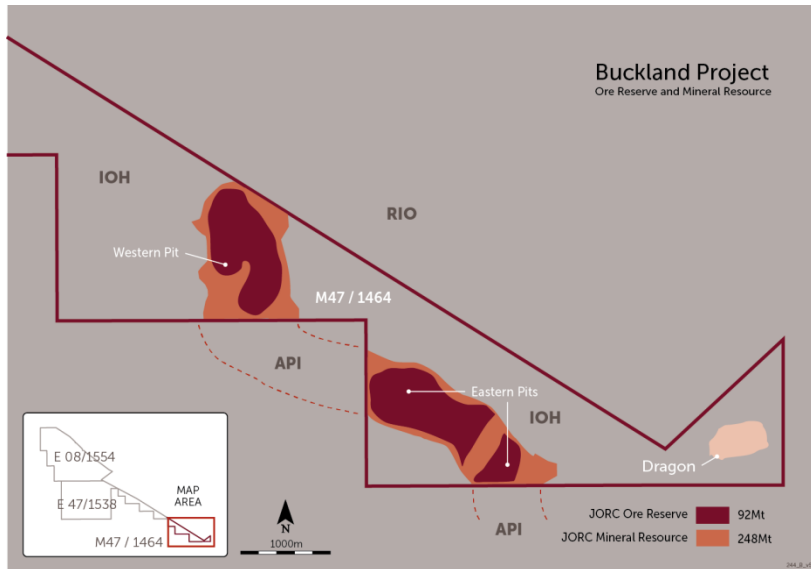
¹ Refer Table 1



3.2. Initial Ore Reserve at Bungaroo South

IOH announced its maiden Probable Ore Reserve estimate of 92.4 million tonnes (Mt) at 57.6% Fe for the initial mining development of Bungaroo South, which will be the main source of ore for the Buckland Project (see Figure 3).

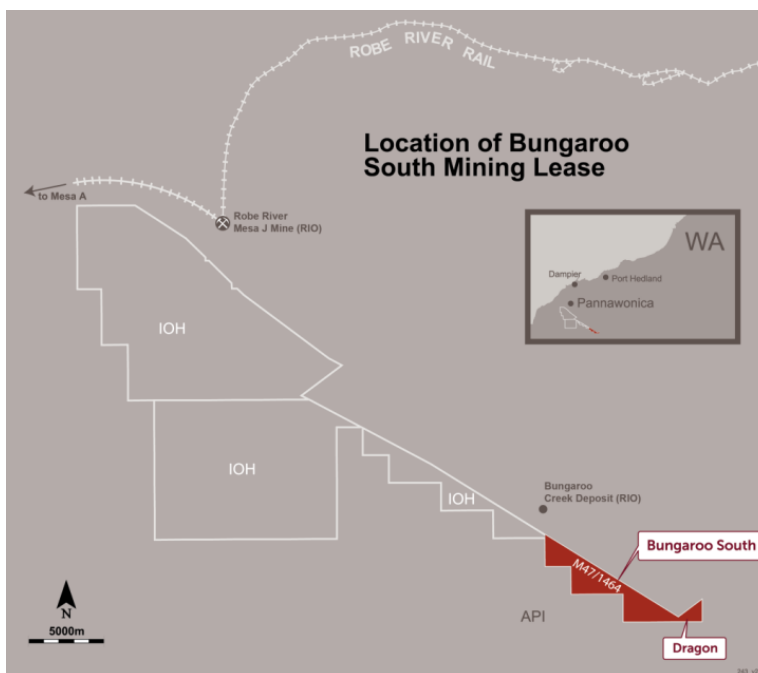
Figure 3: Bungaroo South Deposits – Ore Reserve and Mineral Resource Outlines



3.3. Mining Lease secured for Bungaroo South (mine component of the Buckland Project)

IOH secured Mining Lease M47/1464, covering the Bungaroo South and Dragon iron ore deposits within the Buckland Project (see Figure 4), which was granted by the Department of Mines and Petroleum. The two deposits contain 263Mt of JORC Inferred Mineral Resource of channel iron and bedded mineralisation.

Figure 4: Location of Mining Lease M47/1464



3.4. Non-Binding MOU for Potential Transshipment Facility

IOH entered into a non-binding Memorandum of Understanding (MOU) with the Dampier Port Authority defining principles for the location and potential development of a small scale transshipment facility at Cape Preston East on the Pilbara coast in Western Australia. The potential transshipment facility is an important element to support the development of the Buckland Project to enable the ore from the Bungaroo South mine to be exported.

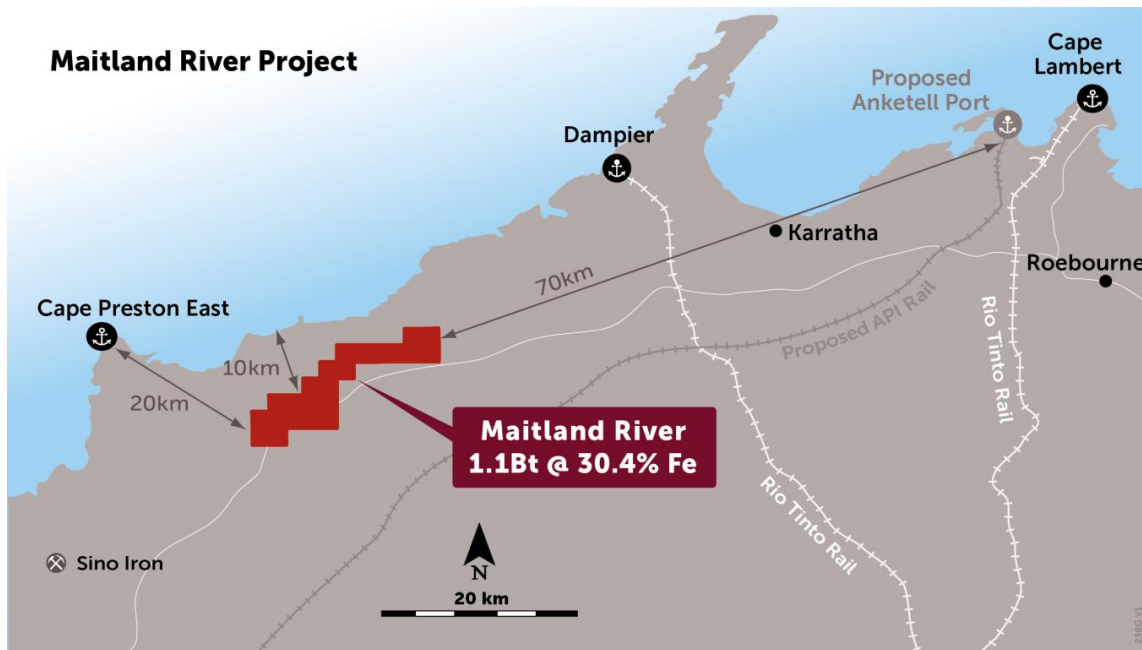
Negotiations are continuing to convert the MOU to a binding agreement.

4. MAITLAND RIVER PROJECT

The completion of a Concept Study into the feasibility of the Maitland River magnetite project located 10km from the coast in the Pilbara region of Western Australia (see Figure 5), was another significant milestone completed during the quarter. Maitland River currently has a total JORC Inferred Resource of 1.1 billion tonnes hosted in three deposit areas.

The Project area is within 5km of the North West Coastal Highway and the Bunbury to Dampier natural gas pipeline.

Figure 5: Maitland River Project Location



The Concept Study delivered positive results in a number of important areas and has identified the key aspects which require further focus during a Pre-Feasibility Study.

The Concept Study confirmed that mining could involve a relatively low stripping ratio of 1.5 tonnes of waste to 1 tonne of ore to deliver a 10Mtpa concentrate for a period up to 20 years.

5. NATIVE TITLE LAND ACCESS AGREEMENTS

IOH signed two separate Native Title Land Access Agreements during the quarter. The first with the Kuruma Marthudunera (KM) Native Title claimant group (see Figure 6) and the second with the Yaburara Mardudhunera (YM) Native Title claimant group (see Figure 7).

These agreements cover milestone and production payments, before and after mining commences. The agreements also provide for cross-cultural exchanges and employment opportunities, as well as consultation on Aboriginal heritage and environmental matters.

Figure 6: KM Claim Area

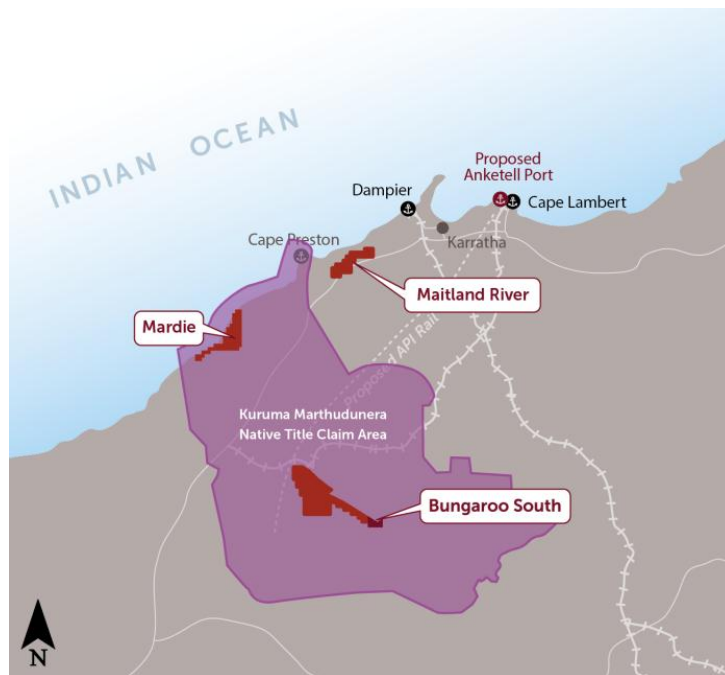
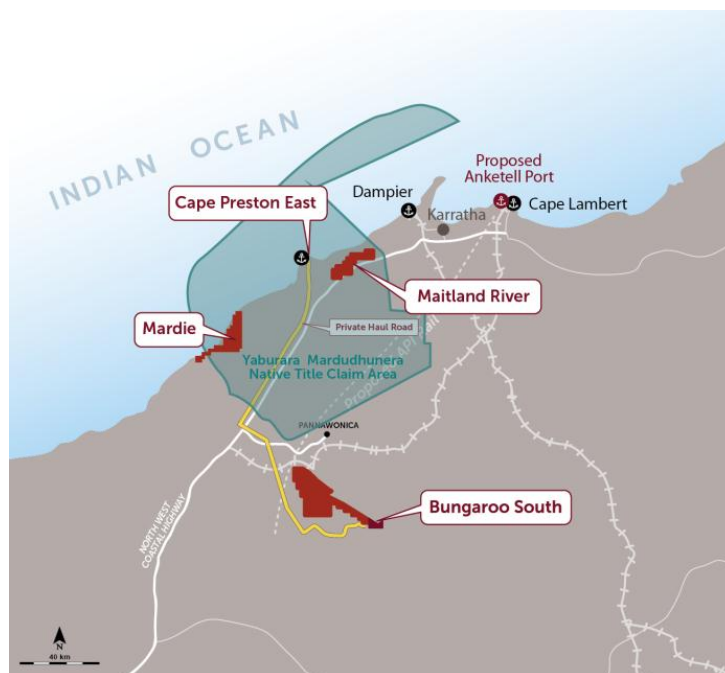


Figure 7: YM Claim Area



6. JORC RESOURCES

At 31 December 2012, IOH had a total JORC Mineral Resource of 1,694.4 million tonnes, including a Magnetite Resource of 1.1 billion tonnes at Maitland River in the Coastal Pilbara, 305 million tonnes of BID in the Central Pilbara and 282 million tonnes of BID and CID Resources in the Western Pilbara (refer Table 1).

Table 1: IOH JORC Mineral Resource at 31 December 2012

Location	Project or Tenement	Cut off (% Fe)	JORC Indicated Resources (Mt)	JORC Inferred Resources (Mt)	Fe (%)	CaFe (%)	SiO ₂ (%)	Al ₂ O ₃ (%)	P (%)	LOI (%)	Total (Mt)
Central Pilbara	Iron Valley	50	216.3	-	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 ^A	-	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	
Bedded Iron Deposit & Channel Iron Deposit Total			396.0	145.6							541.6
Central Pilbara	North Marillana	45	46.8	-	50.0	55.8	9.5	7.7	0.04	10.4	46.8
Blending Material Total			46.8	-							
Coastal Pilbara	Maitland River (Magnetite)	26	-	1,106.0	30.4	30.8	44.0	2.3	0.06	1.2	1,106.0
Magnetite Total			-	1,106.0							
Total Mineral Resources			442.8	1,251.6	Total Resources (Indicated and Inferred)						1,694.4

^A Includes Probable Ore Reserve of 92 Mt (see Table 2 below).

Table 2: IOH JORC Probable Ore Reserve at 31 December 2012

Location	Project or Tenement	Cut-off (% Fe)	JORC Proven Reserve (Mt)	JORC Probable Reserve (Mt)	Fe (%)	CaFe (%)	SiO ₂ (%)	Al ₂ O ₃ (%)	P (%)	LOI (%)	Total (Mt)	
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	
Total Ore Reserve				92.4							92.4	



7. CORPORATE

7.1. Cash

IOH had a cash balance as at 31 December 2012 of \$91.6 million.

7.2. 2013 Annual General Meeting

The Annual General Meeting was held on 14 November 2012 and all resolutions put to the meeting were passed.

Quarterly Activities Report

For the period ending 31 December 2012



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 Deposit 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 31 December 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 Limited
770 Canning Highway
Applecross, WA, 6153
www.securitytransfer.com.au

Registered Office:

Level 1
1 Altona Street
West Perth, WA, 6005

T: (08) 9483 2000
F: (08) 9321 0322
E: info@ironoreholdings.com
W: www.ironoreholdings.com

Major Shareholders:

Wroxby Pty Ltd	52.7 %
Sumisho Iron	4.3 %