



ACN 107 492 517

Quarterly Activities Report

For the period ending 30 June 2013

HIGHLIGHTS

Iron Valley Project

- **Mining approvals nearing completion which will allow Mineral Resources Ltd to commence mine construction.**

Buckland Project

- **Federal Government environmental approval of mine development.**
- **Definitive Feasibility Study key design activities 70% completed.**
- **Port Lease negotiations with State Government being finalised.**
- **Commercial structuring progressed and financial advisors appointed.**
- **Marketing support progressed with seven Letters of Intent secured.**

Cash

- **\$75 million cash in bank at 30 June 2013.**

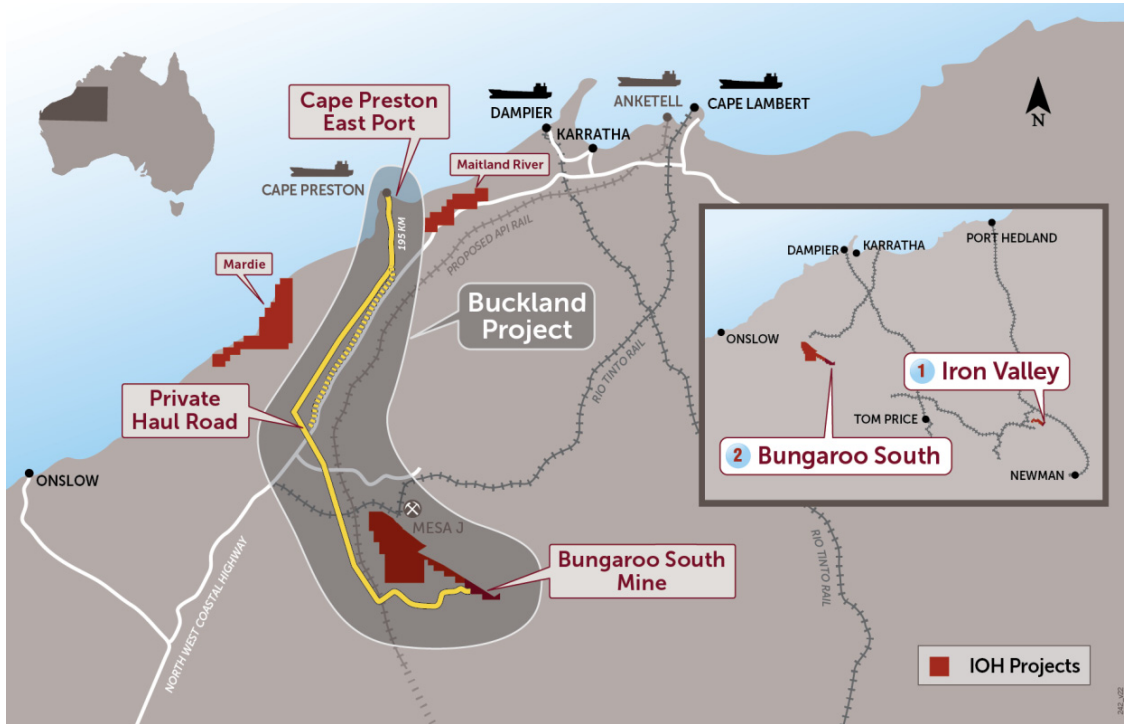
1. COMPANY OVERVIEW

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

The two key projects, Iron Valley and Buckland, are located within close proximity to existing and planned infrastructure (see Figure 1).

With more than 1.6 billion tonnes of JORC (2004) Resource, \$75 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.

Figure 1: IOH Project Locations in the Pilbara

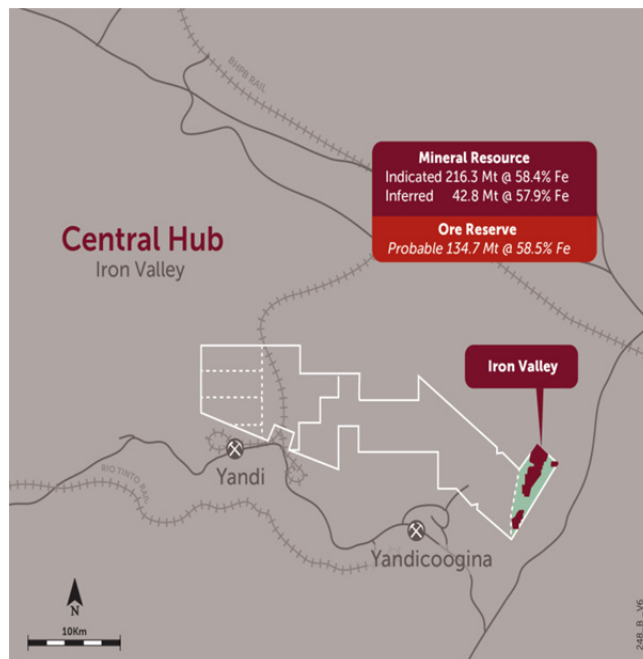


2. IRON VALLEY PROJECT

2.1. Background

With a JORC (2004) Probable Ore Reserve of 134.7 million tonnes (Mt) at an average of 58.5% Fe (based on a cut-off grade of 53%) for the initial mining development, the Iron Valley Project is the most advanced of IOH's major projects (see Figure 2).

Figure 2: Iron Valley Resources & Reserves



Within the Probable Ore Reserve category approximately 90 million tonnes have an average grade above 60% Fe, which will allow a high grade mining approach if required.

In February 2013, IOH announced that it had executed a binding formal agreement for a mine gate sale arrangement with Mineral Resources Limited (ASX:MIN) which will result in the early development of its Iron Valley Project.

This development is expected to generate cash inflows to IOH in 1H CY2014, which will be a significant milestone in IOH's development and growth path.

2.2. Project Approvals

During CY12 the WA State Minister for the Environment approved the implementation of the Iron Valley Above Water Table Mining Project. IOH has previously secured a Native Title Land Access Deed and Federal EPBC Act environmental approval for the Project.

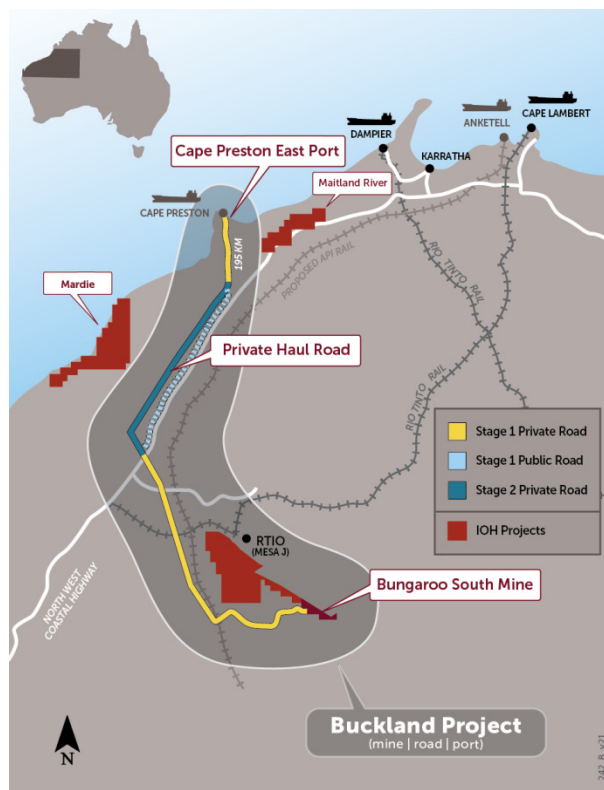
During Q3 CY2013 IOH expects to receive approval from the Department of Mines and Petroleum of the Iron Valley Mining Proposal, which will allow IOH's project partner, Mineral Resources Limited, to commence mine development.

3. BUCKLAND PROJECT

3.1. Background

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 Figure 3).

Figure 3: Buckland Project - Independent Mine to Port Solution



3.2. Environmental Approvals

Advice was received on 22 July 2013 that the Federal Government's Department of Sustainability, Environment, Water, Population and Conservation, under the Environment Protection and Biodiversity Protection Act 1999 (EPBC Act) has approved the proposed development of a mine at Bungaroo South, the haul road and its associated infrastructure. It was determined that the development will not be a controlled action under the EPBC Act, with a number of standard management actions required to be undertaken in accordance with specified conditions. This is another positive step in the development of the Buckland Project.

In May 2013 the Federal Government also approved the proposed development of a 20 Mtpa transshipping facility at Cape Preston East, approximately 60 kilometres southwest of Dampier, determining that the development will not be a controlled action.

The Cape Preston East environmental approval by the Federal Government is aligned with the Western Australian Environment Protection Authority's (EPA) recent advice and recommendation to the WA State Minister for the Environment. This recommendation is currently proceeding through the last statutory steps prior to the final decision by the Minister.

3.3. Definitive Feasibility Study (DFS)

Positive progress has been made in the preparation of a DFS covering all technical and engineering aspects of the project to industry standards. The current infill drilling campaign is focussing on increasing the initial 92 Mt of JORC (2004) Ore Reserves to support a minimum 15-year mine life at an 8 Mtpa production rate.

IOH also recently completed an off shore geotechnical drilling programme to establish the geotechnical integrity of the seabed and its suitability for the construction of a trestle jetty structure (see Figure 4). Engineering reporting of the campaign is expected in the next quarter.

Figure 4: Cape Preston East – Proposed Transshipping Facility Site



Design specifications of key engineering packages have been 70% completed and will be ready for distribution to selected service providers in the coming months, subject to progress on project funding solutions.

IOH and the Dampier Port Authority are well progressed with drafting of the suite of CPE port lease agreements.

Road tenure solutions are progressing with two land access agreements concluded and a number of other applications being heard by the Wardens Court of WA.

Subject to positive progress with tenure and project approvals being secured and funding solutions advanced, the DFS is scheduled for completion in Q2 CY14 resulting in a production target date of late CY2015.

3.4. Buckland Satellite Deposits

Drilling programs at the Dragon, Rabbit and Rooster satellite deposits in IOH's Western Hub were completed in June 2013. The objective of the drilling program was to increase confidence in the established JORC Resources in these areas and convert the main portions of the deposits from the JORC Inferred to JORC Indicated category.

A total of 85 RC holes were completed for a total of 4,700 metres and significant intersections of CID material were encountered. Following completion of assaying and geological modelling in the next few months, potential amendments to mineral resources will be reported.

These Satellite deposits will form part of the Buckland Project Stage 2 development increasing overall tonnage feed into the Buckland Project infrastructure system.

3.5. Marketing Support

Test work conducted at the China Iron & Steel Research Institute (CISRI), a reputable metallurgical test facility in Beijing, provided positive confirmation that the Buckland Project iron ore product can substitute up to 20% of typical Pilbara fines product in a sinter blend, with no material variation in sinter plant and blast furnace performance.

During the past few months a number of marketing visits and discussions occurred with steel producers in Asia with the aim of securing market tested endorsement for the Bungaroo South ore. These engagements have resulted in IOH securing seven non-binding Letters of Intent from reputable Chinese steel producers, covering more than 70% of the planned production in the first five years (more than 22Mt out of planned production of 30Mt).

Increasing the current level of support through Letters of Intent will remain a focus area of the IOH commercial team and converting the Letters of Intent to binding sales agreements will occur in parallel with securing project approvals and funding solutions.

3.6. Commercial Structuring

Macquarie Capital was recently appointed as IOH's financial advisors to assist in identifying optimum commercial structures and supporting IOH in conducting negotiations with prospective investors in the Buckland Project.

The support of this global advisor has strengthened IOH's capability to pursue discussions on specific development options with a number of interested local and international parties.



IOH recognises that the investment environment for greenfield iron ore projects is more challenging than it has been in many years.

Nevertheless, IOH remains confident that the Pilbara will continue to be a primary source of iron ore for global markets and that the Buckland Project will deliver a cost-competitive direct shipping type ore project, using its own integrated infrastructure solution to deliver strong financial returns to IOH and its commercial partners.

4. CORPORATE

4.1. Cash

IOH had a cash balance of \$75 million at 30 June 2013.

4.2. New Tenements

During the quarter IOH was granted two tenements: E47/2677 (Maitland River) and E47/2350 (Hamersley Range) which are both prospective for iron ore, taking the total number of tenement holdings to 25.



5. JORC RESOURCES

At 30 June 2013, IOH had a total JORC (2004) Mineral Resource of 1,665 million tonnes, including a Magnetite Resource of 1.1 billion tonnes at Maitland River in the Coastal Pilbara, 274 million tonnes of BID in the Central Pilbara and 284 million tonnes of BID and CID Resources in the Western Pilbara (refer Table 1).

Table 1: IOH JORC (2004) Mineral Resource at 30 June 2013

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 ^A	-	58.4	63.0	5.1	3.1	0.18	7.3	274.7
		50	-	42.8	57.9	61.1	7.0	3.9	0.14	5.2	
	North Marillana	53	15.6	-	54.0	60.2	6.0	5.7	0.05	10.3	
Western Pilbara	Bungaroo South	53	179.7 ^B	-	58.0	63.1	5.9	2.4	0.15	8.1	284.6
		53	-	68.6	55.1	60.0	9.6	2.6	0.14	8.2	
	Dragon	50	-	16.0	55.7	60.6	7.7	3.7	0.14	8.1	
	Rabbit	52	-	6.0	56.8	60.7	7.9	3.4	0.13	6.5	
	Rooster	52	-	7.2	56.2	60.6	6.5	4.8	0.08	7.2	
	Snake	50	-	7.1	57.0	62.6	5.8	2.8	0.15	9.0	
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			411.6	1,253.7	Total Resources (Indicated and Inferred)					1,665.3	

^A Includes Probable Ore Reserve of 134.7 Mt (see Table 2 below).

^B Includes Probable Ore Reserve of 92.4 Mt (see Table 2 below).

Table 2: IOH JORC (2004) Probable Ore Reserve at 30 June 2013

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)
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	-	31.4	57.9	62.7	5.9	2.9	0.15	7.7	92.4
		East	-	61.0	57.5	62.3	6.5	2.3	0.15	8.3	
Total Ore Reserve				227.1							227.1

Quarterly Activities Report

For the period ending 30 June 2013



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. At 30 June 2013 Mr Ghorpade was 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 25 July 2013)

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
Roland Bartsch	GM Geology
Michael Klvac	GM Corporate Affairs

Share Registry:

Security Transfer Registrars Pty Ltd
770 Canning Highway
Applecross WA 6153
www.securitytransfer.com.au

Registered Office:

Level 1
1 Altona Street
West Perth WA 6005

Major Shareholders:

Wroxby Pty Ltd	52.7 %
3 rd Wave Investors	4.7 %
Sumisho Iron	4.3 %

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