



ABN 17 107 492 517

ASX Release

2 March 2011

IOH Increases JORC Mineral Resource by 7% to 689Mt

Highlights:

- Pilbara iron ore developer, Iron Ore Holdings (ASX: IOH) is pleased to announce a significant increase to its JORC Mineral Resource with the addition of **42.7Mt** bringing the total JORC Mineral Resource inventory to **689.7Mt** (an increase of 7%).
- The additional Resource in IOH's Central Pilbara Hub follows completion of exploration drilling and geological modelling at the Bight, Fingers and Boundary projects.
- The Maiden JORC Mineral Resource at the Bight Project is **23.6Mt @ 59.7% Fe**.
- The JORC Mineral Resource at the Fingers Project has increased to **29.5Mt @ 58.5% Fe** – a 26% increase.
- The JORC Mineral Resource at the Boundary Project has increased to **39.7Mt @ 57.1% Fe** – a 49% increase.
- The growth in Resources at these three projects further strengthens commercialisation options of the IOH Central Pilbara satellite deposits.
- A ~20,000m exploration programme is planned in CY 2011 across IOH's Central and Western Pilbara projects with a view to further increasing the Company's resources.



1. Overview

The total JORC Mineral Resource at all IOH projects has now reached 689.7Mt (refer Table 1), with further exploration planned during 2011.

Table 1 – Complete IOH JORC Mineral Resource

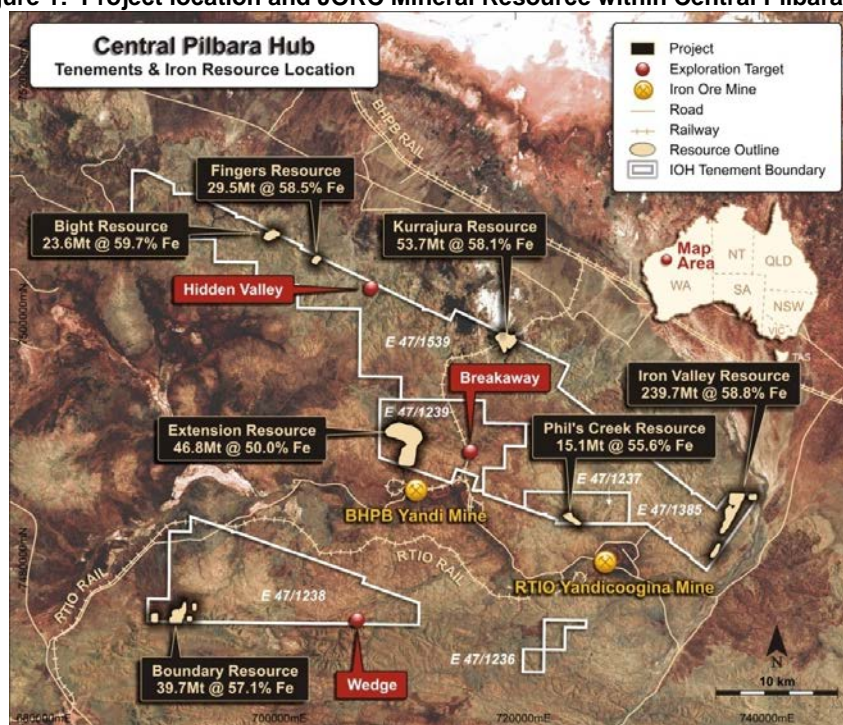
Project/Tenement	JORC Indicated	JORC Inferred	Fe (%)	CaFe* (%)	SiO ₂ (%)	Al ₂ O ₃ (%)	P (%)	LOI (%)	Cut-off Fe
Iron Valley	183.0Mt		58.9	63.5	4.6	3.0	0.18	7.2	50%
		56.7Mt	58.3	62.4	5.4	3.6	0.16	6.5	50%
Phil's Creek	15.1Mt		55.6	60.5	7.2	4.2	0.10	8.1	50%
North Marillana	46.8Mt		50.0	55.8	9.5	7.7	0.05	10.4	45%
Lamb Creek ¹	15.2Mt		60.6	64.5	4.4	2.2	0.13	6.0	50%
		24.5Mt	54.9	58.6	10.3	4.0	0.09	6.3	50%
Koodaideri South ²		106.8Mt	58.6	63.7	5.1	2.5	0.14	7.9	50%
Buckland Hills		241.6Mt	57.2	62.2	7.0	2.4	0.15	8.1	50%
260.1Mt 429.6Mt			Total Resource (Indicated and Inferred)						= 689.7Mt

¹ Lamb Creek: Including Boundary Project

² Koodaideri South: Including Bight and Fingers Projects

The Company now has a Central Pilbara Hub Resource of more than 448Mt within a 50km radius of existing rail infrastructure (refer Figure 1) and a Western Pilbara Hub Resource in excess of 240Mt close to existing and planned infrastructure.

Figure 1: Project location and JORC Mineral Resource within Central Pilbara Hub





2. E47/1539 - Koodaideri South Tenement

The E47/1539 Koodaideri South tenement is located in the Central Pilbara region of Western Australia close to existing Rio Tinto and BHPB mining operations. Recent RC drilling and an update of the JORC Mineral Resource have been completed at the Bight and Fingers Projects (Refer Figure 1 for project location).

The total JORC Mineral Resource within tenement E47/1539 has increased to **106.8Mt @ 58.6% Fe**. This represents an increase of 38% from the previous calculation (ASX release in November 2010). The additional Resource is located at the Bight and Fingers Projects. The updated JORC Mineral Resource at E47/1539 is summarised in Table 2.

Table 2: E47/1539 - JORC Mineral Resource

Project	Resource Classification	Tonnes	Fe	CaFe*	SiO ₂	Al ₂ O ₃	P	LOI	Cut-off
		Mt	(%)	(%)	(%)	(%)	(%)	(%)	Fe
Kurrajura	Inferred	53.7	58.2	63.0	5.9	2.5	0.14	7.7	50%
Fingers	Inferred	29.5	58.5	63.8	4.6	2.7	0.15	8.3	50%
Bight	Inferred	23.6	59.7	64.9	3.9	2.1	0.12	8.0	50%
Total		106.8	58.6	63.7	5.1	2.5	0.14	7.9	50%

Koodaideri South has the potential to be a significant value driver in IOH's Central Pilbara Hub, given the quality of iron mineralisation, the proximity to IOH's Iron Valley project (25km) and the expected low waste to ore stripping ratios.

2.1 Bight Project

The Maiden JORC Mineral Resource at Bight is based on 12 RC holes drilled at a 200 metre gridline with 100 metre spacing.

A Reverse Circulation (RC) drilling program was completed at the project during 2010, which comprised 12 drill holes for a total of 498 metres. The drilling at Bight was successful, with **eight holes** revealing broad mineralised intersections commencing at or near surface. The mineralisation is hosted within the Brockman Iron Formation. The maximum thickness intersected in this drilling program was **56 metres @ 61.24% Fe**.

2.2 Fingers Project

A Reverse Circulation (RC) drilling program was completed during 2010 at the Fingers project, comprising 31 drill holes (some of which were infill holes) for a total of 1800 metres. The drilling at Fingers Project was successful with a total of 19 holes revealing broad mineralised intersections commencing at or near surface. This drilling program has revealed that the mineralisation is thicker than previously anticipated (ASX release on 13th January 2010).

The high-grade bedded iron mineralisation is hosted within the Brockman Iron Formation and the maximum thickness of mineralisation intersected in this drilling program was **74 metres @ 59.97%**.



The updated Resource is based on the results of 42 RC holes drilled broadly on 200 metre gridlines with a 50 metre hole spacing. The Fingers JORC Mineral Resource now stands at **29.52Mt @ 58.49% Fe** which represents an **increase of 26%** on the previous calculation announced in February 2010. The updated JORC Mineral Resource at Fingers Project is summarised in Table 2.

3. E47/1238 - Lamb Creek Tenement

3.1 Boundary Project

The discovery of high grade bedded mineralisation hosted within the Brockman Iron Formation at the Boundary Project was first announced on 10 June 2009 and was followed by an announcement of a Maiden Inferred JORC Resource of 26.7Mt @58.4% Fe on 8 February 2010.

Drilling on the Boundary Project located at Lamb Creek has returned high-grade iron ore assays within significant intervals.

A Reverse Circulation (RC) drilling program of 68 holes was completed for a total of 3,684m during 2010 at the Boundary Project. The drilling was designed to test for extensions to the previously announced high-grade zone of iron mineralisation and consisted of infill drilling on 100m x 100m gridlines.

The updated Resource is based on the results of 110 RC holes drilled on 100 metre gridlines with 100 metre hole spacing. The total Indicated and Inferred JORC Mineral Resource for Boundary is currently **39.7Mt @ 57.1% Fe**, which represents an **increase of 49%** from the previous calculation announced in March 2010. The updated JORC Mineral Resource at the Boundary Project is summarised in Table 3.

Table 3: Boundary Project - JORC Mineral Resource

Resource Classification	Tonnes Mt	Fe (%)	CaFe* (%)	SiO ₂ (%)	Al ₂ O ₃ (%)	P (%)	LOI (%)	Cut-off Fe
Indicated	15.2	60.6	64.5	4.4	2.2	0.13	6.0	50%
Inferred	24.5	54.9	58.6	10.3	4.0	0.09	6.3	50%
Total	39.7	57.1	60.9	8.0	3.3	0.11	6.2	50%



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Ordinary Shares on Issue:

137,729,477

Listed Options:

2,578,774

About Iron Ore Holdings

Iron Ore Holdings Ltd ("IOH") is an ASX listed company which owns and manages a portfolio of high-quality iron ore projects within its Central and Western hubs in the Pilbara region of Western Australia. The company's projects are all located within close proximity to existing and planned infrastructure. IOH has a stable share register and highly experienced Board and senior management team.

Visit: www.ironoreholdings.com

Competent Persons Statement:

The information in this report that relates to exploration and drilling results is based on information compiled by Mr. Mark Strizek, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr. Strizek 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. Mark Strizek consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The Mineral Resource estimates were based on data collated and interpreted by IOH staff and prepared and estimated by independent geological consultants, Lynn Widenbar & Associates. The resource was estimated in accordance with the guidelines of the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code 2004).

The information in this report that relates to Mineral Resources has been compiled by Mr Lynn Widenbar. Mr Widenbar, who is a Member of the Australasian Institute of Mining and Metallurgy, is a full time employee of Widenbar and Associates and produced the Mineral Resource Estimate 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.