



ACN 107 492 517

Quarterly Activities Report

For the period ending 30 September 2010

ASX : IOH



HIGHLIGHTS

Overview

- Continued exploration success resulting in the company's total JORC Resource reaching 593.3Mt (Table 1).

Iron Valley

- Global JORC Resource of **240Mt @ 58.8% Fe** (Table 1) - includes **high grade component of 143.5Mt @ 60.8% Fe**

Buckland Hills

- 500% increase of JORC Inferred Resource from 47.9Mt @ 58.1% Fe to **241.6 Mt at 57.2%Fe** (Table 1)
- Drilling continuing at Bungaroo Sth -123 RC holes for 9,080 metres, completed - 9 Diamond holes for 657 metres, ongoing
- High grade results include **84m @ 58.92% Fe** (BH117)
- Snake Valley and Mesa J Southwest exploration targets being drilled

Issued Shares: 135,381,616

Listed Options: 4,701,635

ASX Code: IOH

Cash position: \$12.4m
at 30 September 2010

For further information regarding
Iron Ore Holdings Ltd contact:

Mal Randall
Executive Chairman

Ph: +61 8 9483 2000

Activities Review

With the announcement of a 190% increase in the Bungaroo South Western area in August 2010, the Company increased its total JORC resource to 463.7Mt.

Subsequent to the quarter ending, IOH announced results from Bungaroo South Eastern area increasing the JORC resource from 14.8Mt to 144.4Mt representing an increase of 878%.

IOH's total JORC resource as at 15 October 2010 is 593.3Mt as illustrated in the table below;

Project	JORC Indicated	JORC Inferred	Fe%	SiO ₂ %	Al ₂ O ₃ %	P%	LOI %	Cut-off Fe
Iron Valley	183.0Mt		58.9	4.6	3.0	0.18	7.2	
		56.7Mt	58.3	5.4	3.6	0.16	6.5	50%
Phil's Creek	15.1Mt		55.6	7.2	4.2	0.10	8.1	50%
Extension	46.8Mt		50.0	9.5	7.7	0.05	10.4	45%
Buckland Hills		241.6Mt	57.2	7.0	2.4	0.15	8.1	50%
Boundary Prospect		26.7Mt	58.4	6.4	2.9	0.11	6.5	50%
Fingers Prospect		23.4Mt	58.5	5.1	2.8	0.14	7.6	50%
	244.9Mt	348.4Mt	Total Resource (Indicated and Inferred) =					593.3Mt

The Company now has a Central Pilbara hub that contains 350Mt located within a 50km radius of existing rail infrastructure and a Western Pilbara hub which now exceeds 240Mt located 35kms from the Robe River Mesa J Mine and 50km from the proposed rail to Port Anketell (Figures 1 & 2).

Exploration

Buckland Hills Project

Buckland Hills is located within 35kms of the Mesa J deposit which is operated by the Robe River Joint Venture and is less than 150kms from the Western Australian coastline (Figure 2). The company is encouraged by the fact that the nearby Robe River rail line was recently declared by the Australian Competition Tribunal as open to other users.

Drilling continued at Bungaroo South deposit (consisting of a Western and an Eastern area) during the quarter, following up the initial JORC Resource of **47.9Mt @ 58.05% Fe** announced in February 2010. Reverse Circulation (RC) drilling was completed (123 holes for 9,080m) and Diamond Core drilling commenced (9 holes for 657m) during the quarter. Drilling continued to identify significant mineralisation outside the maiden resource envelope. Initial assay results from RC drilling were returned with thick, high grade intersections announced including **84m @ 58.92% Fe** (BH117).

The receipt of RC drilling assay results during the quarter at the Western area resulted in an updated Resource of **97.20Mt @ 57.14% Fe** (announced 24 August 2010). Assay results for the Eastern area, which were pending at quarter end, have been received and resulted in a revised Resource of **144.4Mt at 57.2%Fe** (announced on 15 October 2010), giving a combined Inferred Resource at the Bungaroo South Deposit of **241.6 Mt at 57.2%Fe** (refer table above).

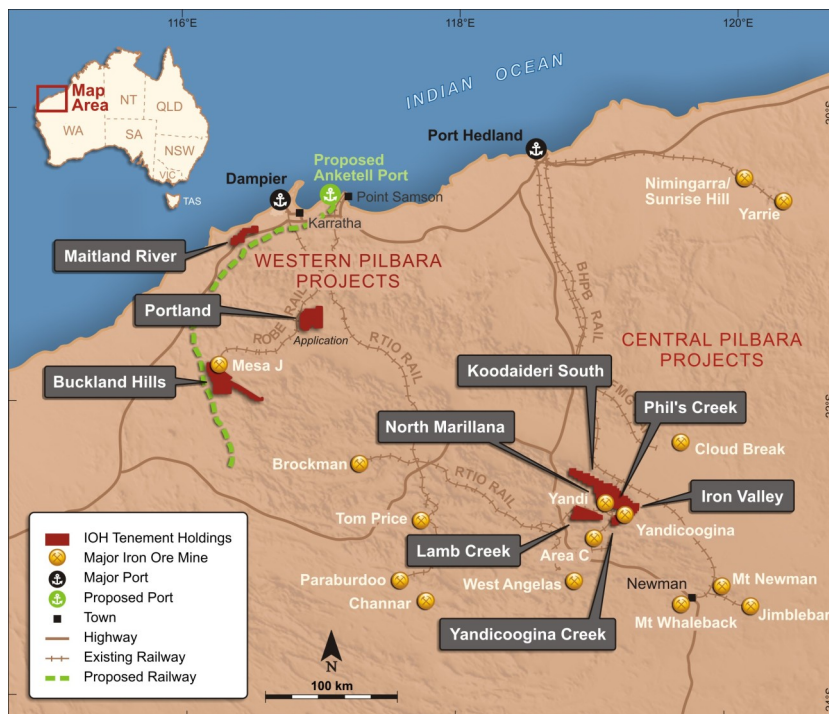


Figure 1: Plan showing existing and planned rail and port infrastructure

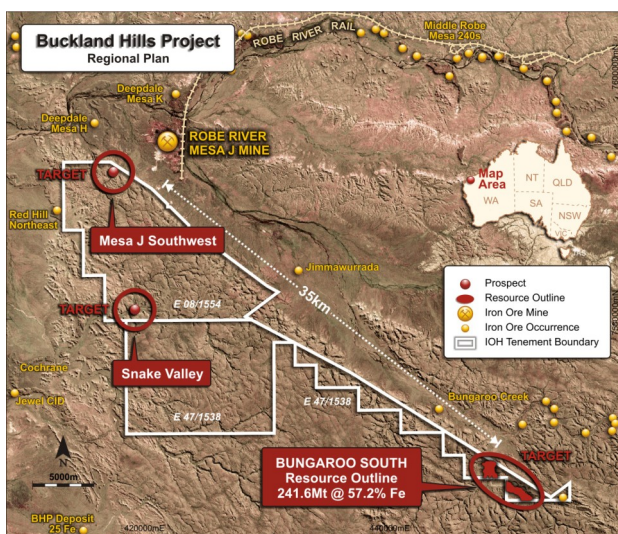


Figure 2: Buckland Hills Location

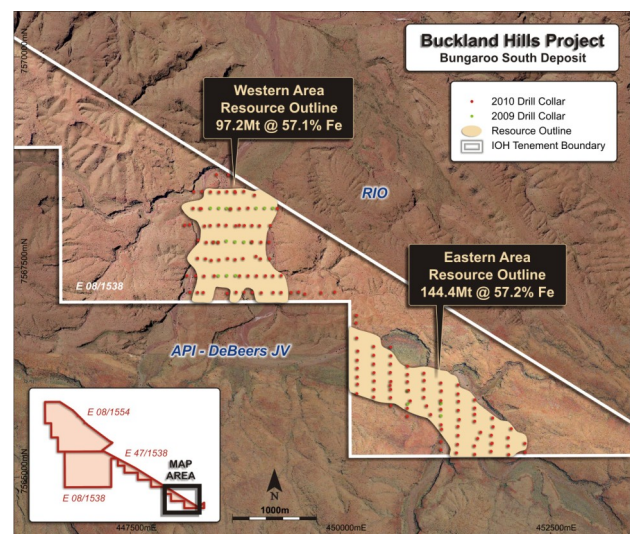


Figure 3: Bungaroo South Deposit Drill Location Plan

Iron Valley Project

The diamond drilling programme at Iron Valley was completed during the quarter. A geological programme of 3 holes for 289.1m confirmed lithological domains while metallurgical drilling of 5 holes for 573.8m generated PQ size core for later testwork.

The total Resource at Iron Valley stands at **240Mt @ 58.8% Fe** (183Mt @58.9% Indicated and 56.7Mt @ 58.3% Inferred), this includes a **high grade component of 143Mt @60.8% Fe**.

The exclusivity period entered into with Rio Tinto Iron Ore in respect of the Iron Valley deposit expired during the quarter. The Company is now able to enter into discussion with other parties interested in this deposit.

Other Exploration Activity

Mesa J Southwest & Snake Valley

The helicopter portable diamond rig was used to access areas where track construction was not feasible. Five holes were drilled during the quarter for 224m with all results pending.

Lamb Creek Project

Drilling will begin at Lamb Creek in the December quarter to follow up on the initial JORC Inferred resource of **26.7Mt @ 58.4% Fe**.

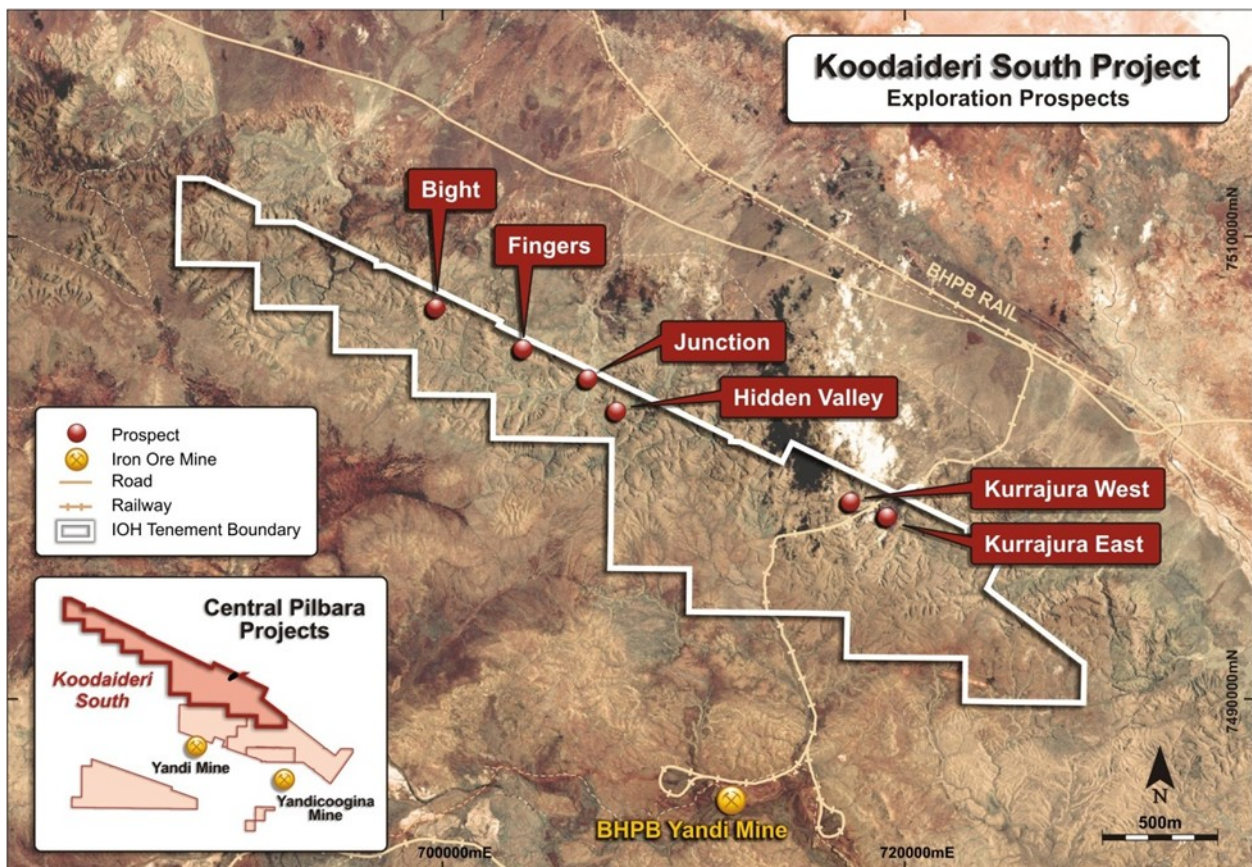
Koodaideri South Project

An Inferred Resource at Fingers Prospect of **23.4Mt @ 58.5% Fe** was announced in March of this year. A further 31 RC holes for 1,800m was drilled this quarter with all results pending.

Drilling commenced at the Kurrajura East (Figure 4) target with 17 holes for 900 metres completed in this first pass programme, leaving the mineralized envelope open in several directions.

Further drilling is planned for Fingers, Bight, Kurrajura East & West, Junction and Hidden Valley to commence in 2011 after approvals and permits are obtained.

Figure 4: Koodaideri Sth Prospect Targets





Phils' Creek

Further to IOH's announcement on 9 August 2010, the Board have decided not to seek a new revised agreement with Rio Tinto on Phil's Creek. The Company will now focus on its major resource projects in its Western and Central Iron Ore Hubs.

Appointment of new Chief Executive Officer

On 13 October 2010, IOH was pleased to announce the appointment of Mr Alwyn Vorster as the Company's new Chief Executive Officer effective 15 November.

Mr Vorster is a highly regarded mining professional who has held senior positions with global companies in technical and commercial roles. He joins IOH from his current role as Director Business Development of Oakajee Port and Rail (OPR), the company tasked to develop a new rail and port in the Mid-West of Western Australia. He previously held senior roles with Kumba Resources (a subsidiary of Anglo American), and Rio Tinto Iron Ore.

Competent Persons Statement:

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