

**ASX  
ANNOUNCEMENT  
IOH**

**11 November 2010**

Iron Ore Holdings Ltd  
ABN 17 107 492 517

Ordinary Shares on Issue:  
135,381,616  
Listed Options:  
4,701,635

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*Emerging Iron Ore Producer*

## **More Exciting Drilling Results at Koodaideri South; CEO to commence 15<sup>th</sup> November 2010**

Iron Ore Holdings (ASX: IOH) is pleased to provide assay results from drilling completed at its Karrajura East and Fingers Prospects located in the Koodaideri South Project.

### **HIGHLIGHTS:**

- **New high-grade iron ore mineralisation identified at Karrajura East Prospect.**
- **Thick high grade intersections within Karrajura East Prospect include:**
  - **52m @ 59.82%Fe (Hole KS100)**
  - **40m @ 59.71%Fe (Hole KS114)**
  - **30m @ 59.25%Fe (Hole KS117)**
  - **44m @ 57.46%Fe (Hole KS120)**
- **Thick high grade intersections within Fingers Prospect include:**
  - **54m @ 58.67%Fe (Hole KS068)**
  - **54m @ 59.44%Fe (Hole KS079)**
  - **74m @ 59.97%Fe (Hole KS080)**
  - **52m @ 59.57%Fe (Hole KS081)**
- **Drilling confirms mineralisation at or near surface within Karrajura East and Fingers Prospects.**
- **Further drilling is planned within the Koodaideri South Project next field season.**
- **The current total IOH JORC Resource Inventory stands at 593.3Mt. (Table 2). A further JORC upgrade is planned within fourth quarter of 2010.**

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**ON BEHALF OF THE BOARD OF DIRECTORS OF IRON ORE HOLDINGS LTD**

**Mal Randall  
Executive Chairman**

## Koodaideri South Project

The Koodaideri South Project is located in the Central Pilbara region of Western Australia close to existing Rio Tinto and BHP mining operations. Recent RC drilling was completed at Karrajura East and Fingers Prospects, Refer Figure 1 for Location. A total 57 holes were drilled for 3186 metres. Refer to Table 1 for drilling details.

Location	No Holes	Metres
Karrajura East Prospect	26	1386
Fingers Prospect	31	1800
<b>TOTAL</b>	<b>57</b>	<b>3,186</b>

Table 1 – Drilling Details

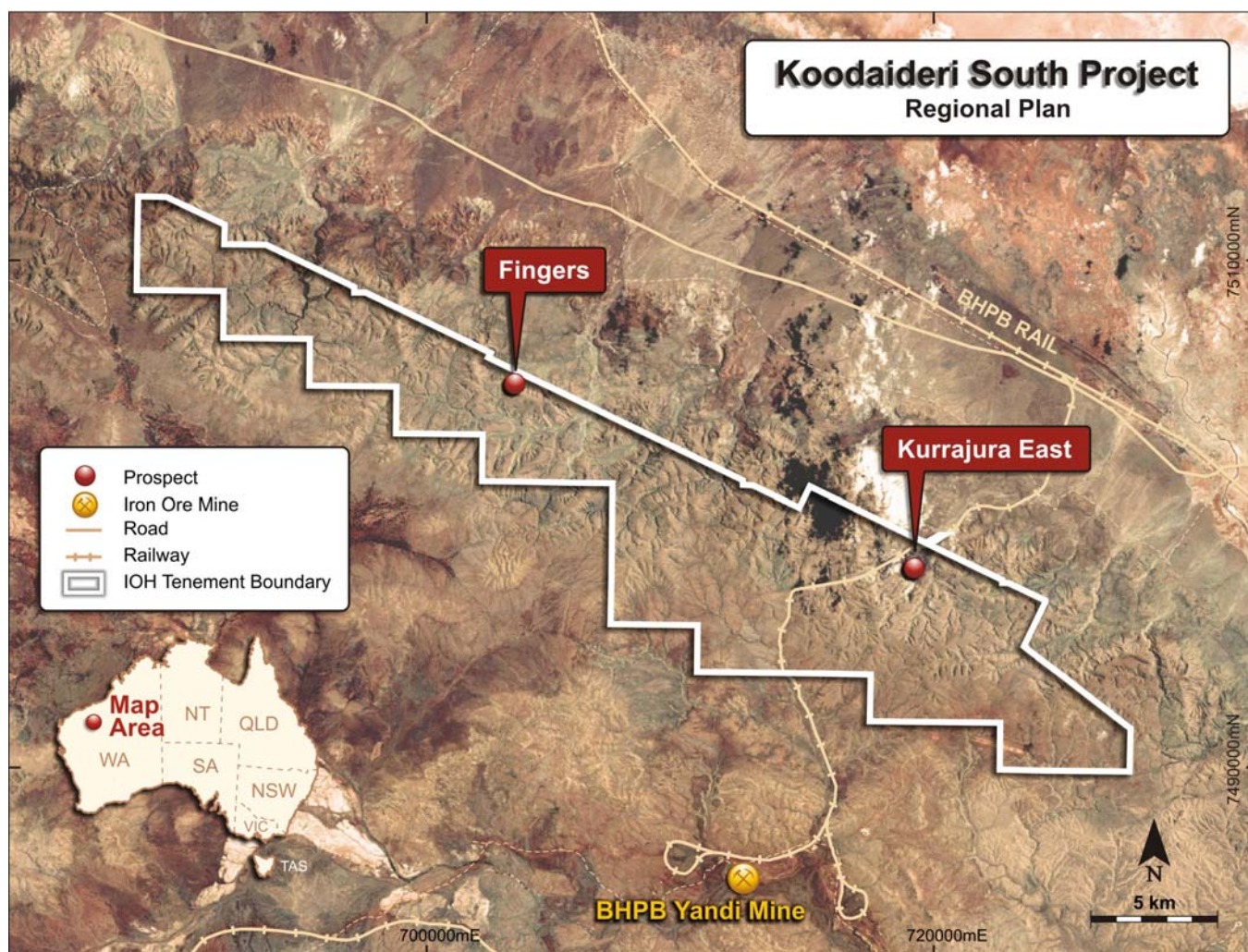


Figure 1: Koodaideri South Project Location Map

## Karrajura East Prospect

The Karrajura East Prospect was first highlighted as an exploration target after reconnaissance geological mapping by IOH geologists which identified Brockman bedded Iron mineralisation in outcrop at surface. A Reverse Circulation (RC) drilling program was completed at the prospect, which comprised of 26 drill holes for a total of 1386 metres. Refer to Figure 2 for drill hole locations.

The drilling at Karrajura East was successful, a total of **nineteen holes** revealed broad mineralised intersections commencing **at or near surface**. Refer to Table 4 for drill hole assay results and Figures 3 and 4 showing section view of mineralisation. The drilling results have been encouraging and the company will return to area for further drilling in 2011 to further define the extent of mineralisation intersected recently.

The high-grade bedded iron mineralisation is confined to the Brockman Iron Formation; the maximum thickness of mineralisation intersected in this drilling program is **52 metres @ 59.82% Fe**.

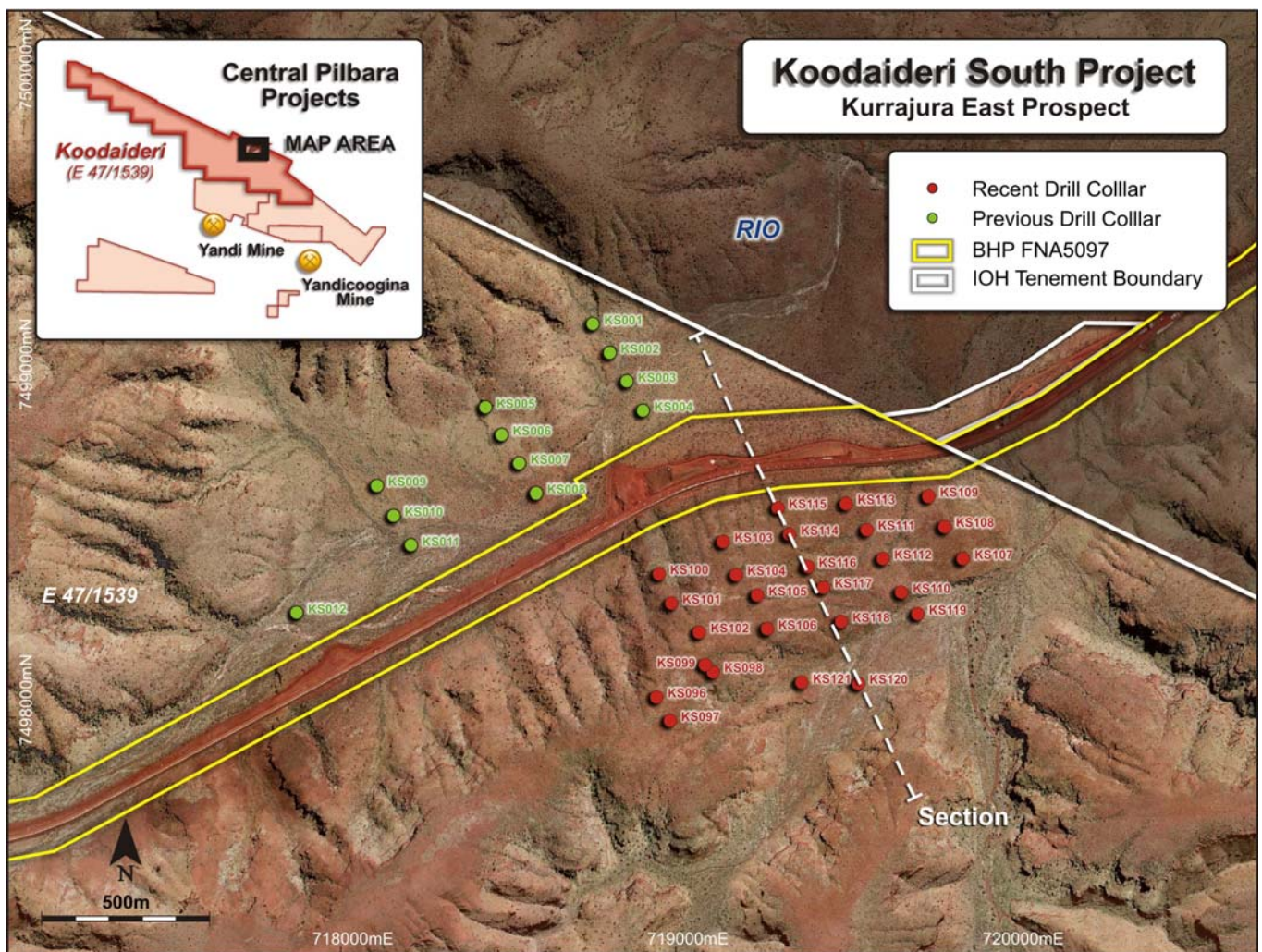


Figure 2: Koodaideri South Project, Kurrajura East Drill Hole Location

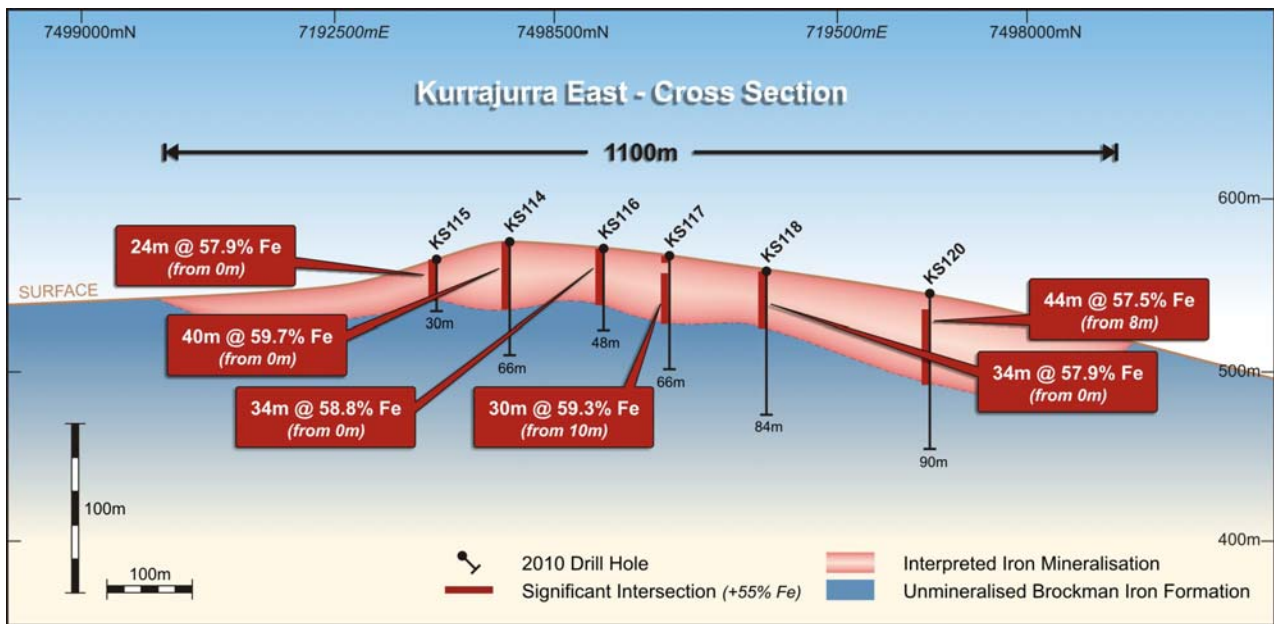


Figure 3: Kurrajurra East Cross Section

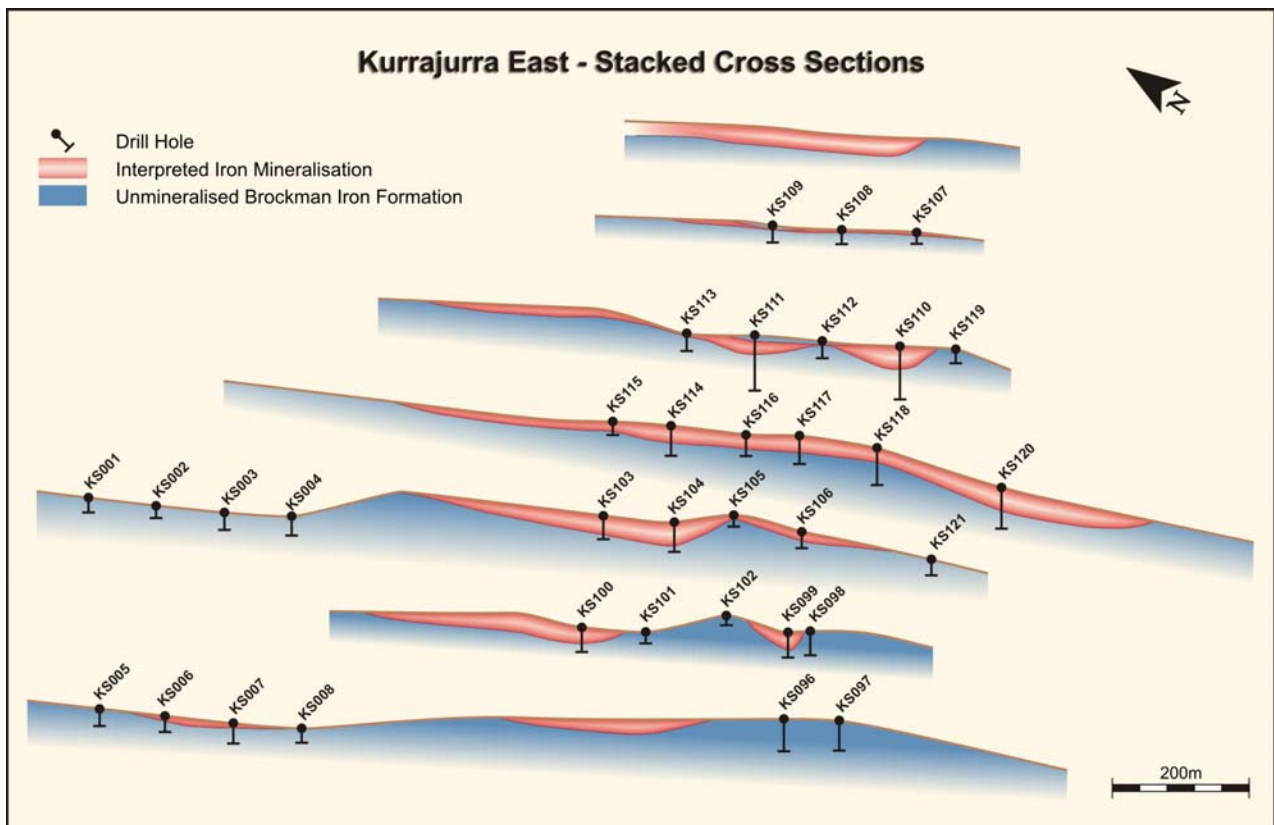


Figure 4: Kurrajurra East Stacked Cross Section

## Fingers Prospect

The Fingers Prospect is strategically located 20km and 35km respectively to the northwest of BHP Billiton's Yandi and Rio Tinto's Yandicoogina mining operations. Rio Tinto's Koodaideri Project is located immediately to the north and BHP Billiton's Mt Newman rail line is located ten kilometres to the north. A Reverse Circulation (RC) drilling program was completed at the prospect, which comprised 31 drill holes for a total of 1800metres. Refer to Figure 5 for drill hole locations.

The drilling at Fingers Prospect was successful, a total of **nineteen holes** revealed broad mineralised intersections commencing **at or near surface**. Some of drill holes were infill. This drilling program has revealed that the mineralisation is thicker than previously anticipated (ASX release on 13<sup>th</sup> January 2010). Refer to Table 3 for drill hole assay results.

The high-grade bedded iron mineralisation is confined to the Brockman Iron Formation; the maximum thickness of mineralisation intersected in this drilling program was **74 metres @ 59.97%**

Further drilling is planned for 2011 with the aim of understanding the full extent of mineralisation at the Fingers and Karrajura Prospects in addition to testing a number of other exciting exploration targets identified within the Koodaideri South Project, including the Bight and Hidden Valley Prospects.

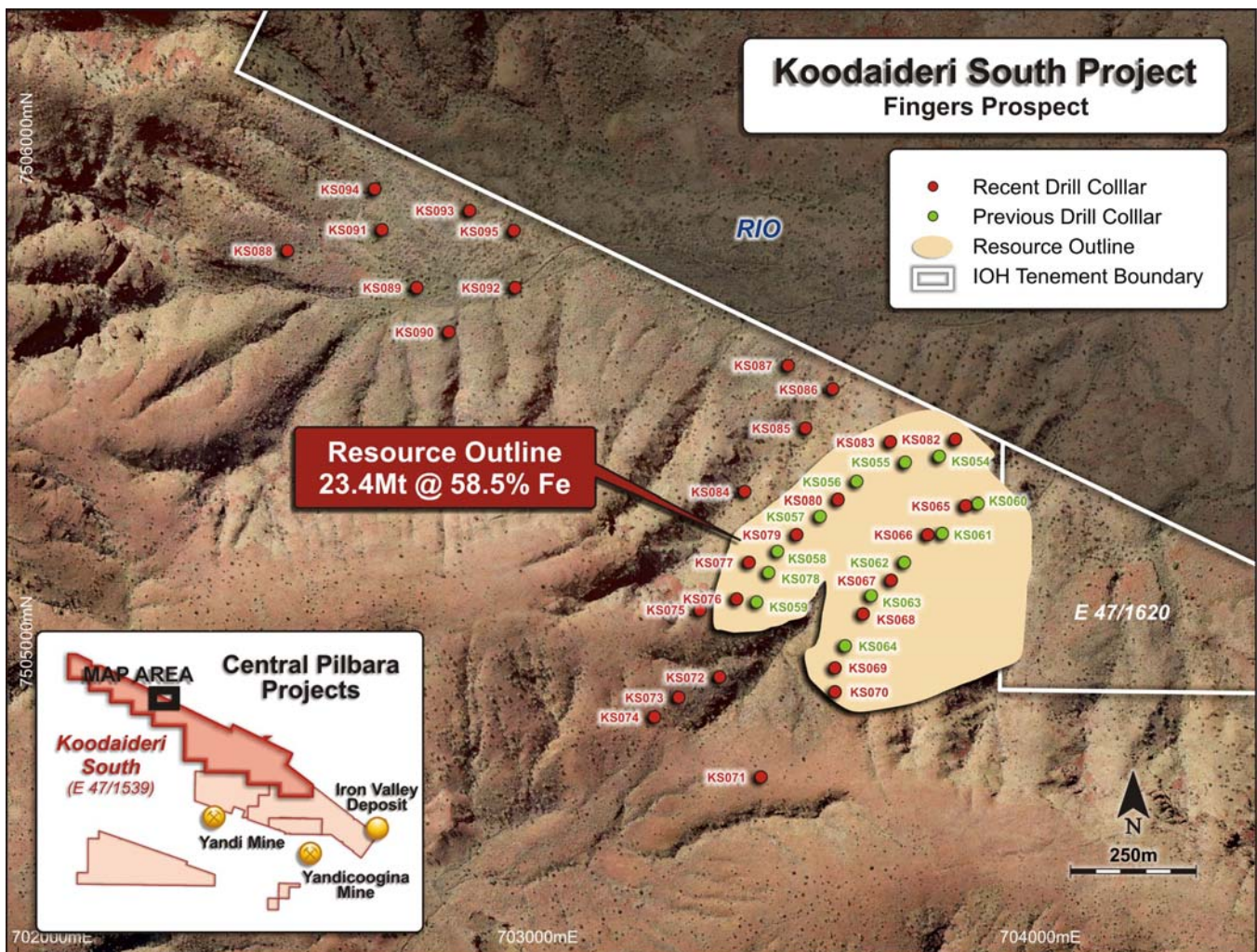


Figure 5: Koodaideri South Project, Fingers Drill Hole Location

## Corporate Update

### ***Commencement of Chief Executive Officer and remuneration details***



As previously announced, Alwyn Vorster will commence his role as CEO as of Monday 15<sup>th</sup> November 2010. Mr Vorster is a highly regarded mining professional who has held senior positions with global companies in technical and commercial roles. Previous roles include, Director of Business Development of Oakajee Port and Rail (OPR), Kumba Resources (a subsidiary of Anglo American) and Rio Tinto Iron Ore.

Mr Vorster will receive a salary of \$430,000 per annum plus 9% superannuation. An option package has also been agreed as follows:

- (a) 500,000 options granted upon contract signing vested immediately exercisable at \$2.50 on or before 11 October 2013;
- (b) 500,000 options to be granted on the completion of 6 months service ;
- (c) 1,000,000 options to be granted on the completion of 12 months service ; and
- (d) 1,000,000 options to be granted on the completion of 24 months service.

Options to be granted following completion of service periods will be exercisable at 1.43X the weighted average volume price for the five trading days up to and including the day of grant. The options will have an exercise period of three years from the date of grant.

Mr Vorster has been employed for an initial term of 3 years. The contract may be terminated by the Company in certain circumstances by giving three months notice. If the contract is terminated Mr Vorster will receive an equivalent of three months' salary.

### ***Substantial Shareholders***

The Company wishes to update disclosures made in its annual report in relation to Substantial Shareholders.

Substantial Shareholder notices in respect of the 67,549,180 shares held by Wroxby Pty Ltd, a member of the Australian Capital Equity Pty Limited group, were received from the entities listed in point 1 below (representing the actual holders), and from Seven Group Holdings Limited (SGH; see point 2 below). The SGH interest is a deemed interest in the shares held by Wroxby. Substantial shareholder interests in the Company are therefore as follows:

	<u>Relevant interest in shares</u>
1. Australian Capital Equity Pty Ltd, Wroxby Pty Ltd, North Aston Pty Ltd and other ACE Group entities, Ashblue Holdings Pty Ltd, Mr Kerry Matthew Stokes AC and Clabon Pty Ltd	67,549,180
2. Seven Group Holdings Ltd (SGH) and SGH's subsidiaries (deemed interest via association with ACE)	67,549,180
3. Sumisho Iron Pty Ltd	7,000,000

## IOH Overview

The total **JORC Mineral Resource** over all IOH projects is **593.3Mt** (refer Table 1). Exploration drilling continues at several locations. The Company now has a Central Pilbara hub that contains 350Mt within 50km radius of existing rail infrastructure (refer Figure 6) and is developing a Western Pilbara hub which now exceeds 240Mt close to existing infrastructure.

Project	JORC Indicated	JORC Inferred	Fe%	SiO <sub>2</sub> %	Al <sub>2</sub> O <sub>3</sub> %	P%	LOI%	Cut-off Fe
Iron Valley	183.0Mt	56.7Mt	58.9	4.6	3.0	0.18	7.2	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%
Bungaroo South		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	0.138	7.6	50%
	<b>244.9Mt</b>	<b>348.4Mt</b>	<b>Total Resource (Indicated and Inferred)</b>					<b>593.3Mt</b>

Table 2 – Complete IOH JORC Mineral Resource

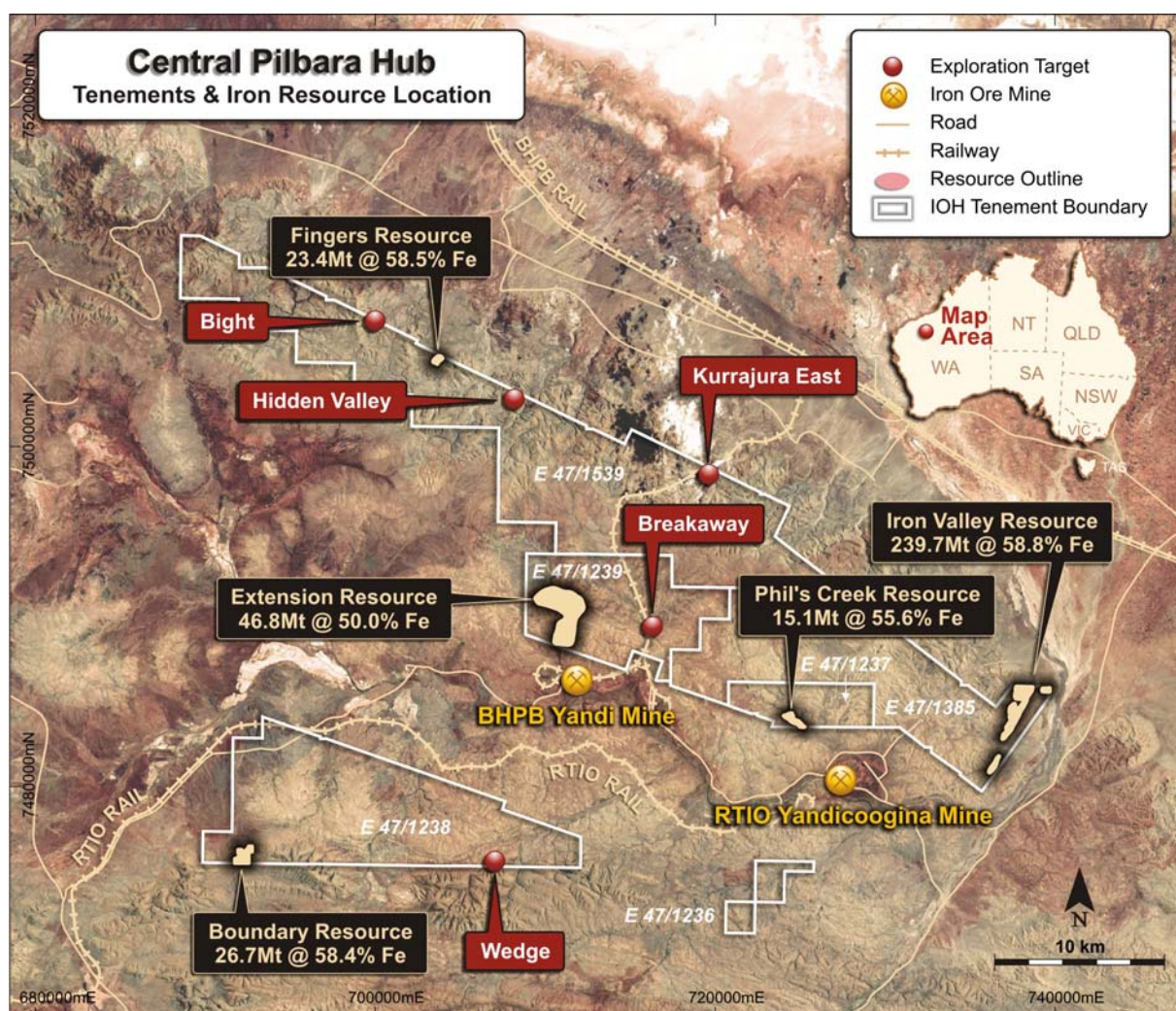


Figure 6: Central Pilbara Project Location and Resource Map

**Table 3: Fingers, Koodaideri South – Drill Results**

## Koodaideri South

Fingers Prospect (Average Grade for +55% Fe)

HoleID	East	North	From (m)	To (m)	Width (m)	Fe%	SiO2%	Al2O3%	P%	LOI%
KS065	703884	7505305	0	18	18	57.90	4.76	2.62	0.137	9.03
KS065	and	and	28	32	4	55.39	7.70	4.43	0.226	7.73
KS065	and	and	34	42	8	57.93	5.96	2.48	0.186	7.99
KS066	703809	7505248	0	44	44	58.74	4.63	2.79	0.172	7.90
KS066	and	and	60	62	2	59.11	6.24	1.11	0.174	7.54
KS066	and	and	68	70	2	55.53	8.46	0.95	0.209	9.57
KS067	703736	7505157	0	4	4	56.10	4.87	3.47	0.089	10.60
KS067	and	and	8	60	52	58.24	3.55	2.99	0.175	9.35
KS068	703680	7505090	0	54	54	58.67	2.76	2.77	0.122	9.80
KS069	703624	7504983	0	46	46	58.42	2.93	2.76	0.159	9.98
KS070	703624	7504935	0	4	4	56.40	4.41	2.26	0.068	11.90
KS070	and	and	8	42	34	59.78	3.65	1.98	0.106	8.21
KS071	703477	7504766	No Significant Results							
KS072	703395	7504965	2	26	24	57.83	3.45	2.63	0.091	10.40
KS072	and	and	32	34	2	55.49	3.14	4.40	0.180	12.00
KS073	703314	7504924	2	10	8	56.30	4.35	2.94	0.087	11.40
KS074	703265	7504885	2	6	4	56.10	7.36	2.03	0.086	9.55
KS075	703356	7505098	No Significant Results							
KS076	703429	7505120	No Significant Results							
KS077	703453	7505193	0	34	34	59.23	3.55	2.06	0.102	9.04
KS078	703492	7505172	0	48	48	58.71	5.76	1.97	0.104	7.67
KS079	703548	7505248	0	54	54	59.44	3.21	2.08	0.159	8.87
KS080	703630	7505317	0	74	74	59.97	2.47	2.22	0.158	8.71
KS080	and	and	82	90	8	56.42	6.19	1.95	0.229	10.00
KS081	703719	7505721	0	52	52	59.57	5.32	2.10	0.149	6.20
KS082	703864	7505436	0	2	2	59.18	4.47	2.38	0.135	7.89
KS082	and	and	6	14	8	56.63	7.53	2.45	0.115	8.32
KS083	703734	7505431	No Significant Results							
KS084	703445	7505332	No Significant Results							
KS085	703566	7505458	No Significant Results							
KS086	703620	7505536	No Significant Results							
KS087	703531	7505583	0	4	4	60.73	5.03	2.74	0.078	4.56
KS088	702536	7505811	0	4	4	56.70	14.88	0.94	0.077	2.36
KS088	and	and	18	20	2	55.75	8.08	1.43	0.151	9.82
KS089	702793	7505738	No Significant Results							
KS090	702857	7505650	No Significant Results							
KS091	702724	7505853	No Significant Results							
KS092	702989	7505738	0	2	2	57.17	7.24	2.49	0.075	7.88
KS093	702898	7505891	No Significant Results							
KS094	702709	7505934	6	8	2	55.41	15.86	2.20	0.077	1.44
KS095	702986	7505851	No Significant Results							



Table 4: Karrajura East, Koodaideri South – Drill Results

## Koodaideri South

Karrajura East Prospect (Average Grade for +55% Fe)

HoleID	East	North	From (m)	To (m)	Width (m)	Fe%	SiO2%	Al2O3%	P%	LOI%
KS096	718942	7498061	No Significant Results							
KS097	718983	7497991	No Significant Results							
KS098	719111	7498136	No Significant Results							
KS099	719087	7498158	0	36	36	58.69	4.794	2.261	0.117	8.26
KS100	718950	7498429	2	38	36	59.82	3.972	1.949	0.144	7.74
KS101	718987	7498341	No Significant Results							
KS102	719070	7498255	No Significant Results							
KS103	719141	7498526	0	6	6	57.65	7.927	2.637	0.105	6.26
	and	and	10	42	32	59.82	5.728	2.163	0.157	5.85
KS104	719180	7498427	0	30	30	58.53	5.912	2.034	0.105	7.63
	and	and	36	38	2	55.72	8.98	1.9	0.193	8.59
	and	and	46	54	8	55.8	4.343	3.375	0.259	11.2
KS105	719243	7498366	2	10	8	55.55	11.03	1.885	0.105	6.89
KS106	719272	7498265	0	22	22	57	9.314	1.365	0.124	6.86
KS107	719857	7498475	4	6	2	55.63	6.77	3.92	0.125	8.92
KS108	719802	7498570	0	4	4	56.92	7.485	2.17	0.139	8.22
	and	and	12	14	2	56.78	8.02	1.76	0.212	8.27
KS109	719754	7498660	0	10	10	59.41	9.416	1.018	0.144	3.5
KS110	719673	7498375	0	52	52	59.82	4.217	1.999	0.153	7.53
KS111	719570	7498561	0	12	12	63.62	4.583	1.393	0.148	1.96
	and	and	24	36	12	57.92	4.88	2.485	0.2	9.03
	and	and	40	42	2	56.28	9.57	3.59	0.113	5.65
KS112	719618	7498475	2	8	6	60.54	8.693	1.527	0.121	1.98
KS113	719508	7498639	0	6	6	58.01	4.79	2.937	0.157	8.6
KS114	719339	7498547	0	40	40	59.71	4.618	2.47	0.129	6.87
KS115	719304	7498626	0	24	24	57.87	5.418	2.934	0.126	8.02
KS116	719393	7498451	0	34	34	58.78	4.991	1.813	0.159	8.4
KS117	719440	7498389	0	4	4	57.62	6.595	1.845	0.14	8.47
	and	and	10	40	30	59.25	5.853	1.477	0.159	7.29
	and	and	46	48	2	55.39	10.79	1.46	0.188	7.77
	and	and	52	54	2	55.32	4.87	3.74	0.301	11
KS118	719493	7498287	0	34	34	57.87	5.024	2.515	0.133	8.93
	and	and	40	42	2	55.99	4.79	2.56	0.213	11.6
KS119	719722	7498310	No Significant Results							
KS120	719544	7498102	8	52	44	57.46	3.162	3.126	0.126	10.7
KS121	719375	7498105	No Significant Results							

**Please note:** Down hole intersection selection is based on a lower cut off of 55% Fe, 2m minimum width and internal dilution of maximum 2 m. Samples are individual 2m cone or riffle split RC samples. Results are from XRF Analysis by Ultra Trace Laboratories in Perth, Western Australia.

**Competent Persons Statement:**

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.

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.

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