

IOH Announces Maiden Ore Reserve

Highlights

- **Pre-Feasibility Study mine planning completed on the Bungaroo South deposit.**
- **Initial JORC Probable Ore Reserve estimate of 92 Mt at 57.6% Fe based on a cut-off grade of 54% Fe.**
- **Ore Reserve estimate based on new Bungaroo South JORC Mineral Resource of 248 Mt at an average grade of 57.2% Fe.**
- **Initial Ore Reserve was targeted to support first 10 years of mining at a rate of 8Mtpa^A, with significant potential to increase the Buckland Project Ore Reserve in the future.**
- **The Buckland Project aims to establish an independent supply chain comprising a Bungaroo South mine, a dedicated haul road and a small scale barging port facility.**

Iron Ore Holdings Ltd (IOH) is pleased to announce 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.

The Buckland Project covers all the activities associated with the potential development of a ~8 Mtpa^A Bungaroo South mine, a dedicated ~180 kilometre private haul road and a small scale barging facility at or near to IOH's Mardie tenement on the Pilbara coast (see Figure 1).

Snowden Mining Industry Consultants Pty Ltd (Snowden), an independent mine planning consultancy, has completed mine planning and the initial Probable Ore Reserve estimate for the Bungaroo South deposit. The Ore Reserve is based on an updated JORC Mineral Resource of 248 Mt following an extensive infill drilling campaign in which a total of 140 holes were drilled for a total of 10,962 metres. The new Mineral Resource estimate includes 180 Mt at 58.0% Fe, with relatively low silica and alumina levels compared to many other deposits in the region (see Tables 1 and 2).

Infill drilling is set to continue across the Bungaroo South deposit during the Feasibility Study and is expected to deliver a further upgrade of the existing Inferred Mineral Resource to Indicated Mineral Resource status which should, in turn, support future increases to the Ore Reserve estimation.

The Snowden mine study indicates that the Channel Iron Deposit (CID) orebody can be mined from multiple areas in close proximity to a crush & screen facility. A Western pit and two Eastern pits (with another pit at Dragon to follow in the future) can be developed without major impact on the creek system (see Figure 2). The study also identified Bungaroo South as having a relatively simple orebody with a low waste material strip ratio, which can be mined using conventional drill and blast methods allowing a potentially low cost operation^A (see Figures 3 and 4).

Managing Director, Alwyn Vorster, recognised the significance of IOH establishing its maiden Ore Reserve in the company's history.

"The mine study and Ore Reserve estimation are key components of the Buckland Project Pre-Feasibility Study which is due to be completed within the next six weeks. IOH is confident that the results of the Pre-Feasibility Study will confirm the technical and economic viability of the Buckland Project," he said.

ENDS

Figure 1: Buckland Project – Potential Infrastructure Options

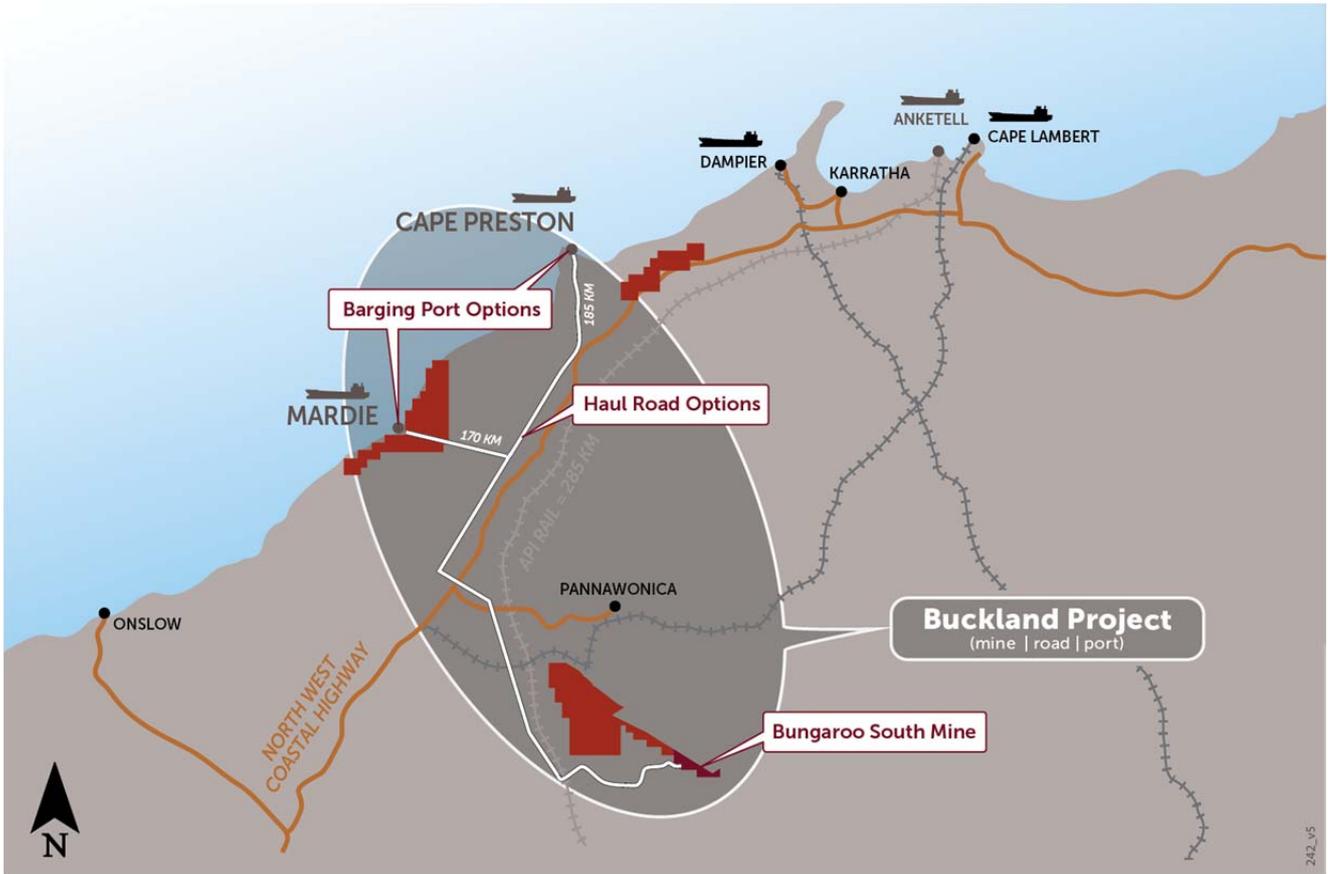


Figure 2: Bungaroo South and Dragon

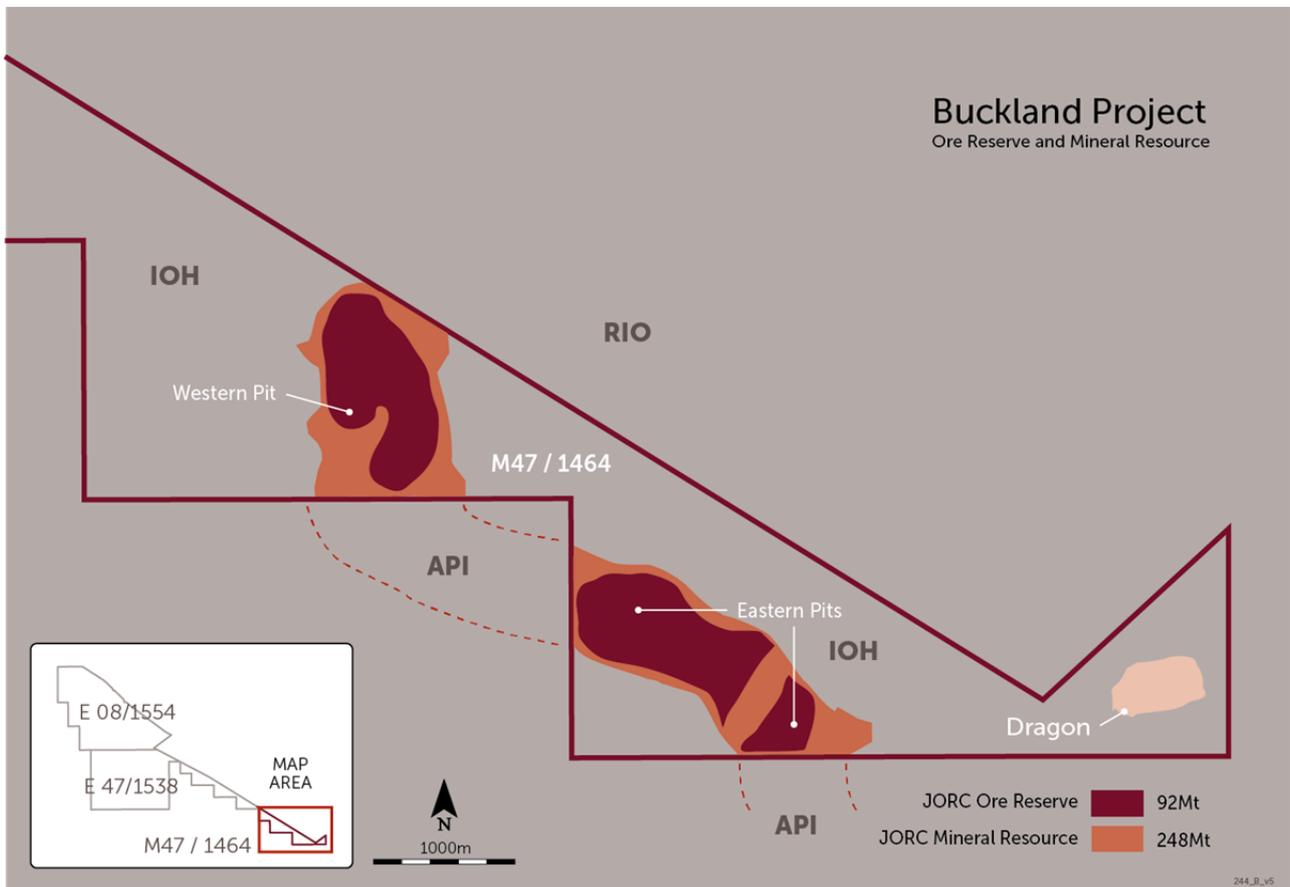


Figure 3: Bungaroo South Cross Section (North)

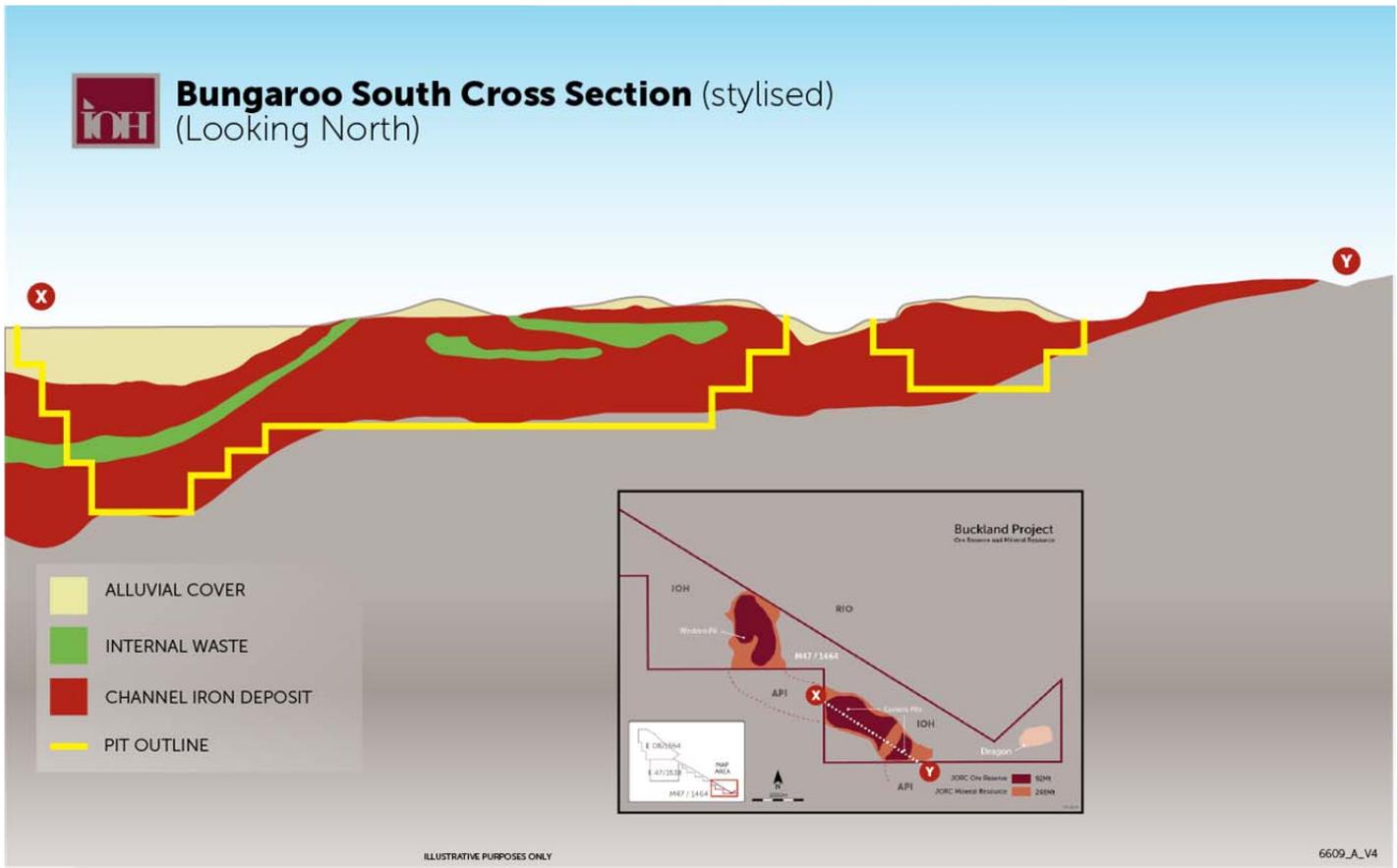


Figure 4: Bungaroo South Cross Section (East)

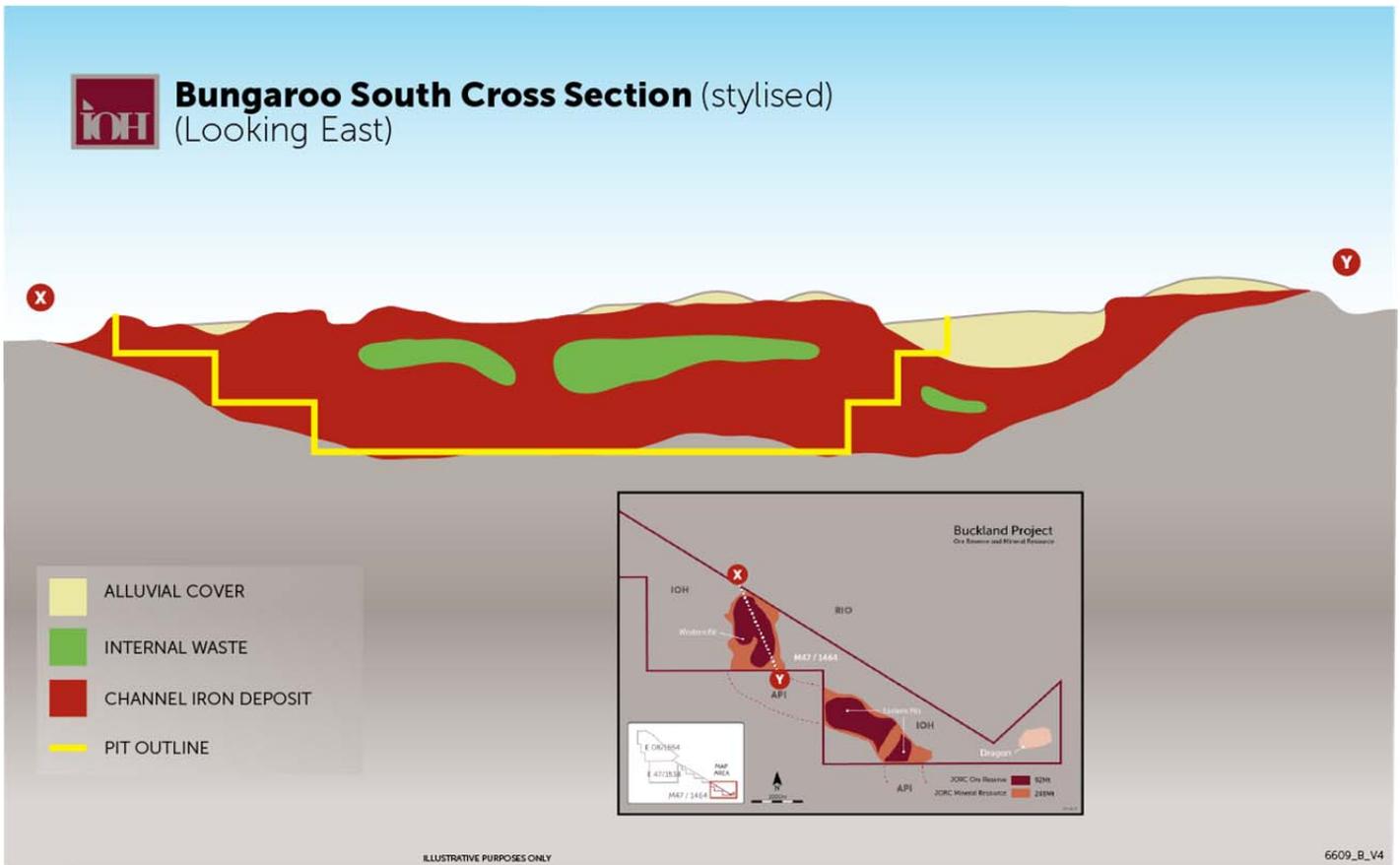


Table 1: IOH JORC Mineral Resources at 13 November 2012

Location	Project or Tenement	JORC Indicated Resources (Mt)	JORC Inferred Resources (Mt)	Fe (%)	CaFe (%)	SiO ₂ (%)	Al ₂ O ₃ (%)	P (%)	LOI (%)	Cut off (% Fe)	Total (Mt)
Central Pilbara	Iron Valley	216.3	-	58.4	63.0	5.1	3.1	0.18	7.3	50	259.1
		-	42.8	57.9	61.1	7.0	3.9	0.14	5.2	50	
Western Pilbara	Bungaroo South	179.7 ^B	-	58.0	63.1	5.9	2.4	0.15	8.1	53	282.5
		-	68.6	55.1	60.0	9.6	2.6	0.14	8.2	53	
	Dragon	-	21.5	55.4	60.5	7.9	3.6	0.15	8.4	50	
	Rabbit	-	5.5	57.1	61.1	7.5	3.4	0.12	6.5	52	
	Rooster	-	7.2	56.2	60.6	6.5	4.8	0.08	7.2	52	
Bedded Iron Deposit & Channel Iron Deposit Total		396.0	145.6								541.6
Central Pilbara	North Marillana	46.8	-	50.0	55.8	9.5	7.7	0.41	10.4	45	46.8
Blending Material Total		46.8	-								
Coastal Pilbara	Maitland River (Magnetite)	-	1,106.0	30.4	30.8	44.0	2.3	0.06	1.2	26	1,106.0
Magnetite Total		-	1,106.0								
Total Mineral Resources		442.8	1,251.6	Total Resources (Indicated and Inferred)							1,694.4

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

Table 2: IOH JORC Probable Ore Reserve at 13 November 2012

Location	Project or Tenement	JORC Proven Reserve (Mt)	JORC Probable Reserve (Mt)	Fe (%)	CaFe (%)	SiO ₂ (%)	Al ₂ O ₃ (%)	P (%)	LOI (%)	Cut-off (% Fe)	Total (Mt)	
Western Pilbara	Bungaroo South	West	-	31.4	57.9	62.7	5.9	2.9	0.146	7.7	54	92.4
		East	-	61.0	57.5	62.3	6.5	2.3	0.150	8.3	54	
Total Ore Reserve			92.4								92.4	

^A Based on JORC Probable Ore Reserve of 92 Mt. Financial viability to be confirmed following further consideration of the Modifying Factors in the JORC Code and final feasibility studies. Investment decisions should not be made based on current production estimates for the Bungaroo South mine.

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.

Corporate Profile (as at 12 November 2012)

Iron Ore Holdings Ltd (ASX: IOH) owns and manages a portfolio of hematite 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
Gen Davison	GM Business Development
Manohar Ghorpade	Chief Geologist

Registered Office:

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Share Registry:

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Major Shareholders:

Wroxby Pty Ltd	52.7 %
Sumisho Iron	4.3 %