

COMPANY UPDATE

Red Mountain Mining Limited (**ASX:RMX**) is pleased to advise that it has entered into a transaction with Philippines based company and 25% Batangas Gold Project joint venture partner, Bluebird Merchant Ventures Ltd (**Bluebird**), concerning RMX's 75% interest in the Batangas Gold Project (**Agreement**).

Under the terms of the Agreement, Bluebird shall acquire the remaining balance of the Batangas Gold Project in exchange for 1.25m fully paid ordinary shares in Bluebird plus a perpetual 1% net smelter production royalty over the Batangas Gold Project. Bluebird is a Philippines based company listed on the main board of the London Stock Exchange.

Furthermore, should Bluebird sell 50% or more of the Bantagas Gold Project within 12 months of settlement under the Agreement then it shall share the net proceeds of such sale with RMX on a 50/50 basis.

RMX currently holds approximately 6.1 million shares in Bluebird, which shall increase to circa **7.35 million** upon settlement of the Agreement.

Director Jeremy King commented:

"The current climate for mining in the Philippines has made it challenging for foreign based explorers to develop their projects. The Batangas Gold Project is promising but it is located in a biologically diverse environment and has regulatory hurdles ahead of it. Our view is that those hurdles are best managed by local groups. Given the difficulties junior foreign miners are facing in the Philippines, the optimal form of ongoing leverage to this project for RMX is a production royalty. We look forward to monitoring Bluebird's progress as it moves to develop the project over the next 12 months or so.

Most importantly, this removes a cost centre for the Company and frees us up to focus our collective efforts and resources on exploration and development of the Company's exciting Red Valley Lithium Brines Project in Utah, USA, in addition to continuing the hunt for fresh opportunities in both the new energy metals and gold sectors."

The Company further advises that Mr Jason Bontempo has resigned from his Non-Executive role due to other business commitments. The Board wishes Jason well in his endeavours. Mr Robert Parton, who was formerly a Board member of RMX, re-joins the Board as a Non-Executive Director with a wealth of business development experience.

For and on behalf of the Board
Shannon Coates, Company Secretary