

29 January 2016

ASX Release

**Iron Mountain Mining Limited (ASX Code: IRM)**  
**Quarterly Report: 31 December 2015**

**HIGHLIGHTS**

**GOLDEN CAMEL (Gold)**

- Golden Camel Mining Pty Ltd lodged Planning Permit Application with the Shire of Campaspe
- Planning Permit Application outlines proposed two stage development of Project beginning with an initial 2000t trial bulk sample to validate mining and processing assumptions
- Construction and mining deferred to early 2016 subject to Planning Permit approval and remaining regulatory requirements and negotiations

**INDICATOR (Gold)**

- Site reconnaissance undertaken to evaluate and prepare for proposed small drilling program currently being considered
- No road works, site access or drill pad preparation required
- Discussions with local drilling contractor deferred to early 2016 due to designated Domestic Firewood Collection Area (1 Sep – 30 Nov) and limited drill rig availability leading up to the Christmas-New Year period.

**CORPORATE**

- Sale of the Company's commercial property was completed following receipt of the agreed consideration of A\$900,000 (plus GST)
- Change of registered office, principal place of business, postal address and phone/fax numbers
- Appeal against previous decision in ongoing taxation of fees paid to lawyers who advised a former director was lodged during the quarter

ACN: 112 914 459

Level 3 | 33 Ord Street| West Perth | Western Australia | 6005

PO Box 186 West Perth | Western Australia | 6872

t + 61 (8) 9481 4478   f +61 (8) 9486 4833   e [info@ironmountainmining.com.au](mailto:info@ironmountainmining.com.au)   [www.ironmountainmining.com.au](http://www.ironmountainmining.com.au)



## **GOLDEN CAMEL PROJECT**

The sale of the Golden Camel Project tenements to Golden Camel Mining Pty Ltd ("GCM") was completed on 27 January 2015 under the terms of a Tenement Sale and Purchase Agreement announced on 1 October. The four tenements comprising the Golden camel Project are located over the Heathcote Greenstone Belt in Central Victoria and currently host a Measured, Indicated & Inferred JORC (2012) Resource of 266,000t @ 1.7g/t Au<sup>1</sup> within MIN5548.

During the quarter, GCM prepared and lodged a Planning Permit Application for the development of the Golden Camel Project as a mining operation with the Shire of Campaspe following meetings with shire officers to discuss project requirements. The Planning Permit Application outlined a proposal for a two stage conditional development based on an initial 2000t trial bulk sample to validate mining and processing assumptions and confirm project economics. Subject to satisfactory trial mining results, GCM will then progress to the full scale development of the Golden Camel Project.

As a result of the delayed Planning Permit approval, commencement of site construction previously anticipated for 2015 has been deferred to early 2016. Approval for the Work Plan for Mining Licence 5548 (Golden Camel) has already been received from the Department of Economic Development, Jobs, Transport and Resources (ASX 27 Jul 2015) and discussions with offsite processing facilities are ongoing. Proposed mining will be by traditional drill & blast, excavation and haulage methods during an anticipated six month life of mine. Ore is intended to be transported to a nearby offsite processing facility for toll treatment and the extraction of gold.

Under the terms of the Tenement Sale and Purchase Agreement<sup>2</sup>, Iron Mountain is entitled to the following consideration if mining commences on or before 27 January 2018;

- A\$100,000 one month after the commencement of mining
- A\$200,000 two months after the commencement of mining

The Agreement also includes a royalty to Iron Mountain of A\$2/t on all gold ore mined after the first 20,000oz has been produced. Further updates will be announced as provided by GCM or as identified by the Company.

## **INDICATOR PROJECT**

The Indicator Project target is a historically mined, high grade indicator/quartz vein mineralized system discovered in 1984 as in-situ gold in quartz mineralization outcropping at surface on the crown of a small hill (see Fig.1).

During the quarter, site reconnaissance was undertaken to evaluate and prepare for a proposed small diamond drilling program of up to 5 holes (angled & vertical) for approximately 150m. The drilling aims to test for the presence of anticipated high grade gold mineralization extensions beneath previous shallow ground disturbance from past mining undertaken under MIN4856 (1994-1999).

---

<sup>1</sup> Refer to announcement "Golden Camel Resource Update" (ASX 22 Oct 13) for full details.

<sup>2</sup> Refer to announcement "Agreement for Sale of Victorian Gold Tenements" (ASX 1 Oct 14) for full details.



Figure 1 – Target drilling site location including land use within EL5540.

As no road works, site access or drill pad preparation is necessary, the proposed drilling activities have been assessed and confirmed as meeting the criteria for Low Impact Exploration and only require 7 day Notice of Intent to be lodged prior to drilling commencing. The proposed drilling program is expected to take between 3-7 days to complete (subject to success of initial angled holes).

Discussions commenced with Deep Core Drilling (Bendigo) to provide drilling contractor services to complete the proposed drilling continued but were but were ultimately deferred to early 2016 due to the area in question being designated a Domestic Firewood Collection Area (Pigeon Gully East) between 1 Sep – 30 Nov and limited drill rig availability leading up to the Christmas-New Year period.

## ROGETTA PROJECT

The Rogetta Project (formerly Blythe Iron Ore Project) located approximately 30km south-southwest of Burnie in Tasmania (see Fig.2). Following the acquisition of residual interests in the project (ASX 24 Apr 2015), Iron Mountain is now entitled to 100% of the all generated milestone payments and royalty benefits subject to mining commencing at Rogetta. Mining Lease ML1996P/M was granted on 4 June 2015 for a proposed magnetite iron ore mine at Rogetta and is currently an EPA Assessment in Progress.

Post-production milestone payments and the production royalty were subsequently modified under amended Blythe Sale Agreement<sup>3</sup> and announced on 27 June 2012.

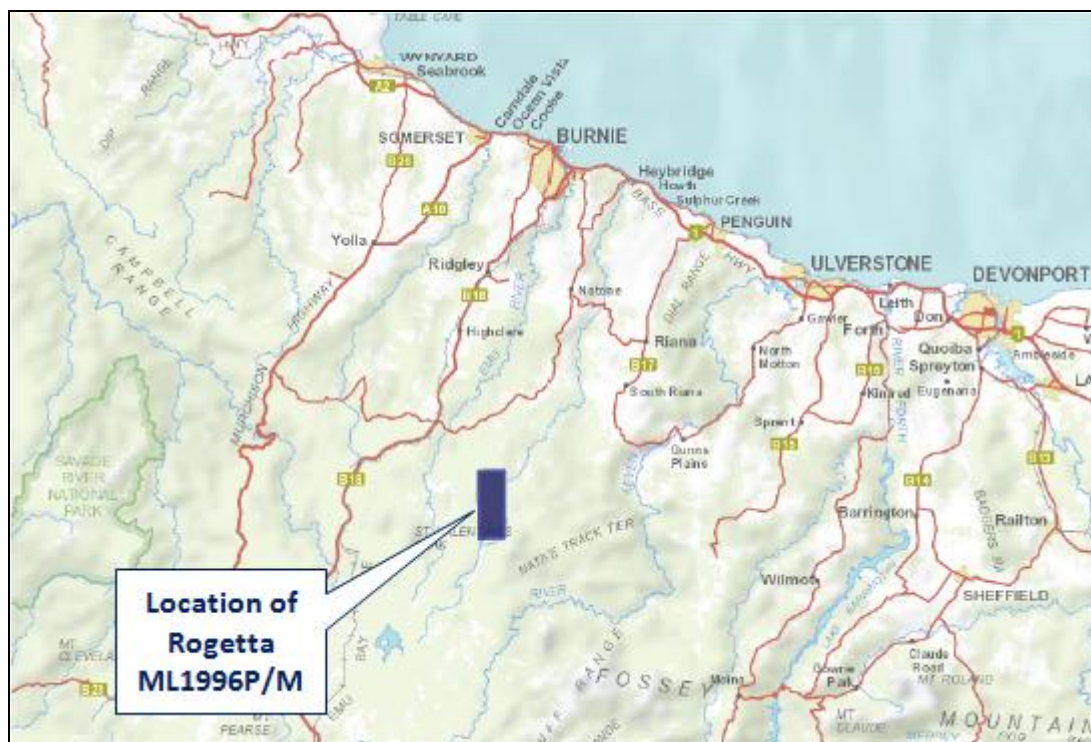


Fig.2 – Location of Rogetta granted Mining Lease ML1996P/M approximately 30km south of Burnie (image and location details from Mineral Resources Tasmania).

During the December 2015 quarter, no updates were received. All future Rogetta Project status updates will be announced as provided by Forward Mining Ltd or as identified by the Company.

## MIAREE PROJECT

The Miaree Project is located approximately 30km southwest of Karratha in Western Australia. The Company is the 100% legal and beneficial owner of the Miaree Project following a recent transaction with former joint venture partner Red River Resources Ltd (ASX 24 Apr 2015). During the December 2015 quarter, tenement transfers were finally approved and completed.

## MIAREE MAGNETITE PROJECT

During the quarter, an application for an Extension of Term for E08/1350 was rejected by the Department of Mines and Petroleum and the tenement was forfeited. The Miaree Magnetite Project contains an independently estimated JORC (2004) Inferred Magnetite Resource but with iron ore prices hitting 8 year lows during the quarter (pre-spot market prices), additional work could not be committed at the present time

<sup>3</sup> Refer to announcement “Blythe option exercised with restructured payment terms” (ASX 27 Jun 12) for full details.





During the quarter, evaluation of the Project continued with a view to justifying ongoing expenditure requirements given current market conditions and an ongoing climate of depressed iron ore prices. The company continues to investigate all available options to realize value from this asset.

## **WANDOO PROJECT**

Iron Mountain Mining Ltd retains a royalty of A\$0.75 per Dry Metric Tonne on future production of bauxite ore transported from the Wandoo Project tenements following the sale of the project to Alpha Bauxite Pty Ltd in 2012. Total Inferred Resources (JORC 2004) of bauxite at Wandoo at the time of the sale was 89.4Mt @ 41.75% Al<sub>2</sub>O<sub>3</sub> (ASX 5 May 2011). No update was received on the status of the Wandoo Project for the December 2015 quarter. Future updates on the status of the Wandoo Project will be announced as provided by Alpha Bauxite Pty Ltd.

## **MOUNT RICHARDSON PROJECT**

Cliffs Asia Pacific Iron Ore Pty Ltd ("Cliffs") is the owner of E29/571 following finalisation of the sale of the Mt Richardson Project on 13 July 2010. Iron Mountain retains a royalty of 2% on average/tonne FOB sales value of iron ore product that departs E29/571 as well as a one off payment of AUD 0.50 per dry metric tonne on tonnages in excess of independently evaluated Indicated or Measured resources of 10,000,000 tonnes. No update was received on the progress at Mt Richardson for the December 2015 quarter. Future updates on the status of the Mt Richardson Project will be announced as provided by Cliffs.

## **TREASURE JV**

The Treasure Project is comprised of EL25346 covering 101km<sup>2</sup> located approximately 130km northeast of Alice Springs in the Northern Territory. This nickel-copper project has returned to Iron Mountain following the completion of Joint Venture stints with Mithril Resources Ltd and more recently MMG Exploration Pty Ltd. Following unsuccessful attempts to solicit interest in the project, the Company commenced preparations for the surrender of EL25346 which should be completed during the March 2016 quarter.

## **PITHARA PROJECT**

During the quarter, the Pithara Gold Project (E47/3948) was surrendered as previously advised.

## **PROJECT EVALUATION**

Assessment and evaluation of potential exploration and development opportunities is ongoing. Through its network of industry contacts, the Company continues to source and review opportunities for potential acquisition or Joint Venture participation. The Company currently has a strong financial position which it hopes to leverage into suitable exploration and development with potential for early success and revenue generation.



## CORPORATE

As updated in the previous quarter, the Company continues to pursue the recovery of a portion of the legal fees via a taxation of the fees paid to the lawyers who advised former director Mr Zohar. The Company believes that a recent decision to dismiss its application for taxation of those fees was in error and commenced an appeal against that decision. During the quarter, the appeal was lodged and a date for the hearing of the appeal has yet to be set.

Proceedings for the recovery of legal fees paid on behalf of former director Mr Zohar remains stayed pending the outcome of his bankruptcy proceedings. During the quarter, no further material updates were received from the Bankruptcy Trustee.

During the quarter, the sale of the Company's commercial property at 231C Adelaide Terrace Perth WA was completed following full receipt of the agreed consideration of A\$900,000 (plus GST). As part of its relocation, the Company provided notification that with effect from 7 December 2015, its registered office, principal place of business, postal address and phone/fax numbers had changed.

ROBERT SEBEK

Managing Director

29 January 2016

---

*The information in this report that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Robert Sebek BAppSc(Geol), BSc(Hons), MBA, a Competent Person who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Sebek is a full-time employee of the company. Mr Sebek sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Sebek consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*

---

ACN: 112 914 459

Level 3 | 33 Ord Street | West Perth | Western Australia | 6005

PO Box 186 West Perth | Western Australia | 6872

t + 61 (8) 9481 4478 f +61 (8) 9486 4833 e [info@ironmountainmining.com.au](mailto:info@ironmountainmining.com.au) [www.ironmountainmining.com.au](http://www.ironmountainmining.com.au)



## IRM TENEMENTS

### Mining Tenements at 31 December 2015

Location	Tenement	Name	Holder	Equity	Status	Area
<b>MIAREE</b>						
WA	E47/1309-I	Karratha	Iron Mountain Mining Ltd	100%	Granted	32 BL
WA	E471707-I	Boondamurra Hill	Iron Mountain Mining Ltd	100%	Granted	8 BL
<b>TREASURE</b>						
NT	EL25346	Treasure JV	Iron Mountain Mining Ltd	100%	Granted	101km <sup>2</sup>
<b>VICTORIA</b>						
VIC	EL5540	Indicator	Iron Mountain Mining Ltd	100%	Granted	20 grats

### Mining Tenements Acquired During the Quarter

No mining tenements were acquired or applied for during the quarter ending 31 December 2015.

### Mining Tenements Surrendered, Withdrawn, Expired or Sold during the Quarter

During the quarter ending 31 December 2015, E70/3948 was voluntarily surrendered and an Extension of Term application for E08/1350 was rejected.