



ASX ANNOUNCEMENT

12 March 2012

Release from Escrow

Red Mountain Mining Limited hereby advises pursuant to Listing Rule 3.10A that 9,300,000 unlisted options, exercisable at 20 cents each on or before 30 June 2014, are due to be released from escrow on 31 March 2012.

AUTHORISED BY

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Company Secretary

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About Red Mountain Mining Limited

Red Mountain Mining is a gold explorer incorporated in Australia in May 2006 and which listed on the ASX in September 2011 with two prime projects in China (ASX: RMX). The Company's strategy is to unlock the potential of 'under-developed' gold projects in China by introducing Australian mining methods and improving efficiencies to gain significant production and exploration upside. It has spent more than five years examining potential project acquisitions in China.

The Company has a binding acquisition agreement to acquire 51% of the **Zhongqu project** (operating gold mine and infrastructure).

The **Zhongqu project** is an operational gold mine with substantial exploration potential. The project has been operational since 2002 using labour intensive manual underground mining methods. Covering 7.19km² on a granted Mining Lease, the project has a modern gold treatment plant with 400,000 tpa capacity.

Zhongqu has a Chinese classified non-JORC compliant gold mineralisation details of which are provided in Red Mountain Mining's prospectus of 4 July 2011. A further Exploration Target

estimate exists with an estimated range of 400,000 to 550,000 tonnes at 7.0 to 9.5 g/t of gold.¹. Red Mountain Mining has commenced a second round of drilling as another step in bringing the existing gold mineralisation into JORC compliance.

Competent Person Statement

The information in this report that relates to Exploration Results or Mineral Resources is based on information compiled by Andrew Richards, who is a member of The Australasian Institute of Mining and Metallurgy. He is a full time employee of Arc Resources Pty Ltd which is providing consulting services to Red Mountain Mining Ltd.

Andrew Richards 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'. Andrew Richards consents to the inclusion in the report of the matters based on their information in the form and context in which it appears.

¹The potential quantity and grade of the Exploration Targets are conceptual in nature and there has been insufficient exploration to date to define a Mineral Resource. It is uncertain if further exploration will result in the determination of a Mineral Resource.