ASX ANNOUNCEMENT 27 JULY 2012

Drilling to Commence on Potential High-Grade Gold "Feeders" at Batangas Project

Red Mountain Mining Ltd (ASX: RMX) is pleased to announce that following the signing of the binding Share Sale Agreement on 23 July 2012, Mindoro Resources has drawn the initial A$200,000 of an A$1 million Loan Facility provided by RMX to fund drilling of the potential high-grade gold feeder zones at Archangel within the Batangas Project in the Philippines.

It is expected that the initial program will include up to five diamond core drill holes, each targeting a separate interpreted feeder structure within the Kay Tanda resource area of the Archangel gold project. Each hole will be structurally oriented and logged to provide maximum information on high-grade vein/ breccia orientations. The results and information from this program will assist planning for systematic resource definition and resource expansion drilling scheduled to commence following completion of the transaction expected in September.

A drilling contract has been signed with Southeast Asian based contractor Indodrill and drilling is expected to commence next week.

The first hole will target the central part of the Kay Tanda resource area, within the Archangel project where previous high-grade intersections have been interpreted as an up-flow or "feeder" zone. Figure 1 shows a cross section at local grid 9900N with the planned drill hole location, PDH-A.

ASX code: RMX
ABN 40 119568106

COMPANY DIRECTORS
Neil Warburton
Executive Chairman & Acting CEO
Keith Rowe
Executive Director
Michael Wolley
Non-Executive Director
Shannon Coates
Company Secretary

CONTACT DETAILS
RED MOUNTAIN MINING LTD
Head Office
Unit 1, 2 Richardson Street
West Perth Western Australia 6005

www.redmm.com.au
info@redmm.com.au

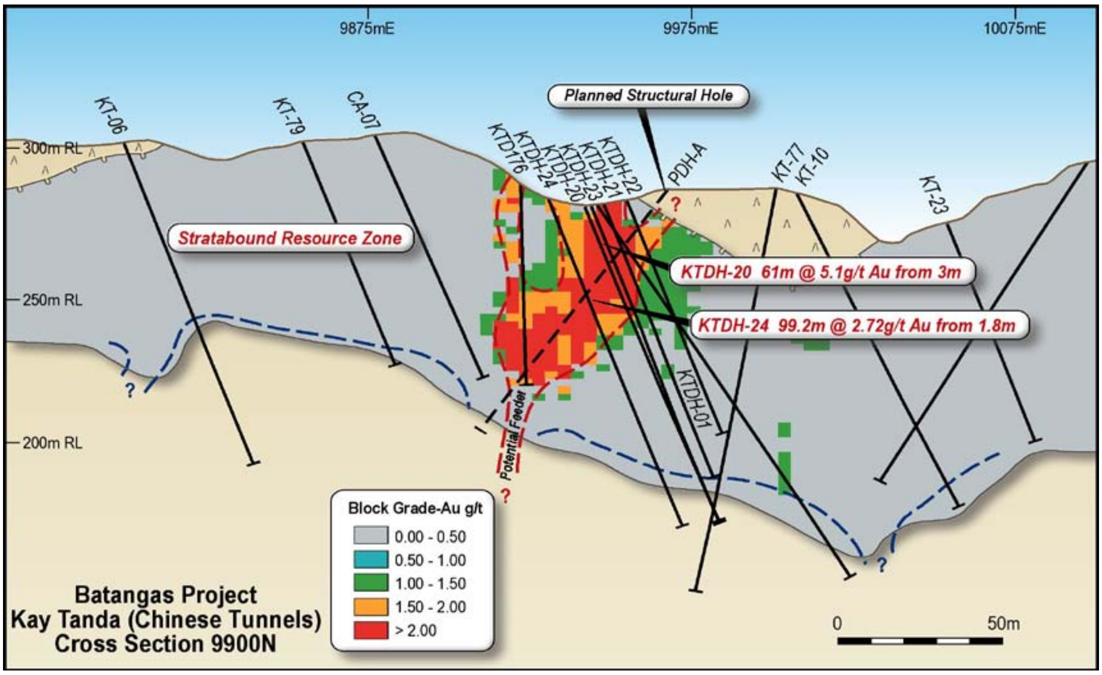


Figure 1 - Kay Tanda cross section 9900N showing planned drill hole and interpreted high grade feeder zone

Figure 2 shows the initial hole and two additional planned holes on a gold gram per tonne x thickness contour of the Archangel resource area. PDH "B" will test an interpreted feeder in the northern part of the resource across a previous intersection in KTDH04 (52m @ 11.5 g/t Au from 84m depth – Mindoro release 14 November 2006) that may have drilled down a high-grade structure. The new hole will be drilled at 90 degrees to KTDH04. PDH "C" will be a further test of high-grade veining within a hydrothermal breccia on the western side of Kay Tanda the strongest part of the existing Archangel resource in terms of gold grade.

ASX code: RMX
ABN 40 119568106

COMPANY DIRECTORS
Neil Warburton
Executive Chairman & Acting CEO
Keith Rowe
Executive Director
Michael Wolley
Non-Executive Director
Shannon Coates
Company Secretary

CONTACT DETAILS
RED MOUNTAIN MINING LTD
Head Office
Unit 1, 2 Richardson Street
West Perth Western Australia 6005
www.redmm.com.au
info@redmm.com.au

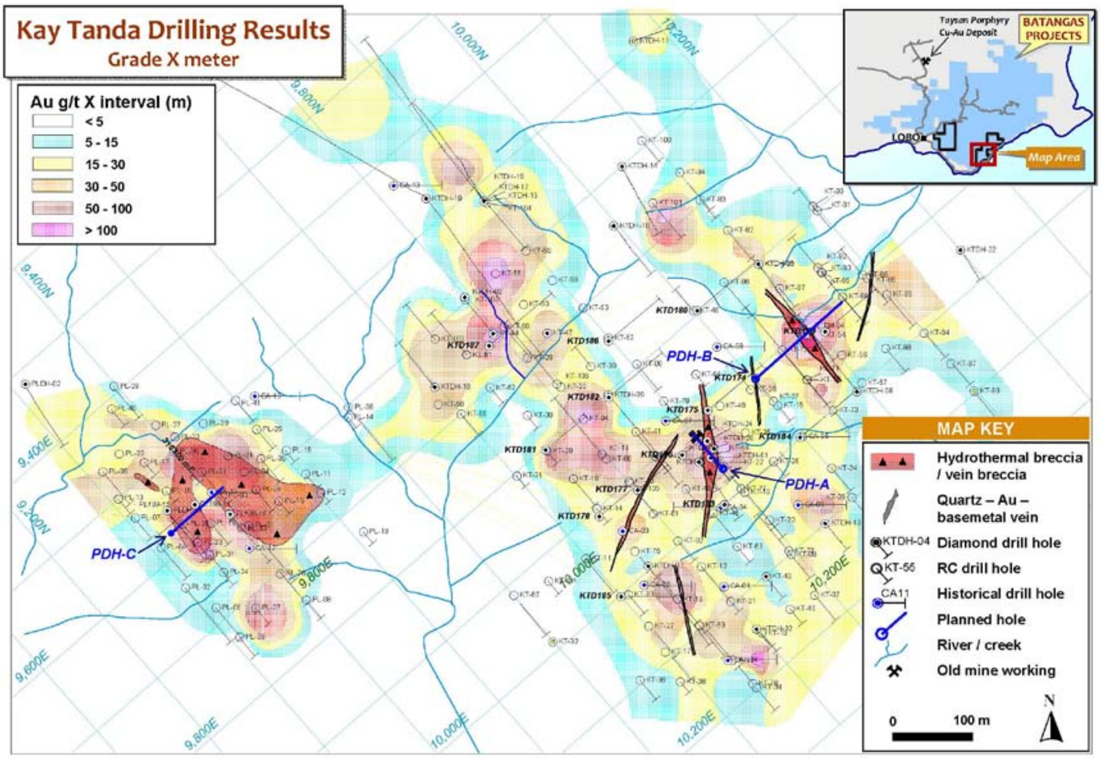


Figure 2 - Archangel deposit drill plan on a Au g/m contours

Further holes will be planned based on the results from the initial 3 holes.

Executive Chairman and acting CEO, Neil Warburton said "the Company is extremely pleased that this very exciting drilling program will commence so rapidly after signing the sale agreement, using the experience and technical skill of the Mindoro team in the Philippines. We all look forward to expanding this significant gold resource."

For further information about Red Mountain Mining please visit www.redmm.com.au or contact:

Company	**Investors**
Neil Warburton	Ronn Bechler
Executive Chairman	Market Eye
(+61) 408935014	(+61) 400 009 774
(+61 8) 9226 5668	(+61 3) 9591 8901

About Red Mountain Mining Limited

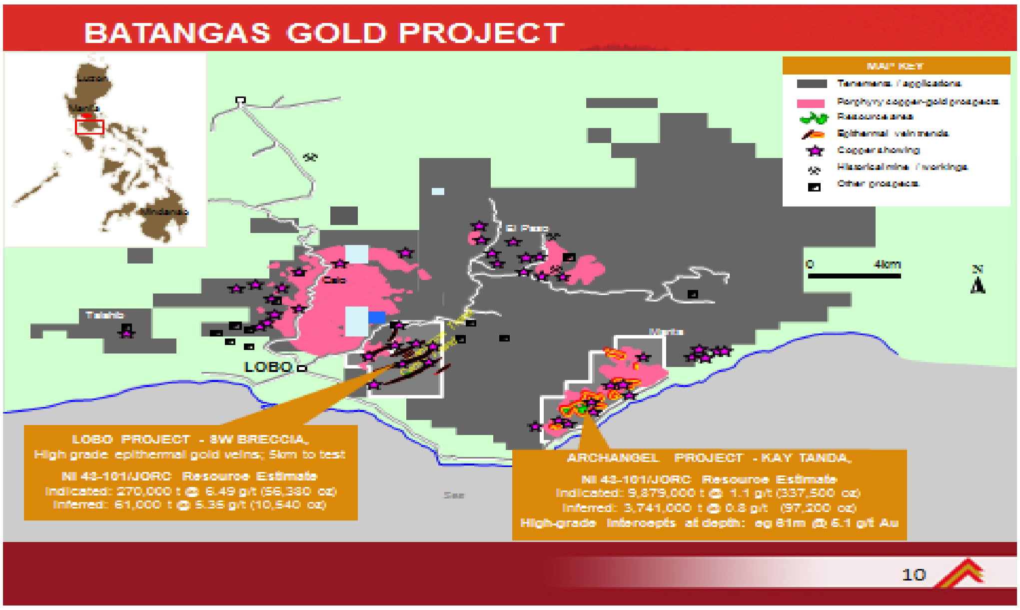
Red Mountain Mining (ASX: RMX) is primarily a gold explorer and project acquisition company incorporated in Australia in May 2006 and which listed on the ASX in September 2011. The Company's strategy is to unlock the potential of 'under-developed' gold and polymetallic projects in the greater Asian region by introducing Australian mining methods and improving efficiencies to gain significant production and exploration upside.

The Company has recently signed a binding Share Sale Agreement to acquire significant gold resources and copper gold tenements in the Philippines. Other opportunities will be reviewed once the Philippines acquisition has been completed.

Competent Person Statement

The information in this report that relates to Exploration Results or Mineral Resources is based on information compiled by Jon Dugdale, who is a member of The Australasian Institute of Mining and Metallurgy.

Jon Dugdale 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'. Jon Dugdale consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.



ASX code: RMX
ABN 40 119568106

COMPANY DIRECTORS
Neil Warburton
Executive Chairman & Acting CEO
Keith Rowe
Executive Director
Michael Wolley
Non-Executive Director
Unit 1, 2 Richardson Street
West Perth Western Australia 6005
Shannon Coates
Company Secretary

CONTACT DETAILS
RED MOUNTAIN MINING LTD
Head Office

www.redmm.com.au
info@redmm.com.au