



ASX ANNOUNCEMENT

30 January 2013

NEW MINERAL RESOURCE ESTIMATE SIGNIFICANTLY BOOSTS GRADE OF BATANGAS GOLD PROJECT IN THE PHILIPPINES

Perth-based Red Mountain Mining Limited (ASX:RMX) ("the Company", "Red Mountain") is pleased to announce new Mineral Resource Estimates at significantly higher grades across the Company's flagship wholly-owned Batangas gold project, located 100 kilometres south of Manila in the Philippines.

The new Mineral Resource Estimates of total Inferred and Indicated Resources: **5.78m tonnes at an average grade of 2.2 grams per tonne gold (g/t Au) containing 408,000 ounces** are based on the results of fresh drilling by Red Mountain at Batangas since August 2012, surface channel sampling at South West Breccia (SWB), Lobo and a revision and reinterpretation of all previous historical data.

The results directly reflect the success of the Company's strategy to transition Batangas' historic low grade bulk gold tonnages to higher grade resources supported by a focus on proving up and developing the project's known high grade targets.

Significantly, the upgraded Mineral Resource Estimates use a higher grade gold cut-off (0.85g/t Au) for the Indicated and Inferred Mineral Resource Estimates for both the Archangel and South West Breccia (Lobo) gold mineralisation within the Batangas project area.

The new Mineral Resource Estimates for Batangas, using a 0.85 g/t Au cut-off grade are summarized in **Table 1** below:

Deposit	Resource Category	Tonnes	Au g/t	Au Oz	Ag g/t	Ag Oz
Archangel	Inferred	3,004,000	2.0	197,000	1.3	124,000
	Indicated	2,582,000	2.0	165,000	5.7	471,000
	*Total	5,586,000	2.0	363,000	3.3	595,000
Lobo (SWB)	Inferred	16,000	5.3	3,000	1.7	1,000
	Indicated	178,000	7.4	42,000	1.8	10,000
	*Total	194,000	7.2	45,000	1.8	11,000
Batangas	Total Inferred	3,020,000	2.1	200,000	1.3	125,000
	Total Indicated	2,760,000	2.3	208,000	5.4	481,000
	*Total	5,780,000	2.2	408,000	3.3	606,000

TABLE1: January 2013 Mineral Resource Estimate

*Note: Inferred Resource Estimates are combined with Indicated Resource Estimates in the totals based on The JORC Code (December) 2012 Edition that states under section 26 that if details of individual categories are provided then categories may be reported in combined form.

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ASX code: RMX
ABN 40 119568106

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Neil Warburton
Executive Chairman
Keith Rowe
Non -Executive Director
Jon Dugdale
Executive Director

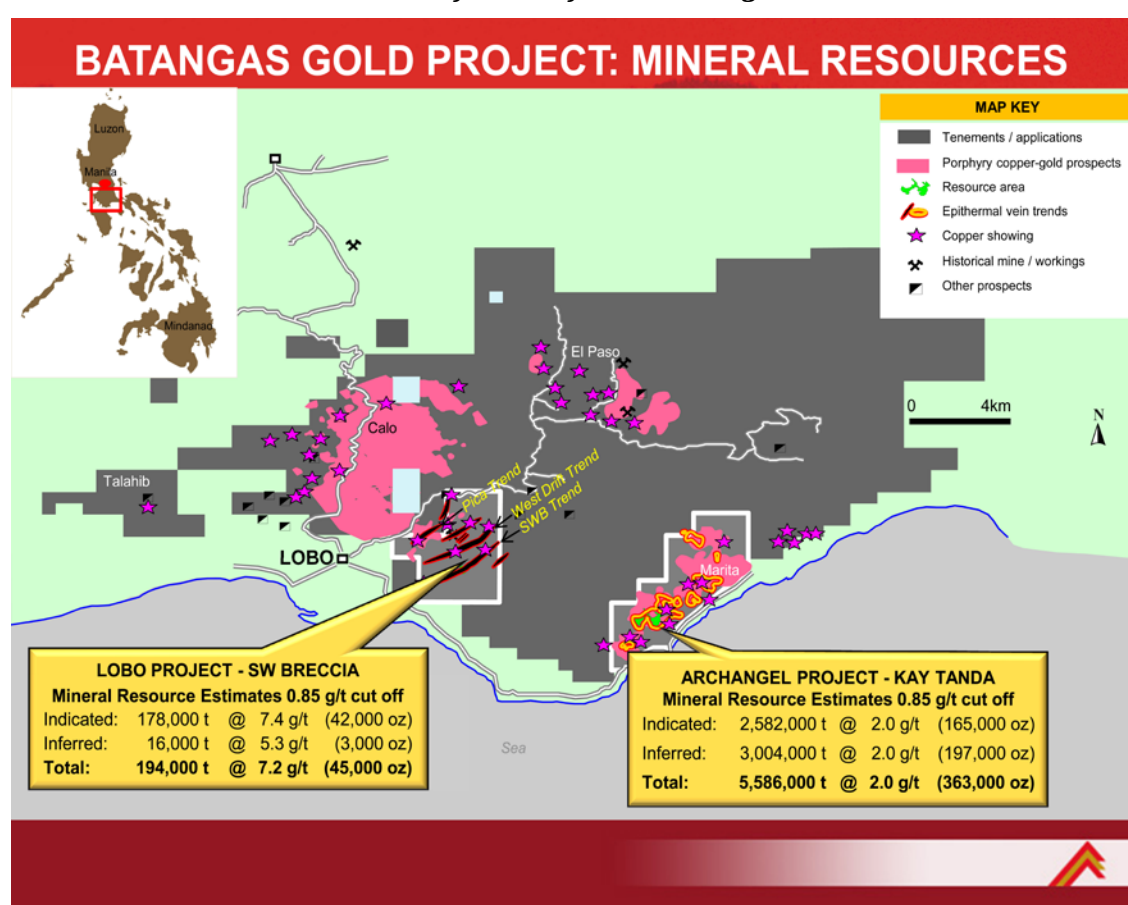
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Red Mountain Executive Chairman, Mr Neil Warburton:

"Since we acquired the gold project in October 2012, our focus has been to 'high grade' the existing known large tonnage low grade resources and explore for new higher grade prospects. We are very pleased with the significant increase in grade of the Batangas Gold Project Mineral Resource Estimates based on using a 0.85g/t Au cut off grade and including results from the additional drilling conducted at Archangel last year.

"The Company will now focus on expanding the higher grade gold resource base with drilling in progress testing epithermal lode structures at Lobo to replicate the South West Breccia resource grade of plus 7g/t Au. The Company is very confident that further additional high grade gold resources can be added to the new resource inventory announced today based on our initial drilling results at West Drift, Lobo and other recent results obtained from surface trenching."



The new Mineral Resource Estimates have been produced following a complete revision and interpretation of historical data and parameters, inclusion of results from Red Mountain's own 10 diamond drillhole program at Archangel completed in late 2012 and further surface trenching results at South West Breccia, Lobo.

The previous Batangas Mineral Resource Estimates were Indicated: 10.15mt @ 1.2 g/t Au for 393,000oz Au and Inferred: 3.8mt @ 0.88 g/t Au for 108,000oz Au for a total of 13.95mt @ 1.1 g/t Au for 501,000oz Au using a 0.3g/t Au cut off for oxide and 0.5g/t Au for transitional and fresh material.

Appendix 1 to this release includes the criteria used and the geological evidence and knowledge used to support the new Mineral Resource Estimates.

Appendix 2 to this release contains the new Batangas Mineral Resource Estimates at different cut-off grades of 0.3 g/t Au, 0.5 g/t Au, 0.85 g/t Au and 1.0 g/t Au.

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About Red Mountain Mining Limited

Red Mountain Mining (ASX: RMX) is a gold explorer and development company 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 completed the acquisition of significant gold resources and copper gold tenements in the Philippines on 30 October 2012.

Other gold opportunities will be reviewed and assessed on a continuous basis to add to the existing gold inventory and create value for shareholders.

Competent Person Statement

The information in this report relating to Exploration Results is based on information compiled by Mr Jon Dugdale who is a Fellow of the Australasian Institute of Mining and Metallurgy and has sufficient exploration experience which is relevant to the various styles of mineralisation under consideration 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 Dugdale is a full time employee and Executive Director of Red Mountain Mining Ltd. Mr Dugdale 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 relating to Mineral Resources is based on information compiled by Mr Ted Coupland who is a member of the Australasian Institute of Mining and Metallurgy and has sufficient experience which is relevant to the various styles of mineralisation under consideration 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 Coupland is a full time employee of Cube Consulting Pty Ltd. Mr Coupland consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Appendix 1:

Criteria and the geological evidence and knowledge used to support the Batangas Mineral Resource Estimates

Resource Parameters for the Archangel Deposit

- Gold mineralisation at Archangel occurs as a stockwork of quartz and quartz-carbonate-base metal veins and hydrothermal breccia's hosted by andesitic volcanics and volcanoclastics generally overlying and intruded by dacitic and dioritic intrusions and dykes. Higher-grades are associated with discrete steeply dipping veins within the hydrothermal breccia's and close to the intrusive-volcanic contacts. Oxidation is generally restricted to the top 30m of the deposit but penetrates deeper in more altered and veined zones. Some supergene enrichment of gold is associated with the more oxidized zones near surface. The mineralized horizon continues to the northwest under younger volcanic and volcanoclastics, dipping moderately to the northwest. Mineralisation is also open to the northeast where previous rockchip sampling and trenching has produced significant results for example at Lumbangan Ridge.
- A summary of the drill holes at Archangel is tabulated below.

Deposit	Diamond Holes	Diamond M	RC Holes	RC M	Total Holes	Total m
Archangel	53	10,464.2	160	18,294	213	28,758

- Archangel resource is reported above a 0.85 g/t gold lower cut off grade. It is considered that material above a 0.85 g/t cut off grade has reasonable prospects of economic extraction through open pit mining and carbon in pulp (CIP) cyanide leach processing. Metallurgical test work by the previous owners resulted in recoveries of around 86%.
- Reverse Circulation (RC) Holes of 5 and quarter inch diameter were sampled for assay except those that contained soil overburden or back-fill material. The RC samples were split down to 1/8 volume by the Jones Splitter, and these reduced samples were bagged for analysis. The samples for analysis were split directly into pre-labeled, high-density, polyethylene plastic bags. Sampling interval was set at 2 metres (7,571 samples), then at 1 metre (3,073 samples).
- The diamond drill holes commence with PQ size, reducing to HQ and NQ sizes at depth. Core is half cut predominantly at 1 metre and 2 metre intervals, and dispatched for offsite analysis.
- All gold determinations were carried out by standard 50g fire assay with AAS finish at Mcphar Geoservices (Philippines) Inc. in Manila until 2009, then by Intertek Testing Services Philippines, Inc. in Muntinlupa, Metro Manila.
- Field duplicates, coarse rejects and pulps are retained on the Batangas site for storage.
- Diamond holes have been surveyed by techniques unaffected by magnetism using Eastman single-shot survey camera (Eastman-US Mine) and more recently the Camteq Proshot Dual digital multi-shot surveying instrument.
- Drillhole collar locations and elevation are surveyed by total station.
- The resources have been drilled up to 450 vertical metres below surface on an average of 135 metres on an average 50 m x 50 m drill pattern.

- Densities were derived from an extensive database of specific gravity off-site measurements.
- For both RC and Diamond, a blank and certified standard were inserted in every 20-25 samples. Standard results are routinely checked to ensure values are within tolerance and the whole batch submitted for reanalysis if this is exceeded. The laboratory inserts their internal blank and standard for every subset of 20 samples.
- The Archangel resource was modelled and estimated using conventional 3D wireframing and block modelling within Surpac and Isatis software packages.
- The mineralised domains were constructed to encapsulate all potentially mineralised material within two broad alteration envelopes. The mineralised domains coincided with a low grade cut-off of around 0.1-0.2 g/t Au.
- Drill hole samples were coded within the mineralisation envelopes and downhole composites of 2m were generated.
- Indicator variography was carried out for ten grade thresholds.
- Multiple Indicator Kriging (MIK) was used to estimate gold grades into parent panels of 20m x 20m x 5m (xyz) within individual mineralised domains.
- A change of support was performed using the Indirect Log-Normal Shortcut method to estimate the likely grade-tonnage distribution of 4m x 4m x 2.5m (x,y,z) Selective Mining Units (SMU's). SMU's were localised into a block model with a block size equal to the SMU.
- Silver was estimated by Ordinary Kriging (OK).
- No assay capping was applied to the gold data prior to MIK estimation. A modest assay top-cut was applied to silver composites prior to OK estimation.
- The resource was classified as Indicated and Inferred. Indicated material was restricted to areas where drilling is 40m x 40m or closer.

Resource Parameters for the South West Breccia Deposit, Lobo.

- High grade gold mineralisation at South West Breccia (SWB) is hosted by steeply dipping quartz-barite breccia veins with a lower grade halo hosted by clay-pyrite-quartz altered to propylitically altered andesitic volcanics and volcanoclastics. Oxidation is generally restricted to the top 10m to 20m of the deposit but penetrates deeper in more altered and veined zones. Some supergene enrichment of gold is associated with the more oxidized zones near surface. The mineralized structure continues to the southwest where previous rockchip sampling and trenching has produced high grade results for example at Japanese Tunnel.
- The resources include data from diamond drillholes and some surveyed channel sampling in surface trenching. A summary of the drill holes and trenches at SWB is tabulated below.

Deposit	Diamond Holes	Diamond Metres	Trenches	Trenching m
Southwest Breccia	37	2,656.50	5	46.50

- SWB resource is reported above a 0.85 g/t gold lower cut off grade.
- The first 27 diamond drill holes commenced with HQ size, reducing to NQ in some sections, while the last 10 drill holes commenced with PQ size, at times reducing to HQ size down hole. Core is half cut predominantly at 2 metre intervals for LB 01 to LB 26, and 1 meter intervals for the 2011 drill cores.

- The trenches were sampled using continuous channel sampling at one metre intervals. Each trench sample was surveyed.
- All gold determinations were carried out by standard 50g fire assay at Mcphar Geoservices (Philippines) Inc. in Manila from 2003 to 2004, then by Intertek Testing Services Philippines, Inc. in Muntinlupa, Metro Manila from 2011 to 2012.
- Field duplicates, coarse rejects, pulps retained on Batangas site for storage.
- LB02, LB03, and LB05 to LB13 (11 drillholes) have been surveyed by techniques unaffected by magnetism using Eastman single-shot survey camera.
- Drillhole collar locations and elevation were surveyed by total station.
- The resources have been drilled to 165 vertical metres below surface on an average 15m x 15m drill pattern from surface to 60m below surface and 15m (horizontal) x 30m (vertical) from 60m to 120m depth below surface.
- Densities were derived from a database of specific gravity measurements made by Mcphar Laboratory.
- Mcphar Laboratory inserts internal blank and standard every 30-sample charge. Every tenth sample and samples with "anomalous" results, i.e., samples having abnormally high or low results within a sample batch, are routinely checked. Drill core check samples were also conducted; one sample in every 20 samples from LB 01 to LB 15 was assayed at Intertek Testing Services in Indonesia to ascertain reliability of results from the primary laboratory.
- For the latter 10 drill holes (LBDD008, LBDD010, and LB58-11 to LB65-11), external blank and certified standard were inserted in every 20-25 samples, or less for batches with <20 samples. Standard results are routinely checked to ensure values are within tolerance and the whole batch submitted for reanalysis if this is exceeded.
- The SWB resource was modelled and estimated using conventional 3D wireframing and block modelling within Surpac and Isatis software packages.
- The mineralised domains were constructed geologically to define a single high-grade internal quartz-pyrite vein breccia and an outer lower grade alteration envelope. The high-grade mineralised domain coincided with a low grade cut-off of around 0.7-1.0 g/t Au. The surrounding low-grade alteration halo has a lower cut-off of around 0.1 g/t Au.
- Drill hole samples were coded within the mineralisation envelopes and downhole composites of 2m were generated.
- Variography was carried out to define the spatial continuity of each domain.
- Ordinary Kriging (OK) was used to estimate gold and silver grades into parent panels of 2m x 8m x 4m (xyz) within individual mineralised domains. Statistical analysis indicated that no assay capping of gold values was required prior to estimation of the high grade domain. A modest assay top-cut was applied to silver composites prior to OK estimation.
- The resource was classified as Indicated and Inferred. Indicated material was restricted to areas where drilling is 20m x 20m or closer.

Appendix 2:

Batangas Mineral Resource Estimates at different cut-off grades

Archangel - January 2013						
Cut-Off Au g/t	Rescat	Tonnes	Au g/t	Au Oz	Ag g/t	Ag Oz
Archangel >0.3 g/t Au	Inferred	15,526,000	0.8	384,000	1.4	686,000
	Indicated	11,231,000	0.8	298,000	3.8	1,379,000
	Total Ind+Inf	26,758,000	0.8	682,000	2.4	2,064,000
Archangel >0.5 g/t Au	Inferred	7,308,000	1.2	284,000	1.4	324,000
	Indicated	5,838,000	1.2	232,000	4.6	871,000
	Total Ind+Inf	13,147,000	1.2	516,000	2.8	1,194,000
Archangel >0.85 g/t Au	Inferred	3,004,000	2.0	197,000	1.3	124,000
	Indicated	2,582,000	2.0	165,000	5.7	471,000
	Total Ind+Inf	5,586,000	2.0	363,000	3.3	595,000
Archangel >1.0 g/t Au	Inferred	2,324,000	2.4	178,000	1.2	93,000
	Indicated	1,985,000	2.3	148,000	6.1	387,000
	Total Ind+Inf	4,309,000	2.4	326,000	3.5	480,000
South-West Breccia - January 2013						
Cut-Off Au g/t	Rescat	Tonnes	Au g/t	Au Oz	Ag g/t	Ag Oz
SWB >0.3 g/t Au	Inferred	70,000	1.5	3,000	1.7	4,000
	Indicated	259,000	5.2	43,000	1.8	15,000
	Total Ind+Inf	329,000	4.4	47,000	1.8	19,000
SWB >0.5 g/t Au	Inferred	27,000	3.3	3,000	1.6	1,000
	Indicated	198,000	6.7	43,000	1.8	12,000
	Total Ind+Inf	226,000	6.3	46,000	1.8	13,000
SWB >0.85 g/t Au	Inferred	16,000	5.3	3,000	1.9	1,000
	Indicated	178,000	7.4	42,000	1.8	10,000
	Total Ind+Inf	194,000	7.2	45,000	1.8	11,000
SWB >1.0 g/t Au	Inferred	16,000	5.3	3,000	1.9	1,000
	Indicated	176,000	7.4	42,000	1.8	10,000
	Total Ind+Inf	192,000	7.3	45,000	1.8	11,000
Total Batangas - January 2013						
Cut-Off Au g/t	Rescat	Tonnes	Au g/t	Au Oz	Ag g/t	Ag Oz
Batangas >0.3 g/t Au	Inferred	15,785,000	0.8	388,000	1.4	689,000
	Indicated	11,490,000	0.9	342,000	3.8	1,394,000
	Total Ind+Inf	27,275,000	0.8	730,000	2.4	2,083,000
Batangas >0.5 g/t Au	Inferred	7,485,000	1.2	287,000	1.4	325,000
	Indicated	6,037,000	1.4	275,000	4.5	882,000
	Total Ind+Inf	13,522,000	1.3	562,000	2.8	1,207,000
Batangas >0.85 g/t Au	Inferred	3,020,000	2.1	200,000	1.3	125,000
	Indicated	2,760,000	2.3	208,000	5.4	481,000
	Total Ind+Inf	5,780,000	2.2	408,000	3.3	606,000
Batangas >1.0 g/t Au	Inferred	2,340,000	2.4	180,000	1.2	94,000
	Indicated	2,161,000	2.7	190,000	5.7	397,000
	Total Ind+Inf	4,501,000	2.6	370,000	3.4	491,000