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Rand Mining Limited (ASX Code: RND) completes an initial technical due diligence on the Tapeta Iron Ore project, located in Northern Central Liberia, West Africa

Highlights

- ***Rand Mining Ltd has completed an initial technical due diligence investigation on the Tapeta Iron Ore project (the "Project Area"), located in Northern Central Liberia, West Africa.***
- ***Recent surface sampling conducted on the Project Area by the current project operators, Iron Resources Ltd, has confirmed that the Project Area contains significant areas of enrichment of the iron formation units, with iron grades of up to 70.26% Fe having been returned from the sampling.***
- ***Two stand-out areas, the "Bwee Ridge" and the "Giant Main Outcrop", have been identified as showing good potential to contain extensive iron formations with Fe grades of DSO quality.***
- ***To date a total of 134 iron bearing rock chip samples have been collected and assayed from the Project Area with an average grade of 53.15% Fe.***
- ***IRL continues to progress work on the Project Area seeking permits and tenders from local earth working firms for the construction of drill access roads.***
- ***The Board of Directors of Rand Mining Ltd are highly encouraged by the results of the initial technical due diligence investigation and the company is continuing its due diligence investigations before finalising its decision on whether or not to exercise the conditional option to acquire 100% of the Tapeta Iron Ore Project.***

Rand Option Agreement

As previously announced to the ASX on the 24th December 2010 Rand Mining Limited (**Rand** or the **Company**) has entered into a conditional option agreement with Resource Capital Limited (**RCL**) and Iron Resources Limited (**IRL**) whereby Rand has the right to acquire a 100% interest in the Tapeta Iron Ore project by acquiring all of the issued share capital in IRL from RCL ("Transaction").

Project Overview

The Project Area is located approximately 5km from the township of Tapeta in Nimba County, central Liberia and approximately 220km east of Monrovia, the capital of Liberia.

The Project Area contains an extensive sequence of iron formations located within the emerging Liberian-Guinean iron ore province, host to several of West Africa's most important iron ore deposits, including the world class Simandou deposit (Figure 1).

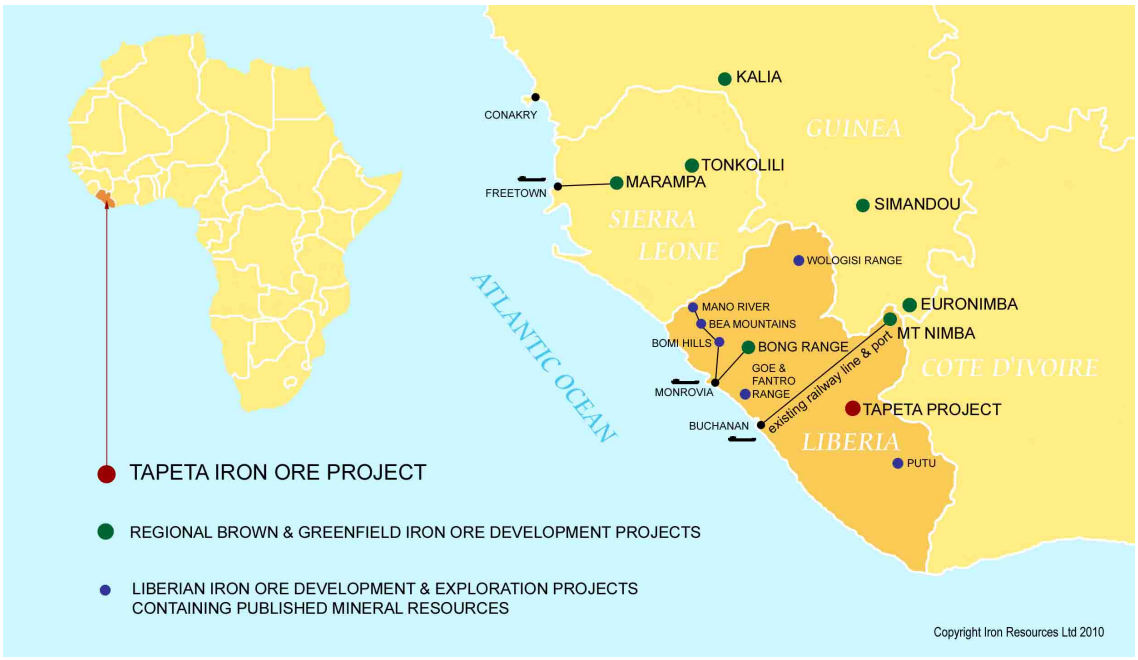

Figure 1: Schematic diagram showing the location of the Tapeta Iron Project in relation to regional brown and greenfield iron ore development projects.

The property was secured by IRL, through the successful award in July 2008 of mineral exploration license MEL12003, which covers an area of approximately 500km^2. Recent application has seen the area of the license extended by approximately 100km^2.

In common with the other deposits in the region, the Archaean iron formations at Tapeta take the form of magnetite-bearing gneiss known as 'itabirite' and are associated with metavolcano-sedimentary formations, set into a gneissic basement complex. The iron formations are more resistant to erosion than the rest of the gneissic metavolcano-sedimentary sequence and consequently, following long

periods of erosion, tend to be located on the summits of ridges and on the dip slopes of tilted fault blocks.

The main iron formations within the Tapeta Iron Ore project are strategically located within 70km of the Yekepa to Buchanan railway line which connects the iron ore mines at Mt Nimba, in the north of the country, to the iron ore exporting port of Buchanan (Figure 2).

The existing rail and associated port infrastructure is controlled by the Liberian government and is currently being utilised by ArcelorMittal (the world's largest steel producer) in its reported bid to recommence production from the iron ore mines at Mt Nimba by July 2011.

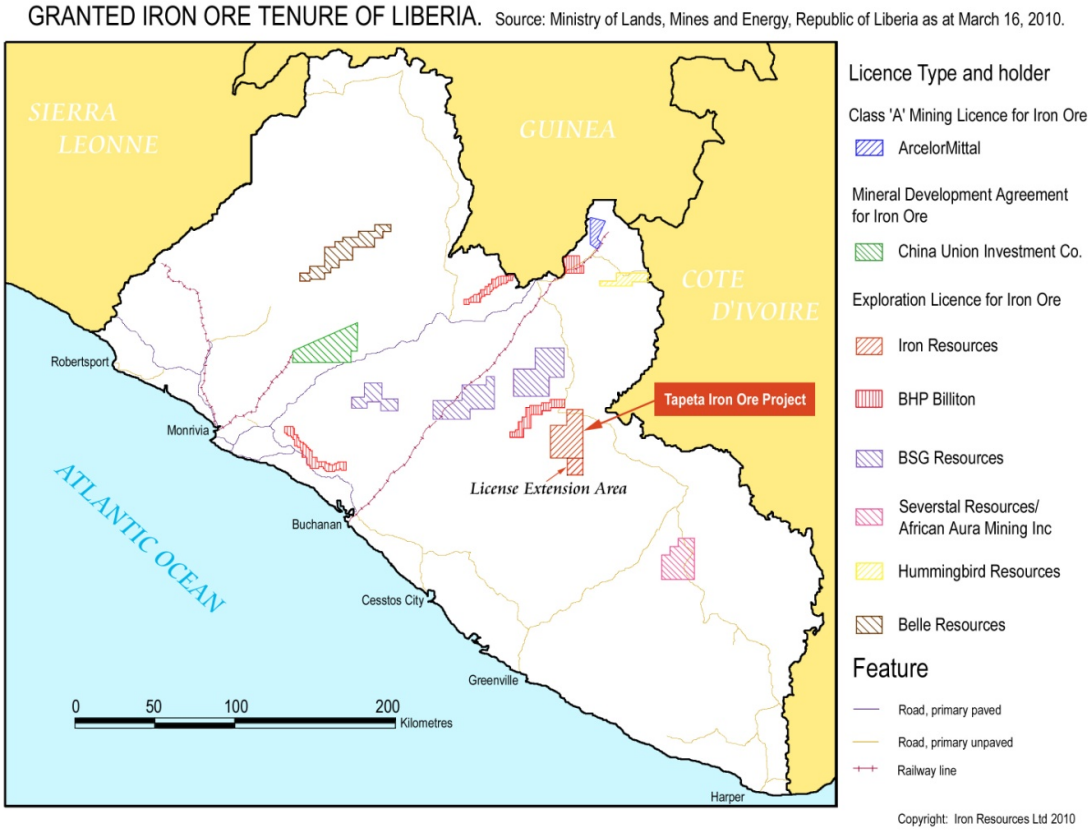

Figure 2: Granted iron ore tenure of Liberia, showing location of rail, road and port infrastructure (as at March 2010). The original license area (approximately 500km^2) of the Tapeta Iron Ore project was extended in July 2010 with the grant of a further area (approximately 100km^2) adjoining the south-eastern boundary of the original licence area (see figure above)

Results from Rand's initial technical due diligence investigation

Rand Mining Ltd is pleased to announce that it has completed an initial technical due diligence investigation over the Tapeta Iron Ore project, located in Northern Central Liberia, West Africa.

The initial technical review has centred on the recently completed rock chip sampling, conducted on the Project Area by the project operators IRL.

Two areas of intense magnetic responses, south east from and including the "Main Giant Outcrop" (also known as the Leuagree Ridge) and east of and including the "Bwee " and "Little Bwee" ridges were sampled by 28 east west orientated traverse lines 500 metres apart. A total of 71 line kms were traversed with the individual line length varying between 0.4 and 6.5 kms. Sample locations along the traverse lines were dictated in part by access, outcrop of the bedrock and topography, resulting in most samples being collected from cap rock on ridge crests. Three lines were not sampled due to lack of outcrop.

179 samples, weighing between 2.0 and 3.0 kilograms, were collected of which 51 samples were identified as Itabirite and 65 samples were noted as containing Hematite or Goethite. These 116 iron bearing samples were submitted for chemical analysis. The remaining samples, identified as Dolerite, Norite, Pyroxenite, Dunite, Granite gneiss, Garnet gneiss, Sandstone, Siltstone and Chert were retained for reference.

The samples were processed at ALS, Monrovia, Liberia and a split was submitted to ALS, Malaga, Perth for multi element analyses.

Two stand-out areas which had been previously identified (by IRL) as the Bwee Ridge (interpreted areal extent 1.5km^2) and the Giant Main Outcrop (interpreted areal extent 3.8km^2) show good potential to contain extensive iron formations with grades of DSO quality. The maximum Fe grade and averages of other assay results obtained from these two areas are shown in the tables below.

	Fe %	SiO_2 %	P %	S %	Al_2O_3 %	LOI %	Sample size
Hematite ore, desirable contaminant and grade	>55	<5	<0.1	<0.05	<2	7-10	-
Maximum Fe grade and contaminants	60.88	2.38	0.09	0.06	1.41	8.65	1
All Fe bearing samples collected from the Bwee Ridge (average values)	56.64	4.65	0.14	0.06*	3.48	9.69	35

Table 1: Maximum and average assay values obtained from all iron-bearing rock chip samples collected from the Bwee Ridge to date (shown against desirable contaminant and Fe grade for Hematite ore. * Note: The average S% shown above is calculated on a sample size of 22 and not 35)

	Fe %	SiO_2 %	P %	S %	Al_2O_3 %	LOI %	Sample size
Hematite ore, desirable contaminant and grade	>55	<5	<0.1	<0.05	<2	7-10	-
Maximum Fe grade and contaminants	62.47	1.69	0.04	0.05	2.70	5.62	1
All Fe bearing samples collected from the Gaint Main Outcrop (average values)	55.39	6.69	0.15	0.06	4.03	8.95	35

Table 2: Maximum and average assay values obtained from all iron-bearing rock chip samples collected from the Giant Main Outcrop to date (shown against desirable contaminant and Fe grade for Hematite ore)

In addition to the 116 samples assayed in the recent sampling program a further 18 samples were collected by IRL during a reconnaissance sampling program conducted in October 2008.

The maximum Fe grade and averages of other assay results obtained from all of the iron bearing samples collected on the Project Area to date are shown in the table below.

	Fe %	SiO_2 %	P %	S %	Al_2O_3 %	LOI %	Sample size
Hematite ore, desirable contaminant and grade	>55	<5	<0.1	<0.05	<2	7-10	-
Maximum Fe grade and contaminants	70.26	0.73	0.07	0.02	1.40	-0.59	1
All Fe bearing samples collected in the Project Area (average values)	53.15	9.23	0.17	0.06*	4.12	9.13	134

Table 3: Maximum and average assay values obtained from all iron-bearing rock chip samples collected from the Project area to date (shown against desirable contaminant and Fe grade for Hematite ore. * Note: The average S% shown above is calculated on a sample size of 116 and not 134)

The distribution of samples and Fe grades are shown plotted, in Figure 3, over the preliminary solid geological interpretation derived from the airborne magnetic and radiometric survey. Interestingly the sample returning the maximum Fe grade of 70.26% is not located on the Bwee Ridge or Giant Main Outcrop. This sample was collected on an area of interpreted outcrop previously identified as “Farr South” (interpreted areal extent 1.0km^2). The sample location is highlighted in Figure 3.

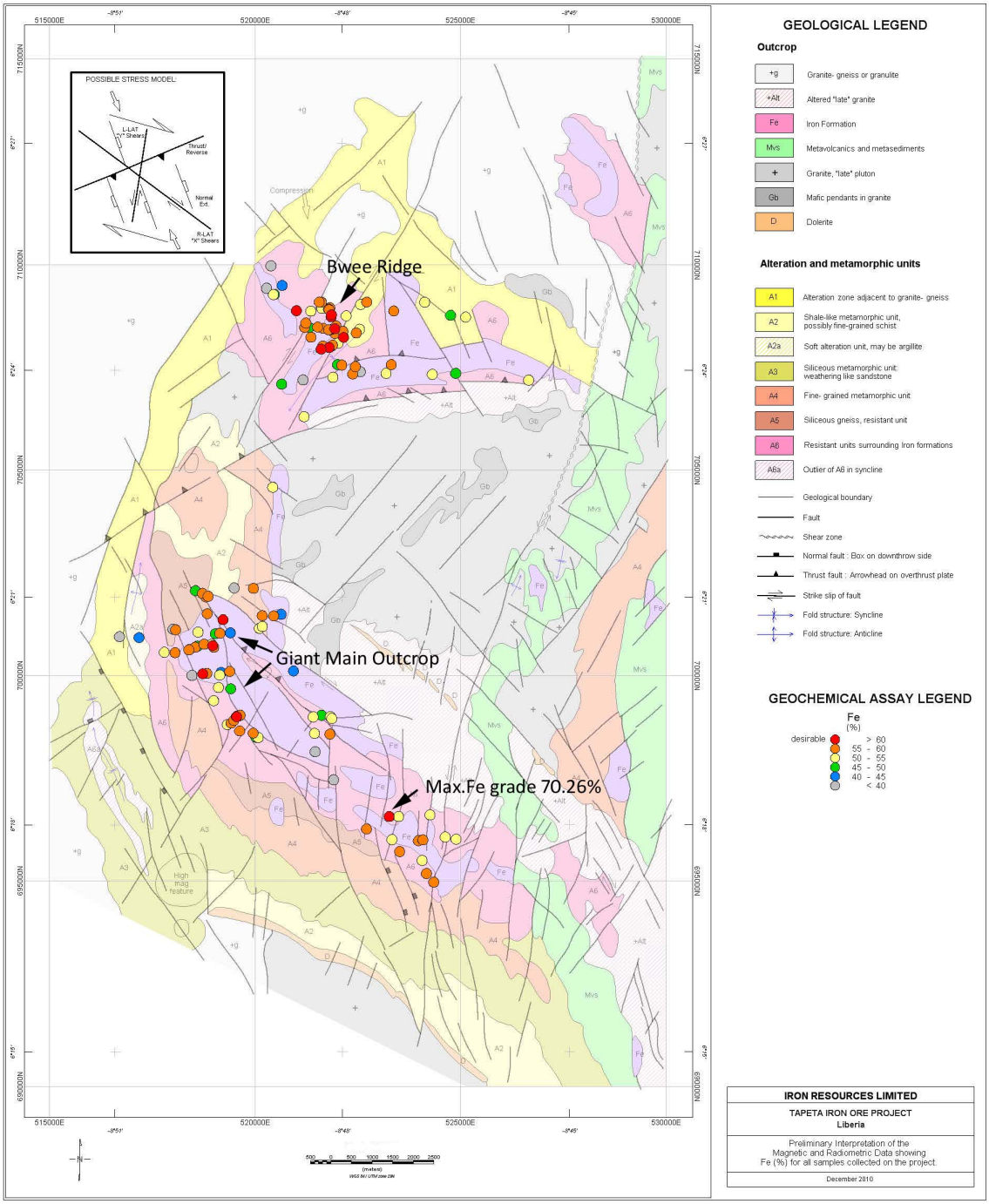

Figure 3: Distribution and Fe grade for all of the 134 iron-bearing rock chip samples collected on the Project Area to date shown over preliminary solid geological interpretation.

It is anticipated that, as soon as is practical, after the completion of the Transaction Rand will commence drilling these “stand-out” target areas to define an initial JORC compliant iron ore resource.

As soon as Rand’s due diligence in connection with the Transaction has been completed, Rand will make a further announcement to the market.
For further information, please contact:

Roland Berzins
Company Secretary

Competent persons: The information in this announcement relating to exploration activities on the Project Area is compiled by Dr Richard Russell who is a member of the Australasian Institute of Mining and Metallurgy. Dr Russell 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’. Dr Russell has consented to the inclusion in this announcement of the information on the Tapeta Iron Ore Project in the form and context represented above.

(Dr) Richard Russell
PhD, MAusIMM.
Principal, R. Russell and Associates Pty Ltd.
25 February 2011.