30 October 2009

Company Announcements Office
Australian Stock Exchange Limited
20 Bridge Street
SYDNEY NSW 2000

Iron Mountain Mining Limited (ASX Code : IRM)

Quarterly Report: 30 September 2009

HIGHLIGHTS

MIAREE PROJECT (Iron Ore, Gold)

- Miaree sequence located along strike from recent metal detector gold rush area within favourable geological setting west of the Karratha Granodiorite
- Iron Mountain Mining Limited/Red River Resources Limited joint venture has undertaken an extensive stream sediment/lag sampling geochemical program over a geologically similar portion of the Miaree sequence
- Miaree Gold Prospect is a strong 200m EM anomaly with coincident soil geochemical gold anomalism adjacent to a granite-greenstone contact with strong pegmatite development indicative of preferential mineralising conditions
- Geophysical modelling identifies top of EM conductive zone approximately 50m below surface
- Further sampling is planned over EM conductors at the Slopers Well Prospect to the west

MT RICHARDSON PROJECT (Iron Ore)

- Proposed Reverse Circulation (RC) holes surveyed
- Aerial and ground reconnaissance conducted
- Flora survey within the Mt. Richardson Range undertaken
- Additional Heritage Survey conducted

WONGAN HILLS PROJECT (Gold, Base Metals)

- Joint venture signed between Quadrio Resources Pty Ltd (a subsidiary of Dominion Mining Ltd), Red River Resources Limited and Iron Mountain Mining Limited
- Quadrio Resources Pty Ltd can earn 80% of the joint venture by sole funding expenditure of $400,000 with Red River Resources Limited and Iron Mountain Mining Limited reducing to 15% and 5% respectively Joint venture tenements are located adjacent to the extensive Ninan system of copper-gold mineralisation with encouraging drill hole intercepts

- Adjoining Mystery lead-zinc (gold-arsenic-tungsten) anomaly carries pathfinder geochemistry indicative of Volcanogenic Hosted Massive Sulphides (VHMS)
- Initial drilling at Wongan West has intersected chlorite alteration and disseminated chalcopyrite mineralization in an area with surface copper, gold and arsenic anomalism. Assays are pending.

General

Iron Mountain Mining Limited ("Iron Mountain") continues to explore and evaluate a number of highly prospective iron ore and gold projects in Western Australia and Tasmania. During the September 2009 Quarter, geochemical soil sampling was undertaken at Miaree in response to reports of a significant nearby electronic gold rush. A review of results from Miaree continued while completion of necessary milestones ahead of drilling progressed at the Mount Richardson Project under the management of Cliffs Asia Pacific Iron Ore Pty Ltd. The location of these advanced projects is shown in Figure 1 below.

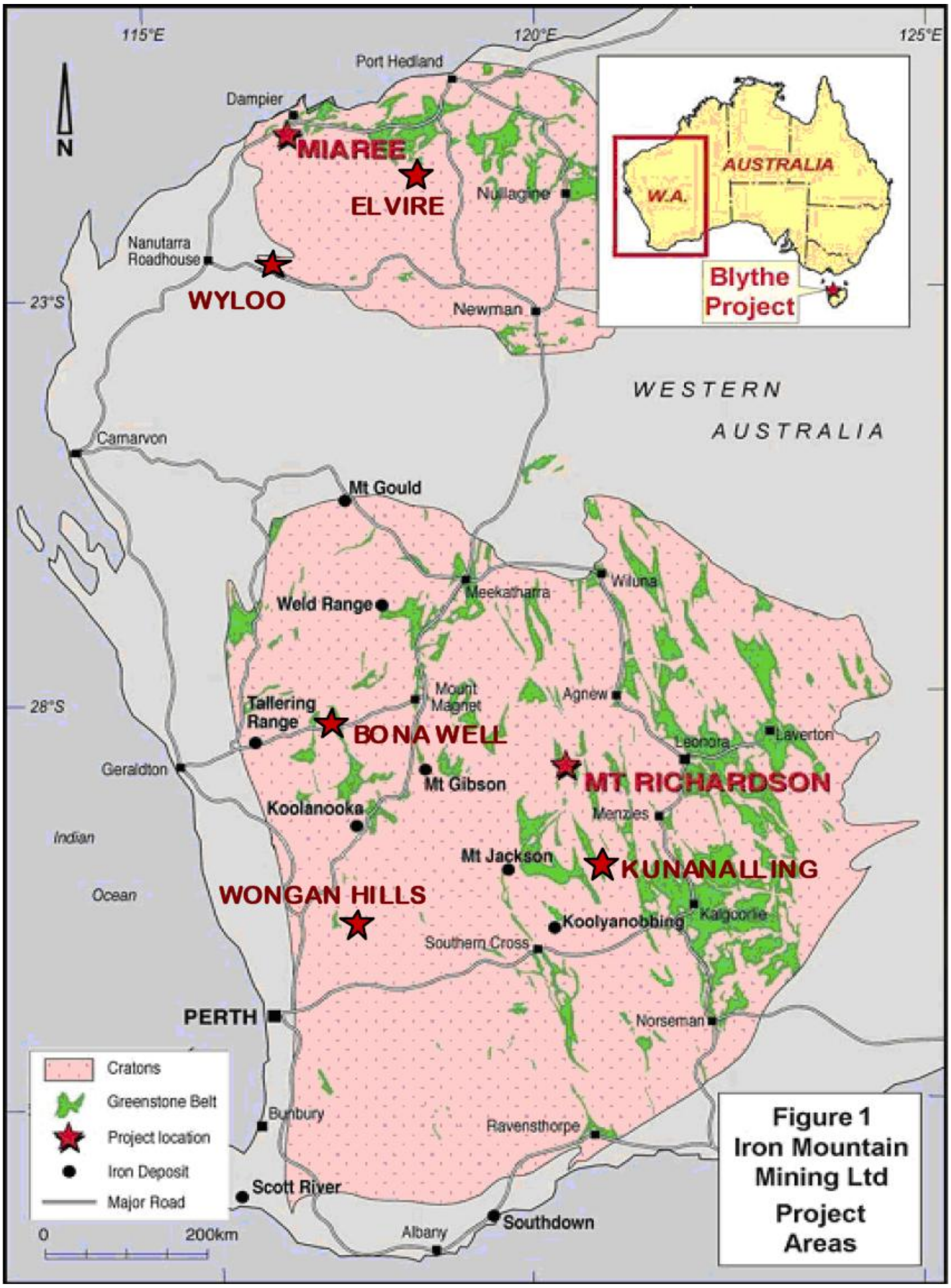


Figure 1 – Iron Mountain Mining Project locations in Western Australia and Tasmania.

MIAREE PROJECT

The Miaree Project is comprised of exploration licences E08/1350 (Kaninda West), E47/1039 (Kaninda East) and E47/1707 (Kaninda North) and is held under a joint venture with Red River Resources Limited ("Red River").

GOLD PROSPECTIVITY

During the quarter, a geochemical stream sediment and lag sampling program comprising of 718 samples was undertaken within the Miaree project area southwest of Karratha in the Pilbara region of Western Australia. The geochemical sampling initiative was undertaken in response to confirmed reports from various independent sources of a recent electronic gold rush southwest of Karratha. Unsubstantiated reports of over 1000oz of gold being won from the surface since December 08 prompted a review of the region which revealed that the host geology of the rushed area extends westward into E47/1309. The location of the area subjected to the sampling program relative to the location of the ongoing metal detecting activity is shown in Figure 2.

Assay results were received after the September quarter reporting deadline and subsequently announced to the ASX on 27 October. A number of localities in the survey area contain distinctly anomalous gold values.

Evaluation of the gold rush area shows that it is situated west of the Karratha Granodiorite in a structurally favourable setting with extensive faulting that most likely acted as conduits for the movement of mineralising fluids. The area also hosts EM anomalies generated from a past geophysical survey (Dragon Mining 1994) which are similar in nature to those identified within Miaree tenement E47/1309. Field work during the sampling program also identified the presence of a granite-greenstone contact with an associated pegmatite at the Miaree Gold Prospect (see Figure 2).

The Miaree Gold Prospect area was explored for nickel in 2006. Re-evaluation of soil and EM survey data accumulated during this previous phase of exploration reveals the existence of a 200m long EM anomaly and associated soil gold anomaly adjacent to the mapped pegmatite. Geophysical modelling positions the top of the EM conductor at approximately 50m below surface. Outcrop in the area interpreted as overlying the near-vertical EM conductor response displays strong foliation as well as strong alteration. Interestingly the area also hosts a zone of pre-2006 metal detector scrapings approximately 200m to the south (see Figure 2).

Further sampling is planned over EM conductors at the Slopers Well Prospect to the west (see Figure 2).
The Slopers Well Prospect will be geochemically sampled during October/November as an anticipated precursor to conducting heritage surveys and lodging drilling applications to test targets delineated by geochemical soil surveys at both Slopers Well and Miaree gold prospects.

MIAREE MAGNETITE TREND

Evaluation of previously reported metallurgical test work on Miaree magnetite intersections from the central to western sectors of the Miaree Magnetite Trend have been less than encouraging with average magnetite content in tested RC drill cuttings in the range of 7-14% as a result of complex iron mineralogy in the host formation. Additional bacterial oxidation amenability studies have also been unable to improve recovery characteristics suggesting that the economic extraction of contained iron within the broader mineralised sequence may be limited.

MOUNT RICHARDSON PROJECT

During the September 2009 quarter, proposed RC drill holes were marked out and surveyed at Mt. Richardson. The programme aimed to ascertain whether or not hole locations were appropriate to construct drill pads and to achieve minimal disturbance.

Aerial and ground reconnaissance was also conducted to provide an overview of the project area as well as a flora survey by Western Botanical on the proposed drill sites and access tracks within the exploration areas. The report has yet to be completed.

A further heritage survey was also conducted to clarify some heritage issues.

WONGAN HILLS PROJECT

Iron Mountain announced on 28 August that in conjunction with existing joint venture partner Red River, the company had signed a Joint Venture agreement with Quadrio Resources Pty Ltd ("Quadrio"), a subsidiary of Dominion Mining Limited, whereby Quadrio can earn 80% equity in exploration licences E70/2437, E70/2443 and E70/2728 by sole funding expenditure of $400,000. In the event of Quadrio moving to 80% of the project, the equity interests of Red River and Iron Mountain would be reduced to 15% and 5% respectively.

The most prospective part of the joint ventured tenement is adjacent to E70/2343 where ongoing exploration by Dominion has identified the extensive Ninan Cu-Au System (see Figure 4). The area also contains the Mystery lead-zinc anomaly which has coincident Au, As and W anomalism as well as elevated levels of pathfinder elements Indium (In), Bismuth (Bi), and Antimony (Sb) suggesting that the area is prospective for Volcanogenic Hosted Massive Sulphides (VHMS). The Mystery mineralised zone approximately 1km northwest of the Ninan system appears to be associated with an interpreted shear zone that extends into the joint venture tenements.

The West Wongan target identified by Quadrio located at the interpreted western continuity of the parallel Ninan and Mystery systems where they converge along a north-south shear zone within the joint venture tenements (see Figure 4). The West Wongan target is defined by a strong copper geochemical anomaly with supporting gold and arsenic values and is currently the focus of ongoing exploration by Quadrio. During the past quarter, Quadrio commenced a first phase interface drilling programme to test the Wongan West target. Several holes intersected chlorite alteration and disseminated chalcopyrite mineralization was encountered at the bottom of one hole. Assays are pending.

Quadrio is the manager of the Wongan Hills Joint Venture and is required to spend $90,000 within 12 months of 18 August 2009, the date of the execution of the JV Agreement. If Quadrio then elects to continue with the Joint Venture, it is entitled to acquire an 80% Participating Interest by sole funding exploration costs to a cumulative total of $400,000 over a subsequent period of 36 months.

Red River may then elect to dilute to a 5% Free carry Interest until Quadrio makes a decision to mine. Iron Mountain will remain with a 5% interest during this period. Upon a decision to mine, Red River and Iron Mountain may elect not to contribute and as a result would forgo their equity interest in return for a Net Smelter Return Royalty of 1.875% and 0.625% respectively.

BLYTHE PROJECT

No field work was undertaken at Blythe during the September 2009 quarter.

BONA WELL PROJECT

Results from geological mapping and sampling undertaken in the previous quarter were reviewed in preparation for further rock chip sampling planned for the December 09 quarter.

No field work was undertaken at Bona Well during the September 2009 quarter.

KUNANALLING PROJECT

No field work was undertaken at Kunanalling during the September 2009 quarter.

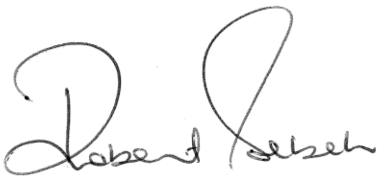
WYLOO PROJECT

The Wyloo Project is comprised of two small tenements E47/1201 (one graticular block) and P47/1163 (73.5 ha) in the southwest corner of the Pilbara iron ore province of Western Australia. The tenements have been interpreted as having potential for palaeochannel iron ore and are owned 100% by Iron Mountain. The statutory expenditure requirements for such a relatively small and isolated tenement holding in such a remote location is difficult to justify. The project is currently under review after attempts to farm out the project to potential third parties failed to generate expressions of interest.

MACQUARIE MARBLE AND LIME PTY LTD

Iron Mountain has a 60% interest in Macquarie Marble and Lime Pty Ltd (“MML”) through the execution of an option to acquire ML1446 and surrounding EL7084 near Port Macquarie in New South Wales. The tenements cover the Koree Limestone Deposit located at Wauchope, inland from Port Macquarie in NSW.

Following ongoing discussions with interested parties during the September quarter, the company was finally able to confirm genuine interest from a prospective buyer and commenced preliminary negotiations towards the sale of the Koree Project tenements and related assets. The company hopes to finalise and execute the sale of this non-core asset before the end of the year.



Robert Sebek
Managing Director 30 October 2009

The information within this report as it relates to geology and mineral resources was compiled by the Mr Robert Sebek. Mr Sebek is a Member of the Australian Institute of Mining and Metallurgy. Mr. Sebek has sufficient experience which is relevant to the style of mineralization and the type of deposit under consideration 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, the JORC Code”. Mr Sebek is employed by Iron Mountain Mining Limited and consents to the inclusion in the report of the matters based on information in the form and context which it appears.

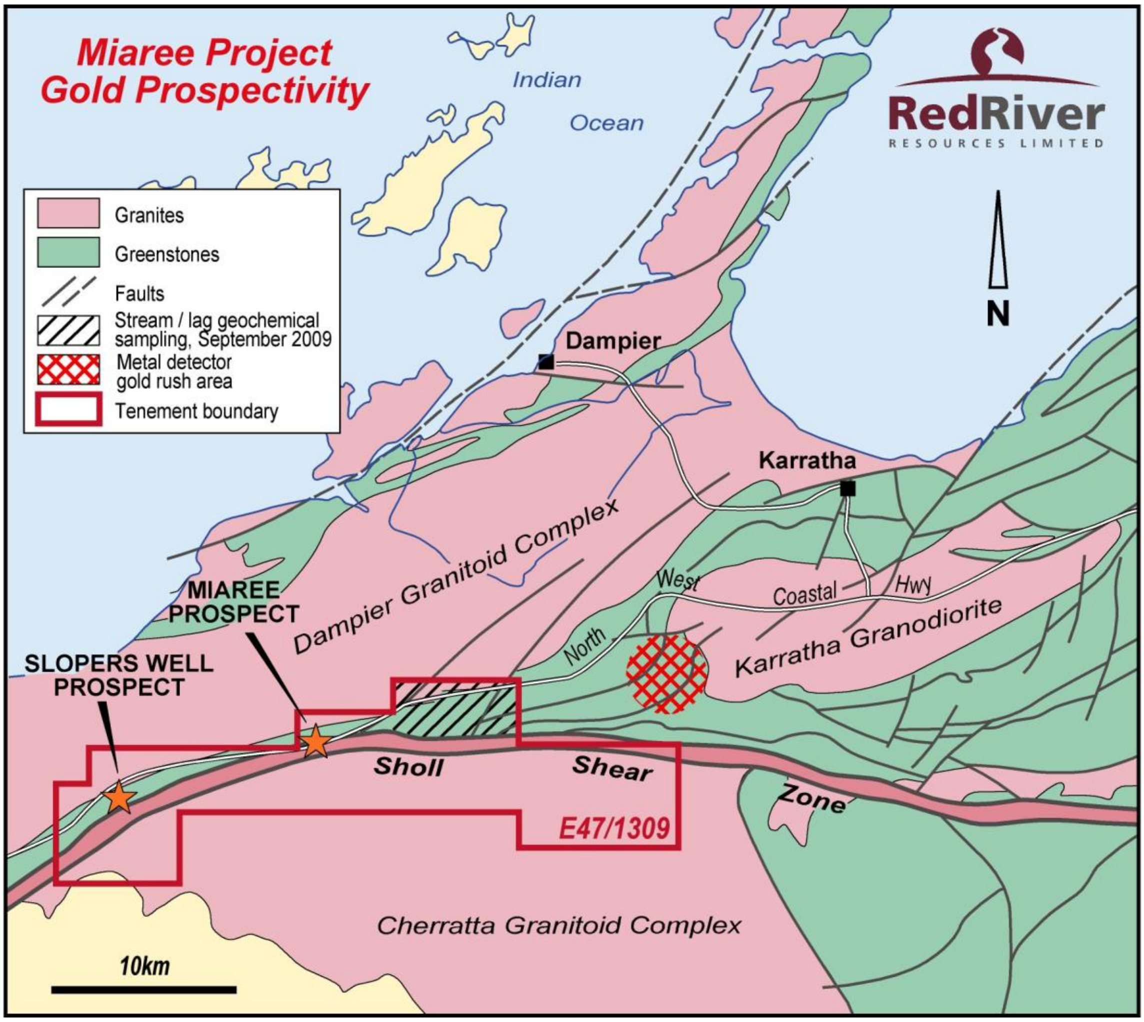
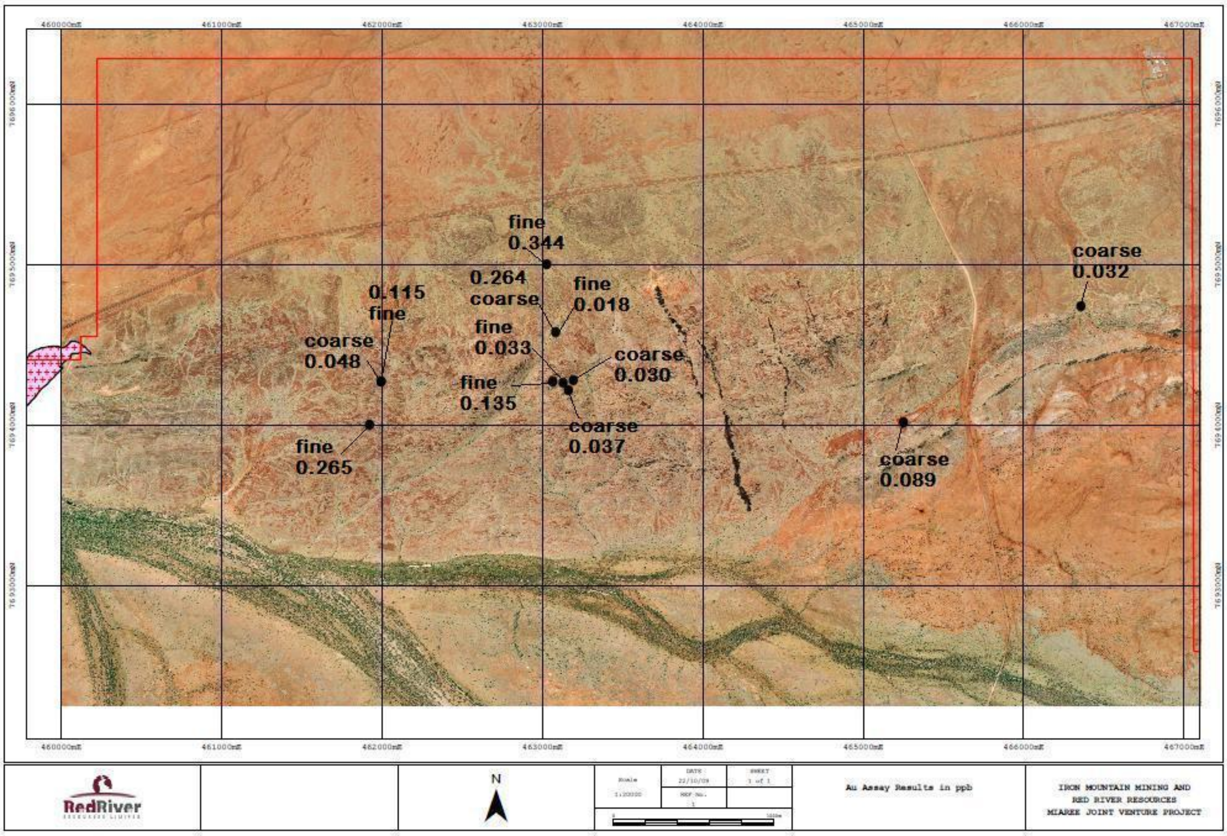

Miaree Project
Gold Prospectivity
Indian
Ocean
RedRiver
RESOURCES LIMITED
Granites
Greenstones
Faults
Stream / lag geochemical sampling, September 2009
Metal detector gold rush area
Tenement boundary
N
Dampier
Karratha
Dampier Granitoid Complex
MIAREE PROSPECT
SLOPERS WELL PROSPECT
North West Coastal Hwy
Karratha Granodiorite
Sholl Shear Zone
E47/1309
Cherratta Granitoid Complex
10km

Figure 2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RedRiver
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DATE
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Au Assay Results in ppb
IRON MOUNTAIN MINING AND
RED RIVER RESOURCES
MIAREE JOINT VENTURE PROJECT

Figure 3

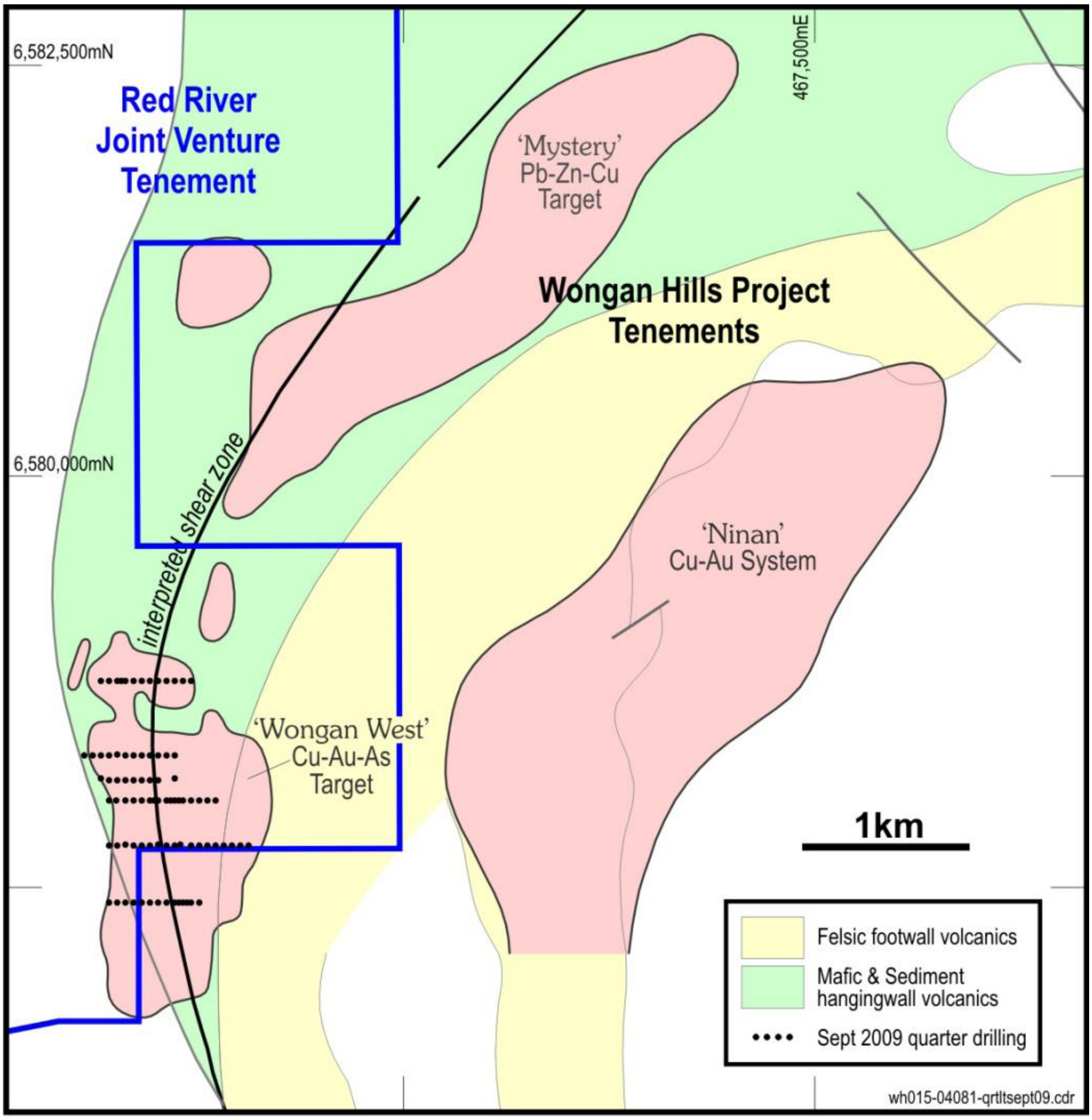

Figure 4 (courtesy of Dominion Mining Ltd)

Rule 5.3

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

IRON MOUNTAIN MINING LIMITED

ABN	Quarter ended ("current quarter")
62 112 914 459	30 September 2009

Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter $A'000	Year to date (3 months) $A'000
1.1	Receipts from product sales and related debtors	NIL	NIL
1.2	Payments for (a) exploration and evaluation	(119)	(119)
	(b) development	NIL	NIL
	(c) production	NIL	NIL
	(d) administration	(281)	(281)
1.3	Dividends received	NIL	NIL
1.4	Interest and other items of a similar nature received	22	22
1.5	Interest and other costs of finance paid	NIL	NIL
1.6	Income taxes paid	NIL	NIL
1.7	Other (provide details if material) –		
	GST Paid/Refunded/Insurance Recovery	NIL	NIL
	Option Fee Income	NIL	NIL
	Net Operating Cash Flows	(377)	(377)
	Cash flows related to investing activities		
1.8	Payment for purchases of: (a) prospects	NIL	NIL
	(b) equity investments	NIL	NIL
	(c) other fixed assets	(23)	(23)
1.9	Proceeds from sale of: (a) prospects	NIL	NIL
	(b) equity investments	NIL	NIL
	(c) other fixed assets	NIL	NIL
1.10	Loans to other entities	NIL	NIL
1.11	Loans repaid by other entities	NIL	NIL
1.12	Other (provide details if material)	NIL	NIL
	Net investing cash flows	NIL	NIL
1.13	Total operating and investing cash flows (carried forward)	(400)	(400)

+ See chapter 19 for defined terms.

1.13	Total operating and investing cash flows (brought forward)	(400)	(400)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	NIL	NIL
1.15	Proceeds from sale of forfeited shares	NIL	NIL
1.16	Proceeds from borrowings	NIL	NIL
1.17	Repayment of borrowings	NIL	NIL
1.18	Dividends paid	NIL	NIL
1.19	Other (provide details if material) – CAPITAL RAISING COSTS	NIL	NIL
	Net financing cash flows	NIL	NIL
	Net increase (decrease) in cash held	(400)	(400)
1.20	Cash at beginning of quarter/year to date	3,549	3,549
1.21	Exchange rate adjustments to item 1.20		
1.22	**Cash at end of quarter**	3,149	3,149

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

		Current quarter $A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	128
1.24	Aggregate amount of loans to the parties included in item 1.10	Nil

1.25 Explanation necessary for an understanding of the transactions

1.23 Directors and legal fees paid to officeholders and related entities.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

Investing Activity:

Iron Mountain Mining Ltd (IRM) offered 1 IRM ordinary share for every 2 Terrain Minerals Ltd (TMX) ordinary shares (as per offer) under its off-market takeover bid to acquire all the shares in Terrain Minerals Ltd (ACN 116 153 514) as detailed in a the Bidder's Statement dated 24 April 2009 lodged by IRM with ASIC and ASX. IRM issued 9,045,022 shares on 6 July 2009 in exchange for 18,090,043 shares in TMX.

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

N/A

Financing facilities available

Add notes as necessary for an understanding of the position.

		Amount available $A'000	Amount used $A'000
3.1	Loan facilities	NIL	NIL
3.2	Credit standby arrangements	NIL	NIL

Estimated cash outflows for next quarter

		$A'000
4.1	Exploration and evaluation	100
4.2	Development	NIL
	Total	**100**

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current quarter $A'000	Previous quarter $A'000
5.1	Cash on hand and at bank	3,029	3,429
5.2	Deposits at call	120	120
5.3	Bank overdraft		
5.4	Other (provide details)		
	Total: cash at end of quarter (item 1.22)	3,149	3,549

Changes in interests in mining tenements

		Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed	N/A	N/A	N/A	N/A
6.2	Interests in mining tenements acquired or increased	E59/1457 E70/3712 E70/3713 E70/3714 E70/3715	Granted 13/07/2009 Applied for 25/09/2009 Applied for 25/09/2009 Applied for 25/09/2009 Applied for 25/09/2009	100% 100% 100% 100% 100%	100% 100% 100% 100% 100%

+ See chapter 19 for defined terms.

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

		Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	**Preference +securities** *(description)*	NIL			
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions	NIL			
7.3	**+Ordinary securities**	76,793,775	76,793,775		
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	 9,045,022 Nil	 9,045,022 Nil	Refer comments in section 2.1	
7.5	**+Convertible debt securities** *(description)*	NIL			
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	NIL			
7.7	**Options** *(description and conversion factor)*	40,186,250	40,186,250	*Exercise price* 20 cents each	*Expiry date* 01/02/2012
7.8	Issued during quarter	NIL			
7.9	Exercised during quarter	NIL			
7.10	Expired during quarter	NIL			
7.11	**Debentures** *(totals only)*	NIL			

+ See chapter 19 for defined terms.

7.12	**Unsecured notes** *(totals only)*	NIL	

Compliance statement

1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).

2 This statement does give a true and fair view of the matters disclosed.

Sign here: (Company secretary) Date: 30 October 2009

Print name: MARK KILLMIER

Notes

1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.

2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.

3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.

4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.

5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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+ See chapter 19 for defined terms.