
IRON MOUNTAIN MINING LIMITED

ABN 62 112 914 459

**INTERIM FINANCIAL
REPORT 2009**

For the Half-Year Ended 31 December 2009

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IRON MOUNTAIN MINING LIMITED

DIRECTORS' REPORT

Your directors submit their report on the consolidated entity consisting of Iron Mountain Mining Limited and the entities it controlled at the end of, or during, the half year ended 31 December 2009.

DIRECTORS

The directors that held office during the half year and up until the date of this report were:

Simon Christopher England
David Alan Zohar
Robert Sebek
Dr Zhukov Pervan

Review and results of operations

The principal activity of the consolidated entity during the course of the financial period was mineral exploration. A summary of the consolidated revenues and results for the half year are set out below.

The net loss of the consolidated entity for the half year after tax was \$1,128,815 (2008: profit \$638,314) with total revenues of \$127,547 (2008: \$3,149,941). Major costs were Exploration expenditure \$362,451 (2008: \$1,283,214), Administration \$213,235 (2008: \$368,067), Employment costs of \$518,725 (2008: \$250,332) and Impairment of available for sale financial assets of \$28,600 (2008: \$437,965).

During the half year, the company was able to secure the highly prospective Wandoo Bauxite Project as part of an off-market takeover of Aluminex Resources Ltd completed in December 2009.

A joint venture was signed with Quadrio Resources Pty Ltd (a subsidiary of Dominion Mining Ltd) over the Wongan Hills Project which allowed exploration to commence immediately and a soil sampling program for gold was undertaken at Miaree in response to reports of a nearby electronic gold rush that had uncovered over 1000oz of surface gold.

Progress at the Mt Richardson Project managed by Cliffs Asia Pacific Iron Ore Pty Ltd under an Option to Purchase agreement continued in readiness for approval to commence their proposed 120+ RC drilling program.

During December 2009, the company finalised the off-market 1:1 script takeover of Aluminex Resources Ltd (ALM) primarily to acquire the Wandoo Bauxite Project in the Darling Ranges. As part of the takeover, the company also assumed the liabilities of ALM which included the repayment of a loan to Eagle Nickel Ltd (ENL) of \$946,245.71 (including interest) which was paid in December 2009. The Wandoo project contains extensive shallow bauxite mineralisation that can potentially be extracted as Direct Shipping bauxite to Chinese and Middle Eastern Refineries. The company is currently validating extensive historical drilling data with a view to delineating an independent maiden resource estimate.

Work on the Miaree Joint Venture with Red River Resources Ltd (RVR) focussed on assessing the gold potential of the project. A total of 718 stream sediment and lag samples were collected as part of a geochemical sampling program. While the majority of assays failed to return anomalous results, there were numerous clusters of assays several hundred times above background which in an area not recognised as a goldfield is encouraging and worthy of follow up work.

Quadrio Resources Pty Ltd completed their first phase of AC interface drilling to test the Wongan West Cu-Au-As target soon after signing a the Joint Venture to earn 80% of the project by sole funding \$400,000 of exploration. Preliminary results were encouraging and plans are to extend the drilling coverage further north to follow up anomalous Ag-Pb-Zn results.

The Mt Richardson Project was progressed in readiness for pending approval to commence a planned 120+ hole RC drilling program. Proposed drill hole collars were surveyed, aerial and ground reconnaissance was conducted, flora and heritage surveys were undertaken and a Digital terrain Elevation Model (DTEM) was prepared by Cliffs Asia Pacific Iron Ore Pty Ltd ahead of the anticipated approval to commence drilling.

IRON MOUNTAIN MINING LIMITED

DIRECTORS' REPORT

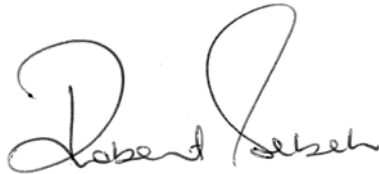
A new drilling target was identified at the Valentine Prospect within the Blythe Project. Blythe is a 50:50 joint venture between Iron Mountain Mining Ltd and RVR. A proposed five RC hole drilling program was prepared and expected to be undertaken in the March 2010 quarter.

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.

Auditor's Independence Declaration

The auditor's independence declaration under Section 307c of the Corporations Act 2001 for the half-year ended 31 December 2009 has been received and is set out on page 3.

Signed in accordance with a resolution of Directors and on behalf of the Directors by:



Robert Sebek
Director
16th March 2010
Perth, Western Australia

IRON MOUNTAIN MINING LIMITED AUDITOR'S INDEPENDENCE DECLARATION



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38 Station Street
Subiaco, WA 6008
PO Box 700 West Perth WA 6872
Australia

16 March 2010

The Board of Directors
Iron Mountain Mining Limited
Level 7, 231 Adelaide Terrace
Perth WA 6000

Dear Sirs

DECLARATION OF INDEPENDENCE BY CHRIS BURTON TO THE DIRECTORS OF IRON MOUNTAIN MINING LIMITED

As lead auditor of Iron Mountain Mining Limited for the half-year ended 31 December 2009, I declare that to the best of my knowledge and belief, there have been:

- No contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- No contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Iron Mountain Mining limited and the entities it controlled during the period.

Chris Burton
Director

BDO Audit (WA) Pty Ltd
Perth, Western Australia

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IRON MOUNTAIN MINING LIMITED

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the half-year ended 31 December 2009

	Notes	Consolidated Group	
		31.12.2009 \$	31.12.2008 \$
Revenue from continuing operations	2	127,547	3,149,941
Administration		(213,235)	(368,067)
Exploration costs		(362,451)	(1,283,214)
Finance costs		(1,498)	(304)
Depreciation		(29,115)	(39,745)
Employment costs		(518,725)	(250,332)
Consulting fees		(5,700)	(132,000)
Impairment of available for sale financial assets		(28,600)	(437,965)
Takeover expenses	11	(97,038)	-
(Loss)/Profit before income tax		(1,128,815)	638,314
Income tax expense		-	-
(Loss)/ Profit from the half year		(1,128,815)	638,314
Other comprehensive income		-	-
Changes in the fair value of available for sale financial assets		695,251	(354,035)
Total comprehensive income for the half year attributable to the members of Iron Mountain Mining Limited		(433,564)	284,279
Basic (loss)/ earnings per share (cents per share)	9	(1.41)	0.94
Diluted (loss)/ earnings per share (cents per share)		N/A	0.94

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

IRON MOUNTAIN MINING LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2009

	Notes	Consolidated Group	
		31.12.2009 \$	30.6.2009 \$
CURRENT ASSETS			
Cash and cash equivalents		1,514,173	3,549,130
Trade and other receivables		176,579	55,297
TOTAL CURRENT ASSETS		1,690,752	3,604,427
NON-CURRENT ASSETS			
Receivables		50,071	48,000
Available for sale financial assets	3	1,853,390	1,151,502
Property, plant and equipment	4	908,501	912,924
Exploration and evaluation expenditure	8	5,419,894	502,552
TOTAL NON-CURRENT ASSETS		8,231,856	2,614,978
TOTAL ASSETS		9,922,608	6,219,405
CURRENT LIABILITIES			
Trade and other payables		262,100	127,615
Borrowings		22,000	-
Provisions		10,856	16,367
TOTAL CURRENT LIABILITIES		294,956	143,982
TOTAL LIABILITIES		294,956	143,982
NET ASSETS		9,627,652	6,075,423
EQUITY			
Contributed Equity	5	12,821,793	8,994,532
Reserves		1,777,456	1,082,205
Accumulated losses		(5,130,133)	(4,001,318)
Capital and Reserves attributable to owners of Iron Mountain Mining Ltd		9,469,116	6,075,419
Non Controlling Interest		158,536	4
TOTAL EQUITY		9,627,652	6,075,423

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

IRON MOUNTAIN MINING LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the half year ended 31 December 2009

	Attributable to owners of Iron Mountain Mining Limited						Total \$
	Contributed Equity \$	Accumulated Losses \$	Asset Revaluation Reserve \$	Options Reserve \$	Total \$	Non Controlling Interest \$	
2008							
Balance as at 1 July 2008	8,088,030	(3,246,690)	378,035	1,010,205	6,229,580	4	6,229,584
Total comprehensive income for the half year							
Loss for the half year	-	638,814	-	-	638,814	-	638,314
Other comprehensive income							
Change in fair value of available for sale financial assets	-	-	(354,035)	-	(354,035)	-	(354,035)
Total other comprehensive income for the half year	-	-	(354,035)	-	(354,035)	-	(354,035)
Total comprehensive income for the half year	-	638,814	(354,035)	-	284,279	-	284,279
Transactions with equity holders in their capacity as equity holders							
Shares issued during the half year	2,000	-	-	-	2,000	-	2,000
Balance as at 31 December 2008	8,090,030	(2,608,376)	24,000	1,010,205	6,515,859	4	6,515,863
2009							
Balance as at 1 July 2009	8,994,532	(4,001,318)	72,000	1,010,205	6,075,419	4	6,075,423
Total comprehensive income for the half year							
Loss for the half year	-	(1,128,815)	-	-	(1,128,815)	-	(1,128,815)
Other comprehensive income							
Change in the fair value of available for sale financial assets	-	-	695,251	-	695,251	-	695,251
Total other comprehensive income for the half year	-	-	695,251	-	695,251	-	695,251
Total comprehensive income for the half year	-	(1,128,815)	695,251	-	(433,564)	-	(433,564)
Transactions with equity holders in their capacity as equity holders							
Shares issued during the half year	3,827,261	-	-	-	3,827,261	-	3,827,261
Non controlling interest on acquisition of Aluminex Resources Ltd	-	-	-	-	-	158,532	158,532
Balance as at 31 December 2009	12,821,793	(5,130,133)	767,251	1,010,205	9,469,116	158,536	9,627,652

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

IRON MOUNTAIN MINING LIMITED
CONSOLIDATED STATEMENT OF CASH FLOWS
For the half year ended 31 December 2009

	Notes	Consolidated Group	
		31.12.2009 \$	31.12.2008 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		91,302	3,300,495
Interest received		44,006	112,822
Payments for exploration and evaluation		(356,308)	(1,730,012)
Payment to suppliers and employees		(857,983)	(821,441)
Interest paid		(36,649)	(300)
Other income received		473	-
		(1,115,159)	861,564
NET CASH FLOWS (USED IN) / FROM OPERATING ACTIVITIES			
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for property, plant and equipment		(24,692)	(52,327)
Payment for mining lease and other expenditure		(3,471)	-
Refund of/(payment for) mining bonds and deposits		5,000	(5,000)
		(23,163)	(57,327)
NET CASH FLOWS (USED IN) INVESTING ACTIVITIES			
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares		-	1,000
Loans from related parties		14,449	-
Repayment of loans from related parties		(911,084)	-
		(896,635)	1,000
NET CASH FLOWS (USED IN)/ FROM FINANCING ACTIVITIES			
NET (DECREASE)/ INCREASE IN CASH HELD			
Cash and cash equivalents at the beginning of half year		(2,034,957)	805,237
		3,549,130	3,329,466
CASH AND CASH EQUIVALENTS AT END OF HALF YEAR			
		1,514,173	4,134,703

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

IRON MOUNTAIN MINING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 December 2009

1. Basis of Preparation

These general purpose financial statements for the interim half-year reporting period ended 31 December 2009 have been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

These interim financial statements do not include all the notes of the type normally included in an annual financial statements. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2009 and any public announcements made by the consolidated entity during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, except as set out below.

Changes in accounting policy

Iron Mountain Mining Limited had to change some of its accounting policies as the result of new or revised accounting standards which became operative for the annual reporting period commencing on 1 July 2009.

The affected policies and standards are:

- Presentation of financial statements – revised AASB 101 *Presentation of Financial Statements*
- Principles of consolidation – revised AASB 127 *Consolidated and Separate Financial Statements* and changes made by AASB 2008-7 *Amendments to Australian Accounting Standards - Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate*
- Business combinations – revised AASB 3 *Business Combinations*
- Segments – new AASB 8 *Operating Segments*

Principles of consolidation

AASB 127 (revised) requires the effects of all transactions with non-controlling interests to be recorded in equity if there is no change in control and these transactions will no longer result in goodwill or gains and losses. This is different to the consolidated entity's previous accounting policy where transactions with minority interests were treated as transactions with parties external to the group.

The standard also specifies the accounting when control is lost. Any remaining interest in the entity must now be remeasured to fair value and a gain or loss is recognised in profit or loss. This is consistent with the entity's previous accounting policy if significant influence is not retained.

The consolidated entity will in future allocate losses to the non-controlling interest in its subsidiaries even if the accumulated losses should exceed the non-controlling interest in the subsidiary's equity. Under the previous policy, excess losses were allocated to the parent entity.

Lastly, dividends received from investments in subsidiaries, jointly controlled entities or associates after 1 July 2009 are recognised as revenue even if they are paid out of pre-acquisition profits. However, the investment may need to be tested for impairment as a result of the dividend payment. Under the entity's previous policy, these dividends would have been deducted from the cost of the investment.

The changes were implemented prospectively from 1 July 2009. There have been no transactions whereby an interest in an entity is retained after the loss of control of that entity, no transactions with non-controlling interests and no dividends paid out of pre-acquisition profits.

Business combinations

AASB 3 (revised) continues to apply the acquisition method to business combinations, but with some significant changes.

All payments to purchase a business are now recorded at fair value at the acquisition date, with contingent payments classified as debt and subsequently remeasured through the income statement. Under the consolidated entity's previous policy, contingent payments were only

IRON MOUNTAIN MINING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 December 2009

recognised when the payments were probable and could be measured reliably and were accounted for as an adjustment to the cost of acquisition.

Acquisition-related costs are expensed as incurred. Previously, they were recognised as part of the cost of acquisition and therefore included in goodwill.

Non-controlling interests in an acquiree are now recognised either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets. This decision is made on an acquisition-by-acquisition basis. Under the previous policy, the non-controlling interest was always recognised at its share of the acquiree's net assets.

If the consolidated entity recognises acquired deferred tax assets after the initial acquisition accounting there will no longer be any adjustment to goodwill. As a consequence, the recognition of the deferred tax asset will increase the Group's net profit after tax.

The changes were implemented prospectively from 1 July 2009 and affected the accounting for the acquisition of Aluminex Resources Limited disclosed in note 11. Acquisition related costs of \$78,988 were recognised in the statement of comprehensive income. The consolidated entity has chosen to recognise the non-controlling interest at fair value of \$158,532 for this acquisition rather than the proportionate share of net assets of Aluminex Resources Limited of \$153,715. There were no previously acquired deferred tax assets recognised in the six months to 31 December 2009.

Segment Information

Given the nature of the consolidated entity, its size and current operations management does not treat any part of the consolidated entity as a separate operating segment. Internal financial information used by the consolidated entity's decision makers is presented on a "whole of entity" manner without dissemination to any separately identifiable segments.

The consolidated entity's managers operate to manage the business as a whole without any special responsibilities for any separately identifiable segment of the business.

Accordingly the financial information reported elsewhere in this financial report is representative of the nature and financial effects of the business activities in which it engages and the economic environments in which it operates.

2. Revenue	Consolidated Group	
	31.12.2009	31.12.2008
From Continuing Activities		
Sales Revenue - Services	83,475	36,503
Other Revenue		
Option Fee	-	3,000,000
Interest received	44,072	113,438
	127,547	3,149,941

An option fee of \$3,000,000 was paid to Iron Mountain Mining Limited by Portman Iron Ore Limited in relation to Iron Mountain Mining Limited's Mt Richardson tenement.

IRON MOUNTAIN MINING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 December 2009

3. Available for Sale Financial Assets	Consolidated Group	
	31.12.2009	30.06.2009
Listed investment at fair value	1,853,390	1,151,502
	<u>1,853,390</u>	<u>1,151,502</u>
At beginning of half year	1,151,502	1,095,280
Acquisitions		904,502
- Available for sale financial assets acquired upon consolidation of subsidiary company	35,236	-
Fair value adjustments	695,252	(306,035)
Impairment of available for sale financial assets	<u>(28,600)</u>	<u>(542,245)</u>
At end of half year	<u>1,853,390</u>	<u>1,151,502</u>

Fair value of investments in listed corporations is assessed as bid price on the Australian Securities Exchange prior to close of business on balance date.

4. Property, Plant and Equipment	Consolidated Group	
	31.12.2009	30.06.2009
BUILDINGS		
At cost	825,329	825,329
Accumulated depreciation	<u>(53,137)</u>	<u>(42,736)</u>
TOTAL BUILDINGS	<u>772,192</u>	<u>782,593</u>
PROPERTY IMPROVEMENTS		
At cost	62,577	39,174
Accumulated amortisation	<u>(2,183)</u>	<u>(1,693)</u>
TOTAL PROPERTY IMPROVEMENTS	<u>60,394</u>	<u>37,481</u>
PLANT AND EQUIPMENT		
At cost	166,718	165,432
Accumulated depreciation	<u>(90,803)</u>	<u>(72,582)</u>
Total Plant and Equipment	<u>75,915</u>	<u>92,580</u>
TOTAL PROPERTY, PLANT AND EQUIPMENT	<u>908,501</u>	<u>912,924</u>

5. Contributed Equity

	Consolidated and Parent Entity		Consolidated and Parent Entity	
	31.12.2009	30.06.2009	31.12.2009	30.06.2009
	Shares	Shares	\$	\$
(a) Share Capital				
Ordinary Shares Fully Paid	120,280,381	76,788,755	12,821,793	8,994,532
	<u>120,280,381</u>	<u>76,788,755</u>	<u>12,821,793</u>	<u>8,994,532</u>

(b) Movements in ordinary share capital

Date	Details	Number of shares	Issue price	\$
1 July 2009	Opening balance	76,788,775		8,994,532
17 December 2009	Issue of shares in acquisition of Aluminex Resources Ltd	43,491,606	\$0.088	3,827,261
31 December 2009	Balance	<u>120,281,381</u>		<u>12,821,793</u>

IRON MOUNTAIN MINING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

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6. Contingent Liabilities

As part of the takeover of Aluminex Resources Ltd, the consolidated entity has a potential liability to acquire some or all of the unlisted options currently held by option holders of Aluminex Resources Ltd. Advice is currently being sought as to the option holders affected, the number of options potentially subject to acquisition and the consideration required to be paid. As at 31 December 2009, the Directors are unable to reliably quantify the liability.

Other than the matter identified above, as at 31 December 2009, the Directors were not aware of any material contingent liabilities.

7. Segment Information

The consolidated entity's sole operations are within the mineral exploration industry within Australia.

Given the nature of the consolidated entity, its size and current operations management does not treat any part of the consolidated entity as a separate operating segment. Internal financial information used by the consolidated entity's decision makers is presented on a "whole of entity" manner without dissemination to any separately identifiable segments.

The consolidated entity's managers operate to manage the business as a whole without any special responsibilities for any separately identifiable segment of the business.

Accordingly the financial information reported elsewhere in this financial report is representative of the nature and financial effects of the business activities in which it engages and the economic environments in which it operates.

	Consolidated Group	
	31.12.2009	30.06.2009
8. Exploration Expenditure		
Mining Lease	30,000	30,000
Exploration and Evaluation	5,389,894	472,552
	<u>5,419,894</u>	<u>502,552</u>
Mining Lease		
Opening book amount	30,000	210,000
Additions	-	-
Impairment expense	-	(180,000)
Closing book amount	<u>30,000</u>	<u>30,000</u>
Exploration and Evaluation Costs		
Opening book amount	472,552	422,709
Additions – Aluminex Resources Ltd	4,913,872	-
Additions – Mt Richardson	3,470	49,843
Closing book amount	<u>5,389,894</u>	<u>472,552</u>

(a) Impairment tests for intangible assets

It is considered that there is no impairment of the intangible asset as the consolidated entity believes that the realisable value of the asset, is likely to be recouped through the successful exploration or sale of the assets.

IRON MOUNTAIN MINING LIMITED

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9. (Loss)/ Profit per share	Consolidated Group	
	31.12.2009	31.12.2008
Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS	80,116,002	67,745,085
(Loss)/ Earnings used to calculate basic and dilutive EPS	(1,128,815)	638,314
Basic (loss)/ profit per share (cents per share)	<u>(1.41)</u>	<u>0.94</u>

10. Dividends

No dividends were paid or proposed during the period

The Consolidated entity has no franking credits available at 31 December 2009.

11. Business Combination

Current Period

On 17th December 2009 Iron Mountain Mining Limited acquired 96.03% of the issued shares in Aluminex Resources Limited, through consideration of the issue of 43,491,606 shares in Iron Mountain Mining Limited. The acquisition is intended to create an exploration company with an interest in a diverse range of mineral exploration projects.

Details of net liabilities acquired and goodwill are as follows:

Purchase Consideration	\$
Shares issued in Iron Mountain Mining Limited	3,827,261
Total Purchase Consideration	<u>3,827,261</u>
The assets and liabilities arising from the acquisition are as follows:	
	Fair Value
	\$
Trade and other receivables	70,837
Available for sale financial assets	35,236
Mining Assets	4,800,000
Trade and other payables	(23,700)
Borrowings	<u>(1,010,451)</u>
Net identifiable liabilities	<u>3,871,922</u>
Less non-controlling interest	(158,533)
Add: Goodwill on acquisition	<u>113,872</u>
	<u>3,827,261</u>

The goodwill is attributable to Aluminex Resources Limited's current mineral assets and synergies expected to arise after Iron Mountain's acquisition of Aluminex. The goodwill has been capitalised as exploration expenditure (note 8).

Acquisition-related costs

Acquisition-related costs of \$97,038 are included in administration expenses in the consolidated statement of comprehensive income, of which \$78,988 relates to the takeover of Aluminex Resources and \$18,050 relates to the unsuccessful takeover bid for Terrain Minerals Ltd.

Acquired receivables

The fair value of trade and other receivables is \$70,837. This includes \$6,906 of TFN withholding tax, \$41,488 of GST paid and \$22,443 of funds held in a Lawton Gillon trust account.

Non-controlling interest

The fair value of the non-controlling interest in Aluminex Resources Limited, an unlisted

IRON MOUNTAIN MINING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 December 2009

company, was estimated using the preferred valuation of 8.80 cents per share as determined in the independent experts report included in the Aluminex Resources Limited target statement.

Revenue and profit contribution

The acquired business contributed nil revenue and a net profit of nil to the consolidated group for the period 17 December 2009 to 31 December 2009. If the acquisition had occurred on 1 July 2009, consolidated revenue and consolidated loss for the half year ended 31 December 2009 would have been \$128,003 and \$1,188,915 respectively.

Cash flow information

	Half Year	
	2009	2008
	\$	\$
Outflow of cash to acquire business, net of cash acquired	-	-
Acquisition-related costs	78,988	-
	<u>78,988</u>	<u>-</u>
Less: Balances acquired	-	-
Outflow of cash	<u>78,988</u>	<u>-</u>

12. Subsidiaries

- a. The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries

	Country of Incorporation	Percentage Owned (%)	
		31.12.2009	30.06.2009
Parent Entity:			
Iron Mountain Mining Limited	Australia	-	-
Ultimate Parent Entity:			
Iron Mountain Mining Limited	Australia	-	-
Subsidiaries of Iron Mountain Mining Limited:			
Macquarie Marble and Lime Pty Limited	Australia	60	60
Aluminex Resources Ltd	Australia	96.03	-

* Percentage of voting power is in proportion to ownership

13. Events occurring after the balance sheet date

On 6th January 2010, Iron Mountain Mining Ltd issued 1,801,500 shares as consideration for the remaining 3.97% shares (1,801,500 shares) acquired in Aluminex Resources Limited. This completed the compulsory acquisition of Aluminex Resources Limited by Iron Mountain Mining Limited as proposed on 13 November 2009.

On 2nd March 2010, Iron Mountain Mining Ltd received \$1 million as a second payment from Cliffs Asia Pacific Iron Ore Pty Ltd (Cliffs), formerly Portman Iron Ore Ltd, under the terms and conditions of the Option to Purchase Agreement over Mt Richardson.

Other than the above there has not arisen in the interval between the end of the half year and the date of this report, any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the consolidated entity to affect substantially the operations of the consolidated entity, the results of those operations or the state of affairs of the consolidated entity in subsequent financial years.

IRON MOUNTAIN MINING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 December 2009

14. Related Party Transactions

a) Subsidiary Companies

During the half-year Iron Mountain Mining Limited advanced 96.03% owned subsidiary Aluminex Resources Limited \$988,907 to repay Aluminex Resources's loan from Eagle Nickel Limited and to pay expenses incurred by Aluminex Resources. The total loan balance as at 31 December 2009 is \$988,907, interest free repayable on demand.

During the half-year Iron Mountain Mining Limited advanced 60% owned subsidiary Macquarie Marble and Lime Pty Limited an additional \$1,980 (2008: \$26,420). Macquarie Marble and Lime, then repaid \$46,655 to bring the total loan balance to \$481,666 (2008: \$516,420), interest free repayable on demand.

b) Administrative related transactions

Legal fees of \$93,119 (2008: \$49,654) were paid to Lawton Gillon of which Mr England is a Partner during the half-year.

Iron Mountain Mining Limited provides rental and employment services to related parties, as well as paying for numerous expenses on their behalf, which are recharged to that company. The following table details the company, total services provided and expenses recharged for the half-year and balance outstanding at 31 December 2009:

Related Company	Value of services for the half-year ended 31 December 2009	Balance outstanding at 31 December 2009
Actinogen Limited	\$16,755	\$9,832
Eagle Nickel Limited	\$18,971	\$11,622
Red River Resources Limited	\$55,480	\$31,078
Swanrove Enterprises	\$1,822	-
United Orogen Limited	\$21,914	\$10,813

Director related entities paid for expenses on behalf of Iron Mountain Mining Limited throughout the year. The following table details the company, total services provided and expenses paid for the half year and balance owing at 31 December 2009:

Related Company	Value of services for the half-year ended 31 December 2009	Balance outstanding at 31 December 2009
Actinogen Limited	\$16,463	\$16,463
Eagle Nickel Limited	\$3,975	-
Red River Resources Limited	\$103,945	\$64,385
United Orogen Limited	\$9,934	\$4,306

During the half-year Kira Zohar, daughter of David Zohar was employed as an administrative assistant. Remuneration of \$390 (2008: \$19,987) was paid, inclusive of superannuation.

c) Joint venture transactions

The Consolidated entity is a participant in the joint venture arrangement with Red River Resources Limited of which Mr Zohar is a Director and/or Significant Shareholder.

From 1st July 2009 Iron Mountain Mining Limited and Red River Resources Limited have each paid 50% of the costs of the Blythe joint venture.

d) Investments in related entities

As at 31 December 2009 the consolidated entity holds the following shares in Director related entities of David Zohar, 1,800,000 ordinary shares in Red River Resources Limited at a fair value of \$360,000 (2008: 1,800,000 ordinary shares at a fair value of \$45,000); 2,899,000 ordinary shares and 329,000 options in Eagle Nickel Limited at fair values of \$113,061 and nil respectively (2008:

IRON MOUNTAIN MINING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 December 2009

2,600,000 ordinary shares at a fair value of \$234,000, 300,000 options at a fair value of \$24,000); 471,500 ordinary shares in Actinogen Limited at a fair value of \$23,575 (2008: nil) and 1,000,000 ordinary shares in Gold Mountain Mining Limited at a fair value of nil (2008: 1,000,000 ordinary shares at a fair value of \$280).

(e) Loan with related entity

On 18 December 2009 Iron Mountain Mining Limited repaid, on behalf of subsidiary company Aluminex Resources Limited, the previously outstanding loan borrowed from Eagle Nickel Limited. The loan repayment totalled \$946,246, including accrued interest.

\$15,467 remains outstanding to Eagle Nickel Ltd for expenses paid by Eagle Nickel on behalf of Aluminex Resources Ltd. This amount is separate from the loan mentioned above and is to be repaid post balance date.

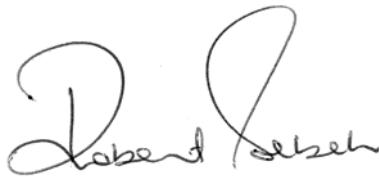
IRON MOUNTAIN MINING LIMITED

DIRECTORS' DECLARATION

In the directors' opinion:

- (a) the financial statements and notes of the Group set out on pages 4 to 15 are in accordance with the Corporations Act 2001, including:
 - (i) complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements, and
 - (ii) giving a true and fair view of the Consolidated Entity's financial position as at 31 December 2009 and of its performance for the half-year ended on that date; and
- (b) there are reasonable grounds to believe that the Consolidated entity will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors and signed on behalf of the board by:



Robert Sebek
Director

16th March 2010
Perth, Western Australia

IRON MOUNTAIN MINING LIMITED

INDEPENDENT AUDITOR'S REVIEW REPORT



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INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF IRON MOUNTAIN MINING LIMITED

Matters Relating to the Electronic Presentation of the Half-Year Financial Report

This auditor's report relates to the half-year financial report of Iron Mountain Mining Ltd for the period ended 31 December 2009 included on Iron Mountain Mining Ltd's web site. The disclosing entity's directors are responsible for the integrity of Iron Mountain Mining Ltd's web site. We have not been engaged to report on the integrity of Iron Mountain Mining Ltd's web site. The auditor's review report refers only to the statements named below. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of this half-year report are concerned with the inherent risks arising from electronic data communications, they are advised to refer to the hard copy of the reviewed half-year financial report to confirm the information included in the reviewed half-year financial report presented on this web site.

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Iron Mountain Mining Limited, which comprises the statement of financial position as at 31 December 2009, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, a statement of accounting policies, other selected explanatory notes and the directors' declaration of the consolidated entity comprising the disclosing entity and the entities it controlled at the half-year end or from time to time during the half-year.

Directors' Responsibility for the Half-Year Financial Report

The directors of the disclosing entity are responsible for the preparation and fair presentation of the half-year financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the half-year financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with *Auditing Standard on Review Engagements ASRE 2410 Review of an Interim and Other Financial Reports Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the disclosing entity's financial position as at 31 December 2009 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Iron Mountain Mining Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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IRON MOUNTAIN MINING LIMITED INDEPENDENT AUDITOR'S REVIEW REPORT



Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001* would be in the same terms if it had been given to the directors at the time that this auditor's review report was made.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Iron Mountain Mining Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2009 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

BDO Audit (WA) Pty Ltd

BDO Audit


Chris Burton
Director

Signed in Perth, Western Australia
Dated this 16th day of March 2010.