ACN 112 914 459

31 January 2013 ASX Release

Iron Mountain Mining Limited (ASX Code : IRM)

Quarterly Report: 31 December 2012

HIGHLIGHTS

VIC HMS (Mineral Sands)

- Detailed prioritisation program over 5 known WIM-style HMS deposits undertaken using existing historical database
- 11 distinct deposit areas with distinguishable characteristics identified with 5 known WIM-style deposits
- Process of designing exploration and drilling to allow JORC resource estimations commenced
- Ongoing discussions for a potential Joint Venture or outright sale

GOLDEN CAMEL (Gold)

- January 2013 start of diamond drilling program (8 holes for 495m) deferred due to contactor availability
- Geotechnical, metallurgical and resource definition diamond core drilling program expected to commence late February / early March 2013
- Cultural Heritage Survey over site commenced mid-January 2013 under supervision of Taungurung Clans Aboriginal Corporation

MT ELVIRE (Iron Ore)

- Detailed review of geology and past exploration with a view planning an exploration program
- Potential for subsurface Channel Iron and Detrital Iron deposits within abundant Tertiary alluvials

BLYTHE (Iron Ore)

- A detailed Flora and Fauna Study and Water Quality Monitoring Programmes were initiated
- Future milestone payments and royalties subject to successful mine development

CORPORATE

- Proposed selective buy-back of 23,732,341 IRM shares held by United Orogen Ltd at $0.02 per share for a total o$474,646.82 less the amount of an outstanding $75,000 loan
- Proposal for acquisition of 30,000,000 unlisted $0.20 options (expiry 16 May 2016) in IRM by Swancove Enterprises Ltd at $0.001 per option for a total of $30,000
- General Meeting scheduled for 12 February for shareholders to vote on both proposals

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General

During the December 2012 Quarter, the proposed drilling program of 8 diamond core holes for 495m at Golden Camel was temporarily deferred as contractors were not available for the proposed mid-January 2013 start. Plans are to commence drilling in late-Feb/early-Mar 2013 and take 3-5 weeks to complete which would complete the required technical input for technical evaluation of the project to be completed. A detailed project prioritisation program was undertaken on the Victorian HMS Project based on the results of the ongoing review and assessment of the historical data package that was able to split the prospects within the tenure into 11 distinct deposit areas within the 5 larger known WIM-style deposit areas. Evaluation at this detailed level allowed small and targeted exploration programs to be designed that will allow the JORC resources to be estimated if drilling is successful. The West Wongan JV with Kingsgate Consolidated was terminated during the quarter when a renewal application for E70/2728 was rejected and resulted in the immediate expiry of the tenement. A detailed Flora and Fauna Study and the Water Quality Monitoring Programmes were initiated at the Blythe Project during the December 2012 quarter.
The location of company projects are shown in Figure 1 below.

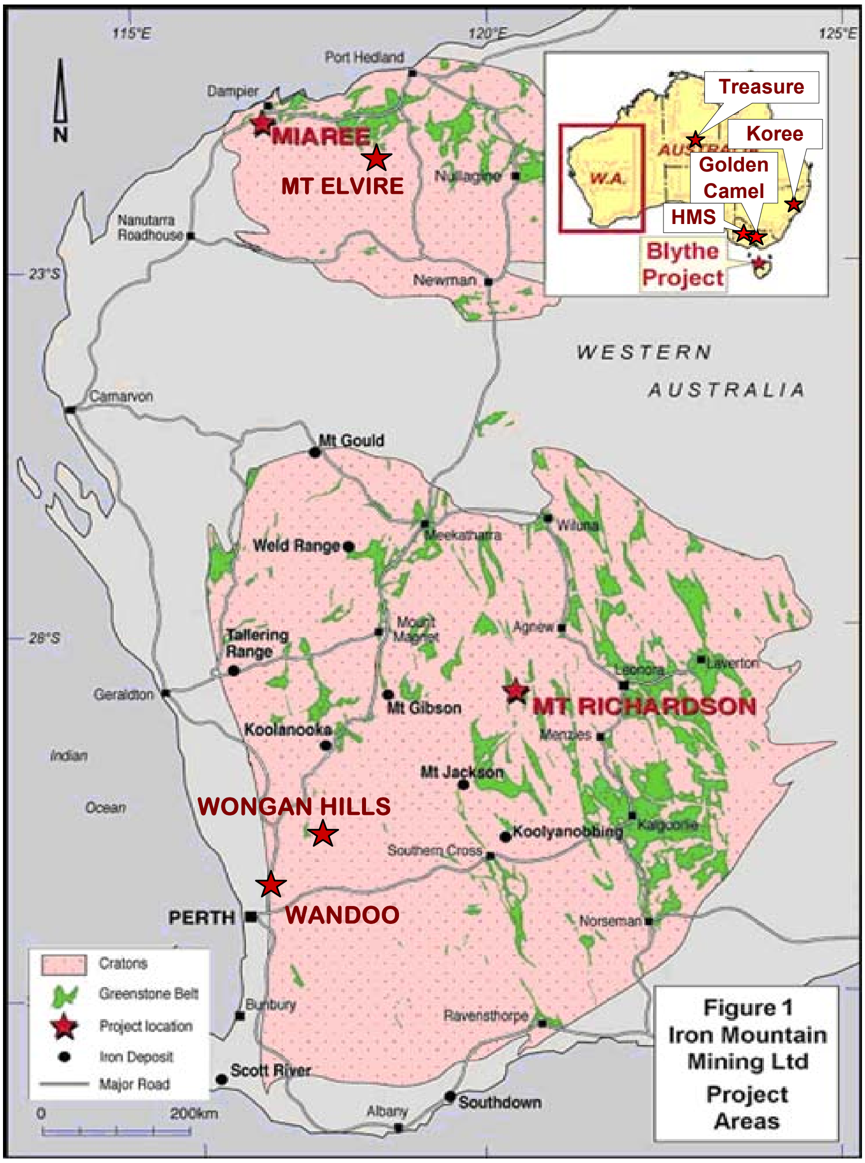

Figure 1 – Location of Iron Mountain Mining Projects in Australia.

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WANDOO PROJECT

The Wandoo Project tenements were sold to Alpha Bauxite Pty Ltd during 2012 for A$4,000,000. Iron Mountain Mining Ltd retains a royalty of A$0.75 per Dry Metric Tonne on future production of bauxite ore transported from the Wandoo Project tenements payable within 30 days of the end of each quarterly reporting period. Total Inferred Resources of bauxite at Wandoo at the time of the sale was 89.3Mt @ 41.75% Al2O3.

No update was received on the progress at Wandoo for the December 2012 quarter. Future updates on the status of the Wandoo Project will be announced as provided by Alpha Bauxite Pty Ltd.

MIAREE PROJECT

The Miaree Project is currently comprised of 3 exploration licenses (E08/1350, E47/1309 & E47/1707) and cover approximately 25km of the Miaree Magnetite Trend that occurs within the extensive Cleverville Formation, a geological unit of banded iron formation rich in magnetite (eg. 1.6Bt Cape Lambert magnetite deposit). The project tenements are currently held under a joint venture between Iron Mountain and Red River whereby Iron Mountain had an option to earn up to 70% of the project by satisfying three earn-in stages with clearly defined timing and expenditure requirements. After surpassing Stage 2 expenditure milestones in the December 2011 quarter and lifting its equity stake in the Miaree Project from 25% to 49%, the company elected not to progress to 70% by committing to sole fund a further $2,000,000. Instead, the company opted to continue under the non-contributory dilution provisions in the joint venture agreement. As at 31 December 2012, Iron Mountain’s equity in the Miaree Project was 60.25%.

MIAREE MAGNETITE PROJECT

During the December 2012 quarter, no work was undertaken at Miaree as a result of the company focussing on other projects and the heavily over expended status of Project. As previously reported, the Miaree Magnetite Project contains an independently estimated JORC Inferred Resource of 286Mt of magnetite at a overall grade of 31.36% Fe (see Table 1).

Drilling	Tenements	Inferred Resource (Mt)	Fe (%)	Al_2O_3 (%)	SiO_2 (%)	P (%)	LOI (%)	Cut-off Fe (%)
2008[1]	E08/1350, E47/1309 & E47/1707	177	29.68	3.18	43.80	0.05	1.80	25
2012[2]	E08/1350	109	34.10	1.76	42.27	0.07	-0.82	25
TOTAL MIAREE INFERRED RESOURCE		**286**	**31.36**	**2.64**	**43.22**	**0.06**	**0.80**	**25**

1 48 RC holes for 4229m, Av. Depth = 88m, Vertical resource projection to -125RL
2 6 RC holes for 2102m, Av. Depth = 350m, Vertical resource projection to -325RL

Table 1 – Summary of the Total Miaree Magnetite Inferred Mineral Resource at a 25% Fe head grade cut-off

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The resource is comprised of drilling undertaken by the company in 2008 (north) and 2012 (south). Of particular interest to the company is the JORC Resource of 109Mt @ 34.10% Fe estimated from the 2012 drilling campaign within E08/1350 that was designed to test the south-western extension of a prominent aeromagnetic anomaly that hosts Iron Ore Holdings Ltd (ASX: IOH) Maitland River Magnetite Resource of 1.1Bt @ 30.4% Fe (ASX 4 June 2012) which includes Area A (190Mt @ 28.3% Fe) and Area B (811Mt @ 31.0% Fe) along strike to the southwest and northeast of E08/1350 respectively (see Fig.2).

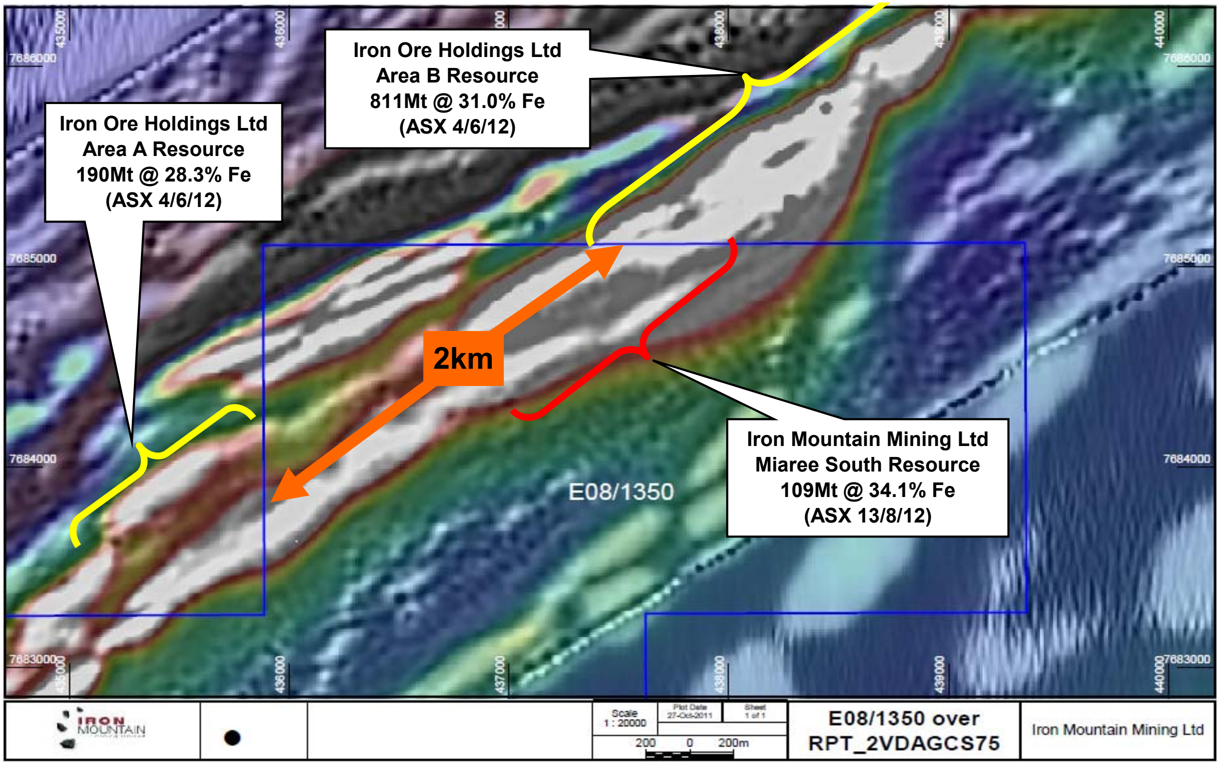

Figure 2 – Miaree South drilling area within E08/1350 showing location of Miaree South Resource and Maitland Area A & Area B resources (Iron Ore Holdings Ltd, ASX 4 June 2012)

The Area B resource was the subject of a concept study by Iron Ore Holdings Ltd completed during the December 2012 quarter which delivered positive results (ASX 14 Dec 2012). Concept Study findings for Iron Ore Holdings Ltd Maitland River Project include:

- Life of mine of up to 20 years
- Capacity of 10Mtpa
- Strip ratio of 1.5 : 1
- Projected product grind size of 55 micron
- Projected product yield of 35% (target)
- Projected product quality of >63.5% Fe
- Potential for first ore to be shipped 2017/2018

IOH have flagged the commencement of a commercialisation process to begin in 2013 to either secure a Joint Venture partner for a Pre-Feasibility Study or to consider the sale of the project.

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In addition to the project being located 10km from the coast, 30km from Karratha on the Northwest Coast Highway and 70km from the planned Anketell port, the Miaree Project tenements and contained magnetite resources are strategically positioned within Iron Ore Holdings Ltd Maitland River Project over which Fortescue Metals Group Ltd (FMG) has an option to farm-in to 50% of Iron Ore Holdings Ltd Maitland River Project by 31 March 2013 (see Fig.3). The company continues to seek and evaluate expressions of interest in the Miaree Magnetite Project with a view to a potential joint venture or outright sale of the project.

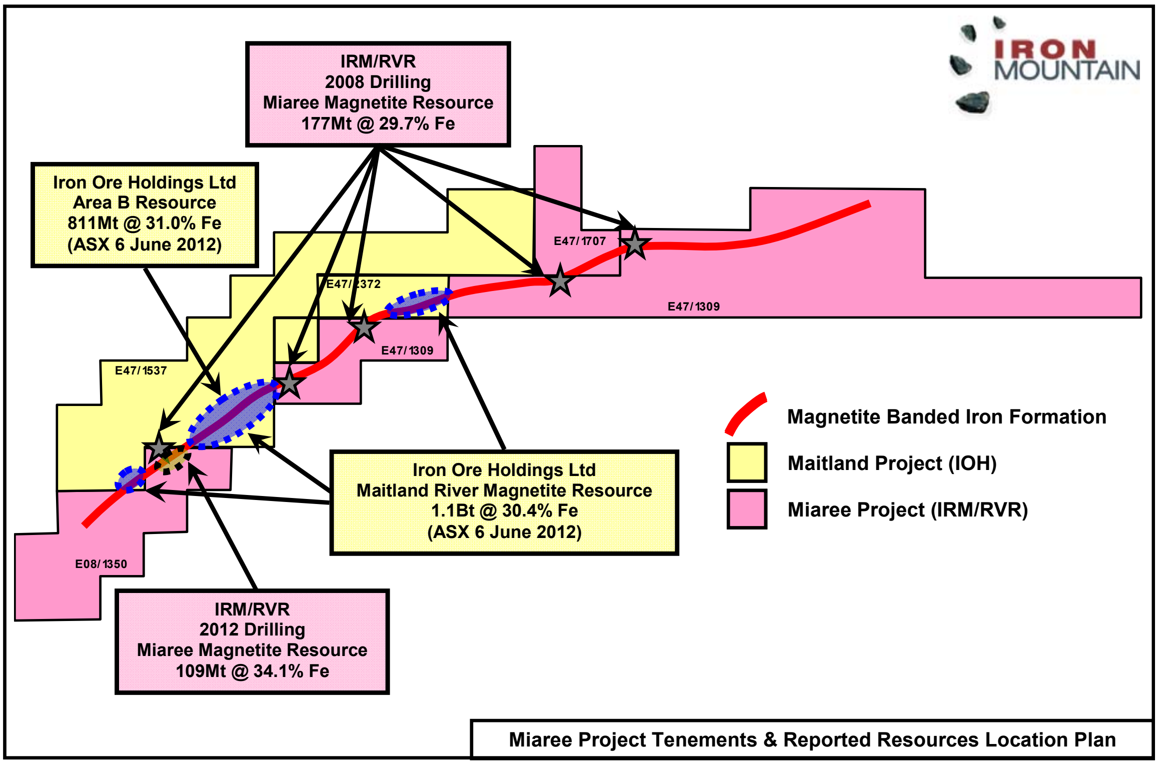

Figure 3 – Plan depicting location of Miaree Project tenements and reported magnetite resources

MIAREEE GOLD PROJECT

The Miaree Gold Project is contained primarily located within tenement E47/1309. Multiple prospect areas have regularly returned high gold grades from geochemical, rock chip and costean sampling. Two phases of drilling in the past targeting a variety of structural models have been disappointing suggesting that the controls on mineralisation are not yet fully understood and further evaluation is required.

No work was undertaken on the Miaree Gold Project during the December 2012 quarter.

GOLDEN CAMEL PROJECT

The Golden Camel Project in Victoria is comprised of Mining Licence MIN5548 that was granted on 9 February 2012. MIN5548 is located on the Mt Camel Range within the Heathcote Greenstone Belt in North-Central Victoria and contains the Cornella gold deposit that was previously delineated within former MIN4149 (see Fig.4).

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On 7 July 2012, the company announced a maiden Indicated & Inferred resource of 246,000t @ 2.5 g/t Au (19,700oz) that was estimated by independent resource consultant Zurkic Mining Consultants Pty Ltd who had been engaged as Resource Estimation and Project Management consultants for the Golden Camel Project (see Table 2).

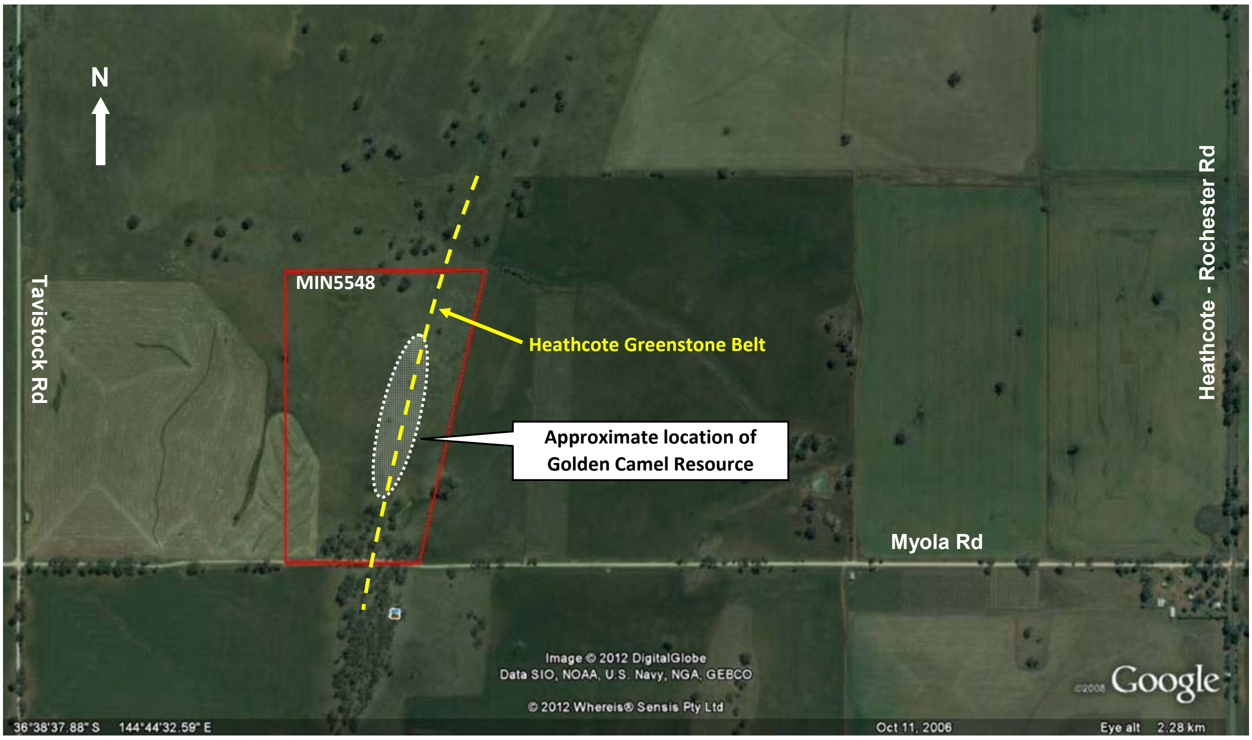

Figure 4 – Location of Golden Camel resource within MIN5548 over Heathcote Greenstone Belt

Lower Cut-off Grade (g/t Au)	INDICATED			INFERRED			TOTAL		
	Tonnes (t)	Grade (g/t Au)	Contained Gold (oz)	Tonnes (t)	Grade (g/t Au)	Contained Gold (oz)	Tonnes (t)	Grade (g/t Au)	Contained Gold (oz)
1.0	117,000	2.5	9,600	129,000	2.5	10,200	246,000	2.5	19,700

Table 2 – Details of the Golden Camel Indicated & Inferred Mineral Resource at 1.0g/t cut-off

During the quarter, the company continued to undertake necessary technical, metallurgical, economic, environmental and cultural evaluation of the Golden Camel deposit under a proposed toll treatment or ore sale model to determine whether the project satisfies commercial development requirements.

The proposed drilling program consisting of 8 holes for a total of 495m was planned to commence in January 2013 but was temporarily deferred due to contractor availability. It is hoped that drilling will commence in late February or early March and take 3-5 weeks to compete. The resultant diamond core and analysis will provide the final input for the geotechnical, metallurgical and resource evaluation of the project.

Environmental and cultural studies within the licence area were also undertaken during the quarter. Meetings conducted with the Taungurung Clans Aboriginal Corporation in late 2012 outlined the scope for the required Cultural Heritage Survey which subsequently commenced in mid-January 2012 and is in the process of being completed.

Given its near surface mineralisation, favourable location and current gold prices, ongoing evaluation suggests that the project could be sufficiently robust to deliver a positive NPV at current gold prices under an ore delivery or toll treatment scenario. The company continues to progress discussions with all stakeholders and will announce further developments as they occur.

BLYTHE PROJECT

During the December 2012 quarter, Forward Mining Ltd undertook ongoing project assessment requirements for the proposed development of the Blythe Iron Ore Project in Tasmania. Work was predominantly focussed on the Environmental Assessment Program for the Project.

Forward Mining Ltd informed that the Commonwealth and State Environment Departments have advised that the Environmental Assessment of the Project would be undertaken as a bilateral assessment, managed by the Tasmanian EPA, following discussions held with the relevant Commonwealth and State Authorities. A detailed Flora and Fauna Study and the Water Quality Monitoring Programmes were also initiated during the December 2012 quarter.

Under the amended Blythe sale agreement, the following consideration is payable to the previous 50:50 Project Joint Venture partners Iron Mountain Mining Ltd and Red River Resources Ltd under the following restructured milestones:

- Payment of A$1,000,000 upon the first shipment of iron ore extracted from the Blythe Project tenements
- Payment of A$2,000,000 upon the first anniversary of the first shipment of iron ore extracted from the Blythe Project tenements
- Payment of A$2,000,000 upon the second anniversary of the first shipment of iron ore extracted from the Blythe Project tenements
- A royalty of 1.5% payable on the gross Free on Board revenue from all shipments of iron ore from the Blythe tenements

Future updates on the status of the Blythe Project will be announced as provided by Forward Mining Ltd.

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HMS PROJECT

The HMS Project is comprised of 5 granted exploration licences covering 550km^2 over 5 known heavy mineral sand (HMS) deposits within the Murray Basin in Western Victoria. The Murray Basin covers North Western Victoria, South Western New South Wales and South Eastern South Australia and is a prolific producer of heavy mineral sands. Iluka Resources Ltd, currently the largest producer of zircon in the world, operates HMS mines in Victoria as well as a Mineral Separation Plant in Hamilton, Western Victoria (see Fig.5).

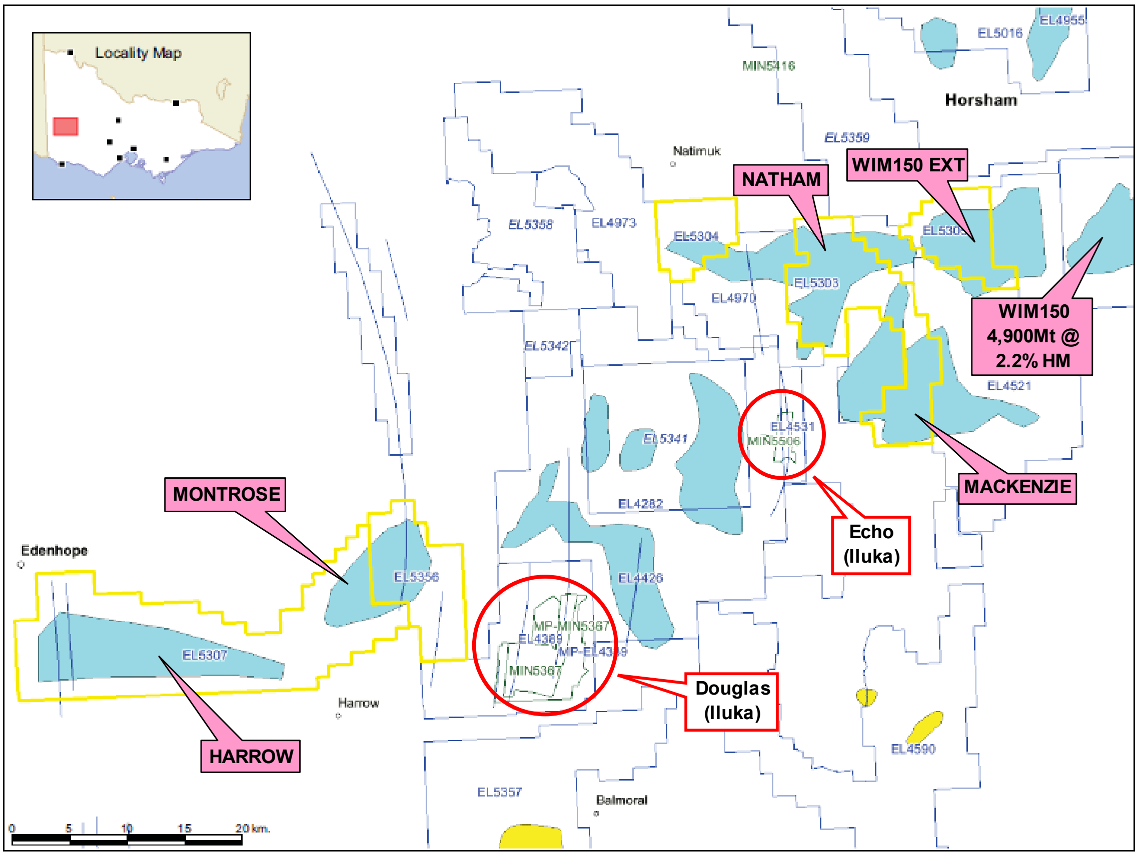

Figure 5 – Victorian HMS project showing project tenure (yellow), WIM-style deposits (light blue) and location of Iluka Douglas and Echo mineral sand mines

During the December 2012 quarter, the company commenced an intensive target prioritisation program based on the assessment and validation of historical exploration data and the potential to identify areas with optimal established characteristics including:

- Heavy mineral concentrations
- Heavy mineral assemblages
- Heavy mineral widths

The evaluation of 5 known WIM-style heavy mineral sand deposits contained within the 5 project exploration licences resulted in 11 distinct deposit areas to be separated from the historical data for more detailed assessment. This approach allowed key localised areas within larger identified WIM-style deposits to be evaluated for exploration potential and resulted in the following priority ranking.

1. EL5305 – WIM150 Extension

Approximately 4.5km east of the WIM150 deposit currently under feasibility assessment by Australian Zircon NL who have reported a JORC resource of 727Mt of 3.9% HM. Bemax Resources Ltd undertook limited drilling in the northwest corner as recently as 2006 and replicated lithologies and grades similar to that encountered historically by CRAE. The company is considering a program of appropriate geophysics to pinpoint drilling targets followed by a small program of infill/validation drilling that will hopefully justify the incorporation of historical results in a resource estimate to JORC standard.

2. EL5303 – Natham-Mackenzie

Historical reports confirm the presence of high grade HM mineralisation in the northwest of the tenement. Iluka had focussed on this area in the past looking for a possible northerly extension of Echo style mineralisation. Iluka drilled 3 fences of holes across the strike of what appears to be a stacked sequence of strandlines in the north of the tenement in 2004 within what is known as the Natham Deposit (see Fig.6). There exists potential to explore within the Iluka drilling given the significant distance between drill lines. Geophysics followed by a small program of infill/validation drilling to incorporate historical drill holes in JORC resource estimate is being considered.

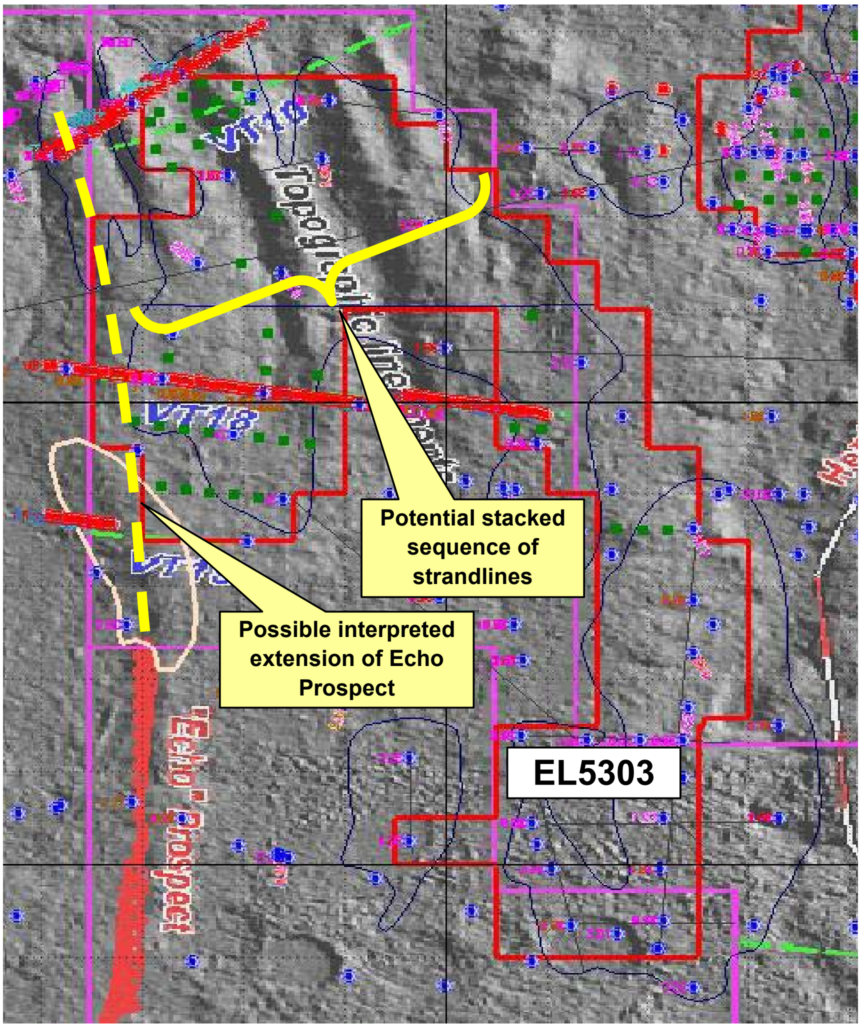

Figure 6 – Northern EL5303 (Natham) showing interpreted extensions of Echo Prospect, possible stacked sequence of strandlines and Iluka drilling (red lines of hole collars).

3. EL5536 – Montrose

Montrose has good potential for the delineation of resources at a target historical reported grade in excess of 4% HM given the good coverage of previous drilling carried out by Minerals Sands Pty Ltd during 2005-2006. A small program of verification drilling is all that would be required to allow the estimation of a JORC resource.

4. EL5307 - Harrow

This prospect is the most sparsely drilled with reported historical grades typically lower that the other prospect areas. It is proposed to undertake some palaeotopgraphy research and evaluation to assist in identifying possible drilling targets.

5. EL5304 – Natham West

Previous drilling by CRAE encountered deep overburden. The Natham deposit appears to be a very flat WIM style deposit with no distinct or interpreted strandlines evident. Drilling in the east and southeast is very sparse. Careful interpretation of aeromagnetic imagery and Digital Elevation Models is planned prior to determining whether drilling is warranted.

The company continued to seek expressions of interest for a potential Joint Venture. The company hopes to establish a mutually beneficial agreement with a technically experienced operator that will allow the expedited exploration and potential development of the project is feasible.

MOUNT RICHARDSON PROJECT

Cliffs Asia Pacific Iron Ore Pty Ltd ("Cliffs") is the owner of E29/571 following finalisation of the sale of the Mt Richardson Project on 13 July 2010. Iron Mountain retains a royalty of 2% on average/tonne FOB sales value of iron ore product that departs E29/571 as well as a one off payment of AUD 0.50 per dry metric tonne on tonnages in excess of independently evaluated Indicated or Measured resources of 10,000,000 tonnes.

No update was received on the progress at Mt Richardson for the December 2012 quarter. Future updates on the status of the Mt Richardson Project will be announced as provided by Cliffs.

WONGAN HILLS PROJECT

The Wongan Hills Project consists of Exploration License 70/2728 situated west of Wongan Hills in the Archaean Yilgarn Province of Western Australia in which Iron Mountain Mining Ltd has a 5% free carried interest. Kingsgate Consolidated Ltd ("Kingsgate", ASX: KCN) as the operator of the Wongan West Joint Venture submitted a renewal of term application during the course of the year which was subsequently rejected on 3 December 2012 and resulted in the immediate expiry of the licence. As a result of the licence expiry, the Wongan West Joint Venture was terminated and Iron Mountain Mining Ltd no longer has any interest in E70/2728.

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MT ELVIRE PROJECT

The Mt Elvire Project is comprised of a single exploration licence E47/1823 covering 12km^2 located south of Port Hedland in Western Australia. The licence area is identical to that covered by previous E47/1013 held by Flinders Mines Ltd (formerly Flinders Diamonds Ltd) and joint ventured with Fortescue Metals Group Ltd. The Brockman Iron Formation within the Hammersley Range scarp passes through the southwest corners of the licence suggesting the area is prospective for Tertiary channel iron deposits (CID) in palaeochannels draining the Hammersley Range banded iron formation stratigraphy. There is also scope for detrital iron mineralisation on the flanks of the Hammersley Range scarp of which the licence area has extensive coverage (see Fig.7).

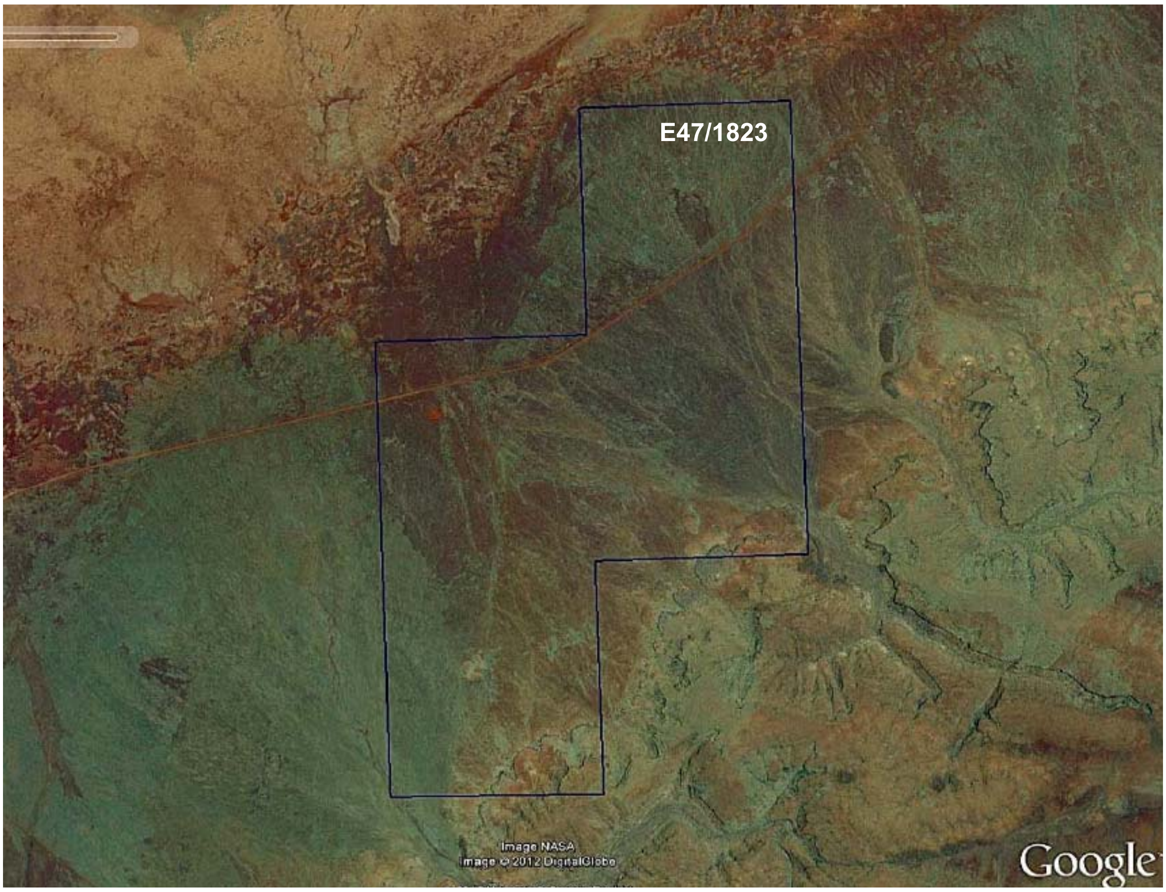

Figure 7 – Mt Elvire E47/1823 showing Hammersley Range in the southwest and alluvial coverage.

During the December 2012 quarter, an extensive review of the project was undertaken with a view to assess the extent of previous exploration as well as draft a preliminary plan for a sampling and reconnaissance site visit. Although previous explorers deemed that further work was not warranted, exploration that led to their withdrawal was limited to small localised areas and restricted to surface sampling and visual interpretation. There appears to be scope for:

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1. A more detailed rock chip sampling program to determine the presence and extent of high grade iron mineralisation at surface
2. A shallow RAB drilling or costeaning program to test for sub-surface CID or detrital iron mineralisation within the Tertiary alluvials sourced from the nearby Hammersley Range scarp

Planning of a suitable exploration program to test identified prospective areas as well as confirm the potential for subsequent drilling or costeaning to test for CID or detrital iron mineralisation is ongoing. It is anticipated that a final approved exploration program could be completed in the March or June 2012 quarters depending on available resources and contractor availability.

TREASURE JV

The Treasure Prospect is comprised of EL25346 covering 101km^2 and is located approximately 130km northeast of Alice Springs in the Northern Territory. Iron Mountain Mining Ltd has retained 100% of EL25346 following the withdrawal of Mithril Resources Ltd ("Mithril") from the Treasure Joint Venture in the September 2012 quarter.

During the December 2012 quarter, the company commenced a review of the exploration database accumulated under the operatorship of Mithril and is assessing the validity of applied exploration techniques adopted in the past for the identification of nickel mineralisation. The company is also currently in discussions with interested parties for a Joint Venture or outright sale of EL25346 which hosts the advanced Baldrick Prospect.

MACQUARIE MARBLE AND LIME PTY LTD (KOREE LIMESTONE)

Iron Mountain has a 60% interest in Macquarie Marble and Lime Pty which is the registered holder of ML 1446 in New South Wales. During the quarter, the company continued to internally assess advice regarding surrender requirements for ML1446.

CORPORATE

As noted in the September 2012 quarterly report, Iron Mountain Mining Ltd held 86,099,288 ordinary shares in United Orogen Ltd representing 79.12% of the 108,825,946 total ordinary shares on issue at the time following the completion of its off market bid for United Orogen Ltd. The company subsequently provided a secured loan to United Orogen Ltd in the amount of A$75,000 for working capital requirements while it assessed available options in relation to its majority stake.

On 5 December 2012, the company announced a proposed selective buy-back of its own shares held by United Orogen Ltd to comply with "Company controlling entity that holds shares in it" provisions under Section 259D of the Corporation Act. The proposal is for company to acquire and cancel 23,732,341 Iron Mountain Mining Ltd shares held by United Orogen Ltd at $0.02 per share for $474,646.82 less the amount of the outstanding secured loan.

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IRON MOUNTAIN
mining limited

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An Iron Mountain Mining Ltd General Meeting has been scheduled for 10.00am on 12 February 2013 for shareholders to vote on the proposed selective buy-back as well as the acquisition of 30,000,000 unlisted $0.20 options (expiry 16 May 2016) in Iron Mountain Mining Ltd by Swancove Enterprises Ltd at $0.001 per option for a total of $30,000. The proposed selective buy-back and option acquisition is subject to and conditional upon the outcome of the United Orogen Ltd General Meeting scheduled for 11.30am on 12 February 2013 which shareholders will vote on similar items of business.

Robert Sebek
Managing Director

31 January 2013

The information within this report as it relates to geology and mineral resources was compiled by the Managing Director, 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 Ltd and consents to the inclusion in the report of the matters based on information in the form and context which it appears.

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