

Iron Mountain Mining Limited (ASX Code : IRM)
Quarterly Report: 31 March 2013

HIGHLIGHTS

GOLDEN CAMEL (Gold)

- Commencement of geotechnical, metallurgical and resource definition diamond core drilling program (8 holes for 540m) on 18 March 2013
- 5 holes completed for total of 384.4m as at 19 April 2013
- Samples of sulphides intersected in two holes sent for thin section analysis
- Drilling expected to be completed early May 2013 with assays to follow in June 2013

VIC HMS (Mineral Sands)

- Compiled historical drilling and geophysical database used to identify target areas for drilling
- Planning for air core drilling program to test prospective strandline targets
- Potential for low level, close spaced geophysical surveys over key target areas assessed

BLYTHE (Iron Ore)

- Flora and Fauna Study completed and Water Quality Monitoring Programmes ongoing including research and assessment of aquatic life forms within the anticipated affected mining area

Treasure (Base Metals)

- EL25346 the focus of fresh Joint venture negotiations with an experienced explorer following the withdrawal of Mithril Resources Ltd from the Treasure JV

MT ELVIRE (Iron Ore)

- Expression of interest for a possible joint venture to test identified prospective areas with a small drilling program being investigated

CORPORATE

- Acquisition and cancellation of 23,732,341 IRM shares following shareholder approval for the selective buy-back of IRM shares held by United Orogen
- Acquisition by Swancove Enterprises Ltd of 30,000,000 unlisted \$0.20 IRM options (expiry 16 May 2016) held by United Orogen Ltd following shareholder approval of the conditional option sale
- Sale of 60,000,000 shares held in United Orogen Ltd for A\$400,000 which reduced the company's equity stake from 79.12% to 23.99%

General

During the March 2013 Quarter, diamond core drilling commenced at Golden Camel in Victoria. The proposed program is for 8 diamond core holes for 540m to be drilled HQ triple tube. Drilling has been slow as a result of difficult ground conditions and has been further delayed to a drilling rig breakdown. As of 19 April 2013, 5 holes for a total 384.4m had been completed. Drilling is expected to be completed in early May with assays expected in June. Several strandline target areas were identified within the Victorian HMS project tenure that will be considered drilling following the capture and compilation of all historically data into a large database. Budgeting and planning for an air core drilling program has commenced including the possibility of flying low level, close spaced geophysical surveys over priority target areas as a precursor to proposed drilling. At Blythe, the Flora and Fauna Study was completed. Mandatory Water Quality Monitoring Programmes were ongoing and included research and assessment of aquatic life forms within the anticipated affected area. The location of company projects are shown in Figure 1 below.

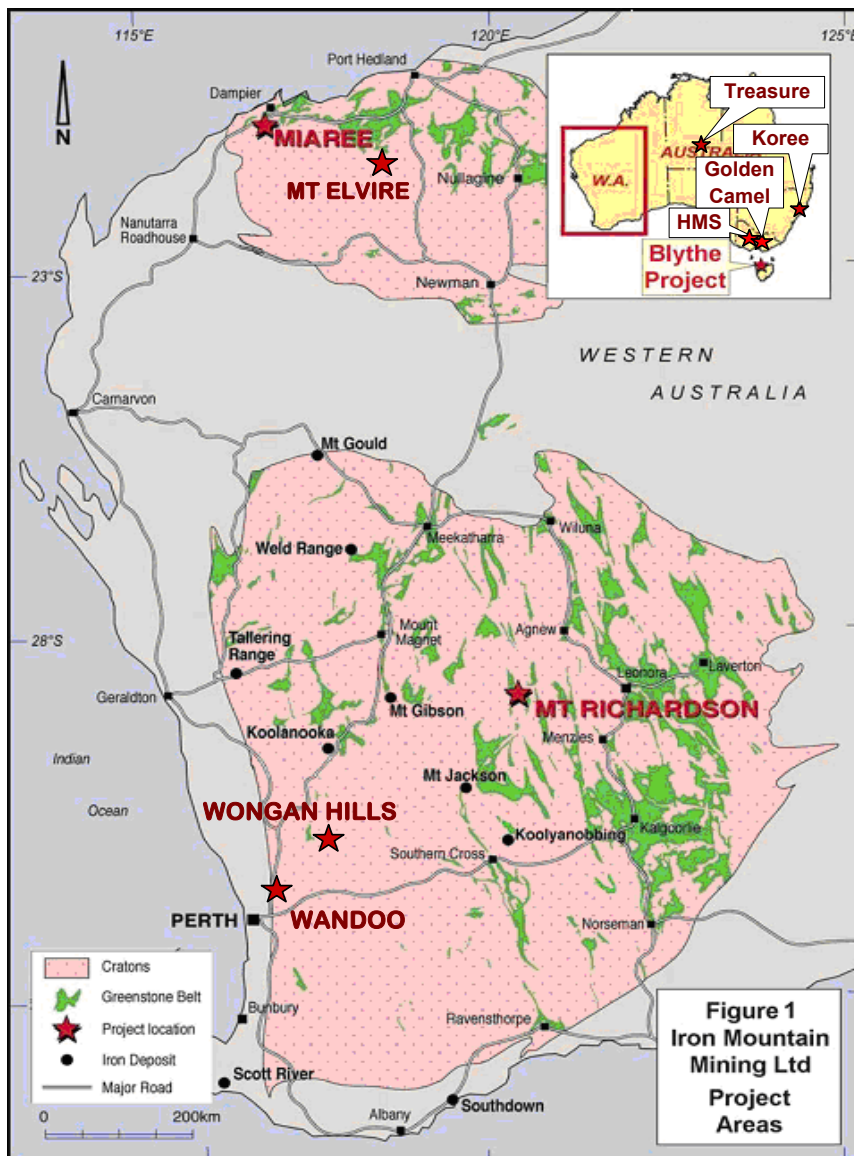


Figure 1 – Location of Iron Mountain Mining Projects in Australia.

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.2). The project contains an Indicated & Inferred resource of 246,000t @ 2.5 g/t Au (1g/t Au cut-off) estimated by independent resource consultant Zurkic Mining Consultants Pty Ltd (ASX 7 July 2012).

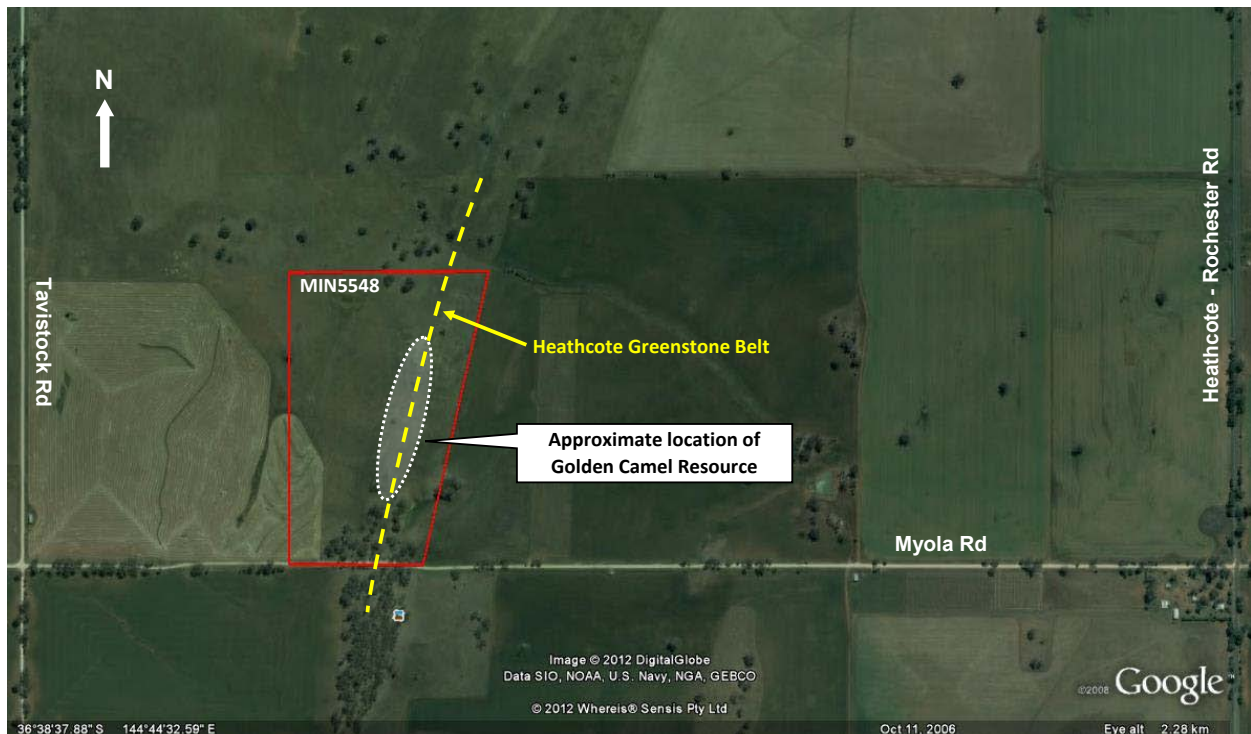


Figure 2 – Location of Golden Camel resource within MIN5548 over Heathcote Greenstone Belt

On 18 March 2013, drilling commenced at Golden Camel and is expected to be completed in early May (see Fig.3). The initially proposed program consisted of 8 diamond drill holes for an amended total depth of 540m. As previously reported, the entire program is to be drilled triple tube diamond core to overcome the brecciated and broken nature of the chert hosted ore zones and maximise core return. The drilling program has been designed to recover necessary information to complete geotechnical, metallurgical and resource definition evaluation of the project.

At 31 March 2013, total metres drilled was 142.4 with one hole completed and the second in progress. Drilling was initially slow due to difficult ground conditions, particularly within oxide ore zone where voids are frequently encountered (see Fig.4). Drilling temporarily ceased on 19 April 2013 as a result of structural damage to the rig incurred during mobilisation. At the time of the breakdown, 5 holes had been completed for a total of 384.4m. Once the rig is operational, two holes (140m total) remain to be drilled and are expected to take 7-10 days to complete (day shift only). One of the proposed holes is being reassessed due to difficult site access and may not be drilled. Details of holes completed at 19 April 2013 listed in Table 1. Collar coordinates are approximate until final survey after completion of drilling.



Figure 3 – Drilling geotechnical hole GTC2 at Golden Camel



Figure 4 – Typical oxide ore from Golden Camel metallurgical hole MET3

Hole	Design	Northing	Easting	Azimuth*	Dip	EOH
GTC2	Geotechnical	5941955	297724	262°	-60°	61.4m
EXP4	Resource	5941944	297677	077°	-55°	96.5m
MET2	Metallurgical	5941879	297652	0°	-90°	74.4m
MET3	Metallurgical	5941880	297652	169°	-70°	79.7m
EXP1	Resource	5941830	297625	082°	-50°	72.4m

* Azimuth adjusted 11° for magnetic north

Table 1 - Details for diamond core holes completed at Golden Camel at 19 April 2013

Logging of the core has commenced but the bulk of the core logging and photography is planned to take place once the drilling program has been completed. Core from the geotechnical holes was logged and photographed as a priority with results sent to AMC Consultants Ltd (AMC) to undertake a geotechnical investigation. The final report from AMC was received in late April and is currently being reviewed. All accumulated core is being transported to an offsite storage/logging/cutting facility where it will be processed. Given the core logging and cutting requirements, assay results are expected in June 2013.

The current drilling program has also encountered two narrow but significant intersections of sulphide mineralisation at the base of established oxide ore zones. Historical drilling had recorded occurrences of fine disseminated sulphides at depth which returned low gold grades when sampled however these intersections contain stringer and massive sulphides in addition to disseminated sulphides (see Fig.5). Details of the sulphide intersections are provided in Table 2.

Hole	Azimuth	Dip	Sulphides From	Sulphides To	Interval	EOH
MET3*	169°	-70°	65.3m	72.3m	7.0m	79.7m
EXP1	090°	-50°	64.6m	68.2m	3.6m	72.4m

*Metallurgical hole MET3 drilled along projected strike (azim 169°) to recover maximum ore sample for metallurgical test work.

Table 2 - Details of diamond core holes with sulphide intersections.

As noted above, MET3 was deliberately designed to be drilled along projected strike from the same collar location as MET2 (dip -90°, EOH 74.4m) to penetrate the widest possible intersection of ore for subsequent metallurgical testing. As a result of the hole orientation, the 7m sulphide intersection provides no guidance as to the true width of the ore body. Preliminary assessment of the sulphides present in the core suggests that they are comprised predominantly of pyrite (FeS) and pyrrhotite (FeS₂). Due to the fine grained nature of the sulphides, samples have been submitted for urgent thin section analysis to confirm all minerals present. Western Mining Corporation Ltd (WMC) also intersected massive sulphides while exploring for copper within the Heathcote Greenstone Belt between 1967 and 1971. Although the main minerals identified were pyrite and pyrrhotite, minor chalcopyrite (CuFeS₂) was also reported. Results from both the thin section analysis and diamond core assaying and metallurgical test work will be reported as received.



Figure 5 – Sulphide mineralisation from Golden Camel hole MET3

The company is continuing its evaluation of the Golden Camel deposit under a proposed toll treatment or ore sale model to determine whether the project satisfies commercial development requirements. Preliminary indications suggest 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.

HMS PROJECT

The HMS Project is currently comprised of 5 granted exploration licences covering 550km² over 5 known WIM-style 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.6).

During the March 2013 quarter, work centred around on refined target generation by applying the enormous amount of information that became readily assessable following the capture and compilation of all historically data into a large database in the previous quarter. The key focus was the development of a global exploration strategy and more regionally and locally specific programs for each project tenement. This process resulted in EL5304 being identified as low priority and a decision to commence the relinquishment process for this tenement was made.

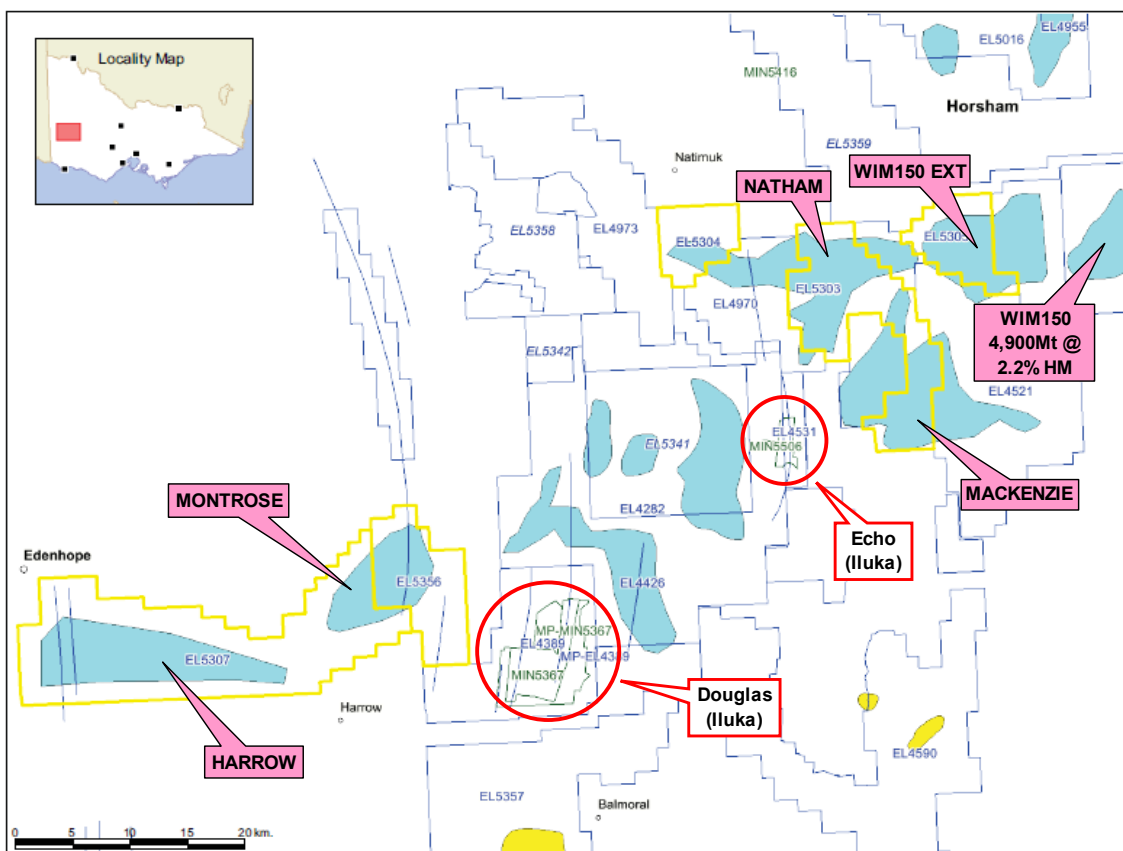


Figure 6 – Victorian HMS project showing project tenure (yellow), WIM-style deposits (light blue) and location of Iluka Douglas and Echo mineral sand mines

All available geophysical survey information such as aeromagnetic and radiometric data were included as additional interpretation aids for target areas in each tenement (see Fig.7). Ongoing assessment of historical geophysical data has revealed that in many cases, surveys were flown too high and at wide line spacings that prevents detailed interpretation. As part of the exploration strategy, the company is weighing up whether re-flying localised low level, tightly spaced surveys over selected target areas to provide both an improved geophysical data base and to compare and validate underlying historical geophysical signatures.

Target areas were defined using paleotopographical, geomorphological, geological and stratigraphic information constructed on cross sections linked to our large database of historical information. Planning for an air core drilling program to test identified target areas and for field traverses outside the target areas were commenced. Traditionally road side verges have been targeted as initial exploration programs however this method may no longer be a viable option given the extensive coverage from previous exploration. Road verge drilling coverage will be assessed in conjunction with historical drill hole spacing to as identify optimal areas for close spaced drilling traverses to test for possible coarse grained strandline HMS accumulations.

Quotes were obtained from drilling contractors and suppliers of consumables and appropriate QA/QC and assay methods were investigated for both fine grained and coarser HMS grain sizes.

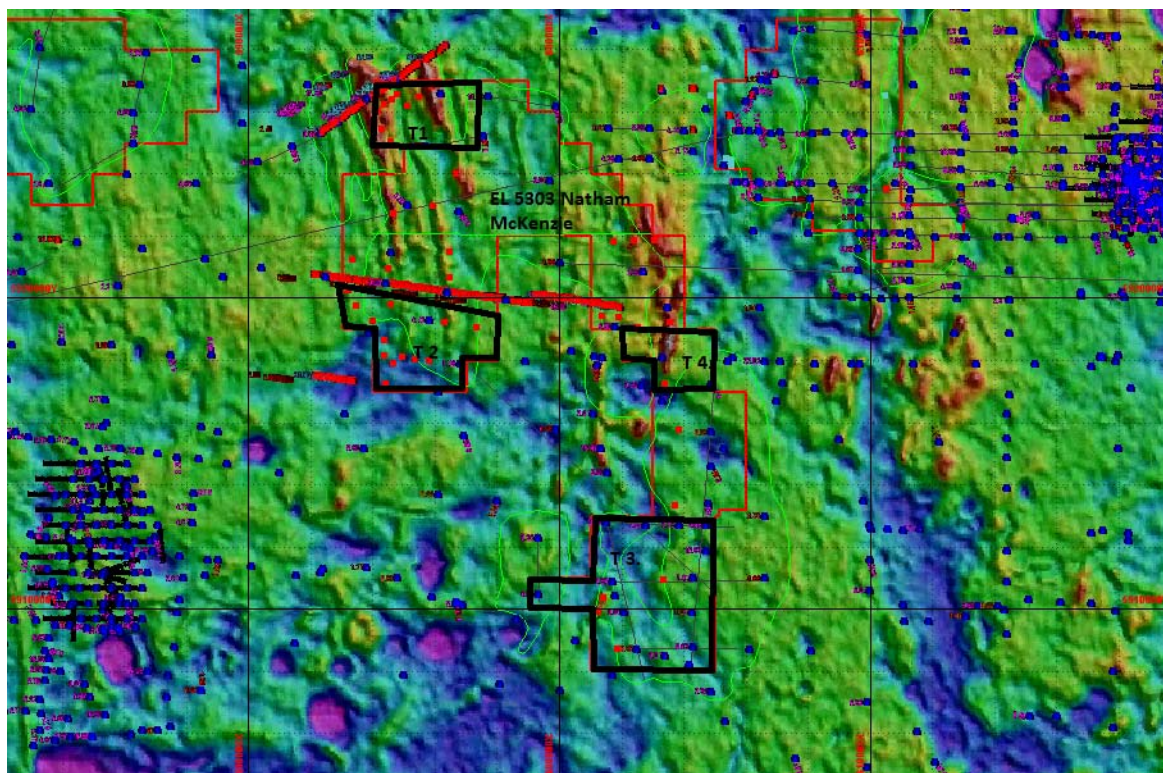


Figure 7 – EL5303 (Natham-McKenzie)with radiometrics, historical drilling and Target Areas (T1-T4)

MIAREE PROJECT

The Miaree Project is currently comprised of 3 exploration licenses (E08/1350, E47/1309 & E47/1707) covering 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 March 2013, Iron Mountain's equity in the Miaree Project was 60.25%.

MIAREE MAGNETITE PROJECT

During the March 2013 quarter, no exploration work was undertaken at Miaree as a result of drilling commencing at Golden Camel in Victoria. 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 3).

Drilling	Tenements	Inferred Resource (Mt)	Fe (%)	Al ₂ O 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 3 – Summary of the Total Miaree Magnetite Inferred Mineral Resource at a 25% Fe head grade cut-off

The Miaree Magnetite Resource is strategically located within Iron Ore Holdings Ltd (ASX: IOH) larger Maitland River Magnetite Resource of 1.1Bt @ 30.4% Fe (ASX 4 June 2012)) which includes the key Area B Resource (811Mt @ 31.0% Fe) along strike to the northeast of Miaree tenement E08/1350 (see Fig.8).

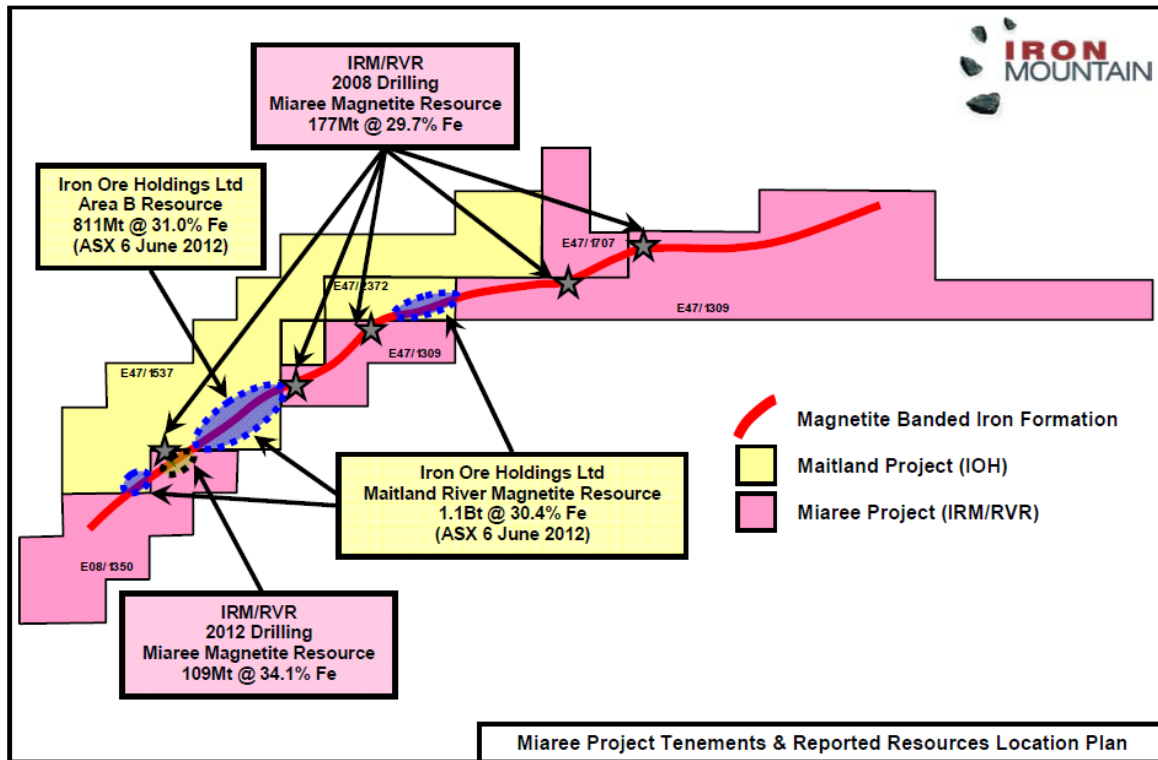


Figure 8 – Plan depicting location of Miaree Project tenements and reported magnetite resources

A Concept Study completed by IOH (ASX 14 Dec 2012) on their Maitland River Project concluded the project had the potential to sustain a 10Mtpa magnetite mine for a period of up to 20 years delivering magnetite product via a 20km slurry pipeline to a proposed IOH port. IOH have also commenced a commercialisation process designed to either secure a Joint Venture partner for a Pre-Feasibility Study or to consider the sale of the project.

The company believes the strategic location of the Miaree Project and resource in relation to the neighbouring Maitland River Project should ensure that it is at least part of any future discussions for the proposed development of any capital intensive magnetite project in the region. Given this established position, 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.

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 March 2013 quarter.

BLYTHE PROJECT

Forward Mining Ltd continued project assessment requirements for the proposed development of the Blythe Iron Ore Project in Tasmania with work predominantly focussed on the Environmental Assessment Program for the Project.

During the March 2013 quarter, the detailed Flora and Fauna Study to clear proposed areas for mining, plant infrastructure and the tailings dam was completed. Mandatory Water Quality Monitoring Programmes initiated in the previous quarter were ongoing and included research and assessment of aquatic life forms within the anticipated affected area.

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.

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 March 2013 quarter. Future updates on the status of the Wandoo Project will be announced as provided by Alpha Bauxite Pty Ltd.

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 March 2013 quarter. Future updates on the status of the Mt Richardson Project will be announced as provided by Cliffs.

TREASURE

The Treasure Prospect is comprised of EL25346 covering 101km² 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.

Following the withdrawal of Mithril from the Treasure JV, the company undertook a review of the project and ongoing exploration requirements and concluded that seeking out a replacement joint venture with a suitably experienced operator offered the best opportunity for the project to realise any potential. During the March 2013 quarter, the company commenced joint venture negotiations with an experienced explorer with final terms expected to be approved and signed off in the coming months. The company is confident that an agreement will be squared away in time for preliminary exploration and assessment of EL25346 to be undertaken during the forthcoming field season by the incoming managing joint venture partner.

MT ELVIRE PROJECT

The Mt Elvire Project is comprised of a single exploration licence E47/1823 covering 12km² 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.

During the March 2013 quarter, the proposed exploration program resulting from an extensive review of the project was carefully considered with a view to planning and budgeting. It was however determined that the Brockman Iron Formation did not extend sufficiently into the southern extent of E47/1823 as previously thought and as such the proposed target did not justify being the focus of a rock chip sampling program.

With regards to the potential for sub-surface CID or detrital iron mineralisation within the Tertiary alluvials sourced from the nearby Hammersley Range scarp, the company has received an unsolicited expression of interest for a possible joint venture to test identified prospective areas with a small drilling program. The company intends to follow up the unsolicited approach and hopefully finalise a joint venture designed to confirm the potential of E47/1823 as a host for detrital iron ore deposits.

MACQUARIE MARBLE AND LIME PTY LTD (KOREE LIMESTONE)

Macquarie Marble and Lime Pty is the registered holder of ML 1446 in New South Wales. During the quarter, the company finalised negotiations to transfer its 60% interest in Macquarie Marble and Lime Pty Ltd after years of trying to divest this non-core asset. Iron Mountain Mining Ltd no longer has any interest in ML1446 or Macquarie Marble and Lime Pty Ltd following the execution of the Deed of Assignment in April 2013.

CORPORATE

At General Meetings held by Iron Mountain Mining Ltd and United Orogen Ltd on 12 February 2013, shareholders approved;

- Iron Mountain Mining Ltd to selectively buy-back its own shares held by United Orogen Ltd in compliance with “Company controlling entity that holds shares in it” provisions under Section 259D of the Corporation Act and;
- the acquisition by Swancove Enterprises Ltd of 30,000,000 unlisted \$0.20 options (expiry 16 May 2016) in Iron Mountain Mining Ltd held by United Orogen Ltd at \$0.001 per option for a total of \$30,000

The company acquired and subsequently cancelled a total of 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 an outstanding A\$75,000 secured loan. The total share capital of Iron Mountain Mining Ltd has been reduced to 128,247,799 fully paid ordinary shares.

On 18 February 2013, the company announced that it had sold 60,000,000 of the 86,099,288 shares that it held in United Orogen Ltd to investor clients of Carling Capital Partners for A\$400,000. The sale resulted in Iron Mountain Mining Ltd reducing its equity in United Orogen Ltd from a majority stake of 86,099,288 shares (79.12%) to 26,099,288 shares (23.99%).



Robert Sebek
Managing Director

30 April 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.
