

31 January 2012

ASX Release

Iron Mountain Mining Limited (ASX Code : IRM) Quarterly Report: 31 December 2011

HIGHLIGHTS

MIAREE (Magnetite)

- Planning and preparation for 6 RC holes to test for magnetite within E08/1350
- Drilling deferred to January 2012 and then suspended as a result of Cyclone Iggy
- Resource estimation across entire project following completion of drilling

MIAREE (Gold)

- Planning and preparation for single RC hole to test source of peak surface anomalism at Bergsma A
- Analysis of high grade quartz veining at Cockatoo A confirms fine grained nature and distribution of gold mineralisation
- Rehabilitation of drill pads and access tracks finalised in areas where no further work warranted

WANDOO (Alumina)

- Total Inferred Bauxite resource at the Wandoo Project unchanged at 89.3Mt @ 41.75% Al₂O₃
- Negotiations with interested parties ongoing to achieve best outcome for funding and development of the project
- China's bauxite import dependence ratio neared all time high of 80% in late 2011

GOLDEN CAMEL (Gold)

- Priority granted over MIN5548 application in Victoria over known small gold deposit
- High gold prices support the small scale extraction and toll treatment of ore

BLYTHE OPTION TO PURCHASE (Iron Ore)

- Forward Mining Ltd granted an extension to execute Option to Purchase over Blythe Project
- Exercise date on Option to Purchase Blythe extended from 31 December 2011 to 30 June 2012

General

During the December 2011 Quarter, Iron Mountain focussed primarily on the Miaree projects as well as the acquisition of a known gold deposit in Victoria. At the Miaree Gold Project, a single RC drill hole (100m) was planned to test the source of the peak geochemical anomaly at Bergsma A. Access tracks and a drill pad were cleared in preparation for drilling that was undertaken in January 2012. Rehabilitation and Cockatoo A was completed where not further work could be justified. A total of 6 RC drill holes (1800m) were planned to test the magnetite within E08/1350. Access tracks and drill pads for 3 holes were completed with drilling deferred until January 2012 due to limited availability of drilling contractors and accommodation. Drilling commenced in January 2012 only to be suspended due to deteriorating conditions caused by Cyclone Iggy. During the quarter, Iron Mountain satisfied farm-in requirements and moved to 49% equity in the Miaree Project. At Wandoo, discussions with interested parties continued with the aim of securing an agreement to provide funding and accelerated development options. At the Golden Camel Project in Victoria, the company was granted priority on a Mining Licence application in the Heathcote Greenstone Belt known to contain a small gold deposit. All historical drilling and resource modelling data is currently being acquired with the intention of re-estimating a resource and evaluating toll treatment options at several nearby processing facilities. The location of company projects are shown in Figure 1 below.

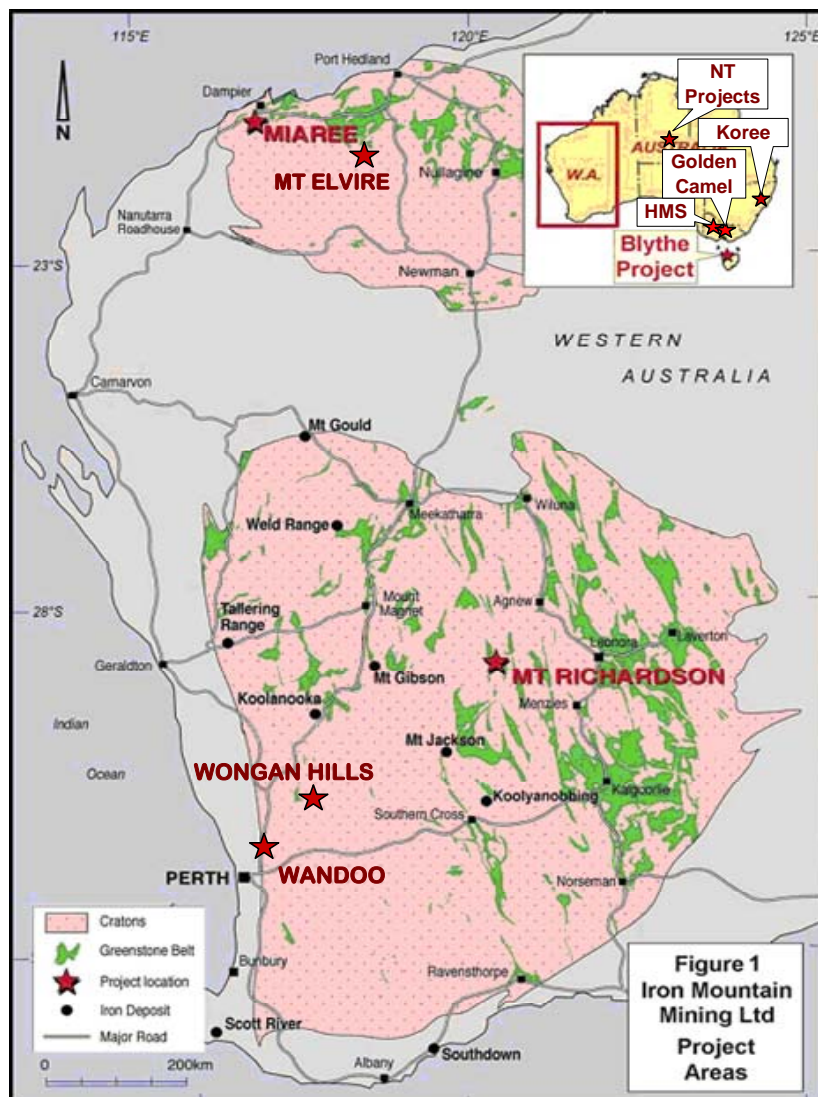


Figure 1 – Location of Iron Mountain Mining Projects in Australia.

WANDOO PROJECT

The Wandoo Bauxite Project is comprised of 13 granted exploration licences (E70/2444, E70/2692-93, E70/2943, E70/3124, E70/3146-47, E70/3712-15 & E70/3508-09) covering in excess of 950km² in the Darling Ranges, approximately 100km north of Perth, Western Australia (see Fig. 2)

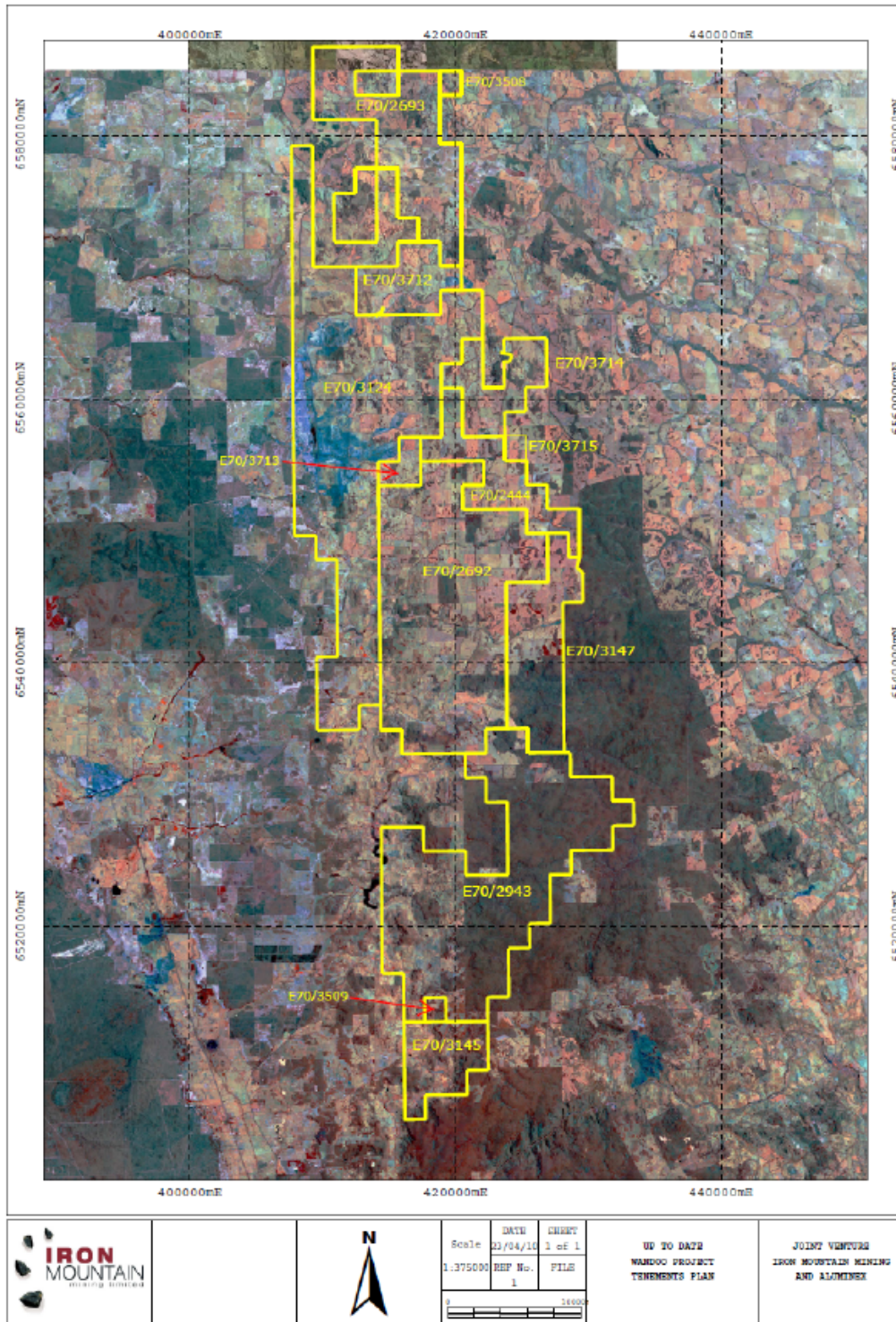


Figure 2 – Tenement location and land use cover of the Wandoo Project.

WANDOO BAUXITE RESOURCES

Total Inferred Resources of bauxite at Wandoo remain unchanged at 89.3Mt @ 41.75% Al₂O₃. A summary of the Total Inferred Resource for the Wandoo Bauxite Project is provided in Table 1 below.

Wandoo Project	Tonnes Mt	Total Al ₂ O ₃ (%)	Available Al ₂ O ₃ (%)	Soluble SiO ₂ * (%)	LOI (%)
TOTAL INFERRED MINERAL RESOURCE	89.3	41.75	28.51	4.43	19.21

* Soluble SiO₂ = Reactive Silica

Table 1 – Details of Wandoo Project Total Inferred Resource Estimate at 30% Available Al₂O₃ cut-off

The Wandoo Bauxite Project Inferred Estimate Report prepared by independent consultants Hackman & Associates is an expanded and detailed consolidation of the four previously reported Inferred Resources announced between 16 March 2010 and 5 May 2011 (see Fig.3) and was compiled primarily in response to increasing unsolicited expressions of interest in the Wandoo Project.

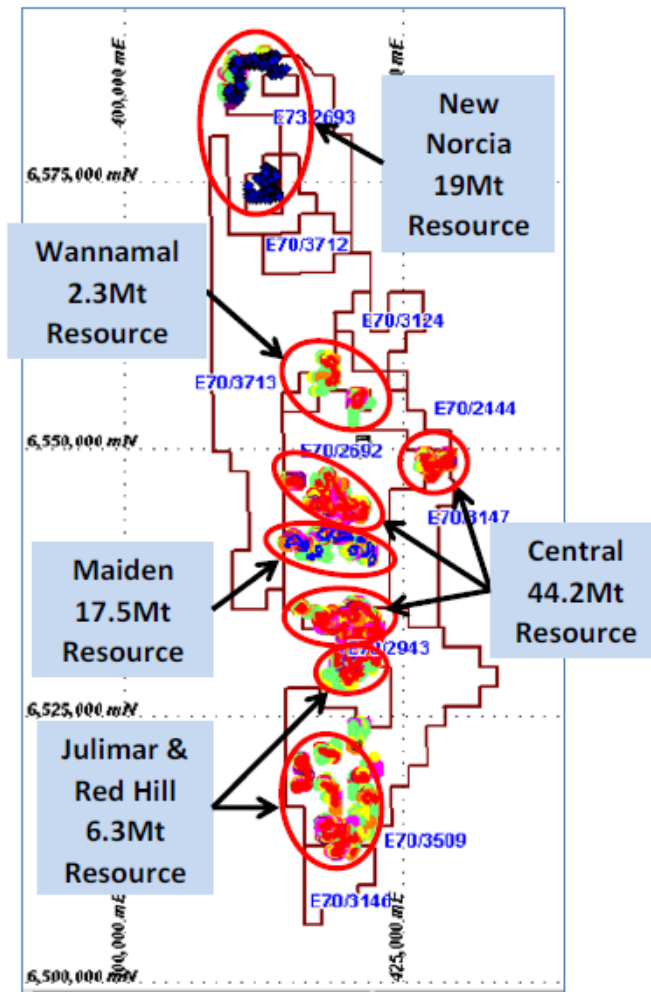


Figure 3– Total reported Inferred bauxite resource locations within the Wandoo Project tenements. (Note – Maiden drilling program collar locations are not colour coded to depict Total Al₂O₃ grade variance and rounding errors may be present).

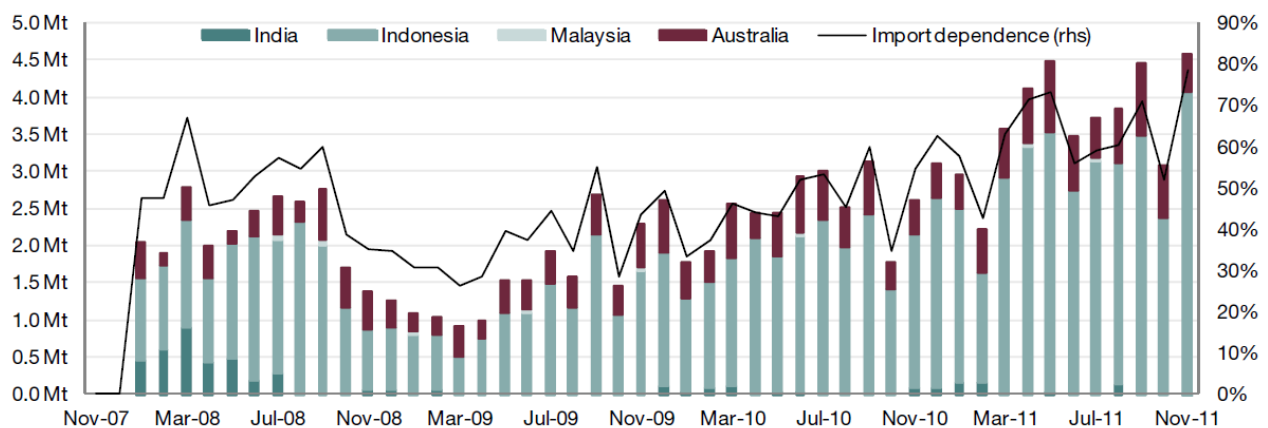
No exploration was undertaken during the December 2011 quarter as the company continued discussions with several interested parties in relation to the possible acquisition of equity in the Wandoo Project. The company continues to evaluate all proposals with a view to negotiating an agreement that has the potential to expedite that development of the Wandoo Project via the injection of funding, expertise and industry networks.

Should a mutually beneficial long-term agreement be unachievable at this time, the possibility exists for a small infill drilling project to be undertaken to increase current resources and improve resource confidence to Indicated and/or Measured status in order to expedite negotiations.

BAUXITE/ALUMINA MARKET

Bauxite market updates during the quarter continued to be positive in relation to ongoing growth in Chinese bauxite imports. CommSec has reported in a commodities note on Aluminium (11 Jan 2012) that China continues to be short high quality, low cost bauxite and as such their bauxite dependence neared an all time high of 80% late in 2011. This clearly suggests that global suppliers should aim to be long bauxite/alumina and short aluminium.

Although China is also building new alumina refining capacity, much of it is concentrated in existing higher cost coastal provinces due to China's increasing bauxite import dependence ratio. As a result of the increasing need for access to higher-quality, lower-cost bauxite, China's import dependence ratio continues to trend higher (see Fig.4).



Source: China NBS, Antaike, Bloomberg, CBA

Figure 4 – China's import of bauxite by origin and overall bauxite import dependence ratio.

MIAREE PROJECT

The Miaree Project is held under a joint venture between Iron Mountain and Red River Resources Ltd ("Red River") whereby Iron Mountain can earn up to 70% of the project. The Miaree Project is currently comprised of 3 exploration licenses (E08/1350, E47/1309 & E47/1707) covering approximately 151km². The exploration licenses cover approximately 25km of Miaree Magnetite Trend strike that occurs within the extensive Cleverville Formation, a geological unit of banded iron formation rich in magnetite (1.6Bt Cape Lambert magnetite deposit) and only recently reported as hosting surface gold occurrences (see Fig.10).

During the December 2011 quarter, Iron Mountain satisfied Stage 2 earn-in requirements under the Joint Venture Agreement with Red River Resources by spending a further \$1,500,000 at Miaree prior to the 24 May 2012 deadline and as a result, lifted its equity in the Miaree Project from 25% to 49%. The company has notified Red River Resources that it does not intend to progress to 70% by sole funding a further \$2,000,000. The company has instead opted to sole fund the current small drilling program at Miaree under non-contributory dilution provisions in the joint venture agreement that will see its interest in Miaree climb to over 50%.

MIAREEE GOLD PROJECT

The Miaree Gold Project is contained within tenement E47/1309. As previously reported, multiple prospect areas have regularly returned high gold grades from geochemical, rock chip and costean sampling. Subsequent drilling in June 2011 (14 RC holes for 1406m) were part of proposed 22 hole program with 8 holes unable to be drilled due to inaccessible terrain and time constraints (see Fig.11).

The drilling was unable to replicate similar widths and high grades as sampled at surface however results were sufficiently encouraging to warrant further work. A second phase of drilling at Bergsma A was planned comprised of a single 100m RC hole to test the source of the peak geochemical surface signature. During the December 2011 quarter, access track and drill pad preparation was carried out at the Bergsma A target ahead of drilling which was anticipated to be undertaken in December 2011. As a result of difficulties in securing drilling contractors and accommodation in Karratha, the drilling was deferred until January 2012. The hole at Bergsma A was completed in January 2012 and results are pending.

A 75kg sample of quartz was also collected from random areas of Cockatoo A and sent to a laboratory for grinding to >90% passing 75 microns in order to undertake a basic wash and gravity separation to assist in determining gold content and distribution, gold particle size and constituent minerals. During the December 2011, sample wash and gold recovery was completed (see Fig.6). The results of this exercise showed:

- Gold was present in all 5 sample batches
- Gold particle size generally uniform and very fine
- Significant magnetic content



Figure 6– Gold tail and removable magnetic content from ground 75kg Cockatoo A quartz sample.

The accumulated gold and fine grained heavy minerals will be analysed further and the high grade Cockatoo and Walter zones revisited to determine whether any feasible options exist to exploit these high grade gold occurrences.

Rehabilitation of drilling sites and access tracks was completed during the quarter in accordance with Department of Mines and Petroleum requirements over disturbed areas where no further work was warranted. Access to areas assessed as requiring further work was left intact.

MIAREE MAGNETITE PROJECT

Re-evaluation of the Miaree Project magnetite potential has been ongoing. During the December 2011 quarter, plans for a small drilling program comprised of 6 RC holes for 1800m within E08/1350 were finalised (see Fig.12). Reconnaissance of the proposed drilling sites was undertaken in October 2011 in anticipation of drilling commencing in December. Access tracks and drill pads for three proposed drilling sites were completed in December 2011 however due to difficulties in securing drilling contractors and accommodation in Karratha, the drilling program was deferred until early January 2012.

The proposed magnetite drilling program of 6 RC holes for a total of 1800m within E08/1350 is south-westerly adjacent to the Maitland Resource of 310Mt @ 34.7% Fe (ASX 4 July 2011) recently announced by Iron Ore Holdings Ltd (see Fig.7). In January 2012, remaining access tracks and drill pads were completed and drilling contractors were mobilised to site. Drilling commenced but was suspended prior to the completion of the first hole due to deteriorating conditions as a result of Cyclone Iggy. Drilling is expected to resume as soon as it is safe and practical to do so.

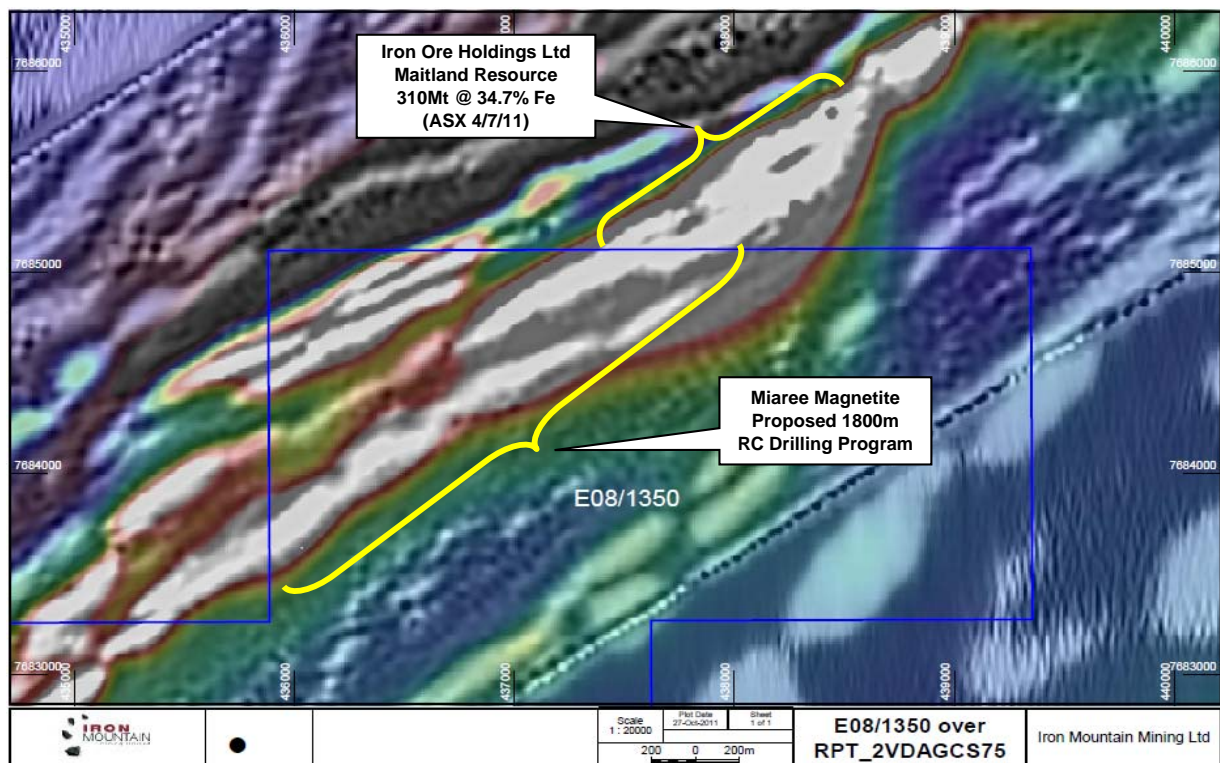


Figure 7– Proposed magnetite drilling target within E08/1350 over aeromagnetics.

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 2011 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 is comprised of exploration licence E70/2728 immediately west of Wongan Hills in the Archaean Yilgarn Iron Ore Province of Western Australia. Kingsgate Consolidated Ltd (“Kingsgate”, ASX: KCN) are the current operators following the acquisition of Dominion Mining Ltd who had previously earned an 80% interest in the Wongan West Joint Venture by satisfying required expenditure requirements (ASX 28 Aug 2009).

The majority of the Wongan West JV is subject to a farm-in agreement with Red River Resources Limited and Iron Mountain Mining Limited under which Kingsgate has earned an 80% interest. The equity interests of Red River and Iron Mountain in E70/2728 have been reduced to 15% and 5% respectively.

No work was reported for the December 2011 quarter.

BLYTHE PROJECT

The Blythe Project is currently subject to an Option to Acquire signed by Forward Mining Ltd and announced on 25 March 2011. The intentions of Forward Mining Ltd were to include the Blythe Project in Tasmania as the cornerstone asset in an Initial Public Offering (IPO) targeted for the second half of 2011 however prevailing negative market sentiment has forced the IPO to be deferred. Prior to the signing of the Option to Acquire, the Blythe Project was held 50:50 by Iron Mountain Mining Ltd and Red River Resources Ltd.

During the December 2011 quarter, the joint venture participants agreed to extend the exercise date on the Option to Acquire the Blythe Project in Tasmania from 31 December 2011 to 30 June 2012 (ASX 20 Dec 2011). The extension is seen as providing increased opportunity for value generation for both the project and all involved parties.

Under the variation to the Option to Acquire:

- Forward Mining Ltd has the right to extend the exercise date of the Option to 31 March 2012 with the payment of an additional A\$25,000 to be split equally between Iron Mountain/Red River
- Forward Mining Ltd has the right to extend the exercise date of the Option to 30 June 2012 with the payment of an additional A\$25,000 to be split equally between Iron Mountain/Red River
- Forward Mining Ltd must exercise the Option on or before 30 June 2012

Under the retained general terms and conditions of the Option to Acquire, the following consideration is payable and to be split equally between Iron Mountain/Red River subject to the satisfactory completion of negotiated milestones:

- Payment of A\$1,500,000 and the issue of 5 million ordinary shares in Forward Mining Ltd following admission to the Official List of the ASX or the payment of A\$2,300,000 should Forward Mining Ltd not be admitted to the Official List of the ASX at the time of executing the Option
- Payment of A\$2,000,000 upon a Decision to Mine from within the Blythe tenements
- Payment of A\$2,000,000 upon the first shipment of iron ore extracted from the Blythe tenements
- A royalty of 1.5% payable on the gross Free on Board revenue from all shipments of iron ore from the Blythe tenements

Forward Mining Ltd has been making steady progress at Blythe however recent events in Europe have resulted in a global tightening of financial markets that has prevented the Option from being executed as originally intended. The variation to the Option to extend the exercise date to 30 June 2012 if required is expected to provide the necessary flexibility for all parties to achieve negotiated milestones.

NORTHERN TERRITORY PROJECT

Following a review of the Northern Territory Project tenements, it was determined that the allocation of additional exploration funds to EL25329 (Lucky U) and EL25894 (Florence Creek) could not be justified and as such, both exploration licences were surrendered during the December 2011 quarter. As a result of these tenement surrenders, the Northern Territory Project is now solely comprised of EL25346 (Treasure) where Mithril Resources Ltd is currently earning up to 80% under a joint venture agreement.

TREASURE JV

The Treasure Prospect is comprised of EL25346 covering 101km² and originally picked up as part of the Aluminex acquisition in December 2009. The project is currently subject to a Joint Venture Agreement with Mithril Resources Ltd ("Mithril") announced on 30 September 2008 whereby Mithril can earn 60% in EL25346 by spending \$1m over the first three years (Stage 1) and a further 20% by spending an additional \$1m over the following 2 years (Stage 2). Iron Mountain can be reduced to 40% should Mithril exercise Stage 1 (60% farm-in) or 20% should Mithril exercise Stage 2 (80% farm-in). The project is located approximately 130km northeast of Alice Springs in the Northern Territory and is currently being managed by Mithril under the terms of the JV agreement.

No field work was conducted on the tenement by Mithril during the December 2011 quarter.

MT ELVIRE PROJECT

The Mt Elvire Project is comprised of a single exploration licence covering 12km² located south of Port Hedland in Western Australia. The area is considered prospective for channel iron ore accumulations similar in nature to the Yandi deposit (Rio Tinto) as well as for detrital iron ore deposits and was part of a competing application over the same ground highlighting the level of competitor interest in the area. Assessment of the Mt Elvire Project is ongoing to determine necessary exploration to be undertaken within restricted seasonal windows of opportunity. No field work was undertaken at Mt Elvire during the December 2011 quarter.

HMS PROJECT

The HMS Project is comprised of 5 granted exploration licences covering 624km² over 6 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 the Douglas, Kulwin and recently closed Echo HMS mines in Victoria as well as a Mineral Separation Plant in Hamilton, Western Victoria (see Fig.8). Relocation of mining equipment from the soon to be decommissioned Kulwin Mine to the Woonack, Rownack and Pirro (WRP) deposits 25km away has commenced.

Following expressions of interest in the HMS Project, the company has commenced the process of identifying and acquiring all available open file drilling and exploration data accumulated between the early 1980's and late 1990's. The extensive drilling data will hopefully allow the mapping of grain size, heavy mineral assemblages, depth and thickness of the identified heavy mineral sand deposits to identify priority target areas for exploration. There is potential to isolate premium accumulations of heavy minerals within identified offshore sheeted fine grained WIM-style deposits with possibly inter-bedded coarse grained strandline deposits.

Once the evaluation of the historical exploration data has been completed, the company intends to commence discussions with interested parties to hopefully establish a joint venture arrangement that will assist with exploration and possible development of potential high value areas.

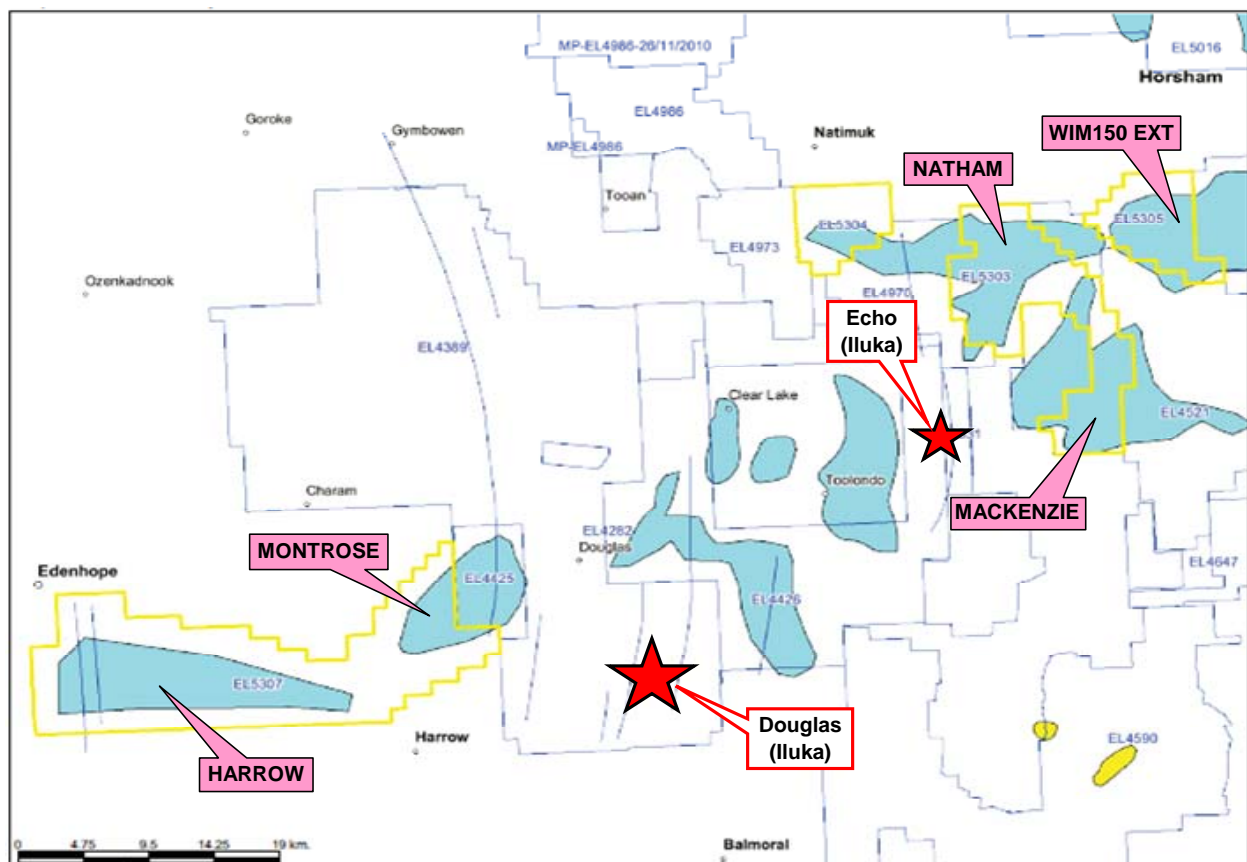


Figure 8 – Victorian HMS project showing project tenure (yellow), WIM-style deposits (light blue) and location of Iluka Douglas and Echo mineral sand mines.

GOLDEN CAMEL

The Golden Camel Project is comprised of Mining Licence Application MIN5548 in Victoria. The tenement was applied for in August 2011 and the company received priority notification over a competing application in January 2012. All regulatory requirements to facilitate the grant of the licence are currently being addressed.

Golden Camel (MIN5548) is located on the Mt Camel Range within the Heathcote Greenstone Belt in North-Central Victoria (see Fig.9). The 24.52 hectare application is over private land with direct road access and covers the identical area of former MIN4149 that is known to contain the Cornella gold deposit. The company is in the process of acquiring all available historical exploration and resource model data with the aim of validating the data, re-estimating a gold resource and investigating available toll treatment options from five existing processing facilities located in Central Victoria. Unlike the former Cornella Project, the Golden Camel Project has no associated royalties.

Golden Camel (MIN5548) is located within EL3484 held by Fosterville Gold Mine Pty Ltd, a subsidiary of Canadian Northgate Minerals Corporation and operators of the nearby 100,000oz/pa Fosterville Gold Mine. In October 2011, Northgate Minerals Corporation was taken over by Canadian AuRico Gold Inc.

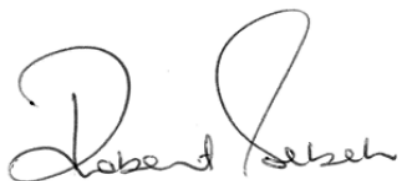


Figure 9 – Golden Camel Project tenement MIN5548.

MACQUARIE MARBLE AND LIME PTY LTD (KOREE LIMESTONE)

Iron Mountain has a 60% interest in Macquarie Marble and Lime Pty (MML) which exercised an option to acquire ML 1446 and surrounding EL 7084 at Wauchope, near Port Macquarie in New South Wales in 2008. The tenements cover the Koree Limestone quarry which contains a deposit of lightly metamorphosed limestone determined to be suitable for the production of a marble dimension stone product with waste to be crushed for agricultural lime.

The company continues to progress negotiations for the divestment of this asset. The company is assisting an interested party with due diligence requirements and is hoping to finalise the sale of this asset in the coming months.



Robert Sebek
Managing Director

31 January 2012

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.

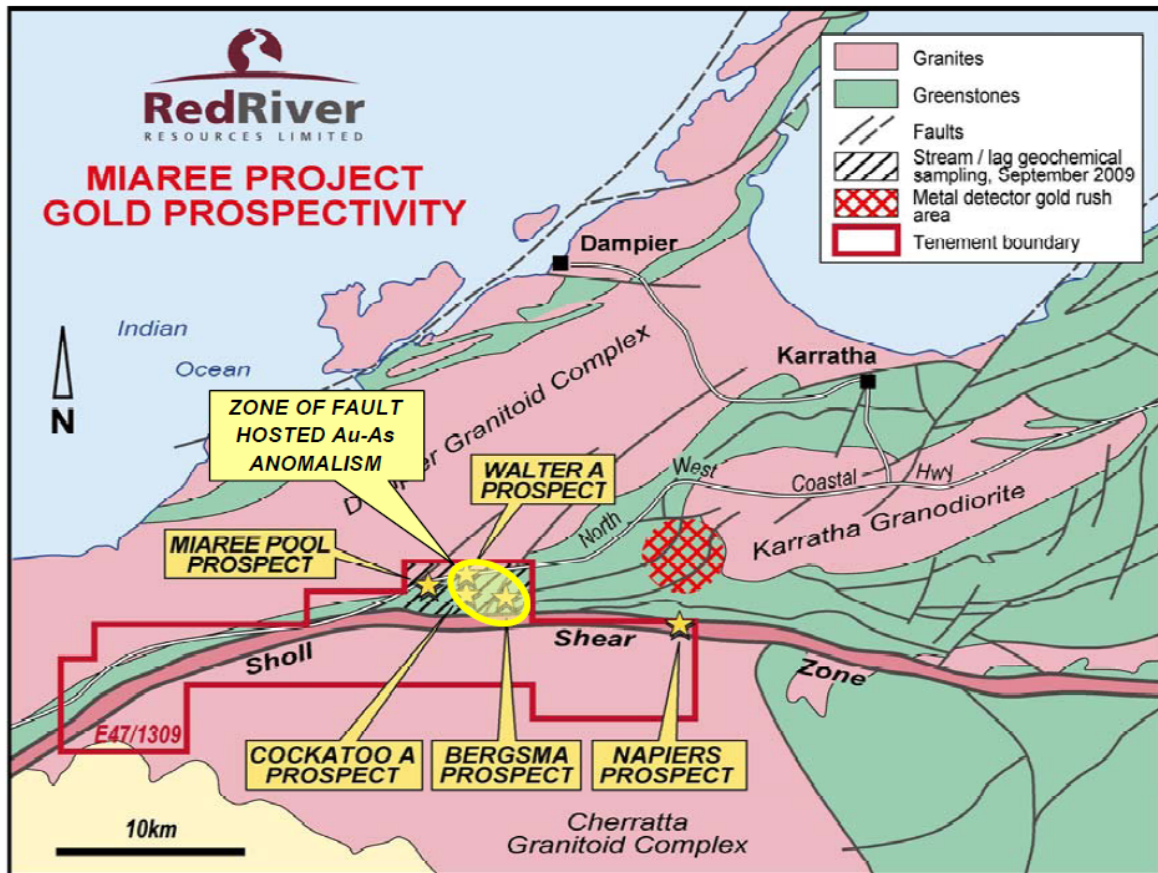


Figure 10 – Miaree Gold Project showing locations of fault related surface gold anomalism.

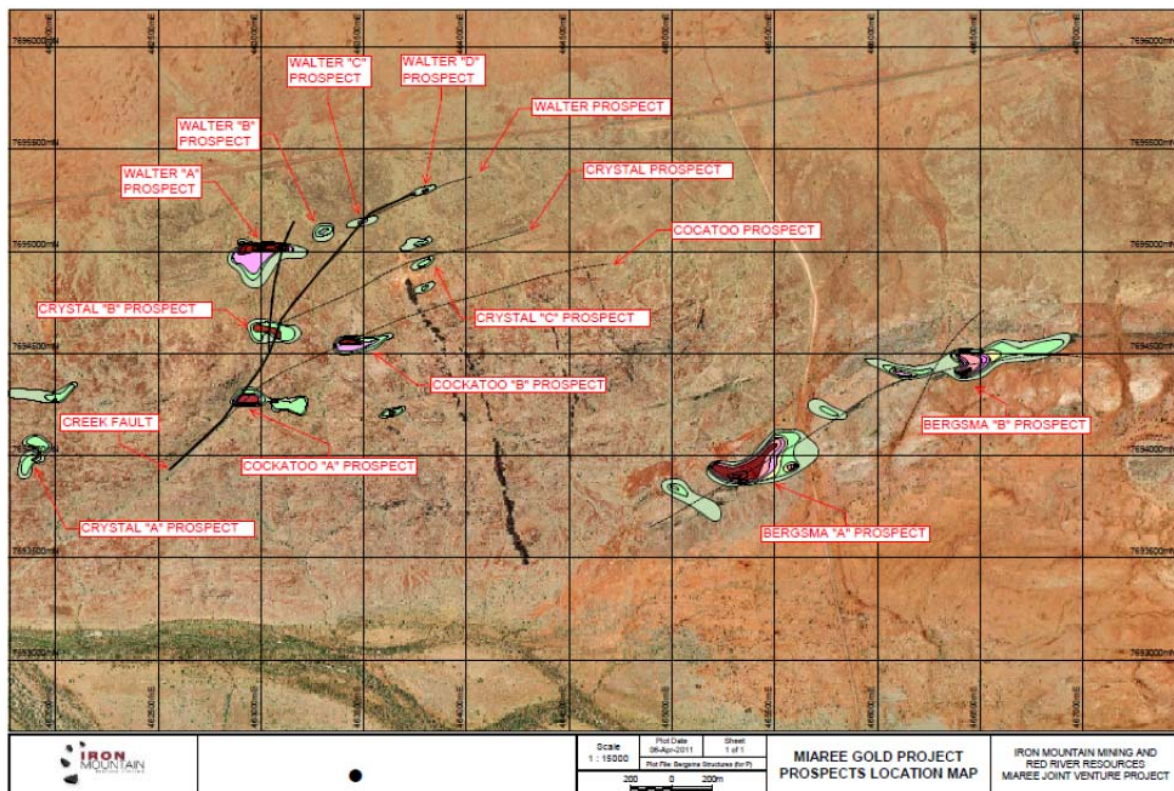


Figure 11 – Miaree Gold Project showing locations of Creek Fault and associated geochemical anomalism



Figure 12 – Proposed magnetite drilling target within E08/1350 looking southwest.

Appendix 5B

Mining exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10

Name of entity

IRON MOUNTAIN MINING LIMITED

ABN

62 112 914 459

Quarter ended ("current quarter")

31 December 2011

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (3 months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration & evaluation	(148)	(578)
(b) development	-	-
(c) production	-	-
(d) administration	(236)	(354)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	45	108
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (provide details if material):		
- Rental Income	-	-
- Net GST Collected/Paid	-	-
- Option Fee Income	13	38
Net Operating Cash Flows	(326)	(786)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) prospects	-	-
(b) equity investments	-	(593)
(c) other fixed assets (Note 1)	(58)	(61)
(d) security deposits	-	-
1.9 Proceeds from sale of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
(d) security deposits	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material):		
- Orange Hills IPO Expenses	-	-
Net investing cash flows	(58)	(654)
1.13 Total operating and investing cash flows (carried forward)	(384)	(1,440)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(384)	(1,440)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	-	-
	Net financing cash flows	-	-
	Net increase (decrease) in cash held	(384)	(1,440)
1.20	Cash at beginning of quarter/year to date	3,796	4,852
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	3,412	3,412

Note 1: During the quarter \$58,000 was spent on stamp duty relating to the purchase of the property at 113 Mackie Street Victoria Park WA from United Orogen Limited.

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	91
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

1.23 Directors Fees paid to Directors

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

N/A

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

+ See chapter 19 for defined terms.

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	300
4.2 Development	NIL
4.3 Production	NIL
4.4 Administration	100
Total	400

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	762	646
5.2 Deposits at call	2,650	3,150
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	3,412	3,796

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	EL25329	Surrender of Tenement	30%	0%
	EL25894	Surrender of Tenement	50%	0%
6.2 Interests in mining tenements acquired or increased	EL25346	Transfer of Tenement	30%	100%

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

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 <i>(description)</i>	-			
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions	-			
7.3 +Ordinary securities	135,586,881	132,086,881		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	- -	- -		
7.5 +Convertible debt securities <i>(description)</i>	-			
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	-			
7.7 Options <i>(description and conversion factor)</i>	40,186,250 32,000,000	40,186,250 N/A	<i>Exercise price</i> 20 cents each 20 cents each	<i>Expiry date</i> 01/02/2012 01/05/2016
7.8 Issued during quarter				
7.9 Exercised during quarter	-			
7.10 Expired during quarter	-			
7.11 Debentures <i>(totals only)</i>	-			
7.12 Unsecured notes <i>(totals only)</i>	-			

+ See chapter 19 for defined terms.

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 5).
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here:

(Company secretary)

Date: 31 January 2012

Print name: Suraj Sanghani

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 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting 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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