

IOH acquires Mardie tenement from Azimuth Resources

Key Points:

- IOH purchased the Mardie tenement in northwest Pilbara from Azimuth Resources Ltd
- IOH to pay **\$225,000 cash** for full ownership of the tenement
- Mardie is located at the coast in close proximity to the Balmoral magnetite deposits

Iron Ore Holdings Limited (**IOH**) today announced the acquisition of the Mardie tenement (E08/1849-I) in the northwest Pilbara region of Western Australia from Azimuth Resources Limited (ASX: AZH). IOH will pay \$225,000 cash for full ownership of the tenement.

The Mardie tenement has a 40 km coastline and is within 20 km from the Balmoral deposits which are managed by Citic Pacific Mining and Australasian Resources Ltd (see Figure 1 and 2).

The tenement does not currently contain any mineral resource but presents exploration upside for both hematite and magnetite ore and has a pre-feasibility study completed on a salt project.

IOH's Managing Director, Mr Alwyn Vorster, said the tenement acquisition is part of IOH building its future business model primarily in the Western Pilbara. "*IOH will continue to develop its business through the acquisition, exploration, feasibility study and commercialisation of strategically located mineral properties in this region*", he said.

A mapping and exploration program on the Mardie tenement is scheduled to commence within weeks.

Figure 1: IOH's Three Hubs in the Pilbara

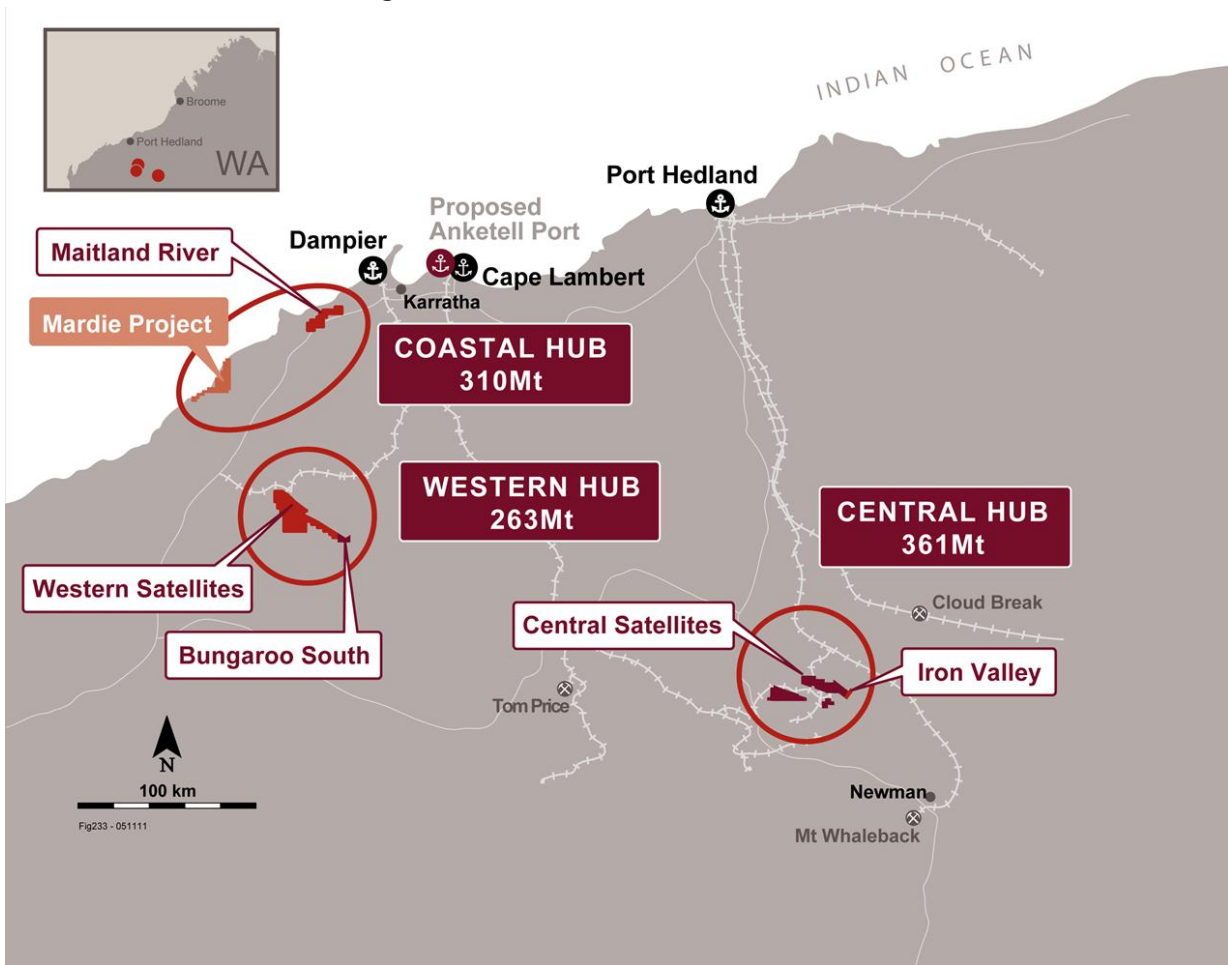


Figure 2: Location of the Mardie tenement

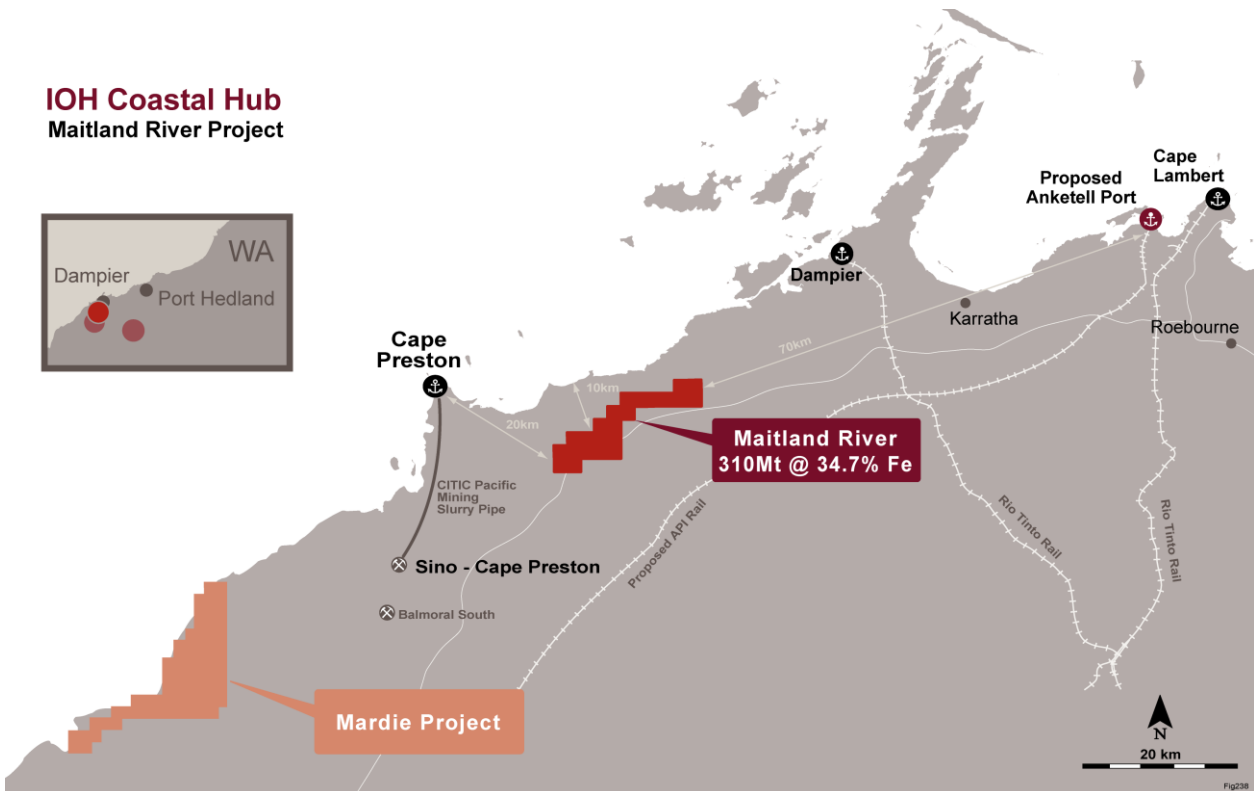


Table 1 – IOH JORC Mineral Resource at 18 October

Hub	Project or Tenement	JORC Indicated Resource	JORC Inferred Resource	Fe	CaFe	SiO ₂	Al ₂ O ₃	P	LOI	Cut-off	Total
				(%)	(%)	(%)	(%)	(%)	(%)	(Fe)	
Central Pilbara	Iron Valley	216.3		58.4	63.0	5.1	3.1	0.18	7.3	50%	360.7Mt
			42.8	57.9	61.1	7.0	3.9	0.14	5.2	50%	
	Phil's Creek	15.1		55.6	60.5	7.2	4.2	0.10	8.1	50%	
	Lamb Creek	15.2		60.6	64.5	4.4	2.2	0.13	6.0	50%	
			24.5		54.9	58.6	10.3	4.0	0.09	6.3	
North Marillana	46.8		50.0	55.8	9.5	7.7	0.05	10.4	45%		
Western Pilbara	Bungaroo South		241.6	57.2	62.2	7.0	2.4	0.15	8.1	50%	263.1Mt
	Dragon		21.5	55.4	60.5	7.9	3.6	0.15	8.4	50%	
Coastal Pilbara	Maitland River -Magnetite		310.0	34.7	34.7	42.0	1.4	0.06	0.1	25%	310.0Mt
Total Mineral Resource		293.4	640.4	Total Resource (Indicated and Inferred)							933.8Mt

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About Iron Ore Holdings

Iron Ore Holdings Ltd (ASX: IOH) owns and manages a portfolio of iron ore tenements and projects within its Central, Western and Coastal hubs in the Pilbara region of Western Australia. The Company's projects are all strategically located within close proximity to existing and planned infrastructure. IOH has a stable share register and highly experienced Board and senior management team.

Ordinary Shares on Issue: 166,087,005

Cash at 30 September 2011: ~\$37.5 million

Competent Persons Statement:

The information in this report that relates to exploration and drilling results is based on information compiled by Mr Manohar Ghorpade, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Ghorpade is a full time employee of Iron Ore Holdings Ltd and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking 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. Mr Ghorpade consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to Mineral Resources has been compiled by Mr Lynn Widenbar, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Widenbar is a full time employee of Widenbar and Associates and produced the Mineral Resource Estimate based on data and geological information supplied by IOH. Mr Widenbar has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves. Mr Widenbar consents to the inclusion in this report of the matters based on his information in the form and context that the information appears.