



ASX ANNOUNCEMENT

18 September 2013

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## SCOPING STUDY TO CONFIRM POTENTIAL OF PHILIPPINES GOLD RESOURCE

- **Early capital payback potential from high-grade, near surface deposits to be determined**
- **Results of Scoping Study expected by December 2013**

Red Mountain Mining Ltd (ASX:RMX) (“the Company”, “Red Mountain”) has commenced an independent Scoping Study into a gold mining and processing project in the Municipality of Lobo at its Batangas project, 120km south of Manila in the Philippines.

The Scoping Study will examine the viability and high-margin potential of the Batangas mining and processing project. The Scoping Study will initially be based on the current Indicated and Inferred mineral resources totaling 5.78 million tonnes at 2.2 g/t gold and 3.3 g/t silver, containing 408,000 ounces of gold and 606,000 ounces of silver at a lower cut-off grade of 0.85 g/t gold (announced January 30th 2013, 2004 JORC).

The Company will continue to target high grade near surface mineralisation at its Japanese Tunnel and Pica prospects and any new results from its current drilling campaign will be added to the mineral resource estimate and Scoping Study inventory.

Sedgman Limited has been appointed to complete the processing engineering study with specialist work on other aspects of the study to include:

- Crystal Sun Consulting – mining and infrastructure options;
- Minercon International Inc. – metallurgy;
- Technotrix Consultancy Services Inc. - environmental and social; and
- Resource Development Consultants Ltd - geotechnical, processing site, tailings storage facility.

All current mineral resources are contained within granted Mineral Production Sharing Agreements (MPSA’s – the Philippines equivalent of Mining Leases) and the majority of the near surface mineral resources at Southwest Breccia (SWB), Lobo, and Kay Tanda, Archangel, are in the Indicated Resource category.

Red Mountain Managing Director Jon Dugdale said “*The commencement of the Scoping Study represents a significant milestone for Red Mountain shareholders. With our near surface, high-grade mineralisation at Lobo we are targeting a high early cash flow project and we are looking forward to the Scoping Study confirming our expectations.*”

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Non-Executive Chairman  
**Jon Dugdale**  
Managing Director

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The Batangas project is at an advanced stage and already has a number of positive features including:

- An established JORC compliant resource (detailed below);
- Granted MPSA's (Philippines equivalent of Mining leases);
- Close to power and port infrastructure;
- High grade, at surface mineralisation at Lobo with early stage high cash-flow potential;
- 20km from the major industrial centre of Batangas;
- Easily accessible by road or sea;
- Current high grade resources still open along strike and at depth; and
- Drilling campaign, planned to upgrade mineral resources, underway

Metallurgical testing on both the SWB and Kay Tanda resources produced recoveries for both the oxidized and fresh material that indicate amenability to "standard" Carbon in Leach (CIL) processing. Further testing on individual samples and a composite has been commissioned, the results of which will be incorporated into the Scoping Study.

The Scoping Study is expected to be completed by early December 2013.

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For further information about Red Mountain please visit [www.redmm.com.au](http://www.redmm.com.au) or contact:

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### **About Red Mountain Mining Limited**

Red Mountain Mining (ASX: RMX) is primarily a gold explorer and project acquisition company which listed on the ASX in September 2011. The Company's strategy is to unlock the potential of 'under-developed' gold and polymetallic projects in the greater Asian region by introducing Australian mining methods and improving efficiencies to gain significant production and exploration upside.

The Company holds direct and indirect interests in tenements in the Philippines that contain significant gold resources and several high-quality copper-gold prospects.

Total Mineral Resources at Batangas at a 0.85 g/t Au lower cut off include Indicated Resources of 2.76 million tonnes @ 2.3 g/t Au, 208,000 oz Au and Inferred Resources of 3.02 million tonnes @ 2.1 g/t Au, 200,000 oz Au for a total of 5.78 million tonnes at 2.2 g/t Au, 408,000oz Au (announced January 30<sup>th</sup> 2013, 2004 JORC). The Company is focussed on upgrading the Batangas resources through discovery of new, high grade, gold zones at Archangel, and Lobo (e.g. Japanese Tunnel, West Drift, Pica, Ulupong). The Company will continue drilling with the objective of increasing the size and grade of the Mineral Resources at Batangas then completing

2

a scoping study to demonstrate the viability of a potential high-margin gold project development.

Other gold opportunities will be reviewed on a continuous basis.

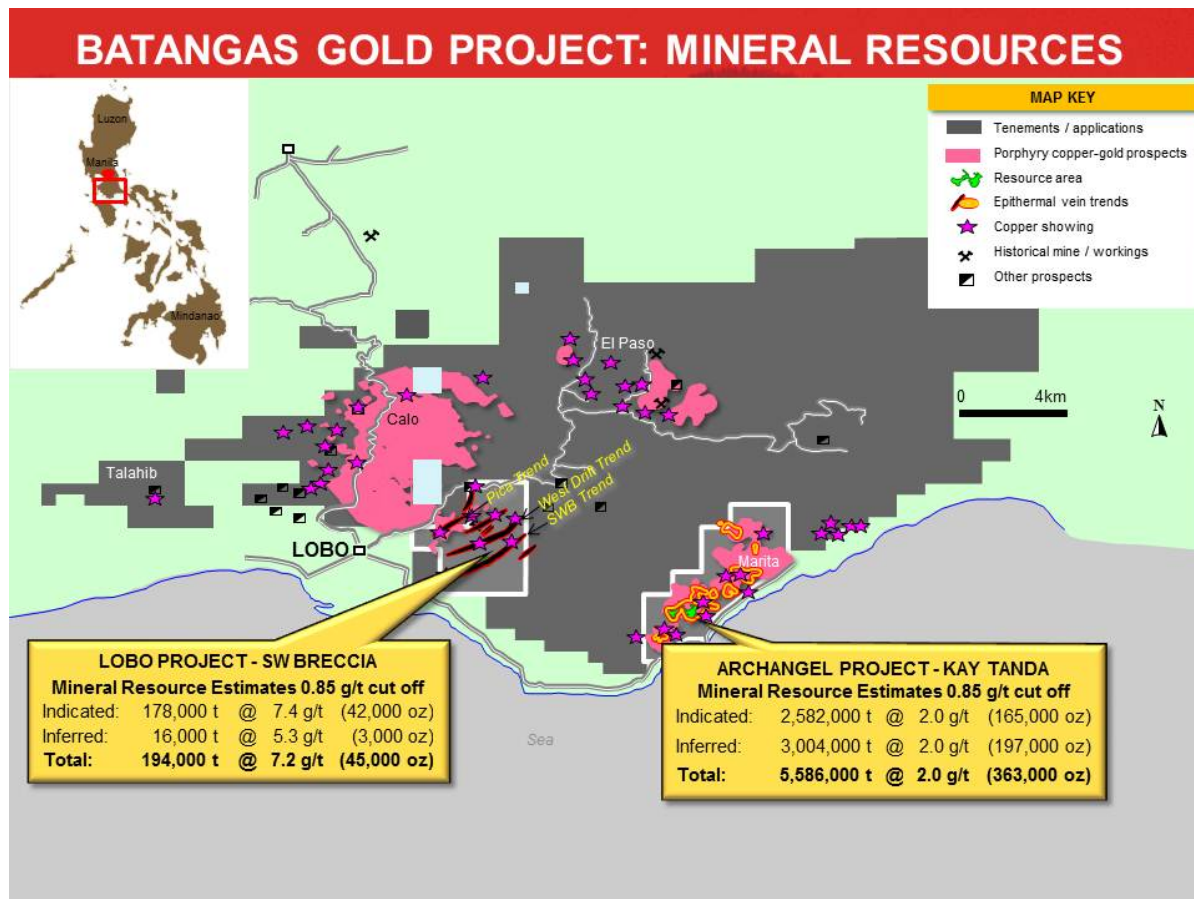


Figure 1: Batangas Gold Project, Lobo, with Mineral Resources.

### Competent Person Statement

*The information in this report relating to Mineral Resources is based on information compiled by Mr Jon Dugdale who is a Fellow of the Australasian Institute of Mining and Metallurgy and has sufficient exploration experience which is relevant to the various styles of mineralisation 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'. Mr Dugdale is a full time employee and Managing Director of Red Mountain Mining Ltd. Mr Dugdale takes responsibility and consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*