

**RED MOUNTAIN REPAYS CONVERTIBLE SECURITIES AND IS AGAIN DEBT FREE**

Perth, Western Australia: Red Mountain Mining Limited (**RMX, Red Mountain or the Company**) is pleased to advise that it has repaid in full the outstanding convertible securities held by the Australian Special Opportunity Fund, LP, managed by The Lind Partners, LLC, a New York based institutional investor (together, **Investor**) pursuant to the Convertible Security Funding Agreement (**CSFA**), announced on 21 December 2015.

The Company has now repaid the full face value of the convertible securities of \$350,000 and issued 58,888,889 Listed Options exercisable at 0.15 cents (\$0.0015) on or before 31 March 2018 (RMXOF) to the Investor in full satisfaction of its obligations under the CSFA.

Red Mountain's Managing Director, Mr Jon Dugdale, said, *"This funding facility worked well for us and we are pleased to have now repaid the convertible securities, and to be debt free once again.*

*"The Company is now looking forward to receiving the USD 1.2 million owed to us by strategic funding partner Bluebird Merchant Ventures, following their London listing, expected before the end of March."*

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 and the Batangas Gold Project**

Red Mountain Mining Ltd (ASX:RMX) is a gold exploration and development 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 exploration and mining methods and improving efficiencies to gain significant exploration and production upside.

The Company holds a direct and indirect contractual right interest in tenements in the Philippines that contain significant gold resources totalling Indicated and Inferred 6.19 million tonnes at 2.2 g/t Au for 444,000oz Au (JORC 2012, see ASX announcement 30 June 2014).

The Company's objectives include development of gold production at the Batangas Gold Project, while continuing to focus on increasing the mineral resource base.

The Company announced a new Strategic Financing Agreement (the Agreement) with Bluebird Merchant Ventures Ltd (BMV) on 15 October 2015. The Agreement includes a two stage funding arrangement totalling up to US\$5.5M, that will earn BMV up to 50.1% of wholly owned subsidiary, Red Mountain Mining Singapore Ltd (RMMS), that holds the Company's interests in the Batangas Gold Project in the Philippines, with the project to operate under an Incorporated Joint Venture (JV).

Stage 1 funding of US \$1.7M under the Agreement will earn BMV 25% of RMMS and will allow the JV to complete a Definitive Feasibility Study (DFS) on the project, with initial results confirming low capital



and operating costs and recovery of over 100,000 ounces of gold during the initial 5 to 6 years of a 10 year production plan (ASX announcement 20 November 2014 and updated 23 January 2015).

Final permitting to allow development of the Batangas Gold Project is being progressed through the Philippines Government approval process.

The Company is also on the lookout for other advanced gold development and exploration opportunities, with a particular focus on Australia, which will be reviewed on a continuous basis.

For more details about Red Mountain Mining Ltd see <http://www.redmm.com.au/>

### **Cautionary Statement**

*The production targets referred to in this announcement were first released to ASX on 20 November 2014 and updated on 23 January 2015. They are preliminary and there is no certainty that the production targets or the forecast financial information derived from the production targets, will be realised. All material assumptions underpinning production targets or forecast financial information derived from production targets continue to apply and have not materially changed.*

### **Competent Person Statement**

*The historic 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 2012 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. The Company confirms that the form and context in which the information is presented has not been materially modified and it is not aware of any new information or data that materially affects the information included in the relevant market announcements, as detailed in the body of this announcement. All material assumptions and technical parameters underpinning the Mineral Resource estimates continue to apply and have not materially changed.*

### **Forward Looking Statements**

*This announcement contains certain forward looking statements. These forward-looking statements are not historical facts but rather are based on Red Mountain Mining's current expectations, estimates and projections about the industry in which Red Mountain Mining operates, and beliefs and assumptions regarding Red Mountain Mining's future performance. Words such as "anticipates", "expects", "intends", "plans", "believes", "seeks", "estimates" "potential" and similar expressions are intended to identify forward-looking statements. These statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties and other factors, some of which are beyond the control of Red Mountain Mining, are difficult to predict and could cause actual results to differ materially from those expressed or forecasted in the forward-looking statements. Red Mountain Mining cautions shareholders and prospective shareholders not to place undue reliance on these forward-looking statements, which reflect the view of Red Mountain Mining only as of the date of this presentation. The forward-looking statements made in this release relate only to events as of the date on which the statements are made. Red Mountain Mining will not undertake any obligation to release publicly any revisions or updates to these forward-looking statements to reflect events, circumstances or unanticipated events occurring after the date of this presentation except as required by law or by any appropriate regulatory authority.*