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Company Announcements Office
Australian Stock Exchange Limited
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Portman Mining to take Option over Mt Richardson Tenement

Iron Mountain Mining Ltd (ASX code: IRM) is pleased to announce that it has received and accepted a letter of offer from Portman Mining Ltd (Portman) (ASX code : PMM) covering the acquisition of IRM's Mt Richardson tenement E 29/571 and the Windarling East tenement application E 77/1267.

The companies will enter into an option agreement over the leases which provides for :

A total of \$ 10,000,000 subject to agreed milestones including an initial payment of \$ 3,000,000 on or before 1 October, subject to PMM completing due diligence.

IRM will retain a 2% royalty of the FOB price of Iron Ore products from the tenements and in addition will receive a once only payment of \$0.50 per dry tonne on tonnages in excess of 10,000,000 tonnes of independently confirmed JORC defined Indicated or Measured Resource.

Over the last year IRM has had encouraging results from work it has carried out on its Mt Richardson tenement E 29/571. This work has attracted the interest of several parties and the company received unsolicited offers from other groups.

When considering the offers it has received the company has used a conceptual target of 18 -22m tonnes of Fe at a grade of 56 – 59% as the basis for determining the value of the offer. It should be noted that this is a conceptual target only, it is not a JORC resource as it is not supported by drill results. It does however reflect IRM's evaluation of the potential of the project based on initial drilling reported earlier this year.

IRM's Windarling East tenement (E 77/1267) is included in the agreement. This tenement is still under application.

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G K Whitehouse
Managing Director

13 August 2008

The information within this report as it relates to geology and mineral resources was compiled by the Managing Director, Mr Keith Whitehouse. Mr Whitehouse is a Member of the Australasian Institute of Mining and Metallurgy and a Chartered Professional (Geology). He 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 Whitehouse consents to the inclusion in the report of the matters based on information in the form and context which it appears.

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