



ASX ANNOUNCEMENT

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SECOND HIGH GRADE GOLD SYSTEM AT BATANGAS IN PHILIPPINES DELIVERS MORE RESULTS

New assay results continue to confirm the presence of a second high grade gold system at Perth-based Red Mountain Mining Limited's (ASX: RMX) ("the Company", "Red Mountain") Lobo prospect within the Company's flagship Batangas gold project located 50 kilometres south of Manila in the Philippines.

Red Mountain announced today a second diamond drillhole intersection of **4.6m at 5.83g/t Au** from 152.8m depth downhole (est. true width 2.8m) including **2.0m at 8.89g/t Au** downhole from the West Drift epithermal lode structure within the Lobo Prospect area.

The new intersection is from Hole LB67 and is part of an initial drilling program by Red Mountain at West Drift to target high grade gold mineralization below the old Lobo copper mine and potentially convert the gold mineralisation to resource inventory.

The drilling program at West Drift has now been accelerated with the deployment of an additional diamond drill rig which arrived on site this week.

The third and fourth holes (LB68-LB69) in the program have commenced and are targeting the down plunge extent of the system below holes LB66/LB67 and LB44 respectively. (See **Figure 2**)

Red Mountain Executive Chairman, Mr Neil Warburton said:

"The result from the 2nd hole in Red Mountain's initial drilling program at Lobo is very encouraging.

"The first two holes drilled in this program confirm the interpretation of increasing gold grade with depth. With the addition of the second drill rig and deeper drilling planned below 100 vertical metres from surface, further gold intercepts are anticipated."

"Drilling will now continue unabated for the coming months as the Company continues to focus on growing its gold resource inventory at Batangas."

Full details of hole LB67 are contained in **Table 1**.

BACKGROUND - LOBO GOLD PROJECT:

Over 10 kilometres strike-length of epithermal vein-breccia structures have been mapped at Lobo (see plan below).

ASX code: RMX
ABN 40 119568106

COMPANY DIRECTORS
Neil Warburton
Executive Chairman & Acting CEO
Keith Rowe
Executive Director
Jon Dugdale
Executive Director

Michael Wolley
Non-Executive Director
Shannon Coates
Company Secretary

CONTACT DETAILS
RED MOUNTAIN MINING LTD
Head Office
Unit 1, 2 Richardson Street
West Perth Western Australia 6005
www.redmm.com.au
info@redmm.com.au

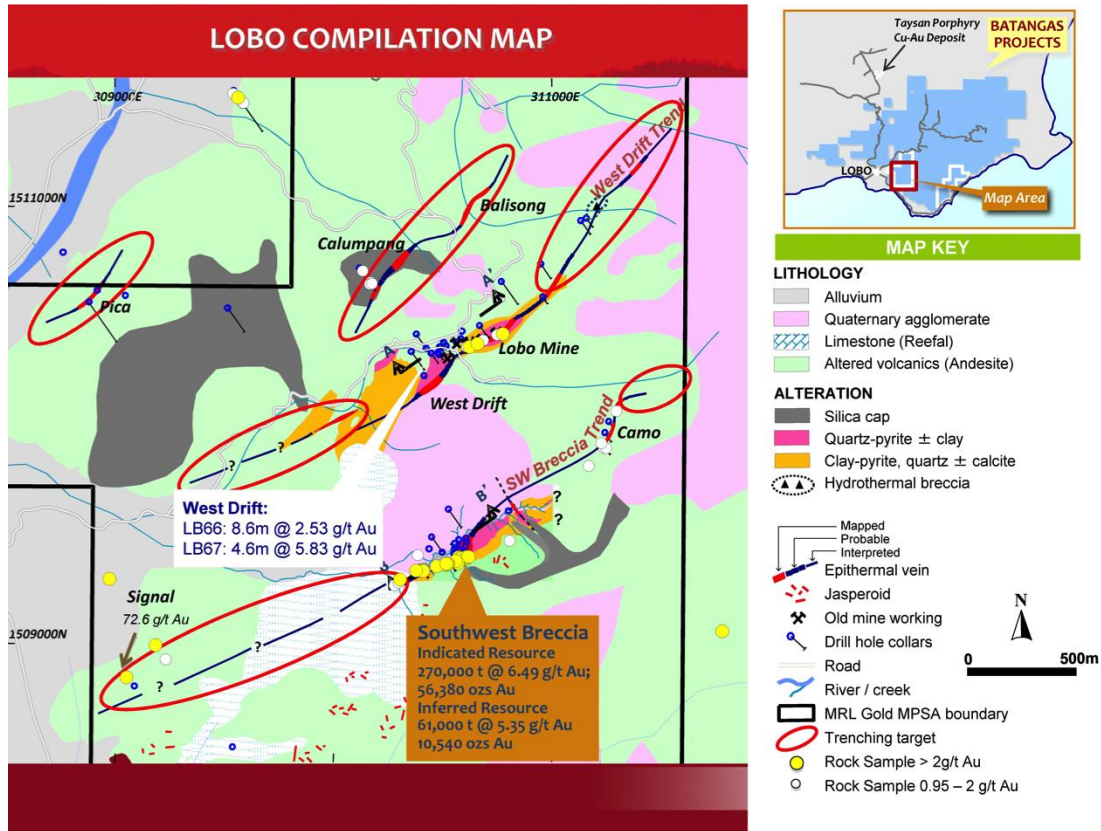
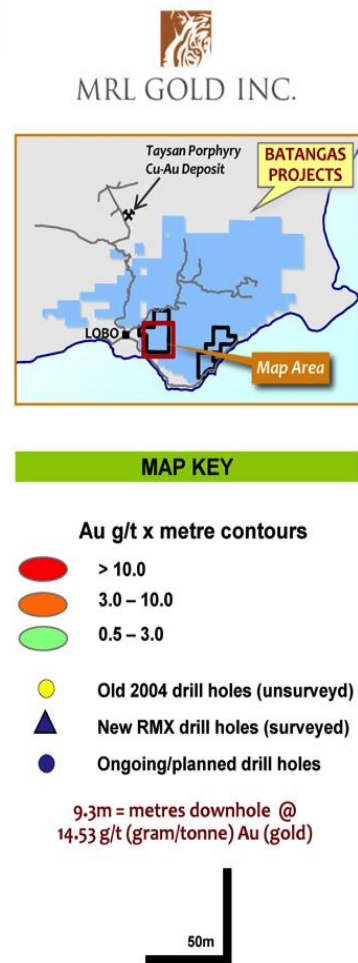
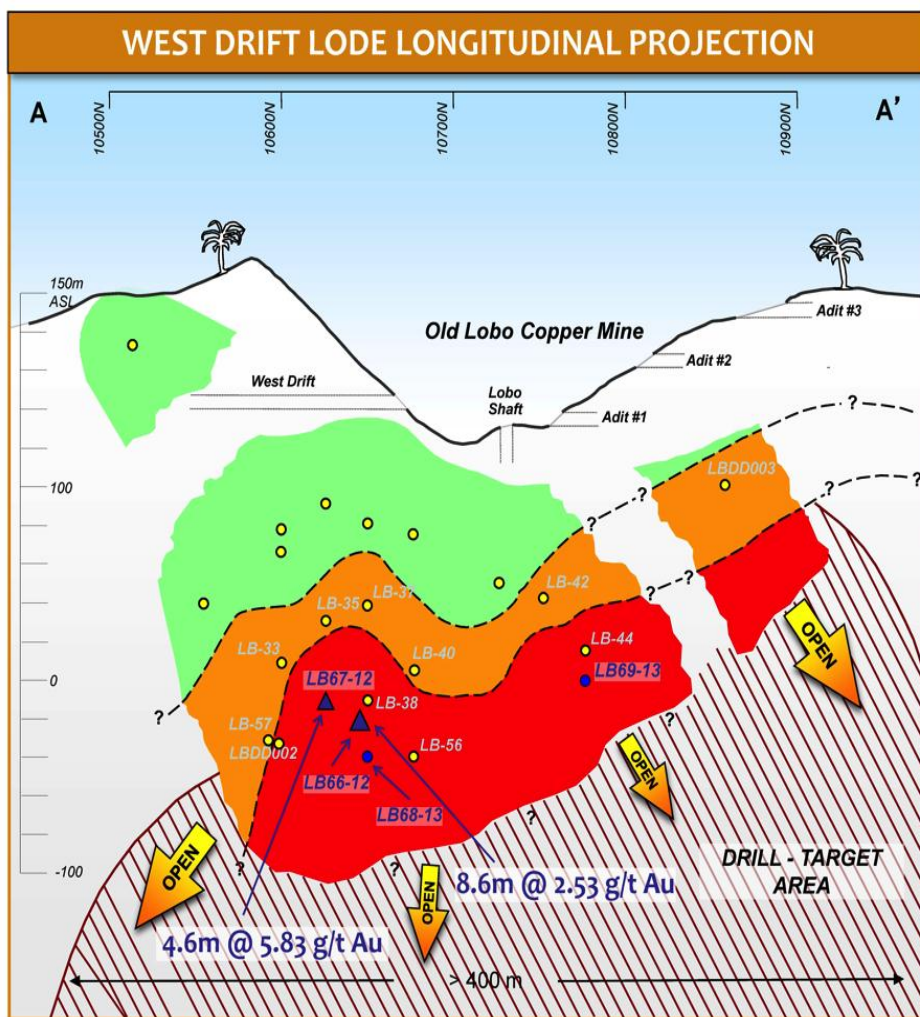


Figure1: Plan of Lobo Epithermal Gold Structures

Previous drilling has only tested approximately a 500 metre strike length of the interpreted 10 kilometres strike length of mapped and interpreted lode structures at Lobo, to shallow depth of less than 150 metres. High-grade gold shoots have been identified at South West Breccia (Indicated Resource of 270,000 tonnes @ 6.49g/t Au; 56,380ozs Au and Inferred Resource of 61,000 tonnes @ 5.35 g/t Au; 10,540 ozs Au) and now at West Drift prospect.

Drilling by previous owners at West Drift indicated a target zone of greater than 400 metres strike length, with generally increasing gold-grade with depth.

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Figure 2: West Drift Longitudinal Projection with potential extent of gold system

Table 1: Summary of results from LB 66 and LB 67 (base metal results pending):

Drill hole	Northing (Grid)	Easting (Grid)	Azimuth (Mag)	Dip	Depth m	From m	To m	DH m	Au g/t	Ag g/t	Cu %	Pb %	Zn %
LB 66	10,645	9,228	325°	-85°	219.05	109.9	111.9	2.0	2.98	21.2	0.29	0.32	0.33
Including						109.9	110.9	1.0	4.27	26.5	0.37	0.43	0.42
LB 66						136.65	145.25	8.6	2.53	4.63	0.31	<0.1	<0.1
Including						136.65	137.65	1.0	4.62	3.3	0.24	<0.1	<0.1
Including						143.5	144.35	0.85	5.59	16.5	0.15	<0.1	<0.1
LB 67	10,623	9,200	145°	-84°	196.45	152.8	157.4	4.6	5.83				
Including						153.8	155.8	2.0	8.89				
Total					415.50								

For further information about Red Mountain Mining please visit www.redmm.com.au or contact:

Company Investors

Neil Warburton
Executive Chairman
(+61) 408935014
(+61) 8 9226 5668

Media

Kevin Skinner
Field Public Relations
(+61) 414822631
(+61)8 82349555

About Red Mountain Mining Limited

Red Mountain Mining (ASX: RMX) is primarily a gold explorer and project acquisition company incorporated in Australia in May 2006 and 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 completed the acquisition of significant gold resources and copper gold tenements in the Philippines on 30 October 2012.

Other gold opportunities will be reviewed on a continuous basis following the successful completion of the Philippines acquisition.

Competent Person Statement

The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Jon Dugdale, who is a Fellow of The Australasian Institute of Mining and Metallurgy.

Jon Dugdale is Executive Director of Red Mountain Mining 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'. Jon Dugdale consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.