ASX ANNOUNCEMENT **RED MOUNTAIN MINING LTD (ASX:RMX)** **29 January 2014**

MORE EXCEPTIONAL GOLD SURFACE RESULTS FOR RED MOUNTAIN

- **New Trenching intersects 4.9m lode @ 24.9 g/t gold (Au) including 0.5m @ 136.9 g/t Au**
- **Second ongoing Trench intersects 1.75m @ 41 g/t Au including 0.5m @ 125.5 g/t Au**

Perth-based Red Mountain Mining has produced more, exceptional, gold surface results from trenching immediately to the southwest of the South West Breccia resource, at Lobo Prospect on its Batangas Gold Project in the Philippines.

The new trenching followed up previous high grade colluvium sampling 30 metres to the west of the South West Breccia resource. Trench 19 was excavated to bedrock, up slope from the high grade colluvium, intersecting a 2.6 metre, true width, lode then another vein in the footwall. The total intersection produced from Trench 19 is:

4.9m @ 24.9 g/t Au including **2.6m @ 40.0 g/t Au** and including **0.5m @ 136.9 g/t Au**

A close to in-situ boulder between Trench 19 and the South West Breccia resource was also sampled, producing an intercept of **1.75m @ 41 g/t Au** including **0.5m @ 125.5 g/t Au**. Trench 21, excavated up slope from the boulder, then intersected a 6m thick quartz-barite-sulphide lode with results to come.

This lode is interpreted to be extensions of the South West Breccia lode, 30m to the northeast. Trench 7 (2.0m @ 31.1 g/t Au/3.0m @ 22.2 g/t Au – 7 January 2014), where drilling has commenced, is 200m to the south west and Trench 13 (2.6m @ 28.6 g/t Au – 7 January 2014) is 350m to the southwest along strike.

Red Mountain's Managing Director Jon Dugdale said, **"This is yet another exceptionally high grade surface discovery by the Philippines based exploration team. Drilling has started so there is plenty more news to come as we strive to build a substantial high-grade gold resource."**

The recent trenching results are summarised in Table 1 below:

Trench	North (Grid)	East (Grid)	Dip	Az Mag	Frm m	To m	Int. m	**Au g/t**	Ag g/t	Cu %	Description
Trench 19	10105	10037	0°	145°	2.0	6.9	**4.9**	**24.9**	2.4	0.03	Qtz-Ba-S-Breccia and FW
Including					2.0	4.6	**2.6**	**40.0**	3.6	0.02	Qtz-Ba-S-Breccia Lode
Including					3.0	4.6	**1.6**	**63.4**	2.2	0.03	Qtz-Ba-S-Breccia Lode
Including					3.0	3.5	**0.5**	**136.9**	2.9	0.02	Qtz-Ba-S-Breccia Lode
Including					6.3	6.9	**0.6**	**29.0**	2.3	0.02	Footwall Vein
Trench 21	10112	10039	0°	178°	0.0	1.75	**1.75**	**41.0**	2.3	0.004	Qtz-Ba-S-Breccia/Boulder
Including					0.0	0.9	**0.9**	**76.2**	3.4	0.004	Qtz-Ba-S-Breccia/Boulder
Including					0.0	0.5	**0.5**	**125.5**	2.9	0.005	Qtz-Ba-S-Breccia/Boulder
Trench 21x	10111	10041	0°	167°	0.0	6.0	6.0	*Results to come*			Qtz-Ba-S-Breccia Lode

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Figure 1 is a photograph looking down at the steep northwesterly dipping, 2.6m thick lode (grading 40 g/t Au) exposed in Trench 19. Figures 2 and 3 show the location of Trench 19 and Trench 21, including previously announced results from within the, at least, 500m long South West Breccia Lode corridor.

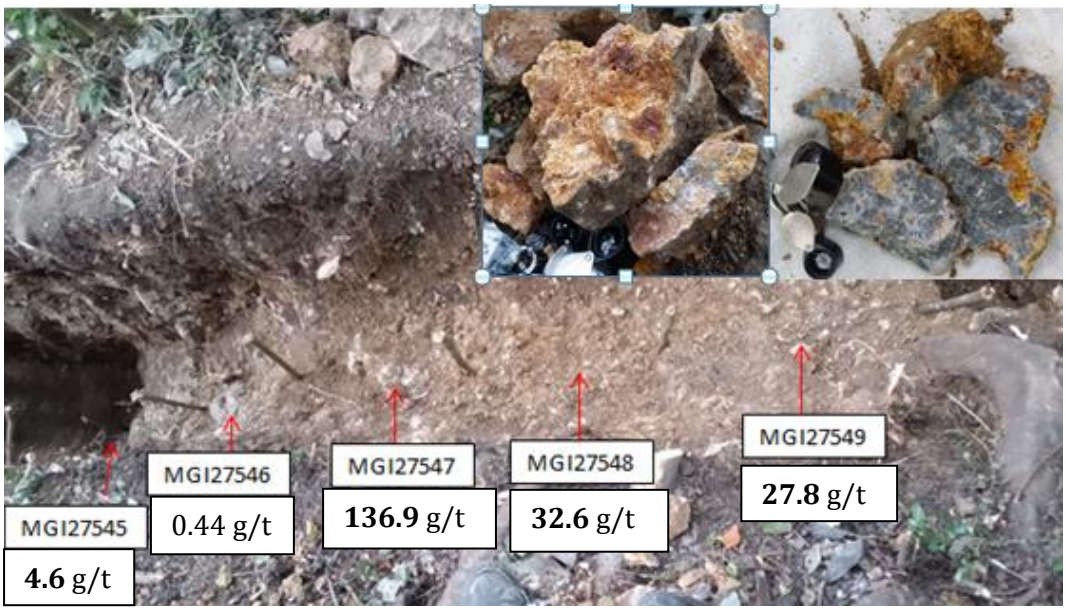

Figure 1: Trench 19, looking down on exposed lode with ~0.5m spaced sample locations and gold results

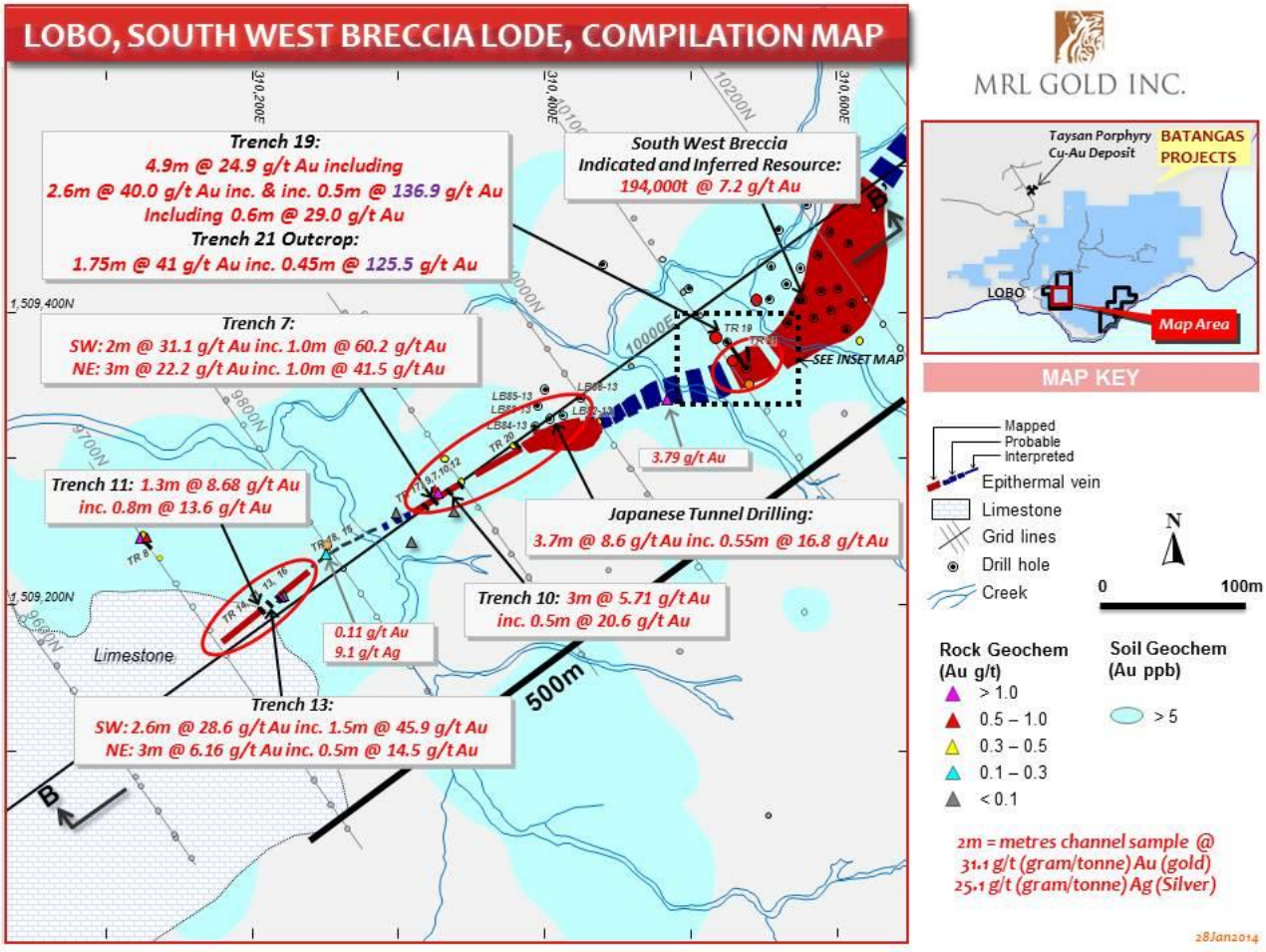

Figure 2: Plan of the South West Breccia lode structure with new high grade trenching results

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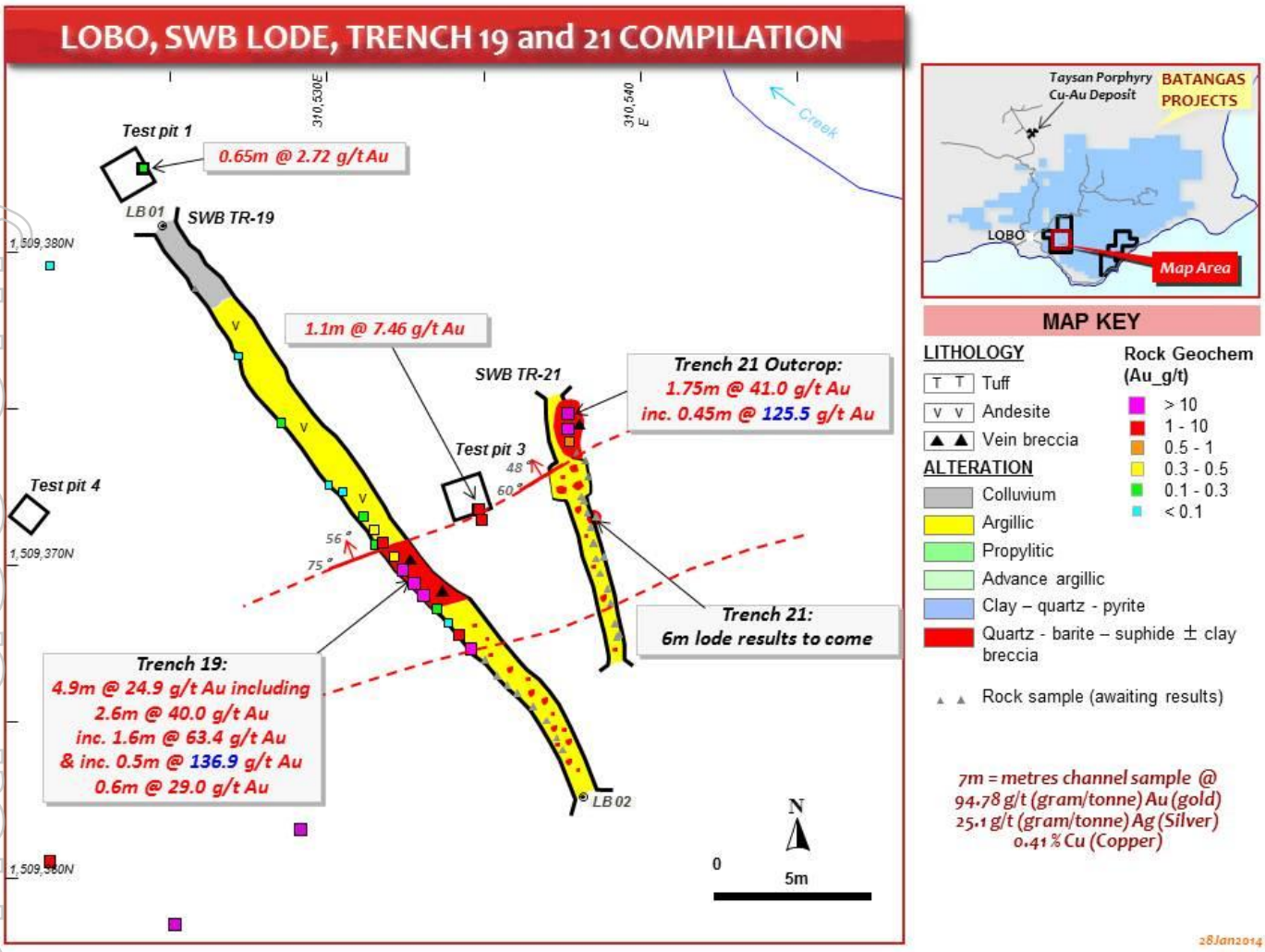

Figure 3: Trench 19 and 21 plan of trenching results

Trenching is continuing to the east of Trench 7 towards Japanese Tunnel, and northeast of South West Breccia at Acacia prospect.

Meanwhile, drilling has commenced and at the time of preparing this release extensions of the lode under Trench 7 had been intersected and were being cored.

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About the Lobo Prospect

Surface trench channel sampling and drilling conducted by Red Mountain has intersected high-grade epithermal gold mineralisation in five areas on the Lobo Mineral Production Sharing Agreement ("MPSA" – Philippines equivalent to a Mining Lease), namely South West Breccia ("SWB"), Pica, Japanese Tunnel, West Drift and Ulupong (see Figure 4 below).

Mineral Resources have been defined for the SWB shoot, totaling Indicated and Inferred 194,000t @ 7.2 g/t gold for 45,000 ounces of gold. This includes an Indicated Resource of 178,000t @ 7.4 g/t Au for 42,000 oz Au and an Inferred Resource of 16,000 t @ 5.3 g/t Au for 3,000 oz Au (30 January 2013, JORC 2004).

The Company is focussed on increasing high grade mineral resources through discovery of new, high grade, gold zones at Lobo. Drilling has commenced testing under recent, exceptionally high-grade trenching results from within the, at least, 500m long South West Breccia Lode corridor on the Lobo Prospect including Trench 7, 2m @ 31.1 g/t Au and Trench 13, 2.6m @ 28.6 g/t Au (see release 7 January 2014, Figure 4 below).

Exploration Targets have been defined for the Japanese Tunnel and Pica prospects and a continuous program of soil sampling, mapping, surface trenching and now drilling continues with the objective of defining targets for drilling to define additional high-grade Mineral Resources on the Lobo Prospect.

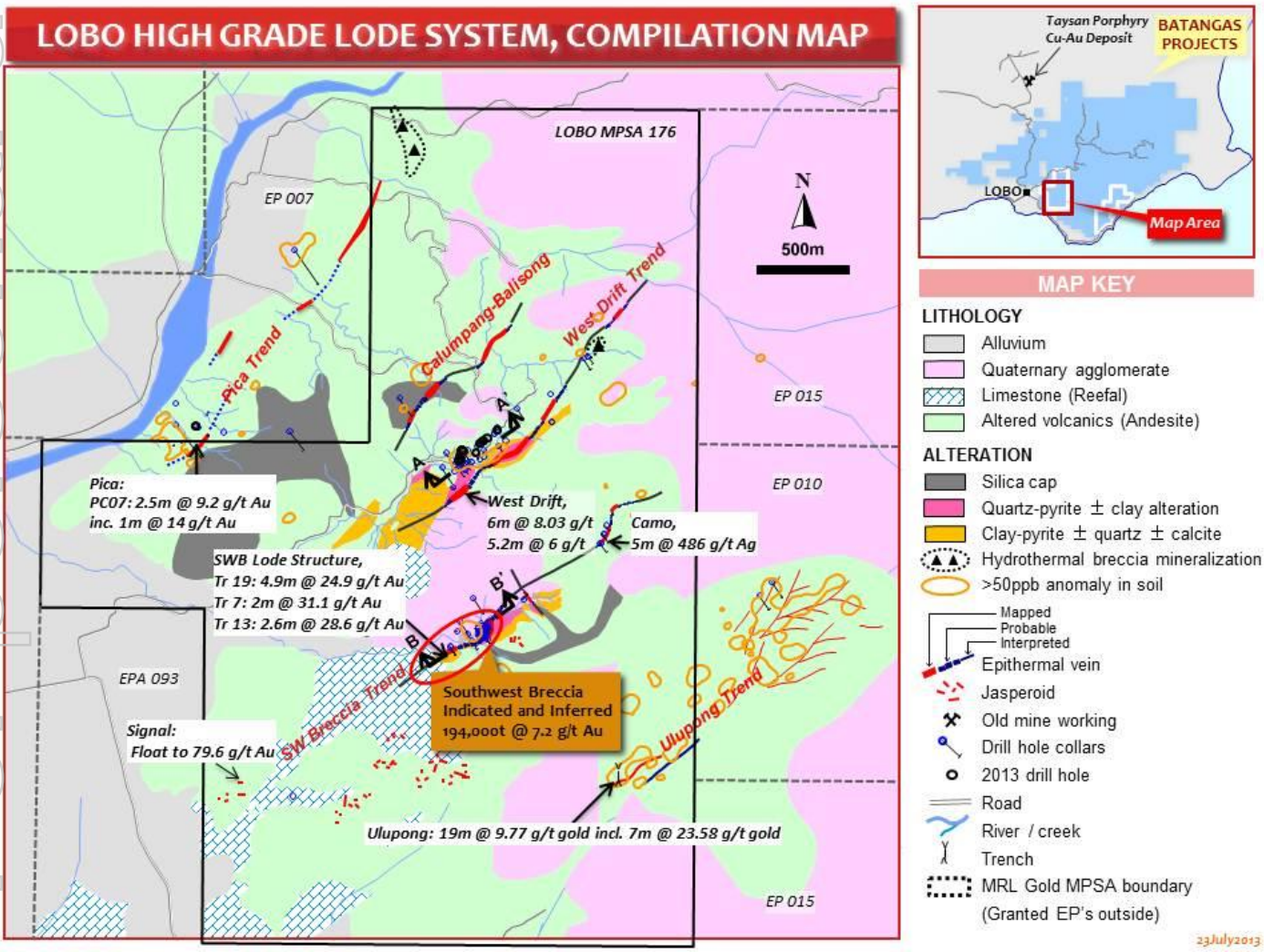

Figure 4: Plan of Lobo MPSA with epithermal lode structures and Exploration Targets

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About Red Mountain Mining Limited and the Batangas Gold Project

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 exploration and mining methods and improving efficiencies to gain significant exploration and production upside.

The Company holds a 100% direct and indirect interest in tenements in the Philippines that contain significant gold resources. 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, 200,000oz Au for a total of 5.78 million tonnes at 2.2 g/t Au, 408,000oz Au (30 January 2013, JORC 2004).

The Company will continue exploration with the objectives of upgrading Mineral Resources at Batangas and complete a scoping study to demonstrate the potential viability of a gold mining and processing project.

Other gold opportunities will be reviewed on a continuous basis.

Competent Person Statement

The information in this report relating to Exploration Results and Exploration Targets 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. 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.

The information in this report relating to Mineral Resources was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.

APPENDIX 1: SAMPLING TECHNIQUES AND DATA

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling and Assaying* • *Measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.*	• Trenches (Costeans) through colluvial cover excavated to bedrock have been sampled at the base of the trench in continuous cut channels with samples aggregated over measured 0.5m to 1.0m intervals. • Trenching samples obtained from cut channels at 0.5m to 1.0m intervals weighing less than 3kg were transported to Intertek Laboratories in Manila, the Philippines, for fire assay. • At least 2kg sample was pulverised and a 50 gram charge fire assayed with AAS finish for Gold (Au) and a range of 37 elements via Multiple determination by ICP-OES (following four acid digest (HCl/HNO3/HClO4/HF) with volumetric finish) assay including Silver (Ag), Copper (Cu), Lead (Pb) and Zinc (Zn).
Drilling techniques	• *Drill type and details*	• No new drilling reported this release.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• No new drilling reported this release.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• Logging of geology, alteration and geotechnical aspects have been recorded in Trenches to requirements for diamond core drilling. • Trenches (Costeans) have been photographed. • The entire interval trenched to bedrock has been logged.
Sub-sampling techniques and sample	• *If core, whether cut or sawn and whether quarter, half or all core taken.*	• No new drilling reported this release.

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preparation	• *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• Non core Trench (Costean) channel samples entire sample aggregated, not riffled or split. • Aggregated channel sampling along the walls of the Trench. Entire 2kg sample pulverised at Laboratory prior to fire assay. This is an appropriate sample preparation technique that minimises bias. • Channel sampling orthogonal to dip and strike of the lode provides continuous sample with even weights that maximises representivity. • Field duplicates regularly sampled. • Sample sizes at >2kg are well in excess of requirements appropriate to the grain size of gold that has been shown by mineragraphy to be generally less than 50 micron.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• Fire assay is appropriate for the nature of the gold mineralisation being assayed. • No geophysical tools used in generating exploration results. • Registered standards have been inserted every 20 samples. • Levels of accuracy and precision (detection limit) for gold is + or minus 0.005 ppm gold, which is well in excess of the precision required for the level of assays reported.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.*	• No new drilling reported this release. • No new drilling reported this release. • Primary data is received in spreadsheet form and electronically transferred to the company database and output in spreadsheet form. Data is verified and compared with standard assays using established company protocols.

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	• *Discuss any adjustment to assay data.*	• No adjustments have been made to assay data.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Trenches (Costeans) accurately surveyed using Nikon Total Station DTM-332 survey equipment. • Trench (Costean) locations surveyed in UTM WGS84 51N grid, converted to local Lobo grid. • Topographic surveys were done using the Total Station. Control stations were set by an independent surveyor (McDonald Consultant, Inc.) using 2 DGPS (one as a base station for correcting diurnal variations) and a total station for where they could not survey with GPS under thick cover. These were tied to known government control stations.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• Trenches (Costeans) excavated every 5m to 10m along the strike of identified mineralisation. Channel sampling every 0.5m to 1.0m in some cases duplicated on either wall of the 1m wide Trench. • Data spacing sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) • Sample have not been composited.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• Sampling conducted in Trenches (Costeans) established orthogonal to the interested strike and dip of the mapped mineralised structures. • No sampling bias interpreted.
Sample security	• *The measures taken to ensure sample security.*	• Samples secured by senior personnel on site and transported directly by company vehicle to Intertek Laboratories, Manila, the Philippines.
Audits/Reviews	• *The results of any audits or reviews of sampling techniques and data.*	• Internal reviews regularly completed but no external audits carried out to date.

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APPENDIX 2: REPORTING OF EXPLORATION RESULTS

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• The Batangas Gold Project comprises 2 Mineral Production Sharing Agreements (MPSA's), 8 Exploration Permits (EP's) and four Exploration Permit Applications (EPA's). • Red Mountain Mining Ltd has a 100% interest in Philippines subsidiary MRL Gold Inc. which in turn has a 100% direct and contractual right interest in the Batangas gold Project tenements. • The Lobo and Archangel MPSA's contain all identified (JORC 2004) resources. Declaration of Mining Feasibility and Environmental Compliance Certificate will be required to be approved by the Philippines Mines and Geosciences Bureau of the Department of Energy and Natural Resources of the Philippines Government before the company has a licence to operate.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Previous exploration was conducted by Mindoro Resources Ltd including extensive drilling, surface geochemistry, geophysics, mapping and mineral resource estimation to JORC 2004 and NI 43-101 standards.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The gold mineralisation that is the target of the exploration program is porphyry related epithermal gold mineralization hosted by intermediate to felsic volcanic rocks and intrusions. • Two styles of intermediate sulphidation epithermal gold mineralisation identified – i) andesite hosted stockwork mineralisation at e.g. Archangel MPSA and Quartz-Barite-Sulphide vein/lode style mineralization at e.g. the Lobo MPSA.

Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:*
	  ○ *easting and northing of the drill hole collar*
	  ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*
		• See Table 1, Trenching (Costean) locations, RL, dip and azimuth, length.
		• Trenching (Costean) data only, no new drilling information reported in this release.

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Criteria	JORC Code explanation	Commentary
	○ *dip and azimuth of the hole* ○ *down hole length and interception depth* ○ *hole length.*	
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.*	• Exploration results from Trench (Costean) sampling have been weighted by interval. • No high-grade cuts have been applied as maximum grade (60.2 g/t Au) is approximately less than five times the mean grade. • Lower cut-off grade of 1 g/t Au has been applied.
	• *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.*	• Aggregate Trenching intercepts do not incorporate longer lengths of low grade results.
	• *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• No metal equivalent reported.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• Trenches (Costeans) have been excavated and sampled as close to orthogonal to the strike and dip of the lode structures as possible and, as such, the intersection lengths are a close approximation of true width.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• See Figures 1 to 4 and Table 1.
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative*	• All Trench exploration results reported

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	reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• Mineragraphy on Trench 7 samples indicates that gold is "free" or associated with sulphide minerals indicating that there is no significant supergene enrichment • Metallurgical leaching results (release, 24/01/2014) for drillcore from both South West Breccia resources on the Lobo Prospect and the oxide and transitional oxide resources at Kay Tanda on the Archangel Prospect, indicate that a fine grind of the resource material to 37 micron and 75 micron respectively exhibit high total gold recoveries of up to 97% (48 hours leaching).
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Further Trenching then drilling required to define mineral resources. • See Figures 1 to 4

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