

18 November 2010

Company Announcements Office
ASX Limited
Level 4, 20 Bridge Street
SYDNEY NSW 2000

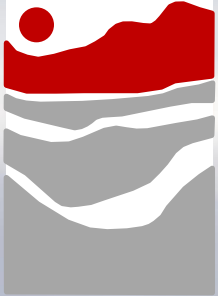
Dear Sir / Madam

Presentation to Annual General Meeting

Attached is a copy of the presentation made at the Red Hill Iron Limited Annual General Meeting today.

Yours faithfully

Peter Rutledge
Secretary



RED HILL IRON LIMITED

ABN: 44 114 553 392

AGM PRESENTATION Nov 2010





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IRON LIMITED



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IRON LIMITED

THE PRESENTATION



- ⚙ THE COMPANY
 - Structure, Performance, Project Location
- ⚙ THE JOINT VENTURES
 - Structure
- ⚙ MINERAL RESOURCES
- ⚙ FEASIBILITY STUDY RESULTS
 - Summary, Project Costs
- ⚙ ASSETS
 - Inside the JV, Outside the JV
- ⚙ REGIONAL PLAY
- ⚙ THE IRON ORE MARKET
 - Supply and demand
- ⚙ THE WAY FORWARD

ASX: RHI

THE COMPANY Structure

Red Hill Iron

Listed Ordinary shares on issue:	43,915,686	
ASX Code:	RHI	
Options:	Nil	
Share Price	15-Nov-10	3.10
Cash on hand	\$4m	
Mkt Cap	\$136m	

Directors / Senior Management

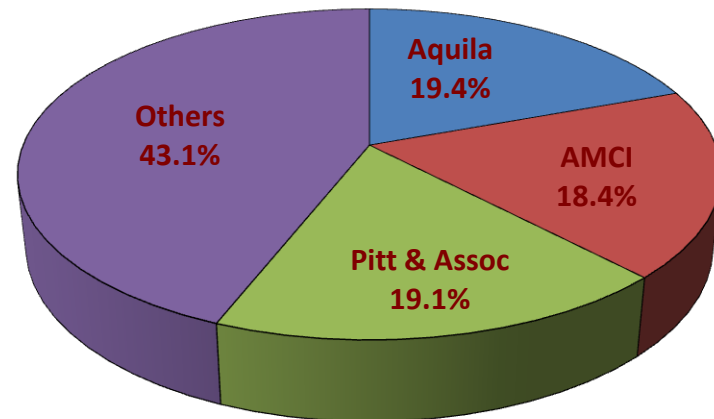
Neil Tomkinson (Non Exec. Chairman)
Joshua Pitt (Non Exec. Director)
Garry Strong (Non Exec. Director)
Peter Rutledge (Secretary)
Doug Stewart (Project Manager)
Timothy Boddington (General Manager)

<http://www.redhilliron.com.au/>

Substantial Shareholders

AQA	8,532,731
AMCI	8,082,422
Pitt & Assoc	8,375,464

Substantial Shareholders



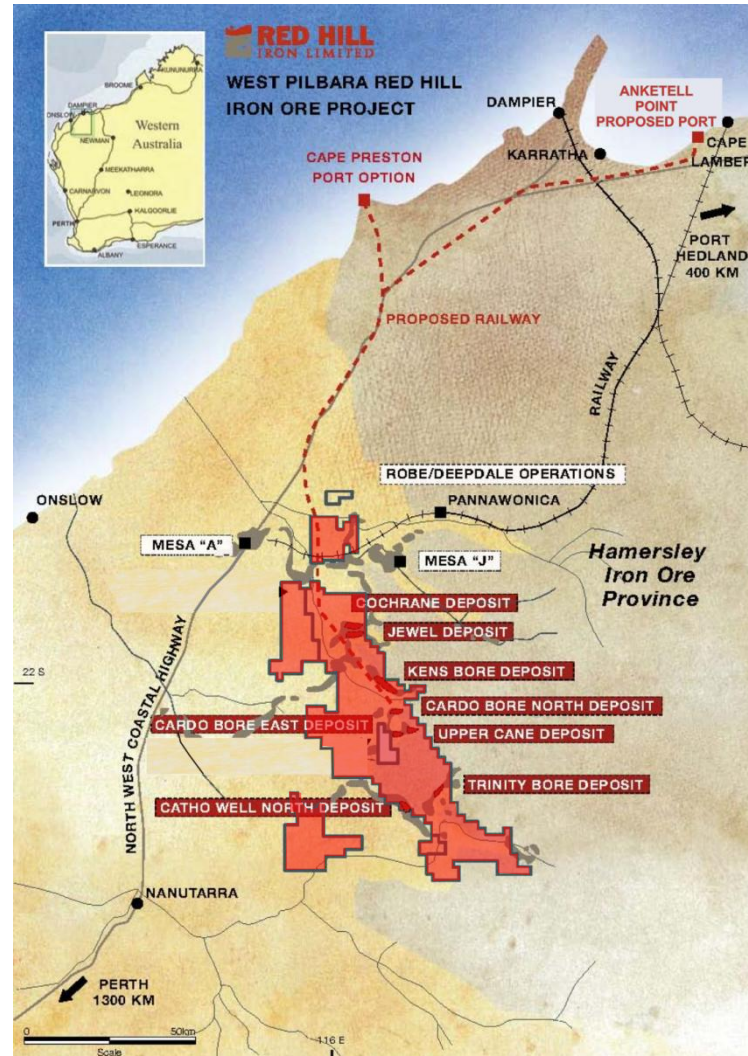


ASX: RHI

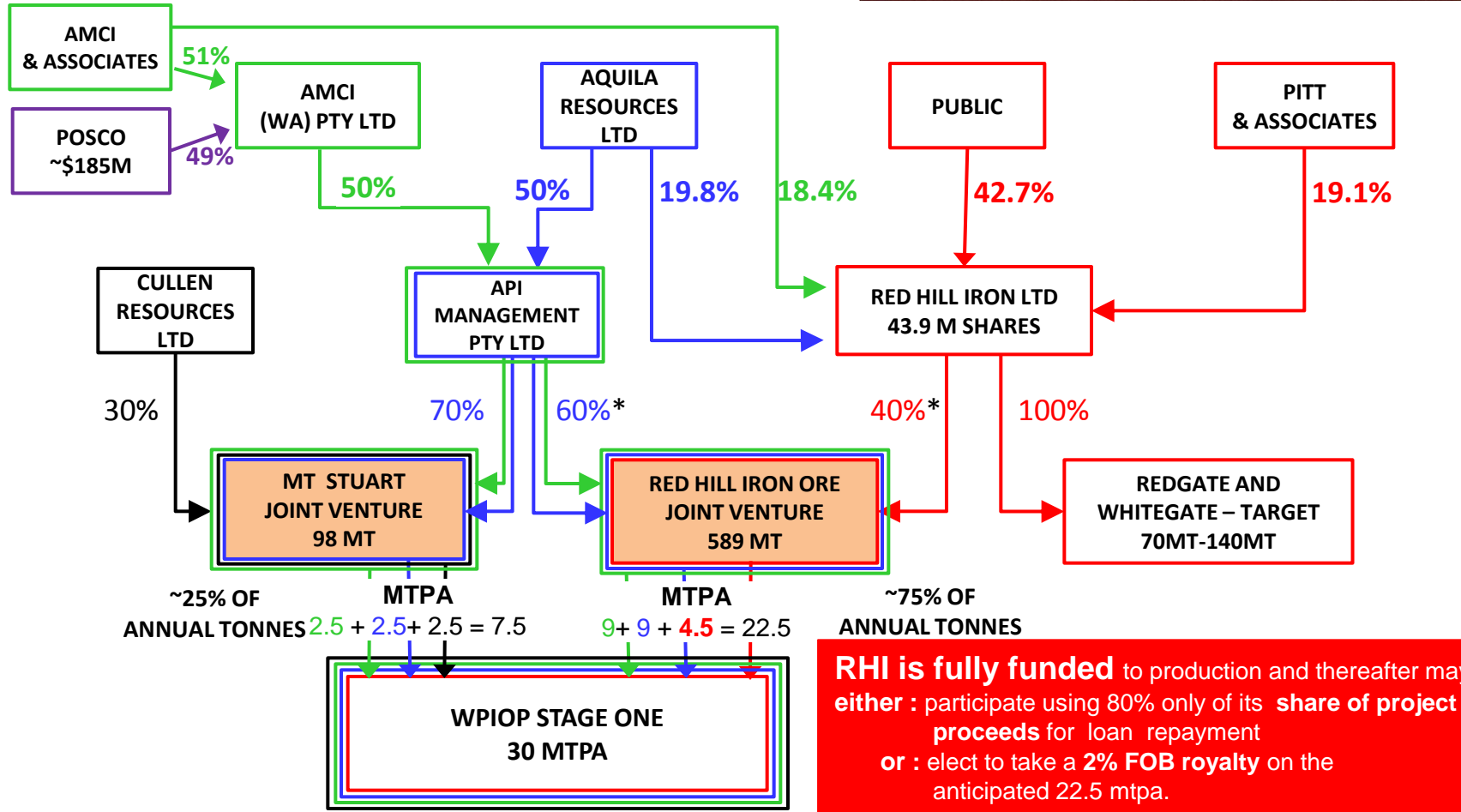


THE COMPANY

Location



RHIOJV and WPIOP STAGE ONE



RHI is fully funded to production and thereafter may either : participate using 80% only of its **share of project proceeds** for loan repayment or : elect to take a **2% FOB royalty** on the anticipated 22.5 mtpa.

*API Management's interest in the RHIOJV will increase from 60% to 80% with Red Hill Iron Limited's project interest reducing from 40% to 20% at the date on which iron ore is first delivered to a customer under a Contract of Sale.

On 1 November 2010 Aquila Resources Limited announced a significant increase in the JORC Mineral Resource estimate for the West Pilbara Iron Ore Project (WPIOP) Stage 1 which is managed by API Management Pty Ltd (API).

The two major components of the increase are 117 million tonnes at the Kens Bore East* channel iron deposit and 34 million tonnes at Kens Bore itself. The new estimate lifts Stage 1 resources by 40% to 687 million tonnes.



WPIOP Stage 1								
JV	Classification	Mt	Fe%	SiO ₂ %	Al ₂ O ₃ %	P%	S%	LOI%
RHIOJV*	Measured	207	57.8	5.28	3.55	0.08	0.017	7.93
	Indicated	319	55.8	6.08	3.79	0.09	0.034	8.53
	Inferred	63	55.7	6.61	4.18	0.09	0.036	9.00
	Sub Tot	589	56.8	5.90	3.76	0.07	0.020	8.43
Mt Stuart	Measured	2	55.1	6.61	3.64	0.04	0.020	9.99
	Indicated	73	55.1	6.91	3.16	0.04	0.016	10.26
	Inferred	23	54.6	7.53	3.10	0.04	0.015	10.40
	Sub Tot	98	55.0	7.05	3.15	0.04	0.016	10.29
Total WPIOP Stage 1	Measured	209	57.8	5.29	3.56	0.08	0.013	7.95
	Indicated	392	56.2	6.30	3.69	0.07	0.018	8.94
	Inferred	86	55.4	6.85	3.86	0.06	0.019	9.38
	Total	687	56.6	6.06	3.67	0.07	0.017	8.69
Previous		501	56.4	6.20	3.6	0.07	0.017	8.82

Source: AQA 01 Nov 2010, RHI

It is Red Hill Iron Limited's contention that 589 million tonnes of the expanded Stage 1 JORC Mineral Resource estimate, representing 86% of total Stage 1 resources, are owned by the Red Hill Iron Ore Joint Venture (RHIOJV). The balance of the Stage 1 resources lies within the contiguous Mt Stuart Joint Venture in which Red Hill Iron Limited has no interest.

WPIOP Mineral Resources ¹ - STAGE ONE			
	Mt Stuart JV	RHIOJV*	WPIOP
RHI		118Mt	118Mt
AQA	34Mt	236Mt	270Mt
AMCI	34Mt	236Mt	270Mt
CUL	29Mt	0Mt	29Mt
Total	98Mt	589Mt	687Mt

¹ Measured + Indicated + Inferred

* In Dispute

A rectangular graphic with a red border. The top half contains the text 'FEASIBILITY STUDY' in large, bold, red, serif capital letters. Below it, the word 'Summary' is written in a smaller, red, serif font. The bottom half of the graphic shows a photograph of a reddish-brown, rocky hillside with sparse green vegetation under a clear sky.

FEASIBILITY STUDY Summary

WPIOP FS Presented 5th July 2010

Summary of the study highlights announced by Aquila

- ⊗ The 30Mtpa Project is technically and financially viable
- ⊗ NPV of **\$2.2 billion** and IRR of **16.4%**
- ⊗ Capital expenditure **\$5.77 billion** including EPCM and contingency
- ⊗ Operating costs of **\$19.48 per tonne FOB** excluding royalties
- ⊗ Average annual EBITDA of \$1.8 billion using iron ore prices and exchange rates as forecast by ©Metalytics
- ⊗ 282 kms of new rail and a new deep water port facility at Anketell Point granted Major Project Facilitation Status, port development approved as a Multi-User Facility
- ⊗ Development decision scheduled for the Sept Quarter 2010*
- ⊗ Construction could commence in the March Quarter 2012 with **first shipments early in Calendar 2014** subject to statutory approvals and funding,

*RHI anticipates a revision to these dates – to circa end calendar year



FEASIBILITY STUDY Project Costs

WPIOP Capital Expenditure

Area	Capital Cost (\$millions)
Mine, Processing and Infrastructure	1,863
Railway and Rolling Stock	1,695
Port Materials Handling, Jetty & Wharf, Dredging and Infrastructure	1,368
Total Direct Costs	4,926
EPCM	319
Contingency	529
Total Costs	5,774

*Administration costs apportioned

WPIOP Operating Costs

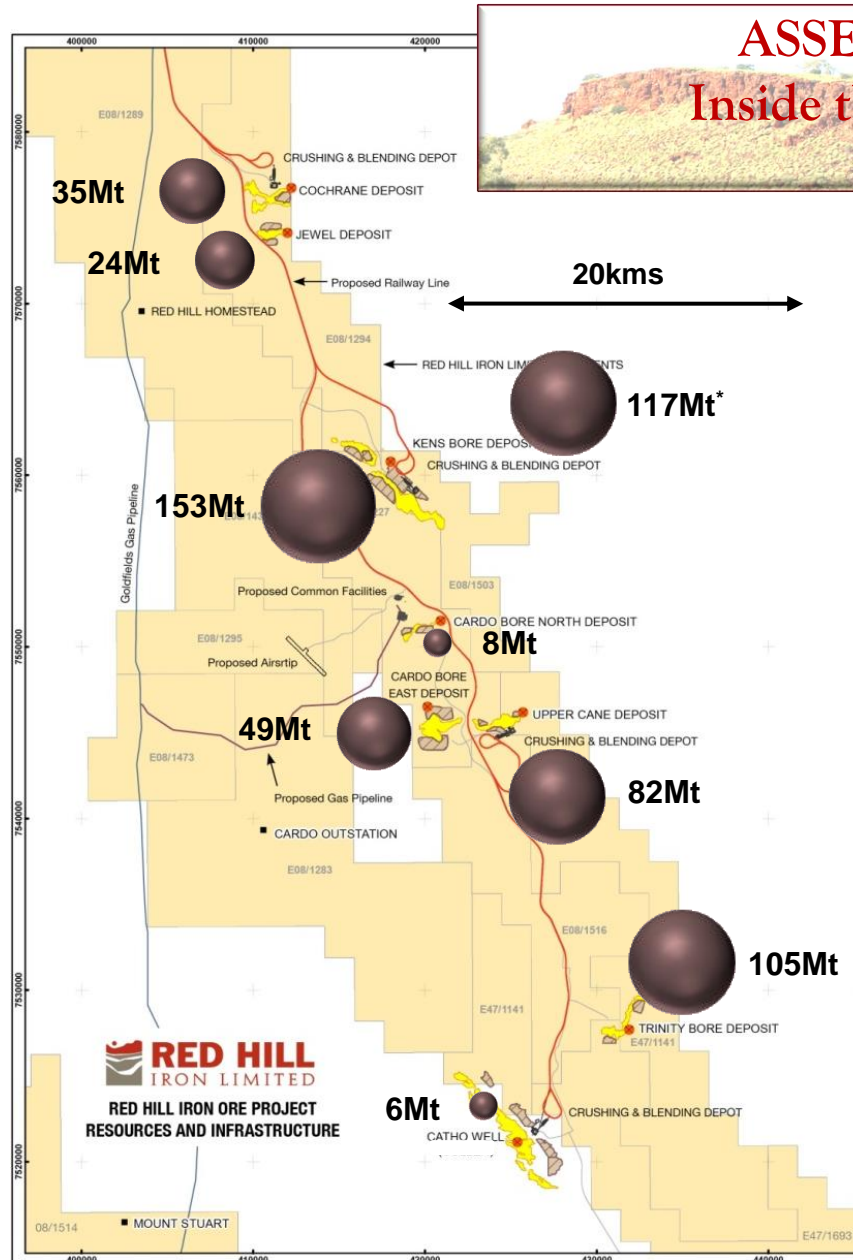
Area	Opex (\$/t)*
Mining	10.32
Processing	2.25
Rail Operations	3.34
Port Operations	3.57
Total	19.48

*Administration costs apportioned

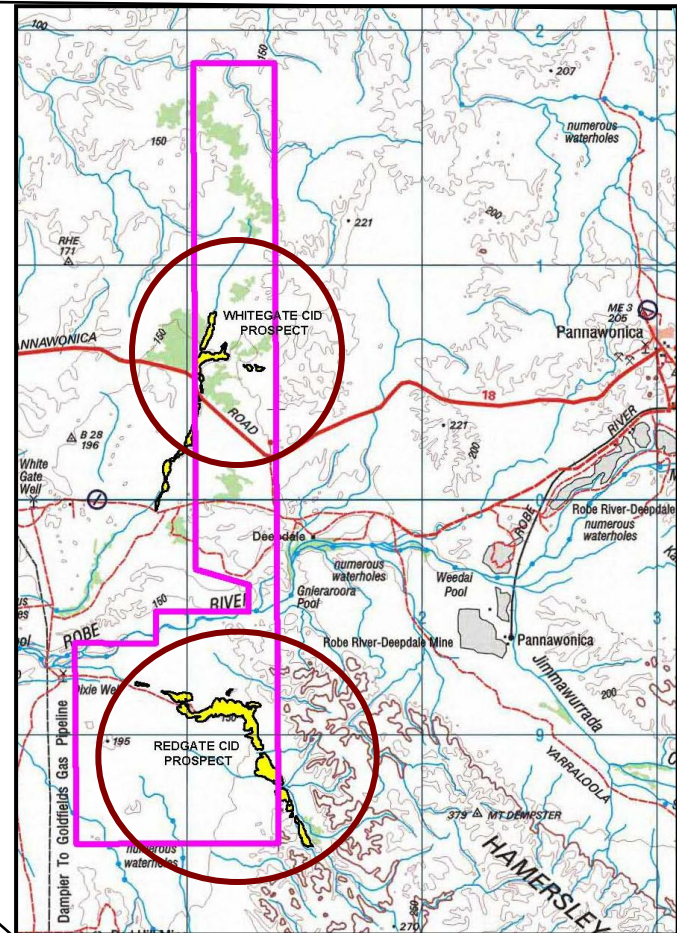
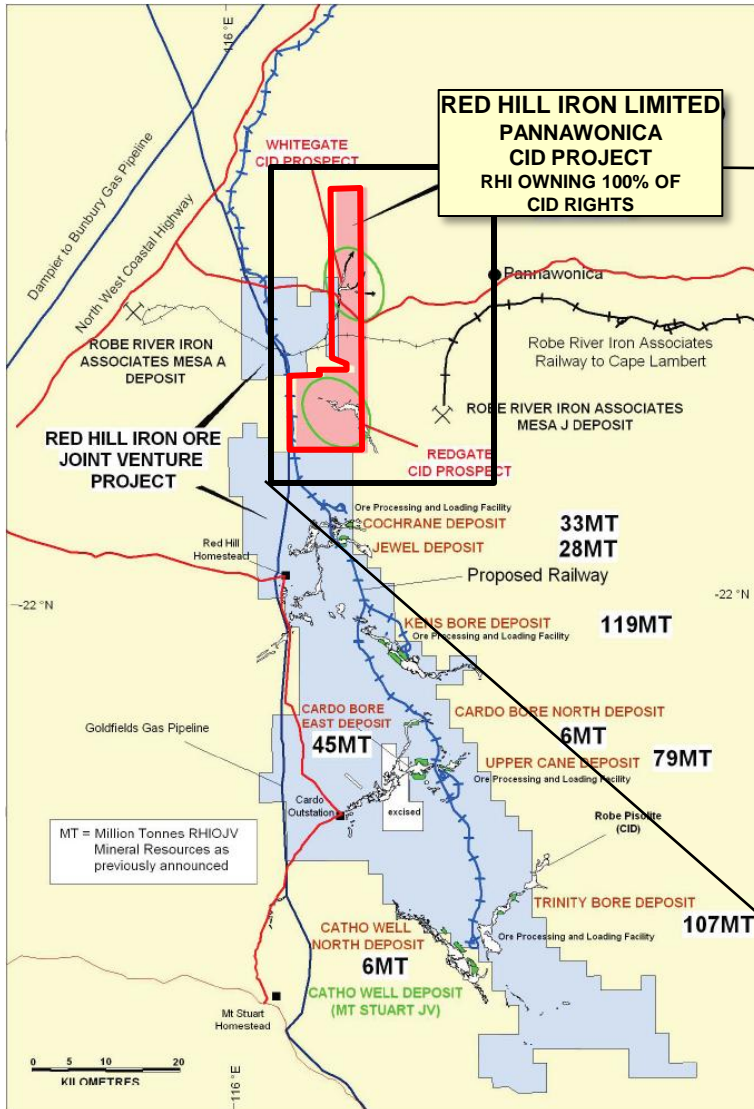
On 28th July Aquila made amendments to their 5th July announcement and recommended that pending a new release with an updated mine schedule and maiden Reserve Statement, no investment decision should be made based on the NPV, the IRR and EBITDA which were referred to in that announcement.

RHIOJV Mineral Resources ¹	
Deposit	Mt
Cardo Bore East	49
Cardo Bore North	8
Catho Well North	6
Cochrane	45
Jewel	24
Ken's Bore	153
Ken's Bore East*	117
Trinity Bore	105
Upper Cane	82
Total	589

¹ Measured + Indicated + Inferred
 * In Dispute



ASSETS Outside the JV

PANNAWONICA PROJECT Planned Drill Hole Locations

Phase 1 : RC drilling

To outline the CID mesas and surrounding aprons. COMPLETE – 137Mt at 52% Fe

Phase 2: Metallurgy

Test beneficiation by dry screening. UNDERWAY – CORE COLLECTED

Phase 3 : RC drilling

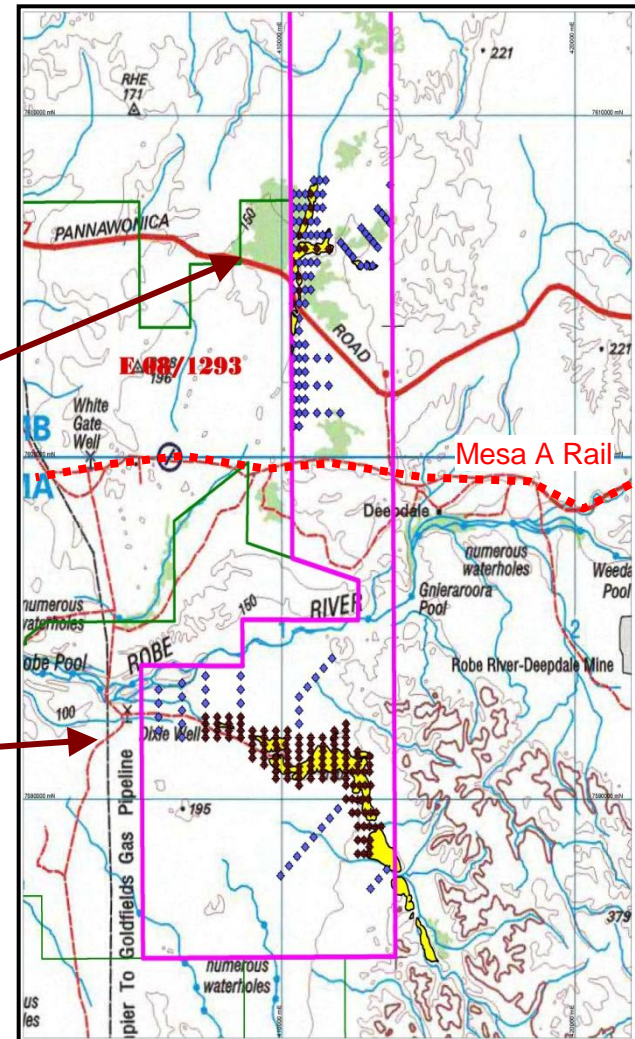
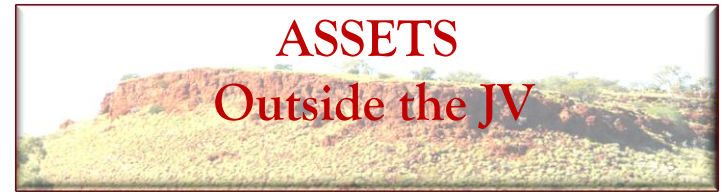
100 x 200 metre infill RC drilling and drilling to test for possible blind CIDs. CONTINGENT ON PHASE 2

WHITEGATE PROSPECT


The CID mesas occur over a strike length of 5.5 kilometres, and widths of up to 0.35 kilometres.

REDGATE PROSPECT

The CID mesas occur over a strike length of 8.5 kilometres, and widths of up to 0.75 kilometres.



ASSETS Outside the JV



PANNAWONICA PROJECT INFERRED MINERAL RESOURCES

WHITEGATE

Cut-off Fe%	MTonnes	Fe%	Al ₂ O ₃ %	P%	SiO ₂ %
48	23	52.3	4.6	0.06	10.2
50	21	52.8	4.6	0.06	9.6
52	13	53.8	4.3	0.07	9.0

REDGATE

Cut-off Fe%	Tonnes	Fe%	Al ₂ O ₃ %	P%	SiO ₂ %
48	114	51.6	5.7	0.04	10.2
50	85	53.2	5.2	0.05	9.4
52	58	54.2	4.9	0.05	8.4

TOTAL

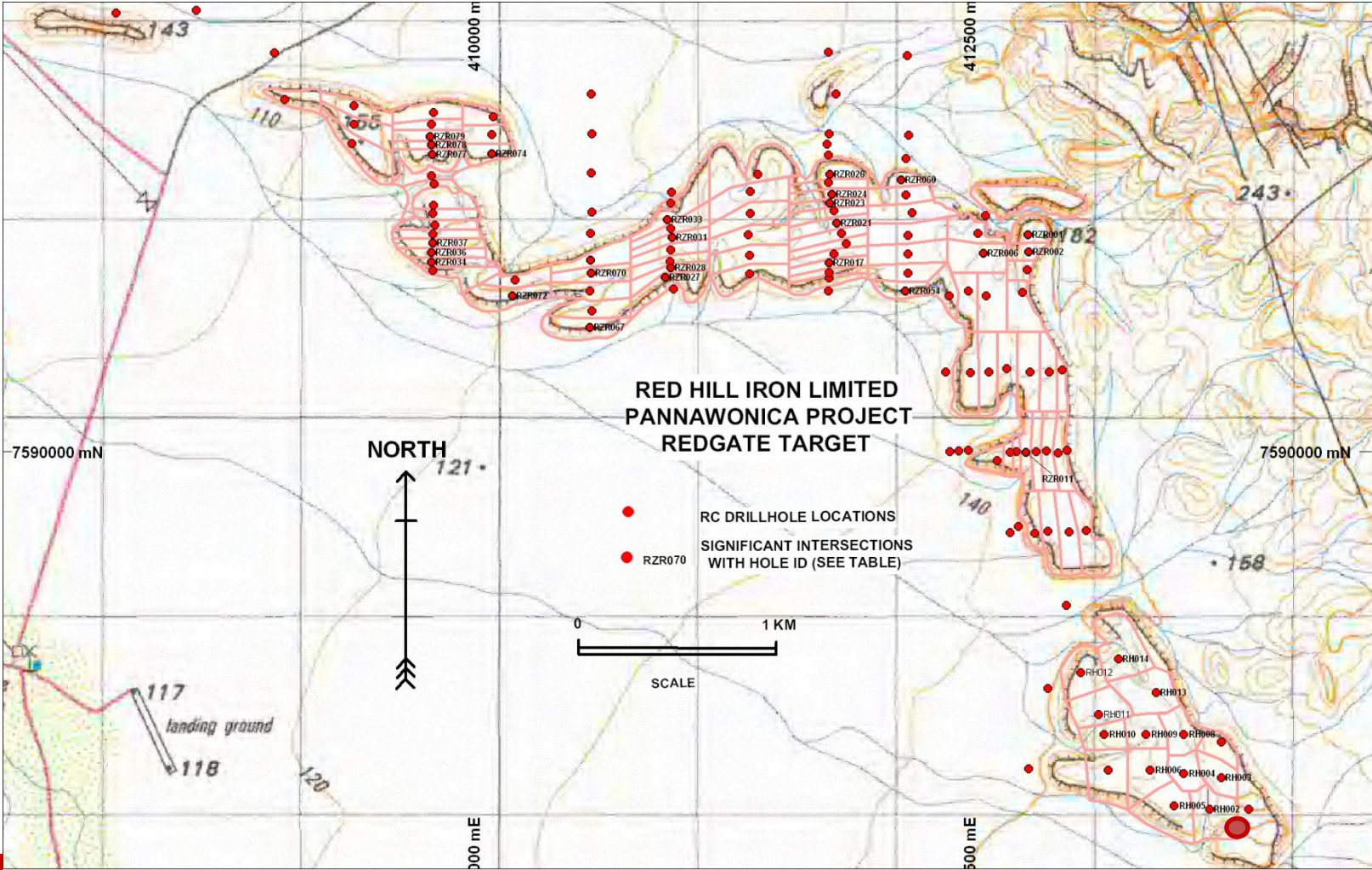
Cut-off Fe%	Tonnes	Fe%	Al ₂ O ₃ %	P%	SiO ₂ %
48	137	51.7	5.5	0.04	10.2
50	106	53.1	5.1	0.05	9.4
52	71	54.1	4.8	0.05	8.5

Source: RHI 29 Oct 2010



ASSETS

Redgate Drilling

METALLURGICAL DRILLING



First Hole Redgate

METALLURGICAL DRILLING



Second hole – Extent of Mesa shown

METALLURGICAL DRILLING



South Mesa access

METALLURGICAL DRILLING

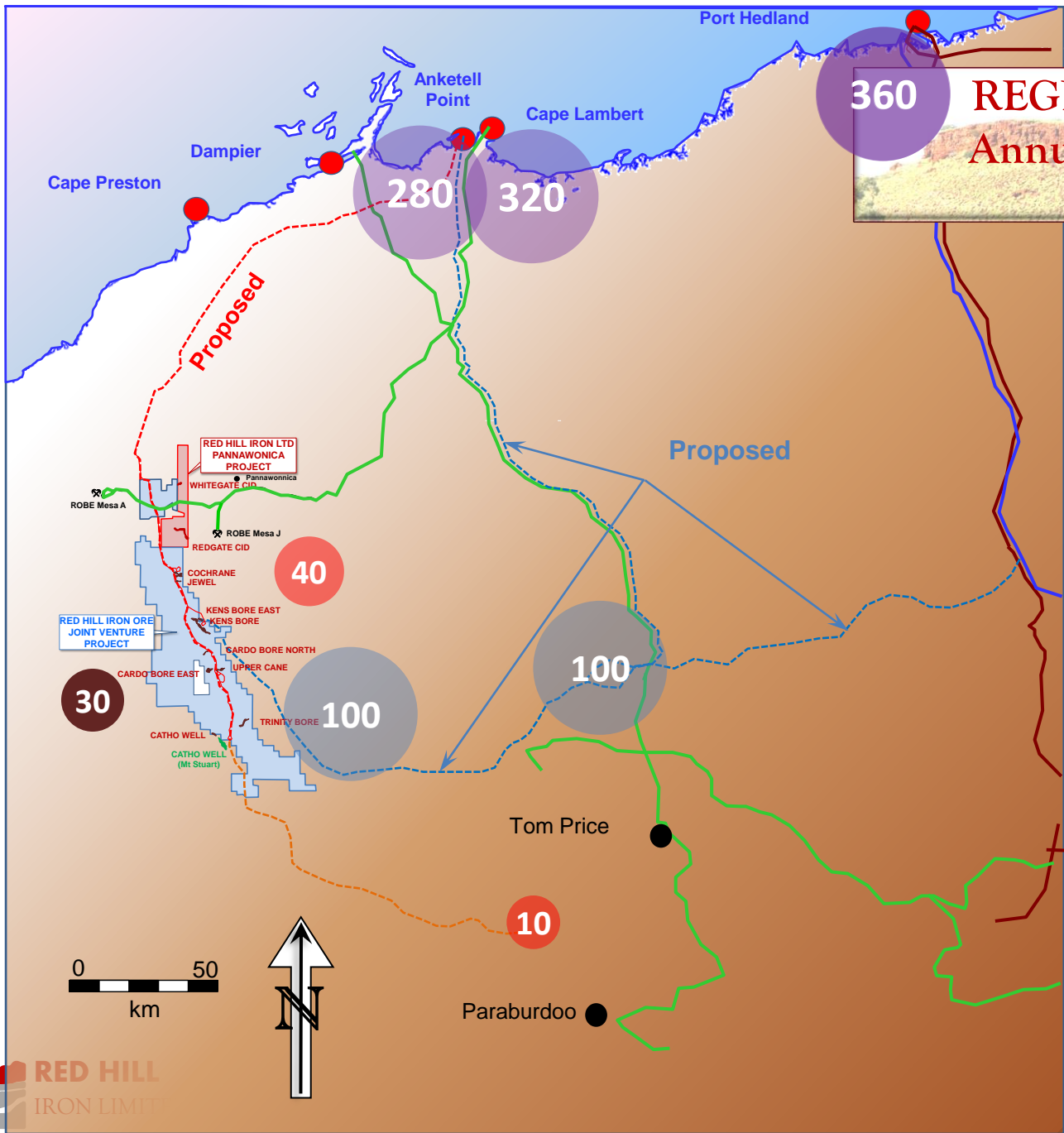


PQ Core – Hematitic CID

METALLURGICAL DRILLING



Core Trays



360 REGIONAL PLAY Annual Production



Annual Production Expectation

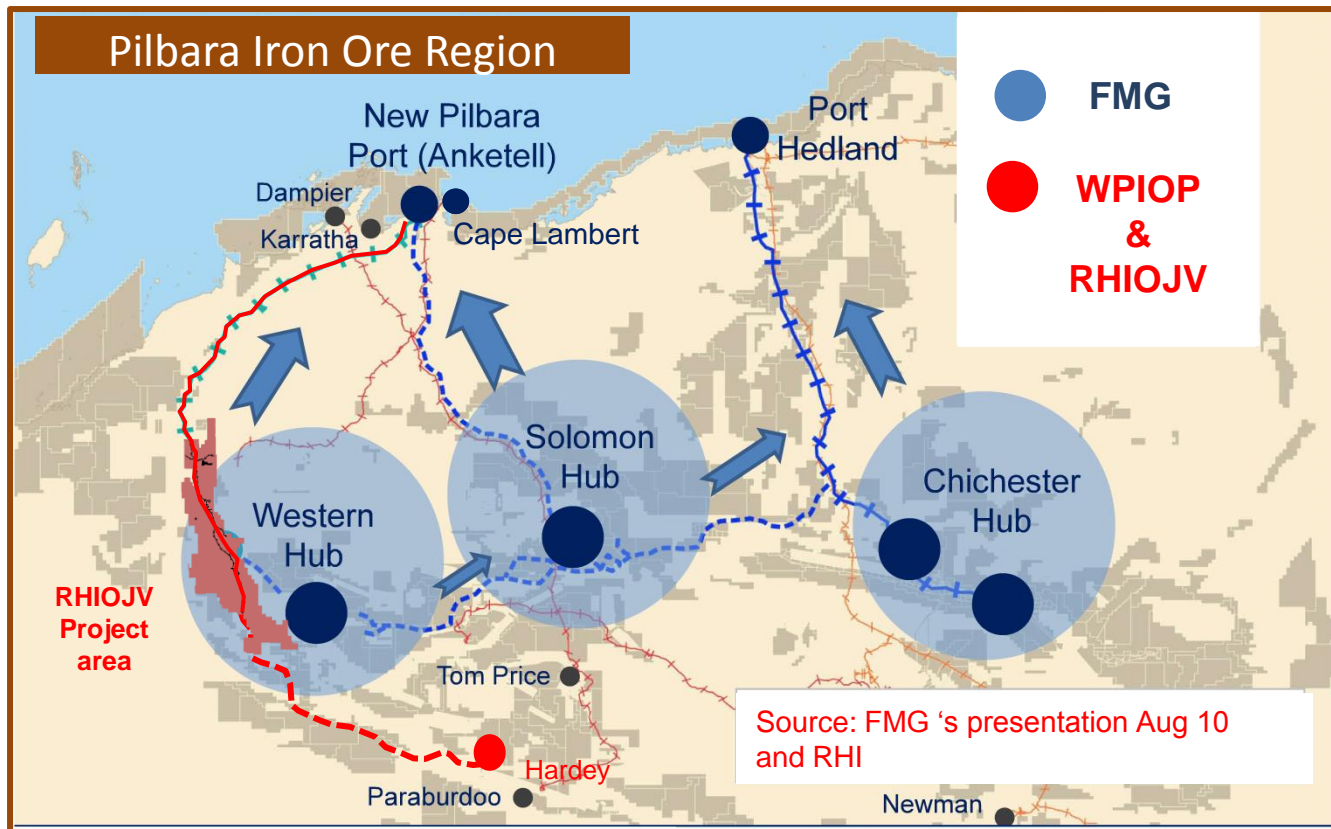
- 30** RHIOJV & Mt Stuart
- 100** FMG
- 40** OTHER

Source: RHI, FMG

REGIONAL PLAY

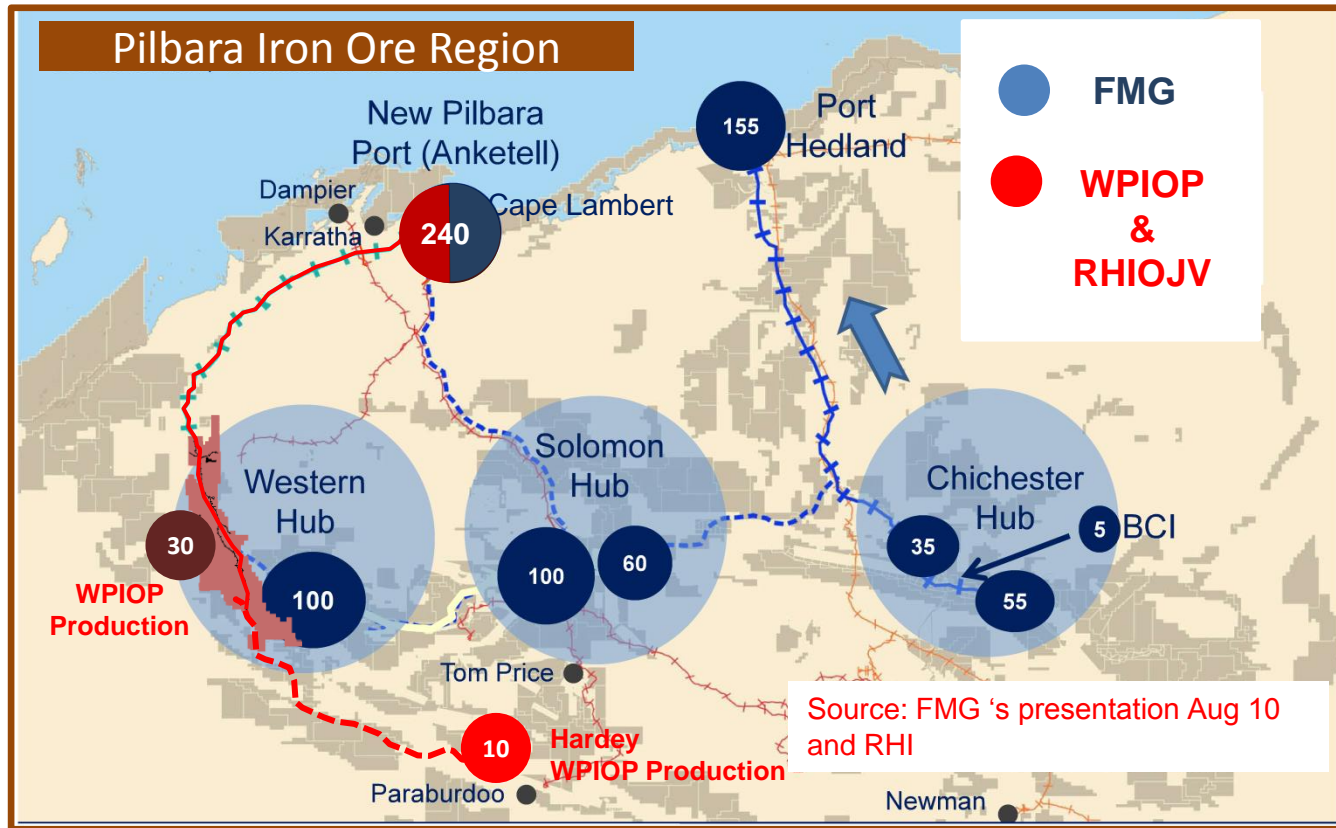


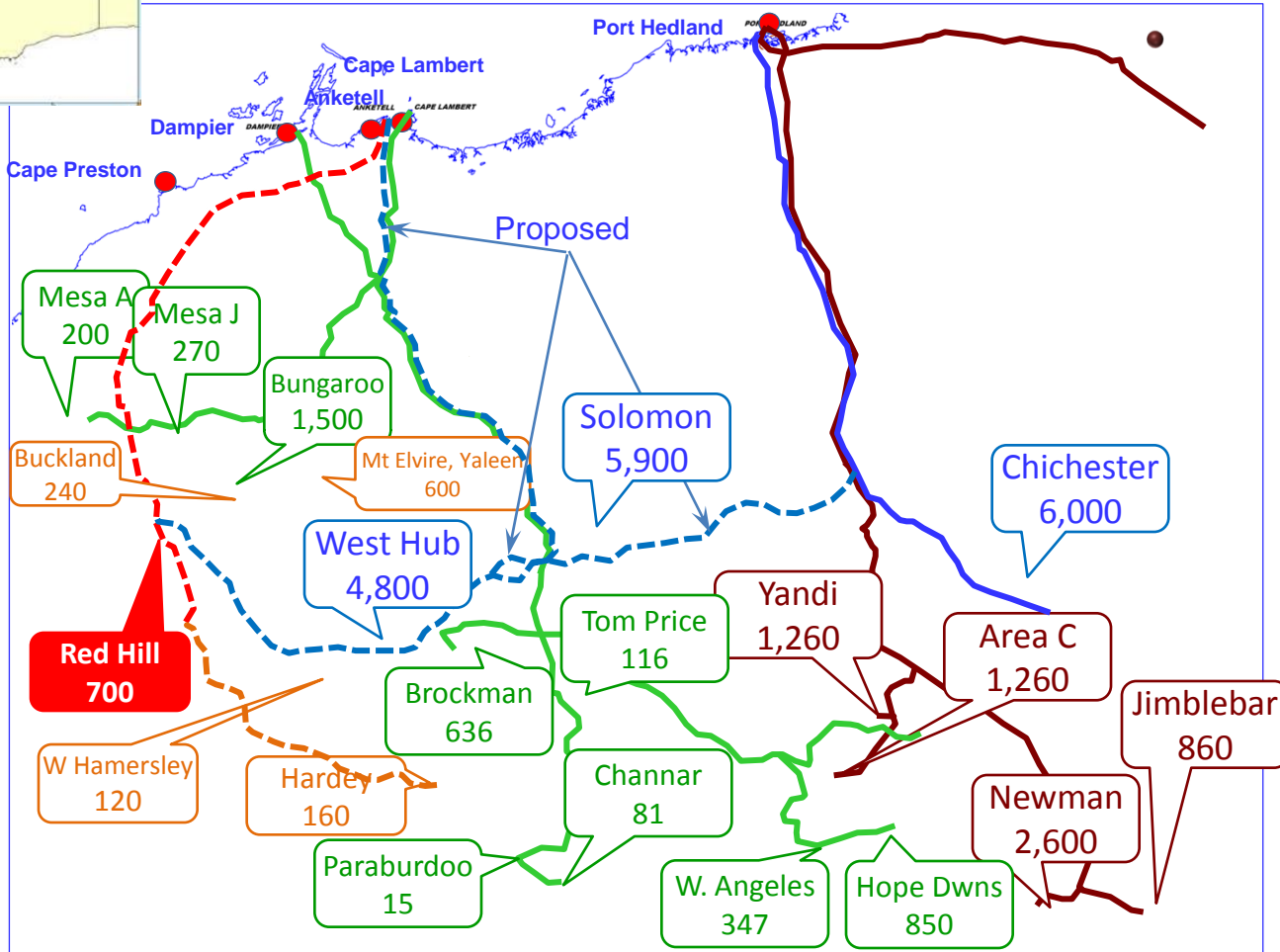
On the 10th August Fortescue Metals Group Ltd (FMG) gave a presentation of it's conceptual view of the future for its Pilbara iron ore assets including the development of Anketell port. The following two slides overlay the infrastructure relevant to the RHIOJV.



REGIONAL PLAY

If both the FMG and WPIOP present development concepts come to fruition then Anketell Point and the West Pilbara will be established as a major Australian Iron Ore Province.

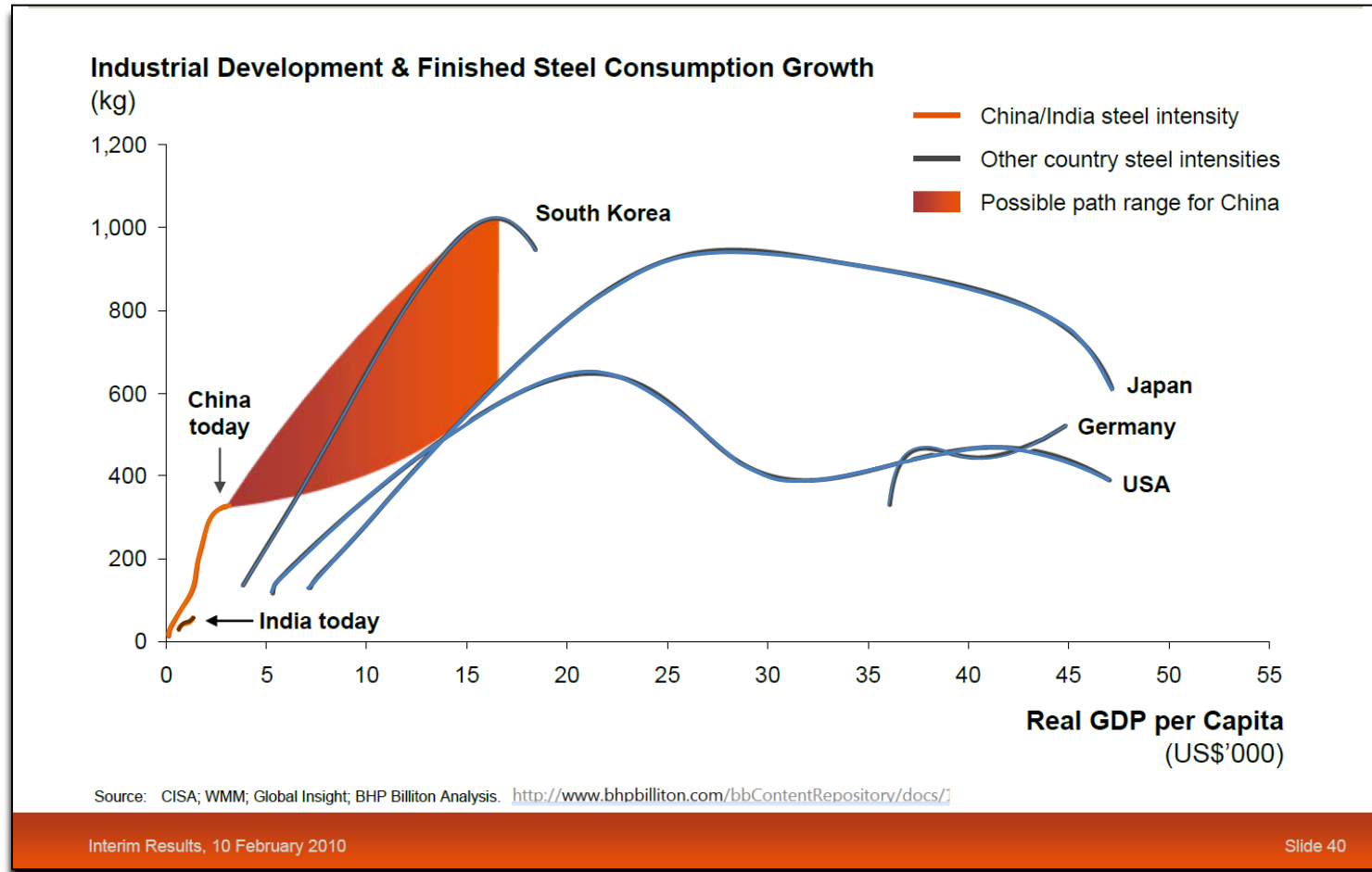




RESOURCE
Tonnes are Millions

- BHP
- RIO
- FMG
- Other

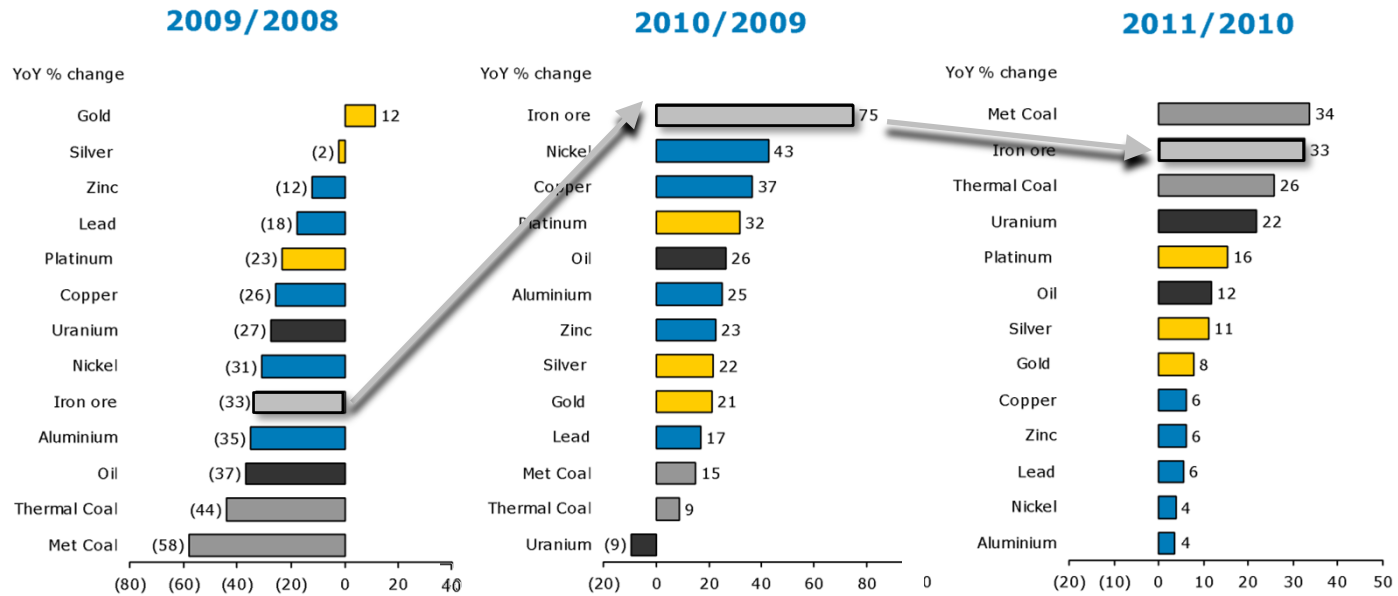
Steel Intensity Per Capita Grows Strongly As A Nation Becomes Wealthier



Prices Forecast to rebound strongly in 2010/2011.



Average Annual Percentage Change (forecast)



Source: Bloomberg

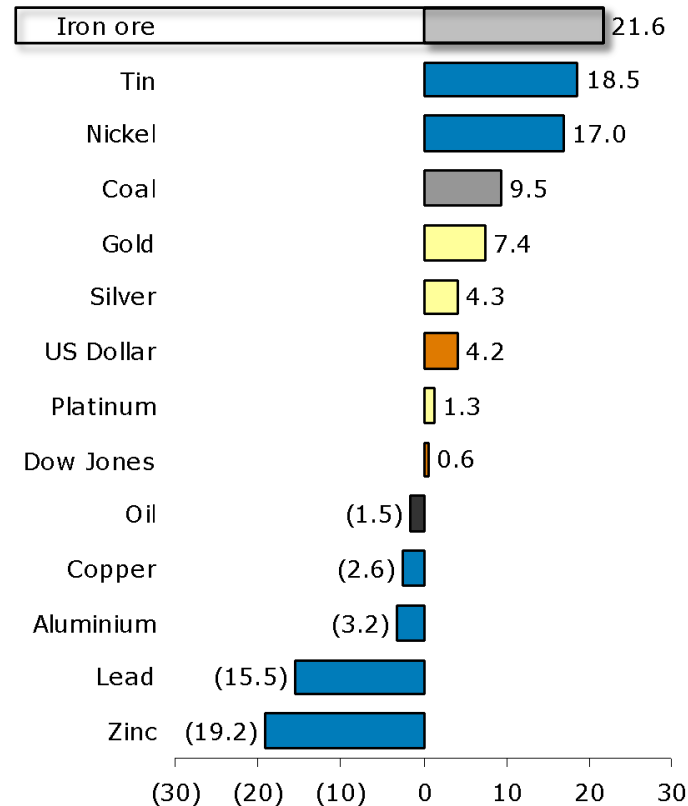
September 2010
Mark Pervan



Iron Ore has been the strongest performer so far this year



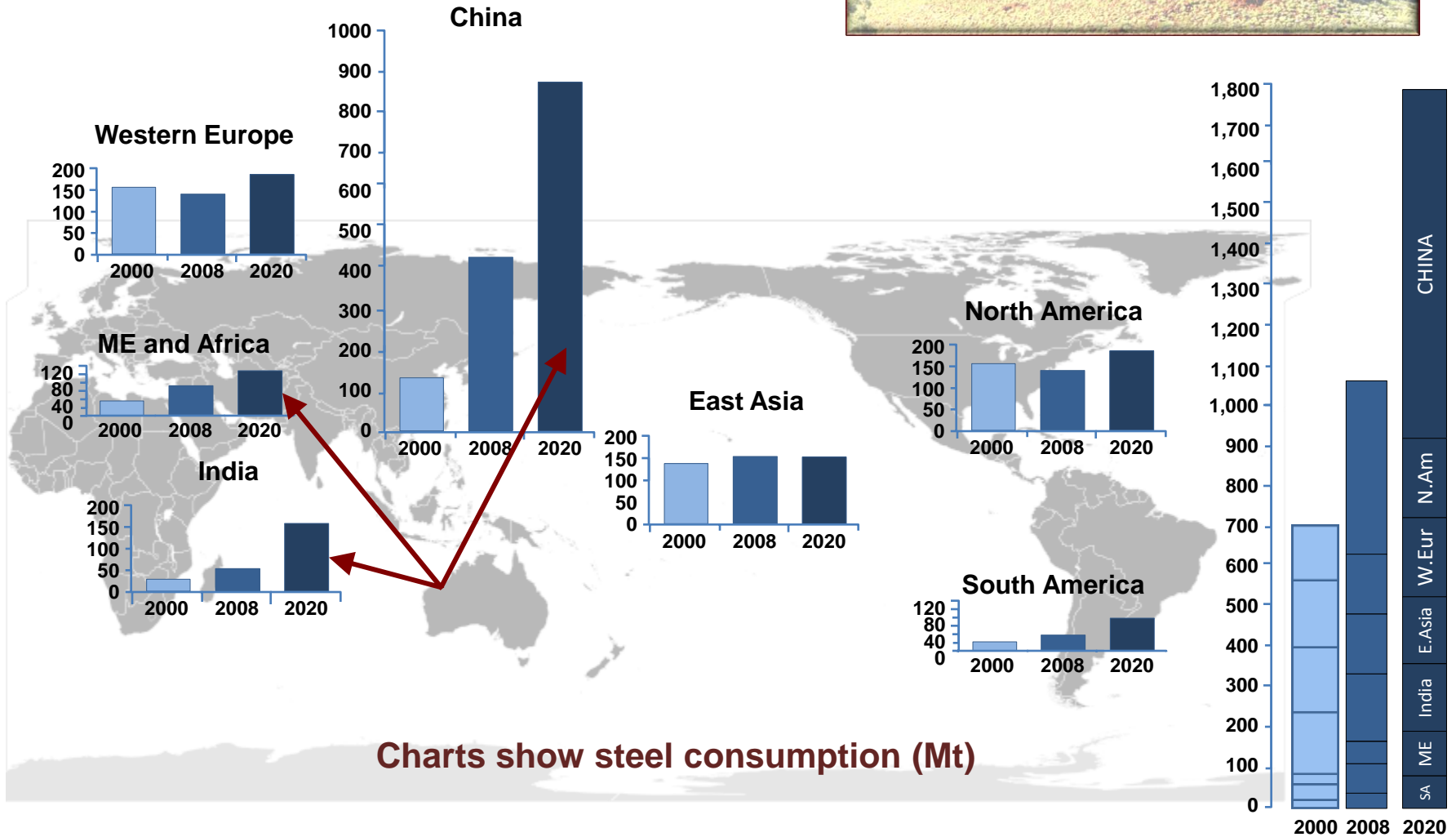
% YTD 2010



September 2010
Mark Pervan



China and other emerging nations will drive steel consumption growth



THE WAY FORWARD



West Pilbara Iron Ore Project – Stage 1

- ☀ **Stage 1 of the WPIOP is based on CID Deposits SW of Pannawonica**
- ☀ **A Feasibility Study for mine, rail and Anketell Port completed June 2010**
- ☀ **Public Environmental Review submitted early 2010**
- ☀ **Development Decision expected 2010***
- ☀ **Government approvals expected by mid 2011***
- ☀ **Construction commencing in 2011***
- ☀ **Production start-up in 2014***

* Aquila announcement 5th July



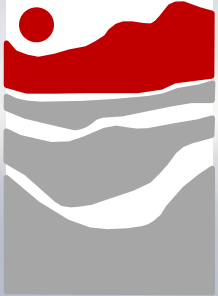
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Competent Person Statement



Competent Person Statement

The information in this presentation is based on information compiled by Mr Doug Stewart, who is a Fellow of The Australasian Institute of Mining and Metallurgy and is an employee of Red Hill Iron Limited. Mr Stewart has sufficient experience which is relevant to the style of mineralisation and types of deposits 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'. Mr Stewart consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.



RED HILL IRON LIMITED

ABN: 44 114 553 392

AGM PRESENTATION Nov 2010

