



Mount Gibson Iron Limited

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ASX ANNOUNCEMENT

ASX Code : **MGX**

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UPDATE ON COMMUNICATION WITH THE FOREIGN INVESTMENT REVIEW BOARD

Mount Gibson Iron Limited (**Mount Gibson**) advises that it has received a letter from the Foreign Investment Review Board (**FIRB**) confirming that, on the basis of information and assurances provided to it, the FIRB is satisfied that the structure of Mount Gibson's Board is consistent with ASX Corporate Governance Principles with respect to the independence of directors.

In the letter, the FIRB notes the initiatives undertaken by Mount Gibson to enhance corporate governance practices in recent months, including the appointment of three additional independent non-executive directors since November 2011, and the establishment of an independent contracts committee to oversee contractual matters with shareholder-related customers.

In November 2011 Mount Gibson received a letter from the FIRB expressing concern that the composition of the Company's Board had developed in a manner inconsistent with commitments provided to the Treasurer and the market at the time that approval was granted for the recapitalisation of the Company in 2008. Since November 2011, with the assistance of its corporate and legal advisers, the Company has been in regular and constructive dialogue with the FIRB.

Mount Gibson will continue to engage proactively with the FIRB as the Company continues to evaluate opportunities to complement and expand its existing production and exploration activities.

Geoffrey Hill

Chairman
Mount Gibson Iron Limited

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