



Mount Gibson Iron Limited

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VIA: WWW.ASXONLINE.COM

21 February 2011

The Manager
Company Announcements
ASX Limited
Level 10, 20 Bond Street
SYDNEY NSW 2000

Dear Sir

WEATHER EVENTS

Mount Gibson Iron Limited ("**Mount Gibson**") wishes to advise that two of its operations have recently experienced severe weather events.

On 20 February 2011, Mount Gibson evacuated a majority of site personnel from Koolan Island as a precautionary measure in anticipation of the approaching Tropical Cyclone Carlos. TC Carlos subsequently passed over Koolan Island during the evening with no consequent infrastructure damage evident. However the island received approximately 120mm of rain which it is estimated will impact mining for most of this week.

Since December 2010, Koolan Island has received approximately 1,090mm of rainfall which has reduced material movement and shipping activity at the mine appreciably and, as a consequence, ore shipped in the March quarter is estimated to be approximately 500,000 tonnes (assuming no further significant rainfall events).

At Mount Gibson's Talling Peak operations, a significant rain bearing low pressure system moving through the Mid West over the period commencing on 16 February 2011 has dumped significant rain in and around the mine site and associated infrastructure. As a result of flooded river crossings, road transport to and from the mine has been suspended until water levels recede, which is not expected to occur until 23 February (assuming no further significant rainfall events). Rail transport from Rivudini to Geraldton has also been suspended due to local flooding, with services scheduled to recommence on 20 February.

Assuming no further significant rainfall events, Talling Peak is estimated to ship approximately 720,000 tonnes of ore in the March quarter.

Yours sincerely

MOUNT GIBSON IRON LIMITED

David Berg
Company Secretary

For further information:

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