

Appendix 3Y

Change of Director's Interest Notice

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 30/9/2001.

Name of entity	MOUNT GIBSON IRON LIMITED
ABN	87 008 670 817

We (the entity) give ASX the following information under listing rule 3.19A.2 and as agent for the director for the purposes of section 205G of the Corporations Act.

Name of Director	Alan David Rule
Date of last notice	3 December 2009

Part 1 - Change of director's relevant interests in securities

In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust

Note: In the case of a company, interests which come within paragraph (i) of the definition of "notifiable interest of a director" should be disclosed in this part.

Direct or indirect interest	A: Direct B: Indirect
Nature of indirect interest (including registered holder) <small>Note: Provide details of the circumstances giving rise to the relevant interest.</small>	Held directly by spouse
Date of change	1 July 2010
No. of securities held prior to change	A: Nil B: 50,000
Class	Fully paid ordinary shares
Number acquired	A: 168,324 B: Nil
Number disposed	Not applicable
Value/Consideration <small>Note: If consideration is non-cash, provide details and estimated valuation</small>	A: Nil B: Not applicable
No. of securities held after change	A: 168,324 B: 50,000
Nature of change <small>Example: on-market trade, off-market trade, exercise of options, issue of securities under dividend reinvestment plan, participation in buy-back</small>	A: Shares issued on vesting of Performance Rights granted by the Company pursuant to the Rules of the Mount Gibson Iron Limited Performance Rights Plan as part of remuneration for the 2007 and 2008 financial years. B: Not applicable

+ See chapter 19 for defined terms.

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Part 2 – Change of director's interests in contracts

Note: In the case of a company, interests which come within paragraph (ii) of the definition of "notifiable interest of a director" should be disclosed in this part.

Detail of contract	Mount Gibson Iron Limited Performance Rights Plan
Nature of interest	Rights granted pursuant to the Rules of the Mount Gibson Iron Limited Performance Rights Plan. If Rights vest, the Director is entitled to be allocated one ordinary share for each Right.
Name of registered holder (if issued securities)	Not applicable
Date of change	1 July 2010
No. and class of securities to which interest related prior to change <small>Note: Details are only required for a contract in relation to which the interest has changed</small>	
Interest acquired	107,224 Rights which may vest on 30 June 2012 or 31 December 2012 on the satisfaction of certain performance conditions, based on the company's performance relative to comparator companies, as summarised in the notice for the 2009 Annual General Meeting.
Interest disposed	168,324 Rights which vested on 30 June 2010 (refer Part 1)
Value/Consideration <small>Note: If consideration is non-cash, provide details and an estimated valuation</small>	Nil – Shareholders approved the grant of Rights at the 2007 and 2009 Annual General Meetings.
Interest after change	171,068 Rights which may vest from 30 June 2011 or 31 December 2011 107,224 Rights which may vest on 30 June 2012 or 31 December 2012

+ See chapter 19 for defined terms.