

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	Luke Tonkin
Date of last notice	2 July 2010

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>	A: Not applicable B: Cynthton Pty Ltd atf Cynthton Family Trust of which Mr Tonkin is a beneficiary
Date of change	18 August 2010
No. of securities held prior to change	A: 227,758 B: 2,000,000
Class	A: Fully paid ordinary shares B: Options to acquire fully paid ordinary shares exercisable at \$1.10 each between 24/10/10 and 23/10/12
Number acquired	Not applicable
Number disposed	A: 227,758 B: Not applicable
Value/Consideration <small>Note: If consideration is non-cash, provide details and estimated valuation</small>	A \$399,926.50 B: Not applicable
No. of securities held after change	A: Nil B: 2,000,000
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: On market trade 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	Not applicable
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>	Not applicable
Interest acquired	Not applicable
Interest disposed	Not applicable
Value/Consideration <small>Note: If consideration is non-cash, provide details and an estimated valuation</small>	Not applicable
Interest after change	239,496 Rights which may vest from 30 June 2011 or 31 December 2011 150,114 Rights which may vest on 30 June 2012 or 31 December 2012

+ See chapter 19 for defined terms.