

Mount Gibson Iron Limited
Corporate Governance Policies and Practices Manual
Shareholder Communication Policy
Adopted by the Board on 26 February 2013

1 Introduction

1.1 Mount Gibson Iron Limited (the **Company**) is committed to the following objectives:

- (a) Ensuring that shareholders and the market are provided with full and timely information about the activities of the Company and its controlled entities.
- (b) Complying with the disclosure requirements under the Corporations Act and ASX Listing Rules in accordance with the Company's Continuous Disclosure and ASX Announcements Policy.
- (c) Preventing the selective or inadvertent disclosure of material price-sensitive information.
- (d) Ensuring that all stakeholders have equal opportunities to receive information issued by the Company.
- (e) Making all disclosures in a manner that is clear, concise and effective.

1.2 The Board of the Company has adopted this Policy to:

- (a) reinforce the Company's commitment to its continuous disclosure obligations under the Corporations Act 2001 and ASX Listing Rules in accordance with the Company's Continuous Disclosure and ASX Announcements Policy, and
- (b) outline the Company's standards and procedures for shareholder communication, which are aimed at ensuring that timely and accurate information is provided equally to all shareholders.

1.3 References in this document to the "Managing Director" are also taken to include a person acting in the role of "Chief Executive Officer".

2 Commitment to continuous disclosure

2.1 The Company is listed on ASX and is required to comply with the ASX Listing Rules. The ASX Listing Rules contain disclosure requirements intended to balance the interests of listed entities, maintenance of investor protection and the integrity of the market. The Company is committed to complying with these requirements and promoting investor confidence in its securities.

2.2 The Company is obliged under the Corporations Act and ASX Listing Rules to inform the market **immediately** of information, if a reasonable person would expect the information to have a material effect on the price or value of the Company's securities. Information is taken to be within this "price-sensitive" category if it would be likely to influence an experienced investor to buy or sell the Company's securities.

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- 2.3 The Company discharges its continuous disclosure obligations by releasing information to the ASX in the form of an ASX announcement. Where information is not likely to have a material effect on the price or value of the Company's securities, it may be disclosed through periodic disclosure (for example, in annual or half-yearly reports).
- 2.4 The only exceptions to the requirement for immediate disclosure of material price-sensitive information are those permitted under ASX Listing Rule 3.1A. This rule permits a company to withhold disclosure if **all three** of the following tests are satisfied:
- (a) a reasonable person would not expect the information to be disclosed;
 - (b) the information is confidential and ASX has not formed the view that the information has ceased to be confidential;
 - (c) one or more of the following applies:
 - (i) it would be a breach of the law to disclose the information;
 - (ii) the information concerns an incomplete proposal or negotiation;
 - (iii) the information comprises matters of supposition or is insufficiently definite to warrant disclosure;
 - (iv) the information is generated for the internal management purposes of the Company; or
 - (v) the information is a trade secret.
- 2.5 As soon as any of the above three requirements are no longer satisfied (for example, the information is reported in the media and so ceases to be confidential), the Company must immediately announce the information to ASX.
- 2.6 Further information is set out in the Company's Continuous Disclosure and ASX Announcements Policy.

3 Company standards on shareholder communications

- 3.1 The Company is committed to ensuring that:
- (a) material price-sensitive information is provided equally to all shareholders and market participants, including information relating to the Company's financial situation, performance, ownership, strategies, activities and governance;
 - (b) the Company's procedures for disseminating material price-sensitive information are robust; and
 - (c) the Company does not communicate material price-sensitive information to any external party prior to that information being disclosed to all shareholders and market participants,

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in full compliance with the Company's continuous disclosure obligations under the Corporations Act and ASX Listing Rules, and the requirements of the Company's Continuous Disclosure and ASX Announcements Policy.

- 3.2 The Board will approve all shareholder communications in accordance with the Company's Continuous Disclosure and ASX Announcements Policy. If in any circumstances prior Board approval is not practical, shareholder communications will be approved by either the Chairman or the Managing Director.
- 3.3 The Company will ensure that all shareholder communications are released electronically to ASX.

Meetings

- 3.4 The annual general meeting and other general meetings of the Company provide important opportunities for communication between the Company and shareholders. The Company encourages and promotes shareholder attendance at general meetings.
- 3.5 All shareholders are invited to ask questions at general meetings. Time will be provided for shareholder questions on specific resolutions prior to the resolutions being voted on. At the annual general meeting, a reasonable opportunity will be given to shareholders to ask questions about, or make comments on, the management of the Company, the governance of the Company and the remuneration report. Questions may also be lodged prior to the annual general meeting by completing the form accompanying the notice of meeting. This right extends to questions to the auditor about the content of the auditor's report, or the conduct of the audit, provided those questions are received by the Company no later than the fifth business day before the date of the annual general meeting.
- 3.6 The Company will place all notices of general meetings and accompanying explanatory material on the Company's website as soon as practicable following confirmation of receipt by ASX. The form and content of notices of general meeting will comply with the Corporations Act and ASX Listing Rules. Explanatory information, where considered necessary, is provided with the notice of meeting for resolutions which are to be voted on.
- 3.7 The external auditor is also required to attend the annual general meeting and is available to answer shareholder questions relating to the conduct of the audit, the preparation and content of the audit report, the company's accounting policies and the independence of the auditor. Shareholders may also submit written questions to the external auditor no later than 5 business days before the annual general meeting, relating

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to the contents of the audit report or the conduct of the audit. Answers to these questions must either be provided orally at the meeting, or put in writing and tabled at the meeting (and subsequently posted on the Company's website).

Annual report

- 3.8 The Company's Annual Report to shareholders is the principal medium for communicating to shareholders the Company's activities, operations and performance over the past financial year. Members may access the Annual Report on the Company's website, or may elect to receive a hard copy.

4. Website, postal and electronic communications

- 4.1 All announcements released to ASX will be posted on the Company's website (www.mtgibsoniron.com.au) as soon as practicable following confirmation of receipt by ASX.
- 4.2 In addition to announcements released to ASX, the Company may upload relevant news releases and any other information relevant to the Company on the Company's website.
- 4.3 The Company's website also contains a section containing the Company's corporate governance policies which includes the Board and Employee Codes of Conduct, charters of the Board and its Committees (such as the Audit & Risk Committee and Nomination, Remuneration and Governance Committee), Securities Trading Policy, Continuous Disclosure and ASX Announcements Policy, this Shareholder Communications Policy and other policies.

Postal communications

- 4.4 The Company currently communicates with its shareholders by post and will continue to do so unless shareholders have elected to receive communications by email as set out below.

Email communications

- 4.5 It is the Company's intention to offer shareholders the choice of receiving shareholder communications from the Company via email. Shareholders who choose this option will receive an email advice with a link to the relevant part of the Company's website when annual reports are released, when notices of meetings and other shareholder

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communications are sent, and each time an ASX announcement is released by the Company and posted on the Company's website.

5. Authorised spokespersons

- 5.1 The only Company employees authorised to make any public statement on behalf of, or attributable to, the Company are those who are authorised in accordance with the Company's Continuous Disclosure and ASX Announcements Policy.

6 Shareholder enquiries

- 6.1 Shareholder enquiries are dealt with promptly. Enquiries can be made via the Company's website or by contacting:

admin@mtgibsoniron.com.au

- 6.2 The Company recognises that privacy is important and will not disclose shareholder details unless required by law.

7 Investor relations function

- 7.1 If the Company appoints any employee or consultant with responsibility for investor relations, they are to be provided with copies of this policy and the Company's Continuous Disclosure and ASX Announcements Policy as soon as possible after appointment. It is to be a condition of the appointment that all investor relations activities must be conducted strictly in accordance with these policies.
- 7.2 Regular reports on investor relations activities must be provided to the Board or (with the approval of the Board) to the Nomination, Remuneration and Governance Committee.

8 Review

- 8.1 The Nomination, Remuneration and Governance Committee is to review this Policy annually and make recommendations to the Board on whether changes are required to reflect current regulatory, community and investor requirements. In particular, the Policy will be updated in response to changes in internal structure, legislative, regulatory and market developments. The Board must consider any recommendation received from the Committee and, where appropriate, amend this Policy.