

General Meeting



MGX

CEO Presentation
23 March 2018

Disclaimer



This Document is Confidential and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person, or published, in whole or in part, for any purpose without prior written approval from Mount Gibson Iron Limited.

This Document is not a Prospectus nor an Offer to Subscribe for Shares.

Mount Gibson Iron Limited and its subsidiaries (ASX:MGX, “MGX”) make no representations or warranties (express or implied) as to the accuracy, reliability or completeness of this document. MGX and its respective directors, employees, agents and consultants shall have no liability (including liability to any person by reason of negligence or negligent misstatement) for any statements, opinions, information or matters (expressed or implied) arising out of, or contained in or derived from, or for any omissions from this document, except liability under statute that cannot be excluded.

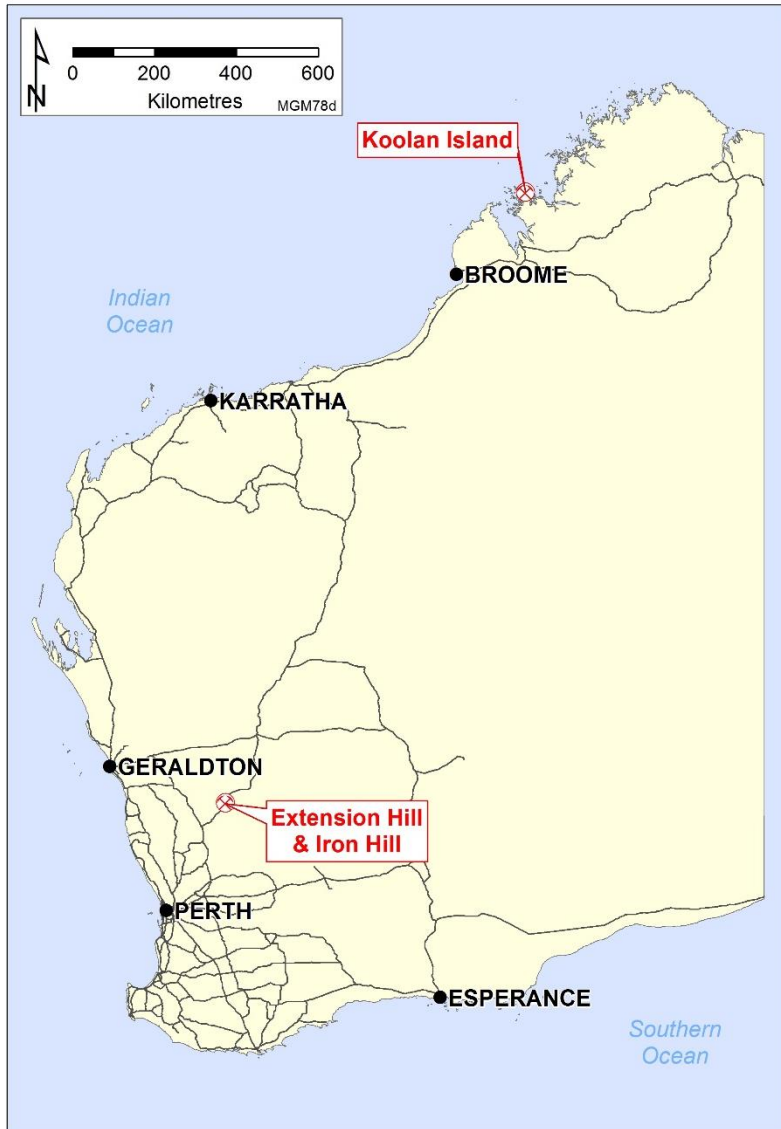
This document contains reference to certain forecasts, projections, intentions, expectations and plans of MGX, which may or may not be achieved. They are based on certain assumptions which may not be met or on which views may differ.

The performance and operations of MGX may be influenced by a number of factors, uncertainties and contingencies many of which are outside the control of MGX and its directors.

No representation or warranty (expressed or implied) is made by MGX or any of its respective directors, officers, employees, advisers or agents that any forecasts, projections, intentions, expectations or plans set out in this document will be achieved, either totally or partially, or that any particular rate of return will be achieved.

Investments in MGX shares are considered highly speculative.

All Currency is quoted in Australian Dollars (\$AUS) unless stated otherwise.



Koolan Island

- Koolan Island Restart Project approved April 2017.
- Development capex \$97m.
- Stage One Ore Reserves 12.8Mt @ 66% Fe*.
- Material site works commenced June 2017.
- Project 50% complete at end of February 2018.
- First ore sales targeted for early 2019.

Mid-West Region

Extension Hill and Iron Hill

- Extension Hill stockpile sales concluded in November 2017.
- Iron Hill mine sales commenced June 2017, 1.4Mt sold in the December 2017 half-year.
- Planned sales of 3.5–3.8 Mwmt in FY2018.
- Mining on track for completion in late 2018.
- Iron Hill total Mineral Resource 8.1Mt @ 58.3% Fe[^].

**Refer ASX release dated 27 April 2017, and slides at end of this presentation.*

^As at 30 June 2017, refer ASX release dated 5 October 2017, and slides at end of this presentation.

Koolan Island Mine Restart

A premier high grade iron ore opportunity



- One of the world's premier **high grade hematite** production opportunities.
- Stage 1 Main Pit Ore Reserves of **12.8Mt @ 66.0% Fe*** and initial mine life of 3.5 years.
- NPV of \$106m, including capex and closure costs, at 62% Fe CFR price of US\$55/dmt and A\$1.00/US\$0.75*.
- Peak cash draw prior to cashflow of \$145m.
- Very robust economics using conservative Fe prices and FX assumptions*.
- First ore sales on track to commence in early 2019.
- Potential for pit extension at east end of Main Pit; evaluation on track for completion in current half.



Koolan Island location and site layout showing Main Pit relative to existing site infrastructure, including crushing and port facilities, operations centre, accommodation camp and airstrip.

*Refer ASX release dated 27 April 2017 and slides at end of presentation.

Koolan Island Mine Restart

Seawall Overview



Seepage barrier location

Koolan Island Mine Restart

Project 50% complete at the end of February 2018



Koolan Island Restart Project Schedule and Progress

Task Name	2017			2018				2019
	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Rock Fill Embankment construction	completed							
Seepage Barrier Construction			in progress					
Dewatering & Footwall Rehabilitation								
Mining								
First Sales Commencement								◆

Progress achieved	
28-Feb-18	

- Embankment construction commenced in June 2017 and completed in September 2017.
- Seawall breach closed in early August 2017.
- Seepage barrier construction advancing.
- Dewatering scheduled to commence in mid 2018.
- On track to achieve first ore sales in early 2019.

Koolan Island Mine Restart Construction Progress



Starter embankment, July 2017



Majority of eastern end panels complete

Pre-grouting ahead of panel excavation in central section

Majority of western end panels complete

Approximate line of barrier

Vertical drain pad
1006mRL

Seawall embankment, March 2018

Koolan Island Mine Restart Construction Progress



Panel excavation works in central and western sections of embankment, March 2018

Koolan Island Mine Restart Construction Progress



Grabber excavating seepage barrier panel March 2018



Panel excavation, March 2018

Koolan Island Mine Restart Construction Progress



Grouting rigs working in central section of embankment, March 2018



Panel excavation on night-shift, March 2018

Business Objectives for 2017-18



- **Extension Hill/Iron Hill** - optimise Iron Hill production and margins.
- **Koolan Island** - successfully rebuild the Main Pit seawall, dewater the pit and prepare the site for commencement of commercial production, with initial ore sales anticipated in early 2019.
- **Cost reductions** - continue to drive for sustainable cost improvements across the existing business.
- **Treasury returns** - maintain the increased yield on the Group's cash reserves.
- **Growth projects** - continuation of the search for acquisition opportunities in the resources sector.

Guidance for FY 2017/18	
Iron ore sales	3.5 - 3.8 Mwmt
All-in group cash cost (excl. Koolan capital)	\$45 - 50/wmt sold
Koolan capital spend	\$80 - 85 million

Questions?



MGX

CEO Presentation
23 March 2018

Additional Information

Group Mineral Resources and Ore Reserves at 30 June 2017*



Koolan Island					
	Tonnes millions	Fe %	SiO ₂ %	Al ₂ O ₃ %	P %
Mineral Resources, above 50% Fe					
Measured	7.69	59.1	13.53	1.16	0.018
Indicated	41.93	64.4	6.36	0.76	0.014
Inferred	10.89	60.2	12.48	0.79	0.015
Total at 30 June 2017	60.51	63.0	8.38	0.82	0.015
Ore Reserves, above 50% Fe					
Proved	0.04	63.49	6.68	1.31	0.014
Probable	12.77	66.03	3.70	0.92	0.009
Total at 30 June 2017	12.82	66.02	3.71	0.93	0.009
Extension Hill					
	Tonnes millions	Fe %	SiO ₂ %	Al ₂ O ₃ %	P %
Mineral Resources, above 50% Fe					
Measured	1.27	55.32	9.16	2.76	0.077
Indicated	0.31	57.29	10.42	1.62	0.076
Inferred	0.20	56.61	10.49	1.66	0.055
Total at 30 June 2017	1.79	55.81	9.53	2.44	0.074
Ore Reserves, above 50% Fe					
Proved	Nil	Nil	Nil	Nil	Nil
Probable	Nil	Nil	Nil	Nil	Nil
Total at 30 June 2017	Nil	Nil	Nil	Nil	Nil
Iron Hill					
	Tonnes millions	Fe %	SiO ₂ %	Al ₂ O ₃ %	P %
Mineral Resources, above 50% Fe					
Measured					
Indicated	1.23	60.6	8.64	0.94	0.050
Inferred	6.84	57.9	8.72	1.74	0.071
Total at 30 June 2017	8.07	58.3	8.71	1.62	0.068
Tallering Peak					
	Tonnes millions	Fe %	SiO ₂ %	Al ₂ O ₃ %	P %
Mineral Resources, above 50% Fe					
Measured	0.41	58.9	6.26	3.50	0.082
Indicated	1.03	58.1	11.70	1.66	0.066
Inferred	0.20	54.7	17.89	1.93	0.056
Total at 30 June 2017	1.65	57.9	11.10	2.15	0.069
Shine					
	Tonnes millions	Fe %	SiO ₂ %	Al ₂ O ₃ %	P %
Mineral Resources, above 50% Fe					
Measured	5.73	58.9	9.04	1.81	0.076
Indicated	6.57	58.0	10.01	1.35	0.070
Inferred	3.59	56.8	9.61	1.18	0.063
Total at 30 June 2017	15.89	58.1	9.57	1.48	0.071

Discrepancies may appear due to rounding. Mineral Resources are reported inclusive of Ore Reserves. All tonnages have been estimated as dry tonnages.

Competent Persons Statements

Mount Gibson Iron Mineral Resources:

The information in this report relating to Mineral Resources for the Koolan, Extension Hill, Tallering Peak and Shine deposits is based on information compiled by Elizabeth Haren, a Competent Person who is a member and Chartered Professional of the Australasian Institute of Mining and Metallurgy and member of the Australian Institute of Geoscientists. Ms Haren was a full-time employee of, and is a consultant to, Mount Gibson Iron Limited, and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Ms Haren consents to the inclusion in this report of the matters based on her information in the form and context in which it appears.

Mount Gibson Iron Ore Reserves:

The information in this report relating to Ore Reserves at Koolan Island is based on information compiled by Brett Morey, a member of the Australasian Institute of Mining and Metallurgy. Mr Morey is a full-time employee of Mount Gibson Iron Limited and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Morey consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

*Refer ASX release dated 5 October 2017.