



MOUNT GIBSON IRON LIMITED

ACN 008 670 817

NOTICE OF MEETING

**FOR THE
ANNUAL GENERAL MEETING OF SHAREHOLDERS
TO BE HELD ON
FRIDAY, 18 NOVEMBER 2005
AT
“THE SUTHERLAND ROOM”, CITY WEST FUNCTION CENTRE
45 PLAISTOWE MEWS, CITY WEST CENTRE, WEST PERTH, 6005
AT 1.00 P.M.**

IMPORTANT INFORMATION

This is an important document that should be read in its entirety.
If you do not understand it, or any part of it,
you should consult with your professional advisers without delay.

**You are encouraged to attend the meeting, but if you cannot, you are requested to complete
and return the enclosed Proxy Form without delay to
Computershare at GPO Box D182, Perth, WA 6840
or by facsimile on facsimile number (+61 08) 9323 2033**

NOTICE OF THE ANNUAL GENERAL MEETING
MOUNT GIBSON IRON LIMITED
ACN 008 670 817

Notice is hereby given that the Annual General Meeting of the Shareholders of Mount Gibson Iron Limited (“Mount Gibson” or “the Company”) will be held on the date and at the location and time specified below:

DATE: Friday, 18 November 2005
LOCATION: The Sutherland Room, City West Function Centre,
45 Plaistowe Mews, City West Centre, West Perth, 6005
TIME: 1:00 p.m.

Words and phrases used in the Resolutions are defined in the accompanying Explanatory Statement and these words and phrases have the same meaning in this Notice of Meeting as defined in the Explanatory Statement.

ORDINARY BUSINESS

FINANCIAL REPORTS

To receive and consider the financial report and the directors’ and auditors’ reports for the year ended 30 June 2005.

RESOLUTION 1: Re-election of Director – Brian Johnson

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

“That Mr Brian Johnson who retires in accordance with Clause 3.6 of the Company’s Constitution, and being eligible, offers himself for re-election.”

RESOLUTION 2: Re-election of Director – Craig Readhead

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

“That Mr Craig Readhead who retires in accordance with Clause 3.6 of the Company’s Constitution, and being eligible, offers himself for re-election.”

RESOLUTION 3: Re-election of Director – Alan Rule

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

“That Mr Alan Rule who retires in accordance with Clause 3.3 of the Company’s Constitution, and being eligible, offers himself for re-election.”

RESOLUTION 4: Re-election of Director – Guoping Liu

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

“That Mr Guoping Liu who retires in accordance with Clause 3.3 of the Company’s Constitution, and being eligible, offers himself for re-election.”

RESOLUTION 5: Approval of Non-Executive Directors Fees

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

“That approval be and is hereby given to the amount payable by the Company by way of Non-Executive Directors fees being increased from \$150,000 per annum to \$300,000 per annum with immediate effect.”

The Company will disregard any votes cast on this resolution by a Director of the Company, and any associate of them. However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

RESOLUTION 6: Adoption of Remuneration Report

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

“That the Remuneration Report for the Company (included in the Report of the Directors) for the year ended 30 June 2005 be adopted.”

Please note whilst the Corporations Act this Resolution to be put to the vote, the Resolution is advisory only and does not bind the Directors or the Company. A reasonable opportunity will be provided for discussion of the Remuneration Report at the meeting.

PROXIES

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has the right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise.

In accordance with section 250BA of the Corporations Act, the Company specifies the following information for the purposes of receipt of proxy appointments:

Address: GPO Box D182, Perth, WA 6840

Facsimile Number: (08) 9323 2033

Each member entitled to attend and vote at the Meeting has the right to appoint a proxy to attend and vote at the Meeting on his behalf. The member may specify the way in which the proxy is to vote on each resolution or may allow the proxy to vote at his discretion. The instrument appointing the proxy must be received by the Company at the address notified by the Company at least 48 hours prior to the time of the commencement of the Meeting.

If you wish to discuss any aspects of this document with the Company, contact the Company Secretary, Angela Dent on telephone +61 8 9426 7500.

BY ORDER OF THE BOARD



Angela Dent
Company Secretary

DATED 6 October 2005

Mount Gibson Iron Limited

ABN 87 008 670 817

Proxy Form

All correspondence to:

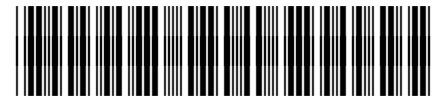
Computershare Investor Services Pty Limited
GPO Box D182 Perth
Western Australia 6840 Australia
Enquiries (within Australia) 1300 557 010
(outside Australia) 61 3 9415 4000
Facsimile 61 8 9323 2033
www.computershare.com

Mark this box with an 'X' if you have made any changes to your address details (see reverse)



000001
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MGX
MR JOHN SMITH 1
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Securityholder Reference Number (SRN)



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Appointment of Proxy

I/We being a member/s of Mount Gibson Iron Limited and entitled to attend and vote hereby appoint



the Chairman
of the Meeting
(mark with an 'X')

OR

If you are not appointing the Chairman of the Meeting as your proxy please write here the full name of the individual or body corporate (excluding the registered Securityholder) you are appointing as your proxy.

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the Annual General Meeting of Mount Gibson Iron Limited to be held at "The Sutherland Room", City West Function Centre, 45 Plaiastowe Mews, City West Centre, West Perth WA on Friday, 18 November 2005 at 1.00 pm and at any adjournment of that meeting.

IMPORTANT: FOR ITEM 5 BELOW



If the Chairman of the Meeting is your nominated proxy, or may be appointed by default, and you have not directed your proxy how to vote on Item 5 below, please place a mark in this box. By marking this box you acknowledge that the Chairman of the Meeting may exercise your proxy even if he has an interest in the outcome of that Item and that votes cast by him, other than as proxy holder, would be disregarded because of that interest. If you do not mark this box, and you have not directed your proxy how to vote, the Chairman of the Meeting will not cast your votes on Item 5 and your votes will not be counted in computing the required majority if a poll is called on this Item. The Chairman of the Meeting intends to vote undirected proxies in favour of Item 5.

Voting directions to your proxy - please mark to indicate your directions

	For	Against	Abstain*		For	Against	Abstain*
1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	5	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Re-election of Director - Brian Johnson				Approval of Non-Executive Directors Fees		
2	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	6	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Re-election of Director - Craig Redhead				Adoption of Remuneration Report		
3	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
	Re-election of Director - Alan Rule						
4	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
	Re-election of Director - Guoping Liu						

* If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

Appointing a second Proxy

I/We wish to appoint a second proxy



Mark with an 'X' if you wish to appoint a second proxy.

AND

 %

OR

State the percentage of your voting rights or the number of securities for this Proxy Form.

PLEASE SIGN HERE

This section *must* be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Individual or Securityholder 1

Individual/Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

In addition to signing the Proxy form in the above box(es) please provide the information below in case we need to contact you.

Contact Name

Contact Daytime Telephone

Date

/ /

MGX

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How to complete the Proxy Form

1 Your Address

This is your address as it appears on the company's share register. If this information is incorrect, please mark the box and make the correction on the form. Securityholders sponsored by a broker (in which case your reference number overleaf will commence with an 'x') should advise your broker of any changes. **Please note, you cannot change ownership of your securities using this form.**

2 Appointment of a Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box. If the individual or body corporate you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the full name of that individual or body corporate in the space provided. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a securityholder of the company. Do not write the name of the issuer company or the registered securityholder in the space.

3 Votes on Items of Business

You may direct your proxy how to vote by placing a mark in one of the three boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of securities you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

4 Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the company's share registry or you may copy this form.

To appoint a second proxy you must:

- (a) indicate that you wish to appoint a second proxy by marking the box.
- (b) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- (c) return both forms together in the same envelope.

5 Signing Instructions

You must sign this form as follows in the spaces provided:

- Individual: where the holding is in one name, the holder must sign.
- Joint Holding: where the holding is in more than one name, all of the securityholders should sign.
- Power of Attorney: to sign under Power of Attorney, you must have already lodged this document with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.
- Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

If a representative of a corporate Securityholder or proxy is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission. A form of the certificate may be obtained from the company's share registry or at www.computershare.com.

Lodgement of a Proxy

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below no later than 48 hours before the commencement of the meeting at 1.00 pm on Friday, 18 November 2005. Any Proxy Form received after that time will not be valid for the scheduled meeting.

Documents may be lodged using the reply paid envelope or:

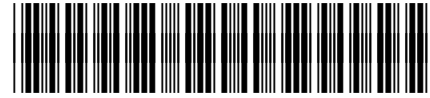
- IN PERSON Share Registry - Computershare Investor Services Pty Limited, Level 2, Reserve Bank Building, 45 St Georges Terrace, Perth WA 6000 Australia
- BY MAIL Share Registry - Computershare Investor Services Pty Limited, GPO Box D182, Perth WA 6840 Australia
- BY FAX 61 8 9323 2033

All correspondence to:

Computershare Investor Services Pty Limited
GPO Box D182 Perth
Western Australia 6840 Australia
Enquiries (within Australia) 1300 557 010
(outside Australia) 61 3 9415 4000
Facsimile 61 8 9323 2033
web.queries@computershare.com.au
www.computershare.com

000001 000 MGXRM
MR JOHN SMITH 1
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Securityholder Reference Number (SRN)



I N D

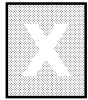
Annual Report

Use a **black** pen.
Where a choice is required,
mark the box with an 'X'



A Annual Report Request

The company will automatically mail you an Annual Report each year unless you elect otherwise.



Please mark this box with an 'X' if you **DO NOT** wish to receive the company's Annual Report.

You will, however, receive all other securityholder mailings including notices of meetings and proxy forms.

B Annual Report & Company Announcements Available Online

The company wishes to provide the opportunity for securityholders to receive Annual Reports and other company announcements by email.

Do you want to receive your Annual Report and other company announcements electronically?

Register today by visiting the share registry at www.computershare.com and follow these easy steps:

Step 1. Click on 'Securityholders'

Step 2. Click on 'Email Address Update'

Step 3. Enter your personal security information:

- The company code or company name
- Securityholder Reference Number (SRN) or Holder Identification Number (HIN)
- Registered Postcode or country (if outside Australia)

Step 4. Click on 'Submit'

Step 5. Select 'email' as your delivery method

Step 6. Enter your email address

Step 7. Click on 'Submit'

It's as easy as that. Should you have further enquiries contact the Registry on the above number.

How to complete this form

A

Annual Report Request

We are required to automatically mail you a report each year unless you instruct us otherwise.

By marking the box overleaf you can select not to receive a copy of the company's Annual Report. However, you will still receive all other securityholder mailings including notices of meetings and proxy forms.

This instruction only applies to the specific holding identified by the SRN/HIN and the name appearing on the front of this form.

7 AR

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Please return the completed form to:

Computershare Investor Services Pty Limited
GPO Box 2975
Melbourne Victoria 3001
Australia

