



Mount Gibson Iron Limited

ABN 87 008 670 817



First Floor, 7 Havelock Street
West Perth 6005, Western Australia

PO Box 55, West Perth WA 6872

Telephone: 61-8-9426-7500
Facsimile: 61-8-9485 2305
E-mail: admin@mtgibsoniron.com.au

27 October 2006

Company Announcements Office
Australian Stock Exchange Limited
20 Bridge Street
SYDNEY NSW 2000

Dear Sir / Madam

Takeover bid by Mount Gibson Iron Limited for Aztec Resources Limited Variation of offer to cover Aztec Shares issued to ARC

Mount Gibson Iron Limited (**Mount Gibson**) (ASX Code: MGX) confirms that the Australian Securities & Investments Commission has granted the necessary modification of the Corporations Act 2001 to permit Mount Gibson to extend its takeover offer for the ordinary shares in Aztec Resources Limited (**Aztec**) to the holders of the 77,777,778 Aztec shares issued by Aztec on or about 24 October 2006.

Accordingly, the Mount Gibson's takeover offer has now been extended to the 77,777,778 shares issued by Aztec to Australian Royalties Corporation Pty Limited.

Attached is a notice of variation pursuant to section 650(D)(1) of the Corporations Act 2001 to effect the variation.

Yours faithfully

MOUNT GIBSON IRON LIMITED

Luke Tonkin
Director

enc

Mount Gibson Iron Limited ACN 008 670 817
Company notice – subsection 650D(1) Corporations Act 2001 (Cth)
Notice of variation – variation of class of offerees

To: Australian Securities and Investments Commission (**ASIC**);

Aztec Resources Limited ACN 078 548 562 (**Aztec**); and

Each person to whom offers were made under the takeover bid referred to in this notice.

Variation of class of offerees

Mount Gibson Iron Limited (**Mount Gibson**) gives notice under section 650D(1) of the Corporations Act 2001 (Cth) that:

1. it varies its takeover offer dated 28 August 2006 (**Offer**) for all of the fully paid ordinary shares in the capital of Aztec, including those issued during the offer period, which is contained in its bidder's statement dated 11 August 2006 (**Bidder's Statement**) by extending the Offer to holders of the 77,777,778 fully paid ordinary shares in the capital of Aztec issued by Aztec on or about 24 October 2006; and
2. the Offer is varied by
 - (a) replacing “.” with “; and” in section 12.1(f)(2) of the Bidder's Statement; and
 - (b) inserting a new section 12.1(f)(3) into the Bidder's Statement which states: “holders of the 77,777,778 Aztec Shares issued by Aztec on or about 24 October 2006.”

Lodgement with ASIC

A copy of this notice was lodged with ASIC on 27 October 2006. ASIC takes no responsibility for the contents of this notice.

Date: 27 October 2006

Signed for and on behalf of Mount Gibson pursuant to a resolution passed by the directors of Mount Gibson



Luke Tonkin
Director



Alan Rule
Director