



## Mount Gibson Iron Limited

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The Manager  
Company Announcements  
Australian Stock Exchange Limited  
Level 10, 20 Bond Street  
SYDNEY NSW 2000

### **SUBJECT: IRON ORE PRICE SETTLEMENT**

Following the recent announcement by Rio Tinto Limited that Hamersley Iron had reached agreement with China's Baosteel on the price for Hamersley lump and fine ores for the contract year commencing 1 April 2007, Mount Gibson Iron Limited ("MGI") will be notifying existing long term iron ore contract customers that lump and fine ore will be increased by 9.5%, effective 1 April 2007.

Existing MGI long term iron ore supply contract prices are based on annually negotiated Hamersley lump and fine ore prices.

Yours sincerely,  
MOUNT GIBSON IRON LIMITED

**Angela Dent**  
**Company Secretary**

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