



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

Pages = 1
(including this page)

VIA: WWW.ASX.ONLINE.COM

8 January 2009

The Manager
Company Announcements
ASX Limited
Level 10, 20 Bond Street
SYDNEY NSW 2000

A\$96.5 million raised in Rights Issue

Mount Gibson Iron Limited (**Mount Gibson**) wishes to advise that the participation rate in its rights issue, which closed on 6 January 2009, was approximately 21.0 per cent (i.e. a take-up of 33,805,916 shares), which will raise approximately \$20.3 million. These numbers include the 32,829,629 shares subscribed for by members of the APAC Resources Limited group pursuant to the take-up of rights to which they were entitled in respect of Mount Gibson shares held as at 2 November 2008, which they committed to do.

Under the terms of the separate underwriting agreements with each of APAC Resources Investments Limited (**APACRIL**) and Shougang Concord International Enterprises Company Limited (**Shougang Concord**) (together the **Underwriters**), the Underwriters will subscribe for the remaining 127,066,874 shares. Of those shares, APACRIL will subscribe for 82,900,000 and Shougang Concord will subscribe for 44,166,874 raising a further A\$76.2 million.

Shares are expected to be issued to participants in the rights issue and pursuant to the underwriting agreements on or about 12 January 2009. A holding statement will be sent to shareholders following the allotment.

Yours sincerely

MOUNT GIBSON IRON LIMITED

David Berg
Company Secretary

For further information:

Luke Tonkin or Alan Rule
Mount Gibson Iron Limited
+61-8-9426-7500
www.mtgibsoniron.com.au