

QUARTERLY REPORT



MOUNT GIBSON IRON LIMITED REPORT FOR THE QUARTER ENDED 31 DECEMBER 2020 22 January 2021

Key Points (all currency in Australian dollars unless stated otherwise):

- Quarterly iron ore sales of **0.9 million wet metric tonnes (Mwmt)**, comprising 0.4 Mwmt of Koolan Island fines and 0.5 Mwmt of low-grade material from the Mid-West operations. Sales for the half year ended 31 December 2020 totalled **2.3 Mwmt**, consistent with guidance.
- Group cashflow for the quarter totalled **\$62 million** before investment at Koolan Island of \$40 million in scheduled advanced overburden stripping and \$2 million in capital projects, for group net cashflow of **\$20 million**. Group net cashflow for the half year totalled **\$52 million**.
- Group unit cash costs of **\$56/wmt Free on Board (FOB)** for the quarter, before Koolan advanced overburden stripping and capital projects. Koolan site cash costs were \$65/wmt FOB and Mid-West cash costs were \$40/wmt FOB.
- Cash and liquid investments at 31 December 2020 of **\$436 million**, with no borrowings.
- Strong iron ore prices enabled the **Koolan Island operation** to produce significantly higher than planned cashflows despite the constraints of the scheduled overburden stripping program, a rockfall on the Main Pit footwall reported in November which will require additional ground support measures, and heavy wet season rains in December.
- The successful **Mid-West low-grade sales program** concluded at the end of the quarter when available material was fully depleted. The program has yielded sales of 4.1 Mwmt and cashflow of \$30 million since June 2019. Rehabilitation and closure activities are now underway at Extension Hill.
- Development activities on the **Shine Iron Ore Project** in the Mid-West have accelerated with initial site works now commenced and shipments targeted for early in the September quarter. The Shine Project is an attractive development proposition in the current iron ore pricing environment.
- Mount Gibson is targeting to substantially complete the Koolan Island overburden stripping phase and Shine development in the next six months. As previously disclosed, total ore sales during this period will be lower than for the first half but are expected to be within annual guidance, before increasing significantly thereafter, subject to successful implementation of the Koolan Main Pit footwall support measures. Cost guidance will be updated with the Company's half-year financials.

Note: Cashflow and cost information is unaudited, and subject to period-end adjustments. Cash costs are reported FOB and include operating costs, royalties, sustaining capital expenditure and allocated corporate costs but are before overburden stripping investment and capital improvement projects at Koolan Island.

Comment

Mount Gibson Chief Executive Officer, Peter Kerr, said: "Mount Gibson delivered a steady performance in the December quarter and half year, with iron ore sales in line with plan amid challenging weather and mining conditions at Koolan Island late in the year. In the Mid-West, our low-grade sales program was successfully completed in December and progress at the Shine Iron Ore Project has accelerated with site works underway in order to meet our target of first ore sales early in the September quarter.

As scheduled, ore shipments will be lower during the next six months as we progress the peak overburden stripping phase at Koolan Island and develop Shine. However, strong iron ore prices continue to reduce the net investment required at Koolan Island compared with our original expectations during this period, and pricing outlooks remain very solid. Ore sales and cashflows are set to rise sharply from mid-2021 as the overburden stripping phase is substantially completed at Koolan Island and Shine enters production."

PERFORMANCE AT A GLANCE

	Unit	Dec-2019 Quarter	Mar-2020 Quarter	Jun-2020 Quarter	Sep-2020 Quarter	Dec-2020 Quarter	2020/21 Year to Date
Standard DSO product sales	kwmt	733	439	516	672	396	1,069
Low-grade sales	kwmt	649	587	643	701	534	1,234
Total Ore Sales	kwmt	1,382	1,026	1,158	1,373	930	2,303
Platts 62% Fe CFR price, average	US\$/dmt	89	89	93	118	134	126
Platts 65% Fe CFR price, average	US\$/dmt	98	104	108	129	146	138
Realised Koolan fines FOB price*	US\$/dmt	73	86	97	104	149	121
Realised Mid-West fines FOB price [#]	US\$/dmt	26	27	28	30	34	30
Realised Mid-West lump FOB price [#]	US\$/dmt	35	37	40	41	45	43
<p>Minor discrepancies may occur due to rounding.</p> <p>* Realised Koolan FOB prices reflect a mix of month of shipping (M), M+1 and M+2 averages, referencing the Platts 65% and 62% Fe Indices. Realised prices are shown after shipping freight, provisional pricing and specification/penalty adjustments. The realised price for the December 2020 quarter reflects US\$130/dmt for December quarter shipments plus additional amounts relating to provisional pricing adjustments for September 2020 quarter shipments.</p> <p>[#] Realised Mid-West FOB prices are shown after shipping freight and specification adjustments/penalties. Mid-West sales since the June 2019 quarter have comprised only shipments of low-grade cargoes.</p> <p>kwmt = thousand wet metric tonnes. US\$/dmt = USD per dry metric tonne. For the purpose of wet to dry tonnage conversion, moisture content typically averages circa 3% for Koolan Island fines and circa 4% for Mid-West products.</p>							

COVID-19 BUSINESS RESPONSE UPDATE

Western Australia's positive record in containing community transmission of COVID-19 has allowed the staged relaxation, consistent with State health regulations, of a number of restrictions imposed in the initial stages of the pandemic. Notably this allowed a return to standard FIFO rosters (generally 2 weeks on/1 week off) from mid-2020. However, Mount Gibson continues to maintain a range of general site and travel protocols to reduce the risk of virus transmission and remains ready to respond promptly in the event of any reinstatement of government restrictions or new measures should they be required.

OPERATIONS

Sales of high-grade fines ore from Koolan Island totalled 0.4 Mwmt in the December quarter. In addition, 0.5 Mwmt of low-grade material from the Mid-West was shipped from Geraldton Port in the quarter representing the successful completion of the low-grade sales program from the Extension Hill mine site.

Operating statistics are tabulated in Appendix A.

Safety

Mount Gibson is committed to maintaining a safe work environment and safety-oriented culture in which all personnel consider both their own wellbeing and that of their colleagues. Achieving continuous improvement in every facet of safety performance remains a primary focus of the Company.

Following an increase in the total recordable injury frequency rate (TRIFR) in the 2019/20 year, ongoing assessment by executive and site management at all workplaces has resulted in the implementation of a substantial program of improvement initiatives, including a comprehensive safety audit, safety culture survey, and increased focus on hazard observations and task-specific safety protocols.

Safety performance has improved since the start of 2020/21, with the rolling 12-month TRIFR declining to 13.9 incidents per one million man-hours at the end of December, compared with 14.9 at the end of June 2020. The rolling 12-month Lost Time Injury (LTI) Frequency Rate (LTIFR) increased slightly to 5.3 incidents per one million man-hours at the end of December compared with 4.7 at the end of June 2020, reflecting six LTIs recorded at Koolan Island and two at Extension Hill in the last 12 months. The Company's Geraldton Port team exceeded 11 years without recording a single LTI in November 2020.

The Company is targeting significant further improvement in the year ahead. All injuries are considered to be unacceptable and preventable.

Koolan Island

In the December quarter the Koolan Island operation progressed the scheduled overburden stripping phase required to access significantly greater volumes of higher grade iron ore from the second half of 2021 onwards.

Mining and Production

A total of 5.4 Mwmt of ore and waste was mined during the December quarter, compared with 5.2 Mwmt in the prior quarter. Mining in the Main Pit successfully achieved the targeted rate of 2 Mwmt per month in both October and November, consistent with plan for the peak overburden stripping phase of operations this year, before heavy wet season rains adversely affected mining movement in December. Over 770mm of rain fell in the month, including 420mm within one 48 hour period, which temporarily limited pit access. Mining continued uninterrupted in the upper west end of Main Pit, however total material movement was unavoidably impacted. Pit access was re-established in early January and mining movement is returning to planned levels.

As reported in early November, mining was also interrupted by a localised rockfall on the western end of the Main Pit footwall. The rockfall did not result in any injuries to personnel or damage to equipment and was constrained by the protective meshing installed as part of standard geotechnical controls in respect of the footwall. The rockfall occurred shortly before the planned completion of mining in the impacted area, in which mining is scheduled to resume in the June quarter. The seawall side of the Main Pit was not impacted by this event. The Company is currently finalising its detailed assessment of proposed remedial footwall support measures to safely resume mining in the impacted area and determine appropriate adjustments to the mine plan. It is anticipated that these remedial works will involve modest additional capital expenditure in 2021 for ground support on the upper footwall levels where historical installations are less intensive than on lower levels. The timing to complete this work is under further assessment.

On the southern side of the Main Pit, seawall instrumentation continues to demonstrate that the seawall, which incorporates the installed impermeable seepage barrier and has been under full tidal loads for over two years, is performing to design expectations.

Ore production in the December quarter totalled 184,000 wmt compared with 672,000 wmt in the prior quarter, reflecting the timing of the overburden movement cycle and the December rain interruptions described above. Ore sales remained in line with plan at 396,000 wmt for the quarter and 1.1 Mwmt for the half year. The average grade of shipments in the quarter was 62.3% Fe, in line with the mine plan during the peak overburden stripping phase.

During the March and June 2021 quarters, shipped product grades are expected temporarily to reduce to an average of 58-61% Fe, reflecting an increased proportion of lower grade ore sourced from the upper west end of the Main Pit while the overburden stripping program continues in the high grade areas. High-grade (~65% Fe) material from the lower levels of the Main Pit is targeted for access in the September 2021 quarter, subject to the timing for installation of additional footwall support and any appropriate changes required to mining and ground support practices.

Financial Performance

Koolan Island generated operating cashflow of \$54 million in the December quarter before capitalised overburden stripping investment of \$40 million and capital projects of \$2 million, resulting in net site cashflow of \$12 million. Net site cashflow for the half year totalled \$38 million.

Unit mining and administration costs, including all logistics and sustaining capital expenditure, were reduced to under \$9.00 per tonne of material moved in the September quarter. Further reductions were achieved during the December quarter with the unit cost reducing to \$8.20 per tonne moved despite the rain interruptions. Reported site cash costs per tonne of ore sold will necessarily reflect the elevated overburden stripping ratio and the lower ore production during this stripping phase. Operating costs are further discussed in the Cost Performance section of this report.

Investment in overburden stripping was \$64 million for the half year to 31 December 2020 and is anticipated to exceed \$100 million for the full 2020/21 financial year. In addition, approximately \$20-25 million is planned to be incurred for various Koolan Island capital improvement projects across the March and June 2021 quarters, primarily for an upgrade of the existing crushing plant to ensure it will be capable of processing the significantly increased high grade ore throughput scheduled to occur from the September quarter onwards.

As previously indicated, the planned elevated stripping phase of the mine, during which overburden movement and operating costs are at their highest and ore production is at its lowest, is scheduled to be substantially completed in the second half of calendar 2021. Thereafter, sales are anticipated to rise and cash costs to decline in step with the significantly reduced waste to ore stripping ratio.

Exploration and Resource Development

Mount Gibson is actively assessing potential opportunities to extend the mine life of the Koolan Island operation. Work has to date focused on optimisation of the Main Pit orebody and is now transitioning to known satellite deposits on the Island. Approvals are being sought and preparations are underway for drilling in the 2021 dry season.

Infrastructure Investment - Airstrip

The Company has constructed and commissioned a new 2.1 kilometre sealed all-weather airstrip in the centre of the Island, on time and under the \$20 million budget. First flights, transporting circa 100 personnel from Perth direct to Koolan Island, commenced on a twice weekly basis in mid-October. A formal opening and naming ceremony of the Laawun Airport was held with the Dambimangari Traditional Owners in late November. The new airstrip has already demonstrated significant efficiency and cost benefits to the Koolan Island operation by reducing the average commute time for Perth personnel by approximately half. The COVID-19 global pandemic has further highlighted the value of this development.

Mid-West Operations

Extension Hill

The low grade sales program from Extension Hill was successfully completed in late December, with sales totalling 534,000 wmt in the quarter and 1.2 Mwmt for the half year, at the upper end of guidance. Sales in the December quarter comprised 472,000 wmt of low-grade lump material and 61,000 wmt of low-grade fines, all of which were sourced from detrital gravels adjacent to the Extension Hill pit.

Mount Gibson commenced the low-grade sales program from Extension Hill in June 2019 with an initial sales target of approximately 1 Mwmt. Since that time however, stronger iron ore prices have supported extensions to the program which has totalled approximately 4.1 Mwmt for operating cashflows of over \$30 million.

Cashflow for the quarter from the Mid-West operations totalled \$12 million, including \$2 million from the ongoing rail credit refund. Cashflow for the half year totalled \$20 million, including \$4 million from the rail credit refund.

Transition to final closure and rehabilitation of the Extension Hill site has commenced. The accounting provision for rehabilitation for the Extension Hill mine site at 30 June 2020 was \$10 million and, depending on the timing of plant and infrastructure removal, it is expected that much of this amount will be incurred over the next 12 months. Redeployment of site personnel and equipment to the Shine project has commenced where appropriate. The Company has also received several expressions of interest regarding the site and its various operating and infrastructure assets.

Shine Project

Development planning for the Shine Iron Ore Project, located approximately 85km north of Extension Hill, was reactivated in 2020 having been deferred amid deteriorating market conditions in 2014/15.

Early in the December quarter Mount Gibson declared initial Ore Reserves¹ of 2.8Mt grading 59.4% Fe in the proposed "Stage 1" pit at Shine. Capital development costs are estimated at \$17-20 million, with forecast production of approximately 1.5 Mwt/year over an initial two-year period at an average cash operating cost of \$65-70/wmt FOB before royalties.

The sustained increase in iron ore prices and demand in recent months has significantly enhanced the economics and outlook for the Shine Project. Should market conditions remain supportive, there is potential to extend the mine life by a further two years by proceeding with a "Stage 2" pit, based on Measured and Indicated Mineral Resources within the modelled pit shells. The Shine project has total Measured, Indicated and Inferred Hematite Resources¹ of 10.8Mt grading 58.2% Fe.

Activity in the December quarter focused on site preparation, progressing remaining permitting requirements, and advancing key commercial arrangements. The base development case assumes ore is hauled approximately 300km by road from the mine site to the Company's established export facilities at Geraldton Port. Alternative transport options are under advanced negotiation with third parties.

Equipment mobilisation occurred in the December quarter and site works commenced at the start of January, including laydown area clearings and establishment of the site water supply. The mobile mining fleet has been secured and recruitment of key senior site personnel is also largely completed.

The project remains on schedule to commence mining in April 2021 to achieve first ore sales early in the September quarter.

Expenditure on the project totalled \$1 million in the December quarter, and Mount Gibson expects to incur most of the budgeted capital development expenditure in the June 2021 half year. In addition, approximately \$15 million is expected to be incurred in the current half year period on overburden stripping assuming mining activity commences in April as planned.

Exploration and Business Development

Mount Gibson is actively seeking potential resources development and investment opportunities consistent with the Company's objective to extend and grow its business beyond the life of its current operations. This strategy is primarily targeting opportunities in the bulk commodities and base metals sectors.

Pursuant to this strategy, Mount Gibson has invested in minority equity positions in a number of junior development and operating companies where it is considered that future financing or strategic opportunities may arise. In addition, the Company is also progressing negotiations regarding greenfields and brownfields exploration opportunities in the Mid-West region.

CORPORATE

Realised Pricing and Revenue

Ore sales revenue for all products sold totalled \$110 million FOB in the December quarter, and \$239 million FOB for the half year. As the majority of Koolan Island's sale prices reflect future month averages, revenue figures remain subject to provisional pricing adjustments until finalised 2-3 months after the shipment date. Australian-dollar revenue also reflected the A\$/US\$ exchange rate, with the A\$ averaging US\$0.730 in the December quarter, higher than the US\$0.715 average in the preceding quarter.

Iron ore prices continued to rise through the quarter and half year period, reflecting buoyant and sustained Chinese demand and continued supply-side constraints. The December quarter average Platts CFR price (which includes the cost of shipping) for 62% Fe fines delivered to northern China rose sharply to average US\$134 per dry metric tonne (dmt) compared with US\$118/dmt in the preceding quarter. The average Platts CFR price for high-grade 65% Fe fines increased to US\$146/dmt for the quarter, up from US\$129/dmt in the prior quarter. Prices for the half year for 62% and 65% Fe ores averaged US\$126/dmt and US\$138/dmt respectively.

¹ Refer ASX release dated 9 October 2020, and Competent Person attributions at the end of this report.

During the quarter, high-grade DSO fines from Koolan Island achieved an average realised price of US\$149/dmt FOB after penalties and significant positive provisional pricing adjustments, compared with US\$104/dmt FOB in the prior quarter. The quarterly realised price comprised US\$130/dmt for December quarter shipments plus additional amounts relating to positive provisional pricing adjustments for September quarter shipments. The average realised price for the half year was US\$121/dmt FOB.

Sales from Koolan Island are made under long term offtake agreements on FOB terms, with pricing referencing Platts indices as well as Panamax shipping freight rates (averaging around US\$10 per tonne shipped in the quarter), specification adjustments and penalties. Provisional prices are recorded at the time of shipment and final pricing typically reflects monthly averages either one or two months after the month of shipment. At current spot prices for iron ore and based on expected grades in the coming half year, each Panamax vessel cargo from Koolan Island has a gross value of \$10-13 million FOB.

Sales of low-grade material (51-55% Fe) from Extension Hill were conducted on a fixed price basis and achieved an average realised price of US\$34/dmt FOB for fines and US\$45/dmt FOB for lump ore in the December quarter, compared with US\$30/dmt FOB and US\$41/dmt FOB respectively in the prior quarter.

Cashflow and Cash Position

The Company's cash and liquid investments totalled \$436 million at 31 December 2020, a reduction of \$9 million compared with \$445 million at 30 September 2020. The reduction reflected the \$20 million cashflow generated during the period net of working capital movements, reflecting the timing of revenue receipts and supplier payments.

Cashflow for the December quarter was \$20 million comprising cashflow from Koolan Island of \$12 million (being operating cashflow of \$54 million less \$40 million of advance overburden stripping investment and \$2 million of capital projects), cashflow from the Mid-West operations of \$12 million (including \$2 million from the historic rail refund), Shine development costs of \$1 million, interest income of \$2 million and corporate and administration costs of \$5 million (including realised foreign exchange losses). After negative working capital movements of \$29 million, reflecting the timing of receipts and payments, this resulted in a reduction of \$9 million in the Company's cash and investment balance over the December quarter.

Cashflow for the December half year was \$52 million comprising cashflow from Koolan Island of \$38 million (being operating cashflow of \$107 million less \$64 million of advance overburden stripping investment and \$5 million of capital projects), cashflow from the Mid-West operations of \$20 million (including \$4 million from the historic rail refund), Shine development costs of \$1 million, interest income of \$4 million and corporate and administration costs of \$9 million (including realised foreign exchange losses). After payment of the \$16 million cash component of the final 2019/20 dividend and negative working capital movements of \$23 million, the cash increase over the half year was \$12 million.

Cost Performance

Group unit cash costs averaged \$56/wmt FOB in the December quarter before overburden stripping investment and capital projects at Koolan Island totalling \$42 million, in line with the preceding quarter. For the half year, group cash costs averaged \$55/wmt FOB before \$69 million in advanced overburden stripping and capital projects.

At Koolan Island, site unit cash costs were \$65/wmt FOB in the quarter (before overburden stripping investment of \$40 million and capital projects of \$2 million), and \$63/wmt FOB for the half year (before overburden stripping investment of \$64 million and capital projects of \$5 million). Site unit cash costs will align with waste stripping volumes over the coming year and then reduce over the life of the mine as sales volumes increase and the waste/ore strip ratio progressively declines.

In the Mid-West, site cash costs averaged \$40/wmt FOB for the quarter and for the half year, at the lower end of guidance.

Sales and Cost Guidance for 2020/21

As previously reported, the focus in 2020/21 is on increased mining movements at Koolan Island to substantially complete the planned open pit overburden stripping phase ahead of ore shipment levels rising significantly from next financial year onwards. In the Mid-West, the focus is on bringing the Shine project into production as quickly as possible now that low-grade sources from Extension Hill have been depleted.

In August 2020, Mount Gibson provided ore sales guidance of 2.8-3.3 Mwmt for the 2020/21 year, comprising 1.8-2.1 Mwmt of high-grade fines from Koolan Island and 1.0-1.2 Mwmt of low-grade material from the Mid-West.

Sales from the Mid-West were at the upper end of guidance while mining at Koolan Island has been more challenging and was interrupted by heavy wet season rains in the December quarter. Sales from Koolan Island are therefore expected to be at the lower end of the Company's guidance range for the 2020/21 year. With the overburden stripping phase and increased investment in geotechnical support activities in the Main Pit, ore sales in the March and June 2021 quarters are expected to be broadly similar to volumes in the December quarter before increasing significantly in the September quarter, subject to the implementation of necessary additional footwall support measures mentioned in the Koolan Island section above.

Reflecting the impact of the December quarter interruptions on total material movement and on the increased geotechnical support activities required in the Main Pit, Mount Gibson expects group unit cash costs in the second half of the 2020/21 financial year to increase from levels achieved in the first half. Cost guidance will be updated with the release of the Company's half year financial results in February.

Annual General Meeting (AGM)

Mount Gibson held its 2020 AGM as a virtual online meeting on 11 November 2020. All resolutions put to shareholders were approved, however the Company recorded a "first strike" with respect to consideration of the Remuneration Report after narrowly failing to achieve the requisite 75% approval threshold. Mount Gibson will continue to engage with relevant proxy advisors and other parties to seek to address queries regarding the Company's remuneration practices and disclosures.

Financial Results for December Half Year

Mount Gibson expects to release its financial results for the six months ended 31 December 2020 on Wednesday, 24 February 2021.

During the quarter, the Company released and distributed its 2020 Annual Report and published its 2020 Sustainability Report and Modern Slavery Statement. These documents are available at the Mount Gibson Iron website: www.mtgibsoniron.com.au.

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Mount Gibson will host an analysts/institutions teleconference at **12:00 noon AEDT (9:00am WST)** on **Friday 22 January 2021**. Investors will be able to listen to the teleconference by dialling **1300 289 804** immediately prior to the scheduled start time and entering the access code **18314558#** at the prompts. A recording of the teleconference will be available via the Mount Gibson website after completion of the teleconference. In case of difficulties, operator assistance can be reached on 1300 289 804 (Australian callers) or +613 8788 6028 (overseas callers).



Figure 1: Mining in upper west end of Koolan Island Main Pit, looking east, January 2021.



Figure 2: Site water supply established at the Shine Iron Ore Project as part of early siteworks.

APPENDIX A

Mount Gibson Iron Limited Quarterly Operating Statistics

	Dec-2019 Quarter	Mar-2020 Quarter	Jun-2020 Quarter	Sep-2020 Quarter	Dec-2020 Quarter	2020/21 Year to Date
KOOLAN ISLAND	(kwmt)	(kwmt)	(kwmt)	(kwmt)	(kwmt)	(kwmt)
Mining & Crushing						
Waste mined	3,276	3,113	3,053	4,544	5,259	9,804
Ore mined	763	545	805	672	184	856
Ore crushed	722	432	556	683	285	968
Shipping/Sales*						
Standard DSO Lump	-	-	-	-	-	-
Standard DSO Fines	733	439	516	672	396	1,069
Total	733	439	516	672	396	1,069
MID-WEST						
Mining & Crushing						
Waste mined	-	-	-	-	-	-
Ore mined^	-	-	-	155	423	578
Low-grade material crushed	694	484	265	680	324	1,004
Shipping/Sales*						
Standard DSO Lump	-	-	-	-	-	-
Standard DSO Fines	-	-	-	-	-	-
Low-grade Lump	478	233	232	416	472	888
Low-grade Fines	172	354	410	285	61	346
Total	649	587	643	701	534	1,234
CONSOLIDATED DATA						
Shipping/Sales*						
Standard DSO Lump	-	-	-	-	-	-
Standard DSO Fines	733	439	516	672	396	1,069
Low-grade Lump	478	233	232	416	472	888
Low-grade Fines	172	354	410	285	61	346
Total	1,382	1,026	1,158	1,373	930	2,303

kwmt = thousand wet metric tonnes.
 * Mount Gibson ships in Panamax vessels which contain an average of 60,000 wmt from Geraldton Port in the Mid-West, and 72,000-77,000 wmt from Koolan Island.
 ^ Ore mined at Extension Hill in the 2020/21 year refers to low-grade detrital gravels recovered in the final months of the low-grade sales program.
 Minor discrepancies may appear due to rounding.

Competent Person Statement

Mineral Resources:

The information in this report relating to Mineral Resources 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.

Ore Reserves

The information in this report relating to Ore Reserves is based on information compiled by Mr 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.