

Built on quality **MGX**

Kalgoorlie 4 August 2014

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Investments in shares in MGX are considered highly speculative.

JORC COMPLIANCE STATEMENT – Iron Hill Exploration Target, Extension Hill South Project

The Iron Hill Prospect at the Extension Hill South Project has an Exploration Target of 5 - 7 million tonnes grading 58-61% Fe (refer ASX release 13 February 2014 for full details). The potential quantity and grade of this Exploration Target is conceptual in nature and there has been insufficient exploration to estimate a Mineral Resource. It is uncertain if further exploration will result in a Mineral Resource. The information in this report that relates to Exploration Targets and Exploration Results is based on information compiled by Gregory Hudson, who is a member of the Australian Institute of Geoscientists. Gregory Hudson is an employee of Mount Gibson Iron Limited group, and has sufficient experience relevant to the styles of mineralisation and type of deposit under consideration and to the activity he is undertaking, to qualify as a Competent Person as defined in the December 2012 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Gregory Hudson has consented to the inclusion of the matters in this report based on his information in the form and context in which it appears.

MGX at a glance



Member S&P/ASX-200

Market cap ~\$780 million

*@ \$0.715/share , 30/7/2014. 1,090.6m shares on issue

Dividends paid since Sept 2011

\$130m fully franked

Record FY14 ore sales

9.7 Mt

Total employees

~650

Record FY14 ore sales revenue

\$890m*

Ten year history of production

50Mt ore sold April 2014

Financially strong

\$520m cash, negligible debt*

Cash increased by \$144m since 30 June 2013



Business overview



Koolan Island

- Premium DSO lump and fines
- Ramping up to 4 Mtpa run rate by end 2014
- Long life asset with extension potential
- Simple logistics, remaining LOM strip ratio ~4.5:1

Mid West Region

Tallering Peak, Extension Hill, Shine & Geraldton Port facilities

Tallering Peak

- Achieved 3 Mt ore sales in final year, closure underway

Extension Hill

- 3 Mtpa, remaining LOM strip ratio 0.6:1
- Excellent life extension potential – Iron Hill, Gibson Hill

Shine Project

- Low capex ~1.6Mtpa DSO project, first sales targeted March Qtr 2015, schedule continues to be reviewed

Geraldton Port

- MGX Mid West export capacity of 6 Mtpa

FY2014 – a record operational performance



- Record group ore sales 9.7 Mt (+10%)
 - Koolan Island sales 3.7 Mt (+7%)
 - Tallering Peak sales 3.0 Mt (+16%)
 - Extension Hill sales 3.0 Mt (+9%)
- Record sales revenue* \$890m (+4%)
- Year-end cash reserves \$520m (+\$144m)



	Unit	<i>FY 2013/14</i>
Standard DSO product sales	kwmt	7,558
Low Grade DSO sales	kwmt	1,377
Rizhao Special Product sales	kwmt	768
Total Ore Sales	kwmt	9,703
Ave. Platts 62%Fe CFR price	US\$/dmt	123
MGX FOB Ave. realised fines price	US\$/dmt	95
MGX FOB Ave. realised Low Grade price	US\$/dmt	55

* unaudited.

Maximising value – a simple strategy

Leverage off
existing asset
base to extract
maximum value

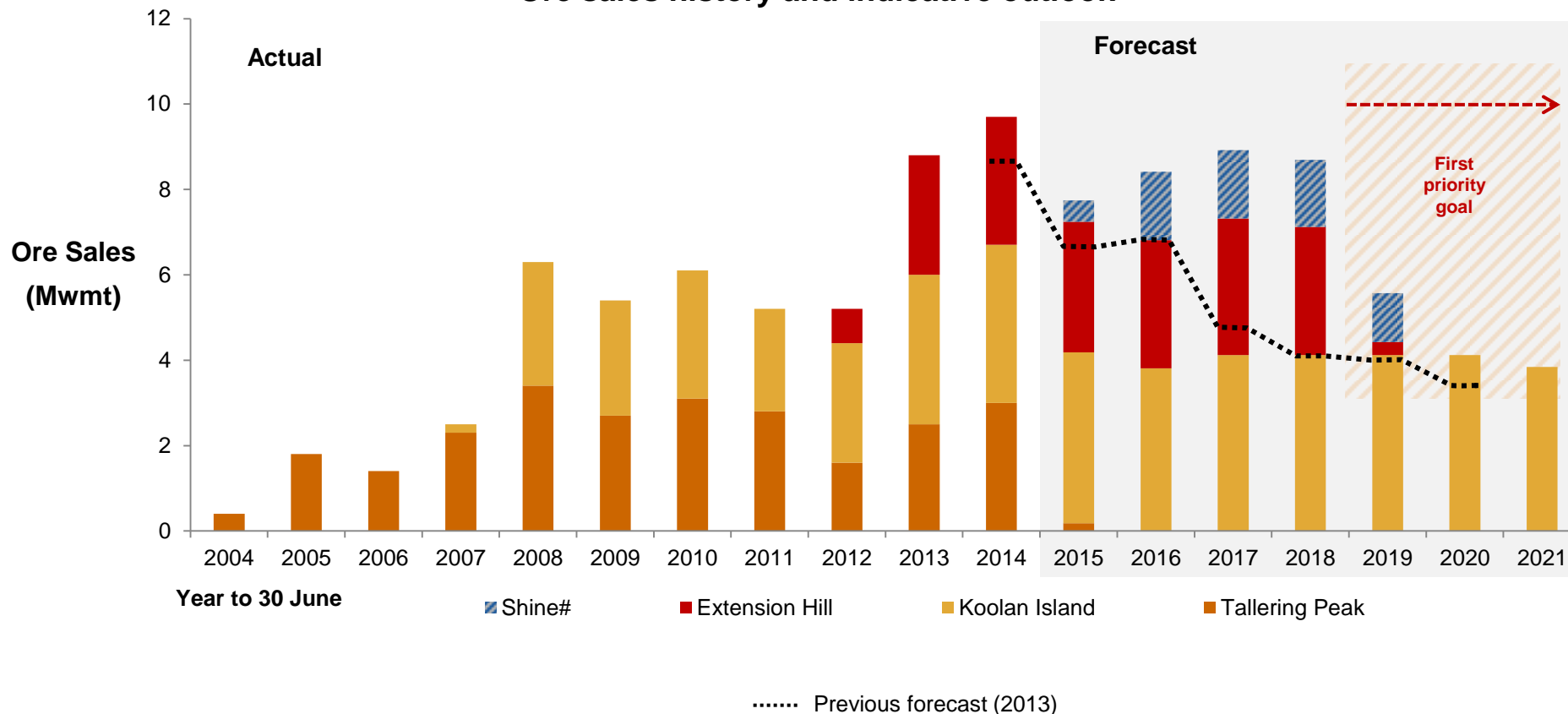
- Cost reduction and elimination of waste
- Operational optimisation and business improvement
- Extension of production profile:
 - Optimise resources and reserves inventory
 - Brownfields exploration
 - Expand footprint within operational halo
 - Leverage off existing operations, logistics footprint, and customer relationships
- Capitalise on balance sheet strength to secure value creation opportunities



Optimising the sales profile



Ore sales history and indicative outlook*



* Projected ore sales shown are indicative only, and include all iron ore products. Actual future sales remain subject to future mine performance, continuous optimisation, exploration success and general market factors. FY2015 sales guidance will be reported with full year financial results release in August 2014

Shine production schedule currently under review. Indicative Shine sales reflect current Ore Reserves and in-pit Inferred Resources. Refer ASX release dated 7 March 2014 for project details, and slides at the end of this presentation for Mineral Resources and Ore Reserves information.

MGX – ore grade and quality set us apart



High quality ores:

- **Average Group Ore Reserves grade 62.1% Fe***
 - Koolan Island **64.1% Fe**
 - Extension Hill **58.3% Fe**
 - Shine **59.3% Fe**
 - Low moisture content (MGX average ~3%)
- **Low in contaminants**
 - Low Alumina - average 1.16% (Group Ore Reserves)*
 - Low Phosphorous – average 0.03% (Group Ore Reserves)*
- **Rising average sales grade:**
 - ~**61% Fe** forecast group average ore sales grade in FY15
 - ~**62% Fe** Koolan Island
 - ~**60% Fe** Extension Hill



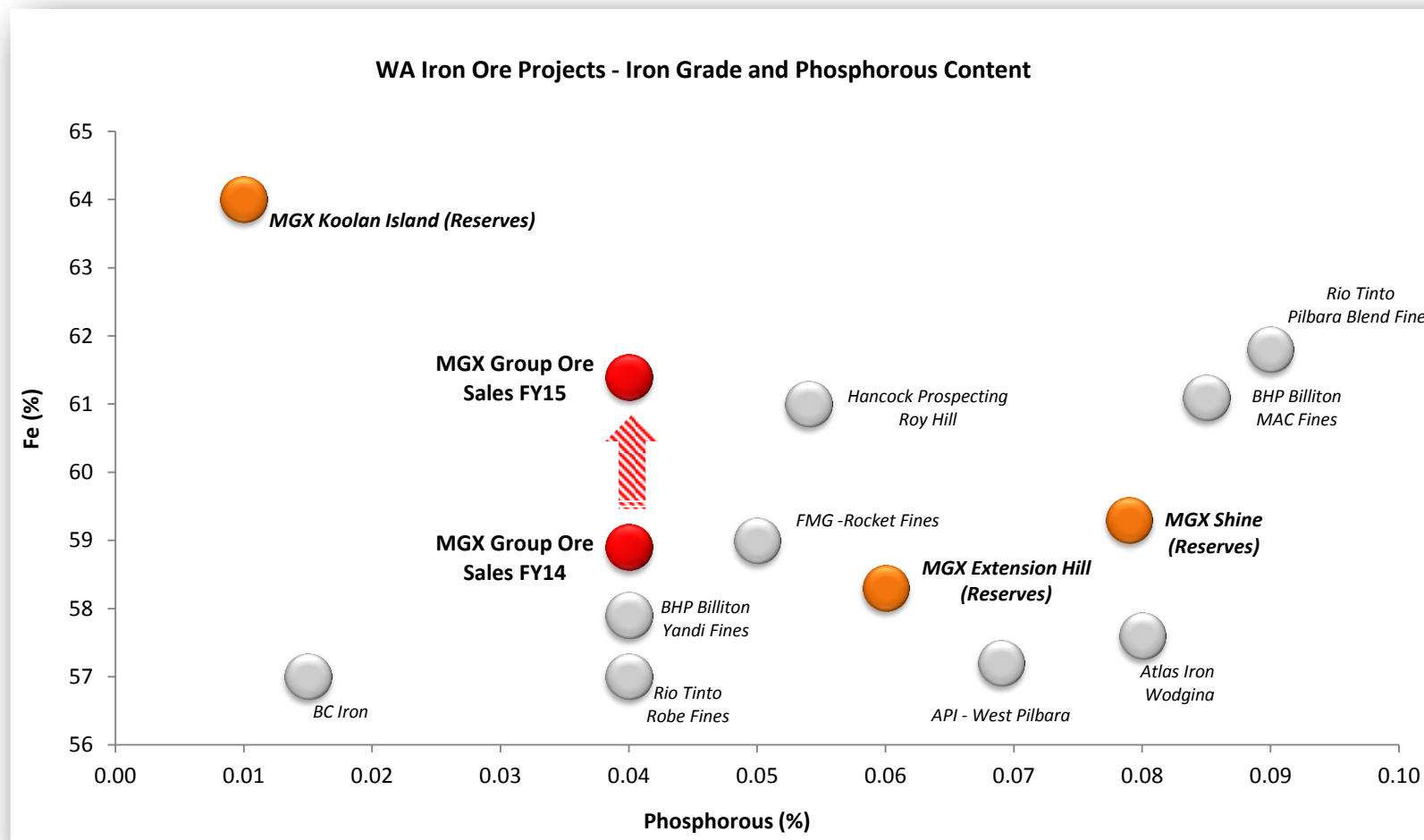
Note: Shine schedule under review. Average MGX FY15 ore sales grade is projected to average ~ 61% Fe irrespective of any contribution from Shine.

*Refer slides at the end of this presentation for Mineral Resources and Ore Reserves information.

MGX – moving further up the quality curve



Following the conclusion of low grade sales, Mount Gibson's superior quality product mix protects it against increasing discounts for low grade products



Source: Mount Gibson Iron and public/company reports of Ore Reserves information and/or product specifications. MGX Group Ore Sales grades shown above reflect actual group average delivered grade in FY2014, and expected group average delivered grade for FY2015 based on current mine plans and expected product mix. MGX FY2015 sales grade is projected to average ~61% Fe irrespective of any contribution from Shine. Refer slides at the end of this presentation for MGX Mineral Resources and Ore Reserves information.

Koolan Island – a unique high quality asset



Koolan Island – a unique high quality asset



- Long life asset: ~7 years*
- High quality DSO product
- Simple logistics - dedicated shiploader and no road or rail
- 3.7 Mt sold in FY14, including RSP
- On track to achieve ramp up to ~4 Mtpa run rate by end CY2014
- Ramp-up reducing unit mining costs and increasing productivity
- Unit mining costs at lower end of \$8-10/t guidance range for total material moved, with further gains targeted
- Purchase vs lease financing of mining fleet replacement continues to be evaluated



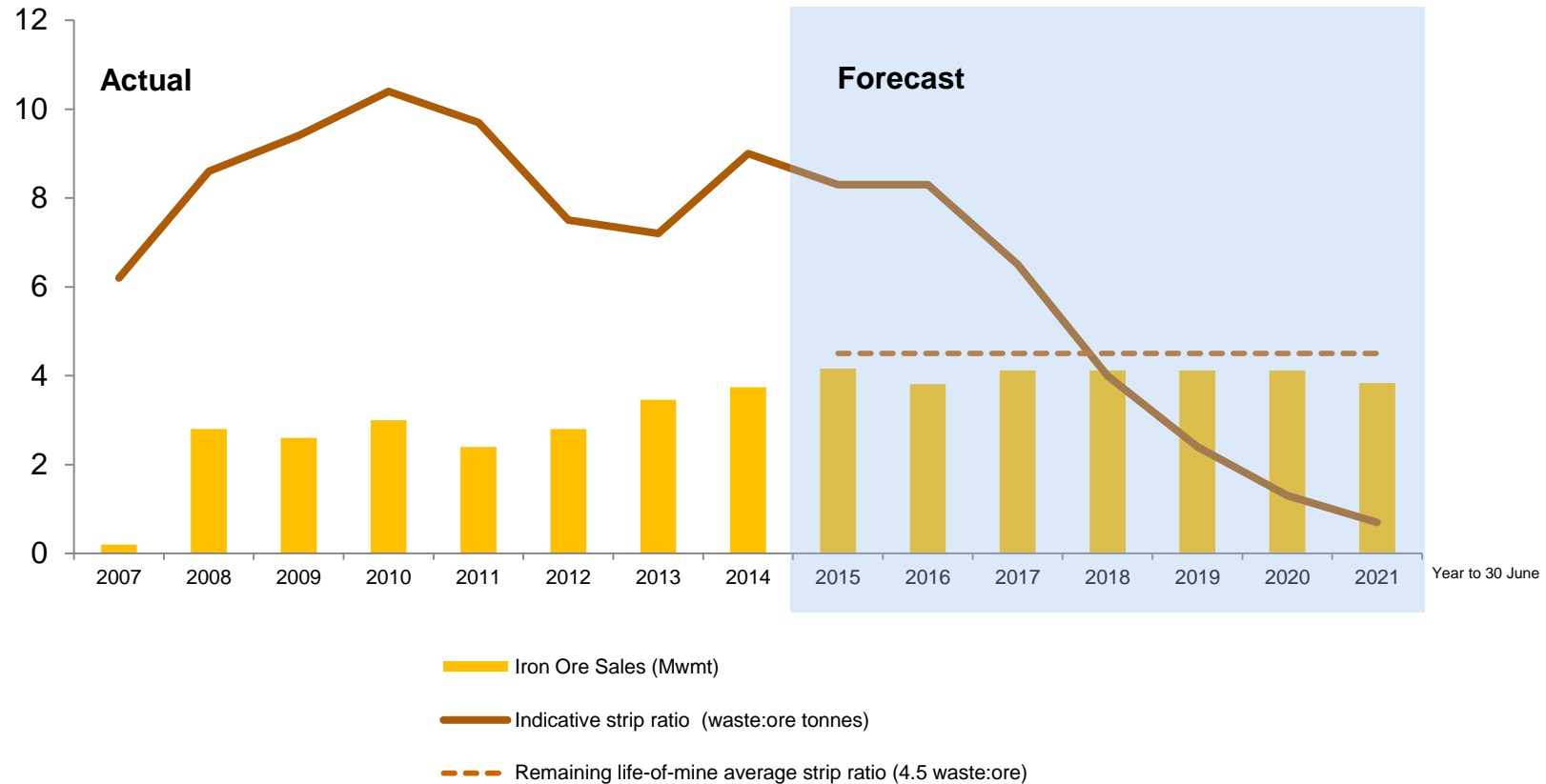
- Value-add opportunities:
 - Resource: Reserve conversion potential
 - West End targets

**Refer Slide 24 for Mineral Resource and Ore Reserve information.*

Koolan Island – recapitalising for strong future cashflow



Indicative Koolan Island waste stripping and iron ore sales profile

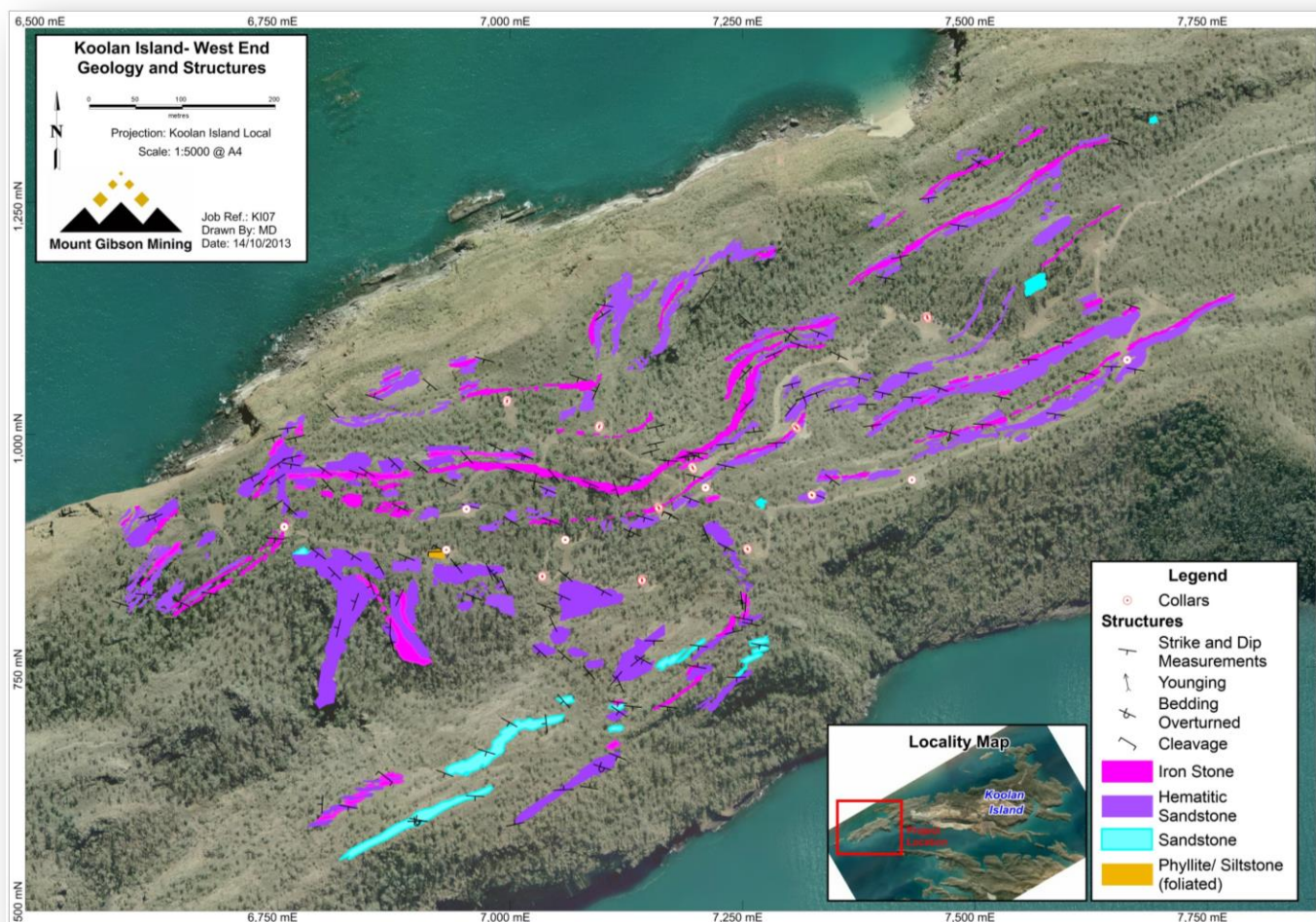


* Forecast ore sales shown are indicative only, and include all iron ore products. Actual future sales remain subject to future mine performance, continuous optimisation, exploration success and general market factors. Refer Slide 24 for Mineral Resources and Ore Reserves information.

Koolan Island – Main Pit development plan

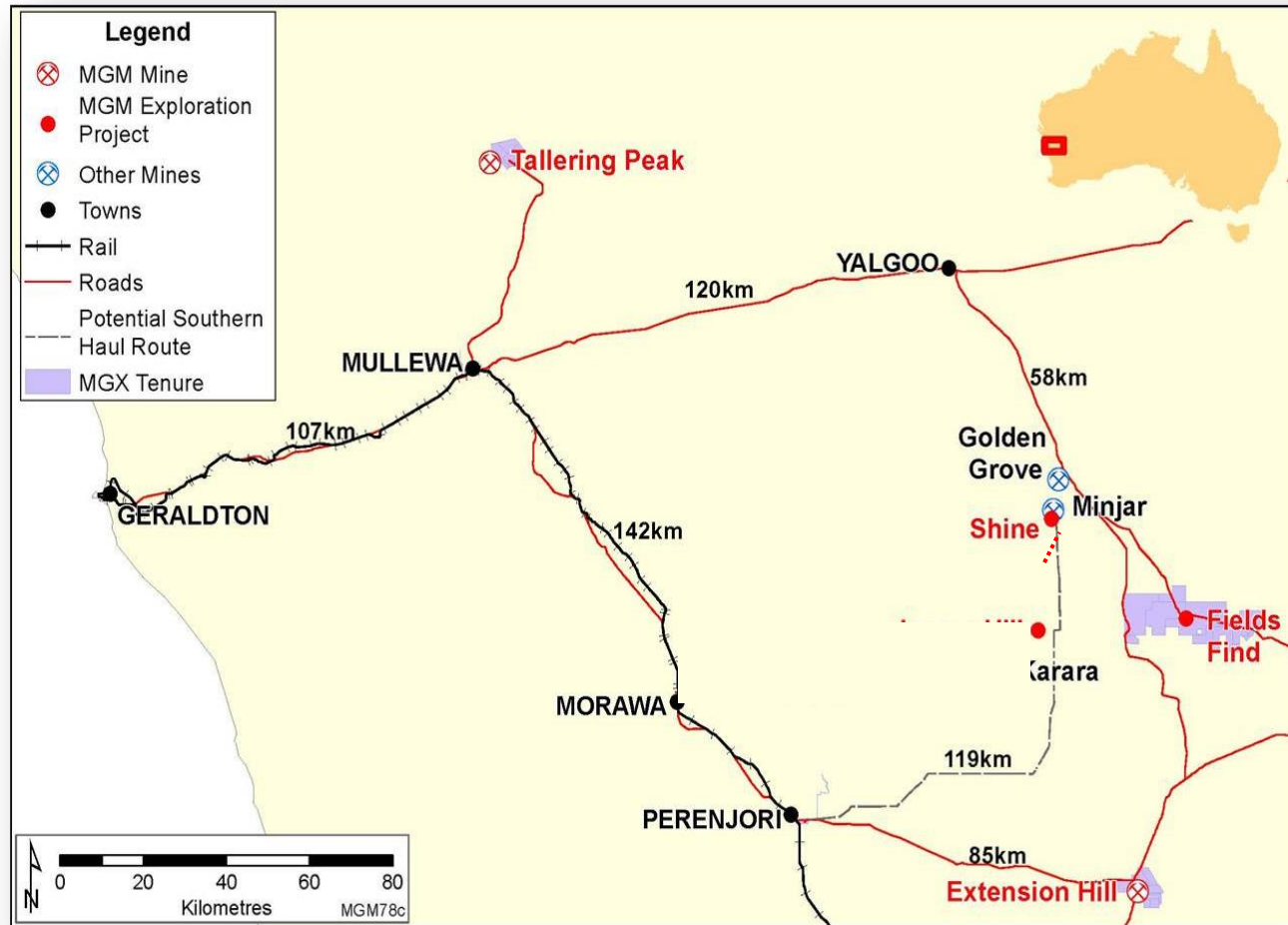


Koolan Island – West End exploration



- Program of Works (PoW) approved for 33 hole RC programme
- Contractor selection underway
- Work planned to commence in current quarter
- Drilling will test for extensions of hematite sandstone mineralisation from 2013 mapping
- Reconfirm mineralisation intercepted in 2011 drilling

Mid West – established infrastructure and potential to grow resources



- Established infrastructure footprint gives MGX a competitive edge
- Extension Hill region shaping as a potential resources hub
- Shine Hematite Project – Low-capex DSO opportunity
- Positive results from initial RC drilling at Extension Hill South
- Positive initial results from Plateau Prospect at Fields Find Project

Geraldton Port – a competitive advantage



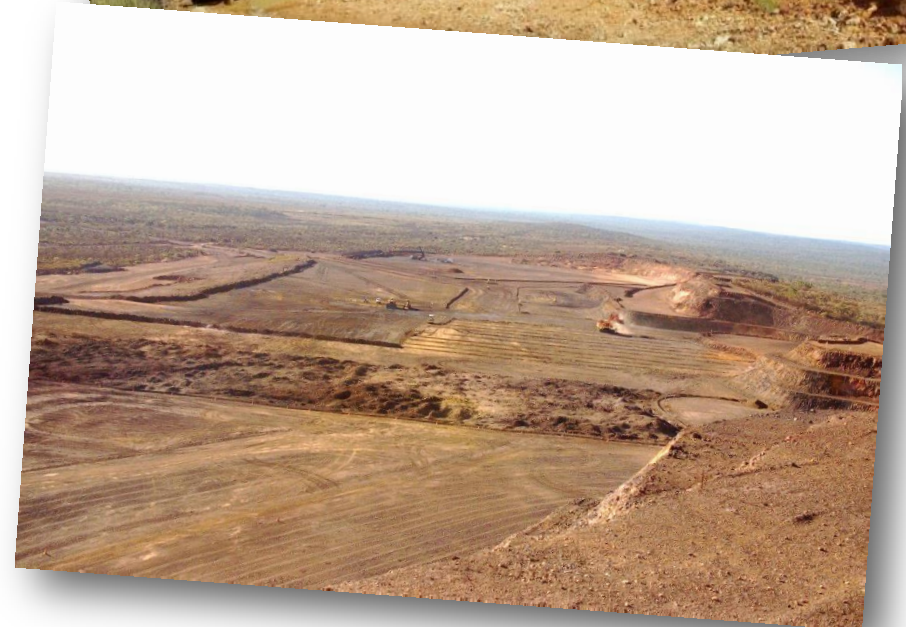
Extension Hill – a low cost growth platform



- Established road, rail and port solutions
- ~0.6:1 remaining LOM strip ratio
- +3 years life at 3Mtpa*
- High potential near-mine exploration targets with known mineralisation
- Potential regional operations hub



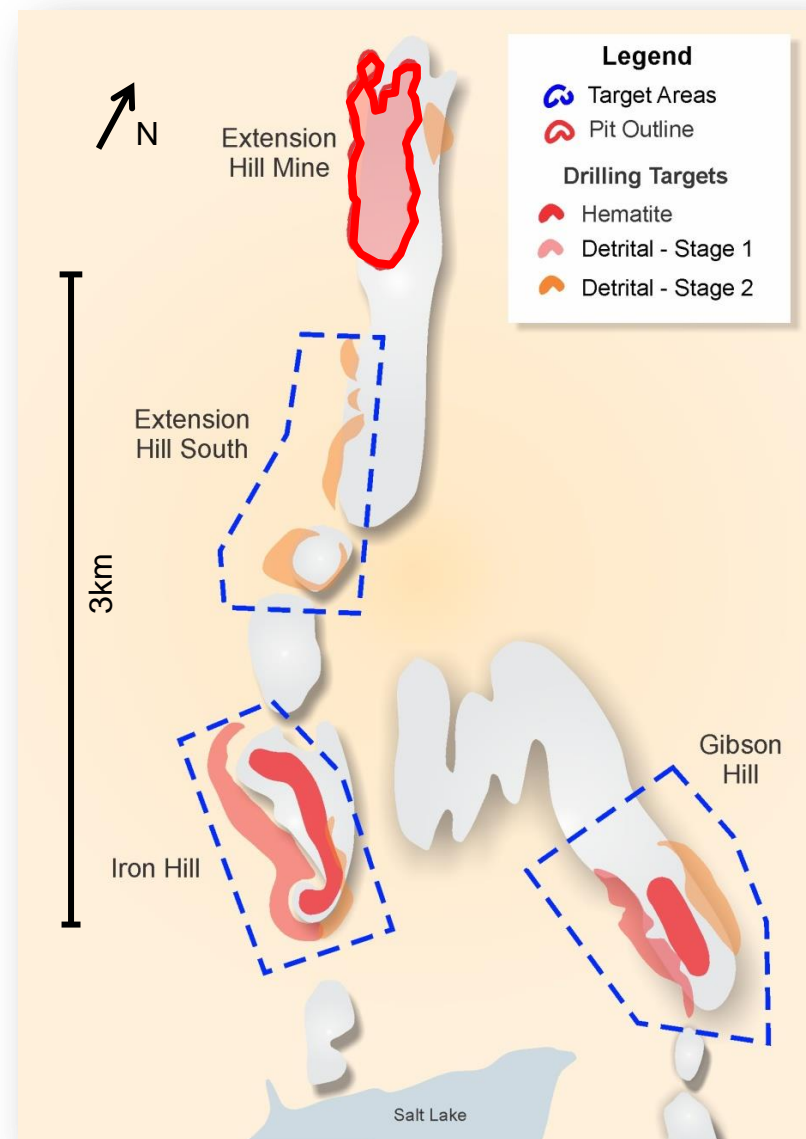
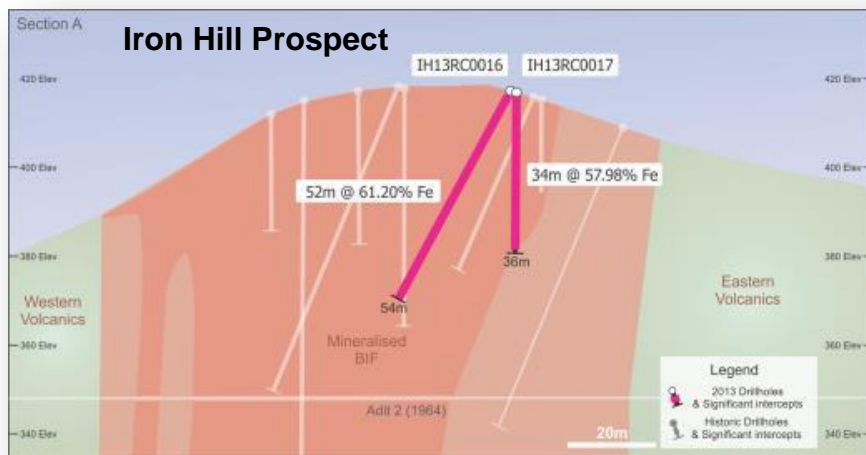
**Refer Slide 24 for Mineral Resource and Ore Reserve information.*



Extension Hill South – high potential target



- **Multiple known hematite targets** located 1-3km from crusher
- **Iron Hill Prospect Exploration Target of 5-7 Mt @ 58-61% Fe.***
- **Significant intercepts in 15 of 16 holes targeting primary Iron Hill hematite, including:**
 - 22m @ 63.8% Fe from 18m downhole
 - 53m @ 61.8% Fe from surface
 - 52m @ 61.2% Fe from 2m
- **2nd round drilling commenced**
 - 4 DD hole programme at Iron Hill commenced late July, results pending
 - 72 infill RC holes at Iron Hill to commence on receipt of approvals
 - RC programmes scheduled to commence by end September 2014
 - Initial RC programme planned at Gibson Hill

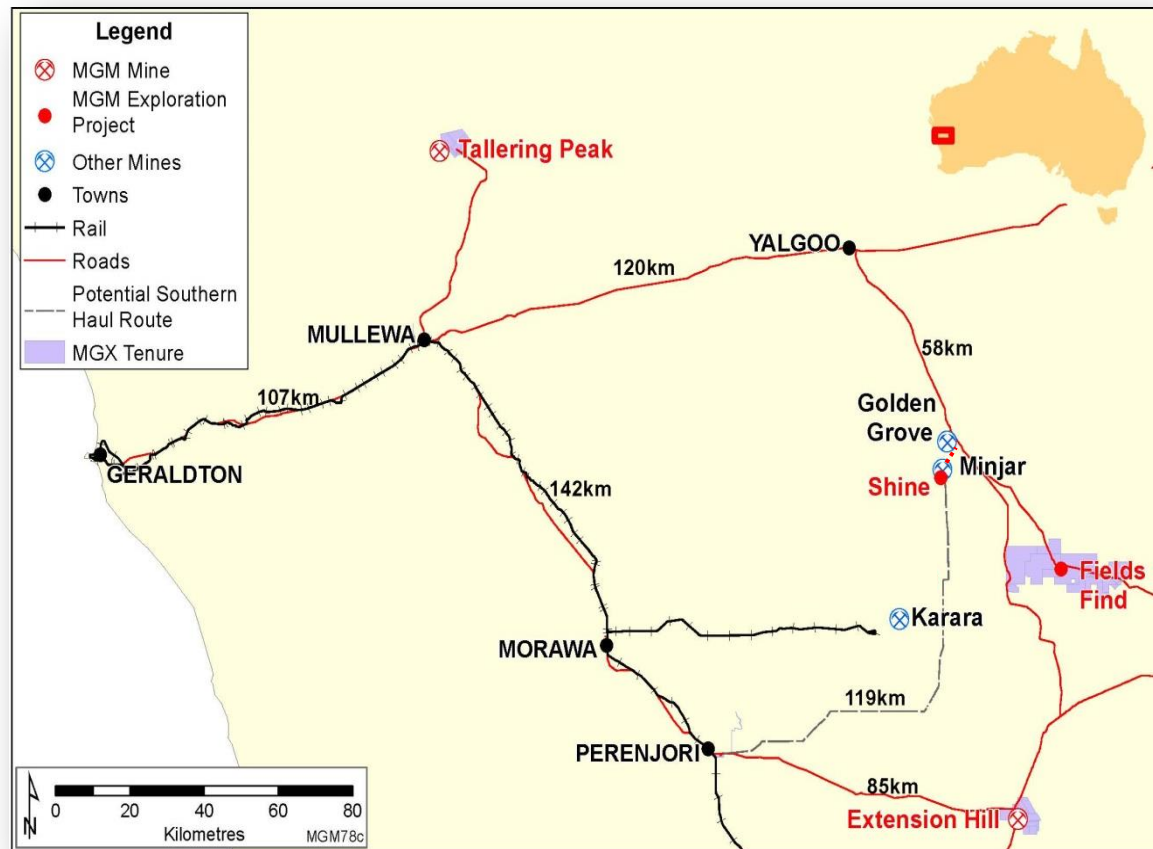


* Refer ASX release 13 February 2014, JORC compliance statement on Slide 2

Shine – a near-term DSO opportunity



- Purchase completed 7 March 2014*
- Hematite Mineral Resource of **7.8 Mt @ 59.0% Fe***
- Ore Reserves of **5.6Mt @ 59.3% Fe**
- Advanced approvals/permitting
- Indicative ore production target of **1.6 Mtpa**
- Indicative **\$9-11m** development cost (<\$7/t installed capacity)
- Close to existing MGX/3rd party infrastructure
- Opportunities to optimise mining and logistics under evaluation
- Schedule continues to be reviewed



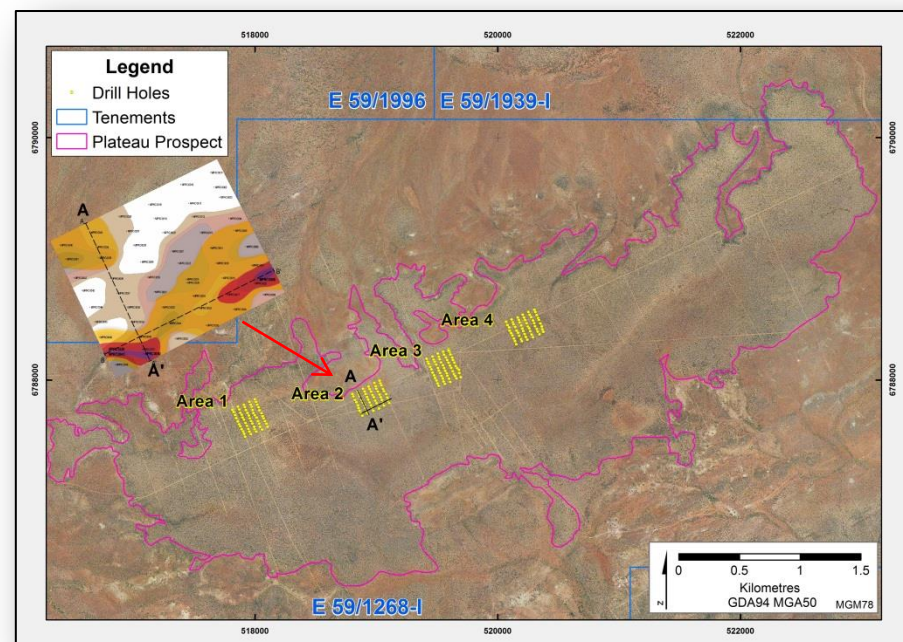
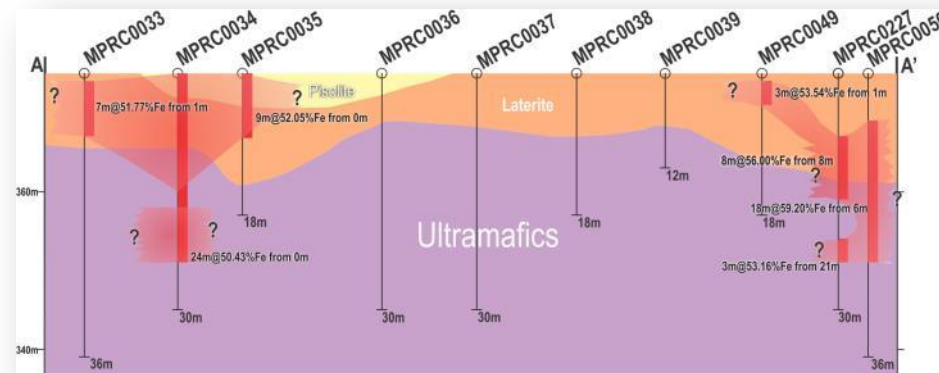
*Refer ASX announcement 7 March 2014 for project details, and slide 25 for Mineral Resource and Ore Reserve information. Acquisition cost \$12m plus price participation royalty. Royalty includes \$3m non-refundable pre-payment of royalty obligations, payable on commencement of ore sales.

Plateau Prospect, Fields Find



- Plateau located ~75km from Extension Hill
- Unconventional setting - iron-enriched laterite over ultra-mafic basement
- 228 hole RC programme completed November 2013*
- 114 significant intersections +50% Fe*, including:
 - 18m @ 59.2% Fe, 16m @ 58.4% Fe, 7m @ 60.5% Fe
- Phase 2 drilling programme commenced June
- 250 RC holes completed July, results pending
- Drilling to test lateral and strike extensions of mineralisation
- <8% of 10sqkm prospect area drilled to date
- Initial beneficiation test work confirms potential to upgrade some material to ~58% Fe

* Refer ASX announcement 21 Jan 2014



Tallering Peak – a final year of adding value



- Tenth anniversary of sales February 2014
- Life of mine ore sales +25 Mt
- FY14 ore sales of 3 Mt vs 2.5 Mt forecast
- LG stockpile sales generated strong cash margins while market window was open
- Final year contribution from T6 extension, T1 development and LG stockpile sales demonstrate MGX value-add capability



- Unit costs reduced during FY14 despite progressive decline in mining volumes
- Record site safety performance, 622 consecutive days LTI-free at 30 June 2014
- Removal of site infrastructure progressing rapidly
- On track for site closure in September 2014



Summary

- An established mid-cap iron ore producer
- Strong operating cashflows and balance sheet
- Increasing ore grade and quality profile
- Established transport infrastructure and long term customer contracts
- Exploration upside and disciplined value-focused growth strategy is delivering
- Experienced management team with demonstrated capacity to:
 - Optimise and drive operations to extract maximum value
 - Reduce costs and eliminate inefficiencies
 - Bring on new deposits in quick time



Thank You



MGX

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Supplementary information

Mineral Resources and Ore Reserves at 30 June 2013

Koolan Island					
	Tonnes millions	Fe %	SiO ₂ %	Al ₂ O ₃ %	P %
Mineral Resources above 50% Fe					
Measured	8.4	59.7	12.72	1.14	0.02
Indicated	44.6	64.5	6.21	0.77	0.01
Inferred	15.4	60.7	12.15	0.60	0.01
Total	68.5	63.0	8.35	0.78	0.01
Ore Reserves, above 50% Fe					
Proved	4.2	59.5	14.18	0.37	0.01
Probable	26.0	64.8	5.70	0.82	0.01
Total	30.2	64.0	6.89	0.76	0.01
Extension Hill					
	Tonnes millions	Fe %	SiO ₂ %	Al ₂ O ₃ %	P %
Mineral Resources above 50% Fe					
Measured	10.5	58.0	6.50	2.24	0.06
Indicated	4.1	58.1	9.06	1.61	0.07
Inferred	0.3	52.9	10.71	5.46	0.05
Total	14.8	57.9	7.28	2.12	0.06
Ore Reserves, above 50% Fe					
Proved	9.7	58.1	6.54	2.18	0.06
Probable	3.1	58.9	8.92	1.23	0.06
Total	12.8	58.3	7.12	1.96	0.06
Tallering Peak					
	Tonnes millions	Fe %	SiO ₂ %	Al ₂ O ₃ %	P %
Mineral Resources above 50% Fe					
Measured	2.0	60.0	5.53	3.27	0.04
Indicated	3.1	57.9	10.12	2.40	0.05
Inferred	0.3	54.7	15.56	2.99	0.05
Total	5.4	58.5	8.72	2.76	0.04
Ore Reserves, above 50% Fe					
Proved	0.5	59.8	6.39	2.91	0.05
Probable	1.6	58.1	10.93	1.88	0.04
Total	2.1	58.5	9.81	2.14	0.04
NOTE: Discrepancies may appear due to rounding. Mineral Resources are reported inclusive of Ore Reserves.					

Total Group Mineral Resources and Ore Reserves at 30 June 2013

Total Group Mineral Resources and Ore Reserves at 30 June 2013 (above 50% Fe)					
	Tonnes millions	Fe %	SiO ₂ %	Al ₂ O ₃ %	P %
Mineral Resources	88.6	61.9	8.19	1.12	0.02
Ore Reserves	45.2	62.1	7.09	1.16	0.03
NOTE: Discrepancies may appear due to rounding. Mineral Resources are reported inclusive of Ore Reserves.					

Attributions

The information in this report that relates to Exploration Targets and Exploration Results is based on information compiled by Gregory Hudson, who is a member of the Australian Institute of Geoscientists. Gregory Hudson is an employee of Mount Gibson Iron Limited group, and has sufficient experience relevant to the styles of mineralisation and type of deposit under consideration and to the activity he is undertaking, to qualify as a Competent Person as defined in the December 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Gregory Hudson has consented to the inclusion of the matters in this report based on his information in the form and context in which it appears.

The information in this report relating to Mineral Resources is based on information compiled by Elizabeth Haren, who is a member and Chartered Professional of the Australasian Institute of Mining and Metallurgy. Elizabeth Haren 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'. Elizabeth Haren consents to the inclusion in the report of the matters based on her information in the form and context in which it appears. Elizabeth Haren was a full-time employee of, and is a consultant to Mount Gibson Mining Limited.

The information in this report relating to Ore Reserves is based on information compiled by Weifeng Li, who is a member of the Australasian Institute of Mining and Metallurgy. Weifeng Li 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'. Weifeng Li consents to the inclusion in the report of the matters based on his information in the form and context in which it appears. Weifeng Li is a consultant to Mount Gibson Mining Limited.

Refer ASX release 21 October 2013 for full details of Mineral Resources and Ore Reserves as at 30 June 2013. Updated Mineral Resources and Ore Reserves for MGX will be available later in 2014. Depletion from mining in FY2014 totalled 2.8 Mt at Koolan Island, 2.9 Mt at Extension Hill and 2.2 Mt at Tallering Peak.

Supplementary information

Shine Hematite Mineral Resources

Resource Category	Tonnes (Mt)	Fe %	SiO ₂ %	Al ₂ O ₃ %	P %	LOI %
Measured	2.65	59.7	7.58	2.18	0.085	4.18
Indicated	4.17	58.7	9.14	1.72	0.078	4.06
Inferred	0.95	58.0	9.80	1.51	0.079	4.68
Total	7.8	59.0	8.69	1.85	0.080	4.18
55% Fe cut-off applied . Discrepancies may appear due to rounding.						

Shine Ore Reserves

Classification	Tonnes (Mt)	Fe %	SiO ₂ %	Al ₂ O ₃ %	P %	LOI %
Proved	2.2	60.0	6.88	2.33	0.080	4.32
Probable	3.4	58.9	8.92	1.79	0.077	4.10
Total	5.6	59.3	8.12	2.00	0.079	4.19
55% Fe cut-off applied. Discrepancies may appear due to rounding.						

Competent Person Statement

Shine Mineral Resource

The information in this report that relates to Shine Mineral Resources is based on information compiled by John Graindorge, who is a Chartered Professional and Member of the Australasian Institute of Mining and Metallurgy (MAusIMM). John Graindorge is a full-time employee of Snowden Mining Industry Consultants Pty Ltd 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'. John Graindorge consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

Shine Ore Reserves

The information in this report that relates to the Shine Ore Reserves and Production Targets is based on information compiled by Steve O'Dea, who is a member of the Australasian Institute of Mining and Metallurgy (MAusIMM). Steve O'Dea is a full-time employee of Coffey Mining Pty Ltd 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'. Steve O'Dea consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

Refer ASX release 7 March 2014 for further information relating to the Shine Hematite Mineral Resource and Ore Reserves. Updated Mineral Resources and Ore Reserves for Shine will be available later in 2014.