



## Mount Gibson Iron Limited

ABN 87 008 670 817



Level 1, 2 Kings Park Road  
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](mailto:admin@mtgibsoniron.com.au)

VIA: [WWW.ASXONLINE.COM](http://WWW.ASXONLINE.COM)

### ASX ANNOUNCEMENT

**ASX Code : MGX**

19 June 2017

### **Mount Gibson terminates offtake agreement with Iron Hill customer**

Mount Gibson Iron Limited ("**Mount Gibson**") advises that it has formally terminated an offtake agreement entered into with Xinyu Iron and Steel Group Limited ("**Xinyu**") on 25 November 2016 relating to production from the Company's Iron Hill mine in Western Australia. The termination follows Xinyu's failure to comply with a fundamental term under the offtake agreement.

Consistent with Mount Gibson's rights, the Company is now free to place all production previously committed to Xinyu under this agreement with alternative customers. Mount Gibson has reserved its rights to pursue Xinyu for any resulting losses.

Mount Gibson has already successfully sold Iron Hill material into the spot market, and fully expects to continue to place all production from Iron Hill with customers as it becomes available.

As previously announced<sup>1</sup>, Xinyu committed to purchase approximately one quarter of the first year's planned production from Iron Hill under its offtake agreement with Mount Gibson.

For further information:

**Jim Beyer**

Chief Executive Officer  
Mount Gibson Iron Limited  
+61-8-9426-7500

**John Phaceas**

External Relations Advisor  
Empeiros Advisory  
+61-(0)-411-449-621

[www.mtgibsoniron.com.au](http://www.mtgibsoniron.com.au)

---

<sup>1</sup> Refer ASX release dated 25 November 2016