

2 October, 2014

ASX Announcement

Corporate Update

Proposed Funding Agreement

The funding tranche mentioned as delayed in the Corporate Update by the Company on 23 October 2014 has been received. This tranche includes additional funding to cover the costs associated with the General Meeting to vote on the Funding Agreement that was announced to the market on 30 April 2014. These costs include the Independent Expert Report costs, printing and mailing costs.

Approvals have now been received for the Notice of Meeting and its supporting documentation and the General Meeting will be called shortly, with documents being dispatched to shareholders thereafter.

Other Matters

The Managing Director of Ferrowest, Mr Brett Manning, has recently been diagnosed with cancer and will be undergoing treatment commencing in the near future. Mr Manning will continue in the role of Managing Director for the time being. If shareholders approve the Funding Agreement, it is proposed that Mr Robert (Wei) Sun will be appointed as Managing Director once settlement of the agreement occurs (following Chinese Government approval). Mr Manning will then be appointed Executive Chairman. Other directors of the Company will perform in an executive capacity where required during Mr Manning's treatment phase, which is expected to extend until the end of the year.

For further information please contact: Brett Manning – Managing Director, +61 8 9277 2600