



Mount Gibson Iron Limited
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VIA: WWW.ASXONLINE.COM

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

IRON ORE PRICE SETTLEMENT

Following the recent announcement by Rio Tinto Limited that Hamersley Iron had reached agreement with Japan's Nippon Steel Corporation on the price for Hamersley lump and fine ores for the contract year commencing 1 April 2009, Mount Gibson Iron Limited ("**MGI**") has notified existing long term iron ore contract customers that lump and fine ore prices will be 112 US cents per dry metric tonne unit and 97 US cents per dry metric tonne unit respectively, effective 1 April 2009. Existing MGI long term iron ore supply contract prices are based on annually negotiated Hamersley lump and fine ore prices

Yours sincerely

MOUNT GIBSON IRON LIMITED

David Berg
Company Secretary

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