FERROWEST
LIMITED

1 March 2013

Ms. Fiona Murhpy

ASX Limited

Level 8, Exchange Plaza

2 The Esplanade

PERTH WA 6000

By email: Fiona.Murphy@asx.com.au

Dear Fiona,

APPENDIX 3Y – CHANGE OF DIRECTOR'S INTEREST NOTICE

I refer to your letter dated 1 March 2013 and having regard to listing rules 3.19A and 3.19B and Guidance Note 22: "Director Disclosure of Interest and Transactions in Securities – Obligations of Listed Entities" respond to your questions in the same order:

1. It was an administrative oversight that was corrected upon review of lodgements.
2. The Company has policies and procedures in place with its directors to ensure it can meet its disclosure obligations under listing rule 3.19A.
3. Not applicable. It is the Company's view that the current arrangements are adequate and being enforced. Directors have been reminded of their obligations and no further steps are considered necessary on this occasion.

Yours sincerely,

Daniel Bredenkamp

Company Secretary

ASX Compliance Pty Limited
ABN 26 087 780 489
Level 8 Exchange Plaza
2 The Esplanade
PERTH WA 6000

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PERTH WA 6840

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1 March 2013

Mr Daniel Bredenkamp
Company Secretary
Ferrowest Limited
Unit 18, 28 Belmont Avenue
BELMONT, WA 6104

Dear Mr Bredenkamp

Ferrowest Limited (the "Company") Appendix 3Y – Change of Director's Interest Notice

We refer to the following:

1. Appendix 3Y lodged by the Company with ASX Ltd ("ASX") on 1 March 2013 regarding a change of director's interest for Mr Graeme G Johnston (the "Appendix 3Y").

2. Listing rule 3.19A which requires an entity to tell ASX the following:

   3.19A.1 The notifiable interests of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) at the following times.

   - On the date that the entity is admitted to the official list.
   - On the date that a director is appointed.

   The entity must complete an Appendix 3X and give it to ASX no more than 5 business days after the entity's admission or a director's appointment.

   3.19A.2 A change to a notifiable interest of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust). The entity must complete an Appendix 3Y and give it to ASX no more than 5 business days after the change occurs.

   3.19A.3 The notifiable interests of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) at the date that the director ceases to be a director. The entity must complete an Appendix 3Z and give it to ASX no more than 5 business days after the director ceases to be a director.

3. Listing rule 3.19B which states as follows.

   An entity must make such arrangements as are necessary with a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) to ensure that the director discloses to the entity all the information required by the entity to give ASX completed Appendices 3X, 3Y and 3Z within the time period allowed by listing rule 3.19.A. The entity must enforce the arrangements with the director.

4. The Companies Update dated 27 June 2008, reminding listed entities of their obligation to notify ASX within 5 business days of the notifiable interests in securities held by each director and outlining the action that ASX would take in relation to breaches of listings rules 3.19A and 3.19B.

The Appendix 3Y indicates that the change in the director's notifiable interest occurred on 21 January 2013. It appears that the Appendix 3Y should have been lodged with ASX in respect of that change by 29 January 2013. Consequently, the Company may be in breach of listing rules 3.19A and/or 3.19B.

Please note that ASX is required to record details of breaches of the listing rules by listed companies for its reporting requirements.

ASX reminds the Company of its contract with ASX to comply with the listing rules. In the circumstances ASX considers that it is appropriate that the Company make necessary arrangements to ensure there is not a reoccurrence of a breach of the listing rules.

Having regard to listing rules 3.19A and 3.19B and Guidance Note 22: "Director Disclosure of Interests and Transactions in Securities - Obligations of Listed Entities", we ask that you answer each of the following questions.

1. Please explain why the Appendix 3Y was lodged late.

2. What arrangements does the Company have in place with its directors to ensure that it is able to meet its disclosure obligations under listing rule 3.19A?

3 If the current arrangements are inadequate or not being enforced, what additional steps does the Company intend to take to ensure compliance with listing rule 3.19B?

Your response should be sent to me by e-mail to fiona.murphy@asx.com.au or by facsimile on facsimile number (08) 9221 2020. It should not be sent to the Market Announcements Office.

A response is requested as soon as possible and, in any event, not later than **5:00 pm WST on Wednesday, 6 March 2013.**

Under listing rule 18.7A, a copy of this query and your response will be released to the market, so your response should be in a form suitable for release and must separately address each of the questions asked. If you have any queries or concerns, please contact me immediately.

Yours sincerely

[sent electronically without signature]

Fiona Murphy
Adviser, Listings Compliance (Perth)