



Mount Gibson Iron Limited

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The Manager
Company Announcements
Australian Stock Exchange Limited
Level 10, 20 Bond Street
SYDNEY NSW 2000

SUBJECT: MOUNT GIBSON IRON ANNOUNCES PLACEMENT TO RAISE \$12.5 MILLION

Mount Gibson Iron Limited (MGX) has agreed to place 22,727,272 ordinary shares at an issue price of \$0.55 per share to a group of sophisticated/professional investors and institutional clients of SHAW Stockbroking Limited to raise \$12.5 million before costs and expenses.

Proceeds of the placement will primarily be utilised to progress the Company's involvement in the Asia Iron pellet project in Nanjing, China.

Yours sincerely
MOUNT GIBSON IRON LIMITED

John Arbuckle
Company Secretary

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