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Lawyers | **McCullough
Robertson**

24 November 2010

Fax transmission

Company Announcements
 Australian Securities Exchange
 20 Bridge Street
 Sydney NSW 2000

Fax 1300 135 638

Dear Sir/Madam

Red Hill Iron Limited (ASX: RHI) - Notice of initial substantial holder

We act for Brisbane Investments I Ltd and Brisbane Investments II Ltd.

We **attach** an ASIC Form 603 (Notice of initial substantial holder) issued by our clients in relation to the ordinary shares of Red Hill Iron Limited.

Yours faithfully



Derek Pocock
Partner

Copy Mr Peter Ruttledge
 Company Secretary
 Red Hill Iron Limited
(08) 9481 0663

attachment
 10182115v1

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 James Peterson
 Peter Kennedy
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 Peter Stewart
 Brad McCosker
 Tony Cotter
 Damien Clarke
 Michael McCafferty
 Dominic McGann

Bill Morrissey
 Stuart Macnaughton
 Brad Russell
 Sean Robertson
 Malcolm McBratney
 Mark West
 Matthew Burgess
 Timothy Longwill
 Diana Lohrsch
 Patrick Holland
 Mark Foy
 Trudy Naylor
 Russell Thirgood
 Derek Pocock

Reece Walker
 Kristan Butler
 Darren White
 Kristen Grover
 David Marschke
 David Downie
 Tim Wiedman
 Michael Rochester
 Hayden Bentley
 Scott Butler
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 Scott Whitla
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 Jay Deeb
 Dr Amanda McBratney
 Phillip Toyne
 Gerard Thorpe

Form 603
Corporations Act 2001
Section 671B

Notice of initial substantial holder

To Company Name/Scheme Red Hill Iron Limited

ACN/ARSN 114 653 392

1. Details of substantial holder (1)

Name Brisbane Investments I Ltd and Brisbane Investments II Ltd.

ACN/ARSN (if applicable) _____

The holder became a substantial holder on 22 November 2010

2. Details of voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in on the date the substantial holder became a substantial holder are as follows:

Class of securities (4)	Number of securities	Person's votes (5)	Voting power (6)
ORD	8,102,422	8,102,422	18.45%

3. Details of relevant interests

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities
Brisbane Investments I Ltd.	Relevant interest under section 608(1) Corporations Act 2001 (Cth) (Corporations Act) as the registered holder of the shares acquired under the share sale agreement set out in Annexure A.	ORD 2,025,605
Brisbane Investments II Ltd.	Relevant interest under section 608(1) Corporations Act as the registered holder of the shares acquired under the share sale agreement set out in Annexure A.	ORD 2,025,605
Hans Mende	Under section 608(3) Corporations Act, Hans Mende has a relevant interest in any shares that Brisbane Investments I Ltd. has a relevant interest in.	ORD 2,025,605
Fritz Kundrun	Under section 608(3) Corporations Act, Fritz Kundrun has a relevant interest in any shares that Brisbane Investments II Ltd. has a relevant interest in.	ORD 2,025,605
FRC Australian Holdings B.V. (FRC Australian)*	Relevant interest under section 608(1) Corporations Act as the registered holder of the shares.	ORD 4,051,212
First Reserve GP X, Inc., First Reserve GP X, LP, First Reserve Fund X, LP and each of their subsidiaries, including FRC AMCI Intermediate B.V. (FRC Group)	Under section 608(3) Corporations Act the members of the FRC Group have a relevant interest in any shares that FRC Australian has a relevant interest in.	ORD 4,051,212

4. Details of present registered holders

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Class and number of securities
Brisbane Investments I Ltd.	Brisbane Investments I Ltd.	Brisbane Investments I Ltd.	ORD 2,025,605
Brisbane Investments II Ltd.	Brisbane Investments II Ltd.	Brisbane Investments II Ltd.	ORD 2,025,605
FRC Australian	FRC Australian	FRC Australian	ORD 4,051,212

5. Consideration

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Holder of relevant interest	Date of acquisition	Consideration (9)		Class and number of securities
		Cash	Non-cash	
Brisbane Investments I Ltd.	22 November 2010	\$6,975,534.75	Cash	ORD 2,025,605
Brisbane Investments II Ltd.	22 November 2010	\$6,975,534.75	Cash	ORD 2,025,605

6. Associates

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
Brisbane Investments I Ltd, Brisbane Investments II Ltd, Hans Mende, Fritz Kundrun, FRC Australian and the FRC Group	Brisbane Investments I Ltd, Brisbane Investments II Ltd, Hans Mende and Fritz Kundrun are each associates of FRC Australian and the FRC Group pursuant to section 12(2)(c) Corporations Act by "acting in concert" in relation to the affairs of Red Hill Iron Limited.

7. Addresses

The addresses of persons named in this form are as follows:

Name	Address
Brisbane Investments I Ltd.	87 Mary Street, George Town, Grand Cayman KY1-9005, Cayman Islands
Brisbane Investments II Ltd	87 Mary Street, George Town, Grand Cayman KY1-9005, Cayman Islands
Hans Mende	Seesrasse 17, 5300 Zug, Switzerland
Fritz Kundrun	16683 Esplanada Lane, Wellington, Florida 33414, United States
FRC Australian Holdings B.V.	Fred Roeskestraat 123, 1078 EE in Amsterdam, Netherlands
FRC AMCI Intermediate B.V.	Fred Roeskestraat 123, 1078 EE in Amsterdam, Netherlands
First Reserve GP X, Inc.	One Lafayette Place, Greenwich, CT 06830, United States of America
First Reserve GP X, LP	One Lafayette Place, Greenwich, CT 06830, United States of America
First Reserve Fund X, LP	One Lafayette Place, Greenwich, CT 06830, United States of America

Signature

print name Hans Mende / Fritz Kundrun

capacity

Director of Brisbane Investments I Ltd / Director of Brisbane Investments II Ltd

sign here

 11/22/10

DIRECTIONS

- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 7 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The total number of votes attached to all the voting shares in the company or voting interests in the scheme (if any) that the person or an associate has a relevant interest in.
- (6) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (7) Include details of:
 - (a) any relevant agreement or other circumstances by which the relevant interest was acquired. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
 - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
- (8) If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown."
- (9) Details of the consideration must include any and all benefits, moneys and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.

This is Annexure A of 4 pages referred to in ASIC Form 603 - Notice of initial substantial holder



Name: Hans J Mander

Capacity: Director

Date: 22 November 2010



Name: Fritz R Kundrun

Capacity: Director

Date: 22 November 2010

Share sale agreement

Dated *22 November 2010*

Parties

Seller **AMCI Investments Pty Ltd** ACN 112 315 661 of Level 8, 123 Eagle Street, Brisbane, Queensland 4000

Buyer **Brisbane Investments I Ltd** of 87 Mary Street, George Town, Grand Cayman KY1-9005, Cayman Islands

Agreed terms

- 1 The Seller is the registered holder of 2,025,605 ordinary class shares in Red Hill Iron Limited ACN 114 553 392 (**Sale Shares**).
- 2 The Seller agrees to sell the Sale Shares, and the Buyer agrees to buy the Sale Shares, from the Seller:
 - (a) free from encumbrances;
 - (b) for the purchase price of \$5,975,534.75 (being \$2.95 per Sale Share) (**Purchase Price**);
 - (c) on 22 November 2010 (**Completion Date**); and
 - (d) otherwise on the terms of this document.
- 3 On the Completion Date:
 - (a) the Seller must give the Buyer:
 - (i) absolute ownership of and title to the Sale Shares free from encumbrances; and
 - (ii) completed transfers of the Sale Shares to the Buyer signed by the Seller in registrable form and any other documents which the Buyer reasonably requires to obtain title to the Sale Shares and to have the Sale Shares registered in the name of the Buyer; and
 - (b) the Buyer must pay the Purchase Price at the direction of the Seller.
- 4 The Seller represents and warrants that it has the power and authority to transfer full legal and beneficial ownership of the Sale Shares to the Buyer on the Completion Date, without the consent of a third person and free from any rights of a person under an arrangement such as an option, a right of pre-emption or a right of first refusal.
- 5 Each party represents and warrants that it has the power to enter into and perform its obligations under this document.

6 This document may be signed in any number of counterparts. All counterparts together make one Instrument.

Execution

EXECUTED as an agreement

Signed by AMCI Investments Pty Ltd ACN 112 315 661 by its duly authorised officer in the presence of:

^ _____
 Signature of witness

Robert McNamara

^ _____
 Name of witness (print)

^ _____
 Signature of Authorised Officer
Mark Tzannes

^ _____
 Full Name of Authorised Officer

^ _____
Director

^ _____
 Office Held

Signed by Brisbane Investments I Ltd by its duly authorised officer in the presence of:

^ _____
 Signature of witness

^ _____
 Name of witness (print)

^ _____
 Signature of Authorised Officer
HANS MENDE

^ _____
 Full Name of Authorised Officer

^ _____
 Office Held

Share sale agreement

Dated 22 November 2010

Parties

Seller **AMCI Investments Pty Ltd** ACN 112 315 661 of Level 8, 123 Eagle Street, Brisbane, Queensland 4000

Buyer **Brisbane Investments II Ltd** of 87 Mary Street, George Town, Grand Cayman KY1-9005, Cayman Islands

Agreed terms

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 - (a) free from encumbrances;
 - (b) for the purchase price of \$5,975,534.75 (being \$2.95 per Sale Share) (**Purchase Price**);
 - (c) on 22 November 2010 (**Completion Date**); and
 - (d) otherwise on the terms of this document.
- 3 On the Completion Date:
 - (a) the Seller must give the Buyer:
 - (i) absolute ownership of and title to the Sale Shares free from encumbrances; and
 - (ii) completed transfers of the Sale Shares to the Buyer signed by the Seller in registrable form and any other documents which the Buyer reasonably requires to obtain title to the Sale Shares and to have the Sale Shares registered in the name of the Buyer; and
 - (b) the Buyer must pay the Purchase Price at the direction of the Seller.
- 4 The Seller represents and warrants that it has the power and authority to transfer full legal and beneficial ownership of the Sale Shares to the Buyer on the Completion Date, without the consent of a third person and free from any rights of a person under an arrangement such as an option, a right of pre-emption or a right of first refusal.
- 5 Each party represents and warrants that it has the power to enter into and perform its obligations under this document.

6 This document may be signed in any number of counterparts. All counterparts together make one instrument.

Execution

EXECUTED as an agreement

Signed by AMCI Investments Pty Ltd ACN 112 315 661 by its duly authorised officer in the presence of:

Signature of witness

 Robert McNamara

 Name of witness (print)

Signature of Authorised Officer

 Mark Tzannes

 Full Name of Authorised Officer

 Director

 Office Held

Signed by Brisbane Investments II Ltd by its duly authorised officer in the presence of:

Signature of witness

 Name of witness (print)

Signature of Authorised Officer

 FRITZ KUNDRUN

 Full Name of Authorised Officer

 Office Held