

23 October 2007

Company Announcements Office
ASX Limited
Level 4, 20 Bridge Street
SYDNEY NSW 2000

Dear Sir/Madam

Notice of 2007 Annual General Meeting

Attached is a copy of the notice of the Red Hill Iron Limited 2007 Annual General Meeting.

Yours faithfully

P.C.Ruttledge
Company Secretary

RED HILL IRON LIMITED

ABN 44 114 553 392

NOTICE OF MEETING AND EXPLANATORY MEMORANDUM

FOR THE

ANNUAL GENERAL MEETING

TO BE HELD ON MONDAY 26 NOVEMBER 2007

Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of Red Hill Iron Limited will be held at the Celtic Club, 48 Ord Street Street, West Perth, on Monday 26 November 2007 commencing at 4.30pm to conduct the following business:

1. Financial Report

To receive the Financial Report and the reports of the Directors and Auditors for the year ended 30 June 2007.

2. Resolutions

Resolution 1: Re-election of a Director

To consider, and if thought fit to pass the following resolution as an ordinary resolution:

"That Mr Garry Strong, who retires by rotation in accordance with the Company's Constitution and, being eligible, offers himself for re-election, be re-elected as a director."

Resolution 2: Remuneration Report

To consider and, if thought fit, to pass the following resolution as a non-binding ordinary resolution:

"That the Remuneration Report for the year ended 30 June 2007 as disclosed in the 2007 Financial Report be adopted."

Resolution 3: Appointment of Auditor

To consider, and if thought fit to pass the following resolution as an ordinary resolution:

"That, for the purposes of section 327B of the Corporations Act 2001 (Cth) and for all other purposes, BDO Kendalls Audit & Assurance (WA) Pty Ltd ABN 79 112 284 787, having been nominated by a shareholder and consented in writing to act in the capacity of auditor, be appointed as auditor of the Company"

An Explanatory Memorandum accompanies this notice.

PROXIES

A form of proxy is enclosed herewith. A member entitled to attend and vote at a meeting is entitled to appoint not more than two other persons (whether members or not) to attend the meeting and, on a poll, to vote instead of him/her. Where a member appoints two proxies, the proportion of the member's voting rights given in favour of each proxy must be specified. Proxies must be lodged at the registered office of the Company not later than 48 hours before the meeting. Proxies may be lodged by fax.

ENTITLEMENT TO VOTE

In accordance with regulation 7.11.37 of the Corporations Regulations 2001, the Company has determined that members registered as holding ordinary shares at 4.30pm Perth time on 24 November 2007 will be entitled to attend and vote at the Annual General Meeting

BY ORDER OF THE BOARD



P C RUTLEDGE
Company Secretary

17 October 2007

Registered Office:
Second Floor 9 Havelock Street
West Perth WA 6005
Mailing Address:
PO Box 1160 West Perth WA 6872

Telephone: 61 8 9481 8628
Facsimile: 61 8 9481 8445
Email: redhillinfo@redhilliron.com.au
Web: www.redhilliron.com.au

Explanatory Memorandum

This Explanatory Memorandum has been prepared for the information of shareholders of Red Hill Iron Limited ("Red Hill Iron" or "the Company") in connection with the business to be conducted at the Annual General Meeting of shareholders to be held on Monday 26 November 2007 ("the Meeting").

This Explanatory Memorandum should be read in conjunction with the Notice of Annual General Meeting ("the Notice").

The following matters should be noted in respect of Resolutions 1 to 3 in the Notice:

1. **Resolution 1 – Re-election of Mr Garry Strong as a Director**

Pursuant to Clause 14.4(a) of the Company's Constitution Mr Garry Strong will retire by rotation at the Annual General Meeting and, being eligible, offers himself for re-election.

Mr Strong has been a non-executive director of the Company since June 2005.

Mr Strong is a prospector with forty years experience in gold and basemetal reconnaissance exploration in Australia. He has spent the last 15 years working in the Pilbara Region of Western Australia for the private exploration syndicate which originally acquired the core tenements purchased by Red Hill Iron. Previously he was a director of Golden Grove Mining NL, Aztec Exploration Limited, and Riverina Gold NL.

The directors, other than Mr Strong, recommend the re-election of Mr Strong.

2. **Resolution 2 – Adoption of the Remuneration Report**

Pursuant to section 250R(2) of the Corporations Act, 2001 the Company is required to put to the vote of shareholders a resolution adopting the Remuneration Report.

The Remuneration Report setting out the remuneration policy of the Company and the remuneration arrangements for directors and key management personnel for the 12 months ended 30 June 2007 is included in the Company's 2007 Financial Report.

The vote is advisory only and is not binding on the Company

3. **Resolution 3 – Appointment of BDO Kendalls as Auditors**

BDO, Chartered Accountants & Advisers (Perth), (**BDO**) recently merged with Horwarth (WA) and the audit practice is now carried on through BDO Kendalls Audit & Assurance(WA) Pty Ltd ABN 79 112 284 787 (**BDO Kendalls**)

BDO have given notice of their intention to resign as auditor of the Company (under section 329 (5) of the Corporations Act); this is subject to receipt of the consent of the Australian Securities & Investments Commission (**ASIC**) and shareholder approval of this Resolution 3 for the appointment of BDO Kendalls as auditor.

Subject to ASIC consenting to the resignation of BDO and BDO submitting a resignation to the Company, it is proposed that the Company appoint BDO Kendalls as auditor of the Company.

In accordance with section 328B (1) of the Corporations Act, the Company has sought and obtained a nomination from a shareholder for BDO Kendalls to be appointed as the Company's auditor. A copy of this nomination is attached to this Explanatory Statement as Annexure A.

BDO Kendalls has given its written consent to act as the Company's auditor subject to shareholder approval of this Resolution 3.

If Resolution 3 is passed, the appointment of BDO Kendalls as the Company's auditor will take effect at the close of this AGM.

Annexure A

WARRAMBOO HOLDINGS PTY LTD

ABN12 008 820 719

Second Floor, 9 Havelock Street
West Perth WA 6005

Postal Address
PO Box 689 West Perth WA 6872

Telephone: (618) 9481 8444
Facsimile: (618) 9322 3456

15 October 2007

The Company Secretary
Red Hill Iron Limited
PO Box 1160
WEST PERTH WA 6872

Dear Sirs,

NOMINATION OF BDO KENDALLS AUDIT & ASSURANCE (WA) PTY LTD AS AUDITOR OF RED HILL IRON LIMITED

We, Warrambo Holdings Pty Ltd , being a shareholder of Red Hill Iron Limited , hereby nominate BDO Kendalls Audit & Assurance (WA) Pty Ltd of 128 Hay Street, Subiaco, Western Australia 6008 for appointment as auditor of Red Hill Iron Limited at its 2007 Annual General Meeting.

We consent to the distribution of a copy of this notice of nomination as an annexure to the Notice of Meeting and Explanatory Statement for the 2007 Annual General Meeting of Red Hill Iron Limited as required by section 328B (3) of the Corporations Act 2001.

Executed by Warrambo Holdings Pty Ltd in accordance with its constitution,



Director



Secretary

RED HILL IRON LIMITED

Second Floor 9 Havelock Street
West Perth WA 6005
Mailing Address:
PO Box 1160 West Perth WA 6872

Telephone: 61 8 9481 8628
Facsimile: 61 8 9481 8445
Email: redhillinfo@redhilliron.com.au
Web: www.redhilliron.com.au

Proxy Form

I/we.....(full name, block letters)

of.....
being a member of **Red Hill Iron Limited** hereby appoint

..... of
or, failing him, the Chairman of the meeting as my/our proxy to vote for me/us and on my/our behalf at the Annual General Meeting of the company to be held at **4.30pm pm on Monday 26 November 2007** and at any adjournment thereof.

My proxy is instructed to vote as indicated below:

| ORDINARY BUSINESS | FOR | AGAINST | ABSTAIN |
|--|--------------------------|--------------------------|--------------------------|
| Resolution 1: To re-elect Mr Garry Strong as a director | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 2: To adopt the Remuneration Report | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 3: To appoint BDO Kendalls Audit & Assurance (WA) Pty Ltd as auditor | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

Unless the proxy is directed otherwise, he may vote as he thinks fit or abstain.

Where the Chairman is appointed as proxy, the Chairman's voting intention in relation to undirected proxies in respect of these resolutions is to vote **FOR** the resolutions.

If you mark the abstain box for a particular item, you are directing your proxy not to vote on that item on a show of hands or on a poll and your Shares will not to be counted in computing the required majority on a poll.

If two proxies are being appointed, the proportion of voting rights this proxy is appointed to represent is %

If the shareholder(s) is an individual(s), every shareholder is to sign:

If the shareholder is a company, sign in accordance with Section 127(1) of Corporations Act or affix common seal (if required by Constitution).

Signed: _____

Director or Sole Director and Secretary

Signed: _____

Director/Secretary

Dated: _____ 2007

Dated: _____ 2007

This form is to be used in accordance with the directions overleaf.

Instructions for completing and lodging this Proxy Form

1. In order to direct the proxy to cast all votes covered by this instrument in a particular manner, place a tick or a cross in one of the boxes headed For, Against or Abstain.
2. A shareholder entitled to attend and vote at the meeting is entitled to appoint not more than two proxies to attend and, on a poll, to vote in their stead.
3. Where two proxies are appointed, neither proxy shall be entitled to vote on a show of hands and, on a poll, the appointment shall be of no effect unless each proxy is appointed to represent a specified proportion of the shareholder's voting rights in which case the shareholder should indicate the proportion of voting rights this proxy represents in the box provided.
4. A proxy need not himself be a shareholder of the Company.
5. The Proxy Form must be signed by the holder or his attorney duly authorised in writing (or, if the holder is a corporation, either under the common seal of that corporation or pursuant to Section 127(1) of the Corporations Act 2001).
6. The Proxy Form (and any power of attorney or other authority pursuant to which the Proxy Form has been signed) must:

either be deposited at the registered office of the Company, 2nd Floor, 9 Havelock Street, West Perth, WA 6005 ,

or be sent by post to Red Hill Iron Limited, PO Box 1160, West Perth, WA 6872,

or be sent by facsimile to Red Hill Iron Limited at (08) 9481 8445

in time to be received not later than 48 hours before the time fixed for the holding of the meeting.

Change of Address

Should your address have changed please use this section to advise the Company. Change of address notifications can only be accepted from Issuer Sponsored shareholders. CHESSE shareholders must notify their Stockbroker directly. Please ensure you sign where indicated and, **if faxing your proxy form, please fax this side of the proxy form as well.**

My new address is:

Signature(s) _____ / _____ /2007