

9 March 2010

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

Dear Sir/Madam

## **ANKETELL POINT PORT SELECTION**

Red Hill Iron Limited welcomes the announcement by the Premier of Western Australia that Anketell Point has been designated as the location for the State's next major deep water port in the Pilbara.

The Red Hill Iron Ore Joint Venture (RHIOJV), managed by API Management Pty Ltd (API)\*, is carrying out feasibility studies that are due to be completed by mid year. The studies envisage the transport of joint venture channel iron deposit ore using a new railway to Anketell Point.

The proposed port will provide loading facilities for the API managed West Pilbara Iron Ore Project Stage 1 for which the majority of ore is to be sourced from the RHIOJV.

Red Hill Iron Limited currently has a 40% interest in the RHIOJV with API owning 60%. Red Hill Iron Limited is being carried for all project costs under loan arrangements which will see its Joint Venture interest reduce to 20% upon first delivery of ore to customers subject to Red Hill Iron Limited's right to convert its interest to a 2% FOB Royalty.

Yours faithfully

Neil Tomkinson  
Chairman

\*API is owned equally by American Metals and Coal International Incorporated and Aquila Resources Limited.