

10 August 2010

Ms Sandra Wutete
ASX Compliance Pty Ltd
Level 8, Exchange Plaza
2 The Esplanade
PERTH WA 6000

Dear Ms Wutete,

Red Hill Iron Limited

We refer to your letter dated 8 August 2012 relating to an apparent breach of Listing Rules 3.19A and/or 3.19B by Red Hill Iron Limited (the Company) arising from a change of director's interest which occurred on 27 July 2012 and was notified to the ASX on 7 August 2012.

The answers to your questions are as follows:

1. Please explain why the Appendices 3Y were lodged late

The acquisition by a director-related company (the Buyer) of 7,343 shares in the Company on 27 July 2012 arose from the part fulfilment of a purchase order by the Buyer for 50,000 shares in the Company, the balance of which was completed on 31 July. Immediately following the completion of the purchase order, the director concerned, in compliance with Listing Rule 3.19B, informed the Company Secretary by way of copies of the Buy transaction confirmations issued by his broker. The Company Secretary inadvertently overlooked the fact that 7,343 shares had been acquired on 27 July, and worked to a lodging timetable based on all shares having been acquired on 31 July. The error was only discovered when preparing the Appendix 3Ys, the lodgement of which on 7 August meant that 6 business days had elapsed since the original tranche of shares was purchased on 27 July.

Consequently Listing Rule 3.19B was complied with but listing Rule 3.19A was not complied with in respect of the change of director's interest of 7,343 shares that took place on 27 July.

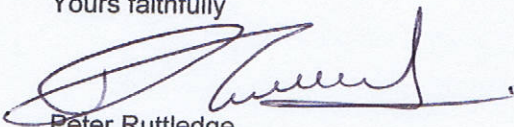
2. What arrangements does the Company have in place with its directors to ensure that it is able to meet the disclosure obligations under Listing Rule 3.19A?

The Company has adequate arrangements in place with its directors in terms of Listing Rule 3.19B, including disclosure agreements, 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?

The current arrangements for compliance with Listing Rule 13B are considered adequate – there has not been a breach of Listing Rule 3.19B.

Yours faithfully


Peter Rutledge
Company Secretary



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8 August 2012

Peter Rutledge
Company Secretary
Red Hill Iron Limited
Level 2, 9 Havelock Street
WEST PERTH WA 6005

By email: peterrutledge@gossan.com.au

Dear Peter

Red Hill Iron Limited (the "Company")

We refer to the following:

1. The Company's announcement lodged with ASX Ltd ("ASX") on 7 August 2012 regarding a change of director's interest notice for Mr Joshua Pitt and Mr Neil Tomkinson ("Appendices 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.

As the Appendices 3Y indicate a change in Messrs Pitt and Tomkinson's notifiable interest occurred on 27 July 2012 the Appendices 3Y should have been lodged with the ASX by 3 August 2012. As the Appendices 3Y were lodged on 7 August it appears that 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 Appendices 3Y were 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 Sandra.Wutete@asx.com.au or by facsimile on facsimile number +61 8 9221 2020. It should not be sent to the Company Announcements Office.

A response is requested as soon as possible and, in any event, not later than **3:00 pm WST on Monday, 13 August 2012.**

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]

Sandra Wutete
Adviser, Listings (Perth)