



**SHOUGANG CONCORD
INTERNATIONAL
ENTERPRISES COMPANY LIMITED**
首長國際企業有限公司

**ADDITIONAL IRON ORE OFFTAKE
WITH Mt. GIBSON**

[Hong Kong, 9 August 2011] Heavy plate producer in China with strategic interests in upstream assets, Shougang Concord International Enterprises Company Limited (“The Company”, HKSE: 697), wishes to announce that the Company has obtained additional iron ore offtake quantity from Mount Gibson Iron Limited (“Mt. Gibson”) for its Koolan Island operation.

According to our offtake arrangements with Mt. Gibson, the iron ore quantity that we can obtain pegs on its available production. Available production is defined as the amount of hematite ore that is not the subject of any binding ore sales agreements with offtake customers entered into prior to 31 October 2008. Since Mt. Gibson cannot conclude any new pricing with its customers (other than us and APAC Resources Limited) for its Koolan Island operation, the production formerly allocated to these customers has become available production, of which 80% is now allocated to us, up from about 60% previously. Pricing arrangement remains the same as those entered into in November 2010.

The following is a summary of Koolan Island operation, extracted from published data by Mt. Gibson:

Resources	74.3mmt.@62.6%Fe
Reserves	33.3mmt.@63.4%Fe
Expected production:	
Year ended 30 June 2012	3.1 mmt.
Year ended 30 June 2013	3.8 mmt.

“We are pleased that we are able to obtain additional offtake volume from Mt. Gibson,” said Mr. Li Shaofeng, Managing Director of the Company. “It is our strategy to strengthen our profitable trading operation, a higher volume from Mt. Gibson is an important first step in progressing with our upstream interests.”

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