



17 April 2013

Rising Production, Robust Margins, Strong Cashflow

HIGHLIGHTS

- Record 1.86Mt (WMT) shipped during the March 2013 Quarter
- FY2013 cash operating costs (FOB, excluding royalties) guidance remains unchanged at \$46 - \$50/t.
- Average headline price of ~US\$126/t CFR (DMT) received for Standard Fines product and ~US\$109/t CFR (DMT) received for Value Fines
- Net cashflows from operating activities of \$71M during the Quarter (see page 6 for full details)
- \$404M cash on hand at 31 March 2013
- Production of Standard Fines impacted by Cyclone Rusty in February, localised areas of poor orebody reconciliation at Wodgina and a breakdown at the Wodgina processing plant
- Production of Value Fines increased in light of reduced Standard Fines output
- Atlas remains on target to achieve current Shipping guidance of 7.4Mt to 7.7Mt (WMT) for FY2013. This is expected to comprise 5.8 to 6.0Mt of Standard Fines and 1.4Mt to 1.6Mt of Value Fines
- On track to commence shipping at a rate of 10Mtpa during the September 2013 Quarter
- 21% increase in Ore Reserves to 499Mt (see Appendix 2 for further details), including a 98% increase in McPhee Creek Ore Reserves, 25% increase in Abydos Ore Reserves and 21% increase in Mt Dove Ore Reserves
- Negotiations with infrastructure owners and developers are progressing, with the intent of unlocking the value of Atlas' Horizon 2 assets

Subsequent to the end of the March 2013 Quarter

- First phase of Pilbara Independent Rail study completed. Study indicates the potential of a new multi-user standard-gauge railway in the East Pilbara
- Atlas exercised its option to acquire 100% of the Corunna Downs tenement package

“This result shows Atlas is benefiting from ongoing strong iron ore prices and a continued emphasis on keeping costs down,” Atlas Managing Director Ken Brinsden said. “Margins and cash generation from operations are robust today on the back of these two factors.”

“We expect to export up to 2.2Mt during the June 2013 Quarter, made up of 1.8Mt to 2.0Mt of Standard Fines and 0.2Mt to 0.4Mt of Value Fines. Standard Fines volumes will increase in the June Quarter with the resolution of the issues at the Wodgina mine.”

“With construction well advanced at Abydos and the Mt Webber development decision expected in the coming months, we continue to target a production rate of 12Mtpa by the start of the second half of FY2014. This attractive outlook is underpinned by low debt, a strong cash position and a host of options for realising the value of our Horizon 2 assets.”



OPERATIONS

MINE PRODUCTION AND SHIPPING

Table 1: Production				
	March 2012 Quarter (t)	December 2012 Quarter (t)	Variance Quarter (t)	Variance Quarter (%)
Ore Tonnes Mined ¹	1,993,561	2,003,236	(9,675)	(1%)
Ore Tonnes Processed	1,711,393	1,741,214	(29,821)	(2%)
Haulage to Port	1,839,855	1,816,844	23,011	1%

Note 1: Ore Tonnes Mined represents ore tonnes delivered to Run-of-Mine (ROM) stockpiles at the processing plant

Note 2: Please see Appendix 1 for further details of production outputs by mine

Table 2: Inventory and Shipping				
	March 2013 Quarter (t)	December 2012 Quarter (t)	Variance Quarter (t)	Variance Quarter (%)
Inventory (see Appendix 2 for detail)				
Final Product Stocks - Port	170,279	185,547	(15,268)	(8%)
Shipping				
Ore Tonnes Shipped (Wet)	1,855,123	1,745,678	109,445	6%
Ore Tonnes Shipped (Dry)	1,714,453	1,609,460	104,993	7%

Production for the March 2013 Quarter resulted in shipments of 1.86Mt (WMT) including six Atlas Value Fines cargoes totalling 627,000t. Total tonnes shipped for the March Quarter reflects a 6% increase on the December 2013 Quarter. FY2013 cash operating costs guidance (FOB, and excluding royalties) of \$46 - 50/t remains unchanged.

Production and shipping has been effected during the March 2013 Quarter by the following:

- Cyclone Rusty and associated heavy rainfall that impacted both the volume of shipped tonnes and the proportion of Standard Fines (driven by accessibility to higher grade ore).
- Breakdowns with the processing plant at Wodgina, and
- Localised areas of poor orebody reconciliation at Wodgina.

Increased Value Fines shipments during the Quarter have largely made up for the shortfall in Standard Fines product, as a result of the issues outlined above.

Mt Dove

In December 2012, production commenced at Atlas' third Pilbara iron ore mine. First product from Mt Dove was shipped in January 2013. As of April 2013, Mt Dove is operating at the designed capacity rate of 2Mtpa.



MARKETING

Iron ore sales for March 2013 Quarter were 1.86Mt (WMT) including shipments of 627Kt (WMT) in Value Fines, which is approximately twice the planned volume. The grade of standard fines shipped for the Quarter was 56.8% Fe versus a usual 57+% Fe (December 2012 Quarter 57.4%Fe) due to Cyclone Rusty and associated heavy rainfall, crusher breakdowns and orebody reconciliation issues. An improvement in production grades and volumes is expected for the June 2013 Quarter, following resolution of the issues identified at the Wodgina mine.

Iron ore prices were strong over the March 2013 Quarter as customers engaged in re-stocking prior to the Chinese New Year and production became tight due to seasonal cyclones in the Pilbara. Atlas' average headline sale price for the March 2013 Quarter was USD120 per DMT, inclusive of value fines, which is a ~ 20% improvement over the average pricing for the previous Quarter. Ocean freight costs averaged USD10.80/ WMT over the March 2013 Quarter.

Atlas further strengthened its customer base during the Quarter with 6.6Mt of Atlas Fines now committed under contract in calendar 2013, with both steel mill and trading house customers.

PROJECTS – HORIZON 1

Atlas' has now expanded its nominal North Pilbara production rate to 8Mtpa, increasing to a rate of 10Mtpa during the September 2013 Quarter and targeting 12Mtpa by December 2013. Atlas invested \$61M on mine and port expansion works during the March 2013 Quarter.

Abydos

During the March 2013 Quarter pre-strip activity continued at the Abydos mine, with the continuation of mining and the development of the site access earthworks and infrastructure. Major works have commenced on the site access haul road.



Figure 1: Abydos Mine development (ROM and crusher pad on the right & pits/ramp on the left)



Figure 2: Abydos Mine haul road development works

Utah Point Yard 2 Expansion

During the March 2013 Quarter, works continued on the development of Atlas' port facilities in Port Hedland and are on schedule to add to Atlas' existing Yard 1 rights to meet export capacity requirements. The Utah Point Yard 2 expansion will increase the Company's export capacity, enabling these facilities to accommodate the additional tonnage as production increases. Installation of conveyors and equipment tying into the wharf out-load circuits continued during the March 2013 Quarter.



Figure 3: Utah Point Yard 2 conveyor installation works underway

**Mt Webber**

The Mt Webber 3Mtpa DSO Stage 1 study was concluded and the outcomes are now being reviewed by Atlas' joint venture partner on the southern portion of the Mt Webber deposit. The Stage 2 6Mtpa study continued during the period. Advance execute works are now underway to progress development at the mine (based on interim environmental approvals) and joint venture discussions with Altura advanced during the March quarter, targeting conclusion during the June quarter.

The first phase of the Mt Webber development proposes conventional truck haulage at an initial 3Mtpa mine production rate, supporting the 12Mtpa shipping target from Atlas' portfolio of North Pilbara mines. The final decision to mine at Mt Webber is subject to the final environmental approvals and the completion of the final Joint Venture documentation.

PROJECTS – HORIZON 2**McPhee Creek**

A resource and reserve update was finalised and released in February 2013. This update will now feed into the McPhee Creek feasibility studies currently underway, targeting conclusion during this calendar year.

SE Pilbara

Atlas continues to progress minor feasibility works for its environmentally approved SE Pilbara projects, with development scenarios subject to the applicable infrastructure solution.

Rail

Subsequent to the March 2013 Quarter, the first phase of the rail Alliance study with Aurizon Operations Limited and Brockman Mining Limited (ASX Code: BCK), was completed. The Pilbara Independent Rail (PIR) study sought to provide a preliminary evaluation of a new, independent, multi-party railway to connect iron ore mines in the East Pilbara to Port Hedland.

The first phase of the PIR study has demonstrated the potential for a new standard-gauge railway in the East Pilbara, connected to dedicated port facilities at Port Hedland that aggregates production from a number of operating and prospective miners, including Atlas and Brockman. As a result, the PIR study has been extended to 1 July 2013 to examine the integration of the East Pilbara rail development and the proposed North West Infrastructure port development in South West Creek in Port Hedland.

Port - North West Infrastructure

Atlas holds a 63% interest in North West Infrastructure (NWI) which has rights to 50Mtpa of export capacity at Port Hedland and is progressing plans to develop a stockyard facility in Boodarie and berths in South West Creek at Port Hedland. NWI continues to work with the Port Hedland Port Authority to finalise a port development agreement and associated lease.

**EXPLORATION AND RESOURCE GEOLOGY**

During the March 2013 Quarter Atlas completed 31 drill holes for a total of 2,378 metres at Pardoo and Corunna Downs in line with the Company's increased focus on expanding mine life at Horizon 1 projects and near mine opportunities. During the March 2013 Quarter Atlas incurred \$3.6M on Exploration, and \$3.2M on studies (of which \$2.9M is capitalised).

In the June 2013 Quarter the focus on the North Pilbara will continue with RC drilling planned to continue at Pardoo, Corunna Downs, Mt Webber and McPhee Creek.

RESERVES AND RESOURCE UPDATE

During the March 2013 Quarter Atlas announced an increase in its total Pilbara Ore Reserves of 21% to 499Mt, further strengthening the Company's existing operations, near term development projects and its longer-term growth strategy.

The upgraded Reserve estimate, which compares to the previously published figure of 30 June 2012, includes a 21% increase at Mt Dove and a 25% rise at Abydos, where construction is currently underway. The upgrade includes a 98% increase in Reserves at McPhee Creek (see Appendix 2 and the announcement of 5 February for further details).

Atlas Summary Ore Reserves Table - as at 31 December 2012

	Reserve Classification	Kt	Fe (%)	SiO ₂ (%)	Al ₂ O ₃ (%)	P (%)	S (%)	LOI (%)	CaFe (%)
Sub Total	Proven	99,000	57.6	5.8	2.2	0.10	0.02	8.6	63.1
	Probable	401,000	55.8	7.0	3.0	0.10	0.02	8.9	61.2
Grand Total	All Reserves	499,000	56.1	6.7	2.9	0.10	0.02	8.9	61.6

Note: See Notes to table in Appendix 2

CORPORATE**Cash movements for the Quarter, Cost Initiatives**

Cash as at 31st March 2013 was \$404M. Atlas' 'Term Loan B' Debt facility of AUD\$263M is fully drawn, with other finance facilities of AUD\$80M available to the Company (undrawn).

The operational cash surplus for the quarter was \$71M inclusive of \$5M of expensed Exploration & Evaluation, expensed corporate costs, positive Working Capital movements of \$18.5M and \$3M of interest received. Other material cash movements were Mine and Port Development of \$61M and cash flow from financing activities of negative \$23M (mainly relating to repayment of an export credit facility).

Atlas has previously flagged reductions in its ongoing corporate and project development expenses (October 2012), through the redundancy and redeployment of personnel and reducing its longer dated project and exploration costs. Since October 2012 the Company has worked further on an absolute reduction in the Company's ongoing corporate expense and a



relative reduction as the Company continues to expand its production rate. As a result, the Company is expecting its existing corporate expense of approximately \$7/t to materially reduce to approximately \$3/t once at the 12Mtpa shipping rate.

Exercise of Corunna Downs option

In April 2013, Atlas exercised its option to acquire 100% of the Corunna Downs tenement package for a cost of \$1.55M. The Corunna Downs tenements are a key focus of Atlas' greenfields Horizon 1 exploration effort, to establish further mining projects that can backfill Atlas' existing 15Mtpa Utah Point port allocation.

Centaurus Metals Limited

Atlas holds a 19.85% strategic interest in Centaurus Metals Limited, an emerging Brazilian iron ore explorer and developer (see Centaurus' website: www.centaurus.com.au for further details).

Shaw River Manganese Limited

Atlas holds a 53.4% strategic interest in Shaw River, a manganese exploration and development company (see Shaw River's website: www.shawriver.com.au for further details).

Magnetite Project - Ridley

During the March 2013 Quarter, a technical visit to the project with interested parties was conducted. Commercial discussions continue with the interested parties.

Change of Share Registry

At the end of March 2013 the Company changed its share registry services provider to Computershare Investor Services Pty Ltd.



CORPORATE PROFILE

Directors

David Flanagan,	Non-Executive Chairman
Ken Brinsden,	Managing Director
Mark Hancock,	Executive Director, Commercial
David Hannon,	Non-Executive Director
Dave Smith,	Non-Executive Director
Tai Sook Yee,	Non-Executive Director
Jeff Dowling,	Non-Executive Director
Kerry Sanderson AO,	Non-Executive Director
Geoff Simpson,	Non-Executive Director

Company Secretary

Tony Walsh

Executive Management

Jeremy Sinclair,	Chief Operating Officer
Rob Wilson,	Chief Development Officer
Anton Rohner,	Chief Financial Officer

Registered Office and Head Office

Level 18, 300 Murray Street, Perth WA 6000
Website: atlasiron.com.au

Share Details as at 31 March 2013

909,718,409 ordinary shares

Unlisted Options as at 31 March 2013

14,015,000 Unlisted Options

Substantial Shareholders as at 31 March 2013

IMC Group:	66.75M shares
Blackrock Investment Management:	48.98M shares
Schroder Investment Management Australia :	46.51M shares

Reporting Calendar

June 2013 Quarterly Report:	24 July 2013
Resource and Reserve Update:	July 2013
2013 Audited Annual Accounts:	23 August 2013



Appendix 1 – Mine Production at Pardoo, Wodgina and Mt Dove, and Inventory

Table A: Mine Production – Pardoo				
	March 2103 Quarter (t)	December 2012 Quarter (t)	Variance Quarter (t)	Variance Quarter (%)
Ore Tonnes Mined ¹	255,750	341,837	(86,087)	(25%)
Ore Tonnes Processed	250,958	347,171	(96,213)	(28%)
Haulage to Port	290,851	373,548	(82,697)	(22%)

Table B: Mine Production – Wodgina				
	March 2013 Quarter (t)	December 2012 Quarter (t)	Variance Quarter (t)	Variance Quarter (%)
Ore Tonnes Mined ¹	1,141,699	1,472,871	(331,172)	(22%)
Ore Tonnes Processed	1,143,136	1,394,043	(250,907)	(18%)
Haulage to Port	1,241,349	1,443,296	(201,947)	(14%)

Table C: Mine Production – Mt Dove				
	March 2013 Quarter (t)	December 2012 Quarter (t)	Variance Quarter (t)	Variance Quarter (%)
Ore Tonnes Mined ¹	596,112	188,526	407,586	216%
Ore Tonnes Processed	317,299	-	317,299	-
Haulage to Port	307,655	-	307,655	-

Note 1: Ore Tonnes Mined represents ore tonnes delivered to Run-of-Mine (ROM) stockpiles at the processing plant.

Table D: Inventory				
Inventory	March 2013 Quarter (t)	December 2012 Quarter (t)	Variance Quarter (t)	Variance Quarter (%)
Run-of-Mine Ore at site	648,158	365,991	282,167	77%
Final Product Stock at site	52,023	125,137	(73,114)	(58%)
Final Product Stocks - Port	170,279	185,547	(15,268)	(9%)



Appendix 2

Mineral Reserves Estimate (for full details see announcement dated 5 February 2013)

Atlas Ore Reserves Table - as at 31 December 2012									
Project Area	Reserve Classification	Kt	Fe (%)	SiO ₂ (%)	Al ₂ O ₃ (%)	P (%)	S (%)	LOI (%)	CaFe (%)
Pardoo - DSO	Proven	100	55.0	13.0	1.6	0.07	0.05	3.6	57.1
	Probable	3,000	57.2	7.2	1.9	0.09	0.04	7.9	62.1
Abydos - DSO	Probable	11,600	57.4	6.1	1.8	0.06	0.01	9.5	63.4
Wodgina - DSO	Proven	5,800	57.0	6.8	1.6	0.05	0.10	8.5	62.2
	Probable	9,800	57.6	6.3	1.5	0.08	0.04	8.9	63.2
Mt Webber** - DSO	Proven	29,700	58.2	5.5	1.8	0.09	0.02	8.6	63.6
	Probable	20,100	56.4	7.7	2.2	0.08	0.02	8.5	61.6
Mt Dove - DSO	Proven	700	59.6	5.3	1.4	0.11	0.02	7.6	64.5
	Probable	1,400	56.7	8.3	2.1	0.11	0.03	8.0	61.6
McPhee Creek - DSO	Proven	22,200	58.4	4.7	1.8	0.13	0.01	9.1	64.2
	Probable	78,200	57.8	5.2	1.8	0.16	0.01	9.2	63.7
McPhee Creek - BFO	Proven	8,900	52.3	11.3	2.6	0.13	0.01	9.4	57.7
	Probable	68,700	52.1	11.1	3.5	0.11	0.02	9.4	57.5
Davidson Creek Hub [^] - BFO	Proven	31,000	58.1	5.0	2.8	0.10	0.01	8.2	63.3
	Probable	208,000	55.9	6.3	3.6	0.08	0.01	8.7	61.3
Port (Utah Point)	Proven	186	56.2	8.2	1.4	0.07	0.06	7.6	60.8
Sub Total	Proven	99,000	57.6	5.8	2.2	0.10	0.02	8.6	63.1
	Probable	401,000	55.8	7.0	3.0	0.10	0.02	8.9	61.2
Grand Total		499,000	56.1	6.7	2.9	0.10	0.02	8.9	61.6

Notes:

- **60% of the Ore Reserves at Mt Webber are subject to Joint Venture interests in the ratio AGO 70% : AJM 30%.
- [^]Davidson Creek Hub (previously referred to as Jigalong-Ferraus Project) incorporates the Davidson Creek, Mirrin Mirrin and Robertson Range project areas.
- The Ore Reserves are reported at Cut-Off-Grades ranging from 45 - 56% Fe.
- The Ore Reserves have been estimated in compliance with the JORC Code.
- CaFe% is calcined Fe calculated by Atlas using the following formula $(Fe\% / (100 - LOI\%)) * 100$.
- DSO refers to Direct Shipping Ore.
- BFO refers to Beneficiation Feed Ore, representing the ore feed for a beneficiation plant to upgrade to final product.

Background information on 5 February 2013 Reserve update

- Reserves are derived from regularised mine planning models and made up of both internal and external dilution.
- A net increase of 88Mt at McPhee Creek resulting from an updated Resource estimate.



- A net increase of 2.3Mt at Abydos with the addition of ore reserves estimates for Leightons and Scarborough.
- A net increase of 0.3Mt at Mt Dove resulting from an updated resource model.
- Depletions due to mining, design and density adjustments of 3.2Mt and 0.6Mt at Wodgina and Pardoo respectively.
- A net decrease of 1.3Mt at Mt Webber, resulting from adjustments to bulk densities.
- Other Reserves are unchanged from June 2012.
- Beneficiation is considered for Beneficiation Feed Ore (BFO) at McPhee Creek and Davidson Creek Hub with yields of approximately 70% for McPhee Creek BFO (targeting a product specification of 57.5%Fe) and yields above 80% for Davidson Creek Hub ore (targeting a product specification of 58.5%Fe).

Mining Ore Reserve Estimates - Compliance with the JORC code assessment criteria

This mining Ore Reserve statement has been compiled in accordance with the guidelines defined in the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code -- 2004 Edition).

Ore Reserve Estimation – Pardoo, Wodgina, Mt Dove, Abydos, Mt Webber and McPhee Creek

The information in this report that relates to Ore Reserve estimations for the Pardoo, Wodgina, Mt Dove, Abydos, Mt Webber and McPhee Creek Areas, is based on information compiled under the guidance of and audited by Mr Steve Craig, who is a member of the Australasian Institute of Mining and Metallurgy. Steve Craig is a full time employee and Managing Director of Orelogy Pty Ltd. Steve Craig has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Steve Craig consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Ore Reserve Estimation – Davidson Creek Hub (formerly Jigalong-Ferraus Project - Davidson Creek, Robertson Range, Mirrin Mirrin)

The information in this report that relates to Ore Reserve estimations for the Davidson Creek Hub (formerly Jigalong-Ferraus) Project Area is based on information compiled by Mr Alan G. Cooper, who is a member of the Australasian Institute of Mining and Metallurgy. Alan Cooper is a full time employee of Snowden Mining Industry Consultants Pty Ltd. Alan Cooper has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Alan Cooper consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Ore Reserve Estimation – Ore Stocks at Wodgina, Pardoo & Utah Port

The information in this report that relates to Ore Reserve estimations for the Ore stocks at Wodgina & Pardoo project Area and at Utah port is based on information compiled by Mr Jeremy Sinclair, who is a member of the Australasian Institute of Mining and Metallurgy. Jeremy Sinclair is a full time employee of Atlas Iron Ltd. Jeremy Sinclair has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Jeremy Sinclair consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.



Mineral Resource Estimate (for full details see announcement dated 5 February 2013)

Atlas - DSO Mineral Resource Summary - as at 31 December 2012									
	Resource Classification	Kt	Fe (%)	SiO₂ (%)	Al₂O₃ (%)	P (%)	S (%)	LOI (%)	CaFe (%)
Pardoo	Measured	40	56.8	7.2	2.6	0.18	0.03	8.1	61.8
	Indicated	8,900	56.3	8.2	1.9	0.11	0.03	8.2	61.4
	Inferred	8,000	55.6	7.9	2.4	0.10	0.02	9.1	61.2
Abydos	Indicated	17,900	57.2	6.4	1.8	0.05	0.02	9.5	63.2
	Inferred	5,000	56.8	7.1	1.5	0.06	0.02	9.4	62.7
Wodgina	Measured	7,120	56.7	7.0	1.6	0.04	0.11	8.5	62.0
	Indicated	23,300	56.1	7.9	1.9	0.08	0.05	9.0	61.7
	Inferred	15,000	53.9	8.9	3.5	0.06	0.05	9.5	59.5
Mt Webber	Measured	32,800	58.1	5.5	1.8	0.09	0.02	8.6	63.6
	Indicated	29,900	55.3	8.4	2.6	0.08	0.03	8.7	60.6
	Inferred	1,000	57.2	7.7	1.3	0.07	0.05	7.3	61.7
McPhee Creek	Measured	33,760	57.0	6.1	1.9	0.14	0.01	9.3	62.8
	Indicated	194,000	55.9	7.1	2.4	0.14	0.01	9.3	61.6
	Inferred	19,000	53.5	8.9	3.9	0.06	0.02	10.1	59.5
Mt Dove	Measured	800	59.7	5.0	1.5	0.11	0.02	7.7	64.7
	Indicated	1,500	56.9	8.1	2.1	0.11	0.03	8.0	61.8
	Inferred	200	56.5	8.9	2.0	0.11	0.02	7.8	61.3
Mid West	Inferred	12,000	60.0	6.3	2.9	0.06	0.01	3.7	62.3
Newman	Indicated	41,100	58.1	5.3	4.4	0.17	0.01	6.1	61.9
	Inferred	166,000	56.0	6.9	4.0	0.09	0.02	8.3	61.1
Davidson Creek Hub	Measured	43,200	57.9	5.2	3.0	0.10	0.01	8.2	63.6
	Indicated	339,100	55.9	6.8	3.7	0.09	0.01	8.7	61.7
	Inferred	62,000	55.4	8.1	3.3	0.10	0.01	8.2	59.1
West Pilbara	Inferred	38,000	53.6	7.5	4.8	0.04	0.01	9.3	59.1
Total	Measured	117,720	57.7	5.6	2.3	0.10	0.02	8.6	63.3
	Indicated	655,700	56.0	6.9	3.2	0.10	0.02	8.7	61.7
	Inferred	326,200	55.5	7.4	3.8	0.08	0.02	8.4	60.4
Grand Total		1,099,620	56.1	6.9	3.3	0.10	0.02	8.6	61.5

Notes:

1. Pardoo, Wodgina, McCamey's North and Warrawanda resources quoted at >53% Fe cut-off grade.
2. Mt Webber, Abydos, Mt Dove, Crescent Moon, Main Range West, Newman, Midwest, West Pilbara, Davidson Creek Hub resources quoted at >50% Fe cut-off grade.
3. McPhee Creek Main Range is reported at a >45% Fe cutoff grade. The resource includes 10.5 Mt between 45% to 50% Fe.
4. CaFe% is calcined Fe calculated by Atlas using the following formula $(Fe\% / (100 - LOI\%)) * 100$.
5. Resources within the Mt Webber Altura JV are subject to a 70:30 AGO:AJM joint venture interest for Ibanez, Fender and Gibson resources.
6. Davidson Creek Hub Project was previously referred to as Jigalong Project.
7. Tonnes are rounded according to their JORC category and grades are carried through unaffected by rounding errors.

**Background information on resource update**

Changes to the Mineral Resource inventory compared to June 2012 are a result of resource development infill drilling at McPhee Creek, Abydos, Mt Webber and Mt Dove projects and depletion by mining at Pardoo and Wodgina:

- Measured and Indicated Resources increased by 72.3 Mt.
- A net increase of 20 Mt at McPhee Creek following infill and extensional drilling on the Main Range deposit. Upgraded Resource classification now includes 33.8 Mt Measured and 194 Mt Indicated material.
- A net increase of 2.4 Mt at Abydos, following infill drilling at Mettams, Mullaloo, Scarborough and Leightons. Upgraded Resource classifications have increased Indicated Resources by 6.4 Mt.
- A net decrease of 1.7 Mt at Mt Webber resulting from a decrease to the bulk density on the Daltons resource. Upgraded Resource classifications at Daltons have converted a further 10.1 Mt of material into Measured classification.
- A net increase of 0.1 Mt at Mt Dove resulting from infill drilling, upgraded Resource classification has added 0.8 Mt of Measured material.
- Depletions due to mining of 0.9 Mt and 5 Mt at Pardoo and Wodgina respectively.
- Other resources are unchanged from 30 June 2012.

A significant portion of the 2012 drilling was designed for resource conversion at McPhee Creek, Abydos and Mt Webber, as a result of which there was less exploration work conducted on greenfields projects. Moving forward the emphasis will revert to a combination of brownfields and greenfields exploration work (primarily focusing on the North Pilbara), with the intention of extending existing deposits, upgrading inferred resources and identifying new DSO discoveries.

Geological Data, Interpretation and Resource Estimation – Other DSO Projects

The information in this report that relates to mineral resource results on Atlas' DSO Projects other than Davidson Creek Hub (previously Jigalong) is based on information compiled by Mr Steve Warner who is a member of the Australasian Institute of Mining and Metallurgy. Steve Warner is a full time employee of Atlas. He has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he has undertaken to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Steve Warner consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

Geological Data, Interpretation and Resource Estimation – Davidson Creek Hub Project (formerly Jigalong Project)

The information in this report that relates to mineral resource results on Atlas' Davidson Creek Hub Project (formerly Jigalong Project) is based on information compiled by Mr John Graindorge who is a Chartered Professional member of the Australasian Institute of Mining and Metallurgy. John Graindorge is a full time employee of Snowden Mining Industry Consultants Pty Ltd. He has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he has undertaken to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. John Graindorge consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.



Appendix 3

COMPANY OUTLINE

Atlas first commenced exports from the Pardoo DSO project in the Pilbara in December 2008 and following commencement of its second operation at Wodgina in June 2010, Atlas achieved export rates of 6Mtpa in line with targeted growth initiatives. In December 2012, Atlas commenced production at its third DSO mine, Mt Dove and is now exporting at a rate of approximately 8Mtpa from the March 2013 Quarter. Atlas will bring a further two new mines into production in the North Pilbara (Abydos and Mt Webber) in the next 9 months to increase installed production capacity to 10Mtpa by the end of June 2013 and targeting 12Mtpa by December 2013. With the addition of McPhee Creek and its South East Pilbara assets, Atlas is targeting to progressively expand its exports to a rate of up to 46Mtpa.

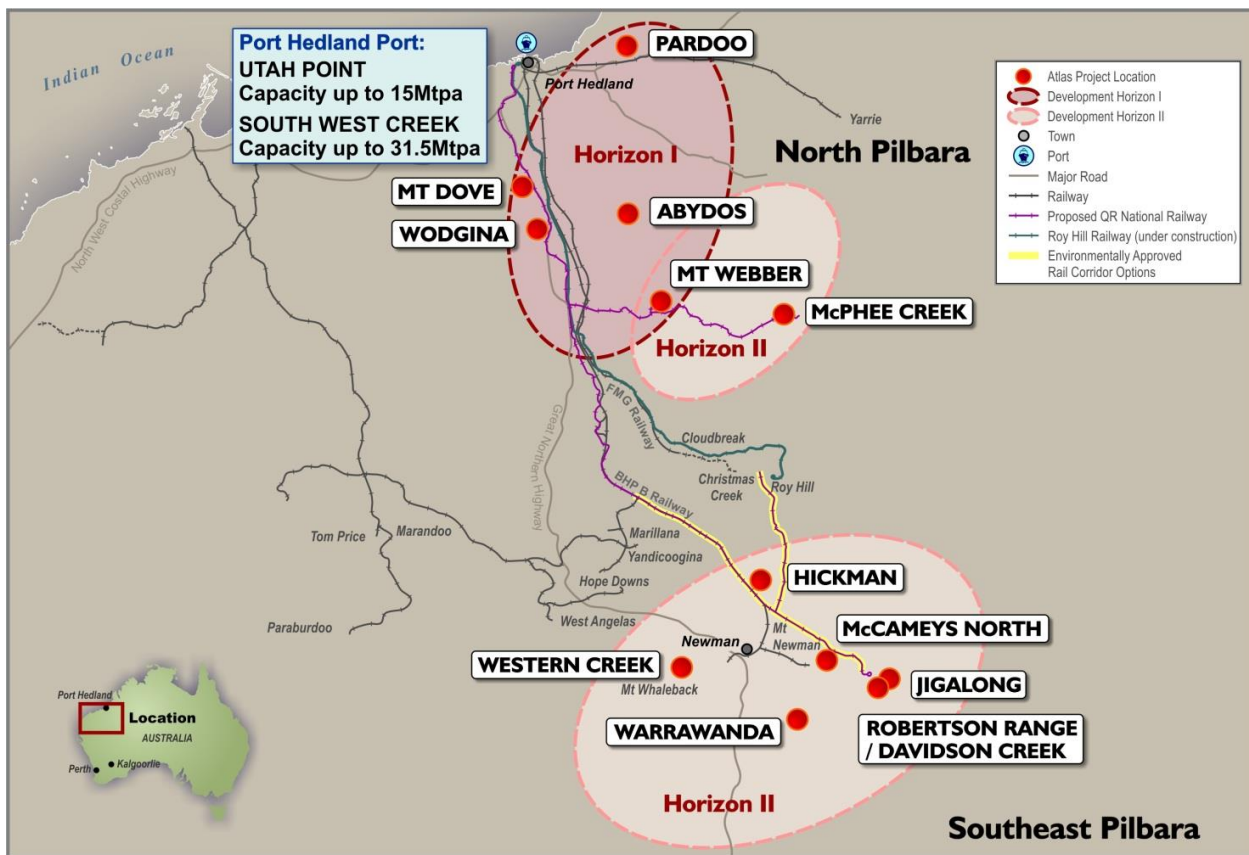


FIGURE 2 - Atlas: Pilbara Development Projects