



ATLAS IRON LIMITED

2015 AGM PRESENTATION

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Summary



Strategy

- Maximise margin through increased revenues and/or reduced costs
- Maximise production pipeline and product quality
- Debt management pre December 2017

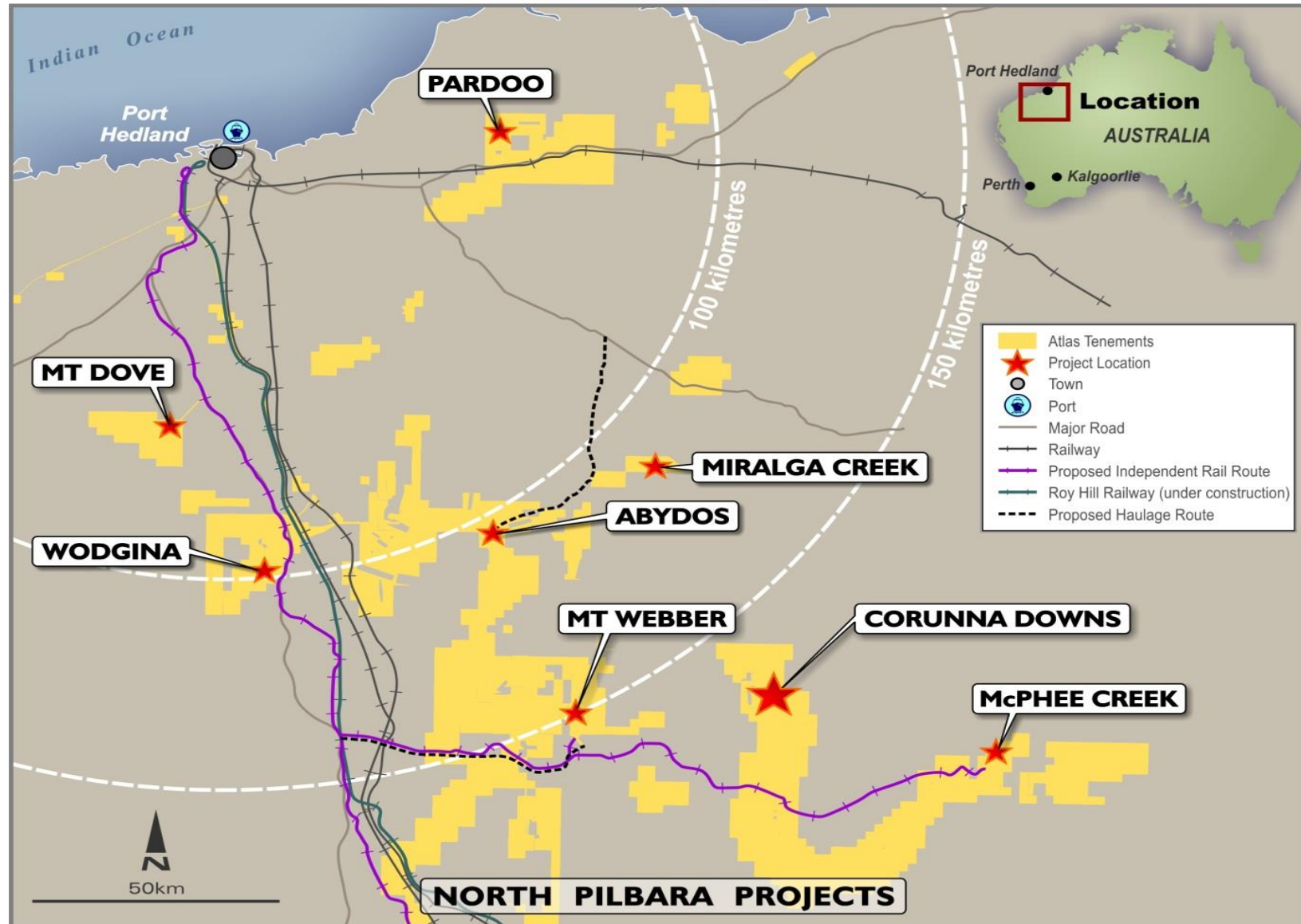
Key Points

- FY2015: The Year that was
- Recent developments – March to October 2015
- Looking forward to 2016 and beyond

Key Pilbara Operations

Significant strategic foothold in WA's Pilbara region

3 mines, growth projects, and production infrastructure in place



FY2015 Financial Results



Key FY2015 Financial Metrics

\$ Millions	30-Jun-15	30-Jun-14
Revenue	718.5	1,097.6
Underlying* cash gross margin	(23.4)	319.6
Underlying* EBITDA	(51.5)	257.9
Underlying* EBIT	(169.3)	50.0
Underlying* (loss)/profit after tax	(240.2)	18.6
Statutory (loss)/profit after tax	(1,377.8)	14.2

1. IODEX 62%Fe CFR, China price defined by adjusted iron units, spot product FOB discount, moisture and full cash costs.
2. See Glossary in September 2015 Quarterly Report for details on Full Cash Costs

FY 2015

Key FY2015 Metrics

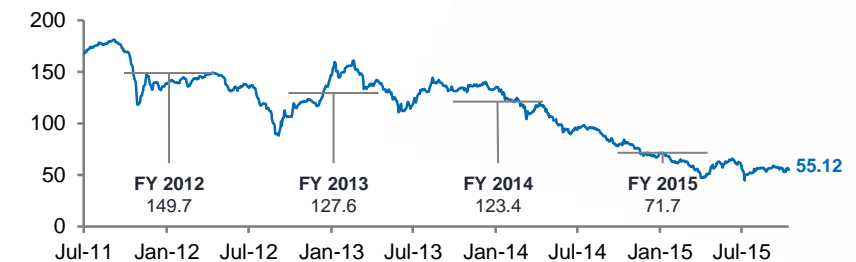


Description	30-Jun-15	30-Jun-14
Iron ore shipments (WMT) millions	12.2 ⁽³⁾	10.9
Average price per tonne received CFR A\$/WMT (including Value Fines)	\$59.96	\$100.51
All-in cash cost per tonne to China CFR A\$/WMT	\$64.23	\$76.80

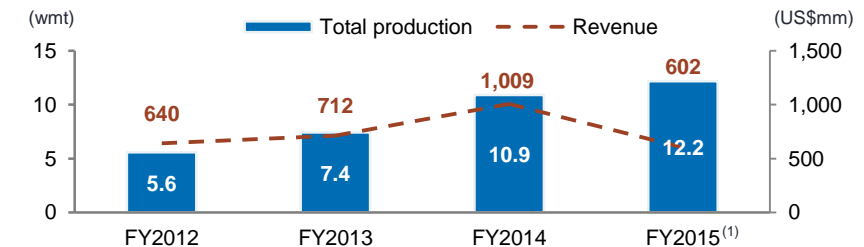
Post FY2015 in the September 2015 Quarter

- Full Cash costs fell to A\$58/WMT CFR (including all contractor cost clawback and profit share) were 12% lower than the June 2015 Quarter (A\$66/WMT CFR).
- Average realised sale price for the September 2015 Quarter is A\$61/WMT CFR.

Iron ore prices (US\$/t 62% FE CFR)⁽¹⁾⁽²⁾



Iron ore shipped (wmt) and revenue (US\$) (June Y/E)⁽³⁾



⁽¹⁾ Includes partial shut down of operations from April through June

⁽¹⁾ Pricing as of 27 October 2015; ⁽²⁾ figures illustrate annual historical averages for company's June fiscal year end; ⁽³⁾Converted to USD at the average annual AUD/USD of: 1.036x (FY2012), 1.0239 (FY2013), 0.9187 (FY2014), 0.8382 (FY2015); ⁽⁴⁾ Resources and Reserves as at 30 June 2015, please refer to the JORC compliance statements in the appendices to this presentation

⁽³⁾ Includes partial shut down of operations from April through June 2015

Recent Events



- Iron ore prices have steadily declined over the past two years
- In April 2015, the price of iron ore fell to the point at which Atlas' operations became uneconomical, thus prompting a suspension of operations
- In response, Atlas has taken steps to improve its operational cost structure and to strengthen its balance sheet

Company Response

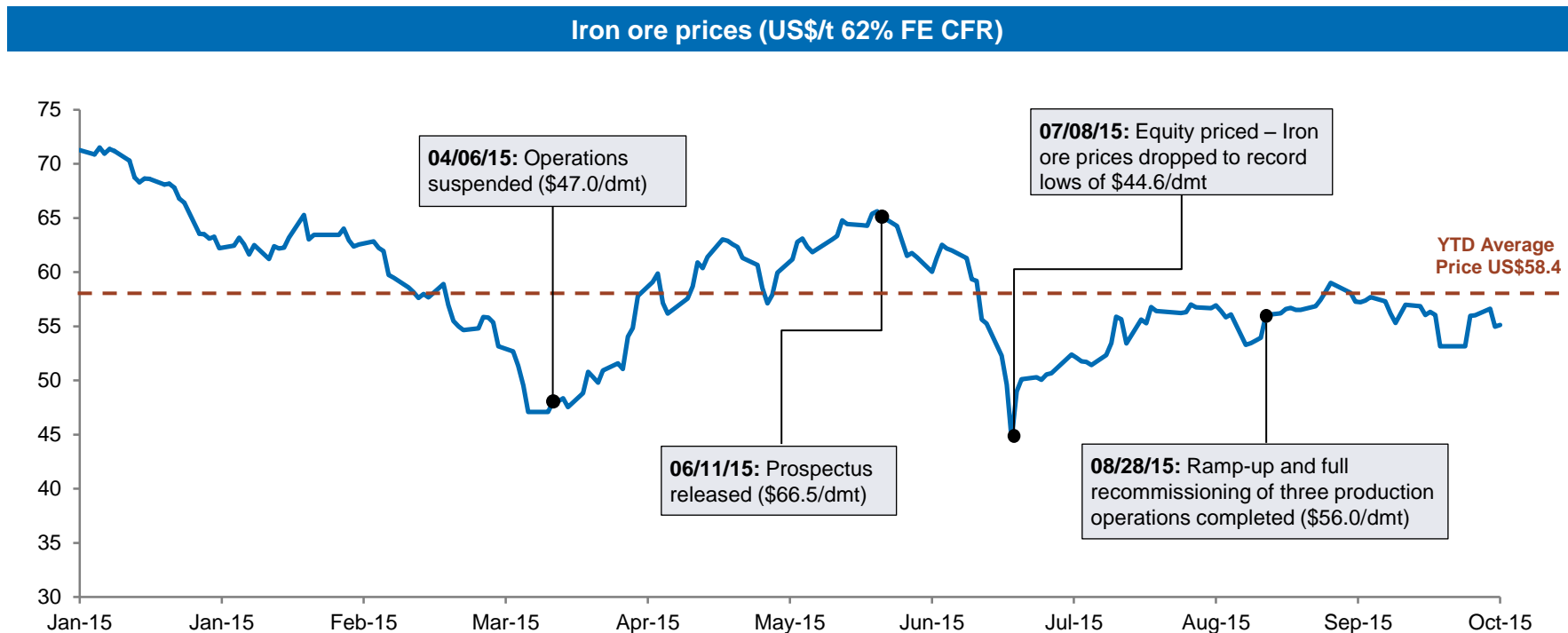
- Operating cost savings: Atlas has reduced its breakeven costs through “Contractor Collaboration” agreements at Abydos and Wodgina, port cost savings agreements with the Pilbara Ports Authority at Utah Point, and mining and crushing agreements at Mt Webber
- Restarted production: Run-rate of 14-15Mtpa achieved ~4 months ahead of schedule
- New marketing strategy: Lump product sales - higher margins and marketing strategy has provided price certainty through hedging mechanisms (collars, caps and fixed price cargoes)
- Capital raising: Atlas' balance sheet has been strengthened with \$87M raised in July 2015 (with significant contractor participation)
- PFS underway on Corunna Downs: Results expected by December 2015.
- Royalty relief agreements

Recent Events

Capital Raising challenges



- The capital raising campaign coincided with substantial negative industry sentiment and difficult iron ore price conditions
- Market concerns over future viability of Atlas
- Despite challenges, Atlas raised A\$87mm in new equity
- A\$34mm raised from three key contractors who now own ~30% of the Company



⁽¹⁾ Bloomberg, pricing as of 10/27/15

Recent Events

September 2015 Quarter - Key Metrics

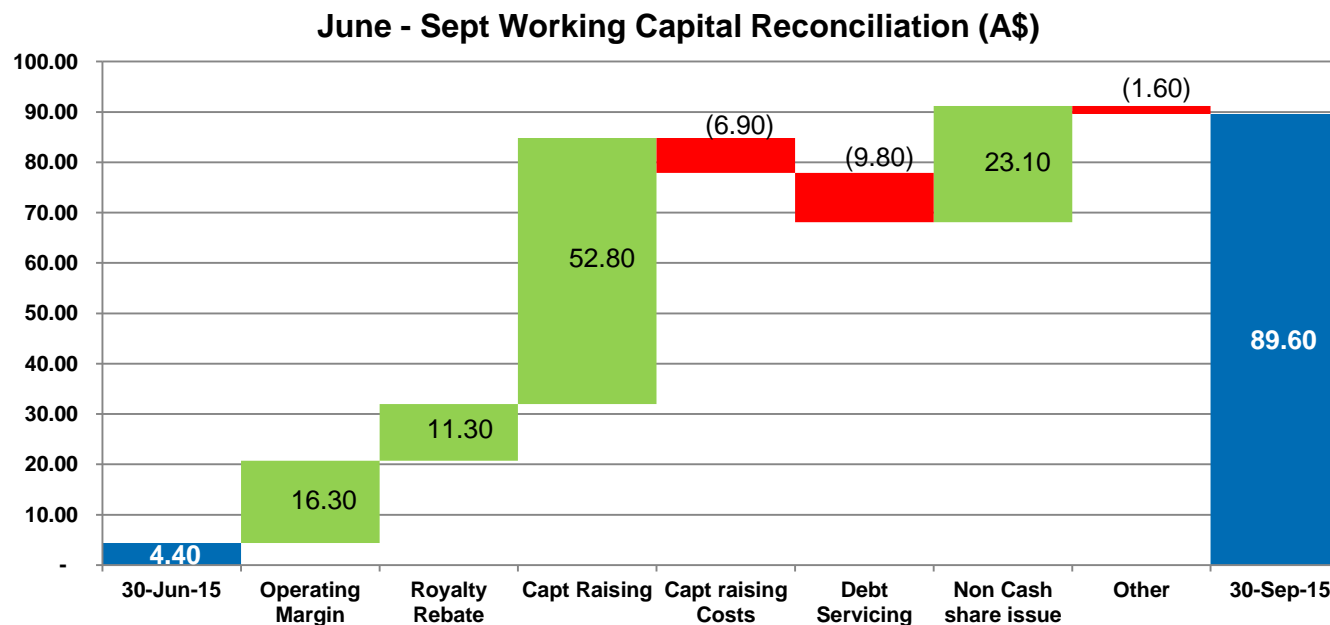
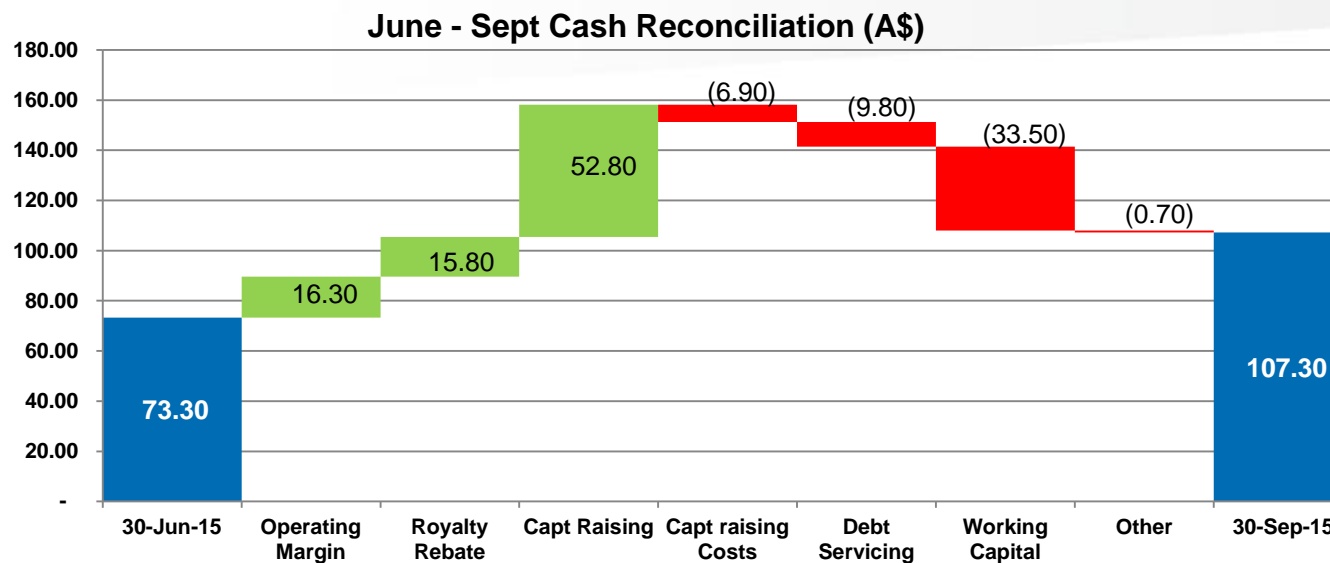


Description	Sep 15 Quarter	June 15 Quarter	Variance Quarter
Shipping			
Ore tonnes shipped (WMT)	3.3M	1.9M	72%
Costs			
C1 cash costs (A\$/WMT FOB)	\$36	\$46	22%
Full cash cost* (A\$/WMT CFR China)	\$58	\$66	12%
Development Capital (A\$)	\$3M	\$3M	0%
Depreciation & Amortisation (A\$/WMT)	\$7	\$7	0%
Net AUD Atlas CFR Sale Price (WMT)	\$61	\$55	11%
Financial Position			
Cash at Quarter End (A\$M)	\$107M	\$73M	46%
Working Capital at Quarter End (A\$M)	\$90M	\$4M	Significant improvement

- Full Cash costs fell to A\$58/WMT CFR (including all contractor cost clawback and profit share), 12% lower than the June 2015 Quarter (A\$66/WMT CFR).
- Cost reduction is largely due to the success of the contractor collaboration agreements and improved port charges.
- Average realised sale price for the September 2015 Quarter is A\$61/WMT CFR.

Recent Events

Improved Cash and Working Capital Position at 30 September 2015



Looking Forward



- Continuing to look for further cost reductions and other opportunities to improve margins.
- Mt Webber lump product – first production due in December, with margins expected to improve.
- Corunna Downs PFS underway – results due in December 2015
- Atlas is working with its lenders – continuing to engage with these important stakeholders
- Atlas is now hedging a greater proportion of its cargoes. At 22 October 2015, 2.8M WMT was subject to some form of forward price fixing via the use of forwards, collars or puts.
- Lump product sold to a range of customers: Attracting a premium over fines product in line with market practice.

Looking Forward

FY2016 Guidance: 14–15Mtpa expected to be produced in FY2015



	Full Year Guidance
Shipping	
Ore tonnes shipped (WMT)	14M – 15M
Costs	
C1 cash costs (A\$/WMT FOB)	\$35 - \$38
Full cash cost* (A\$/WMT CFR China)	\$55 - \$59
Development Capital (A\$)	\$10M - \$15M
Depreciation & Amortisation (A\$/WMT)	\$6 - \$7



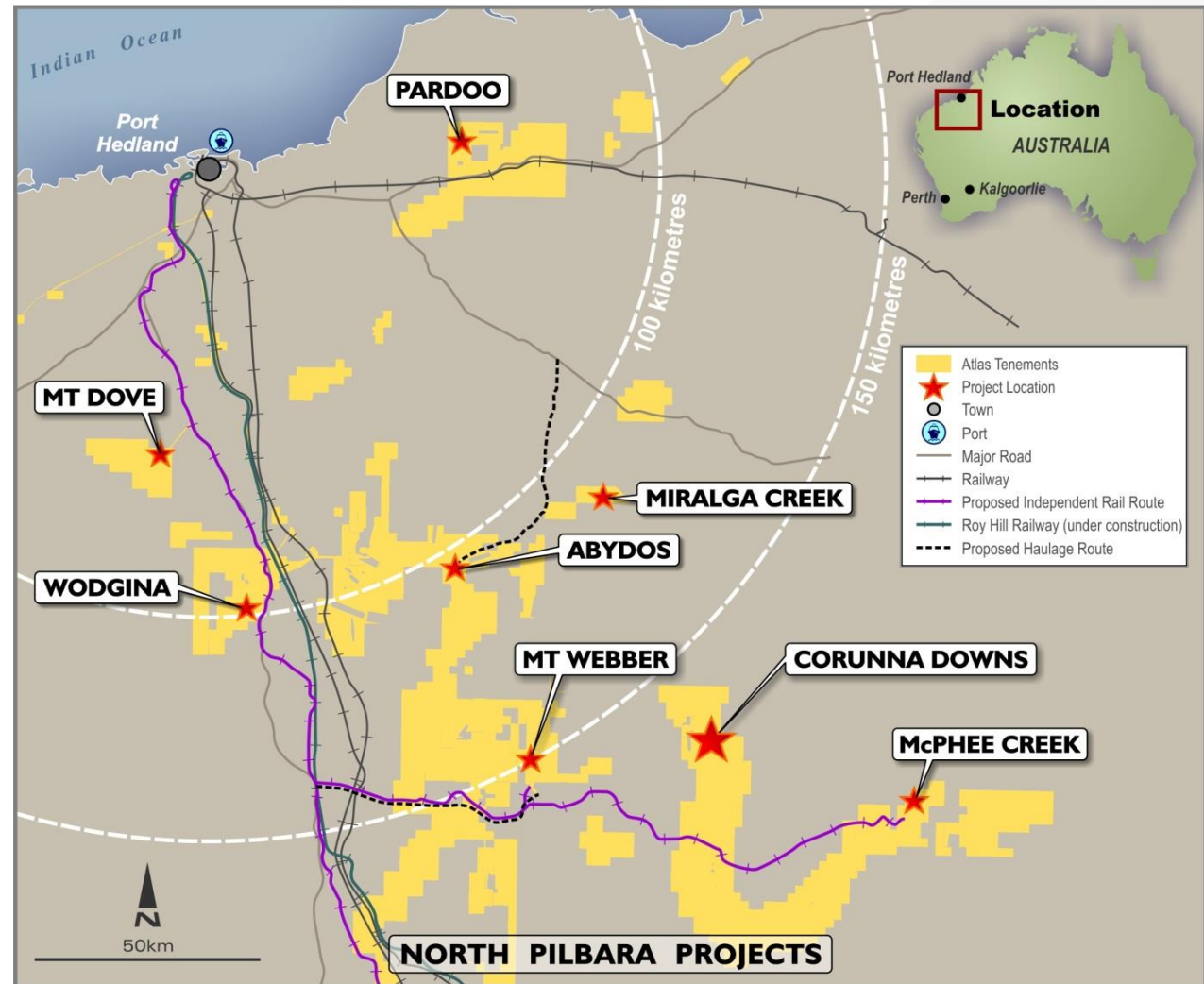
Product stockpiles at Wodgina

Looking Forward

Corunna Downs Pre-Feasibility Study

Targeted outcomes of the PFS include:

- Converting sufficient Mineral Resources to Ore Reserves to support an initial 5 to 6 year mine life
- Processing plant and mining schedule to deliver up to 4Mtpa
- Strip ratio of less than 1:1
- Mine approval and first exports in late 2017
- Ore haulage via road train to Port Hedland
- Export via Atlas' existing port allocation at Utah Point in the port of Port Hedland
- Cash costs to be equivalent to current operating mines



Looking Forward

Atlas' Term Loan B facility



Facility Size	<ul style="list-style-type: none">▪ US\$275,000,000 - fully drawn as at 31 December 2012, subsequently been paid down to US\$267,400,000
Term / Interest	<ul style="list-style-type: none">▪ Term of the Facility is five years, maturing December 2017▪ Interest rate of LIBOR plus 7.50% (LIBOR floor of 1.25%)▪ The Facility has no earnings or net asset based maintenance covenants
Asset to Debt Covenant	<ul style="list-style-type: none">▪ Atlas must ensure that the "Total Assets" to "Total Secured Total Debt" ratio is not less than 2.00 to 1.00▪ The Assets to Debt Covenant is tested semi-annually, as at the last date of each semi-annual period (30 June and 31 December of each year), with the final assessment completed at the time of lodging half-year and full-year accounts▪ Atlas was in compliance as at 30 June 2015

Summary



- Ramp up completed and 14-15mtpa production rate achieved four months ahead of schedule
- Corunna pre-feasibility studies commenced, targeting Dec 2015 completion
- Mt Webber mine on track to produce lump product, improved costs and revenue in Dec 2015
- New operating model (incl. contractor collaboration, Mt Webber and port rate relief) provides measure of resilience to future iron ore price volatility
- 3 Pilbara iron ore mines underpin strong cash flow generation at 14-15Mtpa
- Strategic and valuable port and stockyard allocations
- Strong support from Atlas' contractors, the WA State Government, and Pilbara Port Authority
- Several high quality low cost / low capex growth options being assessed: Corunna Downs and McPhee Creek
- Atlas is continuing to work with its lenders – important stakeholders



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Information Relating to the Reporting of Exploration Activities, Mineral Resources and Ore Reserves



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Any references to Ore Reserve and Mineral Resource estimations should be read in conjunction with the competent person statements included in the ASX announcements referenced in this presentation as well as Atlas' other periodic and continuous disclosure announcements lodged with the ASX, which are available on the Atlas website.

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