



ATLAS IRON LIMITED

2016 GENERAL MEETING PRESENTATION

Disclaimer



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Summary



- Strategic Pillars
- March 2016 Quarter
- Last 24 months
- Next Steps

Strategic Pillars



- Margin growth
- Incremental Development
- Debt Reduction

March 2016 Quarter



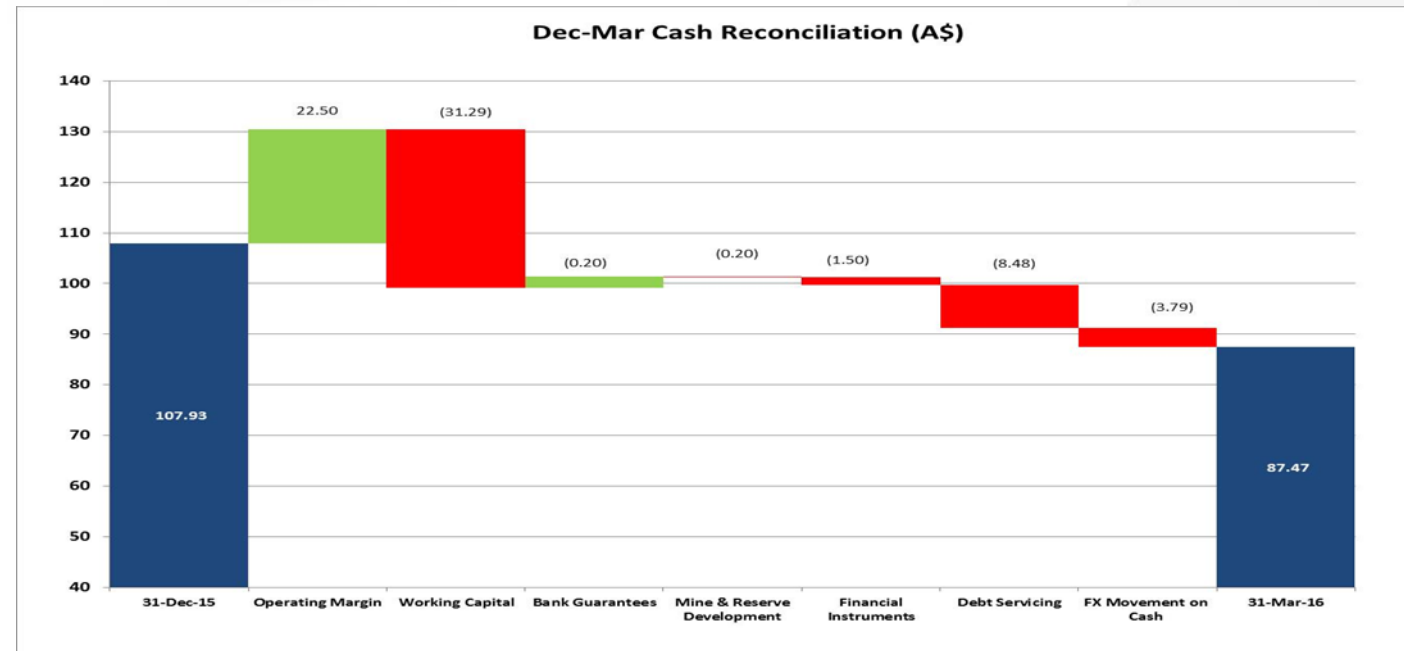
- Record 3.9M WMT shipped, up 7%
- Average realised price of A\$53/WMT CFR
- Full cash costs* fell to A\$49/WMT CFR (A\$54 DECQ 2015, A\$66 DECQ 2014)
- Iron ore markets continued to be volatile

March 2016 Quarter Metrics	Mar 16 Quarter	Dec 15 Quarter	Variance Quarter
Ore tonnes shipped (WMT)	3.9M	3.6M	7%
C1 cash costs (A\$/WMT FOB)	\$33	\$36	8%-
Full cash cost* (A\$/WMT CFR China)	\$49	\$54	(9)%
Development Capital (A\$)	-	\$7M	(100)%
Depreciation & Amortisation (A\$/WMT)	\$6	\$7	(14)%
Net AUD Atlas CFR Sale Price (A\$/WMT)	\$53	\$51	4%

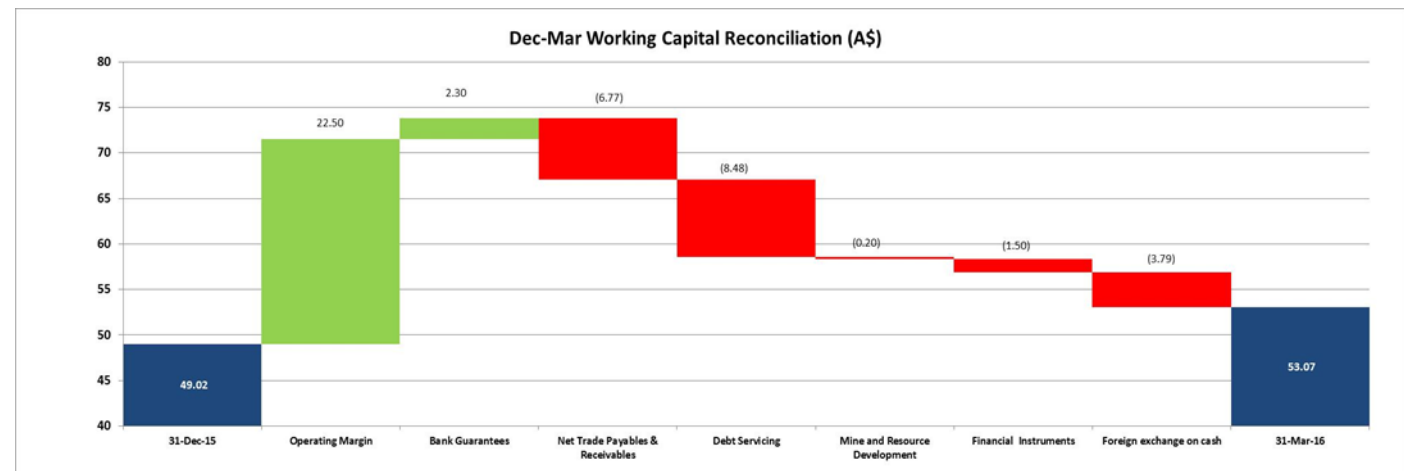
March 2016 Quarter



- Cash as at 31 March 2016 was \$87M (31 December 2015: \$108M). This was primarily due to the timing of payments with key suppliers, with end of quarter trade payables balance down \$31M from 31 December 2015.



- Working Capital as at 31 March 2016 was \$53M, an increase of \$4M from the prior quarter end (\$49M at 31 December 2015).



Last 24 months

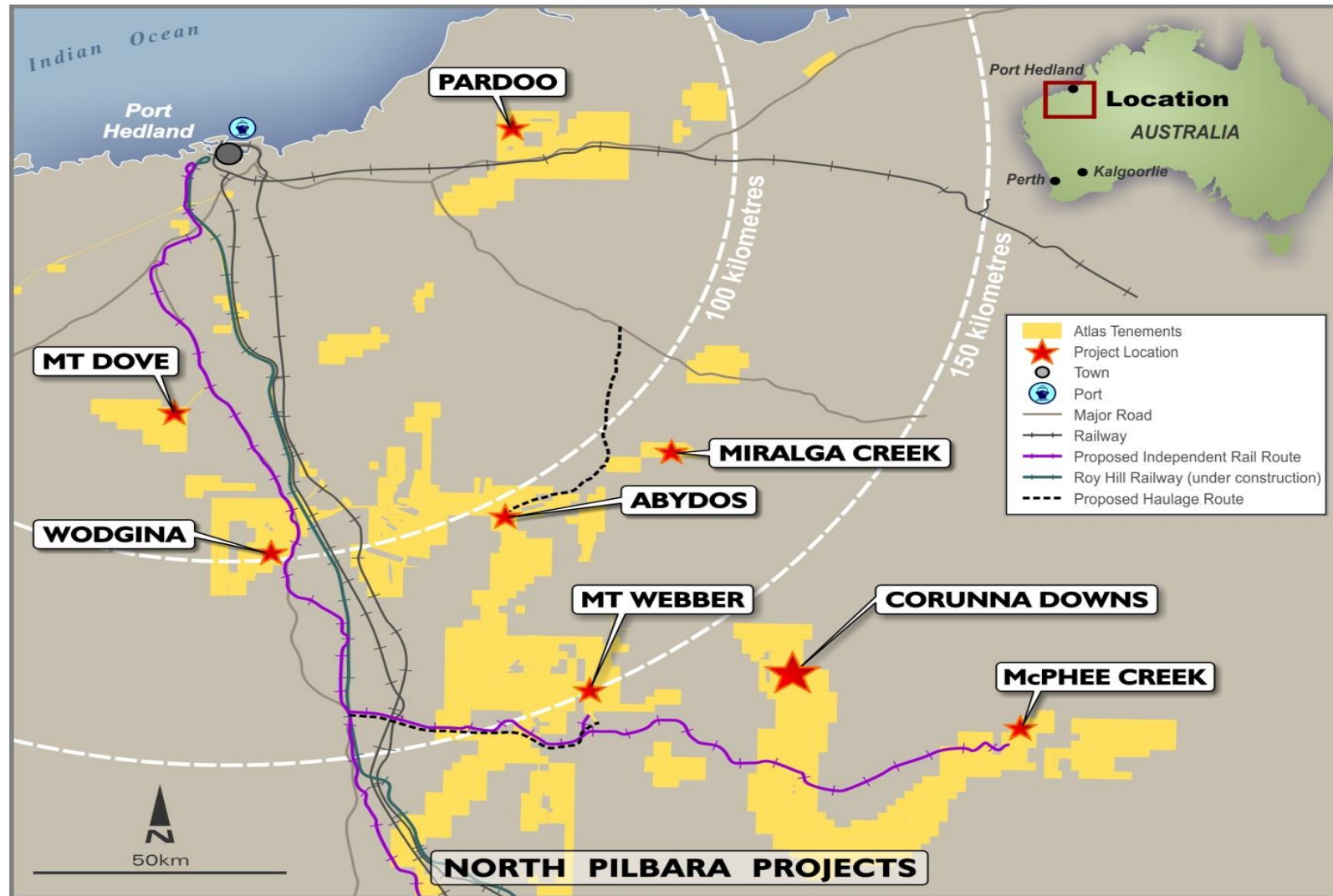


- Debt restructure agreement A\$380M to A\$180M (US\$275 – US\$135)
- WA State Government Royalty and Port Charges Relief
- Export rate increased from 10Mtpa to 15Mtpa
- Record production rate in March Quarter 2016
- New mine at Mt Webber
- New Lump circuits at Abydos and Mt Webber
- Value fines product brought to market
- Capital raising completed in June/July 2015
- Lower costs and collaboration model
- Board and Management Changes

Key Pilbara Operations

Significant strategic foothold in WA's Pilbara region

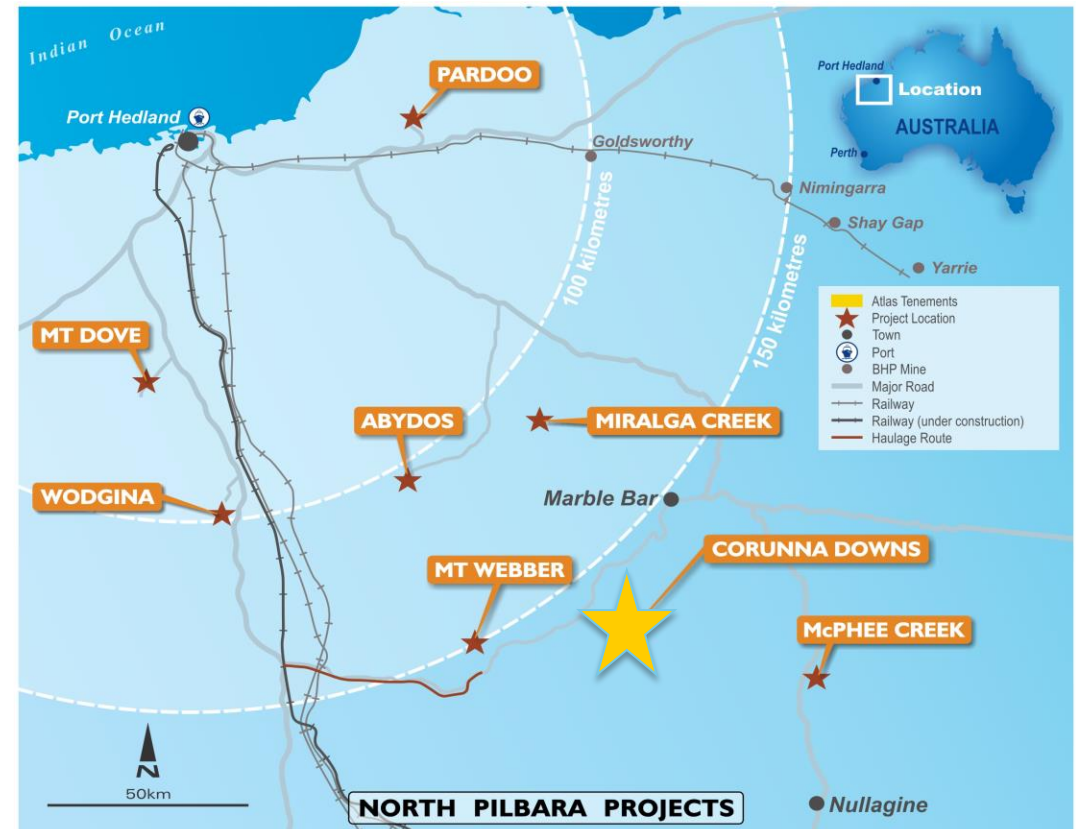
Mining at Wodgina, Abydos and Mt Webber



Corunna Downs



- On road haulage to port
- Pardoo “basics” model
- Increased payload for road trains
- 65Mt Mineral Resource*
- 241km from Port
- Targeting;
 - 3-4Mtpa,
 - 5-6yr mine life,
 - C1 Cost of A\$37- 42/WMT
 - Ultra-Low CAPEX total <A\$40M

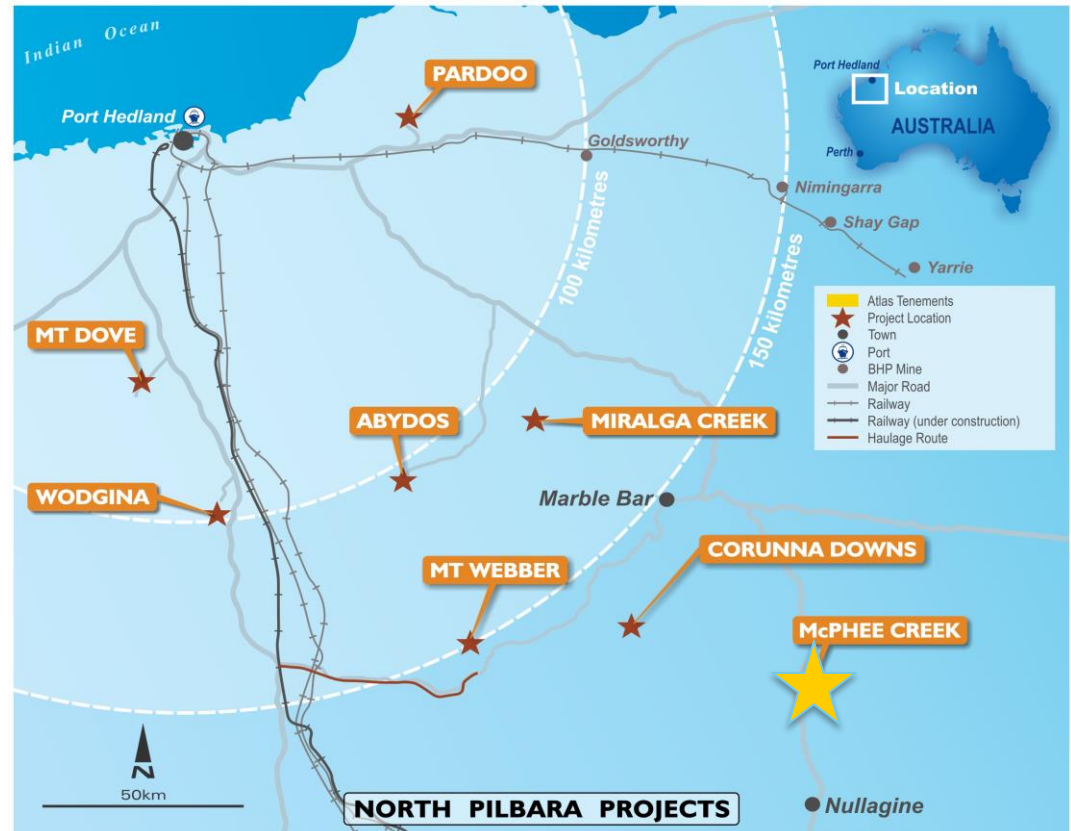


* Refer to ASX Announcement on 23 December 2015

McPhee Creek



- Apply the new road train route
- Cost/budget of owner operator model for road trains
- 260 - 270km from Port
- Targeting;
 - 10Mtpa (potentially expandable)
 - 10yr mine life,
 - C1 costs target similar to Corunna
 - Low CAPEX



Next Steps



- Continue cost improvement strategies
- Continued focus on cash and cash flow
- Implement strategies to pay out debt early
- Maximise value - Low Grade Fines, Lump and customer strategies
- Continue hedging as risk management strategy
- Partnering on incremental project developments
- Partner/Divest non core projects
- Values & culture



青岛港
Port of Qingdao

工人伟大 劳动光荣

ZOSCO HUZHOU
PANAMA
IMO 9461677

David Flanagan
Managing Director
Atlas Iron Limited

Ph: +61 8 6228 8000

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.

The information in this report that relates to Atlas' Mineral Resources or Ore Reserves is a compilation of previously published data for which Competent Persons consents were obtained. Their consents remain in place for subsequent releases by Atlas of the same information in the same form and context, until the consent is withdrawn or replaced by a subsequent report and accompanying consent. The information in this Presentation that relates to Mineral Resources and Ore Reserves is extracted from pages 21 to 23 of the ASX Announcement titled 'Annual Report' dated 28 September 2015 which is available at <http://www.atlasiron.com.au/irm/content/asx-announcements.aspx>. Atlas confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and that all material assumptions and technical parameters underpinning the estimates in the market announcements continue to apply and have not materially changed. Atlas confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.