



FY2021 Results for Atlas Iron Pty Ltd

- **Sales increased by 6.6% to 9.7 million wmt (FY20: 9.1 million wmt).**
- **Revenue increased by 66% to \$1,703 million (FY20: \$1,024 million).**
- **Cash generated from operations increased by 100% to \$1,022 million (FY19: 510 million).**
- **Net profit after tax increased by 146% to \$938 million (FY20: \$381 million).**
- **First haulage from newly commissioned Sanjiv Ridge ahead of schedule.**
- **State royalty payments increased by 35% to \$93 million (FY20: \$69 million) on iron ore sales during the year.**

Atlas Iron Pty Ltd (**Atlas**) is pleased to report on its audited results for the financial year ended 30 June 2021, which saw a significant increase in net profit after tax and cash generated from operations as the business continued to capitalise on strong iron ore prices, increased production, product quality and effective cost management.

During FY21 Atlas sustained consistent product quality from its Mt Webber and newly commissioned Sanjiv Ridge operating mines whilst shipping increased to 9.7 million tonnes (FY20: 9.1 million tonnes). This volume growth together with a 58% increase in Atlas's average realised price, courtesy of an improved iron ore headline price, resulted in a net profit after tax rise of 146% to \$938 million (FY20: \$381 million) and a subsequent increase in cash generated from operations to \$1,024 million, up from \$510 million in FY20.

In addition to the strong operational and financial performance during FY21, a focused Health and Safety program significantly improved the company's safety outcomes.

During the year, construction of the Sanjiv Ridge iron ore mine was completed safely, on budget and ahead of schedule with first haulage completed one month ahead of plan.

All regulatory approvals have been received for the development of the Miralga project allowing ground disturbance activities to commence. Early work packages relating to supporting infrastructure have been completed and key operating contractors will mobilise to site during the first half of FY22. As part of Atlas' commitment to the local community, an Indigenous business was awarded the site establishment works and mining services contract for Miralga, the first of its kind in the Pilbara. First haulage is planned for the fourth quarter of FY22.

The company continues to progress studies on long-term growth options including further study of its McPhee and Ridley Projects. To encourage further investment and growth, an efficient and effective regulatory environment void of duplication and delay is essential.

Atlas made State Royalty payments of \$93 million this year, an increase of 35% from FY20, funding that will support our community. In addition to the State Royalty payments, Atlas paid \$65m (FY20: 64m) in port charges to the Port Hedland Port Authority.

"The importance of mining to Australia has never been more evident than during the 2020/21 financial year, a time in which I am immensely proud of Atlas and our people and their contribution to safeguarding the economic prosperity of west Australia and Australia. The mining industries and the businesses they support help to support millions of Australians right across the country. When mining does well, so does Australia. We just have to remember that Australia exports its ore internationally, so we have to be cost competitive internationally, hence we should be wary of onerous

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government cost burdens, that don't encourage investment. It's time we put greater priority on reducing government tape, and our government in turn, put greater priority on that welcoming investment and enabling living standards to grow, instead of growing government tape," Group Chairman Mrs. Rinehart said.

CEO Sanjiv added, "The iron ore industry has propped up our nation during COVID-19, with Atlas as part of the HPPL group of companies leading the way in the industry's response to the pandemic. Maintaining continuous production during a period of very favourable pricing has delivered more royalties and taxes into State and Federal Government coffers, funding government spending during this time which otherwise would have placed an even greater burden than it already has on Australians now and for generations to come."

National Mining and related Industries Day celebration this year that was to have been held in a few days' time in the Whitsundays, has been postponed due to COVID, and will be held in November 2022. A terrific year to celebrate the mining and related industries, which really underpinned our economy. But let us not forget that there is real competition for capital from across the globe and it is critical that our governments recognize that Australia is not the only country with minerals, and we must encourage investment in Australia to start or expand mines, otherwise our revenue from mining, will fall, and our living standards will fall too," Spiro Pappas, Chairman explained.

About Atlas

Atlas is an Australian iron ore company, mining and exporting direct-shipped iron ore from its Mt Webber mine in the northern Pilbara region of Western Australia.

Atlas Iron has a portfolio of exploration and development projects across hematite, magnetite, gold, copper and lithium.

Glossary

\$ all dollar amounts are quoted in Australian dollars unless otherwise stated.
wmt means wet metric tonnes.