



## FY2022 Results for Atlas Iron Pty Ltd

1. **Atlas distributes first ever dividend of \$225 million**
2. **First haulage from newly commissioned Miralga mine ahead of schedule**
3. **Over \$700 million of growth projects approved or commenced**
4. **Sales increased by 1.0% to 9.8 million WMT (FY21: 9.7 million wmt)**
5. **Atlas average realised price decreased by 20% to US\$107/dmt (FY21: US\$134/dmt)**
6. **Revenue decreased by 22% to \$1,322 million (FY21: \$1,703 million)**
7. **State royalty payments of \$81 million (FY21: \$93 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 2022 highlighting stability during a time of turbulence with a focus on growth projects and the announcement of its first ever dividend.

The Directors resolved to distribute a one-time dividend of \$225 million. The dividend will be fully franked, have a record date of 30 November 2022, and will be paid to shareholders on 20 December 2022.

During the past financial year, Atlas safely produced consistent product quality from its Mt Webber, Sanjiv Ridge and newly commissioned Miralga mines whilst shipping increased to 9.8 million tonnes (FY21: 9.7 million tonnes). Lower iron ore prices and higher freight costs suppressed margins, resulting in earnings after tax of \$302 million (FY 21 \$938 million) and subsequent decrease in cash generated from operations to \$591 million, down from \$1,022 million in FY21.

During the year, construction of the Miralga mine was completed safely, on budget and ahead of schedule with first haulage completed one month ahead of plan. The Miralga mine represents a first for the industry, with Indigenous contractor East West Pilbara (EWP) undertaking civil and construction works as well as being involved in ongoing operations. Working through a JV with Ozland, EWP is a Nyamal owned firm, operating on Nyamal native title land. Atlas was recognised for this industry first when it received the Indigenous and Community Engagement Award at the Australian Mining Prospect Awards on 17 November 2022.

In addition, exploration programs focused on proximal targets to existing operations. Furthermore, optimisation studies are underway to ascertain the potential extension of existing operations.

As part of the development of the organisation, Atlas commenced strategic growth plan of over \$700 million which will underpin the long-term future of the business and create value for its shareholders. The board approved \$605 million to develop the McPhee Creek project, expected to commission mid-2023, \$46 million to advance a feasibility study for the development of stage 1 of the Ridley magnetite project and \$60.5 million to upgrade Stock Yard 2 at Utah Point to secure Atlas long term access. In addition, Atlas was appointed Manager of the Mount Bevan JV on behalf of Hancock Magnetite Pty Ltd and commenced a pre-feasibility program on its behalf.

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In the context of a challenging global environment, with inflation and rising costs, it is important to reduce the regulatory and tax burden on businesses. This is critical as the iron ore market continues to show lower ore prices, and more layers of government tape increase uncertainty at the very time business needs less onerous government burdens and less risk, to support future investments

Atlas made State Royalty payments of \$81 million this year, funding that will support our community. In addition to the State Royalty payments, Atlas paid \$47 million (FY21: \$65 million) in port charges to the Port Hedland Port Authority.

As our Group Chairman, Mrs Rinehart says "When mining does well, Australia does well."

Group Chairman, Mrs. Gina Rinehart noted: "Atlas Iron continues to contribute strongly to the Hancock Group, including with first ore from a new mine on time and budget and an innovative new partnership with our Indigenous contractor East West Pilbara, showing that when mining does well, West Australia and Australia does well. Our investments in Atlas and across the group are leading to significant tax and royalty revenues for governments, and payments to indigenous peoples, along with bringing opportunities and greatly increasing living standards across the places where we operate.

Sanjiv Manchanda, CEO of Atlas added We cannot take this for granted or risk such revenue and living standards, and governments must reduce the tape and tax burdens which prevent us from delivering even more benefits to West Australians. For instance, even a 6 week strike in the Pilbara would result in a loss of \$15 billion or more, reducing tax revenue, royalties and payments to the indigenous peoples who rely on such payments.

Following a record-breaking profit last financial year, the financial year ended 30 June 2022 has been marked by a focus on cost control, improving efficiencies and positioning Atlas for the future. Announcing the first dividend and providing significant funding for growth projects highlights the strength of our company and its valued employees."

## About Atlas

Atlas is an Australian iron ore company, mining and exporting direct-shipped iron ore from its Mt Webber, Sanjiv Ridge (named after Atlas CEO Sanjiv Manchanda) and Miralga mines in the northern Pilbara region of West Australia. Atlas Iron has a portfolio of exploration and development projects which now includes two magnetite projects.

## Further Information:

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## Glossary

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