



20 July 2009

Share Purchase Plan

Atlas Iron Limited (ASX Code: AGO) is pleased to announce that its \$11.7 million Share Purchase Plan offer has been heavily oversubscribed. Share Purchase Plan Subscriptions of over \$29.75 million have been received.

In light of the level of Share Purchase Plan subscriptions, the Atlas directors have decided to do the following:

1. Increase the size of the Share Purchase Plan by 27.7% from \$11.7 million to \$14.8 million. This will mean an additional 2.3 million ordinary shares will be issued under the Share Purchase Plan.
2. As contemplated in the Share Purchase Plan letter to shareholders dated 18 June 2009, Atlas will scale back each Share Purchase Plan subscription on a pro rata basis by approximately 50%. As a result Share Purchase Plan subscribers will receive the following shares and refund:

Share Purchase Plan scale-back

Original Share Purchase Plan Subscription amount \$	Scale back allocation - No of shares	Value of shares per scale back \$	Share Purchase Plan Refund \$
\$5,000	1,800	\$2,502.00	\$2,498.00
\$2,500	900	\$1,251.00	\$1,249.00
\$1,000	360	\$500.40	\$499.60

Timetable for Share Purchase Plan - scale-back and refund

1. Share Purchase Plan Shares will be allotted and issued Monday, 20 July 2009.
2. On Monday 20 July 2009 Atlas will commence sending out holding statements.
3. Expected date for quotation of Share Purchase Plan shares is Wednesday 22 July 2009.
4. Share Purchase Plan refund cheques will be mailed out to shareholders in the week ending 24 July 2009.

Background on Atlas

Atlas is mining and exporting from its 100%-owned Pardoo Iron Ore Project, located 75 kilometres by road from Port Hedland, in the Pilbara region of Western Australia and completed its first shipment of Pardoo Direct Shipping Ore in early December 2008. Atlas is planning to export 1 million tonnes during its first 12 months of operations at the Pardoo Project, expanding following commissioning of the Utah Point port facility. When combined with additional export tonnages from its Wodgina and Abydos DSO Projects, Atlas is targeting exports at an annualised rate of 6 million tonnes in 2010, growing to 12 million tonnes in 2012.

For further details, please contact

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