



22 February 2010

ATLAS AND AUROX ENTER INTO UTAH POINT PORT COOPERATION AGREEMENT

Atlas Iron Limited (ASX Code: AGO) and Aurox Resources Limited (ASX Code: AXO) today announced that they have entered into a Utah Point Port Cooperation Agreement in relation to Aurox's port capacity allocation at the Utah Point port facility, currently being constructed by the Port Hedland Port Authority (PHPA). The execution of this port cooperation agreement will ensure Atlas' and Aurox's port capacity allocations at Utah Point are used to their maximum and in a highly efficient cost effective manner.

Key terms of the port cooperation agreement are as follows:

- Atlas will advance an interest free loan to Aurox, in the amount of \$13.86 million (Loan) for the sole purpose of Aurox paying the Facility Charge to the PHPA on or before 31 March 2010 as required by Aurox's Facility Agreement with the PHPA. The loan has an initial 12 month term.
- In consideration for the Loan, Aurox grants Atlas a first right to use any of Aurox's unused or surplus berth, ship-loading and stockpiling capacity at the Utah Point Port Facility that will become available from 1 March 2012, subject to all necessary government and regulatory consents and approvals.
- Atlas and Aurox will work together to optimise efficiency in their combined operations at the Utah Point Port Facility including Aurox installing materials handling equipment and configuration of infrastructure with a view to sharing equally any additional capacity generated by efficiency gains.
- Aurox will give no less than 6 months written notice to Atlas of its intention to commence using such its berth, ship-loading or stockpiling capacity at Utah Point.
- In the event that Aurox's berth, ship-loading or stockpiling capacity at Utah Point is not available Atlas may at its own cost install temporary materials handling equipment, subject to all necessary government and regulatory consents and approvals.
- In 2015 Aurox has a right to increase stockpile and export capacity from 6Mtpa to 10mtpa of product. Where throughput at the Utah Point Berth is increased by more than 2mtpa, Aurox's 10mtpa allocation of capacity will be increased to 12mtpa. If this additional capacity is available to Aurox, it agrees to share that capacity with Atlas on an equal basis, subject to all necessary government and regulatory consents and approvals.

"Atlas is delighted to enter into this port cooperation agreement with Aurox," commented Atlas Managing Director, David Flanagan. "The efficient use of the Utah Point port facility will ensure that Aurox and Atlas will export the maximum number of tonnes allowed by their combined port allocations" he added.

"This is a great example where the Pilbara's iron ore juniors are working together to ensure publicly available infrastructure is fully utilized for the maximum benefit of the state, the community and the shareholders of each company. This port cooperation agreement helps ensure that in aggregate 9Mtpa from 1 March 2012, and then 13Mtpa of product from 2015, can be exported by Atlas and Aurox through the Utah Point port facility."

Pursuant to its existing Utah Point facility agreements with the PHPA, Atlas has 6Mtpa of port capacity at the Utah Point facility until 28 February 2012, reverting to 3Mtpa thereafter.

Background Atlas Iron Limited

Atlas Iron Limited 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. Atlas shipped over 1 million tonnes of Pardoo Direct Shipping Ore (DSO) in its first year of operation. Atlas is working to further expand its production following commissioning of the Utah Point port facility in the second half 2010. When combined with additional export tonnages from its Wodgina and Abydos DSO Projects, the Company is targeting exports at an annualised rate of 6 million tonnes by the end of 2010, growing to 12 million tonnes by 2012.

For further information please contact

David Flanagan, Managing Director

Tel: (08) 9476 7900

Mark Hancock, Chief Commercial Officer

Atlas Iron Limited ACN 110 396 168