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ASX / Media Announcement

AUROX AND ATLAS TO COOPERATE AT PORT HEDLAND

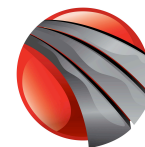
- **Aurox and Atlas have entered into the Utah Point Cooperation Agreement in relation to the Port Hedland multi-user berth located at Utah Point**
- **The agreement means Utah Point's two largest long-term users, Aurox and Atlas, have agreed to work together to optimise the efficient operation of the Utah Point facility**
- **Atlas will, subject to Port Hedland Port Authority consent, have certain rights to utilise any of Aurox's unused or spare capacity that may become available and to share in any additional capacity allocation obtained by Aurox through efficiency gains at Utah Point**
- **As part of securing the cooperation, Atlas will advance to Aurox the funds required by Aurox to meet its 31 March payment obligations to the Port Hedland Port Authority**

Pilbara iron ore developer Aurox Resources Limited (ASX: AXO) ("Aurox") and iron ore producer Atlas Iron Limited (ASX: AGO) ("Atlas") today announced they had entered into the Utah Point Cooperation Agreement (the "Agreement") in relation to cooperation at the Port Hedland multi-user berth Utah Point.

Cooperation at Utah Point

The Agreement provides, subject to the approval of the Port Hedland Port Authority, for Aurox and Atlas to work together to facilitate the efficient and cost effective operation of the Utah Point facility for the mutual benefit of both companies. The cooperation includes but is not limited to such things as:

- Stockyard configuration;
- Joint planning and scheduling; and
- Working together with the Port Hedland Port Authority to optimise the Utah Point facility.



Aerial Photos of Utah Point Facility

Capacity Allocations

Aurox has, subject to the approval of the Port Hedland Port Authority, granted Atlas a first right to use any of Aurox's excess or unused capacity at Utah Point. In addition, Aurox and Atlas have agreed to share equally any capacity allocation to which Aurox becomes entitled in excess of its current allocation. Pursuant to Aurox's agreement with the Port Hedland Port Authority, if the use of the Aurox reclaimer results in an increased throughput for the Utah Point berth by more than 2mtpa, Aurox's allocation will increase from 10mtpa to 12mtpa.

The Agreement with Atlas does not in any way negatively impact Aurox's capacity allocations or its ability to operate as planned at Utah Point. Aurox's capacity of 6mtpa from March 2012, rising to 10mtpa from 2015, remains Aurox's 100% entitlement for use by its world class Balla Balla Project.

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Service Provision

As part of Aurox's development of Balla Balla, it will install at Utah Point certain wholly-owned materials handling equipment. This equipment will include a stacker and reclaimer with significant latent capacity due to the single-berth nature of Utah Point. As part of the Agreement, Aurox has agreed to offer reclaiming services, to the extent unused capacity permits and as may be desired by Atlas, for an agreed service fee. These services would generate additional income for Aurox should Atlas use the services and importantly should facilitate efficiency gains at Utah Point.

Funding for Aurox's Port Payment Obligations

Atlas has agreed to lend Aurox A\$13.86m for it to make its 31 March 2010 payment obligation to the Port Hedland Port Authority. The loan is unsecured, interest free and repayable by no later than 12 months from the date of the Agreement and may be repaid earlier at Aurox's discretion. If the loan is not repaid within 12 months, then Atlas may elect to extend the time for repayment or (subject to the consent of the Port Hedland Port Authority) require Aurox to assign to it any pre-paid Facility Charges (up to the outstanding balance on the loan) in settlement of the loan. Interest shall commence to accrue on the outstanding balance of the loan if Atlas elects to extend the term of the loan.

Managing Director of Aurox, Mr Charles Schaus, said the agreement between Atlas and Aurox was another very positive step forward for Aurox and the Balla Balla project following our recent agreement with China's MCC.

"Through this deal we have secured the funds to meet our March payment obligations to the Port Hedland Port Authority, laid the foundations to maximise port efficiency with another major iron ore player, and created another potential source of revenue for Balla Balla," Mr Schaus said.

"This removes any uncertainty regarding funding for our March port payment and provides us with more than sufficient time to execute the major capital financing we are focused on delivering for Balla Balla," he said.

"Our forecasts have not included any revenue from providing services to third parties at Port Hedland. Some of the equipment Aurox plans to install has significant latent capacity that Atlas can now take up on a preferential basis," he said.

"Aurox and Atlas agreeing to work together to optimise throughput at Utah Point will assist the Port Hedland Port Authority to maximise capacity at Utah Point," he said.

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