



29 October 2010

ATLAS HITS 6MTPA EXPORT RATE 2 MONTHS AHEAD OF SCHEDULE

Atlas Iron Limited (ASX: AGO) is pleased to announce it has achieved an annualised export rate of over 6Mtpa in October 2010, 2 months earlier than planned. Atlas is now preparing to grow its annualised export rate to 12Mtpa by December 2012.

During the month of October 2010 Atlas shipped over 541,000 tonnes (WMT) through the port of Port Hedland. On an annualised basis, this export rate is well above the 6.0Mtpa targeted by the Company by December 2010.

"Once again Atlas has achieved a key operating target. Hitting our shipping target 2 months ahead of schedule is another fantastic result for Atlas, its people and its shareholders." commented David Flanagan, Atlas Iron Managing Director. "I would like to thank all our staff, contractors and service providers for their hard work, it is very much appreciated".

"Our team has yet again demonstrated the ability to start a new iron mine, get the ore to port and get it on to ships at the right specification, on budget and ahead of time. This ability is a rare commodity."

"The Wodgina and Pardoo projects are ramping up very strongly and Atlas will have settled into a steady state of mining, processing and exports of 6Mtpa by December 2010," Mr Flanagan added.

In the month of October 2010, ore mined across the operations was at a rate of approximately 4.5Mtpa, ore processed was at a rate of just over 4.0Mtpa and port haulage was at a rate of approximately 3.8Mtpa. Atlas is on track to achieve and maintain its forecast 6Mtpa mine production rate by years' end.

Atlas is now working towards constructing the Turner River Hub, which will blend and process ore from 3 of Atlas' 4 North Pilbara iron ore projects (Wodgina, Abydos and Mt Webber) in preparation for transport to the new Utah Point Port Facility at Port Hedland, 95kms away. The Hub would have an annual capacity of 10 million tonnes, meaning it will play a key role in Atlas' plan to double its production rate from 6Mtpa this Christmas to 12Mtpa by 2012. Ore from Atlas' other mine, Pardoo, will account for another 2Mtpa.

BACKGROUND ATLAS IRON LIMITED

Atlas Iron Limited operates two iron ore mines at Wodgina and Pardoo, located 100 and 75 kilometres respectively by road from Port Hedland in the Pilbara region of Western Australia. Atlas now plans to grow its annualised export rate to 12Mtpa by December 2012.

For further information please contact

David Flanagan, Managing Director

Tel: (08) 9476 7900

Ken Brinsden, Chief Operating Officer