

Investor Presentation

October 2012



Disclaimer

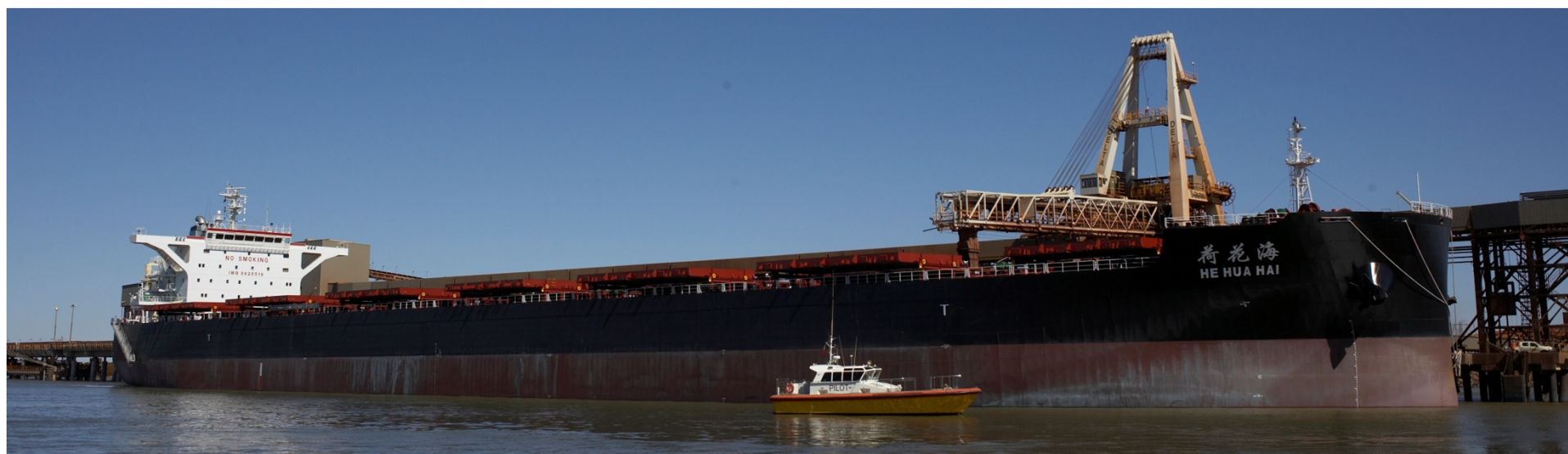


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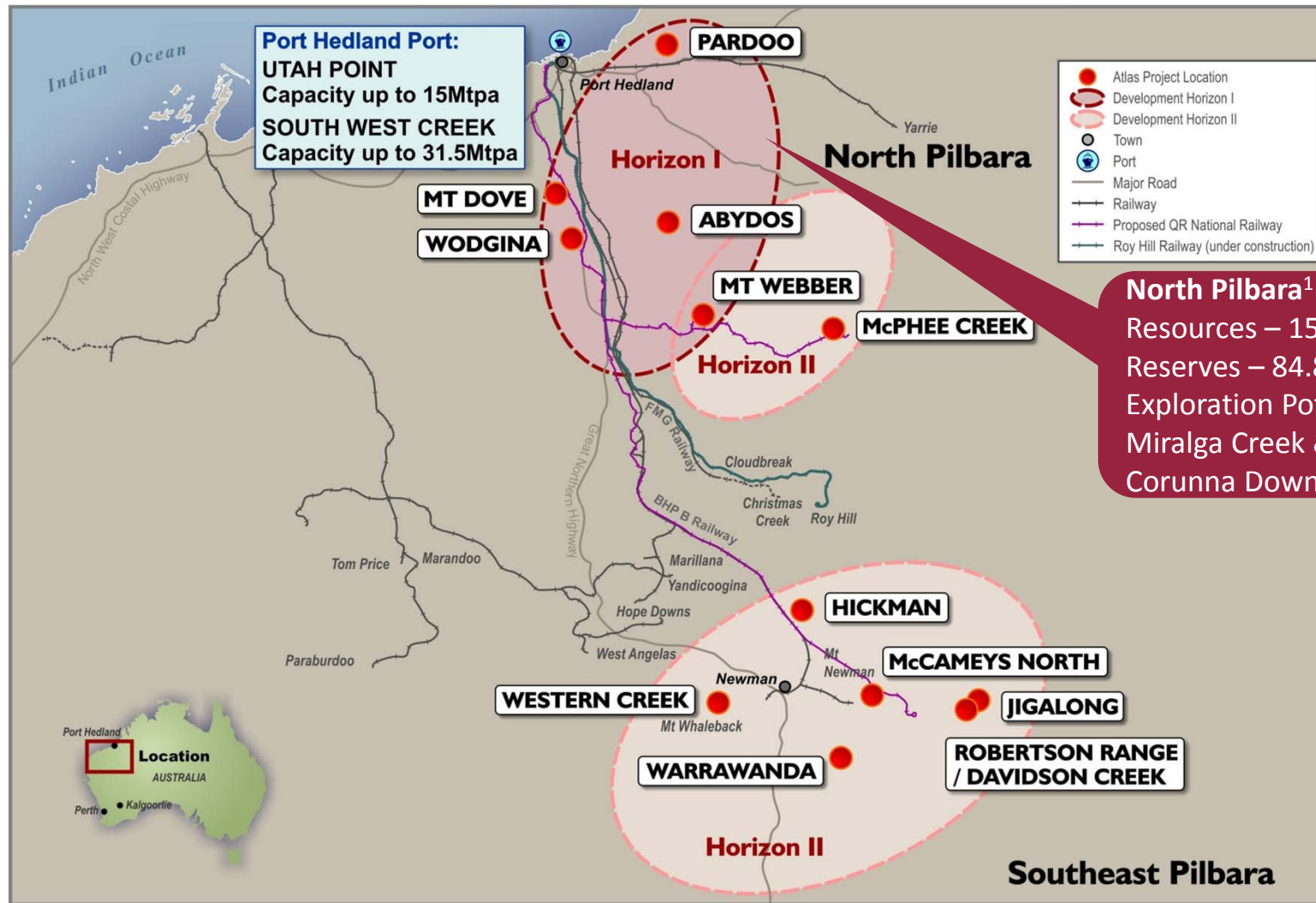
Highlights



- Record tonnes hauled / shipped in Sept12 Qtr
- Revised guidance up FY13 shipped tonnes, 7.2-7.7Mt (wet)
- Revised guidance down FY13 cash costs, A\$46-\$50/tonne (wet FOB)
- US\$325M loan facility secured. Fully funded to grow export rate to 12Mtpa by Dec 2013



Horizon 1 Development

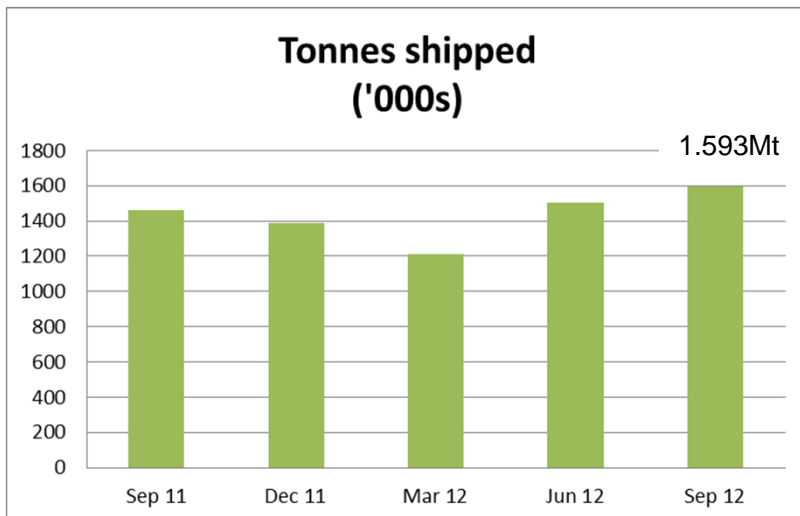
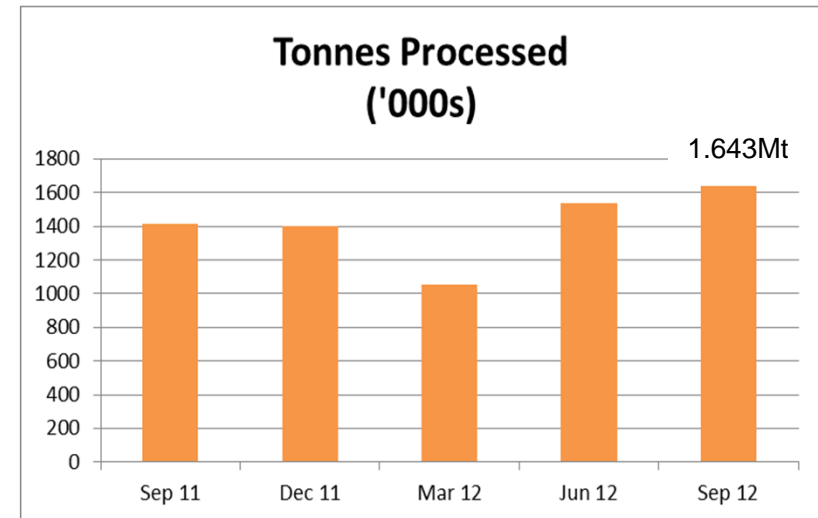
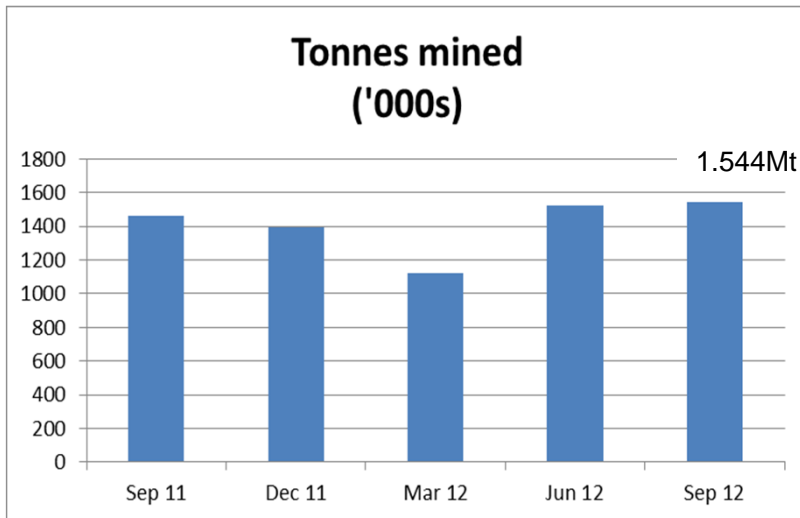


1. Refer to Appendices for Resource and Reserve Tables, and Competent Person statements

Record results in Sept Qtr



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Operations Review



- Operational savings identified
 - Long term exploration and evaluation activity deferred
 - 27 positions redundant; 23 redeployed
- Operating cost guidance lowered to A\$46-50/tonne
- Shipped tonnes guidance increased to 7.2 – 7.7Mt
- Potential capex savings identified



Finance secured

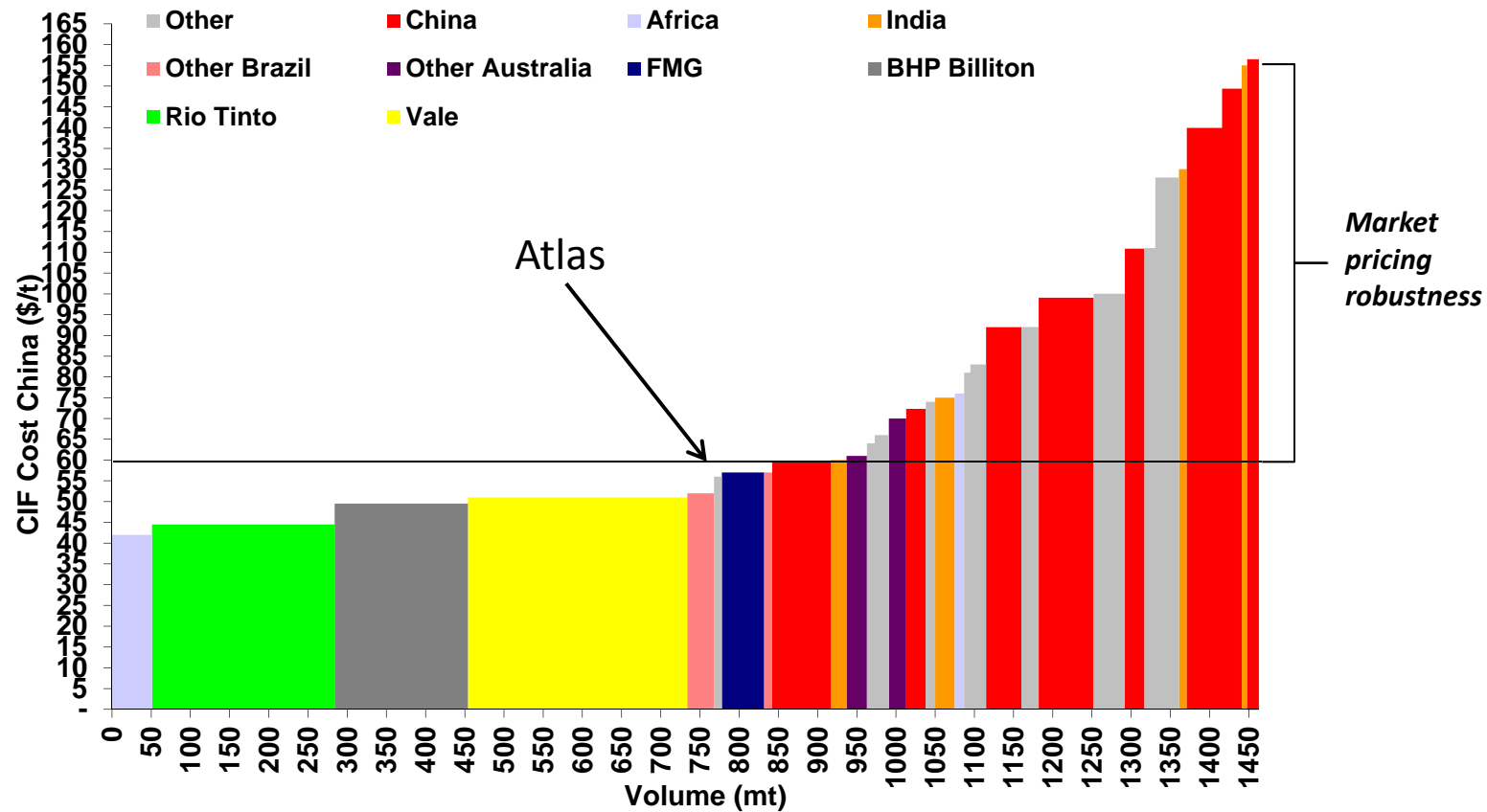


- Underwritten commitment for US\$325M loan facility secured
- Funding in place to complete
 - Mt Dove mine (Dec 12)
 - Abydos mine (by end of June 13 Qtr)
 - Mt Webber mine (targeting Dec 13 Qtr)
 - Yard 2 expansion at Utah Point Port
- Fully funded to enable Atlas to grow export rate to 12Mtpa by Dec 2013

Globally Competitive



Supply curve to Chinese market for iron ore fines

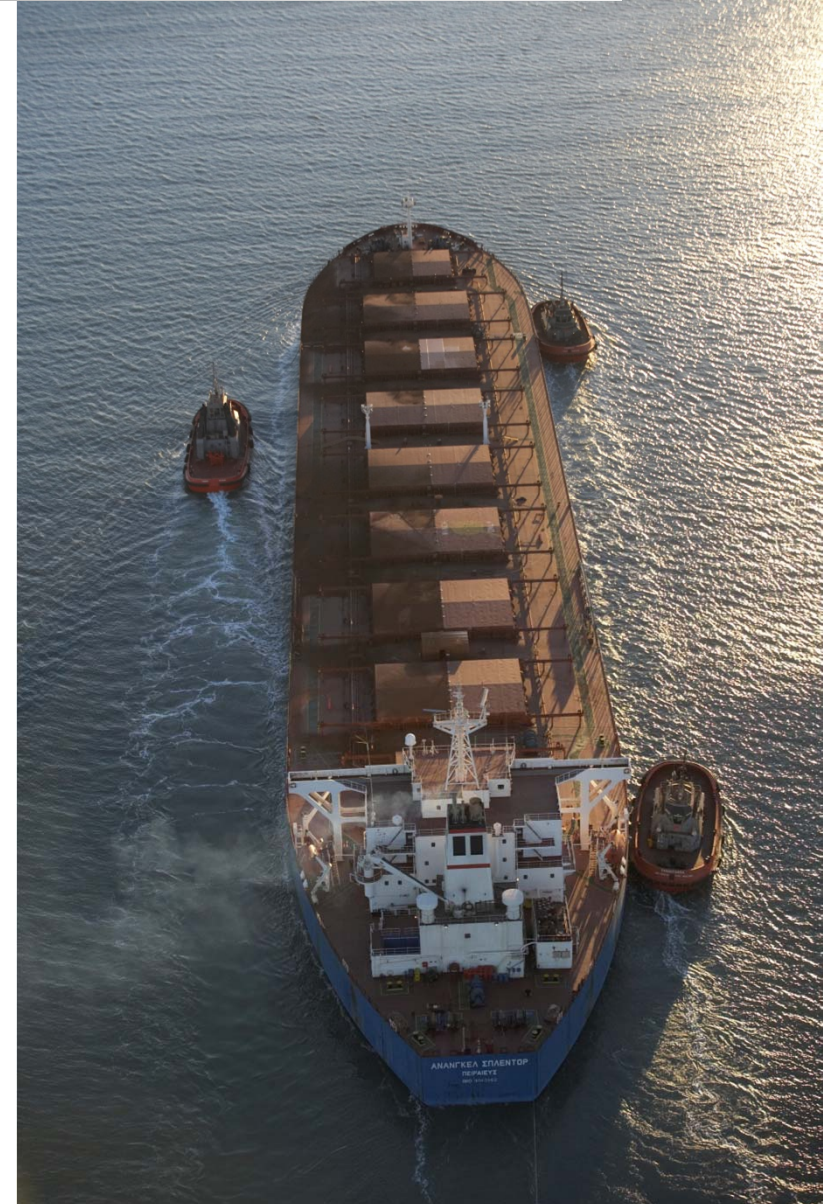


Source: Macquarie Bank – October 2012 – cash cost per tonne CFR

Iron Ore Sales



- Significant volatility in iron ore price in Sept 2012 Qtr
- Strong acceptance of Atlas product
- Two Atlas Value Fines cargos sold with an average of 55% Fe
- Broad base of Chinese mills with some term contracts
- Deep market permits spot sales to supplement contracts
- Substantial demand from new customers and investigating sale opportunities outside of China



Corporate



Shareholding

IMC Group	7.4%
Schroders	8.8%
Blackrock	6.3%
Top 20	63.8%

Capital Structure

Ordinary Shares	904.8m
Market Cap at \$1.70	A\$1,538m
Cash as at 30 Sept 2012	A\$313.6m
Debt as at 30 Sept 2012	A\$0m
Enterprise Value	A\$1,224.5m
Options	14.0m

Atlas' Share Price Performance



- Dividend reinvestment plan option for shareholders, FY2012
- Fully funded Horizon 1 with fully underwritten Term Loan B of US\$325m

Key Milestones of FY 2013



- Mt Dove DSO mine to commence production - Dec 2012
- Abydos mine to commence production - June Qtr 2013
- Resource and Reserve update in Mar 2013 Qtr
- Shipping target range 7.2 to 7.7Mt (WMT) for FY2013
- Targeting low operating and capital development costs
- Utah Point Yard 2 interim facilities installation ~ June 2013
- Targeting Rail study completion with QR in Dec 2012 Qtr

Resources and Reserves in 2012



- 70% increase in Pilbara Ore Reserves to 414Mt¹
- Maiden Ore Reserve at McPhee Creek of 89.7Mt¹
- North Pilbara Reserves at 84.8Mt net of production¹
- Total Resources ~1.1Bt¹

Note: Refer to Appendices for Resource and Reserve Tables, and Competent Person statements

Project Updates



Existing Operations

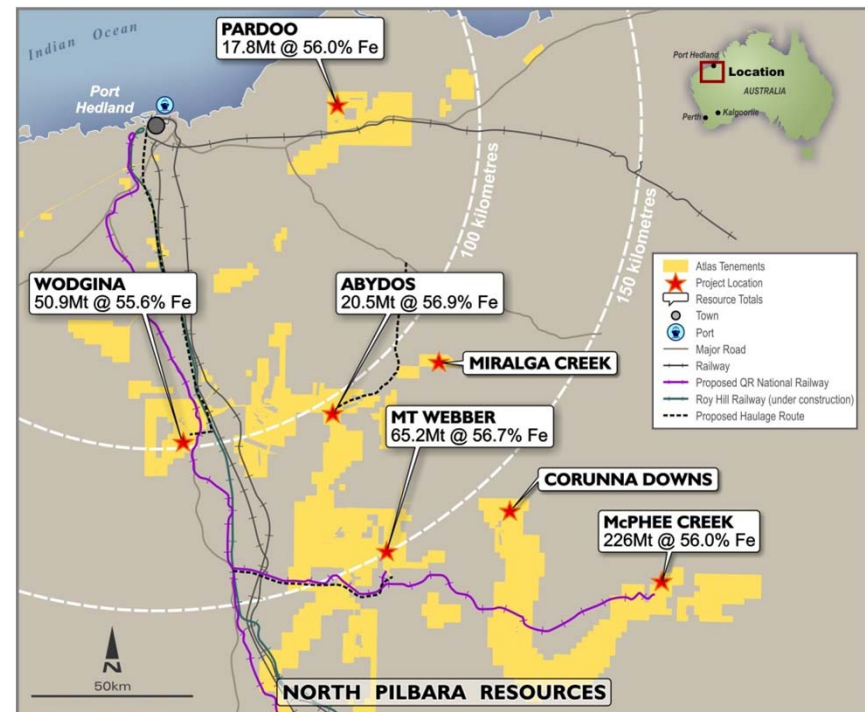


■ Mines

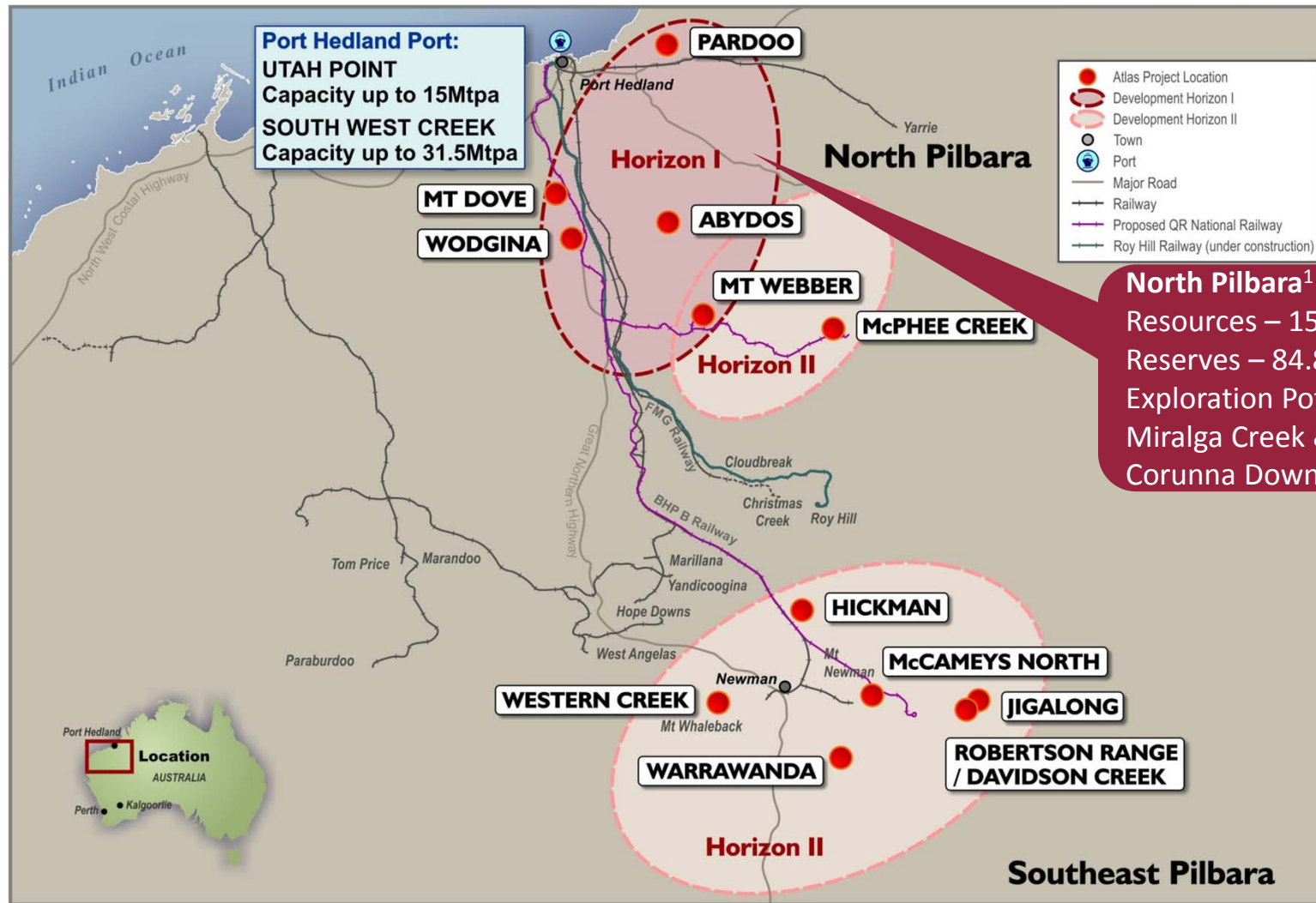
- Pardoo and Wodgina
- 75km and 110km from port
- Traditional open pit mining, strip ratio typically < 2.5:1
- DSO production

■ Logistics

- Currently Exporting >6Mtpa
- Haulage and shipping capability >500,000t/mth
- Road haulage ~ 115t/truck
- Port entitlements to facilitate growth



Horizon 1 Development



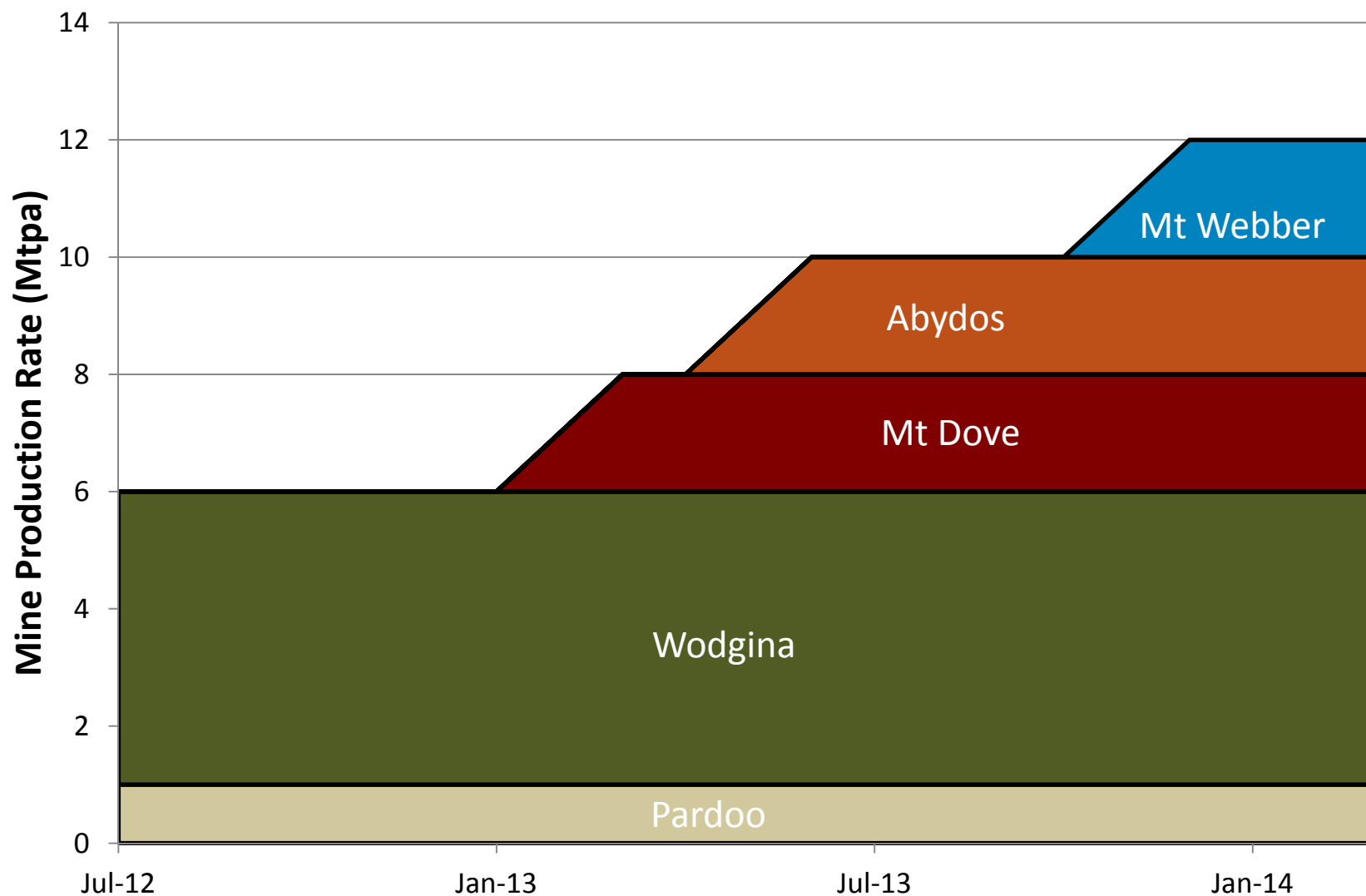
1. Refer to Appendices for Resource and Reserve Tables, and Competent Person statements

Horizon 1 North Pilbara Growth



- Wodgina infrastructure expansion ~90% complete
- Mt Dove to start production in Dec 2012
- Abydos on track for production from June 2013 quarter
- On track to achieve production rate of 8Mtpa by December 2012 and 10Mtpa from June 2013
- Targeting cash costs of \$46-\$50/T for FY2013 and \$47-\$52 for FY2014

Horizon 1 Mine Production Profile



Mt Dove Mine



- Construction well advanced
- Scheduled to be on time, on budget
- First run of mine ore due December 2012
- Produce at a rate of ~2Mtpa
- Low strip ratio



Abydos Mine



- Final environmental approval for ground disturbance received
- Camp and infrastructure build commenced
- On target to produce first run of mine ore by end of the June 2013 Qtr
- Atlas expects to be shipping at a rate of 10Mtpa from the end of June 2013 Qtr



Utah Point Expansion



- Interim solution being constructed for Yard 2
- Capacity in place coincident with start-up of the Abydos mine by end of June 2012 Quarter
- Over 10Mtpa of shipping capacity from end of June 2013



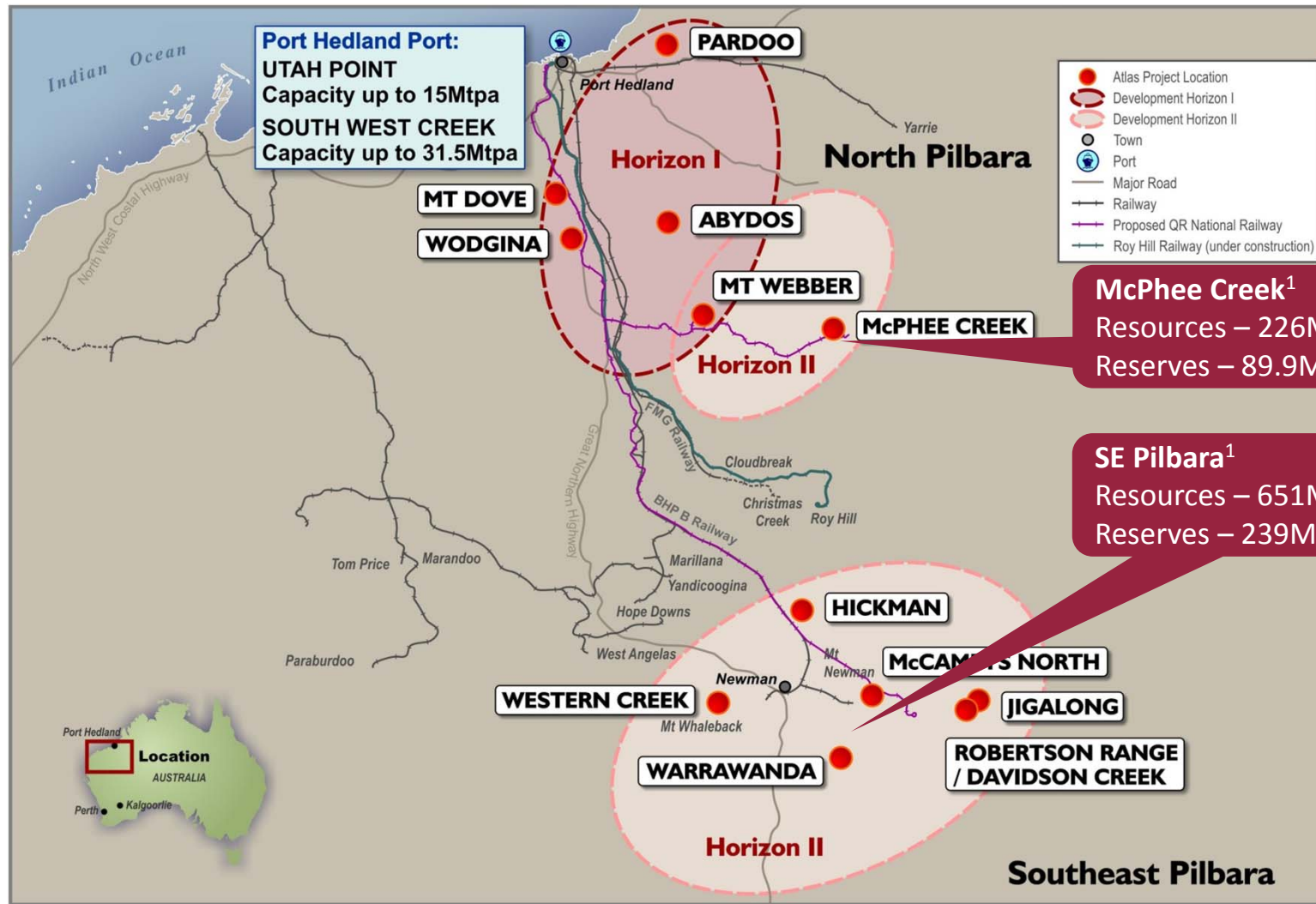
Port Capacity



- Current or future entitlements:
 - Up to 15 Mtpa capacity at Utah Point.
 - Additional allocation up to 31.5 Mtpa through proposed South West Creek Port (NWI) in Port Hedland
- NWI port capacity reaffirmed by WA Transport Minister on 24 August 2012
- 46.5Mtpa port capacity gives Atlas leverage to drive organic and inorganic pit-to-port growth



Horizon 2 Strategy



1. Refer to Appendices for Resource and Reserve Tables, and Competent Person statements

Atlas Iron Limited (AGO)



- Globally competitive cash operating costs
- Strong Balance Sheet, fully funded to 12Mtpa export rate
- 3 New mines in FY12/13 - Mt Dove, Abydos, Mt Webber
- Globally competitive Horizon 1 development costs
- Existing 6Mtpa, 8Mtpa by Dec'12, 10Mtpa by June'13 and targeting 12Mtpa by Dec'13
- Targeting 15Mtpa by 2015 and 46Mtpa by 2017
- 414Mt Ore Reserves & 1.1Bt Pilbara Mineral Resource base¹
- Realisable infrastructure solutions with substantial Port Hedland Inner Harbour port capacity

1. Refer to Appendices for Resource and Reserve Tables, and Competent Person statements

Appendices



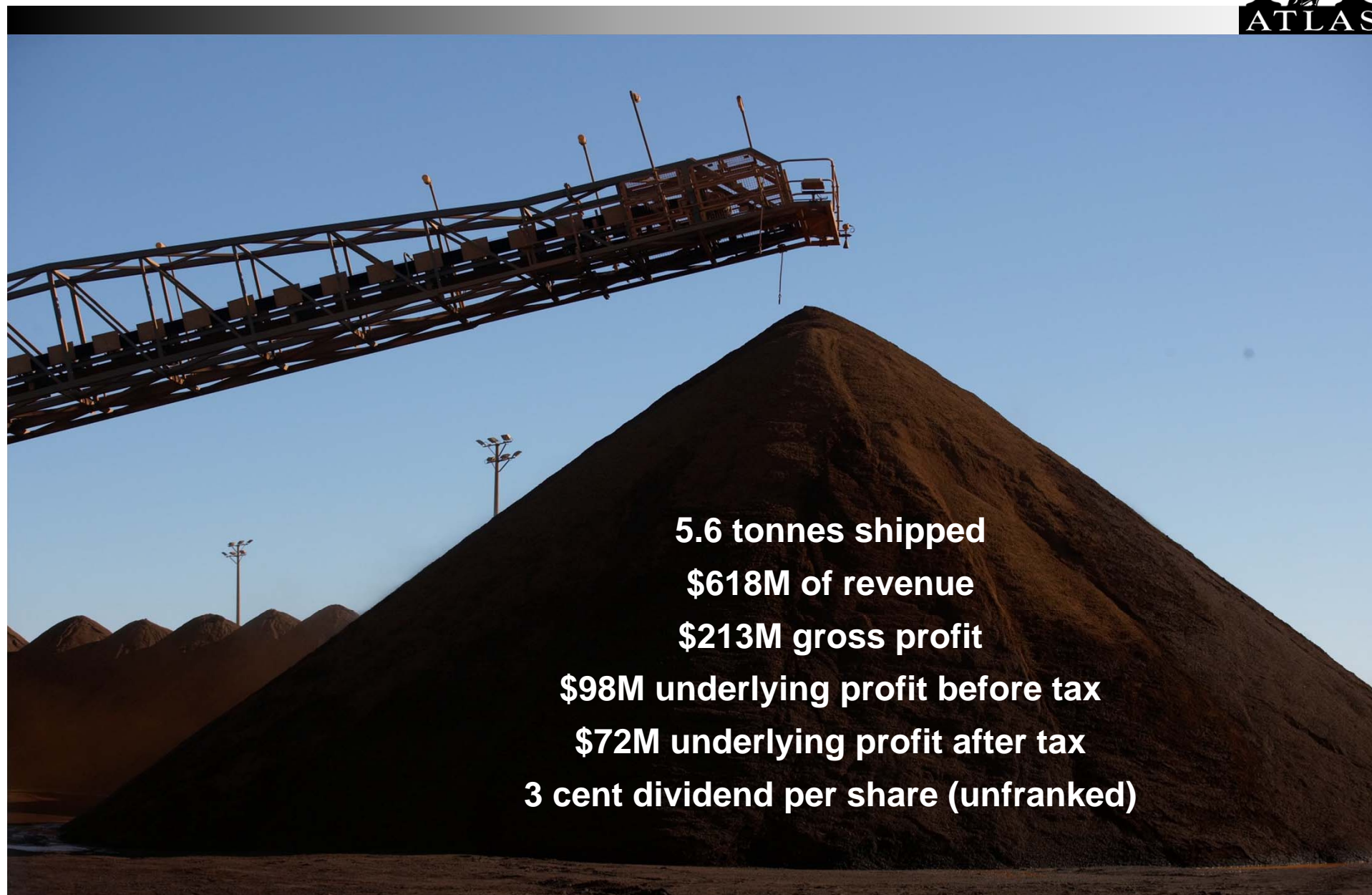
- **2012 Results**
- **Revised FY 2013 Guidance in detail**
- **Horizon 1, 2 and 3 Projects and Assets**
- **Atlas DSO Resources at 30 June 2012**
- **Atlas DSO Reserves at 30 June 2012**
- **Atlas' port allocation at Port Hedland Port**
- **Horizon 1 Capital Expenditure**
- **Atlas' assets - Atlas' current investments**
- **Atlas' Strategic Planning Horizons**



2012 Results



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5.6 tonnes shipped

\$618M of revenue

\$213M gross profit

\$98M underlying profit before tax

\$72M underlying profit after tax

3 cent dividend per share (unfranked)

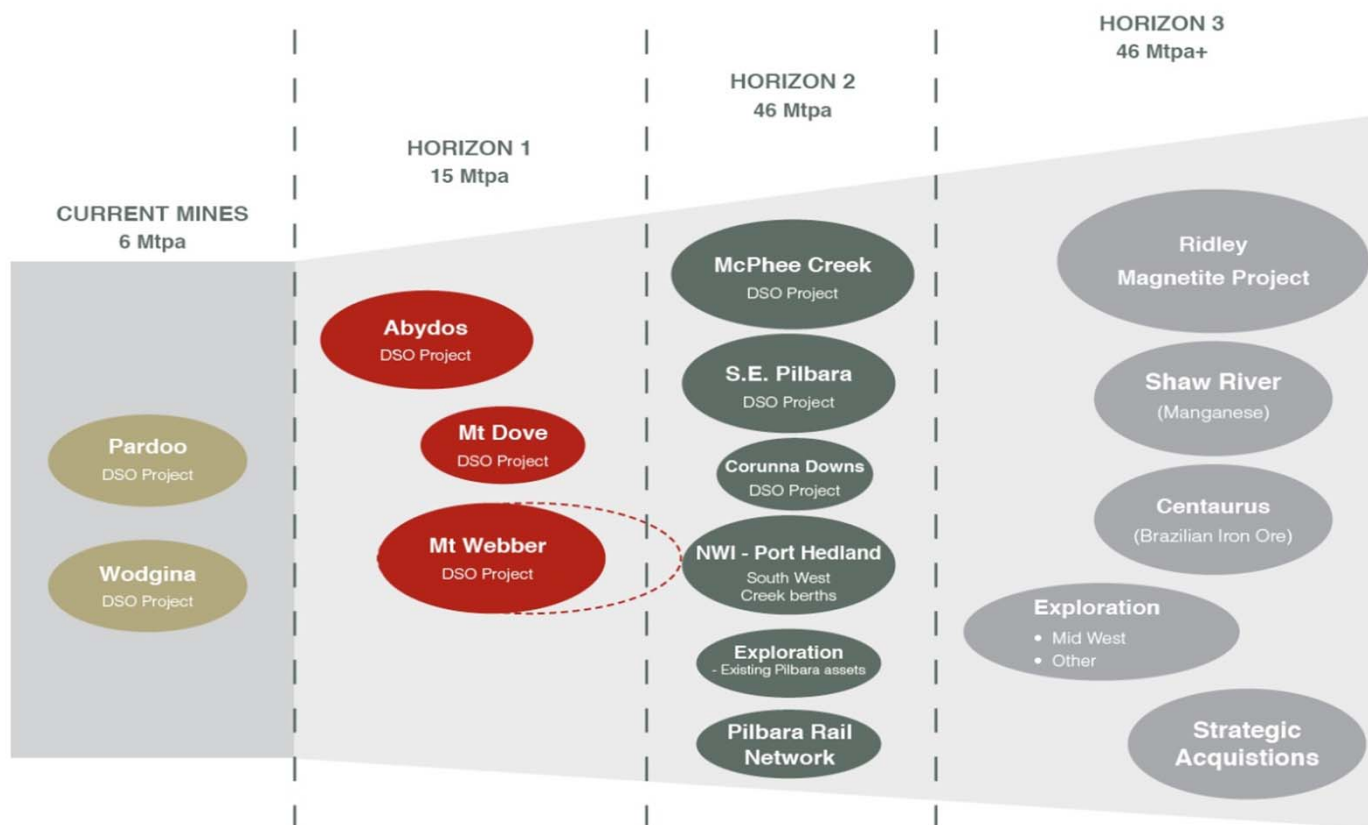
Revised FY2013 Guidance



- Shipped tonnes ~ 7.2 to 7.7Mt (2.9 to 3.1Mt in first half and 4.3 to 4.6Mt in the second half ¹⁾)
- Cash costs ~ range of \$46 to \$50 per tonne
- Capitalised Pre-strip outlay ~ \$30 to 35 mil
- Exploration & Evaluation expense ~ \$28mil
- Average Royalty ~ 8% ²
- Average moisture ~ 7.1% ³

1. Mt Dove and Abydos projects commence production in Dec 2012 and June 2013 Qtrs respectively
2. Average Royalty for the FY2013 expected to be ~ 8% incl. state, native title and previous owner royalties
3. Average Moisture per tonne (WMT) for the FY2013 will vary from quarter to quarter but will average ~ 7.5%

Horizon 1, 2 and 3 Projects and Assets



Atlas' Horizon 1, 2 and 3 Projects and Interests

Atlas DSO Resources – 30 June 2012



Atlas Iron Limited - Mineral Resource Summary 30 June 2012									
Project	Resource Classification	Kt	Fe	SiO ₂	Al ₂ O ₃	P	S	LOI	CaFe
			(%)	(%)	(%)	(%)	(%)	(%)	(%)
Pardoo	Measured	50	56.9	7.1	2.6	0.18	0.02	8.1	61.9
	Indicated	9,800	56.4	8.1	1.9	0.10	0.03	8.2	61.4
	Inferred	8,000	55.6	7.9	2.4	0.10	0.02	9.1	61.2
Abydos	Indicated	11,500	57.1	6.5	1.9	0.05	0.02	9.4	63.0
	Inferred	9,000	56.8	6.7	2.0	0.06	0.02	9.4	62.6
Wodgina	Measured	11,430	57.2	6.4	1.6	0.06	0.08	8.6	62.6
	Indicated	23,500	56.0	7.9	1.9	0.08	0.05	9.1	61.6
	Inferred	16,000	53.9	8.8	3.5	0.06	0.05	9.4	59.5
Mt Webber	Measured	22,700	57.8	5.5	2.0	0.09	0.02	8.8	63.4
	Indicated	41,500	56.1	7.8	2.4	0.08	0.02	8.5	61.3
	Inferred	1,000	56.8	8.4	1.2	0.06	0.06	7.2	61.2
McPhee Creek	Indicated	155,400	56.8	6.6	1.9	0.15	0.01	9.4	62.3
	Inferred	71,000	54.2	8.6	3.4	0.09	0.02	9.6	61.9
Mt Dove	Indicated	1,800	58.0	6.8	1.8	0.11	0.03	7.9	62.9
	Inferred	1,000	58.5	6.3	1.7	0.11	0.02	7.8	63.4
Mid West	Inferred	12,000	60.0	6.3	2.9	0.06	0.01	3.7	62.3
Newman	Indicated	41,100	58.1	5.3	4.4	0.17	0.01	6.1	61.9
	Inferred	166,000	56.0	6.9	4.0	0.05	0.02	8.3	61.1
Jigalong	Measured	43,200	57.9	5.2	3.0	0.10	0.01	8.2	63.6
	Indicated	339,100	55.9	6.8	3.7	0.09	0.01	8.7	61.7
	Inferred	62,000	55.4	8.1	3.3	0.10	0.01	8.2	59.1
West Pilbara	Inferred	38,000	53.6	7.5	4.8	0.04	0.01	9.3	59.1
Total	Measured	77,380	57.8	5.5	2.5	0.09	0.03	8.4	63.4
	Indicated	623,700	56.3	6.8	3.1	0.11	0.02	8.7	61.8
	Inferred	384,000	55.4	7.6	3.7	0.07	0.02	8.6	60.7
Grand Total		1,085,080	56.1	7.0	3.3	0.09	0.02	8.6	61.6

Note:

Pardoo, Wodgina, McCamey's North and Warrawanda resources quoted at >53% Fe cut-off grade.

Mt Webber, Abydos, Mt Dove, McPhee Creek, Newman, Midwest, West Pilbara resources quoted at >50% Fe cut-off grade.

CaFe% is calculated by Atlas using the following formula $(Fe\% / (100 - LOI\%)) * 100$.

Resources within the Mt Webber Altura JV are subject to a 70:30 AGO:AJM joint venture interest.

Atlas DSO Reserves – 30 June 2012

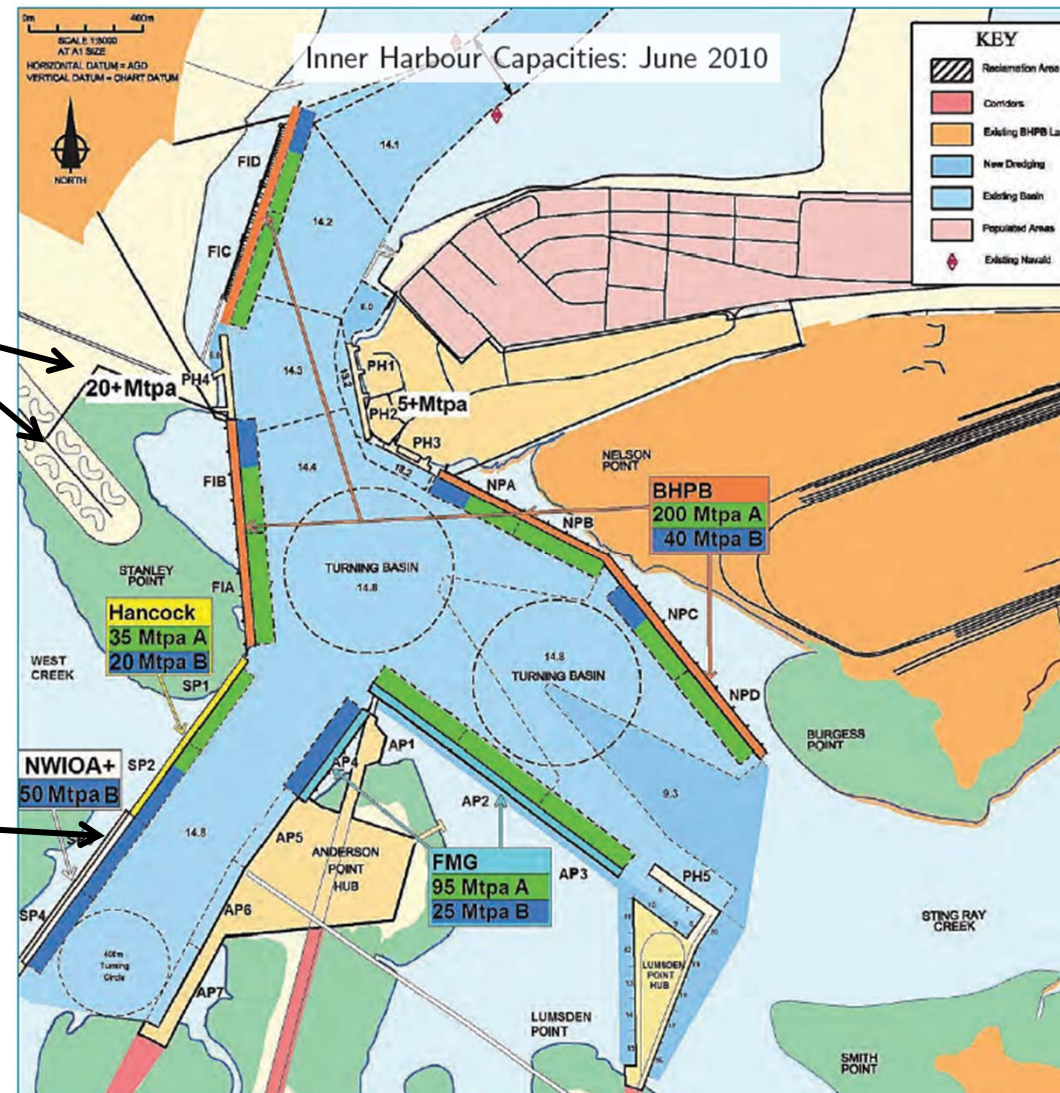


Atlas Ore Reserves Table (Proven and Probable) - 30 June 2012									
Project Area	Reserve Classification	Kt	Fe (%)	SiO ₂ (%)	Al ₂ O ₃ (%)	P (%)	S (%)	LOI (%)	CaFe (%)
Pardoo	Proved	150	54.9	10.4	1.6	0.08	0.05	8.2	59.7
	Probable	3,700	57.2	7.3	1.8	0.09	0.04	7.8	62.0
Abydos	Probable	9,300	57.4	6.1	1.8	0.05	0.01	9.5	63.4
Wodgina	Proved	6,700	57.4	6.2	1.5	0.05	0.10	8.5	62.8
	Probable	12,200	57.7	6.2	1.5	0.09	0.04	8.9	63.3
Mt Webber**	Proved	19,800	58.0	5.4	1.9	0.09	0.02	8.7	63.5
	Probable	31,300	57.1	7.0	2.0	0.09	0.02	8.3	62.3
Mt Dove	Probable	1,800	58.0	6.8	1.8	0.11	0.03	7.9	62.9
McPhee Creek	Probable	89,700	57.7	5.4	1.7	0.15	0.01	9.3	63.6
Jigalong***	Proved	31,000	58.1	5.0	2.8	0.10	0.01	8.2	63.3
	Probable	208,000	55.9	6.4	3.6	0.08	0.01	8.8	61.3
Port Inventory (Utah Point)	Proved	7	57.6	6.0	0.9	0.09	0.03	8.9	63.2
Sub Total	Proved	58,000	58.0	5.3	2.4	0.09	0.03	8.4	63.3
	Probable	356,000	56.6	6.2	2.9	0.10	0.02	8.8	62.1
Grand Total	All Reserves	414,000	56.8	6.0	2.8	0.10	0.02	8.8	62.3

Notes:

- *Ore Reserves at Mt Webber are quoted on a gross basis, with equity subject to Joint Venture interests in the ratio AGO 70% : AJM 30%, for the Ibanez, Fender and Gibson deposits.
- The Ore Reserves are reported at Cut-Off Grades (COG) ranging from 50 - 56% Fe, varying by pit location .
- The Sth East Pilbara Ore Reserves are quoted as Run-of-Mine Reserves pre-beneficiation.
- The Ore Reserves have been estimated in compliance with the JORC Code. (See Attachment 1 for further details).
- CaFe% is calcined Fe calculated by Atlas using the following formula $(Fe\% / (100 - LOI\%)) * 100$.
- Ore Reserves are quoted inclusive of mining depletion, Run-of-Mine ore and final product stocks at the Company's existing operating mines, being the Pardoo and Wodgina operations.

Port Allocation at Port Hedland Port



Atlas – Utah Point
Up to 15Mtpa

Atlas (NWI) –
South West Creek
– Up to 31.5Mtpa

Horizon 1 Capital Expenditure



Approved Development Projects	Status	Outstanding Construction Capital Expenditure Board Approved (as at Oct 2012)
Pardoo mine	In production	0
Wodgina mine	In production – expansion 90%+ complete	~\$10mil
Mt Dove mine	First run of mine ore expected in December 2012	~\$15mil
Abydos mine	First run of mine expected by end of June 2013 Quarter	~\$90mil
Utah Point Yard 2 – 10Mtpa	Co-incident with Abydos mine start	~\$50mil
TOTAL		Nom. \$165mil

*- Atlas notional share. Altura Mining owns 30% of the Mt Webber joint venture (southern portion of Mt Webber) and therefore notionally owns approx.16% of the combined Mt Webber reserve. An agreement on the joint funding of the Mt Webber DSO project has yet to be finalised.

**-. Provisional estimate, pending final road alignment, port access arrangements and approvals.

Atlas' Assets - Atlas' Current Investments



Strategic Investments – Horizon 3

53.45% of Shaw River Manganese (SRR) – Manganese Explorer/Developer

19.85% of Centaurus (CTM) – Brazilian iron ore Explorer/Developer

Other investments

15.0% of U3O8 Ltd (UTO) - Uranium Explorer

10.8% of Zenith Minerals (ZNC) – Au and Base Metals Explorer

6.0% of Lawson Gold (LSN) – Gold Explorer

3.5% of Gascoyne Resources – Gold Explorer

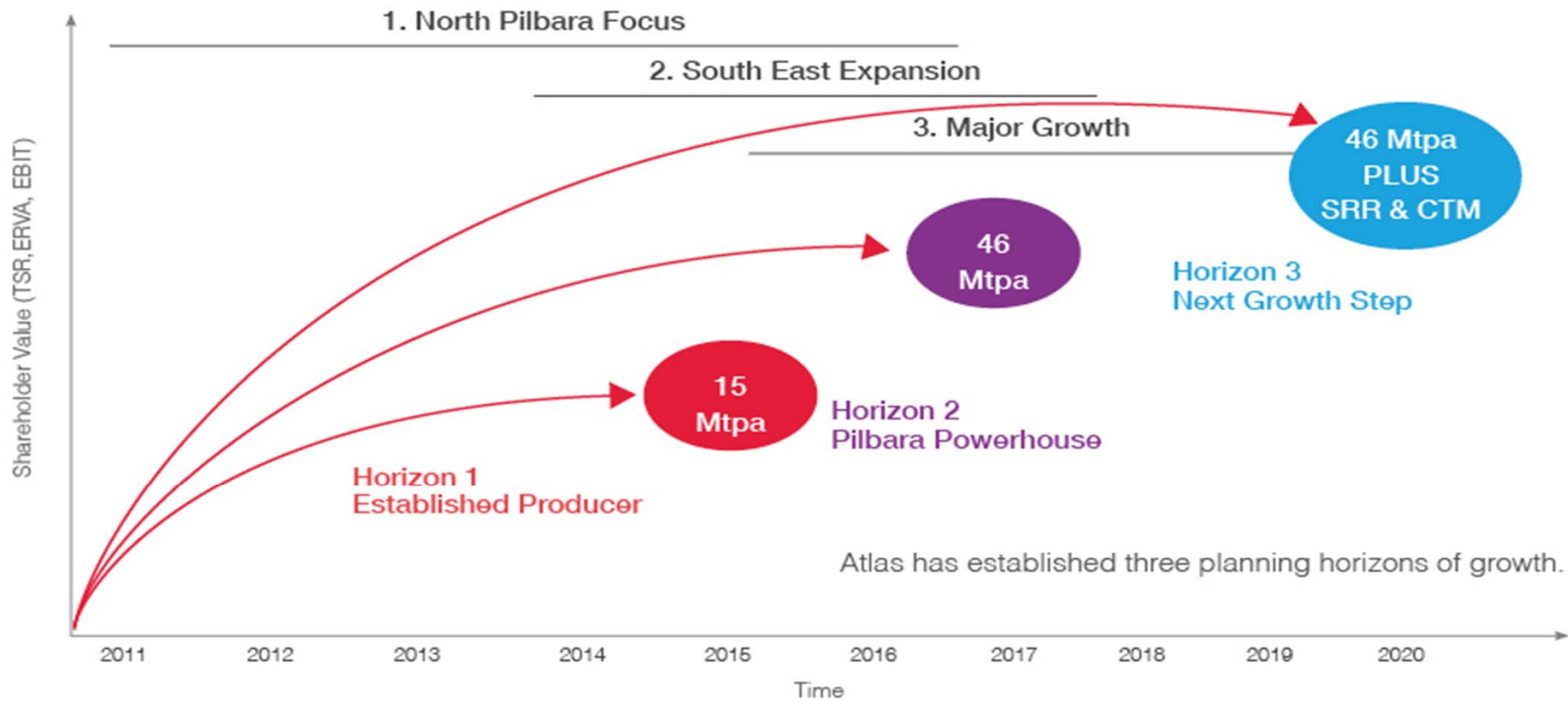
Note:

Under AIFRS, Atlas is required to equity account for losses incurred by Shaw River Manganese and Centaurus

Atlas Strategic Planning Horizons



Atlas Iron Position - Key Strategic Milestones



Atlas DSO Resources & Reserves



Competent Persons Statements

Ore Reserve Estimation – Pardoo, Wodgina, Mt Dove, Abydos, Mt Webber and McPhee Creek

The information in this report that relates to Ore Reserve estimations for the Pardoo, Wodgina, Mt Dove, Abydos, Mt Webber and McPhee Creek Areas, is based on information compiled by employees of Atlas Iron Limited and Audited by Mr Steve Craig, who is a member of the Australasian Institute of Mining and Metallurgy. Steve Craig is a full time employee and Managing Director of Oreology Pty Ltd. Steve Craig has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Steve Craig consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Ore Reserve Estimation – Ferraus Project (Davidson Creek, Robertson Range, Mirrin Mirrin)

The information in this report that relates to Ore Reserve estimations for the Ferraus Project Area, is based on information compiled by Mr Alan G. Cooper, who is a member of the Australasian Institute of Mining and Metallurgy. Alan Cooper is a full time employee of Snowden Mining Industry Consultants Pty Ltd. Alan Cooper has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Alan Cooper consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Geological Data, Interpretation and Resource Estimation – Other DSO Projects

The information in this report that relates to mineral resource results on Atlas' DSO Projects other than Jigalong is based on information compiled by Mr Steve Warner who is a member of the Australasian Institute of Mining and Metallurgy. Steve Warner is a full time employee of Atlas. He has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he has undertaken to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Steve Warner consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

Geological Data, Interpretation and Resource Estimation – Jigalong

The information in this report that relates to mineral resource results on Atlas' Jigalong Project is based on information compiled by Mr John Graindorge who is a Chartered Professional member of the Australasian Institute of Mining and Metallurgy. John Graindorge is a full time employee of Snowden Mining Industry Consultants Pty Ltd. He has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he has undertaken to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. John Graindorge consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

Exploration Results

The information in this report that relates to exploration results is based on information compiled by Mr Andrew Paterson who is a member of the Australian Institute of Mining and Metallurgy and an employee of Atlas Iron Limited. Andrew Paterson has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results'. Andrew Paterson consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Production and Shipping Targets

The production and shipping targets for Atlas' DSO projects are subject to the completion of all necessary feasibility studies, environmental permitting, port access, financing arrangements, execution of infrastructure related agreements, necessary agreements with joint venture parties and timely project construction

Port Hedland Inner Harbour

