



4 April 2011

ATLAS POSTS SHIPPING RECORD IN MARCH

HIGHLIGHTS

- **A record 547,404 tonnes (WMT) of DSO shipped in the month of March 2011 (up from previous record of 541,000 tonnes in October 2010)**
- **1.39 million tonnes (WMT) shipped in March 2011 quarter - in line with market guidance**
- **\$240m cash on hand at 31 March 2011 (excl. cash acquired via the Giralia takeover), up from \$143 million at 31 December 2010**
- **Atlas on target to export 1.5 million tonnes in the June 2011 quarter**
- **Cash cost forecast for second half of FY 2011 of \$40 - 43/t on target**

Atlas Iron is pleased to advise that it exported a record 547,404 tonnes (WMT) of DSO in the month of March 2011, beating the Company's previous record of 541,000 tonnes (WMT) recorded in October 2010.

The result has delivered Atlas \$240 million cash on hand as at 31 March 2011, up from \$143 million as at the end of the previous quarter (excluding any cash acquired via the Giralia takeover). The increase reflects strong sales volumes, higher iron ore prices and reduced operating costs relative to the first half.

Exports for the March 2011 quarter were 1.39 million tonnes (WMT), in line with the guidance provided to the market on 24 February 2011.

Atlas is on target to export 1.5 million tonnes in the June quarter. It expects cash costs to remain at \$40-43/tonne for the rest of this financial year, with depreciation and amortisation anticipated to be an additional \$5-7/tonne. These production costs are globally competitive, which is a significant achievement given the low capital costs of the Atlas projects.

Atlas Managing Director David Flanagan said the record result reflected the highly efficient nature of Atlas' operations and their ability to generate substantial cashflow.

"This strong result, which came despite terrible weather during the quarter, highlights the underlying strength of the Atlas business," Mr Flanagan said.

"It also represents the ongoing efforts of our staff and contractors across our operations, who have worked hard to set a fresh record."

Further enquiries please contact

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