



ASX Announcement: 15 July 2014

Mt Webber Mine Opened

Atlas Iron Limited (ASX: AGO) is pleased to announce the official opening of its Mt Webber mine in WA's Pilbara region.

The official opening follows the start of mining activity in December 2013 and crushing and screening operations from 1 June 2014, with haulage operations set to commence on 18 July 2014.

Production at the project is commencing at a nominal rate of 3Mtpa and is expected to ramp up to 6Mtpa following the commissioning of the second phase expansion by the end of the December 2014 Quarter.

Western Australia's Minister for Mines and Petroleum, The Hon Bill Marmion MLA, officiated at the opening, following a welcome by senior elders of the Njama people, the traditional owners of the land at Mt Webber.

Mt Webber is the fifth mine that Atlas has developed and cements Atlas' ability to deliver cost-effective, on-schedule projects that bring value to Atlas shareholders, partners, and the broader community.

Atlas Managing Director Ken Brinsden said Mt Webber was one of the Company's lowest-cost mine developments with outstanding capital efficiency of \$35 per annualised tonne of production and very competitive operating costs.

"These lower capital and operating costs continue to improve our already-strong position on the global cost curve, and against our peers in Australia," Mr Brinsden said.

"The low \$212 million capital cost of the project includes a substantial contribution towards road upgrades in the region, which benefits all Pilbara road users. Key attributes that contribute to the success of Atlas are a genuine commitment to our communities, along with a willingness to form mutually beneficial partnerships with others."

"We are also proud that an infrastructure sharing arrangement with Altura Mining Limited (ASX: AJM, Atlas' joint venture partner in the Mt Webber project*) has helped foster another independent producer and unlock what would otherwise be a stranded resource, for the benefit of both parties, the community and the State of Western Australia."

"The opening of the Mt Webber Stage 1 project marks the completion of the bulk of our planned Horizon I development program and Atlas will now focus on the optimisation of production across all of our mines to further drive down costs."

*The Mt Webber project spans mining tenements M45/1209 (Atlas 70%, Altura 30%), and the northern adjoining tenement M45/1197 (Atlas 100%).

Highlights

Mt Webber Mine commissioning largely complete

Final product haulage to port commencing this week

Atlas' Average Operating Costs to Fall at 6Mtpa

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The Hon Bill Marmion MLA with Ken Brinsden, Atlas' Managing Director