

# Appendix 3B

## New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12

Name of entity

Atlas Iron Limited (Atlas)

ABN

63 110 396 168

We (the entity) give ASX the following information.

### Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- |   |  |  |
|---|--|--|
| 1 | +Class of +securities issued or to be issued   | Unlisted Options   |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued  | 189,803,513 unlisted ESOP Options.   |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | The Options are exercisable for nil cash consideration on or before 13 November 2020. Exercise of the Options is subject to satisfaction of the vesting conditions set out in the Notice of Meeting dated 25 September 2015 and approved by shareholders on 28 October 2015. |

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+ See chapter 19 for defined terms.

<p>4 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> <li>• the date from which they do</li> <li>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li> <li>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li> </ul>	<p>No. The Options do not entitle a holder to participate in dividends or new issues of securities. However, the Options will be adjusted in the event of a reorganisation, bonus issue or pro rata entitlement issue. Shares issued on exercise of the Options shall rank equally in all respects with the existing fully paid ordinary shares on issue.</p>	
<p>5 Issue price or consideration</p>	<p>Nil cash consideration.</p>	
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>Issued to eligible Atlas employees pursuant to the Atlas Iron Limited employee Option Plan approved by shareholders on 28 October 2015.</p>	
<p>6a Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i 6b to 6i</p>	<p>Not applicable to this issue options issued pursuant to the Atlas Iron Limited employee Option Plan approved by shareholders on 28 October 2015.</p>	
<p>7 Dates of entering +securities into uncertificated holdings or despatch of certificates</p>	<p>18 November 2015.</p>	
<p>8 Number and +class of all +securities quoted on ASX (including the securities in section 2 if applicable)</p>	<p>Number</p>	<p>+Class</p>
	<p>2,669,787,052</p>	<p>Fully paid ordinary shares.</p>
	<p>1,744,762,043</p>	<p>Options (AGOO)</p>
<p>9 Number and +class of all +securities not quoted on ASX (including the securities in section 2 if applicable)</p>	<p>Number</p>	<p>+Class</p>
	<p>See Annexure 1.</p>	
<p>10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)</p>	<p>N/A</p>	

**Part 2 - Bonus issue or pro rata issue**

Not applicable

## Part 3 - Quotation of securities

Not applicable

*You need only complete this section if you are applying for quotation of securities*

34 Type of +securities  
(tick one)

(a)  +Securities described in Part 1

(b)  All other +securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

**Entities that have ticked box 34(a) - Not applicable**

**Entities that have ticked box 34(b) - Not applicable**

## Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.

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+ See chapter 19 for defined terms.

- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here: .

Date: 18 November 2015  
Company Secretary

Print name: Tony Walsh

## Annexure 1 – Unquoted securities

Number	Class
<b>LONG TERM INCENTIVES</b>	
2,193,771 5,199,712	Performance Rights under the LTIP vesting on 30 June 2016 Share Appreciation Rights under the LTIP vesting on 30 June 2016
<b>UNLISTED OPTIONS</b>	
189,803,513 100,000	Nil cash exercise unlisted ESOP options expiring 13/11/2020 (unvested) \$4.20 exercise options expiring 31/12/2015 (all vested)