

Media Release

27 July 2018

OFFER TO ACQUIRE SHARES IN ATLAS IRON LIMITED NOW UNCONDITIONAL

Redstone Corporation Pty Ltd (**Redstone**), a wholly-owned subsidiary of Hancock Prospecting Pty Ltd (**Hancock**), is pleased to announce that its all-cash offer for the acquisition of shares in Atlas Iron Limited (**Atlas**) is now **UNCONDITIONAL**.

As a result, shareholders who have accepted into the offer will be paid in cash for their shares by 3 August and shareholders who accept from today onwards will be paid within seven days of the date on which their acceptance is received.

As detailed in the Target Statement issued by Atlas, the Atlas Directors have unanimously recommended that Atlas shareholders accept the offer.

*“Your Directors believe that the Hancock Offer is an excellent opportunity for Atlas Shareholders to realise the value of their investment in Atlas. In addition, the Independent Expert has concluded that the Hancock Offer is fair and reasonable to Atlas Shareholders. As such, the Directors unanimously recommend that Atlas Shareholders **ACCEPT** the Hancock Offer in the absence of a superior proposal. Subject to that same qualification, each Director intends to accept the Hancock Offer in respect of any Atlas Shares held or controlled by them.”*

The Redstone offer is currently scheduled to close at **5pm** (Perth) on **3 August**. To ensure that their acceptances are received prior to that time, shareholders should immediately return their acceptances.

In announcing that the offer had been made unconditional Garry Korte, CEO of Hancock, reiterated that the offer is a compelling proposition for Atlas shareholders and urged them to accept prior to the scheduled closing date:

“In recommending that shareholders accept the offer, the Chairman of Atlas made explicitly clear in his letter in the Target’s Statement that the offer price represents a premium to Atlas’ historical trading values and provides certainty of value to shareholders of Atlas. The Target’s Statement also comprehensively details the basis of the Independent Expert’s conclusion that the offer is both fair and reasonable, as well as the risks associated with the Atlas business and associated with remaining a shareholder in it. The Redstone offer is the only offer currently available to Atlas shareholders.

For all of these reasons, we continue to consider the Redstone offer to be compelling and would encourage Atlas shareholders to accept the offer ahead of the scheduled closing date of 3 August.”

Redstone has established a support line for any Atlas shareholder requiring assistance, which can be contacted on 1300 853 598.

Contact

Atlas shareholders are encouraged to use the following information line if they have any questions on the offer or require assistance to accept the offer:

For Australian callers: 1300 853 598

For international callers: +61 1300 853 598

Details of the Offer

Redstone is a wholly-owned subsidiary of Hancock. Its all-cash offer is for the acquisition of all of the ordinary shares in Atlas in which it does not already have a relevant interest, at a price of **\$0.042** per share.

When announced on 18 June, the offer was unconditional other than for the usual “prescribed occurrences”, as detailed in the Bidder’s Statement released. Redstone has now waived that prescribed occurrence condition, making the offer fully unconditional.

The Hancock Group

Hancock is a privately held Australian company that has a long and important association with the Pilbara region of West Australia and with the iron ore sector.

The Hancock Group holds a 50% interest in the 45mtpa Hope Downs Project (in a joint venture with Rio Tinto) and a 70% interest in the Roy Hill Project, a substantial integrated iron ore mine, railway and port project, which recently ramped up its production and shipments of iron ore to a rate of 55 million tonnes per annum. Hancock also has various iron ore exploration prospects in the Pilbara, including its Mulga Downs project.

Redstone is an Australian proprietary company limited by shares and is a wholly owned subsidiary of Hancock. Redstone was incorporated in West Australia on 19 April 2018 for the principal purpose of making the offer and acquiring and holding Atlas shares.

Ends.