

SATISFACTION OF CONDITION FOR INCREASE IN OFFER PRICE

Redstone Corporation Pty Ltd (**Redstone**), a wholly-owned subsidiary of Hancock Prospecting Pty Ltd (**Hancock**), is pleased to announce that it has today achieved voting power in Atlas of **more than 87%** and as a result the Offer Price of its off-market takeover bid to acquire all of the ordinary shares in Atlas Iron Limited (**Atlas**), (**Offer**) has increased from \$0.042 per Atlas Share to **\$0.046** per Atlas Share. On 25 September 2018, Redstone declared that the increased Offer Price of \$0.046 is last and final, precluding any further increases to the Offer Price.

As a consequence of the increase in the Offer Price today:

- a) any Atlas Shareholder who has already accepted, or accepts, the Offer will be entitled to the increased Offer Price of \$0.046 per Atlas Share; and
- b) the Offer Period has automatically been extended such that the Offer will close at 5:00pm (Perth time) on Friday, **12 October 2018**, unless it is further extended by Redstone.

In announcing Redstone's achievement of voting power in Atlas of not less than 87% to trigger the increase in the Offer Price, Hancock CEO, Mr Garry Korte, commented:

"Today Redstone's voting power in Atlas reached 88.25%, meaning that the condition which we had imposed on increasing our Offer Price has been satisfied. We are therefore pleased to advise that all Atlas Shareholders who have accepted, or will accept, into the Offer will benefit from the increased Offer Price of \$0.046 per Atlas Share."

"With the Offer now closing on 12 October, we again encourage remaining Atlas Shareholders to accept the Offer as soon as possible so that they can receive their Offer consideration at the earliest opportunity."

To ensure that their acceptances are received before the close of the Offer on Friday, 12 October 2018, remaining Atlas Shareholders should immediately return their acceptances.

Contact

Atlas Shareholders should refer to Redstone's third supplementary bidder's statement dated 25 September 2018 for more information in relation to the increased Offer Price. 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

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.