

# REDSTONE CORPORATION PTY LTD

ACN 625 680 159

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HPPL House  
28-42 Ventnor Avenue  
West Perth 6005  
PO Locked Bag No 2  
West Perth 6872  
Western Australia

Telephone: (08) 9429 8222  
International: +618 9429 8222  
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mail@hancockprospecting.com.au

25 September 2018

## BY FACSIMILE

Company Announcements  
ASX Limited  
20 Bridge Street  
SYDNEY NSW 2000

Dear Madam/Sir

### **Off-market takeover bid by Redstone Corporation Pty Ltd for Atlas Iron Limited – Third Supplementary Bidder's Statement and Notice of Variation of Offer**

I refer to the off-market takeover bid by Hancock Prospecting Pty Ltd ACN 008 676 417 (**HPPL**), through its wholly-owned subsidiary, Redstone Corporation Pty Ltd ACN 625 680 159 (**Redstone**), for all of the ordinary shares in Atlas Iron Limited ACN 110 396 168 (**Atlas**) in which Redstone does not have a relevant interest (**Offer**).

#### **1. Improved conditional increase in Offer Consideration to \$0.046 per Atlas Share**

The Offer Consideration is \$0.042 per Atlas Share.

On 13 September 2018, Redstone announced that it would increase the Offer Consideration from \$0.042 per Atlas Share to \$0.0445 per Atlas Share if Redstone's voting power in Atlas increased to not less than 87% before the close of the Offer.

Redstone now announces that it will increase the Offer Consideration from \$0.042 per Atlas Share to **\$0.046** per Atlas Share if Redstone's voting power in Atlas increases to not less than 87% before the close of the Offer.

Redstone's voting power in Atlas, so far as Redstone knows, at the time of this announcement is 77.06%.

Please refer to the **attached** third supplementary bidder's statement dated 25 September 2018 (**Third Supplementary Bidder's Statement**) for full details in relation to the conditional increase in Offer Consideration, including the circumstances in which an Atlas Shareholder who accepts, or has already accepted, the Offer will be entitled to receive the increased Offer Consideration.

## 2. Extension of Offer Period

I **attach** a notice varying the Offer under section 650D of the *Corporations Act 2001* (Cth) (**Corporations Act**) by extending the period during which the Offer remains open for acceptance until 5:00pm (Perth time) on 2 October 2018 (**Notice**).

In accordance with sections 650D(1)(b), 650D(1)(c)(i) and 650D(1)(c)(ii) of the Corporations Act (as modified by ASIC Class Order [CO 13/521] and qualified by section 650D(2) of the Corporations Act), the Notice:

- was lodged with the Australian Securities and Investments Commission (**ASIC**) today (ASIC takes no responsibility for the contents of the Notice);
- will be sent to Atlas; and
- will be sent to each person described in section 650D(1)(c)(ii) of the Corporations Act (as modified by ASIC Class Order [CO 13/521] and qualified by section 650D(2) of the Corporations Act).

## 3. Third Supplementary Bidder's Statement

In accordance with section 647(3)(a)(ii) of the Corporations Act (as modified by ASIC Class Order [CO 13/528]), I **attach** a copy of the Third Supplementary Bidder's Statement which supplements, and must be read together with, Redstone's replacement bidder's statement dated 29 June 2018 (**Replacement Bidder's Statement**), given in connection with the Offer.

For completeness, I note that the Replacement Bidder's Statement incorporates and consolidates Redstone's original bidder's statement dated 18 June 2018 (**Original Bidder's Statement**) and its first supplementary bidder's statement dated 26 June 2018 (**First Supplementary Bidder's Statement**), and was annexed to Redstone's second supplementary bidder's statement dated 29 June 2018 (**Second Supplementary Bidder's Statement**).

The Third Supplementary Bidder's Statement has been lodged with ASIC today and a copy will be served on Atlas today in accordance with section 647(1) of the Corporations Act.

ASX Limited  
25 September 2018

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Please contact Jabez Huang, Redstone's Company Secretary, on (08) 9429 8222 if you have any queries.

Yours faithfully  
**Redstone Corporation Pty Ltd**



**Jay Newby**  
**Director**

Att

# REDSTONE CORPORATION PTY LTD

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28-42 Ventnor Avenue  
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Facsimile: (08) 9429 8266  
mail@hancockprospecting.com.au

25 September 2018

TO: The Directors  
Atlas Iron Limited  
Raine Square  
Level 17, 300 Murray Street  
PERTH WA 6000  
**Attention:** Ms Bronwyn Kerr, General Counsel and Company Secretary

Australian Securities and Investments Commission  
GPO Box 9827  
SYDNEY NSW 2001  
[Corporations.Lodgements@asic.gov.au](mailto:Corporations.Lodgements@asic.gov.au)

Company Announcements  
ASX Limited (ASX)  
20 Bridge Street  
SYDNEY NSW 2000

Each person described in section 650D(1)(c)(ii) of the *Corporations Act 2001* (Cth) (**Corporations Act**) (as modified by ASIC Class Order [CO 13/521] and qualified by section 650D(2) of the *Corporations Act*) (**Atlas Shareholder**)

Dear Sirs/Mesdames

## **Off-market takeover bid by Redstone Corporation Pty Ltd for Atlas Iron Limited (ASX: AGO) – Notice of variation of Offer**

We refer to the replacement bidder's statement dated 29 June 2018 as varied on 3 August 2018, 17 August 2018, 31 August 2018, 13 September 2018 and 21 September 2018 (**Bidder's Statement**), which contains an offer by Hancock Prospecting Pty Ltd ACN 008 676 417 (**HPPL**), through its wholly-owned subsidiary, Redstone Corporation Pty Ltd ACN 625 680 159 (**Redstone**), for all of the ordinary shares in Atlas Iron Limited ACN 110 396 168 (**Atlas**) in which Redstone does not have a relevant interest (**Offer**).

## **NOTICE UNDER SECTION 650D OF THE CORPORATIONS ACT EXTENSION OF OFFER PERIOD**

As permitted by section 650C of the *Corporations Act*, and in accordance with section 650D of the *Corporations Act*, **BY THIS NOTICE** Redstone **VARIES** the Offer by:

- (a) extending the period during which the Offer remains open for acceptance until 5.00pm (Perth time) on 2 October 2018; and

Notice of variation of takeover bid  
25 September 2018

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- (b) substituting the date "2 October 2018" for the date "28 September 2018", in section 8.2 of the Bidder's Statement and in all other sections of the Bidder's Statement where the date "28 September 2018" appears.

A copy of this notice was lodged with ASIC on 25 September 2018. ASIC takes no responsibility for the contents of the notice.

**SIGNED** on behalf of Redstone by Jay Newby and Tadeusz Watroba being two directors of Redstone who are authorised to so sign by a resolution passed at a meeting of the directors of Redstone.

Yours faithfully

**Redstone Corporation Pty Ltd**



**Jay Newby**  
**Director**



**Tadeusz Watroba**  
**Director**

# HANCOCK PROSPECTING PTY LTD

## THIRD SUPPLEMENTARY BIDDER'S STATEMENT BY REDSTONE CORPORATION PTY LTD ACN 625 680 159

### 1. INTRODUCTION

This document is a supplementary bidder's statement for the purposes of section 643 of the Corporations Act and is issued by Redstone Corporation Pty Ltd ACN 625 680 159 (**Redstone**) (**Third Supplementary Bidder's Statement**).

This Third Supplementary Bidder's Statement supplements, and must be read together with, Redstone's replacement bidder's statement dated 29 June 2018 (**Replacement Bidder's Statement**), given in connection with an off-market takeover bid by Hancock Prospecting Pty Ltd ACN 008 676 417 (**HPPL**), through its wholly-owned subsidiary, Redstone, for all of the ordinary shares in Atlas Iron Limited ACN 110 396 168 (**Atlas**) in which Redstone does not have a relevant interest (**Offer**).

For completeness, it is noted that the Replacement Bidder's Statement incorporates and consolidates Redstone's original bidder's statement dated 18 June 2018 (**Original Bidder's Statement**) and its first supplementary bidder's statement dated 26 June 2018 (**First Supplementary Bidder's Statement**), and was annexed to Redstone's second supplementary bidder's statement dated 29 June 2018 (**Second Supplementary Bidder's Statement**).

Capitalised terms used in this Third Supplementary Bidder's Statement have the same meaning given in the Replacement Bidder's Statement, unless the context otherwise requires. Section 9.2 of the Replacement Bidder's Statement also sets out certain rules of interpretation, which apply equally to this Third Supplementary Bidder's Statement.

This Third Supplementary Bidder's Statement prevails over the Original Bidder's Statement, First Supplementary Bidder's Statement, Second Supplementary Bidder's Statement and the Replacement Bidder's Statement to the extent of any inconsistency.

This Third Supplementary Bidder's Statement does not take into account the investment objectives, tax or financial situation and particular needs of any person. Before making any investment decision you should consider whether or not it is appropriate in the light of those factors. Accordingly, you may wish to seek independent financial and taxation advice, or legal advice before deciding whether or not to accept the Offer.

If you have recently sold all of your Atlas Shares, please disregard this document.

A copy of this Third Supplementary Bidder's Statement will be sent to Atlas (as required by section 647(1) of the *Corporations Act 2001* (Cth) (**Corporations Act**)) and to ASIC and ASX (as required by section 647(3) of the *Corporations Act*) (as modified by ASIC Class Order [CO 13/528]).

### 2. OFFER CONSIDERATION

#### 2.1 Improved conditional increase in Offer Consideration to \$0.046 per Atlas Share

The Offer Consideration is \$0.042 per Atlas Share.

On 13 September 2018, Redstone announced that it would increase the Offer Consideration from \$0.042 per Atlas Share to \$0.0445 per Atlas Share if Redstone's voting power in Atlas increased to not less than 87% before the close of the Offer.

On 25 September 2018, Redstone announced that it will increase the Offer Consideration from \$0.042 per Atlas Share to **\$0.046** per Atlas Share if Redstone's voting power in Atlas increases to not less than 87% before the close of the Offer.

Redstone's voting power in Atlas, so far as Redstone knows, at the date of this Third Supplementary Bidder's Statement is 77.06%.

If the Offer Consideration is increased by reason of Redstone's voting power in Atlas increasing to not less than 87% before the close of the Offer, then any Atlas Shareholder who has already accepted the Offer will be entitled to the increased Offer Consideration. However, if Redstone's voting power in Atlas does not increase to not less than 87% before the close of the Offer, the Offer Consideration will not be increased and any Atlas Shareholder who accepts, or has already accepted, the Offer will not receive any additional Offer Consideration.

## 2.2 Last and final statement as to Offer Consideration

Redstone now confirms that it **will not increase the Offer Consideration except as proposed above**. Atlas Shareholders should note that this statement is intended to be a last and final statement for the purposes of ASIC Regulatory Guide 25.

Accordingly, if the Offer Consideration is increased by reason of Redstone's voting power in Atlas increasing to not less than 87% before the close of the Offer, then any Atlas Shareholder who accepts (or who has already accepted) the Offer will be entitled to Offer Consideration of \$0.046 per Atlas Share. However, if Redstone's voting power in Atlas does not increase to not less than 87% before the close of the Offer, the Offer Consideration will remain \$0.042 per Atlas Share.

The increased Offer Consideration of \$0.046 per Atlas Share proposed above represents an increase of approximately **9.5%** over the current Offer Consideration of \$0.042 per Atlas Share.

## 2.3 Maximum consideration payable

According to documents lodged by Atlas with ASX as at the date of this Third Supplementary Bidder's Statement, the total number of securities in Atlas is 9,618,972,064 Atlas Shares. As at the date of this Third Supplementary Bidder's Statement, Redstone's voting power in Atlas, as far as Redstone knows, is 77.06% (ie 7,412,572,839 Atlas Shares, of which 4,119,583,249 Atlas Shares have been acquired by Redstone pursuant to acceptances of the Offer).

If the Offer Consideration is increased as proposed above, and assuming Redstone receives acceptances under the Offer for all of the remaining Atlas Shares in which Redstone or its associates do not already have a relevant interest at the date of this Third Supplementary Bidder's Statement, Redstone would be required to pay an additional \$8,825,597 for those remaining shares (being an additional \$0.004 per Atlas Share in respect of all the 2,206,399,225 Atlas Shares in which Redstone does not already have a relevant interest and that have not already been accepted under the Offer).

In addition, if the Offer Consideration is increased as proposed above then, based on those Atlas Shareholders who have already accepted the Offer as at the date of this Third Supplementary Bidder's Statement, Redstone would be required to pay an additional \$16,478,333 to Atlas Shareholders who have already accepted the Offer (being an additional \$0.004 per Atlas Share in respect of the 4,119,583,249 Atlas Shares that have already been acquired by Redstone pursuant to acceptances of the Offer).

As such, the maximum additional consideration that would be payable by Redstone if the Offer Consideration is increased as proposed above is \$25,303,930 in aggregate, exclusive of transaction costs.

#### 2.4 **Source of funds**

Redstone's access to funding remains as described in section 2 of the Replacement Bidder's Statement.

To fund the maximum amount that Redstone could be required to pay under the Offer (including in the event that the Offer Consideration is increased as proposed above), HPPL will provide 100% of the funds required by Redstone by way of loan funds.

The loan funds to be provided by HPPL will be sourced from HPPL's existing cash reserves. At the date of this Third Supplementary Bidder's Statement, HPPL holds cash reserves of over \$3 billion, sufficient to fund the amounts required to pay the maximum amount that Redstone could be required to pay in relation to the Offer (as well as any additional amounts required by Redstone for an "Approved Purpose").

See section 2 of the Replacement Bidder's Statement for more information about Redstone's funding arrangements with HPPL.

### 3. **OFFER PERIOD**

#### 3.1 **Extension of Offer Period to 2 October 2018**

Redstone has decided to extend the period during which the Offer remains open for acceptance until 5.00pm (Perth time) on 2 October 2018.

A formal notice from Redstone varying the Offer under section 650D of the Corporations Act to give effect to the extension of the Offer Period is attached as **Annexure A**.

#### 3.2 **Automatic extension**

If the Offer Consideration is increased during the last seven days of the Offer Period (by reason of Redstone achieving voting power in Atlas of not less than 87% during the last seven days) then, in accordance with section 624 of the Corporations Act (as modified by ASIC Class Order [CO 13/521]), the Offer Period will be automatically extended by 14 days (such that the Offer would then close at 5:00pm (Perth time) on the day that is 14 days after the day on which the Offer Consideration is increased, unless the Offer Period is further extended by Redstone).

### 4. **FURTHER INFORMATION**

For further information, please call the Redstone Offer Information Line on 1300 853 598 (within Australia) or +61 1300 853 598 (from outside Australia).

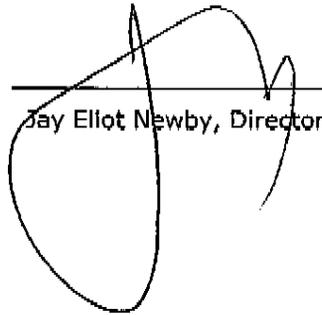
### 5. **APPROVAL OF THIRD SUPPLEMENTARY BIDDER'S STATEMENT**

This Third Supplementary Bidder's Statement has been approved by a resolution passed by the directors of Redstone.

**DATED** 25 September 2018

A copy of this Third Supplementary Bidder's Statement was lodged with ASIC on 25 September 2018. ASIC takes no responsibility for the contents of this Third Supplementary Bidder's Statement.

**SIGNED** for and on behalf of Redstone by Jay Elliot Newby being a director of Redstone who is authorised to sign by a resolution passed by the directors of Redstone.



Jay Elliot Newby, Director

**ANNEXURE A**

# REDSTONE CORPORATION PTY LTD

ACN 625 680 159

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25 September 2018

TO: The Directors  
Atlas Iron Limited  
Raine Square  
Level 17, 300 Murray Street  
PERTH WA 6000  
**Attention:** Ms Bronwyn Kerr, General Counsel and Company Secretary

Australian Securities and Investments Commission  
GPO Box 9827  
SYDNEY NSW 2001  
[Corporations.Lodgements@asic.gov.au](mailto:Corporations.Lodgements@asic.gov.au)

Company Announcements  
ASX Limited (ASX)  
20 Bridge Street  
SYDNEY NSW 2000

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Dear Sirs/Mesdames

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## **NOTICE UNDER SECTION 650D OF THE CORPORATIONS ACT EXTENSION OF OFFER PERIOD**

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- (b) substituting the date "2 October 2018" for the date "28 September 2018", in section 8.2 of the Bidder's Statement and in all other sections of the Bidder's Statement where the date "28 September 2018" appears.

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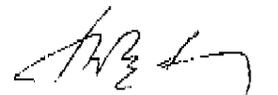
**SIGNED** on behalf of Redstone by Jay Newby and Tadeusz Watroba being two directors of Redstone who are authorised to so sign by a resolution passed at a meeting of the directors of Redstone.

Yours faithfully

**Redstone Corporation Pty Ltd**



**Jay Newby**  
**Director**



**Tadeusz Watroba**  
**Director**