



ASX Announcement: 21 August 2014

Investment Update

Highlights

- Asset portfolio rationalisation continues with anticipated annual cash savings of ~ \$10 million
- One-off non-cash impairment charges of ~\$25 million anticipated to be booked in June 2014 Financial Statements

As part of its ongoing strategy to reduce expenditure, Atlas Iron Limited (**Atlas**) (**ASX:AGO**) has agreed to divest its interest in Shaw River Manganese Limited (ASX: **SRR**) (see SRR announcement dated 13 August 2014). Atlas has also relinquished and will sell various tenements and agreed to sub-lease surplus office space. These initiatives are expected to generate ongoing savings of approximately \$10 million a year.

These measures, along with Atlas' decision to adopt a mark-to-market valuation of its investment in Centaurus Metals Limited (ASX: **CTM**), are anticipated to result in one-off impairment and restructure charges of approximately \$25 million in the June 2014 Financial Statements.

Atlas Managing Director, Ken Brinsden said the initiatives reflected Atlas' commitment to reducing costs and focusing tightly on its core iron ore strategy. "These measures are consistent with our drive to identify savings and ensure that our efforts are directed at those areas which will maximise shareholder returns," Mr Brinsden said.

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