

20 August 2018



Further extension of Hancock Offer

Atlas Iron Limited (**Atlas**) (ASX: AGO) refers to the off-market takeover bid for all the issued shares of Atlas by Hancock Prospecting Pty Ltd ACN 008 676 417 through its wholly-owned subsidiary, Redstone Corporation Pty Ltd ACN 625 680 159 (Redstone) (**Hancock Offer**).

Atlas lodged its Target's Statement in relation to the Hancock Offer with ASX on 16 July 2018. The Target's Statement includes a report from an independent expert, which concludes that the Hancock Offer is fair and reasonable to Atlas shareholders.

The Hancock Offer has been extended until 5.00pm (Perth time) on 31 August 2018.

Redstone advises that its voting power in Atlas has increased to 68.48%. As foreshadowed in the Target's Statement, the change in the control of Atlas caused by shareholders accepting the Hancock Offer gives lenders under the Term Loan B Facility the option to accelerate repayment of the debt. If the lenders choose to accelerate repayment of the debt, the debt will immediately become due and payable (see section 2.1 of the Target's Statement for further information).

The lenders have not chosen to accelerate Atlas' repayment obligations at this stage. Discussions between Atlas, Redstone and the Term Loan B lenders in regards to these matters are ongoing.

To accept the Hancock Offer, shareholders must follow the instructions in section 8.3 of the Bidder's Statement. Acceptances must be received by 31 August 2018, subject to any further extension. Redstone advises that it will pay shareholders who accept the Hancock Offer within seven days of their acceptance (see section 8.16 of the Bidder's Statement for further information).

Redstone has opened an information line to assist Atlas shareholders with queries about how to accept the Hancock Offer which can be contacted on 1300 853 598 for Australian callers or +61 1300 853 598 for international callers.

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