

HANCOCK PROSPECTING PTY LTD

Media Release

9 October 2018

ACHIEVEMENT OF 90% RELEVANT INTEREST IN ATLAS SHARES

Redstone Corporation Pty Ltd (**Redstone**), a wholly-owned subsidiary of Hancock Prospecting Pty Ltd (**Hancock**), is pleased to announce that it has achieved relevant interests in ordinary shares in Atlas Iron Limited (**Atlas**) of **more than 90%**. This enables Redstone to **commence compulsory acquisition to acquire all of the remaining Atlas shares in which Redstone does not have a relevant interest** in accordance with the *Corporations Act 2001* (Cth) (**Corporations Act**). Compulsory acquisition will be on the same terms as Redstone's off-market takeover bid for all of the ordinary shares in Atlas in which Redstone does not have a relevant interest (ie Offer consideration of \$0.046 per Atlas share) (**Offer**).

Redstone will **not extend** the Offer beyond the current close date of 5:00pm (Perth time) on Friday, **12 October 2018**. Atlas Shareholders should note that this statement is intended to be a last and final statement for the purposes of ASIC Regulatory Guide 25.

In announcing Redstone's achievement of relevant interests in Atlas shares of more than 90%, Hancock CEO, Mr Garry Korte, commented:

"We are delighted to have achieved relevant interests in Atlas shares of more than 90%."

"We will now be turning our attention to how best to integrate the Atlas business into the broader iron ore interests within the Hancock Group. Again, we thank Atlas Shareholders for their strong support of the Offer."

"We encourage all remaining Atlas Shareholders to accept the Offer immediately and to ensure that their acceptances are received prior to the 12 October Offer closing date, so that they can receive their Offer consideration at the earliest opportunity. Redstone will not be extending the Offer beyond 12 October."

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. Atlas Shareholders who have not accepted the Offer may still do so until 5:00pm (Perth time) on Friday, 12 October 2018. Atlas Shareholders who accept the Offer by this date will receive the Offer consideration for their Atlas shares sooner than they would if they were to wait for their Atlas shares to be compulsorily acquired.

In accordance with the Corporations Act, Redstone will provide Atlas Shareholders with further information in relation to the compulsory acquisition process once that process commences.

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

HANCOCK PROSPECTING PTY LTD**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.