



2nd June 2015

Australian Securities Exchange
Exchange Centre
20 Bridge Street
Sydney NSW 2000

Off-market Bid Update and Conditional Offtake Agreement Signed

The Board of Rutila provides shareholders with the following update as to the status of the Off-market takeover offer for the Company and to inform the market of the signing of a conditional offtake agreement by a subsidiary of Rutila's joint venture partner, Todd Corporation, ("Todd") with Shandong Iron and Steel Group.

Off-market Bid Update

Further to the Company's announcement of on 12th May 2015 outlining the terms and conditions upon which TIO (NZ) Limited (a subsidiary of the Todd Corporation Limited) will pursue an off-market bid for all the shares that Todd and NYCO (an entity associated with Rutila Executive Chairman Nicholas Curtis) do not own in Rutila at a cash price of \$0.30 per share, we note the following:

1. Todd has provided Rutila with a draft Bidders Statement, which Rutila and its advisers are in the processing of reviewing and responding with comments;
2. Rutila has engaged the services of Grant Thornton Corporate Finance Pty Ltd to provide an Independent Expert's Report to accompany Rutila's subsequent Target Statement;
3. Rutila has been informed that Grant Thornton is well advanced in the drafting of the report;
4. Rutila has commenced the drafting of its Target Statement.

Rutila expects both the Bidders and Target Statements to be available to Rutila shareholders over the coming two to three weeks.

Conditional Offtake Agreement Signed

Further to our previous announcements relating to ongoing discussions with a major Chinese steel mill, a subsidiary of Rutila's joint venture partner, Todd, has entered into a conditional agreement with major Chinese steel mill Shandong Iron and Steel Group for long-term offtake of iron ore from the Central Pilbara, which may include iron ore from Rutila's Alliance Partner, Flinders Mines Ltd (ASX:FMS) Pilbara Iron Ore Project (PIOP).

We note the WA Mines and Petroleum Minister Bill Marmion was present in Shandong for the signing of the conditional Offtake Agreement and expressed his support for the BBI Joint Venture rail and port infrastructure project.

For further information please contact Mr. Emmanuel Correia, Non-Executive Director on (02) 9259 4400, Mr Cameron Morse, FTI Consulting on 08 9485 8888 or 0433 886 871.