



21 September 2011

Company Announcements Office
ASX Limited
Level 8, Exchange Plaza
2 The Esplanade
Perth, WA 6000

**Atlas Iron Limited (Atlas, ASX: AGO) –
Off-market takeover bid for FerrAus Limited (FerrAus, ASX: FRS)**

Please be advised that as of 5.00pm AWST, Tuesday, 20 September 2011, Atlas has received acceptances for its off-market takeover bid for FerrAus which entitles Atlas to a relevant interest in 94.95% of FerrAus ordinary shares.

“It’s a fantastic result to get to over 90% just 2½ weeks after our takeover offer opened. I would like to thank our advisors, Atlas staff and the FerrAus team for all the hard work put in to make this transaction successful,” Atlas Managing Director David Flanagan said. “We welcome all the former FerrAus shareholders to the Atlas register. We look forward to continuing to grow value for all Atlas shareholders”

Compulsory Acquisition

Atlas confirms that if, at the close of the Offer at 5.00pm AWST on Wednesday, 5 October 2011, it is entitled to compulsorily acquire outstanding FerrAus ordinary shares under Part 6A.1 of the Corporations Act, it intends to proceed with compulsory acquisition of those FerrAus ordinary shares and any FerrAus ordinary shares which come into existence within the period of 6 weeks after Atlas gives the compulsory acquisition notice (referred to in section 661B(1) of the Corporations Act) due to the conversion of, or exercise of, convertible securities in FerrAus. Please refer to section 5.2 of the Bidder's Statement dated 5 September 2011 for further information.

Yours faithfully

**On behalf of
ATLAS IRON LIMITED**

Tony Walsh
Company Secretary