



29 May 2013

CORUNNA DOWNS DISCOVERY UPATE

HIGHLIGHTS

- **ADDITIONAL SIGNIFICANT ASSAYS RECEIVED AT SPLIT ROCK DISCOVERY:**
 - 136 Metres at 56.74%Fe in CDRC0016 from surface,
 - 90 Metres at 58.74%Fe in CDRC0023 from 4m,
 - 98 Metres at 57.77%Fe in CDRC0025 from 72m, and
 - 120 Metres at 56.86%Fe in CDRC0026 from 6m.
- **MINERALISATION REMAINS OPEN TO NORTH**
- **POTENTIAL WIDTH EXTENSIONS TO THE WEST**
- **ADDITIONAL DSO TARGET ZONES FOR DRILL TESTING IDENTIFIED**
- **EXPLORATION AND DRILLING PROGRAM ONGOING**

Atlas Iron Limited (ASX Code: AGO) is pleased to announce additional excellent drill results from the recently named "Split Rock" discovery, at its 100% owned Corunna Downs project. To date 39 RC holes have been completed with the assay results received for an additional 17 of those holes (see Table 1) extending the potential of this initial discovery.

Atlas is targeting the development of its first Resource for the 'Split Rock' prospect during the September Quarter 2013, following additional drilling to define the Western boundary to the body of mineralisation.

The additional results continue to support the expectation that this new DSO discovery has the potential to complement Atlas' existing North Pilbara mining model over time and further expand the Company's blending options.

As a result of further project scale geological mapping additional drilling targets are also being identified along strike to the north and south of the first discovery holes. The Company will now work on the relevant approvals to enable drill testing of these prospects with a view to extending the potential of the entire project area.

"These new drilling results from Corunna Downs are fantastic and we await the remaining assays from our first Corunna Downs drill program with great anticipation," Atlas Managing Director, Ken Brinsden said. "Importantly, as our geologists spend more time on the ground at the project they are turning up additional drill targets to test with continued exploration. We look forward to realising the full potential of what is going to be an exciting project for the Company".

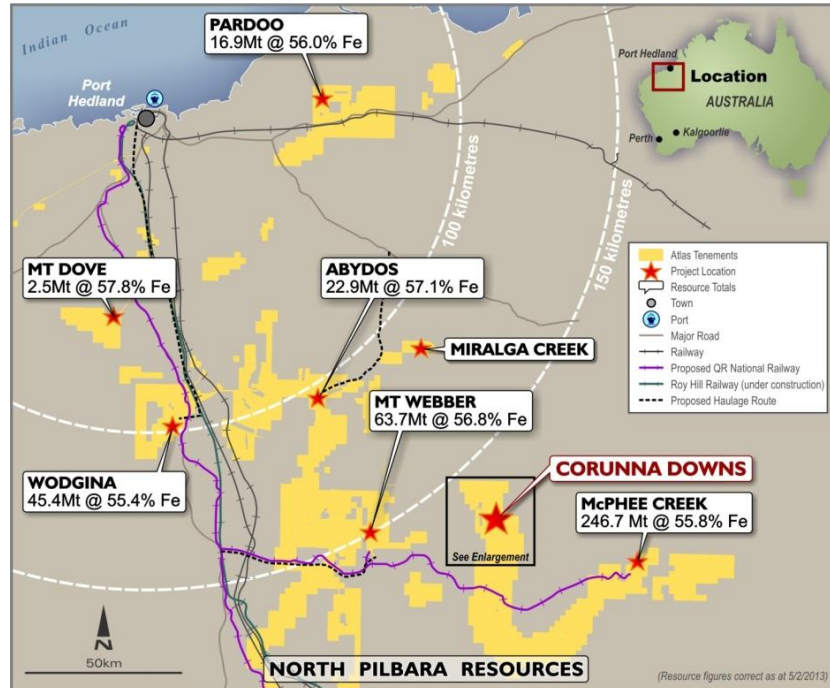


Figure 1: North Pilbara Resource and Exploration Project Locations.

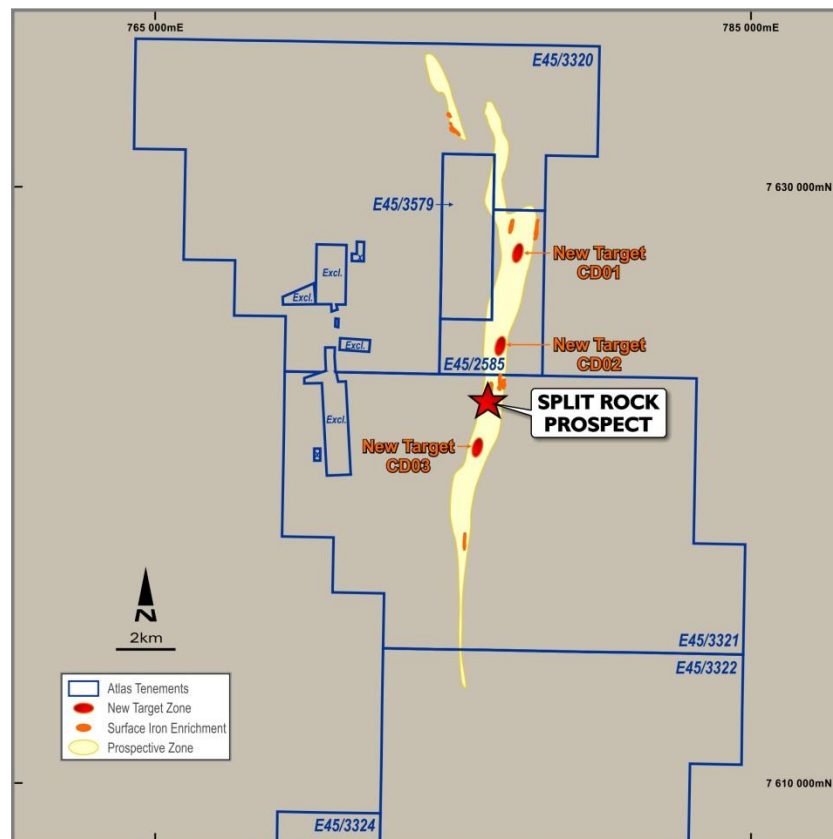


Figure 2: Corunna Downs Project area showing 'Split Rock' Prospect and new targets identified.

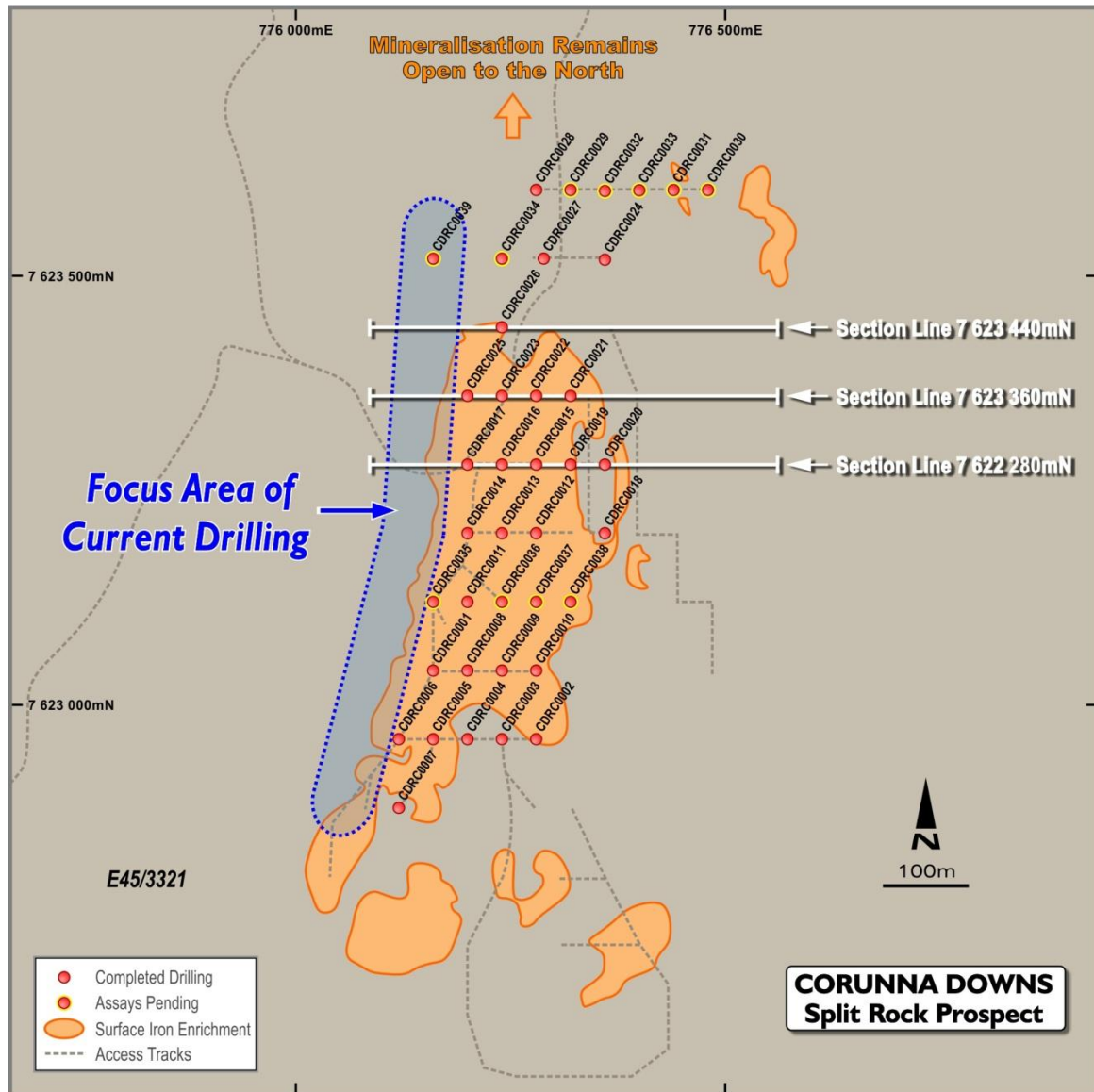


Figure 3: Split Rock Prospect details with RC drill-hole collar locations and location of cross sections shown in Figure 4.

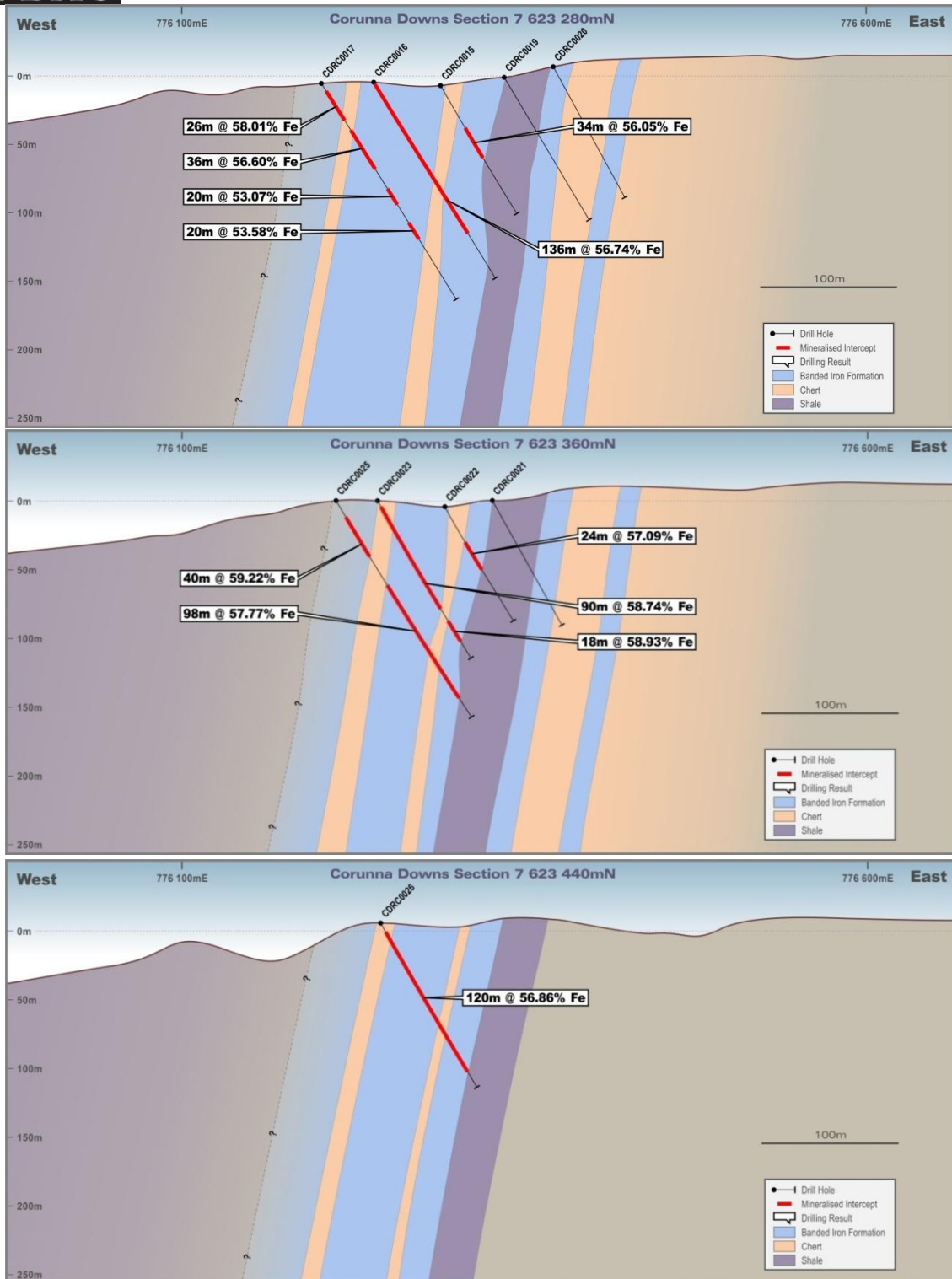


Figure 4: Split Rock Prospect cross sections. Note that only the down-hole widths of significant intercepts have been reported. The true width of the westernmost BIF unit is currently undefined. Other BIF units are drawn to scale with widths determined from mapping and drill hole intercepts. All drill holes have been gyroscopically surveyed.



HOLE ID	DEPTH (m)	EAST GDA_94 Z50	NORTH GDA_94 Z50	RL (m)	AZI	DIP	FROM (m)	TO (m)	WIDTH (m)	Fe%	SiO2%	Al2O3%	P%	LOI1000%
CDRC0014	138	776206	7623203	408	0	-90	8	64	56	56.94	10.87	0.63	0.176	5.68
CDRC0015	108	776289	7623283	410	90	-60	28	62	34	56.05	5.71	1.89	0.159	10.64
CDRC0016	168	776240	7623286	413	90	-60	0	136	136	56.74	7.28	0.91	0.147	9.43
CDRC0017	186	776202	7623285	412	90	-60	8	34	26	58.01	4.31	2.12	0.135	8.95
CDRC0017	186	776201	7623285	412	90	-60	42	78	36	56.6	6.5	0.87	0.117	10.3
CDRC0017	186	776202	7623285	412	90	-60	86	106	20	53.07	15.93	0.42	0.053	7.12
CDRC0017	186	776202	7623285	412	90	-60	114	134	20	53.58	12.69	0.6	0.103	9.25
CDRC0018	114	776354	7623205	417	90	-60	0	10	10	53.46	7.74	4.46	0.317	9.6
CDRC0022	96	776292	7623362	413	90	-60	28	52	24	57.09	4.94	1.92	0.131	10.03
CDRC0023	134	776242	7623365	418	90	-60	4	94	90	58.74	2.96	1.14	0.118	10.13
CDRC0023	134	776242	7623365	418	90	-60	102	120	18	58.93	3.02	1.16	0.086	11.08
CDRC0025	186	776212	7623361	418	90	-60	8	48	40	59.22	4.02	1.26	0.121	8.7
CDRC0025	186	776212	7623361	418	90	-60	72	170	98	57.77	6.18	1.14	0.084	9.35
CDRC0026	138	776245	7623440	424	90	-60	6	126	120	56.86	4.17	2.46	0.127	10.66
CDRC0028	144	776284	7623600	428	90	-60	26	32	6	53.64	6.55	4.73	0.188	11.33

Table 1: Additional significant intercepts at Corunna Downs for drillholes CDRC0012-28. Assay results have not yet been received from drillholes CDRC0029-39.

Notes to Table 1: Assay results are based on 2 meter composites from cone split RC samples, analysis by XRF fusion with LOI by Thermo-Gravimetric Analysis. 10% of samples are subject to QAQC procedures (standards and duplicates). Laboratory check samples are routinely performed on each sample submission, and umpire laboratory checks are performed quarterly. Significant Intercepts are reported at a 53% Fe cut-off grade, and include a maximum of 6m internal dilution and 6m minimum width for intersection. Drill holes are spaced on a nominal 80m X 40m grid pattern.

The information in this report that relates to Exploration Results is based on information compiled by Pip Darvall, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. Pip Darvall is a full time employee of Atlas Iron Ltd and has sufficient experience that is relevant to the style of mineralization and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Pip Darvall consents to the inclusion in this report of the matters based on his information in the form and context in which it appears. The Exploration Results have been verified by Steven Warner, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy. Steven Warner is a full time employee of Atlas Iron Ltd and has sufficient experience that is relevant to the style of mineralization and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Steven Warner consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

Information in Figure 1 on Mineral Resources at Atlas Projects is extracted from the report entitled "Reserves Increase 21% to 499Mt" created on 5/2/2013 and is available to view on www.atlasiron.com.au. The company confirms it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources or Ore Reserves; that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

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