
Atlas signs mining agreement with natives for Abydos mine

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Atlas Iron Limited has announced that it has signed a native title mining agreement with the Njamal people with respect to its Abydos iron ore project located 120 kilometers south of Port Hedland in the Pilbara of Western Australia.

This agreement sets a new improved standard of engagement and opportunity for indigenous enterprise. The agreement is designed to facilitate and fast track mine development and combines strong protection of Njamal country with good community communication and on going partnering throughout the operations.

The agreement sets up systems for Njamal People and Atlas to develop joint business initiatives. As an alternative to a signature payment, Atlas has agreed to help fund a Njamal business enterprise that will provide further commercial opportunities. The agreement also establishes an innovative heritage framework under which Atlas can accelerate the heritage survey process through appropriate consultation, thereby accessing its exploration and mining areas faster, while at the same time recognizing the importance to Njamal People of their cultural sites.

Mr Rodney Monaghan, Njamal traditional owner said that the Njamal community was happy that the agreement managed to balance the protection of their country and culture with commercial realities and opportunities. He said that "This agreement recognizes the importance of our culture and country, but still shows that Njamal people are serious and fair with their commercial negotiations."

Mr David Flanagan MD of Atlas Iron said that "Both the Njamal People and Pilbara Native Title Service showed a willingness to enter into a mutually beneficial arrangement and that is what this agreement is. It is great for all parties and we are sure it is going to work in the long term. This agreement is also a major step forward for Atlas as we deliver the greater Abydos Iron Ore projects in conjunction with and in partnership with the Njamal People."

It may be worthwhile to mentioned that Atlas is fully funded with approximately USD 100 million in cash at hand and zero debt as it starts exporting iron ore from its the Pardoo DSO Project. Atlas is planning to export 1 million tonnes during its first 12 months of operations of the Pardoo DSO Project growing to 3 million tonnes per annum within 12 months. Together with additional export tonnages from its Abydos DSO Project, Atlas is targeting exports of 6 million tonnes per annum by 2010, growing to 12 million tonnes per annum by 2012.

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