ATLANTIC LTD
Building a world class resources group
Atlantic Ltd
Level 29, Bankwest Tower
108 St Georges Terrace
Perth WA 6000
PO Box Z5431
St Georges Terrace WA 6831
ABN 60 009 213 763
t +61 8 6141 7100
f +61 8 6141 7101
info@atlanticltd.com.au
www.atlanticltd.com.au

22 March 2012

STANDARD AND POOR'S RATING REVIEW

Atlantic Ltd (ASX: ATI) (**Atlantic**) advises that the attached rating review was announced by Standard and Poor's Ratings Services today for Atlantic's wholly owned subsidiary Midwest Vanadium Pty Ltd (**MVPL**), with a change from B- to CCC+.

This rating review has no impact on the terms or covenants of MVPL's senior secured notes due February 2018.

Atlantic notes that the rating change brings Standard and Poor's rating in line with the recently assigned Moody's rating.

-ends-

For further details please contact:

Michael Minosora
Managing Director
Atlantic Ltd
Ph: + 61 8 6141 7100

Glen Zurcher
Investor Relations
Atlantic Ltd
Ph: +61 8 6141 7215

About Atlantic

Atlantic is committed to building a diversified portfolio of world class resources assets that will provide superior returns to shareholders.

Atlantic combines its strong financing capability with a highly disciplined and innovative approach to acquire resources projects that are low cost, long life and near production.

Atlantic subsidiary Midwest Vanadium Pty Ltd owns 100% of the Windimurra vanadium project, located approximately 600 kilometres north of Perth in Western Australia. Windimurra hosts one of the largest proven vanadium reserves in the world.

Additional information on Atlantic can be found at www.atlanticltd.com.au.

STANDARD & POOR'S

Press Release

Ratings On Midwest Vanadium Pty Ltd. Lowered To 'CCC+' On Weakening Liquidity; Outlook Negative

Melbourne, March 22, 2012—Standard & Poor's Ratings Services today said that it had lowered its long-term corporate credit and debt ratings on Australian mining company Midwest Vanadium Pty Ltd. (MVPL) to 'CCC+' from 'B-'. The outlook on the long-term rating is negative.

"The downgrade reflects our view that MVPL's liquidity position has deteriorated because its parent Atlantic Ltd. (not rated) has decided to discontinue its share purchase plan, which could have raised up to A$10 million. We consider MVPL's liquidity to be "less than adequate"," Standard & Poor's credit analyst May Zhong said. "Pressuring its liquidity are the company's slower-than-expected generation of cash flows from vanadium and iron ore sales, and the capital needed to undertake modification work to improve the performance of MVPL's crushing, milling, and beneficiation (CMB) plant."

Although MVPL has successfully produced its first ferrovanadium (FeV) in January 2012, it occurred later than expected. There has been an underperformance of the CMB circuits due to the presence of clay in one of the three ore zones of the iron ore body. In addition, the sale of iron ore is much later than expected. Further modification work is required to improve the CMB circuit performance and to boost production ramp-up. Failure to achieve the expected improvement is likely to severely constrain the throughput at levels well below its expected capacity, which in turn, will negatively affect the company's unit cash cost of production.

The modifications would cost about A$9 million (estimated by MVPL) and are to be completed in the June 30, 2012 quarter. On March 6, 2012, Atlantic announced that it has arranged a A$41 million funding package, of which A$21 million has been received. However, in our opinion the size of the package doesn't provide much cushion for further cost overruns and ramp-up delays.

"The negative outlook reflects the higher risk that MVPL faces in ramping up its Windimurra project to full capacity on a timely basis. We consider that MVPL's weak liquidity position places it in a more vulnerable position if it were to experience cost overruns or project delays. A further downgrade could occur if there is anymore delay in production ramp-up, or if liquidity worsens," said Ms. Zhong. "A higher rating may be considered if the company ramps up its production to full capacity and maintains adequate liquidity."

About Standard & Poor's

Standard & Poor's Ratings Services, part of The McGraw-Hill Companies (NYSE:MHP), is the world's leading provider of independent credit risk research and benchmarks. We publish more than a million credit ratings on debt issued by sovereign, municipal, corporate and financial sector entities. With over 1,400 credit analysts in 23 countries, and more than 150 years' experience of assessing credit risk, we offer a unique combination of global coverage and local insight. Our research and opinions about relative credit risk provide market participants with information and independent benchmarks that help to support the growth of transparent, liquid debt markets worldwide.

Media Contact:
Richard Noonan, Melbourne, (61) 3 9631 2152, richard_noonan@standardandpoors.com
Credit Analysts:
May Zhong, Corporate Ratings, may_zhong@standardandpoors.com
Thomas Jacquot, Corporate Ratings, thomas_jacquot@standardandpoors.com