



PRODUCTION & SALES REPORT

FEBRUARY 2013

Atlantic Ltd (ASX: ATI; **Atlantic** or the **Company**) presents its production and sales report for the month of February.

Production and Sales

In February, the Company produced and sold the following vanadium volume from its wholly-owned Windimurra vanadium project (**Windimurra**):

	February (tonnes contained vanadium)
Vanadium billet production	11.1
Vanadium sales	0.0

Costs

February continued the trend of prior months of monthly below budget costs. As a consequence, the Company expects cash outflows for the January to March quarter 2013 to be below the previously disclosed estimate of \$25.7 million.

R&D Cash Entitlement

The Company advises that it expects to be entitled to receive in respect of the 2013 financial year a cash payment pursuant to the Australian Government's Research and Development Incentive Scheme of an amount similar to that which was received for the 2012 financial year (\$22.2 million).

Windimurra Operations Update

Crushing and Milling

The crushing and milling (HPGR) plants at Windimurra continue to perform well and in line with or better than expectation.

Beneficiation

The beneficiation plant on-stream time was poor during February due to pumping issues and general equipment availability.

The Company is implementing modifications to process flows to achieve improved magnetite concentrate production from this area of the plant. This work includes revision of software control parameters, the development of standard operating procedures and minor equipment modifications.

Roasting Kiln

A significant achievement for the month, following the previously signalled modifications to the kiln discharge, was the successful operation of the kiln at 90 tonnes per hour and up to 110 tonnes per hour and then only limited by available feed. This compares with a target of 130 tonnes per hour. Previously, the peak operational rate achieved had been 60 tonnes per hour.

Refinery and FeV Furnace

All production processes post the kiln from leaching through to the FeV furnace continued to operate as expected with no major issues encountered.

Production Forecast

As a result of the lower magnetite concentrate production levels ex the beneficiation plant the Company will not meet its vanadium production target for the March quarter.

Vanadium Prices

The monthly average London Metal Bulletin price for vanadium in the European market trended positively from US\$31.15 per kilogram of contained vanadium in January to US\$31.60 in February. The mid-point London Metal Bulletin price for vanadium in the European market at the date of this report is US\$31.60 per kilogram of contained vanadium.

The monthly average Ryan's Notes price for vanadium in the North American market also trended positively from US\$30.91 per kilogram of contained vanadium in January to US\$32.39 in February. The mid-point Ryan's Notes price for vanadium in the North American market at the date of this report is US\$33.01 per kilogram of contained vanadium.

Iron Ore

In February, the Company continued to make steady progress towards the commencement of iron ore exports. Subject to iron ore prices remaining robust, it is anticipated that shipments of iron ore fines will commence in mid-2013.

