

12 July 2013

ATLANTIC ANNOUNCES NEW SHORT TERM FUNDING FACILITY

Highlights

- ***New short term funding facility of \$15.3 million secured***
- ***First shipment of iron ore due to leave port shortly***

Atlantic Ltd (ASX: ATI) (**Atlantic**) is pleased to announce that its wholly-owned subsidiary Midwest Vanadium Pty Ltd (**MVPL**) has secured a new short term funding facility of \$15.3 million with a leading Australian bank.

The first tranche of \$13 million under the facility will be available to MVPL at financial close, expected within the next few days. A second tranche of \$2.3 million will be available from 1 August 2013, subject to the calculation of sufficient eligible expenditure under the Research & Development Tax Incentive Program.

The facility is secured by a priority lien over MVPL's rights to receive reimbursement payments from the Australian Taxation Office under the Research & Development Tax Incentive Program in respect of the year ended 30 June 2013.

The interest rate on the facility is fixed at 15% per annum, payable monthly in arrears.

The facility matures on the earlier of 28 February 2014 and the date of repayment following receipt of the Research & Development Tax Incentive Program claim for the year ended 30 June 2013.

The facility includes other terms and conditions usual for a facility of this nature.

The facility will be used to provide further working capital for the on-going ramp-up of production at MVPL's Windimurra vanadium and iron ore operation and for interest payments payable to its senior secured note holders.

Necessary consents to facilitate this new short term funding facility were obtained from senior secured note holders in May.

As previously advised, MVPL recently made an amendment to its Research & Development Tax Incentive Program claim for the year ended 30 June 2012 and the additional \$2.1 million claim has now been received.

MVPL has also secured approval for the release of its cash-backed environmental performance bonds releasing \$8.5 million to the company.

Atlantic is also pleased to announce that the first shipment of iron ore fines, a by-product of the Windimurra vanadium production process, is due to leave Geraldton port shortly when loading operations are complete.

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About Atlantic

Atlantic subsidiary Midwest Vanadium Pty Ltd owns 100% of the Windimurra vanadium and iron ore operation, located approximately 600 kilometres north of Perth in Western Australia. Windimurra hosts one of the largest proven vanadium reserves in the world. Its processing plant is being commissioned at present.

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