



30 January 2009

Centralised Company Announcements Platform  
Australian Stock Exchange  
10<sup>th</sup> floor, 20 Bond Street  
Sydney NSW 2000

### **QUARTERLY APPENDIX 4C**

Please find attached the Appendix 4C for Atlantic Ltd for the quarter ended 31 December 2008.

Pearl marketing activities have been delayed during the quarter due to deferral of the pearl harvest in Myanmar and stockpiling of pearl stocks by Golden Pearl Pty Ltd. Pearl markets and prices have been impacted by the global financial crisis. The Company is examining opportunities to expand its pearl marketing activities in this context and has evaluated new business opportunities with the principle objective of increasing shareholder value.

During the quarter Atlantic entered into an agreement to acquire 100% of Azure Mining International Limited ("AMI"). AMI is the applicant for an exploration permit in an area prospective for bauxite in Bao Loc, Lam Dong province of Vietnam. The permit covers approximately 100 km<sup>2</sup>. As at the date of this report, the Directors believe AMI has received what it believed to be approval of the Permit but is awaiting clarification from its independent advisers in Vietnam.

Once AMI has confirmed the grant of the Bao Loc exploration permit and the acquisition of AMI has been completed, Atlantic intends to immediately commence an initial exploration and development programme that is budgeted at approximately US\$600,000 ("Development Budget"). It is proposed that this programme is to be completed within 6 months of the grant of the Permit, to reassess historic borehole data on the project, complete further drilling, delineate a JORC-compliant resource estimate and complete a scoping study into a washed bauxite export operation.

Atlantic announced on 22 January 2009 that Shareholders had been sent a Notice of Extraordinary General Meeting regarding resolutions relating to the acquisition of AMI and other matters related to the acquisition. The acquisition of AMI is conditional upon the resolutions contained in the Notice of Meeting being passed. A copy of the Notice is available on the Company's website.

In connection with the acquisition Atlantic is conducting a non renounceable entitlement issue on the basis of 1 New Share and one free attaching New Option for every 3 existing Shares being up to 112,039,263 New Shares at 0.5 cents each to raise up to \$560,196.

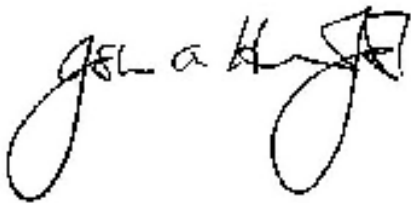
**Appendix 4C**  
**Quarterly report for entities**  
**admitted on the basis of commitments**

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Atlantic also intends to carry out a private placement of 220 million Shares at \$0.005 each to Sophisticated Investors and Professional Investors identified by Azure Capital together with 220 million free attaching New Options exercisable at \$0.008 on or before 31 December 2011 to raise \$1.1 million before costs ("the Placement"). Azure Capital has been engaged to manage the Placement on a best endeavours basis.

The Directors believe that the acquisition of AMI represents a good opportunity to develop a bauxite export operation targeting the growing East Asian markets, assuming positive exploration results.

Yours faithfully,

A handwritten signature in black ink, appearing to read "John Hannaford". The signature is written in a cursive style with large, sweeping loops.

**JOHN HANNAFORD**  
**Director**

# Appendix 4C

## Quarterly report for entities admitted on the basis of commitments

Introduced 31/3/2000. Amended 30/9/2001, 24/10/2005.

Name of entity

Atlantic Limited

ABN

60 009 213 763

Quarter ended ("current quarter")

31 December 2008

### Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter	Year to date
	\$A'000	(6 months) \$A'000
1.1 Receipts from customers		
1.2 Payments for (a) staff costs	(22)	(45)
(b) advertising and marketing		
(c) research and development		
(d) leased assets		
(e) other working capital	(120)	(180)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	10	32
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Other (provide details if material)		
<b>Net operating cash flows</b>	<b>(132)</b>	<b>(193)</b>

**Appendix 4C**  
**Quarterly report for entities**  
**admitted on the basis of commitments**

	Current quarter \$A'000	Year to date (6 months) \$A'000
1.8 Net operating cash flows (carried forward)	(132)	(193)
<b>1.9 Cash flows related to investing activities</b>		
Payment for acquisition of:		
(a) businesses (item 5)		
(b) equity investments		
(c) intellectual property		
(d) physical non-current assets		
(e) other non-current assets		
<b>1.10 Proceeds from disposal of:</b>		
(a) businesses (item 5)		
(b) equity investments		
(c) intellectual property		
(d) physical non-current assets		
(e) other non-current assets		
1.11 Loans to other entities		
1.12 Loans repaid by other entities		
1.13 Other (provide details if material)		
<b>Net investing cash flows</b>		
<b>1.14 Total operating and investing cash flows</b>	(132)	(193)
<b>Cash flows related to financing activities</b>		
1.15 Proceeds from issues of shares, options, etc.		
1.16 Proceeds from sale of forfeited shares		
1.17 Proceeds from borrowings		
1.18 Repayment of borrowings		
1.19 Dividends paid		
1.20 Other (provide details if material)		
- Payment arising under DOCA		
- Capital raising costs		
<b>Net financing cash flows</b>		
<b>Net increase (decrease) in cash held</b>	(132)	(193)
1.21 Cash at beginning of quarter/year to date	924	985
1.22 Exchange rate adjustments to item 1.20		
<b>1.23 Cash at end of quarter</b>	792	792

**Appendix 4C**  
**Quarterly report for entities**  
**admitted on the basis of commitments**

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**Payments to directors of the entity and associates of the directors**

**Payments to related entities of the entity and associates of the related entities**

		Current quarter \$A'000
1.24	Aggregate amount of payments to the parties included in item 1.2	54
1.25	Aggregate amount of loans to the parties included in item 1.11	-
1.26	Explanation necessary for an understanding of the transactions	
	<p>The amount above includes payments to directors and to a company associated with Mr John Hannaford. The payments relate to the provision of consulting fees, company secretarial services, accounting and bookkeeping, secretarial services and the provision of office accommodation on normal commercial terms.</p>	

**Non-cash financing and investing activities**

- 2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

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- 2.2 Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest

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**Financing facilities available**

*Add notes as necessary for an understanding of the position. (See AASB 1026 paragraph 12.2).*

		Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities	-	-
3.2	Credit standby arrangements	-	-

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**Appendix 4C**  
**Quarterly report for entities**  
**admitted on the basis of commitments**

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**Reconciliation of cash**

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current quarter \$A'000	Previous quarter \$A'000
4.1	Cash on hand and at bank	792	924
4.2	Deposits at call	-	-
4.3	Bank overdraft	-	-
4.4	Other (provide details)	-	-
<b>Total: cash at end of quarter</b> (item 1.23)		792	924

**Acquisitions and disposals of business entities**


		Acquisitions <i>(Item 1.9(a))</i>	Disposals <i>(Item 1.10(a))</i>
5.1	Name of entity		
5.2	Place of incorporation or registration		
5.3	Consideration for acquisition or disposal		
5.4	Total net assets		
5.5	Nature of business		

**Appendix 4C**  
**Quarterly report for entities**  
**admitted on the basis of commitments**

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**Compliance statement**

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act (except to the extent that information is not required because of note 2) or other standards acceptable to ASX.
- 2 This statement does ~~not~~ give a true and fair view of the matters disclosed.

Sign here:   
(Director/Company secretary)

Date: 30 January 2009

Print name: **Morgan Barron**

**Notes**

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
2. The definitions in, and provisions of, *AASB 1026: Statement of Cash Flows* apply to this report except for the paragraphs of the Standard set out below.
  - 6.2 - reconciliation of cash flows arising from operating activities to operating profit or loss
  - 9.2 - itemised disclosure relating to acquisitions
  - 9.4 - itemised disclosure relating to disposals
  - 12.1(a) - policy for classification of cash items
  - 12.3 - disclosure of restrictions on use of cash
  - 13.1 - comparative information
3. **Accounting Standards.** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.