



# Appendix 4E

## Preliminary final report

### DETAILS OF REPORTING PERIOD

ABN or equivalent company reference	60 009 213 763
Financial year ended ('current period')	30 June 2009
Previous corresponding period	30 June 2008

### RESULTS FOR ANNOUNCEMENT TO THE MARKET

<b>Financial Results</b>	<b>June 2009</b>
Revenues	up <b>6%</b> to <b>66,115</b>
(Loss) after tax attributable to members	down <b>107%</b> to <b>(512,913)</b>
Net profit (loss) for the period attributable to members	down <b>107%</b> to <b>(512,913)</b>
Prior period result included a gain of approximately \$7.5m on completion of a Deed of Company Arrangement. 'Down' notation of movement represents a change from profit to a loss.	

#### Dividends

The directors do not propose that Atlantic will pay a dividend

<b>Earnings/(loss) per share</b>	<b>June 2009</b>	<b>June 2008</b>
Basic Earnings/(Loss) per ordinary share	(0.11) cents	2.37 cents
Diluted Earnings/(Loss) per ordinary share	(0.11) cents	1.96 cents

<b>Net Tangible Asset Backing</b>	<b>June 2009</b>	<b>June 2008</b>
Net tangible asset backing per ordinary share	0.005	0.003

#### Other explanatory notes

Refer to commentary on page 8

## CONSOLIDATED INCOME STATEMENT

	Note	Consolidated 2009 \$	Company 2008 \$
Revenue		21,000	-
Other income		45,115	62,285
<b>Total Revenue</b>	1	<b>66,115</b>	<b>62,285</b>
Employee benefits expense		(90,000)	(90,855)
Share based payments		(128,110)	-
Financial & administration expense		(203,501)	(151,154)
Indirect costs of acquisition		(44,527)	-
Other expenses		(112,890)	(79,159)
<b>Loss before income tax</b>		<b>(512,913)</b>	<b>(258,873)</b>
Income tax expense		-	-
<b>Loss from continuing operations</b>		<b>(512,913)</b>	<b>(258,873)</b>
Gain on disposal of subsidiaries and forgiveness of loans on completion of a Deed of Company Arrangement (DOCA)		-	7,527,286
<b>Profit/(loss)</b>		<b>(512,913)</b>	<b>7,268,413</b>
<b>Overall Operations</b>			
Basic (loss)/earnings per share (cents per share)		(0.11)	2.37
Diluted (loss)/earnings per share (cents per share)		(0.11)	1.96

## NOTES TO AND FORMING PART OF THE CONSOLIDATED INCOME STATEMENT

### 1. Revenue

#### Revenue from Operating Activities

Sales of goods	21,000	-
	<b>21,000</b>	<b>-</b>

#### Revenue from Outside the Operating Activities

Interest	45,115	62,095
Sundry Income	-	190
	<b>45,115</b>	<b>62,285</b>
	<b>66,115</b>	<b>62,285</b>

Total Revenue for the year

Gain on disposal of subsidiaries and forgiveness of loans on completion of Deed of Company Arrangement (DOCA) <sup>(a)</sup>	-	7,527,286
	<b>-</b>	<b>7,527,286</b>

(a) On 8 August 2007, the parent entity disposed of 100% of its interest in all of its subsidiaries under the terms of a Deed of Company Arrangement (DOCA) for \$300,000 cash consideration. The carrying value of Atlantic Limited's investment in the subsidiaries was \$90 at the time of the disposal. As the disposal of the subsidiaries formed part of the DOCA, the gain on disposal of the subsidiaries has been included in the income statement together with the gain on forgiveness of loans, resulting in a total gain of \$7,527,286 to the Company on completion of the DOCA.

## CONSOLIDATED BALANCE SHEET

	Note	Consolidated 2009 \$	Company 2008 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents		1,516,952	984,598
Trade and other receivables		18,291	7,574
<b>TOTAL CURRENT ASSETS</b>		1,535,243	992,172
<b>NON-CURRENT ASSETS</b>			
Exploration expenditure	1	3,228,777	-
Other financial assets		-	-
<b>TOTAL NON-CURRENT ASSETS</b>		3,228,777	-
<b>TOTAL ASSETS</b>		4,764,020	992,172
<b>CURRENT LIABILITIES</b>			
Trade and other payables		150,296	40,331
<b>TOTAL CURRENT LIABILITIES</b>		150,296	40,331
<b>NON-CURRENT LIABILITIES</b>			
Deferred tax liability		750,006	-
<b>TOTAL NON-CURRENT LIABILITIES</b>		750,006	-
<b>TOTAL LIABILITIES</b>		900,302	40,331
<b>NET ASSETS</b>		3,863,718	951,841
<b>EQUITY</b>			
Issued capital	2	18,178,794	14,882,114
Reserves	2	128,110	-
Accumulated losses		(14,443,186)	(13,930,273)
<b>TOTAL EQUITY</b>		3,863,718	951,841

## NOTES TO AND FORMING PART OF THE CONSOLIDATED BALANCE SHEET

### 1. Exploration Expenditure

Balance at beginning of year		-	-
Acquired on acquisition of subsidiary		253,293	-
Expenditure incurred		475,464	-
Fair Value adjustment on Consolidation		2,500,020	-
<b>Total exploration expenditure</b>		3,228,777	-

**NOTES TO AND FORMING PART OF THE CONSOLIDATED BALANCE SHEET (CONTINUED)**

<b>2. Issued Capital</b>	<b>Consolidated 2009</b>	<b>Company 2008</b>
	<b>\$</b>	<b>\$</b>
<u>Ordinary Shares</u>		
768,157,053 fully paid ordinary shares	17,428,779	14,882,114
	<b>No.</b>	<b>\$</b>
<i>Movements in ordinary shares on issue</i>		
At 1 July 2007	52,235,581	12,298,895
Consolidation of share capital on 8/8/07	(26,117,791)	-
Issue of shares @ \$0.005 on 8/8/07	70,000,000	350,000
Issue of shares @ \$0.01 on 8/8/07	240,000,000	2,400,000
Issue costs	-	(166,781)
At 30 June 2008	336,117,790	14,882,114
Issue of shares @ \$0.005 on 6/3/09	59,213,502	296,068
Issue of shares @ \$0.005 on 10/3/09	52,825,761	264,128
Issue of shares @ \$0.005 on 10/3/09	220,000,000	1,100,000
Issue of shares @ \$0.01 on 21/5/09	100,000,000	1,000,000
Issue costs	-	(113,531)
At 30 June 2009	768,157,053	17,428,779
<u>Performance Shares</u>		
<i>Movements in Class A Performance Shares</i>		
At 1 July 2008	-	-
Issue of shares on 21/5/09	1,500	750,000
At 30 June 2009	1,500	750,000
<i>Movements in Class B Performance Shares</i>		
At 1 July 2008	-	-
Issue of shares on 21/5/09	1,500	15
At 30 June 2009	1,500	15
Performance shares do not participate in dividends and the proceeds on winding up of the parent entity. Performance shares hold no voting rights at shareholders' meetings when a poll is called, and are not eligible to participate in votes on a show of hands.		
<u>Reserves</u>		
<i>Movements in reserves</i>		
At 1 July 2008	-	-
Issue of options @ \$0.0064 on 21/5/09	20,000,000	128,110
At 30 June 2009	20,000,000	128,110

Options reserve

The options reserve is used to recognise the fair value of all options on issue but not yet exercised.

## CONSOLIDATED CASH FLOW STATEMENT

	Note	Consolidated 2009 \$	Company 2008 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers		60,619	49,461
Payments to suppliers and employees		(358,908)	(669,436)
Interest received		45,115	62,095
Finance costs		-	-
Net cash used in operating activities	1	<u>(253,174)</u>	<u>(557,880)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for exploration activities		(716,610)	-
Proceeds from sale of non-current assets		-	300,000
Payment for acquisition of subsidiary		-	-
Payments for due diligence on acquisition		(44,527)	-
Net cash used in investing activities		<u>(761,137)</u>	<u>300,000</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from issue of shares		1,660,196	2,750,000
Loans to subsidiary		-	-
Capital raising costs		(113,531)	(166,781)
Payment to creditors under a DOCA		-	(1,350,000)
Net cash provided by financing activities		<u>1,546,665</u>	<u>1,233,219</u>
Net (decrease)/increase in cash and cash equivalents		532,354	975,339
Cash and cash equivalents at beginning of year		984,598	9,259
Cash and cash equivalents at end of year		<u>1,516,952</u>	<u>984,598</u>

## NOTES TO AND FORMING PART OF THE CONSOLIDATED CASH FLOW STATEMENT

### 1. Reconciliation of profit for the year to net cash flows from operating activities

Gain/(Loss) after income tax	(512,913)	7,268,413
Non-cash flows in profit:		
Share Based Payments	128,110	-
Depreciation	-	548
Loss on sale of equipment	-	94,200
Impairment of assets/ intangibles/investments	-	504
(Increase)/decrease in trade receivables	(10,717)	(7,574)
Due diligence costs in relation to acquisition	44,527	-
Gain on disposal of subsidiaries and forgiveness of loans on completion of a Deed of Company Arrangement (DOCA)	-	(7,527,286)
Increase/(decrease) in payables and accruals	97,819	(291,433)
Cash flows from operations	<u>(253,174)</u>	<u>(557,880)</u>

## DIVIDEND PAYMENTS

The directors do not propose that Atlantic will pay a dividend in the current year and did not pay a dividend in the comparative period.

## DIVIDEND REINVESTMENT PLANS

The Company does not have in place a dividend reinvestment plan.

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share Capital			Option Reserve	Accumulated losses	Total
	Ordinary	Performance Shares Class A	Class B			
Consolidated	\$	\$	\$	\$	\$	\$
<b>Balance at 30.06.2008</b>	<b>14,882,114</b>	-	-	-	<b>(13,930,273)</b>	<b>951,841</b>
Issue of shares	2,660,196	750,000	15	-	-	3,410,211
Issue costs	(113,531)	-	-	-	-	(113,531)
Loss attributable to members of parent entity	-	-	-	-	(512,913)	(512,913)
Issue of options	-	-	-	128,110	-	128,110
<b>Balance at 30.06.2009</b>	<b>17,428,779</b>	<b>750,000</b>	<b>15</b>	<b>128,110</b>	<b>(14,443,186)</b>	<b>3,863,718</b>
<b>Company</b>						
<b>Balance at 1.07.2007</b>	12,298,895	-	-	-	(21,198,686)	(8,899,791)
Issue of shares	2,750,000	-	-	-	-	2,750,000
Issue costs	(166,781)	-	-	-	-	(166,781)
Profit attributable to members of the parent entity	-	-	-	-	7,268,413	7,268,413
<b>Balance at 30.06.2008</b>	<b>14,882,114</b>	-	-	-	<b>(13,930,273)</b>	<b>951,841</b>

## NET TANGIBLE ASSET BACKING

	June 2009	June 2008
Net tangible asset backing per ordinary share	0.005	0.003

## DETAILS OF ENTITIES OVER WHICH CONTROL HAS BEEN GAINED OR LOST DURING THE PERIOD.

Control gained over subsidiaries listed below:

(a) Azure Mining International Ltd\*

\* On 4 June 2009 Azure Mining International was converted from a Public to a Pty Ltd company.

## DETAILS OF ASSOCIATES AND JOINT VENTURE ENTITIES

Not applicable

**OTHER SIGNIFICANT INFORMATION REQUIRED BY INVESTORS**

**Segment Information**

Primary Reporting - Business segments

<b>2009</b>	<b>Pearl Marketing 2009 \$</b>	<b>Mineral Exploration 2009 \$</b>	<b>Consolidated 2009 \$</b>
<b>Segment Revenue</b>			
Sales to external customers	21,000	-	21,000
Other revenue	-	-	-
<b>Total Segment Revenue</b>			<b>21,000</b>
Unallocated revenue			45,115
<b>Consolidated Revenue</b>			<b>66,115</b>
<b>Segment Results</b>			
Segment result	21,000	(44,527)	(23,527)
Intersegment eliminations	-	-	-
Unallocated revenue less unallocated expenses			(543,276)
Profit before income tax			(512,913)
Income tax expense			-
<b>Profit for the year</b>			<b>(512,913)</b>
<b>Segment assets</b>			
Segment assets	-	3,228,777	3,228,777
Intersegment eliminations	-	-	-
Unallocated assets			1,535,243
<b>Total assets</b>			<b>4,764,020</b>
<b>Segment liabilities</b>			
Segment liabilities	-	838,728	838,728
Intersegment eliminations	-	-	-
Unallocated liabilities			61,574
<b>Total liabilities</b>			<b>900,302</b>

Secondary Reporting - Geographical segments

The Group's geographical segments are determined by the location of the Group's assets and operations.

	<b>Revenues from sales to external customers 2009 \$</b>	<b>Segment assets 2009 \$</b>
<b>Geographical Segment</b>		
Australia	66,115	1,535,243
South East Asia	-	3,228,777
	66,115	4,764,020
Unallocated items	-	-
<b>Total</b>	<b>66,115</b>	<b>4,764,020</b>

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**OTHER SIGNIFICANT INFORMATION REQUIRED BY INVESTORS (CONTINUED)**

**Acquisition of Subsidiary**

*(i) Summary of acquisition*

On 21 May 2009, Atlantic acquired 100% of the issued share capital of Azure Mining International Ltd. The acquired business holds a mineral exploration permit in Vietnam.

Details of the fair value of the assets and liabilities acquired are as follows:

	\$
Purchase consideration (refer to (ii) below):	
Cash paid	253,292
Ordinary shares issued	1,000,000
Class A Performance shares issued	750,000
Class B Performance shares issued	15
Total purchase consideration	2,003,307
Fair value of net identifiable assets acquired (refer to (iii) below)	2,003,307

*(ii) Purchase consideration*

Performance shares are valued using Atlantic's trading price on the Australian Securities Exchange on the date of acquisition discounted by probability factors set by management as the best estimate of successful completion of the individual performance hurdles.

*(iii) Assets and liabilities acquired*

The assets and liabilities arising from the acquisition are as follows:

	Acquiree's carrying amount \$	Fair value \$
<b>Assets</b>		
Exploration Assets	531,281	3,031,301
<b>Liabilities</b>		
Loans	277,988	277,988
Deferred Tax Liabilities	-	750,006
<b>Net Assets</b>	253,293	2,003,307

From the date of acquisition Azure Mining International Ltd has not contributed to the net loss of the Group.

If the combination had taken place at the beginning of the year, the loss for the Group would have been unchanged at \$512,913. There would have been no additional revenue from continuing operations. These amounts have been calculated using the Group's accounting policies.

## **BASIS OF COMPILATION OF REPORT**

This report is compiled using Australian Accounting Standards.

## **COMMENTARY ON RESULTS FOR THE PERIOD**

On 21 May 2009, the Company completed the acquisition of 100% of the shares in Azure Mining International Limited. AMI holds an exploration permit for an area in the Bao Loc province of southern Vietnam prospective for Bauxite mineralisation.

Consolidated results have been reported for the financial year ending 30 June 2009, however as the Company was a single entity in the previous year, comparatives are reported as Company results only.

The Consolidated Entity made a consolidated net loss for the year of \$512,913 (2008: \$7,268,413 profit), of which all is attributable to the parent entity.

## **BASIS OF ACCOUNTS**

This report is based on accounts which are currently being audited.

## **STATUS OF AUDIT**

The accounts are in the process of being audited.

## **COMPLIANCE STATEMENT**

1. This report, and the accounts upon which this report is based, have been prepared in accordance with AASB Standards.
2. This report, and the accounts upon which this report is based, use the same accounting policies.
3. This report gives a true and fair view of the matters discussed.
4. This report is based on accounts which are in the process of being audited.



**Sign Here:**

**Date:** 31 August 2009

**Name:** Morgan Barron (Company Secretary)