

Appendix 4D

Half year report Period ending on or after 31 December 2009

The following information must be given to ASX under listing rule 4.2A.3.

1. Details of the reporting period and the previous corresponding period.

ABN or equivalent company reference	60 009 213 763
Half year ended	31 December 2009
Previous corresponding period	31 December 2008

2. "Atlantic Limited Half Year Results for announcement to the market".

				\$
2.1	Revenues from ordinary activities	up	24%	to 32,905
2.2	(Loss) from ordinary activities after tax attributable to members	up	244%	to (504,537)
2.3	Net (loss) for the period attributable to members	up	244%	to (504,537)
2.4	Dividends		Amount per security	Franked amount per security
	Final dividend		Nil¢	Nil¢
	Interim dividend		Nil¢	Nil¢
The company does not propose to pay dividends				
2.5	Record date for determining entitlements to the dividend,		NOT APPLICABLE	

3. Net tangible assets per security with the comparative figure for the previous corresponding period.

Net tangible assets per security	31/12/2009	31/12/2008
Net tangible asset backing per ordinary security	0.78 cents	0.24 cents



Interim Financial Report
for the half year ended 31 December 2009

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This interim financial report covers the Consolidated Entity consisting of Atlantic Limited and its subsidiaries. The interim financial report is presented in Australian dollars.

Atlantic Ltd ("Atlantic" or the "Company") is a company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Atlantic Ltd
Suite 2
12 Parliament Place
West Perth WA 6005

A description of the nature of the Consolidated Entity's operations and its principal activities is included in the review of operations and activities in the directors' report on page 2.

Corporate Information

Directors:

John Hannaford
Chairman

Michael Minosora
Managing Director

Anthony Veitch
Non Executive Director

Company Secretary:
Morgan Barron

Auditors:
HLB Mann Judd
Level 4
130 Stirling Street
PERTH WA 6000

Solicitors:
Johnson Winter & Slattery
Level 1, 216 St Georges Terrace
PERTH WA 6000

Registered and Principal Office:

Suite 2, 12 Parliament Place
WEST PERTH WA 6005
Telephone: + 61 8 9482 0500
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Postal Address:

P.O. Box 902
WEST PERTH WA 6872

Home Stock Exchange:

Australian Securities Exchange Limited
Exchange Plaza
2 The Esplanade
PERTH WA 6000
ASX Codes – ATI, ATIO

Share Registry:

Security Transfer Registrars Pty Ltd
PO Box 535
APPLECROSS WA 6953
Telephone +61 8 9315 2333

Directors' Report

Your Directors have pleasure in submitting their report on the Consolidated Entity, being Atlantic and its controlled entities, for the half-year ended 31 December 2009.

DIRECTORS

The names of the Directors who held office during or since the end of the half-year are:

John Hannaford
Anthony Veitch
Michael Minosora (appointed 25 September 2009)
Jim Malone (resigned 27 November 2009)

REVIEW OF OPERATIONS

Comments on the operations and the results of those operations are set out below.

PRINCIPAL ACTIVITIES

The principal activity of the Consolidated Entity for the period was exploration for bauxite in Vietnam and evaluation of other resource projects.

RESULTS

The net loss after income tax of the Consolidated Entity for the half-year ended 31 December 2009 was \$504,537. This loss included financial administration expenses of \$174,559 and employment expenses of \$203,684.

OPERATING AND FINANCIAL REVIEW

During the period, Atlantic announced a new vision and strategy designed to focus the Company's operations towards becoming a major resources house.

In September, Atlantic appointed Michael Minosora as Managing Director. Mr Minosora was instrumental in identifying and securing the Bao Loc project and brings to Atlantic a wealth of experience as a financier together with his familiarity with the Bao Loc project and the relevant Vietnamese authorities.

Mr Minosora was previously the Chief Financial Officer of Fortescue Metals Group and prior to that the Managing Director of Azure Capital. Mr Minosora's appointment represents a significant milestone for Atlantic as it seeks to become a major resources business with a portfolio of world class assets including the Bao Loc project.

Following the appointment of Mr Minosora, the Board completed a review of the Company's strategy. This strategic review resulted in the Board approving a new vision and strategy.

Atlantic's vision is to become a company with a portfolio of 2 to 3 world class resource projects that provide superior returns to shareholders.

The approved strategy to achieve this vision is to:

- 1. Position Atlantic as the preferred bauxite development partner for the Vietnamese Government.*
- 2. Leverage Atlantic's financing capability to examine other low cost, long life production opportunities.*

This new strategy has already begun to be implemented with the signing of a Memorandum of Understanding ("MOU") with Vietnam Natural Resources and Environment Corporation and a heads of agreement with Mineral Resources Limited.

MOU for the development of an integrated aluminium industry supply chain project in Vietnam

On 21 December 2009, Atlantic announced that it had signed a MOU with Vietnam state-owned enterprise Vietnam Natural Resources and Environment Corporation (“T-MV”) for the development of an integrated bauxite mine and associated rail and port infrastructure project in Vietnam (“Project”).

Under the terms of the MOU, T-MV and Atlantic will partner exclusively for the development of the Project including the development of a new rail line from Lam Dong and Dak Nong provinces to port facilities on the coast of Vietnam and jointly apply for the rights to mutually agreed and available bauxite concessions in the world class bauxite areas within the Lam Dong and Dak Nong provinces. T-MV will also assist with the application process for relevant government approvals in Vietnam.

The rail transportation component involves strategic new infrastructure that will be developed on open access principles and is expected to deliver substantial social and economic benefits to the local regions and the entire Vietnam economy.

T-MV and Atlantic intend to proceed with the Project on signing of the definitive joint venture agreement and the receipt of necessary approvals from the Vietnam Government. If definitive agreements are executed, Atlantic intends to undertake the exploration of the relevant sites and provide the funding for the Project.

Following signing of the MOU, Atlantic has held further productive discussions with T-MV regarding the definitive joint venture agreement.

Bao Loc Bauxite Project, Vietnam

The Bao Loc bauxite project is located in the Central Highlands of southern Vietnam approximately 15 kilometres north of the Bao Loc town ship in Lam Dong province. The two major bauxite provinces of Dak Nong and Lam Dong in southern Vietnam are estimated to contain a combined 5.4 billion tonnes¹ of bauxite.

Previous sampling by Atlantic assayed 47.9% Al₂O₃ (washed and screened), 46.15% available Al₂O₃ and 1.04% reactive silica. These results were consistent with previous exploration data from trenching and shafts and confirmed the prospectivity of the project.

Windimurra Vanadium Project

In December, Atlantic signed a heads of agreement with Mineral Resources Limited (“MRL”) to re-launch the Windimurra Vanadium Project in Western Australia.

Under the terms of the heads of agreement, Atlantic has agreed to become a 25% equity holder in the project vehicle Midwest Vanadium Pty Ltd (“MWVPL”) and arrange the new secured debt funding required to complete commissioning of the project.

MRL and Atlantic are now working towards the signing of definitive documentation with the Receiver of MWVPL, including the necessary finance documents, to facilitate the commissioning of the project.

The heads of agreement is subject to procurement of the new secured debt funding package on terms mutually acceptable to MRL and Atlantic. Completion of the transaction is subject to the satisfaction of a number of conditions precedent including Atlantic shareholder approval to a change in activities.

¹ <http://bauxitevietnam.info> - Vinacomin

Corporate Activities

In order to pursue its new strategy, shareholders must approve a change to the nature and scale of the Company's activities. Atlantic will also need to re-comply with Chapters 1 and 2 of the ASX Listing Rules. Atlantic previously advised a timetable for the proposed change of activities with a shareholder meeting planned to be held in February 2010. The Board now anticipates that it will seek shareholder approval later in the first half of 2010.

During the period, Atlantic raised \$4.9 million through the placement of 140 million ordinary shares at 3.5 cents each. The shares were issued to Asian private investment companies. 65,543,723 listed options and 5,429,445 unlisted options were also exercised during the period raising approximately \$580,000 for the Company.

During the period, Atlantic approved the conversion of the Class A Performance Shares, representing the second tranche of the consideration for the acquisition of Azure Mining International Pty Ltd, the holder of the Bao Loc project.

EVENTS SUBSEQUENT TO REPORTING DATE

As mentioned above, during the period the Board adopted a new strategy to focus on opportunities in the resources sector. As part of this change in strategy, the Company must comply with Chapters 1 and 2 of the ASX Listing Rules and is required to lodge a notice of meeting to seek shareholder approval for the proposed change in nature and scale of activities. The Company will also be required to lodge a prospectus disclosing detailed information in relation to the Company's activities.

Other than as stated above, the Company is not aware of any material matter or circumstance subsequent to the reporting date that would materially affect the Company.

INDEPENDENT AUDITOR'S INDEPENDENCE DECLARATION

The independent auditor's independence declaration as required under section 307C of the Corporations Act 2001 for the half year ended 31 December 2009 has been received and can be found on page 5.

INDEPENDENT AUDITOR

HLB Mann Judd was appointed auditors on 29 November 2007.

Signed in accordance with a resolution of the Board of Directors.



Michael Minosora
Managing Director

Perth
26 February 2010

The information in this report that relates to Atlantic's exploration results, mineral resources or ore reserves is based on information compiled by Mr Robert McLean. Mr McLean is a consultant to Atlantic and is a member of the Australasian Institute of Mining and Metallurgy. Mr McLean has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr McLean consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of Atlantic Limited for the half-year ended 31 December 2009, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- a) the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- b) any applicable code of professional conduct in relation to the review.

This declaration is in respect of Atlantic Limited.



**Perth, Western Australia
26 February 2010**

**L DI GIALONARDO
Partner, HLB Mann Judd**

Condensed Statement of Comprehensive Income

For the half-year ended 31 December 2009

		Consolidated	Company
	Note	31 Dec 2009	31 Dec 2008
		\$	\$
Revenue from continuing operations		32,905	26,613
Financial administration and compliance costs		(174,559)	(46,346)
Employee costs		(203,684)	(45,000)
Other expenses		(159,199)	(81,970)
		(504,537)	(146,703)
Loss before income tax	2	(504,537)	(146,703)
Income tax expense/benefit		-	-
Loss for the period		(504,537)	(146,703)
 Other comprehensive income			
Net change in the fair value of available-for-sale financial assets		-	-
Exchange differences on translation of foreign operations		-	-
Income tax relating to components of other comprehensive income		-	-
		-	-
Other comprehensive income for the period, net of tax		-	-
Total comprehensive loss for the period		(504,537)	(146,703)
Basic earnings per share (cents per share)		(0.053)	(0.044)
Diluted earnings per share (cents per share)		(0.053)	(0.044)

The accompanying notes form part of these financial statements.

Condensed Statement of Financial Position

As at 31 December 2009

	Note	Consolidated 31 Dec 2009 \$	Consolidated 30 Jun 2009 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		6,225,467	1,516,952
Trade and other receivables		71,187	18,291
TOTAL CURRENT ASSETS		6,296,654	1,535,243
NON-CURRENT ASSETS			
Exploration expenditure	3	3,512,553	3,228,777
Property, Plant and Equipment		5,632	-
TOTAL NON-CURRENT ASSETS		3,518,185	3,228,777
TOTAL ASSETS		9,814,839	4,764,020
CURRENT LIABILITIES			
Trade and other payables		180,544	150,296
TOTAL CURRENT LIABILITIES		180,544	150,296
NON-CURRENT LIABILITIES			
Deferred tax liability		750,006	750,006
TOTAL NON-CURRENT LIABILITIES		750,006	750,006
TOTAL LIABILITIES		930,550	900,302
NET ASSETS		8,884,289	3,863,718
EQUITY			
Issued capital	4	23,640,277	18,178,794
Reserves		191,735	128,110
Accumulated losses		(14,947,723)	(14,443,186)
TOTAL EQUITY		8,884,289	3,863,718

The accompanying notes form part of these financial statements.

Atlantic Ltd
ACN: 009 213 763

Condensed Statement of Changes in Equity

For the half-year ended 31 December 2009

Company	Share Capital			Share Incentive Plan Reserve \$	Option Reserve \$	Accumulated Losses \$	Total \$
	Ordinary \$	Performance Shares Class A \$	Class B \$				
Balance at 1 July 2008	14,882,114	-	-	-	-	(13,930,273)	951,841
Total comprehensive loss for the period	-	-	-	-	-	(146,703)	(146,703)
Balance at 31 Dec 2008	14,882,114	-	-	-	-	(14,076,976)	805,138
Consolidated							
Balance at 1 July 2009	17,428,779	750,000	15	-	128,110	(14,443,186)	3,863,718
Total comprehensive loss for the period	-	-	-	-	-	(504,537)	(504,537)
Conversion of Class A Performance Shares	750,000	(750,000)	-	-	-	-	-
Shares issued during the half year	5,478,644	-	-	-	-	-	5,478,644
Capital raising costs	(17,161)	-	-	-	-	-	(17,161)
Shares issued under Executive Share Incentive Plan	-	-	-	63,625	-	-	63,625
Balance at 31 Dec 2009	23,640,262	-	15	63,625	128,110	(14,947,723)	8,884,289

The accompanying notes form part of these financial statements.

Condensed Statement of Cash Flows

For the half-year ended 31 December 2009

	Consolidated	Company
	31 Dec 2009	31 Dec 2008
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Payments to suppliers and employees	(496,306)	(185,654)
Interest received	32,905	26,613
Net cash provided by (used in) operating activities	(463,401)	(159,041)
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for property, plant and equipment	(5,791)	-
Payments for exploration and evaluation expenditure	(283,776)	-
Payments for capitalised acquisition costs	-	(33,735)
Net cash provided by (used in) investing activities	(289,567)	(33,735)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of shares	5,478,644	-
Capital raising costs	(17,161)	-
Net cash provided by (used in) financing activities	5,461,483	-
Net increase/(decrease) in cash held	4,708,515	(192,776)
Cash at beginning of the period	1,516,952	984,598
Cash at end of the period	6,225,467	791,822

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

For the half-year ended 31 December 2009

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

The half-year consolidated financial statements are a general purpose financial report prepared in accordance with the requirements of the Corporations Act 2001, applicable accounting standards including AASB 134: Interim Financial Reporting, Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board ('AASB'). Compliance with AASB 134 ensures compliance with IAS 34 'Interim Financial Reporting'.

The half-year report does not include full disclosures of the type normally included in an annual financial report. Therefore, it cannot be expected to provide as full an understanding of the financial performance, financial position and cash flows of the Company as in the full financial report.

It is recommended that this financial report be read in conjunction with the annual financial report for the year ended 30 June 2009 and any public announcements made by Atlantic Limited during the half-year in accordance with continuous disclosure requirements arising under the Corporations Act 2001 and the ASX Listing Rules.

Basis of preparation

The half-year report has been prepared on a historical cost basis. Cost is based on the fair value of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

For the purpose of preparing the half-year report, the half-year has been treated as a discrete reporting period.

Adoption of new and revised Accounting Standards

In the half-year ended 31 December 2009, the Company has reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for annual reporting periods beginning on or after 1 July 2009.

The affected policies and standards are:

- Segment reporting – new AASB 8 Operating Segments

The Consolidated Entity has applied *AASB 8 Operating Segments* from 1 July 2009. AASB 8 requires a "management approach" under which segment information is presented on the same basis as that used for internal reporting purposes. Operating Segments are now represented in a manner that is consistent with the internal reporting provided to the "chief operating decision maker" which has been identified as the Managing Director of Atlantic Limited.

- Presentation of Financial Reports - AASB 101 Presentation of Financial Statements

AASB 101 applies to annual reporting periods beginning on or after 1 January 2009. Through consequential amendments to AASB 134, it will result in changes to interim financial reports at 31 December 2009.

A key change from the previous standard is to present all non-owner changes in equity ('comprehensive income') either in a statement of comprehensive income or in two statements (an income statement and a separate statement of comprehensive income). The approach adopted in the Atlantic Interim Report is to disclose a combined statement.

Several changes have been implemented in the titles of the primary statements. Balance sheet has become statement of financial position, the income statement is amended to statement of comprehensive income and the cash flow statement has become the statement of cash flows.

Further changes are the requirement to prepare a third balance sheet in instances where a retrospective accounting policy change is made, a restatement of prior period items or a reclassification of items.

Notes to the Financial Statements

For the half-year ended 31 December 2009

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Adoption of new and revised Accounting Standards (continued)

- Business Combinations and Consolidation Principles – new AASB 3 Business Combinations and AASB 127 Consolidated and Separate Financial Statements

AASB 3 (issued March 2008) is effective for annual reporting periods beginning on or after 1 July 2009. The standard applies prospectively in that no adjustments of prior business combinations with acquisition dates before the application date is required. The new AASB 3 consequently affects consolidation principles and a new AASB 127 has been issued to reflect the new AASB 3 principles.

The Consolidated Entity early adopted the new AASB 3, and as a consequence the new AASB 127, in the financial year ended 30 June 2009. Please refer to the financial report for the year ended 30 June 2009 for a description of the changes to the Company's accounting policies regarding the adoption of the new AASB 3 and AASB 127.

Accounting Policies

The Company's accounting policies are included in the Company's annual financial report for the year ended 30 June 2009, however the following policies are of particular relevance to the half-year financial report:

(a) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

(b) Principles of Consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Atlantic as at 31 December 2009 and the results of all subsidiaries for the half-year then ended. Atlantic and its subsidiaries together are referred to in this financial report as the Consolidated Entity.

Subsidiaries are all those entities (including special purpose entities) over which the Consolidated Entity has the power to govern the financial and operating policies, generally accompanying a shareholding of more than one-half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Consolidated Entity controls another entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Consolidated Entity. They are de-consolidated from the date that control ceases. The purchase method of accounting is used to account for the acquisition of subsidiaries by the Consolidated Entity.

Non-controlling interests can be recognised at their proportionate share of the net identifiable assets of the acquiree or alternatively at fair value, any subsequent transactions between the parent and non-controlling interests are accounted for as equity transactions. The Consolidated Entity is not currently affected by any non-controlling interests; a policy decision on the recognition of non-controlling interests will be made on a case by case basis if and when these interests arise.

Intercompany transactions, balances and unrealised gains on transactions between Consolidated Entity companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Consolidated Entity.

Investments in subsidiaries are accounted for at cost in the individual financial statements of Atlantic.

Notes to the Financial Statements

For the half-year ended 31 December 2009

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Exploration and evaluation

Exploration and evaluation expenditures in relation to each separate area of interest are recognised as an exploration and evaluation asset in the year in which they are incurred where the following conditions are satisfied:

- (i) the rights to tenure of the area of interest are current; and
- (ii) at least one of the following conditions is also met:
 - (a) the exploration and evaluation expenditures are expected to be recouped through successful development and exploration of the area of interest, or alternatively, by its sale; or
 - (b) exploration and evaluation activities in the area of interest have not at the reporting date reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest are continuing.

Exploration and evaluation assets are initially measured at cost and include acquisition of rights to explore, studies, exploratory drilling, trenching and sampling and associated activities and an allocation of depreciation and amortisation of assets used in exploration and evaluation activities. General and administrative costs are only included in the measurement of exploration and evaluation costs where they are related directly to operational activities in a particular area of interest.

Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. The recoverable amount of the exploration and evaluation asset (for the cash generating unit(s) to which it has been allocated being no larger than the relevant area of interest) is estimated to determine the extent of the impairment loss (if any). Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in previous years.

Where a decision has been made to proceed with development in respect of a particular area of interest, the relevant exploration and evaluation asset is tested for impairment and the balance is then reclassified to development.

Atlantic's 100% owned subsidiary Azure Mining International Ltd ("AMI") has a bauxite exploration project covering approximately 100 km² in the Bao Loc district of Lam Dong province in Vietnam. The Company is currently in discussions with Vinacomin, a state-owned bauxite mining company, to structure a joint venture for exploration and cooperation in the area with the objective of progressing exploration at Bao Loc as well as additional bauxite areas. The project site is currently under the management of the Lam Dong People's Committee ("LDPC"). The LDPC has endorsed AMI's application to undertake exploration of the bauxite deposit. The Prime Minister and Deputy Prime Minister of Vietnam have requested AMI and the LDPC to work with Vinacomin to expedite their cooperation on the project.

Whilst there is a possibility that support for the project may be withdrawn by the authorities, based on precedents and common practice exhibited by the authorities to date, the consolidated entity is confident that it has current rights to tenure of the project. The carrying value of the consolidated entity's exploration and evaluation expenditure of \$3,512,553 at 31 December 2009 is dependent on the company having current rights to tenure of the project by way of continued support by the authorities. If this support was withdrawn, there would be significant uncertainty as to the carrying value of the exploration and evaluation expenditure recorded at 31 December 2009.

Notes to the Financial Statements

For the half-year ended 31 December 2009

NOTE 2: LOSS BEFORE INCOME TAX EXPENSE

	Consolidated 31 Dec 2009 \$	Company 31 Dec 2008 \$
The following revenue and expense items are relevant in explaining the financial performance for the interim period:		
Employment Expenses	203,684	45,000
		45,000

NOTE 3: DEFERRED EXPLORATION AND EVALUATION EXPENDITURE

Costs carried forward in respect of areas of interest in the following phases:

	Consolidated 31 Dec 2009 \$	Consolidated 30 June 2009 \$
Exploration and evaluation phase – at cost		
Balance at beginning of period	3,228,777	-
Acquired on acquisition of subsidiary	-	253,293
Expenditure incurred	283,776	475,464
Fair value adjustment on consolidation	-	2,500,020
	3,512,553	3,228,777
Expenditure written off	-	-
Total deferred exploration and evaluation expenditure	3,512,553	3,228,777

The recoupment of costs carried forward in relation to areas of interest in the exploration and evaluation phases is dependent upon the successful development and commercial exploitation or sale of the respective areas.

NOTE 4: ISSUED CAPITAL

	Consolidated 31 Dec 2009 \$	Consolidated 30 June 2009 \$
<i>Ordinary shares</i>		
Issued and fully paid	23,640,262	17,428,779
		17,428,779

Notes to the Financial Statements

For the half-year ended 31 December 2009

NOTE 4: ISSUED CAPITAL (CONTINUED)

	No.	\$
<i>Movements in ordinary shares on issue</i>		
At 1 July 2009	768,157,054	17,428,779
Issue of shares upon the conversion of Class A Performance Shares	150,000,000	750,000
Issue of shares in relation to private placement @ \$0.035	140,000,000	4,900,000
Issue of shares on the exercise of options	70,973,168	578,644
Issue of shares under the Executive Share Incentive Plan	99,000,000	-
Issue costs	-	(17,161)
At 31 December 2009	1,228,130,222	23,640,262

	Consolidated 31 Dec 2009 \$	Consolidated 30 June 2009 \$
<i>Performance shares</i>		
Class A	-	750,000
Class B	15	15

	No.	\$
<i>Movements in Class A Performance shares on issue</i>		
At 1 July 2009	1,500	750,000
Conversion to ordinary shares on completion of performance conditions	(1,500)	(750,000)
At 31 December 2009	-	-

<i>Movements in Class B Performance shares on issue</i>		
At 1 July 2009	1,500	15
At 31 December 2009	1,500	15

	Consolidated 31 Dec 2009 \$	Consolidated 30 June 2009 \$
<i>Reserves</i>		
Share Incentive Plan Reserve	63,625	-
Options Reserve	128,110	128,110

	No.	\$
<i>Movements in Share Incentive Plan Reserve</i>		
At 1 July 2009	-	-
Shares Issued under the Plan that vested during the period	2,320,548	63,625
At 31 December 2009	2,320,548	63,625

See note 8 for more information on the Share Incentive Plan Reserve

<i>Movements in Options Reserve</i>		
At 1 July 2009	20,000,000	128,110
At 31 December 2009	20,000,000	128,110

Notes to the Financial Statements

For the half-year ended 31 December 2009

NOTE 5: RELATED PARTY TRANSACTIONS

(a) Other related party transactions

Riverview Corporation Pty Ltd, a company in which Mr John Hannaford has a beneficial interest, was paid director's fees of \$15,000 during the period (2008: \$15,000). As at 31 December 2009, an amount of \$2,500 GST exclusive was owed to Riverview Corporation Pty Ltd.

Kilkenny Enterprises Pty Ltd, a company in which Mr Jim Malone has a beneficial interest, was paid directors' fees of \$12,500 during the period. As at 31 December 2009, there were no amounts owed to Kilkenny Enterprises Pty Ltd.

Ardath Investments Pty Ltd, a company in which Mr Anthony Veitch has a beneficial interest, was paid directors' fees of \$15,000 during the period. As at 31 December 2009, an amount of \$2,500 GST exclusive was owed to Ardath Investments Pty Ltd.

Citadel Capital Pty Ltd, a company of which Mr Anthony Veitch is a director, was paid corporate advisory fees of \$40,500 during the period. As at 31 December 2009, an amount of \$22,500 GST exclusive was owed to Citadel Capital Pty Ltd.

Ventnor Capital Pty Ltd, a company of which Mr John Hannaford is a director, was paid rent, general administration and bookkeeping fees, executive director fees and corporate advisory fees during the period. A summary of the total fees paid or payable to Ventnor Capital Pty Ltd during the period is as follows:

	31 December 2009	31 December 2008
	\$	\$
Rent, general administration and bookkeeping fees	43,281	42,030
Executive Directors fees	30,000	15,000
Corporate advisory fees	11,840	17,850
Brokerage	-	-
Total	85,121	74,880

The total amount of fees due to Ventnor Capital Pty Ltd as at 31 December 2009, and included in trade and other payables was \$13,372.

(b) Terms and Conditions

Transactions with other related parties are made on normal commercial terms and conditions and at market rates. Outstanding balances are unsecured and are repayable in cash.

NOTE 6: INCOME TAX LOSSES

The Company disclosed in its annual financial report for the year ended 30 June 2009 the extent of its income tax losses available at that time.

Notes to the Financial Statements

For the half-year ended 31 December 2009

NOTE 7: SEGMENT REPORTING

Description of segments

The Consolidated Entity's reportable operating segments are as follows:

1. Bauxite Exploration Segment; and
2. All Other Segments, which includes the pearl marketing segment and the corporate and administration segment.

The Consolidated Entity's operating segments have been determined with reference to the information used by the chief operating decision maker to make decisions regarding the Group's operations and the allocation of the Consolidated Entity's working capital. It has been determined that the chief operating decision maker of Atlantic is the Managing Director.

The segments disclosed in the table below have been identified as operating segments that meet any of the following thresholds:

- Segment loss greater than 10% of the combined loss of all loss making operating segments; and
- Segment assets greater than 10% of combined assets of all operating segments.

As each of Atlantic's operating segments operates in the one geographical location, it was therefore not necessary to disclose individual country segments.

Once reportable segments have been identified, all remaining segments that do not satisfy the thresholds are to be aggregated together to form an "All Other Segments" reporting segment. In accordance with AASB 8 Segment Reporting, corporate and administration activities are to be included in the "All Other Segments" reporting segment.

Segment Information

The following table presents the revenue and profit information regarding the segment information provided to the Chief Operating Decision Maker for the half-year period ended 31 December 2009.

Notes to the Financial Statements

For the half-year ended 31 December 2009

NOTE 7: SEGMENT REPORTING (CONTINUED)

	Bauxite Exploration \$	All Other Segments \$	Consolidated \$
31 December 2009			
Segment revenue	-	32,905	32,905
Segment result	-	(504,537)	(504,537)
Unallocated expenses			-
Results from operating activities			(504,537)
Less: discontinued operation			-
Results from continuing operations			(504,537)
Included within segment result:			
Depreciation	-	159	159
Interest revenue	-	32,905	32,905
Segment assets	3,512,553	6,302,286	9,814,839
Segment liabilities	750,006	180,544	930,550
31 December 2008			
Segment revenue	-	26,613	26,613
Segment result	-	(146,703)	(146,703)
Unallocated expenses			-
Results from operating activities			(146,703)
Less: discontinued operation			-
Results from continuing operations			(146,703)
Included within segment result:			
Interest revenue	-	26,613	26,613
30 June 2009			
Segment assets	3,228,777	1,535,243	4,764,020
Segment liabilities	838,728	61,574	900,302

NOTE 8: SHARE BASED PAYMENTS

Atlantic Executive Incentive Share Plan

At the Annual General Meeting held on 27 November 2009, Atlantic shareholders approved the proposed Executive Incentive Share Plan ("EISP" or the "plan").

Under the plan, eligible employees are offered shares in Atlantic at prices determined by the Board. The Board has the ultimate discretion to impose special conditions on the shares issued under the Plan and can grant a loan to a participant for the purposes of subscribing for plan shares. Shares issued under loan facilities are held on trust for the benefit of the participant and will only be transferred into the participants name once the loan has been fully repaid. EISP participants receive all the rights associated with the ordinary shares.

Loans granted to participants are limited recourse and interest free unless otherwise determined by the Board. The loans are to be repaid via the application of any dividends received from the shares and/or the sale of the Plan Shares. Where the loan is repaid by the sale of shares, any remaining surplus on sale is remitted to the participant while any shortfall is borne by the Consolidated Entity.

Under the EISP, the Company issued 99 million shares to Mr Michael Minosora, comprising:

- 33 million shares at 3.3 cents per share which vest after 6 months;
- 33 million shares at 4.0 cents per share which vest after 12 months; and
- 33 million shares at 5.0 cents per share which vest after 18 months.

Notes to the Financial Statements

For the half-year ended 31 December 2009

NOTE 8: SHARE BASED PAYMENTS (CONTINUED)

None of the shares will be tradeable until the EISP shares vest, and then only if the Company's shares have traded above 5 cents each for more than 10 consecutive trading days.

The following table illustrates the number and weighted average price of shares reserved under the EISP on behalf of employees.

	Number of Shares	Weighted average price (\$/share)	Cost \$
Balance as at 1 July 2009	-	-	-
Shares reserved for employees during the period	99,000,000	0.041	4,059,000
Balance as at 31 Dec 2009	99,000,000	0.041	4,059,000

Loans to employees under the EISP are accounted for as share based payments to employees for services provided and expensed over the vesting period of those shares. The fair value of the benefit provided was estimated using the Black & Scholes pricing methodology with the following assumptions.

Model Inputs	EISP Shares (T1)
1. Shares issued:	33,000,000
2. Loan price per share (cents):	3.3
3. Valuation date:	27 November 2009
4. Loan expiry date:	24 December 2014
5. Underlying security spot price at valuation date (cents):	4
6. Expected price volatility of the Company's shares:	80%
7. Expected dividend yield:	0%
8. Risk-free interest rate	4.72%
Black & Scholes Valuation per Share	0.0283

Model Inputs	EISP Shares (T2)
1. Shares issued:	33,000,000
2. Loan price per share (cents):	4
3. Valuation date:	27 November 2009
4. Loan expiry date:	24 December 2014
5. Underlying security spot price at valuation date (cents):	4
6. Expected price volatility of the Company's shares:	80%
7. Expected dividend yield:	0%
8. Risk-free interest rate	4.72%
Black & Scholes Valuation per Share	0.027

Model Inputs	EISP Shares (T3)
1. Shares issued:	33,000,000
2. Loan price per share (cents):	5
3. Valuation date:	27 November 2009
4. Loan expiry date:	24 December 2014
5. Underlying security spot price at valuation date (cents):	4
6. Expected price volatility of the Company's shares:	80%
7. Expected dividend yield:	0%
8. Risk-free interest rate	4.72%
Black & Scholes Valuation per Share	0.0254

Notes to the Financial Statements

For the half-year ended 31 December 2009

NOTE 9: CONTINGENT LIABILITIES

There has been no change in contingent liabilities since the last annual reporting date.

NOTE 10: EVENTS SUBSEQUENT TO REPORTING DATE

During the period, the Board adopted a new strategy to focus on opportunities in the resources sector. As part of this change in strategy, the Company must comply with Chapters 1 and 2 of the ASX Listing Rules and will be required to lodge a notice of meeting to seek shareholder approval for the proposed change in nature and scale of activities. The Company will also be required to lodge a prospectus disclosing detailed information in relation to the Company's activities.

Other than as stated above, the Company is not aware of any material matter or circumstance subsequent to the reporting date that would materially affect the Company.

Directors' declaration

In the Directors' opinion:

1. The financial statements and notes, as set out on pages 6 - 19:
 - a. comply with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations; and
 - b. give a true and fair view of the Consolidated Entity's financial position as at 31 December 2009 and of its performance for the half year ended on that date.
2. In the Directors' opinion there are reasonable grounds to believe that the Consolidated Entity will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.



Michael Minosora

Managing Director

Dated this 26th day of February 2010

INDEPENDENT AUDITOR'S REVIEW REPORT

**To the members of
ATLANTIC LIMITED**

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report, which comprises the condensed statement of financial position as at 31 December 2009, the condensed statement of comprehensive income, condensed statement of changes in equity, condensed statement of cash flows and notes to the financial statements for the half-year ended on that date, and the directors' declaration, of Atlantic Limited and the entities it controlled during the half-year ended 31 December 2009 ("consolidated entity").

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation and fair presentation of the half-year financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the half-year financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of Interim and Other Financial Reports Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001*, including giving a true and fair view of the consolidated entity's financial position as at 31 December 2009 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Atlantic Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half year financial report of Atlantic Limited is not in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2009 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Significant Uncertainty Regarding Tenure of Exploration and Evaluation Assets

Without further qualification to the conclusion expressed above, we draw attention to Note 1(c) to the financial statements, which states that the consolidated entity's rights to tenure of the bauxite project located in the Bao Loc district of Lam Dong province in Vietnam is dependent on continued support by the Vietnamese authorities. If this support was withdrawn, there would be significant uncertainty as to the carrying value of the exploration and evaluation expenditure recorded at 31 December 2009.

HLB Mann Judd

HLB MANN JUDD
Chartered Accountants

L Digiallonardo

Perth, Western Australia
26 February 2010

L DIGIALLONARDO
Partner