

6 December 2010

WINDIMURRA GRADE CONTROL AND EXPLORATION DRILLING COMMENCES

Atlantic Ltd (ASX: ATI, **Atlantic**) is pleased to advise that a grade control and exploration drilling programme has commenced at its 100%-owned Windimurra Vanadium Project in Western Australia.

The objective of the grade control drilling programme is to allow detailed geological and grade delineation during the first four years of ore production and to extend the indicated mineral resource base at depth.

The work to extend the indicated mineral resource base at depth will potentially lead to extensions to the project's world-class JORC-compliant resource base of 176.59 million tonnes at 0.46% V₂O₅ (refer to table below).

The grade control drilling will also allow the practical application of potential selective mining and high grading strategies in the first four years of production.

Any proven application of these strategies is expected to lead to further improvements in the underlying economics of the project via updated mine planning prior to first production in mid-2011.

Midwest Vanadium Pty Ltd (**MVPL**), the 100% owner of the Windimurra Vanadium Project, also holds exploration tenements to the south of the existing vanadium reserves that are highly prospective for extensions to the resources of the project.

These potential extensions have been identified via high resolution aeromagnetics, however there has been limited exploration activity on these tenements to date.

A first pass drilling program will be undertaken on lines across the most prospective areas to evaluate underlying geological controls and regional prospectivity.

MVPL plans to systematically explore these extensions over a period of three years to evaluate the potential for the development of high grade vanadium satellite pits to further optimise the utilisation of the processing and production facility at Windimurra. The current drilling programme is expected to continue through until the end of the first quarter of 2011.

Based on independent market analysis and forecast long-term exchange rates, steady state production from Windimurra is expected to be in the lowest quartile of the global vanadium industry cost curve.

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For further details please contact:

Michael Minosora
 Managing Director
 Atlantic Ltd
 Ph: + 61 8 6141 7100

John McGlue
 FD
 Ph: +61 8 9386 1233
 Mob: + 61 417 926 915

About Atlantic Ltd

Atlantic is committed to building a diversified portfolio of world class resources projects that will provide superior returns to shareholders.

Atlantic combines its strong financing capability with a highly disciplined and innovative approach to acquire resources projects that are low cost, long life and near production.

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

Windimurra Vanadium Project - Mineral Resources

	Tonnes (mt)	V ₂ O ₅ (%)
Measured	46.68	0.48
Indicated	70.73	0.47
Inferred	59.18	0.44
Total	176.59	0.46

Grades reported to a lower cut-off of 0.275% V₂O₅

Windimurra Vanadium Project - Mineral Reserves

	Tonnes (mt)	V ₂ O ₅ %
Proven	40.7	0.47
Probable	57.1	0.47
Total	97.8	0.47
	Waste (mt)	Strip Ratio
	58.4	0.60

Grades reported to a lower cut-off of 0.275% V₂O₅

Competent Person Statement

The information in this report relating to exploration activities and mineral resources is based on information compiled by Colin J.S Arthur, who is a Chartered Geologist, Member of The Australasian Institute of Mining and Metallurgy and Fellow of the Geology Society of London. Mr Arthur is a full-time employee of Midwest Vanadium Pty Ltd in the capacity of Chief Geologist.

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Mr Arthur has over twenty years experience in this style of mineralisation and the type of deposit under consideration and related mining method and project evaluation. He has sufficient experience which is relevant to the style of mineralisation and to the activity which he has undertaken. He is therefore qualified 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 Arthur consents to the inclusion of this report in the form and context in which it appears.

The information in this report relating to ore reserves has been compiled under the guidance of Quinton de Klerk, Director and Principal Consultant at Cube Consulting Pty Ltd (CUBE). Mr de Klerk is a Member of the Australasian Institute of Mining and Metallurgy and has sufficient experience which is relevant to the activity which he is reporting on 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 de Klerk consents to the inclusion in this report of the matters based on the information compiled by him, in the form and context in which it appears.

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