

4 April 2011

Company Announcements Platform  
Australian Stock Exchange

**INVESTOR PRESENTATION**

Please find attached a presentation which will be made to investors during this week.

Yours sincerely



**YASMIN BROUGHTON**  
Company Secretary

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# Building a World Class Resources Group

Investor Presentation

April 2011

[www.atlanticltd.com.au](http://www.atlanticltd.com.au)

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Atlantic corporate overview

Midwest Vanadium – Windimurra overview

Vanadium industry dynamics

Finance

Vietnam and other projects

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# Atlantic's vision

*Our vision is to build a world class natural resources group that will drive capital growth and deliver superior returns to shareholders*

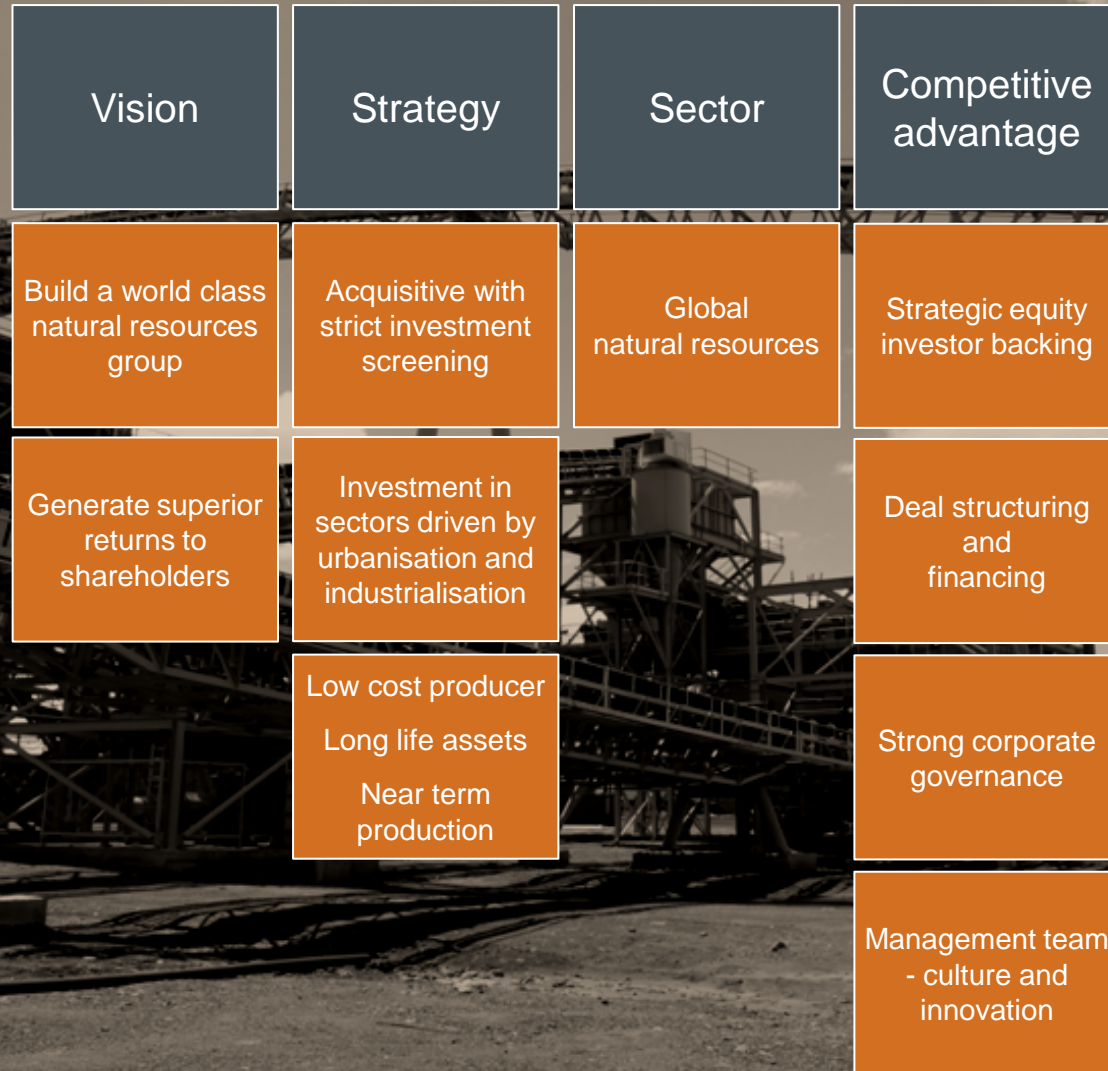


Michael Minosora  
Managing Director

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# Atlantic's identity

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# Atlantic senior executives and Midwest Vanadium key operations management



**Mr Michael Minosora – Managing Director**  
*BBus, MBA, CA*  
 Former: CFO at Fortescue Metals Group (FMG), Managing Partner at Azure Capital and Managing Partner at Ernst & Young



**Mr Tony Veitch – Executive Director**  
*BCom, MBA*  
 Former: Senior Executive of Corporate Projects at LSE, Executive Director at Citadel Capital and worked at the ASX



**Mr Michael Marriott – Chief Executive Officer Midwest Vanadium**  
*Dip. Metalliferous Mining, MDP Anglo American, GAICD*  
 Former: CEO and COO of Consolidated Minerals, Senior Executive at: DRDGold, Lonmin, Ashanti Goldfields, Cluff Resources, Anglo American



**Mr Philip Baillie – General Manager Operations**  
*BSc Metallurgy*  
 Former: GM Operations at Onslow Salt, GM at Radio Hill copper and nickel, Manager at Higginsville Gold Mine and Development Metallurgist at Resolute



**Mr Colin Arthur – Chief Geologist**  
*MSc, CGeol, FGS, MAusIMM*  
 Former: Chief Mine Geologist at Minjar Gold, Chief Mine Geologist at Windimurra Vanadium, Senior Mine Geologist at Wodgina

Michael Marriott  
 CEO Midwest Vanadium

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# Windimurra vanadium project

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# Windimurra project ownership structure

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Atlantic won a competitive tender for Windimurra with 55 bid participants

ASX listed (ATI)

Parent Guarantor

Fully funded Project issuer of US\$335 million notes

Strong equity backing with 3 cornerstone investors

**Atlantic Limited**

100%

**Atlantic Vanadium Holdings Pty Ltd ("AVHPL")**

100%

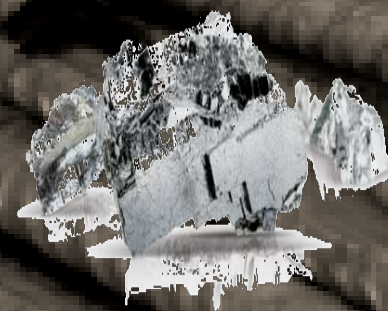
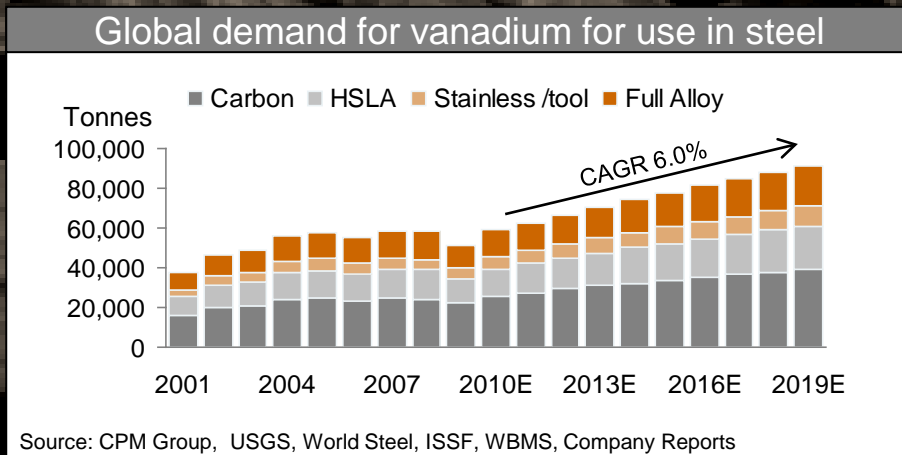
**Midwest Vanadium Pty Ltd ("MVPL")**  
**Windimurra Vanadium Project**

Ian McMaster  
Atlantic Chairman

# Vanadium and its uses

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- A micro-alloying additive or hardening agent in the production of high-strength steels
- Used in rebar, reinforcing mesh, girders, pipelines and ships
- Demand is driven strongly by developing nations which are switching to higher grade rebar used in construction
- Construction rebuild following recent earthquakes expected to further drive vanadium demand
- Developing market for vanadium in next generation batteries

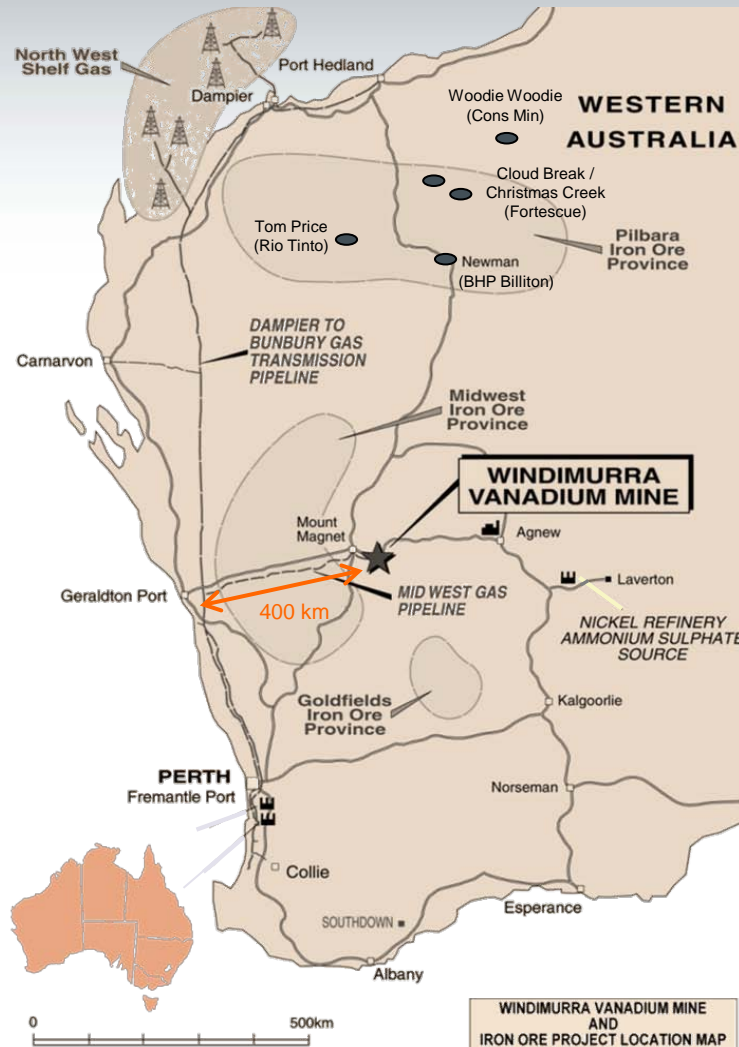


Ferrovanadium crushed into pieces for shipping following production

Vanadium used to strengthen rebar in construction

# Windimurra project highlights

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- Only Australian vanadium producer and significant contributor to Midwest economy
- World class vanadium deposit with 24+ year mine life with grade enhancement and expansion potential
- Fully funded project construction with completion well underway (80m CAPEX to spend)
- Low operating cost – in bottom quartile of global industry cost curve
- Energy supply with dedicated gas pipeline
- Cash flow positive shortly after commencement of production

# Windimurra project history

## 1998 to 2003

### Windimurra Vanadium and Xstrata JV

- Proved that process flow worked and technical operating issues identified
- 7.2 million tonnes of ore processed, 13,000 tonnes of vanadium pentoxide produced
- Plant partially de-commissioned by Xstrata

## 2005 to 2009

### Windimurra Vanadium and Noble (MVPL) JV

- Substantial capital injected to restart the project
- Enhancements and optimisations undertaken including process flows
- Plant configuration modified to produce ferrovanadium



## 2010 to current

### Atlantic Limited

- Atlantic secured 100% of Windimurra in late 2010 through a competitive process involving 55 bidders
- Project fully funded with US\$335 million note



# Windimurra is a developed mine on existing vanadium ore reserve with expansion opportunity

- Long 24+ year mine life
- Low strip ratio 0.6 : 1
- Fully developed mine

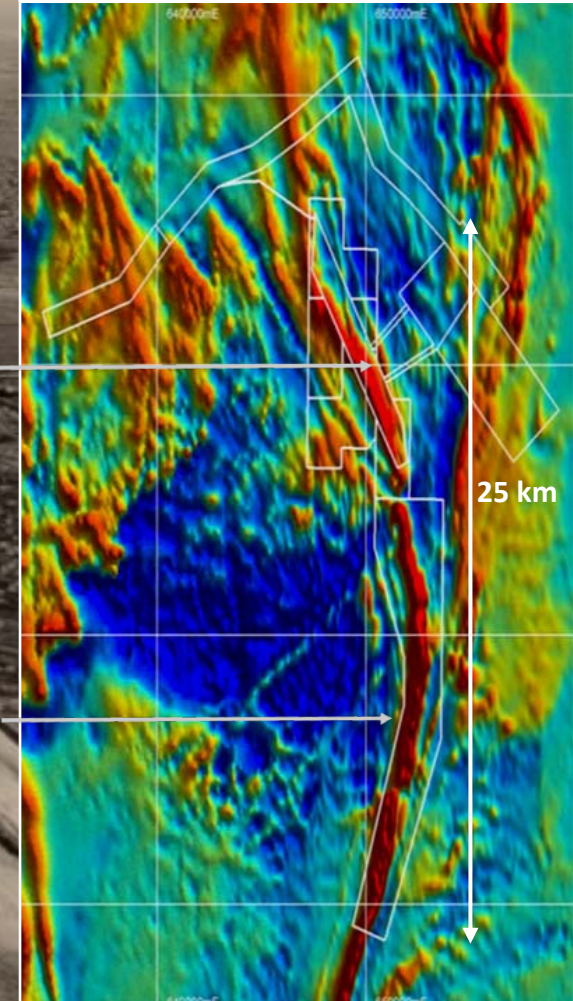
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Current pit and mining leases

Southern tenements currently under exploration

**Magnetic signature of extending mineralisation**



# Windimurra resources and reserves

- 19% resource upgrade recently announced
- Reserve update imminent
- Selective mining strategy under development
- Further exploration drilling of southern tenements along 21km of additional mineralisation strike underway

Colin Arthur  
Chief Geologist

	December 2008				February 2011			
	Tonnes (Mt)	V <sub>2</sub> O <sub>5</sub> %	Tonnes (V)	V%	Tonnes (Mt)	V <sub>2</sub> O <sub>5</sub> %	Tonnes (V)	V%
<b>RESOURCES</b>								
Measured	46.68	0.48	126,000	0.27	49.90	0.46	124,700	0.25
Indicated	70.73	0.47	183,000	0.26	100.28	0.47	260,700	0.26
Inferred	59.18	0.44	148,000	0.25	59.79	0.48	161,400	0.27
<b>TOTAL</b>	<b>176.59</b>	<b>0.46</b>	<b>457,900</b>	<b>0.26</b>	<b>209.97</b>	<b>0.47</b>	<b>546,800</b>	<b>0.26</b>
<b>RESERVES</b>								
Probable	57.1	0.47	148,500	0.26	-	-	-	-
Proven	40.7	0.47	105,800	0.26	-	-	-	-
<b>TOTAL</b>	<b>97.8</b>	<b>0.47</b>	<b>243,300</b>	<b>0.26</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Reserve update imminent

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# Windimurra construction well under way

- Significant work already undertaken towards completion with high degree of confidence in construction cost
- ~\$80m CAPEX budget with 25% contingency factored on top
- Leading project management service provider PinC Group in conjunction with Mine Power, EC&M and Kerman Contracting to complete the project



# Windimurra iron ore

- Marketing agents (Tennant Metals and Cotrading) appointed to market the Project's iron ore fines by-products
- Options identified for marketing of iron ore fines stockpile
- Iron ore fines trial cargoes being sent to customers
- Examining market potential within existing mine plan for monetisation of high titano-iron ore as direct ship ore (DSO) product



Iron fines stockpile  
1.8 million tonnes

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# Windimurra achievements since project acquisition – September 2010

- Project fully funded with US\$335m notes
- Project team contracted and mobilised (PinC, EC&M, Minepower, Kerman Contracting)
- Camp successfully deployed and expanded
- Power generation acquired
- Gas transmission activated to site
- Gas supply agreements locked in
- Crushing, milling and beneficiation (CMB) plant acquired
- Crusher test run completed
- Key soda ash reagent procurement agreement signed
- Secured ferrovanadium off-take and marketing agreements
- Iron ore marketing agents appointed (Cotrading, Tennant Metals) and product testing underway
- 19% resource upgrade announced at cost of A\$460,000
- Project enhancements identified and under consideration
- Further exploration currently taking place on southern tenements

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# Windimurra development initiatives under consideration

- Salt recovery plant resulting in key reagent recovery delivering cost savings with added environmental benefits
- Further exploration of southern tenement holding
- Vanadium pentoxide circuit to supply attractive niche markets
- Leaching optimisation
- Efficiency improvements

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# Vanadium price outlook

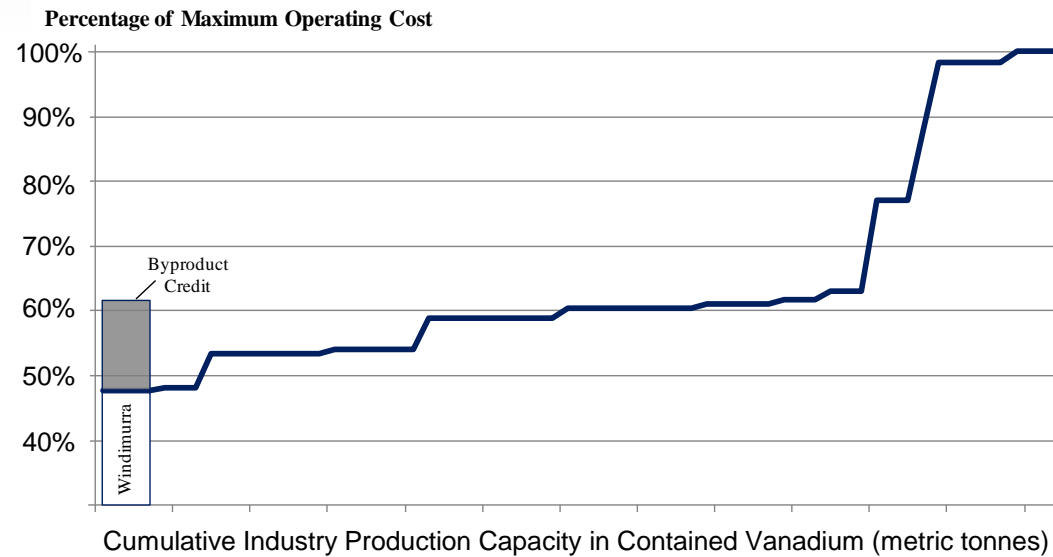
- Current ferrovanadium pricing ~31 US\$/kg, well above expected cash operating cost of sub 15 US\$/kg, inclusive of by-product credit
- 10 year vanadium price movement of ~4x looks under appreciated compared to iron ore price movement of ~7x
- US currently considering Russian vanadium anti-dumping case with Australian vanadium imports an obvious alternative given FTA

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# Vanadium cost curve

Windimurra's long-term cash costs are expected to be sub US\$15 per kg (inclusive of by-product credit)

Estimated Long-Term Average Vanadium Operating Costs



Note 1 & 2 in the Appendix on slide 24.

Source: CPM Group "Vanadium Market Outlook," October 2010.

Reference to CPM Group chart is not for reproduction without written CPM Group consent.

# Finance

- Conservatively budgeted debt and cash flow
- Natural hedge with US\$ revenue and US\$ debt
- Secure revenue streams through floor price in vanadium marketing agreements
- Rated debt by S&P and Moody's at B- / B3 / stable, verifying the Project's risk and return relationship

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# Windimurra next steps

- Plant commissioning (dry, wet, process) from May onwards, kiln in July
- Deliver reserve update
- Implement selective mining strategy in time for plant commissioning leading to an increase in vanadium production and operating cost reduction
- Port services agreement by mid-year (Fremantle and Geraldton)
- Optimise ferrovanadium marketing together with Wengfu and Element to achieve maximum sales revenue
- First vanadium production in calendar Q3 2011
- Continue selective development and implementation of upside initiatives at Windimurra

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# Vietnam and other projects

- Vietnam Bao Loc Bauxite mine and integrated aluminium supply chain project being actively pursued
- Recent visits by Atlantic management resulted in renewed constructive dialogue following Vietnamese Government 11<sup>th</sup> National Party Congress in January
- Atlantic business development team progressing further project opportunities in natural resources sector



Tony Veitch  
Executive Director

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ASX codes	ATI – ordinary shares ATIO – listed options
Ordinary shares	113 million
Market capitalisation	\$214 million
Index	S&P/ASX All Ordinaries

\* Per 31 March 2011



# Appendix

## Industry Cost Curve

### Note 1:

Production capacity for slag, vanadium pentoxide, and/or ferrovanadium is converted into contained vanadium units. Production cost estimates are reported in kilograms of vanadium on a pro-rata basis. Cost curve is in ferrovanadium equivalent where the underlying costs and capacity may be vanadium pentoxide ( $V_2O_5$ ). 'Other China' may not include all small-scale mines and vanadium facilities. Other ferroalloy converters source their raw materials from vanadium producers and therefore may result in double counting of production. Long-term cost estimates are derived by applying a 4% premium to CPM's 2010 cost estimates. This escalator was derived using long-term projections for key components of the vanadium production process. Green indicates probable projects included in CPM's base case scenario. The Project's costs reported for first seven years of production. Maracas costs reported for first eight years of production.

### Note 2:

Detailed production costs for vanadium producers are not reported. The cost structures of existing producers, even those that are publically traded, are concealed for a variety of commercial, logistical, and regulatory reasons. CPM has estimated average pro-rata vanadium production costs for existing operations through a combination of on-the-ground information gathering, in-depth analysis of relative production economics, and financial modelling of public data. Estimates for individual projects lack precision and undue reliance should not be placed on them. The cost curve has been adjusted for ore grades, manufacturing processes, and other input factors that affect the cost structure. For by-product producers that produce iron ore, steel, vanadium, etc operating costs have been allocated across all commodities in proportion to their value. In CPM's view, these pro-rata estimates without by-product credits allow for proper comparison of production economics across the different types of vanadium operations in the cost curve.

## Competent Person's Consent Statement

The information in this presentation that relates to Ore Reserves is based on information compiled by Quinton de Klerk who is a Member of The Australasian Institute of Mining and Metallurgy. Mr de Klerk is a Director and Principal of Cube Consulting Pty Ltd (CUBE).

Mr de Klerk has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity that 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 de Klerk consents to the inclusion in this presentation of the matters based on his information in the form and context in which it appears.

The information in this presentation that relates to Exploration Results and Mineral Resources is based on information compiled by Colin J.S. Arthur who is a 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 MVPL.

Mr Arthur has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity that 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 Arthur consents to the inclusion in this presentation of the matters based on his information in the form and context in which it appears.