

19 September 2011

WINDIMURRA VANADIUM PROJECT UPDATE

Atlantic Ltd (ASX: ATI, **Atlantic**) is pleased to announce that construction of its Windimurra vanadium project is largely complete and that process commissioning is well underway, with first production in October.

Atlantic has made significant advances with commissioning three major areas of the plant: the crushing, milling and beneficiation (**CMB**) circuit, the 102 metre rotary kiln, which has been test fired, and the ferrovanadium electric arc furnace which has been successfully load tested.

Atlantic Managing Director Michael Minosora said this is a pleasing result given that the company only acquired the project last September and secured project funding only this year.

During commissioning, modifications have been identified, in particular with the CMB circuit, to ensure availability of magnetite concentrate to the kiln. A decision has been made to carry out these modifications immediately, primarily using Atlantic's own personnel at an estimated cost of \$250,000. These works will result in first production in October. Atlantic had previously expected first production in September.

Mr Minosora said it was cost effective to undertake the modification works prior to further commissioning of the CMB circuit while cranes and other construction equipment are on site. Commissioning of other areas of the plant will continue.

In parallel to the facility coming into production, Atlantic has received very strong interest from potential customers for its planned ferrovanadium output, reflecting market enthusiasm for a quality new supplier, and uncertainty around the security of traditional sources of ferrovanadium supply and expected demand increases.

Atlantic has also received strong expressions of interest for the supply of premium grade vanadium pentoxide, particularly from the master alloy industry, and for vanadium trioxide, an intermediate product produced at Windimurra. As advised previously, Atlantic is giving serious consideration to installing a vanadium pentoxide circuit at Windimurra in the near term.

Atlantic has received further expressions of interest for its iron ore products. Shipping is expected to commence in the near term, following finalisation of the full mine to port logistics chain as a result of a recent new competitive tender process.

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For further details please contact:

Michael Minosora
Managing Director
Atlantic Ltd
Ph: + 61 8 6141 7115

Glen Zurcher
Investor Relations
Atlantic Ltd
Ph: +61 8 6141 7215

About Atlantic

Atlantic is committed to building a diversified portfolio of world class resources assets 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.

Atlantic subsidiary Midwest Vanadium Pty Ltd owns 100% of the Windimurra vanadium project, located approximately 600 kilometres north of Perth in Western Australia. Windimurra hosts one of the largest proven vanadium reserves in the world.

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

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