

19 February 2014

### **ATLANTIC LTD – NEW \$32.6 MILLION FUNDING FACILITY**

Atlantic Ltd (ASX: ATI) (**Atlantic** or the **Company**) is pleased to advise that its wholly-owned subsidiary Midwest Vanadium Pty Ltd (**MVPL**) has received notification that a majority of the holders of MVPL's senior secured notes (**Notes**) have agreed to a new \$32.6 million funding facility to be provided by the Company's largest shareholder Droxford International Limited (**Droxford**).

The new funding is to be provided to MVPL as pari passu senior secured debt.

Under the new financing proposal, an amount of \$3.6 million is expected to be released to MVPL in the very near term to allow it to meet immediate commitments.

The new financing proposal will also involve a standstill on MVPL's interest reserve account and interest payment obligations under the Notes until at least August 2014.

This funding and standstill arrangement will provide a sound basis for the Company to work through the insurance claim as a result of the major fire at its Windimurra operation on 4 February.

The Company previously advised that its estimates of the combined material damage and business interruption components of the insurance claim are in the order of \$100 million. The estimate is highly sensitive to the period of the disruption due to the business interruption component of the insurance claim.

Atlantic and MVPL are now working through the necessary documentation with the note holder group and Droxford to implement the full \$32.6 million funding facility.

The Company requests that the voluntary suspension in the trading of its securities remain in place until it is in a position to provide more definitive details about the matters outlined above.

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