

19 April 2016

**SETTLEMENT OF INSURANCE CLAIM WITH MAJORITY INSURERS**

Atlantic Ltd (ASX: ATI) (**Atlantic** or the **Company**) is pleased to announce that it has entered into a binding settlement deed with a group of insurers representing 77.5% of the insurance programme (**Majority Insurers**) covering the major fire in the beneficiation plant at the Windimurra project on 4 February 2014.

At the time of the fire, Atlantic controlled Midwest Vanadium Pty Ltd (Receivers and Managers Appointed)(Subject to Deed of Company Arrangement) (**MVPL**), and both Atlantic and MVPL were covered by a comprehensive industrial special risks policy that covered the material damage to the beneficiation plant owned by MVPL and the resulting business interruption for Atlantic and MVPL.

The settlement deed has also been entered into by the Receivers and Managers of MVPL.

Under the settlement deed with the Majority Insurers, Atlantic has agreed to settle its business interruption claim for \$44.5 million on a 100% basis.

Of this amount, Atlantic has previously been paid \$23.95 million (100% basis). As a result, the net payment due to Atlantic is \$20.55 million on a 100% basis.

Given the settlement deed has only been entered into with the Majority Insurers, this settlement will result in Atlantic receiving approximately \$15.9 million within 14 days.

Atlantic, in consultation with the Receivers and Managers of MVPL, is currently considering all its options in relation to its outstanding business interruption insurance claim covered by the insurers representing the remaining 22.5% of the insurance programme.

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