



Presentation to Annual General Meeting

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Overview of Significant Events

- ❑ Vanadium production ramp up underway during second half of 2013
- ❑ Major fire in beneficiation plant on 4 February 2014
- ❑ Default on senior secured notes issued by Midwest Vanadium Pty Ltd (**MVPL**)
- ❑ Restructuring discussions with note holders ceased on 11 February 2015
- ❑ Administrators appointed to MVPL and AVHPL and then Receivers and Managers appointed by note holders to both companies
- ❑ Atlantic entered into forbearance agreement with Droxford
- ❑ New agreement with Receivers and Managers to acquire Windimurra project assets
- ❑ Scheme of arrangement proposal from Droxford announced on 8 April 2016
- ❑ Settlement of insurance claim with Majority Insurers for A\$15.9 million in April 2016

Windimurra Project

Terms

- Atlantic has paid \$1 million refundable deposit to Receivers and Managers of MVPL
- If all conditions satisfied, Atlantic pays A\$250,000 cash for all of the assets of the Windimurra vanadium and iron ore project
 - ✓ All mining and exploration leases containing resources and reserves
 - ✓ All plant and equipment
 - ✓ Related operating consents and approvals

Transaction Update

- FIRB approval secured
- Ministerial consent for transfer of mining and other licences received, subject to standard conditions
- Transaction on track for closing Q2 2016



Windimurra Project



Major processing facility in place with over \$560 million of investment to date

Windimurra – The Way Forward

Project Strategy

- Significant plant and equipment in place
 - ✓ Long term care and maintenance plan to be implemented
- Reserves and resources
 - ✓ Further geometallurgical test work planned to improve knowledge of ore body
- Process and cost optimisation work
 - ✓ Use test work results to optimise process flow sheet
 - ✓ Commence discussions regarding potential cost improvements
- Prepare redevelopment plan for when vanadium market conditions support project development

Corporate

Insurance

- Major fire in February 2014 covered for material damage (MVPL) and business interruption (Atlantic and MVPL)
- Atlantic business interruption claim settled for A\$15.9 million with 77.5% of insurers and funds now received
- Options for remaining 22.5% of insurance claim now being assessed

Atlantic Scheme of Arrangement

- Droxford proposal received – offer of 0.3 cents per Atlantic share
- Scheme booklet, including independent expert's report now with ASIC for approval
- Transaction subject to shareholder and court approval
- Droxford has indicated to Board that if the scheme is not approved by shareholders, they intend to pursue recovery of the amounts owed to them