

22 December 2014

EXTENSION OF FORBEARANCE PERIOD

Atlantic Ltd (ASX: ATI) (**Atlantic** or the **Company**) is pleased to announce that the Company and its wholly-owned subsidiary Midwest Vanadium Pty Ltd (**MVPL**) have entered into a new forbearance and support agreement with a majority of the holders of MVPL's senior secured notes to extend until 16 January 2015 the existing standstill arrangements that ended on 15 December 2014.

In conjunction with this forbearance agreement, MVPL has also agreed related amendments to the existing \$29.7 million secured loan facility agreement with Atlantic's largest shareholder Droxford International Limited (**Droxford**) to extend the maturity date of that facility until 16 January 2015.

Under the forbearance agreement, the senior secured note holders have agreed to continue until 16 January 2015 the existing standstill arrangements in relation to MVPL's failure to deposit funds in its interest reserve account and pay the February and August interest payments on its senior secured notes.

The forbearance is subject to, among other things, there being no further events of default under MVPL's indenture or the Droxford facility during the term of the forbearance agreement.

Under the forbearance agreement, the note holders agree with MVPL to use their good faith efforts during the forbearance period to negotiate and execute a definitive agreement among MVPL and the supporting note holders to effect a solvent restructuring of MVPL.

These arrangements provide further time for the Company to continue discussions with its stakeholders regarding the additional funding required to implement the Company's new business plan as well as an appropriate longer term capital structure for the business.

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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