

Minerals Income Investment Fund of Ghana Invests US\$32.9m

Ghana's Minerals Income Investment Fund agrees to invest US\$32.9 million in Atlantic Lithium and its Cape Coast Lithium Portfolio subsidiaries in Ghana to support the development of the Ewoyaa Lithium Project

Atlantic Lithium Limited (AIM: ALL, ASX: A11, OTCQX: ALLIF, "Atlantic Lithium" or the "Company"), the African-focused lithium exploration and development company targeting to deliver Ghana's first lithium mine, is pleased to announce that it has agreed non-binding Heads of Terms with the Minerals Income Investment Fund of Ghana ("MIIF") to invest a total of US\$32.9 million (A\$51.4m / £26.3m) in the Company and its Ghanaian subsidiaries ("Strategic Investment"). MIIF's proposed investment will support the development of the Company's flagship Ewoyaa Lithium Project ("Ewoyaa" or the "Project") and the broader Cape Coast Lithium Portfolio in Ghana ("Ghana Portfolio") towards production.

Highlights

- Minerals Income Investment Fund of Ghana to invest a total of US\$32.9m (A\$51.4m / £26.3m) in the Company and its Ghanaian subsidiaries to support the development of the Ewoyaa Lithium Project and broader Cape Coast Lithium Portfolio in Ghana.
- MIIF to invest US\$27.9m (A\$43.6m / £22.3m) in the Company's Ghanaian subsidiaries to acquire a 6% contributing interest in the Company's Ghana Portfolio, inclusive of the Ewoyaa Lithium Project. The contributing interest will take the form of funding of development, exploration and studies expenditure.
- MIIF to subscribe for 19,245,574 Atlantic Lithium shares ("Subscription") at a price of US\$0.2598 (A\$0.41 / £0.21) per share, for a value of US\$5m (A\$7.8m / £4m), to be held in escrow, equating to 3.05% of the total issued share capital of the Company.
- Under the non-binding terms of the Strategic Investment, MIIF will be **i)** entitled to nominate one person to each of the boards of the Company's Ghanaian subsidiaries **ii)** invited to participate in the near-term competitive process for Ewoyaa's available off-take and **iii)** granted one warrant for every two Atlantic Lithium shares subscribed for under the Subscription at a 40% premium to the Subscription price.
- MIIF's Strategic Investment further aligns the Company and its spodumene concentrate production ambitions at Ewoyaa and its Ghana portfolio with its Ghanaian shareholders.
- The Strategic Investment highlights the desirability of the Ewoyaa Lithium Project, derisks the success of the Project and sees MIIF contribute towards the development expenditure for the Project.
- The Strategic Investment is a major endorsement by an African sovereign wealth fund and spotlights Ghana as a highly attractive mining jurisdiction and a pioneer in the decarbonisation thematic.

Shareholders should note that, at this stage, the agreement is non-binding and, therefore, there can be no certainty that the proposed Strategic Investment by MIIF will be concluded or on what terms it might be concluded.

Commenting, Neil Herbert, Executive Chairman of Atlantic Lithium, said:

"At this important stage in the Project's development, as we advance towards first production, we are delighted that the Minerals Income Investment Fund of Ghana has agreed to invest US\$32.9 million in the Company to support of Atlantic Lithium's flagship Ewoyaa Lithium Project and broader lithium portfolio in Ghana. We strongly welcome MIIF's ongoing support as a key shareholder.

"MIIF's investment, at both the listed company level and via Atlantic Lithium's Ghanaian subsidiaries, represents a huge endorsement of the Company's work to date and its belief in Atlantic Lithium to establish Ghana as a major producer of spodumene concentrate.

"We consider Ewoyaa as a Ghanaian project for Ghanaians. Having MIIF as a shareholder not only de-risks the Project from a funding perspective but, equally importantly, further aligns the Company with the best interests of its Ghanaian stakeholders, who we are proud to represent.

"Furthermore, an investment by Ghana's sovereign wealth fund demonstrates the Government of Ghana's conviction in the Project, showcasing its intent to support the critical minerals agenda and position the country as a leading mining investment jurisdiction in Africa. In Ewoyaa, Ghana has a new pillar in its diversified minerals offering, further developing its esteemed mining credentials, which date back over a century.

"MIIF's investment in the Company's Ghanaian subsidiaries will be used towards ongoing development, exploration and study expenditure across Ewoyaa and the Company's broader portfolio. MIIF's contributions will significantly derisk the success of the Project. In this way, we feel MIIF will share ownership in Ghana's efforts to drive the country's position in the global EV supply chain."

Edward Nana Yaw Koranteng, Chief Executive Officer of MIIF, added:

"The Minerals Income Investment Fund of Ghana is a minerals sovereign wealth fund with an underlying objective of supporting the growth of mining in Ghana and providing a de-risking option for investors in the mining space in Ghana. The investment in Atlantic Lithium underscores this underlying objective and is indeed a watershed moment as this is our first investment in the lithium space globally. The Ewoyaa project is world class, with huge prospects in the other tenements under Atlantic Lithium.

"The acquisition of a 6% contributing interest in the Company's Ghanaian subsidiaries will support the funding of ongoing capital and exploration expenditure requirements across Ewoyaa and the broader Atlantic Lithium portfolio. This is just our initial investment in Atlantic Lithium and its Ghanaian subsidiaries. We hope to later invest in the value chain and the development of other by-products, such as feldspar, in line with the Government of Ghana's critical minerals policy.

"Our investment highlights Ghana as arguably the best mining investment destination in Africa in view of the options MIIF provides to investors. For us at MIIF, this is the start of a partnership with Atlantic Lithium beyond Ghana. We are confident that this initial investment will enhance and accelerate Ghana's efforts as an African critical minerals hub and to establish the country's position in the global EV supply chain."

Strategic Investment

The Minerals Income Investment Fund of Ghana ("MIIF") has agreed to invest a total of US\$32.9 million (A\$51.4m / £26.3m) in the Company ("Strategic Investment") to support the development of the Company's flagship Ewoyaa Lithium Project ("Ewoyaa" or the "Project") and broader Cape Coast Lithium Portfolio in Ghana ("Ghana Portfolio") towards production.

Under the non-binding Heads of Terms agreed, MIIF will invest in the Company's Ghanaian subsidiaries Barari DV Ghana Ltd, Green Metals Resources Limited, Moda Minerals Limited and Joy Transporters Ltd, which hold the Company's lithium tenements. MIIF will acquire a 6% contributing interest of the Ghana Portfolio for a total consideration of US\$27.9 million (A\$43.6m / £22.3m), payable on completion of the Strategic Investment.

The contributing interest will take the form of funding of development, exploration and studies expenditure incurred via monthly cash calls.

MIIF has agreed to subscribe for 19,245,574 Atlantic Lithium shares ("Subscription") at a price of US\$0.2598 (A\$0.41 / £0.21) per share, for a value of US\$5 million (A\$7.8m / £4m), to be held in escrow, equating to 3.05% of the total issued share capital of the Company.

In line with the subscription, MIIF agrees not to sell any of the Atlantic Lithium Shares for:

- (1) in respect of 6.5 million Atlantic Lithium Shares, 24 months from the date of issue;
- (2) in respect of 6.5 million Atlantic Lithium Shares, 36 months from the date of issue;
- (3) in respect of 6,245,574 Atlantic Lithium Shares, 48 months from the date of issue.

The Company will be granted the right to buy back MIIF's interest in the Company's Ghanaian subsidiaries if MIIF notifies of its interest to sell.

MIIF will also be granted one warrant for every two Atlantic Lithium shares at a price of US\$0.3637, which will expire after a period of 18 months. Any shares issued on the exercise of the warrants will be escrowed for two years.

Under the terms of the Strategic Investment, MIIF will be entitled to nominate one person to be a director of each of the Company's Ghana Portfolio subsidiaries.

MIIF will also be invited to participate in the near-term competitive process for Ewoyaa's available off-take, expected to commence imminently.

The exchange rates used in the announcement are as follows:

USD-GBP: 0.80

AUD to USD: 0.64

For any further information, please contact:

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Notes to Editors:

About Atlantic Lithium

www.atlanticlithium.com.au

Atlantic Lithium is an AIM and ASX-listed lithium company advancing a portfolio of lithium projects in Ghana and Côte d'Ivoire through to production.

The Company's flagship project, the Ewoyaa Project in Ghana, is a significant lithium spodumene pegmatite discovery on track to become Ghana's first lithium-producing mine. The Company signed a funding agreement with Piedmont Lithium Inc. towards the development of the Ewoyaa Project. At the Ewoyaa Project, Atlantic Lithium intends to be producing spodumene concentrate via a simple gravity only process flowsheet.

Atlantic Lithium holds 560km² and 774km² of tenure across Ghana and Côte d'Ivoire respectively, comprising significantly under-explored, highly prospective licences.