

A\$7 million Equity Placing to contribute to the funding 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 the launch of an institutional placement ("Equity Placing") of new fully paid ordinary shares of no par value each in the Company ("New Shares") at an offer price of A\$0.44 (equivalent to 23.35 pence) per New Share ("Issue Price").

Highlights of the Equity Placing

- The Equity Placing will be undertaken by an institutional placement of New Shares to raise approximately A\$7.0 million (£3.7 million), utilising the Company's existing share authorities, launching today. As part of the Equity Placing, the Company reserves the ability to accept oversubscriptions for up to A\$2.0 million (£1.0 million).
- Proceeds from the Equity Placing will be used to contribute to the funding of the Company's flagship Ewoyaa Lithium Project in Ghana (the "Project") and provide additional working capital for the Company.
- The Equity Placing will be undertaken at a fixed issue price of A\$0.44 (equivalent to 23.35 pence) per New Share, which, as at the last trading day of 14 December 2023 on the ASX, represents a:
 - o 10.2% discount to the last closing price of A\$0.490; and
 - o 11.9% discount to the 5-day volume weight average price of A\$0.499.
- Canaccord Genuity (Australia) Limited has been appointed as Lead Manager ("Lead Manager") in connection with the Equity Placing. Wilsons Advisory & Stockbroking is acting as Co-Manager ("Co-Manager").

Proposed Use of Proceeds

- Mining Lease requirements
 - o Expenditure associated with the Feldspar Definitive Feasibility Study;
 - o Downstream Conversion Study to determine viability of downstream lithium conversion in Ghana and related factors required;
 - o Listing by introduction on the Ghana Stock Exchange.
- Project Expenditure
 - o EPA permitting process, land acquisition, relocation of powerline and engineering works;
 - o Atlantic Lithium's share of the Project's overall development expenditure is approximately US\$38 million, which is expected to be fully funded through (i) this Equity Placing (once completed), (ii) the completion of the agreed, non-binding investment in the Company from the Minerals Income Investment Fund of Ghana ("MIIF") and (iii) the ongoing off-take financing process, due to complete in Q1 2024.

- Exploration
 - o Additional extensional drilling announced over and above the ongoing 2023 drilling programme.
- Working capital
 - o Working capital to ramp up the operational readiness team, relevant production processes and systems and associated costs.

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

“Under Ewoyaa’s current funding arrangements, which comprise Piedmont’s staged earn-in agreement, the agreed, non-binding Heads of Terms with the Minerals Income Investment Fund of Ghana for its investment in the Company and the process that is underway to secure a partner for a portion of the available off-take, we are in an excellent position to fully fund the Company’s share of the development expenditure for the Project.”

“While we await the completion and receipt of the funds from MIIF’s investment, expected in Q1 2024, and the completion of the offtake process in late Q1 2024, we are undertaking this institutional placing in order to strengthen the Company’s cash balance, notably in light of recent takeover offers from the Company’s largest shareholder, Assore, and to ensure the advancement of Project in line with the current development schedule.”

“Funds will be allocated towards advancing the activities agreed under the grant of the Mining Lease and for further drilling following the report of a 106m continuous pegmatite interval and broad intersections of visible spodumene outside of the current MRE. This drilling will contribute to the Company delivering an upgraded Mineral Resource Estimate for the Project in Q3 2024.”

“We look forward to the completion of the placing, which we believe represents a major milestone towards fully de-risking the funding of the Project.”

Background to the Equity Placing

On 29 June 2023, the Company published a Definitive Feasibility Study of the Ewoyaa Project (“DFS”) which highlighted economic outcomes placing the Project as an industry-leading asset with a steady state production rate of 365,000 tonnes per annum (“ktpa”) over a 12-year Life of Mine, an All-in Sustaining Cost of US\$675/tonne and an NPV₈ of US\$1.3bn.

The total development expenditure for the Project is estimated to be US\$185 million, of which the Company’s partner, Piedmont Lithium, will sole fund the initial US\$70 million, and 50% thereafter. As previously disclosed, MIIF and the Company have entered into a non-binding financing arrangement for US\$32.9 million which is currently in the process of completing. Following MIIF’s investment, the Company’s development expenditure requirement for Ewoyaa equates to US\$38 million.

In parallel, the Company is undertaking a process to seek an off-take partner for a portion of the available off-take from Ewoyaa, which is expected to provide upfront capital. This process is expected to complete in Q1 2024. Together, the Equity Placing, the off-take financing and MIIF’s intended investment are expected to fully fund the development expenditure for the Project and provide additional capital for the Company to continue its exploration plans for 2024 and broader corporate requirements.

Advisers

Canaccord Genuity (Australia) Limited is acting as Lead Manager to the Equity Placement. Wilsons Advisory & Stockbroking is acting as Co-Manager.

Expected Timetable of Principal Events

The times and dates set out below are subject to change and may be adjusted by the Company in consultation with the Lead Manager. In the event of any significant changes from the below expected timetable, details of the new times and dates will be notified to Company shareholders by an announcement on a Regulatory Information Service.

	AIM	ASX
Announcement of the Equity Placing and ASX Trading Halt	14 December 2023	15 December 2023
Announcement of results of the Equity Placing	15 December 2023	15 December 2023
Trading Halt lifted and shares recommence trading on ASX	-	18 December 2023
Allotment and trading of new securities under the placement	22 December 2023	22 December 2023

The timetable is subject to modification at the Lead Manager’s discretion.

Allotment and trading

Allotment for New Shares (ASX and AIM) and admission to trading on AIM is expected to take place on or around 22 December 2023.

The New Shares will be issued fully paid and will rank pari passu in all respects with the Company’s existing Ordinary Shares, including the right to receive all dividends and other distributions declared, made or paid after the date of issue.

Additional Information

The content of this Announcement has not been approved by an authorised person within the meaning of the Financial Services and Markets Act 2000, as amended (“FSMA”). Reliance on this Announcement for the purpose of engaging in any investment activity may expose an individual to a significant risk of losing all of the property or other assets invested. The price of shares and any income expected from them may go down as well as up and investors may not get back the full amount invested upon disposal of the shares. Past performance is no guide to future performance, and persons needing advice should consult an appropriate independent financial adviser.

Nothing contained in this announcement constitutes investment, legal, tax or other advice. You should seek appropriate professional advice before making any investment decision.

No representation or warranty, express or implied, is or will be made as to, or in relation to, and no responsibility or liability is or will be accepted by the Company, the Lead Manager or the Co-Manager, or by any of their affiliates or agents as to, or in relation to, the accuracy or completeness of this Announcement or any other written or oral information made available to or publicly available to any interested party or its advisers, and any liability therefore is expressly disclaimed.

No statement in this Announcement is intended to be a profit forecast or estimate, and no statement in this Announcement should be interpreted to mean that earnings per share of the Company for the current or future financial years would necessarily match or exceed the historical published earnings per share of the Company.

The New Shares to be issued pursuant to the Placing will not be admitted to trading on any stock exchange other than the ASX and AIM.

Neither the content of the Company's website nor any website accessible by hyperlinks on the Company's website is incorporated in, or forms part of, this Announcement.

Disclaimer

The information contained within this announcement is deemed by the company to constitute inside information as stipulated under the market abuse regulation (EU) no. 596/2014 as it forms part of UK domestic law pursuant to the European Union (withdrawal) Act 2018, as amended. Upon the publication of this announcement via a regulatory information service, this information is considered to be in the public domain.

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Cautionary Statement about Forward-Looking Statements

This announcement contains certain "forward-looking statements" including statements regarding our intent, belief, or current expectations with respect to Atlantic's business and operations, market conditions, results of operations and financial condition, and risk management practices. The words "likely", "expect", "aim", "should", "could", "may", "anticipate", "predict", "believe", "plan", "forecast" and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future earnings, anticipated production, life of mine and financial position and performance are also forward-looking statements. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause Atlantic's actual results, performance and achievements or industry results to differ materially from any future results, performance or achievements, or industry results, expressed or implied by these forward-looking statements. Relevant factors may include (but are not limited to) changes in commodity prices, foreign exchange fluctuations and general economic conditions, increased costs and demand for production inputs, the speculative nature of exploration and project development, including the risks of obtaining necessary licences and permits and diminishing quantities or grades of reserves, political and social risks, changes to the regulatory framework within which Atlantic operates or may in the future operate, environmental conditions including extreme weather conditions, recruitment and retention of personnel, industrial relations issues and litigation.

Forward-looking statements are based on Atlantic's good faith assumptions as to the financial, market, regulatory and other relevant environments that will exist and affect Atlantic's business and operations in the future. Atlantic does not give any assurance that the assumptions will prove to be correct. There may be other factors that could cause actual

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Overseas investors

The New Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act" or with any securities regulatory authority of any state or other jurisdiction of the United States and may not be offered, sold, pledged, taken up, exercised, resold, renounced, transferred or delivered, directly or indirectly, in or into the United States absent registration under the Securities Act, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States. The Placing Shares not been approved, disapproved or recommended by the U.S. Securities and Exchange Commission, any state securities commission in the United States or any other U.S. regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Placing Shares. Subject to certain exceptions, the securities referred to herein may not be offered or sold in the United States, Canada, Japan, New Zealand, the Republic of South Africa or to, or for the account or benefit of, any national, resident or citizen of the United States, Canada, Japan, New Zealand or the Republic of South Africa.

The relevant clearances have not been, nor will they be, obtained from the securities commission of any province or territory of Canada; no prospectus has been lodged with, or registered by, the Financial Markets Authority of New Zealand or the Japanese Ministry of Finance; the relevant clearances have not been, and will not be, obtained from the South Africa Reserve Bank or any other applicable body in the Republic of South Africa in relation to the New Shares; and the New Shares have not been, and nor will they be, registered under or offered in compliance with the securities laws of any state, province or territory of Canada, Japan, New Zealand or the Republic of South Africa. Accordingly, the New Shares may not (unless an exemption under the relevant securities laws is applicable) be offered, sold, resold or delivered, directly or indirectly, in or into Canada, Japan, New Zealand or the Republic of South Africa or any other jurisdiction outside the United Kingdom or to, or for the account or benefit of any national, resident or citizen of Japan, New Zealand or the Republic of South Africa or to any investor located or resident in Canada.

No public offer or prospectus

No public offering of the New Shares is being made in the United States, Australia, the United Kingdom or elsewhere. This announcement is for information purposes and is not a prospectus, product disclosure statement or any other offering document under Australian law or the law of any other jurisdiction (and will not be lodged with the Australian Securities and Investments Commission ("ASIC") or any foreign regulator).

All offers of the New Shares will be made in the European Economic Area or the United Kingdom pursuant to an exemption from the requirement to produce a prospectus under Regulation (EU) 2017/1129 of the European Parliament and Council of 14 June 2017 and any relevant implementing measures in any Member State of the European Economic Area (the "EU Prospectus Regulation"), or pursuant to the UK version of the EU Prospectus Regulation, which is part of UK law by virtue of the European Union (Withdrawal) Act 2018, as amended (the "UK Prospectus Regulation") (as the case may be).

No prospectus will be made available in connection with the matters contained in this Announcement and no such prospectus is required (in accordance with the EU Prospectus Regulation or the UK Prospectus Regulation, as the case may be) to be published.

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For any further information, please contact:

Atlantic Lithium Limited

Neil Herbert (Executive Chairman)

Amanda Harsas (Finance Director and Company Secretary)



www.atlanticlithium.com.au



IR@atlanticlithium.com.au



Tel: +61 2 8072 0640



SP Angel Corporate Finance LLP

Nominated Adviser

Jeff Keating

Charlie Bouverat

Tel: +44 (0)20 3470 0470



Yellow Jersey PR Limited

Charles Goodwin

Bessie Elliot

atlantic@yellowjerseypr.com

Tel: +44 (0)20 3004 9512



Canaccord Genuity Limited

Financial Adviser:

Raj Khatri (UK) /

Duncan St John, Christian

Calabrese (Australia)

Corporate Broking:

James Asensio, Harry Rees

Tel: +44 (0) 20 7523 4500

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 Definitive Feasibility Study for the Project indicates the production of 3.6Mt of spodumene concentrate over a 12-year mine life, making it one of the top 10 largest spodumene concentrate mines in the world.

The Project, which was awarded a Mining Lease in October 2023, is being developed under a funding agreement with Piedmont Lithium Inc.

Atlantic Lithium holds 509km² and 774km² of tenure across Ghana and Côte d'Ivoire respectively, comprising significantly under-explored, highly prospective licences.