

Completion of US\$5m MIIF Subscription

Atlantic Lithium welcomes Ghana's sovereign minerals wealth fund, the Minerals Income Investment Fund ("MIIF"), onto its shareholder register following the completion of MIIF's US\$5m Subscription, part of its total US\$32.9m Strategic Investment 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, in line with the non-binding Heads of Terms ("Strategic Investment") announced on 8 September 2023, the Minerals Income Investment Fund of Ghana ("MIIF") has completed a subscription for 19,245,574 Atlantic Lithium shares ("Subscription") at a price of US\$0.2598 (A\$0.39 / £0.20) per share ("Subscription Shares"), for a value of US\$5 million (A\$7.60m / £3.93m).

Highlights

- Atlantic Lithium welcomes Ghana's mineral sovereign wealth fund, MIIF, as a new major, strategic shareholder and funding partner, demonstrating the Ghana government's significant support for the advancement of the Company's flagship Ewoyaa Lithium Project ("Ewoyaa" or the "Project").
- MIIF's US\$5m Subscription forms part of its agreed total US\$32.9 million Strategic Investment in the Company and its Ghanaian subsidiaries to expedite the development of the Project and the broader Cape Coast Lithium Portfolio in Ghana ("Ghana Portfolio") towards production.
- Subscription Shares to be held in escrow, equating to 3% of the total issued share capital of the Company.
- Under the agreed terms of the Subscription, MIIF is entitled to nominate one person to the Company's Board of Directors and will be granted 9,622,787 warrants at a price of US\$0.3637.
- In addition to the US\$5m Subscription, and subject to the Company reaching a binding agreement with MIIF for its proposed investment in the Ghana Portfolio, MIIF to invest a further US\$27.9m in the Company's Ghanaian subsidiaries to acquire a 6% contributing interest in the Company's Ghana Portfolio, inclusive of the Project, expected to complete in the coming months.
- MIIF's Strategic Investment to enhance the Company's cash balance and contribute towards Project development expenditure, reducing the Company's share of the total US\$185m development expenditure, as indicated by the Ewoyaa Definitive Feasibility Study, further de-risking the advancement of the Project.
- MIIF's decision to invest in the Company serves as an indication of the country's long-term green minerals ambitions with Atlantic Lithium as the government's 'partner of choice', as well as an endorsement of the Company's intrinsic value as an investment opportunity.

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

"I am delighted to welcome Ghana's sovereign wealth fund, MIIF, onto the Atlantic Lithium register as a highly valued shareholder and partner. MIIF's Strategic Investment recognises the considerable, long-lasting benefits that the Company, through lithium production at Ewoyaa and the broader Cape Coast Lithium Portfolio, can bring to Ghana, while also being indicative of Atlantic Lithium's significant value upside to existing and prospective investors.

"As we near the commencement of construction at Ewoyaa later this year, we expect to benefit greatly from MIIF's support. Notably, this includes MIIF's contributing interest towards the Project's development expenditure, which further de-risks the success of the Project.

"We look forward to completing the deal and working alongside MIIF as a partner in achieving Ghana's lithium production ambitions."

Commenting, Edward Nana Yaw Koranteng, Chief Executive Officer of the Minerals Income Investment Fund, said:

"MIIF has been at the forefront of leading co-investment opportunities within the mining sector in Ghana. This provides a de-risking mechanism for global investors such as Atlantic Lithium and cements Ghana as an investment destination of choice in Africa. Our strategy is to invest across the entire mining value chain of every mineral, with lithium not being an exception. In this vein, MIIF is prepared to invest in line with the Government of Ghana's energy transition plan, including becoming the EV hub for Africa.

"Atlantic Lithium's Ewoyaa Lithium Project has vast prospects with comparatively minimal initial capital requirements. The Project's proximity to the Takoradi port and other infrastructure improves its profitability profile. We look forward to working with all parties involved to deliver Ghana's first lithium mine, cementing the country's position as a leading global minerals destination."

Allotment and Admission

Application will be made to the London Stock Exchange and the Australian Securities Exchange today for the Subscription Shares to be admitted to AIM and the ASX.

It is expected that Admission of the Subscription Shares to AIM will become effective on 30 January.

Total Voting Rights

Following Admission of the Subscription Shares, the Company's enlarged issued share capital will comprise 649,669,053 Ordinary Shares carrying voting rights in the Company. This figure may be used by shareholders as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change in the interest in, the share capital of the Company under the FCA's Disclosure and Transparency Rules.

Summary of Strategic Investment Terms

MIIF has agreed to invest a total of US\$32.9 million in the Company to support the development of the Ewoyaa Lithium Project and broader Cape Coast Lithium Portfolio in Ghana ("Ghana Portfolio") towards production.

Subscription

As detailed in this announcement, and as part of its total US\$32.9 million total proposed investment, MIIF has completed a subscription for 19,245,574 Atlantic Lithium shares ("Subscription") at a price of US\$0.2598 (A\$0.39 / £0.20) per share ("Subscription Shares"), for a value of US\$5 million (A\$7.60m / £3.93m).

The Subscription Shares, which will be held in escrow, equate to 3% of the enlarged 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.

MIIF will also be granted 9,622,787 warrants 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 held in escrow for two years from the date of issue.

In addition, following the completion of the Subscription, MIIF is entitled to nominate one person to the Company's Board of Directors.

Ghana Portfolio Investment

Under the terms of the Strategic Investment, further to the Subscription and subject to the Company reaching a binding agreement with MIIF, MIIF has agreed to 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, 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.

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.

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

The exchange rates used in the announcement are as follows:

USD - GBP: 0.79

USD - AUD: 1.52

This announcement contains inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) 596/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 ("MAR"), and is disclosed in accordance with the Company's obligations under Article 17 of MAR.

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 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.