

# Quarterly Activities and Cash Flow Report for the quarter ended 30 June 2023

Landmark Definitive Feasibility Study reaffirms Ewoyaa's status  
as an industry-leading near-term spodumene concentrate producing mine

The Board of 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 present its Quarterly Activities and Cash Flow Report for the period ended 30 June 2023.

During the quarter, the Company announced a Definitive Feasibility Study<sup>1</sup> ("DFS") for the Ewoyaa Lithium Project ("Ewoyaa" or the "Project") in Ghana, confirming the Project's economic viability and exceptional profitability potential, representing a major milestone in the Company's pathway to production.

## Highlights from the Reporting Period:

### Project development

- Definitive Feasibility Study<sup>1</sup> reported for the Ewoyaa Lithium Project indicating exceptional economic outcomes and profitability potential for a 2.7Mtpa steady state operation, producing 3.6Mt of spodumene concentrate over a 12-year Life of Mine ("LOM"):
  - Post-tax NPV<sub>8</sub> of US\$1.5bn, with free cash flow of US\$2.4bn from LOM revenues of US\$6.6bn, Internal Rate of Return ("IRR") of 105%;
  - Average LOM EBITDA of US\$316 million per annum, short payback of 19 months;
  - C1 cash operating costs of US\$377/t of concentrate Free-On-Board ("FOB") Ghana Port, after by-product credits, All in Sustaining Cost ("AISC") of US\$610/t;
  - Capital cost estimate of US\$185 million; US\$127.5 million to be provided by funding partner Piedmont Lithium (NASDAQ: PLL; ASX: PLL, "Piedmont") as part of existing agreement (*refer announcement of 1 July 2021*);
  - Increased Production Target of approx. 350,000tpa of spodumene concentrate compared with Pre-Feasibility Study target of 255,000tpa (*refer announcement of 22 September 2022*);
  - Early-stage revenue potential via construction of a Modular DMS plant for starter-pit operations;
  - DFS incorporates Mineral Resource Estimate<sup>1</sup> ("MRE") of 35.3Mt @ 1.25 Li<sub>2</sub>O, Ore Reserves of 25.6Mt @ 1.22% Li<sub>2</sub>O and LOM concentrate pricing of US\$1,587/t, FOB Ghana Port.
- The Company awaits approval of Mankessim licence consolidation ahead of resubmission of Mining Lease application for the Project.

### Post-period end

- Appointment of DRA Global Limited ("DRA") to conduct a Scoping Study to assess the viability of an additional flotation circuit downstream to the proposed Dense Media Separation ("DMS") processing plant.

- The flotation circuit Scoping Study is underway, with an outcome expected in Q4 2023.

## Exploration

- Advancement of 2023 resource and exploration drilling programme at Ewoyaa:
  - Initial assay results received for 2,208m of infill reverse circulation ("RC") drilling confirming mineralisation continuity at the Ewoyaa South-2 deposit:
    - Multiple high-grade drill intersections reported as downhole intercepts, with true widths estimated in the intersections table, including highlights at a 0.4% Li<sub>2</sub>O cut-off and a maximum 4m of internal dilution of:
      - GRC0892: **57m** at **1.17%** Li<sub>2</sub>O from 45m
      - GRC0899: **54m** at **1.14%** Li<sub>2</sub>O from 3m
      - GRC0900: **41m** at **1.16%** Li<sub>2</sub>O from 73m
      - GRC0909A: **33m** at **1.12%** Li<sub>2</sub>O from 78m
      - GRC0896: **18m** at **1.16%** Li<sub>2</sub>O from 80m
      - GRC0908: **19m** at **0.93%** Li<sub>2</sub>O from 47m
      - GRC0906: **11m** at **1.5%** Li<sub>2</sub>O from 38m
      - GRC0906: **17m** at **0.91%** Li<sub>2</sub>O from 54m
      - GRC0908: **10m** at **1.53%** Li<sub>2</sub>O from 33m.
  - Completion of soil geochemistry survey with analysis underway.
  - Continuation of planned 20,000m auger drilling programme with analysis underway.

## Corporate

- Appointment of Keith Muller as Chief Executive Officer and Len Kolff as Head of Business Development & Chief Geologist.
  - Changes aligned with the Company's strategy to strengthen mine operating skills and to identify long-term growth opportunities for the Company.
- Appointment of Keith Muller and Patrick Brindle to the Company's Board of Directors.
- Joined the International Lithium Association as an Associate Member.
- Granted eligibility for the Company's common shares listed on the OTCQX® Best Market ("OTCQX") in the United States for electronic clearing and settlement through the Depository Trust Company ("DTC").
- Cash on hand at end of quarter was A\$15.3 million.

## Post-period end

- Appointment of Aaron Maurer as Head of Operational Readiness.

## Sustainability

- Awarded Exploration Company of the Year (Mining) at the Ghana-West Africa Business Excellence Awards 2023.
- Sponsorship of Central Region's May Day events for the community in the Mfantseman municipality.



**NEIL HERBERT**  
EXECUTIVE CHAIRMAN



**Commenting on the Company's latest progress, Neil Herbert, Executive Chairman of Atlantic Lithium, said:**

*"The June quarter has seen substantial progress in the Company's development.*

*"We were delighted to appoint Keith Muller as CEO to lead the Company at this important time in the Project's development. As one of only a handful of people with proven lithium mine operating experience globally, Keith's appointment as CEO attests to Atlantic Lithium's vision of achieving near-term lithium production at Ewoyaa.*

*"Keith has been pivotal in delivering the Definitive Feasibility Study this quarter, which represents a significant de-risking milestone and reaffirms Ewoyaa as a low capex and low opex project with impressive profitability potential.*

*"Over a 12-year mine life, the DFS indicates the production of 3.6Mt spodumene concentrate, delivering free cash flow of US\$2.4bn from US\$6.6bn Life of Mine revenues, a post-tax NPV<sub>8</sub> of US\$1.5bn and an Internal Rate of Return of 105%. Ewoyaa benefits from exceptional fundamentals, including adjacent*

infrastructure and the support of our surrounding host communities, which underlie our confidence in the delivery of the Project.

*“Having only drilled 3% of the Company’s tenure in Ghana, there also remains significant value upside through exploration. As such, we continue to advance our drilling activities across Ewoyaa and the wider Cape Coast Lithium Portfolio. While our current focus is on delivering first production at Ewoyaa to capture the current higher lithium prices, we are continuing our exploration strategy, which has proved highly successful in growing the Company to date.*

*“We believe that Ewoyaa is one of the leading hard rock lithium assets globally. We are, therefore, driven to achieve our objective of near-term production in Ghana.”*



**KEITH MULLER**  
CEO



**Commenting on the Definitive Feasibility Study, Keith Muller, Chief Executive Officer of Atlantic Lithium, added:**

*“The plant has been designed to maximise metal recovery, enhancing NPV and generating robust margins over the life of the mine, aiming to withstand potential downturns in the market. Ewoyaa’s favourable mineralogy enables a simple flow sheet and a low energy and water-intensive conventional Dense Media Separation plant from open pit mining.*

*“The mine plan outlined in the DFS considers 94% of the ore processed over the Life of Mine as Reserves, with Inferred Resources excluded from the first five years of operations, providing greater confidence in the viability of the Project.*

*“Deployment of a Modular DMS unit, processing 450,000t of ore while construction of the main plant gets underway, represents both a means of risk mitigation and a source of early revenue. With DMS processing still a new concept in Ghana, the Modular DMS unit will enable our staff to train on a smaller scale operation during the build of the main plant and identify and engineer out any bottlenecks that may arise.*

*“We also recognise the current trend, particularly in Africa, against exporting raw materials. In line with this thematic, the first year of Modular DMS is expected to produce c. 38kt of spodumene concentrate and 170kt of lower-grade secondary product.*

*“Early Modular DMS revenue, estimated at approx. US\$170 million, is intended to reduce the peak funding requirement of the main plant and provide additional working capital. By purchasing the unit, we retain optionality to utilise Modular DMS processing at a later stage in the mine schedule, for example to capture inflated lithium prices or as a bolt-on processing route to operate alongside the main plant.*

*“Of the total US\$185 million capex outlined in the DFS, we expect Piedmont will fund c. 70%, comprising US\$70 million of initial sole funding and 50% of capex thereafter. Atlantic Lithium is in a desirable position as a near-term spodumene producer in having 50% of the Project’s offtake still available. We have received considerable interest for the remaining offtake and are considering the possibility that the remaining share of the Company’s capex requirement could be financed through a pre-payment deal, among other funding alternatives. Management, however, is focused on funding alternatives which maximise shareholder value and minimise dilution.*

*“Post-period, we appointed DRA Global Limited to undertake a Scoping Study to assess the viability of including an additional flotation circuit downstream to the main DMS plant. 4.7Mt of 1.2% Li<sub>2</sub>O fines material, outlined in the DFS to be sold as a secondary product, represents a potential feedstock for the flotation circuit, which, we believe, would further enhance the Project’s economics. Again, we expect to deliver an outcome of the Scoping Study later this year.*

*“Following the release of the DFS, we now are working on a clear pathway towards spodumene concentrate production at Ewoyaa. As we await the award of the Mining Lease from the Minerals Commission, which we hope to be granted in the current quarter, the coming months are pivotal in the Project’s development. We look forward to providing further updates in due course.”*

## Ewoyaa Lithium Project, Ghana, West Africa

Ewoyaa is the Company’s flagship project, targeted to become Ghana’s first lithium-producing mine.

The Project has secured project development funding via a partnership agreement with Piedmont Lithium Inc. (NASDAQ: PLL; ASX: PLL, “Piedmont”, refer announcement of **31 August 2021**). The Project, located in Ghana, West Africa, approximately 100km southwest of the capital of Accra, comprises eight main deposits, including Ewoyaa, Okwesi, Anokyi, Grasscutter, Abonko, Kaampakrom, Sill and Bypass. The Project is well located being adjacent to operational infrastructure including within 1km of the Takoradi - Accra N1 highway, 110km from the Takoradi deep-sea port and adjacent to grid power, within the pro-mining jurisdiction of Ghana (refer **Figure 1**). The Project is proven capable of producing spodumene concentrate suitable for conversion to battery-grade lithium carbonate and hydroxide.

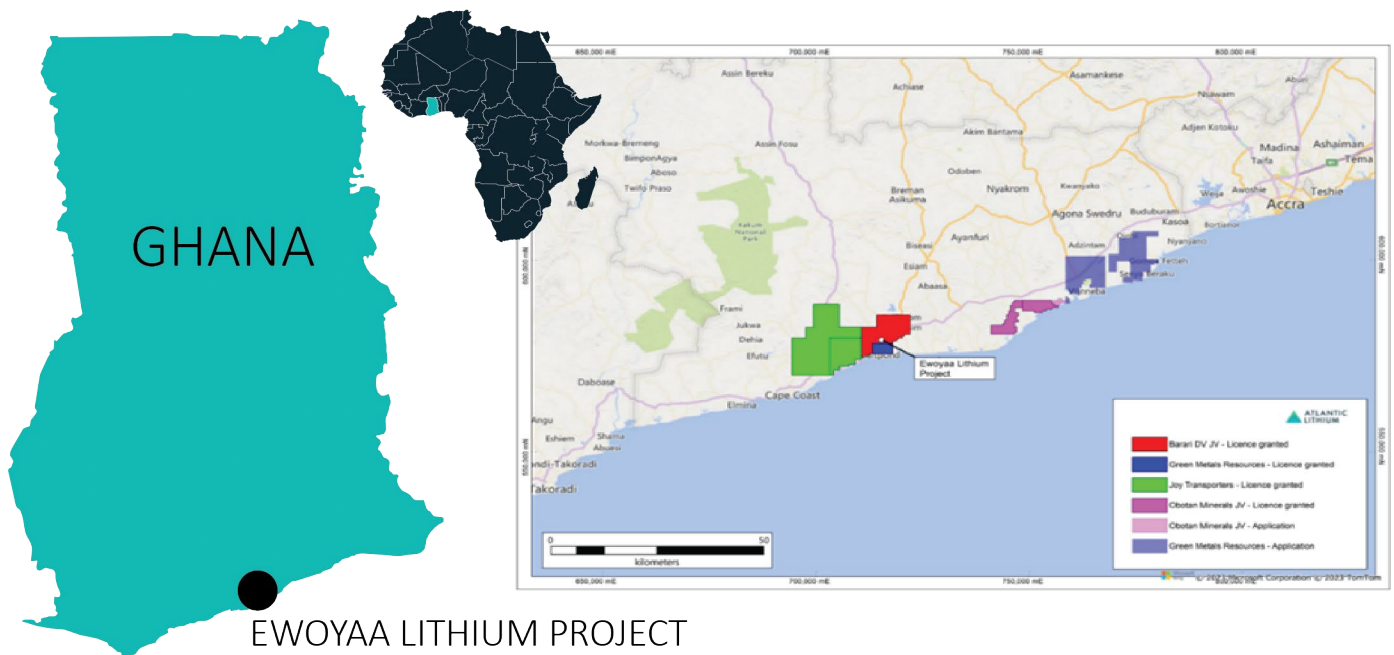


FIGURE 1 LOCATION OF THE EWOPYAA LITHIUM PROJECT

## Interest in Tenements

At the end of the quarter ending 30 June 2023, the Company had an interest in the following tenements:

Tenement Number	Tenement Name	Principal Holder	Grant Date / Application Date	Expiry Date	Term	Change during Quarter
<b>Australia</b>						
EPM 16260	Cadarga Two**	Eastern Exploration Pty Ltd	12.06.21	11.06.23	2 years	Agreement to sell
EPM 16261	Cadarga One**	Eastern Exploration Pty Ltd	28.05.21	27.05.23	2 years	Agreement to sell
<b>Ghana</b>						
PL3/67	Apam East	Obotan (JV MODA Minerals Limited)	27.06.19	26.06.22*	3 years	None
PL3/92	Apam West	Obotan (JV MODA Minerals Limited)	21.08.19	20.08.22*	3 years	None
RL 3/55	Mankessim	Barari DV Ghana Limited (90% Atlantic)	27.07.21	26.07.24	3 years	None
PL3/102	Saltpond	Joy Transporters Ltd (100% Atlantic)	21.08.19	20.08.22*	3 years	None
PL3/109	Mankessim South	Green Metals Resources Ltd (100% Atlantic)	19.02.20	18.02.23*	3 years	None
PL3/106	Cape Coast	Joy Transporters Ltd (100% Atlantic)	15.11.21	14.11.24	3 years	None
	Senya Braku	Green Metals Resources Ltd (100% Atlantic)	10.05.16	Application		None
	Asebu (Winneba North)	Green Metals Resources Ltd (100% Atlantic)	28.06.21	Application		None
	Mankwadze (Winneba South)	Green Metals Resources Ltd (100% Atlantic)	28.06.21	Application		None
	Mankwadzi	Obotan Minerals Company Ltd (JV MODA Minerals Ltd)	15.03.18	Application		None
<b>Ivory Coast</b>						
PR695	Rubino	Khaleesi Resources SARL (100% Atlantic)	20.10.16	Application		None
PR694	Agboville	Khaleesi Resources SARL (100% Atlantic)	20.10.16	Application		None

\* Renewal applications have been submitted to the various mining departments of the relevant Governments and the Company has no reason to believe the renewals will not be granted.

\*\*Australasian Metals Ltd entered into an agreement on 31 May 2023 to acquire the May Queen South Bauxite Project in Queensland (EL 16260 and EPM 16261). This was already written down to zero value at 30 June 2022.

# June Quarter Activities

## Project Development

### Definitive Feasibility Study for the Ewoyaa Lithium Project

On 29 June 2023, the Company reported a Definitive Feasibility Study<sup>1</sup> (“DFS”) for the Ewoyaa Lithium Project in Ghana. The DFS indicates a low capital intensity, confirming the Project’s economic viability and exceptional profitability potential.

Incorporating the Mineral Resource Estimate<sup>1</sup> (“MRE”) of 35.3Mt @ 1.25 Li<sub>2</sub>O and LOM concentrate pricing of US\$1,587/t, FOB Ghana Port, the DFS details robust financial outcomes for a 2.7Mtpa steady state operation, producing 3.6Mt of spodumene concentrate over a 12-year Life of Mine (“LOM”):

- Post-tax NPV<sub>8</sub> of US\$1.5bn, with free cash flow of US\$2.4bn from LOM revenues of US\$6.6bn, Internal Rate of Return (“IRR”) of 105%;
- Average LOM EBITDA of US\$316 million per annum, short payback of 19 months;
- C1 cash operating costs of US\$377/t of concentrate Free-On-Board (“FOB”) Ghana Port, after by-product credits from conventional open cut mining operation; All in Sustaining Cost (“AISC”) of US\$610/t.
- Capital cost estimate of US\$185 million.

The Project development involves open cut mining of several lithium-bearing pegmatite deposits and the use of a simple flowsheet, comprising integrated 3-stage crushing facility, conventional Dense Media Separation (“DMS”) processing and supporting infrastructure to target the production of spodumene concentrate and secondary product by Q2 2025 (refer **Figure 2**).



FIGURE 2 SITE OVERVIEW LOOKING NORTHEAST, YEAR 1 OPERATION

Initial processing of approximately 450,000t of ore will be carried out over the first nine months, starting Q2 2025, in an early production DMS processing plant fed from Ewoyaa South-2 pit, prior to processing through the main 2.7Mtpa processing facility from Q1 2026 for 11 years.

Over the life of mine (“LOM”), the Project is estimated to produce 3.58Mt of 6% (SC6) and 5.5% (SC5.5) grade (approx. 50:50 ratio) spodumene concentrate at 10mm top size crush, as well as 4.7Mt of secondary product with an average grade of 1.16% Li<sub>2</sub>O.

Key Project metrics from the DFS are listed in Table 1 below, demonstrating robust Project financial outcomes and metrics.

**TABLE 1 EWOYAA DFS KEY METRICS (100% PROJECT BASIS<sup>2</sup>)**

Item	Units	DFS Result
Mineral Resource <sup>3</sup>	Mt @ %	35.3Mt @ 1.25% Li <sub>2</sub> O
Measured Indicated Mineral Resource	Mt @ %	3.5Mt @ 1.37% Li <sub>2</sub> O
Indicated Mineral Resource	Mt @ %	24.5Mt @ 1.25% Li <sub>2</sub> O
Inferred Mineral Resource	Mt @ %	7.4Mt @ 1.16% Li <sub>2</sub> O
Mine Life	Years	12
Ore Reserves (Probable)	Mt @ %	25.6Mt @ 1.22% Li <sub>2</sub> O
Total Material Movement LOM	Mt	406
Mined Waste	Mt	375.4
Mined Ore	Mt	30.6
Strip Ratio	W:O	12.3
Processed Ore LOM	Mt	27.3
DMS Plant Feed Rate	Mtpa	2.7
Li <sub>2</sub> O Head Grade (average)	%	1.22
Average Whole of Ore Recovery SC6	%	62.1
Average Whole of Ore Recovery SC5.5	%	67.2
Secondary Product Mass Yield (% of ROM Feed)	%	17.0
SC6 Produced	LOM, t	1,792,222
SC5.5 Produced	LOM, t	1,792,195
Secondary Product Produced	LOM, t	4,733,264
Project Total Upfront Capital Cost	US\$M	185
SC6 Sell Price, LOM Average, FOB Ghana	US\$/t	1,695
SC5.5 Sell Price, LOM Average, FOB Ghana	US\$/t	1,478
Secondary Product Sell Price, LOM Average, FOB Ghana	US\$/t	186
Revenue (all products)	US\$M	6,566
Post-tax IRR	%	105
C1 Cash Cost, after secondary product credits	US\$/t	377
All In Sustaining Cost (AISC)	US\$/t	610
Surplus Cashflow, Post Tax	US\$M	2,438
NPV <sub>8</sub> Post Tax	US\$M	1,498
Payback	Months	19
NPAT, LOM	US\$M	2,284

<sup>2</sup> Whilst the asset is currently wholly owned by Atlantic Lithium Ltd, Piedmont Lithium Inc. can earn up to half the asset through the funding agreement, whilst the Government of Ghana has the right to a 10% free carry once in production.

<sup>3</sup> Mr S. Searle of Ashmore Advisory Pty Ltd for Mineral Resources and Mr H. Warries of Mining Focus Consultants Pty Ltd for Ore Reserves. For full Competent Persons statements, refer to Table 3 and Table 5.

**NOTE:** Mineral Resources are inclusive of the Ore Reserves.

## Mineral Resource

Drilling programmes undertaken at the Project site used reverse circulation (“RC”) drill rigs and a portion using diamond core (“DD”) drill rigs. Over several drilling phases to date a total of 137,153m in 1,025 holes were drilled (refer **Table 2**). Drilling at the deposit extends to a maximum drill depth of 386m.

Earlier phase RC drilling was completed on a nominal 100m by 50m grid pattern, with subsequent phases of RC and DD reducing the wide spacing to 80m by 40m and down to 40m by 40m during infill drilling phases.

TABLE 2 SUMMARY OF DRILLING USED FOR THE EWOYAA MINERAL RESOURCE ESTIMATE<sup>1</sup>

Hole Type	In Database		In Mineral Resource		Intersection Metres
	Drill holes		Drill holes		
	Number	Metres	Number	Metres	
RCH	11	1,100			
RC	878	119,745	616	88,967	16,959
RCD	35	4,998	32	4,568	733
DD	101	11,310	93	10,159	4,987
<b>Total</b>	<b>1,025</b>	<b>137,153</b>	<b>741</b>	<b>103,694</b>	<b>22,679</b>

### Mineral Resource Estimate

An updated JORC (2012) compliant Mineral Resource Estimate<sup>1</sup> (“MRE”) was prepared by Ashmore Advisory Pty Ltd using analytical data from a total of 741 drillholes totalling 103,694m (refer **Table 2**) and ordinary kriging methods for resource estimation (refer **Table 3**). The MRE<sup>1</sup> is based on a 0.5% reporting cut-off grade (constrained to above -190mRL), within a 0.4% Li<sub>2</sub>O wireframed pegmatite body.

The MRE<sup>1</sup> was classified as Measured, Indicated and Inferred Mineral Resource based on data quality, sample spacing, and lode continuity. The Measured Mineral Resource was confined to fresh rock within areas drilled at 20m by 15m along with robust continuity of geology and Li<sub>2</sub>O grade. The Indicated Mineral Resource was defined within areas of close spaced drilling of less than 40m by 40m, and where the continuity and predictability of the lode positions was good. In addition, Indicated Mineral Resource was classified in weathered rock overlying fresh Measured Mineral Resource. The Inferred Mineral Resource was assigned to transitional material, areas where drill hole spacing was greater than 40m by 40m, where small, isolated pods of mineralisation occur outside the main mineralised zones, and to geologically complex zones.

TABLE 3 EWOYAA MRE<sup>1</sup> BY DEPOSIT AND JORC CLASSIFICATION (0.5% Li<sub>2</sub>O CUT-OFF, ABOVE -190MRL)

Deposit	Tonnage Mt	Measured Mineral Resource	
		Li <sub>2</sub> O %	Cont. Lithium Oxide kt
Ewoyaa	3.5	1.37	48
<b>Total</b>	<b>3.5</b>	<b>1.37</b>	<b>48</b>

Deposit	Tonnage Mt	Indicated Mineral Resource	
		Li <sub>2</sub> O %	Cont. Lithium Oxide kt
Abonko	1.1	1.31	14
Anokyi	2.9	1.42	41
Ewoyaa	9.7	1.15	111
Ewoyaa Northeast	3.3	1.40	46
Grasscutter	5.8	1.19	69

Deposit	Tonnage Mt	Indicated Mineral Resource	
		Li <sub>2</sub> O %	Cont. Lithium Oxide kt
Kaampakrom	0.9	1.40	13
Okwesi	0.6	1.47	9
Sill	0.4	1.36	5
<b>Total</b>	<b>24.5</b>	<b>1.25</b>	<b>307</b>



Deposit	Tonnage Mt	Inferred Mineral Resource	
		Li <sub>2</sub> O %	Cont. Lithium Oxide kt
Abonko	0.7	1.20	9
Anokyi	0.5	1.16	5
Bypass	0.3	1.00	3
Ewoyaa	2.9	1.09	32
Ewoyaa Northeast	0.4	1.25	5
Grasscutter	1.7	1.25	22
Kaampakrom	0.5	1.11	6
Okwesi	0.3	1.35	4
Sill	0.1	1.51	1
<b>Total</b>	<b>7.4</b>	<b>1.16</b>	<b>86</b>

Deposit	Tonnage Mt	Total Mineral Resource	
		Li <sub>2</sub> O %	Cont. Lithium Oxide kt
Abonko	1.8	1.26	23
Anokyi	3.3	1.38	46
Bypass	0.3	1.00	3
Ewoyaa	16.0	1.19	190
Ewoyaa Northeast	3.6	1.38	50
Grasscutter	7.5	1.20	90
Kaampakrom	1.4	1.30	18
Okwesi	0.9	1.43	13
Sill	0.5	1.38	6
<b>Total</b>	<b>35.3</b>	<b>1.25</b>	<b>440</b>

**COMPETENT PERSONS NOTE:**

The Mineral Resource has been compiled under the supervision of Mr. Shaun Searle who is a director of Ashmore Advisory Pty Ltd and a Registered Member of the Australian Institute of Geoscientists. Mr. Searle has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that he has undertaken to qualify as a Competent Person as defined in the JORC Code. Mr Searle consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

All Mineral Resources figures reported in the table above represent estimates at January 2023. Mineral Resource estimates are not precise calculations, being dependent on the interpretation of limited information on the location, shape and continuity of the occurrence and on the available sampling results. The totals contained in the above table have been rounded to reflect the relative uncertainty of the estimate. Rounding may cause some computational discrepancies.

Mineral Resources are reported in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The Joint Ore Reserves Committee Code – JORC 2012 Edition).

## Ore Reserves

Ore Reserves were determined as part of the mine planning work that MFC undertook for Atlantic Lithium as part of the Company's DFS<sup>1</sup>. Mining will be undertaken by conventional open pit methods of drill and blast, followed by load and haul. Processing incorporates well-tested technology and utilises conventional dense media separation techniques to produce SC6.0 and SC5.5 concentrate products, as well as a secondary product that comprises fines material (-0.85+0.053mm).

The mine plan for the Project includes 1.7Mt at 1.19% Li<sub>2</sub>O or 6% of Inferred Resources.

In order to determine whether to Project was still economically viable when plant feed that was classified as Inferred was excluded from the mine plan (and re-categorised from plant feed to waste), Atlantic Lithium developed a cash flow model with all Inferred Resources excluded from plant feed and re-assigned as waste.

**CAUTIONARY STATEMENT:**

There is a low level of geological confidence associated in inferred mineral resources and there is no certainty that further exploration work will result in the determination of indicated mineral resources or that the production target itself will be realised. In order to determine whether the Project was still economically viable when plant feed that was classified as Inferred was excluded from the mine plan a cash flow model was developed with all Inferred Resources excluded from plant feed and re-assigned as waste. This alternative cash flow model indicated that the Project is still financially robust when all Inferred Resources plant feed is treated as waste. Therefore, the Company is satisfied that the use of Inferred Resources is not a determining factor in the overall Project viability.

Based on the above, Probable Ore Reserves were declared for the Project and shown in Table 4. All stated Probable Ore Reserves are completely included within the quoted Mineral Resources and are quoted in dry tonnes. Probable Ore Reserves were declared based on the Measured and Indicated Mineral Resources only contained within the pit designs.

This alternative cash flow model indicated that the Project is still financially robust when all Inferred Resources plant feed is treated as waste with the All-In-Sustaining Cost (AISC) margin greater than 50%.

Based on the above, Ore Reserves<sup>1</sup> were declared for the Project.

Table 4 below provides a summary of the Ore Reserves as of 16 June 2023 that were determined for the Project.

**TABLE 4 ORE RESERVES<sup>1</sup> AS OF 16 JUNE 2023**

Classification	Ore Reserve	
	Tonnes (Mt)	Li <sub>2</sub> O Grade (%)
Probable	25.6	1.22

**COMPETENT PERSONS NOTE:**

All stated Ore Reserves are completely included within the quoted Mineral Resources and are quoted in dry tonnes. The reported Ore Reserves have been compiled by Mr Harry Warriès. Mr Warriès is a Fellow of the Australasian Institute of Mining and Metallurgy and an employee of Mining Focus Consultants Pty Ltd. He has sufficient experience, relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking, to qualify as a Competent Person as defined in the 'Australasian Code for Reporting of Mineral Resources and Ore Reserves' of December 2012 ("JORC Code") as prepared by the Joint Ore Reserves Committee of the Australasian Institute of Mining and Metallurgy, the Australian Institute of Geoscientists and the Minerals Council of Australia. Mr Warriès gives Atlantic Lithium Limited consent to use this reserve estimate in reports.

The Ore Reserves<sup>1</sup> as determined for the Project were based on the Modifying Factors as summarised in Table 5. All currencies are denominated in United States of America dollars, unless specifically stated otherwise.

**TABLE 5 SUMMARY OF MODIFYING FACTORS FOR ORE RESERVE DETERMINATION**

Item	Unit	Value	
		P1 Pegmatite	P2 Pegmatite
Plant throughput	Mtpa		2.7
Spodumene price (SC6.0 and SC5.5 product)	\$/t		1,587
Concentrate grade			
- SC6.0 Product (50% of total production)	%		6.0
- SC5.5 Product (50% of total production)			5.5
Secondary product price	\$/t		186
Secondary product recovery (of total crusher feed)	%		17
Royalty	%		6.0
Processing recovery	SC6.0	62.1	NA
	SC5.5	67.2	14.9
Processing Cost	\$/t processed		7.77
General and Administration (Incl. Marketing and insurance)	\$/t processed		6.18

Item	Unit	Value	
		P1 Pegmatite	P2 Pegmatite
Lithium Concentrate Transport Costs			
SC6.0 and SC5.5	\$/t conc.		29.81
Secondary product			32.65
Average Mining Cost (Contract mining)	\$/t mined		3.82
Mining recovery	%		95
Mining dilution	%		5
Overall Pit Wall Slope Angle (inclusive of a ramp system)	Degree	Ranging from 30.0° (Oxide) to 50.4° (Fresh)	
Capital expenditure	\$M		185.2
Sustaining capital	\$M		112.2
Discount rate	%		8

### Modular DMS

The Company has identified the opportunity to conduct early processing operations using a Modular DMS processing plant and contract crushing services. The early production will precede the primary processing plant by nine months.

The contract crushing provider will crush ore to a top size of 10mm. This DMS feed material will be screened at 3mm to produce DMS feed (-10mm+3mm) and a fines stream (-3mm). The Modular DMS unit will produce a spodumene concentrate, along with the deslimed fines as a secondary product for sale.

Cashflow from the Modular DMS unit, estimated as approx. US\$170 million in Year 1, will reduce peak funding requirement for the mine build and provide a valuable opportunity to train national staff and engineer out any mining, materials handling or logistics bottlenecks ahead of large-scale operations commencing. The capital expenditure for the Modular DMS unit, equating to US\$15 million, comprising the unit, mobilisation of a mobile crushing contractor, manufacturing and contingency, will be paid back prior to the full completion of the main plant build.



FIGURE 3 EXAMPLE MODULAR DMS UNIT

**NOTE:** The Company discloses that the unit photographed above is not currently owned by the Company or used at the Project, nor is there any certainty that it will be owned or used by the Company in the future.

## Mining Lease Update

The Company currently awaits the approval of the consolidation of the Mankessim and Mankessim South licences, which covered the proposed mine and processing plant site, into the single Mankessim licence. This was undertaken following guidance from Ghana's Minerals Commission Technical Committee in order to facilitate a smoother approvals process for the Mining Lease application and to establish a simplified operational structure.

As part of this process, the Company took the opportunity to implement optimisations based on the finalised plant flowsheet into its Mining Lease application. The revised Mining Lease application now also includes the addition of deposits that were sitting outside of the mine plan in the initial application submitted.

Upon approval of the mining licence consolidation, the Company will submit the revised application for a Mining Lease for the Project.

The Company expects no further major amendments to the application to be requested by the Technical Committee and has no reason to believe that the Mining Lease will not be granted for the Project. The Company hopes that the Mining Lease may be granted in the current quarter.

## Funding

Of the total US\$185 million total capex indicated in the DFS<sup>1</sup>, as detailed in the Company's agreement dated 1 July 2021, Piedmont is required to provide sole funding of the first US\$70 million of capex, with costs split 50:50 between the Company and Piedmont thereafter.

Under the agreement, Piedmont will receive 50% of the spodumene concentrate produced at Ewoyaa at market prices. 50% of the offtake remains available. Considerable interest has been received by the Company to date. As one of few

near-term spodumene concentrate producers with offtake unaccounted for, the Board believes that Atlantic Lithium would be able to secure a pre-payment offtake deal as an alternative funding mechanism which could be used to fund the remaining capex required by the Company. The Company is actively evaluating this option among other potential funding alternatives which maximise shareholder value and minimise dilution.

### Flotation Circuit Scoping Study

Post-period end, the Company appointed international multi-disciplinary engineering, project delivery and operations management group DRA Global Limited (ASX: DRA, JSE: DRA, "DRA") to conduct a Scoping Study for the inclusion of a flotation circuit at Ewoyaa.

The Scoping Study, which forms part of Stage 2 of the Project's development, will comprise:

- an evaluation of the technical and commercial viability of the use of flotation to process fines and middlings as a potential additional downstream circuit to the planned Ewoyaa DMS processing plant;
- assessing the use of the 4.7Mt of 1.2% Li<sub>2</sub>O fines material currently intended to be sold as a low-grade Li<sub>2</sub>O secondary product (refer Ewoyaa Definitive Feasibility Study<sup>1</sup>, announced on 29 June 2023) as potential feedstock for the flotation circuit.

Preliminary testwork and calculations indicate encouraging flotation stage recovery and the achievement of >5% Li<sub>2</sub>O concentrate grades. The higher-value concentrate produced by flotation is intended to replace the current lower-grade secondary product. The Company believes that this would enhance the Project's financial outcomes and de-risk the Project in the event that the low-grade lithium-bearing products market is adversely affected.

Under the terms of the agreement, DRA will deliver process design criteria, a processing flowsheet, capital and operating cost estimates for the additional flotation circuit.

The Study is currently underway, with an outcome expected in Q4 2023.

## Exploration

During the period, the Company advanced the 2023 exploration and resource drilling programmes at Ewoyaa (*refer announcements of 20 March 2023 and 19 April 2023*).

Approximately 3,000m of infill drilling was planned at the Ewoyaa South-2 deposit with a further 7,000m of resource extensional drilling planned at the Ewoyaa Main, Ewoyaa North-east and Kaampakrom deposits. A further 6,500m of exploration drilling and 2,000m of diamond core ("DD") drilling is planned as part of the 2023 field season.

### Infill Drilling

Infill reverse circulation ("RC") drilling, designed to convert Inferred resources to higher confidence Indicated resources at the Ewoyaa South-2 deposit for future mine sequencing optionality, was completed during the period, with initial assay results received for 2,208m of drilling (*refer announcement of 20 June 2023*).

Multiple high-grade drill intersections are reported for infill drilling results at the Ewoyaa South-2 deposit within the current MRE<sup>1</sup> (*refer Table 6, Table 7 and Table 8*).

Infill drilling results confirm mineralisation continuity within the Ewoyaa South-2 deposit, part of the MRE<sup>1</sup>, where multiple drilling intersections are reported over significant apparent widths and relatively shallow depths (*refer Figure 4, Figure 5 and Figure 6*).

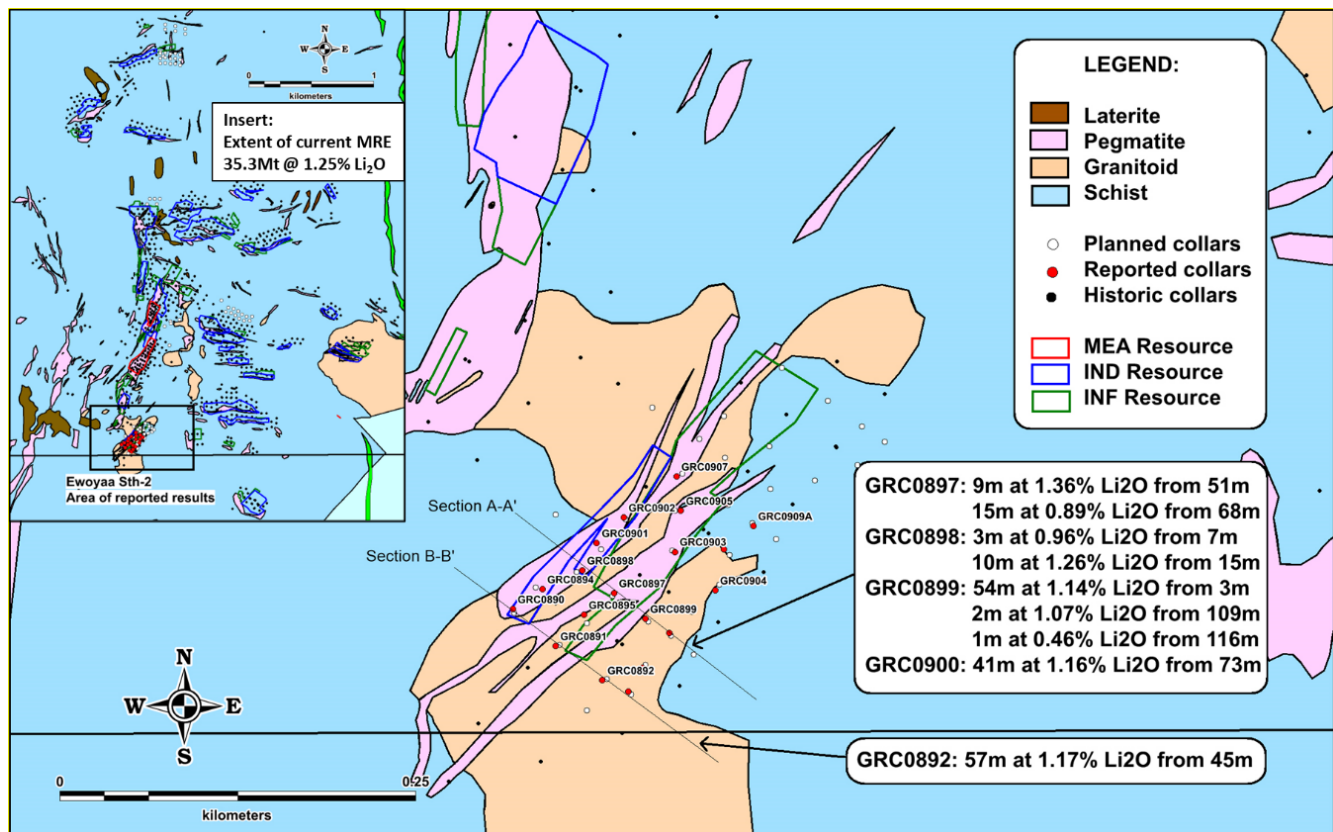
Drilling is planned to intersect mineralised pegmatite dykes perpendicular to strike and dip to approximate true width. This is not always achieved due to the variable nature of pegmatites or challenging drill access, with some drill intersections drilled down-dip as apparent widths. Accordingly, estimated true widths are included in the intersections table in Table 7.

Sample preparation was completed by Intertek Ghana and assay by Intertek Perth with all reported results passing QA/QC protocols, providing confidence in reported results.

**TABLE 6 DRILL INTERSECTION HIGHLIGHTS AT GREATER THAN 10 LI X M, REPORTED AT A 0.4% Li<sub>2</sub>O CUT-OFF AND MAXIMUM OF 4M OF INTERNAL DILUTION.**

Hole_ID	From_m	To_m	Interval_m	Li <sub>2</sub> O %	Intersection	Comment	Hole Purpose	metal content Li x m
GRC0892	45	102	57	1.17	GRC0892: 57m at 1.17% Li <sub>2</sub> O from 45m		Resource Drilling	66.7
GRC0899	3	57	54	1.14	GRC0899: 54m at 1.14% Li <sub>2</sub> O from 3m		Resource Drilling	61.6
GRC0900	73	114	41	1.16	GRC0900: 41m at 1.16% Li <sub>2</sub> O from 73m		Resource Drilling	47.6
GRC0909A	78	111	33	1.12	GRC0909A: 33m at 1.12% Li <sub>2</sub> O from 78m		Resource Drilling	37.0
GRC0896	80	98	18	1.16	GRC0896: 18m at 1.16% Li <sub>2</sub> O from 80m		Resource Drilling	20.9
GRC0908	47	66	19	0.922	GRC0908: 19m at 0.93% Li <sub>2</sub> O from 47m		Resource Drilling	17.5
GRC0906	38	49	11	1.5	GRC0906: 11m at 1.5% Li <sub>2</sub> O from 38m		Resource Drilling	16.5
GRC0906	54	71	17	0.91	GRC0906: 17m at 0.91% Li <sub>2</sub> O from 54m		Resource Drilling	15.5
GRC0908	33	43	10	1.53	GRC0908: 10m at 1.53% Li <sub>2</sub> O from 33m		Resource Drilling	15.3
GRC0908	18	31	13	1.03	GRC0908: 13m at 1.03% Li <sub>2</sub> O from 18m		Resource Drilling	13.4
GRC0897	68	83	15	0.89	GRC0897: 15m at 0.89% Li <sub>2</sub> O from 68m		Resource Drilling	13.4
GRC0907	6	18	12	1.07	GRC0907: 12m at 1.07% Li <sub>2</sub> O from 6m	weathered pegmatite	Resource Drilling	12.8
GRC0903	57	67	10	1.27	GRC0903: 10m at 1.27% Li <sub>2</sub> O from 57m		Resource Drilling	12.7
GRC0898	15	25	10	1.26	GRC0898: 10m at 1.26% Li <sub>2</sub> O from 15m		Resource Drilling	12.6
GRC0897	51	60	9	1.36	GRC0897: 9m at 1.36% Li <sub>2</sub> O from 51m		Resource Drilling	12.2

**NOTE:** Metal content is based on intercept rather than estimated true width



**FIGURE 4 LOCATION OF REPORTED ASSAY RESULTS WITH HIGHLIGHT DRILL INTERSECTIONS.**

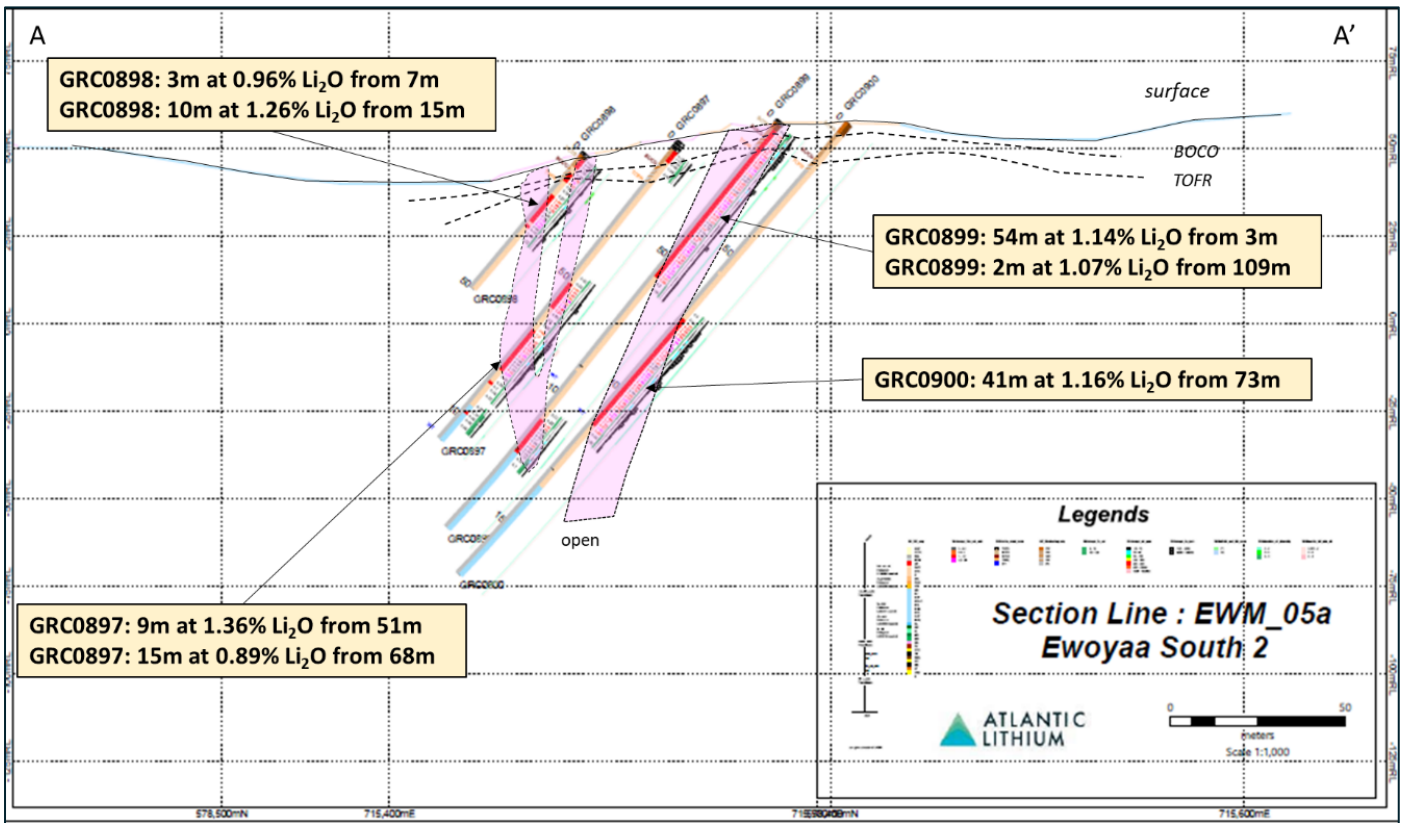


FIGURE 5 CROSS-SECTION A-A' SHOWING ASSAY RESULTS RECEIVED FOR GRC0897, GRC0898, GRC0899 AND GRC0900 AT THE EWoyAA SOUTH-2 DEPOSIT.

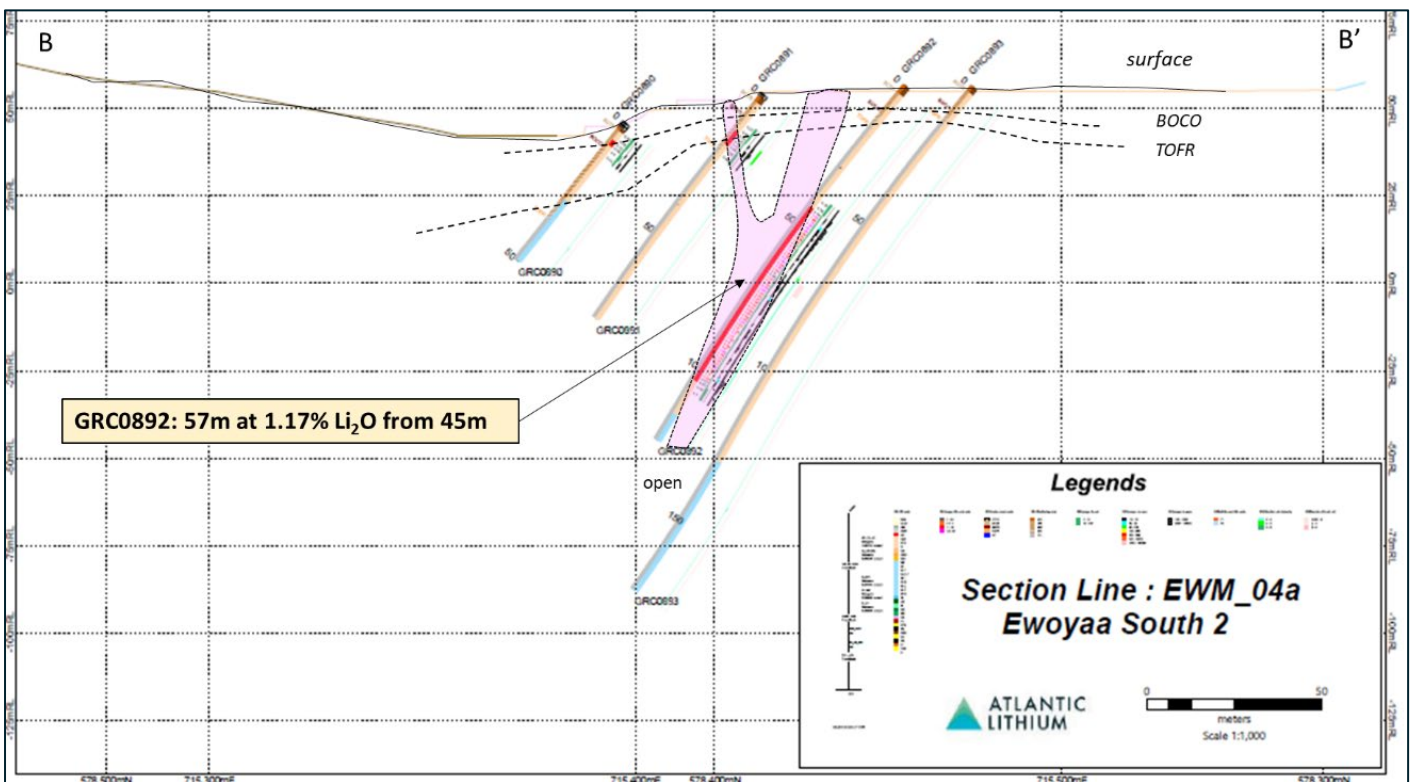


FIGURE 6 CROSS-SECTION B-B' ASSAY RESULTS RECEIVED FOR GRC0892 AT THE EWoyAA SOUTH-2 DEPOSIT.

**TABLE 7 NEW DRILL INTERSECTIONS REPORTED IN HOLE ID ORDER, REPORTED AT A 0.4% Li<sub>2</sub>O CUT-OFF AND MAXIMUM 4M OF INTERNAL DILUTION.**

Hole_ID	From_m	To_m	Interval_m	Estimated true width_m	Li <sub>2</sub> O %	Intersection	Comment	Hole Purpose	metal content Li x m
GRC0889	7	11				no significant intersections	weathered pegmatite	Water Monitoring	
GRC0890	6	8	2			no significant intersections	weathered pegmatite	Resource Drilling	
GRC0891	13	18	5			no significant intersections	weathered pegmatite	Resource Drilling	
GRC0892	45	102	57	11	1.17	GRC0892: 57m at 1.17% Li <sub>2</sub> O from 45m		Resource Drilling	66.7
GRC0893						No pegmatite intersected	No pegmatite intersected	Resource Drilling	
GRC0894	2	8	6	3		no significant intersections	weathered pegmatite	Resource Drilling	
GRC0894	19	24	5	2.5		no significant intersections	weathered pegmatite	Resource Drilling	
GRC0895	80	84	4	4	1.05	GRC0895: 4m at 1.05% Li <sub>2</sub> O from 80m		Resource Drilling	4.2
GRC0896	80	98	18	11	1.16	GRC0896: 18m at 1.16% Li <sub>2</sub> O from 80m		Resource Drilling	20.9
GRC0897	51	60	9	5	1.36	GRC0897: 9m at 1.36% Li <sub>2</sub> O from 51m		Resource Drilling	12.2
GRC0897	68	83	15	10	0.89	GRC0897: 15m at 0.89% Li <sub>2</sub> O from 68m		Resource Drilling	13.4
GRC0898	7	10	3	1	0.96	GRC0898: 3m at 0.96% Li <sub>2</sub> O from 7m	weathered pegmatite	Resource Drilling	2.9
GRC0898	15	25	10	5	1.26	GRC0898: 10m at 1.26% Li <sub>2</sub> O from 15m		Resource Drilling	12.6
GRC0899	3	57	54	11	1.14	GRC0899: 54m at 1.14% Li <sub>2</sub> O from 3m		Resource Drilling	61.6
GRC0899	109	111	2	1	1.07	GRC0899: 2m at 1.07% Li <sub>2</sub> O from 109m		Resource Drilling	2.1
GRC0899	116	117	1	0.5	0.46	GRC0899: 1m at 0.46% Li <sub>2</sub> O from 116m		Resource Drilling	0.5
GRC0900	73	114	41	11	1.16	GRC0900: 41m at 1.16% Li <sub>2</sub> O from 73m		Resource Drilling	47.6
GRC0901	3	9	6	4	0.77	GRC0901: 6m at 0.77% Li <sub>2</sub> O from 3m	weathered pegmatite	Resource Drilling	4.6
GRC0902	13	17	4	3	0.47	GRC0902: 4m at 0.47% Li <sub>2</sub> O from 13m	weathered pegmatite	Resource Drilling	1.9
GRC0903	9	17	8	5	0.83	GRC0903: 8m at 0.83% Li <sub>2</sub> O from 9m		Resource Drilling	6.6
GRC0903	57	67	10	5	1.27	GRC0903: 10m at 1.27% Li <sub>2</sub> O from 57m		Resource Drilling	12.7
GRC0904	97	101	4	2.5	0.93	GRC0904: 4m at 0.93% Li <sub>2</sub> O from 97m		Resource Drilling	3.7
GRC0905	17	18	1	1	1.09	GRC0905: 1m at 1.09% Li <sub>2</sub> O from 17m		Resource Drilling	1.1
GRC0905	24	30	6	4	1.55	GRC0905: 6m at 1.55% Li <sub>2</sub> O from 24m		Resource Drilling	9.3
GRC0905	50	52	2	1.5	0.65	GRC0905: 2m at 0.65% Li <sub>2</sub> O from 50m		Resource Drilling	1.3
GRC0906	15	20	5	3	0.96	GRC0906: 5m at 0.96% Li <sub>2</sub> O from 15m		Resource Drilling	4.8
GRC0906	38	49	11	6	1.5	GRC0906: 11m at 1.5% Li <sub>2</sub> O from 38m		Resource Drilling	16.5
GRC0906	54	71	17	8	0.91	GRC0906: 17m at 0.91% Li <sub>2</sub> O from 54m		Resource Drilling	15.5
GRC0907	6	18	12	7	1.07	GRC0907: 12m at 1.07% Li <sub>2</sub> O from 6m	weathered pegmatite	Resource Drilling	12.8
GRC0908	18	31	13	8	1.03	GRC0908: 13m at 1.03% Li <sub>2</sub> O from 18m		Resource Drilling	13.4
GRC0908	33	43	10	6	1.53	GRC0908: 10m at 1.53% Li <sub>2</sub> O from 33m		Resource Drilling	15.3
GRC0908	47	66	19	10	0.922	GRC0908: 19m at 0.93% Li <sub>2</sub> O from 47m		Resource Drilling	17.5



Hole_ID	From_m	To_m	Interval_m	Estimated true width_m	Li2O %	Intersection	Comment	Hole Purpose	metal content Li x m
GRC0909A	44	48	4	2	0.77	GRC0909A: 4m at 0.77% Li2O from 44m		Resource Drilling	3.1
GRC0909A	78	111	33	12	1.12	GRC0909A: 33m at 1.12% Li2O from 78m		Resource Drilling	37
GRC0909A	120	122	2	1	0.76	GRC0909A: 2m at 0.76% Li2O from 120m		Resource Drilling	1.5

**NOTE:** Metal content is based on intercept rather than estimated true width

**TABLE 8 NEWLY REPORTED DRILL HOLE COLLAR LOCATIONS.**

Hole_ID	Easting_m	Northing_m	Elevation_m	Dip	Hole Azimuth	end of hole depth_m	Hole Purpose
GRC0889	714054	577704	26.0	-90	0	100	Water Monitoring
GRC0890	715399	578416	51.9	-50	305	50	Resource Drilling
GRC0891	715429	578390	57.7	-50	305	80	Resource Drilling
GRC0892	715462	578366	60.0	-50	305	124	Resource Drilling
GRC0893	715480	578358	57.1	-50	305	174	Resource Drilling
GRC0894	715420	578430	53.8	-50	305	50	Resource Drilling
GRC0895	715449	578412	56.6	-50	305	106	Resource Drilling
GRC0896	715490	578375	58.3	-50	305	157	Resource Drilling
GRC0897	715470	578427	56.0	-50	305	109	Resource Drilling
GRC0898	715448	578443	53.1	-50	305	50	Resource Drilling
GRC0899	715492	578409	59.6	-50	305	150	Resource Drilling
GRC0900	715509	578399	59.5	-50	305	170	Resource Drilling
GRC0901	715458	578462	45.8	-50	305	50	Resource Drilling
GRC0902	715477	578480	45.8	-50	305	50	Resource Drilling
GRC0903	715513	578456	45.7	-50	305	120	Resource Drilling
GRC0904	715541	578429	45.4	-50	305	139	Resource Drilling
GRC0905	715517	578485	41.2	-50	305	110	Resource Drilling
GRC0906	715547	578458	39.6	-50	305	140	Resource Drilling
GRC0907	715514	578509	39.4	-50	305	50	Resource Drilling
GRC0908	715549	578490	35.2	-50	305	86	Resource Drilling
GRC0909A	715568	578474	38.3	-50	305	143	Resource Drilling

## Soil geochemistry survey

The planned 100m x 100m grid soil geochemistry survey over the Cape Coast license has now been completed. In-house analysis of the samples for multi-element geochemistry using portable X-Ray fluorescence ('pXRF') and lithium using portable Laser induced breakdown spectroscopy ('LIBS') analysers is currently underway. Anomalous Li-Rb-Sn targets from the soil geochemistry survey with coincident geophysical anomalies will be prioritised for field mapping and pending results, auger drilling and RC drill testing.

## Auger Drilling

The Company's approx. 20,000m auger drilling programme is ongoing, with analysis underway. Drilling is testing multiple coincident geochemical and geophysical targets within the Project corridor and broader 560km<sup>2</sup> Cape Coast Lithium portfolio; inclusive of any targets defined within the Cape Coast soil geochemistry survey. Auger drilling is

designed to test for pegmatites below vegetation and soil cover in the absence of outcrop and, if pegmatite is intersected, step out drilling over a grid pattern will follow to define the sub-surface pegmatite footprint ahead of RC drill testing at depth for grade potential.

Dependent on the results of the regional auger drilling and passive seismic survey, the Company has allowed for 6,500m of exploration RC drilling to test the targets defined later in the year.

## Corporate

### Appointments

On 16 May 2023, the Company announced the appointments of Keith Muller as Chief Executive Officer (“CEO”) and Len Kolff as Head of Business Development & Chief Geologist, respectively.

Mr Muller joined Atlantic Lithium in November 2022, initially as Chief Operating Officer (“COO”), to drive the Company's transition from explorer through the development phase towards first production and the delivery of a successful operating spodumene concentrate mine.

Mr Muller brings considerable operational and leadership experience and a background in hard rock lithium mining and processing, specifically in DMS spodumene processing. His involvement at the Mt Cattlin lithium mine in Western Australia, which bears similarities with Ewoyaa, during his time at Allkem provides the Company with invaluable learnings and experience of operating a successful lithium mine.

As CEO, he assumes the position held by Len Kolff on an interim basis since March 2022 following the passing of Atlantic Lithium's founder and former Chief Executive Officer, Vincent Mascolo. The Board would like to take the opportunity to thank Mr Kolff for his efforts during this challenging period and delivering on significant milestones during this phase of the Company's growth.

In line with Mr Muller's appointment, Mr Kolff takes up the position of Head of Business Development & Chief Geologist, where he will be responsible for the ongoing exploration of the Company's portfolio and identifying and developing growth opportunities for the Company.

### Changes to the Board

The Company confirmed the appointments of CEO Keith Muller and Patrick Brindle to the Atlantic Lithium Board of Directors.

Mr Brindle currently serves as Executive Vice President & Chief Operating Officer at Piedmont Lithium Inc. (NASDAQ: PLL, ASX: PLL) and joins the Board to take up the Non-Executive Director position available to Piedmont. He brings more than 20 years' experience in senior management and engineering roles and has completed EPC projects around the world.

Mr Muller and Mr Brindle bring global engineering and mine management experience and their appointments further align the capabilities of the Board with the Company's ambitions of achieving near-term spodumene concentrate production at Ewoyaa.

Also during the period, Stuart Crow made the decision to step down from the Board to focus on his other business interests. For over a decade, Mr Crow's insights contributed greatly to the growth and development of the Company to become a significant near-term lithium producer. The Board would like to take the opportunity to express its sincere gratitude to Mr Crow for all of his efforts for the Company and wish him success in his other endeavours.

### International Lithium Association Membership

In April 2023, the Company became an Associate Member of the International Lithium Association (“ILiA”), the global trade association for the lithium industry.

The association aims to be a voice and global authority for the industry and support the sector's efforts to supply high-quality lithium sustainably and responsibly.

Atlantic Lithium's ILIA membership reflects the Company's ambition of bringing Ewoyaa to production to play an important role in the global decarbonisation thematic, while delivering long-term benefits to all stakeholders.

### DTC Eligibility for OTCQX Electronic Trading

The Company commenced trading on the OTCQX in November 2021 with the aim of providing more efficient access to prospective US investors, where there is significant sophisticated investor interest in the mining sector.

In May 2023, the Company's common shares ("Common Shares") listed on the OTCQX® Best Market ("OTCQX") in the United States were granted eligibility for electronic clearing and settlement through the Depository Trust Company ("DTC").

DTC eligibility is expected to simplify the process of trading and transferring the Common Shares and enhance the liquidity of the Common Shares in the United States because of the accelerated settlement period and the expected reduction in costs for investors and brokers.

The Company has been proactive in its marketing in the US and Canada and has seen an increase in North American institutional investor interest as a result.

Atlantic Lithium shares trade on the OTCQX under the ticker "ALLIF".

### Appointment of Head of Operational Readiness

Post-period end, the Company appointed Aaron Maurer as Head of Operational Readiness. Prior to joining Atlantic Lithium, Mr Maurer held several engineering, production, operational, and senior executive roles, including as Executive General Manager - Operations at Minerals Resources Limited, where he oversaw the Mt Marion Lithium mine and three iron ore mines in Western Australia. He also previously held the positions of Managing Director and CEO of PVW Resources NL and General Manager (Site Senior Executive) at Peabody Energy Australia.

Mr Maurer brings to the Company significant expertise spanning the development and implementation of safety and cost-saving initiatives, change management, strategic planning, business development, and employee development.

Mr Maurer's involvement in the operations at Mt Marion significantly strengthens the capabilities and the expertise of the senior management team as the Company advances the Project towards first spodumene construction production.

### Conferences Attended

The Company attended the following conferences during the period:

- Future Facing Commodities 2023, Singapore (4-6 April)
- Canaccord Genuity's Global Metals & Mining Conference, Palm Desert (10-12 May)
- Wilsons Rapid Insights Conference, Sydney (18 May)
- Ghana Mining and Energy Summit, Accra (6-9 June)
- Fastmarkets Lithium Supply and Battery Raw Materials 2023, Las Vegas (20-22 June)
- Proactive One2One Investor Forum, London (28 June)

The Company also hosted a webinar on the Investor Meet Company platform following the release of the DFS. Investors can sign up to Investor Meet Company to watch the Company's previous webinars and be notified of upcoming events via the following link: <https://www.investormeetcompany.com/atlantic-lithium-limited/register-investor>.

## Sustainability

In May, the Company was awarded Exploration Company of the Year (Mining) at the 6<sup>th</sup> edition of the Ghana-West Africa Business Excellence Awards 2023, which recognises individuals and companies which have played a significant role in development of the business sector in Ghana.



Earlier in the month, honouring workers and their contribution to the country's development, Atlantic Lithium was a proud headline sponsor of the celebratory events for the community at Saltpond Victoria Park in the Mfantseman municipality which marked Ghana's May Day celebrations for the Central Region.



### Share Capital Changes - Ordinary Shares, Options and Performance Rights

On 6 April 2023, 3,500,000 ordinary shares of no par value each in the Company were issued at a price of 30 pence per share as a result of the exercise of unlisted ESOP options (granted on 9 April 2021). Amanda Harsas, Finance Director & Company Secretary, acquired 2,500,000 new Ordinary Shares at a price of 30p each as a result of the exercise of ESOP options, for a total consideration of £750,000.

On 16 May 2023, pursuant to his appointment as Chief Executive Officer, Keith Muller was granted 2,000,000 options over Ordinary Shares exercisable at a price of 50p with an expiry 2 years from date of issue.

A summary of movement and balances of equity securities between 1 April 2023 and date of this report is as follows:

	Ordinary Shares	Unquoted Options	Unquoted performance rights
On issue at start of Quarter	605,741,660	61,500,000	2,700,000
Shares issued – Exercise of ESOP options (6 April 2023)	3,500,000	(3,500,000)	
Options issued (16 May 2023)		2,000,000	
<b>Total Securities on issue at date of this report</b>	<b>609,241,660</b>	<b>60,000,000</b>	<b>2,700,000</b>

## Compliance

During the quarter, the Company spent A\$4.8 million on its exploration and feasibility activities for its Ewoyaa Lithium Project in Ghana, including A\$1.4 million on the Front-End Engineering Design and Transmission Line. In accordance with the agreement announced on 1 July 2021, exploration and feasibility activities are 50% funded by Piedmont, with Piedmont sole funding the first US\$70 million towards the total US\$185 million of capex forecasted. Funding is shared equally thereafter.

## Appendix 5B expenditure disclosure

As at end 30 June 2023, the Company had cash resources of A\$15.3 million and no debt. Exploration and evaluation cash expenditure on the Project during the quarter was A\$4.8 million. Piedmont Lithium Inc. funded A\$5.7 million in the quarter.

### Appendix 5B

#### Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

**ATLANTIC LITHIUM LIMITED**

ABN

Quarter ended ("current quarter")

**17 127 215 132**

**30 June 2023**

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12months) \$A'000
<b>1.</b>	<b>Cash flows from operating activities</b>		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(295)	(1,362)
	(e) administration and corporate costs	(1,197)	(5,620)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	-
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other	-	-
<b>1.9</b>	<b>Net cash from / (used in) operating activities</b>	<b>(1,492)</b>	<b>(6,982)</b>
<b>2.</b>	<b>Cash flows from investing activities</b>		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	(58)	(270)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12months) \$A'000
	(d) exploration & evaluation	(4,764)	(19,770)
	(e) investments	-	-
	(f) other non-current assets	-	-
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other - Piedmont Contributions from farm-in arrangement	5,687	15,586
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>865</b>	<b>(4,454)</b>
<b>3. Cash flows from financing activities</b>			
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	4,626
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	(1,744)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>-</b>	<b>2,882</b>
<b>4. Net increase / (decrease) in cash and cash equivalents for the period</b>			
4.1	Cash and cash equivalents at beginning of period	15,982	23,882
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,492)	(6,982)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	865	(4,454)

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (12months) \$A'000</b>
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	2,882
4.5	Effect of movement in exchange rates on cash held	(3)	24
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>15,352</b>	<b>15,352</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts</b>	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	15,333	15,982
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other – Petty Cash	19	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>15,352</b>	<b>19,051</b>

<b>6.</b>	<b>Payments to related parties of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1	Aggregate amount of payments to related parties and their associates included in item 1	-
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

*NOTE: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.*



7.	<b>Financing facilities</b> <i>NOTE: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other	-	-
7.4	<b>Total financing facilities</b>	-	-
7.5	<b>Unused financing facilities available at quarter end</b>		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
<hr/>			
<b>8.</b>	<b>Estimated cash available for future operating activities</b>		<b>\$A'000</b>
8.1	Net cash from / (used in) operating activities (item 1.9)		(1,492)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))		(4,764)
8.3	Total relevant outgoings (item 8.1 + item 8.2)		(6,256)
8.4	Cash and cash equivalents at quarter end (item 4.6)		15,352
8.5	Unused finance facilities available at quarter end (item 7.5)		-
8.6	Total available funding (item 8.4 + item 8.5)		15,352
8.7	<b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>		<b>2.5</b>
	<i>NOTE: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>		
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:		
8.8.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?		
	Answer: N/A		
8.8.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?		
	Answer: N/A		

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: N/A

**NOTE:** where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

## Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: **31 July 2023**

Authorised by: **Authorised by the Board of Atlantic Lithium Limited**

## Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

## <sup>1</sup> Ore Reserves, Mineral Resources and Production Targets

The information in this announcement that relates to Ore Reserves, Mineral Resources and Production Targets complies with the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code). The information in this announcement relating to Ore Reserves of 25.6Mt @ 1.22% Li<sub>2</sub>O and Production Targets is extracted from the Ewoyaa Lithium Project Definitive Feasibility Study, announced by the Company on 29 June 2023, and information in this announcement relating to the Mineral Resource Estimate ("MRE") of 35.3 Mt @ 1.25% Li<sub>2</sub>O for Ewoyaa is extracted from the Company's announcement dated 1 February 2023, both of which are available at [atlanticlithium.com.au](http://atlanticlithium.com.au). The MRE includes a total of 3.5 Mt @ 1.37% Li<sub>2</sub>O in the Measured category, 24.5 Mt @ 1.25% Li<sub>2</sub>O in the Indicated category and 7.4 Mt @ 1.16% Li<sub>2</sub>O in the Inferred category. The Company confirms that all material assumptions and technical parameters underpinning the Mineral Resource Estimate and the Definitive Feasibility Study continue to apply and have not materially changed, and it is not aware of any new information or data that materially affects the information included in this announcement or the announcements dated 1 February 2023 or 29 June 2023.

FOR ANY FURTHER INFORMATION, PLEASE CONTACT:

**ATLANTIC LITHIUM LIMITED**


Keith Muller (Chief Executive Officer)

Neil Herbert (Executive Chairman)

Amanda Harsas (Finance Director and Company Secretary)

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**NOTES TO EDITORS:**

**About Atlantic Lithium**

[www.atlanticlithium.com.au](http://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. Atlantic Lithium is currently advancing the Ewoyaa Project through feasibility studies and intends to be producing a spodumene concentrate via simple gravity only process flowsheet.

Atlantic Lithium holds 560km<sup>2</sup> and 774km<sup>2</sup> of tenure across Ghana and Côte d'Ivoire respectively, comprising significantly under-explored, highly prospective licences.