

Corporate Update
Quarterly Activities and Cash Flow Report
for the quarter ended 31 March 2023

Highlights

The Board of Atlantic Lithium Limited ("Atlantic Lithium" or the "Company"), the funded African-focussed lithium exploration and development company targeting to deliver Ghana's first lithium mine, is pleased to present its Quarterly Activities Report for the period ended 31 March 2023.

During the quarter, the Company reported a significant Mineral Resource Estimate¹ ("MRE" or the "Resource") upgrade to 35.3Mt at 1.25% Li₂O for the Ewoyaa Lithium Project ("Ewoyaa" or the "Project") in Ghana, announced the commencement of the 2023 exploration and resource drilling programmes and provided an update on the Definitive Feasibility Study ("DFS") underway at the Project and targeted for release in Q2 2023.

Highlights from the reporting period include:

Exploration

- Significant Mineral Resource Estimate¹ ("MRE" or the "Resource") upgrade to 35.3Mt at 1.25% Li₂O including 28Mt in the Measured and Indicated categories
 - 79% of the overall MRE¹ now in higher confidence Measured and Indicated categories, with 3.5Mt at 1.37% Li₂O in the Measured category and 24.5Mt at 1.25% Li₂O in the Indicated category
 - MRE¹ incorporates all assay results and high-grade pegmatites reported during the period for the total 47,000m drilling programme completed in 2022
- Commencement of the 2023 exploration and resource programmes at the Project, comprising:
 - Approximately 20,000m of auger drilling to test multiple targets identified within the Project area and broader Cape Coast Lithium Portfolio ("Portfolio")
 - 100m x 100m grid soil geochemistry survey over the Cape Coast licence ahead of target definition
 - Passive seismic geophysics survey to test for potential concealed pegmatite targets within the immediate Ewoyaa MRE¹, commenced post-period end
 - Approximately 10,000m of infill drilling, commenced post-period end
 - Approximately 2,000m of diamond core ("DD") drilling for Project studies including water monitoring, metallurgy and resource twinning of Reverse Circulation ("RC") holes
 - Analysis of pegmatite drill intersections from stored pulps and retention samples for multi-element geochemistry to help define a feldspar Mineral Resource Estimate in support of future mine studies



Project Development

- Staged project development plan underway, as part of the Definitive Feasibility Study (“DFS”) for the Project, focussing on improved plant efficiency and increased metal recovery to optimise the Project’s economics:
 - Stage 1 – DFS Project Development, comprising:
 - Crushing and screening to three size fractions (from 1-10mm) in order to improve cyclone performance
 - Retain sales of natural occurring fines as a direct shipping ore (“DSO”) by-product
 - Model various mine throughput scenarios to optimise Project outcomes
 - Stage 2 - Scoping Studies, comprising of three separate value-adding streams:
 - Evaluation of early lithium spodumene concentrate (“SC6”) production opportunities through the rapid deployment of Modular Dense Media Separation (“DMS”) units to capitalise on the current SC6 price environment
 - Later-stage beneficiation of natural occurring fines to SC6
 - Production of feldspar by-product to reduce waste and to supply Ghana’s growing ceramics industry
 - Study to consider various mine throughput scenarios for the Project
- Front-End Engineering Design (“FEED”) and DFS progressed well during the period

Corporate

- Atlantic Lithium listed in the 2023 OTCQX® Best 50, an annual ranking of top performing companies traded on the OTCQX Best Market in 2022
- Post-period end, joined the International Lithium Association as an Associate Member
- Cash on hand at end of quarter was A\$16.0 million

Sustainability

- Project site visit for key in-country stakeholders
- Attendance at Women in Mining breakfast hosted by the Australian High Commission to Ghana, Accra
- Donations made to support a PV lighting programme in the region and to support the celebration of the 66th Independence Day

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

“The first quarter of 2023 has seen the Company build upon the impressive progress made in 2022, putting Atlantic Lithium on track to meet its targets through the rest of 2023.

“From its discovery, Atlantic Lithium has made great strides in de-risking and proving Ewoyaa to be a globally significant lithium asset. Following the success of the Project’s 47,000m drilling programme completed in 2022, which returned the highest intersects reported to date, we are delighted that the Mineral Resource Estimate has increased to 35.3Mt at 1.25% Li₂O, including 28Mt in the Measured and Indicated categories. The improved MRE

will be incorporated in the Definitive Feasibility Study, due in Q2 2023. Meanwhile, resource and exploration drilling is ongoing to improve the confidence of current resources and extend the Resource footprint.

“Exploration, which has always been an area of expertise for Atlantic Lithium, will remain a key component to unlocking further value at Ewoyaa as the Company advances the Project through studies and permitting. With much of the Company’s tenure in Ghana yet to be drilled, we are confident that Ewoyaa and the wider Cape Coast Lithium Portfolio offer significant value upside through further exploration. While drilling continues, our sights are now set on production at Ewoyaa and taking the necessary steps to achieve this goal.

“During the period, the Company provided an update on the Definitive Feasibility Study, which is progressing well and remains on track for Q2. The planned staged developments aim to increase metal recovery and improve plant efficiency, which is expected to significantly enhance the Project’s economics. These planned developments include evaluating the potential for early-stage lithium spodumene concentrate production and establishing a route to market for the feldspar by-product. We believe that Ewoyaa will become a significant supply of feldspar, enabling the enhancement of the domestic ceramic industry, capable of delivering benefits to local communities, Ghana and the region more broadly, long after the life of the mine.

“Looking ahead, we expect to achieve key value milestones in the coming period, including the release of the DFS and completion of the FEED. We are also in regular contact with the Minerals Commission and the Ghanaian government and hope to shortly receive the grant of the Mining Lease, following the submission of our application after the Pre-Feasibility Study was announced in September 2022.

“2023 is set to be a major year for Atlantic Lithium and the development of the Ewoyaa Lithium Project. We are pushing ahead on all fronts to achieve our goals, with the aim of maximising value at Ewoyaa for the Company and its shareholders. We look forward to providing further updates on our progress in due course.”

Ewoyaa Lithium Project, Ghana, West Africa

Ewoyaa is the Company’s flagship project and is targeted to be Ghana’s first lithium-producing mine, having secured project development funding via a partnership agreement with Piedmont Lithium Inc. (NASDAQ: PLL; ASX: PLL, *refer announcement of 31 August 2021*).

The Project includes the Ewoyaa, Anokyi, Okwesikrom, Grasscutter, Abonko and Kaampakrom deposits and is located in Ghana, West Africa, approximately 100km southwest of the capital of Accra. The Project is well located being adjacent to operational infrastructure including 1km from the Takoradi - Accra N1 highway, 110km from the Takoradi deep-sea port and adjacent to hydroelectric sourced grid power, within the pro-mining jurisdiction of Ghana.

The Project is proven to produce a premium spodumene concentrate (“SC6”) product suitable for conversion to battery-grade lithium carbonate and hydroxide. The site is easily accessed from Accra via the bitumen Accra-Cape Coast-Takoradi highway being 100km from the Capital city Accra (*refer Figure 1*).

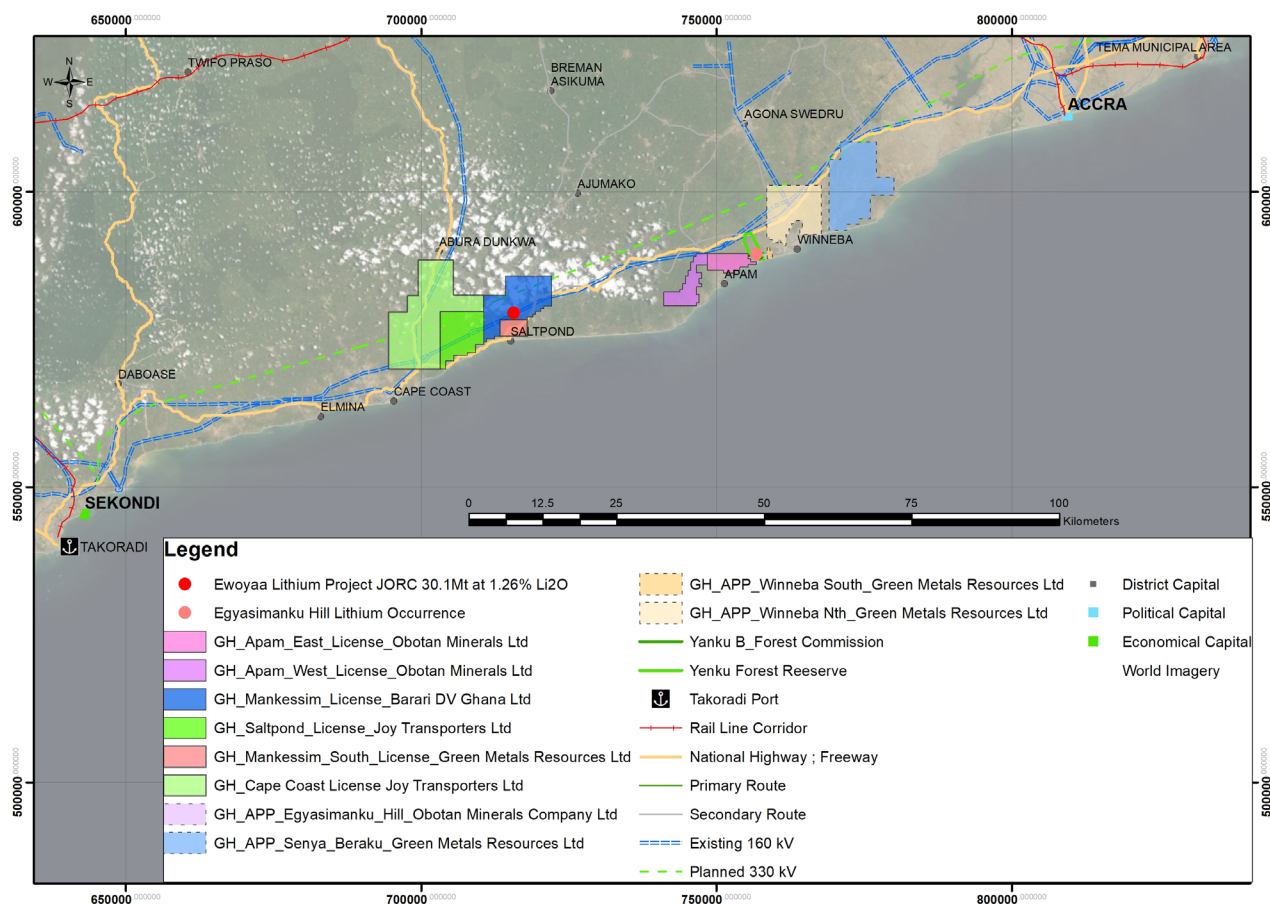


Figure 1: Location of the Ewoyaa Lithium Project

March Quarter Activities

Exploration

Mineral Resource Estimate upgrade to 35.3Mt at 1.25% Li₂O

An upgraded MRE¹ of 35.3Mt at 1.25% Li₂O was completed for the Ewoyaa deposit and surrounding pegmatites; collectively termed the “Ewoyaa Project”. The Mineral Resource is reported in accordance with the JORC Code (2012). The MRE includes a total of 3.5Mt at 1.37% Li₂O in the Measured category, 24.5Mt at 1.25% Li₂O in the Indicated category and 7.4Mt at 1.16% Li₂O in the Inferred category (*refer Table 1*).

The independent MRE¹ for Ewoyaa was completed by Ashmore Advisory Pty Ltd (“Ashmore”) of Perth, Western Australia, with results tabulated in the Statement of Mineral Resources in **Table 1**. The Statement of Mineral Resources is reported in line with requirements of the JORC Code (2012) and is therefore suitable for public reporting.

High-level Whittle optimisation was completed by Mining Focus Consultants Pty Ltd of Perth, Western Australia and demonstrates reasonable prospects for eventual economic extraction.

Table 1: Ewoyaa Mineral Resource Estimate¹ (0.5% Li₂O Cut-off)

Type	Measured Mineral Resource		
	Tonnage Mt	Li ₂ O %	Cont. Lithium Oxide kt
Primary	3.5	1.37	48
Total	3.5	1.37	48
Type	Indicated Mineral Resource		
	Tonnage Mt	Li ₂ O %	Cont. Lithium Oxide kt
Weathered	0.5	1.09	5
Primary	24.1	1.26	302
Total	24.5	1.25	307
Type	Inferred Mineral Resource		
	Tonnage Mt	Li ₂ O %	Cont. Lithium Oxide kt
Weathered	1.8	1.13	20
Primary	5.6	1.17	66
Total	7.4	1.16	86
Type	Total Mineral Resource		
	Tonnage Mt	Li ₂ O %	Cont. Lithium Oxide kt
Weathered	2.2	1.12	25
Primary	33.1	1.25	415
Total	35.3	1.25	440

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.

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).

There are four main geometallurgical domains at Ewoyaa; coarse-grained type P1 and finer-grained type P2 pegmatites and their weathered equivalents. Their estimated relative abundances, metallurgical recoveries and concentrate grades are shown in **Table 2**.

To show the tonnage and grade distribution throughout the entire deposit, a bench breakdown has been prepared using a 10m bench height which is shown in **Figure 2** and grade-tonnage curve for the classified resource in **Figure 3**.

Table 2: Material types, recoveries and concentrate grades (recoveries based on laboratory results)

Geomet Type	Weathered				
	Tonnage	Li ₂ O	Cont. Lithium Oxide	Recovery	Conc. Grade
	Mt	%	kt	%	Li ₂ O (%)
P1	2.0	1.13	23	68	6.0
P2	0.2	1.00	2	50	6.0
Total	2.2	1.12	25		

Geomet Type	Primary				
	Tonnage	Li ₂ O	Cont. Lithium Oxide	Recovery	Conc. Grade
	Mt	%	kt	%	Li ₂ O (%)
P1	29.3	1.28	375	70	6.0
P2	3.8	1.06	40	50	5.5
Total	33.1	1.25	415		

Competent Persons Note: as per Table 1 above and metallurgical sign off in Competent Persons section at end of document.

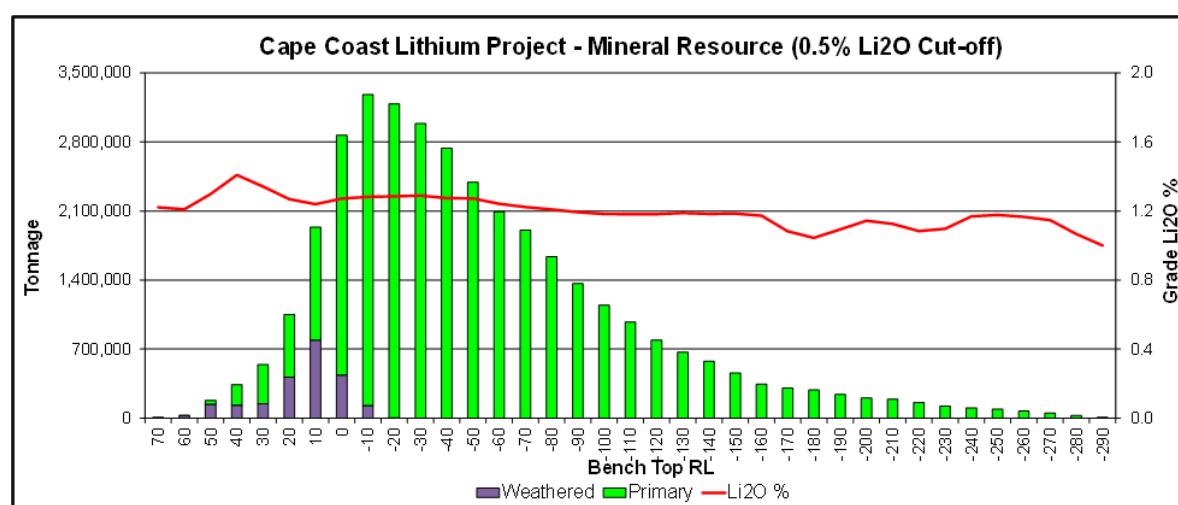


Figure 2: Ewoyaa Tonnage and Grade – 10m Bench Elevation

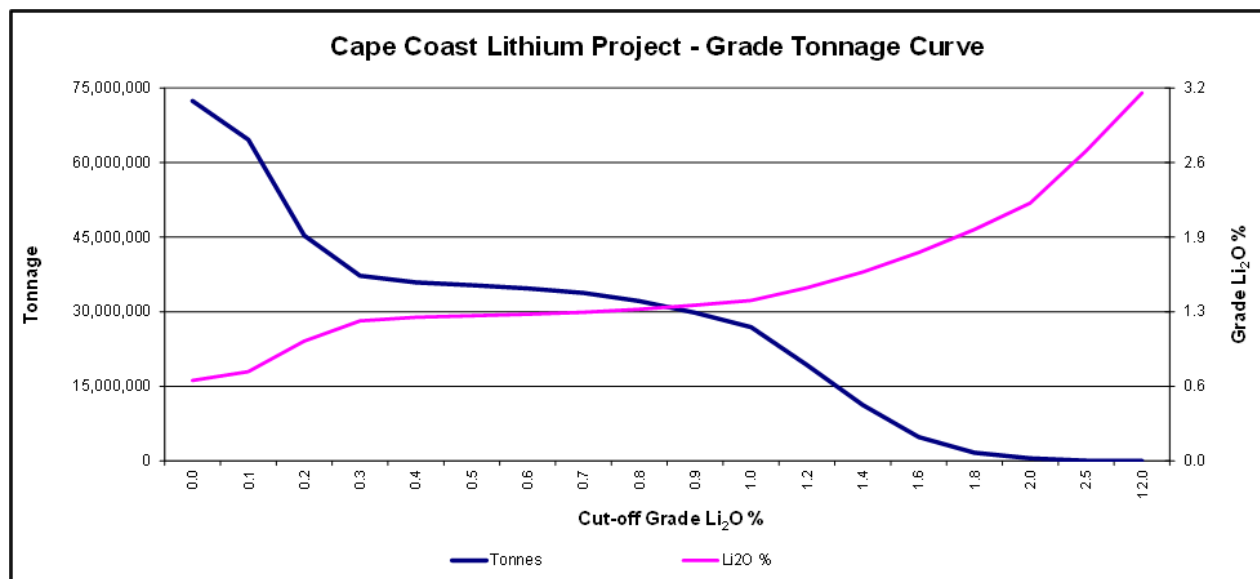


Figure 3: Ewoyaa Lithium Project Grade - Tonnage curve for classified pegmatite resource

Final assay results and high-grade pegmatites for the total 47,000m drilling programme completed in 2022

During the period, the Company received final assay results for 10,052m of exploration and infill diamond core ("DD") drilling and reverse circulation ("RC") drilling completed as part of the 47,000m resource evaluation and exploration RC and DD programme completed at the Project in 2022.

High-grade drill intersections were reported on 12 January 2023 at the Kaampakrom North, Grasscutter North, Anokyi and Grasscutter West targets, as well as new mineralised pegmatites confirmed at the Assan targets. Highlight drill intersections included:

- GRC0825: 36m at 1.23% Li₂O from 42m
- GDD0102A: 22.2m at 1.62% Li₂O from 73.3m
- GRC0837: 20m at 1.6% Li₂O from 44m
- GDD0103: 15.1m at 1.24% Li₂O from 55.4m
- GRC0842: 12m at 1.55% Li₂O from 93m
- GRC0839: 13m at 1.35% Li₂O from 99m
- GRC0850: 12m at 1.24% Li₂O from 96m
- GRC0341: 12m at 1.03% Li₂O from 134m
- GRC0844: 7m at 1.69% Li₂O from 162m
- GRC0872: 8m at 1.48% Li₂O from 34m

These results were incorporated into the MRE¹ update to 35.3Mt at 1.25% Li₂O announced during the reporting period.

The 35.3Mt at 1.25% Li₂O MRE¹ will be incorporated into the Definitive Feasibility Study ("DFS"), due to be released in Q2 2023.



2023 exploration and resource programmes

On 20 March 2023, the Company announced planned exploration and resource drilling programmes for the 2023 season with three key objectives; improve Resource confidence and add potential tonnes to the current MRE¹, test for concealed pegmatites within the immediate Resource footprint using passive seismic geophysics and expand the regional exploration pipeline of targets (*refer Figure 4*).

The following resource drilling and exploration programmes are planned for 2023.

Resource Programme:

Approximately 10,000m of resource infill and extensional RC and DD drilling is planned at the Project (*refer Figure 4*), consisting of:

- 3,000m of infill drilling to convert Inferred resources to the higher confidence Indicated category at the Ewoyaa South 2 deposit for future mine sequencing optionality;
- 7,000m of step out extensional drilling along strike and at depth below the Ewoyaa Main, Ewoyaa North-East and Kaampakrom corridor deposits aiming to grow the current MRE¹.

Infill drilling commenced at the Ewoyaa South 2 deposit post-period end. The programme is designed to convert the current Inferred category resources to the Indicated category, in support of future mine scheduling options (*refer Figure 4*).

Once the 3,000m infill drilling programme is completed at Ewoyaa South 2, the rig will move to the Ewoyaa Main deposit to commence step out drilling to potentially add tonnes to the MRE¹.

Approximately 7,000m of resource extension drilling is planned at the Ewoyaa Main and Ewoyaa North-East deposits where mineralisation remains open at depth, and at the Kaampakrom target where mineralisation remains open along strike and depth (*refer Figure 4*).

A further 2,000m of DD drilling is planned for Project studies including water monitoring, metallurgy and resource twinning of RC holes.

Exploration Programme:

Approximately 20,000m of auger drilling is planned over a five-month period to test multiple coincident geochemical and geophysical targets within the Project corridor and broader Portfolio (*refer Figure 4*). The auger drilling is designed to test for pegmatites below vegetation and soil cover in the absence of outcrop and, if 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.

Auger drilling commenced during the period and is ongoing with approximately 7,900m drilled to date including new targets north and west of the current MRE¹ footprint.

The Company has engaged Fleet Space Technologies to conduct a passive seismic geophysical survey within the immediate Ewoyaa MRE¹ footprint to test the potential for concealed pegmatite targets (*refer Figure 4*).

The Company has planned a potential five arrays over a one-month period covering a 1.7 km² evaluation area, comprising a single broad spaced geode (230m) grid testing to a planned depth of +/- 300m, and four closely spaced geode grids (100m) over the four quadrants of the same 1.7 km² area to test for pegmatites <20m thick down to +/- 100m depth.

Subsequent to the reporting period, the first grid array over a 1,300m x 1,300m area was installed and the survey, utilising Fleet Space Technologies' ExoSphere real-time ambient noise tomography ("ANT") geodes, is now underway.

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.

During the period, the Company commenced a 100m x 100m grid soil geochemistry survey over the Cape Coast licence ahead of target definition. The soil survey is ongoing.

On completion of 100m x 100m grid soil sampling, all samples will be analysed in-house for multi-element geochemistry using portable X-Ray fluorescence ('pXRF') and lithium using portable laser-induced breakdown spectroscopy ('LIBS') analysers. Anomalous Li-Rb-Sn targets with coincident geophysical anomalies will be prioritised for field mapping and pending results, auger drilling. Targets for mapping and auger follow-up will be defined from the results of the geochemical analysis.

During the period, the Company commenced sampling of stored resource drilling pulps and retention samples for multi-element geochemistry in support of defining a feldspar Mineral Resource Estimate in support of future mine studies. Work to define a feldspar Mineral Resource Estimate will be undertaken as part of the development of the Project and is expected to enhance the Project's economics. The Company believes the Project can significantly boost Ghana's ceramics industry through the establishment of a domestic, sustainable supply source.

The planned resource drilling programmes and the analysis of pegmatite drill intersections for multi-element geochemistry will not impact the targeted delivery date of the DFS, due in Q2 2023, which will be based on the current 35.3Mt @ 1.25% Li₂O MRE¹.

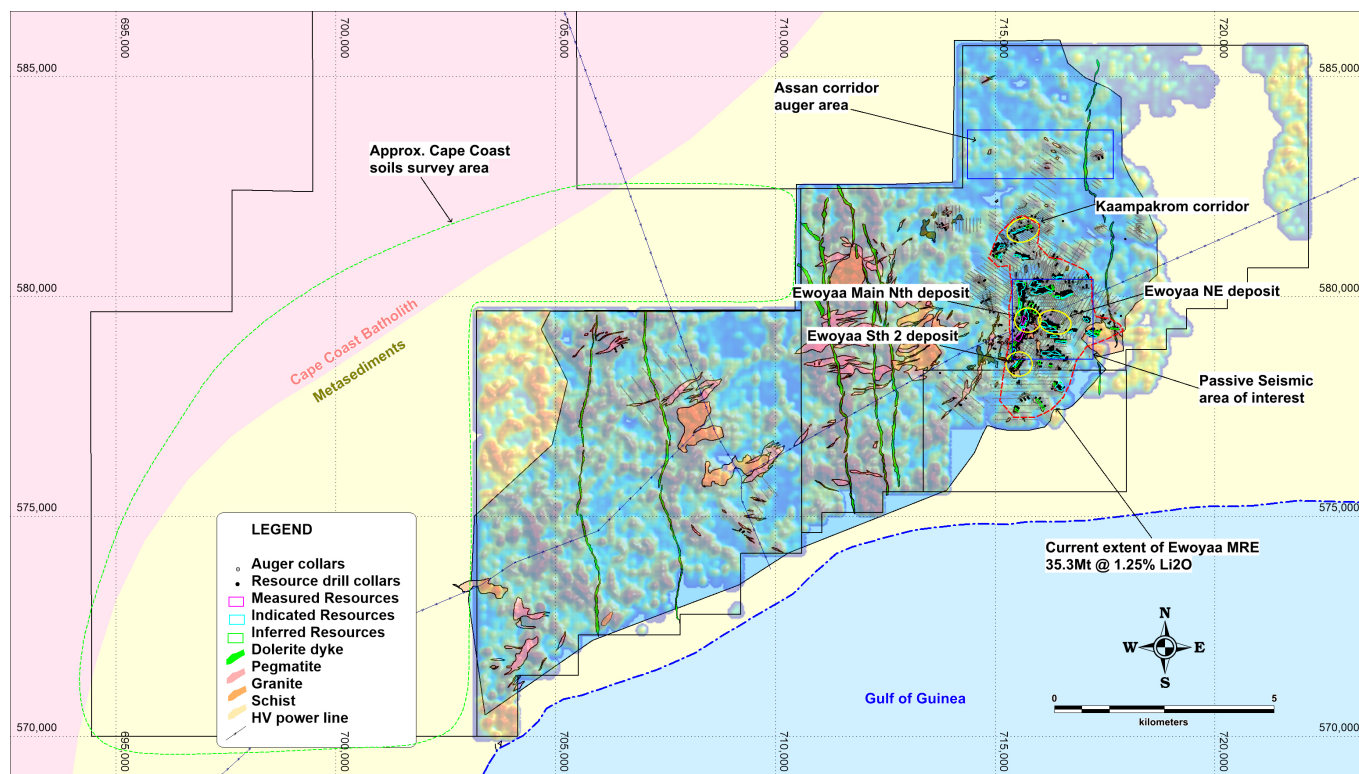


Figure 4: Overview of planned 2023 exploration and resource programmes' targets currently defined over geology interpretation with transparent Li LIBS soils overlay heatmap.

Project Development

On 22 March 2022, the Company announced an update on the Definitive Feasibility Study for the Project.

The planned developments to the Project result from the Company's increased MRE¹ to 35.3 Mt @ 1.25% Li₂O (*refer announcement of 1 February 2023*) and ongoing work to optimise the Project's processes. The planned developments are intended to increase metal recovery and improve plant efficiency.

The Company outlines the following steps in the planned development of the Project towards production.

Planned Stage 1 – DFS and Project Development

Results from the heavy liquid separation ("HLS") testwork series (*refer announcement of 22 September 2022*) confirmed that crushing to an all-in top-size of 6.3 mm would produce superior results and that a simple gravity-only DMS would be suitable for the plant.

Following further testwork, the Company plans to crush and screen to three size fractions (from 1-10mm) in order to improve cyclone performance and maximise metal recovery and grade in the processing plant at the Project.

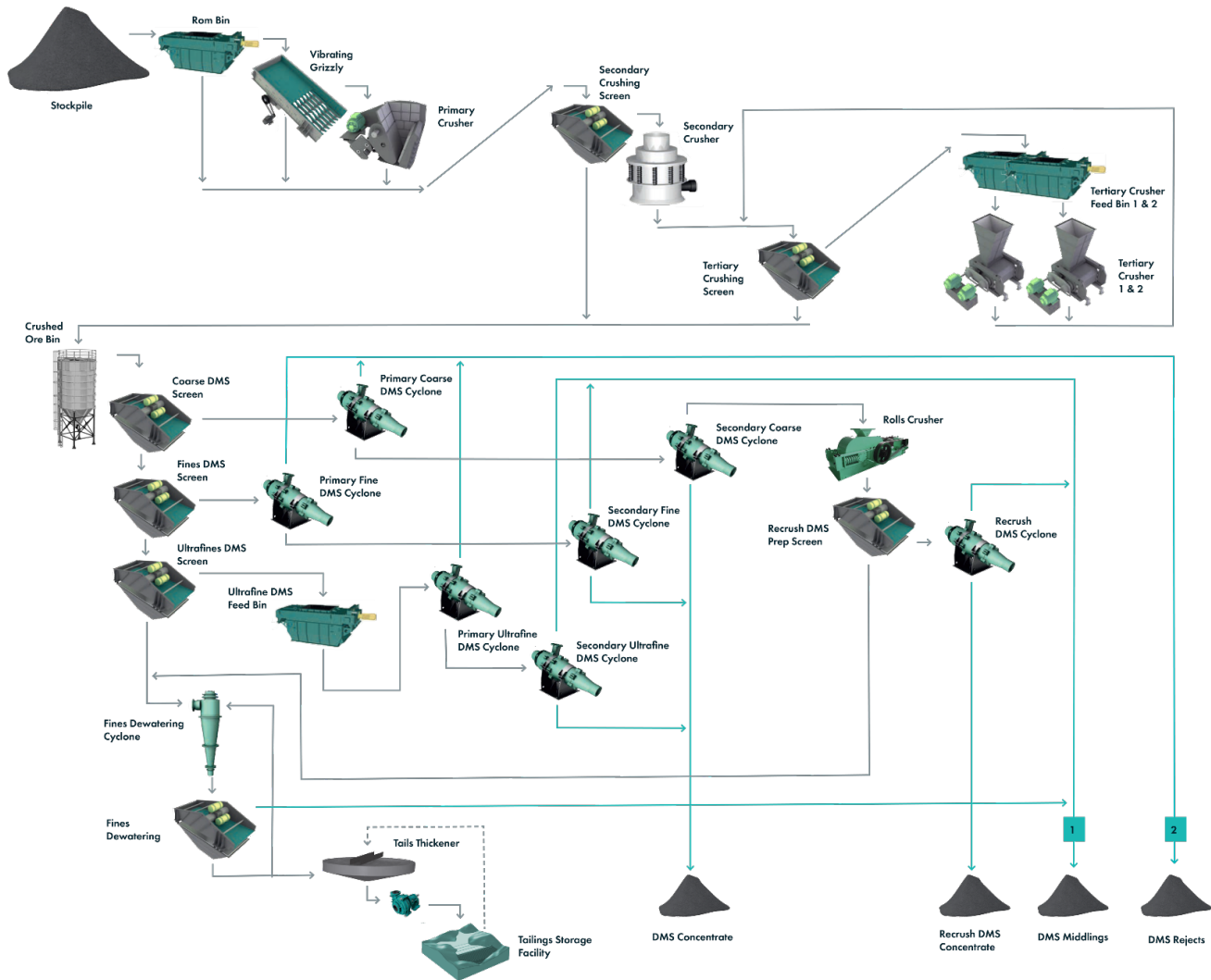


Figure 5: Ewoyaa flowsheet

The Ewoyaa flowsheet (refer **Figure 5**) provides for the extraction of natural occurring fines, which still hold a relatively high head grade and metal credits. The natural occurring fines hold approximately 5% of the metal units reporting to the plant. The secondary cyclone 'rejects' or 'floats' produced through DMS at the Project have a relatively high grade, accounting for approximately 7% of the metal reporting to the plant. When combined with the natural occurring fines, this material is ideal for sale as a low-grade product, with a lithium content in the range of 1-1.2%.

As part of the Stage 2 Scoping Studies, the Company intends to investigate the potential to beneficiate this material through a middlings beneficiation process, which could further improve value.

During the period, the Company commenced the study of various mine throughput scenarios for the DFS in line with the increased MRE¹ of 35.3 Mt @ 1.25% Li₂O. An optimal throughput scenario will be incorporated in the DFS, due in Q2 2023.

Stage 2 - Scoping Studies

Separate to the delivery of the DFS, the Company commenced the investigation of three study streams intended to add significant value to the Project.

The Company intends to conduct a study to evaluate the potential for early SC6 production through the deployment of Modular DMS units. The Company believes that the Modular DMS units can be easily installed, enabling earlier production in the current high lithium price environment.

The Company also plans to conduct a study to undergo beneficiation of middlings, which is a combination of naturally occurring fines produced and secondary floats from the cyclone process, which have consistently delivered lithium grades similar to the MRE¹. By optimising the processing of middlings, the Company aims to enhance SC6 production.

As detailed in the PFS (*refer announcement of **22 September 2022***), the Company believes that commercial quantities of feldspar may be produced from the plant - feldspar being defined as aluminosilicates containing a combined alkali content (Na₂O + K₂O) of greater than 10%. Ghana currently imports feldspar to supply its ceramics industry. The Company outlined its intention to evaluate the route to market of the feldspar produced as a by-product at Ewoyaa which could significantly enhance Ghana's ceramics industry. There is interest in Ghana to set up processing of the feldspar and this option is also being considered by the Company.

Work remains ongoing to further optimise the Project's processes and economics.

During the period, the Front-End Engineering Design ("FEED") and DFS progressed well. In March, the Company conducted a 75% FEED completion meeting with its FEED partner, the Primero Group.

The DFS remains on track for delivery in Q2 2023.

Interest in Tenements

At the end of the quarter ending 31 March 2023, the Group had an interest in the following tenements:

Tenement Number	Tenement Name	Principal Holder	Grant Date / Application Date	Expiry Date	Term	Change during Quarter
Granted Tenements						
Australia						
EPM 16260	Cadarga Two ¹	Eastern Exploration Pty Ltd	12.06.21	11.06.23	2 years	None
EPM 16261	Cadarga One ¹	Eastern Exploration Pty Ltd	28.05.21	27.05.23	2 years	None
Ghana						
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
Ivory Coast						
PR695	Rubino	Khaleesi Resources SARL (100% Atlantic)	20.10.16	Application		None
PR694	Agboville	Khaleesi Resources SARL (100% Atlantic)	20.10.16	Application		None

1. The Australian tenures will be relinquished in the financial year ended 30 June 2023 and was written down to zero value at 30 June 2022.

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

Corporate

Atlantic Lithium in the 2023 OTCQX Best 50

Atlantic Lithium was listed in the 2023 OTCQX® Best 50, a ranking of top performing companies traded on the OTCQX Best Market last year (*refer announcement of 20 January 2023*).

The OTCQX Best 50 is an annual ranking of the top 50 US and international companies traded on the OTCQX market. The ranking is calculated based on an equal weighting of one-year total return and average daily dollar volume growth in the previous calendar year.

The complete 2023 OTCQX Best 50 ranking can be found at the following link:

https://www.otcm Markets.com/files/2023_OTCQX_Best_50.pdf

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Atlantic Lithium joins the International Lithium Association

Post-period end, the Company announced that it had become an Associate Member of the International Lithium Association (ILiA), the global trade association for the lithium industry. Representing the entire lithium value chain, 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.

Committed to acting as a modern, transparent and responsible mining company, Atlantic Lithium's membership of ILiA represents the Company's ambition to bringing the Ewoyaa Lithium Project in Ghana to production to play an important role in accelerating the electric vehicle revolution through the creation of a sustainable supply of lithium.

Conferences attended

The Company attended the following conferences during the period:

- Headline sponsor for the West African Institute of Mining, Metallurgy and Petroleum (WAIMM) Annual Industry Conference, Accra (17-18 January 2023)
- Mining Indaba 2023, Cape Town (6-9 February 2023)
- Red Cloud's Pre-PDAC Mining Showcase, Toronto (2-3 March 2023)
- Loop Capital Markets 2023 Investor Conference (13 March 2023)
- Paydirt's Battery Minerals Conference, Perth (21-22 March 2023)
- TB Amati Strategic Metals 2 Year Anniversary Seminar, London (23 March 2023)

The Company also hosted a webinar on the Investor Meet Company platform outlining the latest and planned developments at Ewoyaa.

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

During the period, the Company hosted a visit to the Project site, detailing the plans for the proposed Ewoyaa Lithium Mine, for several key local stakeholders.



On International Women's Day, members of the Atlantic Lithium in-country team were proud to represent the Company at a Women in Mining breakfast hosted by the Australian High Commission to Ghana in Accra. The event aimed to promote the mining industry as a career choice for women in Ghana and was attended by Ghana's Ministry of Lands and Natural Resources and the Minerals Commission.



In March, donations were made by the Company to support a PV lighting programme in the region and to the Central Regional Coordinating Council and Mfantseman Municipal Assembly to support the celebration of the 66th Independence Day.

Share Capital changes – Ordinary Shares, Options and Performance Rights

On 31 March 2023, 7,000,000 unlisted options were issued to the Directors following approval by shareholders. Details of the unlisted options are as follows:

Director	No of Options	Strike Price	Expiry Date
Mr Neil Herbert	2,000,000	60 pence	2 years from date of issue
Mr Lennard Kolff	2,000,000	60 pence	2 years from date of issue
Ms Amanda Harsas	2,000,000	60 pence	2 years from date of issue
Mr Stuart Crow	1,000,000	60 pence	2 years from date of issue

Directors of the Company purchased the following ordinary shares in the market during the quarter:

- 1,883,177 ordinary shares - Mr Neil Herbert
- 1,338,129 ordinary shares - Ms Amanda Harsas
- 23,508 ordinary shares - Mr Lennard Kolff

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.

A summary of movement and balances of equity securities between 1 January 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	54,500,000	2,700,000
Options issued (31 March 2023)		7,000,000	
Shares issued – Exercise of ESOP options (6 April 2023)	3,500,000	(3,500,000)	
Total Securities on issue at date of this report	609,241,660	58,000,000	2,700,000

Compliance

During the quarter, the Company spent A\$3.1 million on its exploration and feasibility activities for its Ewoyaa Lithium Project in Ghana. This included A\$1.2 million on the Front-End Engineering Design. Exploration and feasibility study activities are 50% funded by Piedmont Lithium Inc. and Capex 100% funded as part of the partnership arrangement announced on 1 July 2021.

The Dual Listing Prospectus in the previous quarter (30 August 2022) was a sell-down of the Company's existing shares (Sell-Down) rather than an issue of new Shares. The Company and SaleCo entered into agreements with those security shareholders who wished to participate in the Sell-Down, including several option holders who exercised their options and sold their resulting Shares as part of the Sell-Down.

According, the sale of the shares itself did not raise any cash for the Company but raised approximately A\$4.5 million (before costs) from the exercise of the Sell-Down Options.

The sale proceeds of A\$13.3 million since the date of its admission to ASX official list on 21 September has been utilised as follows.

	Actual	Budget	Variance
Offer 22,850,000 at \$0.58c per share	\$13,253,000	\$13,253,000	\$0
Distributed to Selling Shareholders	(8,783,466)	(8,873,466)	\$0
Conversion Proceeds remitted to Atlantic at Completion	\$4,469,534	\$4,469,534	\$0
Share Issue Costs	(795,180)	(795,180)	\$0
Definitive Feasibility Study of Ewoyaa Lithium Project	(1,105,472)	(1,105,472)	\$0
Exploration Expenditure	(1,442,215)	(1,442,215)	\$0
Remaining	\$1,126,667	\$1,126,667	\$0

The Company will use the above Conversion Proceeds (after costs) and existing funds to explore and develop the Company's mineral lithium interests.

Appendix 5B expenditure disclosure

As at end 31 March 2023, the Company had cash resources of A\$16.0 million and no debt. Exploration and evaluation cash expenditure on the Project during the quarter was A\$3.1 million.

Piedmont Lithium Inc. funded A\$1.2 million in the quarter with A\$3.2 million reimbursed subsequent to 31 March 2023.

Appendix 5B

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

Name of entity

ATLANTIC LITHIUM LIMITED

ABN

17 127 215 132

Quarter ended ("current quarter")

31 March 2023

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(310)	(1,067)
	(e) administration and corporate costs	(1,188)	(4,353)
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	-	-
1.9	Net cash from / (used in) operating activities	(1,498)	(5,420)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	(11)	(281)
	(d) exploration & evaluation	(3,075)	(15,006)
	(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	1,242	9,898
2.6	Net cash from / (used in) investing activities	(1,844)	(5,389)

3.	Cash flows from financing activities		
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	(68)	(1,744)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	(68)	2,882

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	19,051	23,882
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,498)	(5,420)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(1,844)	(5,389)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(68)	2,882
4.5	Effect of movement in exchange rates on cash held	341	27
4.6	Cash and cash equivalents at end of period	15,982	15,982

5.	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	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	15,982	19,050
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other – Petty Cash	-	1
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	15,982	19,051

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
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	-
<i>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.</i>		

7.	Financing facilities <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>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other	-	-
7.4	Total financing facilities	-	-
7.5	Unused financing facilities available at quarter end		-
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.		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(1,498)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(3,075)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(4,572)
8.4	Cash and cash equivalents at quarter end (item 4.6)	15,982
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	15,982
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	3.5
<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:

NA

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:

NA

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:

NA

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: **28 April 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.

Atlantic Lithium Limited
ACN 127 215 132
AIM: ALL, ASX: A11, OTCQX: ALLIF

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¹ 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 production targets and Ore Reserves is extracted from the pre-feasibility study announcement, dated 23 September 2022, and relating to the Mineral Resource Estimate of 35.3 Mt @ 1.25% Li₂O for Ewoyaa is extracted from the announcement dated 1 February 2023, both of which are available at atlanticlithium.com.au. The MRE includes a total of 3.5 Mt @ 1.37% Li₂O in the Measured category, 24.5 Mt @ 1.25% Li₂O in the Indicated category and 7.4 Mt @ 1.16% Li₂O in the Inferred category. The Company confirms that all material assumptions and technical parameters underpinning the production targets, Mineral Resources and Ore Reserve estimates in the Announcements 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 the Announcements.

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. for US\$103m towards the development of the Ewoyaa Project. Based on the Pre-Feasibility Study, the Ewoyaa Project has indicated Life of Mine revenues exceeding US\$4.84bn, producing a spodumene concentrate via simple gravity only process flowsheet.

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

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