

APPOINTMENT OF FLOTATION SCOPING STUDY PARTNER

DRA TO EVALUATE FLOTATION CIRCUIT TO MAXIMISE RECOVERY AND ENHANCE PROJECT ECONOMICS

Atlantic Lithium Limited (AIM: ALL, ASX: A11, OTCQX: ALLIF, "Atlantic Lithium" or the "Company"), the African-focused lithium exploration and development company targeting to deliver Ghana's first lithium mine, is pleased to announce the appointment of DRA Global Limited (ASX: DRA, JSE: DRA, "DRA") to conduct a Scoping Study ("Study") for the inclusion of a flotation circuit at the Ewoyaa Lithium Project ("Ewoyaa" or the "Project") in Ghana, West Africa.

DRA is an international multi-disciplinary engineering, project delivery and operations management group, predominantly focused on the mining, minerals and metals industry. The group has an extensive track record spanning almost four decades across a wide range of commodities, with expertise in the mining, minerals and metals processing industries, as well as related non-process infrastructure, such as water and energy solutions.

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 Lithium Dense Media Separation ("DMS") processing plant;
- assessing the use of the 4.7Mt of 1.2% Li₂O fines material currently intended to be sold as a low-grade Li₂O secondary product (refer Ewoyaa Definitive Feasibility Study¹, 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% Li₂O 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 due to commence imminently, with an outcome expected in Q4 2023.

The Definitive Feasibility Study¹ ("DFS") for Ewoyaa indicates 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 NPV₈ 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;
- Capital cost estimate of US\$185 million;
- DFS incorporates Mineral Resource Estimate¹ ("MRE") of 35.3Mt @ 1.25 Li₂O and conservative LOM concentrate pricing of US\$1,587/t, FOB Ghana Port.

Commenting, Keith Muller, Chief Executive Officer of Atlantic Lithium, said:

"Initial testwork has indicated the possibility of upgrading the lower-grade secondary product that we will be producing from the Ewoyaa Lithium Dense Media Separation plant to a higher margin spodumene concentrate product through an additional flotation circuit, downstream from the DMS plant.

"By increasing the production of concentrate, we believe that we reduce our reliance on the low-grade lithium-bearing products market and enhance our exposure to spodumene concentrate pricing upside. The higher-value product will generate greater revenues and, as such, the inclusion of the flotation circuit is expected to improve the financial outcomes indicated in the recent Definitive Feasibility Study for the Project.

"We look forward to working with DRA and delivering the outcome of Scoping Study later this year."

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 Ore Reserves of 25.6Mt @ 1.22% Li₂O 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% Li₂O for Ewoyaa is extracted from the Company's 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 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:

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NOTES TO EDITORS:

About Atlantic Lithium

www.atlanticlithium.com.au

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

The Company's flagship project, the Ewoyaa Project in Ghana, is a significant lithium spodumene pegmatite discovery on track to become Ghana's first lithium-producing mine. The Company signed a funding agreement with Piedmont Lithium Inc. towards the development of the Ewoyaa Project. 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 560km² and 774km² of tenure across Ghana and Côte d'Ivoire respectively, comprising significantly under-explored, highly prospective licences.