



For personal use only

# ANNUAL REPORT 2023

ACN: 127 215 132



## CORPORATE INFORMATION

### DIRECTORS

Neil Herbert  
Keith Muller  
Amanda Harsas  
Lennard Kolff Van Oosterwijk  
Patrick Brindle  
Kieran Daly  
Christelle van der Merwe

### COMPANY SECRETARY

Amanda Harsas

### REGISTERED OFFICE

Level 33, Australia Square, 264 George Street  
Sydney NSW 2000

Phone: + 61 2 8072 0640

Email: [info@atlanticlithium.com.au](mailto:info@atlanticlithium.com.au)

Website: [www.atlanticlithium.com.au](http://www.atlanticlithium.com.au)

### AUDITOR

#### BDO Audit Pty Ltd

Level 11, 1 Margaret Street  
Sydney, NSW 2000  
Australia

### NOMINATED ADVISER

#### SP Angel Corporate Finance LLP

Prince Frederick House  
35-39 Maddox Street  
London W1S 2PP  
United Kingdom

### BROKER

#### Canaccord Genuity Limited

88 Wood Street  
London EC2V 7QR  
United Kingdom

### BANKERS

#### Westpac Banking Corporation

Ground Level 275 Kent Street  
Sydney NSW 2000  
Australia

### AUSTRALIAN SOLICITORS

#### Hopgood Ganim

Level 8, Waterfront Place  
1 Eagle Street  
Brisbane QLD 4000 Australia

### GHANAIAN LAWYER

#### JLD & MB Legal Consultancy

Airport Residential Area  
PO Box 410  
Accra Ghana

### LONDON LAWYERS

#### Hill Dickinson

The Broadgate Tower  
20 Primrose Street  
London, EC2A 2EW  
United Kingdom

### IVORIAN LAWYER

#### Mining Services & Consulting Level

Cocody - Riviera Gol  
Immeuble Bunker 2ème étage Appt 746  
25 BP 390 Abidjan Ivory Coast

### REGISTRARS

#### Computershare Investor Services plc

The Pavilions, Bridgwater Road  
Bristol BS99 7NH  
United Kingdom

For personal use only



**AIM:** ALL  
**ASX:** A11  
**OTCQX:** ALLIF

Our vision is to develop a responsible lithium supply with a positive social impact to support the global transition to a carbon-neutral future.

**CHARGING THE CHANGE**

For personal use only



# CONTENTS

CORPORATE INFORMATION	1
OVERVIEW	4
CHAIRPERSON'S REPORT	5
DIRECTORS' REPORT	7
CORPORATE GOVERNANCE SUMMARY	38
AUDITOR'S INDEPENDENCE DECLARATION	45
FINANCIAL STATEMENTS	46
DIRECTORS' DECLARATION	73
INDEPENDENT AUDITOR'S REPORT	74
SHAREHOLDER INFORMATION	78
INTEREST IN TENEMENTS	80

For personal use only

## OVERVIEW

Atlantic Lithium Limited is a lithium-focused exploration and development company advancing a portfolio of projects in Ghana and Côte d'Ivoire through to production.

From discovery in 2017, the Company has defined an industry-leading hard rock lithium asset, the Ewoyaa Lithium Project, which is set to become Ghana's first lithium mine.

A Definitive Feasibility Study for the Project, announced in June 2023, affirms Ewoyaa's economic viability and impressive profitability potential, indicating the production of spodumene concentrate potentially as early as 2025.

Our vision is to develop a responsible lithium supply with a positive social impact to support the global transition to a carbon-neutral future.

Throughout the course of the year, the Company has taken great strides in its ongoing transition from junior explorer to become one of West Africa's first lithium-producing mines.

With a clear strategy for growth and a leadership team with proven mine build and operating experience, the Atlantic Lithium Board is confident that it can deliver significant value for the Company's shareholders.

As a modern mining company, we are committed to working in the best interests of the local communities in which we operate and delivering long-lasting benefits to the Central Region, to Ghana and to West Africa.

In doing so, we hope to put Ghana on the map as a major hub for lithium production, vital in the electric vehicle supply chain, establishing the country as an important contributor to global efforts to combat climate change.



**On track to become Ghana's first lithium mine**



**>95% Ghanaian team**



**Growing the current 35Mt lithium oxide resource**



**97% of tenure undrilled**

For personal use only



## CHAIRPERSON'S REPORT

Dear Shareholder,

I am pleased to present the Annual Report of Atlantic Lithium Limited for the year ended 30 June 2023.

It is important to reflect on the major milestones that the Company has achieved over the course of the year. Significant steps have been made to de-risk and enhance the value of the Ewoyaa Lithium Project ("Ewoyaa" or the "Project"), while ensuring that the Company is prepared to make the transition from being a junior explorer to delivering Ghana's first lithium-producing mine.

During the period, we have grown and improved the confidence of the Ewoyaa Lithium Resource through our proven drilling programmes, made key appointments to strengthen the team in preparation for permitting, construction and mine operation, delivered not one, but two feasibility studies, reaffirming Ewoyaa's status as a leading lithium asset globally, and taken numerous steps, at both the Project and Company level, to ensure Atlantic Lithium can deliver upon the considerable value potential for all stakeholders.

Highlights for the year include:

- Definitive Feasibility Study for the Ewoyaa Lithium Project, highlighting the Project's impressive profitability and economic viability
- Mineral Resource Estimate increased to 35.3Mt @ 1.25% Li<sub>2</sub>O, including 28Mt in the higher confidence Measured and Indicated categories
- Submission of the Company's application for the Mining Lease for the proposed Ewoyaa Lithium Mine and Processing Plant
- Appointment of Keith Muller as Chief Executive Officer to lead the Company towards production
- Admitted to trading on the Australian Securities Exchange (ASX), under the ticker 'A11'

In a move to strengthen the Company's mine operating expertise, we were delighted that Keith Muller joined the Company as Chief Operating Officer in November 2022. From his time at Allkem in particular, where he was responsible for operations at the Mt Cattlin lithium mine, Keith brings experience that is directly applicable to Ewoyaa. Noting the considerable contributions he has made since his appointment, including in the delivery of the impressive Definitive Feasibility Study for the Project, it was clear that Keith was the right person to lead the Company as Chief Executive Officer through permitting and towards first production.

At the same time, Len Kolff assumed the role of Head of Business Development and Chief Geologist, having stepped into the role of Interim CEO in March 2022, following the passing of Atlantic Lithium's founder and former CEO, Vincent Mascolo. Len has been instrumental in the development of the Company, not least in his role in Ewoyaa's discovery, and will continue to lead our exploration efforts that have proven so successful. Exploration has been the driving force in the Company's valuation to date and will remain a key component of the Company's strategy going forward to ensure the long-term success of the business.

We are delighted that Patrick Brindle has joined as a Non-Executive Director, taking a position on the Board as part of Atlantic Lithium's agreement with Piedmont Lithium. Patrick has more than 20 years of experience in senior management and engineering roles, and is a strong addition to Atlantic Lithium's team as we transition towards becoming a lithium producer. We would also like to wish Stuart Crow success following his decision to step down from his role as Senior Non-Executive Director, having served as a highly valued and long-standing member of the Board. On behalf of the rest of the team, I would like to thank him for his valuable contributions towards the growth and success of the Company over this time.

Both the Pre-Feasibility and Definitive Feasibility Study reported for the Project during the period marked significant milestones for the Company. Announcing both within the year demonstrates the considerable progress the Company has made in advancing the Ewoyaa Project in such a short timeframe. Built upon the impressive results from the PFS, the DFS further proved the viability of the Project, indicating highly attractive economic outcomes for a 2.7Mt/tpa operation. The DFS indicates the production of 3.6Mt of spodumene concentrate over a 12-year mine life, delivering free cash flow of US\$2.4bn from US\$6.6bn Life of Mine revenues, average Life of Mine EBITDA of US\$316m per annum, a post-tax NPV<sub>8</sub> of US\$1.5bn and an Internal Rate of Return of 105%.



For personal use only

These results reaffirm Ewoyaa's status as one of the leading hard rock spodumene assets globally and indicate the significant positive contribution the Project can bring to the Central Region and to Ghana. Atlantic Lithium is already one of the leading employers in the region, and the DFS estimates that the Ewoyaa Project will create over 800 new jobs as we take the mine into construction and production. We are committed to being a force for long-lasting development in Ghana, which is driven to become a leading player in Africa's contribution to the decarbonisation thematic and a major hub in the EV supply chain. As such, we continue to work closely with the relevant stakeholders in Ghana, acting as a first mover for the long-term exploration and production of lithium. To this end, we submitted our application for a Mining Lease for the Project during the period, shortly after announcing the PFS.

Another landmark achieved during the period was the Company's listing on the Australian Securities Exchange. As an Australian company, headquartered in Sydney and with offices in Brisbane and Perth, we felt that an ASX listing would enable closer communication with our Australian shareholders and introduce the Company to a new pool of investors, raising its profile and better positioning the Company to grow in line with the increased demand for exposure to the battery metals sector. We feel that the lithium industry is particularly well understood in Australia and the Company's listing on the ASX reflects its global investor interest.

The momentum through the period has continued post-period end. Most recently, we were delighted to announce the signing of non-binding Heads of Terms with Ghana's Minerals Income Investment Fund ("MIIF") which will see MIIF invest a total of US\$32.9m in the Company and its Ghanaian subsidiaries which hold Ewoyaa and the broader Cape Coast Lithium Portfolio. This investment represents a major endorsement of the work completed at the Project to date, as well as an act of support from the Government of Ghana for the further advancement of the Project towards production. MIIF's proposed contribution to development, exploration and study expenditure further de-risks the Project and moves Ewoyaa ever closer to becoming Ghana's first lithium mine. In addition, we believe MIIF's investment more closely aligns the Company with its Ghanaian shareholders, who we are proud to represent. As such, we wholeheartedly welcome MIIF as a key shareholder.

Prior to this news, in August 2023, we were delighted to receive Piedmont's intent to support the ongoing development of the Project through its commitment to sole fund the first US\$70m, and 50% of any additional development expenditure, towards the total US\$185m development expenditure for the Project indicated in the DFS. Piedmont has proven an excellent partner since the initial agreement with the Company in 2021 and we look forward to continuing our work together in the years to come.

In addition to the spodumene concentrate and lower-grade lithium secondary product that will be produced at Ewoyaa, we have also identified feldspar as a by-product of the DMS processing plant's operations, which has not been included in the DFS metrics. Post-period end, we signed a Memorandum of Understanding with the University of Mines and Technology, Tarkwa, to assess the viability of feldspar production at Ewoyaa. We believe the Ewoyaa Lithium Project represents a major source of feldspar that we intend to supply into the Ghanaian ceramics sector, as well as other closely associated industries, not only reducing waste and re-invigorating the Ghanaian ceramics industry, but also potentially improving the economics at Ewoyaa.

In a further move to enhance the value at the Project, we have appointed DRA Global to undertake a Scoping Study to evaluate the potential to include a flotation circuit downstream from the DMS plant. We believe this could upgrade the lower-grade middlings by-product from the DMS plant to a higher-margin spodumene concentrate, aiming to reduce our reliance on the lower-grade lithium market, reduce carbon emissions in shipping lower-grade by-products and improve the financial outcomes indicated by the DFS.

With several major milestones to be achieved, the year ahead presents itself as the most exciting in the Company's history. We currently await the Mining Lease for the Project, which will trigger the permitting process and set the Company on the path towards production. This will serve as a monumental occasion, not only for Atlantic Lithium, but also for Ghana, with the Mining Lease on track to be the country's first for lithium. Following the grant of the Mining Lease, steps will also be taken to grow the team, adding vital construction and operating experience before we break ground.

Meanwhile, our exploration and resource drilling activities are now well underway for the 2023 season, and we look forward to delivering the results of these programmes in due course. Initial results have been highly encouraging, reporting high-grade intersections within the MRE, improving our confidence in the current Resource, and outside of the MRE footprint. We hope, therefore, to grow the Resource in the coming year, which, we believe, will further enhance the Project's already impressive economics. We believe that Ghana holds considerable lithium potential, which we hope to unlock.

I would like to take this opportunity to extend my thanks, on behalf of the Board, to our loyal shareholders for their continued support throughout this year and to the Company's employees for their hard work.

We look forward to the year ahead and updating the market on our progress in due course.

Yours sincerely,



**Neil Herbert**  
Executive Chairman

28 September 2023

## DIRECTORS' REPORT

The Company's Directors submit their report on Atlantic Lithium Limited ("Atlantic Lithium" or the "Company") and its controlled entities ("the Group") for the year ended 30 June 2023.

### DIRECTORS

The names and details of the Company's Directors in office during the financial year and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

*Neil Herbert*

*Keith Muller (appointed 31 May 2023)*

*Amanda Harsas*

*Lennard ("Len") Alexander Kolff van Oosterwijk*

*Stuart Crow (resigned 13 June 2023)*

*Kieran Daly*

*Christelle Van der Merwe*

*Patrick Brindle (appointed 31 May 2023)*

*Frans Olivier (alternate for Christelle van der Merwe – resigned 31 May 2023)*

*Holly Waldeck (alternate for Kieran Daly)*

#### **Neil Herbert – Executive Chairman**

(appointed as Executive Chairman 22 April 2022, appointed as Non-Executive Chairman 23 May 2018 and appointed as Non-Executive Director 12 February 2015)

*Economics and Economic History BA (Joint Hons), FCCA*

Mr Herbert is a Fellow of the Association of Chartered Certified Accountants with over 30 years of experience in finance. Further, Mr Herbert has over 25 years of experience growing and developing mining, oil and gas companies both as an executive and as an investor.

In May 2013, Mr Herbert was appointed as Co-chairman and Managing Director of an AIM-listed natural resources investment company called Polo Resources Limited. Prior to this, he was a director of resource investment company Galahad Gold plc. During his time at Galahad Gold plc, Mr Herbert acted as Finance Director of the company's most successful investment, start-up uranium company UraMin Inc. From 2005 to 2007, Mr Herbert worked to float UraMin Inc on AIM and the Toronto Stock Exchange, and successfully raised US\$400 million in equity financing and subsequently negotiated the sale of the group for US\$2.5 billion. Mr Herbert has also held board positions at several other resource companies where he was involved in managing numerous acquisitions, disposals, stock market listings and fundraisings.

Mr Herbert holds a joint honours degree in economics and economic history from the University of Leicester. Mr Herbert is a member of the Audit & Risk Management Committee, the Nomination & Remuneration Committee, and the chair of the Executive Committee. During the past three years, Mr Herbert has also served as a director of the following listed companies:

- Pasofino Gold Limited (appointed on 11 February 2021) which is listed on the Toronto Stock Exchange (TSX-V).
- Firing Strategic Minerals plc (appointed on 12 November 2021) which is listed on the London Stock Exchange (AIM).
- Premier African Minerals (resigned 27 April 2022), which is listed on the London Stock Exchange (AIM).
- Pulsar Helium Inc (appointed 17 November 2022) which is listed on the Toronto Stock Exchange (TSX).

#### **Keith Muller – Chief Executive Officer**

(appointed as Executive Director 31 May 2023)

*BEng Mining, MMinEng, FAusIMM(CP)*

Mr Muller is a mining engineer with over 20 years of operational and leadership experience across domestic and international mining sectors, including in the lithium sector. He has a strong operational background in hard rock lithium mining and processing, particularly in DMS spodumene processing.

Before joining Atlantic Lithium, he held roles as both a Business Leader and General Manager at Allkem, where he worked on the Mt Cattlin lithium mine in Western Australia, and, prior to that, as Operations Manager and Senior Mining Engineer at Simec. Mr Muller has built an impressive track record as a technical and operational leader and throughout his career, has been responsible for improving efficiency, driving commercial opportunities, increasing mine longevity, and enhancing safety across the projects he has worked on. He is also a fellow and chartered professional of the Australian Institute of Mining and Metallurgy.

Mr Muller joined the Company in November 2022 as Chief Operating Officer and, in May 2023, was promoted to Chief Executive Officer. During the past three years, Mr Muller has also served as a director of Bulletin Resources Limited (appointed on 03 February 2023), which is listed on the ASX.

#### **Amanda Harsas – Finance Director and Company Secretary**

(appointed as Executive Director 11 March 2022)

*BBus, CA*

Ms Harsas graduated from the University of Technology, Sydney with a Bachelor of Business. She is a member of Chartered Accountants Australia and New Zealand and the Australian Institute of Company Directors. Ms Harsas has over 25 years' experience in strategic finance, business transformation, commercial finance, customer and supplier negotiations and company secretarial and capital management across various firms including PwC, Healius, Law Society of Australia and Ricca Resources Limited. With extensive experience in mining and exploration, healthcare, retail, and professional services sectors throughout Australia, Asia, Europe and the USA, Ms Harsas brings a unique perspective to the Board.

Ms Harsas joined the Company in November 2020 as Chief Financial Officer and was subsequently appointed as Company Secretary in January 2021. In March 2022, Mrs Harsas was promoted to Finance Director. During the past three years, Ms Harsas has not served as a director of any other listed company.

### **Lennard Kolff – Head of Business Development & Chief Geologist**

(appointed as Executive Director 29 March 2022)

*BSc (Hons) Mecon Geol (Economic Geology)*

Mr Kolff holds a Bachelor of Science (Honours) degree from the Royal School of Mines, Imperial College, London and a Masters of Economic Geology from CODES, University of Tasmania. Mr Kolff brings with him over 25 years of mining industry experience in the design, implementation and execution of exploration activities, resource evaluation and project studies and appraisals within the major and junior resources sector. Mr Kolff has a proven track record in deposit discovery across a wide variety of jurisdictions, with a particular focus on Africa.

Mr Kolff has most recently worked in West Africa and was instrumental in the discovery and evaluation of Atlantic Lithium Limited's Ewoyaa Lithium Project in Ghana, as well as the discovery and evaluation of the Mofe Creek iron ore project in Liberia during his time working with Tawana Resources. Prior to this, Mr Kolff worked with Rio Tinto for 16 years and was involved in several high-profile projects, including the Simandou iron ore project in Guinea and the Northparkes Copper-Gold mine in Australia.

Mr Kolff joined the Company in 2015 as a Country & Technical Manager and, in 2019, was promoted to Chief Operating Officer. In March 2022, Mr Kolff was appointed as Interim Chief Executive Officer. In May 2023, Mr Kolff assumed the role as Head of Business Development & Chief Geologist. During the past three years, Mr Kolff has not served as a director of any other listed company.

### **Kieran Daly – Non-Executive Director**

(appointed Non-Executive Director 9 April 2019)

*Bsc (Mining Engineering), MBA*

Mr Daly has extensive experience working in investment banking/equity research and is the Executive for Growth & Strategic Development at Assore. Prior to joining Assore in 2018, Mr Daly worked for firms such as UBS Group AG, Macquarie Group Limited and Investec Limited. During the first 15 years of his mining career, Mr Daly worked in the coal division of Anglo American plc (Anglo Coal) in a number of international roles including operations, sales & marketing, strategy and business development. His key roles included leading and developing Anglo Coal's marketing efforts across Asia acting as the global Head of Strategy for Anglo Coal. Mr Daly is chair of the Company's Audit & Risk Management Committee and also a member of the Nomination & Remuneration Committee. During the past three years, Mr. Daly has also served as an alternate director of Gemfields Group Limited (appointed 12 November 2021) which is listed on the Johannesburg Stock Exchange (JSE) and AIM.

### **Christelle van der Merwe – Non-Executive Director**

(appointed as Non-Executive Director 22 December 2020)

*BSc Hons (Geology), BSc (Geology & Environmental Management), CAGS (Adv Min Resource Mgmt - Mining Engineering), MAP, BArch*

Ms Van der Merwe is a mining geologist responsible for the mining-related geology and resources of the Assore Subsidiary Companies (comprising the pyrophyllite and chromite mines) and is also concerned with Assore's iron and manganese mines. She has been a geologist for Assore since 2013 and is involved with strategic and resource investment decisions of the company. Ms Van der Merwe is a member of SACNASP, the GSSA and AUSIMM. During the past three years, Ms Van der Merwe has not served as a director of any other listed company.

### **Patrick Brindle – Non-Executive Director**

(appointed as Non-Executive Director 31 May 2023)

*BSc (Environmental Science), BSc (Civil Engineering)*

Mr Brindle currently serves as Executive Vice President & Chief Operating Officer at Piedmont Lithium Inc. He joined Piedmont in January 2018 and, prior to his appointment as Executive Vice President and Chief Operating Officer in March 2022, held roles as Vice President of Project Management and subsequently as Chief Development Officer. Patrick has more than 20 years' experience in senior management and engineering roles and has completed EPC projects in diverse jurisdictions including the United States, Canada, China, Mongolia, Australia and Brazil. Before joining Piedmont, he was Vice President of Engineering for DRA Taggart, a subsidiary of DRA Global, an engineering firm specialising in project delivery of mining and mineral processing projects globally. Mr Brindle is the chair of the Nomination & Remuneration Committee and serves on the Audit & Risk Management Committee. During the past three years, Mr Brindle has not served as a director of any other listed company.

### **Stuart Crow – Senior Non-Executive Director**

(appointed 1 February 2013 - resigned 13 June 2023)

Mr Crow has more than 35 years' experience in all aspects of corporate finance and investor relations across Australian and international markets. Mr Crow has worked for some of the world's largest broking firms throughout his career to assist companies of varying sizes to raise funds in both Australian and international capital markets whilst serving on the boards of numerous public and unlisted companies.

In April 2022, Mr Crow was appointed Senior Non-Executive Director of Atlantic Lithium, bringing his extensive working knowledge of global capital markets and investor relations to the Board. Mr Crow was the Chair of the Nomination & Remuneration Committee and served on the Audit & Risk Management Committee. During the past three years, Mr Crow has also served as a director of the following listed companies:

- Lake Resources NL (appointed on 14 February 2016), which is listed on the ASX.
- Todd River Resources Limited (appointed on 24 June 2014), which is listed on the ASX.
- Pulsar Helium Inc (appointed 17 November 2022) which is listed on the Toronto Stock Exchange (TSX).

## DIRECTORS' REPORT

### Frans Olivier – Alternate Director for Christelle van der Merwe

(appointed 12 February 2015 – resigned 31 May 2023)

*BEng (Mining), MCom (Business Management), GDE (Mining), SAIMM*

Mr Olivier has extensive mining operations and management experience gained through General Mining Corporation, Sasol Coal, Iscor Mining and Assmang (African Mining and Trust). Mr Olivier has been responsible for the detailed economic evaluation of major open pit and underground mine projects in South Africa, Ghana, Kazakhstan, Democratic Republic of Congo and Russia. During the past three years, Mr Olivier has not served as a director of any other listed company.

### Holly Waldeck – Alternate Director for Kieran Daly

(appointed 30 November 2020)

*B.Comm (with Honours), CTA, CA*

Ms Waldeck is currently the Senior Manager of Growth & Strategic Development at Assore Ltd. She is a senior business development professional with 10 years' experience in the mining and metals industry. Skilled in complex corporate transaction management and financial modelling. During the past three years, Ms Waldeck has not served as a director of any other listed company.

As at 28 September 2023, the interest of the Directors in the shares and options of Atlantic Lithium were:

	Number of Ordinary Shares	Number of options over ordinary shares
<b>Executive Directors</b>		
Neil Herbert <sup>1</sup>	7,638,892	10,000,000
Keith Muller	-	6,000,000
Amanda Harsas <sup>2</sup>	4,200,000	10,000,000
Lennard Kolff <sup>3</sup>	6,180,852	2,000,000
<b>Non-Executive Directors</b>		
Kieran Daly	-	-
Christelle van der Merwe	-	-
Patrick Brindle	108,000	-
Holly Waldeck (Alternate Director)	-	-

<sup>1</sup> Neil Herbert shares are held by Huntress CI Nominees Limited.

<sup>2</sup> Amanda Harsas shares are held by Birubi Grove Pty Ltd ATF Harsas Family Trust. The number of ordinary shares disclosed above includes 2,500,000 shares which have been funded by a limited recourse loan and which are accounted for as in-substance options.

<sup>3</sup> Lennard Kolff shares are held by a personal related party, Melisa Kolff van Oosterwijk. The number of ordinary shares disclosed above includes 3,000,000 shares which have been funded by a limited recourse loan and which are accounted for as in-substance options.

## CORPORATE STRUCTURE

Atlantic Lithium Limited is a company limited by shares that is incorporated and domiciled in Australia. It was converted to a public company on 22 August 2011 and was admitted to London's AIM Market, a market owned and operated by the London Stock Exchange Group Plc on 12 February 2015 and admitted to the Australian Stock Exchange ("ASX") on 26 September 2022.

## DIVIDENDS

No dividends were declared or paid during the financial year.

For personal use only

## PRINCIPAL ACTIVITIES

Atlantic Lithium is a lithium focused mineral exploration and development company with an advanced lithium pegmatite asset in Ghana and lithium pegmatite exploration assets in Ghana and Côte d'Ivoire.

In Ghana, the Company holds 560km<sup>2</sup> of granted and under application tenure through direct applications and earn-in agreements. In 2018, the Company was responsible for the discovery of the spodumene-rich lithium pegmatite in Ghana's Central Region called the Ewoyaa Lithium Project ("Ewoyaa" or the "Project"). Through structured exploration programmes, the Company has defined a JORC (2012) compliant 35.3Mt at 1.25% Li<sub>2</sub>O Mineral Resource at Ewoyaa. The Project benefits from favourable metallurgy, close proximity to operational infrastructure and requires simple, low water and energy intensive processing, making it one of the industry's leading hard rock lithium assets.

Following the release of a Definitive Feasibility Study for Ewoyaa in June 2023, which has supported its viability, the Company is advancing the Project towards production, intended to be Ghana's first lithium mine.

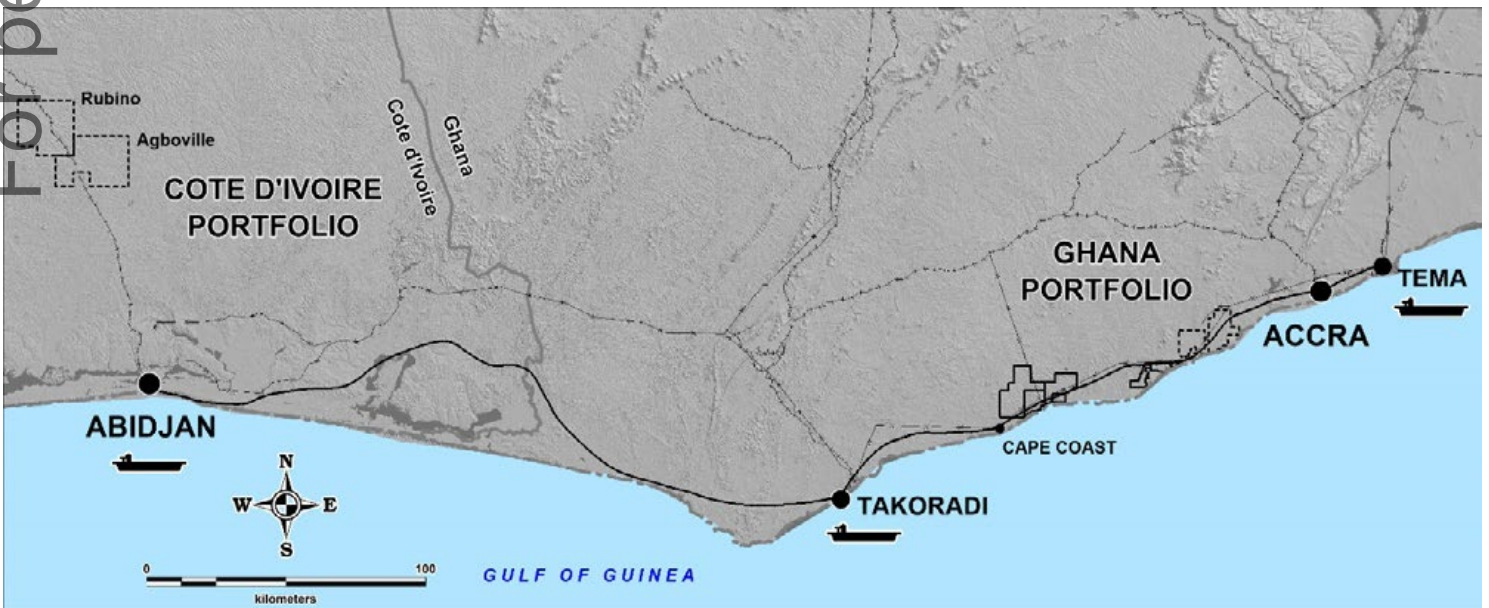
In Côte d'Ivoire, the Company holds 774km<sup>2</sup> of under-application lithium tenure within highly prospective Birimian terrain (refer **Figure 1**).

The Company's corporate strategy is to create and sustain shareholder value through the evaluation, development and production of the advanced Ewoyaa Lithium Project, the ongoing exploration and evaluation of the highly prospective lithium tenure package in Ghana and Côte d'Ivoire, as well as the ongoing review of new opportunities.

The Ewoyaa Project is funded to production through a co-development agreement with Nasdaq and ASX-listed Piedmont Lithium Inc. (NASDAQ: PLL, ASX: PLL, "Piedmont"), as announced on 1 July 2021, where Piedmont has the right to earn up to 50% at the project level for 50% SC6 spodumene concentrate offtake at market rates by sole funding US\$17.0m towards studies and exploration and an initial US\$70.0m, and 50% of the development expenditure thereafter, towards the Project's total development expenditure of US\$185m indicated by the Definitive Feasibility Study. Piedmont also subscribed for shares in Atlantic Lithium, investing £11.52m (US\$16.0m) for an initial 9.91% shareholding at the parent company level including the right to appoint a nominee to the Board, which has since been taken up.

The Company believes that, as the country's first lithium mine, Ewoyaa has the potential to deliver significant, long-lasting benefits to Ghana. Atlantic Lithium is committed to the highest standards of corporate governance, acting with transparency and accountability, in accordance with the best interests of Ghana and Ghanaians across all activities.

**Figure 1:** Lithium tenure and operational infrastructure in Ghana and Côte d'Ivoire.



For personal use only



# DIRECTORS' REPORT

## OPERATIONS REPORT

### GHANA

During the period, the Company made considerable steps to reaffirm its flagship Ewoyaa Lithium Project's status as an industry-leading project with proven commercial viability and a clear path ahead to achieve near-term lithium production.

The culmination of significant progress during the period was the Definitive Feasibility Study<sup>1</sup> ("DFS") for the Project, which represents a major milestone for the Company.

#### Ewoyaa Definitive Feasibility Study

The Company announced the results of the Definitive Feasibility Study<sup>1</sup> for the Ewoyaa Lithium Project on 29 June 2023.

The DFS, which incorporates the Project's Mineral Resource Estimate<sup>1</sup> ("MRE") of 35.3Mt @ 1.25 Li<sub>2</sub>O, 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 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\$316m per annum;
- 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;

- Development expenditure estimate of US\$185m;
- Early-stage revenue potential via construction of a Modular DMS plant for starter-pit operations;
- DFS incorporates Ore Reserves<sup>1</sup> of 25.6Mt @ 1.22% Li<sub>2</sub>O and LOM concentrate pricing of US\$1,587/t, FOB Ghana Port.

Through open cut mining, a simple flowsheet, comprising an integrated 3-stage crushing facility, and conventional Dense Media Separation ("DMS") processing, the DFS outlines a low capital-intensive project targeting the production of spodumene concentrate as early as April 2025.

The Company intends to implement a Modular DMS unit for initial processing of ore over the first nine months. The Modular DMS unit is expected to generate over US\$170m in early revenue in Year 1, prior to the completion of construction of the main plant.

The Modular DMS revenue 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\$15m, 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 2: 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.



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 2** and **Table 3**.

**NOTES:** Mineral Resources are inclusive of the Ore Reserves<sup>1</sup>. These metrics do not consider potential changes which may result from the Minerals Income Investment Fund's proposed investment (refer announcement of **8 September 2023**).

## DIRECTORS' REPORT

Ore Reserves<sup>1</sup> were determined as part of the work undertaken for the DFS<sup>1</sup>. The mine plan for the Project includes 1.7Mt at 1.19% Li<sub>2</sub>O or 6% of Inferred Resources.

Table 2 below provides a summary of the Ore Reserves<sup>1</sup> as of 16 June 2023 that were determined for the Project.

**Table 2: 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.

### Project Value Enhancement

In addition to the spodumene concentrate and lower grade lithium secondary product to be produced at the Ewoyaa Processing Plant, the Company has identified a number of opportunities to enhance the value of the Project's economics beyond those outlined in the DFS (refer announcement of **22 March 2023**).

#### Flotation

Post-period end, the Company announced the appointment of 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 the Project ("Flotation Scoping Study"; refer announcement of **13 July 2023**).

The Flotation Scoping Study will evaluate the viability of the use of flotation to process fines and middlings as an additional circuit downstream from the DMS plant and the use of the 4.7Mt of 1.2% Li<sub>2</sub>O fines material, currently intended to be sold as a secondary product, as potential feedstock.

The Company believes that the inclusion of a downstream flotation circuit 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.

#### Feldspar

Also, post-period end, the Company signed a Memorandum of Understanding ("MOU") with The University of Mines and Technology ("UMaT"), Tarkwa in the Western Region of Ghana to undertake a Definitive Feasibility Study ("Feldspar Study") to assess the viability of producing feldspar feedstock, as a by-product of spodumene concentrate production, at the Project.

The partnership will assess the prospective market conditions and commercial, technical and financial viability of by-products of the proposed Ewoyaa Lithium Plant, including feldspar, quartz (silica) and muscovite. The Feldspar Study will focus on feldspar, which has been identified by the Company as an opportunity to be supplied into the domestic market to support Ghana's ceramics sector.

In line with the Feldspar Study, the Company has commenced sodium analysis of archive drilling sample pulps. This work, which will complement the existing multi-element analyte suite and, along with X-ray diffraction ("XRD") analysis of a selection of whole rock pegmatite samples, is targeted to define a maiden feldspar Mineral Resource Estimate ("MRE"), enabling the inclusion of a feldspar by-product credit in the financial model of the current DFS (which does not currently consider any activity in relation to the production of feldspar).

### Mineral Resource Estimate

The MRE was increased from 30.4Mt @ 1.25% Li<sub>2</sub>O to 35.3Mt @ 1.25% Li<sub>2</sub>O<sup>1</sup>, and considerably de-risked with the Measured and Indicated Resources increasing from 20.5Mt to 28Mt during the reporting period. The Ewoyaa DFS was based on the JORC (2012) compliant 35.3Mt @ 1.25 Li<sub>2</sub>O MRE for the Project (refer announcement of **1 February 2023**).

The MRE<sup>1</sup> 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 (refer **Table 3**).

**Table 3: Ewoyaa MRE<sup>1</sup> by Deposit and JORC Classification (0.5% Li<sub>2</sub>O Cut-off, above -190mRL)**

Deposit	Measured Mineral Resource		
	Tonnage Mt	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	Indicated Mineral Resource		
	Tonnage Mt	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	Indicated Mineral Resource		
	Tonnage Mt	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	Inferred Mineral Resource		
	Tonnage Mt	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>



## DIRECTORS' REPORT

Deposit	Total Mineral Resource		
	Tonnage Mt	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>

**NOTE:** In the tables above, rounding may cause some discrepancies for totals

#### 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).

#### 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 4**). 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 4: Summary of Drilling Used for the Ewoyaa Resource Estimate**

Hole Type	In Database		In Mineral Resource		
	Drill holes		Drill holes		Intersection
	Number	Metres	Number	Metres	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>



## 2022 Drilling Programme

During the period, the Company received multiple high-grade Resource infill and extensional assay results from the 2022 drilling programme.

Broad, high-grade infill drill intersections within the current MRE<sup>1</sup> were reported at the Ewoyaa Main deposit, including highlights of:

- GRC0697: **95m** at **1.48%** Li<sub>2</sub>O from 5m
- GRC0703: **87m** at **1.61%** Li<sub>2</sub>O from 0m
- GRC0701: **78m** at **1.67%** Li<sub>2</sub>O from 12m
- GRC0710: **74m** at **1.65%** Li<sub>2</sub>O from 15m
- GRC0692: **76m** at **1.43%** Li<sub>2</sub>O from 14m
- GRC0720: **62m** at **1.34%** Li<sub>2</sub>O from 28m
- GRC0722: **57m** at **1.31%** Li<sub>2</sub>O from 23m
- GRC0717: **47m** at **1.57%** Li<sub>2</sub>O from 43m
- GRC0696: **44m** at **1.41%** Li<sub>2</sub>O from 7m
- GRC0712: **72m** at **0.85%** Li<sub>2</sub>O from 18m
- GRC0700: **44m** at **1.32%** Li<sub>2</sub>O from 46m
- GRC0725: **43m** at **1.13%** Li<sub>2</sub>O from 44m
- GRC0706: **27m** at **1.57%** Li<sub>2</sub>O from 38m
- GRC0704: **23m** at **1.4%** Li<sub>2</sub>O from 36m
- GRC0711: **23m** at **1.38%** Li<sub>2</sub>O from 39m
- GRC0696: **30m** at **0.94%** Li<sub>2</sub>O from 58m
- GRC0704: **16m** at **1.65%** Li<sub>2</sub>O from 73m
- GRC0724: **21m** at **1.18%** Li<sub>2</sub>O from 30m
- GRC0694: **20m** at **1.05%** Li<sub>2</sub>O from 24m

Broad, high-grade exploration drill intersections outside of the current MRE<sup>1</sup> were reported at the Grasscutter East, Grasscutter West and Anokyi deposits, including highlights of:

- GRC0721: **45m** at **1.16%** Li<sub>2</sub>O from 274m
- GRC0695: **29m** at **1.72%** Li<sub>2</sub>O from 141m
- GRC0705: **25m** at **1.49%** Li<sub>2</sub>O from 171m
- GRC0693: **23m** at **1.18%** Li<sub>2</sub>O from 274m
- GRC0699: **14m** at **1.66%** Li<sub>2</sub>O from 213m
- GRC0716: **13m** at **1.36%** Li<sub>2</sub>O from 302m
- GRC0721: **11m** at **1.44%** Li<sub>2</sub>O from 177m
- GRC0718A: **14m** at **0.93%** Li<sub>2</sub>O from 193m
- GRC0713: **10m** at **1.2%** Li<sub>2</sub>O from 172m
- GRC0709: **10m** at **1.02%** Li<sub>2</sub>O from 176m

During the December 2022 quarter, the Company also received its highest reported diamond drilling assay of 6.78% Li<sub>2</sub>O over 1m in hole GDD0071 from 30m and the highest single RC assay to date of 4.52% Li<sub>2</sub>O over 1m in hole GRC0704 from 54m and 3.99% Li<sub>2</sub>O from 53m.

The 137,153m of drilling upon which the MRE<sup>1</sup> is based, incorporates all assay results and high-grade pegmatites reported from the 47,000m programme completed during 2022.

## 2023 Exploration and Resource Drilling Programmes

In March 2023, the Company announced the commencement of significant exploration and resource drilling programmes at the Project and across the broader Cape Coast Lithium Portfolio ("Portfolio") in Ghana.



## DIRECTORS' REPORT

### Exploration Drilling Programme

Approximately 20,000m of auger drilling, planned over five months, commenced during the period to test multiple coincident geochemical and geophysical targets identified within the Project area and broader Portfolio. The auger drilling is designed to test for pegmatites below vegetation and soil cover in the absence of outcrop ahead of RC drill testing at depth for grade potential. Auger drilling is ongoing with approximately 6,500m of follow-up exploration RC drilling budgeted, dependent on results.

During the period, the Company completed a passive seismic ambient noise tomography ("ANT") survey over the immediate Ewoyaa MRE<sup>1</sup> footprint to test the potential for concealed pegmatites (refer announcement of **19 April 2023**). The trial was the first time the technology has been used in Ghana and, although a potential technical success, the decision was made to demobilise the equipment. The Company may revisit ANT surveying at a later stage, however, in the short term, will instead allocate capital towards further drilling and resource growth within the immediate Project footprint.

The Company also completed a 100 x 100m grid soil geochemistry survey over the Cape Coast licence. 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.

### Resource Drilling Programme

The Company commenced a resource drilling programme during the period to run concurrently with the exploration drilling programme.

Approximately 3,000m of infill drilling was planned at the Ewoyaa South-2 deposit to convert Inferred resources to the higher confidence Indicated category for future mine sequencing optionality, as well as a further 7,000m of resource extensional drilling at the Ewoyaa Main, Ewoyaa North-east and Kaampakrom deposits.

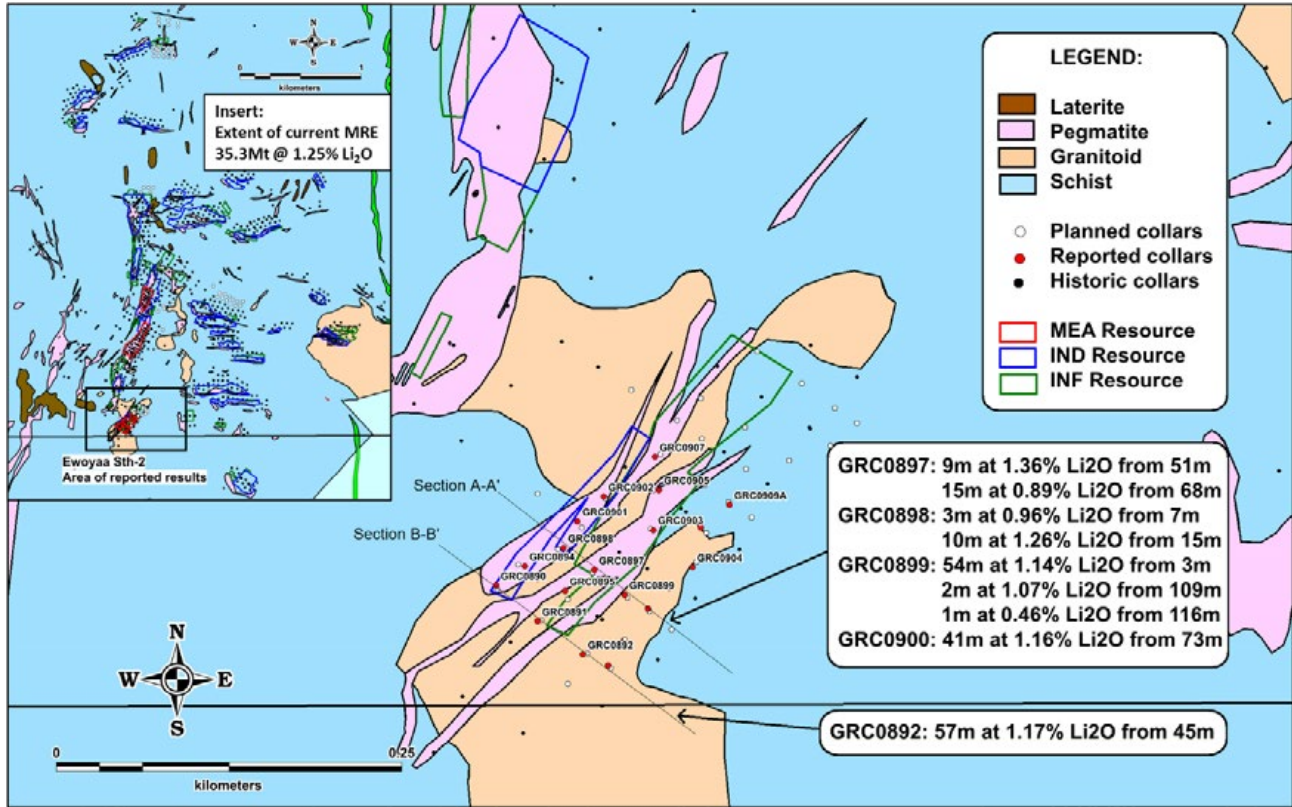
At Ewoyaa South-2, initial assay results were received during the period for 2,208m of infill drilling (refer announcement of **20 June 2023**), with multiple high-grade drill intersections reported (refer **Table 5**).

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 3**).



For personal use only

**Figure 3:** Location of reported assay results with highlight drill intersections



**Table 5:** 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



## DIRECTORS' REPORT

Post-period end, the Company announced further assay results received for 5,444m of infill and exploration RC drilling from the ongoing infill, extensional and exploration drill programme at the Project.

Multiple high-grade drill intersections have been reported for infill drilling results at the Ewoyaa South-2 deposit, where multiple drilling intersections are reported over significant apparent widths and relatively shallow depths, within the current MRE<sup>1</sup> and the Ewoyaa North-East deposit, which currently sits outside of the current MRE<sup>1</sup> and remains open at depth.

A further 2,000m of diamond core ("DD") drilling is planned during the 2023 field season for Project studies, including water monitoring, metallurgy and resource twinning of RC holes.

### Front-End Engineering Design ("FEED")

In December 2022, Primero Group ("Primero"), an industry-leading vertically integrated engineering group, was awarded the contract for the processing plant Front-End Engineering Design for the Project. Primero was tasked with providing services to optimise the Project's flow sheet, identifying long lead items, evaluating methods to maximise the Project's long-term profitability, reducing execution risk and ultimately supporting the advancement of the Project towards becoming a financially and operationally robust lithium-producing mine.

The work was completed on time, in Q2 2023, ahead of the release of the DFS.

### Mining Lease Application

In October 2022, shortly after the release of the Company's Pre-Feasibility Study ("PFS"; refer announcement of **22 September 2022**), the Company's Ghanaian subsidiaries, Barari DV Ghana Limited ("Barari") and Green Metals Resources Ltd ("GMR") submitted initial documents in support of its application for a Mining Lease for the Project (refer announcement of **13 October 2022**).

The Company was advised by the Minerals Commission's Technical Committee to consolidate the sites for the proposed mine and plant (previously held separately over the two licences) into the single Mankessim licence by transferring a portion of tenement PL3/109 from GMR to Barari. This work was completed in H1 2023.

The Company is currently awaiting the approval for this work and, following that, the grant of the Mining Lease.

The PFS for the Project, since superseded by the DFS<sup>1</sup>, served as an important de-risking milestone and affirmed the Project's robust profitability potential and impressive economic outcomes.

### End note

<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 [atlantichlithium.com.au](http://atlantichlithium.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.



### Competent Persons

Information in this report relating to the exploration results is based on data reviewed by Mr Lennard Kolff (MEcon. Geol., BSc. Hons ARSM), Chief Geologist of the Company. Mr Kolff is a Member of the Australian Institute of Geoscientists who has in excess of 20 years' experience in mineral exploration and is a Qualified Person under the AIM Rules. Mr Kolff consents to the inclusion of the information in the form and context in which it appears.

Information in this report relating to Mineral Resources was compiled by Shaun Searle, a 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 being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Searle is a director of Ashmore. Ashmore and the Competent Person are independent of the Company and other than being paid fees for services in compiling this report, neither has any financial interest (direct or contingent) in the Company. Mr Searle consents to the inclusion in the report of the matters based upon the information in the form and context in which it appears.

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.

### CÔTE D'IVOIRE:

In Côte d'Ivoire the Company has two applications pending covering 774km<sup>2</sup> for lithium and associated minerals which covers highly prospective fractionated granitic intrusive centres with lithium and columbite-tantalum occurrences and outcropping pegmatites reported (refer **Figure 1**). Licence applications have been submitted through Khaleesi Resources SARL, a wholly owned local subsidiary of Atlantic Lithium Limited. The applications are well serviced, with an extensive sealed road network, well established cellular network and high-voltage transmission line network within approximately 100km of the capital Abidjan.



# DIRECTORS' REPORT

## CORPORATE

### Appointments

During the period, the Company announced the appointments of Keith Muller as Chief Executive Officer ("CEO") and Lennard 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, provides the Company with invaluable learnings and experience of operating a successful lithium mine.

In line with Mr Muller's appointment, Mr Kolff, who had served as Interim Chief Executive Officer following the passing of founder and former Chief Executive Officer Vincent Mascolo, was appointed Head of Business Development & Chief Geologist. In this role, Mr Kolff is responsible for the ongoing exploration of the Company's portfolio and identifying and developing growth opportunities for the Company, utilising his significant discovery expertise and the extensive network he has developed primarily in Ghana, but also across Africa.

### Board Changes

In May 2023, the Company appointed CEO Keith Muller and Patrick Brindle to the Board of Directors.

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

The appointments of Mr Muller and Mr Brindle further align the capabilities of the Board with the Company's ambitions of achieving near-term spodumene concentrate production at Ewoyaa.

During the period, Stuart Crow made the decision to step down from the Board to focus on his other business interests. Mr Crow played a leading role in the growth of the Company and the Board wishes him ever success in the future.

### International Lithium Association Membership

The Company is proud to have joined the International Lithium Association ("ILiA"), the global trade association for the lithium industry, as an Associate Member.

Through its membership, Atlantic Lithium hopes to benefit from the wide network of support from like-minded individuals and businesses in the sector that the association offers, with the aim of promoting its efforts to achieve responsible, long-term lithium production.

The Company's membership also 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

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").

For personal use only





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, where there is significant sophisticated investor interest in the mining sector, 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.

### **ASX Listing**

On 26 September 2022, the Company commenced trading of the Company's shares on the Official List of the Australian Securities Exchange ("ASX") under the ticker 'A11'. The Company's ASX dual listing offer to acquire up to 22,850,000 Shares in the Company at a price of A\$0.58 per Share, was open to eligible investors in Australia, New Zealand, Hong Kong and Singapore, was fully subscribed.

The Board believes that the ASX listing extends the reach of the Company's exposure, reflecting the global interest in investment in the decarbonisation thematic, and enables prospective and existing Australian investors to more easily trade the Company's shares.

### **Minerals Income Investment Fund Proposed Investment**

Post-period end, the Company announced that it had signed non-binding Heads of Terms with the Minerals Income Investment Fund of Ghana ("MIIF") to invest a total of US\$32.9m (A\$51.4m / £26.3m) in the Company and its Ghanaian subsidiaries to support the development of the Ewoyaa Lithium Project and the broader Cape Coast Lithium Portfolio in Ghana.

Under the terms agreed, MIIF intends to invest US\$27.9m (A\$43.6m / £22.3m) in the Company's Ghanaian subsidiaries to acquire a 6% contributing interest in the Company's Cape Coast Lithium Portfolio, inclusive of the Ewoyaa Lithium Project, taking the form of funding of development, exploration and studies expenditure. MIIF will also subscribe for 19,245,574 Atlantic Lithium shares at a price of US\$0.2598 (A\$0.41 / £0.21) per share, for a value of US\$5m (A\$7.8m / £4m), to be held in escrow, equating to 3.05% of the total issued share capital of the Company.

MIIF's proposed investment marks a major de-risking milestone for the Project and aligns the Government of Ghana with both the growth of the Company and the advancement of the Project towards first production of lithium in Ghana.





## ESG

Atlantic Lithium is committed to being a responsible global citizen and a 'good neighbour' in all areas of work.

As a company operating within the extractive industry, the Board recognises the importance of implementing strategies to ensure it acts with transparency, accountability and with the best interests of all stakeholders in mind.

Through a continual review of the Company's processes and outputs in relation to the three ESG components (environmental, social, and governance), the Company hopes to deliver long-lasting positive change.

Specifically, Atlantic Lithium hopes to minimise the Company's environmental footprint, maintain the highest internationally recognised standards of practice, create a happy, healthy and safe working environment for employees to develop their skills and advance their careers, and improve the livelihoods of the communities in which the Company operates.

The Board believes that the Ewoyaa Lithium Project and its broader lithium portfolio is capable of delivering significant value to all stakeholders and, by taking proactive steps across the business, the Company is best positioned to achieve these objectives.

Moving forward, the Board intends to take steps to more effectively and transparently report its progress against ESG metrics. The Board feels that the proactive implementation of measures to improve the Company's ESG performance will not only ensure the ongoing success of the Company, but also best position the Company to deliver long-lasting positive change for its stakeholders.

For personal use only



## Aiming to deliver long-lasting positive change

### ENVIRONMENTAL

- Conscious effort to minimise environmental footprint
- Soil, air, noise, groundwater and waterway monitoring
- Land rehabilitation and revegetation programmes
- Environmental and Social Impact Assessment underway

### SOCIAL

- Best practices for workplace health and safety
- Provision of equal opportunities for employment
- Graduate and junior operator training opportunities
- Prioritising local employment
- Encouraging diversity
- Donations to local businesses, community-focused initiatives and events
- Transparency with stakeholders, including regular local liaison

### GOVERNANCE

- Acting professionally, ethically and with integrity in all business operations
- Zero-tolerance approach to bribery and corruption
- Adherence to Ghana's local content regulations
- Regular Audit, Remuneration & Nomination and Executive Committee meetings
- Dedicated Environmental & Social team
- Ongoing review of risks and measures to mitigate risk
- Regular shareholder engagement and discussion forums
- Proactive and reactive issue management



# DIRECTORS' REPORT

## RISK MANAGEMENT

The Board believes that the identification and mitigation of risk is integral to maintaining the Company's brand, enhancing the efficacy of its operations, safeguarding employee wellbeing, and ensuring that the Company is in the best possible position to achieve its business objectives.

Acknowledging that they evolve over time, the Board regularly evaluates potential uncertainties and issues that may adversely affect the Company's strategy, assets and financial and operational performance. Upon review, measures are implemented or adjusted to minimise these risks accordingly.

Outlined below are the principal risks identified by the Board. The Board recognises that this list should not be considered as exhaustive, as there may be other risks to which the Company is exposed.

### (a) Commodity Prices

Once the Ewoyaa Lithium Project is in production, Atlantic Lithium will derive its revenues mainly from the sale of spodumene concentrate and/or associated minerals. As such, Atlantic Lithium's potential future earnings may be affected by changes in the price of these commodities.

Lithium's value and long-term price is expected to fluctuate as it is affected by numerous industry factors, including forward selling by producers, production cost levels in major producing regions and macroeconomic factors such as inflation, interest rates, currency exchange rates and global and regional demand for, and supply of, lithium.

While still in the exploration and development stages, Atlantic Lithium's perceived value is expected to be affected by short-term price changes of the commodities targeted.

### (b) Foreign Exchange

A number of the Company's commercial arrangements are based on US dollars or British pounds. The Company may also acquire equipment from overseas using foreign currency. Accordingly, the revenues, earnings, costs, expenses, assets and liabilities of the Company may be exposed adversely to exchange rate fluctuation.

### (c) Exploration Risk

Atlantic Lithium's financial performance depends on the successful exploration and/or acquisition of resources or reserves and commercial production therefrom. There can be no assurances that the Company's exploration programmes will result in the discovery of commercial deposits, and even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited. Further, major expenditure may be required to deliver the Company to the point where it is revenue-generating.

### (d) Estimates of Mineral Resources

The Company has estimated Measured, Indicated and Inferred Mineral Resources across its tenements. The Mineral Resources are estimates only and are based on interpretations, knowledge, experience and industry practice which may change. The inclusion of material in a Mineral Resource Estimate does not mean that material may be economically extracted at the tonnages indicated, or at all. Estimates that are valid when made may change significantly when new information becomes available.

### (e) Mine Development and Production Risk

Possible future development of a mining operation at any of Atlantic Lithium's current or future projects may be adversely affected by a number of factors including, but not limited to, failure to achieve predicted grade in exploration, mining and processing, geological and weather conditions, receiving the necessary approvals from relevant authorities, technical and operational difficulties or accidents encountered in extraction and production activities, industrial disputes, mechanical failure of operating plant and equipment, shortages or increases in the price of consumables, spare parts and plant and equipment, cost overruns, access to the required level of funding and contracting risk from third parties providing essential services.

Atlantic Lithium's operations may be disrupted by a variety of risks and hazards which are beyond its control, including environmental hazards, industrial accidents, technical failures, labour disputes, flooding and extended interruptions due to inclement or hazardous weather conditions and fires, explosions, pandemics or accidents.

### (f) Licence and Approval Risk

Commodity development and production (for the Ewoyaa Lithium Project and any other potential future projects) is dependent on obtaining all necessary consent and approvals. No assurance can be given that Atlantic Lithium will be able to obtain all necessary consents and approvals in a timely manner, or at all.

Delays or difficulties may interfere with the Company's operations which could materially impact the business, financial position or performance.

### (g) Operational Risk

The Company is dependent on contractors and suppliers to supply vital services to its operations. The Company is therefore exposed to the possibility of adverse developments in the business environments of its contractors and suppliers, which may affect the financial performance of the Company.

### (h) Financial Risk

#### *Sustainability of growth and margins*

The sustainability of growth and the level of profit margins from operations are dependent on a number of factors outside of the Company's control. Industry margins in all sectors of the Company's activities are likely to be subject to continuing but varying pressures, including competition from other current or potential suppliers.

#### *Financing*

Atlantic Lithium's ability to effectively implement its business strategy over time may depend in part on its ability to raise additional funds. There can be no assurance that any such funding will be available to the Company on favourable terms or at all. Atlantic Lithium has also entered contractual arrangements with certain third parties to finance the Ewoyaa Lithium Project, which brings associated risks.

#### *Liquidity Risk*

The Company manages its liquidity risk by planning and budgeting its operational and growth requirements. The Company monitors its forecast cash flows and ensures funds are in place to meet its operational needs in the short to medium term. Whilst the Company has sufficient financial resources, there is no assurance that additional funding will be available to allow the Company to acquire, explore and develop its exploration assets. Failure to obtain additional financing could result in delays which may affect the financial or operational performance of the Company.

The Company believes that it has sufficient funds to meet its obligations for the foreseeable future.

### (i) Environmental risk

The Company's operations are subject to the laws and regulations of all jurisdictions in which it has interests and carries on business, regarding environmental compliance and relevant hazards. These regulations set various standards regulating aspects of health and environmental quality and provide for penalties and other liabilities for the violation of such standards.

The Company aims to minimise environmental risk by conducting its activities in a transparent and responsible manner, in accordance with applicable laws and regulations and where possible, by carrying appropriate insurance coverage.

### (j) Sovereign risk and Government Policy

The Company's exploration and development activities are to be carried out in Ghana and Côte d'Ivoire. As a result, Atlantic Lithium will be subject to political, social, economic and other uncertainties including, but not limited to, changes in policies, foreign exchange restrictions, changes of law affecting foreign ownership, currency fluctuations, royalties and tax increases in that country. There is a risk that changes may affect the Company's exploration and development plans or, indeed, its rights and/or obligations with respect to the tenements and the licence applications.



# DIRECTORS' REPORT

## FINANCIAL REVIEW

### Result for the year

The loss after income tax for the Group for the year ended 30 June 2023 was A\$12,187,617 (2022: A\$34,647,546).

### Significant changes in the state of affairs

In the opinion of the Directors, there were no significant changes in the state of affairs of the Group that occurred during the financial year under review not otherwise disclosed in this report or the financial statements of the Group for the financial year.

### Environmental regulations and performance

The Directors have put in place strategies and procedures to ensure that the Group manages its compliance with environmental regulations. The Directors are not aware of any breaches of any applicable environmental regulations.

### Proceedings on behalf of the company

No person has applied to the Court under section 237 of *Corporations Act 2001* for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under section 237 of the *Corporations Act 2001*.

## REMUNERATION REPORT (AUDITED)

This remuneration report for the year ended 30 June 2023 outlines the remuneration arrangements of the Company and the Group in accordance with the requirements of the *Corporations Act 2001* (the "Act") and its regulations. This information has been audited as required by section 308(3C) of the Act.

The remuneration report details the remuneration arrangements for key management personnel ("KMP") who are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Company and the Group, directly or indirectly, including any director (whether executive or otherwise) of the Company, and includes the executive team.

The remuneration report is presented under the following sections:

1. Individual key management personnel disclosures
2. Remuneration policy
3. Company performance and the link to remuneration
4. Executive remuneration arrangements
5. Non-Executive Director remuneration arrangements
6. Remuneration of Directors and Other Key Management Personnel
7. Equity instruments disclosures
8. Other disclosures

For personal use only



## 1. Individual key management personnel disclosures

The directors and other key management personnel of the consolidated entity during or since the end of the financial year were:

Name	Position
Neil Herbert	Chairman, Executive Director
Keith Muller	Chief Executive Officer (appointed 16 May 2023) Executive Director (appointed 31 May 2023) Chief Operating Officer (appointed 18 November 2022 until 15 May 2023)
Amanda Harsas	Finance Director and Company Secretary, Executive Director
Lennard Kolff	Head of Business Development & Chief Geologist (from 16 May 2023) Interim Chief Executive Officer (until 15 May 2023) Executive Director
Kieran Daly	Non-Executive Director
Christelle Van der Merwe	Non-Executive Director
Patrick Brindle	Non-Executive Director (appointed 31 May 2023)
Stuart Crow	Non-Executive Director (resigned 13 June 2023)
Holly Waldeck	(alternate for Kieran Daly)
Frans Olivier	(alternate for Christelle Van der Merwe – resigned 31 May 2023)

Except as noted, the named persons held their current position for the whole of the financial year and since the end of the financial year.

## 2. Remuneration policy

Atlantic Lithium's remuneration strategy is designed to attract, motivate and retain employees (including Executives) and Non-Executive Directors ("NEDs") by identifying and rewarding high performers and recognising the contribution of each employee to the continued growth and success of the Group.

The Board of Directors is responsible for determining and reviewing compensation arrangements for the Executive team. The Board assesses the appropriateness of the nature and amount of remuneration of such officers on a periodic basis by reference to relevant employment market conditions with the overall objective of ensuring maximum shareholder benefit from the retention of a high quality Board and Executive team. Such officers are given the opportunity to receive their base remuneration in a variety of forms including cash and fringe benefits. It is intended that the manner of payments chosen will be optimal for the recipient without creating undue cost for the Company.

In accordance with best practice corporate governance, the structure of NED and Executive remuneration is separate and distinct.

Further details on the remuneration of Directors and Executives are set out in this Remuneration Report.

## 3. Company performance and the link to remuneration

The principal activities of Atlantic Lithium to date are mineral exploration and development, primarily focused on the Ewoyaa Lithium Project in Ghana in the current year, and accordingly, the Company is yet to generate a profit. The following table shows the Atlantic Lithium financial year end share price over the last five years:

	30 June 2019	30 June 2020	30 June 2021	30 June 2022	30 June 2023
Share price (AIM)	£0.1563	£0.0950	£0.1923	£0.3650	£0.2500
Share price (ASX) <sup>1</sup>	n/a	n/a	n/a	n/a	\$0.545

<sup>1</sup> Atlantic Lithium listed on the ASX on 26 September 2022

Options have been granted to Directors and Executives with various exercise prices. The value of these options increases for the recipients as the share price of the Company increases. The performance rights that have been granted to an executive have a share price performance condition.

As the Company is still in the exploration and development stage, the link between remuneration, company performance and shareholder wealth is tenuous. Share prices are subject to the influence of metal prices and market sentiment toward the sector, and as such increases or decreases may occur quite independent of Executive performance or remuneration. The use of options and performance rights as part of Executive remuneration does however ensure that there is some link between Executive remuneration and shareholder wealth.

## DIRECTORS' REPORT

Further details of the options and performance rights that have been granted to Directors and Executives are contained throughout this Remuneration Report.

### 4. Executive remuneration arrangements

The Company aims to reward the Executives with a level and mix of remuneration commensurate with their position and responsibilities within the Company in order to:

- align the interests of the Executives with those of shareholders;
- link reward with the strategic goals and performance of the Company; and
- ensure total remuneration is competitive by market standards.

The remuneration of Executives may from time to time be fixed by the Board. The remuneration will comprise a fixed remuneration component and may also include offering specific short and long-term incentives, in the form of:

- performance based salary increases and/or bonuses; and/or
- the issue of options.

#### *Executive contractual arrangements*

Executive Service Agreements have been entered into with all Executive KMP. The agreements do not prescribe how remuneration may be modified in future periods. The agreements do not provide for a fixed term unless specified below. The key terms of the current agreements are:

#### **Neil Herbert – Executive Chairman Appointed 21 April 2022**

**Annual Fee:** \$650,000. Increased from \$300,000 effective 1 November 2022.

**Short Term Incentive:** an annual performance bonus up to 45% of Total Fixed Remuneration at the discretion of the Board.

**Retention Bonus:** 100% of Total Fixed Remuneration payable on remaining as an executive with the Company until the completion of the Definitive Feasibility Study for the Ewoyaa Lithium Project

**Other Incentives:** may be invited to participate in the Company's share or option incentive scheme.

**Termination:** six months' notice from either party

#### **Keith Muller – Chief Executive Officer Appointed 16 May 2023**

**Total Fixed Remuneration:** \$475,000. Increased from \$380,000 on appointment as CEO.

**Short Term Incentive:** up to 45% of Total Fixed Remuneration at discretion of the Board.

**Long Term Incentive:** 50% of Total Fixed Remuneration subject to achievement of KPIs determined by the Board in alignment with the Company's long-term strategy.

**Termination:** six months' notice from either party with the Company having discretion to make payment in lieu of notice. Employment may be terminated summarily without notice for serious misconduct and in other defined events.

#### **Amanda Harsas – Finance Director and Company Secretary Appointed 16 March 2022**

**Total Fixed Remuneration:** \$440,000

**Short Term Incentive:** up to 40% of Total Fixed Remuneration at discretion of the Board.

**Retention Bonus:** 100% of Total Fixed Remuneration payable on remaining as an executive with the Company until the completion of the Definitive Feasibility Study for the Ewoyaa Lithium Project

**Other Incentives:** may also be remunerated through the grant of Options, Performance Rights and other bonus payments determined at the discretion of the Board.

**Termination:** six months' notice from either party with the Company having discretion to make payment in lieu of notice. Employment may be terminated summarily without notice for serious misconduct and in other defined events. Ms Harsas may provide three months' notice on a change of control event or immediate notice if there is a significant diminution of benefits, job content, status, responsibilities, or authority.

### Lennard Kolff – Head of Business Development & Chief Geologist Appointed 16 May 2023

**Total Fixed Remuneration:** \$450,000

**Short Term Incentive:** up to 35% of Total Fixed Remuneration at discretion of the Board.

**Retention Bonus:** 100% of Total Fixed Remuneration payable on remaining as an executive with the Company until the completion of the Definitive Feasibility Study for the Ewoyaa Lithium Project

**Other Incentives:** may also be remunerated through the grant of Options, Performance Rights and other bonus payments determined at the discretion of the Board.

**Termination:** six months' notice from either party with the Company having discretion to make payment in lieu of notice. Employment may be terminated summarily without notice for serious misconduct and in other defined events. Mr Kolff may provide 3 months' notice on a change of control event or immediate notice if there is a significant diminution of benefits, job content, status, responsibilities, or authority.

**Future Changes:** Total Fixed Remuneration will decrease to \$380,000 effective 1 November 2023.

### Bonus and Short-term Incentive Outcomes for Executives

Retention bonuses are payable to Neil Herbert, Amanda Harsas and Lennard Kolff at 100% of Total Fixed Remuneration on remaining as an executive with the Company until the completion of the Definitive Feasibility Study for the Ewoyaa Lithium Project. As the conditions attached to the retention bonuses were met on 29 June 2023 they have been recognised as remuneration in the current financial year. The retention bonuses will be paid to these executives subsequent to year end.

The following short-term incentives ("STIs") have been approved by the Board for payment to executives in recognition of their performance in the year ended 30 June 2023.

	Target STI \$	Awarded STI \$	STI Awarded as % of Target
<b>Executive KMP</b>			
Neil Herbert	292,500	292,500	100%
Keith Muller	142,500	213,750	150%
Amanda Harsas	176,000	176,000	100%
Lennard Kolff	157,500	157,500	100%

The Target STI for Keith Muller as set out in the table above reflects a pro rate STI amount as he commenced employment with the Company in November 2022. The Board has approved the payment of Mr Muller's STI with no pro rata adjustment given the significant involvement that he had in the successful completion of the DFS for the Ewoyaa Lithium Project.

### 5. Non-Executive Director remuneration arrangements

The Constitution of the Company provides that the NEDs are entitled to remuneration as determined by the Company in a general meeting to be apportioned among them in such manner as the directors agree and, in default of agreement, equally. The aggregate maximum remuneration currently approved by shareholders is \$500,000 per annum. A NED may also be invited to participate in Director and Executive share or option incentive schemes.

If a NED performs extra services, which in the opinion of the Directors are outside the scope of the ordinary duties of the Director, the Company may remunerate that Director by payment of a fixed sum determined by the Directors in addition to or instead of the remuneration referred to above. However, no payment can be made if the effect would be to exceed the maximum aggregate amount payable to NEDs without prior consent of the Company.

NEDs are entitled to be reimbursed for properly incurred expenses, including travel and other expenses incurred in attending Director's or General Meetings of the Company or otherwise in connection with the business of the Company.

## DIRECTORS' REPORT

### 6. Remuneration of Directors and Other Key Management Personnel

Directors	Short term benefits			Post-employment		Share-based payments equity settled		Total \$	% Performance Related
	Salary & fees \$	Cash Bonus <sup>3</sup> \$	Annual Leave \$	Super-annuation \$	Long Service Leave \$	Options <sup>4</sup> \$	Performance Rights \$		
<b>Executive Directors</b>									
<b>Neil Herbert</b>									
2023	533,334	942,500	-	-	-	410,575	-	1,886,409	50%
2022	200,000	52,500	-	-	-	2,945,600	-	3,198,100	2%
<b>Keith Muller<sup>2</sup></b>									
2023	222,537	213,750	20,349	23,366	241	1,314,512	-	1,794,755	12%
<b>Amanda Harsas</b>									
2023	382,346	616,000	42,553	27,500	2,773	855,978	-	1,927,150	32%
2022	301,255	208,750	31,237	24,795	1,323	2,945,600	-	3,512,960	6%
<b>Lennard Kolff</b>									
2023	422,041	607,500	5,832	27,959	11,830	410,575	168,939	1,654,676	47%
2022	365,915	157,500	28,607	27,500	13,987	1,003,568	468,062	2,065,139	30%
<b>Former Executive Director</b>									
<b>Vincent Mascolo<sup>1</sup></b>									
2022	281,250	-	-	-	-	1,279,309	1,291,146	2,851,705	45%
<b>Non-Executive Directors</b>									
<b>Kieran Daly</b>									
2023	60,000	-	-	-	-	-	-	60,000	0%
2022	60,000	-	-	-	-	525	-	60,525	0%
<b>Christelle van der Merwe</b>									
2023	60,000	-	-	-	-	-	-	60,000	0%
2022	60,000	-	-	-	-	-	-	60,000	0%
<b>Patrick Brindle<sup>1</sup></b>									
2023	-	-	-	-	-	-	-	-	0%
<b>Former Non-Executive Directors</b>									
<b>Stuart Crow<sup>1</sup></b>									
2023	114,333	-	-	-	-	205,287	-	319,620	0%
2022	80,000	-	-	-	-	1,841,526	-	1,921,526	0%
<b>Tetsunosuke Miyawaki<sup>1</sup></b>									
2022	49,451	-	-	-	-	525	-	49,976	0%
<b>Alistair McAdam<sup>1</sup></b>									
2022	-	-	-	-	-	525	-	525	0%
<b>Total director remuneration</b>									
<b>2023</b>	<b>1,794,591</b>	<b>2,379,750</b>	<b>68,734</b>	<b>78,825</b>	<b>14,844</b>	<b>3,196,927</b>	<b>168,939</b>	<b>7,702,610</b>	
<b>2022</b>	<b>1,397,871</b>	<b>418,750</b>	<b>59,844</b>	<b>52,295</b>	<b>15,310</b>	<b>10,017,178</b>	<b>1,759,208</b>	<b>13,720,456</b>	

Alternate Directors do not receive any form of remuneration for their services.

1 Amounts represent payments relating to the period during which the individuals were Key Management Personnel (KMP).

2 Keith Muller was appointed Chief Executive Officer on 16 May 2023, having joined Atlantic Lithium on 18 November 2022, initially as Chief Operating Officer. Mr Muller became a member of KMP from the date of his initial appointment.

3 Includes retention bonuses and short-term incentives.

4 Includes the expense relating to the limited recourse loan that was granted to Amanda Harsas on the exercise of options and which has been accounted for as a grant of in-substance options.

For personal use only

## 7. Equity instruments disclosures

### KMP Share Movements

The table below summarises the movements in the year ended 30 June 2023 of interests in shares in Atlantic Lithium Limited for the period during which individuals were KMP.

	Opening Balance No.	Issued on Exercise of Options No.	Issued on Exercise of Performance Rights No.	Shares Acquired/ (Disposed) No.	Closing Balance No.
<b>Executive KMP</b>					
Neil Herbert <sup>1</sup>	5,465,715	-	-	1,883,177	7,348,892
Amanda Harsas <sup>2</sup>	161,871	-	-	1,338,129	1,500,000
Lennard Kolff <sup>3</sup>	1,007,344	3,500,000	1,350,000	(2,826,492)	3,030,852
<b>Non-executive Directors</b>					
Patrick Brindle <sup>4</sup>	108,000	-	-	-	108,000
<b>Former Non-executive Directors</b>					
Stuart Crow <sup>5</sup>	-	750,000	-	-	750,000

<sup>1</sup> Neil Herbert's shares are held by Huntress CI Nominees Limited. The shares acquired were purchased on-market.

<sup>2</sup> Amanda Harsas' shares are held by Birubi Grove Pty Ltd ATF Harsas Family Trust. The shares acquired were purchased on-market. During the year Ms Harsas exercised 2,500,000 options and was simultaneously granted a limited recourse loan for the full value of the exercise price (£750,000). As this arrangement has been accounted for as the grant of in-substance options the shares issued to Ms Harsas on exercise of the options are not included within share movements but are included in the in-substance option table below.

<sup>3</sup> Lennard Kolff's shares are held by a personal related party, Melisa Kolff van Oosterwijk. Mr Kolff disposed of 2,850,000 shares as part of the sell-down of existing shares when the Company listed on the Australian Stock Exchange in September 2022. Mr Kolff acquired 23,508 shares via on-market purchases.

<sup>4</sup> Patrick Brindle's opening balance of shares is as at 31 May 2023 being the date on which he was appointed as a Non-Executive Director.

<sup>5</sup> Stuart Crow's closing balance of shares is as at 13 June 2023 being the date on which he ceased to be a Non-Executive Director.



## DIRECTORS' REPORT



### KMP Option Movements

Options may be issued to Directors and Executives as part of their remuneration package. The options are issued with no performance conditions but are issued to Directors and Executives of the Company to align comparative shareholder return and reward for Directors and Executives.

The table below summarises the movements in the year ended 30 June 2023 of interests in options over shares in Atlantic Lithium Limited for the period during which individuals were KMP.

	Opening Balance No.	Options Exercised No.	Options Granted No.	Options Lapsed No.	Closing Balance No.
<b>Executive KMP</b>					
Neil Herbert <sup>1</sup>	8,000,000	-	2,000,000	-	10,000,000
Keith Muller	-	-	6,000,000	-	6,000,000
Amanda Harsas <sup>2</sup>	10,500,000	(2,500,000)	2,000,000	-	10,000,000
Lennard Kolff <sup>3</sup>	15,500,000	(3,500,000)	2,000,000	-	14,000,000
<b>Non-executive Directors</b>					
Kieran Daly	750,000	-	-	(750,000)	-
<b>Former Non-executive Directors</b>					
Stuart Crow <sup>4</sup>	5,750,000	(750,000)	1,000,000	-	6,000,000

1 Neil Herbert's options are held by Huntress CI Nominees Limited.

2 Amanda Harsas' options are held by Birubi Grove Pty Ltd ATF Harsas Family Trust. Ms Harsas exercised 2,500,000 options on 6 April 2023 and was simultaneously granted a limited recourse loan for the full value of the exercise price (£750,000). This arrangement has been accounted for as the grant of in-substance options and is included in the in-substance option table below.

3 Lennard Kolff holds 2,000,000 options in his name and 12,000,000 options are held by a personal related party, Melisa Kolff van Oosterwijk.

4 Stuart Crow's closing balance of options is as at 13 June 2023, being the date on which he ceased to be a non-executive director. Having not been exercised within 90 days of this date, these options lapsed subsequent to year end.

All options vest on grant date and accordingly the options included in the closing balances in the table above have all vested and are exercisable as at 30 June 2023.

### KMP In-substance Option Movements

Where the Company provides loans to fund the acquisition of shares, and the loan is limited in recourse to those underlying shares, the arrangement is accounted for as an in-substance option. This is because of the option like characteristics of the arrangement whereby the recipient can benefit from increases in the share price over the loan's face value whilst being protected from decreases below the loan's face value during the term of the loan.

The table below summarises the movements in the year ended 30 June 2023 of interests in in-substance options over shares in Atlantic Lithium Limited for the period during which individuals were KMP.

	Opening Balance No.	Options Exercised No.	Options Granted No.	Options Lapsed No.	Closing Balance No.
<b>Executive KMP</b>					
Amanda Harsas <sup>1</sup>	-	-	2,500,000	-	2,500,000

1 Amanda Harsas' in-substance options are held by Birubi Grove Pty Ltd ATF Harsas Family Trust.

For personal use only

### Options Granted and Exercised during the year ended 30 June 2023

Details of options granted to KMP during the year are set out below:

	Grant Date	Expiry Date	Exercise Price £	Options Granted No.	Fair Value per Option Granted A\$	Total Fair Value of Options Granted A\$
<b>Executive KMP</b>						
Neil Herbert <sup>1</sup>	31 Mar 2023	31 Mar 2025	£0.60	2,000,000	0.205	410,000
Keith Muller	28 Nov 2022	29 Nov 2024	£0.60	2,000,000	0.266	532,000
	28 Nov 2022	29 Nov 2024	£0.70	2,000,000	0.234	468,000
	16 May 2023	16 May 2025	£0.50	2,000,000	0.208	416,000
Amanda Harsas <sup>2</sup>	31 Mar 2023	31 Mar 2025	£0.60	2,000,000	0.205	410,000
	6 Apr 2023	6 Apr 2024	£0.30	2,500,000	0.178	445,750
Lennard Kolff	31 Mar 2023	31 Mar 2025	£0.60	2,000,000	0.205	410,000
<b>Former Non-executive Directors</b>						
Stuart Crow	31 Mar 2023	31 Mar 2025	£0.60	1,000,000	0.205	205,000

1 Neil Herbert's options are held by Huntress CI Nominees Limited.

2 Amanda Harsas' options are held by Birubi Grove Pty Ltd ATF Harsas Family Trust. The 2,500,000 options granted to Ms Harsas on 6 April 2023 are in-substance options. As the in-substance options were deemed to have been granted when a limited recourse loan was provided by the Company to fund the exercise of existing options the transaction has been accounted for as a modified share-based payment arrangement. The fair value above represents the incremental fair value that has been recognised on modification.

All options were granted for nil monetary consideration and vested immediately on issue.

Details of options exercised by KMP during the year are set out below:

	Expiry Date	Exercise Price £	Options Exercise No.	Total Value of Options Exercised <sup>1</sup> A\$	Total Value of Options Exercise A\$
<b>Executive KMP</b>					
Amanda Harsas <sup>2</sup>	8 Apr 2023	£0.30	2,500,000	-	-
Lennard Kolff <sup>3</sup>	31 Aug 2022	£0.12	3,500,000	844,502	1,436,172
<b>Former Non-executive Directors</b>					
Stuart Crow <sup>4</sup>	31 Mar 2023	£0.12	750,000	136,500	237,782

1 The value of options exercised is calculated as: (closing share price on date of exercise – exercise price) \* number of options exercised. This has been translated to AUD at the closing exchange rate on the exercise date.

2 The closing share price on the date the options were exercised was £0.299 and accordingly no value has been included in the above table. A loan was provided to Ms Harsas on the exercise of options for the entire value of the options being exercised (£750,000). As the loan is limited in recourse it is accounted for as in-substance options.

3 As part of the Offer to facilitate the Company listing on the Australian Stock Exchange, 2,850,000 of the shares received when these options were exercised by Mr Kolff were made available under the Offer at a share price of A\$0.58 per share. Accordingly, A\$0.58 has been used in the value calculation in lieu of the closing share price for 2,850,000 options. The closing share price on 19 September 2022 of £0.45 was used for the remaining 650,000 options, being the date the options were exercised. As part of the Offer transaction the expiry date of these options had been extended to 30 September 2022.

4 Mr Crow exercised his options on 28 July 2022 when the closing share price was £0.302.

## DIRECTORS' REPORT

### KMP Performance Rights Movements

Performance rights may be granted to KMP as part of a market competitive total remuneration package with the aim of providing an incentive for those KMP to deliver Group performance that will lead to returns to shareholders, through an increase in the Company's share price. The performance rights vest on achievement of each maturity price milestone and convert to fully paid ordinary shares. The maturity price is based on a 15 trading day VWAP metric for each tranche of the performance rights. The holder of the performance rights must remain an employee of the Group at vesting date for the performance rights to convert into ordinary shares.

The table below summarises the movements in the year ended 30 June 2023 of interests in performance rights over shares in Atlantic Lithium Limited for the period during which individuals were KMP.

	Opening Balance No.	Performance Rights Exercised No.	Performance Rights Granted No.	Performance Rights Lapsed No.	Closing Balance No.
<b>Executive KMP</b>					
Lennard Kolff <sup>1</sup>	4,050,000	(1,350,000)	-	-	2,700,000

<sup>1</sup> Lennard Kolff's performance rights are held by a personal related party, Melisa Kolff van Oosterwijk.

The performance rights included in the closing balance in the table above are invested as at 30 June 2023.

### Performance Rights Exercised during the year ended 30 June 2023

Details of performance rights exercised by KMP during the year are set out below:

	Expiry Date	Exercise Price £	Performance Rights Exercised No.	Total Value of Performance Rights Exercised <sup>1</sup> A\$
<b>Executive KMP</b>				
Lennard Kolff <sup>1</sup>	18 Aug 2023	-	1,350,000	791,771

<sup>1</sup> Performance rights are exercised for nil consideration. One fully paid ordinary share in the Company is issued for each exercised performance right. The value of performance rights exercised is calculated as: closing share price on date of exercise \* number of performance rights exercised. This has been translated to AUD at the closing exchange rate on the exercise date. Mr Kolff exercised his performance rights on 11 July 2022 when the closing share price was £0.332.

## 8. Other disclosures

### Loans to Key Management Personnel

Other than the limited recourse loan provided to Amanda Harsas there were no loans to Directors or other key management personnel during the year.

### Other Transactions with Key Management Personnel

There were no other transactions or balances with key management personnel during the period.

### (End of Remuneration Report)



## Directors' Meetings

The number of meetings of Directors held during the year and the number of meetings attended by each Director was as follows:

	Board		Audit		Nomination and Remuneration	
	Number of meetings held while in office	Meetings attended	Number of meetings held while in office	Meetings attended	Number of meetings held while in office	Meetings attended
Neil Herbert	6	6	2	2	4	3
Keith Muller	1	1	N/A	N/A	N/A	N/A
Amanda Harsas	6	6	2	2 <sup>1</sup>	4	4 <sup>1</sup>
Lennard Kolff	6	5	N/A	N/A	N/A	N/A
Kieran Daly	6	6	2	2	4	4
Christelle van der Merwe	6	6	N/A	N/A	N/A	N/A
Patrick Brindle	1	1	N/A	N/A	N/A	N/A
Stuart Crow	5	3	2	2	4	4
Holly Waldeck	6	1	N/A	N/A	N/A	N/A
Frans Olivier	5	0	N/A	N/A	N/A	N/A

<sup>1</sup> Amanda Harsas attended Audit and Nomination & Remuneration Committee meetings as an observer

## Indemnification and insurance of Directors, Officers and Auditor

Each of the Directors and Secretary of the Company has entered into a Deed with the Company whereby the Company has provided certain contractual rights of access to books and records of the Company to those Directors. The Company has insured all of the Directors. The contract of insurance prohibits the disclosure of the nature of the liabilities covered and amount of the premium paid. The Corporations Act does not require disclosure of the information in these circumstances.

The Company has not indemnified or insured its auditor.

## Options and Warrants

There were 19,750,000 ordinary shares issued as a result of the exercise of options and warrants (2022: 7,047,414) during the year ended 30 June 2023. This includes 3,500,000 shares that have been accounted for as in-substance options.

Subsequent to 30 June 2023 and up to the date of this report 29,000,000 options have expired. 3,000,000 ordinary shares were issued on exercise of 3,000,000 options and have been accounted for as in-substance options. Further details can be found in the Significant Events after the Reporting Date section on page 37.

At the date of this report, the unissued ordinary shares of Atlantic Lithium under options are set out below. This table does not include the in-substance options described above.

Grant date	Date of Expiry	Exercise Price	Number under Option
30 August 2023	31 August 2025	£0.30	4,650,000
16 May 23	16 May 25	£0.50	2,000,000
28 November 22	28 November 24	£0.60	2,000,000
31 March 23	31 March 25	£0.60	6,000,000
22 April 22	23 April 24	£0.70	2,000,000
22 April 22	23 April 24	£0.70	6,000,000
22 April 22	23 April 24	£0.75	6,000,000
22 April 22	23 April 24	£0.80	4,000,000
			<b>32,650,000</b>

Option holders do not have any right to participate in new issues of securities in the Company made to Shareholders generally. The Company will, where required pursuant to any relevant listing rules, provide Option holders with notice prior to the books record date (to determine entitlements to any new issue of securities made to Shareholders generally) to exercise the Options, in accordance with the requirements of any relevant listing rules.

## DIRECTORS' REPORT

Option holders do not participate in dividends or in bonus issues unless the Options are exercised, and the resultant Shares of the Company are issued prior to the relevant record date.

### Performance Rights

There were 9,450,000 ordinary shares issued as a result of the exercise of performance rights during the year ended 30 June 2023 (2022: nil). Subsequent to 30 June 2023 and up to the date of this report, 2,700,000 performance rights lapsed.

At the date of this report, there were no performance rights on issue.

### Significant Events after the Reporting Date

On 17 August 2023, Piedmont Lithium Inc notified Atlantic Lithium of its intent to support the development of the Ewoyaa Lithium Project in Ghana towards production and exercised its option to acquire an initial 22.5% interest in the Cape Coast Lithium Portfolio to fast-track the development of the Project.

On 18 August 2023, 23 million options lapsed and were not exercised. Details are as follows:

- 1 million unlisted options exercisable at £0.30 each
- 10 million unlisted options exercisable at £0.40 each
- 12 million unlisted options exercisable at £0.50 each

On 18 August 2023, 2.7 million unlisted performance rights lapsed.

On 22 August 2023, 3 million ordinary shares were issued to Melisa Kolff van Oosterwijk, a personal related party of Lennard Kolff, as a result of the exercise of unlisted ESOP options exercisable at £0.30 each. A one year loan was provided on the exercise of the options for the total exercise value of £900,000. As the loan is limited in recourse, it will be accounted for as an in-substance option.

On 30 August 2023, 4.65 million options were granted to employees under the ESOP. The options vested immediately and have an exercise price of £0.30 each and an expiry date of 31 August 2025.

On 7 September 2023, Atlantic agreed non-binding Heads of Terms with the Minerals Income Investment Fund of Ghana ("MIIF") to invest a total of US\$32.9 million in the Company and the Ghana subsidiaries. The proposed investment will support the development of the Project and the broader Cape Coast Lithium Portfolio in Ghana. Under the terms of the non-binding agreement, MIIF intend to invest an initial \$US27.9 million to acquire a 6% contributing interest in the Company's Ghana portfolio and will make ongoing contributions through monthly cash calls as the Project develops. MIIF also intend to subscribe for 19,245,574 shares in the Company for a total value of US\$5 million.

On 11 September 2023, 6 million options held by the former non-executive director Stuart Crow lapsed and were not exercised. Details are as follows:

- 1 million unlisted options exercisable at £0.60 each
- 2 million unlisted options exercisable at £0.70 each
- 2 million unlisted options exercisable at £0.75 each
- 1 million unlisted options exercisable at £0.80 each

### Non-audit Services

Details of non-audit services can be found in Note 7.1 to the financial statements. The directors are satisfied that the provision of non-audit services, during the year, by the auditor (or by another person or firm on the auditor's behalf) is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The directors are of the opinion that the services as disclosed in Note 7.1 to the financial statements do not compromise the external auditor's independence and do not undermine the general principles relating to auditor independence as set out in Code of Conduct APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional & Ethical Standards Board.

### Auditor's Independence Declaration

The Auditor's Independence Declaration forms part of the Directors' Report and can be found on page 45.

Signed in accordance with a resolution of Directors:



**Neil Herbert**  
Executive Chairman

28 September 2023

# CORPORATE GOVERNANCE SUMMARY

Full details are available in the Corporate Governance Section of the Company's website.

## CHAIRMAN'S STATEMENT - 2023

As the Chairman of Atlantic Lithium, I am responsible for the leadership of the Board of Directors, for the efficient organisation and conduct of that Board's functioning, and for the briefing of all Directors in relation to issues arising at Board meetings. I am also ultimately responsible for shareholder communication and feedback, arranging Board performance evaluation, and setting the tone for Board's approach to Corporate Governance matters. I work closely with Finance Director and Company Secretary Amanda Harsas on these matters.

As the Company is dual-listed on the ASX and AIM, it reports on its compliance in accordance with both:

1. The ASX Corporate Governance Council's Principles and Recommendations 4th Edition (the "ASX Recommendations"). The 2023 ASX Corporate Governance Statement can be found on the Company's website at [www.atlanticlithium.com.au/corporate-governance](http://www.atlanticlithium.com.au/corporate-governance).
2. The QCA Corporate Governance Code, as published by the Quoted Companies Alliance, which is reported on below.

Atlantic Lithium is a junior mineral exploration and development company, targeting near-term production of lithium at its flagship Ewoyaa Lithium Project. From a practical viewpoint, this means that the Company is yet to reach the stage where it is earning revenue, employing a large workforce, expending large sums of money on capital works, or undertaking development and / or mining works on land owned by third-parties. Accordingly, the Company's adoption of, and reporting against, the ASX Recommendations and QCA's Corporate Governance framework reflects the current status of its lifecycle and its characterisation as a growth company. In this regard, whilst the Company has largely adopted the ASX Recommendations and QCA's principles, it considers that some of the principles and associated reporting requirements may not yet be appropriate for the Company to adopt.

In particular, and following the resignation of Stuart Crow in June 2023, the Company does not currently have any independent directors, which is a departure from the expectations of Principle 5 as discussed below. The Company is actively looking to identify suitable candidates for appointment as independent director. This is being done in conjunction with a Board skills review to ensure the Board includes the necessary skills and experience as the Company moves through the development phase and into production. I believe that the current Board members can and do make quality and independent judgements in the best interests of the Company and other stakeholders notwithstanding that they are not considered to be independent directors.

Furthermore, as outlined under Principle 7 below, the Company is currently in the process of establishing the criteria against which its performance and effectiveness will be measured and how frequently evaluations of the Board and Board committees will take place.

As Chairman, it is my intention to continue to review Atlantic Lithium's approach to corporate governance as it evolves from junior explorer through project development to producer. As I have previously noted, this evolution will require more rigour to be applied to the Company's internal and external policies and procedures as project and capital expenditures, levels of community and governmental engagement, personnel numbers, and asset values all increase over time.

## THE QCA'S TEN PRINCIPLES AS ADOPTED BY THE COMPANY

Unless otherwise noted, all Charters and Policies referred to under the ten principles below are available on the Corporate Governance page of the Company's website.

### Principle 1 - Promote Long-term Value for Shareholders

Atlantic Lithium is an AIM and ASX listed-focused mineral exploration and development company with an advanced lithium pegmatite asset in Ghana and lithium exploration assets in Ghana and Côte d'Ivoire. The Company's corporate strategy is to create and sustain shareholder value through the discovery of world-class and globally demanded mineral commodities. Specifically, the Company is aiming to:

- advance the Ewoyaa Lithium Project and broader Cape Coast Lithium Portfolio in Ghana through permitting to obtain the necessary mining-related permits to enable mineral extraction and sale on the global market;
- utilise the combined skills and experience of the Company's Board and management team, namely through exploration, resource growth, mine build preparation, construction and operation, to maximise and deliver upon the economics of the Ewoyaa Lithium Project and wider Portfolio; and
- grow a diversified portfolio of lithium projects in frontier pro-mining jurisdictions in Africa.

## CORPORATE GOVERNANCE SUMMARY

The Company is constantly working on building the value of its portfolio of assets via their sourcing, financing, exploration and ultimately their commercialisation. These endeavors require the Company to employ a diverse range of skills and experience at both Board and managerial level. This is a key attribute of the Company, as outlined in further detail under Principle 6 below. Other core values which support the Company's development goals include having a highly experienced geological and project management workforce, maintaining a close relationship with the communities in which the Company is operating, and the on-going corporate and financial support of the Company's cornerstone shareholders, who also provide substantial expertise in the areas of exploration, production and commodity trading.

### Principle 2 - Addressing Shareholder Needs and Expectations

The Company currently has a relatively modest number of shareholders, and at least 65% of the Company's shares are currently held by the Top 20 holders. These shareholders are known to the Board and the Company's Executive Management. However, the Company has also undertaken a number of beneficial shareholder searches in order to understand the make-up of its register for communication and engagement purposes.

Refer to Principle 10 below for further details as to how the Company engages and communicates with shareholders and other stakeholders.

### Principle 3 - Accounting for Stakeholder and Social Responsibilities

The Company remains committed to being a responsible global citizen and is sensitive to the needs and expectations of the stakeholders in the communities in which it operates - from landowners to government representatives, to the traditional community leaders and village chiefs. The Company believes that the key to being a good neighbour lies in regular, open dialogue. This effort, led by the Company's local team, ensures the Company is best positioned to remain an important part of the local community and be a force for positive, long-lasting change.

The Company has an ESG Policy as detailed on the ESG and Corporate Governance pages of its website. Further details of ESG activities being undertaken by the Company can be found on pages 23 to 24 of this Annual Report. The Company also has a Diversity Policy and takes pride in providing equal opportunities for employment across the various jurisdictions in which it operates.

### Principle 4 - Embedded and Effective Risk Management

The key risks identified by the Company are set out in the Risk Management Section of this Annual Report on pages 25 to 26.

The Board and the Company's management adopt a conservative approach to the management of the risks facing the Company, having regard to the present size and scale of its operations. As outlined in the Chairman's Statement, the Company is yet to reach the stage where it is earning revenue, employing a large workforce, expending large sums of money on capital works or undertaking development and / or mining works on land owned by third-parties. However, the Company utilises the following measures in the assessment and management of its risks:

- Board and executive appointments;
- structured board reporting;
- comprehensive insurance programme;
- site visits;
- documented risk management practices and policies.

### Financial Risk Management and Internal Control

The Board, in conjunction with the Company's Executive Management, identifies and appraises risks, maintains control and direction over appropriate strategic, financial and organisational structure matters, with defined lines of responsibility and delegation limits established. The Board has overall responsibility for ensuring that the Company maintains a system of internal controls and for monitoring their effectiveness to provide reasonable assurance regarding the reliability of the Company's financial reporting. The Company's Audit Committee meets with the Company's external audit firm to discuss the Company's system of internal controls and management practices.

The Board considers the following to be the key internal control procedures established within the Company:

- the operation of authorisation procedures;
- the operation of dual banking authorities;
- the appropriate segregation of duties;
- clearly defined and delegated responsibilities;



- the close involvement of Senior Executives across day to day activities;
- the setting of detailed budgets which are monitored and reported against;
- the operation of the Company's Audit Committee; and
- the establishment of a Whistleblower Policy, which includes the acceptance of anonymous reports.

The Board considers a significant failing to be any item that would lead to a material misstatement within the Company's financial reports. The Company's Audit Committee discusses the level of materiality with the Company's external audit firm, and any errors or misstatements within the financials (whether material or not) are discussed to review any implications for the system of internal controls and management verification procedures outlined above.

### *Operational and Project Risk Management*

Risk management is the driver for how the Company does business and dictates requirements to design, plan and adequately respond to internal and external events. This ensures that proper incident response, and effective monitoring can be implemented to minimise anticipated risks and reduce harm and disruption to people, environment and the Company's operations.

The health of the Company's people, and the communities in which it works, has been Atlantic Lithium's priority. The plan incorporates the identification, assessment and minimisation of risks, and addresses any concerns and requirements that have been identified through consultation between the Atlantic Lithium management team and key stakeholders from communities in which we operate, or through which we traverse, other affected community groups, local and state government, health advisors and employees and contractors. The plans are reassessed and will continue to be reassessed with new information as it comes available.

### **Principle 5 - Maintenance of Board Function and Balance**

The Board is responsible to the Company's shareholders for its strategy, direction, values and ultimately, its long-term success. The Board sets the Company's strategic objectives and determines the risk appetite and control framework within which those objectives are achieved. The Board also provides leadership and direction for the Company's Executive Management and broader workforce, ensuring that the necessary resources are in place to enable delivery of the Company's objectives. The Board oversees the Company and its business within an agreed governance structure to deliver long-term shareholder value.

The Board currently consists of four Executive Directors and three Non-Executive Directors. Mr Stuart Crow, who served as an independent Non-Executive Director, retired from the Board in June 2023.

As noted above, the Company is actively looking to identify suitable candidates for appointment as independent directors, as the Company moves from being an exploration company to development and commercial production. The Board believes that the individuals on the Board can and do make quality and independent judgements in the best interests of the Company and other stakeholders notwithstanding that they are not independent directors. The Board considers that its composition is appropriate to the Company's current size and operational structure, the Directors' experience, and their collective knowledge of the Company's assets.

The Company believes that Stuart Crow demonstrated a strong independence of character and judgement in his role until his retirement in June 2023. Mr Crow served as a member of the Company's Audit & Risk Management Committee and as the Chair of the Remuneration & Nomination Committee.

The Company's executive directors, comprising Executive Chairman Neil Herbert, Chief Executive Officer Keith Muller, Finance Director & Company Secretary Amanda Harsas and Head of Business Development & Chief Geologist Lennard Kolff are essentially engaged on a full-time basis by the Company.

As part of the interview and appointment process, Non-Executive Directors are required to confirm that they have sufficient time available to dedicate to the performance of their duties and to discharge their responsibilities to the Company.

The terms of appointment for each of the Company's Directors is set out under a Letter of Appointment, which contains, amongst other things, the requirement for Directors to attend:

- all Director's Board and Strategy Meetings;
- all shareholder's Meetings;
- any special Board or other meeting that may be convened (including committee meetings of which the Director is a member); together with
- time required to liaise with fellow Directors.

During the period 1 July 2022 to 30 June 2023, there were six Board Meetings. Directors' attendance at Board and Committee meetings which they were eligible to attend during this period is as outlined on page 36 of this Annual Report.

# CORPORATE GOVERNANCE SUMMARY



## *Dealing with Potential Conflicts of Interest*

Where a particular transaction or matter to be resolved by the Board may involve a potential conflict of interest of one or more of the Directors, those parties recuse themselves from deliberation and voting on the matter. In some instances, the disinterested Directors may consent to the attendance of the interested Director(s), and their participation in any discussion of the matter to be resolved, in order to have all views considered ahead of the matter being separately resolved by the disinterested Directors.

## **Principle 6 - Appropriate Mix of Skills and Experience at Board Level**

### *Board Skills Matrix*

Maintaining a balance of experience and skills is an important factor in the Company's Board composition. The Board is currently comprised of seasoned industry professionals (as detailed on Pages 7 to 9 of this Annual Report) with combined qualifications, skills and experience as outlined below.

### *Summary Board Skills Matrix*

The Company considers the current Board of Directors to provide the following matrix of skills:

- Publicly-listed, junior mining industry corporate experience;
- Mineral exploration and resource definition and development expertise;
- Capital raising expertise and experience;
- Corporate strategy development expertise;
- Financial management and financial accounting experience;
- Contract management experience;
- Exploration and mining joint venture and farm-in experience;
- Human resource management experience;
- OH&S management experience;
- Corporate M&A experience;
- Investor communication and presentation expertise;
- Ore mining and production expertise; and
- Commodity marketing and global trading expertise.

The Board of Atlantic Lithium is mindful of the need to review its skills and capabilities as the Company continues to expand and grow its operations, and will consider adding further relevant skills to the Board in due course via training and / or the appointment of additional Directors.

### *Maintenance of Directors' Skillset*

The Company encourages and recommends each of its Directors to attend relevant external seminars, conferences and educational programmes to expand their knowledge base and professional skills. Where practical, Directors are also encouraged to attend international resource conferences where the Company has a presence or is presenting. In this way, Directors are available to meet with any shareholders, potential investors, business partners, governmental officials, other industry participants and follow any relevant regulatory, technological and / or commercial developments.

### *Company Secretary*

The Company Secretary is available as a resource to all Directors, but particularly the Chairman, and is responsible for all matters to do with the proper functioning of the Board. Each Director is entitled to access the advice and services of the Company Secretary as required.

The Company Secretary is a Chartered Accountant and the Finance Director of Atlantic Lithium Limited with over 25 years' experience across a wide range of industries.

## **Principle 7 - Evaluation of Board Performance**

The Board will continue to regularly review and monitor its composition and performance having regard to the evolving complexity of the Company's activities and operations, and make changes as appropriate. The Company is in the process of establishing the criteria against which its performance and effectiveness will be measured and how frequently evaluations of the Board and the Board Committees will take place. These matters will be reported on in the future.

## Principle 8 - Corporate Culture Based on Ethical Values and Behaviours

In recognition of their importance, social and ethical matters are dealt with by the full Board. The Board is also responsible for ensuring that the Company is, and remains, a dedicated socially responsible corporate citizen. The Company is committed to ensuring that all personnel act with honesty, integrity and fairness when dealing with communities, land holders, business partners, suppliers, potential customers, industry participants, governments, regulators, shareholders and fellow employees.

The Company has adopted the following policies, all of which are set out in full in the Corporate Governance section of the Company's website:

- Anti-Bribery and Corruption Policy;
- Corporate Ethics and Continuous Disclosure Policy;
- Trading Policy; and
- Whistleblower Policy.

In parallel with the adoption of the QCA Corporate Governance Principles, the Company has instituted a Code of Conduct applicable to all employees and Board members, as outlined in the Corporate Governance Section of the Company's website.

## Principle 9 - Maintenance of Governance Structures and Processes

The Chairman of the Company is ultimately responsible for the approach taken to the adoption, review and maintenance of Corporate Governance standards by the Board, management and personnel. The Chairman is assisted by the Finance Director & Company Secretary in the maintenance and management of Corporate Governance and risk management standards from an operational, policy and documentation perspective throughout the Company.

Due to the current size and lack of complexity of the Company, a Corporate Governance Committee has not been formally established as the Board considers that it can efficiently and effectively oversee Corporate Governance issues without establishing a separate committee. In overseeing these matters, the Board is guided by the Corporate Governance Committee Charter.

The Company also has a comprehensive Corporate Governance framework and documentation, with full details available on the Company's website. In addition to a comprehensive Corporate Governance Statement and the various policies described elsewhere in this Corporate Governance Summary, the Company's website contains the following documents and policies:

- Audit & Risk Committee Charter
- Board Charter Corporate Governance Policy
- Charter of the Executive Committee
- Diversity Policy
- ESG Policy
- Matters Reserved for the Board of Directors
- Nomination & Remuneration Committee Charter
- Related Party Policy
- Social Media Policy

## Principle 10 - Communications with Shareholders and Other Stakeholders

Atlantic Lithium regularly engages with its existing shareholders and potential new investors through attendance at resource conventions and similar industry functions. Furthermore, the Company frequently undertakes non-deal roadshows to engage with institutional shareholders, brokers, analysts and potential investors. Feedback garnered from these processes is discussed at Executive and Board level to ensure investor expectations are consistently understood. The Company also engages in investor events and webinars, providing the opportunity to engage with and answer the questions of private investors.

The Company publishes numerous internal and external contact points at the end of each of its market releases to facilitate contact from the retail market. Conference and investor presentations, including videos where applicable, are made available on the Company's website and via its newsletter service. The Company operates a Twitter and LinkedIn account and has a free newsletter subscription page available to all interested parties on its website.



## CORPORATE GOVERNANCE SUMMARY

The Company's website contains information available to all shareholders, potential investors and interested stakeholders, including Key Security holder Information, the Company's Constitutional documents, a range of its Corporate Policies and Meeting Materials for the Company's last five Annual General Meetings. The results of each shareholder meeting are released to the market following the conduct of the meeting, and include in tabular form, all of the proxy votes received in relation to each resolution put to the meeting.

### Committee Reports

#### Audit Committee

During the 2022 /23 year, the Audit Committee undertook the following activities:

- met with the Company's external audit firm BDO Audit Pty Ltd to discuss the review of the Company's 31 December 2022 half-year financial report and the audit of the Company's 30 June 2023 Financial Statements and the issues arising therefrom;
- reviewed the Balance Sheet carrying value of the Company's exploration and evaluation assets;
- reviewed the Company's accounting policies and treatment of project acquisition costs and share-based payments;
- reviewed related party transactions and disclosures;
- reviewed the Review of Operations, Remuneration Report and Significant Events After Reporting Date as disclosed in the Company's Annual Report and Half-yearly Financial Report;
- reviewed all other disclosures within the Company's Annual Report and Half-yearly Financial Report.

The audit committee members are currently Kieran Daly (Chairman), Neil Herbert and Patrick Brindle. Stuart Crow was a member of the Audit Committee until he retired as a Director in June 2023.

#### Remuneration & Nominations Committee

During the last 12 months, the Remuneration Committee met to review Executive Management performance, remuneration arrangements, and to consider the realignment of the executive and managerial incentive scheme. The committee currently consists of Patrick Brindle (Chairman), Neil Herbert and Kieran Daly. Stuart Crow was Chairman of the Remuneration & Nominations Committee until he retired as a Director in June 2023.

For personal use only



For personal use only



## AUDITOR'S INDEPENDENCE DECLARATION



Tel: +61 2 9251 4100  
Fax: +61 2 9240 9821  
www.bdo.com.au

Level 11, 1 Margaret Street  
Sydney NSW 2000  
Australia

### DECLARATION OF INDEPENDENCE BY GARETH FEW TO THE DIRECTORS OF ATLANTIC LITHIUM LIMITED

As lead auditor of Atlantic Lithium Limited for the year ended 30 June 2023, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Atlantic Lithium Limited and the entities it controlled during the period.

**Gareth Few**  
Director

**BDO Audit Pty Ltd**

Sydney

28 September 2023

BDO Audit Pty Ltd ABN 33 134 022 870 is a member of a national association of independent entities which are all members of BDO Australia Ltd ABN 77 050 110 275, an Australian company limited by guarantee. BDO Audit Pty Ltd and BDO Australia Ltd are members of BDO International Ltd, a UK company limited by guarantee, and form part of the international BDO network of independent member firms. Liability limited by a scheme approved under Professional Standards Legislation.

For personal use only

For personal use only

# FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	<b>47</b>
CONSOLIDATED STATEMENT OF FINANCIAL POSITION	<b>48</b>
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	<b>49</b>
CONSOLIDATED STATEMENT OF CASH FLOWS	<b>50</b>
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS	<b>51</b>

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2023

For personal use only

	Notes	2023 \$	2022 \$
<b>Expenses</b>			
Administration and consulting expenses		(1,649,869)	(1,081,132)
Broker and investor relations		(422,264)	(393,782)
Depreciation	3.3	(26,201)	(16,827)
Employee benefits expenses	5.1	(4,258,212)	(2,124,940)
Exploration costs written off	3.4	(39,533)	(25,934)
Interest expense		(2)	(1,644)
Legal expenses		(437,208)	(1,039,711)
Marketing and conferences		(825,440)	(564,473)
Regulatory and compliance		(291,345)	(285,992)
Share based payments	5.1	(3,544,028)	(12,020,442)
Unrealised foreign exchange gains (losses)		(30,172)	(927,941)
Write down on demerger	6.3	-	(16,228,010)
<b>Loss before income tax</b>		<b>(11,524,274)</b>	<b>(34,710,828)</b>
Income tax (expense) / benefit	2.3	(663,343)	63,282
<b>Loss for the year</b>		<b>(12,187,617)</b>	<b>(34,647,546)</b>
<b>Other comprehensive income</b>			
<i>Items that may be reclassified to profit or loss</i>			
Exchange differences on translation of foreign operations		1,132,716	(5,774,884)
<i>Items that will not be reclassified to profit or loss</i>			
Change in fair value of financial assets		(467,512)	298,520
Income tax relating to change in fair value of financial assets	2.3	140,249	(90,750)
<b>Total comprehensive loss for the year attributable to the owners of Atlantic Lithium Limited</b>		<b>(11,382,164)</b>	<b>(40,214,660)</b>
		<b>Cents / share</b>	<b>Cents / share</b>
<b>Loss per share</b>			
Basic loss per share	2.1	(2.0)	(6.1)
Diluted loss per share	2.1	(2.0)	(6.1)

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2023

For personal use only

	Notes	2023 \$	2022 \$
<b>Current assets</b>			
Cash and cash equivalents		15,345,917	23,881,650
Other receivables	3.1	1,600,965	2,298,241
Other current assets		492,402	453,250
<b>Total current assets</b>		<b>17,439,284</b>	<b>26,633,141</b>
<b>Non-current assets</b>			
Other financial assets	3.2	763,508	1,232,520
Property, plant and equipment	3.3	534,036	209,137
Exploration and evaluation assets	3.4	18,034,331	11,050,354
<b>Total non-current assets</b>		<b>19,331,875</b>	<b>12,492,011</b>
<b>Total assets</b>		<b>36,771,159</b>	<b>39,125,152</b>
<b>Current liabilities</b>			
Trade and other payables	3.5	6,180,951	4,094,103
Provision for annual leave	3.6	310,985	209,375
<b>Total current liabilities</b>		<b>6,491,936</b>	<b>4,303,478</b>
<b>Non-current liabilities</b>			
Provision for long service leave	3.6	61,855	43,342
<b>Total non-current liabilities</b>		<b>61,855</b>	<b>43,342</b>
<b>Total liabilities</b>		<b>6,553,791</b>	<b>4,346,820</b>
<b>Net assets</b>		<b>30,217,368</b>	<b>34,778,332</b>
<b>Equity</b>			
Issued capital	4.1	129,873,021	126,468,060
Reserves		(5,385,830)	(9,607,522)
Accumulated losses		(94,269,823)	(82,082,206)
<b>Total equity attributable to owners of Atlantic Lithium Limited</b>		<b>30,217,368</b>	<b>34,778,332</b>

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2023

	Issued Capital \$	Accumulated Losses \$	Share based payments reserve \$	Foreign currency translation reserve \$	Financial assets revaluation reserve \$	Demerger Reserve \$	Total Equity \$
Balance at 1 July 2022	126,468,060	(82,082,206)	25,745,706	(7,068,660)	509,585	(28,794,153)	34,778,332
Loss for the year	-	(12,187,617)	-	-	-	-	(12,187,617)
Other comprehensive loss	-	-	-	1,132,716	(327,263)	-	805,453
Total comprehensive loss for the year	-	(12,187,617)	-	1,132,716	(327,263)	-	(11,382,164)
<b>Transactions with owners as owners</b>							
Shares issued during the year	4,625,514	-	-	-	-	-	4,625,514
Share issue costs	(1,220,553)	-	-	-	-	-	(1,220,553)
Reduction in demerger reserve (refer Note 6.3)	-	-	-	-	-	(127,789)	(127,789)
Share based payments	-	-	3,544,028	-	-	-	3,544,028
<b>Balance at 30 June 2023</b>	<b>129,873,021</b>	<b>(94,269,823)</b>	<b>29,289,734</b>	<b>(5,935,944)</b>	<b>182,322</b>	<b>(28,921,942)</b>	<b>30,217,368</b>
Balance at 1 July 2021	102,939,352	(47,434,660)	13,725,264	(1,293,776)	301,815	-	68,237,995
Loss for the year	-	(34,647,546)	-	-	-	-	(34,647,546)
Other comprehensive loss	-	-	-	(5,774,884)	207,770	-	(5,567,114)
Total comprehensive loss for the year	-	(34,647,546)	-	(5,774,884)	207,770	-	(40,214,660)
<b>Transactions with owners as owners</b>							
Shares issued during the year	23,592,802	-	-	-	-	-	23,592,802
Share issue costs	(64,094)	-	-	-	-	-	(64,094)
Capital reduction and in-specie distribution (refer Note 6.3)	-	-	-	-	-	(28,794,153)	(28,794,153)
Share based payments	-	-	12,020,442	-	-	-	12,020,442
<b>Balance at 30 June 2022</b>	<b>126,468,060</b>	<b>(82,082,206)</b>	<b>25,745,706</b>	<b>(7,068,660)</b>	<b>509,585</b>	<b>(28,794,153)</b>	<b>34,778,332</b>

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

For personal use only

## CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 30 June 2023

	Notes	2023 \$	2022 \$
<b>Cash flows from operating activities</b>			
Payments to suppliers and employees (including GST)		(6,964,927)	(5,380,854)
Interest paid		(2)	(2,141)
<b>Net cash flows from operating activities</b>	4.3	<b>(6,964,929)</b>	<b>(5,382,995)</b>
<b>Cash flows from investing activities</b>			
Refunds from security deposits		-	2,500
Cash divested on demerger of subsidiary	6.3	-	(7,238,862)
Purchase of property, plant and equipment		(380,395)	(97,619)
Piedmont contributions from farm-in arrangement		15,630,319	15,451,041
Payments for exploration and evaluation assets		(19,720,013)	(20,772,143)
<b>Net cash flows from investing activities</b>		<b>(4,470,089)</b>	<b>(12,655,083)</b>
<b>Cash flows from financing activities</b>			
Proceeds from the issue of shares		4,625,514	23,592,802
Transactions costs on the issue of shares		(1,743,648)	(100,288)
<b>Net cash flows from financing activities</b>		<b>2,881,866</b>	<b>23,492,514</b>
Net (decrease) / increase in cash and cash equivalents		(8,553,152)	5,454,436
Cash and cash equivalents at the beginning of the year		23,881,650	19,135,463
Net foreign exchange impact		17,419	(708,249)
<b>Cash and cash equivalents at the end of the year</b>		<b>15,345,917</b>	<b>23,881,650</b>

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

For personal use only

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2023

## 1. ABOUT THIS REPORT

### Overview

Atlantic Lithium Limited (the Company) is a for-profit company incorporated and domiciled in Australia.

These financial statements represent the consolidated financial statements of the Company and its subsidiaries (together referred to as the Group) for the year ended 30 June 2023.

The financial report was authorised for issue by the Board of Directors on 28 September 2023.

### Statement of Compliance

The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards, including Australian Accounting interpretations, other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001*.

The financial report also complies with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.

### 1.1 Basis of Preparation

The financial report has been prepared on the basis of historical cost, except for certain financial instruments which are measured at fair value as at the reporting date. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars unless otherwise noted.

Certain comparatives have been restated to ensure consistency with current year presentation.

### 1.2 Going Concern

The financial statements have been prepared on a going concern basis which contemplates the continuity of normal business activities and the realisation of assets and discharge of liabilities in the ordinary course of business. The Group has not generated revenues from operations. For the year ended 30 June 2023, the group generated a loss of \$12,187,617 and incurred operating cash outflows of \$6,964,929. As at 30 June 2023, the Group had cash and cash equivalents of \$15,345,917 and net assets of \$30,217,368. The Directors note the following with regards to the ability of the Group to continue as a going concern:

- Atlantic Lithium has been funded under a co-development agreement whereby Piedmont Lithium Inc solely funds US\$17.0m towards studies and exploration (fully utilised as at the date of this report) and US\$70.0m towards mine capex for the Ewoyaa Lithium Project (the "Project"). Any additional expenditure for the development of the Project will be shared equally between the Company and Piedmont.
- Atlantic Lithium has agreed non-binding Heads of Terms with the Minerals Income Investment Fund of Ghana ("MIIF") to invest a total of US\$32.9 million in the Company and the Ghana subsidiaries. The proposed investment will support the development of the Project and the broader Cape Coast Lithium Portfolio in Ghana. Under the terms of the non-binding agreement, MIIF intend to invest an initial US\$27.9 million to acquire a 6% contributing interest in the Company's Ghana Portfolio and will make ongoing contributions through monthly cash calls as the Project develops. MIIF also intend to subscribe for 19,245,574 shares in Atlantic Lithium for a total value of US\$5 million.
- The Directors expect that while current funds and funding would be sufficient to meet a minimum programme of exploration and part of the Capex to develop the Project, additional funds would be required. The Group has previously raised funds through share placements and capital raisings from new and existing shareholders.
- The Directors have the ability to schedule activities and hence expenditure in accordance with the availability of funds and cash forecasts.

The events and conditions noted above indicate the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern and therefore the Group may be unable to realise its assets and discharge its liabilities in the normal course of business. The Directors are confident that they will be able to secure additional funds from other sources and accordingly the going concern basis of preparation for the financial report is appropriate. The Directors are confident that a binding agreement will be reached with MIIF and, based on their previous experience and success in raising capital, additional funds can be obtained to complete the Project if required.

The financial report does not include any adjustments relating to the amounts or classification of recorded assets or liabilities that might be necessary if the Group does not continue as a going concern.

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2023

## 1.3 Significant Accounting Policies

Accounting policies have been consistently applied for all years presented in the financial report. Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

Where a significant accounting policy is specific to a note to the consolidated financial statements, the policy is described within that note.

### *New Accounting Standards and Interpretations*

The Group has adopted all new or amended Accounting Standards and Interpretations issued by the AASB that are mandatory for the current reporting period. The adoption of these new or amended standards and interpretations did not have a significant impact on the Group's consolidated financial statements.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted, however the estimated impact on adoption is not expected to have a significant impact on the Group's consolidated financial statements.

### *Basis of Consolidation*

The consolidated financial statements comprise the financial statements of the Company and entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and can affect those returns through its power to direct the activities of the entity. The financial statements include the information and results of each subsidiary from the date on which the Company obtains control and until such time as the Company ceases to control an entity.

In preparing the consolidated financial statements, all intercompany balances, transactions, and unrealised gains and losses resulting from intra-group transactions have been eliminated in full.

A change in the ownership interest of a subsidiary that does not result in a loss of control, is accounted for as an equity transaction.

Investments in subsidiaries are carried at their cost of acquisition in the separate financial statements of the Company.

### *Foreign Currency*

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The consolidated financial statements are presented in Australian dollars which is also the functional currency of the Company.

The functional currency of all overseas entities is United States Dollars (US dollars). In the prior financial year, the functional currency of the entities incorporated in Ghana was the Ghanaian Cedi. Management have determined that on 1 July 2022 the functional currency of the Ghana entities changed from the Ghanaian Cedi to US dollars. As the exploration and DFS phase of the Ewoyaa project was completed during the current financial year and the Project moves towards development, management believe that US dollars better reflect the currency of the primary economic environment in which these entities operate given that the majority of expenditure and funding is in US dollars. The change in functional currency has been accounted for on a prospective basis.

#### **i. Foreign currency transactions**

Transactions in foreign currencies are translated into the respective functional currencies of Group companies at the exchange rate at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are recognised in profit or loss.

#### **ii. Foreign operations**

On consolidation, the assets and liabilities of foreign operations are translated into Australian dollars at the exchange rate at the reporting date and their income and expenses are translated to Australian dollars at the exchange rate at the dates of the transactions.

Foreign exchange differences resulting from translation are initially recognised in other comprehensive income and are accumulated in the foreign currency translation reserve. When a foreign operation is disposed of any accumulated amount in the reserve is transferred to profit or loss.

For personal use only

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2023

## Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of GST except where GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Consolidated Statement of Financial Position.

Cash flows are included in the Consolidated Statement of Cash Flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority, are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

## 1.4 Critical Accounting Estimates and Judgements

The application of the Group's accounting policies requires management to make judgements, estimates and assumptions that affect the amounts reported in this financial report, and the accompanying disclosures. The estimates, judgements and assumptions incorporated into this financial report are based on historical experience, adjusted for current market conditions and economic data, obtained both internally and externally and are reviewed on a regular basis. Actual results may differ from these estimates.

As noted above, the functional currency of the Ghana entities changed from Ghanaian Cedi to US dollars on 1 July 2022. Management have exercised judgement in determining that the primary economic environment in which these entities operate has changed and the effective date of the change.

Further details on other key judgements and sources of estimation uncertainty can be found in the following notes:

- Note 1.2 – Going concern
- Note 3.4 – Exploration and evaluation assets
- Note 5.2 – Determining the fair value of share-based payments

## 2. GROUP PERFORMANCE

### 2.1 Loss Per Share

	2023 \$	2022 \$
<b>Loss</b>		
Loss attributable to the owners of Atlantic Lithium Limited, used in the calculation of basic and diluted loss per share	(12,187,617)	(34,647,546)

	2023 Number of Shares	2022 Number of Shares
<b>Weighted average number of shares</b>		
Weighted average number of ordinary shares outstanding during the year, used in the calculation of basic and diluted loss per share	601,215,012	565,084,093

	2023 Cents per share	2022 Cents per share
<b>Basic and diluted loss per share</b>	(2.0)	(6.1)

The options and performance rights are considered to be non-dilutive as the Group is loss making and are therefore excluded from the weighted average number of shares used in the calculation of diluted loss per share. These options and performance rights may become dilutive in the future periods. Refer to Note 4.1 for details of the options and performance rights on issue as at year end.

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2023

### 2.2 Operating Segments

The Group has identified its operating segment based on the internal reports that are reviewed and used by the Chief Executive Officer and Board of Directors (the chief operating decision makers) in assessing performance and determining the allocation of resources. The Group has one operating segment, being exploration for base and precious metals. The financial results contained in this consolidated financial report are consistent with the basis on which the chief operating decision makers assess the performance of the sole operating segment.

#### Geographic Information

The table below provides information on the geographic locations of non-current assets. Assets are allocated based on the location of the operation to which they relate.

	2023 \$	2022 \$
Australia	54,452	26,363
Ivory Coast	73,747	68,370
Ghana	18,440,168	11,164,758
	<b>18,568,367</b>	<b>11,259,491</b>

### 2.3 Income Tax

	2023 \$	2022 \$
<b>Income tax recognised outside of profit or loss</b>		
Deferred tax credited directly to equity	(523,094)	(27,468)
Deferred tax (credited)/debited to financial assets revaluation reserve	(140,249)	90,750
	<b>(663,343)</b>	<b>63,282</b>
<b>Reconciliation between loss before income tax and income tax expense/ (benefit)</b>		
Loss before income tax	(11,524,274)	(34,710,828)
Prima facie tax on loss before income tax at 30% (2022: 30%)	(3,457,282)	(10,413,248)
Tax effect of:		
Share based payments	1,063,208	3,606,132
Tax losses derecognised	2,206,064	9,203,885
Temporary differences derecognised	849,837	508,933
Other	1,516	16,889
Reversal of DTL on exploration and evaluation costs from acquisition of Tekton investment (part of Demerger with Ricca Resources)	-	(2,985,873)
<b>Income tax expense/(benefit)</b>	<b>663,343</b>	<b>(63,282)</b>

For personal use only

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2023

## 2.3 Income Tax (continued)

### Movement in Deferred Tax Balances

	Opening Balance \$	Recognised in Profit or Loss \$	Recognised in Equity \$	Recognised in Other Comprehensive Income \$	Closing Balance \$
<b>Year ended 30 June 2023</b>					
Accruals	111,780	518,539	-	-	630,319
Provisions	76,230	40,439	-	-	116,669
Share issue costs	676,666	(296,347)	523,094	-	903,413
Less: Deferred tax asset derecognised	(508,933)	(849,837)	-	-	(1,358,770)
<b>Total deferred tax assets recognised</b>	<b>355,743</b>	<b>(587,206)</b>	<b>523,094</b>	<b>-</b>	<b>291,631</b>
Other financial assets	(161,724)	-	-	140,249	(21,475)
Unrealised foreign exchange gains	(190,472)	(76,137)	-	-	(266,609)
Other	(3,547)	-	-	-	(3,547)
<b>Total deferred tax liabilities</b>	<b>(355,743)</b>	<b>(76,137)</b>	<b>-</b>	<b>140,249</b>	<b>(291,631)</b>
<b>Net deferred tax asset/(liability) recognised</b>	<b>-</b>	<b>(663,343)</b>	<b>523,094</b>	<b>140,249</b>	<b>-</b>

### Year ended 30 June 2022

Accruals	62,233	49,547	-	-	111,780
Provisions	41,722	34,508	-	-	76,230
Share issue costs	565,644	83,554	27,468	-	676,666
Tax losses	1,651,859	(1,651,859)	-	-	-
Less: Deferred tax asset derecognised	-	(508,933)	-	-	(508,933)
<b>Total deferred tax assets recognised</b>	<b>2,321,458</b>	<b>(1,993,183)</b>	<b>27,468</b>	<b>-</b>	<b>355,743</b>
Exploration and expenditure	(1,858,674)	1,858,674	-	-	-
Other financial assets	(22,131)	(48,843)	-	(90,750)	(161,724)
Unrealised foreign exchange gains	(417,993)	227,521	-	-	(190,472)
Other	(22,660)	19,113	-	-	(3,547)
<b>Total deferred tax liabilities</b>	<b>(2,321,458)</b>	<b>2,056,465</b>	<b>-</b>	<b>(90,750)</b>	<b>(355,743)</b>
<b>Net deferred tax asset/(liability) recognised</b>	<b>-</b>	<b>63,282</b>	<b>27,468</b>	<b>(90,750)</b>	<b>-</b>

	2023 \$	2022 \$
<b>Unrecognised deferred tax assets (@30%)</b>		
Unrecognised temporary differences	1,358,770	508,933
<b>Unrecognised tax losses</b>		
Unused tax losses carried forward	58,122,083	50,768,530
Unused capital losses carried forward	12,402,110	12,402,110

In order to recoup carried forward losses in future periods, either the Continuity of Ownership Test (COT) or Same Business Test must be passed. The majority of losses are carried forward at 30 June 2023 under COT.

For personal use only

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2023

### 2.3 Income Tax (continued)

Deferred tax assets which have not been recognised as an asset, will only be obtained if:

- i. the Company derives future assessable income of a nature and of an amount sufficient to enable the losses to be realised;
- ii. the Company continues to comply with the conditions for deductibility imposed by the law; and
- iii. no changes in tax legislation adversely affect the Company in realising the losses.

#### Measurement and Recognition

The income tax expense for the period is the tax payable/recoverable on the current period's taxable income/loss for each jurisdiction, adjusted for changes in deferred tax assets and liabilities and unused tax losses.

Current and deferred tax is recognised as an expense or income in the consolidated statement of profit or loss, except where it relates to items credited or debited directly to equity, in which case the deferred tax is also recognised directly in equity.

Deferred tax is accounted for in respect of temporary differences between the tax base of assets and liabilities and their carrying amount in the financial statements.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences, unused income tax and capital losses and tax offsets, to the extent that it is probable that sufficient taxable profits will be available to utilise them. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is utilised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and liabilities are not recognised for temporary differences relating to investments in subsidiaries to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

## 3. ASSETS AND LIABILITIES

### 3.1 Other Receivables

	2023 \$	2022 \$
Piedmont farm in contributions receivable (refer Note 3.4)	1,141,881	1,987,164
Other receivables	459,084	311,077
	<b>1,600,965</b>	<b>2,298,241</b>

Other receivables are recognised initially at fair value and are subsequently measured at amortised cost using the effective interest method, less a loss allowance. Receivables are non-interest bearing and are generally on 30-60 day terms.

No allowance for credit loss has been recognised in either the current or previous year as all amounts are expected to be recovered in full.

Due to the short-term nature of these receivables, their carrying value approximates their fair value. The maximum exposure to credit risk is the carrying value of the receivables. Collateral is not held as security.

For personal use only

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2023

### 3.2 Other Financial Assets

	2023 \$	2022 \$
Security deposits	6,000	7,500
Investment in shares at fair value through other comprehensive income		
Australasian Metals Limited	632,500	1,100,000
Auburn Resources Limited	125,000	125,000
Other	8	20
	<b>763,508</b>	<b>1,232,520</b>

Australasian Metals Limited is listed on the Australian Stock Exchange. Auburn Resources Limited is an unlisted public company incorporated in Australia. Fair value has been determined for the investment in Auburn Resources based on the latest share capital placement in July 2021 at 12.5 cents per share. Refer to Note 7.2 for details of contingent liabilities relating to these investments.

No dividends have been received nor shares disposed in relation to these investments in either the current or prior financial period.

#### Measurement and Recognition

The investment in shares are investments in equity instruments which are not held for trading. In accordance with AASB 9 *Financial Instruments* the Group made an irrevocable election on initial recognition to designate these equity instruments at fair value through other comprehensive income. Any changes in fair value since original recognition are recognised in other comprehensive income and are never reclassified to profit or loss.

### 3.3 Property, Plant and Equipment

	Motor Vehicle \$	Plant & Equipment \$	Office Equipment \$	Total \$
<b>Year ended 30 June 2023</b>				
<b>Balance as at 1 July 2022</b>	<b>182,773</b>	<b>5,683</b>	<b>20,681</b>	<b>209,137</b>
Effect of movements in foreign exchange rates	(9,620)	-	-	(9,620)
Additions	389,484	-	54,288	443,772
Depreciation capitalised to exploration and evaluation assets	(83,052)	-	-	(83,052)
Depreciation expense	-	(3,221)	(22,980)	(26,201)
<b>Balance as at 30 June 2023</b>	<b>479,585</b>	<b>2,462</b>	<b>51,989</b>	<b>534,036</b>
Cost	704,309	75,555	95,968	875,832
Accumulated depreciation	(224,724)	(73,093)	(43,979)	(341,796)
<b>Balance as at 30 June 2023</b>	<b>479,585</b>	<b>2,462</b>	<b>51,989</b>	<b>534,036</b>
<b>Year ended 30 June 2022</b>				
<b>Balance as at 1 July 2021</b>	<b>278,411</b>	<b>16,059</b>	<b>40,784</b>	<b>335,254</b>
Effect of movements in foreign exchange rates	(41,218)	21	105	(41,092)
Additions	88,669	-	9,279	97,948
Assets distributed to owners (refer Note 6.3)	(39,078)	-	(15,837)	(54,915)
Depreciation capitalised to exploration and evaluation assets	(104,011)	(3,980)	(3,240)	(111,231)
Depreciation expense	-	(6,417)	(10,410)	(16,827)
<b>Balance as at 30 June 2022</b>	<b>182,773</b>	<b>5,683</b>	<b>20,681</b>	<b>209,137</b>
Cost	303,729	75,555	41,680	420,964
Accumulated depreciation	(120,956)	(69,872)	(20,999)	(211,827)
<b>Balance as at 30 June 2022</b>	<b>182,773</b>	<b>5,683</b>	<b>20,681</b>	<b>209,137</b>

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2023

### 3.3 Property, Plant and Equipment (continued)

#### Measurement and Recognition

Property, plant and equipment is measured at cost less accumulated depreciation and impairment losses.

The cost of property, plant and equipment constructed by the Group includes the cost of materials, direct labour, borrowing costs and an appropriate portion of fixed and variable costs. Subsequent costs are included in the asset's carrying amount or are recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are recognised in the profit or loss as incurred.

Depreciation commences once an asset is available for use and is calculated on a straight-line basis so as to write off the net cost of each asset to its estimated residual value over its expected useful life. The useful lives are as follows:

Motor vehicles	5 years
Plant & equipment	3.3-10 years
Office equipment	3 years

#### Impairment of Non-Financial Assets

At each reporting date, the Group reviews the carrying value of its assets to determine whether there is any indication that those assets may be impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the profit or loss.

When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

### 3.4 Exploration and Evaluation Assets

	2023 \$	2022 \$
Exploration and evaluation assets	18,295,581	11,050,354
<i>Movements in carrying amounts</i>		
Balance as at 1 July	11,050,354	51,449,462
Effect of movement in foreign exchange rates	995,967	(3,272,244)
Additions	20,844,027	18,247,469
Piedmont receipts from farm-in arrangements (refer below)	(14,816,484)	(17,438,205)
Assets distributed to owners (refer to Note 6.3)	-	(37,910,194)
Written-off during the year	(39,533)	(25,934)
<b>Balance as at 30 June</b>	<b>18,034,331</b>	<b>11,050,354</b>

The recoverability of the carrying amount of exploration and evaluation assets is dependent on the successful development and commercial exploitation of the relevant area of interest or alternatively on the sale of that area of interest.

#### Piedmont Funding Agreement

On 31 August 2021, the Company entered into a binding agreement with Piedmont to provide US\$103 million of funding for the Ewoyaa Lithium Project as it moves towards production.

Piedmont is an US integrated supplier of raw materials and minerals supporting the electric vehicles and industrial markets. Piedmont is to earn-in up to 50% of the Company's Cape Coast Lithium Portfolio in Ghana,(CCLP) including Ewoyaa, in the following stages (the "farm-in arrangement"):

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2023

## 3.4 Exploration and Evaluation Assets (continued)

### Stage 1: Investment into Atlantic Lithium Limited (circa US\$16 million)

- On 31 August 2021, Piedmont subscribed for 54 million new ordinary shares in the Company at a price of 20 pence per share (£10.8 million), with a further £0.72 million committed via placing 2,880,000 shares at 25 pence per share. After these transactions Piedmont held a 9.91% interest in the issued share capital of the Company.

### Stage 2: Regional Exploration and Definitive Feasibility Study ("DFS") Funding (US\$17 million)

- Piedmont to earn up to an initial 22.5% of CCLP, via sole funding, of the following:
  - US\$5 million towards an accelerated regional exploration programme to enhance the current Ewoyaa resource; and
  - US\$12 million towards completing the DFS for Ewoyaa.
- Any cost overruns or savings will be shared equally between the Company and Piedmont
- As at 30 June 2023 Piedmont has provided US\$17 million of funding for this stage and all ongoing expenditure is now being shared equally between the Company and Piedmont.

### Stage 3: Development Funding (US\$70 million)

- On achievement of the "DFS criteria" (refer below) Piedmont can elect to earn a further 27.5% of CCLP via sole funding of Development for the Ewoyaa Project of US\$70 million.
- Any additional spending or savings will be shared equally between the Company and Piedmont.
- Subsequent to year end, Piedmont notified the Company of its intent to support the development of the Ewoyaa Project (refer Note 7.3)

#### Other Key Terms

- The minimum DFS criteria is to deliver a 1.5 million tonnes per annum ("mtpa") to 2.0 mtpa run of mine operation ("LOM") for an 8 to 10 year life of mine respectively.
- If the DFS criteria of Stage 2 is achieved and Piedmont elects by mutual agreement not to proceed to Stage 3, Piedmont will forfeit its Stage 2 interest.
- Piedmont is entitled to appoint one director to the Company Board on completion of Stage 1 and while maintaining an equity interest equal to or above 9% in the Company.
- An offtake agreement for 50% of the annual LOM lithium spodumene concentrate (SC6%) production where offtake pricing will be determined via a formula which is linked to the prevailing market price of lithium products.

#### Measurement and Recognition

Exploration and evaluation expenditure incurred is accumulated in respect of each identifiable area of interest. Such expenditure comprises net direct costs and an appropriate portion of related overhead expenditure but does not include overheads or administration expenditure which does not have a specific nexus with a particular area of interest. These assets are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage which permits a reasonable assessment of the existence of economically recoverable reserves and active or significant operations in relation to the area of interest are continuing.

A regular review is undertaken on each area of interest to determine the appropriateness of continuing to carry forward the exploration and evaluations assets for that area of interest. Exploration and expenditure assets are tested for impairment in accordance with the policy adopted for non-financial assets in Note 3.3.

Once technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable and a final investment decision has been made, exploration and evaluation assets attributable to that area of interest are tested for impairment and then reclassified to mine property and development assets in property, plant and equipment.

Accumulated costs in relation to an abandoned area are written off in full in the profit or loss in the year in which the decision to abandon the area is made.

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

Costs of site restoration are provided over the life of the area of interest once exploration commences and are included in the costs of that stage. Site restoration costs include the dismantling and removal of mining plant, equipment and building structures, waste removal, and rehabilitation of the site in accordance with any requirements of mining permits. Such costs have been determined using estimates of future costs, current legal requirements and technology on an undiscounted basis.

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2023

### 3.4 Exploration and Evaluation Assets (continued)

In determining the costs of site restoration, there is uncertainty regarding the nature and extent of the restoration due to community expectations and future legislation. The Group has assumed that the site will be restored using technology and materials that are currently available.

#### Farm-in Arrangement

As set out above the Company has entered a farm-in arrangement with Piedmont whereby Piedmont is able to obtain up to 50% of the Company's Cape Coast Lithium Portfolio in Ghana through the acquisition of shares in the Company and the sole funding of certain regional exploration, DFS and development activities.

Whilst Piedmont (the "farmee") has been contributing funding to cover Stage 2, as described above, the Group continued to capitalise expenditures incurred as an exploration and evaluation asset for the area of interest. The carrying amount of the relevant exploration and evaluation asset is reduced for any cash payments due or received from the farmee.

#### Critical Accounting Estimates and Judgements

##### Recognition of Exploration and Evaluation Assets

Management performs regular reviews of each area of interest to determine the appropriateness of continuing to carry forward exploration and evaluation costs in accordance with the accounting policy described above. Management uses detailed surveys and the analysis of drilling results to assist in making these judgements.

There are a number of factors which are considered in determining the potential for successful development or sale of an exploration asset, including but not limited to, judgements in relation to future commercial viability of exploration tenements and potential for successful development, the risk of expiration of exploration rights without renewal and planned expenditure for further exploration, all of which may be further impacted by climate change considerations.

### 3.5 Trade and other payables

	2023 \$	2022 \$
Trade payables	2,126,830	2,369,124
Sundry payables and accrued expenses	3,942,938	1,673,913
Employee benefits	111,183	51,066
	<b>6,180,951</b>	<b>4,094,103</b>

Trade and other payables are non-interest bearing and are generally on 30-60 day terms.

Due to the short term nature of these payables the carrying value approximates fair value.

#### Measurement and Recognition

Payables and accrued expenses are recognised when the Group becomes obliged to make future payments resulting from the purchase of goods and services.

### 3.6 Provisions

	2023 \$	2022 \$
Annual leave - current	310,985	209,375
Long service leave - non-current	61,855	43,342
	<b>372,840</b>	<b>252,717</b>

Liabilities expected to be settled within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Liabilities not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up until the reporting date.

For personal use only

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2023

## 4. CAPITAL STRUCTURE AND FINANCIAL RISK MANAGEMENT

### 4.1 Issued Capital

#### a) Fully paid ordinary share capital

	2023 No. of Shares	2022 No. of Shares	2023 \$	2022 \$
Balance as at 1 July	580,041,660	516,114,246	126,468,060	102,939,352
Subscription shares issued	-	54,000,000	-	20,304,145
Private placement	-	2,880,000	-	1,353,610
Shares issued on exercise of warrants	-	2,797,414	-	1,023,875
Shares issued on exercise of employee options	7,000,000	500,000	1,455,197	106,410
Shares issued on exercise of director options	9,250,000	3,750,000	3,170,317	804,762
Shares issued on exercise of employee rights	9,450,000	-	-	-
Share issue costs (net of tax)	-	-	(1,220,553)	(64,094)
<b>Balance as at 30 June</b>	<b>605,741,660</b>	<b>580,041,660</b>	<b>129,873,021</b>	<b>126,468,060</b>
Shares funded by limited recourse loan (refer (c) below)	3,500,000	-	-	-
	<b>609,241,660</b>	<b>580,041,660</b>	<b>129,873,021</b>	<b>126,468,060</b>

Fully paid ordinary shares carry one vote per share and carry the right to dividends.

Costs directly attributable to the issue of new shares or options are shown as a deduction from the equity proceeds, net of any income tax benefit.

Where the Company provides a loan to an employee or director to fund the acquisition of shares in the Company, and the loan is limited in recourse to those shares, the arrangement is accounted for as an in-substance option and the shares are not disclosed as ordinary share capital. Refer below for further details.

#### b) Employee and director options

As at 30 June 2023, the company has 60,000,000 options on issue (2022: 69,000,000). Each option is exercisable for 1 ordinary share of Atlantic Lithium. Options carry no voting rights and no rights to dividends.

Refer to Note 5.2 for further details of outstanding employee and director options.

#### c) In-substance options

Where the Company provides loans to employees and directors to fund the acquisition of shares in the Company, and the loan is limited in recourse to those underlying shares, the arrangement is accounted for as an in-substance option. This is because of the option like characteristics of the arrangement whereby the recipient can benefit from increases in the share price over the loan's face value whilst being protected from decreases below the loan's face value during the term of the loan. The repayment of the loan represents the 'exercise' of the option.

As at 30 June 2023, the company has 3,500,000 in-substance options on issue (2022: nil). Each in-substance option is exercisable for 1 ordinary share of Atlantic Lithium. In-substance options carry one vote per option and carry the rights to dividends.

Refer to Note 5.2 for further details of outstanding in-substance options.

#### d) Performance rights

As at 30 June 2023, the company has 2,700,000 performance rights on issue (2022: 12,150,000). Each performance right is exercisable for 1 ordinary share of Atlantic Lithium. Performance rights carry no voting rights and no rights to dividends.

Refer to Note 5.2 for further details of outstanding performance rights.

For personal use only

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2023

### 4.1 Issued Capital (continued)

#### e) Capital Risk Management

When managing capital, management's objective is to ensure the entity continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders. Management also aims to maintain a capital structure to ensure the lowest cost of capital available to the Group.

The Group's capital comprises equity as shown in the Consolidated Statement of Financial Position. The Group is not exposed to externally imposed capital requirements.

### 4.2 Dividends and Franking Credits

There were no dividends paid or recommended during the year or since the end of the year. There are no franking credits available to shareholders.

### 4.3 Notes to the Consolidated Statement of Cash Flows

	2023 \$	2022 \$
Loss after income tax	(12,187,617)	(34,647,546)
Non-cash operating items		
Write down on demerger	-	16,228,010
Depreciation	26,201	16,827
Share based payments	3,544,028	12,020,442
Unrealised foreign exchange losses (gains)	26,386	903,748
Changes in assets and liabilities net of amounts relating to exploration and evaluation assets		
(Increase) decrease in trade and other receivables	(292,700)	(25,333)
(Increase) decrease in other current assets	(102,528)	(208,975)
Increase (decrease) in trade and other payables	1,357,958	393,114
Change in Deferred Tax	663,343	(63,282)
<b>Net cash flows used in operating activities</b>	<b>(6,964,929)</b>	<b>(5,382,995)</b>

#### Non-cash investing and financing activities

Refer Note 6.3 for details of the demerger of Ricca Resources Limited by way of a capital reduction and in-specie distribution in the prior financial year.

### 4.4 Capital Commitments

The terms of the various mining tenements held by the Group include obligations to expend minimum amounts on exploration. These obligations may be varied from time to time and are expected to be fulfilled in the normal course of operations. The maturity profile of the outstanding commitments as at each reporting date are:

	2023 \$	2022 \$
Less than 12 months	3,573,318	3,447,376
Between 12 months and 5 years	2,855,914	2,755,257
	<b>6,429,232</b>	<b>6,202,633</b>

If the minimum expenditure requirements are not met, the Group has the option to negotiate new terms or relinquish the tenement. The Group is also able to meet the expenditure commitments by entering into joint venture or farm-in agreements.

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2023

## 4.4 Capital Commitments (continued)

### *Piedmont Funding Agreement*

Details of the Piedmont Funding Agreement can be found in Note 3.4. As at 30 June 2023 the outstanding commitment from Piedmont to the Group was US\$68,200,626 for development (2022: US\$70 million) and sharing all costs equally for Regional Exploration and DFS Funding (2022: US\$4,389,829). In accordance with this Funding Agreement, Piedmont will provide funding for a portion of the above capital commitments, depending on the nature of the actual expenditure.

## 4.5 Financial Risk Management

The Board of Directors has overall responsibility for the establishment and oversight of risk management. The Board has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Group's finance function.

The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Group's competitiveness and flexibility.

The Group is exposed to risks that arise from its use of financial instruments including credit risk, liquidity risk and market risk (interest rate and foreign currency risks).

This note describes the Group's objectives, policies and processes for managing these risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

The Group's financial instruments consist mainly of cash and deposits with banks, receivables and payables.

### *a) Credit Risk*

Credit risk is the risk that the other party to a financial instrument fails to settle their obligations owing to the Group resulting in a financial loss to the Group. It arises from exposure to receivables as well as deposits with financial institutions.

The maximum exposure to credit risk from cash and other receivables is the carrying amount as disclosed in the statement of financial position and notes to the financial statements. As at 30 June 2023 the Group has not recognised any provision for expected credit losses for any financial asset (2022: nil).

The largest single debtor of the group is Piedmont for farm in contributions receivable. The balance outstanding has been received in full subsequent to year end. The Group does not have any other material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the Group and at the reporting date. The majority of bank deposits are with Westpac Banking Corporation Limited (2023: \$15.0 million from total of \$15.3 million, 2022: \$23.2 million from total of \$23.9 million) which has an AA- credit rating.

### *b) Liquidity Risk*

Liquidity risk is the risk that the Group is unable to meet financial obligations as and when they fall due.

The Group manages liquidity risk by monitoring forecast cash flows and liquidity ratios such as working capital. The Group does not have any financing facilities available at reporting date. The only financial obligations of the Group at balance date are trade and other payables as disclosed in the statement of the financial position and notes to the financial statements. The contracted cash flows for all trade and other payables are less than 3 months.

Refer to Note 1.2 for going concern disclosures and details of sources of funding that are available.

### *c) Market Risk*

#### **Interest Rate Risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Group does not have any external borrowings and all financial assets are non-interest bearing. The Group is not exposed to interest rate risk on any financial assets or liabilities.

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2023

### 4.5 Financial Risk Management (continued)

#### Currency Risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group undertakes certain transactions denominated in foreign currencies and is also exposed to currency risk when recognised financial assets and financial liabilities are denominated in a currency that is not the entity's functional currency. To protect against adverse exchange rate movements, the Group has set up foreign bank accounts in US Dollars, Pounds Sterling and Ghanaian Cedi which are used to fund its exploration activities in Ghana.

The carrying amount of the Group's foreign currency denominated financial assets and financial liabilities at the reporting date were as follows, expressed in Australian dollars.

	Assets		Liabilities	
	2023 \$	2022 \$	2023 \$	2022 \$
Pound Sterling	1,964,872	19,152,152	44,698	105,679
US Dollars	13,766,965	6,325,691	78,448	1,818,513
Ghanian Cedi	98,836	-	-	-
Singapore Dollars	59,246	57,070	-	-
South African Rand	-	-	37,236	-
Euro	-	-	-	19,007

The following table details the Group's sensitivity to movements in the Australian dollar against relevant foreign currencies. A positive number indicates a before-tax increase in profit and a negative number indicates a before-tax decrease in profit.

	AUD strengthen by 10%		AUD weaken by 10%	
	2023 \$	2022 \$	2023 \$	2022 \$
<b>Consolidated 2023</b>				
Pound Sterling	(192,017)	(1,904,647)	192,017	1,904,647
US Dollars	(1,368,852)	(450,718)	1,368,852	450,718
Ghanian Cedi	(9,884)	-	9,884	-
Singapore Dollars	(5,925)	(5,707)	5,925	5,707
South African Rand	3,724	-	(3,724)	-
Euro	-	1,901	-	(1,901)

#### Equity Price Risk

Equity price risk is the risk that the fair value of investments in equity instruments will fluctuate due to changes in market share prices. Further details of equity investments can be found in Note 3.2. Any percentage change in the underlying share price will result in an equivalent percentage change in the total carrying amount of the investment.

For personal use only

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2023

## 4.5 Financial Risk Management (continued)

### d) Fair Value Measurement

Some of the Group's financial assets are measured at fair value at the end of each reporting period. Refer Note 3.2 for further details. These financial assets are categorised into levels 1 to 3 based on the degree to which the fair value inputs are measurable:

**Level 1:** Fair value is based on quoted prices in active markets for identical assets that the Group can access at the measurement date.

**Level 2:** Fair value is estimated using inputs other than quoted prices included within Level 1 that are observable for the assets, either directly or indirectly.

**Level 3:** Fair value is estimated based on unobservable inputs for the asset. Fair value has been based on the latest share capital placement for which information is publicly available.

There were no transfers between level 1, level 2, or level 3 during the period.

	Level	2023 \$	2022 \$
Investments in shares at fair value through other comprehensive income – listed entities	Level 1	632,508	1,100,020
Investments in shares at fair value through other comprehensive income – unlisted entities	Level 3	125,000	125,000
<b>Total</b>		<b>757,508</b>	<b>1,225,020</b>

### Assets measured at fair value on a non-recurring basis

In the prior financial period the fair value of the Exploration and Evaluation Assets on demerger of Ricca were measured at fair values based on a valuation performed by an independent consultant and adjusted by management based on further technical analysis.

## 5. EMPLOYEE BENEFITS

### 5.1 Employee Benefits Expense

	2023 \$	2022 \$
Remuneration and on-costs	4,174,273	2,052,823
Defined contribution superannuation	83,939	72,117
Equity settled share-based payments expense	3,544,028	12,020,442
	<b>7,802,240</b>	<b>14,145,382</b>

### 5.2 Share-based Payments

During the financial year the Group has had the following equity-settled share-based payments plans in place:

#### Option Plans

Options may be issued to directors and employees as part of their remuneration. The options do not have any performance conditions or service conditions prior to vesting but are issued to Directors and certain employees to align comparative shareholder return for directors and employees and to provide employees with the opportunity to participate in any future growth of the Company.

Director Options refer to options granted to directors whilst Employee Share Option Plan (ESOP) Options refer to options granted to executive directors and employees.

Advisory Options have been granted to certain of the Company's advisers.

Options granted carry no rights to dividends and no voting rights. When a participant ceases employment after the vesting of their options, the options are forfeited after 90 days unless cessation of employment is due to termination for cause, whereupon they are forfeited immediately, or death.

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2023

### 5.2 Share-based Payments (continued)

All options vest on the date of issue and may be exercised at any time on or before the expiry date. On exercise one fully paid ordinary share in the Company is issued for each exercised option. The table below sets out details of the exercise price and expiry date for all tranches of options on foot throughout the financial period as well as details of the changes in the number of options on issue during the period.

Plan Type	Expiry Date	Exercise Price	Grant Date	Opening Balance	Exercised	Lapsed	Modified	Granted	Closing Balance
Director Options	31 Aug 2022	£0.12		3,000,000	(750,000)	(2,250,000)	-	-	-
ESOP Options	31 Aug 2022	£0.12		7,000,000	(7,000,000)	-	-	-	-
Director Options	31 Dec 2022	£0.12		4,500,000	(4,500,000)	-	-	-	-
Director Options	31 Dec 2022	£0.30		4,000,000	(4,000,000)	-	-	-	-
Director Options <sup>1</sup>	31 Dec 2022	£0.40		5,000,000	-	-	(5,000,000)	-	-
Director Options <sup>1</sup>	31 Dec 2022	£0.50		6,000,000	-	-	(6,000,000)	-	-
ESOP Options <sup>2</sup>	8 Apr 2023	£0.30		3,500,000	-	-	(3,500,000)	-	-
ESOP Options	18 Aug 2023	£0.30		3,000,000	-	-	-	-	3,000,000
Advisory Options	18 Aug 2023	£0.30		1,000,000	-	-	-	-	1,000,000
ESOP Options	18 Aug 2023	£0.40		4,000,000	-	-	-	-	4,000,000
Advisory Options	18 Aug 2023	£0.40		1,000,000	-	-	-	-	1,000,000
ESOP Options	18 Aug 2023	£0.50		5,000,000	-	-	-	-	5,000,000
Advisory Options	18 Aug 2023	£0.50		1,000,000	-	-	-	-	1,000,000
ESOP Options <sup>1</sup>	18 Aug 2023	£0.40		-	-	-	5,000,000	-	5,000,000
ESOP Options <sup>1</sup>	18 Aug 2023	£0.50		-	-	-	6,000,000	-	6,000,000
ESOP Options	23 Apr 2024	£0.70		8,000,000	-	-	-	-	8,000,000
ESOP Options	23 Apr 2024	£0.75		8,000,000	-	-	-	-	8,000,000
ESOP Options	23 Apr 2024	£0.80		5,000,000	-	-	-	-	5,000,000
ESOP Options	29 Nov 2024	£0.60	28 Nov 2022	-	-	-	-	2,000,000	2,000,000
ESOP Options	29 Nov 2024	£0.70	28 Nov 2022	-	-	-	-	2,000,000	2,000,000
ESOP Options	31 Mar 2025	£0.60	31 Mar 2023	-	-	-	-	7,000,000	7,000,000
ESOP Options	15 May 2025	£0.50	16 May 2023	-	-	-	-	2,000,000	2,000,000
				69,000,000	(16,250,000)	(2,250,000)	(3,500,000)	13,000,000	60,000,000
Weighted average exercise price				£0.45	£0.16	£0.12		£0.60	£0.58
Weighted average contractual life (months)									8.5

<sup>1</sup> During the period the expiry date of 11 million options was modified from 31 December 2022 to 18 August 2023. The original expiry date of these options was 18 August 2023 and had been modified to 31 December 2022 during the prior financial year. As the current expiry date is the same as the original expiry date, no other modifications to the options terms have been made, and the total fair value of these options was recognised as an expense when the options were originally issued, no additional expense has been recognised for the modification in the current period.

<sup>2</sup> The Company provided loans to employees to fund the exercise of these options which was accounted for as a modification to a share-based payment arrangement. Refer below for further details of the new in-substance option arrangements.

All options outstanding at year end are exercisable.

For personal use only

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2023

## 5.2 Share-based Payments (continued)

### Options Granted during the period

The table below sets out the inputs used in the Black-Scholes models to determine the fair value of options granted during the current financial period.

Grant date <sup>(i)</sup>	28 Nov 2022	28 Nov 2022	31 Mar 2023	16 May 2023
Vesting date	28 Nov 2022	28 Nov 2022	31 Mar 2023	16 May 2023
Expiry date	28 Nov 2024	28 Nov 2024	31 Mar 2025	16 May 2025
Number of options granted	2,000,000	2,000,000	7,000,000	2,000,000
Exercise price	£0.60	£0.70	£0.60	£0.50
Share price	£0.403	£0.403	£0.3795	£0.3225
Risk free rate	3.2%	3.2%	3.7%	4.0%
Volatility <sup>(ii)</sup>	79.2%	79.2%	73.2%	83.0%
Fair value	£0.133	£0.117	£0.111	£0.111
	\$0.266	\$0.234	\$0.205	\$0.208

(i) Grant date for director options is the date on which shareholder approval is obtained.

(ii) Volatility has been estimated based on actual historical share price volatility of the Company.

### In-substance Options

At the time the offer to participate in the ESOP is made, or at any time prior to the expiry date of the options granted, a loan facility may be offered to a plan participant to be used to fund the payment of the exercise price of the options, on a limited recourse basis. As explained in Note 4.1 these arrangements are classified as in-substance options and are accounted for as equity-settled share-based payment transactions.

On 6 April 2023 the Company provided loans to employees to fund the exercise of 3,500,000 options at an exercise price of £0.30. The in-substance options vested on grant date (6 April 2023). They have an expiry date of 6 April 2024 and can be exercised at any time up until this date through the repayment of the outstanding loan balance. If the loan balance is not repaid, the in-substance options will be considered to have lapsed and no further amounts are payable by the employee. This change and the granting of the in-substance options has been accounted for as a modified share-based payment arrangement given the only change to the arrangement is the extension of the expiry date by 12 months through the granting of the loan.

The table below sets out the inputs used in the Black-Scholes model to determine the fair value of the in-substance options granted during the current financial period. Also included in the table are the inputs used to determine the fair value of the original instrument measured at the same date and the incremental fair value that has been recognised.

	Original Grant	Modified Grant
Plan type	ESOP options	In-substance options
Grant date	6 April 2023	6 April 2023
Vesting date	6 April 2023	6 April 2023
Expiry date	9 April 2023	6 April 2024
Exercise price	£0.30	£0.30
Share price	£0.2988	£0.2988
Risk free rate	3.87%	3.87%
Volatility <sup>(i)</sup>	87.53%	87.53%
Fair value	£0.0089	£0.1045
	\$0.0166	\$0.1949
Increase in fair value		£0.0956
		\$0.1783

(i) Volatility has been estimated based on actual historical share price volatility of the Company.

There were no in-substance options on issue at the start of the current financial period and no in-substance options have been exercised or have lapsed during the current financial period.

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2023

### 5.2 Share-based Payments (continued)

#### Performance Rights

The Performance Rights Plan is a long-term incentive aimed at creating a stronger link between performance and reward for certain of the Group's directors, employees and contractors, whilst increasing shareholder value in the Company.

Performance rights granted carry no rights to dividends and no voting rights.

The performance rights are subject to continued employment and the achievement of a maturity price condition. The maturity price condition is met, and the performance rights will vest, once the volume weighted average price for trading in the Company's shares over 15 trading days hits the specified maturity price target as set out in the table below. On exercise one fully paid ordinary share in the Company is issued for each exercised performance right. The performance rights have an expiry date of 18 August 2023 and must vest and be exercised on or before this date. During the current financial period there were no performance rights granted or which expired.

The table below sets out details of the target share price and expiry date for all performance rights on foot throughout the financial period as well as details of the changes in the number of performance rights on issue during the period.

	Expiry Date	Opening Balance	Exercised	Closing Balance
<b>Description/ Maturity Price Target</b>				
Vested	31 Dec 2022	9,450,000	(9,450,000)	-
60 pence	18 Aug 2023	225,000	-	225,000
65 pence	18 Aug 2023	225,000	-	225,000
70 pence	18 Aug 2023	500,000	-	500,000
75 pence	18 Aug 2023	750,000	-	750,000
1 pound	18 Aug 2023	1,000,000	-	1,000,000
		<b>12,150,000</b>	<b>(9,450,000)</b>	<b>2,700,000</b>

All performance rights on issue as at 30 June 2023 are unvested.

#### Measurement and Recognition

Equity settled share-based payments are measured at the fair value of the equity instruments at the grant date. The fair value includes the effect of market-based vesting conditions such as share price targets but excludes the effect of non-market-based vesting conditions and service conditions.

The fair value is expensed on a straight-line basis over the vesting period with a corresponding increase in the share-based payments reserve. Where options vest on issue, the entire fair value is recognised as an expense on the issue date. At each reporting date, the Group revises its estimate of the number of equity instruments expected to vest as a result of the effect of non-market-based vesting conditions and adjusts the cumulative expense recognised to date to reflect the expected level of vesting. No adjustments are made where options do not vest due a market-condition not being met.

Where the terms of share-based payments are modified, the expense continues to be recognised from grant date until vesting date as if the terms had not been changed. In addition, at the date of the modification, a further expense is recognised for any increase in fair value as a result of the change.

#### Critical Accounting Estimates and Judgements

##### Determining the fair value of share-based payments

The cost of equity settled share-based payment transactions with employees and other suppliers is measured by reference to the fair value of the equity instruments granted using a Black-Scholes model. This requires judgement to be applied when determining the inputs used in the model after considering the terms and conditions upon which the instruments were granted. The key inputs used in the model, which have the greatest impact on the calculation of the fair value of share-based payments granted in the current and prior period, are set out above.

For personal use only

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2023

### 5.3 Key Management Personnel Compensation

Details of Key Management Personnel compensation are contained in the Remuneration Report section of the Directors Report.

The total remuneration of Key Management Personnel for the Group for the year is as follows:

	2023 \$	2022 \$
Short term employee benefits	4,243,075	1,876,465
Post-employment benefits	93,668	67,605
Share based payments	3,365,867	11,776,386
<b>Total</b>	<b>7,702,610</b>	<b>13,720,456</b>

## 6. GROUP STRUCTURE

### 6.1 Subsidiaries

The consolidated financial statements include the financial statements of Atlantic Lithium Limited and the subsidiaries listed below.

Name	Country of incorporation	Equity interest (%)	
		2023	2022
Belinga Holdings Pty Ltd	Australia	100	100
Charger Minerals Pty Ltd	Australia	100	100
Eastern Exploration Pty Ltd	Australia	100	100
Gabon Exploration Pty Ltd	Australia	100	100
Khaleesi Resources Pty Ltd	Australia	100	100
Lithium of Africa Pty Ltd	Australia	100	100
Milingui Pty Ltd	Australia	100	100
MODA Minerals Pty Ltd	Australia	100	100
Khaleesi Resources SARL	Côte d'Ivoire	100	100
IronRidge Gabon SA	Gabon	100	100
Barari DV Ghana Limited	Ghana	90	90
Charger Minerals Ghana Limited	Ghana	100	100
Green Metals Resources Limited	Ghana	100	100
Joy Transporters Limited	Ghana	100	100
Moda Minerals Limited	Ghana	100	100
Charger Minerals Singapore Pte Ltd	Singapore	100	100
Lithium of Africa Singapore Pte Ltd	Singapore	100	100
IronRidge Singapore Pte Ltd	Singapore	100	100
Moda Minerals Singapore Pte Ltd	Singapore	100	100

For personal use only

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2023

### 6.2 Parent Information

#### a) Statement of Financial Performance

	2023 \$	2022 \$
<b>Assets</b>		
Current assets	16,953,176	25,652,089
Non-current assets	16,179,648	10,954,232
<b>Total assets</b>	<b>33,132,824</b>	<b>36,606,321</b>
<b>Liabilities</b>		
Current liabilities	4,119,725	2,394,873
Non-current liabilities	61,856	43,341
<b>Total liabilities</b>	<b>4,181,581</b>	<b>2,438,214</b>
<b>Net Assets</b>	<b>28,951,243</b>	<b>34,168,107</b>
Issued capital	129,873,021	126,468,060
Share based payment reserve	29,289,734	25,745,706
Financial assets revaluation reserve	184,319	511,575
Demerger Reserve	(28,921,942)	(28,794,153)
Accumulated losses	(101,473,889)	(89,763,081)
<b>Total equity</b>	<b>28,951,243</b>	<b>34,168,107</b>

#### b) Statement of Profit of Loss and Comprehensive Income

	2023 \$	2022 \$
Loss for the year	(11,710,808)	(36,259,124)
Other comprehensive income	(327,256)	209,760
<b>Total comprehensive loss</b>	<b>(12,038,064)</b>	<b>(36,049,364)</b>

#### c) Guarantees, contingent liabilities and capital commitments

The parent entity has not guaranteed any debts of subsidiaries in the current or prior financial year.

The parent entity has no capital commitments as at 30 June 2023 (2022: nil).

The contingent liabilities of the parent entity are the same as those of the group as disclosed in Note 7.2.

### 6.3 Demerger of Ricca Resources Limited (Ricca)

On 24 December 2021, the Group completed the demerger of Ricca (and accordingly the Gold Business in Ivory Coast and Chad), by way of a capital reduction and in-specie distribution to eligible Atlantic Lithium shareholders. Eligible shareholders received an in-specie distribution of 1 Ricca share for every 8 Atlantic shares. The demerger distribution is accounted for as a reduction in equity by the recognition of a demerger reserve of (\$28,921,942).

For personal use only

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2023

## 6.3 Demerger of Ricca Resources Limited (Ricca) (continued)

The fair values of assets and liabilities distributed to shareholders were:

	\$
Cash and Equivalents	7,238,862
Other Current Assets	21,132
Property Plant and Equipment	54,916
Exploration and Evaluation Assets	37,910,194
<b>Total Assets</b>	<b>45,225,104</b>
Trade and Other Payables	(75,152)
<b>Carrying value of net assets distributed</b>	<b>45,149,952</b>
Write down on Demerger	(16,228,010)
<b>Demerger Reserve</b>	<b>28,921,942</b>

**NOTE:** The Fair value of net assets distributed increased by \$127,789 compared to what was reported in the 2022 financial statements. This was due to an adjustment of Loans owing by Ivory Coast and Chad (on demerger date) written off in 2023 financial statements.

## 6.4 Related Party Transactions

As disclosed in Note 3.4, the Company has a Funding Agreement with a major shareholder, Piedmont Lithium Inc. Amounts received from Piedmont during the year are disclosed in Note 3.4 and the amount receivable as at year end is disclosed in Note 3.1.

The following table provides details of transactions with related parties during the current and prior financial year:

Related party		Services	Services	Directors fees
		provided and reimbursed	received and expensed	expensed
		\$	\$	\$
Assore Limited <sup>(i)</sup>	2023	-	-	120,000
	2022	-	-	120,000
Sumitomo Corporation <sup>(i)</sup>	2023	-	-	-
	2022	-	-	49,450
Ricca Resources Limited <sup>(ii)</sup>	2023	206,585	60,101	-
	2022	94,330	-	-

(i) The Company has commercial agreements in place with major shareholders for the services of Non-Executive Directors (NEDs). Assore Limited has provided two NEDs in the current and prior financial year (Kieran Daly and Christelle Van der Merwe) and Sumitomo Corporation provided one NED until 27 April 2022 (Tetsunosuke Miyawaki). The Group pays a monthly fee for these services and the fees have been included in the directors remuneration report under the individual representatives of each shareholder

(ii) During the prior financial year the Group completed the demerger of Ricca. Further details of the demerger are contained in Note 6.3. The Company recharges Ricca for certain services provided by the Company including exploration staff, premises, IT and insurance. Ricca recharges the Company for marketing staff.

The following amounts were outstanding with related parties at the reporting date.

	Amounts Owed to Related Parties <sup>(i)</sup>		Amounts Owed by Related Parties <sup>(ii)</sup>	
	2023	2022	2023	2022
	\$	\$	\$	\$
Assore Limited	60,000	885,714	-	-
Sumitomo Corporation	-	4,451	-	-
Ricca Resources	-	-	167,406	152,227

(i) Disclosed within trade and other payables in Note 3.5.

(ii) Disclosed within other receivables in Note 3.1.

All outstanding balances are unsecured, interest free and will be settled in cash.

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2023

## 7. OTHER

### 7.1 Auditors Remuneration

	2023 \$	2022 \$
<b>Fees to BDO Audit Pty Ltd</b>		
Fees for audit or review of the financial report of the Group	103,471	70,813
Fees for US GAAS audit of the financial report of the Group <sup>1</sup>	57,765	-
Other assurance services	25,000	-
	<b>186,236</b>	<b>70,813</b>

<sup>1</sup> Piedmont reimbursed the Group for the US GAAS audit fee as this work was undertaken at their request.

### 7.2 Contingent Liabilities

- The Group owns 5,500,000 shares in Australasian Metals Limited with a market value on 30 June 2023 of \$632,500 (30 June 2022: \$1,100,000). Should the company decide to dispose all or any of this investment, then 50% of the consideration will be payable to Ricca Resources Limited within 10 days of the disposal.
- The Group has an investment of 1,000,000 in the ordinary issued capital of Auburn Resources Ltd, an unlisted public company incorporated in Australia. The valuation of \$125,000 on 30 June 2023 (30 June 2022: \$125,000) is based on share capital placement on 1 July 2021. Should the company decide to dispose all or any of this investment, then 50% of the consideration will be payable to Ricca Resources Limited within 10 days of the disposal.

The Directors are not aware of any other contingent assets or contingent liabilities at the date of this report.

### 7.3 Subsequent Events

On 17 August 2023, Piedmont Lithium Inc notified Atlantic Lithium of its intent to support the development of the Ewoyaa Lithium Project in Ghana towards production and exercised its option to acquire an initial 22.5% interest in the Cape Coast Lithium Portfolio to fast-track the development of the Project.

On 18 August 2023, 23 million options lapsed and were not exercised. Details are as follows:

- 1 million unlisted options exercisable at £0.30 each
- 10 million unlisted options exercisable at £0.40 each
- 12 million unlisted options exercisable at £0.50 each

On 18 August 2023, 2.7 million unlisted performance rights lapsed.

On 22 August 2023, 3 million ordinary shares were issued to Melisa Kolff van Oosterwijk, a personal related party of Lennard Kolff, as a result of the exercise of unlisted ESOP options exercisable at £0.30 each. A one year loan was provided on the exercise of the options for the total exercise value of £900,000. As the loan is limited in recourse, it will be accounted for as an in-substance option.

On 30 August 2023, 4.65 million options were granted to employees under the ESOP. The options vested immediately and have an exercise price of £0.30 each and an expiry date of 31 August 2025.

On 7 September 2023, Atlantic agreed non-binding Heads of Terms with the Minerals Income Investment Fund of Ghana ("MIIF") to invest a total of US\$32.9 million in the Company and the Ghana subsidiaries. The proposed investment will support the development of the Project and the broader Cape Coast Lithium Portfolio in Ghana. Under the terms of the non-binding agreement, MIIF intend to invest an initial \$US27.9 million to acquire a 6% contributing interest in the Company's Ghana portfolio and will make ongoing contributions through monthly cash calls as the Project develops. MIIF also intend to subscribe for 19,245,574 shares in the Company for a total value of US\$5 million.

On 11 September 2023, 6 million options held by the former non-executive director Stuart Crow lapsed and were not exercised. Details are as follows:

- 1 million unlisted options exercisable at £0.60 each
- 2 million unlisted options exercisable at £0.70 each
- 2 million unlisted options exercisable at £0.75 each
- 1 million unlisted options exercisable at £0.80 each

For personal use only

## DIRECTORS' DECLARATION

In accordance with a resolution of the Directors of Atlantic Lithium Limited, I state that:

1. In the opinion of the Directors:
  - (a) The financial statements and notes of Atlantic Lithium Limited for the financial year ended 30 June 2023 are in accordance with the *Corporations Act 2001*, including:
    - (i) Giving a true and fair view of its financial position as at 30 June 2023 and performance; and
    - (ii) Complying with the Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*.
  - (b) The financial statements and notes also comply with International Financial Reporting Standards as disclosed in Note 1;
  - (c) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and
  - (d) The remuneration disclosures contained in the Remuneration Report comply with s300A of the *Corporations Act 2001*.
2. This declaration has been made after receiving the declarations required to be made to the Directors in accordance with section 295A of the *Corporations Act 2001* for the financial year ended 30 June 2023.

On behalf of the Board



**Neil Herbert**  
**Executive Chairman**

28 September 2023

For personal use only



Tel: +61 2 9251 4100  
Fax: +61 2 9240 9821  
www.bdo.com.au

Level 11, 1 Margaret Street  
Sydney NSW 2000  
Australia

## INDEPENDENT AUDITOR'S REPORT

To the members of Atlantic Lithium Limited

### Report on the Audit of the Financial Report

#### Opinion

We have audited the financial report of Atlantic Lithium Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2023, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies and the directors' declaration.

In our opinion the accompanying financial report of the Group, is in accordance with the *Corporations Act 2001*, including:

- (i) Giving a true and fair view of the Group's financial position as at 30 June 2023 and of its financial performance for the year ended on that date; and
- (ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

#### Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Group in accordance with the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

BDO Audit Pty Ltd ABN 33 134 022 870 is a member of a national association of independent entities which are all members of BDO Australia Ltd ABN 77 050 110 275, an Australian company limited by guarantee. BDO Audit Pty Ltd and BDO Australia Ltd are members of BDO International Ltd, a UK company limited by guarantee, and form part of the international BDO network of independent member firms. Liability limited by a scheme approved under Professional Standards Legislation.



**Material uncertainty related to going concern**

We draw attention to Note 1.2 in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the group's ability to continue as a going concern and therefore the group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our opinion is not modified in respect of this matter.

**Key audit matters**

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

**Valuation and classification of exploration & evaluation assets**

<b>Key audit matter</b>	<b>How the matter was addressed in our audit</b>
<p>Per note 3.4 the Group has capitalised exploration and evaluation assets of \$18,034,331 (2022: \$11,050,354) as at year end.</p> <p>The Group carries exploration and evaluation assets in accordance with the Group's accounting policy for exploration and evaluation assets.</p> <p>The valuation and classification of exploration and evaluation assets is a key audit matter due to:</p> <ul style="list-style-type: none"> <li>• The significance of the total balance; and</li> <li>• The level of judgment and estimate applied in evaluating management's application of the requirements of AASB 6 <i>Exploration for and Evaluation of Mineral Resources</i> ('AASB 6') for the classification of costs as exploration and evaluation assets and the existence of any indicators of impairment.</li> </ul>	<p>Our procedures included, but are not limited to the following:</p> <ul style="list-style-type: none"> <li>• Obtaining evidence that the Group has valid rights to explore in the areas of interest represented by the capitalised exploration and evaluation expenditure including obtaining supporting documentation such as licence agreements, renewal applications and considering whether the Group maintains the tenements in good standing;</li> <li>• Assessing that exploration activities have not yet progressed to the point where the existence or otherwise of an economically recoverable mineral resource may be determined prompting exploration and evaluation assets to be transferred and accounted for under AASB 138 <i>Intangible Assets</i> or AASB 116 <i>Property, plant and equipment</i> as appropriate;</li> <li>• On a sample basis, agreeing capitalised exploration expenditure during the year to supporting documentation and assessing whether it meets the recognition criteria under AASB 6;</li> </ul>



- Making enquiries of management with respect to the status of ongoing exploration programs in the respective areas of interest and assessing the Group's cash flow forecast for the level of budgeted spend on exploration projects and held discussions with management as to their intentions and strategy;
- Enquiring of management, reviewing ASX announcements and reviewing directors' minutes to ensure that the Group had not decided to discontinue activities in any applicable areas of interest and to assess whether there are any other facts or circumstances that existed to indicate impairment testing was required.

#### Other information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 2023, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### Responsibilities of the directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

# INDEPENDENT AUDITOR'S REPORT



## Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:

[https://www.auasb.gov.au/admin/file/content102/c3/ar1\\_2020.pdf](https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf)

This description forms part of our auditor's report.

## Report on the Remuneration Report

### Opinion on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2023.

In our opinion, the Remuneration Report of Atlantic Lithium Limited, for the year ended 30 June 2023, complies with section 300A of the *Corporations Act 2001*.

### Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

BDO Audit Pty Ltd

A stylized signature of the BDO firm, consisting of the letters 'BDO' in a cursive, handwritten style.

A handwritten signature in black ink that reads 'Gareth Few'.

Gareth Few  
Director

Sydney, 28 September 2023

## SHAREHOLDER INFORMATION

At 28 September 2023

### TWENTY LARGEST SHAREHOLDERS

Holder name	Ordinary Shares	%
AURORA NOMINEES LIMITED <2288700>	156,314,351	25.53
PIEDMONT LITHIUM GHANA HOLDINGS INC	56,880,000	9.29
HARGREAVES LANSDOWN (NOMINEES) LIMITED <15942>	17,820,702	2.91
THE BANK OF NEW YORK (NOMINEES) <672938>	17,089,741	2.79
INTERACTIVE INVESTOR SERVICES NOMINEES LIMITED <SMKTISAS>	16,385,864	2.68
VIDACOS NOMINEES LIMITED <FGN>	13,875,125	2.27
INTERACTIVE INVESTOR SERVICES NOMINEES LIMITED <SMKTNOMS>	13,388,174	2.19
MISS MICHELLE MASCOLO <EST VINCENT D MASCOLO A/C>	12,959,667	2.12
HARGREAVES LANSDOWN (NOMINEES) LIMITED <HLNOM>	12,921,918	2.11
NORTRUST NOMINEES LIMITED <TDS>	12,799,492	2.09
STATE STREET NOMINEES LIMITED <OM06>	12,547,829	2.05
CHASE NOMINEES LIMITED <FIDUCIT>	11,541,043	1.89
HARGREAVES LANSDOWN (NOMINEES) LIMITED <VRA>	10,545,249	1.72
MR CHRISTIAN SERFONTEIN	10,000,000	1.63
LAWSHARE NOMINEES LIMITED <SIPP>	9,909,167	1.62
INTERACTIVE INVESTOR SERVICES NOMINEES LIMITED <TDWHSIPP>	8,580,321	1.40
HUNTRESS (CI) NOMINEES LIMITED <KGCLT>	8,128,400	1.33
INTERACTIVE BROKERS LLC <IBLLCR>	7,593,225	1.24
BARCLAYS DIRECT INVESTING NOMINEES LIMITED <CLIENT1>	7,372,313	1.20
MR W W BROWN & MRS M H BROWN	6,400,000	1.05
<b>TOP TWENTY HOLDERS OF ORDINARY FULLY PAID SHARES</b>	<b>423,052,581</b>	<b>69.10</b>

### SUBSTANTIAL SHAREHOLDERS

No shareholder has lodged a substantial holding notice with the Company to disclose they hold 5% or more of the issued share capital of the Company from its shareholders as at the date of signing these Financial Statements. However, those shareholders holding 5% or more as at 28 September 2023 are set out in the table above (namely Aurora Nominees Limited and Piedmont Lithium Ghana Holdings Inc).

### VOTING RIGHTS – ORDINARY SHARES

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote. There are no other classes of equity securities holding voting rights.

For personal use only

## SHAREHOLDER INFORMATION

At 28 September 2023

### DISTRIBUTION OF ORDINARY SHARES

Range	Total holders	Number of shares	% of total shares
1 – 1,000	186	126,988	0.02
1,001 – 5,000	472	1,238,170	0.20
5,001 – 10,000	224	1,745,105	0.29
10,001 – 100,000	433	14,610,984	2.39
100,001 and over	220	594,519,613	97.11
<b>Total</b>	<b>1,535</b>	<b>612,240,860</b>	<b>100.00</b>
Holdings less than a marketable parcel (\$500)	201	142,842	

### PERFORMANCE RIGHTS AND OPTIONS AS AT 28 SEPTEMBER 2023

	Total holders	Number
Performance Rights	nil	nil
Options	20	32,650,000

For personal use only

## INTEREST IN TENEMENTS

As at the date of this report, the Group has an interest in the following tenements:

Tenement Number	Tenement Name	Principal Holder	Grant Date / Application Date	Expiry Date	Term
<b>Granted Tenements</b>					
<i>Ghana</i>					
PL3/67	Apam East	Obotan Minerals Company Limited (JV MODA Minerals Limited)	27.06.19	26.06.22*	3 years
PL3/92	Apam West	Obotan Minerals Company Limited (JV MODA Minerals Limited)	21.08.19	20.08.22*	3 years
RL 3/55	Mankessim	Barari DV Ghana Limited (90% Atlantic)	27.07.21	26.07.24	3 years
PL3/102	Saltpond	Joy Transporters Limited (100% Atlantic)	21.08.19	20.08.22*	3 years
PL3/109	Mankessim South	Green Metals Resources Limited (100% Atlantic)	19.02.20	18.02.23*	3 years
PL3/106	Cape Coast	Joy Transporters Limited (100% Atlantic)	15.11.21	14.11.24	3 years
	Senya Braku	Green Metals Resources Limited (100% Atlantic)	10.05.16	Application	
	Asebu (Winneba North)	Green Metals Resources Limited (100% Atlantic)	28.06.21	Application	
	Mankwadze (Winneba South)	Green Metals Resources Limited (100% Atlantic)	28.06.21	Application	
	Mankwadzi	Obotan Minerals Company Limited (JV MODA Minerals Ltd)	15.03.18	Application	
	Bewadze	Green Metals Resources Limited (100% Atlantic)	23.08.21	Application	
	Onyadze	Green Metals Resources Limited (100% Atlantic)	23.08.21	Application	
<i>Ivory Coast</i>					
PR695	Rubino	Khaleesi Resources SARL (100% Atlantic)	20.10.16	Application	
PR694	Agboville	Khaleesi Resources SARL (100% Atlantic)	20.10.16	Application	

\* 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.

For personal use only

For personal use only





**AIM:** ALL  
**ASX:** A11  
**OTCQX:** ALLIF



**CHARGING THE CHANGE**  
[www.atlanticlithium.com.au](http://www.atlanticlithium.com.au)

For personal use only