ATLANTIC LITHIUM LIMITED

AND CONTROLLED ENTITIES

ACN 127 215 132

FINANCIAL REPORT FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

Registered Office & Principal Place of Business:

Level 17, Angel Place
123 Pitt Street
Sydney NSW 2000

Directors' Report

The Directors submit their report for the half-year ended 31 December 2023.

Directors

The names of the Directors in office during the financial period and up to the date of this report are as follows. Directors were in office for the entire period unless otherwise stated.

- Neil Herbert
- Keith Muller
- Amanda Harsas
- Kieran Daly
- Christelle van der Merwe
- Jonathan Henry (appointed 19 December 2023)
- Lennard Alexander Kolff van Oosterwijk (resigned 20 December 2023)
- Patrick Brindle (resigned 29 January 2024)
- Holly Waldeck (alternate for Kieran Daly)

Corporate Structure

Atlantic Lithium Limited ("Atlantic Lithium") 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 AIM, a market owned and operated by the London Stock Exchange Group Plc, on 12 February 2015. Atlantic Lithium Limited was admitted to the Australian Stock Exchange ("ASX") on 21 September 2022.

Principal Activities

Atlantic Lithium is an Africa-focused lithium exploration and development company, with an advanced lithium pegmatite asset in Ghana targeting to become the country's first lithium-producing mine and lithium pegmatite exploration assets in Ghana and Côte d'Ivoire.

In Ghana, the Company holds 509km² of granted and under-application tenure through direct applications and earn-in agreements. The Company's flagship project is the 35.3Mt at 1.25% Li_2O JORC (2012) compliant spodumene-rich lithium pegmatite resource[1] called the Ewoyaa Lithium Project ("Ewoyaa" or "the Project"; *refer announcement of **1 February 2022***), which the Company is advancing through the permitting phases towards production. The Definitive Feasibility Study ("DFS") for the Project, announced on 29 June 2023, confirms the Project's economic viability and exceptional profitability potential[1]. Regional exploration is also underway at the Project.

In Côte d'Ivoire, the Company holds 774km² of under-application lithium tenure within highly prospective Birimian terrain (*refer **Figure 1***).

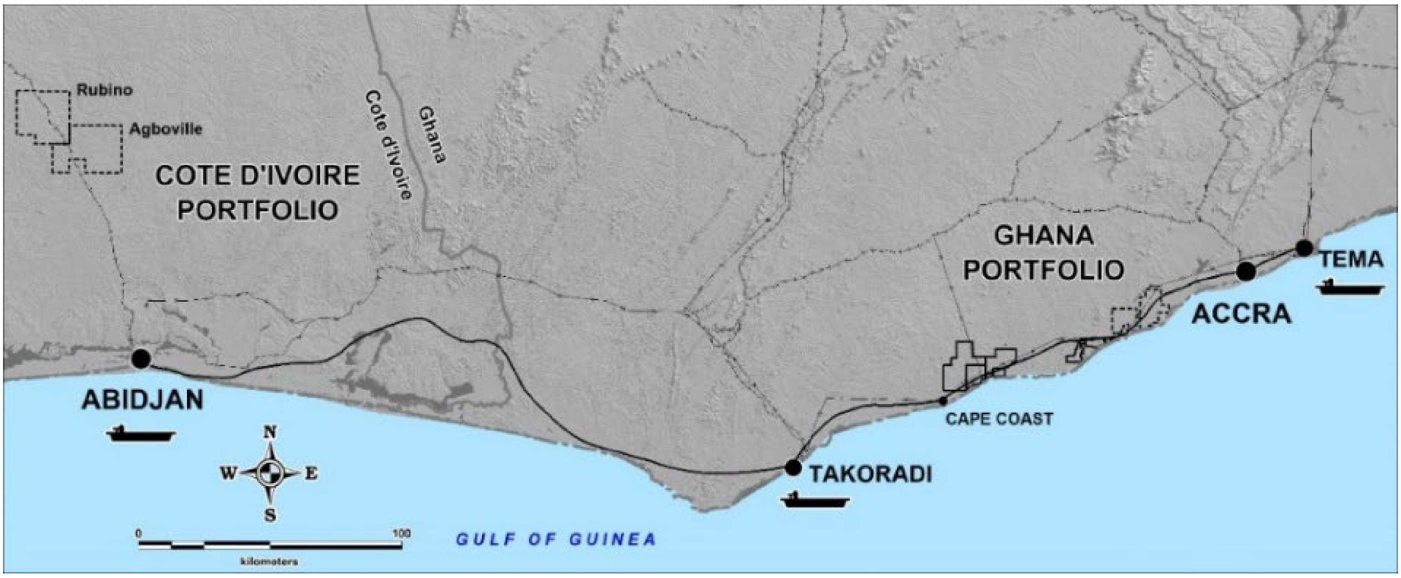

FIGURE 1 **Lithium Tenure and Operational Infrastructure in Ghana and Côte d'Ivoire**

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

The Project is funded towards production through an earn-in agreement with Nasdaq-listed Piedmont Lithium Inc. (NASDAQ: PLL, ASX: PLL, "Piedmont"), as announced on 1 July 2021. Under the agreement, Piedmont has the right to earn up to 50% of the Company's interest in the Project by sole funding US$17.0m towards studies and exploration and US$70.0m towards development expenditure, with any cost overruns shared equally, and an offtake agreement for 50% of the Project's spodumene concentrate production at market rates.

Operations Report

During the period, the Company continued to advance its flagship project, the Ewoyaa Lithium Project, towards production. The Project is on track to become Ghana's first operating lithium mine, and one of the largest hard rock spodumene concentrate mines globally[2].

Ewoyaa Lithium Project, Ghana, West Africa

The Project has secured project development funding via a partnership agreement with Piedmont. Ewoyaa, located in Ghana, West Africa, approximately 100km southwest of the capital of Accra, comprises eight main deposits, including Ewoyaa, Okwesi, Anokyi, Grasscutter, Abonko, Kaampakrom, Sill and Bypass. The Project is well located, being adjacent to operational infrastructure including within 1km of the Takoradi - Accra N1 highway, 110km from the Takoradi deep-sea port and adjacent to grid power, within the pro-mining jurisdiction of Ghana (*refer **Figure 2***).

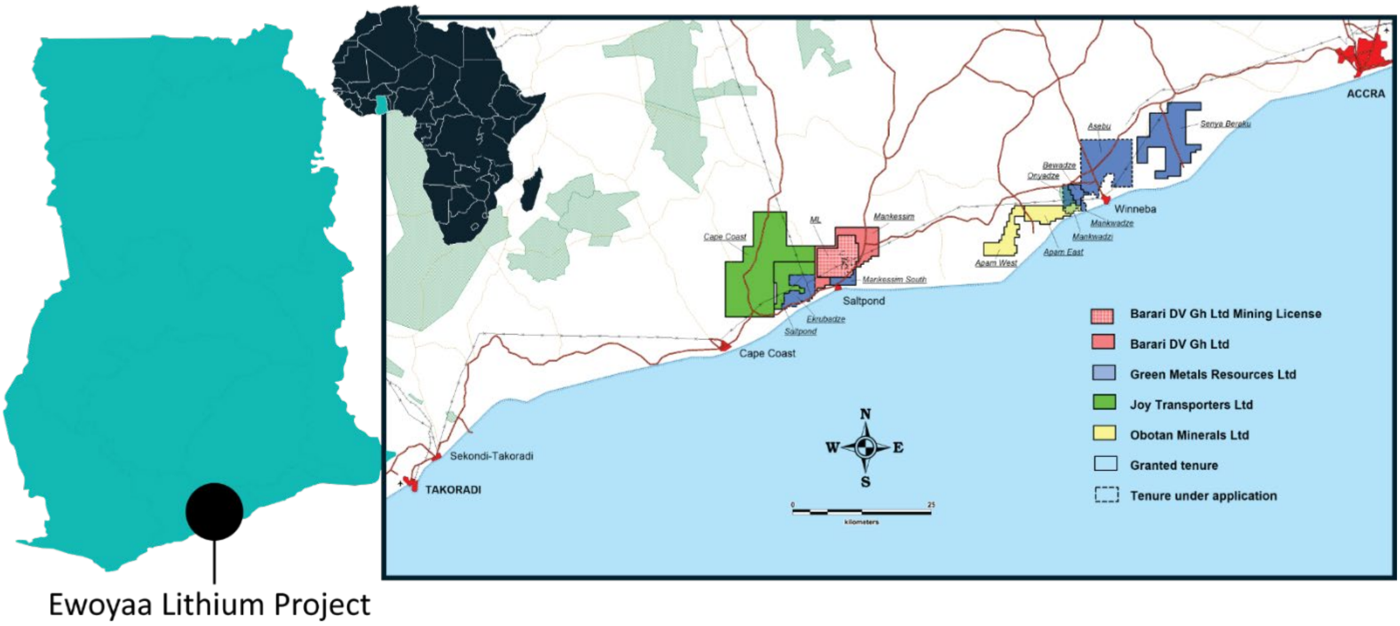

FIGURE 2 **Location of the Ewoyaa Lithium Project**

Project Development

Ewoyaa Lithium Project Mining Lease

On 20 October 2023, the Company announced that the Company's subsidiary Barari DV Ghana Limited ("Barari") had been granted a Mining Lease in respect of the Ewoyaa Lithium Project, comprising the proposed Ewoyaa Lithium Mine and Processing Plant, by the Government of the Republic of Ghana.

The Mining Lease, the first to be issued for lithium in Ghana, grants the Company exclusive rights to work, develop and produce lithium (and other associated minerals) over the entirety of the 42.63 km² area ("Lease Area") within the Mankessim licence, which is held by Barari and contains the Project, for an initial period of 15 years.

The grant of the Mining Lease represents a major landmark in the advancement of the Project.

The terms of the Mining Lease reaffirm the Project's strong commercial viability and exceptional profitability potential for a 2.7Mtpa steady state operation, producing a total of 3.6Mt of spodumene concentrate (approximately 350,000tpa) over a 12-year mine life[1]:

- Payback period of the main processing plant of 9.5 months;
- C1 cash operating costs of US$377/t of concentrate Free-On-Board ("FOB") Ghana Port, after by-product credits, All in Sustaining Cost ("AISC") of US$675/t;
- Development cost estimate of US$185m;
- Post-tax NPV_8 of US$1.3bn, with free cash flow of US$2.1bn from Life of Mine ("LOM") revenues of US$6.6bn, considering a US$1,410/t long-term concentrate price, FOB Ghana.

The full Project metrics, using the parameters as defined in the DFS for the Project and incorporating the agreed terms of the Mining Lease, which align with the Government's new Green Minerals Policy, can be found in Table 3 in the Appendix of the announcement dated ***20 October 2023***.

In accordance with the terms of the Mining Lease, the Company agreed to undertake:

(i) a Definitive Feasibility Study ("Feldspar Study") to assess the viability of producing and processing feldspar feedstock as by-product of spodumene concentrate production at the Project;
(ii) a scoping study ("Downstream Conversion Study") to evaluate the economic benefits and viability of downstream lithium conversion in Ghana; and
(iii) a listing of the Company's shares on the Ghana Stock Exchange.

An update is expected to be provided on the Feldspar Study and Downstream Conversion Study, both of which were completed post-period end, before the end of April 2024. The Company is currently undertaking the necessary proceedings with the intention to list the Company's shares to trading on the Ghana Stock Exchange as soon as practicable.

Flotation Scoping Study

In partnership with DRA Global Limited (ASX: DRA, JSE: DRA), the Company has completed a scoping study ("Flotation Scoping Study" or the "Study") to assess the viability of including a flotation circuit to run independently from the Dense Media Separation-only ("DMS") plant at Ewoyaa.

The results of the Flotation Scoping Study confirm the viability of beneficiating the 4.7Mt of 1.2% Li_2O naturally-occurring fines material[1], outlined in the DFS for the Project to be intended to be sold as a low-grade lithium secondary product, as feedstock for the flotation circuit. The Company intends that the higher value, lower volume flotation concentrate product would replace the secondary product, reducing its exposure to the low-grade lithium-bearing products market.

The results of the Study also support the Company's intention to process the DMS processing plant middlings through the flotation circuit to achieve >5% Li_2O concentrate grades. The middlings were not previously considered a saleable product from Ewoyaa.

The Study results also confirm a circa fourfold improvement of metal recovery of the finer-grained P2 spodumene-bearing pegmatite material through the flotation circuit versus when it is processed through the main DMS plant alone.

Based on the positive results of the Flotation Scoping Study, the Company intends to commence construction and the staged integration of the flotation circuit once the main plant consistently delivers its intended nameplate throughput of 2.7Mt per annum.

Piedmont Notification of Commitment to Ewoyaa Development Funding

During the period, Piedmont notified the Company of its intent to support the development of the Project towards production. In line with the satisfaction of the terms set out in Stage 2 of Piedmont's earn-in agreement with the Company, Piedmont has exercised its option to acquire an initial 22.5% interest in the Company's ownership of Atlantic Lithium's spodumene projects in Ghana ("Ghana Portfolio").

Under the terms set out in Stage 3 of the agreement, Piedmont will fund US$70m towards the total US$185m development expenditure indicated in the DFS for the Project, with all additional development expenditure split 50:50 between Piedmont and the Company thereafter. Through sole funding the US$70m, Piedmont will earn a further 27.5% of the Company's interest in the Ghana Portfolio, taking its total interest to 50%.

The completion of Stage 3 is intended to result in the construction of the Project and achievement of initial spodumene concentrate production from Ewoyaa, whereby Piedmont will earn the rights to 50% of the total spodumene concentrate production from Ewoyaa at market rates.

EPA Approval to Divert Mankessim Transmission Lines

The Company was notified of the Environmental Protection Agency's ("EPA") authorisation of the diversion of two transmission lines, which currently traverse planned mining areas within the Ewoyaa Lease Area, to the northern border of the Company's Mankessim licence. The diversion, which was requested by the Company to ensure alignment with the mine plan, will be carried out by Ghana Grid Company Ltd.

Bulk Consumer Permit

The Project has been awarded a Bulk Customer Permit by Ghana's Energy Commission. Valid for one year and renewable before its expiration, the permit classifies the Project as a bulk consumer of electricity and allows the Company to enter into a competitive bid process with various bulk energy suppliers in Ghana. The bid process is expected to enable the Company to secure a 30-50% reduction in the Project's overall power cost.

Exploration

Maiden Feldspar Mineral Resource Estimate

The Company believes that Ewoyaa represents a major source of domestic feldspar in Ghana, which is widely used in the ceramics industry.

During the period, the Company reported a maiden JORC (2012) compliant Mineral Resource Estimate of 15.7Mt at 40.2% feldspar ("Feldspar MRE") for the Project. The Feldspar MRE is based on the same geological model that delivered the 35.3Mt @ 1.25% Li_2O MRE[1] for the Project, and is confined to the Ewoyaa Main, Ewoyaa Northeast, Ewoyaa South-1 and Ewoyaa South-2 deposits, which represent approximately the first five years of planned production from the Ewoyaa Lithium Project, as detailed in the DFS for the Project.

The Feldspar MRE includes a total of 3.5Mt at 39.7% feldspar in the Measured category, 10.2Mt at 40.5% feldspar in the Indicated category and 2Mt at 40.1% feldspar in the Inferred category.

The Company intends to conduct further sodium assay analysis and normative mineralogical calculations for the remaining historic and current drill campaigns outside the Ewoyaa Main, Ewoyaa Northeast, Ewoyaa South-1 and Ewoyaa South-2 deposits, with the aim of increasing the current Feldspar MRE.

Ceramic application trials using the feldspar produced at Ewoyaa, including for vitreous hotelware, high-end earthenware and floor tiles, produced acceptable ware, comparable to industry standards in all aspects.

As a potentially considerable contributor to the growth of local businesses and economy, the Company intends to supply the feldspar produced at Ewoyaa into the local Ghanaian ceramics market.

2023/2024 Drilling Programme

During the period, the Company continued to advance the extensive infill, extensional, exploration and resource drilling programme across the Project and the Company's Cape Coast Lithium Portfolio which commenced in Q1 2023.

The drilling programme was initially planned for a total of 18,500m, comprising 10,000m of resource infill and extensional reverse circulation ("RC") drilling, 6,500m of follow-up exploration RC drilling on new targets defined in auger drilling and 2,000m of diamond core ("DD") for Project studies. The programme was increased with the addition of 8,000m of extensional resource drilling targeting resource growth at the Okwesikrom, Anokyi, Grasscutter, Ewoyaa North-West and Ewoyaa South-2 deposits, taking the total planned programme to 26,500m.

Post-period end, an additional 3,000m of sterilisation drilling on the proposed site of the processing plant, which is to be prioritised over resource growth drilling to support mine construction, was added to the planned programme, taking the total drilling programme, which remains underway, to 29,500m.

During the period, the Company reported assay results received for a total of 13,956m of infill, resource and metallurgical RC and DD drilling completed from the ongoing programme at Ewoyaa.

Newly-reported high-grade results reported at the Ewoyaa Main, Ewoyaa North-East, Ewoyaa North-West and Ewoyaa South-2 deposits confirm mineralisation extensions outside of the current MRE[1] envelope.

Providing strong confidence for further resource growth, the Company announced the observation of multiple broad intervals of pegmatite, including multiple broad intervals of coarse-grained visible spodumene, in drilling at the Dog-Leg prospect extension target on the northern tip of the Ewoyaa Main deposit, outside of the current MRE[1] for the Project.

Included within the observations, the Company reported the longest reported continuous pegmatite interval in the 2023/2024 drilling programme to date of 106m in hole GRC1020 from 6m at the Dog-Leg target.

Shallow high-grade and broad infill drill intersections were also returned at Ewoyaa Main, Anokyi and Ewoyaa South-2, including 47.6m at 1.25% Li_2O from 65.7m and 28.7m at 1.51% Li_2O from 79.3m, with drilling designed to provide metallurgical drill core whilst infilling the resource and extending mineralisation.

Infill drilling at Ewoyaa South-2 is designed to convert Inferred Resources to higher confidence Indicated Resources for future mine sequencing optionality and to grow the MRE[1] where mineralisation remains open at depth or along strike.

Post-period end, the Company announced further assay results received for 7,220m of extensional resource RC drilling completed at Ewoyaa, which delivered multiple high-grade and broad extensional drill intersections reported at the new Dog-Leg target, Okwesi, Anokyi and Ewoyaa-South 2 deposits outside of the current MRE[1] for the Project. Highlights included 83m at 1% Li_2O from 36m and 47m at 1.05% Li_2O from 87m at the new Dog-Leg target.

The results at the Dog-Leg target, in particular, are significant as they demonstrate a new, shallow-dipping, near surface mineralised pegmatite body outside of the current MRE[1] with true thicknesses up to 35m, providing potential for significant resource growth.

The Company awaits further assay results from resource drilling completed in 2023, expected in Q1 2024.

Auger Drilling

The planned total 20,000m auger drilling programme was completed during the period. Drilling concentrated on the extensions to the known pegmatite swarm and exploration targets within the Saltpond licence, with in-house geochemical analysis and review underway.

Soil Geochemistry Survey

In-house analysis of the samples for multi-element geochemistry, using portable X-Ray fluorescence and lithium using portable Laser induced breakdown spectroscopy analysers, is underway following the completion of the 100m x 100m grid soil geochemistry survey over the Cape Coast licence.

Grant of Bewadze and Senya Beraku Prospecting Licences

The Company's wholly-owned Ghanaian subsidiary Green Metals Resources Limited has been granted the Bewadze and Senya Beraku prospecting licences in the eastern portion of the Company's Cape Coast Lithium Portfolio in Ghana. The licences, which are well serviced by existing infrastructure, provide the Company exclusive access to explore new, undrilled tenure pending grant of remaining permits, as the Company looks to define further exploration targets.

The Bewadze licence had been previously noted as of particular interest by the Company, being located along strike and within 300m of the historic Egyasimanku Hill occurrence, where spodumene pegmatites have been observed, making it highly prospective for pegmatite discovery.

Corporate

A$8 Million Equity Placing

On 15 December 2023, the Company announced that it had successfully completed an institutional placement ("Equity Placing"), raising A$8.0m (equivalent to approximately £4.2m) at a price of A$0.44 (23.35 pence) per New Share.

The Equity Placing was undertaken in order to strengthen the Company's cash balance and to facilitate key work to progress the Project in line with the development schedule.

Proceeds of the fundraise are to be used to enable the completion of activities agreed under the grant of the Mining Lease for the Project, key items of early works and permitting-related Project expenditure, for further extensional drilling, and for working capital purposes.

Rejection of Non-Binding Indicative Offers

On 15 November 2023, the Company announced the rejection of two conditional and non-binding offers from its largest shareholder Assore International Holdings Limited ("Assore") to acquire all the shares in the Company that it does not already own at an offer price of £0.33 per share (A$0.63).

After careful consideration, the offers were rejected by the Atlantic Lithium independent board committee, which was established to consider the approaches from Assore, on the grounds that the offers undervalued the Company and were, therefore, not in the best interests of shareholders.

Strategic Appointments

The Company continues to recruit for positions that support its growth ambitions, particularly focused on adding mine build and mine operating experience to the leadership team.

During the period and post-period end, the Company announced the appointment of several strategic hires across its project delivery and corporate teams, both in Australia and in Ghana.

In line with the growth of the Company's Project development team, the Company has moved into its new office in West Perth, Australia, for which it has signed a five-year lease.

Board Changes

The Company is pleased to welcome Jonathan Henry to the Board of Directors as Independent Non-Executive Director.

Jonathan is a senior executive with significant, global listed company experience, primarily in the mining industry, having held various leadership and Board roles for nearly two decades. During this time, Jonathan has been heavily involved in the strategic management and leadership of projects towards production, commercialisation and, ultimately, the realisation of shareholder value.

In line with his appointment, Len Kolff stepped down from his role on the Board, maintaining his role as Head of Business Development and Chief Geologist. Len assumed his role on the Board at a crucial time in the Company's journey. The Board of Directors would like to thank Len for his significant input during this time, which has proven vital in enabling the continued growth of the Company.

Post-period end, Patrick Brindle stepped down from his role on the Board following Piedmont's sale of the Company's shares to Assore and its holding in Atlantic Lithium falling below 9%.

The Atlantic Lithium Board of Directors and management team wish to express their thanks to Patrick for his valued contribution to the Company during his tenure and wish him every success going forward.

Significant Events Post-Period End

Completion of US$5m MIIF Subscription

During the period, the Company announced the Minerals Income Investment Fund of Ghana's ("MIIF") proposed US$32.9m total investment ("Strategic Investment") in the Company and its Ghanaian Subsidiaries to expedite the development of the Project and the broader Cape Coast Lithium Portfolio in Ghana ("Ghana Portfolio") towards production.

In line with the first stage of the Strategic Investment, post-period end, MIIF subscribed for 19,245,574 Atlantic Lithium shares at a price of US$0.2598 (A$0.39 / £0.20) per share, for a total consideration of US$5m, which will be used towards Project development funding.

Following the completion of the Subscription, the Company welcomes MIIF as a new major, strategic shareholder, a key local stakeholder and funding partner, expected to support the advancement of the Project.

Under the agreed terms of the Subscription, 9,622,787 options have been granted to MIIF with an exercise price of US$0.3637 and an expiry date of 23 July 2025. MIIF is also entitled to nominate one person to the Company's Board of Directors.

In line with the second stage of the Strategic Investment, subject to the Company reaching a binding agreement with MIIF, MIIF has agreed to invest a further US$27.9m in the Company's Ghanaian subsidiaries to acquire a 6% contributing interest in the Ghana Portfolio, inclusive of the Project.

Both the US$27.9m investment in the Ghana Portfolio and the contributing interest will take the form of funding of development, exploration and studies expenditure to support the advancement of the Project.

The Company is currently working closely with MIIF to finalise the second stage of the Strategic Investment.

Completion of Stage 1 Offtake Partnering Process

Post-period end, the Company completed Stage 1 of the competitive offtake partnering process being led by global investment bank Macquarie Capital, to secure funding for a portion of the remaining 50% available feedstock from Ewoyaa.

The objective of the process is to attract funding offers to sufficiently cover the Company's allocation of development expenditure for the Project, to expedite and de-risk the development of the Project, realise attractive terms for any offtake contracted and secure a well credentialled partner that will support the Company's and Ghana's objectives of supplying lithium into the global electric vehicle market.

The Company announced post-period end that it was moving to a more detailed Stage 2 due diligence phase with the remaining preferred parties following the completion of Stage 1.

Assore Share Purchase

The Company's largest shareholder Assore increased its stake in the Company through the purchase of shares from strategic funding partner Piedmont at a premium to the share price at the time. Assore's and Piedmont's holdings now sit at 27.6% and 5%, respectively, following the transaction.

The Company believes that Assore's purchase of Atlantic Lithium shares at a premium reflects their belief in the Company's substantial value potential.

Côte d'Ivoire

In Côte d'Ivoire, the Company has two pending applications comprising a total area of 774km^2 for lithium and associated minerals which cover highly prospective fractionated granitic intrusive centres with lithium and columbite-tantalum occurrences and outcropping pegmatites reported. Licence applications have been submitted through Khaleesi Resources SARL, a wholly owned local subsidiary of the Company. 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.

End Note

[1] **Ore Reserves, Mineral Resources and Production Targets**

The information in this half-year report 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 half-year report relating to Ore Reserves of 25.6Mt @ 1.22% Li_2O and Production Targets is extracted from the Ewoyaa Lithium Project Definitive Feasibility Study ("DFS"), announced by the Company on 29 June 2023, and information in this announcement relating to the Mineral Resource Estimate ("MRE") of 35.3Mt @ 1.25% Li_2O for Ewoyaa is extracted from the Company's announcement dated 1 February 2023, both of which are available at www.atlanticlithium.com.au. The MRE includes a total of 3.5Mt @ 1.37% Li_2O in the Measured category, 24.5Mt @ 1.25% Li_2O in the Indicated category and 7.4Mt @ 1.16% Li_2O in the Inferred category. The Company confirms that all material assumptions and technical parameters underpinning the MRE and DFS continue to apply. Material assumptions for the Project have been revised on grant of the Mining Lease for the Project, announced by the Company on 20 October 2023. The Company is not aware of any new information or data that materially affects the information included in this half-year report or the announcements dated 1 February 2023, 29 June 2023 and 20 October 2023.

[2] Ewoyaa to become one of the largest spodumene concentrate producers globally - Based on a comparison of targeted spodumene concentrate production capacity (ktpa, 100% basis) of select hard rock spodumene projects globally (*refer Company presentation dated **8 September 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' and is a Qualified Person under the AIM Rules. 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 Warries. Mr Warries 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 and is a Qualified Person under the AIM Rules. Mr Warries gives Atlantic Lithium Limited consent to use this reserve estimate in reports.

Significant Events After Reporting Date

Apart from the matters identified elsewhere in this Directors Report and the Half-Year Financial Report, the Directors are not aware of any other matter or circumstance that has arisen since 31 December 2023 that has significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company.

Signed in accordance with a resolution of the Board of Directors:

Neil Herbert

Executive Chairman

15 March 2024

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 for the review of Atlantic Lithium Limited for the half-year ended 31 December 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 review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.

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

Gareth Few

Gareth Few
Director

BDO Audit Pty Ltd

Sydney, 15 March 2024

Condensed Consolidated Statement of Profit or Loss and other Comprehensive Income

For the half-year ended 31 December 2023

	Notes	31 December 2023 $	31 December 2022 $
Income			
Profit from sale of tenement	8	10,000	-
Expenses			
Administration		(478,338)	(334,737)
Broker and Investor Relations		(154,145)	(268,457)
Consulting		(588,434)	(33,406)
Depreciation		(23,579)	(11,486)
Employee benefits		(954,895)	(902,822)
Exploration costs written off		(5,817)	(949)
Legal		(337,497)	(146,875)
Marketing and Conferences		(440,847)	(373,732)
Regulatory and Compliance		(189,073)	(139,575)
Share based payments		(2,163,433)	(1,067,144)
Travel		(531,014)	(385,022)
Unrealised foreign exchange gain/(losses)		294,886	(215,744)
Loss on transfer of proceeds from financial assets	6	(247,458)	-
Loss before income tax		**(5,809,644)**	**(3,879,949)**
Income tax expense	4	(96,740)	(539,594)
Loss for the period		**(5,906,384)**	**(4,419,543)**
Other comprehensive income (loss)			
Items that may be reclassified to profit or loss			
Exchange differences on translation of foreign operations		(1,630,331)	(70,054)
Items that will not be reclassified to profit or loss			
Change in fair value of financial assets		317,217	(55,000)
Income Tax relating to change in fair value of financial assets		(62,516)	16,500
Total comprehensive loss for the period attributable to the owners of Atlantic Lithium Limited		**(7,282,014)**	**(4,528,097)**

Loss per share		**Cents per share**	**Cents per share**
Basic loss per share	2	(1.0)	(0.7)
Diluted loss per share	2	(1.0)	(0.7)

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

Condensed Consolidated Statement of Financial Position

As at 31 December 2023

	Notes	31 December 2023 $	30 June 2023 $
Current assets			
Cash and cash equivalents		9,663,830	15,345,917
Other receivables	5	4,523,038	1,600,965
Other current assets		670,588	492,402
Total current assets		**14,857,456**	**17,439,284**
Non-current assets			
Other financial assets	6	979,614	763,508
Property, plant and equipment	7	665,038	534,036
Exploration and evaluation assets	8	19,689,116	18,034,331
Right of Use Asset		662,497	-
Total non-current assets		**21,996,265**	**19,331,875**
Total assets		**36,853,721**	**36,771,159**
Current liabilities			
Trade and other payables	9	3,054,166	6,180,951
Provision for annual leave		344,201	310,985
Total current liabilities		**3,398,367**	**6,491,936**
Non-current liabilities			
Provision for Long Service Leave		65,667	61,855
Lease Liability		662,497	-
Total non-current liabilities		**728,164**	**61,855**
Total liabilities		**4,126,531**	**6,553,791**
Net assets		**32,727,190**	**30,217,368**
Equity			
Issued capital	10	137,501,424	129,873,021
Reserves		(4,598,027)	(5,385,830)
Accumulated losses		(100,176,207)	(94,269,823)
Total equity attributable to owners of Atlantic Lithium Limited		**32,727,190**	**30,217,368**

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

Condensed Consolidated Statement of Changes in Equity

For the half-year ended 31 December 2023

	Issued Capital $	Accumulated Losses $	Share Based Payments Reserve $	Foreign Currency Translation Reserve $	Financial Asset Revaluation Reserve $	Demerger Reserve $	Total Equity $
Balance at 1 July 2023	**129,873,021**	**(94,269,823)**	**29,289,734**	**(5,935,944)**	**182,322**	**(28,921,942)**	**30,217,368**
Loss for the period	-	(5,906,384)	-	-	-	-	(5,906,384)
Other comprehensive income	-	-	-	(1,630,331)	254,701	-	(1,375,630)
Total comprehensive income for the period	-	(5,906,384)	-	(1,630,331)	254,701	-	(7,282,014)
Transactions with owners in their capacity as owners							
Shares issued during the period	8,000,000	-	-	-	-	-	8,000,000
Share issue costs	(371,597)	-	-	-	-	-	(371,597)
Share based payments	-	-	2,163,433	-	-	-	2,163,433
Balance at 31 December 2023	**137,501,424**	**(100,176,207)**	**31,453,167**	**(7,566,275)**	**437,023**	**(28,921,942)**	**32,727,190**
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 period	-	(4,419,543)	-	-	-	-	(4,419,543)
Other comprehensive income	-	-	-	(70,054)	(38,500)	-	(108,554)
Total comprehensive income for the period	-	(4,419,543)	-	(70,054)	(38,500)	-	(4,528,097)
Transactions with owners in their capacity as owners							
Share issued during the period	4,625,514	-	-	-	-	-	4,625,514
Shares issue costs	(1,220,554)	-	-	-	-	-	(1,220,554)
Share based payments	-	-	1,067,144	-	-	-	1,067,144
Balance at 31 December 2022	**129,873,020**	**(86,501,749)**	**26,812,850**	**(7,138,714)**	**471,085**	**(28,794,153)**	**34,722,339**

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

Condensed Consolidated Statement of Cash Flows

For the half-year ended 31 December 2023

	Notes	31 December 2023 $	31 December 2022 $
Cash flows from operating activities			
Payments to suppliers and employees (including GST)		(6,446,695)	(3,922,808)
Other Income		10,000	-
Net cash flows used in operating activities	13	**(6,436,695)**	**(3,922,808)**
Cash flows from investing activities			
Refund of security deposits		2,500	500
Investment in term deposits		(153,846)	-
Purchase of property, plant and equipment		(289,981)	(269,366)
Piedmont contributions from farm-in arrangement		6,884,084	8,655,957
Payments for exploration and evaluation assets		(13,314,087)	(11,932,015)
Net cash flows used in investing activities		**(6,871,330)**	**(3,544,924)**
Cash flows from financing activities			
Proceeds from the issue of shares	10	8,000,000	4,625,514
Transactions costs on the issue of shares		(475,853)	(1,675,681)
Net cash flows from financing activities		**7,524,147**	**2,949,833**
Net decrease in cash and cash equivalents		(5,783,878)	(4,517,899)
Cash and cash equivalents at the beginning of the period		15,345,917	23,881,650
Net foreign exchange impact		101,791	(312,328)
Cash and cash equivalents at the end of the period		**9,663,830**	**19,051,423**

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

Note 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 condensed consolidated financial statements of the Company and its subsidiaries (together referred to as the Group) for the half-year ended 31 December 2023.

The financial report was authorised for issue in accordance with a resolution of the Directors on 15 March 2024.

Statement of Compliance

This half-year financial report is a general purpose condensed financial report prepared in accordance with the Corporations Act 2001 and AASB 134 Interim Financial Reporting. Compliance with AASB 134 ensures compliance with the International Financial Reporting Standard IAS 34 Interim Financial Reporting.

This financial report does not include all the notes normally included within the annual financial report and should be read in conjunction with the 30 June 2023 financial report of Atlantic Lithium Limited and any public announcements made by the Company during the half-year in accordance with the continuous disclosure requirements of the Corporations Act 2001 and the ASX Listing Rules.

Basis of Preparation

This half-year financial report has been prepared on the basis of historical cost, except for the revaluation of certain financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars.

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the Group's annual report for the financial year ended 30 June 2023. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

Going Concern

The half-year financial report has 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 period ended 31 December 2023, the Group generated a loss of $5,906,384 and incurred operating cash outflows of $6,436,695. As at 31 December 2023, the Group had cash and cash equivalents of $9,663,830 and net assets of $32,727,190. The Directors note the following with regards to the ability of the Group to continue as a going concern:

- The Ewoyaa Lithium Project is being funded under an earn-in agreement with Piedmont Lithium Inc whereby Piedmont will earn up to 50% of the Company's interest in the Project by sole funding US$17.0m towards studies and exploration (fully utilised as at the date of this report) and US$70.0m towards mine development expenditure for the Project, with any additional development expenditure for the Project shared equally between the Company and Piedmont. On completion of Stage 3 of the agreement, which includes the Project achieving initial spodumene concentrate production, Piedmont will earn the rights to 50% of the total spodumene concentrate produced at Ewoyaa at market rates.
- Atlantic Lithium has agreed non-binding Heads of Terms with the Minerals Income Investment Fund of Ghana ("MIIF") to invest an initial US$27.9 million to acquire a 6% contributing interest in the Company's Ghana Portfolio. Following this initial investment, MIIF will also make ongoing contributions through monthly cash calls as the Project develops. The proposed investment will support the development of the Project and the broader Cape Coast Lithium Portfolio in Ghana. Subsequent to the end of the reporting period, MIIF subscribed for 19,245,574 shares in Atlantic 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.

New or Amended Accounting Standards and Interpretations Adopted

The consolidated entity has adopted all the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. The adoption of these new or amended accountings standards did not have a significant impact on the disclosures or amounts recognised in the Group's consolidated financial statements.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Note 2: Loss Per Share

	31 December 2023 $	31 December 2022 $
Loss		
Loss attributable to the owners of Atlantic Lithium Limited, used in the calculation of basic and diluted loss per share	(5,906,384)	(4,419,543)

	31 December 2023 Number of Shares	31 December 2022 Number of Shares
Weighted average number of shares		
Weighted average number of ordinary shares outstanding during the period, used in the calculation of basic and diluted loss per share	606,635,848	596,737,835

	31 December 2023 Cents per share	31 December 2022 Cents per share
Basic and diluted loss per share	(1.0)	(0.7)

Note 3: 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 (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 of the geographic locations of non-current assets. Assets are allocated based on the location of the operation to which they relate.

	31 December 2023 $	30 June 2023 $
Australia	792,479	54,452
Ivory Coast	72,956	73,747
Ghana	20,151,216	18,440,168
	21,016,651	**18,568,367**

Note 4: Income Tax

	31 December 2023 $	31 December 2022 $
Income tax recognised outside of profit or loss		
Deferred tax credited directly to equity	(159,256)	(523,094)
Deferred tax debited/(credited) to financial assets revaluation reserve	62,516	(16,500)
	(96,740)	**(539,594)**
Reconciliation between loss before income tax and income tax expense		
Loss before income tax	(5,809,644)	(3,879,949)
Prima facie tax on loss before income tax at 30% (2022: 30%)	(1,742,893)	(1,163,985)
Add tax effect of:		
Share based payments	649,030	320,143
Tax losses derecognised	1,878,724	1,128,356
Movement in temporary differences derecognised	(688,872)	239,060
Other	751	16,020
Income tax expense	**96,740**	**539,594**

Note 5: Other Receivables

	31 December 2023 $	30 June 2023 $
Piedmont farm in contributions receivable	4,060,585	1,141,881
Other receivables	462,453	459,084
	4,523,038	**1,600,965**

Note 6: Other Finance Assets

	31 December 2023 $	30 June 2023 $
Security deposits	1,000	6,000
Term Deposit	153,846	-
Investment in shares at fair value through other comprehensive income		
Australasian Metals Limited	699,764	632,500
Auburn Resources Limited	125,000	125,000
Other	4	8
	979,614	**763,508**

During the period the Group disposed of 1,383,740 shares in Australasian Metals Limited for a total consideration of $247,458 (net of selling costs). As previously disclosed, the proceeds from the disposal of 50% of the shares held as at 30 June 2023 was payable to Ricca Resources Limited (Ricca). The disposal of these shares during the current period was done at the request of Ricca and accordingly all proceeds received, net of selling costs, were transferred to Ricca and a loss on disposal was recognised by the Group. Refer note 12 for details of how proceeds from the disposal of the remaining shares will be shared with Ricca.

The investments in shares are categorised into level 1 to 3 based on the degree to which the fair value inputs are measurable. Further details about these levels are disclosed in the Group's annual report for the financial year ended 30 June 2023. There were no transfers between level 1, level 2, or level 3 during the current period.

Note 7: Property, Plant and Equipment

	Motor Vehicle $	Plant & Equipment $	Office Equipment $	Software $	Total $
Balance as at 1 July 2023	**479,585**	**2,462**	**51,989**	**-**	**534,036**
Effect of foreign exchange on opening balances	(12,602)	-	-	-	(12,602)
Additions	96,549		112,519	31,962	241,030
Depreciation capitalised to exploration and evaluation	(72,593)		(1,254)		(73,847)
Depreciation expense	-	(840)	(20,133)	(2,606)	(23,579)
Balance as at 31 December 2023	**490,939**	**1,622**	**143,121**	**29,356**	**665,038**
Cost	780,500	75,554	208,487	31,962	1,096,503
Accumulated depreciation	(289,561)	(73,932)	(65,366)	(2,606)	(431,465)
Balance as at 31 December 2023	**490,939**	**1,622**	**143,121**	**29,356**	**665,038**

Note 8: Exploration and Evaluation Assets

	31 December 2023 $
Balance as at 1 July 2023	**18,034,331**
Effect of movement in foreign exchange rates	(1,079,182)
Additions	11,582,211
Piedmont receipts from farm-in arrangements	(8,848,244)
Balance as at 31 December 2023	**19,689,116**

During the period, the Company disposed of two tenements in Australia for $10,000. The carrying amount of the exploration and evaluation assets associated with these tenements was $nil and a profit on sale of $10,000 was recognised.

Note 9: Trade and Other Payables

	31 December 2023 $	30 June 2023 $
Trade payables	2,242,157	2,126,830
Sundry payables and accrued expenses	698,695	3,942,938
Employee benefits	113,314	111,183
	3,054,166	**6,180,951**

Note 10: Issued Capital

(a) Fully paid ordinary share capital

	31 December 2023 No. of Shares	31 December 2023 $
Balance as at 1 July 2023	**605,741,660**	**129,873,021**
Institutional placement	18,181,819	8,000,000
Share issue costs (net of tax)	-	371,597
Balance as at 31 December 2023	**623,923,479**	**137,501,424**
Shares funded by limited recourse loan (refer below)	6,500,000	-
	630,423,479	**137,501,424**

(b) Employee and director options

As at 31 December 2023, the Company has 32,650,000 options on issue (30 June 2023: 60,000,000). During the period, 4,650,000 options were granted under the Employee Share Option Plan (refer note 11 for further details), 23,000,000 options lapsed and 6,000,000 options cancelled/forfeited. A further 3,000,000 ordinary shares were issued on exercise of 3,000,000 options and have been accounted for as in-substance options.

(c) In-substance options

As at 31 December 2023, the Company has 6,500,000 in-substance options on issue (30 June 2023: 3,500,000). Refer note 11 for further details about the 3,000,000 in-substance options granted during the period.

(d) Performance rights

As at 31 December 2023, the Company has 9,298,935 performance rights on issue (30 June 2023: 2,700,000). All performance rights on issue as at 30 June 2023 lapsed during the period as the maturity price conditions were not met prior to the maturity date of 18 August 2023. Refer note 11 for further details about the 9,298,935 performance rights granted during the period.

Note 11: Share Based Payments

(a) Options Plans

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

Grant date	30 Aug 2023
Vesting date	30 Aug 2023
Expiry date	31 Aug 2025
Number of options granted	4,650,000
Exercise price	£0.30
Share price	£0.21
Risk free interest rate	4.89%
Volatility	83.73%
Fair value per option	£0.078
	$716,014

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

(b) In-Substance Options

On 18 August 2023 the Company provided a limited recourse loan to fund the exercise of 3,000,000 options at an exercise price of £0.30. The in-substance options vested on grant date (18 August 2023). They have an expiry date of 18 August 2024 and can be exercised at any time 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 expire 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 on 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	18 Aug 2023	18 Aug 2023
Vesting date	18 Aug 2023	18 Aug 2023
Expiry date	19 Aug 2023	18 Aug 2024
Exercise price	£0.30	£0.30
Share price	£0.21	£0.21
Risk free interest rate	5.01%	5.01%
Volatility	90.43%	90.43%
Fair value per option	£0.000	£0.052
	$0	$309,782
Increase in fair value		£0.052
		$309,782

(c) Performance Rights

On 27 December 2023, the Company granted 9,298,935 performance rights to certain executives.

The table below sets out the key terms for each tranche granted, along with the valuation methodology and key inputs used to determine the fair value of each tranche of performance rights granted. The performance rights will only vest if the predetermined performance targets are met over the measurement periods set out below. The service period for all tranches is 12 months, being 31 July 2023 to 30 July 2024. As the service period for the FY25 PRs and FY26 PRs is shorter than the measurement period, the performance conditions for these tranches are non-vesting conditions and are taken into account when estimating fair value.

Note 11: Share Based Payments (Cont.)

(c) Performance Rights (Cont.)

Tranche	FY24 PR – TSR	FY24 PR - Mining Lease	FY25 PR – TSR
Performance condition	TSR [1]	Grant of the Mining Lease	TSR [1]
Valuation methodology	Monte Carlo	Black-Scholes	Monte Carlo
Grant date	27 Dec 2023	27 Dec 2023	27 Dec 2023
Vesting date	30 Jul 2024	30 Jul 2024	30 Jul 2025
Measurement period	31 Jul 2023 to 30 Jul 2024	31 Jul 2023 to 30 Jul 2024	31 Jul 2023 to 30 Jul 2025
Expiry date	27 Dec 2038	27 Dec 2038	27 Dec 2038
Number of performance rights granted	1,718,842	859,421	2,154,282
Exercise price	$0.00	$0.00	$0.00
Share price	$0.40	$0.40	$0.40
Risk free interest rate	3.97%	3.97%	3.97%
Volatility	86.60%	86.60%	86.60%
Fair value per performance right	$0.21	$0.40	$0.24

Tranche	FY25 PR - Mining Permit	FY26 PR – TSR	FY26 PR - Mining Permit
Performance condition	Receipt of Mine Operating Permit	TSR [1]	Receipt of Mine Operating Permit
Valuation methodology	Black-Scholes	Monte Carlo	Black-Scholes
Grant date	27 Dec 2023	27 Dec 2023	27 Dec 2023
Vesting date	30 Jul 2025	30 Jul 2026	30 Jul 2026
Measurement period	31 Jul 2023 to 30 Jul 2025	31 Jul 2023 to 30 Jul 2026	31 Jul 2023 to 30 Jul 2026
Expiry date	27 Dec 2038	27 Dec 2038	27 Dec 2038
Number of performance rights granted	1,077,141	2,326,166	1,163,083
Exercise price	$0.00	$0.00	$0.00
Share price	$0.40	$0.40	$0.40
Risk free interest rate	3.97%	3.97%	3.97%
Volatility	86.60%	86.60%	86.60%
Fair value per performance right	$0.40	$0.27	$0.40

[1]TSR means absolute Total Shareholder Return (TSR) Compound Annual Growth Rate (CAGR) over the measurement period.

Note 12: Changes to Contingent Liabilities

As at 30 June 2023 the Group owned 5,500,000 shares in Australasian Metals Limited ("Australasian") with a market value of $632,5000. As reported, if the company were to dispose all or any of this investment, then 50% of the consideration is payable to Ricca Resources Limited within 10 days of the disposal.

During the current financial period, 1,383,740 shares in Australasian were disposed of and all proceeds were transferred to Ricca. As a result of this request for sale the arrangement has changed from an entitlement of 50% of the proceeds from sale to an entitlement in the underlying equity instruments of which Ricca are now entitled to 1,366,260 shares of A8G.

Note 13: Reconciliation of Loss after Income Tax to Net Cash Flows used in Operating Activities

	31 December 2023 $	31 December 2022 $
Loss after income tax	(5,906,384)	(4,419,542)
Non-cash operating items		
- Loss on sale of financial asset	252,457	-
- Depreciation	23,579	11,486
- Share based payments	2,163,433	1,067,144
- Unrealised foreign exchange losses (gains)	(289,432)	211,621
Changes in operating assets and liabilities		
Increase in trade and other receivables	(787,030)	(40,254)
Increase in other current assets	(129,235)	(53,077)
Decrease in trade and other payables	(1,860,823)	(1,239,780)
Change in Deferred Tax	96,740	539,594
Net cash flows used in operating activities	**(6,436,695)**	**(3,922,808)**

Note 14: Subsequent Events

On 24 January 2024, 19,245,574 ordinary shares were issued by the Company to the Minerals Income Investment Fund of Ghana (MIIF) at a price of $0.39 (US$0.2598) per share. Total proceeds received were $7.6 million (US$5 million).

On 24 January 2024, 9,622,787 unlisted options were granted by the Company to MIIF with an exercise price of US$0.3637 and an expiry date of 23 July 2025.

On 5 February 2024, 450,000 options that had been granted under Employee Share Option Plan lapsed unexercised due to the recipient ceasing employment with the Group.

There have been no other events since the end of the half year that impact the financial report as at 31 December 2023.

Directors' Declaration

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

1. The attached half-year financial report and notes of the consolidated entity are in accordance with the Corporations Act 2001, including:

   a) Giving a true and fair view of the financial position as at 31 December 2023 and the performance for the half-year ended on that date of the consolidated entity; and

   b) Complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001.

2. There are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

On behalf of the Board

Neil Herbert

Executive Chairman

15 March 2024

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 REVIEW REPORT

To the members of Atlantic Lithium Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Atlantic Lithium Limited (the Company) and its subsidiaries (the Group), which comprises the condensed consolidated statement of financial position as at 31 December 2023, the condensed consolidated statement of profit or loss and other comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the half-year ended on that date, material accounting policy information and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the Group does not comply with the *Corporations Act 2001* including:

(i) Giving a true and fair view of the Group's financial position as at 31 December 2023 and of its financial performance for the half-year ended on that date; and

(ii) Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of 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 the audit of the annual 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 the same terms if given to the directors as at the time of this auditor's review report.

Material uncertainty relating to going concern

We draw attention to Note 1 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 conclusion is not modified in respect of this matter.

Responsibility of the directors for the financial report

The directors of the company are responsible for the preparation of the half-year 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 half-year financial report that is true and fair and is free from material misstatement, whether due to fraud or error.

Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the Corporations Act 2001 including giving a true and fair view of the Group's financial position as at 31 December 2023 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

BDO Audit Pty Ltd

BDO

Gareth Few

Gareth Few
Director

Sydney, 15 March 2024