



7 May 2026

Atlantic Lithium Enters into a Binding Scheme Implementation Deed with Zhejiang Huayou Cobalt

Atlantic Lithium Limited (AIM: ALL, ASX: A11, GSE: ALLGH, "**Atlantic Lithium**" or the "**Company**"), the Africa-focused lithium exploration and development company, is pleased to announce it has entered into a binding Scheme Implementation Deed ("**SID**") with Zhejiang Huayou Cobalt Co., Limited ("**Huayou**"), under which it is proposed that Huayou will acquire all of the issued shares in Atlantic Lithium by way of an Australian scheme of arrangement for cash consideration of US\$0.25486 per share (A\$0.354 per share / £0.188 per share)¹ ("**Scheme Consideration**") (the "**Scheme**" or "**Transaction**").

Transaction Highlights

- The all-cash Scheme Consideration values Atlantic Lithium at approximately US\$210 million² (approximately A\$292 million and £155 million) and represents a 26.6% premium³ to Atlantic Lithium's last close of A\$0.280 per share⁴ and a 21.8% premium³ to Atlantic Lithium's 30-day volume weighted average price ("**VWAP**") of A\$0.291 (£0.154) per share⁵.
- Transaction with a leading participant in the new energy materials industry validates the Company's flagship Ewoyaa Lithium Project (the "**Project**") and the potential of its exploration tenure within Ghana and Côte d'Ivoire.
- The Board of Atlantic Lithium has determined that the Scheme provides Atlantic Lithium shareholders with the most attractive, certain, and accelerated realisation of value on a risk-adjusted basis versus other strategic alternatives.
- Atlantic Lithium's Directors unanimously recommend that shareholders vote in favour of the Scheme, in the absence of a superior proposal and subject to an independent expert concluding (and continuing to conclude) that the Scheme is in the best interests of Atlantic Lithium shareholders⁶.
- Subject to the qualifications noted above, the Atlantic Lithium Directors intend to vote, or cause to be voted, all Atlantic Lithium shares in which they have a relevant interest at the time of the Scheme Meeting in favour of the Scheme, which as at the date of this announcement represents approximately 1.8% of the Company's issued shares^{6,7}.
- Atlantic Lithium's largest shareholder, Assore International Holdings Limited ("**Assore**"), which holds ~26.4%⁷ of the

Company's issued shares as at the date of this announcement, has confirmed to Atlantic Lithium that it intends to vote all Atlantic Lithium shares held or controlled by Assore at the time of the Scheme Meeting in favour of the Scheme, subject to there not being a superior proposal and subject to an independent expert concluding that the Scheme is in the best interests of Atlantic Lithium shareholders (and not changing that conclusion).

- The Transaction is subject to customary and other conditions including approval by Atlantic Lithium shareholders at a meeting of shareholders called to vote on the Scheme ("**Scheme Meeting**"), which is expected to be held in November 2026.

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

"The Atlantic Lithium Board has undertaken a detailed evaluation of its strategic options in relation to maximising shareholder value assessed on a risk-adjusted basis and concluded that the Huayou proposal offers an attractive proposition for Atlantic Lithium shareholders, particularly when considered amid ongoing lithium price volatility, complex jurisdictional challenges and against the timing and execution risks attached to financing, developing and operating the Ewoyaa Lithium Project under the Project's current joint venture arrangements.

"Huayou's proposal acknowledges Ewoyaa as a highly attractive hard rock lithium asset capable of serving the growing global electric vehicle and energy storage markets. We welcome the endorsement of the Company's major shareholder, Assore, towards the Transaction, which is intended to facilitate a clearer direction for the Project towards the achievement of first production of lithium. In doing so, the Transaction is expected to accelerate the delivery of the substantial benefits anticipated for Ghana through the construction and operation of the Project, including, notably, the socio-economic development of the Project's host communities.

"I would like to thank Huayou for their professionalism throughout the process and in arriving at this commercial outcome. My sincere gratitude also to the Atlantic Lithium team for their efforts in driving the Company forward to this point and to the Company's shareholders for their long-standing support.

"We look forward to working with Huayou to satisfy the conditions precedent, with a view to closing the Transaction in late 2026."

Chen Hongliang, Chairman and President of Huayou, commented:

"Following a detailed due diligence process and significant engagement with Atlantic Lithium, Huayou is very pleased to announce this Transaction today.

"We look forward to working with Atlantic Lithium to complete the Transaction and engaging with the Government of Ghana ahead of planned development activities at the Ewoyaa Lithium Project in the near-term. The acquisition of the Ewoyaa Lithium Project complements our existing battery metal mining operations in Africa and represents a logical transaction for Huayou as we continue to build a new energy materials business."

Authorised for release by the Board of Directors of Atlantic Lithium Limited.

This announcement contains inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) 596/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 ("MAR"), and is disclosed in accordance with the Company's obligations under Article 17 of MAR.

Transaction Overview

Atlantic Lithium is pleased to announce that it has entered into the SID with Huayou, under which it is proposed that Huayou will acquire all the shares in Atlantic Lithium by way of the Scheme. The Scheme is subject to shareholder and Court approval in accordance with Part 5.1 of the *Corporations Act 2001* (Cth) ("**Corporations Act**").

Under the terms of the Scheme, Atlantic Lithium shareholders will receive cash consideration of US\$0.25486 per share (A\$0.354 per share / £0.188 per share)¹. The Scheme Consideration values the fully diluted equity of Atlantic Lithium at approximately US\$210 million² (approximately A\$292 million and £155 million) and represents a premium³ of:

- 26.6% to Atlantic Lithium's last closing price of A\$0.280 per share⁴ on 6 May 2026; and
- 21.8% to Atlantic Lithium's 30-day VWAP of A\$0.291 (£0.154) per share⁵ up to and including 6 May 2026.

The Scheme is subject to certain conditions, including:

- An independent expert concluding (and continuing to conclude) that the Scheme is in the best interests of Atlantic Lithium shareholders;
- Approval by Atlantic Lithium shareholders at the Scheme Meeting. For the Scheme to proceed, the resolutions at the Scheme Meeting must be approved by at least 75% of all votes cast by Atlantic Lithium shareholders and a majority by number of all Atlantic Lithium shareholders present and voting (in person or by proxy) at the Scheme Meeting;
- Receipt of certain regulatory approvals (including from the Australian Foreign Investment Review Board, certain People's Republic of China ("**PRC**") regulators and the ECOWAS Regional Competition Authority⁸);
- No Material Adverse Change, Regulated Events or Prescribed Occurrences occurring in respect of Atlantic Lithium (as defined in the SID);
- All necessary waivers, exemptions and clearances in respect of the mandatory takeover requirements under the SEC Code on Takeovers and Mergers (as issued by the Ghana Securities and Exchange Commission) to implement the Transaction;
- Receipt of a private ruling from the Commissioner-General of the Ghana Revenue Authority;
- Completion of certain transactions relating to the Company's subsidiary, Barari DV Ghana Limited;
- Court approvals; and
- Certain other customary conditions.

The Scheme is not subject to financing or due diligence conditions. The SID contains customary exclusivity provisions, including "no shop", "no talk" and "no due diligence", a notification obligation and a matching right in favour of Huayou (subject to Atlantic Lithium Directors' fiduciary obligations in the case of the "no talk" and "no due diligence" restrictions). The SID also details circumstances under which a break fee may be required to be paid by either of the parties.

Full details of the conditions to the Scheme, as well as the other terms that have been agreed, are set out in the SID, which can be found via the following link: http://www.rns-pdf.londonstockexchange.com/rns/3473D_1-2026-5-7.pdf

The Board of Atlantic Lithium has entered into this Transaction, in consultation with its advisers, after carefully assessing the valuation, funding, timing and execution certainty of the Transaction against other strategic options available to the Company. After considering the development risks, risk of raising project finance, joint venture arrangements, future shareholder dilution, and timeline associated with a standalone development of the Ewoyaa Lithium Project, the Board concluded that this Transaction represents the best outcome for Atlantic Lithium shareholders⁶.

Unanimous Board Recommendation and Largest Shareholder Support

Atlantic Lithium's Directors unanimously support the Scheme and have unanimously recommended that Atlantic Lithium shareholders vote in favour of the Scheme, in the absence of a superior proposal and subject to an independent expert concluding (and continuing to conclude) that the Scheme is in the best interests of Atlantic Lithium shareholders⁶.

Subject to those same qualifications, the Atlantic Lithium Directors, who collectively hold a relevant interest in approximately 14.2 million Atlantic Lithium shares (representing approximately 1.8% of the total issued shares)⁷, have confirmed that they each intend to vote (or to procure the voting of) all Atlantic Lithium shares in which they have a relevant interest at the time of the Scheme Meeting in favour of the Scheme⁶ (subject to the same qualifications set out above).

Atlantic Lithium's largest shareholder, Assore, which holds ~26.4%⁷ of the Company's issued capital as at the date of this announcement, has confirmed to Atlantic Lithium that it intends to vote all Atlantic Lithium shares held or controlled by Assore at the time of the Scheme Meeting in favour of the Scheme, subject to there not being a superior proposal and subject to an independent expert concluding that the Scheme is in the best interests of Atlantic Lithium shareholders (and not changing that conclusion).

Atlantic Lithium's Warrants and Performance Rights

The SID requires as a condition to the Scheme that all equity instruments (including performance rights and warrants) are cancelled or vested (subject to legal requirements), with the resulting Atlantic Lithium shares to be subject to the Scheme.

Further details of the terms and conditions relating to the unlisted warrants and performance rights are set out in the SID, which can be found via the following link: http://www.rns-pdf.londonstockexchange.com/rns/3473D_1-2026-5-7.pdf

Zhejiang Huayou Cobalt Co., Ltd Overview

Huayou mainly engages in the research and development, manufacturing and sales of lithium battery materials, energy metals and energy materials products. Huayou takes lithium battery materials business as its core, and energy metals and energy materials as new growth poles. It has built a new energy integrated industrial ecosystem on a global scale, covering the development of nickel, cobalt and lithium resources, green smelting and processing, the manufacturing of ternary precursors and cathode materials, and the recycling and utilisation of resources. Huayou is listed on the Shanghai Stock Exchange with a market capitalisation of approximately US\$18.45 billion. The company is headquartered in the Tongxiang Economic Development Zone of Zhejiang, China.

Huayou continues to execute on its proactive business development strategy to build a new energy materials business division, which includes the provision of significant investments in the lithium resources sector. Huayou acquired the Arcadia Lithium Project in Zimbabwe for US\$422 million in 2022. The lithium sulfate project was completed and put into trial production in the first quarter of 2026.

Indicative Timetable

Atlantic Lithium shareholders **do not need to take any action** in relation to the Scheme at this stage.

Subject to the Court convening the Scheme Meeting, Atlantic Lithium intends to distribute a Scheme Booklet to shareholders containing information in relation to the Scheme including reasons for the unanimous recommendation of Atlantic Lithium's Directors and an independent expert's report providing an assessment as to whether the Scheme is in the best interests of Atlantic Lithium shareholders, and other matters relevant to Atlantic Lithium shareholders, indicatively around late October 2026.

The Scheme Meeting of Atlantic Lithium shareholders to approve the Scheme is expected to be held in November 2026. Subject to the conditions of the Scheme being satisfied, or waived (as permitted), the Scheme is expected to be implemented in December 2026, at which time Atlantic Lithium shareholders would be provided with their Scheme Consideration.

An indicative timetable is set out below:

Event	Indicative Dates
First Court Hearing	October 2026
Scheme Booklet Despatched to Shareholders	October 2026
Scheme Meeting	November 2026
Second Court Hearing	December 2026
Effective Date	December 2026
Scheme Record Date	December 2026
Implementation Date	December 2026

All stated dates and times are indicative only, subject to Court availability and the satisfaction (or, if applicable, waiver) of the conditions to the Scheme, and subject to change. Any changes to the above timetable will be announced to AIM and ASX and will be available under Atlantic Lithium's profile on AIM and ASX.

Atlantic Lithium is currently listed and admitted to trading on ASX, AIM & GSE and subject to the Scheme becoming Effective, an application will be made to the relevant exchanges to delist on ASX and GSE and cancel the admission to trading of Atlantic Lithium depository interests on AIM.

The Scheme Booklet when available will contain further information for shareholders.

The Atlantic Lithium Board will keep the market informed of any material developments in accordance with its continuous disclosure requirements.

Advisers

Atlantic Lithium has appointed Canaccord Genuity as its financial adviser and HopgoodGanim Lawyers as its Australian legal adviser.

Huayou has appointed Herbert Smith Freehills Kramer as its Australian legal adviser.

Cautionary Statements and Disclaimer

Forward Looking Statements

This announcement contains certain statements and expressions of belief, expectation or opinion which contain 'forward-looking information', and which relate, inter alia, to feasibility studies, the Company's proposed strategy, plans, objectives, performance, outlook, cash flow, projections, targets, and Mineral Resources and Ore Reserves or to the expectations or intentions of the Company's directors.

Generally, this forward-looking information can be identified by the use of forward-looking terminology such as 'outlook', 'anticipate', 'project', 'target', 'likely', 'believe', 'estimate', 'expect', 'intend', 'may', 'would', 'could', 'should', 'scheduled', 'will', 'plan', 'forecast', 'evolve', and similar expressions. Persons reading the announcement are cautioned that such statements are only predictions, and that the Company's actual future results or performance may be materially different.

Forward-looking information is developed based on assumptions about such risks, uncertainties and other factors set out herein, including but not limited to general business, economic, competitive, political and social uncertainties; the actual results of current exploration and development activities; conclusions of economic, competitive, political and social uncertainties; conclusions of economic evaluations; changes in project parameters as plans continue to be refined; future prices of lithium; possible variations of ore grade or recovery rates; failure of equipment or processes to operate as anticipated; accident; labour disputes and other risks of the mining and exploration industry; and delays in obtaining government approvals or financing or in the completion of development activities.

This list is not exhaustive of the factors that may affect forward-looking information. These and other factors should be considered carefully, and readers should not place undue reliance on such forward-looking information.

Accordingly, you should not rely on any forward-looking statements and neither the Company nor SP Angel accept any obligation to disseminate any updates or revisions to such forward-looking statements. Any statement as to the past activities of the Company's directors should not be relied upon as being an indication of their future performance. Statements regarding plans with respect to the Company's mineral properties may contain forward-looking statements in relation to future matters that can be only made where the Company has a reasonable basis for making those statements.

Exchange Rates

This announcement considers the following exchange rates:

- USD/AUD: 0.719
- USD/GBP: 1.357
- GBP/AUD: 1.886

Footnotes

¹ Scheme Consideration of US\$210 million (implies Scheme Consideration of US\$0.25438 per share equivalent to £0.188 per share and A\$0.354 per share).

² Fully diluted equity value based on Scheme Consideration of US\$0.25438 per share and 801,503,291 ordinary shares, 10,000,000 warrants and 12,484,063 performance rights on issue and excluding Class A Warrants of 6,081,082.

³ For purposes of VWAP premium analysis, the calculated VWAP is a weighted average across both AIM and ASX trading; considered more representative of the underlying premium Atlantic Lithium shareholders are receiving.

⁴ As at 6 May 2026 as per ASX.

⁵ Volume weighted average price across AIM and ASX up to and including 6 May 2026.

⁶ The Atlantic Lithium board of directors hold, in aggregate, 14,205,977 Atlantic Lithium shares (Mr Keith Muller: 982,937, Ms Amanda Harsas: 4,500,000) (of which 2,500,000 are loan-funded), Mr Neil Herbert: 8,671,522 and Mr Jonathan Henry: 51,518). Mr Keith Muller, Mr Neil Herbert and Ms Amanda Harsas hold, in aggregate hold 8,223,731 performance rights (of which 1,876,404 have vested) and will (if not already vested and subject to the Scheme becoming effective and receipt of any necessary waivers or approvals) vest and become capable of exercise before the record date for the Scheme. Despite any personal interests in the outcome of the Scheme, the directors consider that given the importance of the Scheme and their obligations as directors, it is important and appropriate for them to provide a recommendation to shareholders in relation to the Scheme.

⁷ Quoted on an undiluted basis; assumes 801,503,291 ordinary shares on issue and is based on the share ownership as of the date of this announcement.

⁸ PRC approvals include the Ministry of Commerce or its local counterpart of the PRC, the National Development and Reform Commission or its local counterpart of the PRC and registration with the State Administration of Foreign Exchange ("SAFE") or a commercial bank entrusted or delegated by SAFE to handle foreign exchange registration and fund remittance.

For any further information, please contact:

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Notes to Editors:

About Atlantic Lithium

www.atlanticlithium.com.au

Atlantic Lithium is an AIM, ASX and GSE-listed lithium company advancing its flagship project, the Ewoyaa Lithium Project (the "Project"), a lithium spodumene pegmatite discovery in Ghana, through to production to become the country's first lithium-producing mine.

The Parliament of Ghana ratified the Mining Lease in respect of the Project in March 2026. The Project was granted an Environmental Protection Authority ("EPA") Permit in September 2024 and a Mine Operating Permit in October 2024.

The Company published a Definitive Feasibility Study in respect of the Project in July 2023. The Project is being developed under an earn-in agreement with Elevra Lithium Limited.

Atlantic Lithium holds a portfolio of lithium projects within 509km² and 771km² of granted and under-application tenure across Ghana and Côte d'Ivoire respectively, which, in addition to the Project, comprises significantly under-explored, highly prospective licences.

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