

3 April 2023

ABOUT ATLANTIC TIN

Atlantic Tin is a tin-focused mineral exploration and development company. Through its Achmmach Tin Project, Atlantic Tin controls one of the highest grade and largest new sources of tin supply globally, and one of the few sources of large-scale mechanised tin production in a low risk-jurisdiction.

The company (75%) and its Joint Venture partners, Toyota Tsusho Corp (20%) and Nittetsu Mining Co. (5%), are advancing the Achmmach tin project towards production in the Kingdom of Morocco.

PROJECTS

Achmmach Tin Project
Bou El Jaj Tin Project

CAPITAL STRUCTURE

Shares on Issue: 327m
Unlisted Rights: 5m

MAJOR SHAREHOLDERS

Pala Investments 71.4%
African Lion Group 4.1%

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Atlantic Tin Prepares for Achmmach Development

Highlights

- Board strengthened with experience for funding and development of the project.
- A\$3.5 million funding secured to undertake project development, funding and working capital.
- Ongoing project review identifies further optimisation initiatives to reduce and phase upfront capital.
- Mine design and processing flow sheet further improved allowing for modular design.
- Public market transaction (subject to market conditions) targeted for late 2023/ early 2024.

Commenting on these updates, Managing Director, Mr Evan Spencer said:

“This is an exciting time for Atlantic Tin. Substantial project optimisation and value-add has been completed since the release of the DFS for Achmmach Tin Project in 2018. We are now in a position to advance a much improved and de-risked project. Achmmach remains the most advanced greenfield tin project in the world and best place to address the tin supply shortage the growing demands. With a high grade, large resource and a strategic location facing European and the Atlantic Basin markets, we are confident that the Achmmach Tin Project is well positioned to become an important platform for reliable, conflict-free and low carbon tin supply.”

For and on behalf of the Board of Directors.

For further information, contact Pradeep Subramaniam, Company Secretary at info@atlantictin.com.au.

Atlantic Tin Ltd

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Atlantic Tin Ltd (“**Atlantic Tin**” or the “**Company**”) is pleased to provide an update on its strategy for 2023.

Background

The Company owns 75% of the Achmmach Tin Project in Morocco with its joint venture partners Toyota Tsusho Corporation (20%) and Nittetsu Mining Co Ltd (5%) holding the remaining interest.

- **Key highlights of the Achmmach Tin Project, a world-class, construction ready tin asset in Morocco**
 - High-grade asset with 22.7Mt in M&I resources at 0.70% tin, supporting an estimated >20-year mine life
 - Targeted to be in the first quartile of the cost curve and ongoing project review identifies optimisation initiatives to reduce upfront capital to <\$100m
 - Longer-term strategy to become a strategic, vertically integrated, low carbon tin producer supplying the electronic-driven economies in EMEA and North America

In July 2018 a Definitive Feasibility Study (“2018 DFS”) was announced. During the Covid-19 pandemic, development activities were slowed whilst continuing to evaluate optimisation opportunities and meeting all of its in-country obligations. During that time, Atlantic Tin advanced significant project enhancements, including increasing its JORC resource potentially more than doubling its mine life, addition of dry stack tailings substantially reducing water consumption, and a shift to modular design both substantially reducing project footprint, construction risk and allowing for phased development. Following these enhancements, the Company is continuing to advance the project to a development decision.

Atlantic Tin - Developing A Strategic Tin Platform Supply Advanced Manufacturing Value Chains

The Company proposed to change its name from Kasbah Resources Limited to Atlantic Tin Ltd at the 2022 Annual General Meeting to better reflect its dominant business purpose and strategy. Shareholders voted overwhelmingly with 99.7% in favour of this change.

With a new brand and fresh identity, the Company aims to create a strategic platform and become the preferred tin supplier for advanced manufacturing value chains. Through a world class resource base, unparalleled access to renewable energy and excellent logistics into European and other markets, Atlantic Tin is strategically positioned to become a platform for reliable, conflict-free and low carbon tin supply.

Board Changes

In February, Atlantic Tin announced changes to the board, welcoming Mr Stephen Withnell and Mr Stephen Gill as non-executive directors.

Mr Stephen Withnell is a former Managing Director of Goldman Sachs and has over 20 years’ experience in international capital markets and corporate finance, with an extensive track record in natural resources. He joined Goldman Sachs from Citigroup in 2006 and retired in 2019, having been Head of Metals & Mining Investment Banking for Europe, the Middle East and Africa. Mr Withnell is an Hon. Professor in Economics & Finance at Durham University Business School and a non-executive director of European Metal Recycling (EMR), a global leader in the provision of sustainable materials.



Mr Stephen Gill is Managing Partner of Pala Investments (Pala), the Company's cornerstone shareholder, where he oversees the investment activities of the firm, including private equity and debt investments, in addition to the firm's trading strategies. Prior to Pala, Mr Gill worked with Amec advising industrial and natural resources companies on corporate transactions and environmental regulatory matters, including the IPO of the Kazakh state oil company and on and venture capital for Recovco, an aluminium recycling technology company.

On 1 April 2023, the Company also welcomed Mrs Maha Daoudi as a non-executive director, an exceptionally experienced Moroccan executive with extensive networks in country and globally and over 20 years' experience in commodities' projects management, trading and financing. Formerly she was a member of the Metal's Management Committee and Global Head of Copper Concentrate trading at Trafigura. She also held various management roles with Managem in project development, marketing and set up the company's trading arm Manatrade, based in Switzerland.

The experience and expertise of Mrs Daoudi, Mr Withnell and Mr Gill will complement the existing board members, while strengthening momentum towards the development and funding of the Achmmach Tin Project.

Following Mr Gill's appointment as a non-executive director, the Board appointed him as non-executive chairperson, replacing Mr Evan Spencer, who has been Executive Chairman since December 2019. The appointment of a non-executive chairperson underscores the Company's commitment to good governance principles. The change will enable Mr Spencer, as Chief Executive Officer of Atlantic Tn, to focus on delivering on the Company's strategic objectives.

Funding Secured to Execute Technical and Funding Activities

In March 2023, the Company executed a debt funding agreement with its cornerstone shareholder, Pala Investments, for a A\$3.5 million funding facility. The funding facility has a two-year maturity and will meet the Company's expenditure requirements to update its feasibility study with the initiatives discussed below, to complete a potential public market transaction and to meet working capital requirements.

The funding facility is a convertible loan, incurring interest at 12% per annum with a conversion price of \$0.15 cents per share. The Company has six months to obtain shareholder approval for the convertible loan, failing which the loan will incur interest at 15% per annum.

Achmmach Tin Project Optimisation

Over the last three years the Company has reviewed opportunities to address feedback from potential debt and equity partners whilst reducing costs and the development and operating risk of the project. Primarily, the Company is optimising the project in the following areas:

Processing

1. Processing Circuit

The Company identified opportunities to simplify and optimise the processing circuit which is expected to reduced power consumption, site earth works and the overall project footprint. In addition to the potential capital and operating costs reductions, it also has the benefit of having better environmental outcomes. In addition, along with the mine design, the Company is evaluating the potential for a phased approach to development to reduce the initial capital outlay, affording opportunity to development a staged approach to achieve the full production rate of the asset.

2. Dry Stack Tailings Management

The Company has recognised an opportunity to improve the tailings management practices for the project by changing from wet tailings to a dry-stack filter cake tailings management approach. This offers a variety of benefits in the design, operation and sustainability perspectives of the project and demonstrates best practices in tailings management. The Company has completed a PFS level study for a dry-stack tailings facility at the Achmmach Tin Project.

3. Modular Construction Philosophy

The Company is reviewing opportunities to introduce a modular arrangement for the process plant, reducing capital costs, reducing construction time and enhancing commissioning and operating confidence. A number of programs are ongoing to evaluate the appropriate design and equipment selection for a modular designed process plant.

Mining

1. Mine Design

Building on the outcomes of the 2018 DFS, a strategic review of the mine design identified an opportunity to reduce capital intensity by revising the stope extraction sequence which affords more variety of mining options, while reducing the upfront capital development in the underground mine.

2. 2021 Mineral Resource Estimate Update

In 2021, the Company announced an updated Mineral Resource Estimate for the main Meknes Trend, a 53% increase in the Measured and Indicated category tonnage to 22.4 million tonnes. This increase the Measured and Indicated category contained tin from 123kt to 156kt of contained tin, a 27% increase. This larger Mineral Resource Estimate offered the Company levers to study the potential to develop a life of mine plan that uses a variable cut-off grade over time to further maximise the life of mine, tin production and cashflow, materially enhancing the project's strategic value proposition.

The updated mine plan now includes material from the resource update, which was primarily halo mineralisation along strike, previously excluded from the 2013 Mineral Resource Estimate (MRE), as it used an artificially high cut-off grade. The 2021 MRE used a cut-off grade based on the 2018 DFS.

ESG

The project optimisations listed above have substantially improved the project's environmental profile, with significant reduction in water consumption, smaller footprint and strong focus on local procurement and labour.

The Company has commenced a process to update its ESG policies and procedures to be in-line with relevant best practices.

A key area of focus is to ensure that the Company's Environmental and Social Impact Assessment (obtained in 2014 and renewed in 2019 for five years) meets the requirements of relevant stakeholders, including those reasonably expected by potential debt and equity partners, such as development banks and export credit agencies, who continue to show interest in supporting the Achmmach Tin Project.

Permitting

The Company remains well positioned to make a development decision and believes that all relevant and material permits are in place.

The Mining License (license d'exploitation No.332912) for the Achmmach Tin Project was successfully renewed in 2022 for a further 10-year period to 17 January 2032. Once mining commences, the license is valid indefinitely until the resource is depleted.

The Environmental and Social Impact Assessment, which was initially prepared in 2014 was renewed for a five-year period in 2019.

The Company intends to complete the final design and proceed with construction approval of the Water Storage Dam during 2023, as it represents a long lead infrastructure development item. Furthermore, this would require construction approval, which demonstrates the Company's commitment and intent to bring the Achmmach Tin Project into development in the near-term.

2023 Strategy

With funding secured, new board members and a fresh identity, the Company will look to complete the incorporation of the various project enhancements achieved into an improved update to the 2018 DFS, and complete a number of other best practice and confidence building initiatives. These include completing the review of the mining and processing optimisation areas, the dry stack tailings facility, all at Feasibility Study level of work. In addition, the Company will progress the water storage dam permitting and construction and continue to take forward the ESG attributes of the project. Atlantic Tin has targeted the new Feasibility Study will be ready by Q3 2023.

In addition, following extensive review and consideration, the Company intends to complete a public market transaction, subject to market conditions, in 2023 to support the project financing activities for the development of the Achmmach Tin Project.

The Company also will aim to further strengthen its board and executive management team during 2023.

The Company remains open to a strategic partnership and/or sale of its interest in the project, should an appropriate offer be presented, including with parties where discussions are ongoing.