AllianceGlobalPartners
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Initiating Coverage
April 12, 2023
Battery Metals

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(NYSE: ATLX)

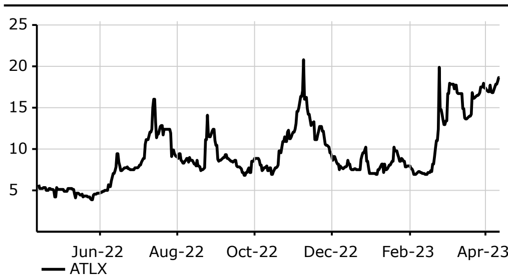
Price	$18.56
52 Week Range	($1.55 - $23.51)
Price Target	**$50.00**
Market Cap (mil)	$125.10
Shares out (mil)	6.74
3-Mo Avg Vol	455,618

Revenues ($ Millions)

Yr	2022A	2023E	2024E
	Actual	Curr	Curr
Mar	–	–	–
Jun	–	–	–
Sep	–	–	–
Mar	–	–	–
YEAR	–	–	–

EPS $

Yr	2022A	2023E	2024E
	Actual	Curr	Curr
Mar	–	(0.33)E	–
Jun	–	(0.43)E	–
Sep	–	(0.32)E	–
Mar	–	(0.39)E	–
YEAR	(1.00)A	(1.47)E	(1.29)E



Created by BlueMatrix

Atlas Lithium

Buy

Volatility: 5

Ready to (Hard) Rock the Lithium Space; Initiating at Buy

We are initiating coverage of Atlas Lithium with a Buy rating and $50.00 price target. We view Atlas as an emerging lithium producer with a cornerstone hard-rock lithium project in the heart of Mina Gerais, Brazil, which we believe is quickly becoming a hotbed of lithium exploration success. Given that the company's flagship project is at a pre-resource stage, we expect various value-unlocking activities to occur over the next year including the establishment of an initial resource estimate, Preliminary Economic Assessment (PEA), and the advancement of permitting activities. As such, we believe Atlas is at the early stages of the miners' value creation curve and believe shares are in line for a re-rating over the next year as the Minas Gerais Lithium Project (MGLP) is de-risked.

- **A major supply/demand imbalance appears to be looming in the lithium market.** In our view, the shift from ICE cars to EVs should result in demand far outpacing battery-grade supply of lithium over the next decade. Although the supply/demand imbalance is not expect to become meaningful until the second half of the 2020s, we expect the imbalance to increase drastically thereafter. Further, due to the advent of Direct Lithium Extraction (DLE) technologies that are unproven at scale, we believe current market supply forecasts may be overstated. Further, we believe end-users may prefer to partner with companies focused on proven lithium extraction technologies such traditional evaporation and hard-rock processing (Atlas). In short, we believe Atlas is well positioned to de-risk its cornerstone assets over the next few years and expect the project to come online just as the supply/demand imbalance in the lithium market begins to surface.
- **Focused on projects in the right zip code.** As mentioned, Atlas' land holdings are in a prolific lithium district in Mina Gerais, Brazil and are located in close proximity to Sigma Lithium's (SGML-not covered) advanced-stage lithium project. To this end, we believe Atlas' Mineras Gerais Lithium Project (MGLP) hosts the same geology and potential to become a world-class hard-rock lithium project as Sigma, which currently commands a ~$3.8 billion market capitalization. We note that Sigma has been the subject of recent acquisition speculation and believe Atlas should begin to pop up on potential suitors' radar screens as an earlier-stage, less expensive option in the M&A space.
- **Targeting initial production in 2025.** With a resource estimate and corresponding initial economic assessment slated to be released in 2H23, we believe MGLP has the potential to be fast-tracked to production. Management is currently targeting construction of a facility totaling 150,000 tpa of lithium concentrate, which we believe should cost in the neighborhood of $75 million. Notably, Atlas recent signed a Memorandum of Understanding (MoU) with Mitsui, which contemplates Mitsui providing $65 million in funding in exchange for the right to purchase up to 100% of production from the operation. Although the MoU is non-exclusive and non-binding, we view the establishment of a framework agreement with a major conglomerate such as Mitsui as validation of Atlas' potential to become a supplier of lithium to power the green energy transition.
- **We are initiating coverage of Atlas Lithium with a Buy rating and $50.00 price target.** Our valuation is based on a conceptual NAV analysis for the company's MGLP with initial production occurring in 2H25. Further, out model assumes a conservative long-term lithium concentrate price of $4,500/tonne. Additionally, given the early-stage nature of the project, we apply a 15% discount rate and 0.25x NAV multiple, which we believe adds a strong element of conservatism to our estimates.

Risks to achievement of target price:

- **Commodity Price Risk.** A significant increase/decrease in commodity prices can significantly impact our valuation and price target. That said, if a weaker price environment prevails in the lithium market, the company's business may suffer from lower or negative margins. While we view this as a risk to the company, we believe the long-term outlook for lithium is bright.
- **Political Risk.** The company's primary asset is in Brazil. While we believe political risk is somewhat heightened in Brazil, we note that the company's MGLP is in close proximity to various operating litihium projects, which we believe lowers jurisdictional risk for the company.
- **Financial Risk.** Atlas is a pre-revenue company. Given this, we believe additional capital may be required to execute on its objectives. We expect the company to raise additional capital over the next 12 months in various forms including but not limited to equity or debt. We note that there are no assurances as to the terms or whether the company can secure the necessary capital required to move forward with its business plan.
- **Operational Risk.** Although the company anticipates using proven processing technology for its hard-rock deposit, we believe there are risks remaining regarding metallurgy and potential recoveries.
- **COVID-19 risk.** We note that any escalations in the COVID-19 pandemic could cause delays in Atlas procuring equipment, personnel, and financing required to advance its project.

  *Please see the company's EDGAR filings for a more comprehensive discussion of potential risks.

Company description:

Atlas Lithium Corp. operates as a U.S. mineral exploration and mining company with projects and properties in essentially all battery metals, including lithium, rare earths, graphite, nickel, cobalt, and titanium. The firm focuses on developing its hard-rock lithium project located in a premier pegmatitic district in Brazil Minas Gerais and Northeastern Brazil. Additionally, through subsidiaries, it participates in iron, gold, and quartzite projects and owns multiple mining concessions for gold, diamond, and industrial sand. The company was founded on December 15, 2011 and is headquartered in Beverly Hills, CA.

Our thesis is predicated on our belief of the following:

1) A major supply/demand imbalance in the lithium market is expected in the coming years.

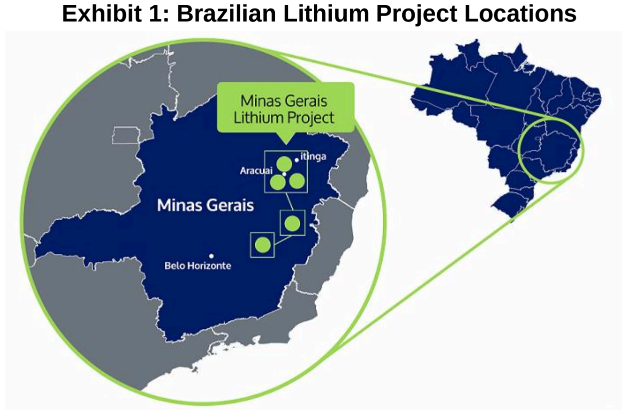
2) MGLP is on-track to becoming a cornerstone lithium project.

3) Site visit reveals large-scale nature of project and opportunities to unlock value.

ATLAS LITHIUM OVERVIEW

Atlas is focused on becoming a supplier of battery-grade lithium to support the green energy transition. Atlas owns the exploration-stage Minas Gerais Lithium Project, which is a hard-rock lithium project in Brazil. The company's land holdings total 58,774 acres in the prolific lithium district of Minas Gerais, Brazil and 16,266 acres in Rio Grande do Norte and Paraiba, Brazil (see Exhibit 1). Importantly, the company's claims are proximal to Sigma Lithium's projects, which have been significantly de-risked and are nearing production status. Given that Atlas is expected to announce a maiden resource estimate for the Neves Project at MGLP over the next few quarters, we believe the company is at the early stages of the miners valuation creation curve and is well positioned to follow in the footsteps of its neighbor, Sigma Lithium.

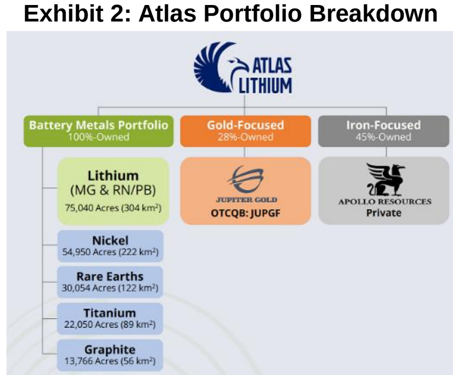
Exhibit 1: Brazilian Lithium Project Locations



Source: ATLX Corporate Website

Atlas has a portfolio of non-lithium assets that could be monetized in the near future. We note that in addition to its lithium assets, Atlas owns 28% of Jupiter Gold (JUPGF-not covered) and 45% of Apollo Resources, which is a private company focused on iron assets in Brazil (see Exhibit 2). Given that Atlas is focused on advancing its flagship MGLP, we believe the company's stake in both Jupiter Gold and Apollo Resources have the potential to be monetized over the near-term—providing a form of non-dilutive capital going forward.

Exhibit 2: Atlas Portfolio Breakdown



Source: ATLX Corporate Presentation

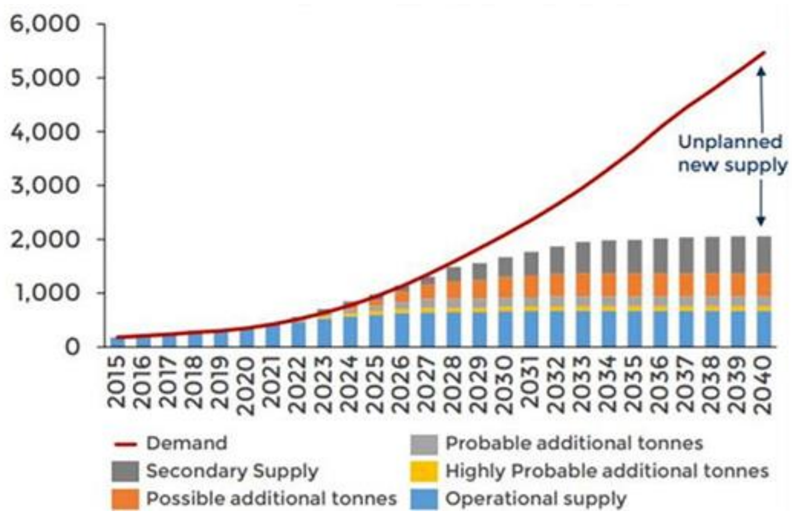
THE LITHIUM MARKET AT A GLANCE

1) A major supply/demand imbalance in the lithium market is expected in the coming years.

We believe the Green Energy transition is underway. Our overall positive outlook for the lithium market is anchored by anticipated EV demand growth throughout the next decade. According to the IEA, the global EV market is expected to grow at a CAGR of ~36% through 2030—reaching 245 million vehicles, or approximately 30x current market demand. In short, we expect EV demand to drive lithium demand going forward and ultimately believe demand is set to far outpace supply over the next decade.

Supply/Demand imbalance looms. In our view, the next decade should feature a major trend toward the electrification of the world. Further, we believe this trend is driven by the transition toward EVs from ICE cars. Given this, we believe there is a looming supply/demand imbalance set to take place for key battery metals in the coming years, particularly in the lithium space (see Exhibit 3). Further, we believe this imbalance may be understated as various risks including permitting, financing, and technical issues almost assuredly should halt the development of multiple projects included in current supply forecasts.

Exhibit 3: Lithium Supply/Demand Outlook



Source: Benchmark Minerals

The race for OEMs to secure supply is underway. Given the aforementioned supply/demand imbalance, major automakers have begun to attempt to secure adequate lithium supply. Simply put, without a stable source of battery-grade lithium, we expect major automakers to miss their publicly stated targets with respect to the transition from ICE cars to EVs. For example, Mercedes-Benz announced a target of having an all-electric lineup by 2030, which would require the major automaker to secure long-term supply of critical battery metals in short order.

Major automaker recently announced investment in lithium project. During 1Q23, General Motors (GM-not covered) announced a $650 million investment in Lithium Americas (LAC-not covered). Under the terms of the agreement, GM is expected to secure enough lithium supply from LAC's Thacker Pass Project in Nevada to produce approximately 1 million EVs per year. With total vehicle production of ~2.3 million in 2022, this agreement is expected to cover nearly half of GM's lithium supply requirements to fully transition its fleet from ICEs to EVs. In our view, this transaction could be used as a template for other OEMs as they race to secure battery material supply and may prompt manufacturers to move down the pecking order from near-term lithium producers to exploration/development stage companies such as Atlas.

We believe hard rock lithium projects present the least amount of technical risk. We note that there are three primary processes to extract lithium—lithium from Brine, lithium from Claystone, and lithium from Hard-Rock. In our view, lithium from Brine and lithium from Hard-rock present the least technical risk as there are operations around the world currently producing saleable lithium products using these extraction techniques. That said, commercial production from lithium claystones has yet to be more widely realized commercially as technology for extraction is still being tested at scale. Given this, we believe claystone projects possess somewhat of a higher level of technical risk, particularly from an OEMs point of view that needs to secure stable supply. Additionally, brine operations typically involve evaporating extremely large ponds in arid climates, which we believe may pose ESG-related concerns in the future or the use of new Direct Lithium Extraction (DLE) technology, which again, we view as unproven at scale. All told, we view hard-rock lithium extraction as proven at scale using traditional mining methods—elements of operation that we believe OEMs are in search of.

Exhibit 4: Lithium Extraction Techniques

Deposit Type	Commercialized	Recovery	Costs	ESG Impact
Hard-Rock	Yes	High	Moderate	Moderate
Brine (Evaporation)	Yes	High	Moderate	High
Brine (DLE)	No	Unproven	Unproven	Low
Claystone	No	Unproven	Unproven	Low

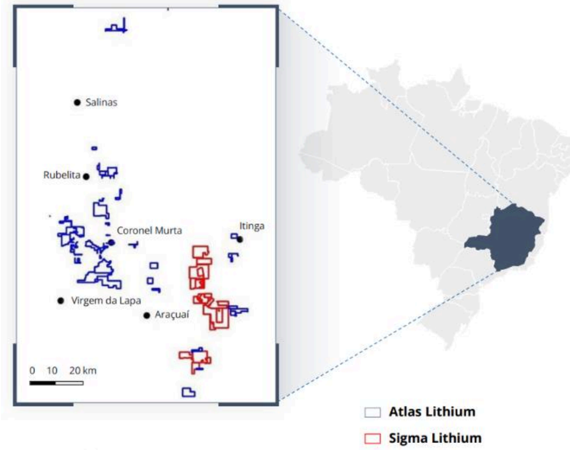
Source: A.G.P. Estimates

AN EMERGING LITHIUM PROJECT IN THE RIGHT ZIP CODE

2) MGLP is on-track to become a cornerstone lithium project.

Focused on the right zip code in Brazil. As mentioned, Atlas' claims are proximal to Sigma Lithium's assets in Minas Gerias, Brazil, which total 47,197 acres—compared with Atlas' land package totaling 58,774 acres. We note that Sigma currently has a lithium resource base totaling ~85MT of Li2O contained within four separate deposits across its land package. Further, we note that Sigma's market valuation has increased significantly over the last few years as its assets were advanced from the early exploration stage, such as Atlas', to the current near-term production stage. In our view, Atlas has the potential to follow a similar trajectory as Sigma and should be considered by investors who feel they "missed" the explosive move higher throughout Sigma's road to unlocking value.

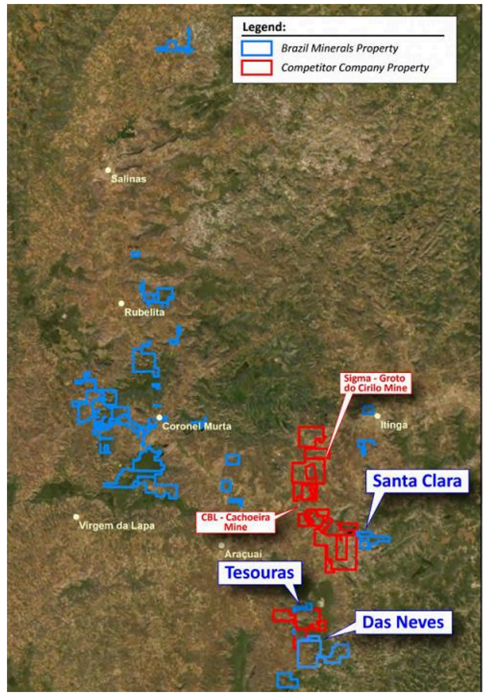
Exhibit 5: MGLP Relative to Sigma Assets



Source: ATLX Corporate Presentation

MGLP hosts multiple exploration targets. There are multiple exploration targets across the land package including the Das Neves (Neves), Tesouras, Salinas, Santa Clara, and Itinga, which together comprise the Neves Project. We note that the Neves Project has been the primary focus of exploration work since drilling activity began in 2021. As seen in Exhibit 5, Atlas' land claims, particularly the ones of top priority from an exploration perspective, are located in close proximity to Sigma Lithium's advanced-stage Groto do Cirilo Mine.

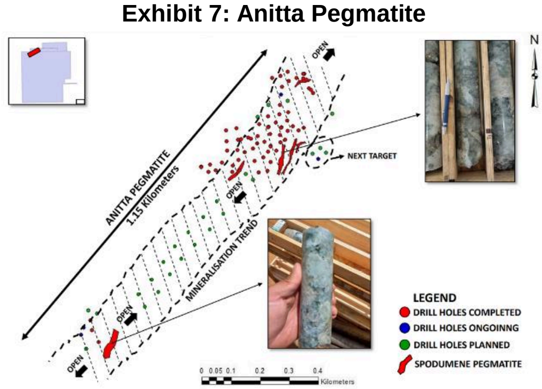
Exhibit 6: MGLP Exploration Targets



Source: Neves Technical Report

Recent release of maiden technical report marks first step toward de-risking MGLP. During 3Q22, Atlas announced a positive initial technical report for the Neves Project, which covered six mineral rights across three exploration targets at the project and included approximately 1,000 meters of drilling. Given this, Atlas has a 10-rig 40,000-meter exploration program scheduled for this year, which we expect to support an initial resource estimate and Preliminary Economic Assessment over the next two quarters. Recent activity has focused on the Abelhas Target located within the Neves Project—resulting in the discovery of the ~1.15 kilometer long (and growing) Anitta Pegmatite (see Exhibit 7).

Exhibit 7: Anitta Pegmatite



Source: A.G.P. Estimates

Initial metallurgical test work appears positive. On March 15, 2023, Atlas announced initial metallurgical test results from the Neves Project. The third-party tests showed easy separation, high recovery, and no significant contaminants in the project's mineralized material resulting in the successful production of over 10 kg of commercial-grade lithium concentrate. As a reminder, we believe the mineralization present on Sigma's land package is similar to the mineralization initially identified on Atlas' property, which we believe adds an additional element of de-risking of Neves from a technical perspective and ultimately view these results as validation of that belief.

Exhibit 8: Concentrate Produced

Source: A.G.P. Estimates

Offtake partnership interest beginning to pick up. In early 1Q23, Atlas signed a Memorandum of Understanding (MoU) with Mitsui with respect to an offtake agreement for lithium concentrate production at Neves. Under the terms of the agreement, $65 million in funding for construction of Neves is contemplated in exchange for the right for Mitsui to purchase up to 100% of concentrate production from Atlas' planned 150,000 tpa operation. While pricing details were not disclosed, we expect purchase prices to be at a slight discount to prevailing market prices, which is typical with MoUs of this nature. Although the MoU is non-exclusive and non-binding, we view the establishment of a framework agreement with a major conglomerate such as Mitsui as validation of Atlas' potential to become a supplier of lithium to power the green energy transition.

Aiming to become a significant supplier of lithium concentrate. Management has outlined plans to construct and operate a commercial facility capable of producing up to 150,000 tpa of lithium concentrate, which we believe would catapult Atlas into a meaningful supplier of lithium concentrate over the next years. While a formal economic study has not yet been released, we estimate CapEx for a plant of that capacity at approximately $75 million, which we believe is reasonable given that neighbor Sigma's 270,000 tpa Phase 1 plant CapEx is estimated at ~$131 million and management is estimating operating costs to be in the $600-$700/tonne range. Based on the current stage of the project, we believe 2H25 is a reasonable timeframe to target initial production at MGLP.

SITE VISIT

From April 5-6, we visited ATLX's flagship MGLP in Minas Gerais, Brazil. Our day started on April 5, 2023 with a visit to the company's core shack (see Exhibit 9). Overall, the core storage facility appeared to be in good shape with strong security protocols in place. We note that Atlas expects to undertake a 40,000-meter drilling program in 2023 of which ~11,000 meters have been drilled to date. Further, we note that current turnaround time for assays is just 2-3 weeks, which we believe is crucial given the large amount of exploratory work currently underway at the Neves Project—allowing results to drive future exploration plans due to the quick turnaround time.

Exhibit 9: Core Storage Facility

Source: A.G.P. Site Visit April 5-6, 2023.

Strong control protocols were on display. All sampling activities are completed at this facility, which are sent to Belo Horizonte for test work. In order to maintain strict control protocols, 15% of samples are control samples that are sent back to the lab without an identifier to verify previous results that came back for a particular sample. In our view, this serves as evidence that management is committed to monitoring the quality and accuracy of lab tests run on its core.

Exhibit 10: Core Storage Boxes

Source: A.G.P. Site Visit April 5-6, 2023.

Following the tour of the core shack, Chairman and CEO Marc Fogassa gave a corporate presentation. The presentation began with an overview of property rights in Brazil. Although surface rights and mineral rights are separate, the owner of the mineral rights has the more senior position in the event of a dispute between owners of surface rights and mineral rights. Further, we believe the company's relationship with local landowners is positive and we do not foresee any significant opposition with respect to moving the Neves Project through the permitting process.

Permitting at the Neves Project is underway. Although we expect to PEA to outline a 150,00 tpa facility, management expects to seek permits for up to 300,000 tpa, which we believe should provide the flexibility to scale up operations in the future should market conditions warrant. Further, Flora and Fauna studies are currently underway and management may be in the position to submit consolidated permits in 3Q23 with an anticipated permitting timeline of under a year. In our view, this should allow for a potential construction decision toward mid-2024.

Management discussed the recent Mitsui MoU. We view the Mitsui agreement as a potential form of financing. Importantly, two primary things need to be completed for Atlas to receive $65M financing—the establishment of a maiden resource report with at least 10M tonnes and the establishment of a PEA. In our view, both of these items should be achieved over the next two quarters, allowing the non-binding MoU to progress toward a binding agreement in 2H23.

On Day 2, we drove to the Neves Project. on a 50-kilometer access road to reach the Neves Project. The road appeared to be in good condition and we drove past multiple water trucks that were conditioning the road in order to decrease dust pollution from truck traffic (see Exhibit 11). During the drive, management noted its focus on the hiring of local employees as the Neves Project is responsibly advanced.

Exhibit 11: Neves Project Access Road

Source: A.G.P. Site Visit April 5-6, 2023.

Our first stop at Neves was the drill hole location of recently announced Hole 68. ATLX announced results from Hole 68, which returned a strong intercept of 25 meters at 1.44% lithium, including an interval of 4.4%. In our view, this hole is one of the strongest pegmatite intercepts reported in Brazil released this year. Importantly, mineralization was intersected at just 26 meters with intervals extending to 150 meters at depth (see Exhibit 12). Given the high-grade nature of the hole, coupled with the shallow nature, management is contemplating using this area of the project as the beginning of the open-pit operation at Neves. We note that a follow up hole to Hole 68 is currently being drilled and we expect results to be released sometime in May. In short, we view additional success in this area as important and ultimately believe the addition of higher-grade near-surface material could have an outsized impact on the project's ultimate economics.

Exhibit 12: Hole 68 Core

Source: A.G.P. Site Visit April 5-6, 2023.

Pegmatite mineralization outcrops at Neves. As seen in Exhibit 13, a drill rig is currently drilling approximately ~20 meters from the outcrop testing for mineralization (black circle) at depth. Management noted that many of its discoveries at Neves have been the result of prospecting for outcropping mineralization and formulating a corresponding drilling program to identify the extent of the mineralization below surface.

Exhibit 13: Active Drill Rig with Outcrop in Background

Source: A.G.P. Site Visit April 5-6, 2023.

A.G.P. ESTIMATES

We are initiating coverage of Atlas Lithium with a Buy rating and $50.00 price target. Our valuation is based on a conceptual NAV model utilizing a long-term lithium concentrate price of $4,500/tonne, a 15% discount rate, and a 0.25x NAV multiple. While we recognize that our 15% discount rate and 0.25x NAV multiple are both more conservative than the ranges we utilized with other lithium developers in our universe, we believe a conservative approach is warranted given ATLX's pre-resource stage. This being said, we expect to revisit both of these assumptions as the Neves Project is de-risked throughout the year, particularly with respect to the release of a maiden resource estimate and corresponding PEA. To this, we add net cash and the company's equity interest in Jupiter Gold to arrive at our final price target of $50.00. We note that we do not assign any value to the company's other battery metals projects or iron assets and believe these projects provide future optionality and upside to our existing valuation.

Exhibit 14: NAV Breakdown

	US$ 000s	Per share
MGLP (0.25x NAV multiple)	$377,767	$48.82
Jupier Gold Interest	$2,700	$0.35
Cash (pro forma)	$6,000	$0.78
Total NAV	**$386,467**	**$49.94**

Source: A.G.P. Site Visit April 5-6, 2023.

A.G.P. conceptual PEA assumptions. We assume permits are submitted in 3Q23 and in hand by mid-year 2024—paving the way for initial production in late 2025. Our model assumes an average production rate of 150,000 tpa over an initial 10-year mine life at average costs of $800/tonne. We note that these assumptions could prove conservative, particularly with respect to costs as management expects operating costs to range from $600-$700/tonne. Given this, we believe our cost assumptions may prove conservative, but we believe it is prudent to take a cautious approach until the PEA is released later this year.

Sensitivity analysis. As seen in Exhibit 15, our valuation for MGLP is highly sensitive to long-term lithium concentrate prices and discount rate applied to our model. As a reminder, the sensitivity analysis outlined in Exhibit 15 is assuming a 0.25x NAV multiple, which we expect to trend higher as the Neves Project undergoes major de-risking events over the next two quarters.

Exhibit 15: MGLP Sensitivity Analysis

		Discount Rate				
		16%	14%	12%	10%	8%
Lithium Con Price	$2,500	$17.11	$18.83	$20.78	$22.98	$25.49
	$3,500	$28.81	$31.62	$34.80	$38.40	$42.49
	$4,500	$40.51	$44.41	$48.82	$53.81	$59.49
	$5,500	$52.21	$57.21	$62.84	$69.23	$76.48
	$6,500	$63.92	$70.00	$76.86	$84.64	$93.48

Source: A.G.P. estimates.

Funding expectations. Given that Atlas is a pre-resource company, we believe additional capital is required to move the Neves Project forward. Despite the $65M MoU with Mitsui, we expect additional financing to be required in the interim given the company's aggressive exploration plans. Due to this, we are assuming Atlas raises $20M at $20 per share over the next year, resulting in an additional 1.0 million shares to our share count. We recognize that additional sources of funding outside of equity are available to the company and note that this estimate is for modeling purposes only.

MANAGEMENT

Marc Fogassa, Chairman & CEO: Marc Fogassa has been Chairman and Chief Executive Officer since 2012. He has extensive experience in venture capital and public company chief executive management. He has served on boards of directors of multiple private companies in various industries and has been invited to speak about investment issues, particularly as related to Brazil. Mr. Fogassa double majored at the Massachusetts Institute of Technology (M.I.T.), graduating with two Bachelor of Science degrees in 1990. He later graduated from the Harvard Medical School with a Doctor of Medicine degree in 1995 and also from the Harvard Business School with a Master of Business Administration degree in 1999 with Second-Year Honors. At Harvard Business School, he was Co-President of the Venture Capital and Private Equity Club. Mr. Fogassa was born in Brazil and is fluent in Portuguese and English. Mr. Fogassa is also the Chairman and Chief Executive Officer of Jupiter Gold Corporation and Chairman and Chief Executive Officer of Apollo Resources Corporation, two companies in which Atlas owns equity positions.

Gustavo Aguiar, CFO: Gustavo Pereira de Aguiar has been Chief Financial Officer, Principal Accounting Officer, and Treasurer since 2022. From 2016 until 2022, Mr. Aguiar was the Controller of Jaguar Mining (JAG.TO-NC), Inc., a Canadian publicly traded company with two producing gold mines in the state of Minas Gerais in Brazil and current market capitalization of approximately $270 million. From 2013 to 2016, Mr. Aguiar was Controller at Grupo Orguel, an enterprise in the construction equipment rental sector in Brazil which received funding from Carlyle, a U.S. private equity group, and from 2010 to 2013, Mr. Aguiar worked at Mirabella Mineração, which at the time was developing its nickel project in the state of Bahia in Brazil. From 2006 to 2010, Mr. Aguiar was an auditor with Deloitte in Brazil. Mr. Aguiar has undergraduate degrees in Business Administration and in Accounting from Universidade FUMEC in Brazil. He has an executive MBA and further post-graduate education in finance from Fundação Dom Cabral in Brazil. Mr. Aguiar is fluent in Portuguese and English and is a licensed accountant in Brazil.

Volodymyr Myadzel, PhD, SVP Geology: Volodymyr Myadzel, PhD, Geol. has been a consultant to Atlas since 2021 and became the SVP, Geology, in 2022. Under Regulation S-K 1300, he is a Qualified Person for lithium, iron, and gold, among other minerals. Dr. Myadzel is a geologist with over 23 years' experience acquired in mines and projects in Russia, Ukraine, Guinea, Uruguay, and Brazil in a variety of minerals, including lithium, iron, and gold. His primary expertise entails geological modeling, resource estimation, and QA/QC analysis. Dr. Myadzel has extensive experience in auditing mineral projects on behalf of investors or acquiring companies. He is a principal at VMG Consultoria e Soluções Ltda, a company that has provided geological expertise to large global companies with mines and projects in Brazil. Dr. Myadzel received Bachelor and Master degrees in Geological Engineering and a PhD degree in Geology, all from Kryvyi Rih National University in Ukraine.

Igor Tkachenko, VP Strategic Development: Igor Tkachenko is a Ukrainian-American who was one of the early investors in Brazil Minerals (now Atlas Lithium). He later transitioned to a strategic advisory role within the company. As a US-trained physician, Igor combined his scientific interests and entrepreneurial spirit through several successful business ventures. Serving as a strategic advisor to Atlas Lithium since February 2020, Mr. Tkachenko contributed his leadership skills and hands-on private sector business expertise to Atlas Lithium's mission to become the premier mineral resources company for the green energy revolution. In 2022, Igor Tkachenko became Director of Strategic Development at Atlas Lithium. In that role, Mr. Tkachenko oversaw the company's expanding investor relations campaign. He participated in the design and execution of the company's organizational growth strategy that led to the company's up-listing to Nasdaq in January 2023. Following this milestone, Mr. Tkachenko transitioned from his full-time academic position as a Clinical Assistant Professor to serving as Vice President of Strategic Development for Atlas Lithium.

ATLX Income Statement

000s US$	2022A	1Q23E	2Q23E	3Q23E	4Q23E	2023E	2024E
Revenue	7	-	-	-	-	-	-
Operating expenses	64	-	-	-	-	-	-
Operating income	(57)	-	-	-	-	-	-
Other expenses (income)	5,603	1,500	2,000	2,500	3,000	9,000	10,000
Pretax income	(5,660)	1,500	2,000	2,500	3,000	9,000	(10,000)
Taxes	-	-	-	-	-	-	-
Non-Controlling Interest	1,031	270	360	450	540	1,620	1,800
Net income	(4,629)	(1,230)	(1,640)	(2,050)	(2,460)	(7,380)	(8,200)
EPS	(1.00)	(0.33)	(0.43)	(0.32)	(0.39)	(1.47)	(1.29)

Total valuation	$386,467
Total valuation per share	**$49.94**

Source: SEC Filings, Alliance Global Partners estimates, ATLX reports

Jake Sekelsky
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Important Research Disclosures

Distribution of Ratings/IB Services

			IB Serv./Past 12 Mos.	
Rating	**Count**	**Percent**	**Count**	**Percent**
BUY [BUY]	**111**	**77.08**	**4**	**3.60**
HOLD [NEUTRAL]	**26**	**18.06**	**3**	**11.54**
SELL [SELL]	**1**	**0.69**	**0**	**0**
NOT RATED [NR]	**6**	**4.17**	**1**	**16.67**
UNDER REVIEW [UR]	**0**	**0.00**	**0**	**0**

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Buy: Expected to materially outperform sector average over 12 months and indicates total return of at least 10% over the next 12 months.

Neutral: Returns expected to be in line with sector average over 12 months and indicates total return between negative 10% and 10% over the next 12 months.

Sell: Returns expected to be materially below sector average over 12 months and indicates total price decline of at least 10% over the next 12 months.

Not Rated: We have not established a rating on the stock.

Under Review: The rating will be updated soon pending information disclosed from a near-term news event.

Volatility Index

1 (Low): Little to no sharp movement in stock price in a 12 month period

2 (Low to medium): Modest changes in stock price in a 12 month period

3 (Medium): Average fluctuation in stock price in a 12 month period

4 (Medium to High): Higher than average changes in stock price in a 12 month period

5 (High): Extremely sharp movements in stock price in a 12 month period

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