

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549**

**FORM 10-Q**

(Mark One)

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 or 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934.

For the quarterly period ended **June 30, 2023**

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934.

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission File Number **001-41552**

**ATLAS LITHIUM CORPORATION**

(Exact name of registrant as specified in its charter)

**Nevada**

(State or other jurisdiction of  
incorporation or organization)

**39-2078861**

(IRS Employer  
Identification No.)

Rua Bahia, 2463 - Suite 205  
Belo Horizonte, Minas Gerais, Brazil  
(Address of principal executive offices)

30.160-012  
(Zip Code)

**+55-31-3956-1109**

(telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.001 par value	ATLX	The Nasdaq Capital Market

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark whether the issuer (1) filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (\$232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or, an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company," in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input checked="" type="checkbox"/>	Smaller reporting company	<input checked="" type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act) . Yes ☐ No ☒

As of August 14, 2023, there were outstanding 10,662,060 shares of the registrant's common stock.

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**PART I - FINANCIAL INFORMATION**

**Item 1. FINANCIAL STATEMENTS**

**ATLAS LITHIUM CORPORATION**  
**CONSOLIDATED BALANCE SHEETS (UNAUDITED)**  
*June 30, 2023 and December 31, 2022*

	<b>June 30, 2023</b>	<b>December 31, 2022</b>
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 20,165,214	\$ 280,525
Accounts receivable	99	91
Taxes recoverable	21,281	17,705
Deposits and advances	65,166	47,093
Total current assets	20,251,760	345,414
Property and equipment, net	365,911	217,550
Intangible assets, net	7,361,149	4,971,267
Equity investments	150,000	150,000
Total assets	<u>\$ 28,128,820</u>	<u>\$ 5,684,231</u>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Current liabilities:		
Accounts payable and accrued expenses	\$ 3,589,889	\$ 2,776,474
Related party notes and other payables	21,684	21,493
Total current liabilities	3,611,573	2,797,967
Deferred consideration from royalties sold	20,000,000	-
Other noncurrent liabilities	52,582	78,964
Total liabilities	23,664,155	2,876,931
Stockholders' Equity:		
Series A preferred stock, \$0.001 par value. 1 share authorized; 1 share issued and outstanding as of June 30, 2023 and December 31, 2022	1	1
Series D preferred stock, \$0.001 par value. 1,000,000 shares authorized; 0 and 214,006 issued and outstanding as of June 30, 2023 and December 31, 2022, respectively	-	214
Common stock, \$0.001 par value. 200,000,000 and 4,000,000,000 shares authorized as of June 30, 2023 and December 31, 2022, respectively; 10,033,334 and 5,110,014 shares issued and outstanding as of June, 2023 and December 31, 2022, respectively	10,033	5,111
Additional paid-in capital	77,667,131	62,258,116
Accumulated other comprehensive loss	(876,318)	(981,040)
Accumulated deficit	(72,678,536)	(59,585,949)
Total Atlas Lithium Co. stockholders' equity	4,122,311	1,696,453
Non-controlling interest	342,354	1,110,847
Total stockholders' equity	4,464,665	2,807,300
Total liabilities and stockholders' equity	<u>\$ 28,128,820</u>	<u>\$ 5,684,231</u>

The accompanying notes are an integral part of the consolidated financial statements.

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**ATLAS LITHIUM CORPORATION**  
**CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS (UNAUDITED)**  
*For the Three and Six Months Ended June 30, 2023 and 2022*

	Three months ended June 30		Six months ended June 30	
	2023	2022	2023	2022
Revenue	-	2,367	-	2,844
Cost of revenue	-	26,343	-	36,198
Gross loss	-	(23,976)	-	(33,354)
Operating expenses				
Professional fees	48,700	24,180	190,600	144,021
General and administrative	1,317,781	400,926	2,613,744	622,391
Compensation and related costs	641,502	288,597	1,525,337	386,589
Stock-based compensation	2,852,309	255,170	3,981,154	643,189
Exploration	4,663,500	20,421	5,692,325	20,421
Total operating expenses	9,523,792	989,294	14,003,160	1,816,611
Loss from operations	(9,523,792)	(1,013,270)	(14,003,160)	(1,849,965)
Other expense (income)				
Other expense (income)	(126,896)	(14)	(140,911)	(1,966)
Total other expense	(126,896)	(14)	(140,911)	(1,966)
Loss before provision for income taxes	(9,396,896)	(1,013,256)	(13,862,249)	(1,847,999)
Provision for income taxes	-	-	-	-
Net loss	(9,396,896)	(1,013,256)	(13,862,249)	(1,847,999)
Loss attributable to non-controlling interest	(270,247)	(142,240)	(769,662)	(445,493)
Net loss attributable to Atlas Lithium Corporation stockholders	<u>\$ (9,126,649)</u>	<u>\$ (871,016)</u>	<u>(13,092,587)</u>	<u>\$ (1,402,506)</u>
Basic and diluted loss per share				
Net loss per share attributable to Atlas Lithium Corporation common stockholders	<u>\$ (1.02)</u>	<u>\$ (0.20)</u>	<u>(1.46)</u>	<u>\$ (0.32)</u>
Weighted-average number of common shares outstanding:				
Basic and diluted	8,966,065	4,433,925	8,966,065	4,433,925
Comprehensive loss:				
Net loss	\$ (9,396,896)	\$ (1,013,256)	(13,862,249)	\$ (1,847,999)
Foreign currency translation adjustment	39,586	249,649	105,891	306,464
Comprehensive loss	(9,357,310)	(763,607)	(13,756,358)	(1,541,535)
Comprehensive loss attributable to noncontrolling interests	(269,567)	107,924	(768,493)	(200,817)
Comprehensive loss attributable to Atlas Lithium Corporation stockholders	<u>\$ (9,087,743)</u>	<u>\$ (871,531)</u>	<u>(12,987,865)</u>	<u>\$ (1,340,718)</u>

The accompanying notes are an integral part of the consolidated financial statements.

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**ATLAS LITHIUM CORPORATION**  
**CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY (UNAUDITED)**  
For the Six Months Ended June 30, 2023 and 2022

	Series A Preferred Stock		Series D Preferred Stock		Common Stock		Additional Paid-in Capital	Accumulated Other Comprehensive Loss	Accumulated Deficit	Noncontrolling Interests	Total Stockholders' Equity
	Shares	Value	Shares	Value	Shares	Value					
Balance, December 31, 2022	<u>1</u>	<u>\$ 1</u>	<u>214,006</u>	<u>\$ 214</u>	<u>5,110,014</u>	<u>\$ 5,111</u>	<u>\$62,258,116</u>	<u>\$ (981,040)</u>	<u>\$ (59,585,949)</u>	<u>\$ 1,110,847</u>	<u>\$ 2,807,300</u>
Issuance of common stock in connection with sales made under private offerings	-	-	-	-	1,845,192	1,845	10,523,273	-	-	-	10,525,118
Issuance of common stock in connection with purchase of mining rights	-	-	-	-	77,240	77	749,923	-	-	-	750,000
Issuance of common stock in exchange for consulting, professional and other services	-	-	-	-	5,206	5	45,000	-	-	-	45,005
Conversion of Convertible Preferred D stock into Common Stock	-	-	(214,006)	(214)	2,853,413	2,853	-	-	-	-	2,639
Exercise of warrants	-	-	-	-	121,014	121	360,253	-	-	-	360,374
Stock-based compensation	-	-	-	-	21,255	21	3,580,566	-	-	-	3,580,587
Change in foreign currency translation	-	-	-	-	-	-	-	104,722	-	1,169	105,891

Sale of Jupiter Gold  
common stock in  
connection with  
equity offerings

	-	-	-	-	-	-	150,000	-	-	-	150,000
Net loss	-	-	-	-	-	-	-	-	(13,092,587)	(769,662)	(13,862,249)

Balance, June 30,  
2023

	<u>1</u>	<u>\$ 1</u>	<u>-</u>	<u>\$ -</u>	<u>10,033,334</u>	<u>\$10,033</u>	<u>\$77,667,131</u>	<u>\$ (876,318)</u>	<u>\$ (72,678,536)</u>	<u>\$ 342,354</u>	<u>\$ 4,464,665</u>
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	Series A Preferred Stock		Series D Preferred Stock		Common Stock		Additional Paid-in Capital	Accumulated Other Comprehensive Loss	Accumulated Deficit	Noncontrolling Interests	Total Stockholders' Equity
	Shares	Value	Shares	Value	Shares	Value					

Balance,  
December 31,  
2021

	<u>1</u>	<u>\$ 1</u>	<u>214,006</u>	<u>\$ 214</u>	<u>3,109,178,852</u>	<u>\$3,109,179</u>	<u>\$51,466,376</u>	<u>\$ (712,810)</u>	<u>\$ (54,957,429)</u>	<u>\$ 1,551,335</u>	<u>\$ 456,866</u>
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Issuance of  
common stock in  
connection with  
sales made under  
private offerings

	-	-	-	-	275,972,448	275,972	1,109,988	-	-	-	1,385,960
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Stock-based  
compensation

	-	-	-	-	-	-	643,189	-	-	(271,888)	371,301
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Change in foreign  
currency  
translation

	-	-	-	-	-	-	-	61,788	-	244,676	306,464
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Sale of Apollo  
Resources  
common stock in  
connection with  
equity offerings

	-	-	-	-	-	-	-	-	-	525,000	525,000
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Net loss

	-	-	-	-	-	-	-	-	(1,402,506)	(445,493)	(1,847,999)
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Balance, June 30,  
2022

	<u>1</u>	<u>\$ 1</u>	<u>214,006</u>	<u>\$ 214</u>	<u>3,385,151,300</u>	<u>\$3,385,151</u>	<u>\$53,219,553</u>	<u>\$ (651,022)</u>	<u>\$ (56,359,935)</u>	<u>\$ 1,603,630</u>	<u>\$ 1,197,592</u>
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The accompanying notes are an integral part of the consolidated financial statements.

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**ATLAS LITHIUM CORPORATION**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)**  
*For the Six Months Ended June 30, 2023 and 2022*

	Six months ended June 30	
	2023	2022
Cash flows from operating activities of continuing operations:		
Net loss	\$ (13,862,249)	(1,847,999)
Adjustments to reconcile net loss to cash used in operating activities:		
Stock-based compensation and services	3,981,154	643,189
Issuance of common stock in connection with purchase of mining rights	750,000	-
Depreciation and amortization	8,108	27,323
Other non cash expenses	140,911	-
Changes in operating assets and liabilities:		
Accounts receivable	(8)	991
Taxes recoverable	(3,576)	(1,079)
Deposits and advances	(18,073)	(5,008)
Accounts payable and accrued expenses	813,606	(151,213)
Deferred consideration from royalties sold	20,000,000	-
Other noncurrent liabilities	(26,382)	6,495
Net cash provided (used) by operating activities	<u>11,783,491</u>	<u>(1,327,301)</u>
Cash flows from investing activities:		
Acquisition of capital assets	(156,469)	(40,802)
Increase in intangible assets	(2,523,343)	(206,361)
Net cash used in investing activities	<u>(2,679,812)</u>	<u>(247,163)</u>
Cash flows from financing activities:		
Net proceeds from sale of common stock	10,525,118	1,385,960
Proceeds from sale of subsidiary common stock to noncontrolling interests	150,000	525,000
Net cash provided by financing activities	<u>10,675,118</u>	<u>1,910,960</u>
Effect of exchange rates on cash and cash equivalents	<u>105,891</u>	<u>34,592</u>
Net increase (decrease) in cash and cash equivalents	<u>19,884,689</u>	<u>31,454</u>
Cash and cash equivalents at beginning of period	<u>280,525</u>	<u>22,776</u>
Cash and cash equivalents at end of period	<u>\$ 20,165,214</u>	<u>\$ 54,230</u>

The accompanying notes are an integral part of the consolidated financial statements.

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**ATLAS LITHIUM CORPORATION**  
**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**NOTE 1 – ORGANIZATION, BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**Organization and Description of Business

Atlas Lithium Corporation (together with its subsidiaries "Atlas Lithium," the "Company", "the Registrant", "we", "us", or "our") was incorporated under the laws of the State of Nevada, on December 15, 2011. The Company changed its management and business on December 18, 2012, to focus on mineral exploration in Brazil.

Basis of Presentation and Principles of Consolidation

The consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") and are expressed in United States dollars. For the years ended December 31, 2022 and 2021, the consolidated financial statements include the accounts of the Company; its 99.99% owned subsidiary, Atlas Lítio Brasil Ltda. ("Atlas Brasil"), which includes the accounts of Atlas Brasil's wholly-owned subsidiary, Mineração Duas Barras Ltda. ("MDB"), and Atlas Brasil's 50% owned subsidiary, RST Recursos Minerais Ltda. ("RST"); its 99.99% owned subsidiary, Hercules Resources Corporation ("HRC"), which includes the accounts of HRC's wholly-owned subsidiary, Hercules Brasil Comercio e Transportes Ltda. ("Hercules Brasil"); its 45.11% equity interest in Apollo Resources Corporation ("Apollo Resources") and its subsidiary Mineração Apollo, Ltda.; and its 28.00% equity interest in Jupiter Gold Corporation ("Jupiter Gold"), which includes the accounts of Jupiter Gold's subsidiary, Mineração Jupiter Ltda. The Company has concluded that Apollo Resources, Jupiter Gold and their subsidiaries are variable interest entities ("VIE") in accordance with applicable accounting standards and guidance. As such, the accounts and results of Apollo Resources, Jupiter Gold and their subsidiaries have been included in the Company's consolidated financial statements.

All material intercompany accounts and transactions have been eliminated in consolidation.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingencies at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results may differ from those estimates.

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**ATLAS LITHIUM CORPORATION**  
**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**NOTE 1 – ORGANIZATION, BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**Recent Accounting Pronouncements

The Company has implemented all new accounting pronouncements that are in effect and that may impact its financial statements and does not believe that there are any other new pronouncements that have been issued that might have a material impact on its financial position or results of operations.

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**ATLAS LITHIUM CORPORATION**  
**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**NOTE 2 – COMPOSITION OF CERTAIN FINANCIAL STATEMENT ITEMS**Property and Equipment

The following table sets forth the components of the Company's property and equipment as of June 30, 2023 and December 31, 2022:

	June 30, 2023			December 31, 2022		
	Cost	Accumulated Depreciation	Net Book Value	Cost	Accumulated Depreciation	Net Book Value
Capital assets subject to depreciation:						
Computers and office equipment	\$ 571	\$ (571)	\$ -	\$ 571	\$ (571)	\$ -
Machinery and equipment	426,406	(374,262)	52,144	419,498	(362,140)	57,358
Vehicles	80,139	(80,139)	-	80,139	(79,021)	1,118
Land	313,767	-	313,767	159,074	-	159,074
Total fixed assets	<u>\$ 820,883</u>	<u>\$ (454,972)</u>	<u>\$ 365,911</u>	<u>\$ 659,282</u>	<u>\$ (441,732)</u>	<u>\$ 217,550</u>

For the three and six months ended June 30, 2023, the Company recorded depreciation expense of \$ 4,093 and \$8,108, respectively, and for the three and six months ended June 30, 2022, the Company recorded depreciation expense of \$13,661 and \$27,323, respectively.

Intangible Assets

Intangible assets consist of mining rights which are not amortized as the mining rights are perpetual. The carrying value of these mineral rights as of June 30, 2023 and at December 31, 2022 was \$7,361,149 and \$4,971,267, respectively.

On January 19, 2023, the Company consummated a transaction in which it acquired five mineral rights (the "Mineral Rights") totaling 1,090.88 hectares (~2,696 acres) owned by an unrelated Brazilian mining enterprise pursuant to a Mineral Rights Purchase Agreement (the "Acquisition Agreement"). The Mineral Rights are located in the municipalities of Araçuaí and Itinga, in a region known as "Lithium Valley" in the state of Minas Gerais in Brazil. The Company has reasons to believe that the acquisition of the Mineral Rights was part of a competitive process.

The Company's obligations under the Acquisition Agreement are:

- 1) Payment of \$400,000, which payment took place on January 19, 2023, and issuance of \$ 750,000 worth of restricted shares of common stock of the Company which took place on February 1, 2023;
- 2) Payment of \$100,000 for each of the five areas comprising the Mineral Rights to be made upon the publication in the official gazette of the government of the title transfer of each such area to the Company;
- 3) For each of the five areas comprising the Mineral Rights, 30 days after the payment described in item 2 above, the initiation of ten monthly payments of \$22,000;
- 4) If the Mineral Rights eventually yield at least five million tons of spodumene (a lithium-bearing mineral) containing at least an average of 1.3% Li<sub>2</sub>O, as determined by a technical report prepared by an independent consulting firm pursuant to the requirements of Item 1300 through Item 1305 of Regulation S-K ("SK1300 Report"), then an additional payment of 10 monthly installments of \$10,000 and an additional issuance of \$500,000 worth of restricted shares of common stock of the Company are to be made;
- 5) If the Mineral Rights eventually yield at least 10 million tons of spodumene containing at least an average of 1.3% Li<sub>2</sub>O, as determined by an SK1300 Report, then an additional payment of 10 monthly installments of \$10,000 and an additional issuance of \$500,000 worth of restricted shares of common stock of the Company are to be made; and
- 6) If the Mineral Rights eventually yield more than 10 million tons of spodumene containing at least an average of 1.3% Li<sub>2</sub>O, as determined by an SK1300 Report, then a payment of \$0.20 per each ton above 10 million tons is to be made.

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## ATLAS LITHIUM CORPORATION NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

### NOTE 2 – COMPOSITION OF CERTAIN FINANCIAL STATEMENT ITEMS (CONTINUED)

#### Accounts Payable and Accrued Liabilities

	June 30, 2023	December 31, 2022
Accounts payable and other accruals	\$ 1,974,686	\$ 408,874
Mineral rights payable	1,615,203	2,367,600
<b>Total</b>	<b>\$ 3,589,889</b>	<b>\$ 2,776,474</b>

### NOTE 3 – DEFERRED CONSIDERATION FROM ROYALTIES SOLD

On May 2, 2023, the Company and Atlas Litio Brasil Ltda. (the "Company Subsidiary"), entered into a Royalty Purchase Agreement (the "Purchase Agreement") with Lithium Royalty Corp., a Canadian company listed on the Toronto Stock Exchange ("LRC"). The transaction contemplated under the Purchase Agreement closed simultaneously on May 2, 2023, whereby the Company Subsidiary sold to LRC in consideration for \$20,000,000 in cash, a royalty interest equaling 3% of the gross revenue (the "Royalty") to be received by the Company Subsidiary from the sale of products from certain 19 mineral rights and properties that are located in Brazil and held by the Company Subsidiary.

On the same day, the Company Subsidiary and LRC entered into a Gross Revenue Royalty Agreement (the "Royalty Agreement") pursuant to which the Company Subsidiary granted LRC the Royalty and undertook to calculate and make royalty payment on a quarterly basis commencing from the first receipt of the sales proceeds with respect to the products from the Property. The Royalty Agreement contains other customary terms, including but not limited to, the scope of the gross revenue, the Company Subsidiary's right to determine operations, and LRC's information and audit rights. Under the Royalty Agreement, the Company Subsidiary also granted LRC an option to purchase additional royalty interest with respect to certain additional Brazilian mineral rights and properties on the same terms and conditions as the Royalty, at a total purchase price of \$5,000,000.

### NOTE 4 – OTHER NONCURRENT LIABILITIES

Other noncurrent liabilities are comprised solely of social contributions and other employee-related costs at our operating subsidiaries located in Brazil. The balance of these employee related costs as of June 30, 2023, and December 31, 2022, amounted to \$52,582 and \$78,964, respectively.

### NOTE 5 – STOCKHOLDERS' EQUITY

#### Authorized Stock and Amendments

On July 18, 2022, the board of directors of the Company (the "Board of Directors" or "Board") adopted resolutions to effect a reverse stock split of the Company's issued and outstanding shares of common stock at a ratio of 1-for-750 without affecting the number of shares of authorized common stock (the "Originally Intended Reverse Stock Split"). The holder of the majority voting power of our voting stock (the "Majority Stockholder") approved the Originally Intended Reverse Stock Split by written consent on July 18, 2022, in lieu of a meeting of stockholders as permitted under the Nevada Revised Statute ("NRS") Section 78.320(2) and the company's bylaws, as then amended (the "Bylaws"). For additional information on the Originally Intended Reverse Stock Split, refer to the Definitive Information Statement filed by the Company with the U.S. Securities and Exchange Commission (the "SEC" or the "Commission") on July 29, 2022 (the "2022 Information Statement") and the Form 8-K filed by the Company with the Commission on December 22, 2022, both available on EDGAR at [www.sec.gov](http://www.sec.gov).

On December 20, 2022, the Company filed a Certificate of Amendment to its Articles of Incorporation with the Secretary of State of the State of Nevada ("SOS") that was intended to effect the Originally Intended Reverse Stock Split (the "Original Articles Amendment"). In April 2023, the Board of Directors determined (i) that the Original Articles Amendment inaccurately stated that the Originally Intended Reverse Stock Split was obtained by a stockholder vote under NRS 78.390, while approval of the stockholders was required under NRS 78.2055, with the holders of common stock voting as a separate class; and (ii) that the Original Articles Amendment was a nullity in that, under Nevada law, filing an amendment to articles of incorporation is not necessary to effectuate a reverse stock split. As a result, the Board of Directors determined that it would be in the best interest of the Company to take corrective action to remedy the inaccuracy and to file the documents that would have been necessary to effectuate a 1-for-750 reverse stock split of the issued and outstanding common stock with a corresponding split of the authorized common stock (the "Rectified Reverse Stock Split") and then immediately thereafter increase the number of shares of authorized common stock back to the number it was prior to the Rectified Reverse Stock Split as of December 20, 2022.

Pursuant to the action of the Company's board of directors by unanimous written consent on April 21, 2023, the board of directors authorized and approved (i) the Certificate of Correction to correct the Original Articles Amendment (the "Certificate of Correction"), and (ii) the Certificate of Change Pursuant to NRS 78.209 (the "Certificate of Change") including the Certificate of Validation of the Certificate of Change (the "Change Validation Certificate") in order to decrease the number of shares of the Company's issued and outstanding shares of common stock and correspondingly decrease



the number of authorized shares of common stock, each at a ratio of 1-for-750, retroactively effective as of December 20, 2022, without a vote of the stockholders. The board of directors also directed that the Company file the Certificate of Correction with the SOS and thereafter file the Certificate of Change including the Change Validation Certificate with the SOS. Pursuant to the NRS, no stockholder approval for this action was required. On May 25, 2023, the Company filed the Certificate of Correction and Certificate of Change including the Change Validation Certificate with the SOS, as also reported in Exhibits 3.2 and 3.1, respectively, to the Form 8-K filed by the Company with the Commission on May 25, 2023.

To carry out the original intent of the Originally Intended Reverse Stock Split and in light of the correction, ratification and validation of the Rectified Reverse Stock Split as described above, the Company's Board of Directors and the Majority Stockholder approved on April 21, 2023 the Authorized Capital Increase Amendment to increase the authorized number of shares of common stock from 5,333,334 shares to 4,000,000,000 shares retroactively as of December 20, 2022, in accordance with the board's and stockholders' original intent in effecting the Originally Intended Reverse Stock Split.

Further, the Board of Directors determined that it was advisable and in the best interests of the Company to amend and restate the Company's articles of incorporation (as amended to date, the "Current Articles") to decrease the number of shares of authorized common stock to two hundred million (200,000,000) and to amend certain other provisions in the Company's Current Articles (the "Amended and Restated Articles"). The Board of Directors and the Majority Stockholder determined to decrease the number of shares of our authorized common stock in order to reduce the number of shares available for issuance given that the large number of shares of common stock authorized for issuance may have a perceived negative impact on any potential future efforts to attract additional financing due to the dilutive effect of having such a large number of shares available for issuance. On April 21, 2023, the Company's board of directors and the Majority Stockholder approved the Amended and Restated Articles. Following the effectiveness of the Certificate of Correction and the Certificate of Change including the Change Validation Certificate filed with the SOS, on May 25, 2023, the Company filed the Amended and Restated Articles, as also reported in Exhibit 3.3 of the Form 8-K filed by the Company with the Commission on May 26, 2023.

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The foregoing corporate actions were disclosed in the Definitive Information Statement on Schedule 14C (the "Information Statement") filed by the Company with the Commission on May 2, 2023. As also contemplated in the Information Statement, on May 25, 2023, the Company also filed with the SOS a Certificate of Withdrawal of Designation of the Series B Convertible Preferred Stock and the Certificate of Withdrawal of Designation of the Series C Convertible Preferred (collectively, the "Certificates of Withdrawal"). The filings of the Certificates of Withdrawals were effective as of May 25, 2023.

As of December 31, 2022, the Company had 4,000,000,000 common shares authorized with a par value of \$ 0.001 per share. Pursuant to the vote by a written consent dated April 21, 2023, of the Company's Majority Stockholder, entitled to 51% of the voting power of the Company's issued and outstanding voting stock, the number of shares of the Company's authorized common stock was decreased to 200,000,000 shares. As of June 30, 2023, the Company had 200,000,000 authorized shares of common stock, with a par value of \$ 0.001 per share.

Reverse Stock Split

In connection with the Originally Intended Reverse Stock Split, as corrected by the Rectified Reverse Stock Split, the Company effectuated as of December 20, 2022 a reverse stock split of our issued and outstanding shares of common stock at a ratio of 1-for-750 (the "Reverse Stock Split"). Following the Reverse Stock Split, each 750 shares of our issued and outstanding shares of common stock were automatically converted into one issued and outstanding share of common stock, without any change in par value per share. No fractional shares were issued as a result of the Reverse Stock Split and no cash or other consideration was paid. Instead, we issued one whole share of the post-split common stock to any stockholder who otherwise would have received a fractional share as a result of the Reverse Stock Split. As rectified, the Reverse Stock Split did not affect the number of shares of authorized stock. All share, equity award, and per share amounts contained in these Condensed Interim Consolidated Financial Statements have been adjusted to reflect the Reverse Stock Split for all prior periods presented.

Series A Preferred Stock

On December 18, 2012, the Company filed with the Nevada Secretary of State a Certificate of Designations, Preferences and Rights of Series A Convertible Preferred Stock ("Series A Stock") to designate one share of a new series of preferred stock. The Certificate of Designations, Preferences and Rights of Series A Convertible Preferred Stock provides that for so long as Series A Stock is issued and outstanding, the holders of Series A Stock shall vote together as a single class with the holders of the Company's common stock, with the holders of Series A Stock being entitled to 51% of the total votes on all such matters regardless of the actual number of shares of Series A Stock then outstanding, and the holders of common stock are entitled to their proportional share of the remaining 49% of the total votes based on their respective voting power. The one outstanding share of our Series A Stock has been held by our Chief Executive Officer and Chairman, Mr. Marc Fogassa since December 18, 2012.

Series D Preferred Stock

On September 16, 2021, the Company filed with the Nevada Secretary of State a Certificate of Designations, Preferences and Rights of Series D Convertible Preferred Stock ("Series D Stock") to designate 1,000,000 shares of a new series of preferred stock. The Certificate of Designations, Preferences and Rights of Series D Convertible Preferred Stock (the "Series D COD") provides that for so long as Series D Stock is issued and outstanding, the holders of Series D Stock shall have no voting power until such time as the Series D Stock is converted into shares of common stock. Pursuant to the Series D COD one share of Series D Stock is convertible into 10,000 shares of common stock and may be converted at any time at the election of the holder. Giving effect to the Reverse Stock Split discussed above, each share of Series D Stock is effectively convertible into 13 and 1/3 shares of common stock. Holders of the Series D Stock are not entitled to any liquidation preference over the holders of common stock and are entitled to any dividends or distributions declared by the Company on a pro rata basis.

Six Months Ended June, 2023, Transactions

On January 9, 2023, the Company, entered into an underwriting agreement (the "Underwriting Agreement") with EF Hutton, division of Benchmark Investments, LLC, as representative of the underwriters named therein (the "Representative"), pursuant to which the Company agreed to sell an aggregate of 675,000 shares of the Company's common stock, to the Representative, at a public offering price of \$ 6.00 per share (the "Offering Price") in a firm commitment public offering (the "Offering"). The Company also granted the Representative a 45-day option to purchase up to 101,250 additional shares of the Company's common stock upon the same terms and conditions for the purpose of covering any over-allotments in connection with the Offering (the "Over-Allotment Option"). On January 11, 2023, the Representative delivered its notice to exercise the Over-Allotment Option in full.

The shares of common stock were offered by the Company pursuant to a registration statement on Form S-1, as amended (File No. 333-262399) filed with the Commission and declared effective on January 9, 2023 (the "Registration Statement"). The consummation of the Offering took place on January 12, 2023 (the "Closing").

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In connection with the Closing, the Company issued to the Representative, and/or its permitted designees, as a portion of the underwriting compensation payable to the Representative, warrants to purchase an aggregate of 33,750 shares of common stock, equal to 5% of the number of shares of common stock sold in the Offering (excluding the Over-Allotment option), at an exercise price of \$7.50, equal to 125% of the Offering Price (the "Representative's Warrants"). The Representative's Warrants are exercisable for a period of five years from the effective date of the Registration Statement, provided that

they are subject to a mandatory lock-up for 180 days from the commencement of sales of the Offering in accordance with FINRA Rule 5110(e). Aggregate gross proceeds from the Offering were \$4,657,500.

The “Intangible Assets” discussion in Note 2 above, is incorporated herein by reference.

On January 30, 2023, the company entered into a Securities Purchase Agreement (the “Purchase Agreement”) with two investors (the “Investors”), pursuant to which the Company agreed to issue and sell to the Investors in a Regulation S private placement (the “Private Placement”) an aggregate of 640,000 restricted shares of the Company’s common stock (the “Shares”). The purchase price for the Shares was \$ 6.25 per share, for total gross proceeds of \$4,000,000. The Private Placement transaction closed on February 1, 2023.

Additionally, during the six months ended June 30, 2023, the Company sold an aggregate of 192,817 shares of our common stock to Triton Funds, LP for total gross proceeds of \$1,675,797 pursuant to a Common Stock Purchase Agreement (the “CSPA”) entered into between the Company and Triton Funds, LP, dated February 26, 2021. For a description of the transactions contemplated under the CSPA, please refer to our Form 8-K filed with the Commission on March 2, 2021.

On May 26, 2023, our CEO and Chairman, Mr. Marc Fogassa, elected to convert 214,006 shares of Series D Stock, representing all of his outstanding shares of Series D Stock at that time, into shares of common stock. As a result, of such conversion, the Company issued Mr. Fogassa 2,853,413 new shares of common stock.

Lastly, during the six months ended June 30, 2023, the Company issued 5,206 shares of common stock to officers and consultants in compensation for services rendered.

#### Six Months Ended June 30, 2022 Transactions

During the six months ended June 30, 2022, the Company issued 317,291 shares of common stock for gross proceeds of \$1,385,960 pursuant to subscription agreements with accredited investors.

#### 2023 Stock Incentive Plan

On May 25, 2023, the Board approved the 2023 Stock Incentive Plan (the “Plan”) which enables the grant of stock options, stock appreciation rights, restricted stock, performance shares, stock unit awards, other stock-based awards, and performance-based cash awards, each of which may be granted separately or in tandem with other awards. The number of shares of Company’s common stock issuable pursuant to Plan will be equal to 2,000,000 shares. For a description of the 2023 Stock Incentive Plan, please refer to the Company’s Revised Definitive Information Statement on Schedule 14C filed with the Commission on June 5, 2023.

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#### Common Stock Options

During the six months ended June 30, 2023 and 2022, the Company granted options to purchase common stock to officers and non-management directors. The options were valued using the Black-Scholes option pricing model with the following ranges of assumptions:

	June 30 2023	June 30 2022
<b>Expected volatility</b>	200.84% – 280.94%	79.00% – 210.00%
<b>Risk-free interest rate</b>	3.42% – 3.99%	0.9% – 2.85%
<b>Stock price on date of grant</b>	\$7.0000 - \$38.8900	\$7.50 - \$37.50
<b>Dividend yield</b>	0.00%	0.00%
<b>Expected term</b>	10 years	10 years

Changes in common stock options for the six months ended June 30, 2023 and 2022 were as follows:

	Number of Options Outstanding and Vested	Weighted Average Exercise Price	Remaining Contractual Life (Years)	Aggregated Intrinsic Value
Outstanding and vested, January 1, 2023	178,672	\$ 0.012	1.55	\$ 1,228,972
Exercised	(16,000)	0.75		
Outstanding and vested, June 30, 2023	162,672	\$ 0.0601	0.82	\$ 3,474,652

During the six months ended June 30, 2023, option holders exercised a total 16,000 options with a \$0.75 exercise price. These exercises were paid for with 542 options conceded in cashless exercises. As a result of the options exercised, the Company issued 15,458 common shares.

	Number of Options Outstanding and Vested	Weighted Average Exercise Price(1)	Remaining Contractual Life (Years)	Aggregated Intrinsic Value
Outstanding and vested, January 1, 2022	6,546	\$ 8.250	2.74	\$ 19,675
Expired	(2,571)	19.754		
Outstanding and vested, June 30, 2022	3,975	\$ 0.8092	2.05	\$ 27,428

Changes in Series D preferred stock options for the six months ended June 30, 2023 and 2022 were as follows:

	Number of Options Outstanding and Vested	Weighted Average Exercise Price(1)	Remaining Contractual Life (Years)	Aggregated Intrinsic Value
Outstanding, January 1, 2023	72,000	\$ 75.00	8.94	\$ 6,712,912
Issued	18,000	75.00		
Outstanding and vested, June 30, 2023	90,000	\$ 75.00	8.69	\$ 25,695,428

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	Number of Options Outstanding and Vested	Weighted Average Exercise Price(1)	Remaining Contractual Life (Years)	Aggregated Intrinsic Value
Outstanding, January 1, 2022	36,000	\$ 75.00	9.44	\$ 2,732,400
Issued	18,000	75.00		
Outstanding and vested, June 30, 2022	54,000	\$ 75.00	9.23	\$ 5,502,692

(1) Represents the exercise price required to purchase one share of Series D Stock, which is convertible into 13 and 1/3 shares of common stock at any time at the election of the holder.

All Series D preferred stock options vested immediately upon issuance and are exercisable for a period of ten years from the date of issuance. The Series D preferred stock options issued in the six months ended June 30, 2023 were issued with a total grant date fair value of \$1,003,783, compared to total grant date fair value of \$322,135 for the Series D preferred stock options issued in the six months ended June 30, 2022.

#### Stock Purchase Warrants

Stock purchase warrants are accounted for as equity in accordance with ASC 480, *Accounting for Derivative Financial Instruments Indexed to, and Potentially Settled in, a Company's Own Stock, Distinguishing Liabilities from Equity*.

During the six months ended June 30, 2023 and 2022, the Company issued common stock purchase warrants to brokers in connection with the private placement financing. All warrants vest within 180 days from issuance and are exercisable for a period of two to five years from the date of issuance. Changes in stock purchase warrants for the six months ended June 30, 2023 and 2022 were as follows:

	Number of Options Outstanding and Vested	Weighted Average Exercise Price	Weighted Average Contractual Life (Years)	Aggregated Intrinsic Value
Outstanding and vested, January 1, 2023	321,759	\$ 12.8634	1.30	\$ -
Warrants issued(1)	234,735	8.1336		
Warrants exercised(2)	(388,676)	7.6496		
Outstanding and vested, June 30, 2023	167,807	\$ 9.9929	1.65	\$ 1,917,556

(1) The warrants issued in the six months ended June 30, 2023 had a total grant date fair value of \$2,156,793, valued using the Black-Scholes option pricing model with the following assumptions: our stock price on the date of the grant which ranged from \$8.10 to \$18.00, expected dividend yield of 0.0%, expected volatility of 196.40% estimated based on historical share price volatility, a risk-free interest rate between 3.43% and 3.54%, and an expected term of 5 years.

(2) During the six months ended June 30, 2023, warrant holders exercised a total 388,676 warrants to purchase 342,114 shares of the Company's common stock. The warrant exercises were executed with exercise prices ranging between \$5.1085 and \$8.3325 per share and were paid for with (i) \$844,039 in cash proceeds to the Company and (ii) 46,573 warrants conceded in cashless exercises. As a result of the warrants exercised, the Company issued 342,114 common shares.

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	Number of Options Outstanding and Vested	Weighted Average Exercise Price	Weighted Average Contractual Life (Years)	Aggregated Intrinsic Value
Outstanding and vested, January 1, 2022	406,270	\$ 11.4750	1.97	\$ -
Outstanding and vested, June 30, 2022	406,270	\$ 11.4750	1.48	\$ -

#### Common Stock Awards

During the six months ended June 30, 2023, the Company awarded a total of 138,697 restricted and unrestricted shares of common stock to officers for a total purchase price of five (\$5) dollars. These common stock awards included (i) 50,933 common shares which vested immediately, (ii) 63,764 restricted shares of common stock which vest in equal annual installments over three years, and (iii) 24,000 restricted shares of common stock which vest in equal annual installments over four years. The restricted shares of common stock will become unrestricted common shares immediately upon vesting. These common stock awards were issued with a total grant date fair value of \$1,175,129, as measured using the Company's 20-day volume weighted average price trailing to the date of issuance. During the six months ended June 30, 2023, the Company recognized \$649,062 in stock-based compensation expense in the condensed consolidated statements of operations and comprehensive loss (\$nil, for the six months ended June 30, 2022). As of June 30, 2023, the Company had 87,764 unvested common stock awards outstanding.

## NOTE 6 – COMMITMENTS AND CONTINGENCIES

#### Rental Commitment

The Company rents office space in the U.S. for approximately \$ 5,750 on a month-to-month basis. The Company also rents office space in Brazil. Such costs are immaterial to the consolidated financial statements.

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## NOTE 7 – RELATED PARTY TRANSACTIONS

#### Jupiter Gold Corporation

During the six months ended June 30, 2023, Jupiter Gold granted options to purchase an aggregate of 210,000 shares of its common stock to Marc Fogassa at prices ranging between \$0.01 to \$1.00 per share. The options were valued at \$71,841 and recorded to stock-based compensation. The options were valued using the Black-Scholes option pricing model with the following average assumptions: the Company's stock price on the date of the grant which ranged from \$1.10 to \$2.10, expected dividend yield of 0%, historical volatility calculated ranging from 298% to 371%, risk-free interest rate between a range of 3.42% to 3.99%, and an expected term between five and ten years. During the six months ended June 30, 2023, Marc Fogassa

exercised a total 1,115,000 options at a \$0.98 weighted average exercise price. These exercises were paid for with 386,420 options conceded in cashless exercises. As a result of the options exercised, the Company issued 728,580 common shares to Marc Fogassa.

On June 13, 2023, the Company purchased 320,700 shares of Jupiter Gold common stock at \$ 1.00 per share.

During the six months ended June 30, 2022, Jupiter Gold granted options to purchase an aggregate of 210,000 shares of its common stock to Marc Fogassa at prices ranging between \$0.01 to \$1.00 per share. The options were valued at \$51,967 and recorded to stock-based compensation. The options were valued using the Black-Scholes option pricing model with the following average assumptions: the Company's stock price on the date of the grant which ranged from \$0.8 to \$1.00, expected dividend yield of 0%, historical volatility calculated at 225%, risk-free interest rate between a range of 1.59% to 2.85%, and an expected term between five and ten years.

#### Apollo Resources Corporation

During the six months ended June 30, 2023, Apollo Resources granted options to purchase an aggregate of 90,000 shares of its common stock to Marc Fogassa at a price of \$0.01 per share. The options were valued at \$111,874 and recorded to stock-based compensation. The options were valued using the Black-Scholes option pricing model with the following average assumptions: the Company's stock price on the date of the grant which was \$5.00, an illiquidity discount of 75%, expected dividend yield of 0%, historical volatility calculated ranging from 53.2% to 58.0%, risk-free interest rate between a range of 3.42% to 3.99%, and an expected term of ten years.

During the six months ended June 30, 2022, Apollo Resources granted options to purchase an aggregate of 180,000 shares of its common stock to Marc Fogassa at a price of \$1.22 per share. The options were valued at \$219,921 and recorded to stock-based compensation. The options were valued using the Black-Scholes option pricing model with the following average assumptions: the Company's stock price on the date of the grant which ranged from \$1.25 to \$5.00, expected dividend yield of 0%, historical volatility calculated at 71%, risk-free interest rate between a range of 1.59% to 2.85%, and an expected term between five and ten years.

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### **NOTE 7 – RISKS AND UNCERTAINTIES**

#### Currency Risk

We operate primarily in Brazil which exposes us to currency risks. Our business activities may generate intercompany receivables or payables that are in a currency other than the functional currency of the entity. Changes in exchange rates from the time the activity occurs to the time payments are made may result in it receiving either more or less in local currency than the local currency equivalent at the time of the original activity.

Our consolidated financial statements are denominated in U.S. dollars. Accordingly, changes in exchange rates between the applicable foreign currency and the U.S. dollar affect the translation of each foreign subsidiary's financial results into U.S. dollars for purposes of reporting in the consolidated financial statements. Our foreign subsidiaries translate their financial results from the local currency into U.S. dollars in the following manner: (a) income statement accounts are translated at average exchange rates for the period; (b) balance sheet asset and liability accounts are translated at end of period exchange rates; and (c) equity accounts are translated at historical exchange rates. Translation in this manner affects the shareholders' equity account referred to as the foreign currency translation adjustment account. This account exists only in the foreign subsidiaries' U.S. dollar balance sheets and is necessary to keep the foreign subsidiaries' balance sheets in agreement.

### **NOTE 8 – SUBSEQUENT EVENTS**

#### Private Placement

On July 18, 2023, the Company consummated a transaction with four investors, pursuant to which the Company agreed to issue and sell to the Investors in a Regulation S private placement an aggregate of 526,317 restricted shares of the Company's common stock, par value \$ 0.001 per share. The purchase price for the Shares was \$19.00 per share, for total gross proceeds of \$ 10,000,023. The Company currently intends to use the proceeds from the Private Placement for general working capital purposes. The Investors each made customary representations, warranties and covenants, including, among other things, that each of the Investors is a "non-U.S. Person" as defined in Regulation S, and that they were not solicited by means of generation solicitation. No broker-dealer or private placement agent was involved in the Private Placement. The Company entered into a certain technical services agreement with one of the Investors with experience in the lithium industry.

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### **Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS**

The following discussion of our financial condition and results of operations should be read in conjunction with our unaudited consolidated financial statements and the notes to those financial statements appearing elsewhere in this Report.

This discussion and analysis below include forward-looking statements that are subject to risks, uncertainties and other factors described in the "Risk Factors" section that could cause actual results could differ materially from those anticipated in these forward- looking statements as a result of various factors. Additionally, our historical results are not necessarily indicative of the results that may be expected for any period in the future.

#### **Overview**

Atlas Lithium Corporation is a mineral exploration and development company with lithium projects and multiple lithium exploration properties. In addition, we own exploration properties in other battery minerals, including nickel, rare earths, graphite, and titanium. Our current focus is the development from exploration to active mining of our hard-rock lithium project located in the state of Minas Gerais State in Brazil at a well-known, premier pegmatitic district in Brazil, which has been recently denominated by the government of Minas Gerais as "Lithium Valley". We intend to mine and then process our lithium-containing ore to produce lithium concentrate (also known as spodumene concentrate), a key ingredient for the battery supply chain.

We are in the initial planning stages of planning to develop and own 100% of a processing facility capable of producing 300,000 tons of lithium concentrate annually. However, there can be no assurance that we will have the necessary capital resources to develop such facility or, if developed, that we will reach the production capacity necessary to commercialize our products and with the quality needed to meet market demand.

All of our mineral projects and properties are located in Brazil and our mineral rights portfolio for battery minerals includes approximately 71.057 acres (288 km<sup>2</sup>) for lithium in 58 mineral rights, 52,229 acres for nickel (211 km<sup>2</sup>) in 14 mineral rights, 30,009 acres (121 km<sup>2</sup>) for rare earths in seven mineral rights, 17,117 acres (69 km<sup>2</sup>) for titanium in seven mineral rights, and 9,663 acres (39 km<sup>2</sup>) for graphite in two mineral rights. We believe that we hold the largest portfolio of exploration properties for battery minerals in Brazil, a premier and well-established mining jurisdiction.

We are primarily focused on advancing and developing our hard-rock lithium project located in the state of Minas Gerais, Brazil, where some of our high-potential mineral rights are adjacent to or near large lithium deposits that belong to Sigma Lithium Corporation (Nasdaq: SGML). Our Minas Gerais Lithium Project ("MGLP") is our largest project and consists of 51 mineral rights spread over 54,791 acres (222 km<sup>2</sup>) and predominantly located within the Brazilian Eastern Pegmatitic Province which has been surveyed by the Brazilian Geological Survey and is known for the presence of hard rock formations known as pegmatites which contain lithium-bearing minerals such as spodumene and petalite.

We believe that we can increase our value by the acceleration of our exploratory work and quantification of our lithium mineralization. Our initial commercial goal is to be able to enter production of lithium concentrate, a product which is highly sought after in the battery supply chain for electric vehicles.

We also have 100%-ownership of early-stage projects and properties in other minerals that are needed in the battery supply chain and high technology applications such as nickel, rare earths, graphite, and titanium. We believe that the shift from fossil fuels to battery power may yield long-term opportunities for us not only in lithium but also in such other minerals.

Additionally, we have 100%-ownership of several mining concessions for gold and diamonds, two of which also include industrial sand. As our lithium properties became our corporate focus, we stopped alluvial gold and diamond exploration efforts in 2018 and the sale of our industrial sand in 2022.

In addition to these projects, we own 45.11% of the shares of common stock of Apollo Resources, a private company primarily focused on the development of its initial iron mine.

We also own approximately 28.00% of the shares of common stock of Jupiter Gold, a company focused on the exploration of two gold projects and a quartzite mine, and whose common stock are quoted on the OTCQB marketplace under the symbol "JUPGF." The quartzite mine started operations in June 2023.

Apollo Resources and Jupiter Gold have not generated any revenues to date. The results of operations from both Apollo Resources and Jupiter Gold are consolidated in our financial statements under U.S. GAAP."

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### **Operational Update**

#### Exploration Campaign

Our ongoing drilling campaign is delineating the lithium resources of our 100%-owned Neves Project, a cluster of four lithium mineral rights within MGLP. Our current geological team is comprised of 12 geologists, nine of which are employed full-time. To support the work of our geologists we have 18 full-time field and support technicians and machinery operators. Our geological team and our exploration campaign is supervised by Volodymyr Myadzel, Ph.D., a Qualified Person for lithium as such term is defined in Subpart 1300 of Regulation S-K promulgated by the Commission ("Regulation S-K 1300") .

We have engaged SGS Canada Inc. ("SGS"), and, in particular, their geologist Marc-Antoine Laporte, a Qualified Person for lithium under Regulation S-K 1300, to produce a mineral resource estimate report (the "Maiden Resource Report") for our Neves Project in accordance with Regulation S-K 1300. Mr. Laporte is the author of mineral resource reports for two other companies which have hard-rock lithium projects in Lithium Valley, the general area where our Neves Project is located, and has worked on lithium properties in Lithium Valley since 2017. Mr. Laporte visited our Neves Project between May 4 and May 6, 2023. The Maiden Resource Report is expected to be completed during the third quarter of 2023.

The Maiden Resource Report will update and replace our previously filed SLR International Corporation's technical report summary entitled "S-K 1300 Technical Report Summary on the Das Neves Lithium Project" (the "Initial Exploration Report"), with an effective date of August 10, 2022, and a signature date of August 31, 2022. The Initial Exploration Report presented recommendations to us on further steps necessary for the delineation of the lithium resources at our Neves Project. At the time of the Initial Exploration Report, we had one drill on site and 1,213 meters drilled in total. Currently, we have 10 active drills operating and have drilled, as of June 30, 2023, an aggregate of 33,664 meters. The current drilling campaign pace is approximately 7,400 meters drilled per month.

At our Neves Project, our current focus is drilling within and around our flagship pegmatite, "Anitta," a 2.3-kilometer formation which remains open along strike and at depth, and has been proven to contain spodumene, a key lithium-bearing mineral.

#### Drilling Campaign Highlights (drill holes in numerical sequence)

DHAB-11B:	1.57% Li <sub>2</sub> O over 13.1m from 74.0m to 87.1m, which includes: 2.25% Li <sub>2</sub> O over 4.0m from 76.7m to 80.8m, and 2.00% Li <sub>2</sub> O over 3.1m from 84.0m to 87.1m
DHAB-12:	1.35% Li <sub>2</sub> O over 5.02m from 83.41m to 88.43m
DHAB-15:	1.40% Li <sub>2</sub> O over 15.0m from 60.5m to 75.5m, which includes: 1.83% Li <sub>2</sub> O over 5.0m from 66.5m to 71.5m

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DHAB-18:	1.01% Li <sub>2</sub> O over 9.95m from 82.66m to 92.61m, which includes: 2.17% Li <sub>2</sub> O over 3.0m from 86.55m to 89.55m
DHAB-21:	1.33% Li <sub>2</sub> O over 8.8m from 50.0m to 58.8m
DHAB-39B:	1.00% Li <sub>2</sub> O over 9.1m from 107.4m to 116.6m 1.48% Li <sub>2</sub> O over 9.0m from 119.2m to 128.2m
DHAB-41:	1.09% Li <sub>2</sub> O over 22.2m from 83.0m to 105.2m, which includes: 1.72% Li <sub>2</sub> O over 4.0m from 94.0m to 98.0m
DHAB-44:	1.30% Li <sub>2</sub> O over 17.9m from 141.81m to 159.71m, which includes:

	1.88% Li <sub>2</sub> O over 9.0m from 150.0m to 159.0m
DHAB-47:	2.80% Li <sub>2</sub> O over 9.87m from 54.18m to 64.05m
DHAB-57:	1.46% Li <sub>2</sub> O over 13.0m from 92.2m to 105.2m
DHAB-64:	1.08% Li <sub>2</sub> O over 10.6m from 119.5m to 130.1m 1.26% Li <sub>2</sub> O over 11.0m from 132.1m to 143.1m, which includes: 2.09% Li <sub>2</sub> O over 5.0m from 135.1m to 140.1m
DHAB-68:	1.36% Li <sub>2</sub> O over 25.43m from 54.15m to 79.58m, which includes: 2.02% Li <sub>2</sub> O over 6.5m from 54.15m to 60.15m, 4.40% Li <sub>2</sub> O over 0.55m from 60.15m to 60.70m, and 1.89% Li <sub>2</sub> O over 5.0m from 71.5m to 76.5m
DHAB-70:	1.16% Li <sub>2</sub> O over 14.85m from 43.75m to 58.60m 1.20% Li <sub>2</sub> O over 2.4m from 78.31m to 80.72m
DHAB-74:	1.01% Li <sub>2</sub> O over 8.74m from 137.26m to 146.00m
DHAB-77:	1.08% Li <sub>2</sub> O over 3.2m from 65.8m to 69.0m 1.46% Li <sub>2</sub> O over 14.0m from 70.0m to 84.0m, which includes: 2.04% Li <sub>2</sub> O over 5.0m from 70.01m to 75.0m
DHAB-85:	1.18% Li <sub>2</sub> O over 47.0m from 7.0m to 54.0m, which includes: 2.12% Li <sub>2</sub> O over 7.0m from 13.0m to 20.0m, and 1.88% Li <sub>2</sub> O over 9.0m from 150.0m to 159.0m
DHAB-104:	1.47% Li <sub>2</sub> O over 95.20 meters, which includes: 2.26% Li <sub>2</sub> O over 2.7m from 97.9m to 100.6m, 1.71% Li <sub>2</sub> O over 3.2m from 103.4m to 106.6m, 2.19% Li <sub>2</sub> O over 5.1m from 127.0m to 132.1m, 1.95% Li <sub>2</sub> O over 13.7m from 137.3m to 151.0m, 2.10% Li <sub>2</sub> O over 14.6m from 155.0m to 169.6m, and 2.31% Li <sub>2</sub> O over 9.1m from 176.2m to 185.3m
DHAB-144:	1.73% Li <sub>2</sub> O over 8.0 meters, from 153.0m to 161.0m, which includes: 2.18% Li <sub>2</sub> O over 3.0m from 154.0m to 157.0m
DHAB-145EX:	2.53% Li <sub>2</sub> O over 11.50 meters from 242.55m to 254.00m, which includes: 3.34% Li <sub>2</sub> O over 7.0m from 244.0m to 251.0m
DHAB-160:	1.82% Li <sub>2</sub> O over 25.0 meters, which includes: 2.17% Li <sub>2</sub> O over 8.0m from 217.0m to 225.0m, and 2.86% Li <sub>2</sub> O over 8.0m from 225.0m to 233.0m
DHAB-162:	1.48% Li <sub>2</sub> O over 30.0 meters from 186.0m to 217.0m, which includes: 2.03% Li <sub>2</sub> O over 5.0m from 207.0m to 212.0m, and 3.73% Li <sub>2</sub> O over 5.0m from 212.0m to 217.0m 1.58% Li <sub>2</sub> O over 9.0 meters, from 240.0m to 249.0m which includes: 1.86% Li <sub>2</sub> O over 4.0m from 240.0m to 244.0m
DHAB-178EX:	1.17% Li <sub>2</sub> O over 35.2 meters from 235.0 to 278.2m, which includes: 1.50% Li <sub>2</sub> O over 7.0m from 250.0m to 257.0m, 2.05% Li <sub>2</sub> O over 9.0m from 260.0m to 269.0m, and 1.92% Li <sub>2</sub> O over 3.0m from 269.0m to 272.0m
DHAB-181:	1.35% Li <sub>2</sub> O over 8.0 meters from 263.0m to 272.2m, which includes: 2.11% Li <sub>2</sub> O over 3.5m from 263.0m to 266.5m
DHAB-185:	2.06% Li <sub>2</sub> O over 6.3 meters from 8.0m to 14.3m, which includes: 5.23% Li <sub>2</sub> O over 1.1m from 9.2m to 10.3m, 3.19% Li <sub>2</sub> O over 4.3 meters from 16.7m to 21.0m, 1.75% Li <sub>2</sub> O over 5.8 meters from 38.0m to 43.8m, and 1.75% Li <sub>2</sub> O over 5.4 meters from 54.8m to 60.2m
DHAB-187:	1.58% Li <sub>2</sub> O over 6.0 meters from 172.0m to 178.0m

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Our drilling and sampling follow strict best practices established under QA/QC protocols. All lithium samples are analyzed at SGS-Geosol, the premier analytical laboratory used by reputable mining companies in Brazil. Normally geochemical results are obtained from SGS-Geosol three weeks after submission of the samples for analysis.

## [Metallurgical Report](#)

On April 24, 2023, we announced the receipt of the metallurgical report (the "Metallurgical Report") from SGS for studies performed over several months on a representative ore sample from our Neves Project. The Metallurgical Report showed that a very high grade of 7.22% was achieved for heavy liquid separation. Commercial-grade lithium concentrate was obtained from our representative sample using standard dense media separation, a gravity-based approach which does not use any harmful chemicals or flotation. The Metallurgical Report also showed final lithium concentrate grading of 6.04% Li<sub>2</sub>O

with only 0.53% Fe<sub>2</sub>O<sub>3</sub>, and a lithium recovery of 70%. Our desired target was the production of concentrate grading 6.0% Li<sub>2</sub>O with less than 1.0% Fe<sub>2</sub>O<sub>3</sub>, and these targets were exceeded. SGS has been providing testing and analytical services to the mining industry since 1941 and has earned the reputation as a leading provider of metallurgical services.

The Metallurgical Report will become a chapter in the Maiden Resource Report described above. The Metallurgical Report also allows SGS to begin work towards a Preliminary Economic Assessment of the Neves Project which is a technical study expected to be issued after the Maiden Resource Report.

#### Business Development

##### Mitsui & Co., Ltd.

On January 18, 2023, we announced that we had signed a Memorandum of Understanding ("MOU") with Mitsui & Co., Ltd. ("Mitsui") with respect to Mitsui's potential interest in acquiring the right to purchase our future lithium concentrate production. Mitsui is one of the world's most diversified comprehensive trading, investment, and service enterprises. Headquartered in Tokyo, Japan, Mitsui maintains a global network of 128 offices in 63 countries and regions.

In general terms, the MOU contemplates potential funding from Mitsui to us of up to \$65 million (the "Offtake Funding"), in tranches and subject to the achievement of specific milestones acceptable to Mitsui, that would give Mitsui the right to buy up to 100% of our future production from our planned plant with output capacity of 150,000 tons of lithium concentrate per year (the "Plant"). The Offtake Funding would be primarily used by us for the construction of the Plant. Lithium concentrate produced by the Plant would then be available for purchase by Mitsui at a price generally based on the then-prevailing market price. The MOU is non-binding and non-exclusive for both companies. During the three months ending June 30, 2023, we continued to engage in discussions with Mitsui regarding progress toward achieving the milestones set forth in the MOU.

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##### Lithium Royalty Corp.

On May 2, 2023, we and Atlas Litio Brasil Ltda. (the "Company Subsidiary"), entered into a Royalty Purchase Agreement (the "Purchase Agreement") with Lithium Royalty Corp., a Canadian company listed on the Toronto Stock Exchange ("LRC"), whereby the Company Subsidiary sold to LRC in consideration for \$20,000,000 in cash, a royalty interest equaling 3% of the future gross revenue (the "Royalty") to be received by the Company Subsidiary from the sale of products from certain 19 mineral rights and properties that are located in Brazil and held by the Company Subsidiary.

On the same day, the Company Subsidiary and LRC entered into a Gross Revenue Royalty Agreement (the "Royalty Agreement") pursuant to which the Company Subsidiary granted LRC the Royalty and undertook to calculate and make royalty payment on a quarterly basis commencing from the first receipt of the sales proceeds with respect to the products from the Property. The Royalty Agreement contains other customary terms, including but not limited to, the scope of the gross revenue, the Company Subsidiary's right to determine operations, and LRC's information and audit rights. Under the Royalty Agreement, the Company Subsidiary also granted LRC an option to purchase additional royalty interest with respect to certain additional Brazilian mineral rights and properties on the same terms and conditions as the Royalty, at a total purchase price of \$5,000,000.

The principals at LRC are known for their experience in the lithium industry. As part of LRC's due diligence, Mr. Ernie Ortiz, LRC's President and CEO, visited our Neves Project between April 5, 2023, and April 7, 2023.

#### **Results of Operations**

##### *The Three Months Ended June 30, 2023, Compared to the Three Months ended June, 2022*

Net loss for the three months ended June 30, 2023, totaled \$9,126,649, compared to net of \$871,016 during the three months ended June 30, 2022. The increase in loss is mainly due to:

- Higher general and administrative expenses in the period due to legal fees, traveling expenses and the cost of D&O insurance for the quarter;
- Increased compensation costs relate to the increase in employee headcount and bonus paid to management;
- Stock-based compensation increase is due to the increase in our common stock share price and new members of the management team; and
- Higher exploration expenses for the period due the execution of the drilling program on our 100% owned Minas Gerais Lithium Project.

##### *Six Months Ended June 30, 2023 Compared to the Six Months ended June 30, 2022*

Net loss for the six months ended June 30, 2023, totaled \$13,092,587, compared to net of \$1,402,506 during the six months ended June 30, 2022. The increase in loss is mainly due to

- Higher general and administrative expenses in the period due to approximately \$1,030,000 in non-recurring transaction costs associated with our Offering in January 2023 in connection with the listing of our common stock on the Nasdaq Capital Market., including increased legal fees, travelling and D&O insurance expenses.
- Higher compensation costs due to the increase in employee headcount and bonus paid to management
- Stock-based compensation increase is due to the increase in our common stock share price and new members of the management team; and
- Higher exploration expenses for the period due the execution of the drilling program on our 100% owned Minas Gerais Lithium Project.

#### **Liquidity and Capital Resources**

As of June 30, 2023, we had cash and cash equivalents of \$20,165,214 and net working capital, including cash, of \$16,640,187.

Net cash provided by operating activities totaled \$11,783,491 for the six months ended June 30, 2023, compared to net cash used of \$1,327,301 during the six months ended June 30, 2022, representing an increase of \$13,110,792 or 987%. The said increase in net cash generated by operating activities was mainly due to:

- Royalty sale of 3% of the gross revenue for \$20,000,000. (refer to discussion in Note 3);
- Increase of our lithium exploration program costs of \$5,671,904
- Nasdaq listing, non-recurrent expenses of approximately \$1,030,000;
- Increase in compensation expenses due to the increase of management and exploration teams.

Net cash used in investing activities totaled \$2,679,812 for the six months ended June 30, 2023, compared to net cash used of \$247,163 during the six months ended June 30, 2022, representing an increase in cash used of \$2,432,649 or 984%. The increase refers to the purchase of lithium mining rights.

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Net cash provided by financing activities totaled \$10,675,118 for the six months ended June 30, 2023, compared to \$1,910,960 during the six months ended June 30, 2022, representing an increase in cash provided of \$8,764,158 or 458%. The increase is mainly due to:

- Our Offering which closed on January 12, 2023, with aggregate gross proceeds of \$4,657,500.
- Securities Purchase Agreement with two investors, pursuant to which we agreed to issue and sell to the Investors in a Regulation S private placement an aggregate of 640,000 restricted shares of our common stock, par value \$0.001 per share. The purchase price for the Shares was \$6.25 per share, for total gross proceeds of \$4,000,000.
- During the three months ended June, 2023, we also sold an aggregate of 192,817 shares of our common stock to Triton Funds, L.P for total gross proceeds of \$1,675,797 pursuant to a Common Stock Purchase Agreement entered between us and Triton Funds, LP.

For further information on three transactions mentioned above, please refer to Note 5 – stockholders' equity.

We have historically incurred net operating losses and have not yet received material revenues from the sale of products or services.

Our primary sources of liquidity have been derived through proceeds from the (i) issuance of debt and (ii) sales of our equity and the equity of one of our subsidiaries. For example, on January 12, 2023, we completed a firm underwritten public offering of 776,250 shares of our common stock (which includes the shares subject to the over-allotment option, exercised by the underwriter in full), for aggregate gross proceeds of \$4,657,500 (prior to deducting any underwriting discounts, commissions, and other offering expenses). On January 30, 2023, and on July 18, 2023, we raised an aggregate of \$4 million and \$10 million, respectively, in gross proceeds from the sale of our common stock in transaction exempt under Regulation S of the Securities Act of 1933, as amended (the "Securities Act"), and (iii) sale of royalty interest. Lastly, on May 2, 2023, in connection with entering into the Royalty Purchase Agreement, the Company received a cash payment of \$20,000,000 (see discussion in Note 3 related to the Royalty Purchase Agreement). We believe our cash on hand will be sufficient to meet our working capital and capital expenditure requirements for a period of at least twelve months through March 2024.

Our future short- and long-term capital requirements will depend on several factors, including but not limited to, the rate of our growth, our ability to identify areas for mineral exploration and the economic potential of such areas, the exploration and other drilling campaigns needed to verify and expand our mineral resources, the types of processing facilities we would need to install to obtain commercial-ready products, and the ability to attract talent to manage our different business activities. To the extent that our current resources are insufficient to satisfy our cash requirements, we may need to seek additional equity or debt financing. If the needed financing is not available, or if the terms of financing are less desirable than we expect, we may be forced to scale back our existing operations and growth plans, which could have an adverse impact on our business and financial prospects and could raise substantial doubt about our ability to continue as a going concern.

### Currency Risk

Information pertaining to currency risk can be found in "Item 1. Financial Statements, Note 7. Risks and Uncertainties," to the interim consolidated financial statements, and is incorporated by reference herein

We currently have no off-balance sheet arrangements.

### Critical Accounting Policies and Estimates

Our financial instruments consist of cash and cash equivalents and accrued expenses. The carrying amount of these financial instruments is approximate of fair value due either to length of maturity or interest rates that approximate prevailing market rates unless otherwise disclosed in our financial statements. If our estimate of the fair value is incorrect on June 30, 2023, it could negatively affect our financial position and liquidity and could result in our having understated our net loss.

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### Recent Accounting Pronouncements

Our consolidated financial statements are prepared in accordance with U.S. GAAP. Our significant accounting policies are described in Note 1 of the financial statements. We have reviewed all recent accounting pronouncements issued to the date of the issuance of these financial statements, and we do not believe any of these pronouncements will have a material impact on us.

### Item 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

The information to be reported under this Item is not required of smaller reporting companies.

### Item 4. CONTROLS AND PROCEDURES

#### (a) Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our Principal Executive Officer and Principal Financial Officer, has evaluated the design, operation, and effectiveness of our disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) of the Securities Exchange Act of 1934, as amended (the "Exchange Act") as of the end of the period covered by this Quarterly Report on Form 10-Q. Based on that evaluation, our Principal Executive Officer and Principal Financial Officer concluded that as of June 30, 2023, our disclosure controls and procedures were effective at a reasonable assurance level.

#### (b) Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting that occurred in the quarter ended June 30, 2023, that materially affected, or would be reasonably likely to materially affect, our internal control over financial reporting.

#### (d) Limitations of the Effectiveness of Controls and Procedures

In designing and evaluating the disclosure controls and procedures and internal control over financial reporting, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance that the information required to be disclosed in reports filed or submitted pursuant to the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the rules and forms of the Commission, and that such information is accumulated and communicated to management, including its Principal Executive Officer and Principal Financial Officer as appropriate, to allow timely decisions regarding required disclosure. In addition, the design of disclosure controls and procedures and internal control over financial reporting must reflect the fact that there are resource constraints and that management is required to apply judgement in evaluating the benefits of possible controls and procedures relative to their costs.



**PART II OTHER INFORMATION**  
**FORWARD LOOKING STATEMENTS**

This Quarterly Report contains forward-looking statements. We intend such forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in Section 27A of the Securities Act and Section 21E of the Exchange Act. All statements other than statements of historical fact contained in this Quarterly Report are forward-looking statements, including without limitation, statements regarding current expectations, as of the date of this Quarterly Report, our future results of operations and financial position, our ability to effectively process our minerals and achieve commercial grade at scale; risks and hazards inherent in the mining business (including risks inherent in exploring, developing, constructing and operating mining projects, environmental hazards, industrial accidents, weather or geologically related conditions); our ability to derive any financial success from the Memorandum of Understanding entered into with Mitsui & Co., Ltd. in December 2022; uncertainty about our ability to obtain required capital to execute our business plan; our ability to hire and retain required personnel; changes in the market prices of lithium and lithium products and demand for such products; the uncertainties inherent in exploratory, developmental and production activities, including risks relating to permitting, zoning and regulatory delays related to our projects; and uncertainties inherent in the estimation of lithium resources. These statements involve known and unknown risks, uncertainties and other important factors that may cause actual results, performance, or achievements to differ materially from any future results, performance or achievement expressed or implied by these forward-looking statements.

In some cases, you can identify forward-looking statements by terms such as “may,” “will,” “should,” “expect,” “plan,” “anticipate,” “could,” “intend,” “target,” “project,” “contemplate,” “believe,” “estimate,” “predict,” “potential,” or “continue” or the negative of these terms or other similar expressions. Factors that could cause future results to materially differ from the recent results or those projected in forward-looking statements include, but are not limited to: unprofitable efforts resulting not only from the failure to discover mineral deposits, but also from finding mineral deposits that, though present, are insufficient in quantity and quality to return a profit from production; market fluctuations; government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals, and environmental protection; competition; the loss of services of key personnel; unusual or infrequent weather phenomena, sabotage, government or other interference in the maintenance or provision of infrastructure as well as general economic conditions, geopolitical events; availability of capital; Atlas Lithium's ability to maintain its competitive position; manipulative attempts by short sellers to drive down our stock price; and dependence on key management.

The forward-looking statements in this Quarterly Report are only predictions. We have based these forward-looking statements largely on our current expectations and projections about future events and financial trends that we believe may affect our business, financial condition and results of operations. These forward-looking statements speak only as of the date of this Quarterly Report and are subject to a number of important factors that could cause actual results to differ materially from those in the forward-looking statements, including the factors described under the section in this Quarterly Report titled “Risk Factors” and “Management's Discussion and Analysis of Financial Condition and Results of Operations” as well as factors described under the section titled “Risk Factors” in each of our Quarterly Reports on Form 10-Q for the quarter ended March 31, 2023 and our Form 10-K for the fiscal year ended December 31, 2022 and other filings we make with the Commission. Therefore, you should not place undue reliance on these forward-looking statements.

You should read this Quarterly Report and the documents that we reference in this Quarterly Report completely and with the understanding that our actual future results may be materially different from what we expect. We qualify all of our forward-looking statements by these cautionary statements. Except as required by applicable law, we do not plan to publicly update or revise any forward-looking statements contained herein, whether as a result of any new information, future events, changed circumstances or otherwise.

**Item 1. LEGAL PROCEEDINGS**

None material.

**Item 1A. RISK FACTORS**

There have been no material changes to the Risk Factors described in Item 1A. “Risk Factors” in our Quarterly Report in Form 10-Q for the quarter ending March 31, 2023.

**Item 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS**

None

**Item 3. DEFAULTS UPON SENIOR SECURITIES**

None

**Item 4. MINE SAFETY DISCLOSURES**

None

**Item 6. EXHIBITS**

(a) Exhibits

Exhibit Number	Description
10.1	<a href="#">Royalty Purchase Agreement, incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed with the Commission on May 2, 2023.</a>
10.2	<a href="#">Gross Revenue Royalty Agreement, incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed with the Commission on May 2, 2023.</a>
31.1*	<a href="#">Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</a>
31.2*	<a href="#">Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</a>
32.1**	<a href="#">Certification of Chief Executive Officer and Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</a>

101.INS*	Inline XBRL Instance Document
101.SCH*	Inline XBRL Taxonomy Extension Schema Document
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB*	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

\*Filed herewith

\*\* Furnished herewith

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## SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Exchange Act, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Atlas Lithium Corporation

Signature	Title	Date
<u>/s/ Marc Fogassa</u> Marc Fogassa	Chief Executive Officer (Principal Executive Officer) and Chairman of the Board	August 14, 2023
<u>/s/ Gustavo Pereira de Aguiar</u> Gustavo Pereira de Aguiar	Chief Financial Officer (Principal Financial and Accounting Officer)	August 14, 2023

## CERTIFICATION

I, Marc Fogassa, certify that:

- (1) I have reviewed this Quarterly Report on Form 10-Q for the fiscal year ended June 30, 2023 of Atlas Lithium Corporation.;
- (2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- (3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Company as of, and for, the periods presented in this report;
- (4) The Company's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Company and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under their supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the Company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the Company's internal control over financial reporting that occurred during the Company's most recent fiscal quarter (the Company's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting; and
- (5) The Company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Company's auditors and the audit committee of the Company's Board of Directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal control over financial reporting.

Date: August 14, 2023

/s/ Marc Fogassa

Marc Fogassa  
Chief Executive Officer  
(Principal Executive Officer)

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## CERTIFICATION

I, Gustavo Pereira de Aguiar, certify that:

- (1) I have reviewed this Quarterly Report on Form 10-Q for the fiscal year ended June 30, 2023 of Atlas Lithium Corporation;
- (2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- (3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Company as of, and for, the periods presented in this report;
- (4) The Company's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Company and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under their supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the Company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the Company's internal control over financial reporting that occurred during the Company's most recent fiscal quarter (the Company's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting; and
- (5) The Company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Company's auditors and the audit committee of the Company's Board of Directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal control over financial reporting.

Date: August 14, 2023

/s/ Gustavo Pereira de Aguiar

Gustavo Pereira de Aguiar  
Chief Financial Officer  
(Principal Financial and Accounting Officer)

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**Certification of Chief Executive Officer and Principal Financial Officer  
Pursuant to 18 U.S.C. Section 1350,  
as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002**

Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned principal executive officer and principal financial officer of Atlas Lithium Corporation (the "Company"), certify that the Quarterly Report on Form 10-Q of the Company for the quarter ended June 30, 2023 fully complies with the requirements of Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934, as amended, and the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 14, 2023

By: /s/ Marc Fogassa

Marc Fogassa  
Chief Executive Officer  
(Principal Executive Officer)

Date: August 14, 2023

By: /s/ Gustavo Pereira de Aguiar

Gustavo Pereira de Aguiar  
Chief Financial Officer  
(Principal Financial and Accounting Officer)

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

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