RNS Number : 0770N
Aterian PLC
02 May 2024

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Issue of CLN and potential Director Dealing

Aterian Plc
("**Aterian**" or the "**Company")**

Aterian Plc (LSE: ATN), the critical metal-focused exploration and development company, announces that it intends to raise a minimum of £ 500,000 through the issuance of convertible loan notes ("**CLN**") convertible into newly authorised and issued shares of the Company at a fixed price of 0.70 pence per ordinary share of 1p each in the capital of the Company ("**Ordinary Shares"**) (the "**Fundraise**"). The proposed Fundraise is being carried out to bolster the Company's financial flexibility and enable it to accelerate the planned Agdz exploration drill programme in Morocco and advance operations in Rwanda and Botswana.

Highlights:

- The Company proposes to raise a minimum of £ 500,000 through the issue of the CLNs, which are convertible at 0.7p ("**Conversion Price**"), a 12 % premium to the mid-market closing price of Ordinary Shares as of 1 May 2024.
- The CLN is intended to raise capital at a time when the market price of Ordinary Shares is lower than the par value of the Ordinary Shares, impeding a conventional equity raise in the short term.
- The Company will use its reasonable endeavours to publish an FCA approved prospectus ("Prospectus") as soon as possible after the Fundraise to avoid or minimise any potential interest payments and, in any event, to make an initial submission of a prospectus to the FCA prior to 31 December 2024.
- The Company intends to execute the necessary actions to avoid paying any interest on the CLN. However, the CLN shall bear interest at the rate of 1% per calendar month which shall begin to accrue with effect from the first calendar day falling two (2) calendar months after the issue of the CLNs and at an increased rate of 2% per calendar month from the first calendar day falling five (5) calendar months after the issue of the CLNs. Interest is to be paid in cash or shares at the Conversion Price at the option of the Noteholder.
- The CLN is to convert automatically into ordinary shares upon the Company passing shareholder resolutions to approve changes to the share capital designed to lower the nominal value of the Ordinary Shares relative to the share price and the Company publishing a Prospectus (with the conversion taking place after that later event), and the Company is obliged under the terms of the CLN to hold the general meeting to re-organise the share capital of the Company prior to 30 June 2024.
- The CLNs will contain an option for the CLN holder to convert prior to publication of a Prospectus, and there is also a proposed early redemption upon an event of default or a change of control at 105% of the principal.
- The CLNs are to be redeemable in cash on 30 June 2025 if not converted prior to this date.

Application to Deal

The Company has received an application from Simon Rollason, a director of the Company, to sell (conditional upon the release of this announcement) Ordinary Shares. The Company has granted this permission for a period of three business days provided that Mr Rollason complies with his PDMR obligations. Mr Rollason has expressed that he intends to utilise any proceeds from the sale to participate in the Fundraise. The Company will provide a further update if Mr Rollason notifies the Company that he has traded any shares in the Company.

Charles Bray, Chairman of Aterian, commented:
"We are incredibly grateful to have the strong support of investors willing to acquire such a significant stake of the equity in the Company at 0.70p, a significant premium to the prevailing share price. The investors recognise that the Aterian story is

continuing to develop along the strategic lines that the directors have envisioned. This effective placing allows us to progress with our very exciting plans. We have grown the portfolio in excellent jurisdictions with a focus on critical metals, lithium and copper. We have entered into our first (of many intended) joint ventures with Rio Tinto on a very exciting lithium project in Rwanda, and we are fast developing copper projects in Morocco and Botswana and a cash flow generating metals trading business in the fullness of time. The issue of equity capital via the CLN will provide us with the funds to achieve our short-term goals and we look forward to getting our drill programme underway on the Agdz Cu-Ag project in Morocco in the next few months."

- ENDS -

This announcement contains information which, prior to its disclosure, was inside information as stipulated under Regulation 11 of the Market Abuse (Amendment) (EU Exit) Regulations 2019/310 (as amended).

For further information, please visit the Company's website: www.aterianplc.com or contact:

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Notes to Editors:

About Aterian plc

www.aterianplc.com

Aterian plc is an LSE-listed exploration and development company with a diversified African portfolio of critical metals projects.

Aterian plc is actively seeking to acquire and develop new critical metal resources to strengthen its existing asset base whilst supporting ethical and sustainable supply chains as the world transitions to a sustainable, renewable future. The supply of these metals is vital for the development of the renewable energy, automotive and electronic manufacturing sectors that are playing an increasing role in reducing carbon emissions and meeting climate ambitions globally.

The Company has entered into a joint venture agreement with Rio Tinto Mining and Exploration Limited for Rio Tinto to earn into the HCK project in southern Rwanda and holds two further partnerships in Rwanda exploring and developing lithium-tantalum-niobium-tin mining operations. Aterian currently holds a portfolio of multiple copper-silver and base metal projects in the Kingdom of Morocco, with a total area of 897 km^2. In January 2024, the Company announced the acquisition of a 90% interest in Atlantis Metals. This private Botswana registered company holds seven mineral prospecting licences for copper-silver in the Kalahari Copperbelt and three for lithium brine exploration in the Makgadikgadi Pans region. The total licence area in Botswana is 4,486 km^2.

The Company's strategy is to seek new exploration and production opportunities across the African continent and to develop new sources of critical mineral assets for exploration, development, and trading.

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