

Global Atomic Announces Q1 2023 Results

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Dasa Uranium Project On Schedule to Produce Yellowcake in Q1 2025

TORONTO, May 11, 2023 - [Global Atomic Corp.](#) ("Global Atomic" or the "Company"), (TSX: GLO) (OTCQX: GLATF) (FRANKFURT: G12) announced today its operating and financial results for the quarter ended March 31, 2023.

HIGHLIGHTS

Dasa Uranium Project

- The Company revised its Dasa Project, Phase 1, Feasibility Study which:
- confirmed a reserve for the Dasa Project
- outlines an initial, Phase 1, 12-year production schedule, including a multi-year delivery schedule with U₃O₈.
- estimates initial capital expenditures and using a U₃O₈ price of US\$50/lb.
- The Company revised its Dasa Project, Phase 1, Feasibility Study which:
- confirmed a reserve for the Dasa Project
- outlines an initial, Phase 1, 12-year production schedule, including a multi-year delivery schedule with U₃O₈.
- estimates initial capital expenditures and using a U₃O₈ price of US\$50/lb.
- On May 8, 2023, the Company formalized its June 2022 Letter of Intent by signing a definitive agreement with a North American utility for their procurement of up to 2.1 million pounds U₃O₈ from US\$22.13/lb to US\$22.13/lb.
- The Company is in the process of completing a revised Mineral Resource Estimate ("MRE") for the Dasa Project, based on results from the 16,000-meter drill program initiated at the end of 2021.
- Long-lead items have been selected and are in the process of being ordered.
- The Company is in the process of completing a revised Mineral Resource Estimate ("MRE") for the Dasa Project, based on results from the 16,000-meter drill program initiated at the end of 2021.
- Long-lead items have been selected and are in the process of being ordered.
- The Turkish Zinc Joint Venture ("BST" or the "Turkish JV") plant processed 6,125 tonnes EAFD in Q1 2023 as the shutdown at the time of the initial earthquake and remained down until regional infrastructure could support a safe resumption of operations in early March.
- The Company's share of the Turkish JV EBITDA was a loss of \$0.4 million in Q1 2023 (\$3.4 million gain in Q1 2022).
- The zinc contained in concentrate sales in Q1 2023 was 3.7 million pounds.
- The average monthly LME zinc price was US\$1.42/lb in Q1 2023.
- The revolving credit facility of the Turkish JV was US\$12.47 million at the end of Q1 2023 (Global Atomic share - 40% million).
- The cash balance of the Turkish JV was US\$0.6 million at the end of Q1 2023.
- The Company completed a bought deal short form prospectus offering of 18,666,667 Units on March 17, 2023, at \$3.00 per Unit for gross proceeds of \$56,002,501. Each Unit comprised one common share and one-half warrant at \$4.00 per common share.
- Global Atomic continues to receive quarterly management fees and monthly sales commissions from the Turkish JV (\$131,000 in Q1 2023 compared to \$423,000 in Q1 2022), helping to offset corporate overhead costs.
- Cash balance at March 31, 2023, was \$52 million.

Global Atomic President and CEO, Stephen G. Roman commented, "I am pleased to report on how well the Dasa Project development is progressing. Our current cash position allows us to continue with project development on schedule and financing is progressing. We continue to advance our ramp access to the orebody, are placing orders for long-lead plant and have already built out a full in-country mining team with experienced miners and a complement of trainees from the near the Project. The ramp development now exceeds 325 meters and is expected to reach the top of the ore body in Q1 2025."

"We are pleased to report that mill equipment costs to date are in line with our Feasibility Study estimates which were at the peak of inflation for equipment and shipping costs that have since declined to near pre-pandemic levels.

Further, our estimated cost structure allows the Dasa Project to be profitable at a uranium price of US\$35/lb, improving over 44% at today's current spot price, now over US\$50/lb. Having signed two off-take agreement with Western utilities at favourable prices and based on positive discussions at the recent World Nuclear Fuel Cycle conference in The Hague, additional offtake agreements will materialise as we continue to de-risk the Dasa Project".

OUTLOOK

Dasa Uranium Project

- The Company's banking syndicate is now expected to finalize a term sheet by the end of Q2 2023 and to approve the facility of the Project Financing prior to the end of Q3 2023.
- Additional uranium sales contracts with international electric utilities are expected once Project Financing details are announced.
- The Company plans to issue a newly updated MRE in Q2 2023, followed by a revised Feasibility Study in Q4 2023.
- Detailed engineering is in progress with earthworks underway and civil works expected to begin in Q4 2023. Completion of the Dasa Plant construction will begin to arrive on site by the end of Q4 2023.
- The Main Decline to the Dasa deposit is expected to reach the top of the Flank Zone ore in Q4 2023, when initial Development Ore will be brought to surface.

Turkish Zinc Joint Venture

- The Electric Arc Furnace Dust ("EAFD") recycling plant is expected to operate at full capacity through to the end of 2023, however supply interruptions of EAFD are expected to continue until Turkish steel mills resume historic operating levels.

COMPARATIVE RESULTS

The following table summarizes comparative results of operations of the Company:

MD&A TABLE - HIGHLIGHTS

	Three months ended March 31,	
(all amounts in C\$)	2023	2022
Revenues	\$ 130,841	\$ 432,116
General and administration	2,832,831	3,176,234
Share of equity loss (earnings)	1,388,274	(1,433,337)
Other expense	-	606,711
Finance income	(71,468)	(29,817)
Foreign exchange loss	1,210,716	180,921
Net loss	\$ (5,229,512)	\$ (2,068,596)
Net loss attributable to:		
Shareholders of the Company	(5,237,663)	(2,068,596)
Non-controlling interests	8,151	-
Other comprehensive income (loss)	\$ 2,718,776	\$ (2,248,684)
Comprehensive loss	\$ (2,510,736)	\$ (4,317,280)
Comprehensive loss attributable to:		
Shareholders of the Company	(2,518,218)	(4,317,280)
Non-controlling interests	7,482	-
Basic and diluted net loss per share	(\$0.03)	(\$0.01)

Basic weighted-average number of shares outstanding	184,583,128	174,878,070
Diluted weighted-average number of shares outstanding	184,583,128	174,878,070

	March 31, 2023	December 31, 2022
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Cash	\$ 52,053,620	\$ 8,400,008
Property, plant and equipment	91,353,371	82,234,716
Exploration & evaluation assets	1,193,347	1,115,983
Investment in joint venture	16,587,783	16,387,040
Other assets	3,316,136	2,118,258
Total assets	\$ 164,504,257	\$ 110,256,005

The consolidated financial statements reflect the equity method of accounting for Global Atomic's interest in the Turkish JV. The Company's share of net earnings and net assets are disclosed in the notes to the financial statements. See also the consolidated financial statements above under "Turkish Zinc EAFD Operations."

Shareholders' equity \$ 153,838,260 \$ 101,509,324

Revenues include management fees and sales commissions received from the joint venture. These are based on joint revenues generated and zinc concentrate tonnes sold.

General and administration costs at the corporate level include general office and management expenses, stock option depreciation, costs related to maintaining a public listing, professional fees, audit, legal, accounting, tax and consultants' insurance, travel, and other miscellaneous office expenses.

Share of net earnings from joint venture represents Global Atomic's equity share of net earnings from the Turkish JV. In 2022, limited production, lower zinc prices in 2022, extraordinary expenses due to the earthquake, resulting in a negative equity of \$1.4 million.

Uranium Business

Mineral Resources and Reserves

On January 9, 2023, the Company revised its Dasa Project, Phase 1, Feasibility Study ("Feasibility Study"), which was primarily to apply "zero grade" to Inferred Resources included in certain stopes of the Phase 1 Mine Plan.

The Zones shown in the above section vary in grades, with Zone 1 (Flank Zone) contributing the largest portion of the U

				Feasibility Study including Inferred Resources		Revised Feasibility Study with "zero grade" Inferred Resources	
Zone	In-situ Tonnes	U ₃ O ₈ PPM	RoM Tonnes	RoM U ₃ O ₈ PPM	RoM U ₃ O ₈ Tonnes	RoM U ₃ O ₈ PPM	RoM U ₃ O ₈ Tonnes
1	2,464,615	6,980	2,316,047	6,887	15,950	6,847	15,856
2	264,339	3,621	256,078	3,574	915	3,540	906
3	656,114	3,093	633,541	3,056	1,936	2,480	1,571
4	604,673	3,003	584,616	2,966	1,734	2,872	1,679
5	478,916	3,312	463,345	3,269	1,515	3,031	1,405
Total	4,468,657	5,279	4,253,626	5,184	22,050	5,035	21,417

The inferred resources, representing 4.4% of total mineral resources to be mined in Phase I, was treated as zero grade waste in the revised feasibility study. Impacts of this grade change are summarized in the table below:

	Original Feasibility Study	Revised Feasibility Study
Average mill feed grade (ppm)	5,184	5,267
Total production over 12-year Phase 1 mine plan (Mlb)	45.4	44.1
Average cash cost ¹ (US\$/lb)	18.91	19.02
Average AISC (US\$/lb)	21.93	22.13
Internal After-tax Rate of Return ("IRR") @ \$US35/lb	22.7 %	22.3 %
After-tax Net Present Value ("NPV ₈ ") (US\$ millions) @ \$US35/lb	157	147
Internal Rate of Return ("IRR") @ \$US50/lb	44.6 %	44.4 %
After-tax Net Present Value ("NPV ₈ ") (US\$ millions) @ \$US50/lb	468	456

Reserve Expansion

The Company completed a 15,000-meter drill program at its Dasa Project that began in Q4 2021, which due to its success was expanded to include another 1,000 meters. Drill results indicate that Zones 2, 2a and 2b now represent a contiguous zone that joins up with Zone 3 and is estimated to be approximately three times larger than initially defined (see the longitudinal depiction below). Recent drilling has also targeted the extension of Zone 4.

On the strength of results from the overall drill program, Global Atomic is updating the Dasa Mineral Resource Estimate ("MRE") and will in turn update its Mine Plan which is expected to result in larger and contiguous mining Zones, reduced underground development work between the Zones, lower operating costs and an increase in mineable reserves.

The updated MRE is expected to be completed in Q2 2023. The Company plans to use the revised MRE to complete a revised mine plan for the Dasa Project, followed by a revised Feasibility Study in Q4 2023.

Niger Mining Company

Under Niger's Mining Code, a Niger mining company must be incorporated to carry out mining activities. Société Minière de Dasa S.A. ("SOMIDA") was incorporated on August 11, 2022. The Republic of Niger received its 10% free carried interest in the shares of SOMIDA and elected to subscribe for an additional 10%, resulting in a total ownership of 20% of the shares. Under the terms of the Company's Mining Agreement, the Republic of Niger commits to fund its proportionate share of capital costs and operating deficits for the additional 10% interest. The Republic of Niger has no further option to increase its ownership.

Dasa Mine Development and Construction

The Company has entered into an agreement with CMAC-Thyssen International Inc. ("CMAC"), a contract miner based in Val d'Or, Quebec to provide contract mining services in the development of the Dasa underground mine over the first 24 months of mining. Following the March 2020 closure of the Cominak underground uranium mine in Arlit, there is a pool of skilled miners available to the Company in Niger. CMAC is providing training, development and oversight of the Niger workforce with the new equipment that will be used at site. Initial mining will comprise only ramp development during the first 12 months, followed by access and level development.

The first blast of the portal took place on November 5, 2022, marking the start of the underground development. Surface infrastructure to support CMAC was completed during 2022. At the Dasa Mine, operations are proceeding on schedule with 325 meters of underground development completed at the end of April 2023 on the decline ramp plus for re-muck and safety bays.

The Company engaged DCPL and Lycopodium to commence the EPCM process to build Dasa's ore processing plant. DCPL is focusing on the Basic and Detailed Engineering required for the final design of the Dasa Process Plant. Lycopodium is providing project management, procurement, project controls and a project execution plan services. Lycopodium's engagement is expected to extend to construction management in view of their extensive West African experience.

Project Financing

Global Atomic has received a Letter of Interest ("LOI") from Export Development Canada ("EDC") confirming their interest in working with the Company on project financing US\$75 million of the Dasa Project. On June 15, 2022, Global Atomic also received additional Letters of Intent such that a syndicate has been formed to finance the Dasa Project. The syndicate is comprised of North American financial institutions, including EDC.

Due diligence has been underway since June 2022 and has largely been completed. The Company's banking syndicate is expected to finalize a term sheet by the end of Q2 2023 and to complete documentation and close the debt facility by the end of Q3 2023.

Turkish Zinc EAFD Operations

The Company's Turkish EAFD business operates through a joint venture with Befesa Zinc S.A.U. ("Befesa"), an industry leading Spanish company that operates a number of Waelz kilns throughout Europe, North America and Asia. On October 27, 2010, Global Atomic and Befesa established joint venture, known as Befesa Silvermet Turkey, S.L. ("BST" or the "Turkish JV") to operate an existing plant and develop the EAFD recycling business in Türkiye. BST is held 51% by Befesa and 49% by Global Atomic. A Shareholders Agreement governs the relationship between the parties. Under the terms of the Shareholders Agreement, management fees and sales commissions are distributed pro rata to Befesa and Global Atomic. Net income earned each year in Türkiye, less funds needed to fund operations, must be distributed to the partners annually, following the BST annual meeting, which is usually held in the second quarter of the following year.

BST owns and operates an EAFD processing plant in Iskenderun, Türkiye. The plant processes EAFD

containing 25% to 30% zinc that is obtained from electric arc steel mills, and produces a zinc concentrate grading 65% to 68% zinc that is then sold to zinc smelters.

Global Atomic holds a 49% interest in the Turkish JV and, as such, the investment is accounted for using the equity basis of accounting. Under this basis of accounting, the Company's share of the BST's earnings is shown as a single line in its Consolidated Statements of Income (Loss).

The following table summarizes comparative operational metrics of the Iskenderun facility.

SUMMARY OF OPERATIONS

	Three months ended March 31,	
	2023	2022
	100 %	100 %
Exchange rate (C\$/TL, average)	13.96	11.02
Exchange rate (US\$/C\$, average)	1.35	1.27
Exchange rate (C\$/TL, period-end)	14.18	11.75
Exchange rate (US\$/C\$, period-end)	1.35	1.25
Average monthly LME zinc price (US\$/lb)	1.42	1.70
EAFD processed (DMT)	6,125	19,785
Production (DMT)	1,812	5,695
Sales (DMT)	2,479	5,589
Sales (zinc content '000 lbs)	3,656	8,183

In Q1 2023, world steel production decreased by 0.1% over the comparable 2022 period. The impact by region was mixed. In Q1 2023 compared to Q1 2022: Chinese production increased 6.1%; European Union production decreased 10.1%; North American production decreased 4.1%, and Turkish production decreased by 21.5%.

In April 2023, the World Steel Association published its short-term outlook for demand, which projected 2.3% overall global demand growth in 2023 and a further growth of 1.7% in 2024. Sharp decreases in construction activities due to the Turkish Lira's devaluation and high inflation lead a decrease in steel demand in 2022. However, the construction sector is expected to grow by 15% due to the rebuilding and reinforcing efforts in high earthquake-risk areas.

The impact of the Ukrainian conflict on global steel markets is uncertain, however as exports from Russia and Ukraine have historically accounted for 10% of global steel exports, it is likely a material percentage of this supply will be replaced by increased production in other countries.

The following table summarizes comparative results for Q1 2023 and Q1 2022 of the Turkish Zinc JV at

100%.

TURKISH JV

	Three months ended March 31,	
	2023	2022
	100 %	100 %
Net sales revenues	\$ 5,836,394	\$ 14,348,723
Cost of sales	6,671,321	7,416,981
Foreign exchange gain	76,065	45,235
EBITDA ⁽¹⁾	\$ (758,862)	\$ 6,976,977
Management fees & sales commissions	384,014	1,022,164
Depreciation	968,502	394,208
Interest expense	550,124	304,057
Foreign exchange loss on debt and cash	322,358	1,441,259
Monetary gain	1,095,707	-
Tax expense (recovery)	945,059	890,111
Net income (loss)	\$ (2,833,212)	\$ 2,925,179
Global Atomic's equity share	\$ (1,388,274)	\$ 1,433,338
Global Atomic's share of EBITDA	\$ (371,842)	\$ 3,418,719

(1) EBITDA is a non-IFRS measure, does not have a standardized meaning prescribed by IFRS and may not be comparable to similar terms and measures presented by other issuers. EBITDA comprises earnings before income taxes, interest expense (income), foreign exchange loss (gain) on debt and bank, depreciation, management fees, sales commissions, losses (gains) on sale of property, plant and equipment.

Zinc concentrates are sold to smelters in US dollars. Because the Turkish Lira is the functional currency of the Turkish operations, sales are converted to Turkish Lira at the date of the sale when funds are subsequently received. When the Turkish Lira depreciated in both Q1 2022 and Q1 2023, exchange gains were recognized on those sales. In calculating EBITDA, these exchange changes related to the functional and reporting currencies are treated as operations related (i.e., above the EBITDA subtotal).

All the financial statement line items included in the Turkish Zinc JV consolidated statements of income (loss) for the three month period ended March 31, 2023 include hyperinflation impact for the three month period ended March 31, 2023 and the impact of inflation on income and expenses recognised in the Q1 2022 are not restated because it has already been presented in the stable currency.

The Turkish Zinc JV incurred significant deterioration in revenues in Q1 2023 compared to Q1 2022, due to processing less EAFD and lower zinc prices. Sales are recorded upon receipt at the smelter, which means that recorded sales in any given month generally represent the concentrate from EAFD processed in the prior month. Sales for Q1 2023 were produced in only December 2022 whereas sales for Q1 2022 were

produced in December 2021 through February 2022. The plant was under a scheduled maintenance shutdown in January 2023. Due to the earthquake on February 6, 2023, the recycling plant resumed operation following a thorough inspection in March 2023 where revenue from the March 2023 production will be recognized in Q2 2023.

The Turkish Zinc JV realized significant increases in expenses. The Ukrainian conflict, post-COVID demand increases, raw material shortages and global logistics challenges resulted in substantial inflationary pressures on all costs. Moreover, The Turkish Zinc JV also incurred extraordinary expenses related to the massive earthquake like financial support to the employees, fixed costs incurred due to the unplanned stoppage have in combination resulted in a negative EBITDA.

The cash balance of the Turkish JV was US\$0.6 million at March 31, 2023.

The local Turkish revolving credit facility balance was US\$12.4 million at March 31, 2023 (December 31, 2022 - US\$8.3 million) and bears interest at 10%.

QP Statement

This news release has been reviewed and approved by Mr. A. Christophe Din, MSc, MAus, IMM, Exploration Manager at Global Atomic's subsidiary, SOMIDA, in the Republic of Niger, who is a "qualified person" under National Instrument 43-101 - Standards of Disclosure for Mineral Properties. Mr. Din holds a Diplôme de Formation Spécialisée from École Nationale Supérieure des Mines de Paris and is a member of the Australian Institute of Geoscientists.

About Global Atomic

[Global Atomic Corp.](http://www.globalatomiccorp.com) (www.globalatomiccorp.com) is a publicly listed company that provides a unique combination of high-grade uranium mine development and cash-flowing zinc concentrate production.

The Company's Uranium Division includes four deposits with the flagship project being the large, high-grade Dasa Project, discovered in 2010 by Global Atomic geologists through grassroots field exploration. With the issuance of the Dasa Mining Permit and an Environmental Compliance Certificate by the Republic of Niger, the Dasa Project is fully permitted for commercial production. The Phase 1 Feasibility Study for Dasa was filed in December 2021 and estimates yellowcake delivery to utilities to commence in 2025. Mine excavation began in Q1 2022.

Global Atomic's Base Metals Division holds a 49% interest in the Befesa Silvermet Turkey, S.L. (BST) Joint Venture, which operates a modern zinc production plant, located in Iskenderun, Türkiye. The plant recovers zinc from Electric Arc Furnace Dust (EAFD) to produce a high-grade zinc oxide concentrate which is sold to zinc smelters around the world. The Company's joint venture partner, Befesa Zinc S.A.U. (Befesa) holds a 51% interest in and is the operator of the BST Joint Venture. Befesa is a market leader in EAFD recycling, with approximately 50% of the European EAFD market and facilities located throughout Europe, Asia and the United States of America.

The information in this release may contain forward-looking information under applicable securities laws. Forward-looking information includes, but is not limited to, statements with respect to completion of any financings; Global Atomic's development potential and timetable of its operations, development and exploration assets; Global Atomic's ability to raise additional funds necessary; the future price of uranium; the estimation of mineral reserves and resources; conclusions of economic evaluation; the realization of mineral reserve estimates; the timing and amount of estimated future production, development and exploration; cost of future activities; capital and operating expenditures; success of exploration activities; mining or processing issues; currency exchange rates; government regulation of mining operations; and environmental and permitting risks. Generally, forward-looking statements can be identified by the use of forward-looking terminology such as "plans", "is expected", "estimates", variations of such words and phrases or statements that certain actions, events or results "could", "would", "might", "will be taken", "will begin", "will include", "are expected", "occur" or "be achieved". All information contained in this news release, other than statements of current or historical fact, is forward-looking information. Statements of forward-looking information are subject to known and unknown risks, uncertainties and other factors that may

cause the actual results, level of activity, performance or achievements of Global Atomic to be materially different from those expressed or implied by such forward-looking statements, including but not limited to those risks described in the annual information form of Global Atomic and in its public documents filed on SEDAR from time to time.

Forward-looking statements are based on the opinions and estimates of management at the date such statements are made. Although management of Global Atomic has attempted to identify important factors that could cause actual results to be materially different from those forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance upon forward-looking statements. Global Atomic does not undertake to update any forward-looking statements, except in accordance with applicable securities law. Readers should also review the risks and uncertainties sections of Global Atomic's annual and interim MD&As.

Contact

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The Toronto Stock Exchange has not reviewed and does not accept responsibility for the adequacy and accuracy of this news release.
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