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22 May 2023

ATOME ENERGY PLC
("ATOME" or the "Company")

Strategy Update and Investment

Baker Hughes buys into ATOME to become 6.6% shareholder

ATOME to expand into premium green fertiliser production

ATOME Energy (AIM: ATOM), the only international green hydrogen and ammonia project development company on the London Stock Exchange, with current focus on the large-scale Villeta project in Latin America, as well as hydrogen mobility projects, is pleased to announce an update of its Villeta Paraguay project and the subscription by Baker Hughes to become both a shareholder in the Company and a technology partner for the Villeta project.

Highlights:

- **Baker Hughes (NASDAQ: BKR, "BKR"), the global energy technology company, becomes a shareholder in ATOME with an interest of 6.6% in the Company**
- **ATOME extends the Villeta project to introduce and supply the world's first premium value green fertiliser to the market on an international scale in 2025**
- **Discussions are underway with leading international offtakers who have expressed interest in purchasing the entire green fertiliser production from Villeta**
- **ATOME's fertiliser product is expected to be one of the most cost competitive, zero carbon green fertilisers currently produced worldwide**

Baker Hughes

- Baker Hughes is a global energy technology company with headquarters in Houston and London that provides solutions for energy and industrial customers worldwide, and a household name in energy technology
- Baker Hughes has subscribed in cash for 2,526,316 new ordinary shares at a price of £0.95 per share corresponding to the 30-day Volume Weighted Average Price of ATOME as at 18 May and representing a premium of 3.2% over the mid-market share price as at close of business on 18 May 2023
- Baker Hughes has been granted a right of first offer to supply its leading turbomachinery equipment - including compressor technology, pumps and valves to ATOME

ATOME is pleased to announce that Baker Hughes, the global energy technology company, has subscribed £2.4 million in cash for a total of 2,526,316 new ordinary shares of ATOME ("Subscription Shares") at a price of £0.95 per Subscription Share, representing 6.6% of the enlarged issue share capital of the Company. Contemporaneous with the subscription, Baker Hughes has entered into a lock-in agreement restricting the sale of any of the Subscription Shares until 31 December 2023 and ATOME has granted Baker Hughes the right of first offer to supply ATOME with compressors. The proceeds of the subscription will be used for general working capital.

Baker Hughes, an energy technology company that has a diverse portfolio of equipment and service capabilities that span the energy and industrial value chain. Established over a century ago, it has over 55,000 employees. The company is increasingly involved in the energy transition and is committed to helping industry meet net-zero emissions targets.

Baker Hughes' advanced technologies and solutions serve the entire hydrogen value chain, from production to transportation and utilisation. The company's portfolio includes advanced compressors, gas turbines, valves, centrifugal pumps, non-metallic pipes, hydrogen sensors, monitoring and diagnostics including inspection solutions for hydrogen embrittlement in production and storage, as well as clean power solutions to produce power with hydrogen and hydrogen blends.

Admission

Application will be made for the Subscription Shares, which will rank *pari passu* with the existing shares of the Company, to be admitted to trading on AIM ("Admission") and it is expected that Admission will be effective on or around 30 May 2023.

Peter Levine, Chair of ATOME, commented on Baker Hughes:

"At the same time as our exciting move downstream, ATOME welcomes Baker Hughes as a shareholder.

"The strategic investment of Baker Hughes in our Company is an example of the growing recognition of industry players in the potential of our industrial scale green projects across the energy and fertiliser sectors and is a vote of confidence in ATOME's management and business.

"Baker Hughes' reputation to be at the forefront of the energy technology and the quality of its equipment is recognised globally, and we look forward to the value and future technology support that Baker Hughes will bring to ATOME, starting with our fast-track 120MW project in Villeta, Paraguay.

"We view ATOME's future with great confidence and look forward to the next stages of completion of FEED studies and FID later this year together with the prospects of Baker Hughes contribution to the projects."

Extension of Villeta Project to Green Fertiliser Production

- In response to significant incoming market demand, ATOME is expanding its plans for the 120MW Villeta project in Paraguay to the production of green fertiliser and, in particular, Calcium Ammonium Nitrate ("CAN")
- ATOME is targeting the production of the world's first industrial scale premium value green fertiliser, building on its plans for its own green hydrogen and ammonia production assets and adding a fertiliser unit, whilst still meeting its original start-up date of 2025
- This should allow ATOME to add further industrial value and capture green premium prices and profitability
- Villeta's produce expected to be one of the most cost competitive zero carbon of any fertiliser currently produced worldwide
- With a production capacity of up to 250,000 tonnes per year of CAN from 2025, the granulated green fertiliser produced at Villeta will be sold into the largest fertiliser importing markets across South America, Europe and Asia harnessing Paraguay and the region's existing routes, waterways, and export infrastructure

Reflecting significant incoming interest generated by ATOME's new commercial division, the Company has taken the decision to expand its Villeta green hydrogen and ammonia project downstream to the production of fertiliser. Specifically, ATOME will focus on the production of CAN, a nitrogenous based product used worldwide in the food and agriculture industries where all stakeholders are driving the supply chain with urgency towards a green future.

The Villeta project extension to fertiliser will be accomplished with the same industry professional teams already appointed and currently working on the Front-End Engineering Design ("FEED") study. These include ATOME's owner's engineer, the multi-national Fortune500 consulting firm, AECOM, the international Spanish contractor, Urbas, and the world-renowned Swiss ammonia and fertiliser expert contractors, Casale.

By mobilising these contractors swiftly, ATOME has been able to ensure that there will be no change to the schedule for the completion of the FEED and Final Investment Decision ("FID") both targeted for later this year and ATOME still expects to commence full scale production, now of CAN, in 2025.

CAN is a popular nitrogen-based fertiliser widely used globally in the food and agriculture industries. It is most commonly distributed in granulated form and has no explosion hazard. CAN is a mixture of around 80% ammonium nitrate and 20% ground limestone which makes the product an all-rounder for all fertiliser applications and is increasingly preferred to Urea thanks to its low carbon footprint. There is plentiful natural occurring limestone in Paraguay at a competitive cost.

The global market for CAN is forecast to grow to USD \$43 billion by 2030, driven by increased use of CAN as a nitrogenous fertiliser in the agriculture and horticulture industries. When CAN production is based on green ammonia, as it will be at the Villeta facility, the carbon footprint per kilogram is expected to be the lowest of any fertiliser product currently available worldwide.

ATOME's initial calculations show that the 120MW facility should produce approximately 250,000 tonnes of dry CAN per year which will be sold under the ATOME brand. Importantly, significant interest has been received for the product from Europe, including the UK, where ATOME is expected to introduce authentic green CAN to the market.

Whilst adding the CAN plant to the hydrogen and ammonia facility will incur further costs to the project, the strategic significance as well as the increase in income, volume, and shareholder returns, more than justifies this commercially led decision which will provide ATOME with a stable and strategic position for fertilisers. ATOME is confident that the extra expense to the point of FID can be accommodated from within ATOME's own resources.

ATOME is engaged in discussions with the leading international market players who have indicated serious offtake interest including for ATOME's entire projected production from Villeta. Importantly, the move and upscaling of the project to fertiliser opens a much broader spectrum of financing institutions positioned to support climate positive projects across agriculture and food sectors as well as infrastructure. In addition, ATOME also engages with strategic and industry players who are recognising ATOME's leadership position and showing increasing interest.

The ability of ATOME's team to move fast compared to other projects is due to ATOME's current position in Paraguay with immediately available baseload 24/7 renewable power from Paraguay's green grid with 75 acres of land purchased and where site preparations have started. The extended plant will be accommodated within ATOME's land boundaries with the property adjacent to the navigable River Paraguay with loaded barges taking the dry product for export economically upstream to Brazil and downstream to the Atlantic Ocean for international shipment by normal bulk carriers, keeping logistical costs low.

ATOME is also in discussions for an additional 300MW of immediately available renewable power to its Paraguay business.

Olivier Mussat, CEO of ATOME, commented on the expansion to green fertiliser:

"We are very excited to become one of the world's first companies able to introduce premium value green fertiliser to the market and on an international scale in 2025.

"Within a short time, we have made substantial progress with our plans to deliver value to shareholders with our industrial scale, first phase, 120MW 100% green hydrogen, ammonia and now fertiliser project in Villeta, Paraguay.

"Our Villeta project is increasingly recognised as one of the most advanced and cost-effective green hydrogen and ammonia projects in the world. As such, discussions are underway with numerous leading international offtakers who have expressed interest in purchasing the entire planned green fertiliser production from Villeta.

"Fertiliser, agriculture and food companies are under increased pressure to reduce their carbon footprint while meeting the continuous rising demand of a growing population. In 2021 the global ammonia industry generated over

450 million tons of CO2 equivalent. Greening nitrogen-based fertilisers is one of the fastest ways to meet the climate goals of those companies as well as ensuring security of supply. This is why green fertiliser is expected to be one of the fastest growing industry segments of the decade.

"Our new commercial division has seen significant incoming market demand which has underpinned our shift in strategic direction to incorporate a downstream proposition. There is a clear and compelling commercial rationale to harness our Villeta plant so that it produces green fertiliser. With the EU being the largest consumer of CAN in the world and the Mercosur region being the largest importer of CAN - all of which are currently derived from hydrocarbons - the market potential for 100% green CAN is vast.

"With key elements for Villeta already in place, and no changes to our project timelines, the move to produce green fertiliser provides ATOME with the potential opportunity to deliver substantial, stable long-term returns to shareholders, compelling growth and income. Villeta is a world class green hydrogen, ammonia and fertiliser project and is phase one of our total of over 420MW projects in Paraguay alone, with other projects currently in discussions in Costa Rica and Iceland."

Investor Meet Company Presentation

ATOME Energy PLC is pleased to announce that Olivier Mussat, Chief Executive Officer will provide a live presentation entitled: **ATOME Energy PLC - Corporate and Business Update** via Investor Meet Company on **26th May 2023 at 1:00pm BST**.

The presentation is open to all existing and potential shareholders. Questions can be submitted pre-event via your Investor Meet Company dashboard up until 9am the day before the meeting or at any time during the live presentation.

Investors can sign up to Investor Meet Company for free and add to meet ATOME's senior management team via:

<https://www.investormeetcompany.com/atome-energy-plc/register-investor>

Investors who already follow ATOME Energy PLC on the Investor Meet Company platform will automatically be invited.

For more information, please visit <https://www.atomeplc.com> or contact:

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About ATOME

ATOME Energy PLC is an AIM listed company targeting green hydrogen, ammonia and fertiliser production with over 500-megawatt of projects in Paraguay, Iceland and Central America.

Since its admission to AIM in December 2021 ATOME has signed its first electrolyser purchase order for its hydrogen transport Mobility Division due to start generating revenue in 2023 and signed a 120MW power purchase agreement with ANDE, the state energy company in Paraguay for production of green hydrogen, ammonia, and fertiliser targeted to start operations in 2025. It has procured 30 hectares of land in Villeta, Paraguay for that facility, mandated Natixis Corporate Investment Bank and the multilateral IDB Invest to lead the project funding and the FEED study is currently underway with the international companies Urbas and Casale.

In December 2022, ATOME entered into a joint venture with Cavendish, the renewable energy arm of the substantial and well-established Purdy Group based in Costa Rica and formed The National Ammonia Corporation S.A, which is owned equally by ATOME and Cavendish.

ATOME is in the process of operational planning, sourcing and negotiations with green electricity suppliers, equipment providers and offtake partners, including signed memoranda of understanding and cooperation agreements in place with key parties, to use electricity generated from existing geothermal sources in Iceland and hydroelectric power in Paraguay and Costa Rica. All chosen sites are located close to the power and water sources and export facilities to serve significant domestic and then international demand.

The Company has a green-focused Board which is supported by major shareholders including Peter Levine

the Company has a green-focused Board which is supported by major shareholders including Peter Lewis, Trafigura, one of the world's leading commodity and logistics company, and Schroders, a leading fund manager.

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