

Climate Change Policy

INTRODUCTION

Adriatic Metals recognises that climate change represents one of the most significant challenges facing the world today and supports the goals of the Paris Agreement. Our aim is to minimise our contribution to greenhouse gas emissions, to consider and plan for the physical risks of climate change on our operations and to work with our host communities to build their understanding of their resilience to the physical impacts of climate change.

PRINCIPLES

Adriatic Metals is committed to:

- developing systems during mine construction and commissioning to measure and report our scope 1 and 2 greenhouse gas emissions;
- appropriately identifying and managing climate change-related risks and opportunities for our business;
- pro-actively evaluating options, where this is a financially viable approach, to increase our use of non-fossil fuel sources of energy and to optimise the energy efficiency of our operations;
- assessing any physical threats from climate change to, and the resilience of, our current and planned operating facilities and, where relevant, to develop appropriate adaptation measures;
- reflecting our understanding of climate change-related risks and the relevance of these to our operations and to our ongoing dialogue with investors;
- ensuring an appropriate level of awareness among our employees and training those who hold responsibility for activities that impact our level of greenhouse gas emissions; and
- fostering dialogue and seeking collaboration with governments, host communities and other stakeholders on climate change-related challenges.

APPLICATION

Responsibility for the application of this Policy rests with, but is not limited to, all Company employees and contractors engaged in relevant activities under the Company's operational control.

The Company's managers are responsible for promoting and ensuring compliance with this Policy and any related individual site-level policies and practices.

MONITORING AND REVIEW

The Board will monitor the content, effectiveness and implementation of this Climate Change Policy on a regular basis. There may also be independent reviews undertaken from time to time. Any findings, updates or improvements identified will be addressed as soon as possible.

Material breaches of this Climate Change Policy will be reported to the Company's Board of Directors (Board) and the ESG Committee of the Board.

Personnel are invited to comment on this Climate Change Policy and suggest ways in which it may be improved. Comments, suggestions and queries should be addressed to the Board.

Approved by the Company's Board of Directors on 6th November 2020.

Adopted by the Company on 9th November 2020