

Regulatory Story

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Adriatic Metals - ADT1 ADMISSION TO TRADING ON THE LONDON STOCK EXCHANGE
Released 07:00 12-Dec-2019

RNS Number : 6393W
Adriatic Metals PLC
12 December 2019

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Adriatic Metals PLC
("Adriatic Metals" or the "Company")

ADMISSION TO TRADING ON THE LONDON STOCK EXCHANGE

Adriatic Metals PLC (ASX:ADT & FSE:3FN) ('Adriatic' or the 'Company') is pleased to announce that following the publication of its Prospectus on 9 November 2019, the Company's 177,715,987 ordinary shares will be admitted to the Standard Segment of the Official List of the Financial Conduct Authority ("**Admission**") and to trading on the London Stock Exchange's Main Market at 8.00am GMT today under the ticker "ADT1".

Paul Cronin, Adriatic's Managing Director and CEO commented: "The Vareš Project is shaping up to be one of Europe's most exciting new mining development stories and I'm delighted that Adriatic's shares will now trade on the London Stock Exchange alongside our existing listing on the ASX. The new listing will foster interest from our existing European investor base and enable participation in the Adriatic story from new investors to support the Company in the next phase of its growth as we advance the Vares Project to production and continue our aggressive exploration campaigns."

Adriatic is a precious and base metals explorer and developer via its 100% interest in the Vareš Project in Bosnia & Herzegovina.

The Vareš Project comprises a historic open cut mine at Veovača and brownfield exploration at Rupice, an advanced proximal deposit which exhibits exceptionally high grades of base and precious metals. A Scoping Study for the development of the Vareš Project released in November 2019 outlined a robust, high margin, low capex project producing zinc, lead, gold, silver, barite, copper and antimony in concentrates over a mine life of approximately 14.6 years.

Key Highlights:

Scoping Study confirms high margin, high return, low capex project

- Adriatic released a Scoping Study on the Vareš Project on 19 November 2019 demonstrating an attractive, high return project.
- The Scoping Study outlined an operation with a plant throughput of 800ktpa producing multiple concentrates over a mine life of approximately 14.6 years.
- The Vareš Project is projected to deliver a post-tax internal rate of return of 107.4% and a net present value of US\$916.6 million at a discount rate of 8%, for total capital expenditure of US\$178.4 million, including 30% contingency.

High-grade mineral resources with strong potential for exploration upside

- Resources have been delineated at both the Veovača and Rupice deposits at the Vareš Project, containing high grades of zinc, lead, copper, silver, gold, and barite with good potential for mine development.
- These resources have the potential for extension along strike and at depth. The hydrothermal system driving mineralisation at the Vareš Project typically occurs in clusters, which suggests the potential for further discoveries in the existing licence area.
- The maiden mineral resource at Rupice totals 9.4Mt at a zinc equivalent grade of 16.4% while the mineral resource at Veovača totals 7.4Mt at a zinc equivalent grade of 3.7%.

Excellent metallurgical recoveries and concentrate grades

- Preliminary results of metallurgical testwork confirmed excellent metallurgical recoveries and concentrate grades from samples taken from the Veovača and Rupice deposits.
- The testwork is ongoing but metal recoveries of 85-90% for zinc, 85-93% for copper, 90-94% for lead, 80-86% for barite, 90% for silver and 80% for gold are appropriate estimates.

Existing infrastructure in a historical mining district

- Mining activities first took place in 1983 at the Vareš Project under the state government and continued until Bosnia independence in 1992.
- The abandoned processing facility remains within the licence area, along with a previously permitted tailings storage facility on the licence area owned by the Company.
- The nearby town of Vareš has a long history of mining, most famously for iron ore mines, and has sufficient existing rail and power infrastructure to support a mining operation as outlined in the Scoping Study.

Early mover advantage in Bosnia & Herzegovina

- Since the end of the civil war and the signing of the Dayton Peace Agreement, Bosnia & Herzegovina has experienced stable democracy.
- However, despite the historical extractive industry there has been very little mineral exploration in country, in particular using modern exploration techniques.
- The Company has a first mover advantage for exploration into a prospective region for greenfield exploration.

Experienced team

- The Company has a strong and experienced Board and management team who are well prepared to advance the Vareš Project towards production.
- The team has experience in exploration for economic mineralisation, financing, legal requirements and permitting, mine planning and development, and corporate social responsibility.

Well-funded to complete Feasibility Study for the Vareš Project whilst continuing aggressive exploration programme

- The Company has a strong balance sheet with cash of £3.7 million (approximately A\$6.9 million) as of 30 September 2019 and having completed a successful equity placement in November 2019 raising A\$25 million before expenses from the placement of 25 million new Ordinary Shares at a price of A\$1.00 per Ordinary Share.

- This ensures that Adriatic is fully funded through to the making of a construction decision for the Vareš Project in early 2021 including the completion of a Feasibility Study, Environmental and Social Impact Assessment and required permitting activities, whilst continuing its aggressive exploration programmes at Veovača and Rupice and other regional exploration targets such as Jurasevac-Brestic over the same period.

Tamesis Partners LLP is acting as financial advisor and Locke Lord (UK) LLP as UK legal advisor to Adriatic in relation to the Admission.

**** ENDS ****

For further information please visit www.adriaticmetals.com, [@AdriaticMetals](https://twitter.com/AdriaticMetals) on Twitter, or contact:

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ABOUT ADRIATIC METALS

Adriatic Metals PLC (ASX:ADT) ("**Adriatic**" or "**Company**") is a precious and base metals explorer and developer via its 100% interest in the Vareš Project in Bosnia & Herzegovina.

The Vareš Project comprises a historic open cut mine at Veovača and brownfield exploration at Rupice, an advanced proximal deposit which exhibits exceptionally high grades of base and precious metals. A Scoping Study for the development of the Vareš Project released in November 2019 outlined a robust, high margin, low capex project producing zinc, lead, gold, silver, barite, copper and antimony in concentrates over a mine life of approximately 15 years.

The Vareš Project is projected to deliver a post-tax internal rate of return of 107.4% and a net present value of US\$916.6 million at a discount rate of 8%, for total capital expenditure of US\$178.4 million, including a 30% contingency.

Following a recent A\$25 million equity placement Adriatic is now fully funded to complete a Feasibility Study and progress the Vareš Project to a development decision while continuing its aggressive regional exploration programme.

Adriatic has attracted a world class team to expedite its exploration efforts and to rapidly advance the Company into the development phase and utilise its first mover advantage and strategic assets in Bosnia.

Based on the Company's issued share capital of 177,715,987 Shares and a share price of A\$1.60 per Share on ASX as at closing business on 6 December 2019, the Company has a market capitalisation of approximately A\$284.3 million (approximately £148.3 million or US\$196.2 million).

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