

13 October 2021

ABOUT ADRIATIC METALS
(ASX:ADT, LSE:ADT1,
OTCQX:ADMLF)

Adriatic Metals Plc is focused on the development of the 100%-owned, Vares high-grade silver project in Bosnia & Herzegovina, and exploration at the Raska base and precious metals project in Serbia.

DIRECTORS

Mr Michael Rawlinson
NON-EXECUTIVE CHAIRMAN

Mr Paul Cronin
MANAGING DIRECTOR & CEO

Mr Peter Bilbe
NON-EXECUTIVE DIRECTOR

Mr Julian Barnes
NON-EXECUTIVE DIRECTOR

Ms Sandra Bates
NON-EXECUTIVE DIRECTOR

Ms Sanela Karic
NON-EXECUTIVE DIRECTOR

adriaticmetals.com

RESULTS OF PLACING

Further to the announcement on 12 October 2021 in relation to the Proposed Equity Fundraise, **Adriatic Metals Plc (ASX:ADT, LSE:ADT1, OTCQX:ADMLF)** is pleased to announce that Canaccord Genuity Limited ("Canaccord"), RBC Europe Limited ("RBC") and Stifel Nicolaus Europe Limited ("Stifel") have successfully conditionally placed 25,159,000 new ordinary shares of 1.3355 pence each in the capital of the Company (the "New Ordinary Shares") with institutional investors ("Placees") via an accelerated bookbuild (the "Placing"). The placing price of £1.5174 pence per New Ordinary Share (AU\$2.801 per CHESS Depositary Interests representing such New Ordinary Shares) (the "Placing Price") represents a discount of approximately 10.7 per cent. to the 10-day volume weighted average price on the Australian Securities Exchange ("ASX") to 12 October 2021. The Placing has raised gross proceeds of approximately US\$52 million (approximately £38 million¹).

Equity Fundraise

The Company has raised total proceeds of US\$102 million pursuant to the Proposed Equity Fundraise, comprising gross proceeds from the Placing of US\$52 million and gross proceeds of US\$50 million from the conditional equity subscription by Orion (the "Orion Equity Subscription").

As part of the Proposed Equity Fundraise, 49,350,000 New Ordinary Shares are expected to be issued comprising of 25,159,000 New Ordinary Shares (the "Placing Securities") and 24,191,000 New Ordinary Shares (the "Orion Subscription Securities", and together with the Placing Securities, the "Fundraise Securities") expected to be issued to Orion pursuant to the Orion Equity Subscription.

Secondary Sale

In addition to the Placing, Sandfire Resources Limited ("Sandfire Resources") has sold 34,600,780 existing CHESS Depositary Interests representing ordinary shares in the capital of the Company, representing its entire holding in the Company, at the Placing Price.



The Company's CEO and Managing Director, Paul Cronin, has also sold 3 million existing CHES Depositary Interests representing ordinary shares in the capital of the Company at the Placing Price, representing 12.8 per cent. of his fully diluted holding in the Company.

Canaccord, RBC and Stifel acted as joint bookrunners in connection with the Placing (together, the "Joint Bookrunners").

The Company will continue to progress the Orion Debt Financing, which is targeted for completion during Q4 2021, and will provide an update to the market in due course.

The Fundraise Securities being issued represent, in aggregate, approximately 18.7 per cent. of Adriatic Metals' issued ordinary share capital prior to the Proposed Equity Fundraise. The Proposed Equity Fundraise is conditional, inter alia, on the Company's shareholders' (the "Shareholders") approval to grant the Directors authority to allot and issue the Fundraise Securities pursuant to ASX Listing Rule 7.1 (the "Resolution"). Approval will be sought for the Resolution at a general meeting to be convened at Ground Floor, Regent House, 65 Rodney Road, Cheltenham, GL50 1HX on 29 October 2021 at 08:30 a.m. London time (the "General Meeting"), notice of which will be set out in a circular (the "Circular") which is expected to be published by the Company on 13 October 2021. The Circular will be sent and made available on the Company's website to shareholders. The Company also expects to publish a Prospectus in connection with the Proposed Equity Fundraise on 14 October 2021.

Application will be made to the FCA for admission of the New Ordinary Shares to the standard listing segment of the Official List of the FCA and to the London Stock Exchange for admission to trading of the New Ordinary Shares on its main market for listed securities ("Admission"). It is expected that Admission of the New Ordinary Shares will become effective at or around 8.00 a.m. on 1 November 2021 and that dealings in the New Ordinary Shares will commence at that time.

Applications will also be made for the New Ordinary Shares, in the form of CDIs, to be admitted to trading on the ASX, which is expected to become effective (and it is expected that commencement of trading in the New Ordinary Shares, in the form of CDIs, on the ASX will commence) on 2 November 2021.

The New Ordinary Shares will, when issued, be credited as fully paid and will rank pari passu in all respects with the existing ordinary shares of the Company and will on issue be free of all claims, liens, charges, encumbrances and equities.

Expected Timetable of Principal Events relating to the Placing*

Dispatch of Circular	13 October 2021
Publication of Prospectus	14 October 2021

ASX ANNOUNCEMENT

13 October 2021



Trading Halt on the Australian Securities Exchange lifted

14 October 2021

General Meeting

8:30am London time on 29 October 2021

Admission of New Ordinary Shares pursuant to the Placing and the Orion Equity Subscription

1 November 2021

CDIs representing New Ordinary Shares to be issued and credited to stock accounts in CHES

2 November 2021

Dispatch of definitive share certificates for the New Ordinary Shares in certificated form (where applicable)

By no later than 5 November 2021

1. Calculated by reference to a GBP:AUD exchange rate of 1: 1.8453 and a GBP:USD exchange rate of 1: 1.3547 as at 3.00 p.m. London time on 12 October 2021

**All of the dates and times referred to in this announcement refer to London time and are indicative only and may be subject to change. If any of the details contained in the above expected timetable should change, the revised times and dates will be notified to Shareholders by means of an announcement through the Regulatory Information Service. All events listed in the above timetable scheduled to take place following the General Meeting are conditional on the passing of the Transaction Resolutions at the General Meeting.*

Directors' recommendation and participation

The Directors consider the Resolution to be considered at the Meeting are in the best interests of the Company and its members as a whole. The Directors unanimously recommend that Shareholders vote in favour of the Resolution, as they intend to do in respect of their own shareholdings, representing in aggregate approximately 9.4% of the Company's issued ordinary share capital.

Terms used in this announcement shall, unless the context otherwise requires, be as defined in the announcement published by the Company on 12 October 2021 in relation to the Proposed Equity Fundraise.

Authorised by, and for further information, please contact:

Paul Cronin

Managing Director & CEO

info@adriaticmetals.com

-ends-



For further information please visit www.adriaticmetals.com, @AdriaticMetals on Twitter, or contact:

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About Adriatic Metals

Adriatic Metals Plc (ASX:ADT, LSE:ADT1, OTCQX:ADMLF) is a precious and base metals developer that is advancing the Vares Silver Project in Bosnia & Herzegovina, as well as the Raska Zinc-Silver Project in Serbia.

The Company is the only publicly listed development-stage mining company in Bosnia and Herzegovina and is leveraging its first-mover advantage. Concurrent with advancing the construction of the Vares Silver Project, the Company continues to explore across its large, highly prospective 41km² concession package.

The Company completed the acquisition of TSX-listed Tethyan Resource Corp. in Q4 2020, which contained the Raska Zinc-Silver Project in southern Serbia. The Company is exploring across its 99km² highly prospective concession area, which includes around the formerly operating Kizevak and Sastavci polymetallic mines.

IMPORTANT NOTICES



This announcement has been issued by and is the sole responsibility of the Company. This announcement is for information purposes only and shall not constitute an offer to sell or issue or the solicitation of an offer to buy, subscribe for or otherwise acquire securities in any jurisdiction in which any such offer or solicitation would be unlawful. Any failure to comply with this restriction may constitute a violation of the securities laws of such jurisdictions. Persons needing advice should consult an independent financial adviser.

The distribution of this announcement and the offering, placing and/or issue of the Fundraise Securities in certain jurisdictions may be restricted by law. No action has been taken by the Company, the Joint Bookrunners or any of their respective affiliates that would permit an offer of the Fundraise Securities or possession or distribution of this announcement or any other offering or publicity material relating to such Fundraise Securities in any jurisdiction where action for that purpose is required. Persons into whose possession this announcement comes are required by the Company and the Joint Bookrunners to inform themselves about and to observe any such restrictions.

Members of the public are not eligible to take part in the Proposed Equity Fundraise. This announcement is for information purposes only and is directed only at persons whose ordinary activities involve them acquiring, holding, managing and disposing of investments (as principal or agent) for the purposes of their business and who have professional experience in matters relating to investments and are: (A) if in a member state of the European Economic Area (the "EEA"), persons who are qualified investors ("Qualified Investors"), being persons falling within the meaning of Article 2(e) of the Prospectus Regulation (EU) 2017/1129; or (B) if in the United Kingdom, qualified investors as defined under Article 2(e) of the UK version of the Prospectus Regulation (EU) 2017/1129, which forms part of the domestic law by virtue of European Union (Withdrawal) Act 2018, as amended, who are also (i) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "Order"); or (ii) high net worth companies, unincorporated associations and other persons falling within Article 49(2)(a) to (d) of the Order; or (C) professional investors in Hong Kong under the Securities and Futures (Professional Investor) Rules made under the Securities and Futures Ordinance of Hong Kong; or (D) persons to whom it may otherwise be lawfully communicated (all such persons referred to in (A), (B), (C) and (D) above together being referred to as "Relevant Persons").

This announcement must not be acted on or relied on by persons who are not Relevant Persons. Any investment or investment activity to which this announcement relates is only available to, and will be engaged in only with, Relevant Persons. Persons distributing this announcement must satisfy themselves that is lawful to do so. This announcement is for information only and does not constitute an offer to sell, or a solicitation of an offer to buy or otherwise acquire, any securities in any jurisdiction. Persons needing advice should consult an independent financial adviser.

This announcement has not been lodged with the Australian Securities and Investments Commission and is not a prospectus, product disclosure statement or disclosure document for the purpose of the Corporations Act 2001 (Cth) ("Corporations Act") and it does not and is not required to contain all the information which would be required under the Corporations Act to be included in such a disclosure document. This announcement does not constitute an offer of securities for sale in Australia.



This announcement is not for publication or distribution, directly or indirectly, in or into Australia other than to persons who are (i) either a "sophisticated investor" within the meaning of Section 708(8) of the Corporations Act or a "professional investor" within the meaning of Section 9 and Section 708(11) of the Corporations Act; and (ii) a "wholesale client" for the purposes of Section 761G(7) of the Corporations Act (and related regulations) who has complied with all relevant requirements in this respect, and has been prepared on that basis. No offer of New Ordinary Shares may be made in Australia except to a person who is a sophisticated investor, a professional investor or a wholesale client (each as defined in the Corporations Act).

This announcement or any part of it does not constitute or form part of any offer to issue or sell, or the solicitation of an offer to acquire, purchase or subscribe for, any securities in the United States (including its territories and possessions, any state of the United States and the District of Columbia (the "United States" or "US"), Canada, South Africa, Japan or any other jurisdiction in which the same would be unlawful. No public offering of the Fundraise Securities is being made in any such jurisdiction.

The Fundraise Securities have not been and will not be registered under the US Securities Act of 1933, as amended (the "Securities Act"), or under the securities laws or with any securities regulatory authority of any state or other jurisdiction of the United States, and accordingly the Fundraise Securities may not be offered, sold, pledged or transferred, directly or indirectly, in, into or within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in accordance with any applicable securities laws of any state or other jurisdiction of the United States. There will be no public offering of the Fundraise Securities in the United States.

The Prospectus has not been and will not be registered as a prospectus with the Monetary Authority of Singapore (the "Authority"). Accordingly, the Prospectus, this announcement and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of Placing Shares to be issued from time to time by the Company pursuant to the Placing may not be circulated or distributed, nor may the Placing Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to any person in Singapore other than (i) to an 'institutional investor' (as defined in Section 4A of the Securities and Futures Act, Chapter 289 of Singapore, as modified or amended from time to time (the "SFA")) pursuant to Section 274 of the SFA, (ii) to a 'relevant person' (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA and (where applicable) Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Placing Shares are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- a) a corporation (which is not an accredited investor (as defined in the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or



- b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Placing Shares pursuant to an offer made under Section 275 of the SFA except:

- a) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
- b) where no consideration is or will be given for the transfer;
- c) where the transfer is by operation of law;
- d) as specified in Section 276(7) of the SFA; or
- e) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

The Company has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Placing Shares are prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Specified Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

This announcement may contain "forward-looking statements" with respect to certain of the Company's plans and its current goals and expectations relating to its future financial condition, performance, strategic initiatives, objectives and results. Forward-looking statements sometimes use words such as "aim", "anticipate", "target", "expect", "estimate", "intend", "plan", "goal", "believe", "seek", "may", "could", "outlook" or other words of similar meaning. By their nature, all forward-looking statements involve risk and uncertainty because they relate to future events and circumstances which are or may be beyond the control of the Company and which could cause actual results of trends to differ materially, including, but not limited to, domestic and global economic business conditions; market-related risks such as fluctuations in interest rates; the policies and actions of governmental and regulatory authorities; the effect of competition, inflation and deflation; the effect of legislative, fiscal, tax and regulatory developments in the jurisdictions in which the Company and its respective affiliates operate; the effect of volatility in the equity, capital and credit markets on profitability and ability to access capital and credit; a decline in credit ratings of the Company; the effect of operational risks; an unexpected decline in turnover, rental income or the value of all or part of the Company's property portfolio; any limitations of internal financial reporting controls; and the loss of key personnel. Any



forward-looking statements made in this announcement by or on behalf of the Company speak only as of the date they are made. Except as required by applicable law or regulation, the Company expressly disclaims any obligation or undertaking to publish any updates or revisions to any forward-looking statements contained in this announcement to reflect any changes in the Company's expectations with regard thereto or any changes in events, conditions or circumstances on which any such statement is based. No statement in this announcement is intended to be a profit forecast, and no statement in this announcement should be interpreted to mean that earnings or earnings per share of the Company for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per share of the Company.

Canaccord Genuity Limited ("Canaccord") and Stifel Nicolaus Europe Limited ("Stifel") are authorised and regulated in the United Kingdom by the Financial Conduct Authority ("FCA"). RBC Europe Limited ("RBC") is authorised by the Prudential Regulation Authority (the "PRA") and regulated in the United Kingdom by the FCA and the PRA.

Each of Canaccord, RBC and Stifel (together, the "Joint Bookrunners") is acting for the Company in connection with the Proposed Equity Fundraise and no-one else and will not be responsible to anyone other than the Company for providing the protections afforded to their respective clients nor for providing advice in relation to the Proposed Equity Fundraise or any other matter referred to in this announcement.

No representation or warranty, express or implied, is or will be made as to, or in relation to, and no responsibility or liability is or will be accepted by the Joint Bookrunners or by any of their respective affiliates or their respective affiliates' agents, directors, officers and employees, respectively, as to, or in relation to, the accuracy or completeness of this announcement or any other written or oral information made available to or publicly available to any interested party or its advisers, and any liability therefor is expressly disclaimed.

Each of the Joint Bookrunners and their respective affiliates may have engaged in transactions with, and provided various commercial banking, investment banking, financial advisory transactions and services in the ordinary course of business of each of them to, the Company and/or its affiliates for which they would have received customary fees and commissions. Each of the Joint Bookrunners and their respective affiliates may provide such services to the Company and/or its affiliates in the future.

Members of the public are not eligible to take part in the Placing and no public offering of Placing Securities is being or will be made. This announcement is directed only at and may only be communicated to the categories of persons set out in the terms and conditions of the Placing set out in the Appendix to the announcement published by the Company in connection with the Proposed Equity Fundraise on 12 October 2021.

The Fundraise Securities to be issued pursuant to the Proposed Equity Fundraise will not be admitted to trading on any stock exchange other than the London Stock Exchange's main market for listed securities in respect of New Ordinary Shares and the ASX in respect of CDIs.



Neither the content of the Company's website (or any other website) nor the content of any website accessible from hyperlinks on the Company's website (or any other website) is incorporated into, or forms part of, this announcement.

Notice to Canadian Investors

The New Ordinary Shares and CDIs representing such New Ordinary Shares may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations.

Any resale of the New Ordinary Shares or CDIs representing such New Ordinary Shares must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable Canadian securities legislation. Canadian investors should note, in particular, that the Company is a "reporting issuer" under the securities legislation of Alberta and British Columbia and, accordingly, the offshore resale exemptions under section 2.14 and section 2.15 of National Instrument 45-102 Resale of Securities and the similar exemptions available under Alberta and Ontario securities legislation are not available. A Canadian investor should seek legal advice prior to any resale of the New Ordinary Shares or CDIs.

Canadian investors are hereby notified that:

Unless permitted under securities legislation, a holder of New Ordinary Shares or CDIs must not trade the security before the date that is 4 months and a day after the closing of the offering, which is anticipated to be 2 March 2021.

Statutory Rights of Action - Ontario Purchasers

Under Ontario securities legislation, certain purchasers who purchase the securities offered hereby during the period of distribution will have a statutory right of action for damages, or while still the owner of the securities, for rescission against the Company if this offering memorandum contains a misrepresentation without regard to whether the purchasers relied on the misrepresentation. The right of action for damages is exercisable not later than the earlier of 180 days from the date the purchaser first had knowledge of the facts giving rise to the cause of action and three years from the date on which payment is made for the securities. The right of action for rescission is exercisable not later than 180 days from the date on which payment is made for the securities. If a purchaser elects to exercise the right of action for rescission, the purchaser will have no right of action for damages against the Company. In no case will the amount recoverable in any action exceed the price at which the securities were offered to the purchaser and if the purchaser is shown to have purchased the securities with knowledge of the misrepresentation, the Company will have no liability. In the case of an action for damages, the Company will not be liable for all or any portion of the damages that are proven to not represent the depreciation in value of the securities as a result of the misrepresentation relied upon. These rights are in addition to, and without derogation from, any other rights or remedies available at law to an Ontario purchaser. The foregoing is a summary of the rights available to an Ontario



purchaser. Not all defences upon which the Company may rely are described herein. Ontario purchasers should refer to the complete text of the relevant statutory provisions.

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