



Adriatic Metals

Vares Operation

Significant near-term cash generation

Q3 2024 Results Presentation

October 2024

| ASX: ADT | LSE: ADT1 | OTCQX: ADMLF |

adriaticmetals.com



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The Mineral Resource estimate for the Rupice underground deposit comprising part of the Vares Silver Project was announced in accordance with ASX Listing Rule 5.8 on 27 July 2023. The Company confirms that it is not aware of any new information or data that materially affects the information included in the previous announcement and that all material assumptions and technical parameters underpinning the estimate in the previous announcement continue to apply and have not materially changed.

The Ore Reserve estimate for the Rupice deposit was announced in accordance with ASX Listing Rule 5.9 on 20 December 2023. The Company confirms that it is not aware of any new information or data that materially affects the information included in the previous announcement and that all material assumptions and technical parameters underpinning the estimate in the previous announcement continue to apply and have not materially changed.

In accordance with ASX Listing Rule 5.19, the Company confirms that the production targets and forecast financial information for the Rupice deposit comprising part of the Vares Project disclosed in this presentation were first disclosed in accordance with ASX Listing Rules 5.16 and 5.17 in the Company's announcement dated 19 August 2021. The Company confirms that all the material assumptions underpinning the production target and the forecast financial information in the previous announcement continue to apply and have not materially changed.

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Overview of the Vares Operation

Modern, efficient, high margin mine in Europe

| | | |
|---|---------------------------------|--|
|  | World-class operation | <ul style="list-style-type: none"> Fully-mechanised, modern underground mine with simple processing flow sheet Access to existing infrastructure in a historical mining district, including power, sealed roads, water and rail transport routes |
|  | Robust economics | <ul style="list-style-type: none"> Outstanding economics and one of the lowest cost producers globally (US\$7.3/oz AISC^{1,2}) supported by a high-grade Reserve base underpinning an 18-year mine life Low capital cost due to the benefits of utilising existing infrastructure in the region |
|  | Multi-commodity exposure | <ul style="list-style-type: none"> Nameplate production of 90ktpa zinc concentrate and 65ktpa silver-lead concentrate Additional concentrate value captured by gold and copper by-product credits Supportive macro backdrop and outlook for silver and zinc |
|  | Organic growth potential | <ul style="list-style-type: none"> Resources and Reserves hosted within the Rupice and Rupice NW (RNW) deposits 44km² land package covering a 22km long district-scale corridor of high-grade targets Accelerated and expanded exploration program planned for 2024 and 2025 |
|  | Offtakes in place | <ul style="list-style-type: none"> Offtake agreements in place with Boliden, Trafigura, Glencore and Transamine for 82% of concentrate production over the first 24 months Remaining 18% intentionally reserved for advantageous spot market sales |
|  | Local significance | <ul style="list-style-type: none"> One of the largest investments in Bosnia & Herzegovina, representing 25% of FDI in 2023 and was also granted the status of Project of Special Importance in 2023 Strives to be a fully compliant modern and sustainable mine in line with IFC/EBRD/World Bank standards |



Vares Processing Plant, Aug 2024

Operating in Bosnia & Herzegovina

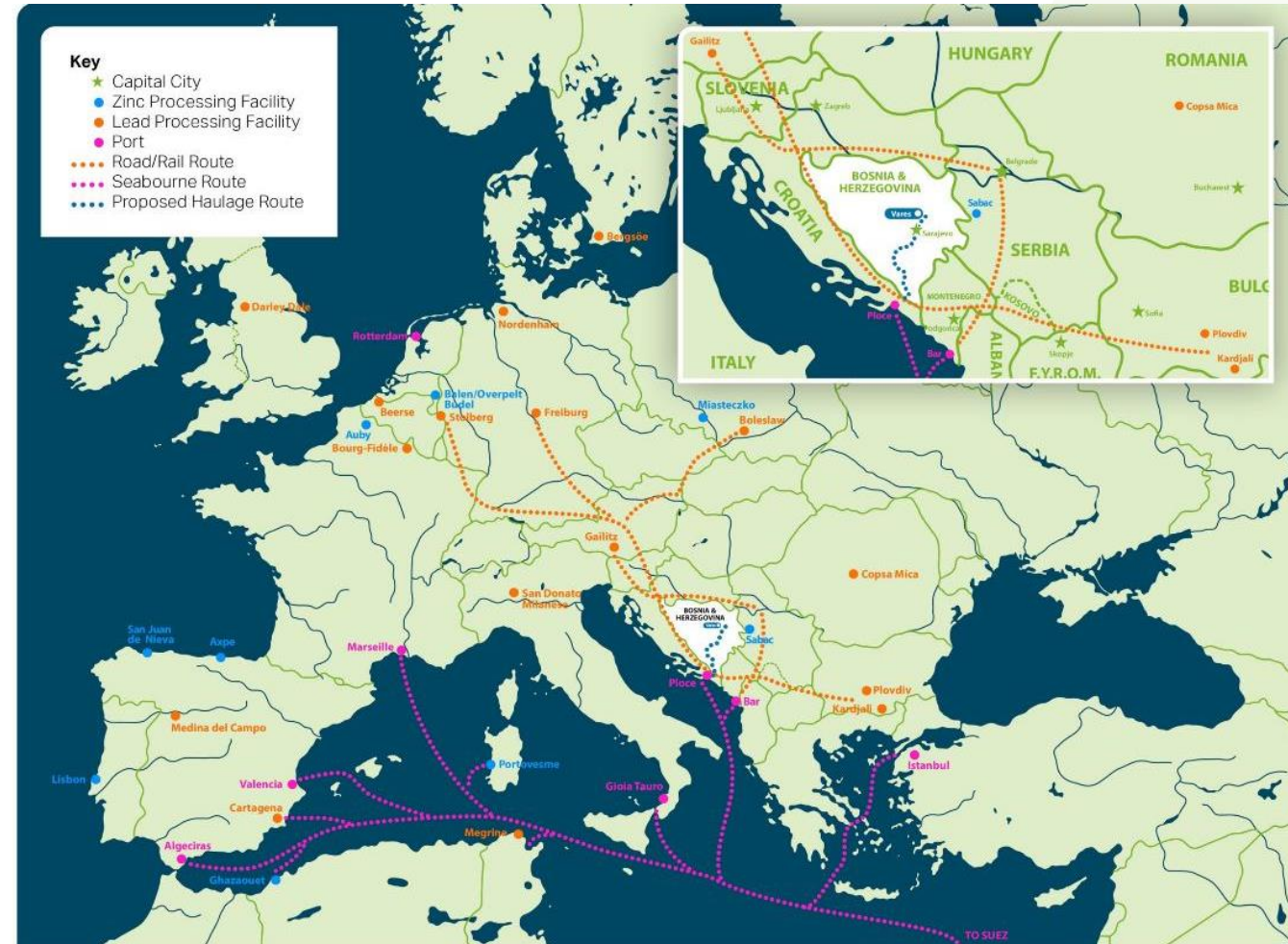
Attractive mining jurisdiction serving a regional supply chain

Bosnia – business & mining friendly

- Clear and concise mining code in a stable democracy
- Well-positioned in central Europe with extensive access to rail, European smelters and the seaborne market
- Strong mining history and highly skilled workforce
- Publicly supportive government
- 10% corporate tax rate
- Candidate status for EU membership

Rapid rate of project development – from discovery to production in seven years

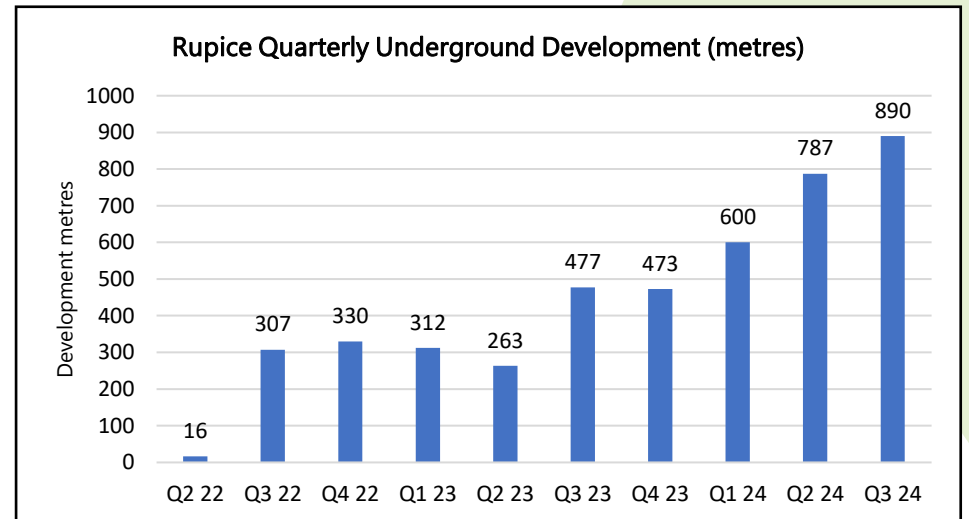
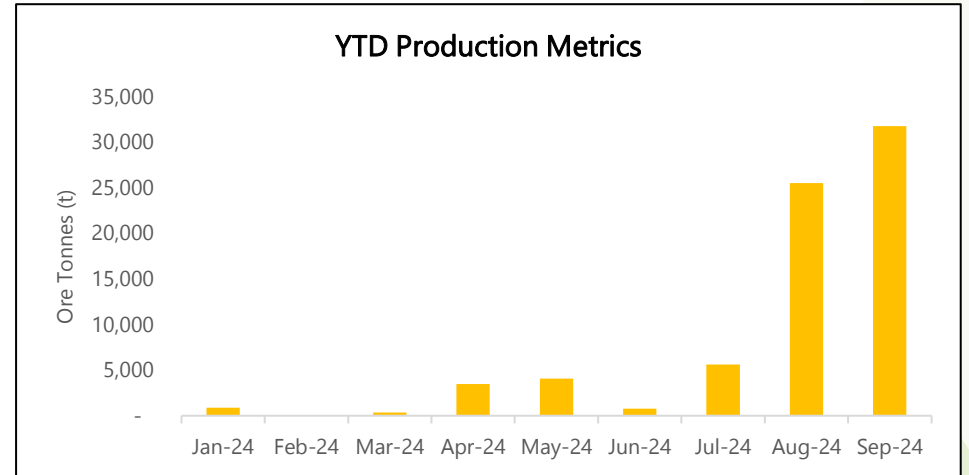
- 2017 - Acquired assets, initial exploration commenced
- 2018 – ASX IPO, expansion of exploration program
- 2019 – Maiden resource, LSE listing
- 2020-2021 – PFS, DFS, permits received, project financing
- 2022-2023 – Project construction
- 2024 – Commissioning H1, commercial production in Q4



Mining & Processing

Reaching commercial production in Q4

- **Record ore production** of 63,100t at 289g/t Ag, 2.9g/t Au, 7.5% Zn, 5.1% Pb in Q3.
- **First stopes** brought into production in August 2024.
- **Development rates** increased to a record high of 318m in August.
- **Current ore stockpile** of approx. 48,000t at 262g/t Ag, 2.6g/t Au, 6.1% Zn and 4.3% Pb.
- **Ramp up at Vares Processing Plant** ongoing; processing of higher-grade feed has increased concentrate production.
- **Metal recoveries** recorded October month-to-date are 69% Zn, 68% Pb, 85% Ag and 60% Au.
- **Recoveries to improve** to: >70% for base metals through Q4 as plant moves to 24/7 operations, stabilised feed grade.



Tailings Storage Facility

Responsible Tailings Management

- All tailing storage facilities are **dry stack** with majority backfilled underground, minimising surface footprint. Tailings are designed and operated to GISTM.
- Current temporary tailing storage facility has capacity until Q1 2025.
- **Veovaca TSF** - Located ~2km from Vares Processing Plant in existing concession boundary.
 - Phase 1 - capacity to receive tailings for approx. 4-5 years of production.
 - Total Veovaca TSF will have capacity to receive tailings for over 10 years of production.
- **Permits received** for Veovaca TSF Phase I from FMERI on 24 Oct.
- Veovaca TSF construction to be completed by end of Q4 2024.



Veovaca Tailings Storage Facility, Oct 2024

Marketing & Concentrate Sales

Concentrate products being sold to offtakers

- Nameplate production of 800,000 tpa. Producing two concentrate products: 90,000tpa of zinc concentrate & 65,000tpa of silver/lead concentrate.
- **Concentrate grades:** above 50% Zn, 40% Pb + 2,000g/t Ag
- **Sales progressing well** with no issues on concentrate spec, with shipment volumes increasing.
- **First full train shipment** of 36 containers moved concentrate to port in September. Due to storm damage to railway line, concentrate is being trucked by road to port.
- In October, on average 15 containers have been trucked per day – demonstrating ability to meet production requirements at full throughput.
- Offtake allocated for 82% of production for first 24 months of production. **Offtake partners** – Trafigura, Glencore, Boliden and Transamine.

| | Q3 2024 | Q2 2024 |
|------------------|---------|---------|
| Ore milled (t) | 21,078 | 9,454 |
| Ag produced (oz) | 95,535 | 21,591 |
| Au produced (oz) | 831 | 62 |
| Zn produced (t) | 958 | 58 |
| Pb produced (t) | 554 | 86 |
| Cu produced (t) | 87 | 18 |

Significant organic growth potential

Regional exploration across the Vares concession

- Mineral Reserve – 13.8Mt at 187g/t Ag, 5.2% Zn, 3.3% Pb, 1.4g/t Au, 0.5% Cu and 0.2% Sb. LOM of >18 years
- 44km² land package covering a 22km long district-scale corridor of high-grade targets
- Ongoing exploration programmes focused on new and existing targets across:
 - Rupice Northwest
 - Rupice South
 - Droskovac
 - Vares East



Corporate structure

Adriatic Metals plc (ASX:ADT, LSE:ADT1, OTCQX:ADMLF)

Share Price Performance of ASX:ADT since IPO



Analyst Coverage

| | | |
|----------------------|------------------------|-----------|
| Canaccord Genuity | Tamesis Partners | Morgans |
| Royal Bank of Canada | Stifel Nicolaus Europe | Berenberg |

1. As at 24 October 2024
2. Cash balance as at 30 September 2024. All currency rates as of 24 October 2024.
3. Numbers may not add up due to rounding.

Shareholder Breakdown as at 14 October 2024

| | |
|---------------------------------|-------|
| Helikon Investments | 16.4% |
| Founders, Board & Management | 12.0% |
| L1 Capital | 11.0% |
| T. Rowe Price | 9.1% |
| Orion Resource Partners | 3.7% |
| Queen's Road Capital Investment | 3.4% |
| Old West Investment Mgt | 2.2% |
| Global X Mgt | 2.1% |
| Legal & General Investment Mgt | 2.1% |
| UniSuper | 1.8% |

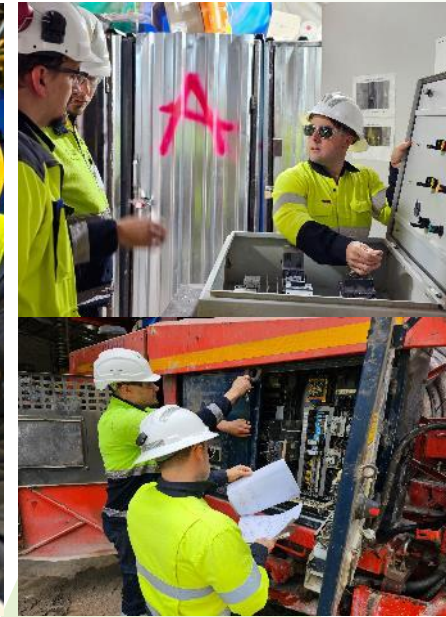
Share Information

| Ticker | LSE:ADT1 | OTC:ADMLF | ASX:ADT |
|--|--------------|---------------|-----------------|
| Share Price ¹ | £2.2 | \$2.7 | A\$4.3 |
| Outstanding Shares on Issue ¹ | | 324.5m | |
| Options & Perf. Rights ¹ | | 1.9m | |
| Fully Diluted Share Capital ¹ | | 326.4m | |
| Market Cap¹ | £716m | \$897m | A\$1.4Bn |
| Cash ² | £18m | \$23.8m | A\$34m |
| Orion Debt | £92m | \$120m | A\$181m |
| Enterprise Value | £790m | \$993m | A\$1.5Bn |

The Adriatic Way

Our focus on how we work

- **Our values matter**
 - Sustainability
 - Accountability
 - Integrity
 - Empowerment
- **Minimise our footprint**
 - Target high margin deposits with small surface footprint
 - Minimise waste; zero water discharge
 - Design and operate to international standards
 - Transition to clean energy
- **Community**
 - Shared prosperity; community & suppliers
 - Local workforce; reverse diaspora, skills transfer
 - We reflect the community we work in
- **Transparency**
 - Adoption of international reporting standards



Investment highlights

Europe's new source of strategic metals



One of the highest margin polymetallic mines; growing resources



De-risking operations through ramp-up to commercial production



Multi-commodity exposure supported by positive outlook for silver and zinc



Strong local & government support – social licence to operate



Follows best global practices in all areas of sustainability



Near-mine exploration upside opportunities



Appendices

Appendices

Board of Directors

Successful track record & strong shareholder alignment



Michael Rawlinson

Non-Executive Chairman

A financier with previous experience as the Global Co-Head of Mining and Metals at Barclays investment bank and helped found the boutique investment bank, Liberum Capital in 2007.

[Sustainability Committee](#)



Sandra Bates

Senior Independent Director

A commercial and strategic international lawyer with over 20 years' experience, advising management teams and boards of both international and UK companies.

[Audit & Risk and Remuneration & Nominations Committees](#)



Peter Bilbe

Non-Executive Director

A mining engineer with 40 years' experience in gold, base metals and iron ore at the operational, CEO and board levels.

[Remuneration & Nominations and Sustainability Committees](#)

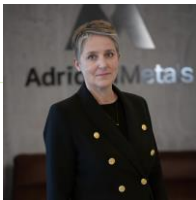


Mirco Bardella

Non-Executive Director

Experienced specialist in assurance and governance, predominantly in the natural resources sector, having previously advised companies including Xstrata, Rio Tinto, Gold Fields & Hochschild.

[Audit & Risk Committee, Remuneration & Nominations Committees and Sustainability Committees](#)



Laura Tyler

Managing Director & CEO

A mining engineer with extensive career at senior levels at BHP Limited on numerous polymetallic projects.



Sanela Karic

Executive Director for Corporate Affairs

A Bosnian-based lawyer with over 20 years' experience spanning corporate affairs, M&A and HR



Eric Rasmussen

Non-Executive Director

Significant experience in the financing of global mining projects, most recently at Rio Tinto, and at EBRD for 27 years.

[Audit & Risk, Remuneration & Nominations and Sustainability Committees](#)

2023 Rupice Mineral Resource Estimate

Table 1 - Rupice updated 2023 MRE by Classification – Total (using AgEq cut-off of 50 g/t), 27 July 2023

| Rupice Mineral Resource estimate, 21 July 2023 | | | | | | | | | | | | | | | | | |
|--|---------|-------------------------|-------------|--------|------|------|--------|------|------|---------------------|-----------------|-------|-------|--------|-------|-------|----------------------|
| Deposit(s) | Domains | Resource Classification | Tonnes (Mt) | Grades | | | | | | | Contained metal | | | | | | |
| | | | | Ag g/t | Zn % | Pb % | Au g/t | Cu % | Sb % | BaSO ₄ % | Ag Moz | Zn Kt | Pb Kt | Au Koz | Cu Kt | Sb kt | BaSO ₄ Kt |
| Rupice + RNW | All | Indicated | 18.3 | 168 | 4.6 | 2.9 | 1.3 | 0.4 | 0.2 | 30 | 98.6 | 844 | 535 | 742 | 81 | 36 | 5,426 |
| | | Inferred | 2.8 | 75 | 2.4 | 1.6 | 0.5 | 0.2 | 0.1 | 13 | 6.8 | 69 | 46 | 47 | 7 | 4 | 353 |
| | Total | Indicated + Inferred | 21.1 | 156 | 4.3 | 2.8 | 1.2 | 0.4 | 0.2 | 27 | 105.4 | 913 | 581 | 789 | 88 | 39 | 5,779 |

Table 2 - Rupice updated MRE by Classification and Deposit (using AgEq cut-off of 50 g/t), 27 July 2023

| Rupice Mineral Resource estimates, 21 July 2023 | | | | | | | | | | | | | | | | | |
|---|---------|-------------------------|-------------|------------|------------|------------|------------|------------|------------|---------------------|-----------------|------------|------------|------------|-----------|-----------|----------------------|
| Deposit(s) | Domains | Resource Classification | Tonnes (Mt) | Grades | | | | | | | Contained metal | | | | | | |
| | | | | Ag g/t | Zn % | Pb % | Au g/t | Cu % | Sb % | BaSO ₄ % | Ag Moz | Zn Kt | Pb Kt | Au Koz | Cu Kt | Sb kt | BaSO ₄ Kt |
| Rupice | All | Indicated | 11 | 169 | 4 | 2.6 | 1.4 | 0.4 | 0.2 | 27 | 60.1 | 443 | 285 | 503 | 46 | 25 | 3,020 |
| | | Inferred | 1.7 | 52 | 1.1 | 0.8 | 0.3 | 0.2 | 0.1 | 9 | 2.9 | 19 | 13 | 17 | 3 | 2 | 154 |
| | | Total | 12.8 | 153 | 3.6 | 2.3 | 1.3 | 0.4 | 0.2 | 25 | 62.9 | 462 | 298 | 520 | 48 | 27 | 3,174 |
| RNW | All | Indicated | 7.2 | 166 | 5.6 | 3.5 | 1 | 0.5 | 0.2 | 33 | 38.5 | 401 | 250 | 239 | 35 | 11 | 2,406 |
| | | Inferred | 1.1 | 111 | 4.6 | 3 | 0.9 | 0.4 | 0.1 | 18 | 3.9 | 50 | 32 | 30 | 4 | 1 | 199 |
| | | Total | 8.3 | 159 | 5.4 | 3.4 | 1 | 0.5 | 0.2 | 31 | 42.5 | 452 | 283 | 269 | 39 | 13 | 2,605 |
| | Total | Indicated | 18.3 | 168 | 4.6 | 2.9 | 1.3 | 0.4 | 0.2 | 30 | 98.6 | 844 | 535 | 742 | 81 | 36 | 5,426 |
| | | Inferred | 2.8 | 75 | 2.4 | 1.6 | 0.5 | 0.2 | 0.1 | 13 | 6.8 | 69 | 46 | 47 | 7 | 4 | 353 |

2023 Ore Reserve Estimate

Table 3 – Updated Rupice Ore Reserve (20 December 2023)

| Rupice Ore Reserve estimate, 20 December 2023 | | | | | | | | | |
|---|---------|-------------------------|-------------|--------|------|------|--------|------|------|
| Deposit(s) | Domains | Resource Classification | Tonnes (Mt) | Grades | | | | | |
| | | | | Ag g/t | Zn % | Pb % | Au g/t | Cu % | Sb % |
| Rupice | All | Proved | - | - | - | - | - | - | - |
| | | Probable | 13.8 | 187 | 5.2 | 3.3 | 1.4 | 0.5 | 0.2 |
| | Total | Proven + Probable | 13.8 | 187 | 5.2 | 33 | 1.4 | 0.5 | 0.2 |

Adriatic Foundation

Supporting initiatives that leave a long-term positive legacy

Charitable Trust setup to invest in community determined projects:

- Youth and further education
- Environmental protection
- Healthcare services

Seed funding provided by the directors of Adriatic Metals and commercial partners

Ongoing funding provided by profits from operations with independent oversight

Current community initiatives:

- Established partnership with healthcare provider to build medical facilities in Vares
- Relunched underground mining course at Vares High School
- Scholarships granted to Breza, Kakanj and Vares school children
- Free English language lessons open to all





Contact us

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