ASX ANNOUNCEMENT
12 June 2018

INITIAL DRILLING DELIVERS HIGH GRADE EXTENSION AT RUPICE

HIGHLIGHTS

- **First drill hole in 2018 campaign returns combination of highest grade and thickest intercept to-date**
  - 64m @ 4.6g/t Au, 537g/t Ag, 0.9% Cu, 7.7% Pb, 10.8% Zn, 46% $BaSO_4$ (BR-2-18)
- **Confirms consistency of the previously drilled, high-grade northern zone at Rupice and the exceptional growth potential**
- **80m down-dip extension of thick and high-grade mineralisation**
- **Presence of high grade gold in grab samples at JB zone, up to 3.5g/t Au and coincident with the tenor of mineralisation at Rupice**

Adriatic Metals PLC (ASX:ADT) ('Adriatic' or the 'Company') is pleased to announce that it has received the assay results from the first hole completed in its 15,000m drilling program at Rupice.

Drill hole BR-2-18 was drilled in a westerly direction at -60˚ to test the down dip and down plunge extension of high grade mineralisation intersected in the Company's 2017 drilling program, specifically hole BR-1-17.

The intersection represents an 80m down dip extension and a 50m down plunge extension from BR-1-17. The mineralisation is very visible and consists of galena, sphalerite, chalcopyrite and barite hosted within brecciated sediments which are typically strata bound and dipping at 50˚ to the east. The results include:

Table 1 *Drill hole results for BR-2-18*

HOLE	FROM M	TO M	INTER-VAL	Au g/t	Ag g/t	Cu %	Pb %	Zn %	$BaSO_4$ %
BR-2-18	214	278	**64**	**4.6**	**537**	**0.9**	**7.7**	**10.8**	**46**
Incl.	248	272	**24**	**6.4**	**754**	**1.6**	**14.7**	**20.2**	**39**

Adriatic's Chief Executive Officer, Geraint Harris commented, *"the results from BR-2-18 are exciting in a number of respects: firstly we have revealed the continuation of thick mineralisation on a 80m step out hole, which has the potential to add significant tonnes to any future resource; secondly we have assays confirming that this extension has grade continuity in excess of the exceptionally high grade precious and base metals content of BR-1-17, which make these some of the highest grade polymetallic results on the ASX."*

Figures 1, 2 and 3 show the location of BR-2-18 in relation to the previous drilling.

ABOUT ADRIATIC METALS

Adriatic Metals Plc is focused on the development of the 100% owned, high-grade zinc polymetallic Vareš Project in Bosnia & Herzegovina.

DIRECTORS AND MANAGEMENT

Mr Peter Bilbe
NON-EXECUTIVE CHAIRMAN

Mr Geraint Harris
CHIEF EXECUTIVE OFFICER

Mr Paul Cronin
NON-EXECUTIVE DIRECTOR

Mr Julian Barnes
NON-EXECUTIVE DIRECTOR

Mr Eric de Mori
NON-EXECUTIVE DIRECTOR

Mr Sean Duffy
CFO AND COMPANY SECRETARY

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Figure 1. *Plan view of the current drilling showing position of sections*

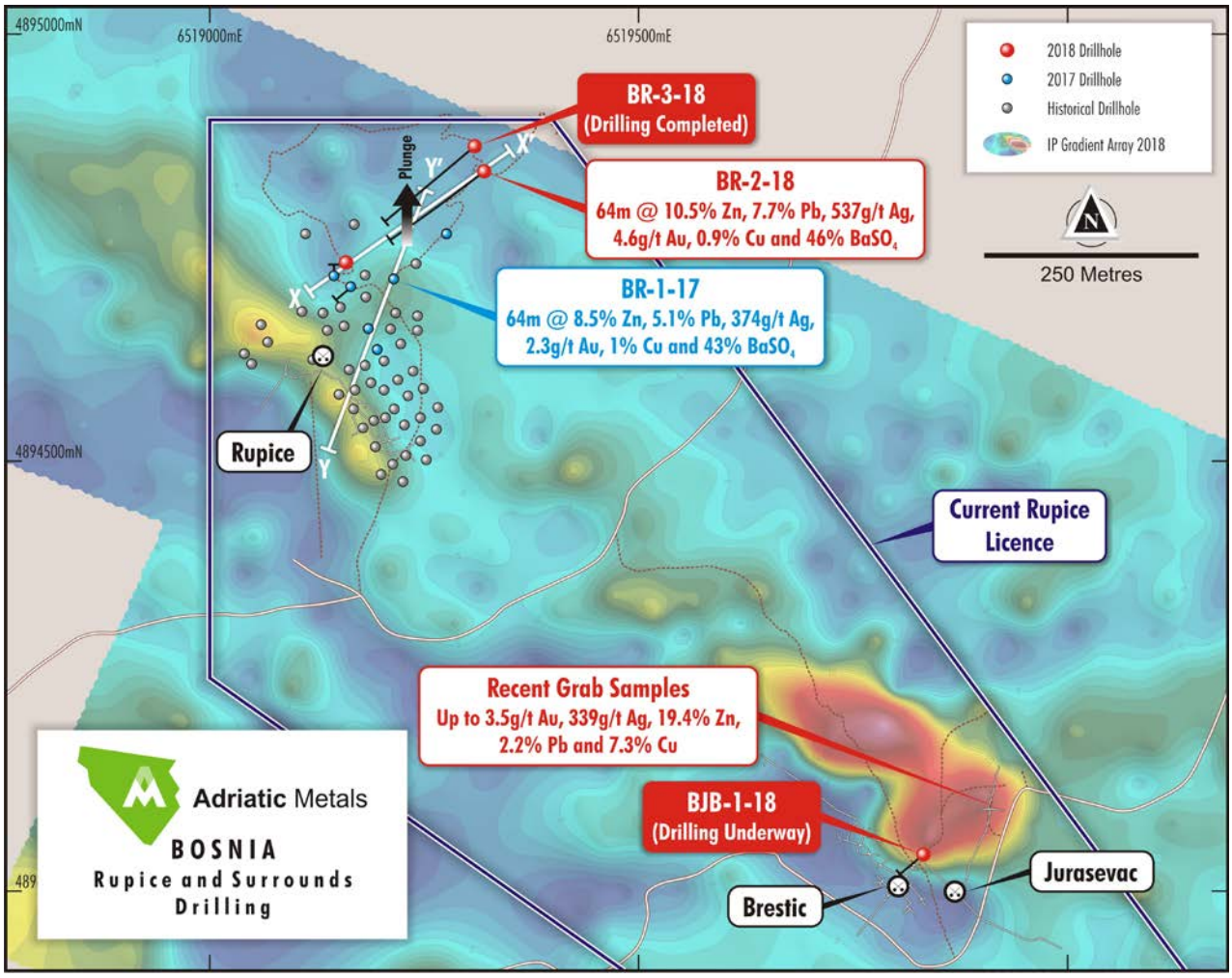
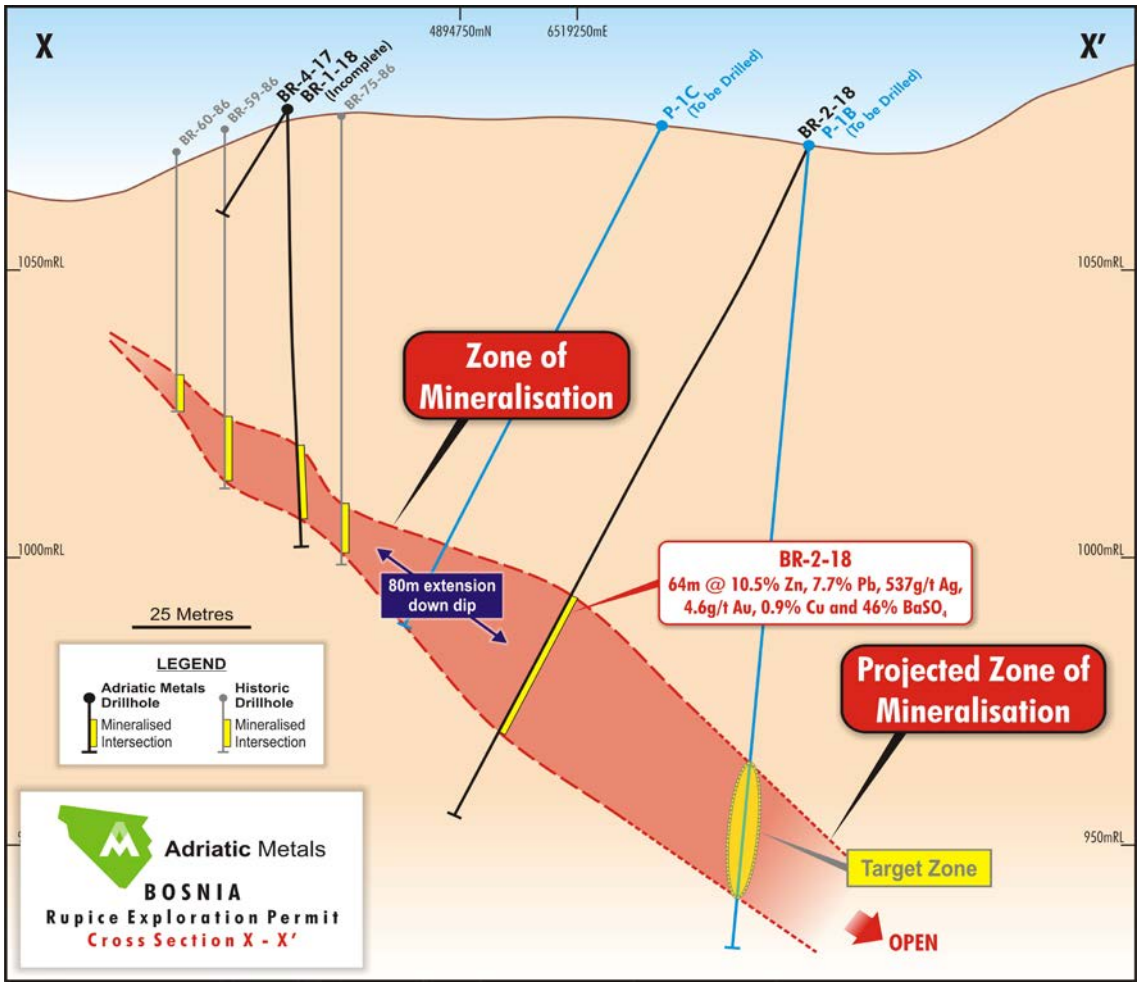


***Figure 2**. Cross-section of the Rupice mineralisation, showing the down dip extension demonstrated by BR-2-18*



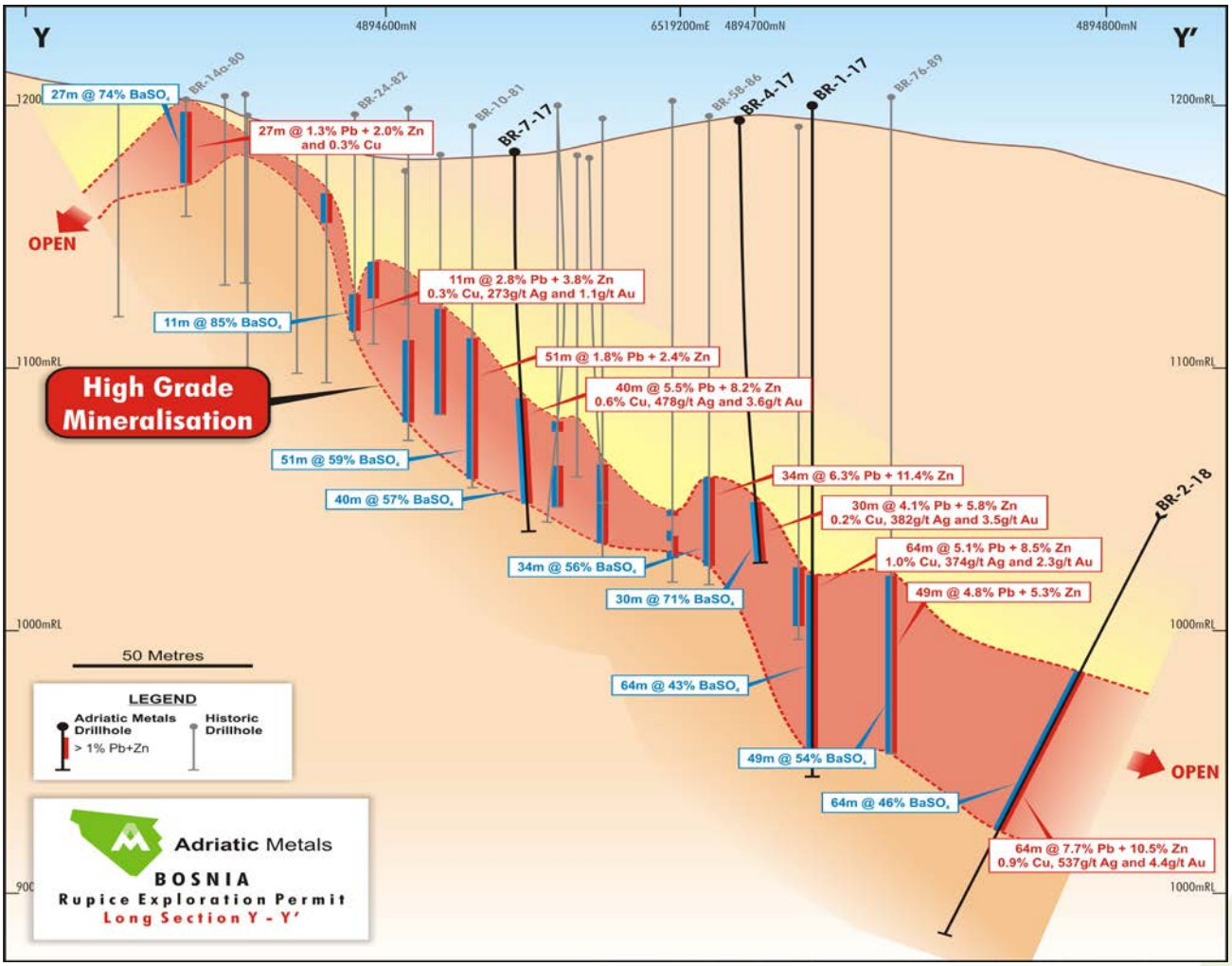
The BR-2-18 results are shown in relation to the 2017 drilling in Table 2 below. The Company awaits the results from drill hole BR-3-18 which targets the further down plunge extents of this mineralisation.

***Table 2.** Drill hole results of BR-2-18 and previous highlighted drill holes at Rupice*

HOLE	FROM	TO	INTERVAL	Au g/t	Ag g/t	Cu%	Pb%	Zn %	$BaSO_4$%
BR - 2 - 18[2]	214	278	**64**	**4.6**	**537**	**0.9**	**7.7**	**10.8**	**46**
Including	248	272	**24**	**6.4**	**754**	**1.6**	**14.7**	**20.2**	**39**
BR - 1 - 17	178.0	242.0	**64.0**	**2.3**	**373**	**0.9**	**5.1**	**8.4**	**44**
Including	*222.0*	*236.0*	*14.0*	*2.2*	*298*	*2.1*	*14.2*	*23.7*	*34*
Including	*206.0*	*238.0*	*32.0*	*2.9*	*394*	*1.1*	*8.0*	*13.6*	*54*
BR - 4 -17	146.0	176.0	**30.0**	**3.5**	**382**	**0.2**	**4.1**	**5.8**	**71**
BR-6-17	116.0	138.0	**22.0**	**1.8**	**161**	**0.3**	**1.7**	**1.8**	**26**
including	*120.0*	*126.0*	*6.0*	*1.8*	*453*	*0.4*	*3.9*	*4.4*	*71*
BR-7-17	94.0	134.0	**40.0**	**3.6**	**479**	**0.6**	**5.5**	**8.2**	**57**
including	*118.0*	*126.0*	*8.0*	*9.9*	*1,046*	*0.8*	*10.8*	*17.3*	*44*

Figure 3. highlights the continuity of the mineralisation along plunge at Rupice – noting BR-2-18 as a significant step out hole with thickening mineralisation as it plunges to the north – north-east.

Figure 3. *Long-section of the Rupice zone, showing the down plunge extension of mineralisation*



GOLD IN DUMP SAMPLING AT JURSEVAC BRESTIC

As announced to the ASX on 29 May 2018, the Company undertook a sampling program at the dumps of Juresvac Brestic (JB Zone) – specifically the site of an historic exploration adit at Jurasevac. Assays have now been received by the Company which confirm a significant gold grade in these samples (as shown in Table 3). The tenor of this mineralisation is similar to Rupice which provides confidence that the source of mineralisation may be related in both zones. The Company will undertake further exploration to determine the potential continuity of these zones within the geological corridor between them.

Table 3. *Dump sampling results from Juresvac Brestic (JB Zone)*

Location	Sample ID	Depth (m)	Pb %	Zn %	Cu %	Ag g/t	Au g/t
Jurasevac	1555	Surface	12.25	19.40	0.84	186	2.59
Jurasevac	1553	Surface	9.17	14.80	0.33	231	3.47
Jurasevac	1551	Surface	12.21	9.80	3.30	339	1.28
Jurasevac	1573	0.5	7.06	4.42	4.78	118	0,28
Jurasevac	1554	Surface	8.19	0.79	6.49	120	0.07
Jurasevac	1552	Surface	6.85	1.81	7.34	128	0.47
Jurasevac	1574	0.5	5.57	2.71	0.82	72	0.87
Jurasevac	1576	0.6	4.55	2.91	2.51	105	0.76

Adriatic's Chief Executive Officer, Geraint Harris commented, *"the presence of high grade gold in the dumps at Jurasevac gives us further confidence in the JB Zone as a high grade polymetallic deposit in a style similar to Rupice. Our first holes at JB Zone are currently underway and the drilling target coincides with a strong geochemical soil anomaly and a significant gradient array IP (GAIP) signature".*

For further information please contact:

Geraint Harris
Chief Executive Officer
info@adriaticmetals.com

Competent Persons Statement

The information in this report which relates to Exploration Results is based on information compiled by Mr Robert Annett, who is a member of the Australian Institute of Geoscientists (AIG). Mr Annett is a consultant to Adriatic Metals PLC, and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australian Code of Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Annett consents to the inclusion in this report of the matters based on that information in the form and context in which it appears.

ABOUT ADRIATIC METALS

Adriatic Metals PLC (ASX:ADT) ("Adriatic" or "Company") is an ASX-listed zinc polymetallic explorer and developer via its 100% interest in the Vareš Project in Bosnia & Herzegovina. The Project comprises a historic open pit zinc/lead/barite and silver mine at Veovaca; and Rupice, an advanced proximal deposit which exhibits exceptionally high grades of base and precious metals. Adriatic's short-term aim is to expand the current JORC resource at Veovaca and to complete an in-fill drilling programme at the high-grade Rupice deposit. Adriatic has attracted a world class team to expedite its exploration efforts to rapidly advance the Company into the development phase and utilise its first mover advantage and strategic assets in Bosnia.

Figure 4. *Location of Adriatic Metals' Projects*

APPENDIX

Full Assay Results for Hole BR-2-18

Table 4. *Assay Results for BR-2-18 located at 6519318E 4894841N (MGI Balkans Z6 grid)*

Drill Hole	From	To	Interval	Pb %	Zn %	$BaSO_4$%	Cu %	Sb %	Ag (gt)	Au (gt)
BR-2-18	200	202	2	0.06	0.57		0.008	0.016	2	0.18
BR-2-18	202	204	2	0.12	0.32		0.05	0.019	7	0.23
BR-2-18	204	206	2	0.24	0.53	2.84	0.041	0.021	6	0.22
BR-2-18	206	208	2	0.14	0.35	9.17	0.061	0.047	16	0.42
BR-2-18	208	210	2	0.25	0.45	5.43	0.034	0.022	11	0.48
BR-2-18	210	212	2	0.35	0.73	7.61	0.052	0.039	20	0.73
BR-2-18	212	214	2	0.54	0.88	7.88	0.098	0.069	32	0.75
BR-2-18	214	216	2	0.76	1.46	11.73	0.121	0.085	76	0.83
BR-2-18	216	218	2	0.83	1.66	11.68	0.192	0.12	108	0.51
BR-2-18	218	220	2	2.21	4.02	13.02	0.301	0.138	120	1.51
BR-2-18	220	222	2	3.51	9.1	26.7	0.328	0.179	290	2.42
BR-2-18	222	224	2	5.08	9.31	67.54	0.405	0.297	420	3.95
BR-2-18	224	226	2	4.09	9.38	71.19	0.321	0.302	419	3.67
BR-2-18	226	228	2	4.24	3.01	76.52	0.666	0.411	1030	5.41
BR-2-18	228	230	2	4.59	8.51	72.87	0.447	0.166	396	5.33
BR-2-18	230	232	2	8.08	8.22	60.55	1.065	0.47	1515	6.81
BR-2-18	232	234	2	4.17	6.22	62.83	0.295	0.168	801	5.25
BR-2-18	234	236	2	1.38	0.63	51.42	0.091	0.027	81	2.46
BR-2-18	236	238	2	0.95	0.03	83.06	0.006	0.0025	13	2.02
BR-2-18	238	240	2	2.38	2.08	78.04	0.122	0.031	102	4.19
BR-2-18	240	242	2	4.43	9.29	71.19	0.355	0.121	276	4.91
BR-2-18	242	244	2	6.61	11.95	66.02	0.622	0.168	356	4.57
BR-2-18	244	246	2	6.14	7.71	72.11	0.329	0.196	597	5.03
BR-2-18	246	248	2	0.86	0.11	69.06	0.172	0.127	1160	8.21
BR-2-18	248	250	2	8.69	12.85	57.05	1.535	0.742	1515	9.45
BR-2-18	250	252	2	11.7	19.6	48.53	1.305	0.718	1515	8.08
BR-2-18	252	254	2	13.15	20.6	37.88	1.855	0.943	1040	10.05
BR-2-18	254	256	2	13.15	18.7	47.92	1.4	0.712	1515	9.29
BR-2-18	256	258	2	5.7	8.91	61.46	0.417	0.3	1515	4.48
BR-2-18	258	260	2	4.71	7.23	65.11	0.32	0.039	99	3.87
BR-2-18	260	262	2	7.02	15.6	62.98	0.537	0.068	139	3.3
BR-2-18	262	264	2	21.8	28.9	22.51	2.49	0.332	381	6.11
BR-2-18	264	266	2	23.6	25.2	21.6	3.28	0.349	378	6.2
BR-2-18	266	268	2	24.1	29.5	18.18	2.12	0.211	220	6.41
BR-2-18	268	270	2	22	31.4	16.2	2.01	0.432	328	6.16

BR-2-18	270	272	2	20.2	24.4	10.83	2.48	0.861	401	3.5
BR-2-18	272	274	2	3.3	5.06	5.61	0.542	0.347	112	0.6
BR-2-18	274	276	2	1.04	1.71	23.81	0.41	0.268	169	0.72
BR-2-18	276	278	2	6.17	4.83	1.93	2.03	0.373	95	0.71
BR-2-18	278	280	2	0.1	0.15	0.67	0.038	0.013	4	0.15
BR-2-18	280	282	2	0.12	0.18	0.18	0.027	0.017	17	0.11
BR-2-18	282	284	2	0.07	0.09	0.14	0.017	0.008	19	0.13
BR-2-18	284	286	2	0.09	0.18	0.21	0.02	0.014	9	0.12
BR-2-18	286	288	2	0.1	0.13	0.81	0.037	0.035	19	0.11
BR-2-18	288	290	2	0.7	0.86	0.64	0.144	0.149	26	0.12
BR-2-18	290	292	2	0.34	0.25	0.96	0.524	0.465	67	0.17
BR-2-18	292	294	2	0.22	0.15	0.3	0.034	0.033	17	0.13
BR-2-18	294	296	2	0.22	0.52	0.17	0.028	0.034	8	0.16
BR-2-18	296	298	2	0.22	0.26	0.12	0.044	0.046	13	0.13
BR-2-18	298	300	2	0.41	0.21	0.3	0.785	0.669	35	0.12

Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.*	HQ diamond core was cut in half to provide a sample for assay typically weighing around 8-10kg. Samples were submitted to the ALS facility in Bor, Serbia for industry standard analytical analysis.
	• *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.*	The half core and weight of the sample provides sufficient representivity. No calibration of any equipment was required as all samples were sent for assay by commercial laboratory.
	• *Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg*	HQ diamond core sampling was used to obtain 2m samples from which 8-10kg of material was pulverised to produce sample for fire assay, ICP-MS and X-ray Fluorescence (XRF).

	submarine nodules) may warrant disclosure of detailed information.	
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	BR-2-18 was drilled using non-core methods to a depth of 105m after which drill advance was by diamond core, starting first with PQ diameter before reducing to HQ diameter. The mineralised interval was all HQ diameter and used the triple tube method.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	All core was logged for geology and RQD with recovery in the mineralised and sampled zone greater than 90%. The HQ diameter and sampling of half core ensured the representative nature of the samples. There is no observed relationship between sample recovery and grade, and with little to no loss of material there is considered to be little to no sample bias.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support*	Sufficient geotechnical logging of the core has been taken and in sufficient detail to support a Mineral Resource estimate however, no

	appropriate Mineral Resource estimation, mining studies and metallurgical studies.	Mineral Resource estimate is being reported, only assay results.
	• *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.*	All core is photographed and logging is qualitative.
	• *The total length and percentage of the relevant intersections logged.*	All core is logged.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.*	The HQ diameter core was cut in half using a diamond saw.
	• *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.*	The sampled material is HQ3 half core.
	• *For all sample types, the nature, quality and appropriateness of the sample preparation technique.*	Collection of around 8-10kg of half core material with subsequent pulverisation of the total charge provided an appropriate and representative sample for analysis. Sample preparation was undertaken at the ALS laboratory in Bor, to industry best practice.
	• *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.*	Industry best practice was adopted by ALS for laboratory sub-sampling and the avoidance of any cross contamination.
	• *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.*	The half core sampling is considered a reasonable representation of the in-situ material. No duplicate material was collected although a Certified Reference Material was inserted every 15 samples or less.
	• *Whether sample sizes are appropriate to the grain size of the material being sampled.*	Sample size of around 8-10kg is considered to be appropriate to

		reasonably represent the material being tested.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.*	Analyses were undertaken at the accredited laboratory of ALS in Bor, Serbia which has full industry certification. Multi elements were assayed by an ICP-MS technique following an aqua regia digest. Gold was determined using a fire assay on a nominal 30g charge. Barite was determined from a fusion followed by dissolution and ICP-AES analysis. All techniques were appropriate for the elements being determined. Samples are considered a partial digestion when using an aqua regia digest.
	• *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.*	There was no reliance on determination of analysis by geophysical tools.
	• *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	Certified Reference Material (CRM) appropriate for the elements being analysed were added at a rate better than 1 in 15. All results reported by ALS on the CRMs were to better than 1 standard deviation (1SD) from its reported elemental grade. As such acceptable levels of accuracy have been achieved.

Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.*	There has been no independent logging of the mineralised interval however, it has been logged by several company personnel and verified by senior staff using core photography.
	• *The use of twinned holes.*	BR-2-18 is not a twin hole.
	• *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.*	Field collection data was uploaded using the Micromine software and verified at point of entry. Data is stored on the Virtual Cloud and at various locations including Perth, WA. It is regularly backed-up.
	• *Discuss any adjustment to assay data.*	No adjustments were necessary.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*	Sampling sites were surveyed using DGPS to better than 0.5m accuracy in the local BiH coordinate system.
	• *Specification of the grid system used.*	The grid system used MGI 1901 / Balkans Zone 6.
	• *Quality and adequacy of topographic control.*	The topographic surface of the immediate area was generated from a combination of DGPS and digitisation of government topographic contours. It is considered sufficiently accurate for the Company's current activities.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.*	Results from a single drill hole are being reported. All samples were collected at 2m intervals down hole.
	• *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore*	No Mineral Resource or Ore Reserve is being reported.

	Reserve estimation procedure(s) and classifications applied.	
	• *Whether sample compositing has been applied.*	Sample composite was not employed.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.*	BR-2-18 was drilled at a declination of 65deg and is considered to be reasonably orthogonal to the interpreted dip of the mineralisation.
	• *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	It is not considered that the drilling orientation has introduced a sampling bias, as the drilling is considered to be orthogonal to the strata bound mineralisation.
Sample security	• *The measures taken to ensure sample security.*	Chain of Custody of digital data is managed by the Company. Physical material was stored on site and, when necessary, delivered to the assay laboratory. Thereafter laboratory samples were controlled by the nominated laboratory. All sample collection was controlled by digital sample control file(s) and hard-copy ticket books.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	No audits have been undertaken.