

ASX ANNOUNCEMENT

19 November 2018

ABOUT ADRIATIC METALS (ASX:ADT)

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 Milos Bosnjakovic
NON-EXECUTIVE DIRECTOR

Mr Sean Duffy
CHIEF FINANCIAL OFFICER

Mr Gabriel Chiappini
COMPANY SECRETARY

adriaticmetals.com



Adriatic Metals

VARES CONCESSION ANNEXE UPDATE

Adriatic Metals PLC (ASX:ADT & FSE:3FN) ('Adriatic' or the 'Company') is pleased to announce that the Company is now in receipt of the signed Concession Annexe agreement from the Premier and the Ministry of Economy of Zenica-Doboj Canton. This process has also paved the way for Adriatic to further enlarge its concession area in the future, as required.

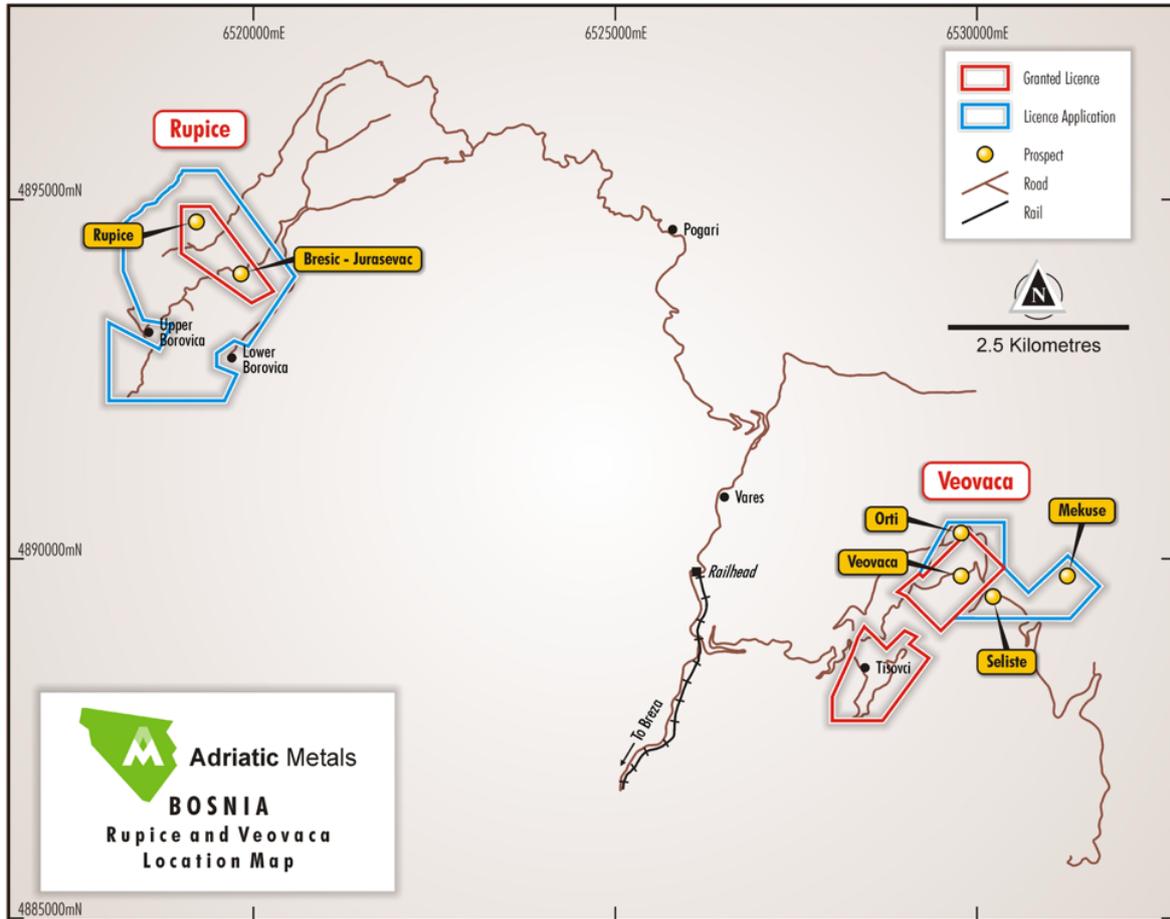
Furthermore, the new Annexe will allow the Company to continue drilling along the trend of the thick and high grade mineralisation defined as the Northern Plunge. Access tracks and drill sites are now being constructed. Drilling will therefore be able to start immediately with finalisation of the urban planning and exploration permits; which are expected in the very near term.

In addition to Rupice, the Concession Annexe gives Adriatic the ability to explore over land which includes seven areas where historic exploration intersected mineralisation and these represent new exploration targets for the company. Also in the expanded concession area, the Company has utilised geophysics and soil geochemistry to define a number of anomalies to the south of Rupice and sub-parallel to the mineralised trend. Starting in Q4 2018 a follow-up geophysical and soils program will be conducted to help better define drilling targets for an aggressive and enlarged drilling campaign at Jurasavec-Brestic, Borovica and the other areas throughout 2019, see Figure 1.

As a result of the 584 ha extension, the Company has paid a concession fee of KM 876,489 (A\$ 701,191), 70% of which will be transferred from the Zenica-Doboj Canton to the budget of the Municipality of Vareš, therefore directly benefitting the communities where the Company operates

Adriatic's CEO, Geraint Harris commented "I am very pleased that not only has this Concession Annexe allowed us access to a very significant and prospective land package, but the process has also helped pave the way for future concession expansions and helps clarify our permitting route. Of equal importance, the distribution of a large portion of our concession payment directly into Vareš Municipality and by extension into the communities which help to support our operations is a very significant positive for the Company and demonstrates how progressive the Bosnian system is for investors in the country and the local population alike."

Figure 1 – Previous (Red) and New Concession Areas (Blue)



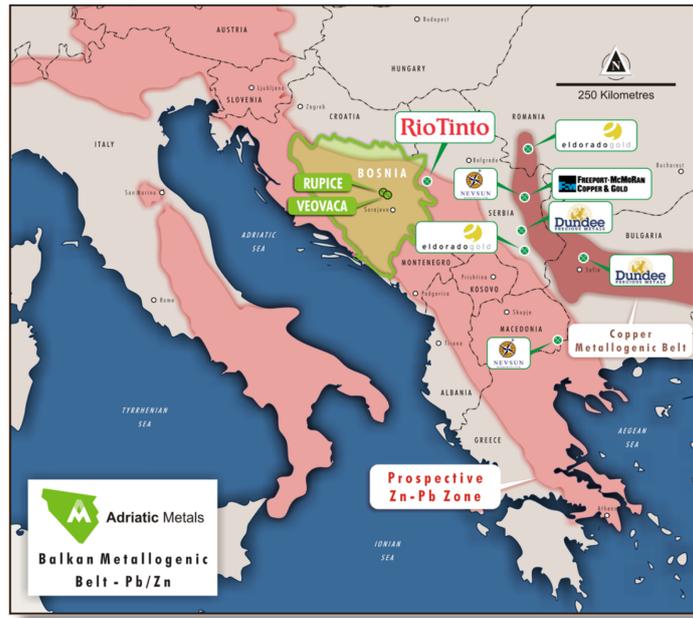
The new concession is an annexe to the original Concession Agreement for the Company’s projects, that agreement was founded on basis of the historic Veovaca mine; defined as a lead, zinc and barite mine, which also commercially produced silver. This concession annexe therefore reinforces the ability of Adriatic to not only explore for, but also to exploit metallic minerals - lead, zinc and barite on the entire expanded concession. Exploitation can only take place after receipt of an Exploitation Permit and an Operating Permit, the application for the former being well underway

In addition to this, the Federal Exploration regulations make it an obligation for the Company to analyse and assay for all associated metallic minerals, including copper, silver and gold and to report these to the Federal Ministry of Mining. Under Bosnian law, once economic quantities of any metal are defined it will be an obligation for Adriatic to make application to add those to the existing concession by way of a further Concession Annexe. It should be noted that any additions to the Concession, via Annexe will automatically apply to all of the exploration fields owned by Adriatic. The recent approval of an Elaborate (equivalent to an expanded Resource statement) for the Veovaca project, which contained the Company’s exploration results, stated the quantities of lead, zinc, barite, copper, gold and silver; which is a material step to inclusion of these metals in the Exploitation Permit.

For further information please contact us via email at info@adriaticmetals.com

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 cut 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 and to rapidly advance the Company into the development phase and utilise its first mover advantage and strategic assets in Bosnia.



DISCLAIMER

Forward-looking statements are statements that are not historical facts. Words such as “expect(s)”, “feel(s)”, “believe(s)”, “will”, “may”, “anticipate(s)”, “potential(s)” and similar expressions are intended to identify forward-looking statements. These statements include, but are not limited to statements regarding future production, resources or reserves and exploration results. All of such statements are subject to certain risks and uncertainties, many of which are difficult to predict and generally beyond the control of the Company, that could cause actual results to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements. These risks and uncertainties include, but are not limited to: (i) those relating to the interpretation of drill results, the geology, grade and continuity of mineral deposits and conclusions of economic evaluations, (ii) risks relating to possible variations in reserves, grade, planned mining dilution and ore loss, or recovery rates and changes in project parameters as plans continue to be refined, (iii) the potential for delays in exploration or development activities or the completion of feasibility studies, (iv) risks related to commodity price and foreign exchange rate fluctuations, (v) risks related to failure to obtain adequate financing on a timely basis and on acceptable terms or delays in obtaining governmental approvals or in the completion of development or construction activities, and (vi) other risks and uncertainties related to the Company’s prospects, properties and business strategy. Our audience is cautioned not to place undue reliance on these forward-looking statements that speak only as of the date hereof, and we do not undertake any obligation to revise and disseminate forward-looking statements to reflect events or circumstances after the date hereof, or to reflect the occurrence of or non-occurrence of any events.