

ANNUAL GENERAL MEETING

Paul Cronin – Managing Director and CEO

8th November 2019



Adriatic Metals

2018-2019 Milestones



Health & Safety

- Zero Lost Time Injuries

Exploration

- Maiden Resource at Rupice and Updated Resource at Veovača
- Over 15,000m drilled at Rupice, extending strike by over 150m
- Increased understanding of Rupice and regional geology

Regulatory and Permitting

- Approval granted for expanded concession area
- Urban Planning Permit issued
- Completion of EIA and Water Permit applications for Exploitation
- International ESIA Commenced

Pre-Development & Evaluation

- Preliminary metallurgical test work complete
- Scoping study almost complete
- Geo technical studies advanced



Operational Update – Rupice Exploration



Up to 5 rigs on site during the year advancing our understanding of the Rupice and preparing for maiden Resource.

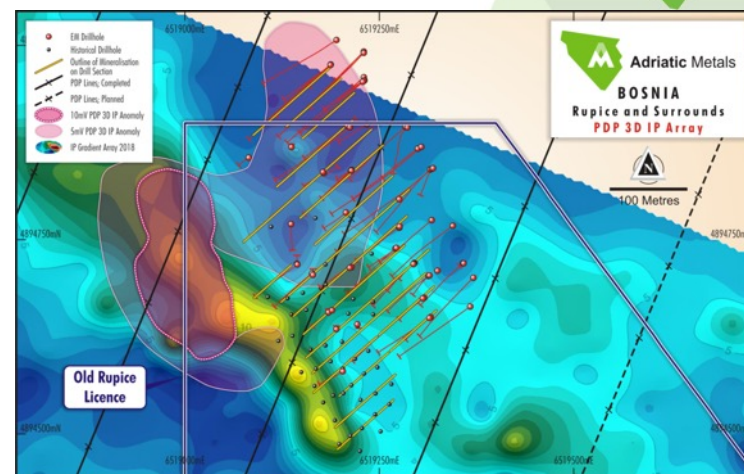
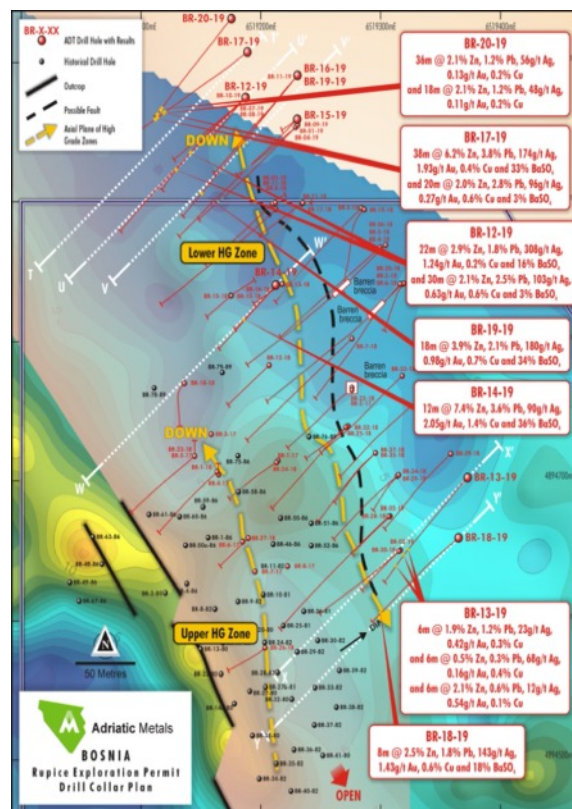
Extended strike length by 150m N+S

30 kVA IP survey completed and interpretation being tested

Maiden resource prepared and released

Continuing to extend strike to N and S

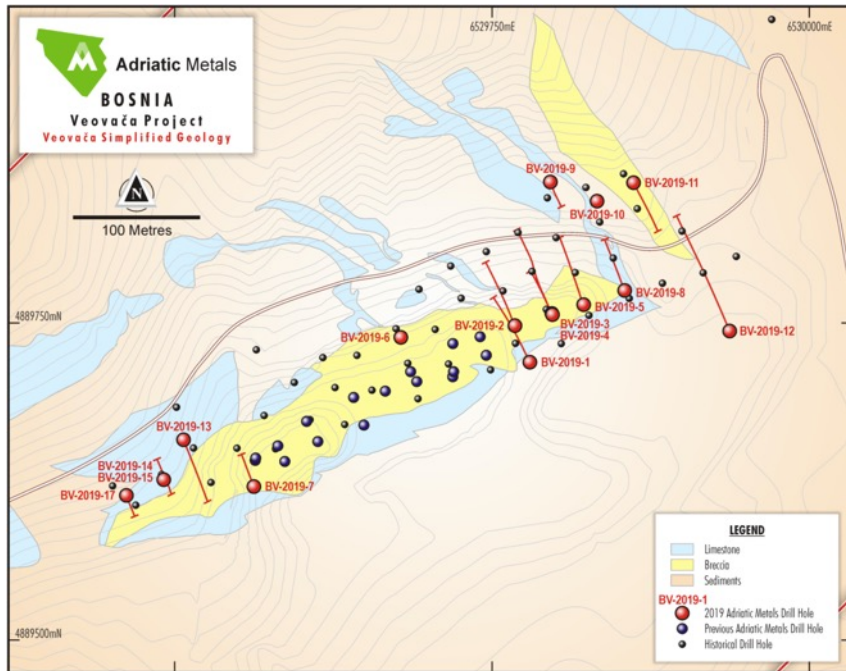
Highest grade intercepts to date exceeds 72m at 44% ZnEq



Rupice Drilling	Holes Completed	Metres Drilled
2017/18	13	2,981.50
2018/19	51	13,664.35
2019/20 To date	28	7,738.80

JORC Classification	Tonnes (Mt)	Au (g/t)	Ag (g/t)	Zn (%)	Pb (%)	Cu (%)	BaSO4 (%)	ZnEq (%)	AuEq (g/t)
Indicated	7.5	2.0	207	5.7	3.7	0.6	34.4	18.3	11.3
Inferred	1.9	0.9	86	2.5	1.6	0.3	18.0	8.3	5.1
Total	9.4	1.8	183	5.1	3.3	0.6	31.1	16.4	10.1

Operational Update – Veovača Exploration

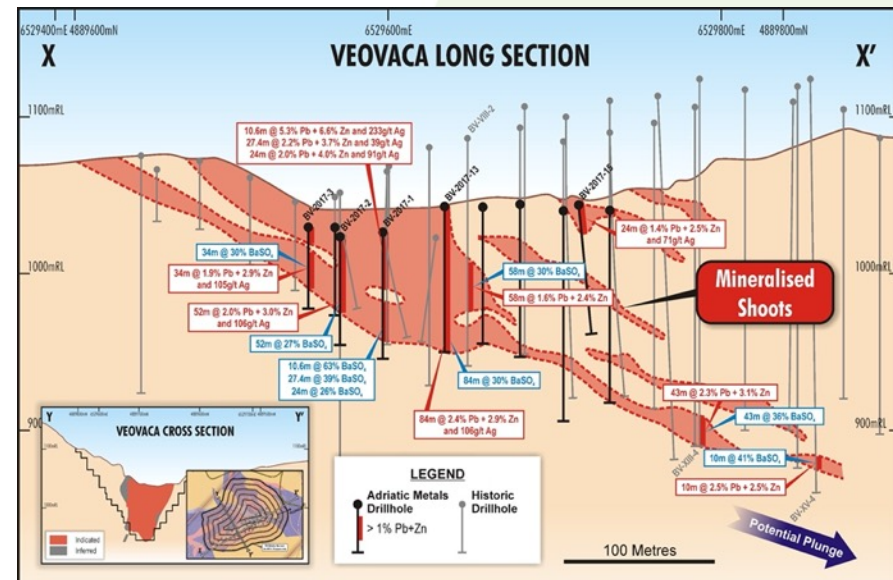


At Veovača our 2019 drilling campaign was very successful delivering an updated Mineral Resource with the “Indicated” category increasing some 15%.

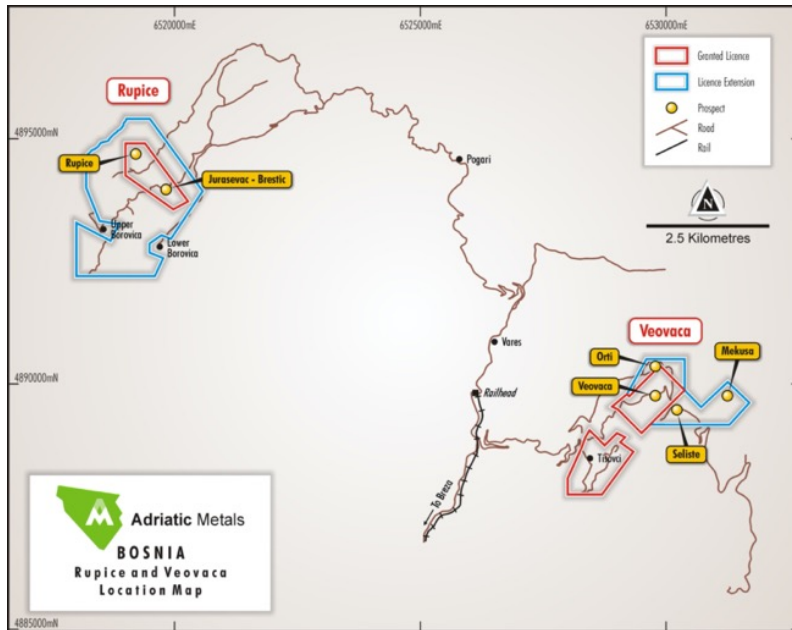
2,340 metres completed in 17 holes

This updated MRE also importantly delivered a doubling of the contained grade of both gold and silver.

JORC Classification	Tonnes	Grades				
		Au	Ag	Zn	Pb	BaSO ₄
	Mt	g/t	g/t	%	%	%
Indicated	5.3	0.1	50	1.6	1.0	16
Inferred	2.1	0.1	17	1.1	0.5	6
Total	7.4	0.1	41	1.4	0.9	13



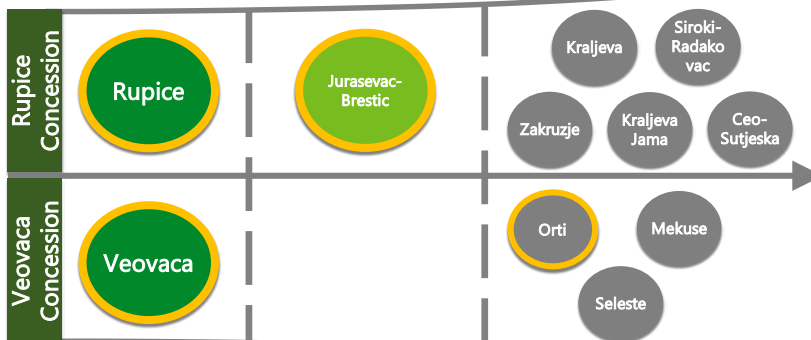
Operational Update – Regional Exploration



Resource Development
& Scoping Study

Advanced Stage
Exploration Targets

Historical
Brownfield Prospects



- 2019 High Priority Target

- At Jurasevac-Brestic prospect our drilling has focussed on the IP chargeability anomaly with early results returning intersections of lead-zinc mineralisation and disseminated pyrite within brecciated sediments similar to that seen at the Rupice deposit.
- Drilling will continue to target the IP anomaly and we will step out our drilling coverage to test the area with high base metal in soils and the area of historical workings of Jurasevac where high-grade mineralisation similar to Rupice has been mined.
- Outside of Rupice 450 soil samples have been collected with very exciting results emerging from several areas at Orti and Seliste, (close to Veovaca) and stand-out results of up to nearly 2% lead and zinc in soils at our new discovery called Veovaca West.
- Recent prospecting at Veovaca West has discovered not just high soils but coincident historical workings over a strike length of 300m, and from our very detailed LiDAR ground survey these appear to be sub-parallel to the nearby Veovaca workings. Drilling is now planned for both the Orti prospect and the Veovaca West prospects.
- Finally we have commenced our regional mapping and soil sampling of the highly prospective 14km corridor between Rupice in the west and Veovaca in the east where there are a number of interesting historical workings and diggings which have had no ground follow-up for the last 50 years.

Operational Update – Pre-Development & Evaluation



• Metallurgical Testwork

- Extensive testwork completed for Rupice and Veovača.
- Rupice results particularly encouraging;

		Copper	Lead	Zinc	Gold	Silver
Cu/Pb + Zn Cons. - LCT4		%	%	%	ppm	ppm
Head Grades		0.55	3.43	5.19	2.07	298
Copper/Lead Concentrate	Grade	6.52	44.17	10.69	13.94	3,549
	Recovery	82.7	90.4	14.5	47.3	83.7
Zinc Concentrate	Grade	0.37	1.25	53.8	5.37	337
	Recovery	5.3	2.87	81.7	20.4	8.90
Combined Recovery	Recovery %	89.0	93.3	96.2	67.7	92.6
Combined Recovery Adjusted for Expected Payability	Recovery %	82.7	90.4	81.7	67.7	92.6

- Estimated NSR value for Rupice Concentrates in excess of USD 3500/t (excluding barite).
- Future testwork to focus on improved payability and variability.

Operational Update – Pre-Development & Evaluation



• Permitting

- Water Permit for Demolition at Veovača granted. Environmental Permit for demolition at Veovaca imminent.
- Two out of Three Water Permits received for the Veovača Project and the Environmental Permit application for the Veovača Project submitted and under review.
- Once the above all granted then Urban Planning Permit application can be finalised. After that the Veovača Exploitation Permit will be applied for.
- Process has been excessively lengthy due to untested legislation and inexperienced consultants and government agencies.
- Work starting to prepare for the Exploitation permitting process for Rupice.
- Granting of Veovača Exploitation Permit will secure all Eastern Mining Concessions.
- Prior to start of production two additional permits required; Mining Project and Operations Permit.

• ESIA

- First phase initiated with Wardell Armstrong International (WAI). Site visit 11-15th November. Start of Baseline Studies January 2020 for 12 months.

Operational Update – Pre-Development & Evaluation



• Scoping Study – Project Development

- Overall Description;
 - Underground Mining at Rupice for 9 -10 years – 800,000 tpa.
 - Followed by open pit mining at Veovača for 5 years.
 - Processing Plant on brownfields site at Veovača.
 - No use of old Tailings Storage Facility (TSF) at Veovača for 10 years – tailings returned for backfill at Rupice.
 - Transport for ore and tailings by truck or aerial ropeway (gondolas).
- Scoping Study Development;
 - CSA Global are compiling report based on work completed by all project development consultants to date.
 - Detailed Financial Model developed to demonstrate sound economics of the project.
 - Issue planned for end November – currently going into peer review with CSA. Will also require review by ASX.

• Preliminary Feasibility Study/Feasibility Study

- Request for Proposals issued. Closes 11th November. Extensive additional metallurgical testwork to complete and other trade-off options to study. Possibility to go direct to FS with no published PFS after completing additional testwork and trade-offs.

Community Activity in 2018/2019



- An Information Centre in Vareš has been established to provide the local community with company updates and the opportunity to discuss activity.
- Social media channel opened for the Vareš Community Centre
- Meeting with local press to establish good coverage of all local events.
- Sponsorship of the following:
 - Vareš Football Club
 - Zenica Rugby Club
- Sponsorship of various Arts & Musical cultural events.
- Donation of laptops to Vareš Library



Critical Resource audit of ESG approach indicated strong community and government support for the project and company

Financials Update



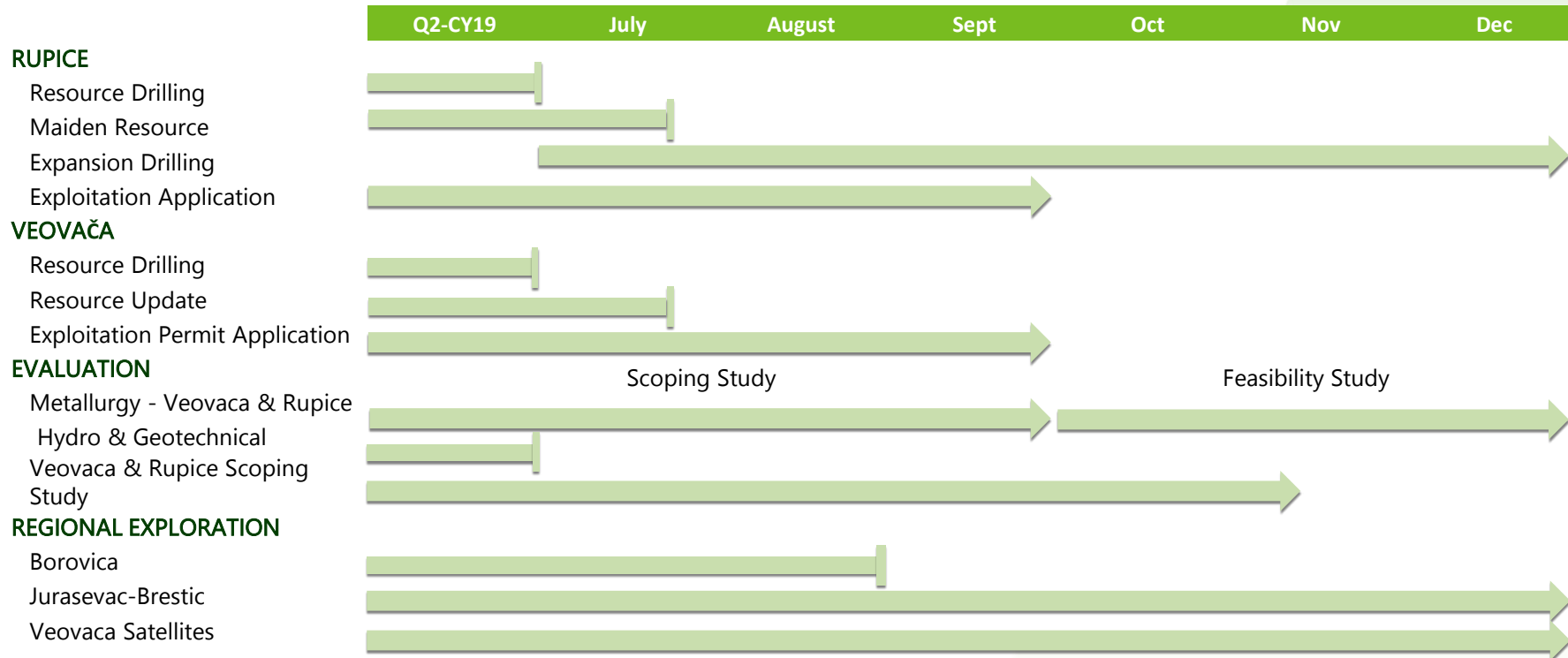
Audited Accounts Full Year to 30 June (GBP £000's)				
Financial Summary	2019	2018		
Total comprehensive income	(2,375)	(1,923)		
Total Assets	10,424	6,453		
Current liabilities	175	112		
Quarterly Cashflow CY 2019 (GBP £000's)				
Summary by Quarter	CY Q1	CY Q2	CY Q3	CY Q4 Fcast
Cash at beginning of quarter	7,928	7,109	5,568	3,695
Exploration and evaluation	(385)	(1,003)	(1,234)	(1,000)
Staff costs	(103)	(137)	(196)	(200)
Admin/Corporate costs	(266)	(398)	(453)	(600)
Interest/VAT received	6	78	18	
Purchase of PP&E	(16)	(71)	(107)	
Income from share issue (Net of costs)			43	12,598
Income from options issued		65	113	273
Foreign exchange impacts	(55)	(75)	(57)	(75)
Cash at end of quarter	7,109	5,568	3,695	14,691

*Net proceeds of institutional placement announced 30th October 2019 for A\$25 Million (less costs) in two tranches based on GBP/AUD rate of 1.86533

The Next 12 Months for Adriatic



- **Prioritising the continued exploration and growth** of a high-grade resource base at Rupice
- Development of an **integrated plan** that optimises project economics at both locations
- Advancing the permitting status on a **well-defined pathway towards exploitation**
- Continued exploration on regional brownfield prospects to **define further drill targets for Q3-Q4 2019**



Questions?

#1

One of the first movers¹
in a **proven mineral belt**



**Rupice: Maiden JORC
2012 Resource Estimate**
from a world-class high-
grade discovery, with
significant growth
potential

**Veovača: brownfield
open pit** with a defined
JORC 2012 Resource



Excellent infrastructure
and logistics, in a low
cost operating
environment



Pro-mining jurisdiction
with a **well defined
permitting route to
production**



Enlarged concession area
containing advanced
exploration targets



**Strong management and
board**

