

24 April 2023

INAUGURAL SUSTAINABILITY REPORT

For the year ended 31 December 2022

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 & 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

Adriatic Metals ("Adriatic" or the "Company"), a fully-funded development and exploration company building the world-class Vares Silver Project, is pleased to announce the publication of its inaugural Sustainability Report. The Sustainability Report, titled "*Laying the Foundations*" captures the Company's commitment to community engagement, its social and environmental performance through the development cycle from developer to producer, as well as its vision for the future as a sustainable, multi-asset metals producer.

The report was prepared in accordance with the primary ESG metrics, including Task Force on Climate-Related Financial Disclosures, Sustainability Accounting Standards Board and International Council on Metals & Mining frameworks.

HIGHLIGHTS

Colleagues: Building Capability

- Adriatic developed a workforce strategy that addresses all stages of the employee life cycle.
- 91% of Adriatic's workforce hired from the local community, including the Head of Sustainability.
- As workforce expands diversity continues to exceed target, with 29% female employees. This ratio track from board, through senior management to junior staff.
- Adriatic employees completed a total of 2,511 hours of training with 93% of employees 'extremely satisfied' with the training content, delivery and process.
- Results of the employee survey showed that 91% of respondents were 'proud to work for Adriatic Metals' and 89% would 'recommend Adriatic as a great place to work'.

Community: Driving Shared Prosperity

- Adriatic established a Public Liaison Committee, to ensure structured, regular communication to the Vares community.
- In 2021, the Adriatic Foundation was established - an independent not-for-profit charitable initiative. Its flagship education initiative in 2022 offered free English lessons to residents in Vares.
- The Company opened an information centre office in Vares town, which provides public information on the scope and nature of the Vares Project and invites the community to raise any concerns.
- Adriatic created a Sustainable Community Development Plan, which focuses on building Company-backed responsible long-term initiatives to support an increase in entrepreneurial activity, build capacity and



resilience in the local supply chain, and work with local government to best prepare for future revenues generated from the mining project.

Climate: Meeting Environmental Challenges

- Targeting a 30% reduction of Scope 1 and Scope 2 emissions by 2027. Emissions for projects are calculated and reported as part of Adriatic's Streamlined Energy and Carbon Report.
- Targeting zero non-compliance incidents in line with environmental laws and regulations.
- Adriatic's Environmental and Social Impact Assessment formed the basis for a robust Environmental and Social Management System, which supports its aim to operate in a sustainable manner that eliminates, minimises, mitigates or compensates for adverse impacts and maximises positive environmental and socio-economic impacts.
- Adriatic is committed to managing tailings and waste responsibly in conformance with national legislation and international codes of best practice.

The full sustainability report can be accessed on the Company's website:

<https://www.adriaticmetals.com/news/sustainabilityreport/>

Paul Cronin, Adriatic's Managing Director and CEO commented:

"Adriatic Metals is very proud to publish our inaugural Sustainability Report which underpins our commitment to responsible and transparent business practices. We remain absolutely dedicated to sustainable development and environmental stewardship. At Adriatic, we believe that building a successful business and generating returns for all stakeholders requires a commitment to accountable sustainability."

"The devoted work of our team, partners, and local community is essential in the delivery of this world class project that will have a positive impact for generations to come. Thank you for reading our report, and we welcome your feedback."

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MARKET ABUSE REGULATION DISCLOSURE

The information contained within this announcement is deemed by the Company (LEI: 549300OHAH2GL1DP0L61) to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014. The person responsible for arranging and authorising the release of this announcement on behalf of the Company is Paul Cronin, Managing Director and CEO.

Authorised by Paul Cronin, Managing Director & CEO

For further information please visit: www.adriaticmetals.com; email: info@adriaticmetals.com, [@AdriaticMetals](https://twitter.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 world-class Vares Silver Project in Bosnia & Herzegovina, as well as the Raska Zinc-Silver Project in Serbia.

The Vares Silver Project is fully funded to production, which is expected in Q4 2023. The 2021 Project Definitive Feasibility Study shows robust economics of US\$1,062 million post-tax NPV8, 134% IRR and a capex of US\$168 million. Concurrent with ongoing construction activities, the Company continues to explore across its highly prospective 42km² concession package.

There have been no material changes to the assumptions underpinning the forecast financial information derived from the production target in the 19 August 2021 DFS announcement and these assumptions continue to apply and have not materially changed. Adriatic Metals is not aware of any new information or data that materially affects the information included in the announcement of the updated Mineral Resource Estimate announced on 1 September 2020 and all material assumptions and technical parameters underpinning the Mineral Resource Estimate continue to apply and have not materially changed.