

**Adriatic Metals PLC**  
("Adriatic Metals" or the "Company")

**GRAVITY DATA REPROCESSING HIGHLIGHTS SIGNIFICANT ANOMALIES AT RUPICE AND JURASEVIC-BRESTIC**

Adriatic Metals PLC (ASX:ADT, LON:ADT1) ("Adriatic" or the "Company") is pleased to announce that the results from the recent reprocessing of the 2018 gravity data has highlighted a number of new significant anomalies.

Also, land access approval at Rupice and Jurasevac-Brestic has now been finalised, enabling Adriatic to complete the infill drilling at Rupice and to continue to extend the known mineralisation.

**Highlights:**

- Recent reprocessing of gravity data over the Rupice and Jurasevac-Brestic areas has highlighted a number of significant geophysical anomalies.
- 29 new drill platforms have now been approved for infill and extension drilling at Rupice and Jurasevac-Brestic.
- Infill and extension drilling at Rupice continues as operations largely unaffected by COVID-19 response.

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

"From the reprocessing of the gravity data, we can see that gravity correlates extremely well with the known high-grade mineralisation that we see at Rupice. This style of mineralisation usually occurs in clusters, and the fact we also see a large, intense anomaly at Jurasevac-Brestic is extremely encouraging. We intend to get a drill rig to test this as soon as one becomes available". He added "there are a number of additional anomalies seen between Rupice and Jurasevac-Brestic, that will also need testing. We have five rigs operating and hope to have a 6th rig operating once the Bosnian border re-opens to our foreign based drill crews. The Bosnian government response to the COVID-19 issue has required us to conduct some contingency planning for potential logistical issues, but to date is not having a major impact on the drill program, the pre-feasibility work or permitting, which are our 3 predominant work streams for the first half of 2020. We will continue to monitor the situation for potential impacts and implement contingency plans if needed"

**Overview**

In early 2018, Adriatic Metals completed a detailed ground gravity geophysical survey over Rupice and Jurasevac-Brestic. This data has now been remodelled utilising the latest detailed Lidar topographic data acquired by the Company in late 2019. A number of significant anomalies and features have been identified from this gravity reprocessing.

Gravity data is a powerful tool when massive sulphide and barite mineralisation is present. The density contrast between the barren host rock and mineralisation, when mineralisation is present, shows a gravity high. The new gravity data at Rupice confirms the massive sulphide and barite mineralisation seen from the resource drilling.

Official confirmation and permission from the Bosnian Ministry for Forestry, Agriculture and Water has been received, which will now enable Adriatic to expand extensional and infill drilling at Rupice and Jurasevac-Brestic.

### **Gravity Reprocessing**

Adriatic staff working with Montana GIS, analysed the gravity survey completed by Adriatic Metals in February 2018.

The original 2018 survey consisted of 249 survey points on a 50m station spacing, by 100m spaced lines. Each survey point was surveyed using a differential GPS.

During the recent gravity reprocessing work, the gravity data was recalculated using Lidar terrain corrections, and Free Air and Bouguer Anomaly & Terrain correction. Resultant images for both Bouguer Anomaly correction and a Terrain Bouguer correction (Total Bouguer) were produced.

Highly accurate Lidar topography data was used to aid with the reprocessing of the final gravity images.

This reprocessing was successful in demonstrating that the massive sulphide and barite mineralisation seen at the Rupice deposit, which has very high densities relative to surrounding barren sedimentary shales, limestones and marls, and shows as an intense gravity anomaly.

From this reprocessing, immediate, additional high-priority drill targets are apparent at the Jurasevac-Brestic prospect, and drilling will re-commence there shortly. These are primarily to the east of the Jurasevac adit and east of Adriatic's drilling at the prospect to date. A number of additional gravity anomalies have also been high-lighted, which also warrant drill testing. Historic and Adriatic Metals drilling at Jurasevac-Brestic has previously encountered patchy, vein-style mineralisation, but to date, no compact massive sulphide mineralisation. Indications now from this gravity reprocessing is that the drilling may have been targeting too far west, with the peak of the gravity anomaly being on the eastern side of the prospect.

Figure 1 shows the Terrain Corrected (Total Bouguer TB) gravity image with drilling completed to date, with the most obvious target situated at the Jurasevac-Brestic prospect. An intense gravity anomaly over the high-grade massive sulphide mineralisation seen at Rupice confirms the validity of the gravity survey (Figure 2).

From the gravity image in Figure 1, immediate, high-priority drill targets are apparent at Jurasevac-Brestic, and drilling will commence there shortly as soon as the next drill machine becomes available. The additional gravity anomaly targets will also be ranked and tested.

Due to the success of the gravity reprocessing, extension to the existing gravity grid is planned to cover the entire Rupice concession area from north of the Rupice deposit down to Borovica, 3 km to the south.

Figure 1: Plan Map showing the Location of the Rupice Drill Holes

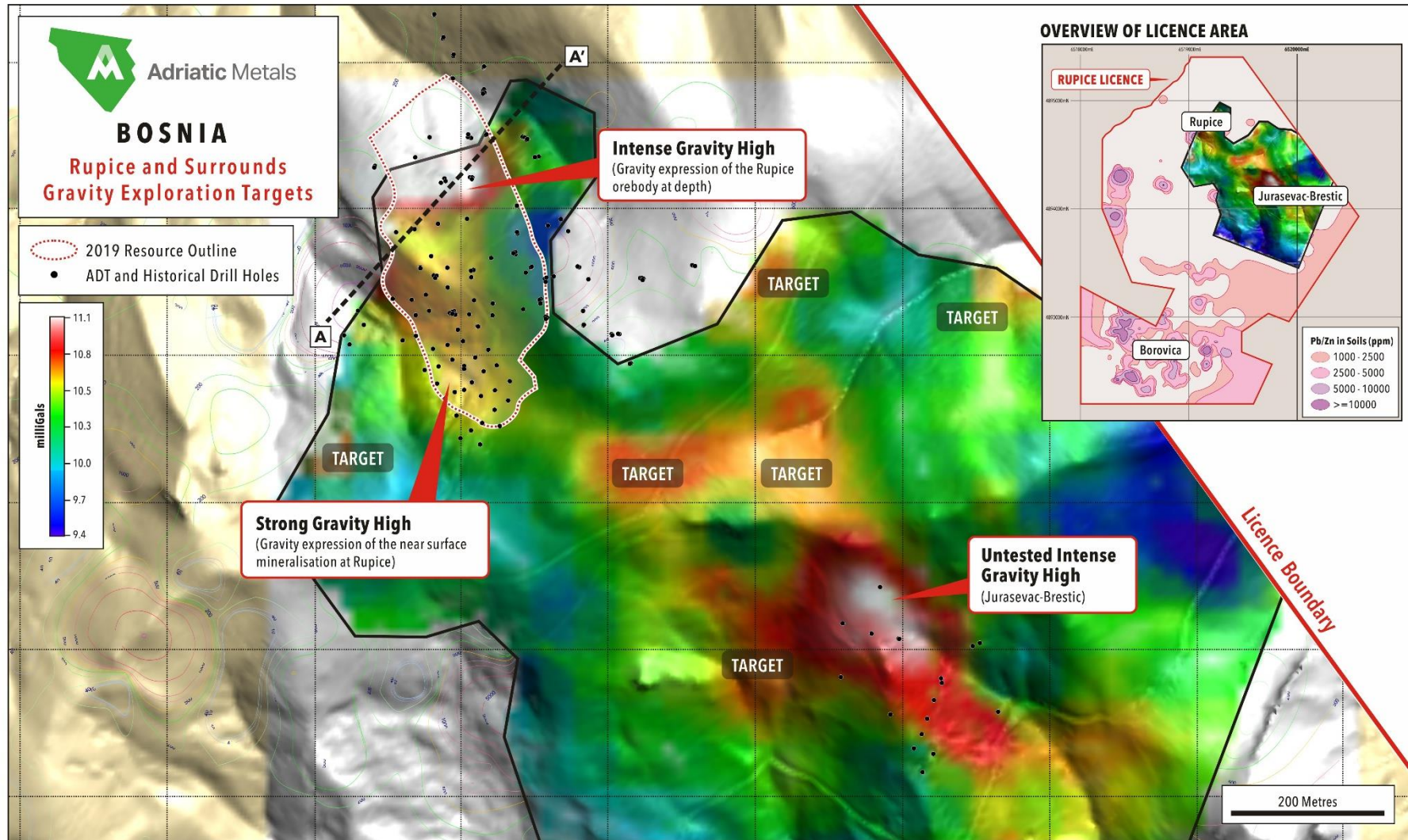
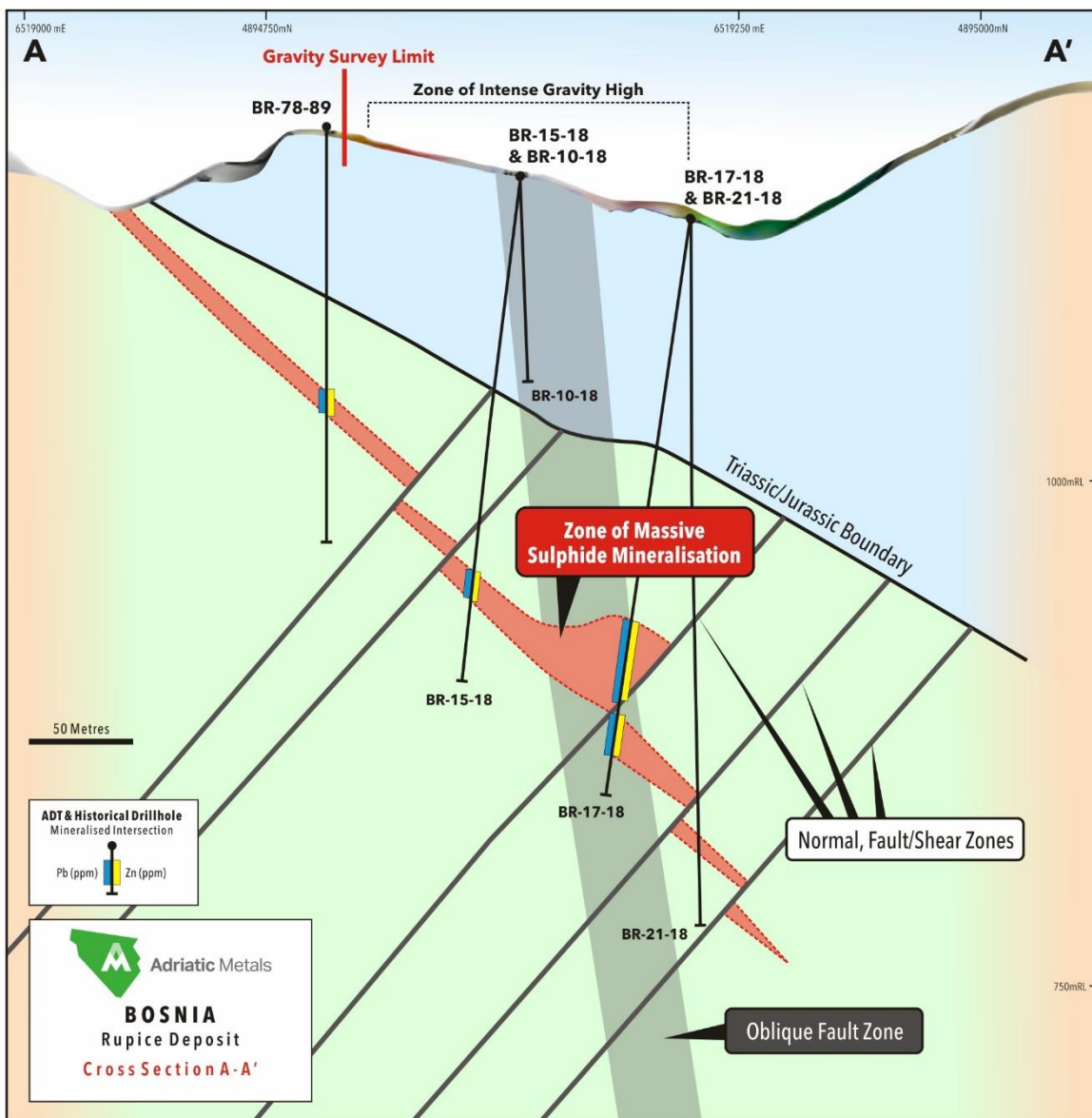
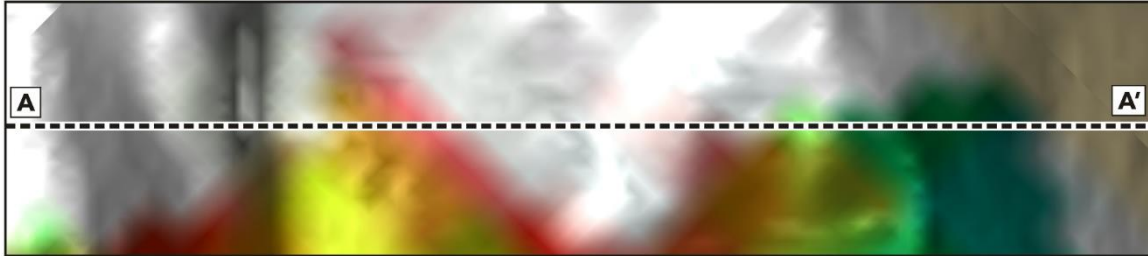


Figure 2: Cross Section through the Rupice deposit (looking north-west), highlighting the relationship between the gravity anomaly and the massive sulphide mineralisation at depth

Plan View



## **Drilling Permissions**

The Bosnian Ministry for Forestry, Agriculture and Water within Zenica-Doboj Canton has approved 29 new drill platform applications at the Rupice, Jurasevac-Brestic areas. This approval now enables Adriatic to –

- Complete the infill drilling at Rupice, in anticipation for an updated Mineral Resource Estimate.
- To continue testing the strike and down-dip depth extensions of the known mineralisation at Rupice.
- Test the gravity anomalies identified from this recent gravity data reprocessing.
- And to test the continuity of mineralisation between to two main areas of Rupice and Jurasevac-Brestic.

These permissions are for State owned land only. Permission to drill on privately held land is by agreement between the company and the landowner.

Drilling at the Rupice deposit continues with five rigs. Testing the southern and eastern extensions of the known mineralisation. Drilling planned to commence at Borovica in April 2020 will be on privately owned land, and as such no government permissions are required.

## **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 the release of this announcement on behalf of the Company is Paul Cronin, Managing Director and CEO.

## **COMPETENT PERSONS REPORT**

The information in this report which relates to Exploration Results is based on information compiled by Mr Phillip Fox, who is a member of the Australian Institute of Geoscientists (AIG). Mr Fox 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 Fox consents to the inclusion in this report of the matters based on that information in the form and context in which it appears.

For further information please visit [www.adriaticmetals.com](http://www.adriaticmetals.com), @AdriaticMetals on Twitter, or contact:

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## **ABOUT ADRIATIC METALS**

Adriatic Metals PLC (ASX:ADT, LON:ADT1) ("Adriatic" or the "Company") is a dual listed (ASX and LSE) precious and base metals explorer and developer via its 100% interest in the world class Vares Project (the "Project") in Bosnia & Herzegovina. The Project comprises a historic open cut mine at Veovaca and brownfield exploration at Rupice, an advanced proximal deposit which exhibits exceptionally high grades of base and precious metals.

The Company announced the results of a Scoping Study on 19 November 2019 which indicated an NPV<sub>8</sub> of US\$917 million and IRR of 107%, following the release of a Maiden Resource Estimate earlier the year on 23 July 2019. There have been no material adverse changes in the assumptions underpinning the forecast financial information or material assumptions and technical parameters underpinning the Maiden Resource Estimate since the original relevant market announcements which continue to apply.

Adriatic has attracted a world class team to both expedite its exploration efforts to expand the current JORC resource at the high-grade Rupice deposit and to rapidly advance the Project into the development phase utilising its first mover advantage and strategic position 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.

## APPENDIX 1- SAMPLING TECHNIQUES AND DATA

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

### Section 1 Sampling Techniques and Data

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

Criteria	JORC Code explanation	Commentary
Sampling techniques	<p>□ <i>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.</i></p>	<p>Gravity geophysical sampling was conducted using a Scintrex CG6 gravity meter, acquiring a minimum of 2 readings per survey station and 3 at the base station when tolerances were between 15 and 10 micro Gals respectively.</p>
	<p>□ <i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i></p>	<p>The CG6 was set up to apply several filters in the field, including Tidal, Latitude and instrument drift.</p>
	<p>□ <i>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 submarine nodules) may warrant disclosure of detailed information.</i></p>	<p>Collected data was recalculated using Lidar Both Free Air and Bouguer Anom/terrain correction. This required back calculating the provided Free Air Anomaly to Observed Gravity.</p> <p>On the recalculated data, a Bouguer Anomaly (BA) correction and a Terrain Bouguer correction (TB = Total Bouguer) were produced.</p> <p>The Bouguer Anomaly correction uses an infinite slab approximation (i.e. a mass/density effect that drops off with distance). It does not work well on areas with variable topo. The terrain correction forward models, for each station, the gravitational response of the topography to overcome this.</p>
Drilling techniques	<p>□ <i>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).</i></p>	<p>No drilling has been undertaken.</p>

<i>Drill sample recovery</i>	<input type="checkbox"/> <i>Method of recording and assessing core and chip sample recoveries and results assessed.</i>	No drilling has been undertaken.
	<input type="checkbox"/> <i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i>	
	<input type="checkbox"/> <i>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.</i>	
<i>Logging</i>	<input type="checkbox"/> <i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i>	Not applicable, as no drilling has been undertaken.
	<input type="checkbox"/> <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i>	
	<input type="checkbox"/> <i>The total length and percentage of the relevant intersections logged.</i>	
<i>Sub-sampling techniques and sample preparation</i>	<input type="checkbox"/> <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i>	Not applicable, as no drilling has been undertaken.
	<input type="checkbox"/> <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i>	Not applicable, as no samples have been taken.
	<input type="checkbox"/> <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i>	Not applicable, as no samples have been taken.
	<input type="checkbox"/> <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i>	Not applicable, as no samples have been taken.
	<input type="checkbox"/> <i>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.</i>	Not applicable, as no samples have been taken.
	<input type="checkbox"/> <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i>	Not applicable, as no samples have been taken.



Quality of assay data and laboratory tests	<input type="checkbox"/> <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i>	Not applicable, as no samples have been taken.
	<input type="checkbox"/> <i>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.</i>	Not applicable, as no samples have been taken.
	<input type="checkbox"/> <i>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.</i>	Not applicable, as no samples have been taken.
Verification of sampling and assaying	<input type="checkbox"/> <i>The verification of significant intersections by either independent or alternative company personnel.</i>	Not applicable, as no samples have been taken.
	<input type="checkbox"/> <i>The use of twinned holes.</i>	Not applicable, as no drilling has been undertaken.
	<input type="checkbox"/> <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i>	Data is stored on the Virtual Cloud and at various locations including Perth, WA. It is regularly backed-up.
	<input type="checkbox"/> <i>Discuss any adjustment to assay data.</i>	Not applicable, as no samples have been taken.
Location of data points	<input type="checkbox"/> <i>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.</i>	Sampling sites were surveyed using a differential GPS, with a general accuracy of approximately 0.1m.
	<input type="checkbox"/> <i>Specification of the grid system used.</i>	The grid system used MGI 1901 / Balkans Zone 6.
	<input type="checkbox"/> <i>Quality and adequacy of topographic control.</i>	The topographic surface of the immediate area was generated from a LiDAR survey to an accuracy of approximately 0.05m. It is considered sufficiently accurate for the Company's current activities.

<i>Data spacing and distribution</i>	<input type="checkbox"/> <i>Data spacing for reporting of Exploration Results.</i>	Sampling points were nominally on a 50m x 100m grid.
	<input type="checkbox"/> <i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i>	No Mineral Resource or Ore Reserve are being reported.
	<input type="checkbox"/> <i>Whether sample compositing has been applied.</i>	Not applicable, as no samples have been taken.
<i>Orientation of data in relation to geological structure</i>	<input type="checkbox"/> <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i>	The gravity survey grid was aligned to cross orthogonally the known strike of the stratigraphy and the known mineralisation.
	<input type="checkbox"/> <i>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.</i>	Not applicable, as no drilling has been undertaken.
<i>Sample security</i>	<input type="checkbox"/> <i>The measures taken to ensure sample security.</i>	Not applicable, as no samples have been taken.
<i>Audits or reviews</i>	<input type="checkbox"/> <i>The results of any audits or reviews of sampling techniques and data.</i>	Not applicable, as no samples have been taken.