

10 JANUARY 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](http://adriaticmetals.com)

## COMPLETION OF US\$142.5 MILLION DEBT FINANCING PACKAGE WITH ORION

### HIGHLIGHTS

- Definitive documentation executed for the US\$142.5 million Project Finance Debt Package with Orion
- Terms unchanged from those previously announced on 12 October 2021
- Annual donation by Orion to the Adriatic Foundation of US\$100,000 per annum
- Tamesis Partners LLP and Terrafranca Advisory Limited acted as joint financial advisers and Herbert Smith Freehills acted as legal adviser

**Paul Cronin, Adriatic's Managing Director and CEO, commented:** *"Adriatic Metals has entered a new phase with the Vares Silver Project fully funded through to production. This significantly de-risks the Company and puts us in a strong position to become Europe's next miner, providing the continent with locally sourced, strategic metals.*

*We are delighted to have Orion on board and believe it's a strong validation of the potential of the Vares Silver Project. Critical to achieving production at Vares is our social license to operate, which we have secured by taking a responsible approach to developing and working towards the creation of a positive long-term legacy. Orion's contribution to the Adriatic Foundation emphasises its alignment with our commitment to the community."*

**Michael Barton, Portfolio Manager at Orion, commented:** *"We are delighted to have completed the project financing with Adriatic, which marks the culmination of a significant amount of work from both our respective teams. Since we were first introduced to the Project in 2018, we have been impressed by the Project's potential. We very much look forward to developing our working relationship with the Company and assisting in realising that potential as Adriatic evolves."*



**Adriatic Metals PLC (ASX:ADT, LSE:ADT1, OTCQX:ADMLF)** ("Adriatic" or the "Company") is pleased to advise that further to the announcement on 12 October 2021, definitive documentation for the US\$142.5 million debt financing package ("Orion Debt Package") with Orion Resource Partners (UK) LLP ("Orion") has been entered into by the Company's wholly owned subsidiary Adriatic Metals Trading & Finance B.V.

The terms of the Orion Debt Package have not changed since they were originally announced on the 12 October 2021 and comprise of:

- US\$120.0 million senior secured debt (the "Senior Secured Debt"); and
- US\$22.5 million copper stream (the "Copper Stream")

First draw down of the Orion Debt Package is expected to take place in Q2 2022, following satisfaction by the Company of customary conditions precedent to financial close.

The US\$244.5 million Vares Silver Project financing package is now complete following the execution of the Orion Debt Financing, together with the institutional equity raise of US\$102 million that closed on 13 October 2021. Orion subscribed for US\$50 million (24,191,000 ordinary shares) in the institutional equity raise, making it a 9.1% shareholder in Adriatic. The Company is now fully funded to production from the Vares Silver Project. First production is expected in Q2 2023.

#### **Adriatic Foundation**

The Project Finance Debt Package includes a donation by Orion to the Adriatic Foundation ("Foundation") of US\$100,000 per annum during the repayment period of the Senior Secured Debt. Tamesis Partners LLP is also contributing US\$10,000 of its fee to the Foundation.

The Foundation was set up in June 2021 with the objective of supporting the communities around the Vares Silver Project, through initiatives designed to create a positive long-term legacy, as well as alignment between the Company and the communities that the Foundation supports. The Foundation's initiatives are specifically focussed on improving local education, healthcare and environmental protection.

#### **Financial and Legal Advisers**

Tamesis Partners LLP and Terrafranca Advisory Limited acted as the Company's joint financial advisers, and Herbert Smith Freehills acted as the Company's legal adviser in relation to the Senior Secured Debt and the Copper Stream.

**Authorised by, and for further information, please contact Paul Cronin, Managing Director & CEO**  
[info@adriaticmetals.com](mailto:info@adriaticmetals.com)

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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.

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, 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 Q2 2023. The 2021 Project Definitive Feasibility Study boasts robust economics of US\$1,062 million post-tax NPV<sub>8</sub>, 134% IRR and a capex of US\$168 million. Concurrent with ongoing construction activities, the Company continues to explore across its highly prospective 41km<sup>2</sup> 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.