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Cornish Metals Inc.
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CORNISH METALS

CORNISH METALS ANNOUNCES INTENTION TO FLOAT ON THE AIM MARKET OF THE LONDON STOCK EXCHANGE AND AN EQUITY RAISE OF UP TO £5 MILLION TO ADVANCE THE UNITED DOWNS COPPER-TIN PROJECT

Vancouver, January 13, 2021

Cornish Metals Inc. (**TSX-V: CUSN**) ("Cornish Metals" or the "Company") is pleased to announce its intention to apply for admission of its common shares (the "Common Shares") to trading on the Alternative Investment Market ("AIM") of the London Stock Exchange ("Admission"). Concurrently with Admission, and subject to receipt of all necessary regulatory approvals, including approval of the TSX Venture Exchange (the "TSX-V"), the Company is proposing to raise £5 million by way of private placement of new Common Shares (the "Fundraising") to advance the United Downs copper-tin project ("United Downs" or the "Project"). The Company expects that Admission will become effective in February 2021. The Company's Common Shares will continue to be listed and trade on the TSX-V in Canada.

Richard Williams, CEO of Cornish Metals, stated, "I am delighted to share our decision to bring Cornish Metals to the London market. This is an opportunity for us to partner with investors from the United Kingdom, to work towards becoming a domestic supplier of technology metals fundamental to the world of e-vehicles, battery technology, renewable energy, 5G internet, computing, data storage, robotics, etc."

"United Downs is one of the most exciting exploration projects in the country. The commencement of a drilling programme will mark the start of a strategy to create a mining company with a Cornwall focus. There is an opportunity for Cornish Metals to become a domestic source of metals to the UK's high-tech sector, where copper, tin and lithium are important."

"I would like to take this opportunity to welcome both SP Angel and Hannam & Partners to the team, and I would also like to thank our existing shareholders for providing us with the support to reach this milestone."

The Company's core projects are the United Downs underground copper-tin exploration project and the South Crofty tin project ("South Crofty") in Cornwall, United Kingdom. Subject to completion of the AIM listing and funding, the Company's plan is to conduct an 8,000m drill programme at United Downs to define the resource potential over a 1,000m+ strike length of the main target zone.

Key Points

- **The Company holds extensive mineral rights in a highly prospective historic mining region in the United Kingdom**
    - Mineral rights cover an area of approximately 15,000 hectares ("ha") throughout Cornwall, covering many past producing mines including South Crofty and the United Downs group of mines.
- **The United Downs Project is a near surface, high-grade copper-tin discovery, surrounded by past producing mines**
    - The United Downs project covers, or is located immediately adjacent to, four former producing copper and tin mines: Consolidated Mines and United Mines to the north and south, respectively; and the Mount Wellington and Wheal Jane mines to the east. As described in a news release dated April 7, 2020, Cornish Metals reported the discovery of a new zone of high-grade copper-tin mineralisation located in a previously unmined area between the historic United Mines and Consolidated Mines at United Downs.
    - Assays from drilling by Cornish Lithium at United Downs returned 14.69 m grading 8.45% copper, 1.19% tin, and 0.15% zinc from 90.60 m to 105.29 m, downhole length;
    - The 2020 drilling identified a further six mineralised lode structures located between United and Consolidated Mines, both historic high-grade copper producers that mined from surface to a maximum of 500m depth; and
    - The 2020 drilling also intersected mineralisation at over 700 m depth, confirming that structures mined at United Mines continue beneath the historical workings.
- **Ownership of the high-grade strategic South Crofty tin project**
    - The 2017 Preliminary Economic Assessment ("PEA") demonstrated that the South Crofty project hosts one of the highest grade tin resources globally (link to PEA here). The PEA is preliminary in nature and includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves. As such, there is no certainty that the PEA will be realized; and
    - The Company successfully completed a diamond drill programme at South Crofty in 2020, confirming the potential to materially increase the existing resource beneath and along

strike from previously mined lodes (see news releases dated September 9, September 15, and October 7, 2020).

- Furthermore, the directional drilling techniques employed confirmed the ability to avoid old underground workings and conduct the infill drilling necessary for a feasibility study from surface or shallow underground locations.

- **Free carried interest and royalty on lithium projects in Cornwall**

  - Exposure to Cornwall's lithium and geothermal potential through the Company's agreement with Cornish Lithium Limited (see Company news release dated January 19, 2017);

  - Cornish Metals has a 25% free carried interest, up to bankable feasibility study, on Cornish Lithium's first project located on the Company's mineral right areas, and a 10% free carried interest, up to bankable feasibility study, on any subsequent projects located on the Company's mineral right areas; and

  - A 2% gross revenue royalty from any production of metals in brines by Cornish Lithium and from any geothermal energy produced and sold to the national grid or other system produced from within any of the Company's mineral right areas.

- **Planning permission to construct a new processing plant**

  - Full conditional planning permission to construct a new processing plant in Pool at the South Crofty mine site, which could serve as a central processing facility for any mining project located within reasonable transport distance, including United Downs, located 8km east of South Crofty in a direct line; and

  - The site is well serviced by power, road and rail infrastructure which will benefit the construction and operation of any future processing plant.

- **Favourable copper, tin and lithium market conditions with security of supply and ethical supply becoming key issues**

  - Copper, tin and lithium are fundamental to growth in the technology sector and the transition to a low carbon economy;

  - Independent market analysts forecast deficits for the copper, lithium and tin markets; and

  - Copper and tin have shown strong price increases through 2020 as investors anticipate renewed investment into infrastructure as global economies recover from the COVID-19 pandemic.

- **Strong local and regional support in a stable and supportive jurisdiction**

  - Cornwall is designated as a 'High Potential Opportunity' region by the UK government and there is local and countrywide support for the development of new mines; and

- The Company has engaged with the region's stakeholders and has strong support from local authorities and the local community.

- **A Board of Directors with a track record of deposit discovery, mine building, generating shareholder value and a strong management team**

  - A number of the Directors have had significant success in monetising mineral discoveries:

  - Patrick Anderson, Non-Executive Chairman, is the President and CEO of Dalradian Gold, which is developing the 6 million ounce Curraghinalt gold project in Northern Ireland, and was CEO of Aurelian Resources Inc, which discovered the 13.7 million ounce Fruta del Norte gold deposit in Ecuador in 2006 which was then acquired by Kinross Gold in 2008;

  - Grenville Thomas, Non-Executive Director, was the founder of Aber Resources, the company that discovered the Diavik diamond mine in northern Canada;

  - John McGloin, Non-Executive Director, was the Chairman and CEO of Amara Mining, which discovered the 7 million ounce Yaoure gold deposit in Côte d'Ivoire, before being acquired by Perseus Mining in 2016;

  - Donald Njegovan, Non-Executive Director, is the Chief Operating Officer of Osisko Mining, which discovered and is developing the Windfall gold project in Quebec; and

  - Richard Williams, Chief Executive Officer, is a mining industry professional with over 30 years' experience in mining, exploration and managing public companies.

Strategy

Subject to continued success at United Downs, the Company strategy is to capitalise on the existing planning permission for the construction of a mineral processing plant at nearby South Crofty (8km to the west of United Downs), which could serve as a central processing facility for projects within transport distance of the South Crofty mine site.

Researchers and analysts project that we are entering a period of sustained growth in demand for metals such as copper, tin and lithium which are important to the high-tech sector, and there is growing demand for domestically sourced materials. Cornwall has the potential be a significant contributor to the UK's needs in this regard.

The Proceeds of the Fundraising will be used to conduct a drill programme at United Downs to determine the resource potential of a 1,000m strike section of the target area, and for general working capital.

Nomad & Broker Appointments

Cornish Metals has appointed SP Angel as its Nomad and Broker together with Hannam & Partners as its Joint Broker.

Cornish Metals may pay a 5% commission to the brokers in connection with the Fundraising. Completion of the Fundraising is subject to certain conditions, including the approval of the TSX-V. All Common Shares issued as part of this Fundraising will be subject to a hold period in Canada of four months and one day from the date of issuance of the Common Shares in accordance with applicable Canadian securities legislation.

ABOUT CORNISH METALS

Cornish Metals (formerly Strongbow Exploration Inc.) completed the acquisition of the South Crofty tin and United Downs copper / tin projects, plus additional mineral rights located in Cornwall, UK, in July 2016 (see Company news release dated July 12, 2016). The additional mineral rights cover an area of approximately 15,000 hectares and are distributed throughout Cornwall. Some of these mineral rights cover old mines that were historically worked for copper, tin, zinc, and tungsten.

Qualified Person

The technical information in this news release has been compiled by Mr. Owen Mihalop. Mr. Mihalop has reviewed and takes responsibility for the data and geological interpretation. Mr. Owen Mihalop (MCSM, BSc (Hons), MSc, FGS, MIMMM, CEng) is Chief Operating Officer for Cornish Metals Inc. and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined under the JORC Code (2012) and as a Qualified Person under NI 43-101. Mr. Mihalop consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

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ON BEHALF OF THE BOARD OF DIRECTORS

"Richard D. Williams"
Richard D. Williams, P.Geo

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Caution regarding forward looking statements

This news release contains "forward-looking statements", including but not limited to, statements with respect to the Admission; the proposed Fundraising, including the approval of the TSX-V; the use of proceeds of the Fundraising; the expected completion and potential results of future exploration programs; and the construction of a process plant at South Crofty.

Forward-looking statements, while based on management's best estimates and assumptions at the time such statements are made, are subject to risks and uncertainties that may cause actual results to be materially different from those expressed or implied by such forward-looking statements, including but not limited to: risks related to receipt of regulatory approvals, risks related to general economic and market conditions; risks related to the availability of financing; the timing and content of upcoming work programs; actual results of proposed exploration activities; possible variations in Mineral Resources or grade; failure of plant, equipment or processes to operate as anticipated; accidents, labour disputes, title disputes, claims and limitations on insurance coverage and other risks of the mining industry; changes in national and local government regulation of mining operations, tax rules and regulations.

Although Cornish Metals has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. Cornish Metals undertakes no obligation or responsibility to update forward-looking statements, except as required by law.

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