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First Class Metals PLC
12 December 2022

The information contained within this announcement is deemed to constitute inside information as stipulated under the retained EU law version of the Market Abuse Regulation (EU) No. 596/2014 (the "UK MAR") which is part of UK law by virtue of the European Union (Withdrawal) Act 2018. The information is disclosed in accordance with the Company's obligations under Article 17 of the UK MAR. Upon the publication of this announcement, this inside information is now considered to be in the public domain. `

FIRST CLASS METALS PLC

12th December 2022

Exclusivity Agreement for Lithium property Earn-In & Issue of Equity

First Class Metals PLC ("First Class Metals" "FCM" or the "Company") the UK metals exploration company seeking large scale metal discoveries across its extensive Canadian Schreiber-Hemlo & Sunbeam land holding is pleased to announce that it has entered into an exclusivity agreement with a third party in respect to a Lithium project in Ontario.

Highlights

- **Exclusivity Agreement signed giving sixty days exclusivity on a highly prospective, strategically located lithium project in Ontario.**
- **Premium fundraising from a private subscription of £300,000 to one single HNW resource sector investor at 16p per share.**

Precise details of the agreement are covered by an NDA, however FCM can report the project is less than 100km from Armstrong in northwest Ontario in a district already proved to be prospective for hard rock, pegmatite hosted lithium.

A structure of over 800m has been identified and is wholly contained within the claim block, the lithium-tantalum mineralization is pegmatite-hosted with significant rubidium and cesium mineralization also reported. All of which are '*critical minerals'* as identified by the Canadian Government and supported within the *'Critical Minerals Strategy'* directive released by the Canadian Government on the 9th of December 2022[1].

Previous workers have identified Li_2O and Ta_2O_5 mineralization along the entire length of the showing from sampling at surface, grading up to 1.68% Li_2O (Lithium Oxide) over 7.9m and 0.168% Ta_2O_5 (Tantalum Oxide) over 2.54m in separate channels samples. Several shallow historic drill holes along the occurrence have returned significant intersections, including, (in separate drill holes) an intersection grading 1.08% Li_2O over 6.1m and a separate intersection of 399.8ppm Ta_2O_5 over 2.92m. Both intersections were less than 20m down hole. The occurrence is open along strike and to depth and remains to be fully evaluated

FCM has a sixty day exclusive right to conclude negotiations and execute an Earn In deal, the salient points of which have already been established.

[1] Minister Wilkinson Releases Canada's $3.8-billion Critical Minerals Strategy to Seize Generational Opportunity for Clean, Inclusive Growth - Canada.ca

Marc Sale CEO commented:

"FCM is very encouraged with the opportunity to negotiate entry into this very prospective early-stage lithium prospect and in doing so will significantly augment the portfolio of critical minerals in our exploration focus."

Fundraising & Issue of Equity

Alongside the lithium property exclusivity, FCM will place via a private subscription 1,875,000 ordinary shares at a price of 16p, raising £300,000 from a single HNW resource/battery metals investor. The subscription includes a one for one warrant totalling 1,875,000 warrants at 22p for a three-year period.

- **Private subscription is at a 4% premium to the 5 VWAP day mid closing price from the previous week (5/12/2022-9/12/2022).**
- **All the subscription has been taken by one single HNW resource/battery metals focussed investor.**
- **The 16p issue represents a 60% premium to the IPO in late July 2022.**

A further 300,000 new ordinary shares will be issued in lieu of outstanding professional advisor fees, who have elected to receive payment in shares.

The new ordinary shares will rank pari-passu with the Company's existing issued ordinary shares. The Company intends to allot and issue these new ordinary shares under its existing authorities on a non-pre-emptive basis.

The Company will be making its application to admit the new ordinary shares to the Official List of the FCA and to trading on the Main Market (Standard List) of the LSE. Admission is expected to occur on 19th December 2022.

Conditional on Admission, the Company's issued ordinary share capital will be 68,873,707 ordinary shares, which may be used by shareholders as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, the share capital of the Company under the FCA's Disclosure Guidance and Transparency Rules.

For further information, please contact:

First Class Metals PLC

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First Class Metals PLC - Background

First Class Metals is focussed on exploration in Ontario, Canada which is considered a top global destination for exploration with a robust and thriving junior mineral exploration sector. Specifically, the Hemlo 'camp' is a proven world class address for gold /VMS exploration. This geological terrane has significant production, both base / precious metals and a prolific number of exploration projects and numerous prospector's showings.

FCM has commenced exploration programmes based on the detailed historical data review of available information on and around its seven claim blocks which comprise over 180km^2.

Forward Looking Statements

Certain statements in this announcement may contain forward-looking statements which are based on the Company's expectations, intentions and projections regarding its future performance, anticipated events or trends and other matters that are not historical facts. Such forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. Forward-looking statements sometimes use words such as 'aim', 'anticipate', 'target', 'expect', 'estimate', 'intend', 'plan', 'goal', 'believe', or other words of similar meaning. These statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties and other factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements. Given these risks and uncertainties, prospective investors are cautioned not to place undue reliance on forward-looking statements. Forward-looking statements speak only as of the date of such statements and, except as required by applicable law, the Company undertakes no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise.

Links to External Sites

The document may contain links to other websites; these external websites are not under FCM's control. FCM's shall not be held responsible for such websites and do not make any warranties regarding the same. FCM's do not endorse these websites in any manner.

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