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CORNISH METALS RELEASES UNAUDITED FINANCIAL STATEMENTS AND MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE NINE MONTHS ENDED 31 OCTOBER 2022

Vancouver, December 14, 2022

Cornish Metals Inc. (**TSX-V/AIM: CUSN**) ("Cornish Metals" or the "Company"), a mineral exploration and development company focused on its projects in Cornwall, United Kingdom, is pleased to announce that it has released its unaudited financial statements and management, discussion and analysis ("MD&A") for the nine months ended October 31, 2022. The reports are available under the Company's profile on SEDAR (www.sedar.com) and on the Company's website (www.cornishmetals.com).

Highlights for the nine months ended October 31, 2022 and for the period ending December 14, 2022

(All figures expressed in Canadian dollars unless otherwise stated)

- Completion of 10,159 meters of drilling at the United Downs exploration project with assay results from the program confirming management's belief in the potential to develop a Mineral Resource in the United Downs project area subject to the availability of further funding;
- Four main targets were drill-tested: UD Lode, United Mines, Mount Wellington and Trenares Lode, with all four targets returning results warranting further follow-up drilling;
- Completion of financing for gross proceeds of £40.5 million ($65.1 million based on closest available exchange rate), including a strategic investment by Vision Blue Resources of £25.0 million ($40.1 million), to advance the South Crofty tin project ("South Crofty") to a construction decision (news releases dated March 27, 2022 and May 23, 2022);
- Issuance of second tranche of common shares pursuant to the restructuring of the deferred consideration relating to the acquisition of the South Crofty tin project and associated mineral rights (news release dated May 29, 2022);
- Commencement of an 8,000 to 12,000 meter drill program in July 2022 to collect samples for metallurgical testwork as part of the South Crofty Feasibility Study (news release dated July 10, 2022);
- Key positions appointed to the South Crofty project management team, including Project Manager for the construction and commissioning of the water treatment plant ("WTP"), Feasibility Study Manager, Project Engineer, Health & Safety Officer and Human Resources

Advisor, with additional employees appointed to the mining team to support greater mining related activities (news release dated November 7, 2022);

- Construction of the WTP is continuing including the completion of the installation of the treated water discharge duct and the pouring of the concrete foundations for the WTP nearing completion;
- Detailed design of the water treatment plant substantially completed with all major components of the water treatment plant ordered in anticipation of planned commissioning in June 2023 at a cost estimated to be between £6.5 million and £7.0 million;
- Pump and pipe handling infrastructure installed in readiness of the lowering of the pumps and pipes into New Cook's Kitchen shaft with the first pump expected to be in place by the end of February 2023;
- Initial work on the Feasibility Study underway with completion planned by the end of 2024; and
- Mr. Tony Trahar nominated by Vision Blue Resources as its representative on the Company's board of directors (news release dated June 5, 2022).

Richard Williams, CEO of Cornish Metals, stated, "Work is continuing at pace at South Crofty on all areas of the project which is a marked contrast to just six months ago. Enabling works for the construction of the water treatment plant are complete and erection of the plant itself will commence shortly. In the meantime, we are making good progress on the metallurgical drill programme, and the Feasibility Study is advancing its various workstreams.

The pumps will be lowered into the mine shaft in early 2023 ahead of the expected commissioning of the water treatment plant and dewatering in early summer 2023. Planning is underway for the refurbishment of those parts of the mine workings to allow underground Mineral Resource drilling to commence as soon as water levels permit.

It is an exciting period of change for South Crofty, and we are particularly pleased with the positive engagement and support of the local community and the wider population in Cornwall to the visible progress at South Crofty."

Financial highlights for the nine months ended October 31, 2022 and October 31, 2021

	Nine months ended (unaudited)	
(Expressed in Canadian dollars)	**October 31, 2022**	**October 31, 2021**
Total operating expenses	2,616,299	2,396,849
Loss for the period	3,557,556	2,052,403
Net cash (used in) operating activities	(3,047,818)	(2,451,288)
Net cash (used in) investing activities	(5,760,776)	(2,740,937)

Net cash provided by financing activities	61,456,627	13,064,465
Cash at end of the period	57,840,129	7,887,537

- Higher promotional and corporate expenses relating to increased media/investor activities following last year's AIM listing, preparatory work for the successful fundraise cornerstoned by Vision Blue Resources and progression of the South Crofty tin project;
- Unrealized gain of $512,204 largely arising from increased valuation of holding in Cornish Lithium following its most recent fundraising completed in June 2022;
- Costs of $674,405 and $221,168 capitalized in connection with the exploration programs at United Downs and Carn Brea, respectively (excluding capitalized depreciation and other non-cash items);
- Project related costs of $2,658,570 incurred since the closing of the Offering relating to the advancement of the South Crofty tin project to a potential construction decision, primarily for the metallurgical drill program and planning activities for the WTP and the associated dewatering of the mine;
- Gross proceeds raised from the Offering of £40.5 million ($65.1 million), following gross proceeds raised from the AIM listing in comparative period of £8.2 million ($14.4 million); and
- Recognition of foreign currency translation loss of $2,365,115 for those assets located in the UK when translated into Canadian dollars for presentational purposes.

Outlook

The proceeds raised from the Offering completed in May 2022 are being used to advance the South Crofty tin project to a potential construction decision within 30 months from closing of the Offering (December 2024). The planned use of the proceeds from the Offering is to complete the dewatering program and Feasibility Study at South Crofty, evaluate downstream beneficiation opportunities and commence potential on-site early works in advance of a potential construction decision.

Within 30 months from the closing of the Offering, the Company's plans are as follows:

- Construct and commission the WTP in the first half of 2023 and thereafter complete the dewatering of the mine within 18 months;
- Complete drill programs for metallurgical studies and to produce an updated JORC compliant Mineral Resource estimate for a Feasibility Study;
- Complete a Feasibility Study using all reasonable commercial efforts by the end of 2024; and
- Commence basic and detailed engineering studies, construction of the processing plant, refurbishment of underground facilities and other on-site early works.

Subject to the availability of financing, consideration will also be given to continuing with the Company's exploration program at United Downs and evaluating other near-surface, high

potential, exploration targets within transport distance of the planned processing plant site at South Crofty.

ABOUT CORNISH METALS

Cornish Metals 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.

TECHNICAL INFORMATION

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

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Caution regarding forward looking statements

This news release contains "forward-looking statements" including, but not limited to, statements in connection with the expected use of proceeds of the Offering, including in respect of certain work programs, expected construction, including in respect of the WTP, and the potential completion of a Feasibility Study on the South Crofty mine and the timing thereof, the exploration program at United Downs and other exploration opportunities surrounding the South Crofty tin project, expected recruitment of various personnel, and expectations respecting tin pricing and other economic factors. 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 COVID-19 global pandemic and any variants of COVID-19 which may arise; risks related to the availability of financing when required and on terms acceptable to the Company and the potential consequences if the Company fails to obtain any such financing, such as a potential disruption of the Company's exploration program(s); 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.

Market Abuse Regulation (MAR) Disclosure

The information contained within this announcement is deemed by the Company to constitute inside information pursuant to Article 7 of EU Regulation 596/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 as amended.

CONSOLIDATED CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION

(Unaudited)
(Expressed in Canadian dollars)

	October 31, 2022	January 31, 2022

ASSETS		
Current		
Cash	$ 57,840,129	$ 6,922,704
Marketable securities	2,341,710	1,574,506
Receivables	672,638	107,230
Prepaid expenses	273,126	231,933
	61,127,603	8,836,373
Deposits	51,658	42,448
Property, plant and equipment	7,751,022	6,437,175
Exploration and evaluation assets	27,860,166	20,772,029
	$ 96,790,449	$ 36,088,025
LIABILITIES		
Current		
Accounts payable and accrued liabilities	$ 1,404,328	$ 613,178
Lease liability	1,577	4,204
Commitment to issue shares	-	6,041,525
	1,405,905	6,658,907
Lease liability	-	667
NSR liability	9,354,732	8,717,330
	10,760,637	15,376,904
SHAREHOLDERS' EQUITY		
Capital stock	128,062,712	56,846,350
Share subscriptions received in advance	25,000	-
Capital contribution	2,007,665	2,007,665
Share-based payment reserve	630,265	630,265
Foreign currency translation reserve	(2,539,238)	(174,123)
Deficit	(42,156,592)	(38,599,036)
	86,029,812	20,711,121
	$ 96,790,449	$ 36,088,025

CONSOLIDATED CONDENSED INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS

(Unaudited)

(Expressed in Canadian dollars)

	Nine months ended	
	October 31, 2022	**October 31, 2021**
EXPENSES		
Accretion	$ -	$ 15,764
Advertising and promotion	399,321	260,830
Depreciation	443	24,522
Finance cost	-	3,895
Insurance	99,295	66,095
Office, miscellaneous and rent	74,615	60,882
Professional fees	500,737	842,183
Generative exploration costs	96,108	28,845
Regulatory and filing fees	144,468	114,452
Share-based compensation	-	80,554
Salaries, directors' fees and benefits	1,301,312	898,827
Total operating expenses	(2,616,299)	(2,396,849)
Interest income	136,216	738
Foreign exchange loss	(1,907,824)	(387,196)
Gain on the disposal of royalty	318,147	-
Realized loss on marketable securities	-	(237)
Unrealized gain on marketable securities	512,204	733,120
Loss on the disposal of property, plant and equipment	-	(1,979)
Loss for the period	(3,557,556)	(2,052,403)
Foreign currency translation	(2,365,115)	(321,499)
Total comprehensive loss for the period	$ (5,922,671)	$ (2,373,902)
Basic and diluted loss per share	$ (0.01)	$ (0.01)
Weighted average number of common shares outstanding:	430,111,396	262,945,254

CONSOLIDATED CONDENSED INTERIM STATEMENTS OF CASH FLOWS

(Unaudited)

(Expressed in Canadian dollars)

	Nine months ended October 31, 2022	October 31, 2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss for the period	$ (3,557,556)	$ (2,052,403)
Items not involving cash:		
Accretion	-	15,764
Depreciation	443	24,522
Share-based compensation	-	80,554
Finance cost	-	3,895
Gain on the disposal of royalty	(318,147)	-
Realized loss on marketable securities	-	237
Unrealized gain on marketable securities	(512,204)	(733,120)
Loss on the disposal of property, plant and equipment	-	1,979
Foreign exchange loss	1,907,824	387,196
Changes in non-cash working capital items:		
Increase in receivables	(565,408)	(113,356)
Decrease (increase) in prepaid expenses	69,395	(29,808)
Decrease in accounts payable and accrued liabilities	(72,165)	(36,748)
Net cash used in operating activities	(3,047,818)	(2,451,288)
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(1,569,968)	(197,084)
Acquisition of exploration and evaluation assets	(4,181,597)	(2,541,717)
Proceeds from the sale of marketable securities, net	-	3,063
Increase in deposits	(9,211)	(5,199)
Net cash used in investing activities	(5,760,776)	(2,740,937)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from AIM listing	-	14,244,206
Proceeds from the Offering	65,135,746	-
Proceeds from option and warrant exercises	227,000	235,750

Share issue costs	(3,966,076)	(1,162,613)
Proceeds from the disposal of royalty	63,147	-
Conversion of Royalty Option costs	-	(226,290)
Lease payments	(3,190)	(26,588)
Net cash provided by financing activities	61,456,627	13,064,465
Impact of foreign exchange on cash	(1,730,608)	(338,304)
Change in cash during the period	50,917,425	7,533,936
Cash, beginning of the period	6,922,704	353,601
Cash, end of the period	$ 57,840,129	$ 7,887,537

CONSOLIDATED CONDENSED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

(Unaudited)

(Expressed in Canadian dollars)

	Number of shares	Amount	Share subscriptions received in advance	Capital contribution	Share-based payment reserve	Foreign currency translation reserve	
Balance at January 31, 2021	149,918,585	$ 40,737,065	$ 189,902	$ 2,007,665	$ 846,212	$ 239,028	$
Share issuance pursuant to AIM listing	117,226,572	14,434,108	(189,902)	-	-	-	
Shares issued pursuant to property option agreement	7,000,000	1,288,000	-	-	-	-	
Share issue costs	-	(1,506,824)	-	-	-	-	
Warrant exercises	2,575,000	205,750	-	-	-	-	
Option exercises	200,000	30,000	-	-	-	-	
Share-based	-	-	-	-	80,554	-	

compensation							
Foreign currency translation	-	-	-	-	-	(321,499)	
Loss for the period	-	-	-	-	-	-	
Balance at October 31, 2021	**276,920,157**	**$ 55,188,099**	**$ -**	**$ 2,007,665**	**$ 926,766**	**$ (82,471)**	
Balance at January 31, 2022	285,850,157	$ 56,846,350	$ -	$ 2,007,665	$ 630,265	$ (174,123)	$
Share issuance pursuant to the Offering	225,000,000	65,135,746	-	-	-	-	
Share issue costs	-	(3,966,076)	-	-	-	-	
Warrant exercises	900,000	87,000	25,000	-	-	-	
Option exercises	575,000	115,000	-	-	-	-	
Shares issued pursuant to property option agreement	20,298,333	9,844,692	-	-	-	-	
Foreign currency translation	-	-	-	-	-	(2,365,115)	
Loss for the period	-	-	-	-	-	-	
Balance at October 31, 2022	**532,623,490**	**$128,062,712**	**$ 25,000**	**$ 2,007,665**	**$ 630,265**	**$(2,539,238)**	**$**

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