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First Class Metals PLC
16 August 2023

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

16th August 2023

MoU Signed with Whitesand First Nation in respect to Zigzag lithium property

First Class Metals PLC ("First Class Metals" "FCM" or the **"Company")** the UK metals exploration company seeking economic metal discoveries across its extensive Canadian Schreiber-Hemlo & Sunbeam land holding is pleased to announce that it has signed an agreement (the "**Memorandum of Understanding**" or "**MoU**") with the Whitesand First Nation (WFN) for initial exploration on the Zigzag lithium project.

Highlights:

- MoU signed for a three-year term with the Whitesand First Nation provides for the formal commencement of exploration work on the Zigzag property.
- The Zigzag lithium property is situated in the Armstrong area of Canada in a locality that hosts several developing hard-rock pegmatite lithium projects, including Green Technology Metals Limited (ASX:GT1) owned Seymour Lake Project and Battery Age Minerals Limited (ASX:BM8) owned Falcon Lake Project.

Whitesand First Nation MOU

FCM has optioned the Zigzag property from Nuinsco who were successfully awarded an Exploration Permit. However, as no agreement was needed nor discussed with the First Nations at that time, FCM took the step of entering into discussions with the Whitesand First Nation. FCM is now pleased to announce that, following continued positive discussions and consultation with Whitesand First Nation, FCM has executed a MoU, by which the Company will commence formal exploration activities on the Zigzag lithium property in Ontario, Canada in collaboration with the Whitesand First Nation.

First Class Metals is grateful for the support and endorsement of Whitesand First Nation and is committed to continuing to work closely with Whitesand throughout all stages of the Zigzag project. The Company believes that, by working with indigenous communities in Ontario, it can create long lasting and mutually beneficial partnerships that generate significant economic opportunities and contribute to the sustainable development of local communities.

In the meantime, FCM intends to advance the discussions with Whitesand First Nation to formalise an Early Exploration Agreement (EEA).

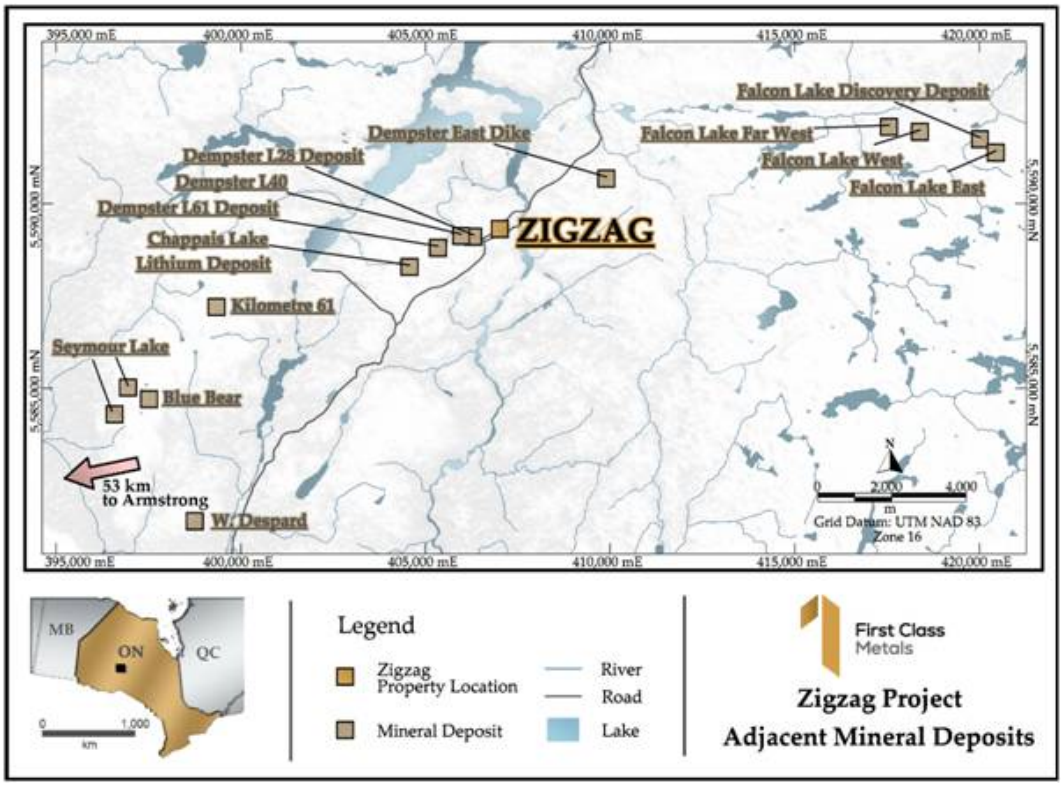

Figure 1-Zigzag Lithium Location in key Ontario 'Battery Metals Belt'

Recent activity by Battery Age Minerals Limited as reported in their news release of 26th July 2023, indicates that widths of plus 20m with grades of over 1% even 2% Li_2O are attainable in this lithium belt. Historical sampling and limited drilling at Zigzag has proved that grades of >1% Li_2O exist and FCM will be focussing exploration efforts to confirm the width of the pegmatite as being in the order of 20m and extending over 800m as previously reported,
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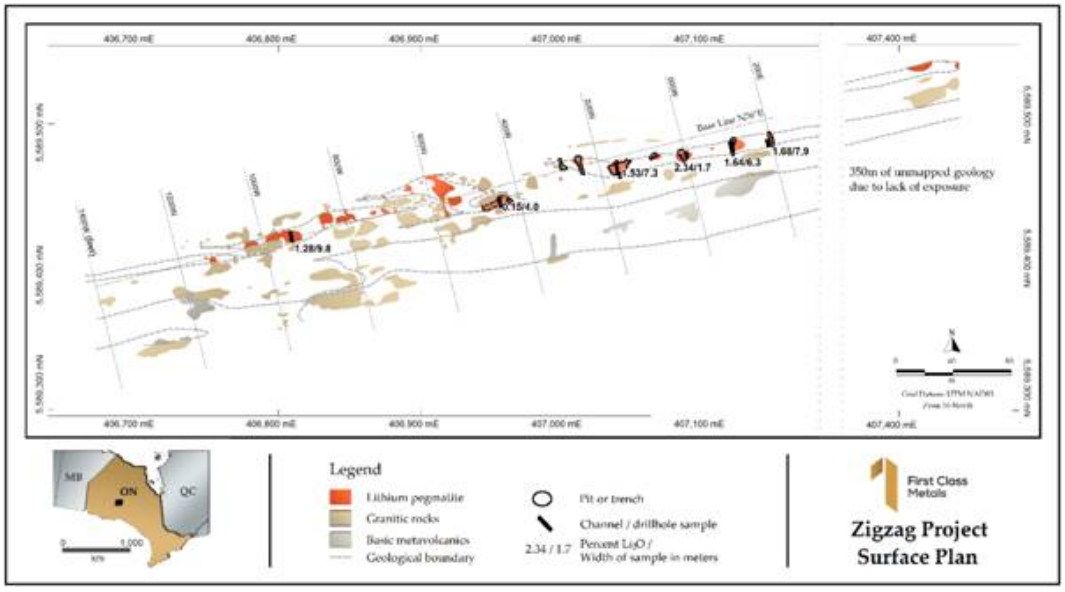

Figure 2- the historical work conducted by and pre-Nuinsco

Background-Zigzag Lithium

Historic grades at surface up to 1.68% lithium (Li_20) over 7.9m and 0.168% tantalum (Ta_20_5) over 2.54m. The claim group covers the historic Tebishogeshik occurrence as well as other mineralised occurrences.

The pegmatite hosting the deposit is reported to be more than 800m in length and 20m thick at surface.

Sampling by Nuinsco (previous operator) returned strongly anomalous lithium, tantalum, and rubidium, peaking at 3.55% Li_20 with significant tantalum, and rubidium results at 836 ppm Ta_2O5, and 4,003 ppm Rubidium Rb_22O.

The project is a little over 50km from Armstrong in northwest Ontario in the Seymour Lake area, a district already proved to be prospective for hard rock, pegmatite hosted lithium. Existing infrastructure currently in place in the local area is expected to be further bolstered in the future by the planned Jackfish Hydro project and a Spodumene Process Plant at the Green Technology Metals, Seymour site which is just over 10km away.

The six-unit claim group includes a mapped structure of 800m which (Tebishogeshik occurrence) 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 [1]Canadian and United Kingdom Governments.

Previous workers of the Tebishogeshik occurrence 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 over 7.9m and 0.168% Ta_2O_5 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 structure is open along strike and to depth and remains to be fully evaluated.

Lithium-ion battery production capacity pipeline globally to 2030 increases up to 8.1 TWh and North American EV battery production is forecast to reach 1 TWh annually by 2030. Even if production from known current assets were to double against planned capacities, expected North American demand alone would exceed supply by 40%.

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

Resilience for the Future: The United Kingdom's Critical Minerals Strategy (publishing.service.gov.uk)



Figure 3-Photo of specimen samples of Zigzag lithium bearing pegmatite taken from the Zigzag property near to where historic as well as recently reported samples by FCM were collected, (see RNS of June 8th 2023). Note very coarse crystalline fabric.

Marc Sale First Class Metals CEO Commented:

"I am delighted that having now visited the property and seen a 'snapshot' of Zigzag's potential I am pleased that the exploration of the Zigzag property will now commence in earnest. More so that it is with the support of the Whitesand First Nation. We will shortly have a team on the ground

prospecting in advance of a sawn channel sampling programme aimed at identifying sections of the pegmatite for a focussed drill programme.

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NOTES TO EDITORS

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 in base / precious metals, and a prolific number of exploration projects as well as numerous prospector's 'showings.'

FCM holds 100% ownership of seven claim blocks covering over 180km^2 along a 150km strike of the Hemlo-Schreiber-Dayohessarah greenstone belt which also contains the >23M oz shear hosted Hemlo gold mine operated by Barrick Gold. Recently FCM completed the option to purchase the historical high grade (gold) Sunbeam past producing mine

The significant potential of the properties for precious, base and battery metals relate to: 'nearology' insomuch that all properties lie close to identified mineral anomalism, for example Palladium One's RJ and Smoke Lake nickel projects are close to the FCM's West Pickle Lake soil / VTEM anomaly. This also demonstrates the second critical asset the properties hold: vector, anomalies, be they geological, geochemical, or geophysical that have demonstrated mineral potential extend on to FCM's properties.

The inferred shear on the Esa property is being explored by neighbours both to the west and east where it crosses into their properties. Furthermore, the properties have not been extensively explored either historically or more contemporaneously. This is predominantly attributable to the overall lack of outcrop. However, modern exploration techniques are better able to 'see through' the ground cover and to identify anomalies.

Zigzag Lithium-Deal Terms

Terms of the deal:

The deal is structured so that FCM has an option to earn-in up to an 80% interest over the exclusive option held by Nuinsco Resources over the Zigzag mining claims. The payments for the exercise of this option include a cash component of $CAD500,000 and a share component of $CAD250,000 in FCM Ordinary Shares spread across approximately 3.5 years. Additionally, FCM has committed to undertake exploration related expenses on the property over the same period to a value of $CAD550,000.

Table 1 Zigzag Option Schedule

	Cash (CAD$)	**Ordinary FCM Shares**	**Annual Work**

		(CAD$)	Commitment (CAD$)
On Signing	50,000	25,000	0.00
June 01, 2023	75,000	30,000	50,000
June 01, 2024	100,000	50,000	100,000
June 01, 2025	125,000	60,000	150,000
June 01, 2026	150,000	85,000	250,000
Total	**500,000**	**250,000**	**550,000**

These payments and work commitments maybe accelerated at FCM's option. Upon completion, the Zigzag mining claims will be owned by FCM and Nuinsco on an 80:20 basis and the parties will have deemed to enter a joint venture for the development of these mining claims. Should either party not wish to contribute to this joint venture a standard industry dilution clause shall apply. If either party dilutes to a 10% ownership interest or lower, their entire interest will automatically convert into a NSR royalty payment, and the other party shall be the 100% owner of the Zigzag mining claims. Additionally, half of such NSR royalty payment may be purchased by the other party by paying a sum of $CAD 750,000.

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.

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