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Cornish Metals Inc.
21 March 2024

CORNISH METALS RELEASES AUDITED FINANCIAL STATEMENTS AND MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE PERIOD ENDED DECEMBER 31, 2023

Vancouver, March 21, 2024

Cornish Metals Inc. (**AIM/TSX-V: CUSN**) ("Cornish Metals" or the "Company"), a mineral exploration and development company focused on advancing the South Crofty tin project ("South Crofty" or the "Project"), located in Cornwall, United Kingdom, to a construction decision, is pleased to announce that it has released its annual audited financial statements and management's discussion and analysis ("MD&A") for the period ended December 31, 2023. The reports are available under the Company's profile on SEDAR+ (www.sedarplus.ca) and on the Company's website (www.cornishmetals.com).

Highlights for the period ended December 31, 2023 and for the period ending March 20, 2024

(All figures expressed in Canadian dollars unless otherwise stated)

- Refurbishment of New Cook's Kitchen ("NCK") shaft has commenced ahead of schedule:
  - Rephasing shaft refurbishment will improve the functionality of NCK shaft and enable larger equipment to access the mine at an earlier stage in its re-development (news release dated March 3, 2024).
- Commissioning of the Water Treatment Plant ("WTP") completed at the end of October 2023:
  - Discharge of treated water to the Red River commenced in early November 2023 in accordance with permitted standards;
  - Dewatering of the mine progressed well with water levels drawing down as expected. The rate of dewatering has been reduced to allow shaft refurbishment and dewatering to proceed concurrently (news releases dated January 17, 2024 and March 3, 2024).
- Updated Mineral Resource Estimate ("MRE") for South Crofty mine released in September 2023:
  - 31.6% increase to contained tin in the Indicated Mineral Resource category for the Lower Mine (news release dated September 13, 2023);
- Drill programme to collect samples for metallurgical testwork as part of the South Crofty Feasibility Study completed in June 2023:
  - Visible tin mineralisation confirmed in all 28 drill holes with assay results reported (news release dated July 3, 2023);

- Ore sorting testwork completed with excellent results from X-Ray Transmission ("XRT") confirming the potential to materially reduce tonnes milled, and reduce process plant capital and operating costs (news release dated October 8, 2023);

- Drill programme started at the Wide Formation target in the Carn Brea exploration area (news release dated September 19, 2023):
  - Drill results from the first six holes confirm the Wide Formation structure over a 1.6km strike length;
  - A new mineralised structure has been identified lying directly beneath the Great Flat Lode and several high-grade, steeply dipping tin zones (news release dated February 4, 2024).
- Shaft re-access work completed in readiness for commencement of refurbishment of NCK shaft:
  - South headframe above NCK shaft remediated with installation of new sheave wheel;
  - New temporary egress headframe arrangement installed inside the existing north headframe;
  - South winder building refurbished with new exterior cladding and associated civil works for accommodating new winding apparatus;
  - Main and auxiliary drum winders installed and commissioned.
- Work on the Feasibility Study continues and is well underway:
  - Preliminary Economic Assessment ("PEA") expected to be published in Q2 2024 to provide interim guidance ahead of the publication of the Feasibility Study (news release dated January 17, 2024).
- Fifteen-month power supply contract agreed for the provision of 100% renewably generated power thereby providing certainty over power costs during the mine dewatering phase (news release dated July 18, 2023);
- Cornish Metals Chief Executive Officer ("CEO"), Richard Williams, will depart the Company effective on March 31, 2024, when he will also leave the Company's Board (news release dated March 15, 2024):
  - Mr. Williams will remain available to the Company on a consulting basis going forward;
  - Ken Armstrong, a non-executive director, will be appointed as Interim CEO and Patrick Anderson, Chairman of the Board, will become the Executive Chairman of the Company during the transition.
- Samantha Hoe-Richardson joined the Board as independent non-executive director effective January 8, 2024 (news release dated January 8, 2024).

Patrick F. N. Anderson, Executive Chairman of Cornish Metals, stated, "The Cornish Metals team made excellent progress in 2023, achieving several important milestones, in particular, the construction and commissioning of the water treatment plant, further de-risking South Crofty and advancing the project closer towards a construction decision. On behalf of the Board of Directors I want to thank Richard for the many achievements he made and obstacles overcome to bring the Company and the South Crofty Project to where it is today.

2024 is shaping up to be another busy year for the Company with mine dewatering and the refurbishment of NCK shaft progressing to deeper levels of the mine. The South Crofty PEA is nearing completion and we look forward to reporting the updated mine plan and project

economics in Q2 this year. We are also excited by the ongoing Wide Formation drilling programme, with results to date confirming our model that this represents a new, large-scale, tin-bearing exploration target lying beneath the historically mined Great Flat Lode, demonstrating the exploration upside of this area, which we view as having substantial potential to add to our current Mineral Resource base at South Crofty.

We appreciate the continued support of our shareholders, the local community and other stakeholders."

Review of activities

Updated Mineral Resource Estimate released for South Crofty Mine

An updated MRE for South Crofty Mine, prepared in accordance with the requirements of the JORC Code (2012 Edition), was released on September 13, 2023 ("Updated MRE"). This updates and supersedes the MRE published on June 9, 2021 ("2021 MRE").

Since the 2021 MRE, the Company's geological team has continued to digitize and incorporate historic assay data into the Mineral Resource model for the Lower Mine. Furthermore, confirmation of existing structures at depth through the recent metallurgical drilling programme (as described below) has been incorporated into the Updated MRE.

The Updated MRE for the Lower Mine area of South Crofty Mine reports a:

- 39.0% increase in tonnes and a 31.6% increase in contained tin in the Indicated Mineral Resource category from the 2021 MRE; and
- 35.6% increase in tonnes and 15.5% increase in contained tin in the Inferred Mineral Resource category from the 2021 MRE.

The Updated MRE for the tin-only Lower Mine is summarized below:

Summary of South Crofty Lower Mine Area Mineral Resource Estimate at 0.6% Sn Cut-Off Grade (September 6, 2023)				
Classification	**Mass (kt)**	**Grade (% Sn)**	**Contained Tin (t)**	**Increase to Contained Tin from 2021 MRE (t / %)**
Indicated	2,896	1.50	43,573	10,475 / 31.6%
Inferred	2,626	1.42	37,422	5,026 / 15.5%

The Mineral Resource Estimate for South Crofty is available in a report titled "South Crofty Tin Project - Mineral Resource Update NI 43-101 Technical Report", dated October 27, 2023, co-authored by Mr. N. Szebor (MCSM, MSc, BSc, CGeol, EurGeol, FGS) and Mr. R. Chesher (FAusIMM(CP), RPEQ, MTMS) of AMC Consultants, and can be accessed through the above link and on the Company's SEDAR+ page.

The majority of new Mineral Resources are contained within the central part of the mine in No. 1, No. 2, No. 3, Main, Intermediate, North and Great Lodes following digitization and modelling of historic data.

The Updated MRE for the Lower Mine area is reported using a 0.6% tin cut-off grade, the same cut-off grade applied in the MREs prepared in 2016 and 2021. The Updated MRE was prepared by the Company's geological team and independently reviewed and verified by AMC Consultants (UK) Ltd.

The Lower Mine area contains tin mineralisation within quartz-tourmaline vein or "lode" structures, which are hosted entirely within granitic rocks. The major lode structures that comprise the Updated MRE remain open along strike and to depth.

Mineral Resources for the Upper Mine area of the South Crofty Updated MRE were reported accounting for a recalculation of tin equivalent grades due to changes in metal prices since the 2021 MRE was published (refer news release dated September 13, 2023).

Mineral Resources which are not Mineral Reserves do not have demonstrated economic viability. The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing or other relevant issues.

The Updated MRE will be incorporated into the mine plan to be included in the Feasibility Study as described below.

Commissioning of water treatment plant at South Crofty and commencement of dewatering

The construction of the WTP at South Crofty involved various enabling works, including completion of the treated water discharge duct from the WTP, various roadways and the concrete foundation pad for the WTP itself. Pipelines carrying water from the submersible pumps in NCK shaft to the WTP were also laid along with electrical and communication systems.

The WTP comprises nine reaction tanks for altering the chemical properties to precipitate the various metals out of solution, and six inclined plate settling tanks (lamella clarifiers) to remove the precipitated solids. At the back end of the WTP, a sludge storage and thickening system has been installed, consisting of storage tanks for unthickened and thickened sludge and a deep cone thickener to thicken the sludge.

At the mine end is a building housing the high voltage power supply/sub-station and the variable speed drives ("VSDs") required to operate the pumps. A new power supply contract (refer below) provides the 11kV power supply needed. At the WTP end, a large motor control centre and automation system was installed in a new building, which National Grid connected to their network with another new substation.

A hydro-turbine has been added ahead of the discharge point that is generating up to 20% of the electricity required to operate the WTP. Other renewable energy opportunities are also being explored.

Wet commissioning of the WTP was completed during September and October 2023. After successful commissioning, the WTP was officially opened on October 26, 2023, with discharge of treated water to the Red River commencing in early November 2023. The treated water exceeds the Company's permitted standards set by the Environment Agency for its discharge into the Red River. Dewatering of the mine progressed well with the water level drawing down as expected. With the commencement of refurbishment of NCK shaft (as more fully described below), the rate of mine dewatering has been reduced, with the water level being maintained, to allow shaft refurbishment and dewatering to proceed concurrently. Mine dewatering and shaft refurbishment are expected to be complete by September 2025.

Installation of submersible pumps and commissioning of variable speed drives

Two submersible pumps manufactured by KSB in Germany have been installed in NCK shaft for the first stage of the two-stage mine dewatering programme. The pumps are specialist high head, vertical pumps that are controlled by VSDs to enable the 25,000m^3/day pumping rate to the WTP to be maintained as the water level drops and the pumping head increases. The VSDs were manufactured by Schneider Electric and supplied by Siemag Tecberg UK.

The pumps were installed in NCK shaft in mid-2023. Commissioning teams from Siemag Tecberg UK and Schneider Electric were on-site for testing the pumps and VSDs that were successfully commissioned and ran through a series of performance tests to demonstrate their ability to meet the target flow rate to the WTP.

The pumps were initially lowered to approximately 360 metres below surface and suspended from 120 three-metre-long pipes that form the temporary rising main. When the water level reaches the level at approximately 360 metres below surface, a permanent set of pumps will be installed at that level. The submersible pumps will then be lowered to approximately 730 metres below surface for the second stage of dewatering.

Since the commencement of the dewatering of the South Crofty mine (refer above), the pumps have been pumping mine water from approximately 360 metres below surface to the WTP from where the treated mine water is discharged to the Red River.

Execution of power supply contract for South Crofty

In July 2023, South Crofty entered into a 15-month supply contract with NPower for the provision of 100% renewably generated power. The supply contract allows South Crofty to advance through the mine dewatering phase with certainty over the power costs for the next 15 months. This added certainty is an important financial consideration given the power price volatility seen over the last two years.

Preparation for re-accessing New Cook's Kitchen shaft

Two single drum winders were ordered for the shaft re-access work, with the primary access winder supplied by Siemag Tecberg UK and an emergency egress winder provided by Zitrón S.A. These winders will enable NCK shaft to be re-accessed once dewatering activities have sufficiently progressed. Both winders arrived on site by the beginning of November 2023 and have been installed and commissioned in December 2023 and January 2024, respectively.

The south headframe sitting above NCK shaft has been remediated and strengthened as required. New sheave wheels and associated apparatus have been ordered to replace the originals which were beyond economic repair. The South Winder house, housing the primary access winder, has been remediated with its structural steelwork checked and refurbished, and new exterior cladding erected. The secondary egress winder has been housed in a new temporary winding house which was erected in October 2023.

Pump and pipe handling infrastructure has also been installed around the headframe to facilitate the lowering of the pumps and pipes and subsequent dewatering activities.

Refurbishment of New Cook's Kitchen Shaft

After assessment of the condition of the timbers in NCK shaft, refurbishment of the shaft has commenced ahead of schedule (refer news release dated March 3, 2024). Rephasing shaft refurbishment will improve the functionality of NCK shaft, enable larger equipment to access the mine at an earlier stage in its re-development and ensure that high health and safety standards are applied as the underground mine workings are accessed.

As stated above, shaft refurbishment and mine dewatering will proceed concurrently and are expected to be complete by September 2025. The rephasing of shaft refurbishment is expected to have no impact on the overall South Crofty project development timeline and there is no anticipated impact on the overall cost of re-opening South Crofty arising from this rephasing.

Metallurgical study drill programme at South Crofty

A metallurgical drill programme as part of the Feasibility Study was completed between July 2022 and June 2023. The programme was designed to collect samples for various metallurgical studies,

including XRT ore sorting, flowsheet optimisation and paste backfill studies. This testwork should allow acceleration of the Feasibility Study in advance of dewatering the mine and will provide key information for the mineral processing flowsheet.

The programme comprised 10,312 metres of diamond drilling with three drill rigs contracted from Priority Drilling Limited, under the supervision of the Company's geological team.

Samples were collected from the North Pool Zone (eastern section of Mineral Resource), the No. 4 and No. 8 Lodes (central part of the Mineral Resource), Roskear and Dolcoath South (western part of the Mineral Resource). These five main lodes / mineralised zones contain the majority of the mineralised material anticipated to be processed during the first six years of the proposed mine life.

The metallurgical drill programme comprised 14 parent and daughter drill holes targeting No. 4 and No. 8 Lodes, and 14 parent and daughter holes targeting the Roskear Lode. Visible tin mineralisation was observed in all 28 drill holes. Three holes from each Lode were assayed for base metals and associated elements and the rest of the drill intercepts were used for metallurgical studies. The assay results were reported in the news release dated July 3, 2023.

Four parent and 29 daughter holes targeting the North Pool Zone and the Dolcoath South Lode, respectively, were also completed.

Metallurgical testwork results

The metallurgical testwork was conducted on samples from the metallurgical drill programme (as more fully described above) across five mineralised zones (North Pool Zone, No. 4 and No. 8 Lodes, Roskear and Dolcoath South), representing the majority of the potential production areas in the first six years of the proposed mine life.

XRT ore sorter testwork of bulk composite samples was completed by TOMRA Sorting GmbH. Heavy Liquid Separation ("HLS") testwork of bulk composite samples was completed by Wardell Armstrong International.

Both XRT ore sorting and HLS pre-concentration testwork yielded excellent results:

- XRT: 55% mass rejection with less than 3% metal loss (-50mm to +15mm size fraction); and
- HLS: 50% mass rejection with less than 5% metal loss (-15mm to +0.85mm size fraction).

The metallurgical testwork results confirm the potential to materially reduce tonnes milled and reduce process plant capital and operating costs as well as the associated environmental footprint. The testwork results are being incorporated in the Feasibility Study as described below.

Preparation of Feasibility Study

Good progress is being made in advancing the South Crofty Feasibility Study with a substantial amount of the study completed. All study components, with the exception of infill drilling, are expected to be finalised by the end of June 2024.

The Feasibility Study continues to progress, or has completed, the following activities:

- Geotechnical testwork - televiewer investigations and geotechnical rock testing completed on the primary mining areas by RobertsonGeo to confirm known historical structural and rock mass property data;
- Headframe structural modelling and refurbishment completed by IMEC and Entech Mining / RSV Group;
- Concept numerical modelling of the proposed underground mining methods and stope designs completed by MiningOne;
- Phase 1 of the metallurgical testwork programme completed by Wardell Armstrong (mineralogy, physical competency, characterisation XRT, heavy liquid separation and gravity response testwork). Phase 2 of the testwork programme (flowsheet development) is progressing well;
- Ground investigations for the new mineral processing plant completed by AGS Ground Solutions;

- Mineral processing plant design and layout in advanced stages by Fairport Engineering, incorporating the results of the metallurgical testwork programme and potential future throughput expansions;
- Underground mine design and optimisation completed using the September 2023 South Crofty updated MRE;
- Concept mine ventilation study, underground infrastructure design and hoisting analysis completed;
- Concept engineering on paste backfill options and sighter testwork completed by Paterson & Cooke (UK);
- Feasibility Study level engineering design for the paste backfill plant is underway;
- Hydrogeology (Piteau Associates), environmental, social, closure (SLR Consulting) and market studies (Project Blue and CRU Group) completed; and
- AMC Consultants (UK) has been commissioned to review and provide overall Feasibility Study sign-off.

Exploration drill programme at Carn Brea South

A 9,000-metre exploration drill programme commenced at the Wide Formation target in the Carn Brea South exploration area. The drill programme is designed to test the geometry and the continuity of tin mineralisation within the recently discovered Wide Formation target (refer news release dated January 10, 2023).

The mineralisation style in the Wide Formation, comprising pervasive tourmaline and quartz (termed 'blue peach'), is similar in character to that associated with No. 8 Lode, one of the most prolific tin producing lodes in the latter years of operation of the South Crofty mine. The drill programme is testing an area measuring 2,500 metres along strike (northeast to southwest) and 500 metres downdip (north to south).

Drill results from the first six holes (refer news release dated February 4, 2024) confirm the Wide Formation structure over a 1.6km strike length, a downdip extent of at least 525 metres and thicknesses ranging from 1.8 metres - 4.8 metres. The structure remains open. Notable tin intercepts from the Wide Formation include 1.21 metres grading 0.87% Sn in CB23_004.

Drilling also identified a new mineralised structure lying directly beneath the Great Flat Lode Splay, and several high-grade, steeply dipping tin zones between the Great Flat Lode and the Wide Formation. Notable tin intercepts from the newly identified Great Flat Lode Splay include 3.38 metres grading 1.01% Sn in CB23_002.

Notable tin intercepts from multiple steeply-dipping, high-grade tin zones mainly intersected between the Great Flat Lode and the Wide Formation including 3.09 metres grading 1.21% Sn in CB23_001.

To date, nine drill holes (totalling approximately 6,119 metres) have been completed.

Departure of CEO, Richard Williams

On March 15, 2024, the Company announced the departure of CEO, Richard Williams, effective on March 31, 2024, when he will also leave the Company's Board. Mr. Williams will remain available to the Company on a consulting basis going forward. Ken Armstrong, a non-executive director, will be appointed as Interim CEO and Patrick Anderson, Chairman of the Board, will become the Executive Chairman of the Company during the transition and search for a permanent CEO to lead the Company through the next stage of development of South Crofty as the Company moves towards construction.

Appointment of Samantha Hoe-Richardson as independent non-executive director

On January 8, 2024, the Company announced that Samantha Hoe-Richardson joined the Board of Directors as an independent non-executive director (refer news release dated January 8, 2024). Ms. Hoe-Richardson is an experienced non-executive director from a global mining, infrastructure and insurance background. She is currently a non-executive director of Kew Soda Ltd, Assured Guaranty UK Ltd, Ascot Underwriting Limited, 3i Infrastructure plc and an independent advisor on

climate change & sustainability to Laing O'Rourke. Ms. Hoe-Richardson was Head of Environment & Sustainable Development at Network Rail until 2017 and prior to that spent 16 years at Anglo American plc, latterly as Head of Environment. She previously worked in investment banking and audit. Ms. Hoe-Richardson holds a Masters Degree in nuclear and electrical engineering from the University of Cambridge, and is also a non-practicing Chartered Accountant.

Financial highlights for the period ended December 31, 2023 and the year ended January 31, 2023

	Eleven months ended December 31, 2023	**Year ended January 31, 2023**
(Expressed in Canadian dollars)		
Total operating expenses	**4,859,889**	**3,448,124**
Loss before income taxes	**2,887,255**	**1,202,257**
Loss for the period	**2,714,155**	**1,218,257**
Net cash (used in) operating activities	**(2,732,773)**	**(3,607,008)**
Net cash (used in) investing activities	**(28,164,958)**	**(10,318,376)**
Net cash (used in) provided by financing activities	**(32,082)**	**61,657,081**
Cash at end of the financial period	**25,791,552**	**55,495,232**

- Increase in operating costs impacted by higher insurance costs attributable to more site-based activities primarily relating to the construction of the WTP, related dewatering and NCK shaft re-access work;
- Interest income of $1.7 million benefitted from increased interest rates being received on higher cash balance following the Offering;
- Cash refund received of $168,112 relating to research and development tax credit arising from South Crofty drill programme completed in 2020, with further applications underway for subsequent activities;
- Expenditure of $14.8 million incurred during the period on the construction of the WTP and related dewatering equipment, as well as new or replacement equipment for the mine;
- Dewatering costs of $1.3 million incurred since October 2023 for power, reagents, sludge disposal and maintenance of the WTP;
- Other project related costs of $10.6 million incurred during the period relating to the advancement of South Crofty to a potential construction decision, primarily for the metallurgical drill programme, the feasibility study and planning activities for dewatering and NCK shaft re-access;
- Costs of $1.2 million incurred for the continuation of the exploration programme at Carn Brea which re-commenced in June 2023; and

- Recognition of foreign currency translation gain of $2.0 million for those assets located in the UK when translated into Canadian dollars for presentational purposes.

The Company changed its financial year end from January 31 to December 31 to better align the Company's financial reporting periods to that of its peer group in the mineral resources sector. In addition, the calendar year end coincides with traditional financial, taxation and operational cycles. The change in year end takes effect from December 31, 2023 with the result that the current period of reporting is the eleven months ended December 31, 2023. The comparative period of reporting is the twelve months ended January 31, 2023.

Outlook

As described above, the Company is advancing the South Crofty tin project to a potential construction decision. The Company's objectives are as follows:

- Dewater South Crofty mine and refurbish NCK shaft by September 2025;
- Publish a PEA for South Crofty in the second quarter of 2024;
- Complete a Feasibility Study with the outcome of the PEA providing guidance for the timing for the completion of the Feasibility Study and outstanding work programmes;
- All study components of the ongoing Feasibility Study, with the exception of infill drilling, expected to be completed by the end of June 2024;
- Complete the 14-hole / 9,000 metre Wide Formation exploration drill programme, and
- Commence basic and detailed engineering studies, construction of the processing plant, refurbishment of underground facilities and other on-site early works.

The follow-up exploration drill programme at the Wide Formation target at Carn Brea South will also continue subject to the receipt of satisfactory drill results.

Subject to the availability of financing, consideration will also be given to continuing with the Company's exploration programme at United Downs and evaluating other high potential, exploration targets within transport distance of the planned processing plant site at South Crofty.

The Company continues to target first tin production from South Crofty mine by the end of 2026, subject to securing project financing.

ABOUT CORNISH METALS

Cornish Metals is a dual-listed company (AIM and TSX-V: CUSN) focused on advancing the South Crofty high-grade, underground tin Project through to a construction decision, as well as exploring its additional mineral rights, all located in Cornwall, United Kingdom.

- South Crofty is a historical, high-grade, underground tin mine that started production in 1592 and continued operating until 1998 following over 400 years of continuous production;
- The Project possesses Planning Permission for underground mining (valid to 2071), to construct new processing facilities and all necessary site infrastructure, and an Environmental Permit to dewater the mine;
- South Crofty has the 4th highest grade tin Mineral Resource globally and benefits from existing mine infrastructure including multiple shafts that can be used for future operations;
- Tin is a Critical Mineral as defined by the UK, USA, and Canadian governments, with approximately two-thirds of the tin mined today coming from China, Myanmar and Indonesia;
- There is no primary tin production in Europe or North America;

- Tin connects almost all electronic and electrical infrastructure, making it critical to the energy transition - responsible sourcing of critical minerals and security of supply are key factors in the energy transition and technology growth;
- South Crofty benefits from strong local community and regional and national government support.
- Cornish Metals has a growing team of skilled people, local to Cornwall, and the Project could generate 250 - 300 direct jobs.

TECHNICAL INFORMATION

The technical information in this news release has been compiled by Mr. Owen Mihalop who 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.

ON BEHALF OF THE BOARD OF DIRECTORS

"Patrick F. N. Anderson"
Patrick F. N. Anderson

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Caution regarding forward looking statements

This news release contains certain "forward-looking information" and "forward-looking statements" (collectively, "forward-looking statements"). Forward-looking statements include predictions, projections, outlook, guidance, estimates and forecasts and other statements regarding future plans, the realisation, cost, timing and extent of mineral resource or mineral reserve estimates, estimation of commodity prices, currency exchange rate fluctuations, estimated future exploration expenditures, costs and timing of the development of new deposits, success of exploration activities, permitting time lines, requirements for additional capital and the Company's ability to obtain financing when required and on terms acceptable to the Company, future or estimated mine life and other activities or achievements of Cornish Metals, including but not limited to: mineralisation at South Crofty, mine dewatering expectations, Cornish Metals' exploration drilling programme, exploration potential and project growth opportunities for the South Crofty tin project and other Cornwall mineral properties and the timing thereof, timing and results of Cornish Metals' feasibility study, the Company's ability to evaluate and develop the South Crofty tin project and other Cornwall mineral properties, strategic vision of Cornish Metals and expectations regarding the South Crofty mine, timing and results of projects mentioned. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "believe", "plan", "estimate", "forecast", "expect", "potential", "project", "target", "schedule", "budget" and "intend" and statements that an event or result "may", "will", "should", "could", "would" or "might" occur or be achieved and other similar expressions and includes the negatives thereof. All statements other than statements of historical fact included in this news release, are forward-looking statements that involve various risks and uncertainties and there can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements.

Forward-looking statements 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 programmes; actual results of proposed exploration activities; possible variations in Mineral Resources or grade; outcome of the current Feasibility Study; projected dates to commence mining operations; 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. The list is not exhaustive of the factors that may affect Cornish's forward-looking statements.

Cornish Metals' forward-looking statements are based on the opinions and estimates of management and reflect their current expectations regarding future events and operating performance and speak only as of the date such statements are made. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ from those described in forward- looking statements, there may be other factors that cause such actions, events or results to differ materially from those anticipated. There can be no assurance that forward-looking statements will prove to be accurate and accordingly readers are cautioned not to place undue reliance on forward-looking statements. Accordingly, readers should not place undue reliance on forward-looking statements. Cornish Metals does not assume any obligation to update forward-looking statements if circumstances or management's beliefs, expectations or opinions should change other than as required by applicable 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 STATEMENTS OF FINANCIAL POSITION

(Expressed in Canadian dollars)

	As at	As at

	December 31, 2023	January 31, 2023
ASSETS		
Current		
Cash	$25,791,552	$55,495,232
Marketable securities	2,665,454	2,718,936
Receivables	1,112,638	656,407
Prepaid expenses	591,264	371,977
Deferred financing fees	135,242	-
	30,296,150	59,242,552
Deposits	85,954	54,165
Property, plant and equipment	23,788,325	9,721,352
Exploration and evaluation assets	50,050,323	33,088,129
	$104,220,752	$102,106,198
LIABILITIES		
Current		
Accounts payable and accrued liabilities	$ 5,063,940	$ 2,494,642
Lease liability	-	642
	5,063,940	2,495,284
NSR liability	9,064,817	9,149,804
	14,128,757	11,645,088
SHAREHOLDERS' EQUITY		
Capital stock	128,394,652	128,377,152
Share subscriptions received in advance	-	17,500
Capital contribution	2,007,665	2,007,665
Share-based payment reserve	711,690	384,758
Foreign currency translation reserve	1,369,146	(648,962)
Deficit	(42,391,158)	(39,677,003)
	90,091,995	90,461,110
	$104,220,752	$102,106,198

CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
For the eleven month period ended December 31, 2023 and year ended January 31, 2023

(Expressed in Canadian dollars)

	December 31, 2023	January 31, 2023
EXPENSES		
Travel and marketing	$634,145	$515,166

Depreciation	-	443
Insurance	633,287	145,462
Office, miscellaneous and rent	175,164	102,540
Professional fees	1,048,676	744,585
Generative exploration costs	25,680	122,797
Regulatory and filing fees	86,760	164,798
Share-based compensation	205,026	-
Salaries, directors' fees and benefits	2,051,151	1,652,333
Total operating expenses	(4,859,889)	(3,448,124)
Interest income	1,695,837	417,136
Foreign exchange gain	394,621	758,216
Loss on the disposal of property, plant and equipment	(921)	-
Gain on the disposal of royalty	-	318,147
Unrealized gain (loss) on marketable securities	(116,903)	752,368
Loss before income taxes	(2,887,255)	(1,202,257)
Income tax recovery (expense)	173,100	(16,000)
Loss for the period	(2,714,155)	(1,218,257)
Foreign currency translation	2,018,108	(474,839)
Total comprehensive loss for the period	$ (696,047)	$(1,693,096)
Basic and diluted loss per share	$ (0.00)	$ (0.00)
Weighted average number of common shares outstanding:	535,269,215	456,262,207

CONSOLIDATED STATEMENTS OF CASH FLOWS
For the eleven month period ended December 31, 2023 and year ended January 31, 2023

(Expressed in Canadian dollars)

	December 31, 2023	January 31, 2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss for the period	$ (2,714,155)	$ (1,218,257)
Items not involving cash:		
Depreciation	-	443
Share-based compensation	205,026	-
Loss on the disposal of property, plant and equipment	921	-
Gain on the disposal of royalty	-	(318,147)
Unrealized loss (gain) on marketable securities	116,903	(752,368)
Foreign exchange gain	(394,621)	(758,217)
Income tax expense (recovery)	(173,100)	16,000
Income taxes received during the period	157,100	-
Changes in non-cash working capital items:		
Increase in receivables	(456,230)	(549,177)
Increase in prepaid expenses	(204,107)	(96,025)

Increase in accounts payable and accrued liabilities	729,490	68,740
Net cash used in operating activities	(2,732,773)	(3,607,008)
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(14,192,068)	(2,729,942)
Acquisition of exploration and evaluation assets	(13,942,740)	(7,576,717)
Increase in deposits	(30,150)	(11,717)
Net cash used in investing activities	(28,164,958)	(10,318,376)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from the Offering	-	65,135,746
Proceeds from option and warrant exercises	-	411,222
Proceeds from the warrant exercises received in advance of share issue	-	17,500
Share issue costs	-	(3,966,075)
Proceeds from the disposal of royalty	-	63,147
Increase in deferred financing fees	(31,359)	-
Lease payments	(723)	(4,459)
Net cash provided by (used in) financing activities	(32,082)	61,657,081
Change in cash during the period	(30,929,813)	47,731,697
Cash, beginning of the period	55,495,232	6,922,704
Impact of foreign exchange on cash	1,226,133	840,831
Cash, end of the period	$ 25,791,552	$ 55,495,232
Cash paid during the period for interest	$-	$-
Cash paid during the period for income taxes	$11,012	$-

CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

For the eleven month period ended December 31, 2023 and year ended January 31, 2023

(Expressed in Canadian dollars)

	Capital stock		Share subscriptions		Share-based	Foreign currency
	Number of shares	Amount	received in advance	Capital contribution	payment reserve	translation reserve
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	-	(3,966,075)	-	-	-	-
Warrant exercises	3,272,222	291,222	-	-	-	-
Warrant exercises received in advance	-	-	17,500	-	-	-

Option exercises	600,000	225,217	-	-	(105,217)	-
Expiry of options	-	-	-	-	(140,290)	-
Shares issued pursuant to property option agreement	20,298,333	9,844,692	-	-	-	-
Foreign currency translation	-	-	-	-	-	(474,839)
Loss for the period	-	-	-	-	-	-
Balance at January 31, 2023	**535,020,712**	**$128,377,152**	**$17,500**	**$2,007,665**	**$384,758**	**$(648,962)**
Balance at January 31, 2023	535,020,712	$128,377,152	$17,500	$2,007,665	$384,758	$(648,962)
Warrant exercises	250,000	17,500	(17,500)	-	-	-
Foreign currency translation	-	-	-	-	-	2,018,108
Share-based compensation	-	-	-	-	326,932	-
Loss for the period	-	-	-	-	-	-
Balance at December 31, 2023	**535,270,712**	**$128,394,652**	**$-**	**$2,007,665**	**$711,690**	**$1,369,146**

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