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Cornish Metals Inc.
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CORNISH METALS RELEASES UNAUDITED FINANCIAL STATEMENTS AND MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE THREE MONTHS ENDED 31 MARCH 2025

Vancouver, May 14, 2025

Cornish Metals Inc.(**TSX-V/AIM: CUSN**) ("Cornish Metals" or the "Company"), a mineral exploration and development company focused on advancing its 100% owned and permitted South Crofty tin project 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 three months ended March 31, 2025. 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 three months ended March 31, 2025 and for the period ending May 14, 2025

(All figures expressed in Canadian dollars unless otherwise stated)

- Strategic investment and fundraise (the "Fundraise") (news releases datedJanuary 28-31, 2025):
  - o The Fundraise totalling £57.4 million announced on January 28-31, 2025 was anchored by the National Wealth Fund Limited ("NWF") and Vision Blue Resources Limited ("Vision Blue"), investing £28.6 million and £18.1 million, respectively, with a further £10.7 million from existing shareholders and new investors, including £1.4 million from a retail offer;
  - o The Fundraise is expected to provide financial runway through to the end of Q1 2026 and will enable the Company to further de-risk South Crofty and advance it towards a formal final investment decision;
- Senior management appointments (news release datedApril 27, 2025):
  - o Strengthening of the project and operations teams at South Crofty with the appointments of Dave Howe as General Manager and Guillermo Alcaraz as Project Director;
  - o Mr. Howe has 35 years of open pit and hard rock underground mining (including narrow vein) operational and exploration experience, of which 24 years were in executive and senior management roles;
  - o Mr. Alcazar is a project executive with over two decades of global experience leading and overseeing a multimillion-dollar complex portfolio of mining, heavy industrial and infrastructure projects across diverse development stages;
- Purchase of 4.5 acres of land from Cornwall Council(news release datedApril 1, 2025):
  - o The purchased land is immediately adjacent to existing surface land owned by Cornish Metals and provides direct access to the main road at Dudnance Lane from where a new entrance to the mine site is planned and where a new mine office, stores and workshop will be located.
- Mine dewatering and refurbishment of New Cook's Kitchen Shaft:
  - o Refurbishment of New Cook's Kitchen shaft ("NCK") is progressing and has reached approximately 290 metres below surface. The water level in NCK shaft is currently at approximately 300 metres below surface;

- Progress during the period under review has been slower than in prior periods reflecting the staged maintenance of the submersible pumps in preparation for the next phase of dewatering. Dewatering is currently advancing at a rate of over 15,000 m^3 per day and this will increase to approximately 25,000 m^3 per day once maintenance is completed.

Don Turvey, CEO and Director of Cornish Metals, stated:"We started the year on a strong note successfully completing the £57.4 million fundraise that was supported by existing and new shareholders, including Vision Blue and the UK's National Wealth Fund. This funding will enable the Company to maintain its strong momentum and further unlock South Crofty's potential by delivering important milestones expected in the coming year including advancing mine dewatering and shaft refurbishment, placing orders for long-lead items, the start of early project works and concluding the project finance process. We have also strengthened our project and operations teams at South Crofty with senior appointments to the roles of Project Director and General Manager who will be key to leading South Crofty through successful construction and to full production."

Financial highlights for the three months ended March 31, 2025 and March 31, 2024

	Three months ended	
	March 31, 2025	***March 31, 2024***
(Expressed in Canadian dollars)		
Total operating expenses	3,189,723	2,759,198
Loss for the period	3,043,606	2,561,669
Net cash used in operating activities	(2,190,616)	(1,148,564)
Net cash used in investing activities	(6,602,900)	(7,895,388)
Net cash provided by (used in) financing activities	87,513,355	(85,646)
Cash at end of the period	88,954,141	17,015,749

- Operating expenses have risen reflecting increased professional fees associated with more corporate activity as well as an increase in corporate remuneration due to bonuses following completion of the Fundraise;
- Project related expenditure of $5.3 million relating to the advancement of South Crofty, primarily relating to NCK shaft re-access & refurbishment, preparation for the refurbishment of the pump station at 360 metres depth and ongoing project engineering studies;
- Dewatering costs of $1.5 million for power, reagents, sludge disposal and maintenance of the water treatment plant ("WTP");
- Receipt of $87.5 million in net proceeds from the Fundraise after repayment of the debt facility with Vision Blue which was settled through a set-off with the Fundraise; and
- Cash increased by $78.7 million to $89.0 million at the period end due to the proceeds received from the Fundraise offset by ongoing development activities at South Crofty.

Outlook

As described above, the Company continues to advance and derisk South Crofty towards production. The Company's near-term objectives are as follows:

- Complete dewatering of South Crofty mine and refurbishment of NCK shaft;

- Advance detailed project engineering studies;
- Place orders for long lead items of plant and equipment;
- Commence early project works, including initial construction of the groundworks for the processing plant; and
- Arrange project financing for South Crofty.

ABOUT CORNISH METALS

Cornish Metals is a dual-listed mineral exploration and development company (AIM and TSX-V: CUSN) that is advancing the South Crofty tin project towards production. South Crofty:

- is a historical, high-grade, underground tin mine located in Cornwall, United Kingdom and benefits from existing mine infrastructure including multiple shafts that can be used for future operations;
- is permitted to commence underground mining (valid to 2071), construct a new processing facility and for all necessary site infrastructure;
- has a 2024 Preliminary Economic Assessment that validates the Project's potential (see news release dated April 30, 2024 and the Technical Report entitled "South Crofty PEA"):
    - o US$201 million after-tax $NPV_{8\%}$ and 29.8% IRR
    - o 3-year after-tax payback
    - o 4,700 tonnes average annual tin production in years two through six
    - o Life of mine all-in sustaining cost of US$13,660 /tonne of payable tin
    - o Total after-tax cash flow of US$626 million from start of production
- would be the only primary producer of tin in Europe or North America. Tin is a Critical Mineral as defined by the UK, American, and Canadian governments as it is used in almost all electronic devices and electrical infrastructure. Approximately two-thirds of the tin mined today comes from China, Myanmar and Indonesia;
- benefits from strong local community, regional and national government support with a growing team of skilled people, local to Cornwall, and could generate up to 320 direct jobs.

The 2024 Preliminary Economic Assessment for South Crofty 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 categorised as Mineral Reserves. There is no certainty that the 2024 Preliminary Economic Assessment will be realised. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.

TECHNICAL INFORMATION

This news release has been reviewed and approved by Mr. Stephen Holley, BSc (Hons), ACSM, MSc, MSCM, CEng MIMMM, Feasibility Study Manager for Cornish Metals who is the designated Qualified Person as the term is defined in Canadian National Instrument 43-101 and the AIM Rules for Companies, and a Competent Person as defined under the JORC Code (2012). Mr. Holley 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

"Don Turvey"
Don Turvey
CEO and Director

Engage with us directly at our investor hub. Sign up at:https://investors.cornishmetals.com/link/6eWEjP

For additional information please contact:

Cornish Metals	Fawzi Hanano Irene Dorsman	investors@cornishmetals.com info@cornishmetals.com Tel: +1(604) 200 6664
SP Angel Corporate Finance LLP (Nominated Adviser & Joint Broker)	Richard Morrison Charlie Bouverat Grant Barker	Tel: +44 203 470 0470
Hannam & Partners (Joint Broker)	Matthew Hasson Andrew Chubb Jay Ashfield	cornish@hannam.partners Tel: +44 207 907 8500
BlytheRay (Financial PR)	Tim Blythe Megan Ray	cornishmetals@blytheray.com Tel: +44 207 138 3204

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Caution regarding forward looking statements

This news release may contain 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. 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; 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. 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.

Caution regarding non-IFRS measures

This news release contains certain terms or performance measures commonly used in the mining industry that are not defined under International Financial Reporting Standards ("IFRS"), including "all-in sustaining costs". Non-IFRS measures do not have any standardized meaning prescribed under IFRS, and therefore they may not be comparable to similar measures employed by other companies. The data presented is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS and should be read in conjunction with Cornish Metals' consolidated financial statements and Management Discussion and Analysis, available on its website and on SEDAR+ at www.sedarplus.ca.

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)

	March 31, 2025	December 31, 2024
ASSETS		
Current		
Cash	$ 88,954,141	$ 9,589,029
Marketable securities	3,078,376	2,874,696
Receivables	2,862,514	2,697,326
Prepaid expenses	673,554	504,902
Deferred financing fees	-	637,718
	95,568,585	16,303,671

Deposits	112,576	64,341
Property, plant and equipment	27,143,529	27,132,244
Exploration and evaluation assets	90,750,183	79,961,014
	$ 213,574,873	$ 123,461,270
LIABILITIES		
Current		
Accounts payable and accrued liabilities	$ 5,735,330	$ 4,045,083
Deferred income	-	150,000
Loan liability	-	13,457,169
	5,735,330	17,652,252
NSR liability	9,826,144	9,869,289
	15,561,474	27,521,541
SHAREHOLDERS' EQUITY		
Capital stock	229,373,265	128,394,652
Capital contribution	2,007,665	2,007,665
Share-based payment reserve	1,604,784	1,353,933
Foreign currency translation reserve	11,528,569	7,640,757
Deficit	(46,500,884)	(43,457,278)
	198,013,399	95,939,729
	$ 213,574,873	$ 123,461,270

CONSOLIDATED CONDENSED INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE INCOME (LOSS)

(Unaudited)

(Expressed in Canadian dollars)

	Three months ended	
	March 31, 2025	March 31, 2024
EXPENSES		
Travel and marketing	$ 205,667	$ 214,138

Insurance	179,920	203,063
Office, miscellaneous and rent	91,226	56,505
Professional fees	541,343	275,093
Generative exploration costs	-	1,191
Regulatory and filing fees	30,398	29,265
Share-based compensation	162,617	123,799
Salaries, directors' fees and benefits	1,978,552	1,856,144
Total operating expenses	(3,189,723)	(2,759,198)
Interest income	133,582	265,666
Interest expense	(486,337)	-
Foreign exchange gain (loss)	377,892	(18,900)
Gain on receipt of non-refundable deposit	150,000	-
Unrealized loss on marketable securities	(29,020)	(49,237)
Loss for the period	(3,043,606)	(2,561,669)
Foreign currency translation	3,887,812	1,413,937
Total comprehensive income (loss) for the period	$ 844,206	$ (1,147,732)
Basic and diluted loss per share	$ (0.00)	$ (0.00)
Weighted average number of common shares outstanding	665,925,628	535,270,712

CONSOLIDATED CONDENSED INTERIM STATEMENTS OF CASH FLOWS

(Unaudited)
(Expressed in Canadian dollars)

	For the three months ended	
	March 31, 2025	March 31, 2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss for the period	$ (3,043,606)	$ (2,561,669)
Items not involving cash:		
Share-based compensation	162,617	123,799
Interest expense	486,337	-
Foreign exchange (gain) loss	(377,892)	18,900
Gain on receipt of non-refundable deposit	(150,000)	-
Unrealized loss on marketable securities	29,020	49,237
Changes in non-cash working capital items:		
(Increase) decrease in receivables	(91,322)	19,706
Increase in prepaid expenses	(214,282)	(16,527)
Increase in accounts payable and accrued liabilities	1,008,512	1,217,990
Net cash used in operating activities	(2,190,616)	(1,148,564)
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(81,585)	(2,369,406)
Acquisition of exploration and evaluation assets	(6,476,236)	(5,525,982)
Increase in deposits	(45,079)	-
Net cash used in investing activities	(6,602,900)	(7,895,388)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from the Fundraise	91,566,076	-
Share issue costs	(4,052,721)	-
Increase in deferred financing fees	-	(85,646)
Net cash provided by (used in) financing activities	87,513,355	(85,646)
Change in cash during the period	78,719,839	(9,129,598)
Cash, beginning of the period	9,589,029	25,791,552
Impact of foreign exchange on cash	645,273	353,795
Cash, end of the period	$ 88,954,141	$ 17,015,749
Cash paid during the period for interest	$ -	$ -
Cash paid during the period for income taxes	$ -	$ -

CONSOLIDATED CONDENSED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

(Unaudited)

(Expressed in Canadian dollars)

	Capital stock					
	Number of shares	Amount	Capital contribution	Share-based payment reserve	Foreign currency translation reserve	Deficit
Balance at December 31, 2023	535,270,712	$128,394,652	$ 2,007,665	$ 711,690	$ 1,369,146	$ (42,391,158)
Foreign currency translation	-	-	-	-	1,413,937	-
Share-based compensation	-	-	-	178,149	-	
Loss for the period	-	-	-	-	-	(2,561,669)
Balance at March 31, 2024	**535,270,712**	**$128,394,652**	**$ 2,007,665**	**$ 889,839**	**$ 2,783,083**	**$ (44,952,827)**
Balance at December 31, 2024	535,270,712	$128,394,652	$ 2,007,665	$ 1,353,933	$ 7,640,757	$ (43,457,278)
Share issuance pursuant to Fundraise	717,143,367	105,361,387	-	-	-	-
Share issue costs	-	(4,382,774)	-	-	-	
Foreign currency translation	-	-	-	-	3,887,812	-
Share-based compensation	-	-	-	250,851	-	
Loss for the period	-	-	-	-	-	(3,043,606)
Balance at March 31, 2025	**1,252,414,079**	**$229,373,265**	**$ 2,007,665**	**$ 1,604,784**	**$11,528,569**	**$ (46,500,884)**

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