













CornishMetals

2024 Sustainability Report

About Cornish Metals

Cornish Metals Inc. ("Cornish Metals" or "the Company") is a mineral exploration and development company quoted on both the Alternative Investment Market of the London Stock Exchange (AIM: CUSN) and the Canadian TSX Venture Exchange (TSX-V:CUSN). Cornish Metals is working towards re-opening its wholly owned and permitted South Crofty underground tin mine located in Cornwall, UK. South Crofty is a high-grade tin resource and has the potential to be amongst the lowest cost producers globally.

Secure and responsible tin for a sustainable future

About this Report

This is Cornish Metals' first annual sustainability report, marking a significant step towards greater transparency by the Company. Whilst we have always had a firm commitment to seeking sustainable and responsible ways of operating as well as maintaining high standards – especially when it comes to health and safety, environment and community engagement – this report allows us to formally outline our material sustainability-related impacts, risks and opportunities and our efforts to address these.

We have voluntarily elected to use the standards developed by the Global Reporting Initiative ("GRI Standards"), as the basis of our reporting approach to enhance transparency, accountability and stakeholder trust. This globally recognised framework enables us to disclose our most material sustainability impacts in a consistent and comparable manner, aligning with stakeholder expectations and emerging regulatory requirements.

The GRI Standards provide a structured approach to reporting on economic, environmental and social topics, helping organisations measure and communicate their sustainability performance.

This report focuses on Cornish Metals' 100% owned South Crofty tin project in Cornwall, UK, as the principal business activity is mineral exploration and development in this region.

Cornish Metals has reported in accordance with the GRI Standards for the period 1 January 2024 to 31 December 2024, providing an overview of our 2024 performance, as well as key priorities and next steps. In line with standard practice, our report content has been defined based on Cornish Metals' highest priority sustainability topics as assessed through our materiality assessment (see page 12 for more details); we actively manage a range of other topics that are not included in this report. A GRI index is provided on our <u>website</u> and corresponding data are included in the Appendix. Achieving high-quality data is a well-recognised challenge in sustainability reporting and we have worked to rise to that challenge. Since early 2023, we have been developing and improving systems for the collection of our sustainability-related data in readiness for public disclosure. We recognise that independent external assurance is an important component of sustainability reporting as it helps to maintain transparency and trust. As a step towards building the capacity of our teams in readiness for that process in the future, an external consultant has worked closely with us so that we can be confident about the reliability of the data presented in this report. Data are reported as measured or calculated, without rounding, to support transparency and consistency. This approach is not intended to imply a higher degree of accuracy than can reasonably be expected at this early stage of our external sustainability reporting as we continue to develop and improve our data collection and verification processes. The process included meeting with data owners to understand data collection systems and processes, reviewing interim data processing spreadsheets and interrogating samples of source data.

Reference is made in this report to our <u>Preliminary</u> <u>Economic Assessment ("PEA")</u> which was published in May, 2024.

We welcome feedback from our stakeholders on our reporting and practices – please contact ESG@cornishmetals.com.

2024 At a Glance

South Crofty Project 100% owned by Cornish Metals

Positive Preliminary Economic Assessment published for South Crofty

31 (

Average number of hours of H&S training received by employees

1,290

Local primary school children benefitted from our outreach programme

Improvement of the Red River water quality downstream of Roscroggan Adit Discharge

Table of Contents

About Cornish Metals	2	CEO Introduction	10	Social	22
Tin Uses and Demand	4	Material Topics	12	Environmental	38
South Crofty	6	Sustainability Management	14	Appendix	48
Strategy, Vision, Mission and Values	8	Governance and Ethics	20	Glossary	53

TSX-V: CUSN AIM: CUSN

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About Cornish Metals

Reviving the UK's tin industry for a sustainable future

Cornish Metals is driving forward the restart of South Crofty, the high-grade underground tin mine located in the historic Central Mining District of Cornwall, UK, situated in the parish of Pool, between the towns of Camborne and Redruth.

With a mining history spanning over 400 years, South Crofty has the potential to become a low-cost, globally significant tin producer, helping to secure a responsible and domestic supply of this critical metal.

Re-opening South Crofty will not only contribute to the growing global demand for tin but also bring significant local economic benefits. Expected to create approximately 320 high-skilled jobs as well as indirect employment for up to 1,000 people though the supply chain across various sectors, based on information in the PEA, the project has the potential to provide a substantial boost to Cornwall's economy. Cornish Metals will provide training and skills development where necessary in order to maximise employment of local people. The mine's development has the potential to generate over £100 million in corporate tax contributions to the UK, supporting national infrastructure and public services over the life of the mine¹.

Tin is essential for electronics, batteries, robotics, renewable energy, 5G and cloud storage -all of which are vital to the energy transition. Global tin demand is projected to rise by approximately 25% over the next decade, yet there is no primary tin production in Europe or North America. With the UK, USA and Canada designating tin as a Critical Mineral, Cornish Metals is strategically positioned to deliver a secure, responsible, and domestic tin supply for the modern economy.

Bringing tin mining back to Cornwall at South Crofty

Revitalising Cornwall's proud mining heritage, we are bringing tin mining back to South Crofty; combining centuries of history with modern mining and processing methods to build a sustainable, future-facing industry for the 21st century.

Looking ahead, there is potential for growth through responsible practices and future expansion, as well as highly prospective in-mine and near-mine exploration to grow the Mineral Resource and extend the mine life. There is also the opportunity to consider downstream development, including future tin refining in the UK.

A rich mining legacy

The South Crofty Project is a historic tin mine in Cornwall and once a key player in the region's world-famous tin mining industry. With operations dating back centuries (with the first documented production in 1592), South Crofty was the last tin mine in Cornwall to close, ceasing operations in March 1998, at which point the mine dewatering pumps were switched off and the mine workings were allowed to flood.

A new chapter begins

Since 2016, Cornish Metals has secured all necessary permissions to dewater the mine and carry out refurbishment works, as well as conduct further mineral exploration, laying the groundwork to return to tin production. The Project's extensive 1,490 hectare (ha) underground permissions extend over 26 historic mining operations. South Crofty is expected to become the only primary producer of tin in Europe or North America. As part of the preparations, a Water Treatment Plant has been constructed to remove contaminants from mine water, significantly improving the quality of local river water downstream of the discharge point and capable of treating up to 25 million litres of water per day; the equivalent to filling 10 Olympic-sized swimming pools.

Future operations are planned to utilise underground mining methods with minimal surface impact, relying on existing shafts and decline access for efficient ore extraction. The tin concentrate will be produced through a low-visual-impact process plant, which will include ore sorters to reduce plant throughput and help limit energy consumption.

We plan to backfill mine voids with process plant tailings, eliminating





See the Preliminary Economic Assessment for information.

the need for a surface tailings storage facility. The project aims to maintain a low-impact operation with a strong focus on environmental stewardship, while maintaining open communication with local communities and encouraging ongoing feedback.

Tin Uses and Demand

Tin: fundamental for modern society





Electronics



Packaging (Food & Beverages)





Automotive





Flexible, malleable, non-toxic, corrosion resistant and highly conductive



Bronze, tin plate, white metal alloys, glass floating, PVC plastic production, food packaging



Solder - electronics & electrification, batteries, robotics, 5G data networks, solar panels, touch screen displays

Technology and energy transition



... driving tin demand





- Increasingly complex AI models need great processing power, raising graphics processing



• Large growth in data storage, data processing and growing use of AI bolstering tin use

5

About South Crofty



7

Overview

Strategy and Business Model

Our strategic priorities for 2025

Cornish Metals is committed to delivering long-term value through a focus on operational excellence, responsible Mineral Resource development and sustainable growth. Our strategic priorities for 2025 are safety, efficient project execution and a focus on ESC as we progress towards our vision of becoming a leading supplier of secure and responsible tin for a sustainable future.

Our strategic priorities for 2025 align with our core values: prioritising safety, embracing sustainable and responsible mining practices, and maintaining transparency and integrity in all aspects of our business through:

A commitment to a safe and healthy v environment

- Advancing South Crofty by ensuring project deliverability
- Funding the path to production
- Enhancing operational efficiency
- Embedding sustainability in every aspect of the business

Vision, Mission and Values



• Safety and Sustainability.

Our top priority is the safety and health of our employees, contractors and surrounding communities. We are committed to implementing sustainable practices throughout our business.

Integrity & Authenticity

We conduct our business with integrity and transparency. We do what we say we will do. We respect diversity and value people. We aim to build long term, mutually beneficial relationships with our shareholder, suppliers, customers, communities and other stakeholders. We are true to ourselves and our heritage.

Excellence

We strive for excellence in everything we do. We work together to be better every day. We seek to use innovative technologies and methods to enhance productivity, be cost efficient and to limit adverse environmental and social impact.



New Cooks Kitchen shaft, South Crofty mine

CEO Introduction



"We actively engage with industry bodies and associations to promote responsible mining."

I am pleased to introduce Cornish Metals' first sustainability report, marking an important milestone in our commitment to transparency and accountability. As a relatively small team, we have always operated with a strong sense of responsibility. However, as the Company continues to grow, we recognise the need to formalise our approach as we move towards the project execution stage at South Crofty. In 2024, we undertook an initiative to reaffirm and articulate our core values of safety and sustainability, integrity, authenticity and excellence which guide our decision making. Whilst I believe that these values have always been at the heart of our operations and engagements, this report provides our first formal opportunity to demonstrate how we integrate them into our daily practices. It outlines our material impacts, risks and opportunities and reviews our performance in these critical areas.

Building strong partnerships

Stakeholder engagement has been integral to our approach from the very start. As a team rooted in the local community, we recognise that strong relationships are built on trust, transparency and genuine collaboration. We have always prioritised open dialogue, ensuring that our plans align with the needs and aspirations of those who live and work locally. Beyond engagement, we actively invest in our community. From inspiring future generations through our formal education outreach and work experience programmes to supporting local traditions such as Trevithick Day, we are committed to fostering pride in Cornwall's rich mining heritage while helping to shape its future. We have a strong history of contributing to local causes and in 2024, we introduced a formal community investment procedure to structure and strengthen our support. We are also conducting a socioeconomic assessment in 2025 to gain deeper insight into our long-term impact and ensure that our efforts deliver real and lasting value.

Our commitment to collaboration and high sustainability standards was

demonstrated through the rigorous due diligence process we underwent in 2024 to secure £57.4 million funding, cornerstoned by the National Wealth Fund Limited and Vision Blue Resources Limited. We believe this reflects the strength of our approach and our ability to meet demanding criteria, as well as the confidence of our stakeholders in our vision to bring tin mining back to Cornwall in a way that affords lasting environmental, social and economic benefits.

We actively engage with industry bodies and associations to promote responsible mining, share best practices and advocate for the role of modern mining in the UK. As we advance our operations, we anticipate significant economic benefits, and we are committed to ensuring these are shared with the communities in which we work. Through local employment, supply chain opportunities and targeted community investments, we aim to drive sustainable economic growth and contribute to Cornwall's long-term prosperity.

Laying the foundations for responsible growth

As we work towards reopening the South Crofty tin mine, we are focused on building a responsible, future-facing operation that honours Cornwall's rich mining heritage whilst aligning with modern stakeholder expectations. South Crofty is a permitted, low-impact underground mine with excellent infrastructure, significant economic and environmental benefits and the potential to support multiple generations in the area.

Tin is critical to the global energy transition, yet there is currently no primary production in Europe or North America. By re-establishing tin production in the UK in a responsible manner, we have a unique opportunity to strengthen domestic supply chains, support local businesses and communities, and contribute to a secure and responsible source of this essential material.

Safety remains our top priority and we have implemented rigorous standards that reflect our strong commitment.

Our performance in this area, with zero lost time injuries in 2024, is a testament to the quality of our training - particularly given that many of our employees are entering an underground mining environment for the first time. As we continue to grow, we recognise the need to continuously develop and formalise policies and procedures further, ensuring that our approach remains robust and proactive.

We are committed to responsible employment practices, fostering a fair and supportive workplace. By prioritising local hiring, investing in skills development and incorporating international best practice, we aim to create high-quality employment opportunities that contribute to Cornwall's economic growth whilst ensuring our workforce is equipped for the future.

Strengthening our approach to sustainability

We are taking a phased approach to embedding sustainability across our business, beginning with a one-year sustainability plan developed in 2024 for implementation in 2025. This lays the groundwork by identifying our most material topics, defining our approach to setting targets and outlining actions to measure and drive performance. One important aspect of this was the engagement of external consultants towards the end of 2024 to assist in the development of a suitable approach to addressing climate governance. We will build on this foundation to develop a sustainability strategy that supports our growth ambitions.

One of our most immediate priorities is environmental stewardship. The commissioning of our water treatment plant in 2023 was a major step forward, enabling us to reduce the environmental impact of historic activities while preparing South Crofty for the future. As we progress mine dewatering, we are actively exploring opportunities to utilise the treated water's elevated temperature for renewable heating solutions that could benefit the local community.

We recognise however, that we are still in the early stages of developing a more formal sustainability strategy, and whilst we have always had the culture and intentions to do things the right way - working in close proximity with our neighbours and local communities, we are now working to establish the necessary processes and structures needed to report publicly and continue to embed sustainability into every aspect of our business.

I know the full Board joins me in expressing our sincere gratitude for the continued support of all our stakeholders. As we continue to lay the foundations for a sustainable future for Cornish Metals, we remain committed to creating lasting value for those who share in our progress.

Don Turvey **Chief Executive Officer**

Material Topics

Determining what is important for us and our stakeholders

We conducted an externally facilitated double materiality assessment at the end of 2023 to identify, analyse

Rigorous desktop research

- Cornish Metals' operating context
- Relevant reporting standards and frameworks
- Regulatory requirements
 International voluntary
- initiatives
- Global risks and industry and peer-related issues

Approval

 The final list of material topics was reviewed and approved by our leadership team and Board, ensuring alignment with our long-term objectives and stakeholder expectations

and prioritise Cornish Metals' most material sustainability-related topics. The process, detailed below, evaluated both our impacts on the economy, environment and people as well as

how a wide range of topics influence the Company's ability to create longterm economic value.

Stakeholder engagement

- +70 internal and external stakeholder questionnaires
- Positive ar actual and
 - sessed, considering cale, scope and likelihood

Validation

• Threshold set for highest priority topics, with prioritisation applied

Prioritisation

6. Co

and

- These eight topics inform the Company's strategy and sustainability reporting
- worksnop with senior management, Board members and cross-functional representatives from all key areas of the business to interrogate and refine findings

Our material topics

The assessment resulted in 17 important topics – eight of which are deemed high priority based on the Company's current stage of development. These topics, shown opposite in their order of priority, are the focal point of both our sustainability plan and this sustainability report. However, this does not diminish the importance of the remaining topics, all of which are monitored and actively managed as part of our ongoing operations.

As the Company continues to grow and the development of South Crofty progresses, it is likely that our prioritisation of topics will also evolve. Therefore, we will continue to reassess and update as required through annual internal reviews and more comprehensive materiality assessment as required.

Social	Environ
1. Stakeholder relations and impact on people	
2. Occupational health and safety	
3. Local community investment	
4. Economic value	
8. Responsible employment	
	Social 1. Stakeholder relations and impact on people 2. Occupational health and safety 3. Local community investment 4. Economic value 8. Responsible employment

Cornish

Welcoming stakeholders to South Crofty mine.

Sustainability Management

Governance of sustainability

	Audit Committee	Ken Armstrong Samantha Hoe-Richardson Tony Trahar Patrick Anderson	The primary function of the Audit Committee is to assist the Board in overseeing the Company's financial reporting by reviewing financial statements and other information provided to regulators and shareholders, evaluating internal controls over finance and accounting and monitoring auditing, accounting, and financial reporting processes. Its key responsibilities include serving as an independent body to oversee financial reporting and internal controls, appraising the performance of external auditors, and facilitating open communication among auditors, management and the Board. The Audit Committee's charter is outlined in the Board Mandate and Committee Organisation.
BOARD	Renumeration Committee	John McGloin Tony Trahar Samantha Hoe-Richardson Don Njegovan	The Remuneration Committee is responsible for determining and agreeing with the Board the framework for the remuneration of the executive management and, within the terms of the agreed framework, determining the total individual remuneration packages of such persons including, where appropriate, bonuses, incentive payments and share options or other share awards. The Remuneration of Non-Executive Directors is a matter for the Chairman and the executive members of the Board. No Director is involved in any decision as to his or her own remuneration. The terms of reference of the remuneration committee are set out in the Board Mandate and Committee Organisation.
	Sustainability Committee	Stephen Gatley Samantha Hoe-Richardson Patrick Anderson	The Sustainability Committee is responsible for embedding the Company's commitment to responsible business practices by overseeing the development of our sustainability programme and monitoring the Company's governance, health and safety, environmental and social performance. A primary goal for the committee when it was established was to achieve the publication of an inaugural sustainability report to a recognised industry standard, enabling the Company to share details about its sustainability approach and performance.

Our Board-level Sustainability Committee oversees, guides and supports the implementation of our sustainability programme. Meeting at least four times per year, it ensures the Company's commitment to responsible business practices by overseeing the development of our sustainability programme and monitoring the Company's governance, health and safety, environmental and social performance.

Under its duties the Sustainability Committee has reviewed and approved this report.

The Sustainability Committee comprises Stephen Gatley (Chair, Independent Non-Executive Director), Patrick F.N. Anderson (Non-Executive Chairman) and Samantha Hoe-Richardson (Independent Non-Executive Director). Our committee members have diverse knowledge and experience in the mining sector and sustainability (as detailed above) which enables them to effectively oversee and guide the Company's sustainability and environmental, social and governance ("ESG") initiatives.



Stephen Gatley



Patrick F.N. Anderson



Samantha Hoe-Richardson

A mining engineer and graduate of the Royal School of Mines, London. He spent the early part of his career working in the Cornish tin industry at both Wheal Jane and South Crofty mines and was the General Manager at South Crofty at the time of its closure in 1998. He also worked in senior positions for Rio Tinto plc, prior to joining Lundin Mining Corp. where he served as Vice President Technical Services, providing technical oversight to Lundin's operating mines and growth initiatives, and where he was also responsible for environment, social and sustainability reporting from 2012 to 2014.

Mr. Anderson holds a BSc. Degree in geology from the University of Toronto and is an entrepreneur and executive with over 30 years of experience in the resource sector. He has held key roles across gold, base metals, and diamond projects for junior explorers, major producers, and consulting firms in South America, North America and Europe. He founded Dalradian Resources Inc., he led the discovery of over 6 million ounces of gold at Curraghinalt and executed a \$537 million go-private transaction. Previously, he co-founded Aurelian Resources Inc., overseeing the discovery of the 13.7 million-ounce Fruta del Norte deposit. Mr. Anderson has been named Mining Man of the Year by The Northern Miner and received the PDAC Thayer Lindsley Award. He recently served as Lead Independent Director for Osisko Mining in its acquisition by Gold Fields Ltd. Currently, he is the CEO of private Dalradian Resources, non-executive director of Osisko Metals and Chairman of Cornish Metals Inc.

Samantha Hoe-Richardson is an experienced nonexecutive director from a global mining, infrastructure and insurance background. She is currently a nonexecutive director of WE Soda Ltd, Assured Guaranty UK Ltd, Ascot Underwriting Limited and Independent Group Advisor on Climate Change & Sustainability to Laing O'Rourke. Samantha 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. Samantha holds a Masters Degree in nuclear and electrical engineering from the University of Cambridge.

Sustainability Management continued

Responsibility for the implementation of Cornish Metals' sustainability management and practices is delegated to our Chief Development Officer ("CDO"). Cornish Metals has a dedicated ESG Manager; however, in order to ensure an integrated approach, cross-functional teams are responsible for the management of relevant ESG factors across the business. To enhance alignment, our ESG Manager regularly attends operational meetings to stay informed on sustainability-related matters and serves as a key link between the teams and the Sustainability Committee.

The Sustainability Committee receives quarterly reports on Cornish Metals' ESG performance. The Board reviews key sustainability metrics, including health, safety and environmental performance, on a monthly basis.

The Audit Committee is responsible for the effective operation of Cornish Metals' whistleblowing processes and overseeing the Company-wide risk management process.

Key Sustainability Committee activities in 2024			
Key topic	Activity		
Policies	Undertook annual review of corporate policies.Requested staged gap analysis of policy implementation.		
Reporting	 Supported executive management's commitment to prepare our first sustainability report for 2024 in line with an internationally recognised framework. Reviewed ESG performance data on a quarterly basis. 		
Performance indicators	 Requested more comprehensive H&S reporting indicators to improve alignment with sustainability reporting frameworks and sector norms. Requested formal tracking of leading and lagging indicators for 2025. 		
Sustainability performance	 Requested and approved initial definitions for use in reporting H&S performance data. Approved materiality assessment outcome in Ql 2024. Reviewed actions for ensuring continual improvement of ESG and Sustainability initiatives. 		
Climate governance	• Requested climate governance strategy and roadmap to be initiated and developed during 2025.		
Budget	• Reviewed ESG and sustainability budget.		
Sustainability progress and planning	• Requested and approved sustainability planning and progress schedule for 2025.		



South Crofty mine rescue team during training

Sustainability Management continued

Our approach to sustainability

Guided by our vision and mission and underpinned by our values, we identified thirteen strategic themes centred on our priority sustainability topics whilst also aligning with legal, regulatory and voluntary commitments and global expectations for our sector. We allocated the themes across three connected 'pillars' founded on the core elements of our Mission to provide structure and direction as we progress our plan for integrating sustainability into our business.

Cornish Metals aims to conduct business in a sustainable manner

by integrating good ESG practices into how we work. This encompasses our efforts to act with integrity, effectively assess and manage risk, minimise our environmental and social impacts and identify opportunities to make a positive contribution to the local environment, communities and economy. Our approach is underpinned by our Sustainability and ESG Policy, which is available from our website.

We believe we have a strong track record of operating safely and respecting local communities and other stakeholders as well as our environment. This has been

inherent in the culture of our people - most of whom live in the local area - and reflects our commitment to responsible and sustainable operations. However, as the Company continues to grow, we recognise the need to establish structured processes to integrate sustainability into decision-making. In 2024, we developed an initial one-year sustainability plan which sets the foundation by prioritising material sustainability topics and defining our approach for setting targets, outlining actions to achieve these targets, evaluating progress and ultimately driving performance. This will guide our longer-term sustainability strategy.

Resilient business



- Maintain strong relationships with stakeholders and deliver shared value.
- Be accountable and meet the expectations of investors and future customers.
- Employ responsible business practices, managing risk and acting with integrity and transparency.
- Understand and act on sustainability impacts, risks and opportunities, including those related to climate change
- Innovate to enhance productivity, efficiency and limited adverse impact.

OUR MISSION

OUR VISION

Focus on people



OUR VALUES

Care for the



and further governance

Sustainability risk management We recognise that sustainability risks and opportunities need to be incorporated into Cornish Metals' overall risk register, with the aim of fully embedding them into decisionmaking. Certain sustainability risks and opportunities, such as those related to safety and community relations, have been central to our decision-making from the outset. As our approach to sustainability continues to evolve, we are broadening our focus with the ambition of considering all relevant risks as effectively as possible. We recognise the need for continuous improvement and are actively working to strengthen our processes. To support this, for example, we are currently working with external consultants to map out climaterelated risks and opportunities.

The Board and management are committed to proactive and effective risk management, integrating risk considerations into planning and decision-making. Our current

approach includes maintaining a risk register, assigning risk owners, considering stakeholder impacts and measures within our accepted risk appetite. We regularly review and continuous improvement through training, regulatory compliance and fostering a risk-aware culture across the business.

Cornish Metals' internal risk committee, comprising relevant department heads including our ESG Manager, meets on a quarterly basis to update the register. We also hold bi-annual risk workshops with the wider management team and executives, incorporating input from key risk owners. A report is then provided to the Audit Committee every six months.

Cornish Metals is committed to compliance with all applicable laws and regulations. During the 2024 reporting year we recorded no significant non-compliances.

Quote from Ellie Inglis-Woolcock, Principal Development Officer – Minerals and Waste, **Cornwall Council**

"From the Mineral Planning Authority's perspective, and our engagement with Cornish Metals through their proposals, we feel that they are using sustainability principles as one of the drivers for their business and are considering all aspects of sustainability throughout their decisions."

18

5. Identify

actions to

approach to

ensure a

targets

Stakeholder engagement Cornish Metals takes a proactive approach to stakeholder engagement. The Board delegates responsibility for direct engagement with our stakeholders to relevant management team members. With feedback provided to the Board and/or Sustainability Committee as appropriate. Through our mapping activities, we have identified key stakeholder groups for prioritisation in our engagement approach. See a summary of why and how we engage on page 29 in stakeholder relations and impact on people, as well as key topics and issues raised. The frequency of communication is tailored to the specific stakeholder group, for example, being daily for employees, weekly or monthly as required for suppliers, as appropriate depending on our activities at the time for members of the local community, and quarterly for our local liaison group.

implementing controls and mitigation report material risks, aiming to achieve

Sustainability Management

Governance and Ethics

Corporate governance and business integrity

Fostering a culture of ethical conduct with high standards of corporate governance, transparency and compliance, including upholding human rights.

Why it is important

Strong governance promotes transparency, accountability and ethical conduct, which are essential for the long-term success of the business and can enhance Cornish Metals' reputation and reduce risks of misconduct. Without the proper governance structures and ethical frameworks in place, there is potential for unethical behaviour which can harm human rights, undermine stakeholder confidence and create financial and legal risks.

Our approach

We are committed to honesty, integrity and high ethical standards, as outlined in our Group's Code of Business Conduct and Ethics. Applicable to all our people, the Code sets expectations for ethical behaviour, avoiding conflicts of interest, responsible use of assets, and compliance with laws and policies.

Recognising the importance of responsible business practices throughout our value chain, we have a Supplier Code of Conduct – discussed further below – and we will work to integrate ESG considerations into our supply chain processes going forward.

Policies

Cornish Metals has a range of corporate policies which are reviewed annually and approved by the Board and include:

- Sustainability and ESG Policy
- Code of Business Conduct and Ethics
- Risk Management Policy
- Corporate Disclosure and Insider Trading Policy

- Policy on Dealings by PDMRs
- Anti-corruption and Bribery Policy
- Health and Safety Policy
- Diversity, Equality and Inclusion Policy
- Supplier Code of Conduct
- Procurement Policy
- Anti-slavery and Human Trafficking Policy
- Whistleblowing Policy

Having conducted a comprehensive process in 2023 to update our policies and tailor them to our specific stage of development, we have recently performed an annual review, which aims to ensure that they remain relevant and practical to implement on the ground, with clear accountability and compliance requirements. Additional policies will be established in 2025, as required.

Policy communication and training Policies are made available to all our employees on the website with interpretation in the Staff Handbook available on our internal online HR Portal. Our internal policies are also communicated to our new employees as part of the onboarding process. We held an internal policy awareness workshop for our department managers in early 2024 when the new policies were established. As the Company continues to grow, we are looking to formalise our policy communication process with the introduction of a training presentation, as well as the requirement for employees to read, understand and accept our policies.

Towards the end of 2024, we established an online training platform which is available to all employees on our HR Portal. Training centres around key corporate values and includes a new programme every month. Recent training courses have covered areas such as equality, diversity and harassment and provide a way of raising awareness as well as underscoring the behaviours expected by our corporate policies. We plan to

implement a process to record training hours in 2025.

Supply chain practices

Cornish Metals' Supplier Code of Conduct requires suppliers to comply with applicable laws, statutes and regulations relating to the prevention of bribery and corruption wherever they operate. As a small team, we currently maintain direct communication with our suppliers, which we believe allows for close oversight. At the same time, we are mindful of balancing responsible business practices with practical expectations, particularly as we prioritise working with local suppliers. We are beginning to work with our main contractors and suppliers to establish a focus on ESG and sustainable practices, whilst also ensuring excessive reporting requirements are not imposed on smaller businesses at this stage. We will continue supporting our contractors and suppliers as necessary to work with us as we further develop our sustainability practices as the project progresses.

Anti-bribery and corruption

Cornish Metals has a zero-tolerance policy on bribery and corruption, committing to fairness, integrity and professionalism in all business dealings and relationships. Applicable to employees, contractors, directors and partners, it outlines definitions, acceptable behaviour, record-keeping, consequences of breaches and whistleblowing procedures. There were no reported incidents of corruption in 2024.

Human rights

Cornish Metals addresses core internationally recognised human rights within its corporate policies including, for example, fair and safe working conditions, nondiscrimination and equality, freedom from forced labour, right to privacy and access to remedy through grievance mechanisms. All these areas are discussed in more detail throughout this report.

We are committed to a workplace free from discrimination, harassment and bullying, where all staff are treated with dignity and respect. Our policies outline harassment types, reporting steps and support processes.

We expect suppliers to uphold human rights and legal standards. Our Supplier Code of Conduct sets clear expectations on equality and non-discrimination, fair and inclusive employment, freedom of association and collective bargaining and workplace health and safety in line with legal and industry standards.

As part of our commitment to upholding human rights, we also have a dedicated Anti-Slavery and Human Trafficking Policy.

Whistleblowing

We aim to cultivate a culture of openness and accountability and encourage whistleblowing in the event of unethical or potentially illegal activities, or the breach of our policies. We have a formal whistleblowing policy which applies to all directors,

officers and employees of the Group and is available on our website. The clear procedures set out in the policy enable our staff to raise concerns in a confidential manner, without fear of reprisals or victimisation. Incidents can be raised with the Whistleblowing Officer or submitted by the external SeeHearSpeakUp online and telephone service which is available 24/7

Critical concerns raised through whistleblowing or grievance mechanisms are reported to the Audit Committee (as a standing agenda item for each meeting), which has overall responsibility for the policy as well as the effectiveness of actions taken in response to concerns raised, supported by our Whistleblowing Officer. No reports were made in 2024.

Cornish Metals has separate internal grievance procedures for personal employment-related concerns – see further information on page 27.

Governance: Priorities for 2025



Corporate governance

The Board upholds appropriate corporate governance practices, both in the interests of its shareholders and to contribute to effective and efficient decision-making. Cornish Metals is dual-traded on AIM and TSX-V and therefore has regard to the corporate governance codes under each listing. See further detail on our <u>website</u>. In 2025, the Company will conduct a full corporate governance review as part of the redomicile of the parent company and its subsequent readmission to AIM.

More information on our corporate governance practices can be found on our website

Social

Health and Safety

Implementing the correct practices, policies and processes to prevent work-related injuries or incidents and to promote a safe and healthy working environment for all our employees and contractors.

Safety

Why it is important

We understand that a well-designed and implemented Health and Safety Management System is crucial for providing a safe and healthy work environment for employees and contractors, ensuring the Company's long-term sustainability. Without proper safety measures, workers are at risk of illness, injuries or even fatalities, given the industry in which we work. A strong focus on occupational health and wellbeing can boost productivity, morale and company reputation, benefiting both employees and the business.

Our approach

We prioritise safety and responsible management of all aspects of our activities, ensuring compliance with legal requirements, industry standards and good practice. Our Health and Safety Policy applies to all our employees, contractors, consultants, other business partners and visitors. It is available through the Company's website and is communicated clearly to all staff, contractors and visitors during the Group's induction process prior to any work on, or visit to, our premises, exploration drilling sites or other work locations.

The Board oversees the policy, with the General Manager responsible for implementation and monitoring and overall responsibility for health and safety for South Crofty operations, ensuring compliance with all applicable mining safety regulations. All employees share responsibility for maintaining a safe workplace,

supported by Department Managers, Supervisors and the Health and Safety Officer. Employees must report any health or safety concerns to their supervisor or the relevant contact and are responsible for complying with all statutory provisions under applicable regulations. In line with UK Health and Safety legislation via the Mines Regulations 2014, Cornish Metals has developed the 'Manager's Rules', a health and safety document covering:

- Hazard identification, risk assessment and control measures;
- Adequate training and competency assurance;
- Personal Protective Equipment ("PPE") requirements; and
- Emergency preparedness, including fire safety and first aid.

Safety management is constantly evolving on site throughout different stages of construction. During 2024, we commenced the process to introduce a Health and Safety Management System for the mine water treatment plant which we will expand to all our operations in the future. 2024 has also introduced a new focus onto New Cooks Kitchen Shaft during its refurbishment, which currently represents the highest risk area within our operations, with specific risk assessment and operational procedures developed and introduced. However, as the site continues to develop, we will broaden our safety management in line with new work areas and industry best practice.

All incidents, such as lost-time injuries ("LTI"), medical treatment, first aid. environmental, near misses, property damage and High Potential Incidents ("HPI") at work are reported to the Health and Safety Officer, the statutory Mine Manager or nominated deputy and recorded.

To drive continuous improvement, employees are encouraged to suggest risk reduction measures post-incident

and provide feedback through suggestion forms.

We tracked lagging health and safety indicators throughout 2024, and towards the end of the year we launched trial Safety Performance Indicators ("SPI"), using existing systems to set measurable targets in areas such as toolbox talks, safety training and inspections. By focusing on both leading and lagging indicators, we aim to proactively manage risks and reduce incidents.

We promote a strong safety culture through our 10 'Life Saving Rules', which highlight the key safety risks, the importance of safe working and aim to outline expected behaviours to prevent accidents. These form part of the Manager's Rules and are integrated into training and displayed on site notice boards. Employees are encouraged to discuss safety concerns with Supervisors, who escalate them in management meetings for appropriate action. Regular workplace inspections, incident investigations and internal audits have been conducted by Cornish Metals to date. As we continue to progress our operations and our workforce grows, we are now working to formalise these processes.

The HSE Mines Inspectorate conducts planned site visits on a regular basis, providing verbal recommendations which we then implement to drive continuous improvement in our practices.

Independent third-party compliance testing is also conducted every six months on the shaft and winding equipment in accordance with the Mine's Regulations and industry best practice.

Safety risk management - aiming for continuous improvement



Training

Many of our employees come from diverse industries, bringing complementary skills and practices. This gives us a unique opportunity to instil best practices from day one. We prioritise comprehensive health and safety training, focusing on immediate, high-impact improvements, while our committed team drives continuous progress.

Cornish Metals ensures employees receive the necessary training to work safely in line with site policies, covering areas such as manual handling, Control of Substances Hazardous to Health ("COSHH"), working at height, asbestos awareness, gas and electrical safety and PPE use. Role-specific training is also provided, guided by comprehensive competency maps for each role or task

Most training is delivered by internal staff with accredited qualifications in training or assessment. External training is delivered for safety-critical or role-specific topics (such as first aid, working at height or manual handling). Training includes presentations and

theory examinations, with employees put on close personal supervision for a period of two to four weeks followed by a practical assessment to prove competency.

We track training and measure its effectiveness through regular planned task observations, using feedback to refine our programmes to ensure continuous improvement. We are in discussions with local colleges to develop training courses and apprenticeships for school leavers to enter the industry and provide us with the skills that we need for the life of the mine.

All contractors and visitors must complete an induction prior to site access, including a safety video and questionnaire. New employees undergo a longer, more detailed health and safety induction conducted on site to adopt safety practices in accordance with site rules. Long-term underground contractors who are required to adhere to Cornish Metals' supervision standards must complete a slightly modified version of the

- Periodic assessments to assess the risks to health and safety of employees, visitors and other third parties as a result of our activitie

- Bowtie assessments to analyse, mitigate and communicated how major hazards are controlled completed for identified operationa naior hazards
- Every on-site task requires a Risk Assessment Method Statement (RAMS) as a minimum standard; must be strictly followed.
- s per Health and Safety Policy, employees are actively encouraged report, concerns to supervisor, managers, H&S officers, or the Mi
- Leading & lagging indicators help us identify hazards and take proactive steps to prevent incidents
- As part of our ongoing efforts to develop our safety practices, we have placed greater emphasis on recording and investigating near sses and high potential incidents (HPIs).

employee underground induction to ensure safety in the underground environment.

All our winder drivers at South Crofty have successfully completed their accredited training with MRS Training & Rescue. They are fully qualified to independently operate the two winding engines currently active on New Cooks Kitchen shaft.

2024 South Crofty percentage breakdown of health and safety training hours



In 2024, employees received an average of 31 hours of occupational health and safety and work-related training



At a glance safety performance for 2024¹



1. Per 149,021 hours worked

Our complete dataset and methodologies can be found in the Appendix. Statistics include both Cornish Metals employees and workers that are not employees but whose work and/or workplace is controlled by Cornish Metals.

We recorded zero LTIs and recordable injuries in 2024 which we believe is an outstanding achievement given our relatively new workforce and the scale of the work conducted during the year which included shaft refurbishment and mine dewatering operations.

A key challenge in health and safety which still requires further development for us is the involvement of all departments in the safety risk management process, rather than the current reliance on our health and safety team. To ensure works are risk assessed and planned to a high level of technical understanding, the aim is for all departments to become more involved in the risk management procedure and write their own RAMS for tasks which they are undertaking. This will be addressed through a series of workshops which aim to support all departments through the risk management process appropriate for their work area.

Health

Occupational health

We use a specialist occupational health provider to carry out health surveillance for our employees. This includes pre-placement questionnaires to help us understand employee health and take a proactive approach to managing risks and supporting health and well-being. Our programme of occupational health screening monitors the health of employees exposed to certain work-related hazards ensuring early detection and allowing proactive steps to be taken to protect workers.

Cornish Metals assesses, mitigates and measures occupational health risks in-line with relevant UK regulations. This includes radon exposure risk in compliance with the lonising Radiations Regulation s 2017 ("IRR17").

In 2024, no employee or contractor was required to be 'classified' under the IRR17, meaning that exposure levels at South Crofty mine were under the threshold for warranting stricter monitoring or protection. We routinely undertake measures such as mine ventilation and restricting time underground to maintain exposure to

36

our employees, contractors and visitors as low as reasonably practicable. Employees and contractors regularly working underground wear personal dosimeters which are returned to the UK Health Security Agency ("UKHSA") on a monthly basis.

Health and Safety:

injuries and TRIFR

H&S toolbox talks

Social

Responsible employment

Focusing on local employment, respecting the rights of our people and prioritising strong employee engagement and responsible labour practices, including fair compensation and working hours. Attracting and retaining the talent required to fulfil our business strategy, with a strong focus on employee training and development.

Why it is important

Responsible employment practices are vital for protecting human rights, enhancing wellbeing and contributing to a more prosperous and inclusive society in the region in which we operate. This is particularly important in a region such as Cornwall which has socio-economic challenges. By promoting fair employment, we attract and retain talent, improve our reputation and support long-term success. A motivated workforce with low turnover rates contributes to business sustainability.

Our approach

We adopt responsible employment practices that meet UK legislation and we aim to follow best practice where possible. Our employee handbook includes a range of policies aimed at providing a positive, safe and healthy working environment which prioritises respecting the rights of our people and strong employee engagement. In order to achieve an inclusive workplace, we have policies for maternity, adoption, paternity, compassionate and carer leave. Our recruitment approach is to ensure that individuals are objectively assessed on the basis of their relevant merits and abilities.

One of our primary aims when it comes to recruitment is creating highquality employment opportunities in Cornwall. In our efforts to maximise local hiring, we advertise our job vacancies locally via our <u>website</u>, social and other media, engage recruitment agencies in the area in which we operate (alongside national agencies as required) and we also conduct significant outreach in the community to raise awareness of our activities and attract people to our industry.

To foster staff retention, we prioritise high-quality employment conditions, recognising that recruiting top talent is challenging and training is both costly and time-consuming. To support this, we look to provide competitive remuneration and benefits to attract, retain and motivate top talent, ensuring our people feel valued and incentivised to contribute to our long-term success. To ensure that remuneration remains competitive, we are undertaking a benchmarking exercise in H1 2025 with external consultants, which will then feed into our future employment package design, including elements such as

short-term and long-term incentives, and other benefits.

Cornish Metals offers employees healthcare coverage through a private plan, reimbursing medical expenses and providing access to a range of digital and healthcare services. Employees can easily access these benefits via an app, which includes healthcare and wellbeing tools and a 24/7 claims portal.

Our regularly reviewed benefits package includes life and income protection insurance, pension contributions, enhanced parental leave and sick pay and personal days. We also operate an employee assistance programme, offering on-demand wellbeing support and access to expert counselling services.

Our people

As activity increased at South Crofty from the latter half of 2024, our workforce increased from a headcount of 57 in January to 80 at year-end. In common with many mine development projects, the nature of the work at South Crofty site means that contractors assist our activities in areas such as exploration drilling, shaft refurbishment and general site infrastructure works. In 2024, approximately 15% of total hours worked on the project were contractor¹ hours. At a glance employment and workforce statistics for 2024



Our full dataset can be found in the Appendix.

Employee communication and grievance mechanisms

Given the relatively small size of our workforce, we have been able to maintain strong communications through relatively informal structures to date. Our HR Manager meets regularly with employees and the Company operates an open-door policy which means that people can ask questions, provide feedback and raise concerns. See employee engagement methods on page 29. Performance and career development reviews are conducted informally at present; however, we plan to introduce a formal process for 2025.

We follow UK legislation in terms of informing and consulting employees about significant workplace changes. Currently none of our employees are unionised.

Cornish Metals has a grievance mechanism which can be used by employees to raise specific concerns as well as our Whistleblowing Policy (see details on page 21). Employees received training on how to raise grievances during 2024. Any concerns that are raised through these mechanisms can be used as a way of assessing how well our practices are working when it comes to ensuring fair and responsible employment. Employees can seek advice or raise concerns by initially discussing issues informally with their line manager or Human Resources. If the matter remains unresolved, they can follow the formal grievance procedure, outlined in our staff handbook. Once a grievance is submitted, a meeting will typically be arranged within a week. A process is in place for further investigation if required as well as appeal.

Having finalised our vision, mission and values, a key priority for 2025 will be ensuring they are clearly communicated to all employees, easily understood and meaningfully embedded across the Company.

Employee training and development

Cornwall has a long and rich history of mining. However, South Crofty last operated in 1998 and the world

Gender diversity:

83% male, 17% female

98%

of employees based in Cornwall, 2% based nationally

of new employees were Cornish residents

has changed significantly since then – both in terms of modern mining and processing methods and regulatory requirements as well as broader stakeholder expectations. We are acutely aware of the need to develop responsible practices for a future-facing operation in order to become the chosen supplier of secure and responsible tin for a sustainable future, in line with our overarching vision. To achieve this, we must not only capitalise on existing skills and expertise in the region (be that in terms of direct or transferrable experience) but also actively invest in upgrading these capabilities through training and development. By fostering a culture of continuous learning, we aim to build a skilled workforce that meets modern industry demands drawing on best practice from around the world – whilst also contributing to a talent pipeline for the future through education outreach.

Our primary training focus at this stage of project development has been on health and safety practices – read further information on pages 23-24. In addition to this, Cornish Metals introduced an online training platform for HR-related and ethical topics in 2024 which is available to all our employees through the Company's HR portal.

Community training and skills

We have various ways of contributing to local knowledge and capacity building and addressing any skills

gaps through training, which we believe will further enhance our ability to hire in the area. We also believe we can play an important role in inspiring future generations, linking into science, technology, engineering and mathematics ("STEM") learning in the primary school curriculum and higher education, supporting young people with gaining valuable workplace experience. See further details on page 37 in local community investment.

Responsible for 2025



Stakeholder relations and impact on people

Building and maintaining strong relationships with our stakeholders through proactive and regular engagement, ensuring open and transparent lines of communication and providing robust grievance mechanisms. Understanding and managing any potential local social impacts of our operations.

decisions and reduce risks. Negative social impacts, such as health issues, noise or heritage loss, can harm local wellbeing and the region's longterm prosperity. Failure to manage these impacts could damage our reputation, affect our social licence, and lead to legal non-compliance, with financial penalties or even operational shutdowns.

Why it is important

A strong stakeholder relations programme ensures local communities are well-informed and able to raise concerns, helping protect their interests and wellbeing. Effective engagement fosters collaboration, responsibility and

Our approach Our stakeholder engagement approach is built on proactive, inclusive and continuous dialogue to understand and address concerns, expectations and priorities of those impacted by our operations.

Stakeholder group	Why we engage	Engagement methods	Key topics
Employees	We aim to create a safe, healthy and respectful working environment by staying connected to our team and encouraging open and ongoing communication. We support employee growth through investment in training, on-the-job learning and feedback and safeguarding their rights. By looking after our people and keeping them engaged, we strengthen our business and set the foundation for long-term success	Open door policy, meetings with HR, HR Portal and employee handbook, mobile communications, Company updates in person by management and via email.	 Training and development Diversity and inclusion Feedback Compensation and benefits
nvestors	Effective shareholder engagement is essential for maintaining trust, securing ongoing investment, and ensuring transparency in decision- making. Investors seek confidence in a company's ability to deliver projects on time and within budget, ensuring financial stability and long- term growth.	Company announcements and results, direct communications, industry events and conferences, one-on-one meetings, presentations, site visits, ESG questionnaires.	 Operating and financial performance Project development and execution Funding Community relations ESG metrics

Social

accountability, enabling Cornish Metals to understand and address its impact on stakeholders, leading to long-term success and a strong social licence to operate. By considering diverse stakeholder views, we make better

We have mapped key stakeholder groups and sub-groups to ensure a targeted, structured approach, integrating insights from past interactions. Our engagement methods, detailed below, aim to build trust, ensure transparency and create shared value by addressing local concerns, environmental considerations, employment opportunities and economic impact while meeting investor and regulatory expectations. Whilst recognising the solid foundation of strong local support we receive, awareness outside our immediate area remains a challenge with some external stakeholders lacking a clear understanding of our future operations and their potential impact. To address this, we are working to expand communication efforts beyond the local community, to provide greater clarity on project timelines, economic benefits and potential impacts, tailoring messaging for different audiences.

Stakeholder group	Why we engage	Engagement methods	Key topics
Local communities	To understand their needs, promote inclusion and ensure that we contribute to their safety and wellbeing. We seek to build meaningful partnerships with local people, businesses and organisations to drive economic growth, community wellbeing and sustainable development. Through collaboration with educational institutions, we support skills development, STEM education, and research, ensuring alignment with industry needs and inspiring future generations.	Open days, door-to-door visits, town halls, social media.	 Employment opportunities Project timeline and progress Understanding the future operations
Government and regulators	We actively engage with regulatory consultees, incorporating their expertise into decision-making to enhance transparency, address concerns and align operations with community and environmental priorities. Through collaboration, we aim to strengthen and work together preserving Cornwall's heritage, protecting the environment and ensuring alignment with regional development and legislative priorities.	Local liaison group, ongoing engagement, direct reporting and audits.	 Adherence with permitting requirements, regulations and legislation Opportunities to contribute to socio-economic development and create value in Cornwall and beyond
Industry groups	To build strong networks that advance industry standards, professional development and ethical practices.	Open days, industry events and conferences, social media, direct communications.	 Project progress Opportunities to address, contribute and maintain created values
Business partners and Suppliers	To establish and maintain strong collaborative relationships that drive mutual growth, innovation, and profitability, while aligning on shared values such as sustainability, community impact and ethical practices.	Direct communications, industry events and conferences.	 Project development ESG metrics Economic growth and business development Innovation and market expansion Skills development and employment Building strong relationships Aligning goals

for the local economy, creating jobs

and new opportunities in a historically

contributions. Through structured

engagement and our upcoming social

baseline study, we will develop a clear roadmap to measure and enhance our impact, ensuring alignment with both national and international benchmarks for responsible business practices.

We actively engage with stakeholders before submitting planning applications to ensure community perspectives are understood, reducing objections and building trust. For example, before applying for Roskear Shaft's planning approval (which will be part of the mine's ventilation and secondary egress system), we consulted around 100 local residents to gather feedback and address concerns. This proactive approach aims to ensure that projects are designed with the least possible impact on people and the environment while maximising benefits for the community. Regulators have consistently recognised that we go above and beyond in our engagement efforts, and our project designs reflect a commitment to sustainability. For instance, in designing the processing plant, we will make modifications to reduce visual and environmental impact, such as minimising noise, dust, emissions, vibration and light pollution, as well as considering the heritage around us, demonstrating our awareness of what matters to the local community – many of whom are also our team members.

During mineral processing operations, tailings (which comprise fine particles of crushed and finely ground rock) are created as a by-product; these



Our membership in organisations

Geo-Resources Alliance (previously

Cornwall Mining Alliance), the Cornish

like the Cornwall Mining and

are commonly delivered to a tailings storage facility or impoundment constructed on land. At South Crofty, we plan to backfill all the tailings as a paste into the existing void spaces of the underground mine eliminating the need for a permanent surface tailings storage facility. This is expected to offer clear environmental and social benefits, such as a significant reduction in surface land disturbance, dust and visual impact, as well as eliminating the risk of structural failure which are associated with surface storage facilities.

Memberships, associations and collaboration

Cornish Metals is a member of the International Tin Association and we plan to align our sustainability approach with their Tin Code to meet global environmental, social and governance expectations. We also belong to several trade associations to support the UK mining sector, which we believe are important in promoting the industry within the UK and abroad. These include the Association for British Mining Engineering and Consultancy ("ABMEC"), which represents the British mining supply chain, and the Mining Association of the United Kingdom ("MAUK") – the voice for the underground mining sector.

30

we are committed to maximising

local employment and training

perception, STEM Learning, Careers Hub Cornwall and Isles of Scilly and others we actively contribute to advancing STEM education in Cornwall

The partnerships also ensure that our voice is heard, enabling us to engage with policymakers and contribute our perspectives to projects and policy documents that shape the future of our sector. Together, we are building a forward-looking industry rooted in the UK's rich mining heritage – one that meets modern sustainability demands while securing the critical minerals needed for a low-carbon future.

Chamber of Mines and Minerals and the Critical Minerals Association ("CMA") promotes modern mining, the benefits of geo-resources in Cornwall, and the importance of secure and sustainable critical mineral supply chains in the UK. We also collaborate on health and safety through UK Mines Rescue and the SW Mines Health and Safety Committee, and support women in mining through Women In Mining UK.

These memberships and associations provide Cornish Metals with a strong platform to collaborate with peers and industry participants, advocating for the responsible mining of critical minerals in the UK. As an example, we took part in the CMA's 'Call to Action: Careers for Next Generation Minerals' event in 2024.

Through our sector-related working

and beyond.

groups, such as CMA engagement and

CASE STUDY

Welcoming stakeholders to our operations

During the year we welcomed groups of students, MPs and government representatives, NGOs and industry body representatives. Stakeholders came from a range of organisations such as Women in Mining UK and Young Mining Professionals, Delft University of Technology in the a secure source of responsibly sourced tin within the UK. Netherlands and other universities across the UK, and the International Geothermal Association.

We were pleased to host an officer from the US Embassy in London, and our local MP on a visit to South Crofty where we discussed the importance of tin as a critical mineral and the key role it plays in modern life and the energy transition, and South Crofty's potential to become



Education outreach and work experience

We have an education outreach and work experience programme through which we engage with educational institutions across Cornwall to inspire and educate future generations, strengthen community ties and proactively address the anticipated skills gap in our industry. Through partnerships, curriculum-aligned presentations, site visits, and on-thejob experiences, we provide real-world insights into the mining industry, its historical significance, and its evolving role in environmental stewardship. We offer hands-on experience at South Crofty through the schools work experience week programme, which we believe is fundamental for young

people as they receive a range of benefits that can significantly impact their future career choices. Students are introduced to geology, exploration, modern mining techniques, health and safety and environmental management, engaging in data collection, sustainability research, skill development, site visits and community outreach. The programme concludes with evaluations, feedback and career insights. In 2024, we hosted five students who gained experience working with various teams, from winder drivers and mine managers to the exploration team.

We support secondary and university students with their assignments, research projects and apprenticeships

CASE STUDY

Inspiring future generations: Bringing Cornwall's mining heritage to life

Cornish Mining History is now part of the curriculum in Cornish primary schools, presenting an opportunity for With nearly 300 students already confirmed for 2025, Cornish Metals to share our expertise through educational the goal is to expand further, reaching more schools and outreach. Many local schools face funding challenges, and broadening its scope to support higher education levels, a significant number of families come from economically including A-levels, apprenticeships, university STEM disadvantaged backgrounds. To address this, Cornish subjects and career fairs that highlight the skills needed Metals sponsors school visits to sites that bring Cornwall's for modern mining. mining and engineering heritage to life, ensuring students can engage with their history from a mining and engineering perspective.

The outreach programme includes in-school presentations by Cornish Metals team members, comparing historical and modern mining methods and highlighting the importance of critical minerals such as tin and careers in responsible mining. Cornish Metals funds field trips to mining heritage sites such as Geevor Tin Mine and King Edward Mine Museum covering all transport and admission costs. Additionally, external groups like Pendeen Community Heritage Centre provide historical presentations to engage students before their visits. The programme also sponsors academic events, including the Cornwall Schools Mining Games, supporting STEM education and Cornish history.

Initially focused on schools near South Crofty, the programme has expanded due to positive feedback, now reaching schools across Cornwall with content tailored to different age groups and learning outcomes. Since 2022, over 2,500 children have participated (1,290 in 2024) – initially from primary schools and then extending to secondary schools, academies and colleges. In 2024,

through our collaboration with educational establishments such as the University of Exeter, Camborne School of Mines, and Truro and Penwith College. We are keen to continue this work as the South Crofty project can provide opportunities for a diverse range of research projects that can benefit not only the students and academic research but also our business. We also host students from other universities and colleges, assisting with their projects and research – an initiative which has been well received. We are also a Career Champion ambassador, supporting careers education activities and events to showcase our industry and promote career opportunities.

the programme won the "ESG Outstanding Community Outreach Project" award at the UK Mining Conference in



Community outreach

Cornish Metals is proud sponsor of Trevithick Day, which was first celebrated in 1984 and honours the legacy of Richard Trevithick, the Cornish inventor and pioneer of the steam. The event celebrates Camborne's industrial heritage and has become an important community tradition, bringing together local people and visitors through processional dances, music and the showcasing of steam engines, helping to foster pride and unity in the face of economic challenges.

We actively participated in the International Mining and Pasty Festival, the Royal Cornwall Show ("RCS") for the second year and expanded our engagement activities by joining the Stithians Show in 2024, which is another key agricultural even in

Cornwall albeit on a smaller scale than the RCS. Both events yielded highly positive outcomes, strengthening our community connections.

Our collaboration with the University of Exeter noted above continues to grow, particularly with the Humanities and Social Sciences department, allowing us to welcome an intern focused on stakeholder engagement in 2024, further enhancing our outreach efforts. Beyond this, we have held various meetings to explore additional opportunities for positive collaboration and impact, ranging from community outreach initiatives to expanding research partnerships with universities beyond Cornwall.

Grievance mechanism

We treat our stakeholders with respect and understanding and believe that by

providing clear and honest information about our activities, and encouraging feedback and input, we can achieve a meaningful and open dialogue. We are committed to timely and amicable resolution of grievances received from individuals or groups through our Company grievance mechanism. We have a dedicated portal on our website which allows stakeholders to submit grievances. In addition to this, stakeholders can contact us via email, post or telephone.

We had no critical concerns recorded during the reporting year. Six minor upheld grievances were received in 2024, related to noise, vibration and a road, all of which were readily resolved within the timeframes required by our formal mechanism. It was established that one additional grievance received was not related to our activities.



Economic value

Creating economic value for a wide range of stakeholders in the regions in which we operate and beyond, through supply chain expenditure, local job opportunities, employee wages and benefits, payments to providers of capital, payments to government and community investments.

Why it is important

Our ability to generate economic value from our operations has the potential to benefit both local communities and the broader UK economy. Responsible contributions can strengthen the Company's social licence to operate, enhancing reputation, talent attraction and access to capital.

Our approach

We seek opportunities to make a positive contribution to the local economy though local hiring where possible. To date, we have managed to access a wide range of direct and transferrable skills within the local area and 98% of our workforce lives locally. We will look to maintain a focus on local hiring going forward as well as supplementing the skills and expertise available in the region with broader experience – both nationally and internationally - to ensure that we can build a modern, efficient, productive and responsible operation which takes global best practice into account.

As part of our desire to ensure that the benefits of our operations are felt in the local area, we have a policy to give preference to local suppliers, whilst always taking cost considerations into account

Potential economic benefits

In April 2024, we published a PEA for South Crofty ("the Project") validating

South Crofty's economic viability, which can be found on our website. The PEA provides an indication of potential direct economic benefit from the project, including:

- During the pre-production mine development period, the Project is anticipated to generate approximately 175 direct jobs, and additional employment through and underground facilities;
- During operations, the mine is expected to directly employ up to 320 people with permanent highskilled jobs;
- The Project has potential to generate up to 1,000 indirect jobs and suppliers of products and services;
- Using a base case tin price of US\$31,000 per tonne, the Project is estimated to pay total UK corporation taxes of £102 million Additional government revenue will be generated by employee contributions;
- The Company will provide full training and skills development where necessary in order to maximise employment of local residents at the Project.

Local suppliers

With respect to our focus on giving preference to local suppliers (defined as those located within Cornwall) where possible, approximately a guarter of our 2024 procurement budget for goods and services was spent on suppliers based in Cornwall. Certain specialist goods and services that we require for our project are not available in Cornwall and we need to source these from further afield. As expected, the Cornwall-based suppliers tend to be smaller companies, such that the local spend equated to approximately 45% of our supplier numbers.

contracted construction of surface

with local and national contractors

over the current 14-year life of mine. income tax and national insurance



2024 percentage breakdown of suppliers by area



Local community investment

Contributing to local community development around our operations.

Why it is important

Investing in local communities through education programmes, charitable initiatives and development efforts can enhance quality of life, create economic opportunities and foster long-term support. In a region with a rich mining heritage but relatively few opportunities today, community investment is an important tool for ensuring that community stakeholders feel the benefits of our operations. A lack of investment may exacerbate social and economic challenges and strain community relations.

Our approach

The majority of our employees come from our local communities, sharing a strong commitment to driving positive social benefits and impacts through Cornish Metals' initiatives and community investment. Supporting local projects has always been a core part of our activities, and as we continue to grow, we are working to formalise and enhance our approach.

Currently, an internal committee meets bi-weekly to assess community needs. In 2024, we introduced a community investment procedure to establish clearer processes. While we remain committed to supporting the initiatives we have organically invested in since our inception, we also aim to identify new areas where our support can make a meaningful difference.

To date, our community investment has primarily focused on charitable initiatives, education and sports. In addition to these areas, we are deepening our understanding of local community needs, such as health challenges, environmental initiatives and the support we can give to vulnerable groups.

In 2024, we invested approximately £50,000 in community projects and local initiatives. For example, we continued our collaboration and support of the mining museums in Cornwall, such as King Edward Mine Museum; we began supporting institutions, such as the Cornish Institute of Engineers, ensuring they continue their legacy; and strengthening our collaboration and support with existing (Red River Rescuers) and new environmental groups, such as Plant One.







In 2025, we will launch a baseline socioeconomic assessment to help us to define key areas of focus and measure our long-term impact, thereby. This study will provide valuable insights, ensuring our community investment efforts are both targeted and effective. The socio-economic assessment will form a foundation for continual improvement and maintenance

of our community collaboration and engagement, continuing the legacy around heritage in the area, environmental stewardship and social responsibilities.

Charitable initiatives We support local community groups and initiatives both directly and indirectly via our contributions to

Redruth Charity Trust, which has an existing broad reach into our community and understands local needs well. We support Young and Talented Cornwall, which is administered by Cornwall Community Foundation, helping young individuals to achieve their goals in various fields, including STEM.

Education

One of the primary focuses of our community investment efforts is education, as we aim to inspire the next generation to pursue STEM subjects and careers. As described previously (see page 33), Cornish Metals invests in education and learning opportunities for all ages, from primary school visits and funding field trips, to welcoming secondary

school pupils undertaking work experience, to providing research opportunities for students in higher education.

We also sponsor and support young people in STEM and mining-related events such as the International Mining Games and the Cornish Schools Mining Games - see case study below.

CASE STUDY

STEM investment in schools

Cornish Metals actively engages with schools and colleges to inspire students to pursue STEM subjects and careers. We have delivered educational talks, participated in career fairs and contributed to school-led films showcasing industry opportunities.

Further reinforcing its commitment, Cornish Metals pledged direct sponsorship for three years supporting the 'Spirit of Trevithick Award' as part of the Young and Talented Cornwall programme started in 2024. This prestigious accolade recognises excellence in STEM, directly supporting young talent and fostering growth in key industries vital to Cornwall's future.

We play a pivotal role in both the International Mining Games and the Cornish Schools Mining Games annual competitions designed to encourage careers in mining and engineering. Cornish Metals provides team sponsorship, industry expertise, and mentoring, ensuring participants gain valuable insights and hands-on experience prior to, and through the competitions.

During numerous local career events and most notably while in collaboration with the Critical Minerals Association, Cornish Metals has successfully engaged with STEM students on the importance of responsible mineral resource extraction. Company representatives provided expert insights into careers in mining, geology and sustainability, encouraging young people to explore these fields.

We believe that our investments in mining-related education, heritage competitions and career events have already laid strong foundations for local talent development and as South Crofty progresses towards production, we are intent on expanding STEM education initiatives. Future plans include apprenticeships, research partnerships and direct employment opportunities, ensuring Cornwall's next generation is equipped to drive innovation and economic growth in the mining and engineering sectors.



Stakeholder engagement and community: Priorities for 2025

Sports facilities

We believe that sports provide a focal point in our local communities and therefore have a strong track record of supporting local sports clubs. A selection of examples supported in 2024 include Camborne Cricket Club, Camborne Rugby Club, Cornwall Titans Basketball Club, Redruth Rugby Football Club.

Environmental

Environmental management

We are committed to protecting and preserving the environment in which we operate, ensuring that compliance with applicable environmental laws, regulations and our permits is a minimum standard. Our aim is to minimise environmental impacts while identifying opportunities to make a positive contribution to the local environment.

Our Sustainability and ESG Policy contains a set of guiding principles for responsible environmental management as the Company continues to develop. We aim to ensure that resources and expertise are available to enable us to uphold our principles and meet our regulatory and/or permit and voluntary obligations and current industry best practice. Environmental risks and opportunities are managed within our broader sustainability framework, with oversight from the Sustainability Committee.

We have a good understanding of our local environmental baseline through historical monitoring data obtained during South Crofty's former operational and closure years. This has been supplemented by studies during the 2017 permitting process for mine dewatering and water treatment.

Environmental performance is assessed against our permit through regular compliance checks and we submit quarterly reports to the Environment Agency (EA), which conducts site visits and audits. Any recommendations and requirements resulting from the audits are actioned within the timeframe given. We monitor and evaluate our environmental performance, with a particular focus on water and dust (directional and depositional) at this current stage of the project. We plan to install new dust monitors on site in 2025 to measure, assess and manage particulate matter (PM_{10} and PM_{25} ¹) in the air from our activities. We conduct ecological assessments prior to exploration drilling and take action to minimise any ecological impact where required. We have worked to enhance our data collection systems for energy consumption, enabling us to develop our first greenhouse gas emissions inventory for public disclosure (see page 44 for more on climate change and governance initiatives).

During 2024, we commenced the process to introduce an Integrated Management System ("IMS") for the mine water treatment plant ("WTP") with the aim of combining multiple management systems into a single, unified framework for Cornish Metals, such as ISO 14001 Environmental Management System, ISO 45001 Health and Safety Management System and ISO 9001: Quality Management System. We will continue working towards IMS development in 2025, which will enhance our ability to achieve best practice, including incorporating environmental and wider sustainability considerations into decision-making and driving continuous improvement.

We actively engage with regulatory bodies. local communities. environmental groups and other stakeholders to ensure transparency in our environmental management approach.

Alongside health and safety, social and ethical training, environmental skills development is a key part of our commitment to sustainability. We aim to boost our environmental training on site during 2025 for all our employees and contractors to enhance awareness, promote compliance with environmental regulations and foster sustainable practices.

We are working towards applying the waste hierarchy - prioritising reduction, reuse, and recycling - to responsibly manage waste generated by our operations. We also strive to incorporate resource efficiency into our project design and operational

processes, ensuring the responsible use of natural resources.

We had no critical environmental incidents on site during the 2024 reporting year. One spill was recorded at the WTP which was fully contained within the bunded area.

Minimising the impact of our drilling activities on the environment and people

During 2024, Cornish Metals completed a 9,000-metre drilling programme at our Wide Formation exploration target, approximately 1km south of the South Crofty mine, to test the geometry and the continuity of tin mineralisation. We take all practical precautions to minimise the environmental and social impacts of our drilling activities. This involves for example, completing ecological assessments, implementing measures to minimise impacts on the surrounding ecology and mitigating noise emissions with the use of straw-bale screens at our drill sites, ensuring they remain well within permitted levels. We also conduct noise monitoring wherever necessary. Throughout the programme, we maintained roads and worked with our host landowners to rehabilitate drill sites ensuring the land is returned to its original condition and use. We also maintained open dialogue with the local community, taking extra measures to further reduce impacts where required.

Water and effluents

Responsible management of water withdrawal, consumption and discharge.

Why it is important

Dewatering South Crofty presents an opportunity for Cornish Metals to improve water quality in the Red River downstream of the discharge point, benefiting the environment and local stakeholders. In the early stages, dewatering also provides valuable data for future exploration and mine construction decisions. However, without adequate controls, poor water management could negatively affect water quality and flow, leading to environmental damage, operational



1. PM₁₀ is inhalable particulate matter 10 micrometers or less in diameter, PM₂₅ is inhalable particulate matter 2.5 micrometers or less in diameter

especially in the local community.

Our approach

water stewardship.

risks, liabilities and reputational harm,

Our approach to water management is focused on minimising environmental impacts, ensuring compliance with regulatory standards and continuously improving our processes to enhance

Water is withdrawn at South Crofty as part of the mine dewatering process, which is required to facilitate future mining activities. This water, which has accumulated in the mine since its closure in 1998, is treated through the WTP before being discharged back into the environment in strict accordance with our discharge permit issued by the Environment Agency. Commissioned in October 2023,

the WTP is designed to treat up to 25,000m³/day of mine water using High Density Sludge (HDS) process technology, ensuring the water meets standards for discharge into the nearby Red River. The WTP operates with three parallel treatment streams, each employing the same process to efficiently remove metals and contaminants from the mine water. It is equipped with flow monitoring systems that adjust the submersible pump speed based on river levels at the discharge point, ensuring discharge rates are aligned with the conditions in the Red River at the time. Active instrumentation and monitoring within the process streams ensure compliance with our discharge permit conditions (see the case study on page 42 for information).



Our current primary interaction with water is mine dewatering and subsequent treatment through the WTP, which is not needed or used by the project, but rather discharged via the adit system to the Red River. We withdraw relatively minor volumes of water for exploration drilling operations and domestic use. We have installed metering systems to monitor our water use across different areas.

Our performance

Our key data are provided below and the complete dataset, including breakdown by source and destination, and our methodologies can be found in the Appendix.

The quality of both withdrawn and discharged water was <1,000mg/L total dissolved solids. Since Cornwall is a region of low water stress¹, there were no withdrawals or discharges in areas of water stress.

The HDS process technology in the WTP removes contaminants such as iron, copper, manganese and arsenic from mine water before it is discharged into the Red River via

the Roscroggan adit system. The Roscroggan adit discharge point is the outflow point for rainwater and groundwater that continues to accumulate in numerous former mine workings in the area, including South Crofty mine. We undertake water quality monitoring in the Roscroggan adit outflow and downstream in the Red River and have demonstrated a significant reduction in pollutants in both since the WTP began treating the South Crofty portion of the outflow, as illustrated by the accompanying graphs.

Water withdrawal, consumption and discharge

	2024
Total water withdrawal	3,062,136 m ³
Total water discharge	3,253,445 m ³

Note: Recorded total water discharge was greater than total water withdrawal, resulting in total water consumption being calculated as zero. Further details can be found in the Appendix.

Improved water quality after WTP operation

Since commissioning of the WTP we have successfully removed approximately:

- 144 tonnes of iron
- 15 tonnes of manganese
- 5 tonnes of arsenic

Total iron in the Red River 2017-2024



— Red River below Roscroggan adit discharge ----- Roscroggan adit discharge



Water sampling date

- Roscroggan adit discharge - Red River below Roscroggan adit discharge





Water sampling date



41

CASE STUDY

Restoring water quality in the Red River

The Red River, located adjacent to the South Crofty site in Cornwall, has historically suffered from poor water quality, largely due to its association with former copper and tin mining activities. This pollution has impacted local ecosystems, making the improvement of the river's water quality a significant environmental objective. This case study highlights the positive impact of dewatering, focusing on the reduced pollutant concentrations and improved water quality in the Red River downstream of the discharge point.

Before dewatering began, the flooded mine (along with neighbouring mines) continuously released contaminated groundwater into the Red River via the Roscroggan Adit. To dewater the mine responsibly and to improve the quality of the Red River, a mine WTP was built.

Commissioned in October 2023, the WTP can process up to 25 thousand cubic metres of mine water daily, removing pollutants before the treated water is discharged into the Red River via the adit system. The water quality and river levels are monitored weekly at, below and above the adit discharge point. Once the mine is dewatered, pumping will be continued at a lower rate of approximately 6 thousand cubic metres per day to manage natural groundwater ingress and maintain the water level in the mine, ensuring that water quality improvements are sustained throughout the mine's operational phase.



The WTP is the first step in Cornish Metals' commitment to adopting modern, environmentally responsible mining practices. Approximately 3 million cubic metres of contaminated water were treated in 2024, significantly reducing pollutant concentrations and marking a major step forward in environmental stewardship.

By setting new standards for responsible mining in Cornwall, this project demonstrates how historical mining regions can transition towards more sustainable practices while supporting economic renewal.



The equivalent of 10 Olympic-sized swimming pools of water can be treated daily, improving local river water quality downstream of the discharge point.

The mine water treatment process generates a sludge that is dewatered and trucked to the Wheal Jane Clemows Valley tailings facility, in Baldhu, Truro, Cornwall for disposal. This is a 46 ha raised mine waste containment facility, constructed many years ago to receive tailings generated by the former Wheal Jane tin mining operation. The facility is now a licensed hazardous waste disposal facility and has the necessary permissions to receive the sludge residue from the WTP. Our contract with Wheal Jane enables us to responsibly manage the handling and disposal of the sludge.

We recognise that effective water management is an ongoing process. Our learnings from the first year of WTP operation have helped refine our approach. Moving forward, we are:

• Integrating advanced water data from our WTP into our IMS to

enhance monitoring and decisionmaking.

- reporting processes to improve coordination. We continue to work with the EA ensuring correct interpretations of compliance and regulatory guidance and standards and ensuring long-term sustainability, which is crucial for the development of the mine. The developing Integrated Management System ("IMS") for the water treatment plant will systematically managed.
- Exploring ways to recover and utilise through heat exchange systems.
- Investigating additional water reuse opportunities to further optimise consumption.

CASE STUDY

Supporting the Red River Rescuers in their conservation efforts

Red River Rescuers Joint Co-ordinator:

The Red River Rescuers are a group of conservation volunteers who have been monitoring and managing key wildlife habitats along the Red River Valley Local Nature Reserve near Camborne since 2012, with the support of Cornwall County Council. Before the group's formation, little to no habitat management had taken place since the reserve's designation in 2002, leading to significant habitat decline. Since then, the Red River Rescuers have become a model of success, largely self-funding and reversing habitat and species loss across several sites.

Following a 2022 BBC4 documentary 'Cornwall's Red River', the group gained support from Cornish Metals. After meeting with the volunteers and touring key habitats, the Company's enthusiasm led to tangible support, including funding to raise awareness of the group's work. Cornish Metals has also provided crucial manpower and materials, helping construct a stone walkway to improve access across a deep wetland area, significantly enhancing safety without disrupting the sensitive habitat.

• Further strengthening our internal ensure environmental compliance is

waste heat from treated mine water

Stakeholder inclusion

Collaboration is at the heart of our water management strategy. We work closely with regulators, including the EA and Mineral Planning Authorities, to ensure our operations meet regulatory permit standards. Stakeholder engagement has been a fundamental part of our water treatment and discharge process, with ongoing dialogue with local communities and environmental groups such as the Red River Rescuers. Through these engagements, we have been able to optimise the design and performance of our WTP whilst also addressing concerns from the local community see case study below.

Beyond physical support, Cornish Metals has donated essential PPE such as safety glasses and gloves, ensuring volunteers can continue their work safely. The partnership has been an enormous source of encouragement and has provided the platform and confidence needed for the Red River Rescuers to continue their vital conservation efforts.



Climate change, energy and GHG emissions

Managing energy usage and the impact of carbon emissions generated as a result of our activities. Understanding, planning for and addressing the impacts of climate change.

Why it is important

Energy and GHG emissions management, such as transitioning to 100% renewable electricity and installing water flow power generation systems, is crucial for reducing environmental impact and operational costs. For energy-intensive companies like Cornish Metals, excessive energy use and emissions pose risks to the environment, economy and business viability, with potential financial penalties and regulatory challenges. Effective climate adaptation can improve resilience, foster local economic stability, and offer growth opportunities, while failure to address climate change risks longterm sustainability, asset damage from extreme weather, and reduced community support. Companies that proactively manage climate risks have the potential to differentiate themselves, enhance their reputation and secure better financial prospects.

Our approach

Energy consumption

Cornish Metals' vision is to provide secure and responsible tin for a sustainable future, and to do so will require careful consideration of climate-related risks and opportunities. Tin is classified as a critical mineral in the UK due to its essential role in the green energy transition. However, mining must not come at any cost. Integrating sustainability into our business is crucial – not only to uphold our ethical responsibilities but also to maintain trust and credibility with all our stakeholders.

Towards the end of 2024, Cornish Metals engaged external consultants to assist in the development and implementation of a suitable approach to addressing climate governance. The aim is to establish clear direction supported by an action timeline for the short (two-year) and medium (five-year) term. The approach involves assessing both the physical risks of climate change and the risks and opportunities associated with the transition to a low carbon economy, in alignment with international practice. Once we establish an appropriate baseline of risk understanding, a climate change strategy will be developed and integrated into our sustainability strategy. This will identify a cohesive suite of actions designed to manage the impacts of climate change on our business, and our impacts on the environment, effectively and meaningfully at the corporate and site level. This work will be progressed within the context of UK Government and Cornwall County Council net-zero climate commitments.

In the meantime, we have been establishing systems for the collection of data to enable us to understand, manage and report our energy consumption and greenhouse gas emissions

Our performance

Approximately 92% of our total energy consumption in 2024 was purchased electricity, primarily consumed in the WTP and the mine. Throughout 2024 we invested in an electricity contract backed by REGO. This guarantees a 100% renewable energy supply for most of the project site, except for office areas that are connected to a different supply system. An innovative energy reduction initiative we established in 2024 was the installation of hydro-turbine for the generation of power from the WTP discharge, thus reducing the consumption of energy from purchased electricity by approximately 430GJ. See our accompanying case study.

Our remaining energy consumption was associated with the consumption of diesel in vehicles used by employees and contractors for project-related work at and between our sites. We have been working with contractors to improve fuel consumption data collection and will enhance this process in 2025 by incorporating our requirements into contract conditions. A relatively small amount of natural gas was consumed for heating.

Our key energy consumption and greenhouse gas emissions data are provided below and the complete dataset and our methodologies can be found in the Appendix.

	2024
Purchased fuel consumption from non-renewable sources	2,046 GJ
Purchased fuel consumption from renewable sources	113 GJ
Purchased electricity consumption	24,070 GJ
Self-generated energy consumption	430 GJ
Total energy consumption	26,659 GJ





Energy from non-renewable fuels
 Energy from renewable fuels
 Energy from non-renewable electricity
 Energy from renewable electricity

Note: Values do not sum to exactly 100% due to rounding.

CASE STUDY

Harnessing hydropower

Cornish Metals' South Crofty Tin Mine in Cornwall has embraced environmental responsibility with the installation of a 75 kW hydroelectric turbine, integrated into the mine's WTP process. The turbine harnesses the flow of discharged water as it descends to the Roscroggan adit level to generate renewable energy, reducing the mine's environmental impact while supporting dewatering operations. The turbine is capable of providing up to 20% of the power needed by the WTP, offsetting operational energy costs, conserving energy resources and reducing carbon emissions.

In 2024, Cornish Metals generated and consumed enough energy to power around 44 medium-sized UK households annually, reducing reliance on the National Grid, carbon footprint and energy costs. The hydroelectric turbine at South Crofty exemplifies the successful balance of industrial efficiency, environmental responsibility, and use of natural resources. It has earned recognition as a model for sustainable practices in mining, illustrating the transformative potential of renewable energy in energy-intensive industries.



The benefit of our REGO-backed electricity contract is clearly demonstrated in our Scope 2 marketbased GHG emissions when compared to Scope 2 location-based GHG emissions.



 % Scope 1 emissions from Cornish Metals fuel
 % Scope 1 emissions from contractor fuel
 % Scope 1 emissions from natural gas

Note: Values do not sum to exactly 100% due to rounding.

GHG emissions

	2024
Scope 1	142 t CO ₂ e
Scope 2 (location-based)	1,384 t CO ₂ e
Scope 2 (market-based)	14 t CO ₂ e
Total Scope 1 + Scope 2 (market-based)	156 t CO ₂ e

Note: Scope 2 (location-based) emissions represent the average emission intensity of the grid; Scope 2 (market-based) emissions represent the electricity contract agreements of the individual company.

We anticipate that our energy consumption and GHG emissions will increase significantly in the coming years as the South Crofty project is developed and moves towards production.

Energy consumption and GHG emissions reduction initiatives

Along with our REGO-backed electricity supply which reduced our 2024 Scope 2 GHG emissions and the operation of the hydro-turbine for the generation of power from the WTP discharge which reduced our electricity consumption, renewable heat opportunities are being actively explored to make use of the mine water temperature, which is a steady 25°C all year round and has the potential to heat our proposed new offices and also homes and other facilities in the local area.

Environmental: Priorities for 2025

- Continue to assess Red River water quality im
- Complete and launch Integrated Management System ("IMS") for water treatment plant.
- Install new dust monitors.



Cautionary Statement on Forward Looking Information

This report 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 report, are forwardlooking 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 forwardlooking 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 forwardlooking 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.

Appendix

While the data are reported as measured or as calculated without rounding, this is not intended to imply a greater level of accuracy than can be achieved while we continue developing our processes.

EMPLOYEE PERFORMANCE INDICATORS

Employees by contract type, gender and region

	Number of employees	Permanent employees	Temporary employees	Non-guaranteed hours employees	Permanent full- time employees	Permanent part- time employees
Total	80	79	0	1	74	5
Female	12	12	0	0	9	3
Male	68	67	0	1	65	2
Regional	78	78	0	1	78	5
National	2	2	0	0	2	0
International	0	0	0	0	0	0

Methodologies: Employee data are sourced from payroll and associated statistics collected by Cornish Metals' human resources department. Employee numbers are expressed in terms of headcount on 31 December. No gender other than male or female was self-declared by employees. Regional: employees based in Cornwall; National: employees based beyond Cornwall and in the UK; International: employees based outside the UK.

New employee hires and employee turnover by gender, age group and region

	Number of new employee hires	New employee hire rate	Number of employee departures	Employee turnover rate
Total	32	44%	8	11%
Female	2	17%	2	17%
Male	30	51%	6	10%
Under 30 years	5	38%	2	15%
30 to 50 years	16	46%	2	6%
Over 50 years	11	46%	4	17%
Regional	30	45%	5	8%
National	1	20%	2	40%
International	1	100%	1	100%

Methodologies: Hire rate is number of new hires / average number of employees in the category x 100. Turnover rate is number of leavers / average number of employees in the category x 100.

Employee training and education, programmes for upgrading employee skills

Employee Health and Safety (H&S) Training	Total H&S training hours	Average hours of training per employee based on total employee headcount at end-of-year	Average hours of training per employee based on average number of employees over the year
All employees	2,243	28	31
Female		14	13
Male		31	35
Executive management		0	0
Senior management		0.2	0.2
Management/specialist		24	23
Standard employee		34	40

		Percentage delivered	Percentage delivered by
H&S training programme delivery	GBP	providers	officers
Investment in employee H&S training programmes	47,801	96%	4%

Methodologies: Data represent health and safety-related training only. Systems for recording all types of training have been in development through the year. Due to a significant increase in employee numbers through the year, the average hours of training per employee are reported based on both total number of employees by headcount at end of year and average number of employees over the year.

Employee Education	Total education hours
Management/specialist	486
Standard employee	312
	GBP
Investment in employee education	4,969
Note: MSc Mining Engineering fully funded. BEng Mining Engineering 94% funded.	
Employees receiving regular performance and career development reviews	
	Percent
Percentage of employees receiving a review in 2024	0
Note: A process to introduce annual reviews was in development during the year.	

Collective bargaining agreements

	Percent
Percentage of employees covered by collective bargaining agreements	0
Note: Collective bargaining is recognised by Cornish Metals as a fundamental right at work and our employees are free to belong to a workers' organ hey choose.	nisation should

Proportion of senior management hired from the local community

	Percent
Percentage of senior management that are hired from the local community	67%
Methodology: Senior management is defined as Executive Management and Head of Department employees; Hired from the local community refers the employees who were permanently resident in Cornwall at the time they were hired.	to those

Board composition

Composition of members of the Board at the end of 2024 by gender

Percent Female	Percent Male
12.5%	87.5%

Appendix continued

HEALTH AND SAFETY PERFORMANCE INDICATORS

Work-related injuries

	Employees	Contractors	Employees + Contractors
Hours worked	127,113	21,908	149,021
Number of lost time injuries (LTI)	0	0	0
Number of restricted work injuries	0	0	0
Number of medical treatment injuries	0	0	0
Number of recordable injuries (RI)	0	0	0
Lost time injury frequency rate (LTIFR)	0	0	0
Total recordable injury frequency rate (TRIFR)	0	0	0
Number of high-consequence injuries	0	0	0
Rate of high-consequence injuries	0	0	0
Number of fatalities	0	0	0
Rate of fatalities	0	0	0
Number of high-potential incidents (HPI)	4	1	5
RIDDOR compliance			
Number of reportable non-fatal injuries	0	0	0

Methodologies: Employee hours worked are based on contracted working week minus annual leave and public holidays; Contractor hours worked are based on data provided by main contractors working on our sites (not every contractor hour is included, data collection is subject to ongoing improvement). A recordable injury is a work-related injury that results in death, days away from work, restricted work or transfer to another job, medical treatment beyond first aid, loss of consciousness, or significant injury diagnosed by a licensed healthcare professional. A high-consequence injury is an injury that results in a fatality or in an injury from which the worker cannot, does not, or is not expected to recover fully to pre-injury health status within six months. A high-potential incident is an incident with a high probability of causing a high-consequence injury. Frequency rates are calculated by: Number of recordable injuries divided number of hours worked x 200,000. RIDDOR reportable non-fatal injuries are injuries resulting in incapacitation of 7+ days and certain serious injury incidents.

Work-related ill health

	Employees	Contractors	Employees + Contractors
Number of cases of recordable work-related ill health	0	0	0
Number of workers 'classified' for Radon exposure	0	0	0
Number of fatalities resulting from work-related ill health	0	0	0

Methodologies: Recordable work-related ill health is ill health that results in death, days away from work, restricted work or transfer to another job, medical treatment beyond first aid, loss of consciousness, or significant ill health diagnosed by a licensed healthcare professional. Radon is a radioactive gas that occurs naturally in the rock. Employee exposure monitoring is conducted based on employee work location and exposure. 'Classified' persons are those workers considered by their employer likely to receive an effective dose greater than 6 millisieverts (mSv) per year, in accordance with the Ionising Radiations Regulations 2017.

STAKEHOLDER ENGAGEMENT AND COMMUNITY SUPPORT PERFORMANCE INDICATORS

Stakeholder grievances and critical concerns

Number of grievances filed during the reporting period	7
Number of grievances filed during the reporting period that were upheld	6
Percentage of upheld grievances addressed and resolved during the reporting period	100%
Number of critical concerns filed during the reporting period	0
Percentage of critical concerns addressed and resolved during the reporting period	N/A

Note: Our grievance mechanism enables community and other external stakeholders to raise concerns about, and seek remedy / remediation for, Cornish Metals' potential and actual negative impacts on them. This same mechanism also acts as a first point of contact for external stakeholders to raise critical concerns about responsible business conduct in our operations and business relationships. Grievances are classified as upheld if they are confirmed to be related to Cornish Metals . work sites or activities.

ENVIRONMENTAL PERFORMANCE INDICATORS

Water withdrawal, discharge and consumption

	Total	Freshwater (≤1,000 mg/L TDS)	Other water (>1,000 mg/L TDS)	
Water withdrawal from all areas	3,062,136 m ³	3,062,136 m ³	0	
Surface water	436 m ³	436 m ³	0	
Precipitation	2,064 m ³	2,064 m ³	0	
Groundwater	3,055,048 m ³	3,055,048 m ³	0	
Sea water	0	0	0	
Produced water	0	0	0	
Third-party water	4,589 m ³	4,589 m ³	0	
Water withdrawal from areas with water stress	0	0	0	
Water discharge to all areas	3,253,445 m ³	3,253,445 m ³	0	
Surface water	3,251,681 m ³	3,251,681 m ³	0	
Groundwater	1,764 m ³	1,764 m ³	0	
Sea water	0	0	0	
Third-party	0	0	0	
Water discharge to areas with water stress	0	0	0	
Total water consumption from all areas	0	0	0	
Total water consumption from areas with water stress	0	0	0	
Note: Groundwater withdrawal results from dewatering that is required to enable access to the underground mine; the water is actively managed through necessity without intent to supply any operational water demand. The mine is not located in an area of water stress and does not withdraw water from sources in areas with water stress or discharge water to destinations in areas with water stress.				
Methodologies: mine dewatering volumes and WTP discharge volumes are measured by ele operational purposes. The discharge flow meter is certified as compliant with the UK Environ following installation. Third-party water withdrawal is measured by flow meter. Precipitation The WTP discharge passes through an adit system before entering the Red River, we have clipted up of the treated water before entering the adit system. The volume of water withdrawal ischarge is estimated to be equal to withdrawal. Total water consumption is calculated as to	ctromagnetic flow meter: ment Agency's performa withdrawal is calculated i assified this as a surface v awn for use in exploration otal water withdrawal mir	s installed for real time f nce standards and was according to rainfall dat vater discharge and app drilling was measured us total water discharg	low monitoring for externally audited a and surface area. Nied quality data per by flowmeter and e and includes losses	

through evaporation and in the WTP sludge that is disposed at a licensed facility off-site. In 2024, recorded total water discharge was greater than total water withdrawal; as a result, total consumption is reported as zero. The higher discharge value can be attributed to the accepted accuracy of the WTP flow meters, along with an identified issue which caused intermittent exaggeration of the recorded discharge volume during the first five weeks of 2024. The issue was resolved through adjustments to the discharge flow control valve and the regulatory authority was informed. Since water is not stored at the site, we do not report change in water storage.

Greenhouse Gas (GHG) Emissions

Greenhouse Gas emissions	
Scope 1	142 t CO ₂ e
Scope 2 location-based	1,384 t CO ₂ e
Scope 2 market-based	14 t CO ₂ e
Total Scope 1 + Scope 2 location-based	1,526 t CO ₂ e
Total Scope 1 + Scope 2 market-based	156 t CO ₂ e
Outside of scope emissions	
Biogenic CO ₂ emissions	7 t CO ₂

Methodologies: Consolidation approach: operational control. Alignment: Greenhouse Gas Protocol (WBCSD/WRI). Gases included: CO2, CH4 and N2O. Source of GWP Values: IPCC 6th Assessment Report (AR6). Source of fuel emission factors: UK Government GHG Conversion Factors for Company Reporting (ghgconversion-factors-2024). Source of electricity emission factors: Electricity supply contract backed by Renewable Energy Guarantee of Origin (REGO); European Residual Mixes 2023, Association of Issuing Bodies Version 1.0, 2024-05-30 for electricity supply outside of contract. Activity data are sourced as described for energy consumption.

Appendix continued

Energy Consumption

	Total	Renewable sources	Non-renewable sources
Total energy consumption	26,659 GJ	24,501 GJ	2,158 GJ
Purchased fuel	2,159 GJ	113 GJ	2,046 GJ
Diesel and petrol	1,621 GJ	113 GJ	1,508 GJ
Natural gas	538 GJ	0	538 GJ
Purchased electricity	24,070 GJ	23,958 GJ	112 GJ
Purchased heating	0	0	0
Purchased cooling	0	0	0
Purchased steam	0	0	0
Sold electricity, heating, cooling steam	0	0	0
Self-generated electricity	430 GJ	430 GJ	0

Methodologies: Total energy consumption is the sum of all purchased and self-generated energy consumed. Cornish Metals fuel consumption data sources include supplier invoices for diesel and natural gas and employee fuel expense claims; Contractor fuel consumption data are provided by main contractors working on our sites (there is a shortfall in data capture and we are engaging with our contractors to improve data collection). Electricity consumption data are sourced from supplier invoices. Self-generated electricity consumption is measured by the hydro-power turbine through which the treated mine water flow passes prior to licensed discharge.

Glossary

ABMEC	Association for British Mining
AISC	All-in sustaining cash cost
AIM	Cornish Metals is quoted on Al
CDO	Chief Development Officer
CEO	Chief Executive Officer
СМА	Critical Minerals Association
COSHH	Control of Substances Hazardo
	prevent or reduce workers' exp
EA	Environment Agency
EBITDA	Earnings before interest, taxes
ESG	Environmental, social and gov
GRI	The Global Reporting Initiative reporting on economic, enviro
HDS	High-density sludge
HPI	High potential incident
IFRS	International Financial Repo
IMS	Information management syst
ISO 9001	An internationally recognised Standardisation for Quality Ma
ISO 14001	An internationally recognised Standardisation for Environme
ISO 45001	An internationally recognised Standardisation for Health and
LTI	Lost time injury
LTIFR	Lost time injury frequency rate injuries per 200,000 hours wor
MAUK	Mining Association of the Unit
PEA	Preliminary Economic Assessn
PM _{2.5}	Particulate matter (airborne p
PM ₁₀	Particulate matter (airborne po
PPE	Personal, protective equipmer
RAMS	Risk management method sta associated risks and the safe w
RCS	Royal Cornwall Show
REGO	Renewable Energy Guarantee electricity has been generated
RIDDOR	Reporting of Injuries, Disease
SPI	Safety performance indicator
STEM	Science, Technology, Engineer
TRIFR	Total recordable injury frequer recordable injuries per 200,00
TSX-V	Toronto Stock Exchange Ventu for emerging and small-cap co
UKHSA	UK Health Security Agency
	The mine water treatment pla



Engineering and Consultancy

IM, sub-market of the London Stock Exchange

ous to Health is UK legislation that requires employers to posure to hazardous substances to protect health

, depreciation and amortisation

ernance

e. The GRI Standards provide a structured approach to onmental and social topics

rting Standards

tem

standard from the International Organisation for anagement Systems

standard from the International Organisation for ental Management Systems

standard from the International Organisation for d Safety Management Systems

e; a safety metric that measures the number of lost time rked within a specific period

ted Kingdom

ment

ollutants) with a diameter of 2.5 micrometres or less

ollutants) with a diameter of 10 micrometres or less

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atements; documents that outline potential hazards, vork procedures to mitigate those risks

of Origin is a UK certification scheme that verifies I from renewable sources

es and Dangerous Occurrences Regulations

ring and Mathematics

ncy rate; a safety metric used to measure the number of 0 hours worked within a specific period

ure; a stock exchange in Canada that provides a platform ompanies to raise capital

plant at South Crofty