



First Class
Metals

4 fool proof tips for investing in battery and precious metals...

...and why First Class Metals
leads the way on all fronts

PAGES 3-8

1. FIND THE STRONGEST METAL MARKET...
2. LOCATE THE RIGHT JURISDICTION...
3. IDENTIFY THE HIGHEST QUALITY PROJECT...
4. PICK THE PERFECT MANAGEMENT TEAM...

PAGE 9

How FCM is
uncovering
Ontario's
mineral riches

The perfect time to invest in exploration

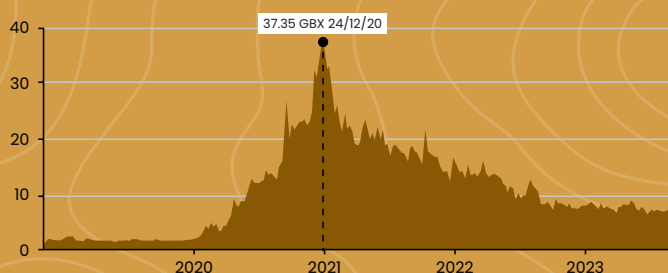
It really is a very exciting time to be investing in battery and precious metal explorers.

Not only is the value of the minerals powering the electric revolution set to soar in the face of rapidly increasing demand and limited supplies...

But one of the only benefits of the global uncertainty we're currently experiencing is a strong backdrop for gold and silver prices.

Companies discovering new deposits of these metals and developing them or selling them really could deliver life-changing returns to their shareholders.

Just look at how much shares in **Greatland Gold** rose by after its discovery of the Havieron gold deposit and subsequent partnership with **Newcrest**...



GGP share price

At its peak, the company had risen by 1,696% in less than a year.

Who wouldn't want to catch the next ground-breaking exploration stock before it takes off?

The problem is, there's so much choice out there.

What's more, the cost of picking the wrong company is so high – a badly-run exploration campaign can destroy value overnight.

With this in mind.... we've put together four key things to look out for when investing in battery and precious metals explorers.

And as we'll show... First Class Metals passes with flying colours on every front.

1. Find the **strongest** metal market...

First things first, you need to make sure the metal an explorer is targeting is of value.

If it isn't, then what's the point? Even if a discovery is made, there's no guarantee anyone will be interested in taking it on. At least not at a premium price, which is where investors can make their largest returns. Did we mention **Greatland**?

What, then, makes a metal worth exploring for?

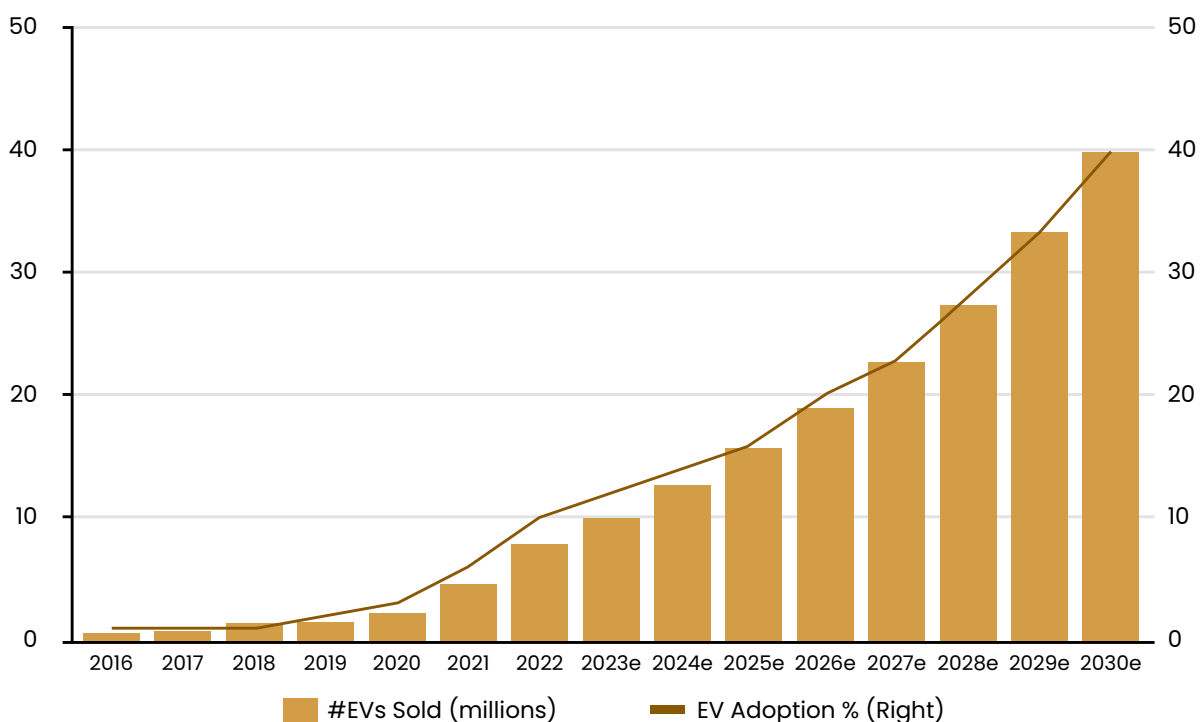
Well, it really comes down to demand and supply.

The metal being targeted should not only be needed today, but it should be needed even more in the future. This is where battery and precious metals come into their own.

Heard of the global energy transition? It's the worldwide shift away from fossil fuels. And it's being led by the roll out of electric vehicles, or EVs, powered by batteries containing vast quantities of different metals.

As the graph from Morningstar below shows, an estimated 40 million EVs will be sold annually by 2030 from just a few million today...

Number of battery electric vehicles sold (millions, left) and % of total global auto sales (right), 2016-30e



Source: Morningstar, International Energy Agency, U.S. EPA, EU ACEA, CAAM, Ward's Auto.

I. FIND THE STRONGEST METAL MARKET...

More EVs means more batteries. And more batteries means greater demand for battery metals.

Take lithium, for example. The amount required every year is set to reach 2.1 million tonnes by 2030. This figure sat at just 263,000 tonnes in 2019!

Precious metal demand, meanwhile, is also expected to remain strong because the likes of gold and silver are used as “*safe haven assets*” by investors during times of uncertainty.

Given the scale of the ongoing conflict in Ukraine along with the introduction of a global monetary policy tightening cycle... it seems a safe bet to assume today's uncertainty will remain in place for some time.

All told, then, a strong demand outlook is a major plus when it comes to metal exploration. Still, it's even better when twinned with weak supply.

You see, if there is not enough metal around to keep up with rising demand, then the value of the metal will more than likely increase.

That's Capitalism 101.

It's why battery metals are expected to soar in value as reserves fall far short of the EV market's requirements.

And it's why many expect precious metals to hit record highs as today's stocks fail to meet the needs of security-hungry investors. Did you know, for example, all the gold ever mined would fit comfortably in four Olympic-sized swimming pools?

In summary, investors should back explorers targeting metals experiencing growing demand and insufficient supply. If a discovery is made, it means it will be highly sought after and valuable.

The result for you? Potentially, massive returns.



2. Locate the right jurisdiction...

Easy there. You may have found an explorer targeting one or metals set to become more valuable... but there's a few more checks you still need to make before handing over your hard-earned cash.

The first of these is jurisdiction. In other words – the region or territory where the company is searching for metal.

This might not, at first glance, sound overly important. Trust me, though; it really is.

Consider:

What if the metal is based in a location where violence and conflict are constant?

What if the government is very much anti-mining and up to its eyes in red tape?

What if there's no roads, no power, no processing plants?

The reality is, you could be looking at the highest quality project in the world; if forces in the local area conspire against its development, then it doesn't really mean anything.

To combat this, then, you must make sure the location in which an explorer is operating offers....

- A favourable regulator with clear permitting processes to reduce delays and costs;
- A clear legal structure minimizing disputes over ownership and royalties;
- Political stability, reducing disruptions driven by policy change and civil unrest;
- Positive community relations, minimising local opposition to mine development;
- Quality infrastructure to keep costs and logistical challenges to a minimum; and
- Stringent environmental standards, to minimise land disruption

If all of these boxes are ticked, then any discovery an explorer makes can be developed with the lowest risk of disruption possible and the greatest opportunities for funding. Not to mention it maximises its chances of making the discovery in the first place.

All this makes a project or a discovery much more attractive and valuable to potential buyers than one located in an unfavourable jurisdiction. And that, reader, is where you stand to maximise your returns.

3. Identify the highest quality project...

Next, you want to make sure the project a company is exploring is actually worth exploring.

After all, it may be targeting the right metals in the right location... but if the project itself is second-rate then it all counts for very little.

What, then, should you be on the lookout for?

It depends, really.

A project's quality becomes clearer as more work is done on it – for better or worse. And naturally, this means the earlier stage a project is, the riskier it is. On the flipside, though, the returns offered from getting in on the ground floor could be higher.

Whether or not you're comfortable with this is down to you. Still, generally speaking, there are several universal things to look out for when it comes to determining a project's quality...

One is the **size and quality** of its resource – the bigger and the higher grade, the better, and you should be on the lookout for what the rocks are saying about a project's potential.

Another is the **economic viability** of its resource. Even if a project has a huge resource, there's no point developing it if it's going to be too expensive. Long-term profitability is key here.

Likewise, there's the **technical feasibility** of its resource to consider. Quality projects demonstrate a clear path to efficient and environmentally responsible mineral recovery.

Moving on, and another indicator of project quality is the **potential for additional deposits**. This can quickly turn a good opportunity into a district-scale one.



3. IDENTIFY THE HIGHEST QUALITY PROJECT...

And finally, for now, it's worth looking into a project's **proximity to infrastructure**. Transporting and processing metal with ease can increase profitability considerably.

You can really get into the weeds here, looking at a project's metallurgy, risk assessments, and proposed surveying and drilling technology... generally speaking, however, that's probably best left to the experts.

By all means, keep an eye on what they are saying. But in the meantime, make sure you do some basic checks to ensure a project at least ticks all of the boxes mentioned above.



4. Pick the perfect management team...

Just as a project with excellent potential can be ruined by a poor location, so too can it by a poor management team.

A project could contain millions upon millions of ounces of gold just beneath the surface... if the guys behind the wheel don't know what they are doing, then it quite won't be leaving the ground.

It's for this reason you should check out management's CVs before you have over your money to an explorer.

You're looking for **industry knowledge and expertise**, enabling them to navigate the complexities of exploration, mining, and markets effectively...

You're looking for **technical competence**, something vital in making informed decisions about exploration strategies, resource estimation, and operational planning...

And you're looking for a **track record** in of discovery successes, ensuring tasks can be executed efficiently while adhering to best practices and optimizing resource allocation. *net-zero future*".

In short, you want to back a company whose team can manage risks,

strategically plan, and engage with local stakeholders. But don't forget...

It's not JUST about how well a team can manage things on the ground.

It's also about their business acumen; in other words, how well they can market the company and what it's doing.

This is what really drives shareholder value.

Management needs to **communicate effectively** with investors, transparently conveying project updates, milestones, and challenges. They need to identify and negotiate **strategic partnerships** to enhance resources and capabilities. And they need to have a **deep network of contacts** they can work with to secure funding.

Get all this right, and you're well on your way to maximising your chances of making outsized returns from investing in mineral exploration.

First Class Metals – Leading the way in battery and precious metal exploration

There you have it, then. They are not a guarantee of transformational returns. That's impossible.

But these four points can help to pin down an exploration company targeting attractive commodities at quality projects in stable locations with the right people and the necessary funds to make a discovery happen.

Quite frankly, not a lot of companies meet the mark on all of these fronts.

One that does, however, is **First Class Metals**. Let us explain...

1) We explore for the right metals

Across our portfolio, we're exploring for a wide range of battery and precious metals positioned to become increasingly valuable over the coming years.

There's gold and silver, which stand to benefit from stagnant supply along with growing demand as a hedge against global macro volatility.

And there's also nickel, copper, platinum group metals, lithium, molybdenum, zinc, rare earths, and tantalum – all key components in the global energy transition.



LEADING THE WAY IN BATTERY AND PRECIOUS METAL EXPLORATION

2) We operate in the perfect jurisdiction

All of our projects are located in Ontario, one of the nation's most stable and pro-mining jurisdictions.

In fact, the territory is already home to 41 active mining operations producing more gold and nickel than anywhere else in Canada.

We're confident any discoveries we make will be among the most sought after and valuable of their kind.

3) We own the highest quality projects

From our North Hemlo & Esa gold/base metal exploration projects close to Barrick's world-class Hemlo gold mine...

To our Zigzag lithium project boasting a known, open pegmatite in a known hard-rock region buzzing with exploration activity...

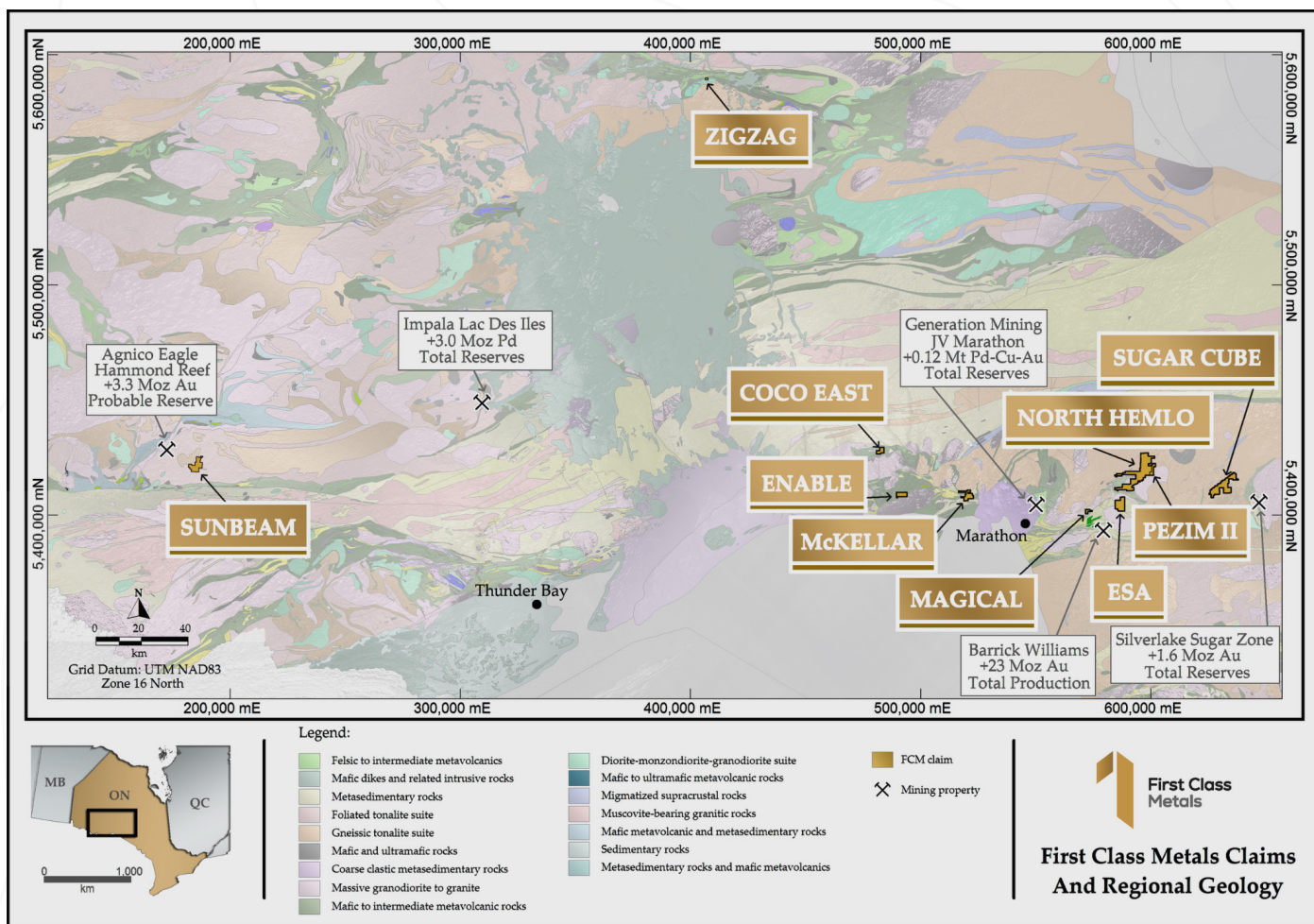
All the way to our Sunbeam gold project, which contains a historical gold mine that has been virtually untouched in over a century...

We boast a portfolio of early-stage projects with the strongest fundamentals, offering a perfect launchpad for aggressive exploration.



LEADING THE WAY IN BATTERY AND PRECIOUS METAL EXPLORATION

Map of Northwest Ontario showing the locations of FCM's properties



4) We employ an extremely strong team

With exploration on the ground led by CEO Marc Sale, a qualified geologist and corporate professional who has specialised in precious and base metals discoveries, with a focus on gold, for over 25 years...

And with capital activities overseen by Executive Chairman James Knowles, a corporate professional who has enjoyed a twenty-five-year career in the financial sector...

Our operations are in the safest, shrewdest hands possible – if we make a discovery we'll do everything we can to transform it into large returns for investors.

As far as battery and precious metal explorers go, we think our offering is hard to beat. Given we're rapidly approaching drilling at all of our core projects... now is an excellent opportunity to join us on our journey.

Researched and produced by Untold IR. For more information, get in touch at contact@untoldir.com.



First Class Metals

www.firstclassmetalsplc.com