



ASX ANNOUNCEMENT

28 February 2023



UPDATE ON NASDAQ LISTING AND CHANGES TO UKRAINE TRANSACTION

HIGHLIGHTS

- **Merger transaction and NASDAQ listing expected to complete in 2nd quarter 2023;**
- **EUR and Millstone and Company Global DWC-LLC (Millstone) agree to vary acquisition terms;**
- **Dobra and Shevchenkivske Projects are positioned to secure lithium for Europe; and**
- **End date to complete acquisition extended to 2 November 2025.**

European Lithium Limited (ASX: **EUR**, FRA:PF8, OTC: EULIF) (**European Lithium** or the **Company**) is pleased to provide an update of progress on the proposed merger transaction, NASDAQ listing, and changes to the Ukraine projects acquisition.

On the changes to the Ukraine projects acquisition, Tony Sage, Chairman, commented: *“The burgeoning energy transition requires critical raw materials, the EU has identified lithium as one of these and securing local supply as essential to meeting green energy goals. EUR identified the huge potential in the Dobra and Shevchenkivske Projects before our plans were impacted by the current conflict. Once the conflict is over and Ukraine look to the reconstruction process, we believe the world will show its support with billions of dollars of investment and much needed economic activity. EUR is in a unique position to recommence the exploration and development plans for these important projects.”*

On the update to the proposed merger transaction and NASDAQ listing, Tony Sage, Chairman, commented: *“We anticipate the SEC review process will conclude in the first half of 2023. Once the F-4 is declared effective the board of Sizzle will convene a shareholder meeting to approve the transaction. We will work to finalise the NASDAQ listing process shortly thereafter.”*

Merger and NASDAQ Listing Update

On 26 October 2022, European Lithium announced that it has entered into a business combination agreement with Sizzle Acquisition Corp., (NASDAQ: SZZL) (**Sizzle**), a publicly traded special purpose acquisition company, pursuant to which EUR will combine its wholly owned Wolfsberg Lithium Project (**Wolfsberg Project**) with Sizzle via a newly-formed, lithium exploration and development company named “Critical Metals Corp.” which is expected to be listed on NASDAQ under the symbol “CRML” (**Transaction**).

On 23 December 2022, the Company advised that the Form F-4 Registration Statement of Critical Metals Corp. (**F-4 Registration Statement**) had been filed with the U.S. Securities and Exchange Commission (**SEC**) in connection with the Transaction.

On 1 February 2023, Sizzle received approval at a special meeting of stockholders to extend the date by which it must consummate the Transaction. Following this meeting, Sizzle filed the Form 8-K with the SEC confirming stockholders holding 11,076,703 shares had exercised their right to redeem their shares resulting in approximately US\$114.3 million (approximately US \$10.32 per public share) will be removed from the Sizzle trust account to pay such holders and approximately US\$45.6 million will remain in the Sizzle trust account following the redemptions.

On 14 February 2023, Critical Metals Corp. lodged with the SEC Form F-4 Amendment No. 1 addressing the comments received from the SEC in respect to the F-4 Registration Statement.

The Transaction was approved by European Lithium shareholders on 20 January 2023. Closing of the Transaction is subject to a number of conditions precedents including approval of Sizzle shareholders,



the declaration in the future of the F-4 as effective under the U.S. securities laws, and other customary requirements.

Upon the closing of the Transaction, EUR will be issued US\$750 million worth of ordinary shares in Critical Metals Corp. Based on the current redemptions received by Sizzle on 1 February 2023, and assuming no further redemptions, this represents an approximately 87.3% ownership interest in the combined entity.

It is anticipated that the Transaction will complete in the second quarter of 2023, subject to the satisfaction or waiver of the conditions precedent to closing of the Transaction as outlined above.

Ukraine Projects Acquisition

European Lithium provides this update with reference to the proposed acquisition (refer EUR announcement on 4 November 2021) of European Lithium Ukraine LLC (formerly Petro Consulting LLC) (**European Lithium Ukraine**), a Ukraine incorporated company that is applying through either court proceedings, public auction, and/or production sharing agreements with the Ukraine Government for 20 years, special permits for extraction and production of lithium at the Dobra and Shevchenkivske Projects in Ukraine.

Under the terms of the acquisition announced on 4 November 2021, Millstone agreed to invest A\$20m in EUR of which A\$5m has completed (as ratified and approved by EUR shareholders on 21 January 2022) and A\$15m being conditional upon completion of the acquisition of European Lithium Ukraine by the Company (**Subscription Agreement**). The Ukraine projects acquisition is being performed by European Lithium, and not by Critical Metals Corp.

EUR advises that, because of Russia's invasion of Ukraine, EUR and Millstone have agreed to vary the acquisition terms as set out below.

Acquisition Terms

1. The acquisition of European Lithium Ukraine is, in addition to the conditions set out in the Company's announcement released 4 November 2021, subject to:
 - a. Martial law having been cancelled or terminated in accordance with Ukraine law; and
 - b. European Lithium Ukraine commencing drilling on the Dobra Project.
2. The consideration to be paid is as follows:
 - a. Upon the licence for the Dobra Project being granted, 7m EUR shares at an issue price of \$0.10 per share;
 - b. At completion, EUR shares with a value of A\$17.3m at an issue price of the greater of 80% of the then 20 day VWAP and \$0.095, and A\$45m of performance shares (as set out below); and
 - c. Upon the grant of the Shevchenkivske Project, EUR shares with a value of A\$2m at an issue price of the greater of 80% of the then 20 day VWAP and \$0.095, and A\$5m of performance shares (as set out below).
3. The end date to complete the acquisition is extended to 2 November 2025.

Performance Shares

There is no change to the performance share terms (including the conversion price), save that the number of rights that convert to EUR shares is pro rata between the two projects as follows:

1. \$A2m performance shares convert to EUR shares upon the Shevchenkivske Project achieving a JORC compliant resource of no less than 9,428,320 t and Li₂O content of no less than 1.12%;
2. \$A18m performance shares convert to EUR shares upon the Dobra Project achieving a JORC compliant resource of no less than 9,879,240 t and Li₂O content of no less than 1.21%;

3. \$A1m performance shares convert to EUR shares upon the Shevchenkivske Project achieving a positive pre-feasibility study (as defined in the JORC Code 2012) with a pre-tax net present value of no less than US\$240m;
4. \$A9m of the Performance Shares shall be converted to EUR shares upon the Dobra Project achieving a positive pre-feasibility study (as defined in the JORC Code 2012) with a pre-tax net present value of no less than US\$240m;
5. \$A2m performance shares convert to EUR shares upon the Shevchenkivske Project achieving a positive feasibility study (as defined in the JORC Code 2012) with a pre-tax internal rate of return of no less than 25%; and
6. \$A18m performance shares convert to EUR shares upon the Dobra Project achieving a positive feasibility study (as defined in the JORC Code 2012) with a pre-tax internal rate of return of no less than 25%.

Subscription Agreement

EUR and Millstone have also agreed to vary the terms of the Subscription Agreement as follows:

1. Millstone may elect to subscribe for the third and fourth tranches under the Subscription Agreement;
2. The third tranche of the Subscription Agreement (A\$5m) is conditional upon EUR completing the acquisition of European Lithium Ukraine;
3. The fourth tranche of the subscription amount (A\$5m) (**Tranche 4**) is conditional upon the Dobra Project achieving a positive pre-feasibility study (as defined in the JORC Code 2012) with a pre-tax net present value of no less than US\$240m;
4. Notwithstanding anything else in the Subscription Agreement, the latest date to issue any EUR shares under the Subscription Agreement is the earlier of 5 years and any period required by the Listing Rules; and
5. Millstone has agreed that it and its associates will not vote any Tranche 4 EUR shares issued.

This announcement has been approved for release on ASX by the Board of Directors.

Yours faithfully
European Lithium Limited

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U.S. Securities Law Legends

Additional Information and Where to Find It

This press release is provided for informational purposes only and contains information with respect to the proposed business combination (the “Proposed Business Combination”) among Sizzle Acquisition Corp. (Nasdaq: SZZL) (“Sizzle”), European Lithium Ltd. (ASX: EUR) (“European Lithium”), European Lithium AT (Investments) Limited, a company formed in the British Virgin Islands which is wholly owned by European Lithium (“EUR BVI”), and certain other parties formed in connection with the transactions contemplated by the merger agreement (the “Merger Agreement”), including Critical Metals Corp. (“Critical Metals”) and Project Wolf Merger Sub Inc., a Delaware corporation and wholly owned subsidiary of Critical Metals. Subject to its terms and conditions, the Merger Agreement provides that Sizzle and EUR BVI will become wholly owned subsidiaries of Critical Metals.

In connection with the Proposed Business Combination, Critical Metals has filed a registration statement on Form F-4 with the Securities and Exchange Commission (“SEC”), which includes a preliminary proxy statement to be sent to Sizzle shareholders and a prospectus for the registration of Critical Metals securities in connection with the Proposed Business Combination (as amended from time to time, the “Registration Statement”). The Registration Statement has not yet been declared effective. If and when the Registration Statement is declared effective by the SEC, the definitive proxy statement/prospectus and other relevant documents will be mailed to the shareholders of Sizzle as of the record date to be established for voting on the Proposed Business Combination and will contain important information about the Proposed Business Combination and related matters. Shareholders of Sizzle and other interested persons are advised to read, when available, these materials (including any amendments or supplements thereto) and any other relevant documents, because they will contain important information about Sizzle, Critical Metals, European Lithium and EUR BVI and the Proposed Business Combination. Shareholders and other interested persons will also be able to obtain copies of the preliminary proxy statement/prospectus, the definitive proxy statement/prospectus, and other relevant materials in connection with the Proposed Business Combination, without charge, once available, at the SEC’s website at www.sec.gov or by directing a request to: Sizzle Acquisition Corp., 4201 Georgia Avenue, NW, Washington, D.C. 20011, Attn: Steve Salis, Chief Executive Officer. The information contained on, or that may be accessed through, the websites referenced in this press release in each case is not incorporated by reference into, and is not a part of, this press release.

Participants in the Solicitation

This press release is not a solicitation of a proxy from any investor or securityholder. Sizzle, European Lithium, Critical Metals and EUR BVI and their respective directors and executive officers may be deemed participants in the solicitation of proxies from Sizzle’s shareholders in connection with the Proposed Business Combination. Sizzle’s shareholders and other interested persons may obtain, without charge, more detailed information regarding the directors and officers of Sizzle in Sizzle’s Form 10-K, as amended, filed with the SEC on June 13, 2022, and Sizzle’s definitive proxy statement filed with the SEC on January 17, 2023. To the extent that holdings of Sizzle’s securities by relevant reporting persons such as officers or directors as applicable, have changed since the amounts included in Sizzle’s Form 10-K, or proxy statement, such changes have been or will be reflected on Statements of Change in Ownership on Form 4 filed with the SEC. Information regarding the persons who may, under SEC rules, be deemed participants in the solicitation of proxies to Sizzle’s shareholders in connection with the Proposed Business Combination will be set forth in the proxy statement/prospectus for the Proposed Business Combination, accompanying the Registration Statement that Sizzle intends to file with the SEC. Additional information regarding the interests of participants in the solicitation of proxies in connection with the Proposed Business Combination will likewise be included in that Registration Statement. You may obtain free copies of these documents as described above.

No Offer or Solicitation

This press release is not a proxy statement or solicitation of a proxy, consent or authorization with respect to any securities or in respect of the Proposed Business Combination and shall not constitute an offer to sell or a solicitation of an offer to buy any securities, or a solicitation of any vote or approval, nor shall there be any sale of securities in any state or jurisdiction in which such offer, solicitation, or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction. No offer of securities shall be made except by means of a prospectus meeting the requirements of the Securities Act of 1933, as amended, or an exemption therefrom.

Cautionary Note Regarding Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the “safe harbor” provisions of the Private Securities Litigation Reform Act of 1995. Sizzle’s, Critical Metals’, and European Lithium’s and/or EUR BVI’s actual results may differ from their expectations, estimates and projections and consequently, you should not rely on these forward-looking statements as predictions of future events. Forward-looking statements include statements concerning

plans, objectives, goals, strategies, future events or performance, and underlying assumptions and other statements that are other than statements of historical facts. No representations or warranties, express or implied are given in, or in respect of, this press release. When we use words such as “may,” “will,” “intend,” “should,” “believe,” “expect,” “anticipate,” “project,” “estimate” or similar expressions that do not relate solely to historical matters, it is making forward-looking statements.

These forward-looking statements and factors that may cause actual results to differ materially from current expectations include, but are not limited to: the future financial performance of Critical Metals; the growing global market demand for lithium-ion batteries and their raw material; Critical Metals’ liquidity requirements and capital resources; the ability of the parties to complete the transactions contemplated by the Proposed Business Combination in a timely manner or at all; the risk that the Proposed Business Combination or other business combination may not be completed by Sizzle’s business combination deadline and the potential failure to obtain an extension of the business combination deadline; the outcome of any legal proceedings or government or regulatory action on inquiry that may be instituted against Sizzle, European Lithium or EUR BVI or others following the announcement of the Proposed Business Combination and any definitive agreements with respect thereto; the inability to satisfy the conditions to the consummation of the Proposed Business Combination, including the approval of the Proposed Business Combination by the shareholders of Sizzle; the occurrence of any event, change or other circumstance that could give rise to the termination of the Merger Agreement relating to the Proposed Business Combination; the ability to meet stock exchange listing standards following the consummation of the Proposed Business Combination; the effect of the announcement or pendency of the Proposed Business Combination on European Lithium’s and EUR BVI’s business relationships, operating results, current plans and operations of European Lithium and EUR BVI; the ability to recognize the anticipated benefits of the Proposed Business Combination, which may be affected by, among other things, competition, the ability of Critical Metals to grow and manage growth profitably; the possibility that Critical Metals, European Lithium and EUR BVI may be adversely affected by other economic, business, and/or competitive factors; Critical Metals’, European Lithium’s and EUR BVI’s estimates of expenses and profitability; expectations with respect to future operating and financial performance and growth, including the timing of the completion of the Proposed Business Combination; European Lithium’s and Critical Metals’ ability to execute on their business plans and strategy; those factors discussed in Sizzle’s Annual Report on Form 10-K for the year ended December 31, 2021 under the heading “Risk Factors,” and other documents Sizzle has filed, or will file, with the SEC; and other risks and uncertainties described from time to time in filings with the SEC.

The foregoing list of factors is not exhaustive. You should carefully consider the foregoing factors and the other risks and uncertainties described in the “Risk Factors” section of the Registration Statement referenced above and other documents filed by Sizzle and Critical Metals from time to time with the SEC. These filings identify and address other important risks and uncertainties that could cause actual events and results to differ materially from those contained in the forward-looking statements. Forward-looking statements speak only as of the date they are made. There may be additional risks that neither Sizzle nor European Lithium and EUR BVI presently know, or that Sizzle and European Lithium and/or EUR BVI currently believe are immaterial, that could cause actual results to differ from those contained in the forward-looking statements. For these reasons, among others, investors and other interested persons are cautioned not to place undue reliance upon any forward-looking statements in this press release. Neither Sizzle, European Lithium, Critical Metals nor EUR BVI undertakes any obligation to publicly revise these forward-looking statements to reflect events or circumstances that arise after the date of this press release, except as required by applicable law.