Announcement Summary

Entity name

EUROPEAN LITHIUM LIMITED

Announcement Type

New announcement

Date of this announcement

Thursday March 5, 2020

The Proposed issue is:

☑ A placement or other type of issue

Total number of +securities proposed to be issued for a placement or other type of issue

ASX +Security Code	+Security Description	Maximum Number of +securities to be issued
EURO	OPTION EXPIRING 30-JUN-2020	38,000,000

Proposed +issue date

Tuesday January 7, 2020

Refer to next page for full details of the announcement

Part 1 - Entity and announcement details

1.1 Name of +Entity

EUROPEAN LITHIUM LIMITED

We (the entity named above) give ASX the following information about a proposed issue of +securities and, if ASX agrees to +quote any of the +securities (including any rights) on a +deferred settlement basis, we agree to the matters set out in Appendix 3B of the ASX Listing Rules.

1.2 Registered Number Type	**Registration Number**
ABN	45141450624

1.3 ASX issuer code

EUR

1.4 The announcement is

☑ New announcement

1.5 Date of this announcement

Thursday March 5, 2020

1.6 The Proposed issue is:

☑ A placement or other type of issue

Part 7 - Details of proposed placement or other issue

Part 7A - Conditions

7A.1 - Are any of the following approvals required for the placement or other type of issue?

- **+Security holder approval**
- **Court approval**
- **Lodgement of court order with +ASIC**
- **ACCC approval**
- **FIRB approval**
- **Another approval/condition external to the entity**

No

Part 7B - Issue details

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?
Existing class

Will the proposed issue of this +security include an offer of attaching +securities?
No

Details of +securities proposed to be issued

ASX +Security Code and Description

EURO : OPTION EXPIRING 30-JUN-2020

Maximum Number of +securities proposed to be issued

38,000,000

Purpose of the issue

The Company and H120 AG varied the agreement between them (announced 30 December 2019) by relieving the Company of its obligation to issue 2 million options ($0.10 expiring 30 June 2020) and 30 million options ($0.15 expiring 30 December 2020).

Offer price details for retail security holders

In what currency is the cash consideration being paid?

AUD - Australian Dollar

What is the issue price per +security?

AUD

Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?
No

Oversubscription & Scale back details

May a scale back be applied to this event?
No

If some of the issued +securities do not rank equally

Is the actual date from which the +securities will rank equally (non-ranking end date) known?
No

Provide the estimated non-ranking end period

Upon exercise of the Options into fully paid ordinary shares, the allotted shares will rank equally in all respects with existing ordinary fully paid shares

Please state the extent to which the +securities do not rank equally:
- **In relation to the next dividend, distribution or interest payment; or**
- **For any other reason**

Upon exercise of the Options into fully paid ordinary shares, the allotted shares will rank equally in all respects with existing ordinary fully paid shares

Part 7C - Timetable

7C.1 Proposed +issue date

Tuesday January 7, 2020

Part 7D - Listing Rule requirements

7D.1 Has the entity obtained, or is it obtaining, +security holder approval for the issue under listing rule 7.1?
No

7D.1b Are any of the +securities proposed to be issued without +security holder approval using the entity's 15% placement capacity under listing rule 7.1?
Yes

7D.1b (i) How many +securities are proposed to be issued without security holder approval using the entity's 15% placement capacity under listing rule 7.1?

38000000

7D.1c Are any of the +securities proposed to be issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A (if applicable)?
No

7D.2 Is a party referred to in listing rule 10.11.1 participating in the proposed issue?
No

7D.3 Will any of the +securities to be issued be +restricted securities for the purposes of the listing rules?
No

7D.4 Will any of the +securities to be issued be subject to +voluntary escrow?
No

Part 7E - Fees and expenses

7E.1 Will there be a lead manager or broker to the proposed issue?
No

7E.2 Is the proposed issue to be underwritten?
No

7E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed issue

N/A

Part 7F - Further Information

7F.1 Will the entity be changing its dividend/distribution policy if the proposed issue proceeds?
No

7F.2 Any other information the entity wishes to provide about the proposed issue

There is variation to the number of securities to be issued under the Appendix 3B announced on 30 December 2019 (refer ASX announcement 5 March 2020). The remaining options the subject of the 30 December 2019 Appendix 3B were issued on 6 and 7 January 2020 (being the 38,000,000 options referred to in this notice). No appendix 2A was released as the options are unlisted. The Company and H120 AG varied the agreement between them (announced 30 December 2019) by relieving the Company of its obligation to issue 2 million options ($0.10 expiring 30 June 2020) and 30 million options ($0.15 expiring 30 December 2020).