

23 September 2020

EUROPEAN LITHIUM WINS LANDMARK BALLOT VICTORY OVER STRATEGIC TENEMENT IN NORTH WEST WA AND OFFERS SHARE PURCHASE PLAN TO EXISTING SHAREHOLDERS

Highlights

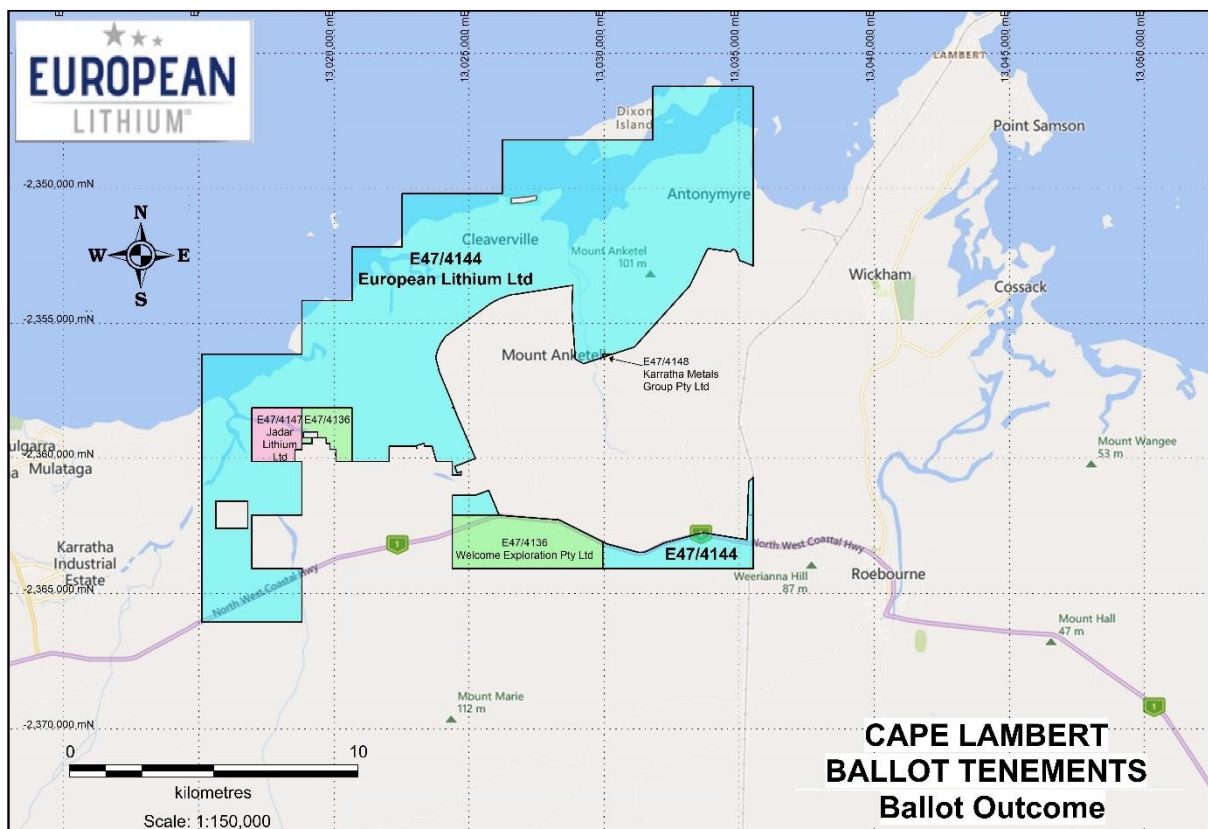
- EUR secures E47/4144 in ballot under the WA Mining Act held on 18 September 2020. The ballot was contested by 13 other applicants in addition to EUR;
- Subject to Ministerial approval, upon grant E47/4144 to be 100% legally owned by EUR, and 50% beneficially held by EUR and 50% for a third party;
- E47/4144 is a newly created tenement of approximately 130km² which surrounds the Chinese owned Mt Anketell iron deposit (see map below)
- Several recent discoveries of conglomerate gold in the region and in particular in the Artemis JV Project tenure adjacent and to the south;
- EUR will immediately commence reconnaissance exploration to test the conglomerate gold potential within the tenement;
- Of equal importance, EUR will also commence desktop studies of the iron ore deposit extension opportunities that were previously identified by Cape Lambert when it held the Project;
- EUR has commenced discussions with its recently appointed strategic partner (27 May 2020), Talaxis Limited ("Talaxis") in respect of a number of possible funding opportunities regarding E47/4144. Talaxis is a wholly-owned subsidiary of Noble Group Holdings Limited which is a significant world-wide iron ore trader and iron ore mine owner as well as being a global leader in EV technology metals project development; and
- In addition to the successful placement to raise \$2.1m (22 September, 2020) EUR will also undertake a Share Purchase Plan (SPP) to raise up to \$2m.

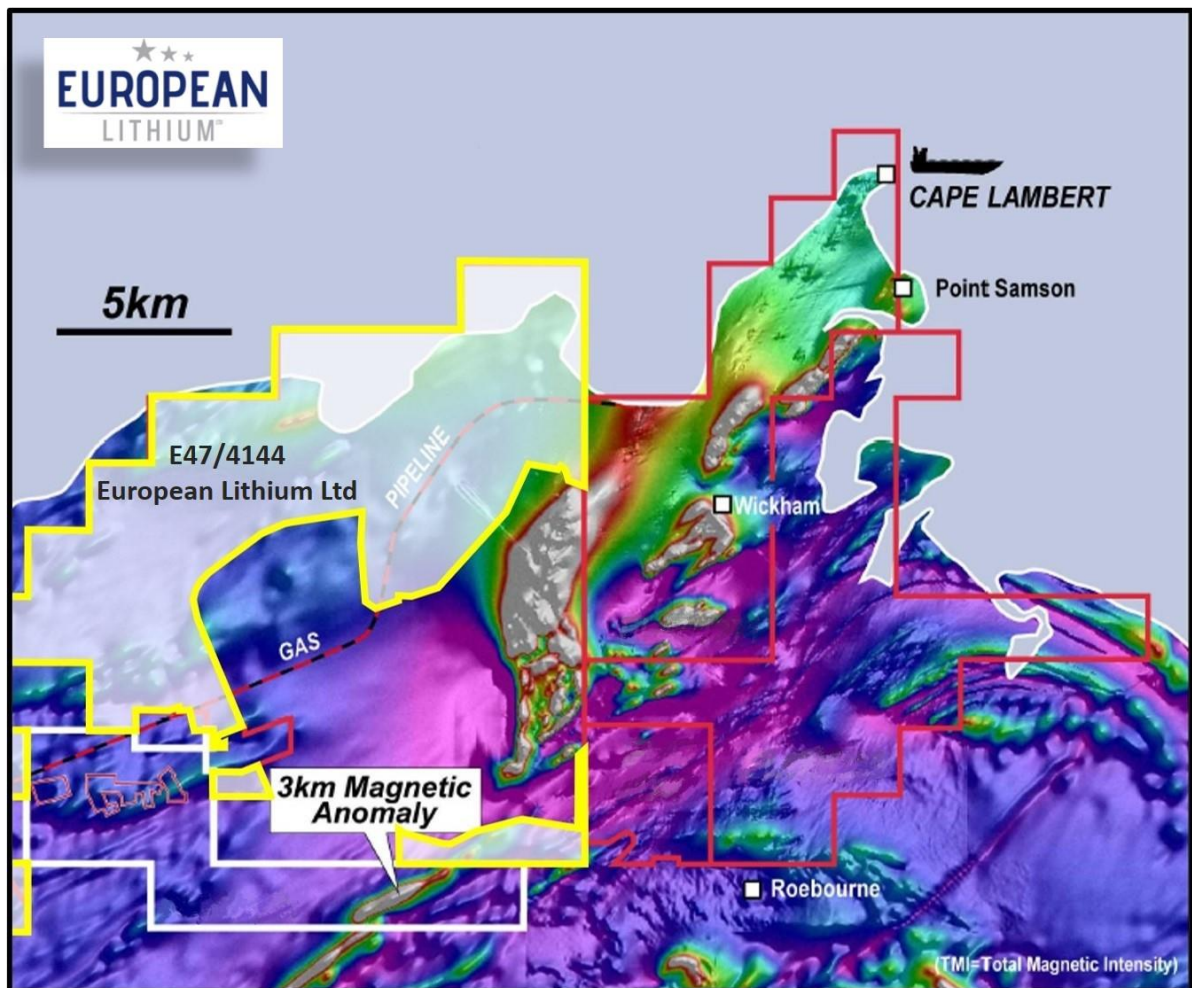
European Lithium Limited (ASX:EUR, FRA:PF8, NEX:EUR, VSE:ELI) (EUR or the **Company**) is pleased to advise the following:

On 23 March 2019 tenement E47/1462-I, held by MCC Australia Sanjin Mining Pty Ltd, expired and was not renewed in the required time. At 8:30am on 25 March 2019 European Lithium Ltd (EUR) applied for exploration licence E47/4144 under section 58 of the Western Australia Mining Act 1978 (Mining Act). At the same time the Department of Mines, Industry Regulation and Safety (DMIRS) received applications for 13 other exploration licences over the same or a similar area. Under section 105A(3) of the Mining Act these tenements (14 in

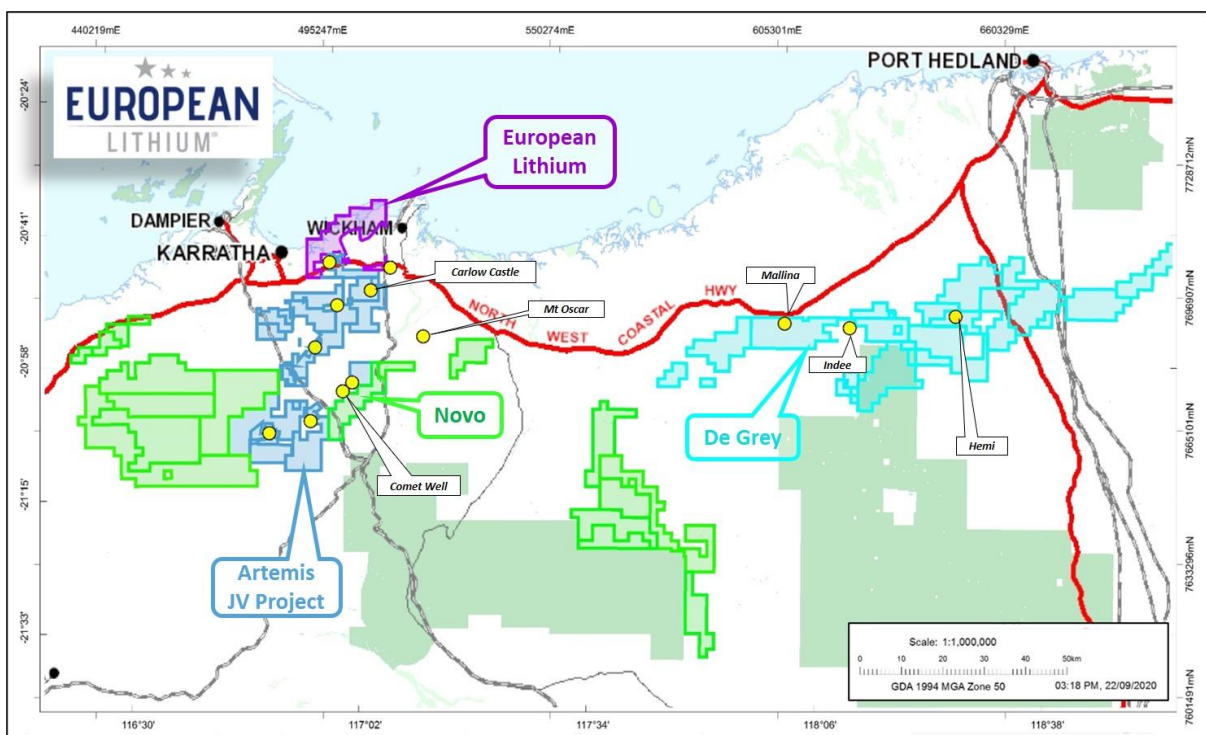
total numbered from E47/4136 to 4149 consecutively) were placed into a ballot that was drawn on 18 September 2020. EUR tenement E47/4144 was drawn first in matters 4, 5 and 7 relating to the ballot. The Company confirmed the new tenement blocks with DMIRS on 21 September 2020 and, when granted, the configuration of E47/4144 will be as per the map below which equates to approximately 130km².

Subject to Ministerial approval and upon grant, E47/4144 to be 100% legal owned by EUR and 50% beneficially held by EUR, with the remaining 50% held by Wombat Pty Limited, an unrelated private company that identified the application. The parties will in due course negotiate terms upon which activities will be carried out on the tenement.





Tenement over TMI



Tenement in relation to Artemis JV, Novo and De Grey tenure

EUR Chairman Tony sage commented:

“The ballot victory in our favour is a massive win for the Company. It allows EUR and its strategic advisors Talaxis to continue the progress of the advanced Wolfsberg Lithium Project in Austria at a time when there is significant EU focus on regional EV metal development as well as now add (for nil consideration other than management time) a strategic land holding in the North West of Western Australia. EUR won approximately 90% of the available land holdings in the ballot and importantly, as far as we are aware the tenement area has never been tested for conglomerate gold given it is only a recently discovered geological phenomenon in the last few years. We can’t wait to commence reconnaissance exploration to test the potential for conglomerate gold. We are also excited with the iron ore potential of the tenement given my intimate knowledge of the area acquired as Chairman of Cape Lambert at the time the Anketell Project was sold to the Chinese in 2008.”

Conglomerate Gold Potential

Given recent success in conglomerate gold in the region, EUR intends to start immediate exploration to conduct field reconnaissance and mapping of geology and historical workings. This work will be followed by obtaining the necessary government approvals (pending grant) to construct a suitable field exploration program that may involve the development of costeans, drilling etc. Based on the somewhat random distribution of nugget gold in a conglomerate environment, the Company will look to undertake larger than normal samples, similar to programs undertaken by Novo to the South at the Comet and Purdy's Reward Projects.

In addition to an immediate sampling program (pending grant of the tenement), the Company intends to explore for the source of the gold found in the conglomerate lithology by:

- a) Collecting all previous information on the tenement;
- b) Field mapping to identify any possible shear hosted intrusion related sources and;
- c) Investigating the most suitable geophysics and geochemistry to use in targeting deeper source gold structures.

EUR believes that it is in an exceptionally good position in acquiring, by ballot, such a well centred tenement with the potential for both conglomerate and shear hosted gold mineralisation as is found in the Novo, Artemis and De Grey tenure to the south and east.

The Company looks forward to updating shareholders as soon as possible as it puts together various geological summaries of the tenement and commences reconnaissance exploration.

Share Purchase Plan

The Company will offer all existing eligible investors the opportunity to subscribe for new shares at \$0.0475 per Share up to a maximum of 631,579 shares (maximum of \$30,000)

per investor under a Share Purchase Plan (**SPP**). The SPP will be capped at \$2.0M. Funds raised under the SPP will be used primarily towards exploration on E47/4144.

The SPP issue price is a 19.2% discount to the 5 day VWAP of the Company's shares.

An indicative timetable for the capital raisings is included in Annexure "A".

This announcement has been authorised for release to the ASX by the Board of the Company.

Tony Sage
Non-Executive Chairman
European Lithium Limited

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Competent Person

The information in this announcement that relates to Exploration Results and Resource Estimation is based on information compiled by Mr Olaf Frederickson. Mr Frederickson is a Member of The Australasian Institute of Mining and Metallurgy (AusIMM) and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the "JORC Code"). Mr Frederickson believes that the information in this announcement pertaining to former resource reporting is an accurate representation of the available data and studies for the material mining project. Mr Frederickson is a consultant to European Lithium and consents to the inclusion in the report of the Exploration Results in the form and context in which they appear.

Visit the Company's website to find out more about the advanced Wolfsberg Lithium Project located in Austria.

For further information please contact:

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Annexure “A”

Share Purchase Plan Timetable

Event	Date
Record date for eligibility to participate in the SPP	5.00pm (AWST), 22 September 2020
Dispatch of SPP offer Documents and SPP offer open	7 October 2020
SPP closing Date	3 November 2020
Announcement of SPP Participation Results	6 November 2020
Issue of new shares under the SPP	12 November 2020

The timetable is indicative only and remains subject to change at EUR's discretion, subject to compliance with applicable laws and the ASX Listing Rules.