



EUROPEAN METALS

Investor Presentation

May 2015



Disclaimer and Cautionary Statement



EUROPEAN METALS

DISCLAIMER

This presentation has been prepared by European Metals Limited (“European Metals” or the “Company”). It is not a disclosure document and should not be considered as an offer or invitation to subscribe for, or purchase any securities in the Company or as an any, inducement to make an offer or invitation with respect to those securities. No agreement to subscribe for securities in the Company will be entered into on the basis of this presentation. This presentation contains forecasts and forward looking information. Such forecasts, projections and information are not a guarantee of future performance, involve unknown risks and uncertainties. Actual results and developments will almost certainly differ materially from those expressed or implied. European Metals has not audited or investigated the accuracy or completeness of the information, statements and opinions contained in this presentation. Accordingly, to the maximum extent permitted by applicable laws, European Metals makes no representation and can give no assurance, guarantee or warranty, express or implied, as to, and takes no responsibility and assumes no liability for, the authenticity, validity, accuracy, suitability or completeness of, or any errors in or omission, from any information, statement or opinion contained in this presentation.

Throughout this presentation all figures are quoted in AUD\$ dollars unless otherwise stated.

You should not act or refrain from acting in reliance on this presentation material. This overview of the Company’s Cinovec Project does not purport to be all inclusive or to contain all information which its recipients may require in order to make an informed assessment of the Cinovec Project’s prospects. You should conduct your own investigation and perform your own analysis in order to satisfy yourself as to the accuracy and completeness of the information, statements and opinions contained in this presentation before making any investment decision.

Information in this presentation that relates to Exploration Results, Mineral Resources or Ore Reserves is based on previous announcements made by European Metals (or other relevant parties) to the ASX and AIM.

This presentation does not constitute financial product advice (nor investment, tax, accounting or legal advice) and has been prepared without taking account of any person’s investment objectives, financial situation or particular needs.

Disclaimer and Cautionary Statement



CAUTIONARY STATEMENT

The Cinovec Scoping Study financials referred to in this announcement (see page 10) is based on low level technical and economic assessments and is of insufficient certainty, under the JORC Code and ASX Listing Rules and guidance, to permit the technical and economic parameters required to imply economic viability. Investors should note that for the Company to establish economic viability of the Cinovec Project, the Company would need to upgrade an appropriate portion of its Inferred and Indicated Mineral Resources to a higher level of confidence with sufficient consideration of mining, processing, metallurgical, infrastructure, economic, marketing, legal, environmental, social and governmental factors. There is no assurance of an economic development case at this stage, or any certainty that conclusions of the study will be realised. The Scoping Study is based on the Company's Indicated and Inferred Tin Mineral Resource and should not be solely relied upon by investors when making investment decisions.

There is a low level of geological confidence associated with Inferred Mineral Resources and there is no certainty that further exploration work will result in the conversion of Inferred Mineral Resources to Indicated or Measured categories.

COMPETENT PERSON

The Exploration information in this presentation is based on information compiled by Mr Widenbar who is a recognised geologist and consultant to European Metals. Mr. Widenbar has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is 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". Mr Widenbar consents to the inclusion in this presentation of the matters based on his information in the form and the context in which it appears.

Company Overview



EUROPEAN METALS

- Lithium and tin exploration and development company with assets in the Czech Republic
- 100% owned Cinovec Project
 - Indicated Resource defined
 - Scoping Study complete

Globally significant lithium and tin deposit

Very low cost lithium carbonate production (<\$2,000/t), potential to decrease with addition of tin/tungsten revenue

- Robust multi-commodity project – lower commodity price risk
- Excellent infrastructure, low cost, skilled local workforce
- Plan to fast track development, tapping in to forecast rise in lithium and tin demand and price



LITHIUM INFERRED RESOURCE (0.1% Li cutoff)

Tonnes (million)	Li ₂ O %	W %	Sn %
514.8	0.43	0.01	0.03

TIN INDICATED RESOURCE (0.1% Sn cutoff)

Tonnes (million)	Sn %	W %	Li ₂ O %
7.0	0.23	0.03	0.45

TIN INFERRED RESOURCE (0.1% Sn cutoff)

Tonnes (million)	Sn %	W %	Li ₂ O %
72.7	0.23	0.03	0.45

Corporate Snapshot



EUROPEAN METALS

ASX Code	EMH
CDIs	60.8 million
Options (June 2016 @ 10c)	21.9 million
Options (unlisted)	1.2 million
Market Cap at \$0.17 per share (CDIs)	10.3 million

Shareholder Structure	
Woolstores (+associates)	11.8%
Czech Shareholders	11.6%
R+H Trust Co	10.5%
NS Hong Investment	7.7%
Top 20 Shareholders	68.0%
Held by Directors	14.0%

Share Price Performance



Directors and Senior Management

Dave Reeves	Non-executive Chairman
Keith Coughlan	Managing Director
Pavel Reichl	Executive Director

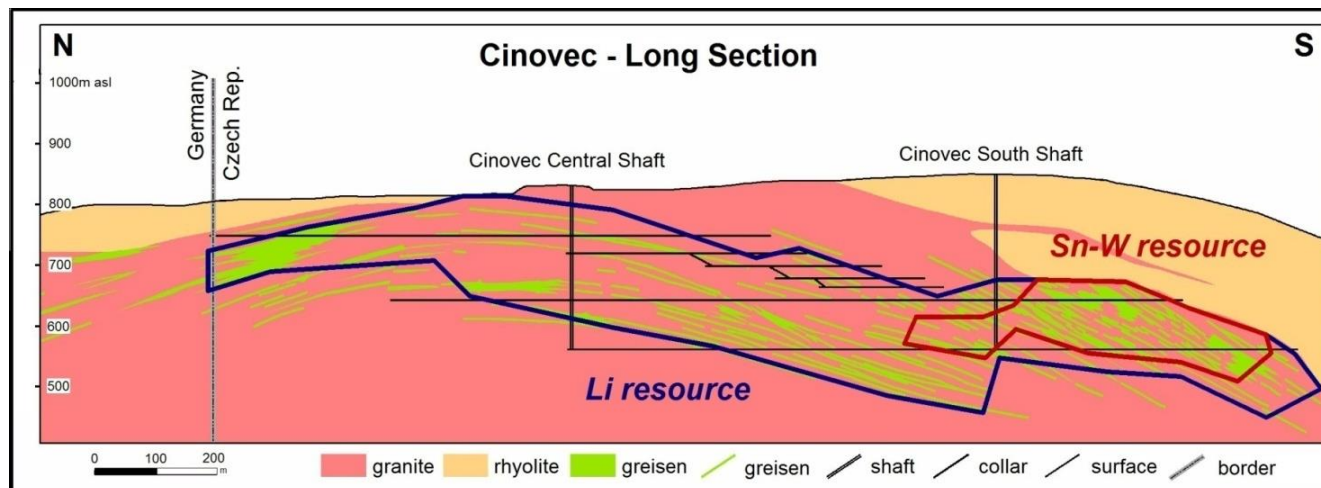
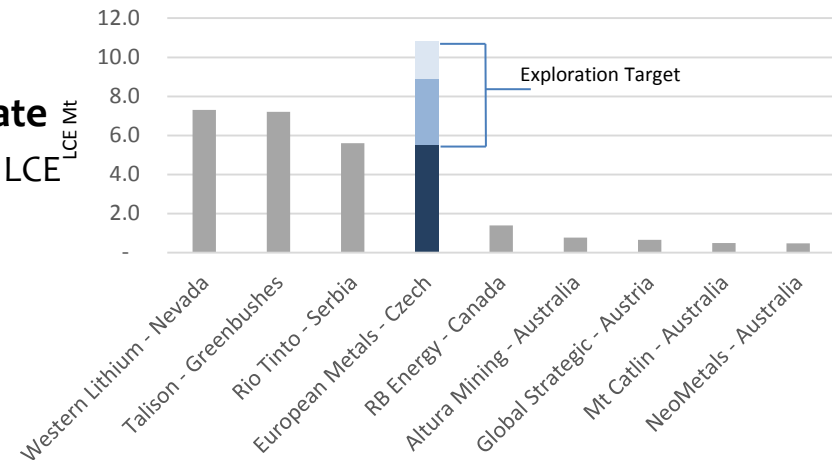
Cinovec Deposit



EUROPEAN METALS

- >80km historical diamond drilling, 21.5km historical development tunnels at Cinovec South
- 3 diamond holes drilled in 2014 by EMH
 - 100% Inferred to Indicated Resource conversion rate**
- Inferred Resource 5.5Mt LCE; Exploration Target 3.4-5.3Mt LCE
 - 514.8Mt @ 0.43% Li₂O; 350-450 Mt @ 0.39-0.47% Li₂O
- Indicated and Inferred Resources 111.4Kt tin
 - Indicated 7.0Mt @ 0.23%Sn, 0.03%W, 0.45%Li₂O
 - Inferred 72.7Mt @ 0.23% Sn, 0.03% W, 0.45%Li₂O

Active Lithium Projects - Non Brine Resources*



* Sources: company data

Cinovec Scoping Overview



EUROPEAN METALS

- Potential for development of Cinovec to be technically and financially viable
- Mine design work suggests Cinovec could be a bulk underground mining operation
- Traditional gravity processing to produce tin and tungsten concentrates
- Tails from gravity plant fed to lithium processing plant; battery grade lithium carbonate produced via atmospheric leach
- Costs estimated by independent consultants, based on quotes and data from recent projects using industry-standard estimating factors



Cinovec Scoping Mining – Processing



EUROPEAN METALS

Mining

- Bara Consulting engaged to evaluate mine design and infrastructure
- Scope to determine applicable mining method, derive conceptual mine layout-schedule, estimate indicative capital and operating costs

Processing – lithium

- HoA with Cobre Montana (ASX:CXB) to trial proprietary atmospheric leach for lithium recovery
 - Battery-grade Li_2CO_3 precipitated from Cinovec sample, significant by-product potash (K_2SO_4)
- Production cost estimated to be less than \$2,000/t Li_2CO_3 net of potash credit

Processing - tin

- GR Engineering Services managed testwork and process design
 - Overall tin recovery 80% from a sample of Cinovec drill core
 - Clean concentrate; gravity dressing should result in concentrate grading well above 50% Sn

PRE-PRODUCTION CAPITAL COST ESTIMATE	
MINING	US\$90 million
PROCESSING - TIN	US\$72 million
PROCESSING - LITHIUM	US\$164 million

OPERATING COST ESTIMATE	
MINING	US\$27.04 per tonne ore mined
PROCESSING - TIN	US\$11.24 per tonne treated
PROCESSING - LITHIUM	US\$39.14 per tonne treated

Cinovec Infrastructure



EUROPEAN METALS

- Excellent infrastructure in place to support development of Cinovec
- Adjacent to a main road and near large industrial centres, car and chemical plants in Germany and Czech Republic
- Two rail lines within 10km of the deposit, including one previously used to load concentrate with a rail spur 2km south of Cinovec
- Adjacent to primary coal mining and power producing areas in the Czech Republic
- 22KvA transmission line to the project
- Good water supply and miscellaneous infrastructure



Cinovec Scoping financials



EUROPEAN METALS

- Assumptions derived from Scoping Study:
 - 2Mtpa feed rate
 - Grade from Indicated Mineral Resource with modifying factors applied
 - Lithium recovery 70%
 - Tin recovery 80%
 - Tungsten recovery 70%
 - Royalty 2%
 - Standard industry smelter terms for tin
- Outputs:
 - Conceptual Li_2CO_3 production 19,400tpa
 - Conceptual tin production 4,200tpa
 - Conceptual tungsten production 800tpa
 - Conceptual annual operating cost US\$125 million
 - Conceptual annual revenue US\$233 million

KEY INPUTS AND OUTPUTS – SCOPING STUDY		
Pre-production CAPEX		US\$326 million
OPEX	Mining	US\$27.04/t ore mined
	Tin plant	US\$11.24/t treated
	Lithium plant	US\$39.14/t treated
ANNUAL PRODUCTION	Li_2CO_3	19,400t
	Sn	4,200t
	W	800t
Annual opex		US\$125 million
Annual revenue		US\$233 million*

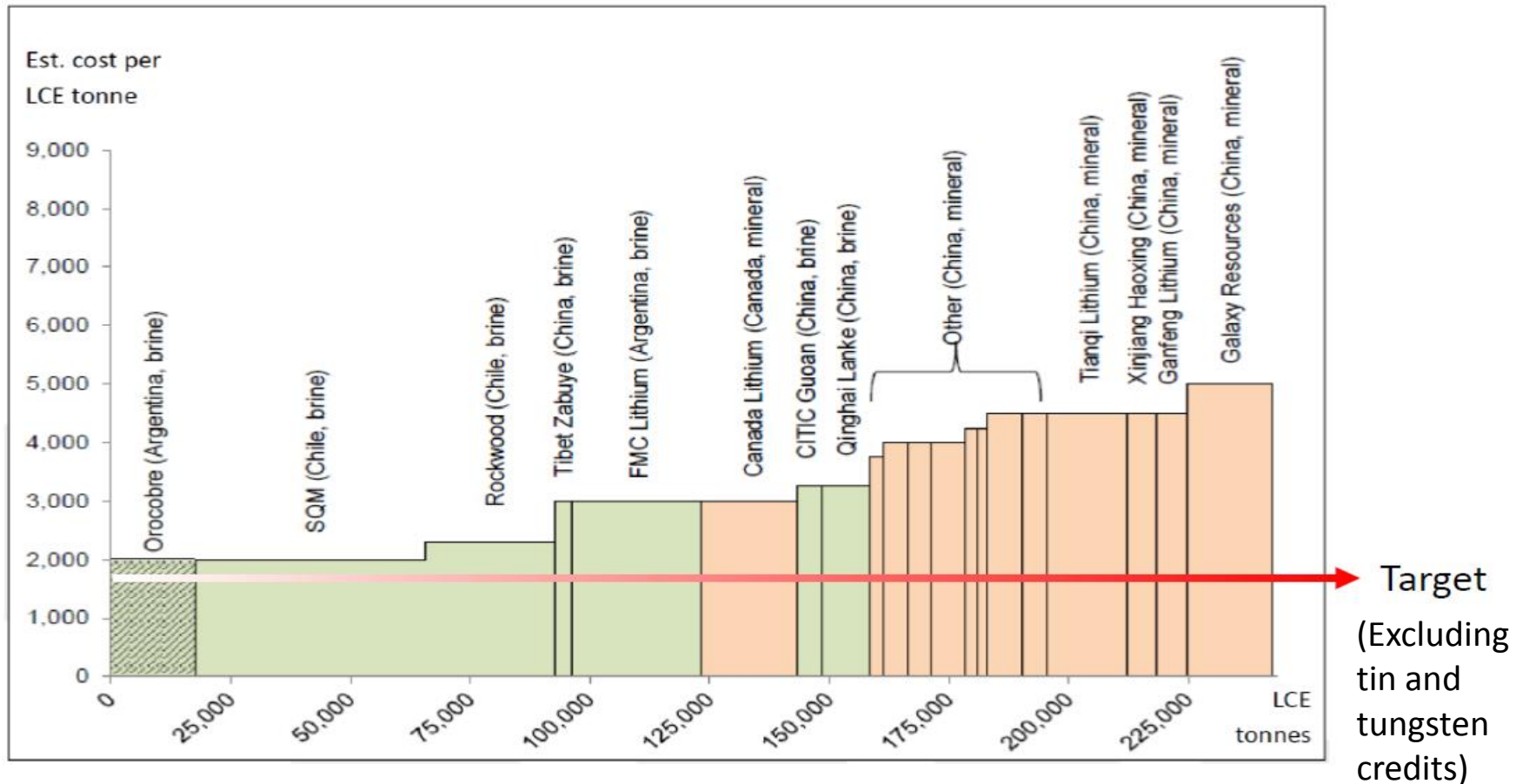
*commodity prices applied: US\$22,500/t Sn, US\$330/mtu APT (W), US\$6,500/t Li_2CO_3 , \$640/t potash
annual operating costs and revenue are average of first 5 years at 2Mtpa processing rate

* This statement is not intended in any way to imply that Cinovec will produce at these production rates, or at any rates inside or outside of those figures, or at all, at any time in the near or distant future. Refer to Cautionary Statement on page 3.

Cinovec Scoping Production Cost



EUROPEAN METALS



Source: CXB presentation May 2015

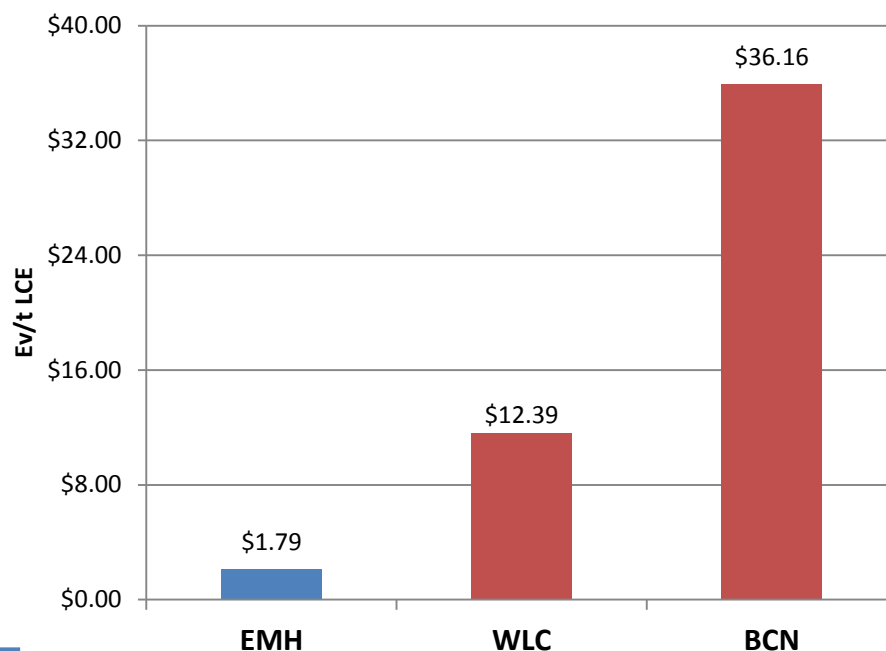
Market Comparatives



EUROPEAN METALS

Lithium

- Western Lithium (TSX:WLC)
 - Sedimentary/clay lithium deposit in Nevada
 - Requires high temperature roast pre-leach to liberate lithium
- Bacanora Minerals (TSX/AIM: BCN)
 - Sedimentary/clay lithium and borate deposits in northern Mexico
 - Requires high temperature roast pre-leach to liberate lithium



	EMH	WLC	BCN
Compliant resource	5.5Mt LCE	7.3Mt LCE	3.3Mt LCE
Market cap. (AUD million)	\$10.3	\$93.4	\$147.7
EV (AUD million)	\$9.85	\$90.41	\$135.23
EV/t LCE	\$1.79	\$12.39	\$36.16*

* 88% of EV ascribed to lithium project, based on reported NPV

2015 Program



EUROPEAN METALS

Scoping Study - COMPLETE

Pre-Feasibility Study

- Drilling to allow estimation of Indicated Resource for majority of Scoping Study mining inventory (5,000 metres)
- Drilling will supply abundant material for additional metallurgical testwork
- Technical studies to improve levels of confidence in mining, processing, marketing
- Pilot testwork on lithium carbonate and potash production
- Target EU for grants to assist in pilot development/studies
- Commence environmental work and map way forward for permitting
- Targeting completion in H1 2016

Lithium Market



EUROPEAN METALS

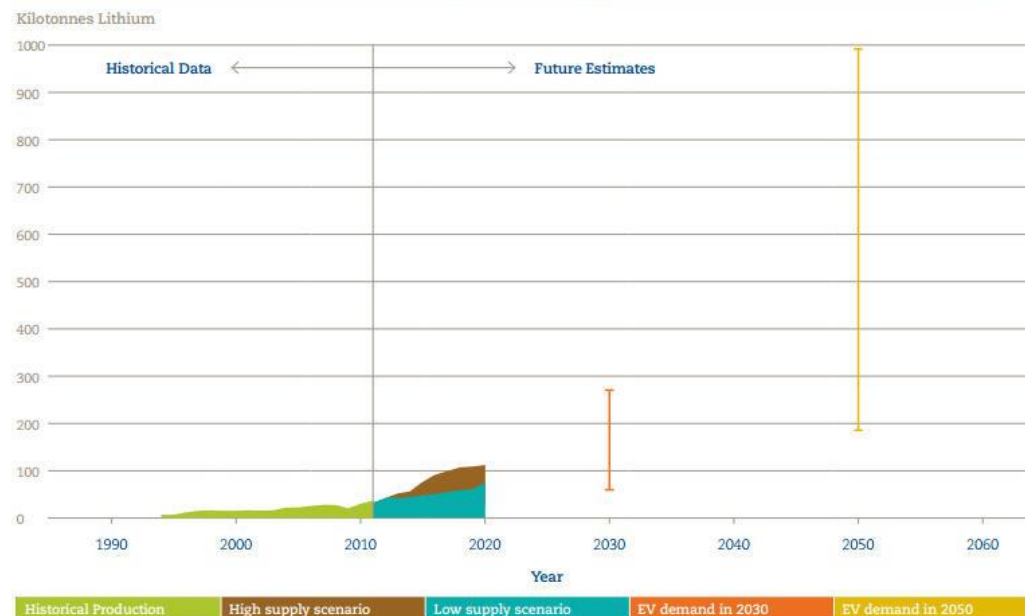
Uses

- Long life batteries
 - Strategic component; no lithium, no battery
 - Low cost; minimal risk of being replaced
 - Almost 95% of batteries in electronic devices use lithium

new applications – Tesla Powerwall

- High strength to weight metal alloys
 - Aircraft
- Heat-resistant glass

A comparison of historical lithium production, future supply estimates and future demand estimates (kilotonnes)



Outlook

- Demand forecast to grow at +10% per annum for the next 13 years and substantially to 2050
 - Growth markets primarily electronic devices and hybrid/electric vehicles
 - Consensus pricing of \$6,000/t for battery grade lithium carbonate LT, opaque market

Tin Market



EUROPEAN METALS

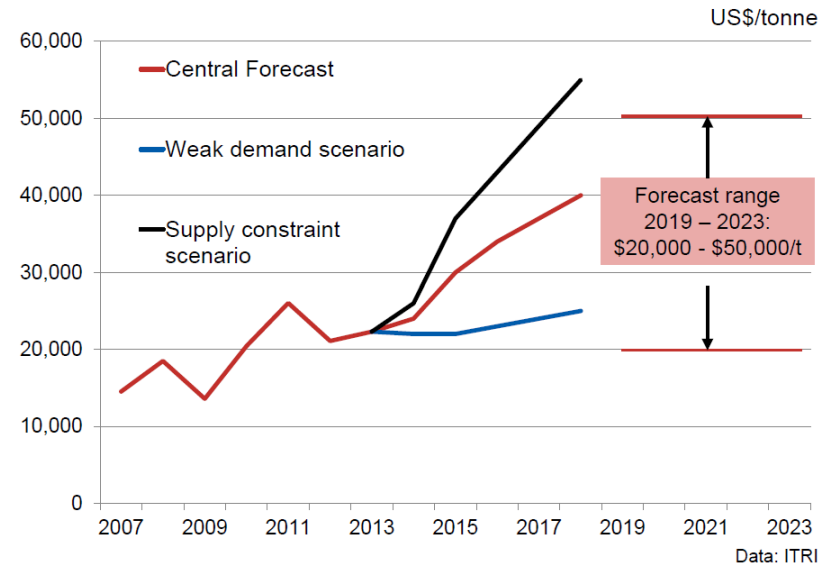
Uses

- Solder, tinplate, chemicals
- Increasing use in high technology industries: battery, solar and nano-technology
- Global tin usage has increased from ~190,000 tpy (1980) to ~364,000 tpy (2015 forecast)

Outlook

- Current price approximately \$16,200/t
- ITRI: 'high probability of supply shortages developing in next 5 years'
- Based on supply constraints, analyst forecasts from late 2014 suggest the tin price will exceed \$23,000/t by the end of 2015 and \$24,000/t by the end of 2016

Price scenarios to 2023



Czech Republic, EU



EUROPEAN METALS

- Central location in Europe
- 83% of exports to EU countries, one third being to Germany alone
- Stable political and economic environment – Member of the European Union
- Excellent transport infrastructure, communication and power networks
- Relatively low corporate income tax rate of 19%
- Population about 10.4 million
- Long tradition of silver, uranium, tin mining
- Established mining code



Management Team



EUROPEAN METALS

David Reeves – Chairman

Qualified mining engineer with 20 years' experience in Africa and Australia. Highly experienced underground mining specialist - First class honours degree in mining engineering from the University of New South Wales, graduate diploma in applied finance and investment from the Securities Institute of Australia and a Western Australian first class mine managers certificate of competency - Managing Director of Ferrex Plc (AIM).

Keith Coughlan – Managing Director

Keith has almost 30 years' experience in stockbroking and funds management. He has been largely involved in the funding and promoting of resource companies listed on the ASX, AIM and TSX. He has advised various companies on the identification and acquisition of resource projects and was previously employed by one of Australia's then largest funds. He is the Non-Executive Chairman of ASX listed Talga Resources Limited.

Dr. Pavel Reichl – Executive Director

Over 24 years' experience in precious, base and PGE metals exploration and production - PhD University of Montana - Formerly Business Unit Manager of a Canadian-listed minerals exploration company. Responsible for Europe and Central Asia. Former head of Newmont acquisition program in Eastern Europe and exploration manager for Kyrgyzstan and Uzbekistan. Exploration and mine geologist - Montana, Nevada, Newmont Gold. Fluent in English, Czech and Russian. Pavel is a 43-101 certified Professional Geologist and a Fellow of Society of Economic Geologists.

Investment Summary



EUROPEAN METALS

Substantial Upside

Trades at significant discount to peers
Considerable demand growth and price increases predicted for lithium and tin
Significant exploration upside
High industry interest exhibited

Deposit Size, Style

Globally significant lithium and tin deposit
Unique multi-commodity deposit
Consistent mineralisation – low variability

Low Risk

Stable country, well regulated
High rate of conversion from Inferred to Indicated Resource
Proven metallurgy from past operations and confirmatory metallurgical testwork
Diverse commodities reduce exposure to revenue volatility

Cost Base

Maximising revenue, lowering overall cost by capturing all significant commodities
Lower cost workforce than traditional mining countries
Low transport costs to end user

Contact Information



EUROPEAN METALS

European Metals Holdings Limited

Australia

Keith Coughlan

Managing Director

Telephone: +61 8 6141 3500

Mobile: +61 41 999 6333

Email: keith@europeanmet.com

Czech Republic

Pavel Reichl

Executive Director

Telephone: +420 732 671 666

Email: pavel@europeanmet.com