

**European Metals
Holdings Limited**

ARBN 154 618 989

Level 4, 66 Kings Park Road
West Perth WA 6005
PO Box 52
West Perth WA 6872
Phone + 61 8 6141 3500
Fax + 61 6141 3599
Website:
www.europeanmet.com

Directors

David Reeves
Non-Executive Chairman

Keith Coughlan
Managing Director

Dr Pavel Reichl
Executive Director

Company Secretary

Ms Julia Beckett

Corporate Information

ASX Code: EMH

CDIs on Issue: 65.8M

Market Cap: \$7.9M



EUROPEAN METALS

22 JUNE 2015

ASX ANNOUNCEMENT

**EUROPEAN METALS TO RAISE \$1.5M VIA PLACEMENT TO
EUROPEAN BASED INVESTORS**

European Metals Holdings Limited ('EMH' or the 'Company') is pleased to announce that the company has raised AUD 1,500,000 via a placement to European based investors. A portion of the placement is subject to shareholder approval.

The Company proposes to raise AUD 1,500,000 via the issue of 18.75m CDI's at an issue price of 8 cents per CDI. The placement will be made in two tranches, 9,339,430 to be issued immediately with the balance to be issued pursuant to shareholder approval.

London based and listed Rare Earth Minerals plc ('REM') will become a substantial shareholder of the company by way of a subscription of approximately 27% of the placement with the balance being subscribed for by other European based investors.

REM is a London listed investment company focused on creating a diverse portfolio of direct and indirect interests in lithium and rare earth deposits. REM are long term investors in the lithium sector and are intending to support EMH in both a technical and a corporate sense. REM has a current market capitalisation of approximately GBP 66 million (AUD 135 million) and is a substantial shareholder of Bacanora Minerals Limited (BCN:TSX,LON). BCN is developing the Sonara Lithium Project in Mexico.

The proceeds of the placement will be used to further develop the Company's 100% owned Cinovec Lithium and Tin Project in the Czech Republic, located adjacent to the German boarder, and for working capital.

Following the placement it is EMH's intention to seek listing on the London Alternate Investment Market (AIM) in order to facilitate further investment in the company by European based investors.

EMH CEO and Managing Director, Keith Coughlan, said "I am delighted to welcome REM as a shareholder of the company. REM are an innovative and extremely well credentialed company, who have a number a significant investments in the global lithium resource sector, who fully recognize the potential of the lithium market and the Cinovec Project. We very much look forward to working with REM and value highly their technical and corporate experience."

ABOUT THE PROJECT

Cinovec is a globally significant lithium and tin deposit with the potential to be a very low cost producer of lithium carbonate.

Key Points

- 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
- 100% Inferred to Indicated Resource conversation rate

For full details please refer EMH releases to ASX of 1 May 2015 and 6 May 2015 which can be found on our website: www.europeanmet.com.

PROJECT OVERVIEW

Cinovec Lithium/Tin Project

European Metals owns 100% of the Exploration Rights to the Cinovec lithium/tin deposit in the Czech Republic. Cinovec is an historic mine incorporating a significant undeveloped lithium/tin resource with by-product potential including tungsten, rubidium, scandium, niobium and tantalum. Cinovec hosts a globally significant hard rock lithium deposit with a total Inferred Mineral Resource of 514.8Mt @ 0.43% Li₂O. Within this resource, lies one of the largest undeveloped tin deposits in the world, with a total Inferred and Indicated Mineral Resources of 30.1Mt grading 0.37% Sn for 111,370 tonnes of contained tin. The Mineral Resource estimates are based primarily on over 83,000m of drilling and 21.5km of underground exploration drifting. A recently completed Scoping Study shows the deposit is amenable to bulk underground mining and has had over 400,000 tonnes trial mined as a sub-level open stope. Metallurgical testwork has produced both battery grade lithium carbonate and high grade tin concentrate at high recoveries with the Scoping Study showing production costs of less than \$2,000/t for the production of lithium carbonate. This cost is further reduced when tin and tungsten credits are included. Cinovec is very well serviced by infrastructure, with a sealed road adjacent to the deposit, rail lines located 5km north and 8km south of the deposit and an active 22kV transmission line running to the mine. As the deposit lies in an active mining region, it has strong community support.

COMPETENT PERSON

Information in this release that relates to exploration results is based on information compiled by European Metals Director Dr Pavel Reichl. Dr Reichl is a Certified Professional Geologist (certified by the American Institute of Professional Geologists), a member of the American Institute of Professional Geologists, a Fellow of the Society of Economic Geologists and is a Competent Person as defined in the 2012 edition of the Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves. Dr Reichl consents to the inclusion in the release of the matters based on his information in the form and context in which it appears. Dr Reichl holds CDIs in European Metals.

The information in this report that relates to Mineral Resources has been compiled by Mr Lynn Widenbar. Mr Widenbar, who is a Member of the Australasian Institute of Mining and Metallurgy, is a full time employee of Widenbar and Associates and produced the estimate based on data and geological information supplied by European Metals. Mr Widenbar has sufficient experience that is

relevant to the style of mineralisation and type of deposit under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the JORC Code 2012 Edition of the Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves. Mr Widenbar consents to the inclusion in this report of the matters based on his information in the form and context that the information appears.

CAUTION REGARDING FORWARD LOOKING STATEMENTS

Information included in this release constitutes forward-looking statements. Often, but not always, forward looking statements can generally be identified by the use of forward looking words such as “may”, “will”, “expect”, “intend”, “plan”, “estimate”, “anticipate”, “continue”, and “guidance”, or other similar words and may include, without limitation, statements regarding plans, strategies and objectives of management, anticipated production or construction commencement dates and expected costs or production outputs.

Forward looking statements inherently involve known and unknown risks, uncertainties and other factors that may cause the company’s actual results, performance and achievements to differ materially from any future results, performance or achievements. Relevant factors may include, but are not limited to, changes in commodity prices, foreign exchange fluctuations and general economic conditions, increased costs and demand for production inputs, the speculative nature of exploration and project development, including the risks of obtaining necessary licences and permits and diminishing quantities or grades of reserves, political and social risks, changes to the regulatory framework within which the company operates or may in the future operate, environmental conditions including extreme weather conditions, recruitment and retention of personnel, industrial relations issues and litigation.

Forward looking statements are based on the company and its management’s good faith assumptions relating to the financial, market, regulatory and other relevant environments that will exist and affect the company’s business and operations in the future. The company does not give any assurance that the assumptions on which forward looking statements are based will prove to be correct, or that the company’s business or operations will not be affected in any material manner by these or other factors not foreseen or foreseeable by the company or management or beyond the company’s control.

Although the company attempts and has attempted to identify factors that would cause actual actions, events or results to differ materially from those disclosed in forward looking statements, there may be other factors that could cause actual results, performance, achievements or events not to be as anticipated, estimated or intended, and many events are beyond the reasonable control of the company. Accordingly, readers are cautioned not to place undue reliance on forward looking statements. Forward looking statements in these materials speak only at the date of issue. Subject to any continuing obligations under applicable law or any relevant stock exchange listing rules, in providing this information the company does not undertake any obligation to publicly update or revise any of the forward looking statements or to advise of any change in events, conditions or circumstances on which any such statement is based.

For further information please contact:

Keith Coughlan
k.coughlan@europeanmet.com

Julia Beckett
COMPANY SECRETARY