

## European Metals Holdings Limited

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### 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: 85M

Market Cap: \$8.93M



**25 AUGUST 2015**

## ASX ANNOUNCEMENT

### EUROPEAN METALS COMMENCES 5,000M DRILL PROGRAM AT CINOVEC LITHIUM/TIN PROJECT

European Metals Holdings Limited (**European Metals** or the **Company**) is pleased to announce that the company has now commenced a 5,000m drill program at its 100% owned Cinovec Lithium/Tin project in Czech Republic.

The drill program will target the area outlined to be mined in the positive Scoping Study concluded earlier this year and is aimed at converting the majority of the lithium and tin Inferred Mineral Resource in that area to the Indicated Mineral Resource category.

The program will comprise 13 holes for 5,400 metres targeting the main Cinovec South ore zone and in addition to upgrading the Mineral Resource estimate it will provide additional core samples for further metallurgical test work.

The metallurgical testwork will aim to finalise the process flow route and optimise the entire metal chain recovery maximising the value of key products including lithium, tin, potash and tungsten.

The drill program is expected to run for 5 months and the Company will provide updates as this program progresses.

Managing Director, Keith Coughlan said, "I am pleased to report the drills turning again at the Cinovec Project as this represents the first step along the way to the completion of further technical and economic studies. The drilling is concurrent with the production of a bulk lithium mica concentrate for processing in the Perth-located lithium carbonate mini-plant under supervision of Lithium Australia. As we advance to dual listing in London, this is a busy time for the Company and I look forward to delivering further updates in the near future on all aspects of the company's activities".

## PROJECT OVERVIEW

### Cinovec Tin Project

Cinovec is an historic tin mine incorporating a significant undeveloped tin resource with by-product potential including tungsten, lithium, rubidium, scandium, niobium and tantalum. Cinovec is one of the largest undeveloped tin deposits in the world, with a total inferred resource of 30.1Mt grading 0.37% Sn for 111,370 tonnes of contained tin. Cinovec also hosts a partly-overlapping hard rock lithium deposit with a total inferred resource of 514.8Mt @ 0.43% Li<sub>2</sub>O. The resource estimates are based primarily on exploration completed by the Czechoslovakian Government in the 1970s and 1980s, including 83,000m of drilling and 21.5km of underground exploration drifting.

The deposit is amenable to bulk underground mining and has had over 400,000 tonnes trial mined as a sub-level open stope. Historical metallurgical testwork, including the processing of the trial mine ore through the previous on-site processing plant, indicates the ore can be treated using simple gravity methods with good recovery rates for tin and tungsten of approximately 75%. Recent metallurgical testwork on tin indicates the potential for upwards of 80% recovery; initial results of testwork on lithium extraction using proprietary technology has been highly encouraging, with the capability to produce battery grade lithium carbonate. 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, a member of the American Institute of Petroleum 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.

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 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. There can be no assurance that ongoing exploration will identify mineralisation that will prove to be economic, that anticipated metallurgical recoveries will be achieved, that future evaluation work will confirm the viability of deposits that may be identified or that required regulatory approvals will be obtained.

### **For further information please contact:**

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Julia Beckett  
**COMPANY SECRETARY**