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TSX-V: EVX

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NEWS RELEASE

European Electric Metals Does Not Proceed with Skroska Laterite Project

European Electric Metals Inc. ("EVX" or "the Company") (EVX:TSX Venture) announces that the due diligence period for evaluating the Skroska cobalt-nickel laterite project expires July 31, 2019 (see EVX News Release dated March 1, 2019 for details on the due diligence period).

Skroska was placed on care and maintenance, reportedly due to low metal prices, prior to EVX conducting due diligence. The EVX technical team targeted to assess the preliminary potential of restarting the operation and getting value for other metals, such as cobalt, rather than only the nickel content.

EVX will not be proceeding with closing of the transaction to acquire Skroska (see EVX News Release November 10, 2018 for details on the proposed transaction).

During the due diligence period, EVX reviewed historical data, collected 174 samples from vertical channels in 66 locations within four blocks (see sampling locations on European Electric Metals' website) and engaged engineering consultants to review and assess onsite equipment and workings. The 174 samples were taken from vertical channels at one-metre intervals on mine walls up to three metres high (or headroom).

These samples were sent to ALS Laboratory in Bohr, Serbia, for sample preparation, with the analysis performed at ALS laboratory in Ireland. The analytical package used was ME-XRF-12n, an analytical suite suitable for nickel laterite samples that consists of 16 elements, including nickel, cobalt, iron oxide and copper.

The results of the analysis showed cobalt values averaging 0.11 per cent (ranging from 0.01 per cent to 0.49 per cent) and nickel averaging 1.1 per cent (ranging from 0.21 per cent to 1.7 per cent). The iron oxide for the 174 samples averaged 69.61 per cent (from 6.75 per cent to 80.18 per cent). See EVX News Release January 28, 2019 for details on the sampling results.

In a subsequent phase of underground work, additional sampling was conducted by EVX geologists with collected materials sent to a high-pressure acid leaching (HPAL) facility for evaluation.

At this point, EVX has been unable to find potential interested purchasers of the laterite material at purchase prices to warrant further analysis of the project. Interest in the laterite material was limited although the company did have multiple discussions with companies that own ferro-nickel and HPAL operations and who were initially considered potential purchasers of the laterite material.

EVX Chief Executive Officer, Fred Tejada, P.Geo, states, “While current market conditions for nickel laterite projects such as Skroska are difficult, we wish the owners of the project all the best in the future. At the same time, EVX is evaluating multiple projects in a variety of jurisdictions and will report when any substantive progress is made in these evaluations.”

Jose Mario Castelo Branco, EuroGeol, a qualified person under the meaning of Canadian National Instrument 43-101 and chief geologist of the Company, is responsible for the technical content of this news release.

On behalf of the Company,

Fred Tejada, Chief Executive Officer and Director

Forward-Looking Statements. This news release contains “forward-looking” statements and information relating to the Company and Skroska are based on the beliefs of Company management, as well as assumptions made by and information currently available to Company management. Such statements reflect the current risks, uncertainties and assumptions related to certain factors including but not limited to, without limitations, exploration and development risks, expenditure and financing requirements, general economic conditions, changes in financial markets, the ability to properly and efficiently staff the Company’s operations, the sufficiency of working capital and funding for continued operations, title matters, community relations, operating hazards, political and economic factors, competitive factors, metal prices, relationships with vendors, governmental regulations and oversight, permitting, seasonality and weather, technological change, industry practices, and one-time events. Should any one or more risks or uncertainties materialize or change, or should any underlying assumptions prove incorrect, actual results and forward-looking statements may vary materially from those described herein. The Company does not undertake to update forward-looking statements or forward-looking information, except as required by law.

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