



Announcement Summary

Entity name

EUROPEAN LITHIUM LIMITED

Announcement Type

New announcement

Date of this announcement

Tuesday January 19, 2021

The Proposed issue is:

☒ A placement or other type of issue

Total number of +securities proposed to be issued for a placement or other type of issue

ASX +security code	+Security description	Maximum Number of +securities to be issued
n/a	Exercise price \$0.075, expiring 3 years from issue	70,000,000
EUR	ORDINARY FULLY PAID	140,000,000

Proposed +issue date

Tuesday March 9, 2021

Refer to next page for full details of the announcement



Part 1 - Entity and announcement details

1.1 Name of +Entity

EUROPEAN LITHIUM LIMITED

We (the entity named above) give ASX the following information about a proposed issue of +securities and, if ASX agrees to +quote any of the +securities (including any rights) on a +deferred settlement basis, we agree to the matters set out in Appendix 3B of the ASX Listing Rules.

1.2 Registered Number Type

ACN

Registration Number

141450624

1.3 ASX issuer code

EUR

1.4 The announcement is

☒ New announcement

1.5 Date of this announcement

Tuesday January 19, 2021

1.6 The Proposed issue is:

☒ A placement or other type of issue



Part 7 - Details of proposed placement or other issue

Part 7A - Conditions

7A.1 - Are any of the following approvals required for the placement or other type of issue?

- +Security holder approval
- Court approval
- Lodgement of court order with +ASIC
- ACCC approval
- FIRB approval
- Another approval/condition external to the entity

☒ Yes

7A.1a Conditions

Approval/Condition	Date for determination	Is the date estimated or actual?	** Approval received/condition met?
+Security holder approval	Monday March 8, 2021	☒ Estimated	

Comments

Shareholder approval being sought for the placement free attaching options, broker shares and broker options

Part 7B - Issue details

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?

☒ Existing class

Will the proposed issue of this +security include an offer of attaching +securities?

☒ Yes

Details of +securities proposed to be issued

ASX +security code and description

EUR : ORDINARY FULLY PAID

Number of +securities proposed to be issued

140,000,000

Offer price details

Are the +securities proposed to be issued being issued for a cash consideration?

☒ Yes



In what currency is the cash consideration being paid?

AUD - Australian Dollar

What is the issue price per +security?

AUD 0.05000

Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?

☒ Yes

Attaching +Security

Is the proposed attaching security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional +securities in a class that is already quoted or recorded by ASX)?

☒ New class

Attaching +Security - New class (+securities in a class that is not yet quoted or recorded by ASX)

Details of attaching +securities proposed to be issued

ISIN Code (if Issuer is a foreign company and +securities are non CDIs)

AU000000EUR7

Have you received confirmation from ASX that the terms of the proposed +securities are appropriate and equitable under listing rule 6.1?

☒ No

Will the entity be seeking quotation of the 'new' class of +securities on ASX?

☒ No

ASX +security code

New class-code to be confirmed

+Security description

Exercise price \$0.075, expiring 3 years from issue

+Security type

Options

Number of +securities proposed to be issued

70,000,000

Offer price details

Are the +securities proposed to be issued being issued for a cash consideration?

☒ No

Please describe the consideration being provided for the +securities

Free attaching options pursuant to the placement

Please provide an estimate of the AUD equivalent of the consideration being provided for the +securities

0.00000001



Will all the +securities issued in this class rank equally in all respects from their issue date?

☒ Yes

Options details

+Security currency

AUD - Australian Dollar

Exercise price

AUD 0.0750

Expiry date

Saturday March 9, 2024

Details of the type of +security that will be issued if the option is exercised

EUR : ORDINARY FULLY PAID

Number of securities that will be issued if the option is exercised

70,000,000

Please provide a URL link for a document lodged with ASX setting out the material terms of the +securities proposed to be issued or provide the information by separate announcement.

Part 7C - Timetable

7C.1 Proposed +issue date

Tuesday March 9, 2021

Part 7D - Listing Rule requirements

7D.1 Has the entity obtained, or is it obtaining, +security holder approval for the entire issue under listing rule 7.1?

☒ No

7D.1b Are any of the +securities proposed to be issued without +security holder approval using the entity's 15% placement capacity under listing rule 7.1?

☒ Yes

7D.1b (i) How many +securities are proposed to be issued without security holder approval using the entity's 15% placement capacity under listing rule 7.1?

70,000,000

7D.1c Are any of the +securities proposed to be issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A (if applicable)?

☒ Yes



7D.1c (i) How many +securities are proposed to be issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A?

70,000,000

7D.1c (ii) Please explain why the entity has chosen to do a placement rather than a +pro rata issue or an offer under a +security purchase plan in which existing ordinary +security holders would have been eligible to participate

The Company is currently undertaking a security purchase plan at the same time as undertaking a placement

7D.2 Is a party referred to in listing rule 10.11 participating in the proposed issue?

☒ No

7D.3 Will any of the +securities to be issued be +restricted securities for the purposes of the listing rules?

☒ No

7D.4 Will any of the +securities to be issued be subject to +voluntary escrow?

☒ No

Part 7E - Fees and expenses

7E.1 Will there be a lead manager or broker to the proposed issue?

☒ Yes

7E.1a Who is the lead manager/broker?

Evolution Capital Advisors Pty Ltd and Empire Capital Partners Pty Ltd

7E.1b What fee, commission or other consideration is payable to them for acting as lead manager/broker?

Cash fee of 6% on the placement amount;
20,000,000 options (exercise price \$0.075, expiring 3 years from issue) subject to shareholder approval; and
1 fully paid ordinary share for every \$2.50 raised subject to shareholder approval

7E.2 Is the proposed issue to be underwritten?

☒ No

7E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed issue

Part 7F - Further Information

7F.01 The purpose(s) for which the entity is issuing the securities

Funds raised will be used to continue exploration and development on its Wolfsberg Lithium Project and WA tenement considered prospective for conglomerate gold and for working capital purposes

7F.1 Will the entity be changing its dividend/distribution policy if the proposed issue proceeds?

☒ No



7F.2 Any other information the entity wishes to provide about the proposed issue