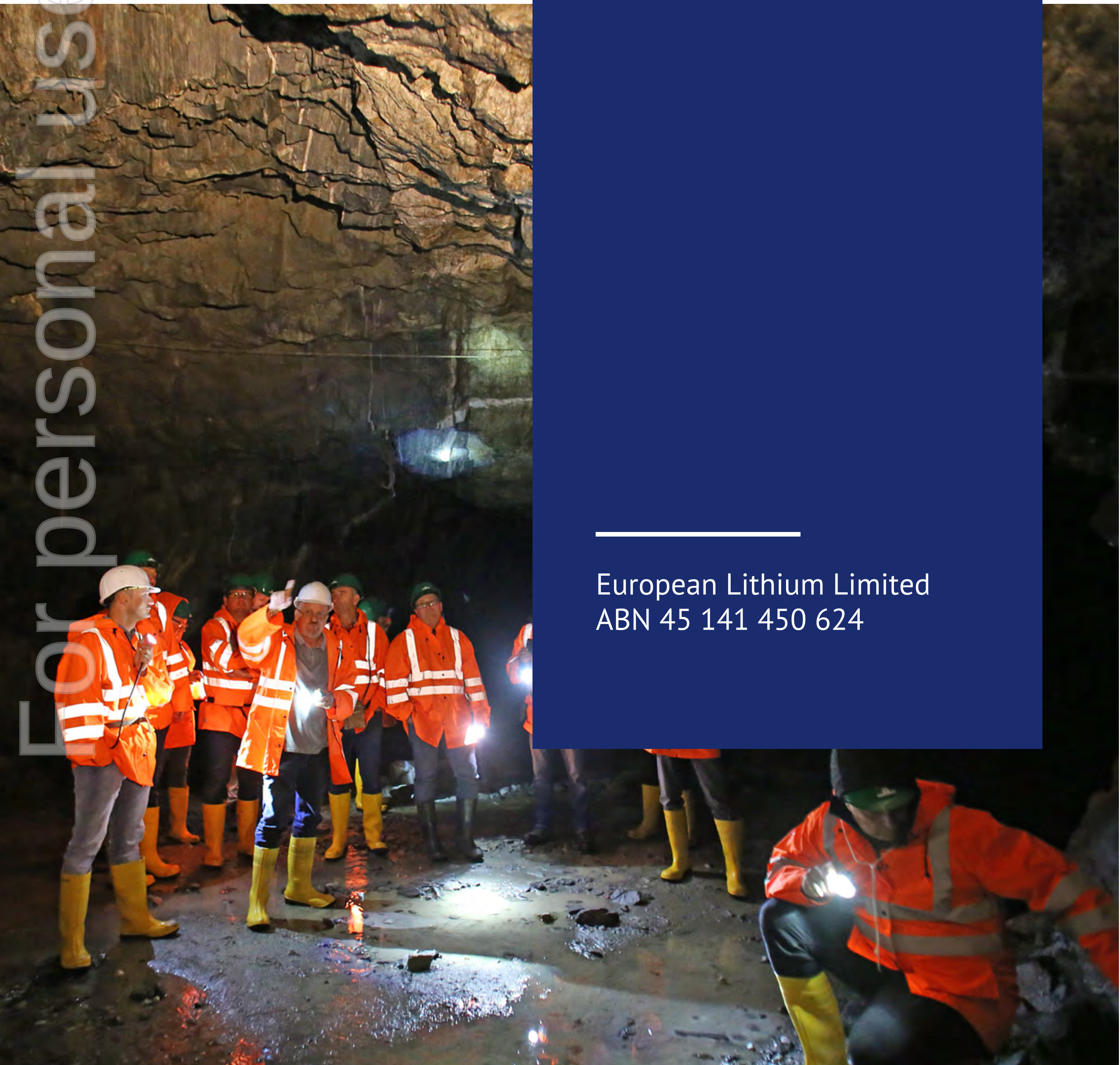
ANNUAL REPORT 2021

European Lithium Limited
ABN 45 141 450 624



DIRECTORS
Antony Sage - Non-Executive Chairman
Malcolm Day - Non-Executive Director
Michael Carter – Non-Executive Director

COMPANY SECRETARY
Melissa Chapman

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SOLICITORS TO THE COMPANY
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Perth WA 6000

AUDITORS
HLB Mann Judd (WA Partnership)
Level 4, 130 Stirling Street
Perth WA 6000

STOCK EXCHANGES
Australian Securities Exchange
ASX Code: EUR

Frankfurt Stock Exchange
FRA Code: PF8

SHARE REGISTRY
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Perth WA 6000
Tel: 1300 85 05 05 (Australia)
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CONTENTS

Your directors present their report on European Lithium Limited (**Company** or **EUR**) for the financial year ended 30 June 2021.

1. DIRECTORS

The names and details of the directors in office at any time during or since the end of financial year are:

Antony Sage	Non-Executive Chairman
Malcolm Day	Non-Executive Director
Michael Carter	Non-Executive Director (appointed 31 August 2021)
Kimon Gkomozias	Executive Director (appointed 2 September 2020, resigned 31 August 2021)
Tim Turner	Non-Executive Director (resigned 2 September 2020)

2. COMPANY SECRETARY

The names and details of the company secretary in office at any time during or since the end of financial year are:

Melissa Chapman Company Secretary

3. PRINCIPAL ACTIVITY

The principal activity of the Company during the financial year was Lithium exploration in Austria.

4. OPERATING RESULTS

The Company reported a net loss of $3,964,922 for the financial year (2020: $3,257,923 net loss).

5. DIVIDENDS PAID OR RECOMMENDED

The directors do not recommend the payment of a dividend and no amount has been paid or declared by way of a dividend to the date of this report.

6. SIGNIFICANT CHANGES IN STATE OF AFFAIRS

During the year there were no significant changes in the state of affairs of the Company other than as disclosed in this report or in the Financial Report.

7. EVENTS SINCE THE END OF THE FINANCIAL YEAR

On 16 August 2021, the Company announced that it received commitments to raise A$6.5 million through a placement to sophisticated investors at $0.0625 per share (**Placement Shares**) with one listed option (ASX: EUROA) (exercise price $0.075, expiring 19 April 2024) issued for every 2 shares issued (**Placement Options**). Funds raised will be used to fund the DFS at the Company's Wolfsberg Lithium Project, for general exploration purposes and working capital. The placement's lead manager was Evolution Capital Advisors Pty Ltd (**Evolution**) who was paid 6% of the amount raised, issued 20,000,000 EUROA listed options (**Broker Options**) and issued 2,000,000 fully paid ordinary shares (**Broker Shares**). The Placement completed on 16 August 2021 upon the issue of the Placement Shares, Placement Options, Broker Shares and Broker Options.

On 20 August 2021, the Company announced the appointment of Mr Michael Carter as Non-Executive Director and the resignation of Mr Kimon Gkomozias as Executive Director effective 31 August 2021.

On 23 August 2021, the Company issued 6,000,000 shares to Winance upon the conversion of the remaining 300 notes.

No other matters or circumstances have arisen since the end of the financial year which significantly altered or may significantly alter the operations of the Company, the results of those operations or the state of affairs of the Company in financial years subsequent to 30 June 2021.

8. ENVIRONMENTAL REGULATIONS

The Company is aware of its environmental obligations with regards to its exploration activities and ensures that it complies with all regulations when carrying out any exploration work.

9. LIKELY DEVELOPMENTS AND EXPECTED RESULTS

Disclosure of information regarding likely developments in the operations of the Company in future financial years and the expected results of those operations is likely to result in unreasonable prejudice to the Company. Therefore, this information has not been presented in this report.

10. REVIEW OF OPERATIONS

Wolfsberg Lithium Project

COVID-19

During the second half of 2020 until the end of March 2021, the temporary suspension of operational activities at the Company's Wolfsberg Lithium Project (**Wolfsberg Project**) continued in response to the COVID-19 global pandemic. The situation remains uncertain with governments, companies and individuals required to follow recommendations intended to increase vaccination rates and reduce the rate of infection at a global scale. More recently there has been some easing of restrictions across Europe, North America and numerous other countries, however, the continued and tightened restriction on travel specifically to and from Australia has a direct impact on the Company.

Drilling

GEO Unterweissacher assisted the Company to develop a drilling program intended to convert 4.68 million tonnes of Inferred resource in Zone 1 into Measured and Indicated category and upgrade resources to 10.98mt with adherence to the JORC Code (2012). Completion of this drilling program will allow the larger resource to be used for the definitive feasibility study (**DFS**) and support the envisaged higher mining rate of max. 800,000tpa than that used for the PFS which was restricted to the current Measured and Indicated Resource of 6.3 million tonne at 1.17% Li_2O.

The drilling program was prioritised into phases, with phase 1 shallow drilling (<300m) and phase 2 deep holes (>300m). Whilst phase 1 was completed in 2019/2020, in Q3/2020, the Company received the decree to drill the deep holes with more than 300m of depth covering phase 2 of the drilling program. The Company commenced the tender process for the drilling contractor and reengaged various consultants to supervise exploration activities.

As some of the contractors are not Austrian based, the Company experienced delays due to the different regulations and restrictions applying to cross border activities during the ongoing COVID-19 pandemic. In Q1/2021, the Company successful completed the tender process for the drilling contractor. The 1st drill rig was mobilised and completed 3 drill holes at a total ~900m length. To fast track the drilling program a 2nd drill rig was mobilised in Q2/2021.

Figure 1: Drill Rig I - in operation

Figure 2: Drill Rig II - in operation

Both drill rigs completed 11 drill holes and progressed to hole No. 12 and 13 at the end of Q2/2021, achieving a total of 5,200m in length. Supervising consultants have progressed exploration activities especially geological work, including additional geotechnical mapping of the drill core, as well as assays at the Company's external lab in Ireland. All data is being collected into a common database to update the geological block-model to upgrade and increase JORC compliant resource as anticipated.

Deep hole drilling program

The purpose of the Company's surface deep hole drilling program was to:

- Increase and upgrade the JORC code (2012) compliant resource which is currently 6.3mt Measured and Indicated at 1.17% Li_2O to 10.98mt Measured and Indicated at 1.00% Li_2O, once assay results are obtained and fully evaluated,
- Upgrade Inferred 4.68mt @0.78% Li_20 into Indicated or Measured, totaling 10.98mt @ 1.00% Li_2O in Indicated/Measured and to be converted into JORC reserves during DFS, and
- Demonstrate the extension of the JORC Inferred resource at northwest in Zone 1 (Northern flank of the anticline) with potential to increase the total tonnes above the current 10.98mt.

Upon completion of the drilling program, assay results being evaluated with an upgraded JORC resource statement to be declared and released to the market.

The Phase 2 exploration program includes:

1. Drilling of max. 20 deep diamond holes in Zone 1 to a total elevation of 1,055 metres above sea level (masl). The holes are between 320 metres and 510 metres in depth with max. 7,925 metres of total drilling; and

2. Optional trenching of 300 metres to a depth of 3-4 metres at the nose of the anticline to better understand the geology and transition from Zone 1 to Zone 2.

The drill hole planning of Phases 1 (completed) and 2 were performed by the Company's independent consultants GEO Unterweissacher and MineIT in collaboration with SRK. The final drill hole proposal consists of 20 drill holes in total, with execution prioritised based on technical parameters and optimal assignment of financial resources.

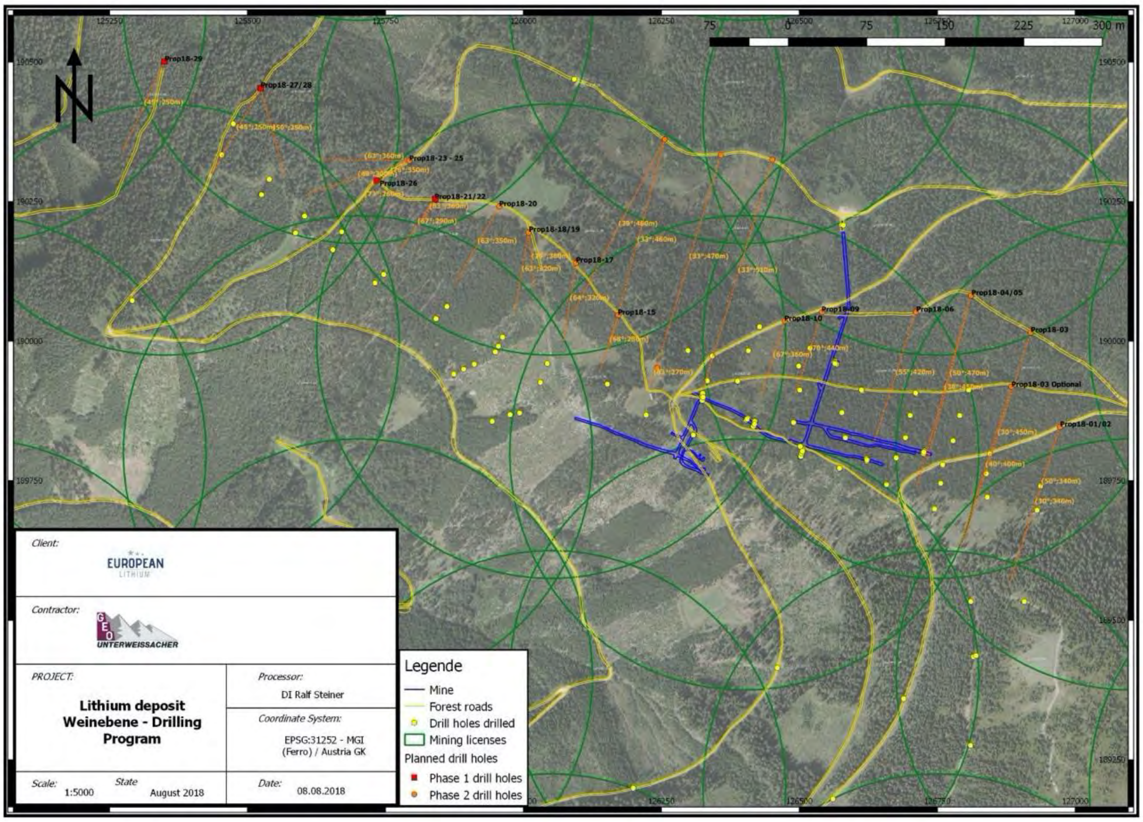


Figure 3: Lithium deposit Wolfsberg – area of investigation with drill holes of Phases 1 and 2

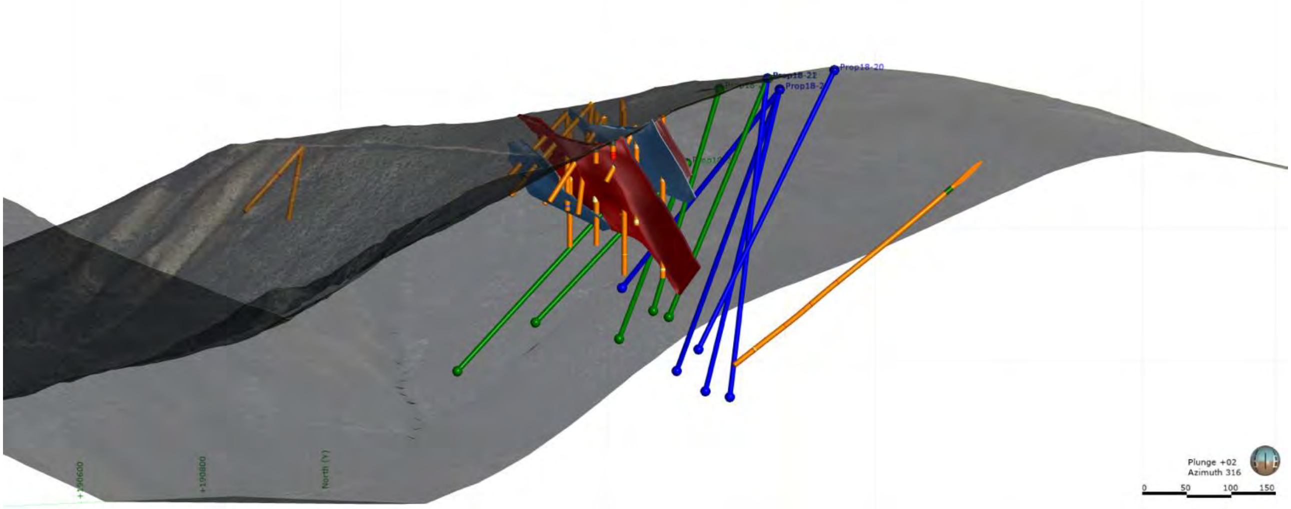
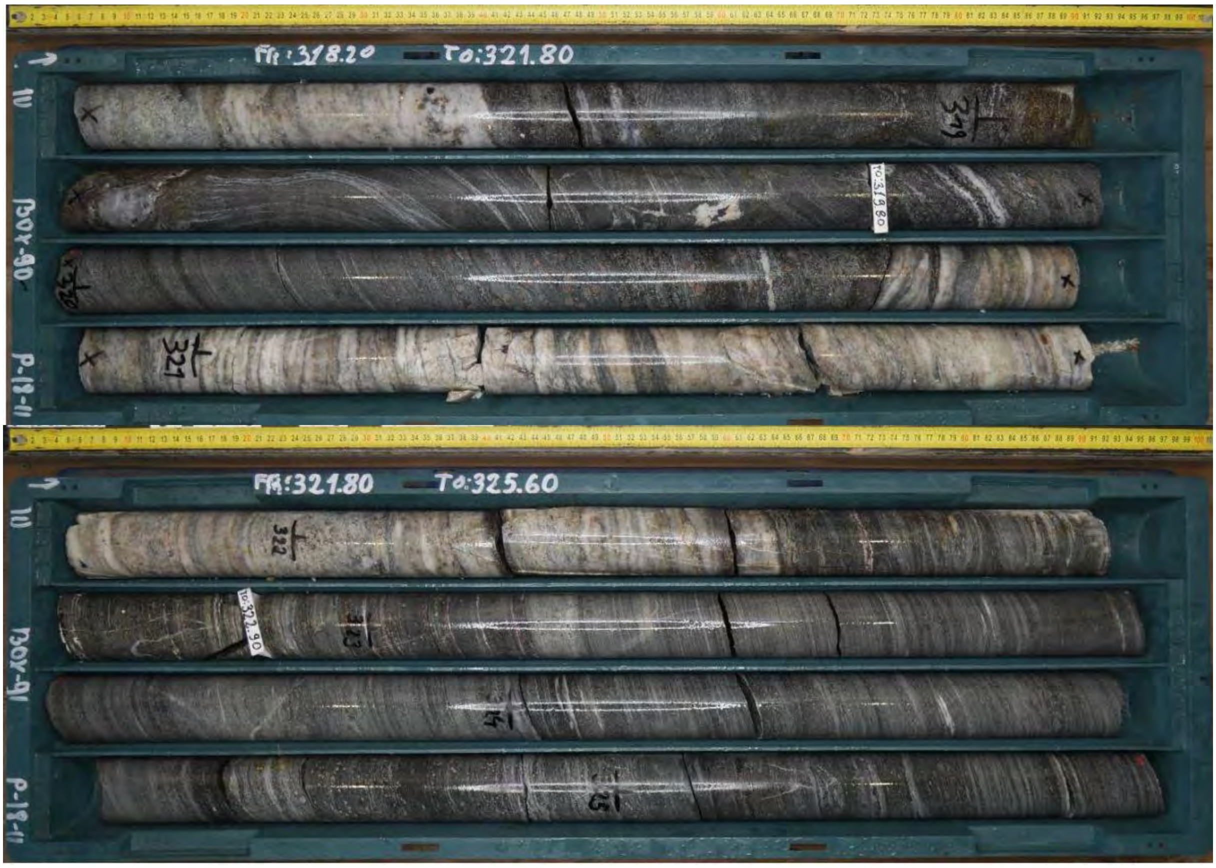


Figure 4: Wolfsberg lithium deposit – NW-SE Section view of drill holes Prop21/22. The orange drill holes are already drilled. Note the model of the pegmatite veins and the estimated continuity to the depth. Green and blue drill holes are proposed actually.

Core logging is underway simultaneous with all cores cutting, sampling, and labelling completed in-house prior to dispatch to the independent laboratory in Ireland. The Company anticipates the resource update will be completed and subsequently released in September 2021.

The aim of this infill program is to significantly increase the existing JORC reserves for the DFS and show extensions of the ore body for future drilling programs.



Picture 5: Pegmatite intersection of drill hole P18-11 @ 322m with a true thickness of 1,60 m

As announced (2 June 2021), pegmatite intersections have been encountered with a true thickness of up to 1.91m. Two (2) out of six (6) sample batches have already been analysed by independent laboratory, ALS Ireland, and geochemical analysis show Li_2O grades up to 2.4 %.

Metallurgy

Dorfner Anzaplan, a leading independent consultant in lithium and industrial minerals, continued to carry out significant metallurgical test work during the year to assess and optimise the process lines, flowsheets, and layouts. This testing is to ensure a high-quality final product (Lithium Hydroxide) is produced using the most efficient and competitive metallurgical processes from the beginning of the production cycle. The results and scope of work have been reviewed and the remaining Locked Cycle Tests (**LCTs**) commenced in Q2/2021.

DRA Global was reengaged as final DFS work commenced in Q2/2021 to independently assess and review the metallurgical test work, complete research in a timely manner and attended to all work stages at the testing facility in Hirschau.

All metallurgical test work took place at the Wolfsberg Project purpose-built pilot processing plant at Dorfner Anzaplan's (**Dorfner**) testing facility in Hirschau, Germany. The LCTs will also take place in these facilities. A detailed technical report will be published once this test work is completed and reviewed.

Results from ongoing LCTs are as expected and will form an essential part of our Quality Assurance and Quality Control (**QA/QC**) to ensure our metallurgic process is highly optimised for the pegmatites being mined from the Wolfsberg Project.

All data obtained from the metallurgic test work carried out in 2019/20 from the Wolfsberg Project ore mined in bulk and send to Dorfner for processing through the purpose-built pilot processing, will be used in a final report and integral part of the DFS to assist with tailoring the future process plant facilities.

Definitive Feasibility Study (DFS)

The Phase 2 resource drilling program has completed 11 drill holes in Zone 1 with ore body penetration as expected. This is an essential part of the DFS.

The Company has engaged their DFS-Team, based in Europe, South Africa and Canada covering Geology, Mining and Scheduling, Ore Concentration and Metallurgy with Conversion as well as structural design work, marketing, financial planning and scheduling covering future CAPEX and OPEX for the operations.

The Company reported in Q4/2020 that Dorfner completed in 2020 the metallurgical test work to assess and optimise process lines, flowsheets and layouts. Dorfner was reengaged in Q1/2021 to complete the remaining LCTs, which commenced in Q2/2021, to sufficiently assess the process to produce reliable results for the Lithium Hydroxide product. The Company anticipates the DFS can be completed in a timely manner and as efficiently as possible. Although the Company has put strong measures in place to mitigate the risk of delays caused by the COVID-19 pandemic, unexpected delays may still occur that could impact the completion of the DFS.

Land Access

During 2020/2021 the Company proactively continued to find solutions to settle all legal disputes with the land owner.

In Q2/2021 the Company reached an agreement with Glock Gut- und Forstverwaltung GmbH as the owner of the properties to which the mining licenses and the exploration licenses of ECM Lithium AT GmbH relate and where exploration activities are taking place and lithium-bearing ore shall be mined in the future. This also brought legal disputes to an end.

In this context, it was clarified by an expert that there was never a risk to the groundwater and spring water of nearby communities in Styria, as the lithium deposit is located on the other side of the Koralpe and, therefore, there are no adverse effects.

All necessary fieldwork at the Project concluded and was accepted.

Marketing Activities

The Company remains focused on the supply of Lithium Hydroxide to the nascent lithium battery plants of Europe. The Company is in discussion with several industry players regarding future off-take contracts and good progress has already been made in the advanced discussions with potential off-take partners.

Horizon 2020 and GREENPEG

During the year, the Company's 100% owned subsidiary ECM Lithium AT GmbH (**ECM**) successfully progressed on the European Union funded Horizon 2020 - GREENPEG programme, with significant field work carried out at its underground mine and surface to deploy innovative exploration methods.

The Company continued to work proactively in the already approved and funded Horizon 2020 LithRef programme.

Continued participation shows the Company's abilities and eligibility to contribute with EU-level support to the sustainable supply of battery grade lithium, sourced and produced in Europe.

Tenement Renewal

The Company's 54 exploration licenses are valid until 31 December 2024 and 11 mining licenses until 31 December 2021. The renewal process for the 11 mining licenses has commenced and the Company expects the decision of the Mining Authority to be based on the significant effort the Company has demonstrated to develop the Wolfsberg Project. Exploration progress to increase the resources and metallurgic test work to produce battery grade Lithium Hydroxide to high level industrial purity has demonstrated to the Mining Authority that the Company can develop the Wolfsberg Project through the DFS and into production.

E47/4144

On 23 September 2020, the Company announced that it had secured tenement E47/4144 via ballot under the WA Mining Act.

E47/4144 is progressing through the WA Mining Act regulatory application process. The Company has reached agreement in principle with Robe River Mining Co. Pty Ltd to resolve their objection and anticipates that the agreement will be executed and the Robe River objection withdrawn. The Company is continuing discussions with stakeholders including remaining objector to negotiate access with respect to native title, heritage, and areas of existing or intended infrastructure.

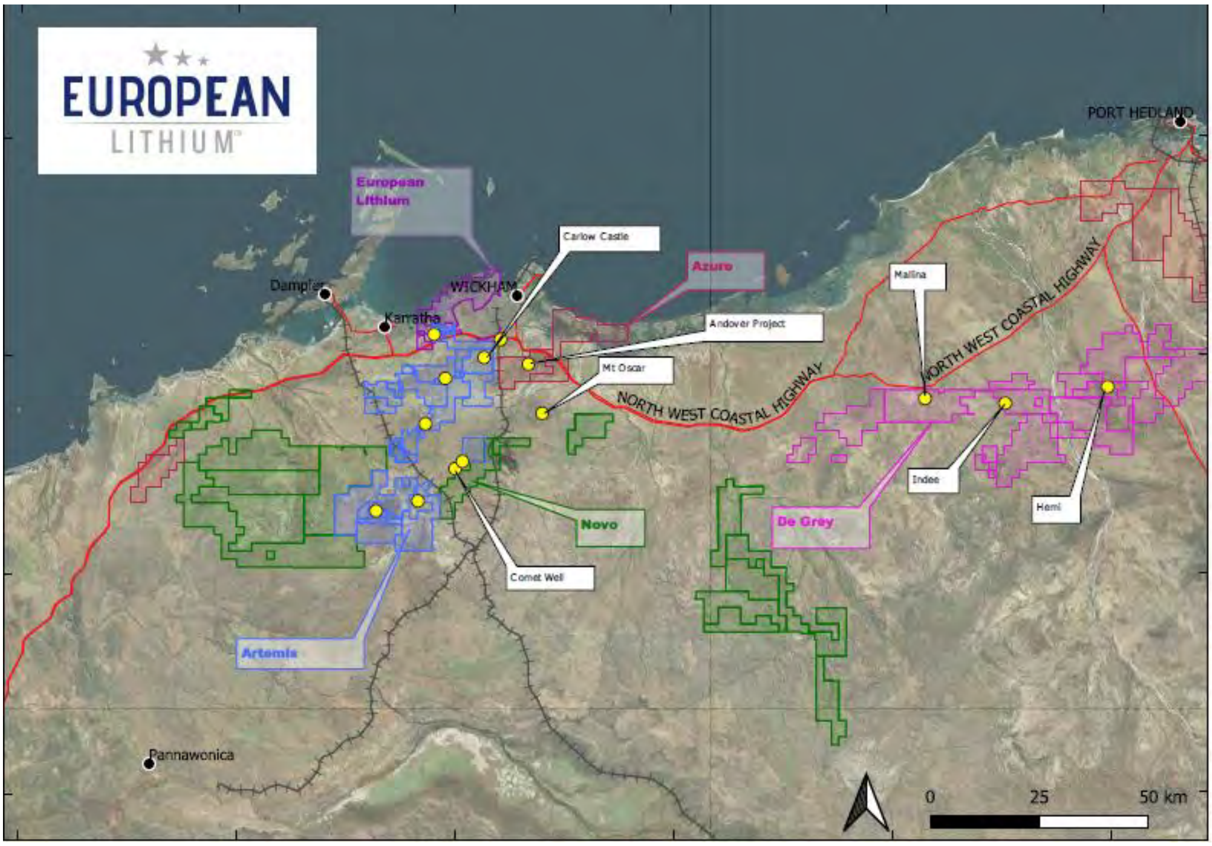


Figure 6: E47/4144 map

After initial desktop analysis of government data and previous open file statutory reports, the Company has identified several areas of prospectivity within E47/4144 that continue from known gold occurrences in the immediate area.

Previous gold discoveries in the district, particularly in the Nickol River and Weerianna areas are both associated with the Regal formation, the Nickol River formation and the Roebourne Group which are comprised of a series of greenstone mafic/ultramafic volcanics intercalated at times with sedimentary units including various cherts, BIF, clastic sediments, conglomerates and carbonates. Some of these units have undergone some degree of contact and regional metamorphism. There has been significant structural deformation associated with the Sholl shear zone and the Regal thrust as well as numerous related splays and faults. Epigenetic gold mineralisation is found in association with shearing and faulting often in contacts between units around the Regal thrust and splay shears in quartz veins within strongly sheared chlorite serpentine schists.

These geological settings occur within E47/4144 as extensions to two known mineralised locations in Weerianna and Nickol River. EUR is planning to target exploration along these trends specifically where they intersect structures such as shears in and around the Regal thrust or crests/troughs of folded units for possible reef style formations. In addition, potential for an extension to the Mt Anketell magnetite deposit exists crossing the southeastern corner of the tenure within the Cleaverville Formation (host to Mt Anketell to the north).

Corporate

Board Restructure

On 2 September 2020, the Company announced the appointment of Mr Kimon Gkomozias as Executive Director and the resignation of Mr Tim Turner as Non-Executive Director of the Company with effect from 2 September 2020.

Placements

In September 2020, the Company issued 46,363,643 shares at an issue price of $0.045 per share with a 1 for 4 free attaching unlisted option (exercisable at $0.05 on or before 31 July 2022) to raise proceeds of approximately $2.1m (before expenses) (**September 2020 Placement**).

In January 2021, the Company issued 141m shares at an issue price of $0.05 per share with a free attaching option (exercise price $0.075, expiring 3 years from issue) for every two shares issued, to raise cash proceeds of $7.05m (before expenses) (**January 2021 Placement**).

Share Purchase Plan

On 23 September 2020, the Company offered all existing eligible investors the opportunity to subscribe for new shares at $0.0475 per Share up to a maximum of 631,579 shares (maximum of $30,000) per investor under a Share Purchase Plan (**SPP**). The SPP was capped at $2 million, and funds raised under the SPP being used primarily towards exploration on E47/4144. The SPP closed on 22 January 2021 and the Company issued 42,105,193 shares pursuant to the SPP on 28 January 2021

Financing Facility - Winance

On 31 July 2019, the Company announced that it had secured an A$10m finance facility with Winance Investment LLC (**Winance**).

An initial amount of A$2.0m (2,000 notes) was drawn down on 20 September 2019 (**Tranche 1**). On 5 March 2020, the Company announced that it had agreed to a further draw down of A$2.0m. As a result, the Company issued 2,000 convertible notes on 10 March 2020 which were held in escrow pending the receipt of funds (**Tranche 2**). On 2 June 2020, the Company received funding of A$1.0m and released 1,000 notes from escrow. On 14 July 2020, the Company received funding of A$0.5m and released 500 notes from escrow. On 30 July 2020, the Company received the final funding of A$0.5m and released 500 notes from escrow.

Under the Winance facility, a further A$6.0m is available in tranches of A$1.0m each upon full conversion of the notes from the previous drawdown, subject to a cooling off period. Full terms and conditions of the convertible securities are included in the announcement released on 31 July 2019.

During the year, Winance converted 900 Tranche 2 notes and redeemed 500 Tranche 2 notes. As at 30 June 2021, Winance had 300 Tranche 2 convertible notes remaining.

Jadar Acquisition

On 11 May 2021, the Company announced that it had entered into a Collaboration Agreement with Jadar Resources Limited (ASX: JDR) (**Jadar**) and an agreement to acquire a 20% interest in Jadar's Austrian Lithium assets from their JV partner (**Jadar Acquisition**).

Jadar holds an 80% interest in Subsidiary Jadar Lithium GmbH (Jadar Lithium), the holder of the Weinebene and Eastern Alps Projects which lies 20km to the east of the Company's Wolfsberg Project. Jadar has waived its first right of refusal over the remaining 20% interest in Jadar Lithium, allowing Exchange Minerals Limited (EML) to sell their 20% interest to the Company for a consideration of $125,000 cash and 6,666,666 fully paid ordinary shares in the capital of the Company and 3,333,333 unlisted option exercisable at $0.075 each on or before 31 July 2022.

Overseas Exchanges

On 9 October 2020, the Company announced its intention to withdraw the Company's ordinary shares from trading on the AQSE Growth Market in the United Kingdom (**AQSE**). Trading of the Company's shares on AQSE ceased on 6 November 2020.

On 28 April 2021, the Company announced its intention to withdraw from the Company's ordinary shares from trading on the Vienna Stock Exchange (**VSE**). Trading of the Company's shares on the VSE ceased on 28 May 2021.

Listing of Options

On 22 April 2021, the Company advised that it has listed 110,500,000 options on the ASX under the code EUROA. The options have an exercise price of $0.075 each and an expiry date of 19 April 2024.

Capital Movements

The Company issued the following securities during the year ended 30 June 2021:

- 20 July 2020 – 3,636,363 shares issued to Winance upon the conversion of 200 convertible notes and 3,030,303 shares issued to Winance for the conversion of debt in relation to the Winance shortfall amount payable (refer to the 2019 AGM notice of meeting for further details) (**Winance Shortfall**)

- 22 September 2020 – 44,363,643 shares issued pursuant to the September 2020 Placement

- 23 September 2020 – 2,000,000 shares issued pursuant to the September 2020 Placement and 1,800,000 shares issued to Empire Capital Partners to convert $81,000 of debt into equity

- 9 October 2020 – 1,000,000 shares issued to Empire Capital pursuant to a corporate advisor mandate and 106,383 shares issued to convert $5,000 of debt into equity

- 2 November 2020 – 20,634,199 unlisted options exercisable at $0.05 each on or before 31 July 2022 (as approved at the Company's 2020 AGM held on 30 October 2020 in respect to resolutions 10, 11, 12, 17, 18 and 20)
- 5 November 2020 – 5,000,000 shares issued to Winance upon the conversion of 200 convertible notes and 1,666,667 shares issued to Winance for the conversion of debt in relation to the Winance Shortfall
- 21 January 2021 – 926,111 shares issued upon the exercise of unlisted options ($0.05 each expiring 31 July 2022)
- 28 January 2021 – 138,100,000 shares issued pursuant to the January 2021 Placement, 42,105,193 shares issued pursuant to the SPP, 194,444 shares upon the exercise of unlisted options ($0.05 each expiring 31 July 2022), 12,500,000 shares issued to Winance upon the conversion of 500 convertible notes and 753,335 shares issued in satisfaction of debts of $35,703 owed by the Company to unrelated third parties
- 1 February 2021 – 2,900,000 shares issued pursuant to the January 2021 Placement
- 5 February 2021 – 1,249,999 shares upon the exercise of unlisted options ($0.05 each expiring 31 July 2022) and 600,000 shares issued in satisfaction of debts of $30,000 owed by the Company CEO
- 19 April 2021 – 1,400,000 shares, 10,000,000 unlisted options ($0.15 each expiring 30 November 2021) and 110,500,000 listed options ($0.075 each expiring 19 April 2024 as approved at the Company's general meeting of shareholders held on 16 April 2021 in respect to resolutions 2, 3, 9, 10 and 11
- 12 May 2021 – 6,666,666 shares and 3,333,333 unlisted options ($0.075 each expiring 31 July 2022) issued pursuant to the Jadar Acquisition

Competent Persons Statement

The information in this report pertaining to the Wolfsberg Lithium Project, and to which this statement is attached, relates to Project Development and Metallurgical Studies and is based on and fairly represents information and supporting documentation provided by the Company and its Consultants and summarised by Dietrich Wanke who is a Qualified Person and is a Member of the Australian Institution of Mining and Metallurgy (AusIMM) since 2006 with about 30 years' experience in the mining and resource development industry. Dietrich Wanke has sufficient experience, as to qualify as a Competent Person as defined in the 2012 edition of the Australian Code for Reporting of Mineral Resources and Ore reserves. Dietrich Wanke consents to the inclusion in the report of the matters based on information in the form and context in which it appears. The company is reporting progress on project development and metallurgical results under the 2012 edition of the Australasian Code for the Reporting of Results, Minerals Resources and Ore reserves (JORC code 2012).

11. INFORMATION ON DIRECTORS AND COMPANY SECRETARY

Mr Antony Sage	Non-Executive Chairman
Qualifications	Bachelor of Business. Mr Sage is a Chartered Accountant with over 30 years commercial experience.
Experience	Mr Sage has in excess of 35 years' experience in the fields of corporate advisory services, funds management and capital raising. Mr Sage is based in Western Australia and has been involved in the management and financing of listed mining and exploration companies for the last 20 years.
Interest in shares and options in the Company	12,763,733 shares (7,223,155 shares are owned by Okewood Pty Ltd and 5,540,578 shares are owned by EGAS Superannuation Fund, in both of which Mr Sage has a relevant interest). 10,977,776 options (10,000,000 options are held by Okewood Pty Ltd with an exercise price of $0.075 expiry date of 19 April 20214 and 977,776 options are held by Okewood Pty Ltd with an exercise price of $0.05 expiry date of 31 July 2022).

Directorships of listed companies held within the last three years	Cyclone Metals Ltd	December 2000 to Present
	Cauldron Energy Limited	June 2009 to 22 November 2018
	Fe Limited	August 2009 to Present
	International Petroleum Limited[1]	January 2006 to Present

[1] Listed on the National Stock Exchange of Australia

Mr Malcolm Day	Non-Executive Director
Qualifications	Bachelor of Applied Science in Surveying and Mapping
Experience	Mr Day was the founder and inaugural Managing Director of Adultshop.com which listed on ASX in June 1999. In October 2010 Adultshop.com was privatised. Prior to founding Adultshop.com in 1996, Mr Day worked in the civil construction industry for 10 years, six of which were spent in senior management as a Licensed Surveyor and then later as a Civil Engineer. Whilst working as a Surveyor, Mr Day spent three years conducting mining and exploration surveys in remote Western Australia. Mr Day is a Member of the Australian Institute of Company Directors.
Interest in shares and options in the Company	16,248,997 shares (2,639,640 shares are owned by Goldshore Investments Pty Ltd, ATF The Goldshore Trust and the M R Day Superfund, Hollywood Marketing Pty Ltd, companies of which Mr Day is a director, 2,609,357 shares are owned by Hollywood Marketing (WA) Pty Ltd of which Mr Day is a director and 11,000,000 shares are owned by Delecta Limited, a company of which Mr Day is a director). 10,488,890 options (10,000,000 options are held by Hollywood Marketing (WA) Pty Ltd with an exercise price of $0.075 expiry date of 19 April 20214 and 488,890 options are held by Hollywood Marketing (WA) Pty Ltd with an exercise price of $0.05 expiry date of 31 July 2022).
Directorships of listed companies held within the last three years	Delecta Limited 1999 to Present
Mr Michael Carter	Non-Executive Director
Qualifications	Bachelor of Commerce, majoring in accounting and finance, University of Western Australia. Mr Carter has also completed a graduate diploma in Applied Finance and Investment at Finsia.
Experience	Mr Carter is experienced in structuring corporate transactions, focusing on junior resource companies, and has also worked in ongoing corporate advisory roles with numerous ASX listed entities over the last 18 years. Mr Carter has been employed as a stockbroker since 1999 and was previously a director of Indian Ocean Capital. He is currently an associate director of CPS Capital Group.
Interest in shares and options in the Company	Nil
Directorships of listed companies held within the last three years	Nil
Ms Melissa Chapman	Company Secretary
Qualifications	Bachelor of Commerce (Accounting & Finance). Ms Chapman is a member of CPA Australia, has completed a Graduate Diploma of Corporate Governance with the Governance Institute of Australia and has completed the company directors course with the Australian Institute of Company Directors.
Experience	Ms Chapman has over 16 years of experience in the accounting profession. She has worked in Australia and the United Kingdom for both listed and private companies.

12. REMUNERATION REPORT (Audited)

This report details the nature and amount of remuneration for each key management person of European Lithium Limited in accordance with the requirements of the *Corporations Act 2001* and its regulations. The information provided in this remuneration report has been audited as required by *Section 308(3c)* of the *Corporations Act 2001*.

The remuneration report is set out under the following main headings:

A Remuneration Policy
B Details of remuneration
C Equity-based compensation
D Equity Instrument disclosures relating to key management personnel
E Other related party transactions
F Employment contracts of directors and senior executives

A Remuneration Policy

The remuneration policy of the Company has been designed to align key management personnel objectives with shareholder and business objectives by providing a fixed remuneration component and offering specific long-term incentives based on key performance areas affecting the Company's financial results. The Board of EUR believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best key management personnel to run and manage the Company, as well as create goal congruence between directors, executives and shareholders.

The Board's policy for determining the nature and amount of remuneration for key management personnel of the Company is as follows:

- The remuneration policy, setting the terms and conditions for key management personnel, was developed and approved by the Board.
- All key management personnel receive a base salary (which is based on factors such as length of service and experience), superannuation, fringe benefits, options and performance incentives.
- Key management personnel can be employed by the Company on a consultancy basis, upon Board approval, with remuneration and terms stipulated in individual consultancy agreements.
- The Board reviews key management personnel packages annually based on market practices, duties and accountability. Currently there is no link between remuneration and shareholder wealth or Company performance. The Board may, however, approve at its discretion, incentives, bonuses and options. The policy is designed to attract the highest calibre of executives and reward them for their performance that results in long-term growth in shareholder wealth.

Key management personnel are also entitled to participate in the employee share and option arrangements.

Key management personnel may receive a superannuation guarantee contribution as required by the government, which is currently 9.5% (increasing to 10% effective 1 July 2021), and do not receive any other retirement benefits. Individuals may choose to sacrifice part of their salary to increase payments towards superannuation.

All remuneration paid to key management personnel is valued at the cost to the Company and expensed. Shares given to key management personnel are valued as the difference between the market price of those shares and the amount paid by key management personnel. Unlisted options are valued using the Black-Scholes methodology.

The Board believes that it has implemented suitable practices and procedures that are appropriate for an organisation of this size and maturity.

Remuneration Governance

During the year ended 30 June 2021, the Company did not have a separately established nomination or remuneration committee. Considering the size of the Company, the number of directors and the Company's early stages of its development, the Board is of the view that these functions could be efficiently performed with full Board participation.

Voting and comments made at the Company's 2020 Annual General Meeting

The Company's remuneration report for the 2020 financial year was approved at the Annual General Meeting (**AGM**) of Shareholders. The Company did not receive any specific feedback at the AGM or throughout the year on its remuneration practices.

Remuneration Structure

In accordance with best practice corporate governance, the structure of non-executive director and executive director remuneration is separate and distinct.

Key Management Personnel Remuneration Policy

The remuneration structure for key management personnel is based on several factors, including length of service, and particular experience of the individual concerned. The contracts for service between the Company and key management personnel are on a continuing basis, the terms of which are not expected to change in the immediate future.

B Details of Remuneration

Non-Executive Director Remuneration

Objective
The Board seeks to set aggregate remuneration at a level which provides the Company with the ability to attract and retain directors of the highest calibre, whilst incurring a cost which is acceptable to shareholders.

Structure
The Board's policy is to remunerate non-executive directors at market rates for comparable companies for time, commitment and responsibilities. The remuneration of non-executive directors is reviewed annually, based on market practice, duties and accountability. Independent external advice is sought when required. Fees for non-executive directors are not linked to the performance of the Company. However, to align directors' interests with shareholders' interests, the directors are encouraged to hold shares in the Company. The maximum aggregate fixed sum of fees that can be paid to non-executive directors is subject to approval by shareholders at the Annual General Meeting. The maximum aggregate currently stands at $300,000 per annum and was approved by shareholders at a Annual General Meeting on 29 November 2017.

Non-executive directors may also be remunerated for additional specialised services performed at the request of the Board and reimbursed for reasonable expenses incurred by directors on Company business.

Executive Director Remuneration

Objective
The Company aims to reward executives with a level and mix of remuneration commensurate with their position and responsibilities within the Company so as to:

- Reward executives for individual performance against targets set by reference to appropriate benchmarks;
- Align the interests of executives with those shareholders; and
- Ensure total remuneration is competitive by market standards.

Currently there is no link between remuneration and shareholder wealth or Company performance.

Structure
Executive directors are provided to the Company on a consultancy basis with remuneration and terms stipulated in individual consultancy agreements.

Key Management Personnel Remuneration

The key management personnel (**KMP**) of the Company are the directors during the year being:

Antony Sage	Non-Executive Chairman
Malcolm Day	Non-Executive Director
Tim Turner	Non-Executive Director (resigned 2 September 2020)
Kimon Gkomozias	Executive Director (appointed 2 September 2020, resigned 31 August 2021)

Details of the nature and amount of emoluments of each KMP during the financial year are:

		Short-term Benefits *Salary & Fees* ($)	Long-term Benefits *Options* ($)	Post Employment Benefits *Superannuation* ($)	Total ($)	% of Remuneration Linked to Performance (%)
Antony Sage	2021	158,300[1]	100,000[2]	-	258,300	39%
Malcolm Day	2021	56,000	100,000[3]	-	156,000	64%
Tim Turner	2021	8,000[4]	-	-	8,000	0%
Kimon Gkomozias	2021	190,000[5]	-	-	190,000	0%
Total	**2021**	**412,300**	**200,000**	**-**	**612,300**	**33%**

[1] Comprises director fees of $80,000 and success fee in respect to the January 2021 Placement of $78,300.

[2] On 19 April 2021 Mr Sage was issued 10,000,000 unlisted options, as approved at the GM held on 16 April 2021. These options expire on 19 April 2024. See C and D(a) below.
[3] On 19 April 2021 Mr Day was issued 10,000,000 unlisted options, as approved at the GM held on 16 April 2021. These options expire on 19 April 2024. See C and D(a) below.
[4] Mr Turner was appointed 4 March 2020 and resigned on 2 September 2020
[5] Mr Gkomozias was appointed 2 September 2020

C Equity-Based Compensation

Options Granted as Part of Remuneration

Options are issued to directors and executives as part of their remuneration.

On 19 April 2021, 20,000,000 options with an exercise price of $0.075 each with an expiry date of 19 April 2024 in consideration for Director services and efforts to advance the Company's Definitive Feasibility Study (DFS) at the Company's Wolfsberg Project were issued to Directors Tony Sage (10,000,000) and Malcolm Day (10,000,000) upon receipt of shareholder approval at the 2021 GM.

D Equity Instrument Disclosures Relating to Key Management Personnel

Shareholdings

30 June 2021

Name	Balance at 1-Jul-20	Rights Issue / Options Exercise	Shares Issued to Settle Director Fees	Purchase / (Sale)	Balance at Appointment / (Resignation)	Balance at 30-Jun-21
Antony Sage	11,154,379	-	977,776	631,578[1]	-	12,763,733
Malcolm Day	14,496,951	-	488,890	1,263,156[2]	-	16,248,997
Tim Turner	-	-	-	-	-	-
Kimon Gkomozias	-	-	-	-	-	-
Total	**25,651,330**	**-**	**1,466,666**	**1,894,734**	**-**	**29,012,730**

[1] On 28 January 2021 Mr Sage was issued 631,578 shares pursuant to the participation in the SPP
[2] On 28 January 2021 Mr Day was issued 1,263,156 shares pursuant to the participation in the SPP

Options

30 June 2021

Name	Balance at 1-Jul-20	Options Issued as remuneration	Options Issued to Settle Director Fees	Purchase / (Sale)	Balance at Appointment / (Resignation)	Balance at 30-Jun-21
Antony Sage	-	10,000,000[1]	977,776	-	-	10,977,776
Malcolm Day	-	10,000,000[2]	488,890	-	-	10,488,890
Tim Turner	-	-	-	-	-	-
Kimon Gkomozias	-	-				
Total	**-**	**20,000,000**	**1,466,666**	**-**	**-**	**21,466,666**

[1] On 19 April 2021 Mr Sage was issued 10,000,000 unlisted options, as approved at the 2021 GM held on 16 April 2021. These options have an exercise price of $0.075 and expire on 19 April 2024. See C and D(a) below.
[2] On 19 April 2021 Mr Day was issued 10,000,000 unlisted options, as approved at the 2021 GM held on 16 April 2021. These options have an exercise price of $0.075 and expire on 19 April 2024. See C and D(a) below.

(a) Details relating to the issue of options to directors

On 19 April 2021, the Company issued 20,000,000 unlisted options to Directors as approved at the Company's 2021 GM held on 16 April 2021. The options were exercisable at $0.075 each on or before 19 April 2024 and were issued in consideration for Director services and efforts to advance the Company's Definitive Feasibility Study (DFS) at the Company's Wolfsberg Project. As at the date of the 2021 GM (19 April 2024), the value of these shares and options were as follows:

	Number of Options	Grant date	Expiry Date	Exercise Price	Value per option at grant date	Total fair value	Vesting date
A Sage	10,000,000	16 April 2021	19 April 2024	$0.075	$0.01	$100,000	16 April 2021
M Day	10,000,000	16 April 2021	19 April 2024	$0.075	$0.01	$100,000	16 April 2021

The fair value of the equity-settled share options granted was estimated as at the date of grant using the Black and Scholes model taking into account the terms and conditions upon which the options were granted, as follows:

	Assumption
Dividend yield	0.00%
Expected volatility	94%
Risk-free interest rate	0.07%
Expected life of options	3.01 years
Exercise price	$0.075
Grant date share price (date of GM)	$0.068

E Other Related Party Transactions

Sales and Purchases between Related Parties

Balances between the Company and its subsidiaries which are related parties of the Company have been eliminated on consolidation and are not disclosed in this note. Details of percentage of ordinary shares held in subsidiaries are disclosed in Note 22 to the financial statements.

Note 22 provides information about the group's structure including the details of the subsidiaries and the holding company. The following table provides the total amount of transactions and outstanding balances that have been entered into with related parties for the current year.

		Sales to Related Parties $	Purchases from related parties $	Amounts owed by related parties $	Amounts owed to related Parties $
Director related entities					
Cyclone Metals Limited	2021	6,360	750	-	-
FE Limited	2021	15,635	-	-	-
Okewood Pty Ltd	2021	-	24,150	-	-

Mr Antony Sage is a director of Cyclone Metals Limited (previously called Cape Lambert Resources Limited) and FE Limited. Sales to and purchases from director related entities are for the reimbursement of employee, consultancy, occupancy, travel and other costs.

F Employment Contracts of Directors and Senior Executives

Remuneration and other terms of employment for Executive Directors are formalised in executive service agreements and Non-Executive Directors are formalised in consultancy agreements with the Company. Major provisions of the agreements relating to remuneration are set out below.

Non-Executive Chairman – Mr Antony Sage
- Term of Agreement – The consultancy agreement with Okewood Pty Ltd to provide the services of Chairman of the Company commenced on 9 September 2016 following the Company's acquisition of European Lithium AT (Investments) Limited. The agreement is ongoing unless terminated in accordance with the consultancy agreement.
- Remuneration of $120,000 per annum (until 28 February 2021) and $180,000 per annum (from 1 March 2021) payable monthly.

Non-Executive Director – Mr Malcolm Day
- Term of Agreement – The agreement commenced on 2 July 2012 for a term of twelve months, renewable annually, or until either party gives 3 months written notice of termination or is otherwise terminated in accordance with the consultancy agreement.
- Remuneration of $48,000 per annum (until 28 February 2021) and $72,000 per annum (from 1 March 2021), payable monthly to Mr Malcolm Day or his nominee.

Non-Executive Director – Mr Tim Turner

- Term of Agreement – The agreement commenced on 4 March 2020 and is ongoing (subject to the provisions of the *Corporations Act*).
- Remuneration of $48,000 per annum payable monthly.

Executive Director – Mr Kimon Gkomozias

- Term of Agreement – The agreement commenced on 2 September 2020 and is ongoing (subject to the provisions of the *Corporations Act*).
- Remuneration of $180,000 per annum payable monthly (until 31 October 2020) and $240,000 per annum (from 1 November 2020) upon the successful completion of the September 2020 Placement.

----------------- End of audited remuneration report -----------------

13. OPTIONS

As at the date of this report the unissued ordinary shares of European Lithium Limited under option are as follows:

Date of Expiry	Status	Exercise Price	Number of Options
11/12/2021	Unlisted	20.0 cents	2,500,000
30/11/2021	Unlisted	15.0 cents	10,000,000
31/07/2022	Unlisted	5.0 cents	36,499,229
31/07/2022	Unlisted	7.5 cents	3,333,333
19/04/2024	Listed	7.5 cents	110,500,000

No person entitled to exercise these options had or has any right by virtue of the option to participate in any share issue of any other body corporate.

Shares issued on exercise of options

During the year, a total of 2,370,554 options were exercised ($0.05 expiring 31 July 2022)

There were no options exercised during the year ended 30 June 2020.

There were no options which expired during the year ended 30 June 2021.

Since the end of the financial year, no ordinary shares have been issued as a result of the exercise of options.

14. MEETINGS OF DIRECTORS

The number of directors' meetings held during the financial year and the numbers of meetings attended by each director were:

	Directors' Meetings	
	Number eligible to attend	Number attended
Antony Sage	4	4
Malcolm Day	4	4
Tim Turner	-	-
Kimon Gkomozias	4	4

15. INDEMNIFICATION OF AUDITORS AND OFFICERS

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an office or auditor of the Company.

16. NON-AUDIT SERVICES

During the year ended 30 June 2021, no fees were paid or payable for non-audit services provided by the entity's auditors, HLB Mann Judd (30 June 2020: nil).

17. AUDITOR INDEPENDENCE

Section 307C of the *Corporations Act 2001* requires our auditors, HLB Mann Judd, to provide the Directors of the Company with an Independence Declaration in relation to the audit of the financial report. This Independence Declaration is set out on page 19 and forms part of this Directors' report for the year ended 30 June 2021.

18. PROCEEDINGS ON BEHALF OF COMPANY

No persons have applied for leave of court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a part for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings. The Company was not a party to any such proceedings during the year.

Signed in accordance with a resolution of the directors:

Tony Sage
Chairman
16 September 2021

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of European Lithium Limited for the year ended 30 June 2021, I declare that to the best of my knowledge and belief, there have been no contraventions of:

a) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

b) any applicable code of professional conduct in relation to the audit.

Perth, Western Australia
16 September 2021

M R Ohm
Partner

hlb.com.au

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The Company's Corporate Governance Statement for the year ended 30 June 2021 which reports against ASX Corporate Governance Council's Principles and Recommendations may be accessed from the Company's website at www.europeanlithium.com.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2021

	Note	2021 $	2020 $
Continuing operations			
Revenue and other income	4	30,831	206,054
Employee benefits expense	5	(349,000)	(197,548)
Depreciation and amortisation expense	10	(2,969)	(4,436)
Depreciation expense – leased assets	14	(12,050)	(24,817)
Finance costs	5	(280,568)	(457,535)
Transaction costs relating to the issue of convertible note facility		(80,000)	(240,000)
Difference between transaction price of convertible note and fair value at initial recognition	16	(187,378)	(549,554)
Amortised convertible note costs	9, 16	20,226	-
Fair value gain on remeasurement of convertible note	16	261,100	256,194
Consulting fees		(499,729)	(400,661)
Travel expenses		(86,006)	(210,699)
Regulatory and compliance costs	5	(1,361,124)	(860,645)
Loss on fair value of financial assets through profit or loss	13	(38,000)	-
Share based payment expense	20	(355,826)	(530,996)
Share of net losses of associate accounted for using the equity method	12	(23,242)	-
Other expenses	5	(1,001,187)	(243,280)
Loss before income tax		**(3,964,922)**	**(3,257,923)**
Income tax expense	6	-	-
Loss after tax from continuing operations		**(3,964,922)**	**(3,257,923)**
Other comprehensive income, net of income tax			
Items that may be reclassified to profit or loss			
Exchange differences on translation of foreign operations		(632,238)	205,992
Other comprehensive (loss) for the period, net of income tax		**(632,238)**	**205,992**
Total comprehensive (loss) for the year		**(4,597,160)**	**(3,051,931)**
Loss per share for the year			
Basic loss per share (cents per share)	21	(0.50)	(0.53)
Diluted loss per share (cents per share)	21	(0.50)	(0.53)

The above Consolidated Statement of Comprehensive Income is to be read in conjunction with the Notes to the Financial Statements

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2021

	Note	2021 $	2020 $
ASSETS			
Current Assets			
Cash and cash equivalents	7	5,422,494	300,655
Trade and other receivables	9	240,656	219,098
Total Current Assets		**5,663,150**	**519,753**
Non-Current Assets			
Property, plant and equipment	10	9,026	4,736
Deferred exploration and evaluation expenditure	11	38,030,732	36,499,437
Investment in associate	12	540,903	-
Restricted cash and other deposits	8	30,814	31,869
Financial assets	13	-	128,000
Right of use asset	14	-	12,341
Total Non-Current Assets		**38,611,475**	**36,676,383**
TOTAL ASSETS		**44,274,625**	**37,196,136**
LIABILITIES			
Current Liabilities			
Trade and other payables	15	1,349,242	1,800,534
Convertible note	16	357,870	831,592
Lease liabilities	17	-	10,676
Total Current Liabilities		**1,707,112**	**2,642,802**
Non-Current Liabilities			
Lease liabilities	17	-	2,098
Total Non-Current Liabilities		**-**	**2,098**
TOTAL LIABILITIES		**1,707,112**	**2,644,900**
NET ASSETS		**42,567,513**	**34,551,236**
EQUITY			
Issued capital	18	36,799,202	24,800,736
Reserves	19	7,601,903	7,619,170
Accumulated losses		(1,833,592)	2,131,330
TOTAL EQUITY		**42,567,513**	**34,551,236**

The above Consolidated Statement of Financial Position is to be read in conjunction with the Notes to the Financial Statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2021

	Attributable to equity holders				
	Issued Capital	**Accumulated Losses**	**Option Reserve**	**Foreign Currency Translation Reserve**	**Total Equity**
	$	**$**	**$**	**$**	**$**
At 1 July 2019	**20,283,788**	**5,389,253**	**4,933,022**	**1,968,414**	**32,574,477**
Loss for the year	-	(3,257,923)	-	-	(3,257,923)
Foreign currency exchange differences arising on translation from functional currency to presentation currency	-	-	-	205,992	205,992
Total comprehensive (loss) for the year	**-**	**(3,257,923)**	**-**	**205,992**	**(3,051,931)**
Issue of shares – Placement – Cash	902,000	-	-	-	902,000
Issue of shares – Facilitator	90,000	-	-	-	90,000
Issue of shares – Magna (conversion)	427,461	-	-	-	427,461
Issue of shares – Magna (extension shares)	80,000	-	-	-	80,000
Issue of shares – Winance (conversion)	2,300,000	-	-	-	2,300,000
Issue of shares – Conversion of Debt	848,783	-	-	-	848,783
Share issue costs – Cash	(60,550)	-	-	-	(60,550)
Options issued to corporate advisor	(70,746)	-	228,110	-	157,364
Options issued to directors	-	-	283,632	-	283,632
At 30 June 2020	**24,800,736**	**2,131,330**	**5,444,764**	**2,174,406**	**34,551,236**
Loss for the year	-	(3,964,922)	-	-	(3,964,922)
Foreign currency exchange differences arising on translation from functional currency to presentation currency	-	-	-	(632,238)	(632,238)
Total comprehensive (loss) for the year	**-**	**(3,964,922)**	**-**	**(632,238)**	**(4,597,160)**
Issue of shares – Placement – Cash	9,136,364	-	-	-	9,136,364
Issue of shares – Share Purchase Plan – Cash	2,000,000	-	-	-	2,000,000
Issue of shares – Exercise of options – Cash	118,528	-	-	-	118,528
Issue of shares – Facilitator	198,500	-	-	-	198,500
Issue of shares – Winance (conversion)	900,000	-	-	-	900,000
Issue of shares - Conversion of Debt	285,560	-	-	-	285,560
Share issue costs - Cash	(820,486)	-	-	-	(820,487)
Options issued to corporate advisor	(200,000)	-	355,826	-	155,827
Issue of shares and options for Jadar acquisition	380,000	-	59,145	-	439,145
Options issued to directors	-	-	200,000	-	770,275
At 30 June 2021	**36,799,202**	**(1,833,592)**	**6,059,735**	**1,542,168**	**42,567,513**

The above Consolidated Statement of Changes in Equity is to be read in conjunction with the Notes to the Financial Statements

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2021

	Note	2021 $	2020 $
Cash flows from operating activities			
Payments to suppliers and employees		(2,536,442)	(1,145,001)
Finance costs		(6,003)	(15,480)
Interest paid (leased assets)		(182)	(1,681)
Interest received		30,633	3,479
VAT refund		(48,924)	61,178
Grants received		-	202,575
Net cash (used in) operating activities	22	**(2,560,918)**	**(894,930)**
Cash flows from investing activities			
Payment for the acquisition of exploration tenements		(70,992)	-
Investment in Jadar acquisition	12	(125,000)	-
Payments for exploration and evaluation		(3,036,104)	(2,826,195)
Payment for property, plant and equipment		(7,386)	(2,039)
Net cash (used in) investing activities		**(3,239,482)**	**(2,828,234)**
Cash flows from financing activities			
Proceeds from capital raisings	18	11,136,365	902,000
Payment for share issue costs		(599,487)	(136,151)
Proceeds from the exercise of options	18	118,528	-
Proceeds from convertible note facility		1,000,000	3,000,000
Repayment of convertible note facility		(636,364)	(812,442)
Transaction costs related to convertible note facility		(80,000)	(284,375)
Proceeds from borrowings		-	400,000
Repayment of borrowings		-	(200,000)
Transaction costs related to borrowings		-	(20,000)
Repayment of lease liabilities		(12,665)	(26,066)
Net cash provided by financing activities		**10,926,377**	**2,822,966**
Net increase/(decrease) in cash and cash equivalents		5,125,977	(900,198)
Cash and cash equivalents at beginning of year		300,655	1,199,738
Effects on exchange rate fluctuations on cash held		(4,138)	1,115
Cash and cash equivalents at end of year	7	**5,422,494**	**300,655**

The above Consolidated Statement of Cash Flows is to be read in conjunction with the Notes to the Financial Statements

1. CORPORATE INFORMATION

The financial report of European Lithium Limited (the **Company**) and its controlled entities (the **Group**) for the year ended 30 June 2021 was authorised for issue in accordance with a resolution of the directors on 16 September 2021.

European Lithium Limited is a public company incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange. The nature of the operations and principal activities of the Company are described in the Directors' Report.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Basis of preparation

The financial report is a general-purpose financial report, which has been prepared in accordance with the requirements of the *Corporations Act 2001* and Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (**AIFRS**). Compliance with AIFRS ensures that the financial report, comprising the financial statements and notes thereto, complies with International Financial Reporting Standards (**IFRS**). The Company is a for-profit entity for the purpose of preparing the financial statements.

The financial report has also been prepared on the accruals basis and historical cost basis with the exception of the Group's listed investment and convertible note liabilities which are both stated at fair value.

The accounting policies set out below have been applied consistently to all periods presented in the financial report except where stated.

b) Application of new and revised accounting standards

Changes in accounting policies on initial application of Accounting Standards
In the year ended 30 June 2021, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Company and effective for the full year reporting periods beginning on or after 1 July 2020. As a result of this review, the Directors have applied all new and amended Standards and Interpretations that were effective as at 1 July 2020 including:

Conceptual Framework for Financial Reporting and relevant amending standards

The Group has adopted the conceptual framework for financial reporting and relevant amending standards with the date of initial application being 1 July 2020.

The revised Conceptual Framework includes some new concepts, provides updated definitions and recognition criteria for assets and liabilities and clarifies some important concepts. It is arranged in eight chapters, as follows:

- Chapter 1 – The objective of financial reporting
- Chapter 2 – Qualitative characteristics of useful financial information
- Chapter 3 – Financial statements and the reporting entity
- Chapter 4 – The elements of financial statements
- Chapter 5 – Recognition and derecognition
- Chapter 6 – Measurement
- Chapter 7 – Presentation and disclosure
- Chapter 8 – Concepts of capital and capital maintenance

Amendments to References to the Conceptual Framework in IFRS Standards has also been issued, which sets out the amendments to affected standards in order to update references to the revised Conceptual Framework. The changes to the Conceptual Framework may affect the application of IFRS in situations where no standard applies to a particular transaction or event. In addition, relief has been provided in applying IFRS 3 and developing accounting policies for regulatory account balances using IAS 8, such that entities must continue to apply the definitions of an asset and a liability (and supporting concepts) in the 2010 Conceptual Framework, and not the definitions in the revised Conceptual Framework.

At 1 July 2020 it was determined that the adoption of the conceptual framework for financial reporting and relevant amending standards had no impact on the Group.

AASB 2018-7 Definition of Material (Amendments to AASB 101 and AASB 108)

The Group has adopted *AASB 2018-7* with the date of initial application being 1 July 2020.

This Standard amends *AASB 101 Presentation of Financial Statements* and *AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors* to align the definition of 'material' across the standards and to clarify certain aspects of the definition. The amendments clarify that materiality will depend on the nature or magnitude of information. An entity will need to assess whether the information, either individually or in combination with other information, is material in the context of the financial statements. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users.

At 1 July 2020 it was determined that the adoption of *AASB 2018-7* had no impact on the Group.

New accounting standards and interpretations not yet adopted
Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2021 reporting periods and have not been early adopted by the Group. The Group's assessment of the impact of these new standards and interpretations has not identified any impact.

There are no other standards that are not yet effective and that would be expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

c) Principles of consolidation

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. A list of controlled entities is contained in Note 24 to the financial statements.

All inter-group balances and transactions between entities in the Group, including any unrealised profits or losses, have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with those adopted by the Parent Entity.

d) Significant accounting estimates and assumptions

The carrying amounts of certain assets and liabilities are often determined based on estimates and assumptions of future events. The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period are:

<u>Fair value of convertible note</u>
Management has used valuation techniques to determine the fair value of the convertible note liability, which have involved developing estimates and assumptions consistent with how these instruments are normally valued.

<u>Share-based payment transactions</u>
The Company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined using a Black-Scholes option pricing model. The Company measures the cost of cash-settled share-based payments at fair value at the grant date using the Black-Scholes formula taking into account the terms and conditions upon which the instruments were granted.

<u>Deferred taxation</u>
Potential future income tax benefits have not been brought to account at 30 June 2021 because the Directors do not believe that it is appropriate to regard realisations of future income tax benefits as probable.

<u>Deferred exploration and evaluation expenditure</u>
The application of the Group's accounting policy for exploration and evaluation expenditure requires judgement in determining whether it is likely that future economic benefits are likely from future exploitation or sale or where activities have not reached a stage which permits a reasonable assumption of the existence of reserves.

e) Borrowing costs

Borrowing costs are recognised as an expense when incurred, except for borrowing cost relating to qualifying assets when the interest is capitalised to the qualifying assets.

f) Cash and cash equivalents

Cash and cash equivalents in the Statement of Financial Position comprise cash at bank and in hand and short-term deposits with an original maturity of six months or less.
For the purposes of the Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

g) Trade and other receivables

Trade receivables are initially recognised at their transaction price and other receivables at fair value. Receivables that are held to collect contractual cash flows and are expected to give rise to cash flows representing solely payments of principal and interest are classified and subsequently measured at amortised cost. Receivables that do not meet the criteria for amortised cost are measured at fair value through profit or loss.

The Group assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument. The Group always recognises the lifetime expected credit loss for trade receivables carried at amortised cost. The expected credit losses on these financial assets are estimated based on the Group's historic credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as forecast conditions at the reporting date.

For all other receivables measured at amortised cost, the Group recognises lifetime expected credit losses when there has been a significant increase in credit risk since initial recognition. If the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to expected credit losses within the next 12 months.

The Group considers an event of default has occurred when a financial asset is more than 120 days past due or external sources indicate that the debtor is unlikely to pay its creditors, including the Group. A financial asset is credit impaired when there is evidence that the counterparty is in significant financial difficulty or a breach of contract, such as a default or past due event has occurred. The Group writes off a financial asset when there is information indicating the counterparty is in severe financial difficulty and there is no realistic prospect of recovery.

h) Investments

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities classified as fair value through other comprehensive income) is based on quoted market prices at the reporting date. The quoted market price used for financial assets held by the Group is the current bid price, the appropriate quoted market price for financial liabilities is the current ask price.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date. Quoted market prices or dealer quotes for similar instruments are used for long-term debt instruments held. Other techniques, such as discounted cash flows, are used to determine fair value for the remaining financial instruments.

i) Associates

Associates are entities over which the Group has significant influence but not control or joint control. Investments in associates are accounted for using the equity method. Under the equity method, the share of the profits or losses of the associate is recognised in profit or loss and the share of the movements in equity is recognised in other comprehensive income. Investments in associates are carried in the statement of financial position at cost plus post acquisition changes in the Group's share of net assets of the associate. Goodwill relating to the associate is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment. Dividends received or receivable from associates reduce the carrying amount of the investment.

When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

The Group discontinues the use of the equity method upon the loss of significant influence over the associate and recognises any retained investment at its fair value. Any difference between the associate's carrying amount, fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

j) Financial instruments

Debt and equity instruments are classified as either liabilities or as equity in accordance with the substance of the contractual arrangement. Transaction costs on the issue of equity instruments are recognised directly in equity as a reduction of the proceeds of the equity instruments to which the costs relate. Transaction costs are the costs that are incurred directly in connection with the issue of those equity instruments and which would not have been incurred had those instruments not been issued.

Interest and dividends are classified as expenses or as distributions of profit consistent with the statement of financial position classification of the related debt or equity instruments or component parts of compound instruments.

k) Impairment of assets

At each reporting date, the Company assesses whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, the Company makes a formal estimate of recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to its recoverable amount.

Recoverable amount is the greater of fair value less costs to sell and value in use. It is determined for an individual asset, unless that asset's value in use cannot be estimated to be close to its fair value less costs to sell and it does not generate cash inflows that are largely independent of those from other assets or group of assets. In which case, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.
Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying value does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised in profit or loss immediately, unless the relevant asset is carried at fair value, in which case the reversal of the impairment loss is treated as a revaluation increase.

l) Income tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.
Deferred tax is provided on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences except:

- When the deferred tax liability arises from the initial recognition of assets and liabilities (other than as a result of a business combination) which affects neither the accounting profit nor taxable profit or loss; or
- When the taxable temporary difference arises from the initial recognition of goodwill; or
- When the taxable temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, and the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised to the extent that it is probable that sufficient taxable amounts will be available against which the deductible temporary differences or unused tax losses and tax offsets can be utilised, except:

- When the deductible temporary difference giving rise to the asset arises from the initial recognition of assets and liabilities (other than as a result of a business combination) which affects neither accounting profit nor taxable income; or
- When the deductible temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, in which case a deferred tax asset is only recognised to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and liabilities are offset when they relate to the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

m) Goods and services tax

Revenues, expenses and assets are recognised net of the amount of GST except:

- When the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost acquisition of the asset or as part of the expense item as applicable; and receivables and payables are stated with the amount of GST included.

- The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Statement of Financial Position.

Cash flows are included in the Statement of Cash Flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

n) Leases

Group as Lessee
The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Right of use asset
The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment.

Lease Liabilities
At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

The Group has elected not to recognise right of use assets and lease liabilities for short term leases and low value assets. For these leases, the Group recognised the lease payments as an expense on a straight-line basis over the lease term.

Short-term leases and leases of low-value assets.
The Group applies the short-term lease recognition exemption for those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. It also applies the lease of low-value assets recognition exemption to leases of plant and equipment that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

o) Provisions and employee leave benefits

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, considering the risks and uncertainties surrounding the obligation. Where a provision is measured using the cashflows estimated to settle the present obligation, its carrying value is the present value of those cashflows. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, for example under an insurance contract, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Employee leave benefits
Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months of the reporting date are recognised in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when the leave is taken and are measured at the rates paid or payable.

p) Revenue recognition

Revenue is recognised to the extent that control of the good or service provided has passed and it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Interest revenue is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

q) Trades and other payables

Trade payables and other accounts payable are carried at amortised cost and represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of those goods and services.

r) Convertible notes

Convertible notes that do not contain an equity component are accounted for as a financial liability through profit or loss with a value equating to the total proceed/face value with no day one gain or loss and subsequently value will change depending on the changes in the share price/ redemption event and or accretion of the value of the discount on the note. If the convertible note is converted, the carrying amounts of the derivative and liability components are transferred to share capital as consideration for the shares issued. If the note is redeemed, any difference between the amount paid and the carrying amounts of both components is recognised in the statement of comprehensive income.

s) Exploration and evaluation expenditure

Exploration and evaluation expenditures in relation to each separate area of interest are recognised as an exploration and evaluation asset in the year in which they are incurred where the following conditions are satisfied:

- the rights to tenure of the area of interest are current; and
- at least one of the following conditions is also met:
- the exploration and evaluation expenditures are expected to be recouped through successful development and exploration of the area of interest, or alternatively, by its sale; or
- exploration and evaluation activities in the area of interest have not at the balance date reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest are continuing.

Exploration and evaluation assets are initially measured at cost and include acquisition of rights to explore, studies, exploratory drilling, trenching and sampling and associated activities and an allocation of depreciation and amortised of assets used in exploration and evaluation activities. General and administrative costs are only included in the measurement of exploration and evaluation costs where they are related directly to operational activities in a particular area of interest.

Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. The recoverable amount of the exploration and evaluation asset (for the cash generating unit(s) to which it has been allocated being no larger than the relevant area of interest) is estimated to determine the extent of the impairment loss (if any). Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in previous years.

Where a decision has been made to proceed with development in respect of a particular area of interest, the relevant exploration and evaluation asset is tested for impairment and the balance is then reclassified to development.

t) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the profit or loss over the period of the borrowings using the effective interest rate method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the Statement of Financial Position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in other income or other expenses.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

u) Issued capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs directly attributable to the issue of new shares or options for the acquisition of a business are not included in the cost of the acquisition as part of the purchase consideration.

v) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Board of Directors who is responsible for making strategic decisions.

3. SEGMENT INFORMATION

AASB 8 Operating Segments requires operating segments to be identified on the basis of internal reports that are regularly reviewed by the Chief Operating Decision Maker (**CODM**) to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available. In the case of the Group the CODM are the executive management team and all information reported to the CODM is based on the consolidated results of the Group as one operating segment, as the Group's activities relate to mineral exploration.

Accordingly, the Group has only one reportable segment and the results are the same as the Group results.

a) Information by geographical region

The analysis of the location of non-current assets is as follows:

	2021 $	2020 $
Australia	540,903	128,000
Austria	38,070,572	36,548,383
	38,611,475	36,676,383

b) Revenue by geographical region

	2021 $	2020 $
Australia	30,633	3,479
Austria	198	202,575
	30,831	206,054

4. REVENUE AND OTHER INCOME

	2021 $	2020 $
Interest revenue	30,633	3,479
Grants received	-	202,575
Other income	198	-
	30,831	206,054

5. EXPENSES FROM CONTINUING OPERATIONS

	2021 $	2020 $
Employee benefits expenses		
Directors' remuneration & consulting	(349,000)	(197,548)
	(349,000)	(197,548)
Finance expenses		
Bank fees	(6,003)	(15,480)
Interest on short term loan (i)	-	(170,323)
Interest on leased assets	(182)	(1,681)
Provision for doubtful debts	2,890	(7,494)
Financing costs on extension to Magna facility	-	(80,000)
Financing costs short term loan facility	-	(20,000)
Shortfall on Winance conversion (note 15 and 17(a))	(277,273)	(118,182)
Financing legal expenses	-	(44,375)
	(280,568)	(457,535)
Regulatory and compliance costs		
ASX listing fees	(87,705)	(136,944)
NEX listing expenses	(60,197)	(253,476)
Vienna listing expenses	(2,751)	(1,986)
Legal expenses (ii)	(1,037,680)	(383,032)
Other regulatory and compliance expenses	(172,791)	(85,207)
	(1,361,124)	(860,645)
Other expenses		
Promotions and advertising	(136,036)	(220,268)
Foreign exchange	(587,259)	141,490
Tenement acquisition costs	(70,992)	-
Other administrative expenses	(206,900)	(164,502)
	(1,001,187)	(243,280)

(i) During the year ended 30 June 2020, the Company entered into a short-term loan agreement for $400k, secured by way of a fixed and floating charge over the Company' assets (Loan). Under the terms of the Loan, interest of $40k is payable at the repayment date with the balance relating to penalty interest for the late repayment of funds. The Company agreed with the lender to convert $370k of the Loan into equity (Loan Conversion). The Loan Conversion was converted based on a share price of 4.5c with a free attaching 1 for 1 unlisted option with an exercise price of 5c expiring on 31 July 2022. In addition to the Loan Conversion, the remaining Loan balance was paid in cash on 4 June 2020. At 30 June 2020, the Loan had been fully extinguished, and the associated security released.

(ii) Legal expenses incurred during the year related to a fine paid to the Financial Market Authority (**FMA**) per the ASX announcement dated 17 June 2021, and legal expenses in respect to the Company's financing facilities and legal costs in granting ECM Lithium AT GmbH the right to accede to and use Glock Gut property.

6. INCOME TAX

	2021 $	2020 $
Major components of income tax expense for the year are:		
Income statement		
Current income tax charge/(benefit)	-	-
Statement of changes in equity		
Income tax expense reported in equity	-	-

A reconciliation of income tax expense/(benefit) applicable to accounting profit/(loss) before income as at the statutory income tax rate to income tax expense/(benefit) at the Company's effective income tax rate for the year is as follows:

	2021 $	2020 $
Loss from ordinary activities before income tax expense	(3,964,922)	(3,257,923)
Prima facie tax benefit on loss from ordinary activities at 30.0% (2020: 27.5%)	(1,189,477)	(895,929)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Non-temporary tax adjustments	786,837	818,194
Recognition of prior year unrecognised DTA's	-	(39,181)
Tax rate differential	63,584	(3,918)
Current year DTA's (non-tax losses) not recognised	339,056	120,834
	-	-

Unrecognised deferred tax assets have not been recognised in respect of the following items:

	2021 $	2020 $
Unrecognised temporary differences		
Deferred tax assets (at 30.0%) (2020: 27.5%)		
Accrued expenses	931	1,127
Prepayments	(20)	-
Exploration expenditure	22,010	-
Capital raising costs	70,853	49,920
Financial assets	64,500	48,675
Borrowing costs	46,323	12,712
Carry forward tax losses – revenue	5,273,189	4,505,071
Carry forward tax losses – capital	1,389,246	1,273,476
Other	(20)	-
	6,867,012	5,890,981
Deferred tax liabilities (at 30.0%) (2020: 27.5%)		
Prepayments	-	-
Net unrecognised deferred tax asset/(liability)	6,867,012	5,890,981

Potential future income tax benefits arising from tax losses have not been brought to account at 30 June 2021 because the directors do not believe it is appropriate to regard realisation of the future income tax benefits as probable. These benefits will only be obtained if:

- assessable income is derived of a nature and of amount sufficient to enable the benefit from the deductions to be realised;
- the Company continues to comply with the conditions for deductibility imposed by law; and
- no changes in tax legislation adversely affect the realisation of the benefit from the deductions.

7. CASH AND CASH EQUIVALENTS

	2021 $	2020 $
Cash at bank and in hand	5,422,494	300,655
	5,422,494	300,655

Cash at bank earns interest at floating rates based on daily bank deposit rates.

8. RESTRICTED CASH AND OTHER DEPOSITS

	2021 $	2020 $
Term deposits	30,814	31,869

Restricted cash relates to the bank guarantees provided by the Company to the value of €20,000 in respect of any unrepaired damage to property at the Wolfsberg project.

9. TRADE AND OTHER RECEIVABLES

	2021 $	2020 $
Trade and other receivables	9,376	4,879
Amortised Winance convertible notes transaction costs	20,226	-
Security deposit	6,266	6,480
GST / VAT receivable	174,899	125,977
Prepayments	29,889	81,762
	240,656	219,098

These amounts arise from the usual operating activities of the Company and are non-interest bearing. The debtors do not contain any overdue or impaired receivables.

10. PROPERTY, PLANT AND EQUIPMENT

	2021 $	2020 $
Cost	23,098	16,250
Accumulated depreciation	(14,072)	(11,514)
	9,026	4,736
Carrying value at beginning of period	4,736	7,030
Additions	7,386	2,039
Depreciation charge for the period	(2,969)	(4,436)
Foreign exchange	(127)	103
Carrying value at end of period	9,026	4,736

11. DEFERRED EXPLORATION AND EVALUATION EXPENDITURE

Exploration and evaluation phases:	2021 $	2020 $
Balance at beginning of period	36,499,437	33,004,593
Expenditure incurred	2,755,620	3,153,767
Foreign exchange movement	(1,224,325)	341,077
Balance at end of period	38,030,732	36,499,437

The recoupment of costs carried forward in relation to areas of interest in the exploration and evaluation phases is dependent upon the successful development and commercial exploitation or sale of the respective areas.

12. INVESTMENT IN ASSOCIATE

	2021 $	2020 $
Investments in associates	540,903	-

On 11 May 2021, the Company announced that it had entered into a Collaboration Agreement with Jadar Resources Limited (ASX: JDR) (**Jadar**) and an agreement to acquire a 20% interest in Jadar's Austrian Lithium assets from their JV partner (**Jadar Acquisition**). Jadar holds an 80% interest in Subsidiary Jadar Lithium GmbH (**Jadar Lithium**), the holder of the Weinebene and Eastern Alps Projects which lies 20km to the east of the Company's Wolfsberg Project. Jadar has waived its first right of refusal over the remaining 20% interest in Jadar Lithium, allowing Exchange Minerals Limited (**EML**) to sell their 20% interest to the Company for a consideration of $125,000 cash and 6,666,666 fully paid ordinary shares in the capital of the Company and 3,333,333 unlisted option exercisable at $0.075 each on or before 31 July 2022.

a) Investment details

	2021 $	2020 $
Percentage held at reporting date	20%	-

b) Movement in the carrying amount of the investment in associates

	2021 $	2020 $
Balance at beginning of period	-	-
Cash investment	125,000	-
Equity investment	439,145	-
Share of net losses recognised during the year	(23,242)	-
Impairment of investment in joint venture	-	-
Balance at end of period	540,903	-

c) Summarised financial information

	2021 $	2020 $
Current assets	10,316	-
Non-current assets	263,169	-
Current liabilities	(350,632)	-
Non-current liabilities	(42,338)	-
Equity	(119,484)	-
Group's carrying amount of the investment	540,903	-

Jadar Lithium has no contingent liabilities, capital commitments or bank guarantees on issue as at 30 June 2021.

	2021 $	2020 $
Revenue and other income	52,983	-
Depreciation	-	-
Loss before tax	(116,211)	-
Income tax expense	-	-
Loss for the year	(116,211)	-
Total comprehensive (loss) for the year	-	-
Group's share of (loss) for the year	(23,242)	-

d) Impairment assessment

The carrying amount of the investments in associates were assessed for impairment at 30 June 2021. As the acquisition was only recently completed during the period, management are of the view that the key assumptions underlying the acquisition remain valid and as such there is no indication of impairment at the reporting date.

13. FINANCIAL ASSETS

	2021 $	2020 $
Balance at beginning of period	128,000	128,000
(Loss) in fair value from revaluation	(38,000)	-
Conversion of debt for proceeds from disposal of equity securities (listed)	(90,000)	-
Financial assets at fair value through profit or loss at end of period	-	128,000

The Company held 32 million shares in Cervantes Corporation Limited (ASX: CVS) (**CVS**). During the year, the Company agreed to transfer these shares to a creditor to offset debts of $90,000.

14. RIGHT OF USE ASSETS

	2021 $	2020 $
Cost	37,022	37,022
Accumulated depreciation	(37,022)	(24,681)
	-	12,341
Carrying value at beginning of period	12,341	-
Initial application of *AASB 16 Leases*	-	37,022
Depreciation charge for the period	(12,050)	(24,817)
Foreign exchange	(291)	136
Carrying value at end of period	-	12,341

Leased assets are capitalised at the commencement date of the lease and comprise of the initial lease liability amount, initial direct costs incurred when entering into the lease less any lease incentives received. On initial adoption of *AASB 16* the Group has adjusted the right-of-use assets at the date of initial application by the amount of any provision for onerous leases recognised immediately before the date of initial application. Following initial application, an impairment review is undertaken for any right of use lease asset that shows indicators of impairment and an impairment loss is recognised against any right of use lease assets that is impaired.

15. TRADE AND OTHER PAYABLES

	2021 $	2020 $
Trade payables	994,514	1,767,697
Sundry payables and accruals	354,728	32,837
	1,349,242	1,800,534

16. CONVERTIBLE NOTE

	2021 $	2020 $
Balance at beginning of period	831,592	1,078,136
Funds borrowed under convertible loan agreement	1,000,000	3,000,000
Difference between transaction price of convertible note and fair value at initial recognition	187,378	549,553
Fair value loss on remeasurement of convertible note	(261,100)	(256,194)
Amounts repaid through redemption of notes	(500,000)	(812,443)
Amounts repaid through issue of shares	(900,000)	(2,727,460)
Balance at end of period	357,870	831,592

On 31 July 2019, the Company entered into a Convertible Note Agreement with Winance Investment LLC (**Winance**) of which A$2.0m (2,000 convertible notes) was drawn down on 20 September 2019 (**Tranche 1**). On 5 March 2020, the Company announced that it had agreed to a further draw down of A$2.0m. As a result, the Company issued 2,000 convertible notes on 10 March 2020 which were held in escrow pending the receipt of funds (**Tranche 2**). On 2 June 2020, the Company received funding of A$1.0m and released 1,000 notes from escrow. On 14 July 2020, the Company received funding of A$0.5m and released 500 notes from escrow. On 30 July 2020, the Company received the final funding of A$0.5m and released 500 notes from escrow. Winance received a commitment fee of 3% of the investment amount at the funding of each tranche.

The face value of each convertible note is AU$1,000 and are non-interest bearing. The notes are convertible to a variable number of ordinary shares at the option of the holder of the notes any time after issue. If not converted the notes mature and are repayable twenty-four (24) months after the issue date. The conversion price for each convertible note is the lower of an 8% discount from the lowest VWAP over ten (10) days prior to the conversion date, provided that the conversion price shall not in any case be lower than $0.04 (revised floor price).

At the time of issuance, the difference between the fair value of the convertible notes of $1,187,378 and the proceeds received of A$1,000,000 being $187,378 (Tranche 2) was recorded in the statement of comprehensive income. At reporting date $20,226 of this amount related to amortisation of the convertible notes on issue.

During the year, Winance exercised its option to convert 900 notes (Tranche 2) borrowed under the convertible loan agreement into 21,136,363 fully paid ordinary shares of the Company and redeem 500 notes (Tranche 2) comprising a principal amount of $500,000 and $136,364 Winance shortfall amount payable (refer to the 2019 AGM notice of meeting for further details).

At reporting date, the fair value of Tranche 2 convertible notes (following conversion 900 notes and redemption of 500 notes during the year) was $357,870 with the difference of $261,100 recorded in the statement of comprehensive income.

As at 30 June 2021, Winance had 300 convertible notes remaining.

17. INTEREST BEARING LEASE LIABILITIES

	2021 $	2020 $
Current		
Lease liability	-	10,676
	-	10,676
Non-Current		
Lease liability	-	2,098
	-	2,098
Total	-	12,774

In 2016, the Group entered a lease arrangement for premises in Wolfsberg for a lease period 1 January 2017 to 31 December 2019. Under Austrian law, the lease automatically extends for one year upon expiry.

18. ISSUED CAPITAL

	2021 No of shares	2021 $
Opening balance	662,293,209	24,800,736
Issue of shares - Placement – Cash (i)	187,363,643	9,136,364
Issue of shares – Share Purchase Plan – Cash (ii)	42,105,193	2,000,000
Issue of shares – Exercise of options – cash (iii)	2,370,554	118,528
Issue of shares – Conversion of debt (iv)	7,799,976	285,560
Issue of shares – Winance conversion (refer note 16)	21,136,363	900,000
Issue of shares – Facilitator (v)	4,200,000	198,500
Issue of shares – Jadar acquisition (vi)	6,666,666	380,000
Capital raising costs – options issued to corporate advisor	-	(200,000)
Capital raising costs – cash	-	(820,486)
Total issued capital	933,935,604	36,799,202

	2020 No of shares	2020 $
Opening balance	587,163,028	20,283,788
Issue of shares - Placement – Cash	10,300,000	902,000
Issue of shares – Conversion of debt	19,947,707	848,784
Issue of shares – Magna extension	1,000,000	80,000
Issue of shares – Magna conversion	5,618,413	427,461
Issue of shares – Winance conversion	36,264,061	2,300,000
Issue of shares – Facilitator	2,000,000	90,000
Capital raising costs – shares and options issued to corporate advisor	-	(70,746)
Capital raising costs – cash	-	(60,551)
Total issued capital	662,293,209	24,800,736

(i) The following shares were issued via share placements during the year ended 30 June 2021:

- In September 2020, the Company issued 46,363,643 shares to raise funds of $2,086,364 (before expenses) (**September 2020 Placement**)
- On 28 January 2021 and 1 February 2021, the Company issued 141,000,000 shares to raise funds of $7,050,000 (before expenses) (**January 2021 Placement**)

(ii) On 28 January 2021, the Company issued 42,105,193 shares pursuant to a share purchase plan to raise cash proceeds of $2.0m (before expenses).

(iii) During the year ended 30 June 2021, the following shares were issued on the exercise of unlisted options:

- On 21 January 2021, the Company issued 926,111 shares ($0.05 expiring 31 July 2022)
- On 28 January 2021, the Company issued 194,444 shares ($0.05 expiring 31 July 2022)
- On 5 February 2021, the Company issued 1,249,999 shares ($0.05 expiring 31 July 2022)

(iv) The following shares were issued in settlement of liabilities during the year ended 30 June 2021:

- On 20 July 2020 and 5 November 2020, the Company issued 3,030,303 shares and 1,666,667 shares respectively to Winance for the conversion of debt totalling $140,909 in relation to the Winance shortfall amount payable (refer to the 2019 AGM notice of meeting for further details)

- On 9 October 2020, the Company issued 106,383 shares in satisfaction of debts of $5,000 owed by the Company to unrelated third parties
- On 2 November 2020, the Company issued 1,643,288 shares to Directors of the Company in satisfaction of debts owing of $73,948 (as approved at the Company's AGM held on 30 October 2020)
- On 28 January 2021, the Company issued 753,335 shares in satisfaction of debts of $35,703 owed by the Company to unrelated third parties
- On 5 February 2021, the Company issued 600,000 shares to the Company's CEO to satisfy debts of $30,000

(v) The following shares were issued to facilitators during the year ended 30 June 2021:
- On 23 September 2020, the Company issued 1,800,000 shares pursuant to the September 2020 Placement
- On 9 October 2020, the Company issued 1,000,000 shares pursuant to a mandate entered into with Empire Capital Pty Ltd
- On 19 April 2021, the Company issued 1,400,000 shares pursuant to the January 2021 Placement

(vi) On 12 May 2021, the Company issued 6,666,666 pursuant to the Jadar acquisition.

Terms and conditions of contributed equity

Fully paid ordinary shares have the right to receive dividends as declared and, in the event of winding up the Company, to participate in the proceeds from sale of all surplus assets in proportion to the number of paid up shares held.

Fully paid ordinary shares entitle their holder to one vote, either in person or by proxy, at any shareholders' meeting of the Company.

19. RESERVES

The foreign currency translation reserve is used to record exchange differences arising from the translation of financial statements of foreign subsidiaries.

The share based payment reserve records items recognised as expenses on valuation of employee share options and options issued to directors and consultants.

	2021 $	2020 $
Option reserve (a)	6,059,735	5,444,764
Foreign currency translation reserve (b)	1,542,168	2,174,406
	7,601,903	7,619,170

a) Option Reserve

	2021 No of Options	2021 $
Balance at beginning of year	20,735,584	5,444,764
Issue of options – Directors (note 20(a))	1,643,288	-
Issue of options – Placement (note 20(c))	11,590,911	-
Issue of options – Corporate advisor (note 20(b))	2,400,000	33,289
Issue of options – Corporate advisor (note 20(b))	5,000,000	69,353
Exercise of options (note 18(iii))	(926,111)	-
Exercise of options (note 18(iii))	(194,444)	-
Exercise of options (note 18(iii))	(1,249,999)	-
Issue of options – Corporate advisor (note 20(b))	10,000,000	53,184
Issue of options – Placement (note 20(c))	70,500,000	-
Issue of options – Corporate advisor (note 20(b))	20,000,000	200,000
Issue of options – Directors (note 20(a))	20,000,000	200,000
Issue of options – Jadar acquisition (note 20(d))	3,333,333	59,145
Balance at end of year	162,832,562	6,059,735

	2020 No of Options	2020 $
Balance at beginning of year	205,894,444	4,933,022
Issue of options – Directors (note 20(a))	17,500,000	283,632
Issue of options – Placement (note 20(b))	8,440,000	136,791
Issue of options – Helvetican	38,000,000	-
Issue of options – Corporate advisor (note 20(b))	500,000	8,351
Cancellation of options – Helvetican	(38,000,000)	-
Expiry of options	(225,440,000)	-
Expiry of options	(2,000,000)	-
Expiry of options	(2,394,444)	-
Issue of options – conversion of debt	10,609,401	-
Issue of options – Corporate advisor (note 20(b))	2,000,000	82,968
Issue of options – conversion of debt	5,626,183	-
Balance at end of year	20,735,584	5,444,764

At 30 June 2021, the unissued ordinary shares of the Company under unlisted options are as follows:

Date of Expiry	Status	Exercise Price	Number of Options
11/12/2021	Unlisted	20.0 cents	2,500,000
31/07/2022	Unlisted	5.0 cents	36,499,229
30/11/2021	Unlisted	15.0 cents	10,000,000
31/07/2022	Unlisted	7.5 cents	3,333,333
19/04/2024	Listed	7.5 cents	110,500,000
			162,832,562

At 30 June 2020, the unissued ordinary shares of the Company under unlisted option are as follows:

Date of Expiry	Status	Exercise Price	Number of Options
11/12/2021	Unlisted	20.0 cents	2,500,000
31/07/2022	Unlisted	5.0 cents	18,235,584
			20,735,584

b) Foreign Currency Translation Reserve

	2021 $	2020 $
Balance at beginning of year	2,174,406	1,968,414
Foreign currency exchange differences arising on translation of foreign operations	(632,238)	205,992
Balance at end of year	1,542,168	2,174,406

20. SHARE BASED PAYMENTS

Total costs arising from share-based payment transactions recognised as an expense during the year were as follows:

	2021 $	2020 $
Shares issued to Empire Capital	-	90,000
Options issued to Directors (a)	200,000	283,632
Options issued to corporate advisors (b)	155,826	157,364
Balance at end of period	355,826	530,996

Total costs arising from share-based payment transactions recognised through equity during the year were as follows:

	2021 $	2020 $
Options issued to corporate advisors (b)	200,000	70,746
Balance at end of period	200,000	70,746

a) Options to directors

On 19 April 2021, the Company issued 20,000,000 listed options in consideration for Director services and efforts to advance the Company's Definitive Feasibility Study (DFS) at the Company's Wolfsberg Project. These were issued to Directors Tony Sage

(10,000,000) and Malcolm Day (10,000,000) upon receipt of shareholder approval at the 2021 GM. The listed options were issued at $0.01 per listed option being the trading price on the date of issue.

On 2 November 2020, the Company issued 1,643,288 unlisted options to Directors as approved at the Company's 2020 AGM. The options are exercisable at $0.05 each on or before 31 July 2022 and were issued in lieu of outstanding director's fees.

On 11 December 2019, the Company issued 17,500,000 options in consideration for Director services and efforts to advance the Company's Definitive Feasibility Study (DFS) at the Company's Wolfsberg Project were issued to Directors Tony Sage (5,000,000), Stefan Muller (7,500,000) and Malcolm Day (5,000,000) upon receipt of shareholder approval at the 2019 AGM:

	Number of Options	Grant date	Expiry Date	Exercise Price	Fair value at grant date	Vesting date
Options issued to Directors	17,500,000	28 November 2019	30 June 2020	$0.10	$0.0162	28 November 2019

The fair value of the equity-settled share options granted is estimated as at the date of grant using the Black and Scholes model taking into account the terms and conditions upon which the options were granted.

	Assumptions
Number options issued	17,500,000
Dividend yield	0.00%
Expected volatility	86%
Risk-free interest rate	0.79%
Expected life of options	0.59 years
Exercise price	$0.10
Grant date share price	$0.083

b) Options to advisors

On 19 April 2021, the Company issued 20,000,000 listed options to the brokers in respect to the January 2021 Placement as approved at the Company's 2021 GM held on 16 April 2021. The listed options were issued at $0.01 per listed option being the trading price on the date of issue.

The following unlisted options were issued as share-based payments arrangements during the year:

	Number of Options	Grant date	Expiry Date	Exercise Price	Fair value at grant date	Vesting date
Options issued to corporate advisor	2,400,000	30 October 2020	31 July 2022	$0.05	$0.0139	30 October 2020
Options issued to corporate advisor	5,000,000	30 October 2020	31 July 2022	$0.05	$0.0139	30 October 2020
Options issued to corporate advisor	10,000,000	16 April 2021	30 November 2021	$0.15	$0.0053	16 April 2021

The fair value of the equity-settled share options granted is estimated as at the date of grant using the Black and Scholes model taking into account the terms and conditions upon which the options were granted.

	Assumptions		
Number options issued	2,400,000	5,000,000	10,000,000
Dividend yield	0.00%	0.00%	0.00%
Expected volatility	95%	95%	94%
Risk-free interest rate	0.13%	0.13%	0.07%
Expected life of options	1.75 years	1.75 years	0.62 years
Exercise price	$0.05	$0.05	$0.15
Grant date share price	$0.036	$0.036	$0.068

The expected life of the options is based on historical data and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome. No other features of options granted were incorporated into the measurement of fair value.

The following options were issued as share-based payments arrangements during the year ended 30 June 2020 to corporate advisors:

	Number of Options	Grant date	Expiry Date	Exercise Price	Fair value at grant date	Vesting date
Options issued to Empire Capital	2,000,000	29 May 2020	31 July 2022	$0.05	$0.0415	29 May 2020
Options issued to corporate advisor	8,440,000	28 November 2019	30 June 2020	$0.10	$0.0162	28 November 2019
Options issued to Winance	500,000	24 January 2020	30 June 2020	$0.10	$0.0167	24 January 2020

The fair value of the equity-settled share options granted is estimated as at the date of grant using the Black and Scholes model taking into account the terms and conditions upon which the options were granted.

	Assumption		
Number options issued	2,000,000	8,440,000	500,000
Dividend yield	0.00%	0.00%	0.00%
Expected volatility	88%	86%	84%
Risk-free interest rate	0.24%	0.79%	0.76%
Expected life of options	2.17 years	0.59 years	0.43 years
Exercise price	$0.05	$0.10	$0.10
Grant date share price	$0.072	$0.083	$0.091

The expected life of the options is based on historical data and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome. No other features of options granted were incorporated into the measurement of fair value.

c) Placement Options

On 19 April 2021, the Company issued 70,500,000 listed options as approved at the Company's general meeting of shareholders held on 16 April 2021. The options are exercisable at $0.075 each on or before 19 April 2024 and were issued to participants of the January 2021 Placement.

On 2 November 2020, the Company issued 11,590,911 unlisted options as approved at the Company's 2020 AGM. The options are exercisable at $0.05 each on or before 31 July 2022 and were issued to participants of the September 2020 placement.

d) Unlisted options Jadar Acquisition

On 12 May 2021, the Company issued 3,333,333 unlisted options with an exercise price of $0.075 each and expiry date of 31 July 20222 pursuant to the Jadar acquisition (refer note 12):

	Number of Options	Grant date	Expiry Date	Exercise Price	Fair value at grant date	Vesting date
Options issued for Jadar acquisition	3,333,333	10 May 2021	31 July 2022	$0.075	$0.0177	10 May 2021

The fair value of the equity-settled share options granted is estimated as at the date of grant using the Black and Scholes model taking into account the terms and conditions upon which the options were granted.

	Assumption
Number options issued	3,333,333
Dividend yield	0.00%
Expected volatility	93%
Risk-free interest rate	0.07%
Expected life of options	1.22 years
Exercise price	$0.075
Grant date share price	$0.057

The expected life of the options is based on historical data and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome. No other features of options granted were incorporated into the measurement of fair value.

21. LOSS PER SHARE

	2021 $	2020 $
Loss used in the calculation of basic and dilutive loss per share	(3,964,922)	(3,257,923)

	2021 Cents per share	2020 Cents per share
Loss per share:		
Basic loss per share (cents per share)	(0.50)	(0.53)
Diluted loss per share (cents per share)	(0.50)	(0.53)

There are dilutive potential ordinary shares on issue at balance date. However, given the Company has made a loss, there is no dilution of earnings hence the diluted loss per share is the same as for basic loss per share.

	2021 Number	2020 Number
Weighted average number of shares	797,288,275	618,210,152

22. COMMITMENTS AND CONTINGENCIES

a) Exploration commitments

The Group has no minimum expenditure requirements in relation to its exploration and mining licences at its Wolfsberg Project other than minimal annual licence and mine safety fees.

b) Contingencies

The Company has provided bank guarantees to the value of €20,000 in respect of any unrepaired damage to property at the Wolfsberg project.

There has been no other change in contingent liabilities since the last annual reporting date.

23. CASH FLOW INFORMATION

	2021 $	2020 $
Reconciliation from net loss after tax to net cash used in operations		
Net loss	(3,964,922)	(3,257,923)
Non-cash flows included in operating loss:		
Depreciation	2,969	4,435
Transaction costs relating to the issue of convertible note facility	-	80,000
Share of net losses of JV accounted for using the equity method	23,242	-
Shares issued in settlement of creditors	421,924	478,461
Shares issued to corporate advisors	47,500	90,000
Options issued to corporate advisor and directors	555,826	511,742
Loss on fair value of financial assets through profit or loss	38,000	-
Difference between transaction price of convertible note and fair value at initial recognition	(93,948)	549,554
Fair value loss on remeasurement of convertible note	-	(256,194)
Foreign exchange	592,087	-
Interest on short term loan	-	170,323
Expenditure classified as financing	(87,768)	260,128
Expenditure classified as investing	70,992	-
Other expenses	4,137	(136,656)
Changes in assets and liabilities:		
Decrease / (increase) in trade and other receivables	(149)	90,820
(Decrease) / increase in trade and other payables	(170,808)	520,380
Net cash (used in) operating activities	(2,560,918)	(894,930)

24. RELATED PARTY DISCLOSURE

a) Sales and Purchases between Related Parties

Balances between the Company and its subsidiaries which are related parties of the Company have been eliminated on consolidation and are not disclosed in this note. Details of percentage of ordinary shares held in subsidiaries are disclosed in Note 24 to the financial statements.

Note 24 provides information about the group's structure including the details of the subsidiaries and the holding company. The following table provides the total amount of transactions and outstanding balances that have been entered into with related parties for the relevant year.

		Sales to Related Parties $	Purchases from related parties $	Amounts owed by related parties $	Amounts owed to related Parties $
Director related entities					
Cyclone Metals Limited	2021	6,360	750	-	-
Cyclone Metals Limited	2020	22,451	27,814	-	-
FE Limited	2021	15,635	-	-	-
FE Limited	2020	17,001	-	-	-
Okewood Pty Ltd	2021	-	24,150	-	-
Okewood Pty Ltd	2020	-	9,150	-	9,150
Deutsche Gesellschaft für Wertpapieranalyse GmbH	2021	-	-		-
Deutsche Gesellschaft für Wertpapieranalyse GmbH	2020	-	77,833	-	38,981
Frankfurt Capital Market Consulting	2021	-	-	-	-
Frankfurt Capital Market Consulting	2020	-	25,500	-	-

Mr Antony Sage is a director of Cyclone Metals Limited (previously called Cape Lambert Resources Limited) and FE Limited. Sales to and purchases from director related entities are for the reimbursement of employee, consultancy, occupancy, travel and other costs.

25. FINANCIAL INSTRUMENTS

a) Significant accounting policies

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which revenues and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 2 to the financial statements.

b) Financial risk exposures and management

The main risks the Company is exposed to through its financial instruments are credit risk, interest rate risk, and liquidity risk.

c) Credit risk exposures

Credit risk represents the loss that would be recognised if the counterparties default on their contractual obligations resulting in financial loss to the Company. The Company has adopted the policy of only dealing with creditworthy counterparties and obtaining sufficient collateral or other security where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company measures credit risk on a fair value basis.

d) Interest rate risk

The Group is exposed to movements in market interest rates on cash. The policy is to monitor the interest rate yield curve out to 120 days to ensure a balance is maintained between the liquidity of cash assets and the interest rate of return. The entire balance of cash for the Group of $5,422,494 (30 June 2020: $300,655) is subject to interest rate risk.

e) Liquidity risk

The Company manages liquidity risk by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities. Surplus funds are generally only invested in short term bank deposits.

Contractual maturities of financial liabilities

		Less than 6 months $	6 – 12 months $	Between 1 and 2 years $	Between 2 and 5 years $	Over 5 years $	Total contractual cashflows $	Carrying amount of liabilities $
Financial Liabilities								
Trade & other payables	2021	1,349,242	-	-	-	-	1,349,242	1,349,242
	2020	1,800,534	-	-	-	-	1,800,534	1,800,534
Convertible note	2021	357,870	-	-	-	-	357,870	357,870
	2020	831,592	-	-	-	-	831,592	831,592
Total	**2021**	**1,707,112**	**-**	**-**	**-**	**-**	**1,707,112**	**1,707,112**
	2020	**2,632,126**	**-**	**-**	**-**	**-**	**2,632,126**	**2,632,126**

f) Net fair value

The carrying amount of financial assets and liabilities recorded in the financial statements represents their respective fair values determined in accordance with the accounting policies disclosed in Note 2 of the financial statements.

g) Foreign currency risk

The Group operates internationally and is exposed to foreign exchange risk arising from commercial transactions. The Group converted assets and liabilities into the functional currency where balances were denominated in a currency other than the Australian dollar.

The Group also has transactional currency exposures. Such exposure arises from sales or purchases by an operating entity in currencies other than the functional currency.

h) Fair value measurement

In calculating the fair value of the convertible note, the Group engaged an independent valuer who has applied a Monte Carlo valuation methodology based on a variety of significant variable inputs. As a result, the valuation of the derivative liability represents a level 2 measurement within the fair value hierarchy. The key inputs to the valuation model were as follows:

	Assumption
Underlying share price	$0.052
Expiry date	10 March 2022
Expected volatility	80%
Risk-free interest rate	0.06%

Set out below is an overview of financial instruments, other than cash and short-term deposits, held by the Group as at 30 June 2021:

	At amortised cost $	Fair value: Through profit or loss $	Fair value: Through other comprehensive income $
Financial assets			
Trade and other receivables	240,656	-	-
Total current	240,656	-	-
Total assets	240,656	-	-
Financial liabilities			
Trade and other payables	1,349,242	-	-
Convertible note	-	357,870	-
Total current	1,349,242	357,870	-
Total liabilities	1,349,242	357,870	-

Set out below is an overview of financial instruments, other than cash and short-term deposits, held by the Group as at 30 June 2020:

	At amortised cost	Fair value Through profit or loss	Fair value Through other comprehensive income
	$	$	$
Financial assets			
Trade and other receivables	219,098	-	-
Total current	219,098	-	-
Financial assets	-	128,000	-
Total non-current	-	128,000	-
Total assets	219,098	128,000	-
Financial liabilities			
Trade and other payables	1,800,534	-	-
Convertible note	-	831,592	-
Total current	1,800,534	831,592	-
Total liabilities	1,800,534	831,592	-

26. SUBSIDIARIES

	Country of Incorporation	Ownership Interest 2021 %	Ownership Interest 2020 %
European Lithium Limited	Australia	100	100
Subsidiaries			
ECM Lithium AT GmbH	Austria	100	100
ECM Lithium AT Operating GmbH	Austria	100	100
European Lithium AT (Investments) Ltd	British Virgin Islands	100	100
John Wally Resources Pty Ltd	Australia	50	-

27. KEY MANAGEMENT PERSONNEL DISCLOSURES

a) Key management personnel compensation

	2021 $	2020
Short-term employee benefits	334,000	215,368
Success fee payments	78,300	-
Share based payments	200,000	283,633
	612,300	499,001

Detailed remuneration disclosures are provided in the Remuneration Report which forms part of the Directors' Report.

b) Equity instrument disclosures relating to key management personnel

On 27 May 2020, the Company announced that it had agreed with Directors of the Company to convert $73,948 of debt into equity. Debts will be converted based on a share price of 4.5c with a free attaching 1 for 1 unlisted option with an exercise price of 5c expiring on 31 July 2022. On 2 November 2020, the Company issued 1,643,288 Shares and 1,643,288 unlisted options with an exercise price of 5c expiring on 31 July 2022 to Directors as approved at the Company's 2020 AGM.

On 19 April 2021, 20,000,000 options with an exercise price of $0.075 each with an expiry date of 19 April 2024 in consideration for Director services and efforts to advance the Company's Definitive Feasibility Study (DFS) at the Company's Wolfsberg Project were issued to Directors Tony Sage (10,000,000) and Malcolm Day (10,000,000) upon receipt of shareholder approval at the 2021 GM.

Further details regarding equity instrument disclosures relating to key management personnel are included in the Remuneration Report which forms part of the Directors' Report.

28. PARENT ENTITY FINANCIAL INFORMATION

a) Summary financial information

The individual financial statements of the parent entity show the following aggregate amounts:

	2021 $	2020 $
Statement of financial position		
Current assets	5,265,306	217,727
Total assets	25,243,393	15,977,191
Current liabilities	952,462	1,606,455
Total liabilities	952,462	1,606,455
Net assets	26,195,856	14,370,736
Shareholders Equity		
Issued capital	47,731,396	36,303,205
Reserves	9,481,239	7,725,718
Accumulated losses	(32,921,704)	(29,658,187)
Total equity	**24,290,931**	**14,370,736**
Net loss for the year	(3,263,518)	(3,414,647)
Comprehensive loss	(3,263,518)	(3,414,647)

29. AUDITOR'S REMUNERATION

	2021 $	2020 $
Amounts paid or payable to:		
HLB Mann Judd		
Auditing services	34,000	31,775
Other services	-	-
	34,000	31,775

30. EVENTS AFTER THE REPORTING PERIOD

On 16 August 2021, the Company announced that it received commitments to raise A$6.5 million through a placement to sophisticated investors at $0.0625 per share (**Placement Shares**) with one listed option (ASX: EUROA) (exercise price $0.075, expiring 19 April 2024) issued for every 2 shares issued (**Placement Options**). Funds raised will be used to fund the DFS at the Company's Wolfsberg Lithium Project, for general exploration purposes and working capital. The placement's lead manager was Evolution Capital Advisors Pty Ltd (**Evolution**) who was paid 6% of the amount raised, issued 20,000,000 EUROA listed options (**Broker Options**) and issued 2,000,000 fully paid ordinary shares (**Broker Shares**). The Placement completed on 16 August 2021 upon the issue of the Placement Shares, Placement Options, Broker Shares and Broker Options.

On 20 August 2021, the Company announced the appointment of Mr Michael Carter as Non-Executive Director and the resignation of Mr Kimon Gkomozias as Executive Director effective 31 August 2021.

On 23 August 2021, the Company issued 6,000,000 shares to Winance upon the conversion of the remaining 300 notes.

No other matters or circumstances have arisen since the end of the financial year which significantly altered or may significantly alter the operations of the Company, the results of those operations or the state of affairs of the Company in financial years subsequent to 30 June 2021.

DIRECTORS' DECLARATION

1. In the opinion of the directors of European Lithium Limited (the 'Company'):

   a. the accompanying financial statements and notes are in accordance with the *Corporations Act 2001* including:

      i. giving a true and fair view of the Group's financial position as at 30 June 2021 and of its performance for the year then ended; and

      ii. complying with Australian Accounting Standards, the Corporations Regulations 2001, professional reporting requirements and other mandatory requirements.

   b. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

   c. the financial statements and notes thereto are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.

2. This declaration has been made after receiving the declarations required to be made to the directors in accordance with *Section 295A* of the *Corporations Act 2001* for the financial year ended 30 June 2021.

This declaration is signed in accordance with a resolution of the board of directors.

Dated 16 September 2021

…………………………………………………..

Tony Sage
Chairman
Perth, Western Australia

HLB MANN JUDD
ADVISORY AND ACCOUNTING

INDEPENDENT AUDITOR'S REPORT

To the members of European Lithium Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of European Lithium Limited ("the Company") and its controlled entities ("the Group") which comprises the consolidated statement of financial position as at 30 June 2021, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

a) giving a true and fair view of the Group's financial position as at 30 June 2021 and of its financial performance for the year then ended; and

b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* ("the Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matters to be communicated in our report.

Key Audit Matter	**How our audit addressed the key audit matter**
Carrying value of exploration and evaluation expenditure Refer to Note 11	
The Group has capitalised exploration and evaluation expenditure of $38,030,732 as at 30 June 2021.	Our procedures included but were not limited to the following: - We obtained an understanding of the key processes associated with management's review of the carrying

Key Audit Matter	How our audit addressed the key audit matter
Carrying value of exploration and evaluation expenditure Refer to Note 11	
Our audit procedures determined that the carrying value of exploration and evaluation expenditure was a key audit matter as it was an area which required the most communication with those charged with governance and was determined to be of key importance to the users of the financial statements.	value of exploration and evaluation expenditure; - We obtained evidence that the Company has current rights to tenure of its areas of interest; - We substantiated a sample of additions to exploration expenditure during the year; - We considered whether any indicators of impairment were present in relation to the Group's areas of interest; - We enquired with management and reviewed ASX announcements and minutes of Directors' meetings to ensure that the Company had not decided to discontinue exploration and evaluation at its areas of interest; and - We examined the disclosures made in the financial report.

Information other than the financial report and auditor's report thereon

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2021, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

Opinion on the remuneration report

We have audited the Remuneration Report included within the directors' report for the year ended 30 June 2021.

In our opinion, the Remuneration Report of European Lithium Limited for the year ended 30 June 2021 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

HLB Mann Judd

HLB Mann Judd
Chartered Accountants

M R Ohm
Partner

Perth, Western Australia
16 September 2021

Additional Information required by the ASX Limited Listing Rules and not disclosed elsewhere in this report.

Ordinary Share Capital
933,935,604 issued ordinary shares held by 2,856 shareholders carry one vote per share.

Options
2,500,000 unlisted options, exercisable at $0.20 on or before 11 December 2021
36,499,229 unlisted options, exercisable at $0.05 on or before 31 July 2022
10,000,000 unlisted options, exercisable at $0.15 on or before 30 November 2021
110,500,000 listed options, exercisable at $0.075 each on or before 19 April 2024
3,333,333 unlisted options, exercisable at $0.075 each on or before 31 July 2022

Options have no voting entitlements.

Distribution of shareholders as at 31 July 2021

(a) Analysis of numbers of shareholders by size of holding

Range of Units	Total Number of Shareholders	No. of ordinary shares held	% Held
1 - 1,000	395	121,194	0.01
1,001 - 5,000	253	756,488	0.08
5,001 - 10,000	472	3,873,637	0.41
10,001 - 100,000	1,287	49,997,126	5.35
100,001 and over	449	879,187,159	94.14

(b) There were 894 holders holding less than a marketable parcel of ordinary shares 8,475.

Twenty largest shareholders as at 31 July 2021

		No. of ordinary shares held	% Held
1.	BNP PARIBAS NOMINEES PTY LTD ACF CLEARSTREAM	461,338,445	49.40
2.	DEMPSEY RESOURCES PTY LTD	64,931,578	6.95
3.	CITICORP NOMINEES PTY LIMITED	40,983,779	4.39
4.	BATTLE MOUNTAIN PTY LIMITED	40,238,140	4.31
5.	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	38,596,715	4.13
6.	BNP PARIBAS NOMINEES PTY LTD SIX SIS LTD <DRP A/C>	19,504,955	2.09
7.	DELECTA LIMITED	11,000,000	1.18
8.	WINANCE	9,800,000	1.05
9.	OKEWOOD PTY LTD	7,223,155	0.77
10.	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT DRP>	6,401,308	0.69
11.	MR ANTONY WILLIAM PAUL SAGE + MRS LUCY FERNANDES SAFE <EGAS SUPERANNUATION FUND>	5,540,578	0.59
12.	MR MICHAEL PACHA	4,072,455	0.44
13.	EXCHANGE MINERALS LIMITED	3,198,333	0.34
14.	ESPLANADE CONSULTANCY PTY LTD <THE RYKI A/C>	3,133,333	0.34
15.	BNP PARIBAS NOMS PTY LTD <DRP>	2,975,854	0.32
16.	MR GERARD MCGROARTY	2,743,117	0.29
17.	GOLDFIRE ENTERPRISES PTY LTD	2,700,00	0.29
18.	HOLLYWOOD MARKETING (WA) PTY LTD	2,609,357	0.28
19.	MR DIETRICH LOTHAR WANKE	2,600,009	0.28
20.	MR YONG HONG ZHOU	2,597,525	0.28
		7,32,188,636	**78.40**

Unlisted Securities

At 31 July 2021, the Company has on issue 162,832,562 unlisted options over ordinary shares. The names of security holders holding more than 20% of an unlisted class of security are listed below.

	Unlisted Options $0.20 Expiring 11/12/2021	**Unlisted Options $0.05 Expiring 31/07/2022**	**Unlisted Options $0.15 Expiring 30/11/2021**	**Listed Options $0.075 Expiring 19/04/2024**	**Unlisted Options $0.075 Expiring 31/07/2022**
Empire Capital Partners Pty Ltd	2,500,000	-	-	-	-
Kapital Global Advisors Limited	-	-	10,000,000	-	-
Exchange Minerals Limited	-	-	-	-	1,666,667
Esplanade Consulting <Voiceworks 2 A/C>	-	-	-	-	1,666,666
Mr Ritchie Jay Campbell	-	7,829,391	-	-	-
Holders individually less than 20%	-	28,669,838	-	110,500,000	-
Total	2,500,000	36,499,229	10,000,000	110,500,000	3,333,333

Substantial shareholders as at 31 July 2021

	No. of ordinary shares held	**% Held**
BNP PARIBAS NOMINEES PTY LTD ACF CLEARSTREAM	461,338,445	49.40
DEMPSEY RESOURCES PTY LTD	64,931,578	6.95

Tenement Reference	Location	Ownership Interest
104/96	Wolfsberg Project, Austria	100%
105/96	Wolfsberg Project, Austria	100%
106/96	Wolfsberg Project, Austria	100%
107/96	Wolfsberg Project, Austria	100%
108/96	Wolfsberg Project, Austria	100%
109/96	Wolfsberg Project, Austria	100%
110/96	Wolfsberg Project, Austria	100%
111/96	Wolfsberg Project, Austria	100%
112/96	Wolfsberg Project, Austria	100%
113/96	Wolfsberg Project, Austria	100%
114/96	Wolfsberg Project, Austria	100%
115/96	Wolfsberg Project, Austria	100%
116/96	Wolfsberg Project, Austria	100%
117/96	Wolfsberg Project, Austria	100%
118/96	Wolfsberg Project, Austria	100%
119/96	Wolfsberg Project, Austria	100%
120/96	Wolfsberg Project, Austria	100%
121/96	Wolfsberg Project, Austria	100%
122/96	Wolfsberg Project, Austria	100%
123/96	Wolfsberg Project, Austria	100%
124/96	Wolfsberg Project, Austria	100%
125/96	Wolfsberg Project, Austria	100%
370/11(611/11)	Wolfsberg Project, Austria	100%
371/11(612/11)	Wolfsberg Project, Austria	100%
372/11(613/11)	Wolfsberg Project, Austria	100%
373/11(614/11)	Wolfsberg Project, Austria	100%
374/11(615/11)	Wolfsberg Project, Austria	100%
375/11(616/11)	Wolfsberg Project, Austria	100%
378/11(619/11)	Wolfsberg Project, Austria	100%
379/11(620/11)	Wolfsberg Project, Austria	100%
380/11(621/11)	Wolfsberg Project, Austria	100%
381/11(622/11)	Wolfsberg Project, Austria	100%
382/11(623/11)	Wolfsberg Project, Austria	100%
383/11(624/11)	Wolfsberg Project, Austria	100%
384/11(625/11)	Wolfsberg Project, Austria	100%
386/11(627/11)	Wolfsberg Project, Austria	100%
387/11(628/11)	Wolfsberg Project, Austria	100%
388/11(629/11)	Wolfsberg Project, Austria	100%
389/11(630/11)	Wolfsberg Project, Austria	100%
390/11(631/11)	Wolfsberg Project, Austria	100%
391/11(632/11)	Wolfsberg Project, Austria	100%
392/11(633/11)	Wolfsberg Project, Austria	100%
394/11(636/11)	Wolfsberg Project, Austria	100%
395/11(637/11)	Wolfsberg Project, Austria	100%
396/11(638/11)	Wolfsberg Project, Austria	100%
397/11(639/11)	Wolfsberg Project, Austria	100%
398/11(640/11)	Wolfsberg Project, Austria	100%
400/11(645/11)	Wolfsberg Project, Austria	100%
401/11(646/11)	Wolfsberg Project, Austria	100%
402/11(647/11)	Wolfsberg Project, Austria	100%
403/11(648/11)	Wolfsberg Project, Austria	100%
408/11(648/11)	Wolfsberg Project, Austria	100%
409/11(641/11)	Wolfsberg Project, Austria	100%
412/11(649/11)	Wolfsberg Project, Austria	100%
Andreas 1	Wolfsberg Project, Austria	100%
Andreas 2	Wolfsberg Project, Austria	100%
Andreas 3	Wolfsberg Project, Austria	100%
Andreas 4	Wolfsberg Project, Austria	100%
Andreas 5	Wolfsberg Project, Austria	100%
Andreas 6	Wolfsberg Project, Austria	100%

Andreas 7	Wolfsberg Project, Austria	100%
Andreas 8	Wolfsberg Project, Austria	100%
Andreas 9	Wolfsberg Project, Austria	100%
E47/4144 [1, 2]	Western Australia	-
E47/4532 [1, 3]	Western Australia	-
E47/4533 [1, 3]	Western Australia	-
E47/4534 [1, 3]	Western Australia	-
E47/4543 [1, 3]	Western Australia	-
E47/4544 [1, 3]	Western Australia	-
E47/4545 [1, 3]	Western Australia	-
E47/4546 [1, 3]	Western Australia	-

[1] Application pending
[2] 100% owned by EUR and 50% beneficially held by EUR, with the remaining 50% held by Wombat Resources Ltd
[3] Applied for by John Wally Resources Pty Ltd, a partially owned (50%) subsidiary of EUR

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