

SUCCESSFUL PLACING TO RAISE ~AUD14.4 M

HIGHLIGHTS

- Firm Commitments from two institutional clients of Euroz Hartleys received for a private placement of approximately AUD 14.4 million (before costs)
- ~\$13 million contribution by Ellerston Capital
- Funds raised will assist in further development of the Cinovec Project and general working capital
- Please refer to the Company's announcement today regarding PFS update for further details about the Cinovec Project

European Metals Holdings Limited (**EMH or the Company**) (**ASX & AIM: EMH, OTC – Nasdaq Intl ADS: EMHXY**) is pleased to announce it has successfully received firm commitments for a placement for 10,285,000 CDI's at an issue price of A\$1.40 per CDI to raise approximately A\$14.4 million (before costs) (**Placement**) from institutional clients of Euroz Hartleys. The Placement was well supported by Ellerston Capital, a leading Sydney based fund manager with in excess of \$4 Billion in funds under management, which is investing ~\$13million. The proceeds of the Placement will assist in the further development of the Cinovec Lithium Project, the largest hard rock lithium resource in Europe, and further general working capital.

Keith Coughlan, Executive Chairman, said "I am very pleased to report to shareholders on the successful completion of the Placement in the amount of A\$14.4 million. This strong institutional support for the placement demonstrates that the Cinovec Project is considered by the market to be a highly prospective project.

As we progress Cinovec towards production, further de-risking the project in the process, we are optimistic that shareholders will be rewarded as the value differential between our market cap and the project's NPV₈ reduces. I warmly welcome Ellerston Capital to the Company.

"We have also today released the details of an update to our Preliminary Feasibility Study, highlighting the very strong economics of the project. Cinovec is strategically located in central Europe, in close proximity to the continent's vehicle manufacturers. With increasing demand for electric vehicles and the expected demands of grid storage capacity, the project is very well placed to supply the European lithium market for many decades"

Placement Details

The Placement comprised the issue of 10,285,000 CDI's at an issue price of A\$1.40 per CDI to raise approximately A\$14.4 million (before costs).

The issue price of \$1.40 represents a 0.7% premium to the Company's last traded price on 18 January 2022 (A\$1.39) and a 2.0% premium to the 15-day VWAP (A\$1.37).

DIRECTORS AND MANAGEMENT

Keith Coughlan
EXECUTIVE CHAIRMAN

Richard Pavlik
EXECUTIVE DIRECTOR

Kiran Morzaria
NON-EXECUTIVE DIRECTOR

Lincoln Bloomfield
NON-EXECUTIVE DIRECTOR

Dennis Wilkins
COMPANY SECRETARY

CORPORATE INFORMATION

ASX EMH

AIM EMH

NASDAQ ADS EMHXY

Frankfurt E861.F

CDI'S ON ISSUE 175.4M

The Placement CDI's are expected to settle on Thursday, 27 January 2022 and commence trading on the ASX on a normal basis on Friday, 28 January 2022. New CDI's issued under the Placement will rank equally with existing shares on issue.

The Placement has been conducted pursuant to the Company's existing Placement capacity under ASX Listing Rules 7.1.

Euroz Hartleys acted as Lead Manager and Bookrunner to the Placement.

CONTACT

For further information on this update or the Company generally, please visit our website at www.europeanmet.com or see full contact details at the end of this release.

ENQUIRIES:

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The information contained within this announcement is considered to be inside information, for the purposes of Article 7 of EU Regulation 596/2014, prior to its release. The person who authorised for the release of this announcement on behalf of the Company was Keith Coughlan, Executive Chairman.

WEBSITE

A copy of this announcement is available from the Company's website at www.europeanmet.com.