

DRA Global appointed to complete Definitive Feasibility Study for Cinovec

European Metals Holdings Limited (ASX & AIM: EMH, OTCQX: EMHXY, ERPNF and EMHLF) ("European Metals" or the "Company") is pleased to announce that DRA Global Limited ("**DRA**") has been appointed to complete the Definitive Feasibility Study ("**DFS**") for the Cinovec project in the Czech Republic.

With over 30 years' experience in the development and execution of projects, DRA is a recognised leader in the delivery of lithium projects globally.

DRA has the necessary capacity, expertise and track record to deliver the Cinovec DFS in a timely and efficient manner and will be working to build on all of the optimisation work that the Cinovec team completed over the course of 2022 with a view to completion of the DFS in Q4 2023.

DRA's appointment for this vital piece of project development work is testament to both the Company's and its joint-venture partner CEZ s.a. commitment to, and the tremendous prospectivity and value of, the Cinovec Project. The Cinovec Project's in-house team will work closely with DRA to develop and finalise the DFS.

Executive Chairman Keith Coughlan said:

"We are pleased to have secured a company of DRA's calibre, with a proven track record of delivering critical pieces of work like the Cinovec DFS in a timely and efficient manner."

"We will be working closely with DRA over the coming period, and we are excited by the positive outcomes that this DFS will provide. It is not expected that this will delay the critical path of the Project, as during this time the Company will be in the process of finalising permitting, offtake and Project Finance matters."

"European Metals is well positioned for the rising demand in battery materials, developing the Cinovec project, the largest hard rock lithium project in the EU, which is centrally located on the Czech Republic's border with Germany. The project possesses excellent ESG credentials which will enable the production of battery grade lithium hydroxide and carbonate with potentially one of the lowest CO₂ emissions, globally."

"We are proud to be working with EMH on the Definitive Feasibility Study for the impressive Cinovec Project. Our experience in Lithium spans the Australian, African and Americas markets. We are excited to share this knowledge with EMH to deliver the best results for their project," comments James Smith, CEO of DRA Global.

DRA Global

DRA Global Limited (ASX: DRA | JSE: DRA) is a multi-disciplinary consulting, engineering, project delivery and operations management group predominantly focused on the mining and minerals resources sector. DRA has an extensive global track record, spanning more than three decades and more than 7,500 studies and projects as well as operations, maintenance and optimisation solutions across a wide range of commodities.

DRA has expertise in mining, minerals and metals processing and related non-process infrastructure including sustainability, water and energy solutions for the mining industry. DRA

DIRECTORS AND MANAGEMENT

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ASX EMH

AIM EMH

OTCQX EMHXY, ERPNF and EMHLF

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CDIs/SHARES ON ISSUE 192.4M

delivers advisory, engineering and project delivery services throughout the capital project lifecycle from concept through to operational readiness and commissioning as well as ongoing operations, maintenance and shutdown services.

This announcement has been approved for release by the Company's Board.

BACKGROUND INFORMATION ON CINOVEC

PROJECT OVERVIEW

Cinovec Lithium/Tin Project

Geomet s.r.o. controls the mineral exploration licenses awarded by the Czech State over the Cinovec Lithium/Tin Project. Geomet has been granted a preliminary mining permit by the Ministry of Environment and the Ministry of Industry. The company is owned 49% by EMH and 51% by CEZ a.s. through its wholly owned subsidiary, SDAS. Cinovec hosts a globally significant hard rock lithium deposit with a total Measured Mineral Resource of 53.3Mt at 0.48% Li₂O and 0.08% Sn, Indicated Mineral Resource of 360.2Mt at 0.44% Li₂O and 0.05% Sn and an Inferred Mineral Resource of 294.7Mt at 0.39% Li₂O and 0.05% Sn containing a combined 7.39 million tonnes Lithium Carbonate Equivalent and 335.1kt of tin (refer to the Company's ASX release dated 13 October 2021) (**Resource Upgrade at Cinovec Lithium Project**).

An initial Probable Ore Reserve of 34.5Mt at 0.65% Li₂O and 0.09% Sn reported 4 July 2017 (**Cinovec Maiden Ore Reserve – Further Information**) has been declared to cover the first 20 years mining at an output of 22,500tpa of lithium carbonate (refer to the Company's ASX release dated 11 July 2018) (**Cinovec Production Modelled to Increase to 22,500tpa of Lithium Carbonate**).

This makes Cinovec the largest hard rock lithium deposit in Europe, the fifth largest non-brine deposit in the world and a globally significant tin resource.

The deposit has previously had over 400,000 tonnes of ore mined as a trial sub-level open stope underground mining operation.

On 19 January 2022, EMH provided an update to the 2019 PFS Update, conducted by specialist independent consultants which, based upon the production of 29,386tpa of lithium hydroxide, indicates a post-tax NPV of USD1.938B and a post-tax IRR of 36.3% and confirmed that the Cinovec Project is a potential low operating cost producer of battery-grade lithium hydroxide or battery grade lithium carbonate as markets demand. It confirmed the deposit is amenable to bulk underground mining (refer to the Company's ASX release dated 19 January 2022) (**PFS Update delivers outstanding results**). Metallurgical test-work has produced both battery-grade lithium hydroxide and battery-grade lithium carbonate in addition to high-grade tin concentrate at excellent recoveries. Cinovec is centrally located for European end-users and is well serviced by infrastructure, with a sealed road adjacent to the deposit, rail lines located 5 km north and 8 km south of the deposit, and an active 22 kV transmission line running to the historic mine. As the deposit lies in an active mining region, it has strong community support.

The economic viability of Cinovec has been enhanced by the recent strong increase in demand for lithium globally, and within Europe specifically.

There are no other material changes to the original information and all the material assumptions continue to apply to the forecasts.

BACKGROUND INFORMATION ON CEZ

Headquartered in the Czech Republic, CEZ a.s. is an established, integrated energy group with operations in a number of Central and South-eastern European countries and Turkey. CEZ's core business is the generation, distribution, trade in, and sales of electricity and heat, trade in and sales of natural gas, and coal extraction. CEZ Group is one of the ten largest energy companies in Europe, has more than 28,000 employees and annual revenue of approximately EUR 11.39 billion.

The largest shareholder of its parent company, CEZ a.s., is the Czech Republic with a stake of approximately 70%. The shares of CEZ a.s. are traded on the Prague and Warsaw stock exchanges and included in the PX and WIG-CEE exchange indices. CEZ's market capitalization is approximately EUR 20.5 billion.

As one of the leading Central European power companies, CEZ intends to develop several projects in areas of energy storage and battery manufacturing in the Czech Republic and in Central Europe.

CEZ is also a market leader for E-mobility in the region and has installed and operates a network of EV charging stations throughout Czech Republic. The automotive industry in the Czech Republic is a significant contributor to GDP, and the number of EV's in the country is expected to grow significantly in the coming years.

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.

WEBSITE

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

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2 February 2023

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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.