

ASX ANNOUNCEMENT

4 April 2023



EUR TO UNDERTAKE ON-MARKET SHARE BUY-BACK

European Lithium Limited (ASX: **EUR**, FRA:PF8, OTC: EULIF) (the **Company**) is pleased to announce that it will be undertaking an on-market buy-back of up to 100,000,000 ordinary shares (**Share Buy-Back**). These shares represent approximately 6.7% of the shares on issue and, based on yesterday's closing share price, the cash cost would be approximately \$6.9m.

Tony Sage, Executive Chairman, commented "The board believes the Company's current share price doesn't reflect the underlying value of the Company's assets. It's a fantastic opportunity to buy-back shares at a significant discount and add value to our remaining shares on issue".

The EUR board believes the Company's shares are currently trading at a significant discount; to its peers and given catalysts including a robust DFS (see EUR announcement 8 March 2023), the advanced Wolfsberg Lithium Project (**Wolfsberg Project**) having a mining permit in place and the imminent completion of the business combination with Sizzle Acquisition Corp., with intended listing on NASDAQ.

After the divestment of the Wolfsberg Project the Company anticipate a period of minimal exploration expenditure on the newly acquired Austrian lithium projects (see EUR announcement 27 March 2023) until there is significant de-escalation or resolution of the Ukraine conflict. The Company sees it as a strategic opportunity in its capital management strategy to deliver shareholder returns.

Share Buy-Back

The Share Buy-Back will be undertaken in accordance with the terms specified in the Appendix 3C (Parts 1 to 3) which accompanies this announcement.

It is intended that the Share Buy-Back commences no earlier than 17 April 2023 and no later than 31 January 2024. The Company will only buy back shares at such times and in such circumstances as it considers beneficial to the efficient capital management of the Company and the buy-back is therefore dependent upon market conditions, volumes and other relevant factors. Accordingly, the Company reserves the right to suspend or terminate the Share Buy-Back at any time.

The Share Buy-Back will be within the "10/12 limit" permitted by the *Corporations Act 2001* and therefore does not require shareholder approval.

The Company will engage Evolution Capital Pty Ltd to undertake the Share Buy-Back.

This announcement has been approved for release on ASX by the Board of Directors.

Yours faithfully
European Lithium Limited

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