

ASX ANNOUNCEMENT

12 July 2023



European Lithium to divest non-core asset

HIGHLIGHTS

- **Sale of 100% interest in tenement E47/4144 located in North West Western Australia**
- **The sale provides the Company with \$1M of liquid assets (cash and/or shares in an ASX listed company)**
- **The sale of non-core Australian tenement aligns with the Company's strategy to invest in and develop European assets supporting the green energy transition**

European Lithium Limited (ASX: **EUR**, FRA: PF8, OTC: EULIF) (**European Lithium** or the **Company**) is pleased to announce it has entered into a binding term sheet for the sale of a 100% interest in tenement E47/4144 located in Northwest Western Australia (**Tenement**) that it considers a non-core asset, to BVI registered company Moosh Moosh Limited (**Moosh**)(**Sale**).

Tony Sage, Chairman, commented: *"The sale of our non-core Australian tenement aligns with our strategy to focus our attention on securing battery commodities for Europe's green energy transition."*

Under the terms of the Sale, the Company will receive consideration of \$1M cash or equivalent in shares in an ASX-listed company in addition to retaining an entitlement to a 1% net smelter royalty on minerals extracted from the Tenement.

The sale is consistent with European Lithium's strategy to realise value from its non-core assets and concentrate on European-based projects and Investments in the battery metals space.

KEY TERMS OF SALE

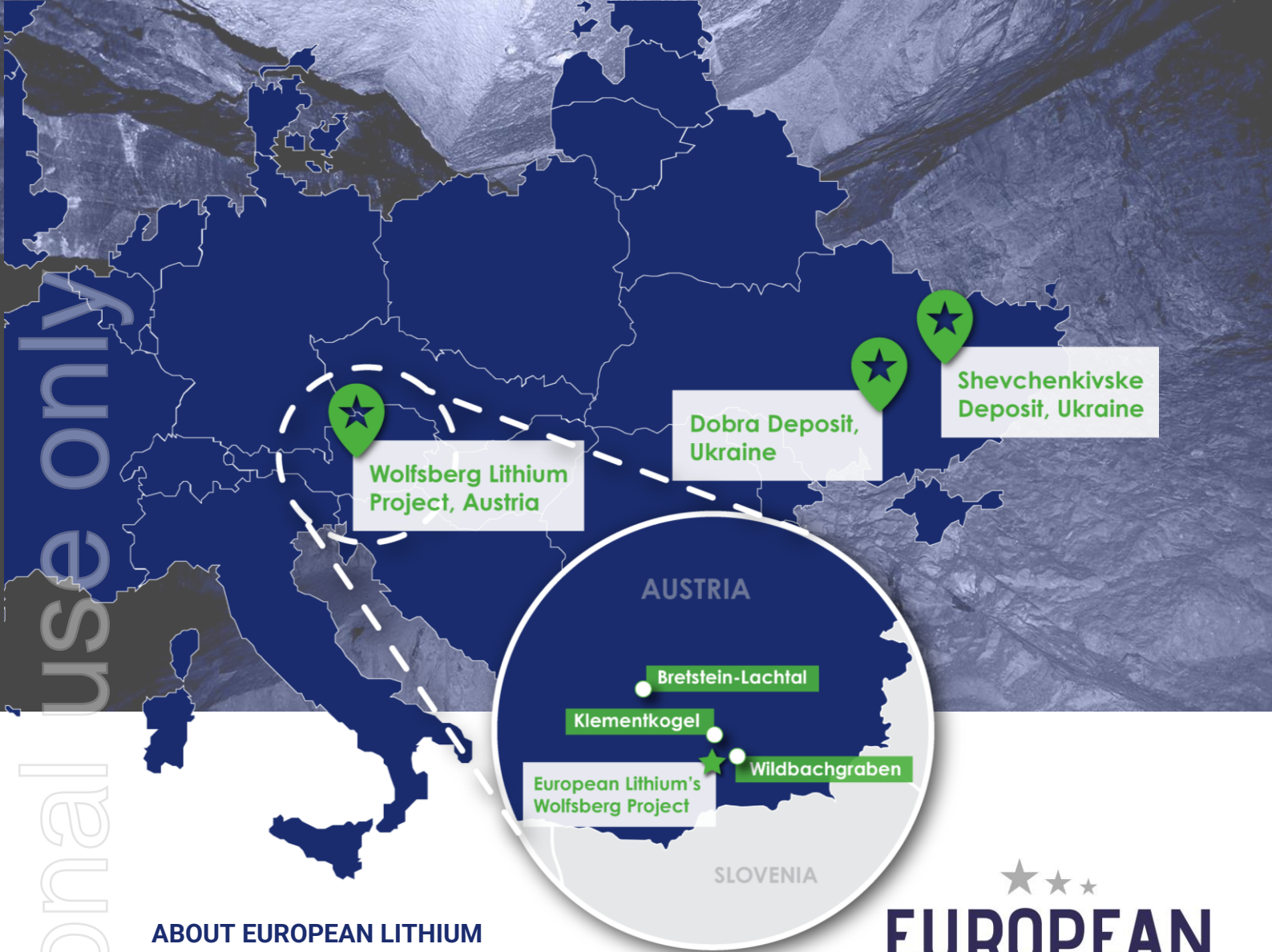
1. Consideration of AU\$1,000,000 in cash or equivalent in shares in an ASX-listed company to be paid by Moosh on Settlement.
2. The Company shall be entitled to a 1% net smelter royalty on minerals extracted from the Tenement.
3. The Sale is expected to complete by no later than 29 September 2023, or at the satisfaction or waiver by Moosh of the Conditions Precedent.
4. Conditions Precedent include:
 - a. Completion of due diligence (**DD**) by both parties no later than 29 September 2023
 - b. Payment of AU\$100,000 from Moosh to European Lithium for maintaining tenements in good order during the DD period. This amount will be refundable if the transaction does not complete.

–ENDS–

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



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ABOUT EUROPEAN LITHIUM

European Lithium is a listed (ASX: **EUR**) (FRA: PF8) (OCT: EULIF) mining exploration and development company focusing on its wholly owned Wolfsberg Lithium Project in Austria. We aim to be the first and largest local lithium supplier into an integrated European battery supply chain.

POWERING THE FUTURE

The green energy transition has created a need to secure lithium supply, a key component in the dominate Li-ion battery space and satisfy growing Global and European demand. European Lithium's projects are in the heart of Europe's burgeoning battery manufacturing industry and the transformation of traditional transportation to electrified mobility.

☆☆☆
EUROPEAN
LITHIUM

REGISTERED OFFICE

32 Harrogate Street
West Leederville, WA

AUSTRIAN OFFICE

ECM Lithium AT GmbH
Lagerstrasse, 1, 9400
Wolfsberg, Austria

INVESTOR RELATIONS

P + 61 8 6161 9792
E ir@europeanlithium.com

ASX: EUR

europeanlithium.com