

European Lithium Limited

31.10.2019 – 12:14 Uhr

EANS-News: European Lithium Limited / QUARTERLY ACTIVITIES REPORT AND APPENDIX 5B FOR THE QUARTER ENDING 30 SEPTEMBER 2019 - ATTACHMENT

Corporate news transmitted by euro adhoc with the aim of a Europe-wide distribution. The issuer is responsible for the content of this announcement.

Quarterly Report

West Leederville - The Board of European Lithium Limited (ASX: EUR, FRA: PF8, VSE: ELI, NEX: EUR) (the Company) is pleased to present its activities report and Appendix 5B for the three months ending 30 September 2019.

Zwtl.: SUMMARY OF KEY UPDATES

- * Dorfner/Anzaplan continued metallurgical test work and pilot processing expected to be completed in Q4 2019
- * Summer drilling program has been completed. Core logging and assay testing on progress to convert JORC resource Inferred into Measured and Indicated category and upgrade resources to 10.98mt
- * Multiple pegmatite intersections in shallow drill holes of phase 1; intersections widths up to:

- o P18-13 - 2.19 to 4.1m @ 1.5% Li2O
- o P18-22 - 0.8 to 1.17 m @ 0.7% Li2O
- o P18-26 - 0.8 to 2.0m @1.0% Li2O
- o P18-28 - 2.05 m @1.5% Li2O

CORPORATE MATTERS

Placement

On 10 May 2019, the Company announced that it would be undertaking a placement, mainly to European based sophisticated investors, at an issue price of \$0.09 per share to raise proceeds of up to EUR1.5million (before expenses) (Placement). During the quarter, the Company issued 5.3m shares to raise cash proceeds of \$477,000 (before expenses).

Magna Financing Facility

As previously announced, the Company established a A\$10m finance facility with MEF I, L.P. (Magna) of which A\$2.5m (1,840,500 convertible notes) was drawn down on 7 September 2018.

During the quarter, the Company established a new finance facility with Winance Investment LLC replacing the facility with Magna.

On 13 September 2019, Magna agreed to extend the maturity date of the convertible notes on issue from 7 September 2019 to 30 November 2019. In consideration for this extension, the Company issued Magna 1,000,000 fully paid ordinary shares on 13 September 2019.

During the quarter, Magna converted 150,000 notes and redeemed 434,782 notes (each with a face value of US\$1.10). As at 30 September 2019, Magna had 103,260 convertible notes remaining.

Winance Financing Facility

On 31 July 2019, the Company announced that it had secured an A\$10m finance facility with Winance Investment LLC (Winance) to repay the residual amount owing to Magna, to fast-track the completion of a DFS at the Company's Wolfsberg

Lithium Project in Austria and for general working capital purposes.

An initial amount of A\$2.0m (2,000 notes) was drawn down on 20 September 2019 and a further A\$8.0m is available in tranche 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 quarter, Winance converted 160 notes. As at 30 September 2019, Winance had 1,840 convertible notes remaining.

Capital Movements

During the quarter, the Company issued the following securities:

- * 11 July 2019 - 2,000,000 shares issued pursuant to the Placement and 983,548 shares issued to Magna upon the conversion 50,000 convertible notes
- * 31 July 2019 - 995,223 shares issued to Magna upon the conversion of 50,000 convertible notes
- * 16 August 2019 - 1,016,411 shares issued to Magna upon the conversion of 50,000 convertible notes
- * 13 September 2019 - 1,000,000 shares issued to Magna as consideration for the extension of repayment date of the convertible notes
- * 25 September 2019 - 285,714 shares issued to Winance upon the conversion of 20 convertible notes
- * 30 September 2019 - 3,300,000 shares issued pursuant to the Placement and 1,999,999 shares issued to Winance upon the conversion of 140 convertible notes

Please find the full Quarterly Report in the following link: <https://wcsecure.weblink.com.au/pdf/EUR/02167612.pdf>

Further inquiry note:

info@europeanlithium.com

end of announcement

euro adhoc

Attachments with Announcement:

http://resources.euroadhoc.com/documents/10207074/5/10373652/1/1993261_en.pdf

issuer: European Lithium Limited

Harrogate Street 32

AU-WA6007 West Leederville

phone: +61 8 6181 9792

FAX:

mail: ir@europeanlithium.com

WWW: www.europeanlithium.com

ISIN: AU000000EUR7

indexes:

stockmarkets: Wien, Frankfurt

language: English

Original content of: European Lithium Limited, transmitted by news aktuell

Diese Meldung kann unter <https://www.presseportal.de/en/pm/131952/4419539> abgerufen werden.