European Lithium Limited

27.05.2020 – 03:13 Uhr

EANS-News: European Lithium Limited / Conversion of Debt - ATTACHMENT

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Company Information

West Leederville - European Lithium Limited (ASX: EUR, FRA: PF8, NEX: EUR, VSE: ELI) ("EUR" or the "Company") is pleased to announce that it has come to an agreement with the following creditors and short term loan holder to convert up to $ 742,918 of current debt into equity (subject to regulatory approval) (Debt Conversion):

Creditor	Services or Description	Debt to be converted	Shares to be issued
Ritchie Campbell	Short Term Loan Holder	$ 370,323	8,229,391
Okewood Pty Ltd	Director fees	$ 44,000	977.776
Hollywood Marketing (WA) Pty Ltd	Director fees	$ 22,000	488.890
Marnichar Nominees Pty Ltd ATF the Hallemar Trust trading as CRMS	Director fees	$ 7,948	176.622
Alexander Guy	Funds advanced to the company	$ 2,000	44,444
Dietrich Wanke	CEO fees	$ 52,500	1,166,675
EVP Investments Pty Ltd *	PR and IR services	$ 12,100	268.890
GEO Unterweissacher GmbH *	Geological consulting services	$ 75,764	1,683,653
Bellatrix Corporate Pty Ltd	Accounting and company secretarial services	$ 40,500	900.001
WH Ireland Limited *	NEX adviser and broker retainer fees	$ 115,783	2,572,966
Total		$ 742,918	16,509,308

Debts will be converted based on a share price of 4.5c with a free attaching 1 for 1 unlisted option with an exercise price of 5c expiring on July 31, 2022 (option). The share price of 4.5c has been determined based on the 20 day VWAP prior to 22 May 2020. The maximum number of securities to be issued pursuant to the Debt Conversion is 16,509,308 fully paid ordinary shares (Shares) and 16,509,308 Options.

The Debt Conversion includes a portion of amounts owing to Directors of the Company. The issue of 1,643,288 Shares (Director Shares) and 1,643,288 Options (Director Options) to Directors will be subject to shareholder approval at the Company's next general meeting.

Excluding Director Shares and Director Options, the remaining 14,866,020 Shares and 14,866,020 Options are proposed to be issued under the Company's LR 7.1 capacity.

This announcement has been authorized for release to the ASX by the Board of the Company.

Tony Sage
Non-Executive Chairman
European Lithium Limited
- END -

Further inquiry note:
info@europeanlithium.com

end of announcement euro adhoc

Attachments with Announcement:
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http://resources.euroadhoc.com/documents/10207074/5/10482317/1/200527_European_Lithium_Conversion_of_Debt.pdf

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