

**European Metals  
Holdings Limited**

ARBN 154 618 989

Suite 12, Level 1  
11 Ventnor Avenue  
West Perth WA 6005  
PO Box 52  
West Perth WA 6872  
Phone + 61 8 6141 3500  
Fax + 61 6141 3599  
Website:  
[www.europeanmet.com](http://www.europeanmet.com)

**Directors**

David Reeves  
**Non-Executive Chairman**

Keith Coughlan  
**Managing Director**

Dr Pavel Reichl  
**Non-Executive Director**

**Company Secretary**

Ms Julia Beckett

**Corporate Information**

ASX Code: EMH

CDIs on Issue: 85M

Market Cap: \$15.3M



**15<sup>th</sup> OCTOBER 2015**

**ASX ANNOUNCEMENT**

**RARE EARTH MINERALS PLC INCREASES STAKE VIA PLACEMENT**

European Metals Holdings Limited (“**European Metals**” or “**the Company**”) (**ASX: EMH**) is pleased to announce it has raised A\$ 360,000 via a Placement of 2 million CHES Depository Interests (CDIs) at an issue price of A\$0.18 per CDI to major shareholder, London listed Rare Earth Minerals Plc (“**REM**”). Each new CDI carries a one for one free attaching Option exercisable at A\$0.20 expiring 1 year from date of issue.

The funds will be used to meet working capital requirements that are a condition of the Company’s imminent listing on AIM.

REM is a London listed investment company focused on creating a diverse portfolio of direct and indirect interests in lithium and rare earth deposits. REM are long term investors in the lithium sector and are intending to support EMH in both a technical and a corporate sense. REM has a current market capitalisation of approximately GBP 66 million (AUD 140 million) and is a substantial shareholder of Canadian and London listed Bacanora Minerals Limited (“**Bacanora**”). Bacanora and REM are developing the large Sonora Lithium Project (“**Sonora**”) in northern Mexico. REM also holds a 30% direct interest in Sonora.

Bacanora and REM both announced their first lithium supply agreement for Sonora with the signing of a conditional long-term supply contract for lithium hydroxide with a major North American electric vehicle manufacture in August 2015. (Refer to REM’s website for further details - [www.rareearthmineralsplc.com](http://www.rareearthmineralsplc.com)).

**ABOUT THE CINOVEC LITHIUM/TIN PROJECT – Czech Republic.**

Cinovec (100% owned by the Company) is a globally significant lithium and tin deposit with the potential to be a very low cost producer of lithium carbonate. It is the largest known lithium resource in Europe.

**Key Points**

- Positive Scoping Study completed
- Inferred Resource 5.5Mt LCE  
514.8Mt @ 0.43% Li<sub>2</sub>O
- Indicated and Inferred Resources 183kt tin  
Indicated 7.0Mt @ 0.23% Sn, 0.05% W, 0.50% Li<sub>2</sub>O  
Inferred 72.7Mt @ 0.23% Sn, 0.03% W, 0.45% Li<sub>2</sub>O
- 100% Inferred to Indicated Resource conversion rate

For full details please refer EMH releases to ASX of 1 May 2015 and 6 May 2015 which can be found on our website: [www.europeanmet.com](http://www.europeanmet.com).

## **PROJECT OVERVIEW**

### **Cinovec Lithium/Tin Project**

European Metals owns 100% of the Exploration Rights to the Cinovec lithium-tin deposit in the Czech Republic. Cinovec is an historic mine incorporating a significant undeveloped lithium-tin resource with by-product potential including tungsten, rubidium, scandium, niobium and tantalum. Cinovec hosts a globally significant hard rock lithium deposit with a total Inferred Mineral Resource of 514.8Mt @ 0.43% Li<sub>2</sub>O. Within this resource lies one of the largest undeveloped tin deposits in the world, with total Indicated and Inferred Mineral Resources of 79.7Mt grading 0.23% Sn for 183kt of contained tin. The Mineral Resource estimates are based primarily on over 83,000m of historic drilling and 21.5km of historic underground exploration drifting completed by the Czechoslovakian Government from the 1960s through to the 1980s. The deposit has previously had over 400,000 tonnes trial mined as a sub-level open stope underground mining operation.

A Scoping Study conducted by specialist independent consultants indicates the deposit could be amenable to bulk underground mining. Metallurgical testwork has produced both battery grade lithium carbonate and high grade tin concentrate at high recoveries with the Scoping Study revealing a potential production cost of less than \$2,000 per tonne of lithium carbonate. This cost is likely to decrease with tin and tungsten credits included. Cinovec is well serviced by infrastructure, with a sealed road adjacent to the deposit, rail lines located 5km north and 8km south of the deposit and an active 22kV transmission line running to the historic mine. As the deposit lies in an active mining region, it has strong community support.

### **COMPETENT PERSON**

Information in this release that relates to exploration results is based on information compiled by European Metals Director Dr Pavel Reichl. Dr Reichl is a Certified Professional Geologist (certified by the American Institute of Professional Geologists), a member of the American Institute of Professional Geologists, a Fellow of the Society of Economic Geologists and is a Competent Person as defined in the 2012 edition of the Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves. Dr Reichl consents to the inclusion in the release of the matters based on his information in the form and context in which it appears. Dr Reichl holds CDIs in European Metals.

The information in this release that relates to Mineral Resources and Exploration Targets has been compiled by Mr Lynn Widenbar. Mr Widenbar, who is a Member of the Australasian Institute of Mining and Metallurgy, is a full time employee of Widenbar and Associates and produced the estimate based on data and geological information supplied by European Metals. Mr Widenbar has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the JORC Code 2012 Edition of the Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves. Mr Widenbar consents to the inclusion in this report of the matters based on his information in the form and context that the information appears.

### **CAUTION REGARDING FORWARD LOOKING STATEMENTS**

Information included in this release constitutes forward-looking statements. Often, but not always, forward looking statements can generally be identified by the use of forward looking words such as “may”, “will”, “expect”, “intend”, “plan”, “estimate”, “anticipate”, “continue”, and “guidance”, or other similar words and may include, without limitation, statements regarding plans, strategies and objectives of management, anticipated production or construction commencement dates and expected costs or production outputs.

Forward looking statements inherently involve known and unknown risks, uncertainties and other factors that may cause the company's actual results, performance and achievements to differ materially from any future results, performance or achievements. Relevant factors may include, but are not limited to, changes in commodity prices, foreign exchange fluctuations and general economic conditions, increased costs and demand for production inputs, the speculative nature of exploration and project development, including the risks of obtaining necessary licences and permits and diminishing quantities or grades of reserves, political and social risks, changes to the regulatory framework within which the company operates or may in the future operate, environmental conditions including extreme weather conditions, recruitment and retention of personnel, industrial relations issues and litigation.

Forward looking statements are based on the company and its management's good faith assumptions relating to the financial, market, regulatory and other relevant environments that will exist and affect the company's business and operations in the future. The company does not give any assurance that the assumptions on which forward looking statements are based will prove to be correct, or that the company's business or operations will not be affected in any material manner by these or other factors not foreseen or foreseeable by the company or management or beyond the company's control.

Although the company attempts and has attempted to identify factors that would cause actual actions, events or results to differ materially from those disclosed in forward looking statements, there may be other factors that could cause actual results, performance, achievements or events not to be as anticipated, estimated or intended, and many events are beyond the reasonable control of the company. Accordingly, readers are cautioned not to place undue reliance on forward looking statements. Forward looking statements in these materials speak only at the date of issue. Subject to any continuing obligations under applicable law or any relevant stock exchange listing rules, in providing this information the company does not undertake any obligation to publicly update or revise any of the forward looking statements or to advise of any change in events, conditions or circumstances on which any such statement is based.

**For further information please contact:**

**Keith Coughlan**  
**k.coughlan@europeanmet.com**

Julia Beckett  
**COMPANY SECRETARY**