

European Metals Holdings Limited

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Richard Pavlik
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Non-Executive Director

Lincoln P. Bloomfield
Non-Executive Director

Dennis Wilkins
Company Secretary

Corporate Information

ASX: EMH

AIM: EMH

NASDAQ: ERPNF

Pink: EMHLF

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EUROPEAN METALS

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APPOINTMENT OF AMBASSADOR LINCOLN P. BLOOMFIELD, JR. AS NON-EXECUTIVE DIRECTOR

European Metals Holdings Limited (ASX & AIM: EMH, NASDAQ: ERPNF) (“EMH” or the “Company”) would like to announce the appointment of Ambassador Lincoln Palmer Bloomfield, Jr as a Non-Executive Director of the Company.

Ambassador Bloomfield is based in Washington, DC, and brings governance and regulatory experience, years of international diplomacy and security expertise to the EMH Board, along with a North American presence while his private sector experience is centered on sustainability, resilience and renewable energy.

The European Commission has proposed an ambitious policy based on four key components:

- the Batteries Regulation,
- Strategic Action Plan on Batteries;
- the European Green Deal; and
- the Circular Economy Action Plan.

There is no comparable strategy elsewhere aimed at instituting such a profound regulatory effort to halt the damaging effects of climate change. Ambassador Bloomfield’s prior work in developing the US Government’s first international policy on Cyber Security, and his related work on Critical Infrastructure Protection will help EMH and downstream partners operate securely for many years. His deep experience in managing bilateral relationships with both the State Department and the Department of Defense will help EMH sustain effective relationships, both governmental and non-governmental. He will support EMH in its key relationships with the European Community, European Battery Alliance, European Raw Metals Alliance, and others seeking to create a highly secure, uniform and resilient framework for batteries and critical raw materials supply.

European Metals Executive Chairman Keith Coughlan said: “We are delighted to have Lincoln join the board of European Metals. His experience working within the security apparatus of the US Government under three presidents and five administrations will bring critical know-how in dealing with security issues and strategic planning. He will deepen the Board’s understanding of environmental threats and emerging resource security concerns having potential national, regional and global impacts. With more than 80 per cent of the world’s Lithium Hydroxide being processed in China, Lincoln’s skillset will augment EMH’s vision to dramatically reduce current and future Lithium Hydroxide supply insecurity within the EU, including potentially supplying more than one quarter of the projected Lithium Hydroxide demand until 2030 based on the estimated European annual target production of 30 million electric vehicles.

As the Cinovec asset is critical to European Lithium Hydroxide supply security, we welcome this expertise on the corporate team. Ambassador Bloomfield will also provide fresh insight into the US market at a time when European Metals has recently obtained its NASDAQ quotation.”

Ambassador Bloomfield is a valuable addition as EMH is focused on ESG-related aspects of the critical raw materials and battery supply chain, as part of its commitment to support the European Commission’s new Batteries Regulation, a significant, far-reaching legislative development.

Ambassador Bloomfield’s appointment confirms EMH’s commitment to meet the new Batteries Regulation’s three main objectives: strengthening the functioning of the EU internal market by ensuring a level playing field through a common set of rules; promoting a circular economy; and reducing environmental and social impact throughout all stages of the battery life cycle. Given the complexity of the new Batteries Regulation, EMH is reassured to know that he will be contributing to its efforts to achieve compliance throughout the organization.

Ambassador Bloomfield holds several roles in the private sector promoting sustainability. Having served for eight years until 2017 as Chairman of the non-partisan Stimson Center, he is now Stimson Chairman Emeritus. He is a Director and National Executive Committee Member of the U.S. Water Partnership, a public-private non-profit entity co-chaired by Madeleine Albright and Colin Powell. He is a Director of the Detroit-based non-profit energy NGO The Last Kilometer, and Vice Chairman of Mana Pacific, a Honolulu-based enterprise seeking to provide locally-managed and affordable renewable energy microgrids throughout the Pacific islands. He provides expert policy and consulting services to three Washington DC entities including the law firm Akin Gump. As President of Palmer Coates LLC, Lincoln maintains commercial relationships with startup entities developing innovative energy and transportation technologies, including as Advisor and investor in Seatrec, Inc. and President of an early-stage technology startup, called D3E, offering next-generation “optimal” flight control technology to enable robustness and autonomy in future drone aircraft.

A list of Ambassador Bloomfield Jr.'s current directorships together with those held within the last five years is set out below:

Current Directorships

- Palmer Coates LLC
- Mana Pacific, Inc
- The Last Kilometer Corp.
- US Water Partnership
- DDD Express

Previous Directorships

- The Henry L. Stimson Center

Change of NOMAD

The Company has also appointed WH Ireland plc as its Nominated Adviser on AIM, which came into effect as of 1 January 2021.

WH Ireland will continue to act as joint broker to the Company, along with Shard Capital.

The Company would like to thank the team at Beaumont Cornish Limited for their service and advice to the Company since it listed on AIM.

This announcement has been approved for release by the Board.

BACKGROUND INFORMATION ON CINOVEC

PROJECT OVERVIEW

Cinovec Lithium/Tin Project

Through the investment of CEZ a.s. in April 2020 of the amount of approximately EUR 30 million, the Cinovec Project is fully funded to Final Investment Decision, expected in late 2021.

Geomet s.r.o. controls the mineral exploration licenses awarded by the Czech State over the Cinovec Lithium/Tin Project. Geomet s.r.o. is owned 49% by European Metals and 51% by CEZ a.s. through its wholly owned subsidiary, SDAS. Cinovec hosts a globally significant hard rock lithium deposit with a total Indicated Mineral Resource of 372.4Mt at 0.45% Li₂O and 0.04% Sn and an Inferred Mineral Resource of 323.5Mt at 0.39% Li₂O and 0.04% Sn containing a combined 7.22 million tonnes Lithium Carbonate Equivalent and 263kt of tin reported 28 November 2017 (**Further Increase in Indicated Resource at Cinovec South**). An initial Probable Ore Reserve of 34.5Mt at 0.65% Li₂O and 0.09% Sn reported 4 July 2017 (**Cinovec Maiden Ore Reserve – Further Information**) has been declared to cover the first 20 years mining at an output of 22,500tpa of lithium carbonate reported 11 July 2018 (**Cinovec Production Modelled to Increase to 22,500tpa of Lithium Carbonate**).

This makes Cinovec the largest hard rock lithium deposit in Europe, the fourth largest non-brine deposit in the world and a globally significant tin resource.

The deposit has previously had over 400,000 tonnes of ore mined as a trial sub-level open stope underground mining operation.

In June 2019 EMH completed an updated Preliminary Feasibility Study, conducted by specialist independent consultants, which indicated a return post tax NPV of USD1.108B and an IRR of 28.8% and confirmed that the Cinovec Project is a potential low operating cost, producer of battery grade lithium hydroxide or battery grade lithium carbonate as markets demand. It confirmed the deposit is amenable to bulk underground mining. Metallurgical test-work has produced both battery grade lithium hydroxide and battery grade lithium carbonate in addition to high-grade tin concentrate at excellent recoveries. Cinovec is centrally located for European end-users and is well serviced by infrastructure, with a sealed road adjacent to the deposit, rail lines located 5 km north and 8 km south of the deposit and an active 22 kV transmission line running to the historic mine. As the deposit lies in an active mining region, it has strong community support.

The economic viability of Cinovec has been enhanced by the recent strong increase in demand for lithium globally, and within Europe specifically.

There are no other material changes to the original information and all the material assumptions continue to apply to the forecasts.

BACKGROUND INFORMATION ON CEZ

Headquartered in the Czech Republic, CEZ a.s. is an established, integrated energy group with operations in a number of Central and Southeastern European countries and Turkey. CEZ's core business is the generation, distribution, trade in, and sales of electricity and heat, trade in and sales of natural gas, and coal extraction. CEZ Group has 33,000 employees and annual revenue of approximately EUR 7.24 billion.

The largest shareholder of its parent company, CEZ a.s., is the Czech Republic with a stake of approximately 70%. The shares of CEZ a.s. are traded on the Prague and Warsaw stock exchanges and included in the PX and WIG-CEE exchange indices. CEZ's market capitalization is approximately EUR 10.08 billion.

As one of the leading Central European power companies, CEZ intends to develop several projects in areas of energy storage and battery manufacturing in the Czech Republic and in Central Europe.

CEZ is also a market leader for E-mobility in the region and has installed and operates a network of EV charging stations throughout Czech Republic. The automotive industry in Czech is a significant contributor to GDP and the number of EV's in the country is expected to grow significantly in coming years.

CONTACT

For further information on this update or the Company generally, please visit our website at www.europeanmet.com or see full contact details at the end of this release.

LITHIUM CLASSIFICATION AND CONVERSION FACTORS

Lithium grades are normally presented in percentages or parts per million (ppm). Grades of deposits are also expressed as lithium compounds in percentages, for example as a percent lithium oxide (Li₂O) content or percent lithium carbonate (Li₂CO₃) content.

Lithium carbonate equivalent (“LCE”) is the industry standard terminology for, and is equivalent to, Li₂CO₃. Use of LCE is to provide data comparable with industry reports and is the total equivalent amount of lithium carbonate, assuming the lithium content in the deposit is converted to lithium carbonate, using the conversion rates in the table included below to get an equivalent Li₂CO₃ value in percent. Use of LCE assumes 100% recovery and no process losses in the extraction of Li₂CO₃ from the deposit.

Lithium resources and reserves are usually presented in tonnes of LCE or Li.

The standard conversion factors are set out in the table below:

Table: Conversion Factors for Lithium Compounds and Minerals

Convert from		Convert to Li	Convert to Li ₂ O	Convert to Li ₂ CO ₃	Convert to LiOH.H ₂ O
Lithium	Li	1.000	2.153	5.325	6.048
Lithium Oxide	Li ₂ O	0.464	1.000	2.473	2.809
Lithium Carbonate	Li ₂ CO ₃	0.188	0.404	1.000	1.136
Lithium Hydroxide	LiOH.H ₂ O	0.165	0.356	0.880	1.000
Lithium Fluoride	LiF	0.268	0.576	1.424	1.618

WEBSITE

A copy of this announcement is available from the Company’s website at www.europeanmet.com.

ENQUIRIES:

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