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Europa Metals Ltd

(“Europa Metals”, the “Company” or the “Group”) (AIM, AltX: EUZ)

Formal Stakeholder Engagement Process Initiated, Toral Zn, Pb & Ag Project, Spain

Europa Metals, the European focused lead, zinc and silver developer, is pleased to announce that it has submitted an initial document (the “ID”) for formal review by all key administration stakeholders, including the department of the environment, Castilla y León region, Northwest Spain, and private stakeholders consulted by such administration, in connection with the process for obtaining an exploitation license for its 100% owned Toral lead-zinc-silver project (“Toral” or the “Toral Project”).

The ID contains a conceptual plan for the Toral Project based on the findings of the Scoping Study, announced by the Company on 10 December 2018, and is available to interested parties and the administration for a period of 30 days, during which time Europa Metals will hold a series of local engagement activities with the principal stakeholders. Such engagement will enable the evaluation, in particular, of the technical infrastructure aspects of the project’s future development and seek to secure greater social support.

Feedback from the requisite review period will then be utilised to structure the environmental parameters for a full exploitation license for Toral and, consequently, enable a first impression by the Junta de Castilla y León on the appropriateness of the Toral Project being developed into a future mining operation.

Europa Metals strongly believes that such stakeholder engagement is essential for the progression of the Toral Project into a potential sustainable mine and looks forward to meeting with interested parties. Submission of the ID and the aforementioned consultation is part of a formal process set out in regional law that will ultimately lead to a final decision by the regional government in respect of the granting of a full exploitation license for the potential development of a future mine. Feedback from the process will inform the final project design as well as establishing the parameters of the Environmental Impact Assessment. A collaborative development approach should ultimately assist in efficiently progressing a viable project towards a final development decision.

Commenting today, Laurence Read, Executive Director of Europa Metals said:

*“Ensuring community support and backing at all levels for a new mining project is an essential step in the modern resources industry. We believe that such transparency and adherence to best practice standards in place within Spain, is beneficial to the Company’s compliance with global supply chain standards, an increasingly important factor for the supply of both industrial and precious metals. With the previously announced legislative changes in land use for mining within the Castilla y León region, aimed at clarifying the permitting process through standard Environmental Impact Assessment for metal mining projects driven by the regional government, we are pleased to have submitted the ID for consultation and feedback and look forward to progressing Toral towards a development decision.”*For further information on the Company, please visit www.europametals.com or contact:

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The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulation (EU) No. 596/2014.

Notes to Editors:**Toral Economic highlights from the Company's selected development scenario**

Estimated economic forecasts for Toral based on the current level of work (+/-30%) from the Scoping Study (December 2018) comprise:

- US\$110 million net present value (NPV) using a discount rate of 8%;
- 24.4% internal rate of return (IRR);
- Estimated US\$33 million CAPEX for a proposed 450ktpa design capacity plant, including associated auxiliary costs, with infrastructure being situated near portal entrance on the north side of the deposit;
- Estimated total CAPEX of US\$110 million;
- US\$25 per tonne indicative OPEX processing cost at steady state conditions;
- US\$36 per tonne indicative OPEX mining cost utilising mechanised cut and fill; and
- 15-year production plan, with significant potential for extension.

Basis for announcing economics

The factors that lead the Company to believe that it has a reasonable basis for announcing a production target and forecast financial information are detailed in the Scoping Study and can be summarised as follows:

Three conceptual underground mining development and production scenarios were considered and developed throughout the Scoping Study, resulting in the identification of a preferred scenario, highlights from which are set out below:

- decline ramp access to the north of the deposit, targeting mine production within the higher-grade core towards the centre of the planned mining blocks;
- series of internal mining inclined ramps constructed to access levels;
- general ore transport via a principal shaft reaching mine bottom;
- mechanised cut and fill (MCAF) mining method proposed;

- 4x4 metre mine standard development size;
- a ventilation raise would be drilled (raise-bored) to provide both adequate ambient conditions underground and a second, emergency means of access/egress into the mine;
- ore transported to a flotation process plant by conveyor or haul truck from the mine and crushed to a suitable product for milling;
- milled ore floated by standard flotation technology to provide lead and zinc concentrate, with silver probably reporting to the lead concentrate for sale as a combined product; and
- 4% Zn Eq cut-off used with potential for mine life extension.

JORC (2012) resource estimate

The Scoping Study was based on a previously announced JORC (2012) resource estimate comprising 16 million tonnes in the Inferred category @ 7.5% Zn equivalent (Pb, Ag), 3.9% zinc, 3.1% lead and 24g/t silver equating to 640,000 tonnes of zinc, 510,000 tonnes of lead and 13 million ounces of silver*.

Cut-Off 4% Zn Eq (PbAg)%	Tonnes (Millions)	Density g/cm ³	Zn Eq (Pb)%	Zn Eq (PbAg)%	Zn %	Pb %	Ag g/t	Contained Zn Tonnes (000s)	Contained Pb Tonnes (000s)	Ag Troy Oz (Millions)
December 2018 Resource	16	2.8	7	7.5	3.9	3.1	24	640	510	13

* Zn Eq (PbAg)% is the calculated Zn equivalent incorporating silver credits as well as lead; $(\text{Zn Eq (PbAg)\%} = \text{Zn} + \text{Pb} \times 0.96 + \text{Ag} \times 0.022)$. Zn equivalent calculations were based on 3-year trailing average price statistics obtained from the London Metal Exchange and London Bullion Market Association giving an average Zn price of US\$2,500/t, Pb price of US\$2,100/t and Ag price of US\$17/oz, as announced on 10 December 2018.