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19 August 2020

Europa Metals Ltd

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

Equity Fundraising of £2,000,000

Europa Metals, the European focused lead-zinc and silver developer, is pleased to announce that it has raised £2,000,000 (before expenses) (the “Fundraising”) via the issue of, in aggregate, 15,686,274 new ordinary shares of no par value each in the capital of the Company (“Ordinary Shares”) (the “Fundraising Shares”) at an issue price of 12.75 pence per share (the “Issue Price”) to certain existing and new investors.

The Fundraising comprises a placing of 15,529,412 new Ordinary Shares, arranged by Turner Pope Investments (TPI) Limited (“Turner Pope”), the Company’s broker, as agent of the Company, and a subscription for a further 156,862 new Ordinary Shares by certain Directors of the Company.

The Fundraising is conditional on admission of the Fundraising Shares to trading on AIM (“Admission”) and, following Admission, the Fundraising Shares will represent, in aggregate, approximately 31.9 per cent. of the Company’s enlarged issued share capital.

The Fundraising Shares will be issued fully paid and will rank *pari passu* in all respects with the Company’s existing Ordinary Shares. The Issue Price represents a discount of approximately 22.7 per cent. to the closing mid-market price of an Ordinary Share on AIM of 16.50 pence on 18 August 2020, being the last business day prior to the date of this announcement.

Use of Proceeds

The net proceeds from the Fundraising will primarily be utilised towards completion of certain key components of a Pre-Feasibility Study (“PFS”) in respect of the Company’s wholly owned Toral lead-zinc-silver project located in the Castilla y León region, northern Spain (“Toral” or the “Toral Project”), as well as for the Company’s general working capital requirements. The PFS workstreams concerned will include:

- Hydrogeological studies to ascertain sub surface water conditions;
- Drilling targeting increases in the confidence level of the overall mineable resource for Toral; and
- Further metallurgical, geotechnical, waste management and environmental work components.

The Board of Europa Metals believes that completion of the above PFS components will further demonstrate the viability of the Toral Project by advancing the Company’s understanding of metallurgy and hydrogeological conditions, defining the parameters for waste management and environmental considerations, as well as potentially upgrading areas of the current resource into higher categorisations.

As previously announced, the Company has commissioned ongoing metallurgical work and ore sorting analysis in respect of Toral (being carried out by Wardell Armstrong International and Bara Consulting respectively) and will thereafter seek to obtain updated preliminary economic parameters for the Toral Project from Bara Consulting, taking into account the significant work completed and data obtained since the 2018 Scoping Study. The Company is also awaiting the renewal of its Investigation Permit for a further three-year exploration term and is in the process of seeking to secure certain EU/regional grant monies.

Directors’ Participation

The Company is pleased to announce that both Laurence Read, CEO, and Myles Campion, Executive Chairman, have participated in the Fundraising by way of subscriptions for 78,431 new Ordinary Shares and

78,431 new Ordinary Shares at the Issue Price respectively. On Admission, the resultant shareholdings of Messrs Read and Campion will be as follows:

Director	No. of Ordinary Shares held on Admission	Percentage interest in the Company on Admission
Laurence Read	126,257	0.26%
Myles Campion	248,793	0.51%

Related Party Transactions

Pursuant to the abovementioned Fundraising, Deutsche Balaton Aktiengesellschaft (“DBA”) is investing £400,000, via the placing, for 3,137,255 new Ordinary Shares. DBA has been a substantial shareholder of the Company within the last 12 months and, accordingly, is considered to be a related party under the AIM Rules for Companies (the “AIM Rules”). The participation of DBA in the Fundraising is therefore deemed to constitute a related party transaction pursuant to Rule 13 of the AIM Rules. Accordingly, the independent Directors of Europa Metals, being Daniel Smith and Evan Kirby consider, having consulted with Strand Hanson Limited, the Company’s nominated adviser, that the terms of DBA’s participation in the Fundraising are fair and reasonable insofar as the Company’s shareholders are concerned.

Messrs Read and Campion are Directors of the Company and their respective participations in the Fundraising are therefore also considered to be related party transactions pursuant to Rule 13 of the AIM Rules. Accordingly, the independent Directors, being Daniel Smith and Evan Kirby, having consulted with the Company’s nominated adviser, Strand Hanson Limited, further consider the participation of Messrs Read and Campion in the Fundraising to be fair and reasonable insofar as the Company’s shareholders are concerned.

Admission to trading

Application will be made to the London Stock Exchange for admission of the Fundraising Shares to trading on AIM and to the Johannesburg Stock Exchange for quotation on AltX. It is expected that Admission will become effective and dealings in the Fundraising Shares commence at 8.00 a.m. on or around 26 August 2020.

Following Admission, the total issued ordinary share capital of the Company will comprise 49,130,649 Ordinary Shares with voting rights. This figure may be used by shareholders in the Company as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change in their interest in, the Company’s share capital.

Commenting today, Myles Campion, Executive Chairman of Europa Metals, said:

“With the completion of this significant Fundraising, Europa Metals can see a clear pathway to completing major items that will form part of a PFS. The net proceeds will enable us to continue the efficient work that our team has been carrying out at Toral and increase our level of activity at site to move the project forward in respect of the key workstreams outlined.”

Laurence Read, CEO of Europa Metals, further commented:

“The Toral project has been continually advanced by Europa Metals and last week we reported a resource update estimating a 3.8Mt Indicated resource at 8.3% Zn Equivalent (including Pb credits) and 17Mt total resource at 6.9% Zn Equivalent (including Pb credits), at a 4% cut-off. With a total resource containing 720,000 tonnes of zinc, 510,000 tonnes of lead and 14 million ounces of silver and testwork recoveries of 83.7% lead recovery to a 60% concentrate, 77% zinc recovery to a 59.1% concentrate and 87.1% silver recovery to 1,350ppm Ag within lead concentrate, we have taken the decision to raise funds to complete certain key components of a PFS.

“The Fundraising has been successfully completed by Turner Pope following, inter alia, the Company’s recent share consolidation and a series of operational updates pertaining to, amongst other things, a new resource estimate, and appointment of a marketing and sales agency to progress the potential future concentrate sales strategy for Toral.

“The Fundraising will enable the Company to undertake key work items necessary for the eventual completion of a full PFS including advancing the resource categorisation of the block model. I look forward to announcing further updates shortly from work already in progress including metallurgical and ore sorting analysis and thereafter new preliminary economics for the Toral Project, updating the parameters in the 2018 Scoping Study to reflect the significant work completed since its publication.

“We continue to endeavour to advance Toral as a realisable, robust future source of lead, zinc and silver with excellent recoveries and grade, situated within a proven mining region of the EU with well established road, rail and power infrastructure.”

For further information on the Company, please visit www.europametals.com or contact:

Europa Metals Ltd

Laurence Read, CEO (UK)
T: +44 (0)20 3289 9923

Dan Smith, Non-Executive Director and Company Secretary (Australia)
T: +61 417 978 955

Strand Hanson Limited (Nominated Adviser)

Rory Murphy / Matthew Chandler
T: +44 (0)20 7409 3494

Turner Pope Investments (TPI) Limited (Broker)

Andy Thacker
T: +44 (0)20 3657 0050

Sasfin Capital Proprietary Limited (a member of the Sasfin group)

Sharon Owens
T (direct): +27 11 809 7762

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 (“MAR”).

This announcement is not intended to, and does not, constitute or form part of any offer or invitation, or the solicitation of an offer, to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of, any securities in the United States of America or Australia or any jurisdiction in contravention of applicable law. The Company’s securities have not been and will not be registered under the United States Securities Act of 1933 (the “1933 Act”) or under the securities laws of any State or other jurisdiction of the United States and may not be offered, sold, re-sold, delivered, distributed or otherwise transferred, directly or indirectly, in or into, the United States or to U.S. Persons (as defined in the 1933 Act) unless registered under the 1933 Act and applicable state securities laws, or an exemption from such registration is available.

PDMR Notification Forms

The notifications below are made in accordance with the requirements of MAR.

1.	Details of the person discharging managerial responsibilities / person closely associated	
a)	Name	Myles Campion
2.	Reason for the Notification	
a)	Position/status	Executive Chairman
b)	Initial notification/amendment	Initial notification

3.	Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor		
a)	Name	Europa Metals Ltd	
b)	LEI	2138008QU5PGK777XM59	
4.	Details of the transaction(s):section to be repeated for (i) each type of instrument; (ii) each type of transaction; (iii) each date; and (iv) each place where transactions have been conducted		
a)	Description of the Financial instrument, type of instrument	Ordinary Shares of no par value	
	Identification code	AU0000090060	
b)	Nature of the Transaction	Participation in fundraising	
c)	Price(s) and volume(s)	Price(s)	Volume(s)
		12.75 pence per share	78,431
d)	Aggregated information Aggregated volume price	N/A	
e)	Date of the transaction	19 August 2020	
f)	Place of the transaction	AIM (LSE)	

1.	Details of the person discharging managerial responsibilities / person closely associated		
a)	Name	Laurence Read	
2.	Reason for the Notification		
a)	Position/status	CEO	
b)	Initial notification/amendment	Initial notification	
3.	Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor		
a)	Name	Europa Metals Ltd	
b)	LEI	2138008QU5PGK777XM59	
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