

1 November 2022

Europa Metals Ltd

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

Final Results for the Year Ended 30 June 2022

Europa Metals, the European focused lead, zinc and silver developer, is pleased to announce its final results for the year ended 30 June 2022.

A pdf copy of the full Annual Report and Accounts is available at the following link: http://www.ms-pdf.londonstockexchange.com/ms/9068E_1-2022-11-1.pdf and will shortly be posted to shareholders who have requested hardcopies.

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

Europa Metals Ltd

Dan Smith, Non-Executive Director and Company Secretary (Australia)

T: +61 417 978 955

Myles Campion, Executive Chairman and acting CEO (UK)

T: +44 (0)20 3289 9923

Strand Hanson Limited (Nominated Adviser)

Rory Murphy/Matthew Chandler

T: +44 (0)20 7409 3494

WH Ireland Limited (Broker)

Harry Ansell/Dan Bristowe/Katy Mitchell/Sarah Mather

T: +44 (0)20 7 220 1666

Questco Corporate Advisory Proprietary Limited (JSE Sponsor)

Sharon Owens

T: +27 (11) 011 9212

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 as it forms part of United Kingdom domestic law by virtue of the European Union (Withdrawal) Act 2018, as amended.

Key Extracts from the Company's audited Report and Accounts are set out below:

Chairman and Interim CEO's statement

During the financial year ended 30 June 2022 and subsequently, Europa Metals Ltd ("Europa Metals" or the "Company") has conducted additional highly successful drilling campaigns and metallurgy work, with the results from our 2021 infill drill campaign facilitating an update to the independent Indicated resource estimate for our wholly owned Toral Project, effective as of 14 September 2021, to approximately 5.9 Mt @ 7.1% ZnEq (including Pb credits) within a total resource of approximately 20 Mt @ 6.3% ZnEq (including Pb credits). This represented a substantial, approximate 55%, increase in the indicated resource component and the updated resource estimate can be utilised in calculations for feasibility studies and to support future mine planning.

The 2021 drill campaign targeted the upper more siliceous levels of the resource at Toral, which exhibits a lower grade and thinner horizon than the lower carbonate facies. The campaign yielded some tremendous results with hole TOD-029 intersecting 20.45m @ 2.68% ZnEq(Pb+Ag) and hole TOD-034 intersecting 14.85m @ 8.36% ZnEq(Pb+Ag).

The campaign also successfully obtained a bulk sample from some of the daughter holes from holes TOD-029 and TOD-034 which were submitted to Wardell Armstrong International Limited ("WAI") for further metallurgical evaluation. As part of this testwork, we also engaged TOMRA GmbH in Germany to complete a programme of X-Ray transmission ("XRT") ore sorting work. Previous programmes had yielded positive results from such siliceous material illustrating the ability for the grade of this zone to potentially be upgraded.

The results from the ore sorting testwork were most reassuring, with the bulk siliceous sample showing an

approximate 43% original mass rejection of waste and >94% recovery of metals. Carbonate sampling also returned positive results, improving on previous testwork with high 90% metal recoveries. This work serves to continue to support the thesis of utilising ore sorting as a pathway for leveraging the resource and the results will assist our planned future engineering studies. Following the year end, the Company announced further highly encouraging metallurgical testwork results for Toral, including locked cycle flotation testwork, in respect of sample material from both the upper siliceous zone and the lower carbonate zone.

During the first half of 2022, the Company completed a short geotechnical drill programme involving 5 shallow holes for approximately 79m in order to inform ground support for potential future plant construction. In early May 2022, we subsequently commenced our 2022 resource drilling campaign which is ongoing. The objective of this latest campaign is to seek to extend the pre-existing indicated resource estimate at depth towards the east of the current zone and thereby link up a known area of encouraging data. If successful, it should enable us to increase the resource tonnage and enhance the previously envisaged mining plan. The campaign is also feeding in to our previously announced R&D collaboration project with the University of Salamanca supported by Spain's Centre for the Development of Industrial Technology (CDTI), which is scheduled to be completed later this year.

In summary, the Europa Metals team has continued to advance Toral on a technical/engineering level and move the project environmentally and socially towards a Mining Licence Application (MLA) in a cost-effective manner. Over the coming period, the Board will continue with its endeavours to establish a clear pathway forward for Toral as we continue to believe in the clear potential for the profitable future development of Toral in a stable and secure first world jurisdiction. In this regard, we were pleased to recently announce a letter of intent in respect of a proposed US\$6m farm-in arrangement with Denarius Metals Corp. (TSXV: DSLV; OTCQB: DNRSF) ("Denarius"), involving a two stage option and joint venture, pursuant to which it will be afforded the right to acquire up to an 80% ownership interest in Toral. This proposed transaction remains subject, *inter alia*, to confirmatory due diligence by Denarius, the finalisation and entry into of definitive documentation and all requisite shareholder and regulatory approvals as appropriate, and there can be no guarantee that the transaction will be completed. This proposed investment by Denarius represents a significant step forward with respect to the advancement of Toral, but also our ambition to secure potential further concessions in the surrounding Northern Spain region

In addition, we have continued to pursue our stated business development strategy and identify promising complimentary opportunities for portfolio expansion. As at the end of the reporting period, the management team had reviewed over 18 projects, with four being discussed and evaluated at Board level, and we intend to continue such activity and to identify, investigate and assess additional opportunities of potential interest. Further updates will be provided as and when appropriate.

Myles Champion
Executive Chairman and Interim-CEO
 31 October 2022

Consolidated Statement of Profit and Loss and Other Comprehensive Income For the year ended 30 June 2022

	2022	2021
	\$	\$
Revenue	-	-
Other income	168,268	147,537
Administration expenses	(1,327,747)	(1,357,427)
Exploration expenditure	(1,224,860)	(2,044,095)
Foreign exchange gain/(loss)	(78,730)	(4,679)
Loss before taxation	(2,463,069)	(3,258,664)
Income tax benefit / (expense)	-	-
Loss after income tax for the year from continuing operations	(2,463,069)	(3,258,664)
Net loss for the year	(2,463,069)	(3,258,664)

Other comprehensive income

*Items that may be reclassified subsequently
 to profit or loss*

Net exchange (loss)/gain on translation of foreign operation	(39,490)	(383,469)
Other comprehensive income for the year, net of tax	(39,490)	(383,469)
Total comprehensive loss for the year	(2,502,559)	(3,642,133)
Net loss for the year attributable to:		
Equity holders of the Parent	(2,502,559)	(3,642,133)
	(2,502,599)	(3,642,133)
Total comprehensive loss for the year attributable to:		
Equity holders of the Parent	(2,502,599)	(3,642,133)
	(2,502,599)	(3,642,133)
Loss per share	Cents per share	Cents per share
Basic loss for the year attributable to ordinary equity holders of the Parent	(3.57)	(7.03)
Diluted loss for the year attributable to ordinary equity holders of the Parent	(3.57)	(7.03)

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes in the full Annual Report and Accounts.

Consolidated Statement of Financial Position

As at 30 June 2022

	2022	2021
	\$	\$
Assets		
Current assets		
Cash and short term deposits	1,650,056	1,180,768
Trade and other receivables	85,420	84,720
Total current assets	1,735,476	1,265,488
Non-current assets		
Plant and equipment	46,877	66,718
Other receivables	63,018	190,523
Right of use assets	42,292	29,277
Capitalised exploration expenditure	1,229,196	1,276,964
Total non-current assets	1,381,383	1,563,482
Total assets	3,116,859	2,828,970
Liabilities and equity		
Current liabilities		
Trade and other payables	139,119	261,886
Lease liability	22,796	16,505

Unearned income	20,937	-
Total current liabilities	182,852	278,391
Non-current liabilities		
Lease liability	12,507	-
Borrowings	186,925	121,727
Total non-current liabilities	199,432	121,727
Total liabilities	382,284	400,118
Net assets	2,734,575	2,428,852
Equity		
Contributed equity	48,227,649	45,695,303
Accumulated losses	(48,843,673)	(46,380,604)
Reserves	3,350,599	3,114,153
Total equity	2,734,575	2,428,852

The above Consolidated Statement of Financial Position is to be read in conjunction with the accompanying notes in the full Annual Report and Accounts.

Consolidated Statement of Cash Flows

For the year ended 30 June 2022

	2022	2021
	\$	\$
Cash flows used in operating activities		
Exploration and evaluation expenditure	(1,115,564)	(1,959,132)
Payments to suppliers and employees	(1,083,549)	(1,135,162)
Net cash flows used in operating activities	(2,199,113)	(3,094,294)
Cash flows used in investing activities		
Payments for plant and equipment	(768)	(28,056)
Net cash flows used in investing activities	(768)	(28,056)
Cash flows from financing activities		
Lease principal repayments	(34,783)	(25,879)
Proceeds from issue of shares	2,760,272	3,633,082
Transaction costs on issue of shares	(138,369)	(253,101)
Proceeds from borrowings	250,045	258,513
Net cash flows from financing activities	2,837,165	3,612,615
Net increase/(decrease) in cash and cash equivalents held	637,284	490,265
Net foreign exchange difference	(167,996)	(10,139)

Cash and cash equivalents at 1 July	1,180,768	700,642
Cash and cash equivalents at 30 June	1,650,056	1,180,768

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes in the full Annual Report and Accounts which can be accessed via the following link:

http://www.rns-pdf.londonstockexchange.com/rns/9068E_1-2022-11-1.pdf

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