

18 November 2021

Europa Metals Ltd

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

Corporate Review & Operational Update - Toral Pb, Zn & Ag Project, Spain

Europa Metals, the European focused lead-zinc and silver developer, is pleased to announce a corporate review and operational update.

Further to the recent £1.5m (gross) fundraising and successful draw down of the second tranche of €158,628.60 of the Company's innovation grant from the Spanish Government Centre for the Development of Industrial Technology ("CDTI"), the Company has commenced a number of initiatives and strategic refocusing to progress its development during the remainder of 2021/2022, as summarised below.

- The Company's subsidiary, Europa Metals Iberia SL, is actively seeking potential asset financing through Spanish Federal and regional programmes with Insomnia Consulting ("Insomnia") (<https://www.insomniaconsulting.es>) engaged to assist with applications through the appropriate channels. Insomnia has a strong track record in advising its clients on all facets of Spanish financing initiatives and client partnership agreements and will provide financing application support particularly in respect of Europa Metals' work at its wholly owned Toral Project ("Toral Project" or "Toral") implementing innovative new processes and designs in the Castilla y León region.
- Preparations for a resource and geotechnical drilling programme focused on areas around the expanded indicated resource at Toral planned to commence in Q1 2022. The key objectives of the anticipated limited programme shall be to 'fill in' areas within the Company's existing block model and test the University of Salamanca's correctional algorithm in accordance with the requirements of the CDTI grant.
- Progression of work regarding the potential utilisation of dry stack tailings which should serve to underpin low water usage, review of the potential for waste design/storage and reclamation initiative involving local, disused quarry sites.
- An internal review of the project's proposed early years' production profile based on the 2021 drilling campaign results and new indicated resource area in order to seek to enhance its payback period.

A cost and strategic review has also been initiated focused on:

- Overall Group costs, including board remuneration.
- Optimisation of workflows on Toral to yield the maximum benefit and further de- risk/enhance the project's economics.
- Transaction review team created to assess potential new projects and opportunities for Europa Metals alongside progressing pathways for the advancement of the Toral Project.

Commenting today, Laurence Read, CEO of Europa Metals, said:

"Europa Metals is taking a series of steps to ensure the allocation of funds for maximum effect at its Toral Project whilst simultaneously pursuing the potential acquisition of new, value accretive projects for the Company. We are also undertaking a full review of the Group's cost base, including board level remuneration packages, and establishing a clear strategic pathway through the remainder of 2021/2022 to refocus our efforts on delivering value for shareholders.

"Toral is a well-advanced project that has a defined pathway to achieving a potential high margin production start for a relatively low capital expenditure outlay. We shall continue to

assess how best to optimise the early years of potential future production at Toral in addition to commencing a highly targeted drilling campaign within the lower, higher grade zones of the project supported by the second tranche of the CDTI grant of €158,628.60 successfully drawn down earlier this month.

"Work is also underway to progress the potential for a low water usage tailings storage design, coupled with a back fill and storage/reclamation initiative utilising local disused quarries in the area. The implementation of such initiatives as part of our tailings design at the Castilla y León site will likely be incorporated into our next stage of regional financing applications supported by Insomnia Consulting.

"The Board also believes that identifying and securing potential new attractive projects can add value to Europa Metals and is undertaking a review of the Group's cost base to ensure that maximum benefit is derived from the application of the net proceeds from the latest fundraising. We look forward to providing further updates as and when appropriate."

For further information on the Company, please visit:

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