

29 March 2018

PROJECT UPDATE

Highlights

- **DRA Global (DRA) due to complete PFS this week**
- **Zone 2 drilling programme completed and showing numerous pegmatite intersections with assay results anticipated by mid April 2018**

European Lithium Limited (ASX: **EUR**, FRA: **PF8**, VSE: **ELI**) (the **Company**) wishes to provide an update on the progress of the pre-feasibility study (**PFS**) and recent drilling activity at its 100% owned advanced Wolfsberg Lithium Project in Austria (**Wolfsberg**).

Lead consultant DRA are due to complete and deliver the PFS for Company review before the end of this week. The Company will endeavour to complete their review and announce results of the PFS by 5 April 2018.

The current measured and indicated resource of 6.3 million tonnes at 1.17% Li₂O for Wolfsberg is based solely on drilling on the northern limb of an anticline. Geological interpretation suggests that the lithium bearing pegmatite veins should continue to the southern limb of the anticline. Three drill holes were completed in 2017 and two showed good intersections and Li₂O grade that was reported to the ASX on 28 June 2017 'Assays confirm wide high grade pegmatite veins in Zone 2 at the Wolfsberg Lithium Project'.

Zone 2 Drilling Programme

The Company resumed the drilling programme in Zone 2 in January 2018 which was completed on 27 March 2018. It comprised five holes totalling 1,329m of diamond drilling. All five holes showed numerous pegmatite intersections with one of 10.0m true width. The widest intersection seen in Zone 1 was 5.5m.

Four of the drill holes have been logged and sampled with a total of about 47 metres of pegmatite intersections divided into 90 samples, including QAQC samples, which have been submitted to ALS Ireland for sample preparation and assays. Assays results are expected by mid-April 2018. Logging and sampling of the fifth drill hole is in progress.



Figure 1: Disconnecting the pulled rod for drill core retrieval.

Zone 1 Drilling Programme

A drilling programme has been developed with the assistance of SRK to enable the Inferred resources in Zone 1 to be converted to Indicated resources. This programme provides for 28 drill holes for resource re-categorisation and 3 drill holes for geotechnical analysis of the proposed location of the underground crushing and ore sorting plant. Planned drilling totals 11,330m. The programme has been filed with the Mining Authority in Leoben and drilling permits are expected by the end of April 2018.

A tender has been issued for the drilling programme and it is expected that mobilisation can take place in May 2018 and results from the programme included in the project DFS.

Yours faithfully

Tony Sage
Non-Executive Chairman
European Lithium Limited

END

Competent Person's Statement

The information in this announcement pertaining to the Wolfsberg Lithium Project, and to which this statement is attached, relates to Project Development and is based on and fairly represents information and supporting documentation provided by the Company and its Consultants and summarized by Dr Steve Kesler who is a Qualified Person and is a Fellow of the Institute of Materials, Minerals and Mining and a Chartered Engineer with over 40 years' experience in the mining and resource development industry. Dr Kesler has sufficient experience, as to qualify as a Competent Person as defined in the 2012 edition of the "Australian Code for Reporting of Mineral Resources and Ore reserves". Dr Kesler consents to the inclusion in the report of the matters based on information in the form and context in which it appears. The company is reporting progress on project development under the 2012 edition of the Australasian Code for the Reporting of Results, Minerals Resources and Ore reserves (JORC code 2012).