

5 September 2019

METALLURGICAL TEST-WORK PROGRESS

HIGHLIGHTS

• Metallurgical Test-work to be completed ahead of schedule and within budget

EUROPEAN

- Bulk sample advantageous for final design of Lithium Hydroxide plant
- Management and investors visit Dorfner/Anzaplan's metallurgical pilot plant facilities

European Lithium Limited (ASX:EUR, FRA:PF8, VSE:ELI, NEX:EUR) (European Lithium or the Company) is pleased to advise it's on track to achieve another key milestone of the definitive feasibility study (DFS) at the Company's advanced Wolfsberg Lithium Project (Wolfsberg Project), in Austria.

Dorfner/Anzaplan (**Dorfner**) were appointed for the complex metallurgical test-work. Test-work samples were shipped directly to Dorfner from the Company's -70 mm bulk sample stockpiles. Dr Haus, managing director, and Dr Graf, business unit director, advised the Company of the progress of the metallurgical test-work as part of European Lithium's DFS, confirming test-work will be completed within budget and ahead of schedule (within the next 2 months).

European Lithium is in the process of developing the Wolfsberg Project and aims to become the first local lithium supplier into an integrated European battery supply chain. The Company also plans to supply spodumene, quartz and feldspar products to the European glass and ceramics industry.

Metallurgical Testwork Demonstration

On 27 August 2019, Dorfner invited the Management of European Lithium, represented by Dietrich Wanke, CEO, and Christian Heili, Project Director, together with a number of investors to demonstrate the progress of the Company's complex and comprehensive metallurgical testwork.

There is a longstanding history between the two companies as Dr. Haus pointed out during the demonstration. Since 1982 Dorfner were involved with evaluating the Wolfsberg Project due to the abundance of Feldspar which is widely used in the established ceramics industry. Dr. Graf showed the delegation the laboratories, where the pilot plant was constructed and explained the complex metallurgical process to produce the Lithium Hydroxide as well the by-products. Current samples of the intermediate and final products were available for viewing including Lithium Hydroxide.

The Company previously sent ore to Dorfner from the stockpiles of the 1500 tonne bulk sample of raw material from its Wolfsberg mine which has allowed the complex metallurgical test-work to be undertaken before any final design of the hydrometallurgical production facility takes place. Dietrich said "It is very rare for a pre-production company to have this advantage and provides the Company a unique opportunity to optimise the future production facilities. It also serves as a strong risk mitigation factor as potential suboptimal process lines can be finalised

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before construction starts".

In his presentation Dr. Haus strongly emphasised that "this is a unique process for a preproduction company providing an extraordinary advantage going forward, enabling significant cost savings through investing in the metallurgical test-work at this early stage".

The Company will update the market once Dorfner complete the full and final report which is anticipated within 2 months. This report together with all other work will be collated and used to prepare the final DFS.



Figure 1 – Examples from test production

Tony Sage Non-Executive Chairman European Lithium Limited

Visit the Company's website to find out more about the advanced Wolfsberg Lithium Project located in Austria.