



Notice of Annual General Meeting

The Annual General Meeting of European Lithium Limited will be held at:

- 32 Harrogate Street, West Leederville, Western Australia, 6007;
- 9am (WST) on Thursday, 28 November 2019.

This notice of annual general meeting should be read in its entirety. If Shareholders are in any doubt as to how they should vote, they should seek advice from their professional advisor prior to voting.

Please contact the Company Secretary on +61 8 6181 9792 or MelissaC@europeanlithium.com if you wish to discuss any matter concerning the Meeting.

European Lithium Limited
ABN 45 141 450 624

Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of the Shareholders of European Lithium Limited will be held at 32 Harrogate Street, West Leederville, Western Australia, 6007 at 9am (WST) on Thursday, 28 November 2019 (**Meeting**).

The Explanatory Memorandum to this Notice of Meeting provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and Proxy Form form part of this Notice of Meeting.

Shareholders are urged to vote by attending the Meeting in person or by returning a completed Proxy Form. Instructions on how to complete a Proxy Form are set out in the Explanatory Memorandum.

Proxy Forms must be received by no later than 9am (WST) on Tuesday, 26 November 2019.

Terms and abbreviations used in this Notice and Explanatory Memorandum are defined in Schedule 1 of the Explanatory Memorandum.

Agenda

ANNUAL REPORT

To receive and consider the financial statements of the Company and the reports of the Directors (**Directors' Report**) and Auditors (**Auditors' Report**) for the financial year ended on 30 June 2019 (**Annual Report**).

RESOLUTION 1 - REMUNERATION REPORT (NON-BINDING)

To consider, and if thought fit, to pass the following as a **non-binding resolution**:

“That for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as set out in the Directors' Report for the financial year ended on 30 June 2019.”

A voting exclusion statement is set out below.

Note: the vote on this Resolution is advisory only and does not bind the Directors or the Company.

RESOLUTION 2 - RE-ELECTION OF DIRECTOR - STEFAN MULLER

To consider, and if thought fit, to pass the following as an **ordinary resolution**:

“That Stefan Muller, who retires by rotation in accordance with clause 14.2 of the Company's Constitution, offers himself for re-election, be re-elected as a Director.”

RESOLUTION 3 - APPROVAL OF 10% PLACEMENT FACILITY

To consider and, if thought fit, to pass the following as a **special resolution**:

“That, for the purposes of Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Memorandum.”

A voting exclusion statement is set out below.

RESOLUTION 4 - RATIFICATION OF PRIOR SHARE ISSUE (MAY 2019 PLACEMENT)

To consider, and if thought fit, to pass the following as an **ordinary resolution**:

“That for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 23,500,000 fully paid ordinary shares under the May 2019 Placement on the terms and conditions set out in the Explanatory Memorandum.”

A voting exclusion statement is set out below.

RESOLUTION 5 - ISSUE OF PLACEMENTS OPTIONS

To consider, and if thought fit, to pass the following as an **ordinary resolution**:

“That for the purposes ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 8,440,000 Placements Options on the terms and conditions set out in the Explanatory Memorandum.”

A voting exclusion statement is set out below.

RESOLUTION 6 - ISSUE OF SHARES UNDER MAGNA FACILITY

To consider, and if thought fit, to pass the following as an **ordinary resolution**:

“That for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 1,888,358 Shares at the conversion of the remaining Magna Notes on the terms and conditions set out in the Explanatory Memorandum.”

RESOLUTION 7 - RATIFICATION OF PRIOR SHARE ISSUE (MAGNA EXTENSION)

To consider, and if thought fit, to pass the following as an **ordinary resolution**:

“That for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 1,000,000 fully paid ordinary shares under the Magna Extension on the terms and conditions set out in the Explanatory Memorandum.”

A voting exclusion statement is set out below.

A voting exclusion statement is set out below.

RESOLUTION 8 - ISSUE OF OPTIONS TO A RELATED PARTY - TONY SAGE

To consider, and if thought fit, to pass the following as an **ordinary resolution**:

“That for the purposes of Section 195(4) and Section 208 of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 5,000,000 Incentive Options to Tony Sage (or his nominee) on the terms and conditions set out in the Explanatory Memorandum.”

A voting exclusion statement is set out below.

RESOLUTION 9 - ISSUE OF OPTIONS TO A RELATED PARTY - STEFAN MULLER

To consider, and if thought fit, to pass the following as an **ordinary resolution**:

“That for the purposes of Section 195(4) and Section 208 of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 7,500,000 Incentive Options to Stefan Muller (or his nominee) on the terms and conditions set out in the Explanatory Memorandum.”

A voting exclusion statement is set out below.

RESOLUTION 10 - ISSUE OF OPTIONS TO A RELATED PARTY - MALCOLM DAY

To consider, and if thought fit, to pass the following as an **ordinary resolution**:

“That for the purposes of Section 195(4) and Section 208 of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 5,000,000 Incentive Options to Malcolm Day (or his nominee) on the terms and conditions set out in the Explanatory Memorandum.”

A voting exclusion statement is set out below.

RESOLUTION 11 - RATIFICATION OF PRIOR ISSUE OF SECURITIES UNDER WINANCE FACILITY

To consider, and if thought fit, to pass the following as an **ordinary resolution**:

“That for the purposes Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 2,000 Winance Notes (which upon their terms may convert into up to 36,363,636 fully paid ordinary shares in the capital of the Company) to Winance Investment LLC (or its nominee) on the terms and conditions set out in the Explanatory Memorandum.”

A voting exclusion statement is set out below.

VOTING PROHIBITION AND EXCLUSION STATEMENTS

Corporations Act

The Corporations Act prohibits votes being cast (in any capacity) on the following resolutions by any of the following persons:

Resolution	Persons Excluded from Voting
Resolution 1 - Remuneration Report (Non-Binding)	<p>A vote on this Resolution must not be cast (in any capacity) by or on behalf of the following persons:</p> <ul style="list-style-type: none">(a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or(b) a Closely Related Party of such a member. <p>However, a person described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:</p> <ul style="list-style-type: none">(c) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or(d) the voter is the Chair of the Meeting and the appointment of the chair as proxy:<ul style="list-style-type: none">(i) does not specify the way the proxy is to vote on this Resolution; and(ii) expressly authorises the Chair to exercise the proxy even if this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company.

Resolution 8 - Issue of Options to a related party - Tony Sage and his associates.

Resolution 9 - Issue of Options to a related party - Stefan Muller and his associates.

Resolution 10 - Issue of Options to a related party - Malcolm Day and his associates.

However, a person is not prevented from casting a vote if:

- (a) it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the proposed resolution; and
- (b) it is not cast on behalf of a related party or associate of a kind referred to above.

Listing Rule 14.11

Under Listing Rule 14.11, the Company will disregard any votes cast in favour of the following Resolutions by or on behalf of the following persons and their associates:

Resolution	Persons excluded from voting
Resolution 3 - Approval of 10% Placement Facility	a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a Shareholder).
Resolution 4 - Ratification of prior Share issue (May 2019 Placement)	a person who participated in the issue.
Resolution 5 - Issue of Placements Options	a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a Shareholder).
Resolution 6 - Issue of Shares under Magna Facility	MEF I, L.P.
Resolution 7 - Ratification of prior Share issue (Magna Extension)	MEF I, L.P.
Resolution 8 - Issue of Options to a related party - Tony Sage	a person who is to receive securities in relation to the Company.
Resolution 9 - Issue of Options to a related party - Stefan Muller	a person who is to receive securities in relation to the Company.
Resolution 10 - Issue of Options to a related party - Malcolm Day	a person who is to receive securities in relation to the Company.
Resolutions 11 - Ratification of prior issue of securities under Winance Facility	Winance Investment LLC.

However, the Company needs not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the direction on the Proxy Form; or

- (b) it is cast by the person chairing the Meeting as proxy for the person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

By order of the Board of Directors

Melissa Chapman
Company Secretary
European Lithium Limited
16 October 2019

EUROPEAN LITHIUM LIMITED
ABN 45 141 450 624

Explanatory Memorandum

1 INTRODUCTION

This Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held at 32 Harrogate Street, West Leederville, Western Australia, 6007 at 9am (WST) on Thursday, 28 November 2019. The purpose of this Explanatory Memorandum is to provide information to Shareholders in deciding how to vote on the Resolutions set out in the Notice.

This Explanatory Memorandum should be read in conjunction with and forms part of the accompanying Notice, and includes the following:

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A Proxy Form is located at the end of this Explanatory Memorandum.

Please contact the Company Secretary on +61 8 6181 9792 or info@europeanlithium.com if you wish to discuss any matter concerning the Meeting.

Capitalised terms in this Notice of Meeting and Explanatory Memorandum are defined either in Schedule 1 or where the relevant term is first used.

2 ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders should read the Notice and this Explanatory Memorandum carefully before deciding how to vote on the Resolutions.

2.1 Voting in person

All Shareholders are invited and encouraged to attend the Meeting.

To vote in person, attend the Meeting at the time, date and place set out in the Notice.

2.2 Voting by Proxy

If a Shareholder is unable to attend in person, they can appoint a proxy to attend on their behalf by signing and returning the Proxy Form (attached to the Notice) to the Company in accordance with the instructions on the Proxy Form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- (a) each Shareholder has the right to appoint a proxy;
- (b) the proxy need not be a Shareholder of the Company; and
- (c) a Shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 2 proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise half of the votes.

The Company encourages Shareholders completing a Proxy Form to direct the proxy how to vote on each Resolution.

The Proxy Form must be received no later than 48 hours before the commencement of the Meeting, i.e. by no later than 9am (WST) on Tuesday, 26 November 2019. Any Proxy Form received after that time will not be valid for the Meeting.

A Proxy Form may be lodged via:

Online	At www.investorvote.com.au
By mail	Share Registry - Computershare Investor Services Pty Limited, GPO Box 242, Melbourne Victoria 3001, Australia
By fax	1800 783 447 (within Australia) or +61 3 9473 2555 (outside Australia)
By mobile	Scan the QR Code on your proxy form and follow the prompts
Custodian voting	For Intermediary Online subscribers only (custodians) please visit www.intermediaryonline.com to submit your voting intentions

Shareholders lodging a Proxy Form are not precluded from attending and voting in person at the Meeting.

2.3 Corporate representatives

Shareholders who are body corporates may appoint a person to act as their corporate representative at the Meeting by providing that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as the body corporate's representative. The authority may be sent to the Company and/or registry in advance of the Meeting or handed in at the Meeting when registering as a corporate representative.

An appointment of corporate representative form is available from the website of the Company's share registry (Computershare).

2.4 Eligibility to vote

For the purposes of regulations 7.11.37 and 7.11.38 of the Corporations Act Regulations, the Directors have determined that, for the purposes of voting at the Meeting, Shareholders are those persons who are the registered holders of Shares at 4pm (WST) on Tuesday 26 November 2019.

3 ANNUAL REPORT

Shareholders will be offered the opportunity to:

- (a) discuss the Annual Report for the financial year ended on 30 June 2019 which is available on the ASX platform at www.asx.com.au; and
- (b) ask questions about or make comment on the management of the Company.

The chair of the Meeting will allow reasonable opportunity for the Shareholders as a whole at the Meeting to ask the auditor or the auditor's representative questions relevant to:

- (a) the conduct of the audit;
- (b) the preparation and content of the Auditor's Report;
- (c) accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- (d) the independence of the auditor in relation to the conduct of the audit.

There is no requirement for Shareholders to approve the Annual Report.

In addition to taking questions at the Meeting, written questions to the Company's auditor about:

- (a) the content of the Auditor's Report to be considered at the Meeting; and
- (b) the conduct of the audit of the annual financial report to be considered at the Meeting,

may be submitted no later than 5 business days before the Meeting to the Company Secretary at the Company's registered office.

4 RESOLUTION 1 - REMUNERATION REPORT (NON-BINDING)

4.1 Introduction

The Remuneration Report is in the Directors' Report section of the Company's Annual Report.

By way of summary, the Remuneration Report:

- (a) explains the Company's remuneration policy and the process for determining the remuneration of its Directors and executive officers;
- (b) addresses the relationship between the Company's remuneration policy and the Company's performance; and
- (c) sets out remuneration details for each Director and each of the Company's executives and group executives named in the Remuneration Report for the financial year ended 30 June 2019.

Section 250R(2) of the Corporations Act requires companies to put a resolution to their members that the Remuneration Report be adopted. The vote on this resolution is advisory only, however, and does not bind the Board or the Company. The Board will consider the outcome of the vote and comments made by Shareholders on the Remuneration Report at the Meeting when reviewing the Company's remuneration policies.

The Chair will give Shareholders a reasonable opportunity to ask questions about or to make comments on the Remuneration Report.

4.2 Voting consequences

Under the Corporations Act, if 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive annual general meetings, Shareholders will be required to vote at the second of those annual general meetings on a resolution that a further meeting is held at which all of the Company's Directors who were directors when the resolution to make the directors report considered at the later annual general meeting was passed (other than the Managing Director) must go up for re-election (**Spill Resolution**).

If more than 50% of votes cast are in favour of the Spill Resolution, the Company must convene a shareholder meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

All of the directors of the company who were directors of the company when the resolution to make the directors' report considered at the second annual general meeting was passed, other than the managing director of the company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Shareholders approved the Company's 2018 Remuneration Report, and as a result there is no requirement to vote on a Spill Resolution if 25% or more of the votes cast vote against Resolution 1.

5 RESOLUTION 2 - RE-ELECTION OF DIRECTOR - STEFAN MULLER

5.1 Introduction

ASX Listing Rule 14.4 provides that a director of an entity must not hold office (without re-election) past the third annual general meeting following the director's appointment or 3 years, whichever is the longer, and that a director appointed to fill a casual vacancy must not hold office (without re-election) past the company's next annual general meeting.

Clause 14.2 of the Company's Constitution requires that one-third of the Directors retire by rotation at each annual general meeting.

5.2 Stefan Muller

In accordance with clause 14.2 of the Company's Constitution, Stefan Muller retires from office at this Meeting and offers himself for re-election.

Details of Stefan Muller's qualifications and experience are set out in the Company's 2019 Annual Report.

5.3 Directors' recommendation

The Board (excluding Stefan Muller) recommends that Shareholders vote in favour of Resolution 2.

6 RESOLUTION 3 - APPROVAL OF 10% PLACEMENT FACILITY

6.1 General

The Company seeks Shareholder approval to issue Equity Securities up to 10% of its issued share capital through placements over a 12 month period following shareholder approval (**10% Placement Facility**).

The exact number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to section 6.3(a) below).

Any funds raised will be used for exploration on the Company's projects and general working capital.

Resolution 3 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

6.2 Directors' recommendation

The Board unanimously recommends that Shareholders vote in favour of Resolution 3. This will allow the Company to issue securities and raise funds whilst preserving the Company's 15% annual limit permitted by Listing Rule 7.1.

6.3 Listing Rule 7.1A

Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of its issued share capital through placements over a 12 month period following shareholder approval by way of a special resolution. The 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalization of \$300 million or less. The Company is an eligible entity.

(a) Maximum number of Equity Securities which may be issued

The number of Equity Securities which may be issued, or agreed to be issued, under the 10% Placement Facility is prescribed in Listing Rule 7.1A.2 and is calculated as follows:

$$\text{Number of Equity Securities} = (A \times D) - E$$

"A" the number of shares on issue 12 months before the date of issue or agreement:

- (A) plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;
- (B) plus the number of partly paid shares that become fully paid in the 12 months;
- (C) plus the number of fully paid shares issued in the 12 months with approval of holders of shares under Listing Rule 7.1 and 7.4. This does not include an issue of fully paid shares under the entity's 15% placement capacity without shareholder approval;
- (D) less the number of fully paid shares cancelled in the 12 months.

"D" is 10%

"E" is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of issue or agreement to issue that are not issued with the approval of shareholders under Listing Rule 7.1 or 7.4.

The actual number of Equity Securities that may be issued under Listing Rule 7.1A is calculated at the date of issue of the Equity Securities in accordance with the above formula.

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity under Listing Rule 7.1.

As the date of this Notice, the Company has on issue 600,992,411 Shares (quoted) and as a result, has a capacity to issue:

- (i) subject to Shareholders approving Resolutions 4 to 7, 58,728,506 Equity Securities under Listing Rule 7.1; and
- (ii) subject to Shareholders approving Resolution 3, 57,242,813 Equity Securities under Listing Rule 7.1A.

(b) **Minimum Issue Price**

The issue price of Equity Securities issued under Listing Rule 7.1A must be not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 Trading Days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.

6.4 Specific information required by Listing Rule 7.3A

For the purposes of Listing Rule 7.3A, the following information is provided about the proposed issue:

- (a) The Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities over the 15 Trading Days on which trades in that class were recorded immediately before:
 - (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
 - (ii) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- (b) There is a risk of economic and voting dilution to existing Shareholders in approving the 10% Placement Facility, including the risks that:
 - (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than when Shareholders approve the 10% Placement Facility; and

- (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date, or issued for non-cash consideration for the acquisition of a new asset.

Following is a table that sets out the potential dilution of existing Shareholders if Equity Securities are issued under the 10% Placement Facility:

Variable "A" in Listing Rule 7.1A.2		Dilution		
		\$0.045 50% decrease in Issue Price	\$0.090 Issue Price	\$0.180 100% increase in Issue Price
Current Variable A 600,992,411 Shares	10% Voting Dilution	60,099,241	60,099,241	60,099,241
	Funds Raised	\$2,464,069	\$4,928,138	\$9,856,276
50% increase in current Variable A (901,488,617 Shares)	10% Voting Dilution	90,148,862	90,148,862	90,148,862
	Funds Raised	\$3,696,103	\$7,392,207	\$14,784,413
100% increase in current Variable A (1,201,984,822 Shares)	10% Voting Dilution	120,198,482	120,198,482	120,198,482
	Funds Raised	\$4,928,138	\$9,856,276	\$19,712,551

The table has been prepared on the following assumptions:

- (i) The Company issues, or agrees to issue, the maximum number of Equity Securities available under the 10% Placement Facility.
- (ii) No Options have been exercised before the date of the issue of the Equity Securities.
- (iii) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- (iv) The issue of Equity Securities under the 10% Placement Facility consists only of Shares. If the issue of Equity Securities includes listed Options, it is assumed that those listed Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
- (v) The issue price is \$0.082 being the closing price of the Shares on ASX on 15 October 2019.

The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Meeting.

The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.

- (c) The latest date by which Equity Securities may be issued is 12 months after the Meeting. Approval for the issue of Equity Securities under the 10% Placement Facility will cease to be valid in the event that Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or Listing Rule 11.2 (disposal of main undertaking).
- (d) The Equity Securities may be issued for the following purposes:
 - (i) to raise funds, in which case the Company intends to use the funds raised towards an acquisition of new assets or investments (including expense associated with such acquisition), continued exploration and expenditure on the Company's current assets and/or general working capital; or
 - (ii) in consideration of the acquisition of new resources assets and investments, in which case the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3.

The Company will comply with the disclosure obligations under Listing Rules 7.1A.4 and 3.10.5A upon issue of any Equity Securities.

- (e) The Company is yet to identify the persons to whom Equity Securities will be issued to under the 10% Placement Facility. The Company's policy for allocating Equity Securities issued under the 10% Placement Facility will be determined on a case-by-case basis depending upon the purpose, and prevailing market conditions at the time, of any issue and having regard to factors including but not limited to the following:
 - (i) The fundraising methods available to the Company, including but not limited to, rights issue or other issue which may minimise dilution to Shareholders.
 - (ii) In the case of an asset or investment acquisition, the nature and circumstances of the acquisition.
 - (iii) The effect of the issue of the Equity Securities on the control of the Company.
 - (iv) The financial situation and solvency of the Company.
 - (v) Advice from corporate, financial and broking advisers (if applicable).

The subscribers may include vendors (in the case of any issue for non-cash consideration), existing substantial Shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company.

- (f) The Company obtained Shareholder approval under Listing Rule 7.1A at its previous annual general meeting. The total number of Equity Securities issued in the 12 months preceding the date of the Meeting is 53,238,642, representing 9.75% of the total number of Equity Securities on issue at the commencement of that 12 month period.

Information required by Listing Rule 7.3A.6 is set out in schedule 3.

- (g) A voting exclusion statement is included in the Notice.

At the date of the Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the Equity Securities, and no existing Shareholder's votes will be excluded under the voting exclusion in the Notice.

7 INTRODUCTION TO RESOLUTIONS 4 TO 11

7.1 Background

The Company has issued, or proposes to issue, the following securities to related and unrelated parties:

Shares	Number	%
Existing Shares (excluding Shares the subject of Resolutions 4 and 7)	576,492,411	95.92
Shares to be ratified by Resolution 4	23,500,000	3.91
Shares to be ratified by Resolution 7	1,000,000	0.17
Total	600,992,411	100

Options	Number	%
Options on issue	205,894,444	88.81
Issue of Placements Options (Resolution 5)	8,440,000	3.64
Proposed issue of Options to Directors (Resolutions 8 to 10)	17,500,000	7.55

Total	231,834,444	100
<hr/>		
Convertible Notes		Notes
Remaining Convertible Notes under Magna Facility (Resolution 6) ¹		63,260
Winance Facility (Resolution 11) ²		1,740
Total		65,000

¹ Which convert to a maximum of 1,888,358 Shares, assuming a conversion price equal to the floor price of \$0.055 (assuming an exchange rate of US\$1:A\$1.49).

² Which convert to a maximum of 33,454,545 Shares, assuming a conversion price equal to the floor price of \$0.055.

7.2 Regulatory provisions

Listing Rule 7.1 limits the number of securities a company can issue in a 12 month period to 15% of its issued share capital, except for certain issues, including where first approved by Shareholders.

Securities issues that are ratified by Shareholders under Listing Rule 7.4 are not included in calculating an entity's 15% capacities under Listing Rule 7.1.

Listing Rule 10.11 prevents a company from issuing securities to related parties without prior shareholder approval.

Chapter 2E of the Corporations Act prohibits a public company from giving a financial benefit to a related party of the company unless either:

- (a) the giving of the financial benefit falls within one of the exceptions to the provision; or
- (b) prior shareholder approval is obtained to the giving of the financial benefit.

Related party is widely defined under the Corporations Act, and includes directors of a company. Financial benefit is defined broadly and includes benefits from the public company's subsidiaries. It is necessary to look at the economic and commercial substance and the effect of the transaction in determining the financial benefit. The Corporations Act requires that any consideration that is given is disregarded, even if the consideration is adequate.

Resolutions 4 to 11 seek Shareholder approval to complete or ratify the above issues.

8 RESOLUTIONS 4 AND 5 - RATIFICATION OF PLACEMENT SHARES AND ISSUE OF PLACEMENTS OPTIONS

8.1 Introduction

As announced on 7 December 2017 and 15 December 2017, the Company undertook a placement of 22,222,221 Shares at an issue price of \$0.225 per Share, raising a total of around \$5 million (**December 2017 Placement**). The securities under the December 2017 Placement were issued using the Company's 15% capacity permitted by Listing Rules 7.1 and were subsequently ratified by Shareholders pursuant to Listing Rules 7.4.

As announced on 10 May 2019, the Company undertook a placement of 23,500,000 Shares at an issue price of \$0.09 per Share, raising a total of \$2,115,000 (**May 2019 Placement**). The securities under the May 2019 Placement were issued using the Company's 15% capacity permitted by Listing Rules 7.1 and therefore without Shareholder approval.

The participants of the December 2017 Placement and May 2019 Placement (together the **Placements**) were clients of Deutsche Gesellschaft für Wertpapieranalyse GmbH (DGWA), Wimmer Financial LLP and WH Ireland. The Board has determined that it will be in the Company's best interests to issue attaching Options (with an exercise price of \$0.10 and expiring 30 June 2020) (**Placements Options**) to investors who participated in the Placements and also to various providers of services to the Company, who are unrelated parties.

Resolution 4 seeks Shareholders approval under Listing Rule 7.4 to ratify the issue of 23,500,000 Shares under the May 2019 Placement. The effect of Shareholders passing Resolution 4 and ratifying the issues will be to restore the Company's ability to issue further securities to the maximum 15% limit permitted by Listing Rules 7.1.

Resolution 5 seeks Shareholder approval to issue the Placements Options, and will result in the issue of Placements Options to investors under the Placements and various service providers.

8.2 Resolution 4 - Information required by Listing Rule 7.5

For the purposes of Listing Rule 7.5, the following information is provided about the May 2019 Placement:

- (a) The number of securities issued by the Company was 23,500,000 Shares.
- (b) The price of the securities issued was \$0.09 per Share.
- (c) The securities issued were fully paid ordinary shares that rank equally with existing Shares on issue.
- (d) The Shares were issued to clients of Deutsche Gesellschaft für Wertpapieranalyse GmbH (DGWA), Wimmer Financial LLP and WH Ireland. Mr

Stefan Muller, a Director of the Company, is a Director of DGWA, and other placement agents are unrelated to the Company.

- (e) The funds raised from the issue under the May 2019 Placement are being used towards the DFS at the Company's Wolfsberg Lithium Project.
- (f) A voting exclusion statement is included in the Notice.

8.3 Resolution 5 - Information required by Listing Rule 7.3

For the purposes of Listing Rule 7.3, the following information is provided about the issue of the Placements Options:

- (a) The maximum number of securities to be issued is 8,440,000 Placements Options.
- (b) The Placements Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue will occur on the same date.
- (c) The Placements Options will be issued for nil cash consideration to participants under the Placements and to various services providers to the Company, who are not related parties of the Company.
- (d) The Placements Options issued under this Resolution 5, will be issued to participants of the Placements and services providers to the Company, who are not related parties of the Company.
- (e) The Placements Options are exercisable at \$0.10 expiring on 30 June 2020, and otherwise on terms are set out in SCHEDULE 2.
- (f) No funds will be raised through the issue of the Placements Options. Funds raised from the exercise of the Placements Options will be used to meet the Company's financial needs at the time including for working capital.
- (g) A voting exclusion statement is included in the Notice.

8.4 Directors' recommendation

The Board unanimously recommends that Shareholders vote in favour of Resolutions 4 and 5. These will restore the Company's 15% annual limit permitted by Listing Rule 7.1 and allow the Company to issue the Placements Options while preserving the Company's 15% annual limit permitted by Listing Rule 7.1.

9 RESOLUTIONS 6 AND 7 - VARIATION TO MAGNA FACILITY

9.1 Introduction

On 7 September 2018, the Company entered into a convertible note agreement with MEF I, L.P (**Magna**) under which the Company could raise up to A\$10 million (**Magna Facility**) through the issue of convertible notes (**Magna Notes**). An initial tranche of

A\$2.5 million was drawn down on 7 September 2018, with a further A\$7.5 million available in 3 tranches upon the Company meeting key milestones relating to the definitive feasibility study being undertaken on the Company's Wolfsburg project and standard conditions precedent.

The Magna Notes each had a face value of US\$1.10, a maturity date 12 months from issue and convertible (subject to the Listing Rules) to Shares at a conversion price based upon a VWAP of the Company's Shares, with a floor price for conversion of Magna Notes of A\$0.10 per Share.

As at the date of this Explanatory Memorandum:

- (a) 1,342,458 Magna Notes (each with a face value of US\$1.10) have been converted to 25,102,929 Shares;
- (b) 434,782 Magna Notes (each with a face value of US\$1.10) have been redeemed; and
- (c) 63,260 Magna Notes (each with a face value of US\$1.10) remain on issue. These Magna Notes were issued with a maturity date of 7 September 2019.

To allow the Company to enter into the Winance Facility (see section 11), the Company has agreed, subject to Shareholder approval, to reduce the floor price for conversion of Magna Notes to A\$0.055 per Share. The reduction will increase the maximum number of Shares that the remaining Magna Notes may convert to from 1,298,246 Shares to 1,888,358 (assuming an exchange rate of US\$1:A\$1.49).

On 13 September 2019, Magna agreed to extend the Maturity Date of the Magna Notes on issue from 7 September 2019 to 30 November 2019, in consideration for which the Company issued 1,000,000 Shares to Magna. These Shares were issued without Shareholder approval and using the Company's 15% capacity under Listing Rule 7.1.

Resolution 6 seeks Shareholder approval to reduce the floor price under the Magna Notes and Resolution 7 seeks Shareholder approval to ratify the issue 1,000,000 Shares to Magna.

9.2 Resolution 6 - Information required by Listing Rule 7.3

For the purposes of Listing Rule 7.3, the following information is provided for Resolution 6:

- (a) The formula to calculate the number of Shares to be issued upon conversion of the outstanding Magna Notes is as follows:

$$\text{Maximum number} = \frac{(\text{Total value of Magna Notes} \times \text{Exchange Rate})}{\$0.055}$$

where Exchange Rate is the prevailing US\$:A\$ exchange rate displayed on Bloomberg LP.

- (b) The variation to the floor price will take effect upon passing of Resolution 6 at the Meeting.

- (c) The floor price for the conversion of Magna Notes will be reduced from \$0.10 to \$0.055 per Share.
- (d) The Magna Notes are held by Magna who is not a related party to the Company.
- (e) The term of the Magna Notes being varied is the floor price, which will be reduced from \$0.10 to \$0.055 per Share.
- (f) Funds raised from the issue of the Magna Convertible Notes are used towards DFS of the Company's Wolfsberg Project, no funds will be raised from the issue of Shares upon the conversion of the remaining Magna Notes.
- (g) A voting exclusion statement is included in the Notice.

9.3 Resolution 7 - Information required by Listing Rule 7.5

For the purposes of Listing Rule 7.5, 7.3, the following information is provided for Resolution 7:

- (a) The number of securities issued by the Company was 1,000,000 Shares.
- (b) The Shares were issued at a deemed issue price of \$0.08 per Shares.
- (c) The securities issued were fully paid ordinary shares that rank equally with existing Shares on issue.
- (d) The securities were issued to Magna who is not a related party to the Company.
- (e) The Shares were issued in part consideration for Magna to extend the Maturity Date for the remaining Magna Notes on issue and no funds were raised from the issue.
- (f) A voting exclusion statement is included in the Notice.

9.4 Directors' recommendation

The Board unanimously recommends that Shareholders vote in favour of Resolution 6 as it will allow the Company to satisfy a condition of the agreement under which Magna agreed to the Company entering into the Winance Facility.

The Board unanimously recommends that Shareholders vote in favour of Resolution 7 as it will restore the Company's 15% annual limit permitted by Listing Rule 7.1.

10 RESOLUTIONS 8 TO 10 - ISSUE OF OPTIONS TO RELATED PARTIES

10.1 Introduction

The Company proposes to issue 17,500,000 Options to the Company's Directors in consideration of the Directors services and efforts to advance the Company's Definitive Feasibility Study (DFS) at the Company's Wolfsberg Project. The Company is, by remunerating Directors party in Options (which are currently out of the

money), conserving cash reserves whilst also aligning the Directors' interests with Shareholders.

The proposed issue of securities to the Company's Directors or their nominees requires Shareholder approval under both Chapter 2E of the Corporations Act and Listing Rule 10.11.

If approval is given under Listing Rule 10.11, Shareholder approval is not required under Listing Rule 7.1. Shareholder approval of the issue of the Options to Related Parties means that these issues will not reduce the Company's 15% placement capacity under Listing Rule 7.1.

10.2 Information required by Chapter 2E of the Corporations Act

For the purposes of section 219 of the Corporations Act and ASIC Regulatory Guide 76, the following information is provided to Shareholders to enable them to assess the merits of the Resolutions:

- (a) The related party to whom Resolutions 8 to 10 would permit the benefit to be given are Tony Sage, Stefan Muller and Malcolm Day, who are each Directors.
- (b) The nature of the financial benefit:
 - (i) 5,000,000 Options to Tony Sage;
 - (ii) 7,500,000 Options to Stefan Muller; and
 - (iii) 5,000,000 Options to Malcolm Day.
- (c) The Options are exercisable at 10 cents on or before 30 June 2020, and otherwise on terms are set out in SCHEDULE 2.
- (d) Reasons for giving the benefit:
The reason for giving the benefit is set out in section 10.1 above.
- (e) The existing relevant interest of the Related Parties in securities of the Company are set out below:

Related Party	Shares	Options
Tony Sage	11,154,379	Nil
Stefan Muller	1,350,000	Nil
Malcolm Day	14,496,951	22,244,444

- (f) Total remuneration package

Related Party	Current Financial Year (30 June 2019)	Previous Financial year (30 June 2018)
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	(\$)	(\$)
Tony Sage	173,708 ¹	180,000
Stefan Muller	220,371 ²	16,666
Malcolm Day	101,708 ³	48,000

¹ Including \$53,708 as options expense for the issue of 2,500,000 unlisted options as approved at the 2018 AGM.

² Including \$134,271 as options expense for the issue of 2,500,000 unlisted options as approved at the 2018 AGM.

³ Including \$53,708 as options expense for the issue of 6,250,000 unlisted options as approved at the 2018 AGM.

(g) Dilution

The Company's issued share capital will not change as a result of the issue of the Options to the Related Parties.

If the Options granted to the Related Parties are exercised, a total of 17,500,000 Shares would be issued. This will increase the number of Shares on issue from 600,992,411 to 618,492,411 (assuming no other Shares are issued; including the securities the subject of Resolutions in this Notice) with the effect that the shareholding of existing Shares would be diluted by an aggregate of approximately 2.91%.

(h) Valuation of the financial benefit to be given

The Directors Options have been measured using the Black & Scholes option pricing model. Measurement inputs include the Share Price on the measurement date, the exercise price, the term of the Option, the expected volatility of the underlying Share (based on weighted average historic volatility adjusted for changes expected due to publicly available information), the expected dividend yield and the risk free interest rate for the term of the Option. The valuation of the Options is set out below:

Assumptions:	
Valuation date	8 October 2019
Market price of Shares	\$0.09
Exercise price	\$0.10
Expiry date (length of time from issue)	30 June 2020
Risk free interest rate	0.80%

Expected volatility	90%
Indicative value per Option (undiscounted)	\$0.0216
Total Value of Options (undiscounted)	\$377,372.46
Discount	0%
Indicative value per Option (discounted)	\$0.0216
Total Value of Options (discounted)	\$377,372.46

(i) Other Information

The Directors are not aware of any other information that is reasonably required by Shareholders to allow them to make a decision on whether it is in the best interests of the Company to pass Resolutions 8 to 10.

10.3 Information required by Listing Rule 10.13

For the purposes of Listing Rule 10.13, the following information is provided about the proposed issues:

- (a) The securities will be issued to Tony Sage, Stefan Muller and Malcolm Day, being Directors of the Company, or their nominees.
- (b) The maximum number of Options to be issued to Related Parties:
 - (i) 5,000,000 Options to Tony Sage;
 - (ii) 7,500,000 Options to Stefan Muller; and
 - (iii) 5,000,000 Options to Malcolm Day.
- (c) The Options will be granted for nil cash consideration. Accordingly, no funds will be raised. Funds raised from the exercise of the Options will be used towards working capital of the Company.
- (d) The Options will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue will occur on the same date.
- (e) The Options are exercisable at 10 cents on or before 30 June 2020, and otherwise on terms are set out in SCHEDULE 2.
- (f) A voting exclusion statement is included in the Notice.

10.4 Directors' recommendation

Mr Sage declines to make a recommendation to Shareholders in relation to Resolution 8 as he has a material personal interest in the outcome of Resolution 8. Mr Sage and his associates will not be entitled to vote on Resolution 8. The Directors other than

Mr Sage recommend that Shareholders vote in favour of Resolution 8 for the reasons set out in section 10.1.

Mr Muller declines to make a recommendation to Shareholders in relation to Resolution 9 as he has a material personal interest in the outcome of Resolution 9. Mr Muller and his associates will not be entitled to vote on Resolution 9. The Directors other than Mr Muller recommend that Shareholders vote in favour of Resolution 9 for the reasons set out in section 10.1.

Mr Day declines to make a recommendation to Shareholders in relation to Resolution 10 as he has a material personal interest in the outcome of Resolution 10. Mr Day and his associates will not be entitled to vote on Resolution 10. The Directors other than Mr Day recommend that Shareholders vote in favour of Resolution 10 for the reasons set out in section 10.1.

In forming their recommendations, each Director considered the experience of each other Related Party, the current market price of Shares, the current market practices when determining the number of Options to be granted as well as the exercise price and expiry date of those Options.

11 RESOLUTION 11 - RATIFICATION OF PRIOR ISSUE OF SECURITIES UNDER WINANCE FACILITY

11.1 Introduction

On 31 July 2019, the Company announced that it had established a facility with Winance (**Winance Facility**) under which the Company can draw down up to \$10 million through the issue of convertible notes (**Winance Notes**). The material terms of the Winance Facility and Winance Notes are set out in section 11.2.

On 20 September 2019, the Company issued 2,000 Winance Notes (with a total face value of \$2,000,000) (**Tranche 1 Winance Notes**) using the Company's 15% placement capacity under Listing Rule 7.1. Funds raised from the issue will be used to advance the Company's Wolfsberg Project.

Of the Tranche 1 Winance Notes:

- (a) 260 Winance Notes have been converted to 3,714,284 Shares; and
- (b) 1,740 Winance Notes remain on issue.

Under their terms, the Tranche 1 Winance Notes can be converted to up to 36,363,636 Shares, assuming conversion is at the Winance Floor Price. The Shareholders may be diluted to a maximum of 6.09% (assuming all Tranche 1 Winance Notes are converted at the Winance Floor Price).

The Winance Notes are convertible in accordance with their terms into Shares, and are equity securities under the Listing Rules.

The purpose of Resolution 11 is to seek Shareholder approval under Listing Rule 7.4 to ratify the issue of the Tranche 1 Winance Notes. The effect of Shareholders

passing Resolution 11 will be to restore the Company's ability to issue further equity securities to the maximum 15% limit permitted by Listing Rules 7.1.

11.2 Summary of terms of the Winance Notes

A summary of the terms of the Winance Facility and Winance Notes is as follows:

- (a) The Company has drawn down Winance Notes with a total face value of \$2million (before costs).
- (b) Further drawdowns of up to \$8 million are at the Company's election available in tranches of \$1,000,000 each upon full conversion of the Winance Notes from the previous drawdown, subject to:
 - (i) a cooling off period calculated based on the value of the tranche and average trading volumes during the preceding 60-day period; and
 - (ii) prior approval by the Company's Shareholders for the issue and conversion of the Winance Notes.
- (c) There are no fees or penalties if no subsequent drawdowns are made.
- (d) The issue price for each Winance Note is 100% of the face value (\$1,000).
- (e) The Winance Notes are, subject to prior shareholder approval where required, convertible at any time by the holder at 92% of the lowest closing VWAP over 10 days prior to the conversion date, provided that the conversion price is at least \$0.055 per Share (**Winance Floor Price**).
- (f) In the event the conversion price is less than the Winance Floor Price at conversion, the Company will issue the number of Shares equal to the conversion amount divided by the Winance Floor Price with the shortfall amount (calculated based on the conversion amount less value of the number of Shares multiplied by 90% of the lowest closing VWAP over ten (10) days prior to the conversion date) payable in cash.
- (g) In the event the closing VWAP for any 5 trading day period falls below 135% of the Winance Floor Price, Winance may, at its discretion, decline further drawdowns. Drawdowns may resume if the VWAP remains over 135% of the VWAP for 20 consecutive trading days.
- (h) The minimum conversion amount is \$20,000.
- (i) The Winance Notes bear no interest and are unsecured.
- (j) The Winance Notes have a maturity date of 24 months from the date of issue.
- (k) Winance will receive a commitment fee of 5% of the investment amount at the funding of each tranche payable in cash.
- (l) Kapital Global Advisors Limited, the broker who facilitated the Winance Facility, will receive a broker fee of 5% of the investment amount at the funding of each tranche payable in cash.

- (m) In the event of default, Winance is entitled to issue a redemption notice which requires the Company to repay the outstanding amount together with interest at 10% per annum (accruing from issue to redemption).
- (n) The Company gives warranties considered typical for a financing facility of this nature.

11.3 Information required by Listing Rule 7.5

For the purposes of Listing Rule 7.5, the following information is provided for the Winance Notes:

- (a) The number of securities issued by the Company was 2,000 Winance Notes and which under their terms convert to a maximum of 36,363,636 Shares (assuming an issue price equal to the Winance Floor Price).
- (b) The Winance Notes were issued with a face value of \$1,000 per note. The Winance Notes can be converted at a price of 92% of the lowest closing VWAP over 10 days prior to the conversion date, subject to the Winance Floor Price.
- (c) The securities issued were Winance Notes, the terms of which are set out in section 11.2. Shares to be issued upon conversion of the Winance Notes will be fully paid ordinary shares that rank equally in all respect with the existing Shares on issue.
- (d) The securities were issued to Winance who is not a related party to the Company.
- (e) The use of funds raised under the issue is set out in section 11.1.
- (f) A voting exclusion statement is included in the Notice.

11.4 Directors' recommendation

The Board unanimously recommends that Shareholders vote in favour of Resolution 11. This will restore the Company's 15% capacity permitted by Listing Rule 7.1.

SCHEDULE 1 DEFINITIONS

In this Notice and Explanatory Memorandum:

ASX	means ASX Limited or the Australian Securities Exchange operated by ASX Limited, as the context requires.
Board	means the board of Directors.
Chair or Chairperson	means the chair of the Company.
Closely Related Party of a member of the Key Management Personnel	means a spouse or child of the member; or a child of the member's spouse; or a dependent of the member or the member's spouse; or anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealings with the entity; or a company the member controls; or a person prescribed by the <i>Corporations Regulations 2001</i> (Cth).
Constitution	means the constitution of the Company as amended.
Corporations Act	means the <i>Corporations Act 2001</i> (Cth) as amended.
December 2017 Placement	has the meaning given in section 8.1.
Director	means a director of the Company.
Equity Securities	has the same meaning given in the Listing Rules.
Explanatory Memorandum	means this explanatory memorandum.
Key Management Personnel	has the same meaning given in the Listing Rules.
Listing Rule	means the listing rules of the ASX.
Magna	has the meaning given in section 9.
Magna Facility	has the meaning given in section 9.
Magna Notes	has the meaning given in section 9.
May 2019 Placement	has the meaning given in section 8.1.
Meeting	means the meeting convened by this Notice (as adjourned from time to time).

Notice	means this notice of meeting.
Option	means an option to be issued a Share.
Option holder	means the holder of an Option.
Placements	has the meaning given in section 8.1.
Placements Option	has the meaning given in section 8.1
Proxy Form	means the proxy form attached to this Notice.
Remuneration Report	means the remuneration report of the Company included in the Directors' Report section of the Company's Annual Report.
Resolution	means a resolution set out in the Notice.
Securities	has the meaning given in the Listing Rules.
Share	means a fully paid ordinary share in the capital of the Company.
Shareholder	means a holder of a Share.
Spill Meeting	has the meaning given in section 4.2 of the Explanatory Memorandum.
Spill Resolution	has the meaning given in section 4.2 of the Explanatory Memorandum.
Tranche 1 Winance Notes	has the meaning given in section 11.1.
VWAP	means volume weighted average price as defined in the Listing Rules.
Winance	means Winance Investment LLC.
Winance Facility	has the meaning given in section 11.1.
Winance Notes	has the meaning given in section 11.1.
WST	means Australia Western Standard Time.

SCHEDULE 2 TERMS OF OPTIONS

The following is a summary of the terms and conditions attaching to Options.

(a) Entitlement

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) Exercise Price

Subject to paragraph (j), the amount payable upon exercise of each Option will be \$0.10 (**Exercise Price**).

(c) Expiry Date

Each Option will expire at 5:00pm (WST) on 30 June 2020 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) Exercise Period

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) Notice of Exercise

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) Exercise Date

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(g) Timing of issue of Shares on exercise

Within 15 Business Days after the Exercise Date, the Company will:

- i. allot and issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- ii. if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- iii. if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) Shares issued on exercise

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(i) Quotation of Shares issued on exercise

If admitted to the official list of ASX at the time, application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Options.

(j) Reconstruction of capital

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(k) Participation in new issues

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(l) Change in exercise price

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(m) Transferability

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

SCHEDULE 3 INFORMATION REQUIRED BY LISTING RULE 7.1A.3

Cash consideration

	Issue 1	Issue 2	Issue 3	Issue 4	Issue 5	Issue 6
Date of issue:	29-Mar-19	10-May-19	16-May-19	23-May-19	30-May-19	4-Jun-19
Number issued:	1,000,000	3,500,000	2,500,000	2,000,000	2,000,000	4,500,000
Class/Type of equity security:	Fully paid ordinary shares	Fully paid ordinary shares	Fully paid ordinary shares	Fully paid ordinary shares	Fully paid ordinary shares	Fully paid ordinary shares
Summary of terms:	Fully paid ordinary shares	Fully paid ordinary shares	Fully paid ordinary shares	Fully paid ordinary shares	Fully paid ordinary shares	Fully paid ordinary shares
Names of persons who received securities or basis on which those persons was determined:	Exercise of options by Coral Brook Pty Ltd (Lloyd Super Fund a/c)	Clients of Deutsche Gesellschaft für Wertpapieranalyse GmbH (DGWA)	Clients of DGWA	Clients of DGWA	Clients of Winner Financial LLP and DGWA	Clients of Winner Financial LLP and DGWA
Price (note A):	\$0.100 per share	\$0.09 per share	\$0.09 per share	\$0.09 per share	\$0.09 per share	\$0.09 per share
Discount to market price (if any):	(20%)	(9%)	(2%)	(2%)	(1%)	(6%)

For cash issues

	Issue 1	Issue 2	Issue 3	Issue 4	Issue 5	Issue 6
Total cash consideration received:	\$100,000	\$315,000	\$225,000	\$180,000	\$180,000	\$405,000
Amount of cash consideration spent:	\$100,000	\$315,000	\$225,000	\$180,000	\$180,000	\$405,000
Use of cash consideration:	Note C	Note C	Note C	Note C	Note C	Note C
Intended use for remaining amount of cash (if any):	N/a	N/a	N/a	N/a	N/a	N/a

	Issue 7	Issue 8	Issue 9	Issue 10	Issue 11
Date of issue:	11-Jun-19	25-Jun-19	25-Jun-19	11-Jul-19	30-Sept-19
Number issued:	1,200,000	2,000,000	500,000	2,000,000	3,300,000
Class/Type of equity security:	Fully paid ordinary shares	Fully paid ordinary shares	Fully paid ordinary shares	Fully paid ordinary shares	Fully paid ordinary shares
Summary of terms:	Fully paid ordinary shares	Fully paid ordinary shares	Fully paid ordinary shares	Fully paid ordinary shares	Fully paid ordinary shares
Names of persons who received securities or basis	Clients of WH Ireland	Clients of DGWA	Clients of DGWA	Clients of DGWA	Clients of DGWA

	Issue 7	Issue 8	Issue 9	Issue 10	Issue 11
on which those persons was determined:					
Price (note A):	\$0.09 per share	\$0.09 per share	\$0.09 per share	\$0.09 per share	\$0.09 per share
Discount to market price (if any):	(3%)	(4%)	(4%)	6%	(4%)
<i>For cash issues</i>					
Total cash consideration received:	\$108,000	\$180,000	\$45,000	\$180,000	\$297,000
Amount of cash consideration spent:	\$108,000	\$180,000	\$45,000	\$180,000	\$0
Use of cash consideration:	Note C	Note C	Note C	Note C	N/a
Intended use for remaining amount of cash (if any):	N/a	N/a	N/a	N/a	Note B

Non-cash consideration

	Issue 12	Issue 13	Issue 14	Issue 15	Issue 16	Issue 17
Date of issue:	1-Nov-18	6-Dec-18	14-Dec-18	6-Mar-19	13-Mar-19	20-Mar-19
Number issued:	1,550,824	350,000	1,695,515	1,938,531	2,000,000	4,854,540
Class/Type of equity security:	Fully paid ordinary shares	Fully paid ordinary shares	Fully paid ordinary shares	Fully paid ordinary shares	Fully paid ordinary shares	Fully paid ordinary shares
Summary of terms:	Fully paid ordinary shares	Fully paid ordinary shares	Fully paid ordinary shares	Fully paid ordinary shares	Fully paid ordinary shares	Fully paid ordinary shares
Names of persons who received securities or basis on which those persons was determined:	MEF I LP	Christian Heili	MEF I LP	MEF I LP	MEF I LP	MEF I LP
Price (note A):	\$0.10 per share	\$0.12 per share	\$0.09 per share	\$0.08 per share	\$0.08 per share	\$0.08 per share
Discount to market price (if any):	1%	0%	(22%)	(10%)	(10%)	(45%)
Non-cash consideration paid:	\$155,082	\$42,000	\$152,334	\$155,082	\$160,000	\$388,363

	Issue 12	Issue 13	Issue 14	Issue 15	Issue 16	Issue 17
Current value of that non-cash consideration:	\$127,168	\$28,700	\$139,032	\$158,960	\$164,000	\$398,072

	Issue 18	Issue 19	Issue 20	Issue 21	Issue 22	Issue 23
Date of issue:	29-Mar-19	23-Apr-19	4-Jun-19	21-Jun-19	11-Jul-19	31-Jul-19
Number issued:	3,872,694	3,378,545	992,064	1,005,117	983,548	995,223
Class/Type of equity security:	Fully paid ordinary shares	Fully paid ordinary shares	Fully paid ordinary shares	Fully paid ordinary shares	Fully paid ordinary shares	Fully paid ordinary shares
Summary of terms:	Fully paid ordinary shares	Fully paid ordinary shares	Fully paid ordinary shares	Fully paid ordinary shares	Fully paid ordinary shares	Fully paid ordinary shares
Names of persons who received securities or basis on which those persons was determined:	MEF I LP	Christian Heili	MEF I LP	MEF I LP	MEF I LP	MEF I LP
Price (note A):	\$0.08 per share	\$0.09 per share	\$0.08 per share	\$0.08 per share	\$0.08 per share	\$0.08 per share

	Issue 18	Issue 19	Issue 20	Issue 21	Issue 22	Issue 23
Discount to market price (if any):	(36%)	(18%)	(17%)	(11%)	(6%)	(14%)
Non-cash consideration paid:	\$309,816	\$305,556	\$79,365	\$80,409	\$78,684	\$79,618
Current value of that non-cash consideration:	\$317,561	\$277,041	\$81,349	\$82,420	\$80,651	\$81,608

	Issue 24	Issue 25	Issue 26	Issue 27	Issue 28	Issue 29
Date of issue:	16-Aug-19	13-Sept-19	25-Sept-19	30-Sept-19	30-Sept-19	7-Oct-19
Number issued:	1,016,411	1,000,000	285,714	1,428,571	571,428	819,917
Class/Type of equity security:	Fully paid ordinary shares	Fully paid ordinary shares	Fully paid ordinary shares	Fully paid ordinary shares	Fully paid ordinary shares	Fully paid ordinary shares
Summary of terms:	Fully paid ordinary shares	Fully paid ordinary shares	Fully paid ordinary shares	Fully paid ordinary shares	Fully paid ordinary shares	Fully paid ordinary shares
Names of persons who received securities or basis on which those	MEF I LP	MEF I LP	Winance Investment LLC	Winance Investment LLC	Winance Investment LLC	MEF I LP

	Issue 24	Issue 25	Issue 26	Issue 27	Issue 28	Issue 29
persons was determined:						
Price (note A):	\$0.08 per share	\$0.08 per share	\$0.07 per share	\$0.07 per share	\$0.07 per share	\$0.08 per share
Discount to market price (if any):	0%	(7%)	(22%)	(26%)	(26%)	(11%)
Non-cash consideration paid:	\$81,313	\$80,000	\$20,000	\$100,000	\$40,000	\$65,593
Current value of that non-cash consideration:	\$83,346	\$82,000	\$23,429	\$117,143	\$46,857	\$67,233

	Issue 30
Date of issue:	11-Oct-19
Number issued:	1,428,571
Class/Type of equity security:	Fully paid ordinary shares
Summary of terms:	Fully paid ordinary shares

Issue 30

Names of persons who received securities or basis on which those persons was determined:

Winance
Investment LLC

Price (note A): \$0.07 per share

Discount to market price (if any): (19%)

Non-cash consideration paid: \$100,000

Current value of that non-cash consideration: \$117,143


Note A - Issue price as disclosed in the Appendix 3B's.

Note B - The funds raised will be used towards the DFS at the Company's Wolfsberg Lithium Project located in Austria.

Note C - Exploration activities including expediting the DFS drilling programme at the Company's Wolfsberg Lithium Project located in Austria allowing the Company to better understand the size and value of the deposit in zone 2, compliance costs, director fees, consultant fees, and for other corporate overhead costs.



Need assistance?

 **Phone:**
1300 850 505 (within Australia)
+61 3 9415 4000 (outside Australia)

 **Online:**
www.investorcentre.com/contact



YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **9:00am (WST) Tuesday, 26 November 2019**

Proxy Form

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

APPOINTMENT OF PROXY

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

SIGNING INSTRUCTIONS FOR POSTAL FORMS

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

ATTENDING THE MEETING

If you are attending in person, please bring this form with you to assist registration.

Corporate Representative

If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Appointment of Corporate Representative" prior to admission. A form may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

Lodge your Proxy Form:

XX

Online:

Lodge your vote online at www.investorvote.com.au using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is



Control Number: 133205

For Intermediary Online subscribers (custodians) go to www.intermediaryonline.com

By Mail:

Computershare Investor Services Pty Limited
GPO Box 242
Melbourne VIC 3001
Australia

By Fax:

1800 783 447 within Australia or
+61 3 9473 2555 outside Australia



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.

Proxy Form

Please mark to indicate your directions

Step 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of European Lithium Limited hereby appoint

the Chairman of the Meeting **OR**

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of European Lithium Limited to be held at 32 Harrogate Street, West Leederville, Western Australia on Thursday, 28 November 2019 at 9:00am (WST) and at any adjournment or postponement of that meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolutions 1 and 8 to 10 (except where I/we have indicated a different voting intention in step 2) even though Resolutions 1 and 8 to 10 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolutions 1 and 8 to 10 by marking the appropriate box in step 2.

Step 2 Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

		For	Against	Abstain			For	Against	Abstain
1	Remuneration Report (Non-binding)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	10	Issue of Options to a Related Party - Malcolm Day	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2	Re-election of Director - Stefan Muller	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	11	Ratification of Prior Issue of Securities Under Winance Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3	Approval of 10% Placement Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					
4	Ratification of Prior Share Issue (May 2019 Placement)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					
5	Issue of Placement Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					
6	Issue of Shares Under Magna Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					
7	Ratification of Prior Share Issue (Magna Extension)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					
8	Issue of Options to a Related Party - Tony Sage	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					
9	Issue of Options to a Related Party - Stefan Muller	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

Step 3 Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1 Securityholder 2 Securityholder 3 / /
 Sole Director & Sole Company Secretary Director Director/Company Secretary Date

Update your communication details (Optional)

Mobile Number Email Address By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically

