

ASX ANNOUNCEMENT

28 April 2026



European Lithium to combine with Critical Metals Corp. at an implied valuation of A\$0.58 per share

European Lithium Limited (ASX: **EUR**, FRA:PF8, OTC: EULIF) (the **Company**) has entered into a non-binding indicative agreement with NASDAQ-listed Critical Metals Corp. (**CRML**) for CRML to combine with EUR (**Proposal**). The Proposal will be implemented by CRML acquiring 100% of the issued securities of the Company via scheme of arrangement for scrip consideration.

Key terms of the Proposal

Under the terms of the Proposal all EUR shares will be acquired via share scheme of arrangement at an exchange ratio of 0.035 CRML shares for each EUR share. If the Proposal is implemented each EUR shareholder will receive CRML scrip valued at A\$0.58 per share of EUR held¹.

The Proposal also contemplates that all listed EUR options will be acquired via option scheme of arrangement. EUR listed options and unlisted options will be cancelled in consideration for CRML shares on a cashless basis. Option holders will receive CRML shares reflecting the "in the money" value of their options, calculated by reference to the CRML's 20-day volume weighted average share price prior to closing. Option holders will not be required to fund the exercise price.

Benefits of the Proposal for EUR shareholders

If implemented, the Proposal will provide significant benefits to EUR shareholders, including:

- **Substantial premium:** The Proposal offers EUR shareholders CRML scrip at a significant premium to the uninterrupted EUR and CRML share prices. The Proposal represents:
 - o A price of A\$0.58 per share of EUR held, being a 137% premium (last close²)
 - o A price of A\$0.51 per share of EUR held, being a 113% premium (20D VWAP³)
- **Significant ownership stake:** The proposed exchange ratio represents a significant implied pro forma ownership to EUR shareholders, with EUR shareholders owning approximately 45% of the combined company⁴.
- **Upside participation:** EUR shareholders will retain significant upside to the underlying assets of CRML and EUR through a more appropriate consolidated long-term ownership structure and can continue to participate in value and upside through direct equity ownership in the NASDAQ listed company.
- **Liquidity:** EUR shareholders exchange their shares in an ASX-listed company with constrained trading liquidity for shares in a NASDAQ-listed company with significantly higher liquidity and investor demand. Direct ownership of CRML provides shareholders with improved trading flexibility and broader access to capital markets, allowing shareholders to determine their own level and duration of exposure.
- **Simpler investment thesis:** EUR's largest asset is its 34% shareholding in NASDAQ-listed CRML. Consolidation of EUR with CRML would remove the look-through valuation of CRML and its underlying assets, creating a more straightforward and more easily understood

¹ Based on the last close price of CRML shares on NASDAQ on 22 April 2026 being A\$16.57 at AUDUSD of 0.7158.

² Uninterrupted price at 22 April 2026: A\$0.245; CRML - US\$11.86

³ 20-day volume weighted average price at 22 April 2026: A\$0.239; CRML - US\$10.41

⁴ Based on CRML shares outstanding as of April 22, 2026, expected CRML shares to be issued to EUR shareholders and the cancellation of the CRML shares currently held by EUR.



investment proposition for shareholders. Consolidation would also resolve ongoing overhang associated with EUR's material ownership stake in CRML, removing focus on future monetization, governance and strategic intent.

- Consolidation of 100% of the Tanbreez Rare Earths project: Combination of EUR and CRML consolidates EUR's 7.5% interest in the Tanbreez Rare Earths project, positioning CRML to consolidate 100% ownership interest in Tanbreez, removing any minority ownership discount and aligning governance.

Benefits and risks of the Proposal will be further outlined in future shareholder communications, if the Proposal progresses.

Non binding nature and conditions of the Proposal

The Proposal is non-binding other than the exclusivity obligations described below. Entry into binding transaction documents remains subject to several conditions customary for a transaction of this nature, including completion of due diligence by CRML and a unanimous recommendation from the relevant subcommittee of the EUR board.

Exclusivity and due diligence

Under the terms of the Proposal, EUR and CRML have agreed to negotiate exclusively with one another with a view to complete due diligence and execute a binding scheme implementation deed by 7 May 2026.

The exclusivity restrictions do not prevent the EUR Board from responding to a genuine unsolicited, competing proposal where the EUR Board determines, in good faith and based on external legal advice, that failing to respond would likely breach its directors' fiduciary or statutory duties.

EUR Board consideration

Given the significant ownership stake EUR holds in CRML, there is significant overlap in the Board membership between EUR and CRML. EUR has established an independent board committee (**IBC**) to carefully consider the merits of the Proposal. After careful consideration, the IBC determined to recommend to the EUR Board that it would be in the best interests of EUR shareholders to enter the non binding indicative agreement to further progress the Proposal. The IBC will continue to engage with CRML and will advise shareholders on the merits of the Proposal and any potential future entry into binding transaction documentation.

Quote from EUR independent director

European Lithium independent director and IBC chair Michael Carter described *"This transaction will deliver substantial value to EUR shareholders, priced at a 136% premium. The combination will enable EUR shareholders to directly own interests in Critical Metals Corp. which will be strategically positioned as the sole owner of the Tanbreez rare earth project in Greenland and will benefit from substantial cash balances and a portfolio of critical minerals development opportunities"*

About CRML

Critical Metals Corp. is a NASDAQ listed critical minerals corporation, founded with a clear mission: to become a strategic source of critical minerals, essential to defense, advanced manufacturing, clean energy, and emerging technologies. Amid growing concerns over global supply chain dependency, CRML saw both an opportunity and a responsibility to diversify the critical minerals supply in a sustainable, forward-thinking way. Their search led them to Greenland and Europe—geopolitically stable regions—where they secured rights to develop one of the world's most promising rare earth deposits.

Critical Metals Corp. owns:

- 42% interest (with another 50.5% ownership interest transfer to Critical Metals recently approved by Greenland Government and pending closing) in the Tanbreez Rare Earth Project in Greenland, an advanced, permitted asset poised to become a cornerstone in the global supply of rare earth elements (REEs) for North America and Europe. Positioned to

deliver a sustainable, reliable, and long-term supply, this world-class project is set to meet the surging demand for critical minerals essential to national security, advanced technologies, defense systems, and the green energy transition.

- 100% of the Wolfsberg Lithium Project, one of Europe's most strategically important lithium assets—a fully licensed, government-backed lithium mine built by the Austrian government and primed to play a central role in the region's integrated lithium-ion battery supply chain. Located just 270 km southwest of Vienna, in Austria's Carinthia region, Wolfsberg is a hard rock lithium deposit of significant scale and quality. Its close proximity to well-established road and rail infrastructure ensures efficient access to key European markets. Backed by over four decades of exploration data dating back to the 1980s, the project boasts a S-K1300 compliant mineral resource and has advanced through multiple stages of technical validation—including detailed engineering assessments and a Definitive Feasibility Study (DFS)—confirming both its economic viability and production potential.

Next steps

The EUR Board notes that there is no guarantee that the Proposal will result in a transaction.

EUR shareholders do not need to take any action at this time in relation to the Proposal.

EUR will provide further updates to the market as appropriate.

This announcement has been approved for release on ASX by the Board of Directors.

Yours faithfully
European Lithium Limited

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