

Europa Metals Ltd
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("Europa Metals" or "the Company")

Pb, Zn, Ag & Cu Drilling Results and Updated Resource Estimate to be Commissioned - Toral Project, Spain

Europa Metals, the European focused lead-zinc and silver developer, is pleased to announce further assay results including high-grade intersections of lead, zinc and silver, in addition to an interval of nearly 1% copper, at the Company's 100% owned Toral Pb, Zn & Ag project ("Toral" or the "Toral Project").

This latest 2021 infill drilling campaign was designed to improve the Company's understanding of the deposit and assess the potential for increasing future production in the early years of the planned mine life, thereby enhancing the project's pay-back period and profitability. Following the high-grade results consistently generated during the last eight months and the retrieval of significant amounts of material for metallurgical ore sorting work the Company has now concluded this drilling phase.

Europa Metals is now assessing the impact of these final assay results on its existing global and indicated resource and commissioning a new independent updated resource estimate from Addison Mining Services Limited ("AMS"). A further, independent, metallurgical and concentrate work programme will then contribute to the Toral project's production profile/design within the early years of the project with a view to enhancing the project's pay-back period and profitability.

The wide diameter, PQ, diamond drilling programme was conducted by Sondeos y Perforaciones Industriales de Bierzo SA ("SPI Drilling").

Highlights

Results:

- Significant intersections from the remaining drillholes into the upper zone, namely holes TOD-032, TOD-033 and TOD-034, including:
 - TOD-032 2.7m @ 11.14% ZnEq(PbAg) from 225.90m to 228.60m
 - TOD-033 1.1m @ 4.24% ZnEq(PbAg) from 251.50m to 252.60m
 - TOD-034 14.85m @ 8.36% ZnEq(PbAg) from 328.50m to 343.35m including
 - 5.85m @ 11.44% ZnEq(PbAg) from 330.40m to 336.25m; and
 - 4.85m @ 12.64% ZnEq(PbAg) from 338.50m to 343.35m.
- All drilling in 2021 has focused on the upper zones of the Toral project in order to further determine:
 - the early years' production profile for a Pre-Feasibility Study ("PFS")/Future Development;

- the ability to enhance payback and establish the most profitable mining route into the spatially lower but higher-grade areas of Toral and retrieve geotechnical data to advance ore sorting and metallurgical testwork focusing on likely, final, saleable, future concentrate products.
- Drilling campaign has exceeded initial expectations with consistent grades and intersections reported within the upper zone well in advance of internal schedule.
- 2.7m @ 0.93% Copper in hole TOD-032 most significant result from within what is principally a Pb, Zn & Ag project. With the presence of copper in the system, the Company is now considering third party technical options to further understand the potential benefits to Toral.
- Further to the successful campaign, the Company shall now:
 - Commission an independent updated Mineral Resource Estimate from AMS to a JORC (2012) standard seeking a potential increase in the indicated/global resource and examining the consequences that the high-grade results have on the upper zone of the block model.
 - Conclude and announce the findings from an independent hydrogeological report on bore hole pump testing conducted to provide a greater understanding of the sub surface water conditions during future production.
 - Progress metallurgical test work with Wardell Armstrong International (“WAI”) looking at the recovery circuit, specifically examining the ore sorting systems treating different material types.
 - Pursue the drawdown of Stage 2 grant funds of €158,628.60 once the Spanish Government Centre for the Development of Industrial Technology (“CDTI”) completes its final review of the Stage 1 milestone documentation submitted in connection with the Company’s innovation partnership with the University of Salamanca.

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

“The results from this latest round of drilling in terms of grades and widths of lead, zinc and silver are in our view exceptional and exceed our initial expectations for the upper zone of the Toral project, an area that we have always viewed as being the ‘path’ towards the lower, high-grade production zones.

“The 2021 drilling campaign has been excellent and I would like to thank our team on the ground for their hard work in consistently delivering within the highly challenging environment of COVID-19.

“The Company has decided to conclude drilling and is assessing the potentially positive impact these intersections could have on the existing resource model and the potential future economics for the Toral project. Even with a high-grade project with a robust EBITDA margin at the three-year trailing metals prices in the last independent economic study, we believe that further enhancements can be achieved from optimising the mining route and further determining processing systems such as ore sorting, or separate ore sorting processes for different ore types.

“We are also considering the recent copper results of nearly one per cent. and potential options for technical partnering to assess what is happening within the system regarding this metal. Whilst Toral is to date primarily a lead, zinc and silver project, the presence of copper in the system encourages our belief that potential sources may be present below the current 1,000 metre cut off.

“Such work continues to de-risk the Toral project as a viable low cost, high margin future production source with the potential to significantly expand both the current mine life and the metals concentrate profile.”

Commenting today, Myles Campion, Executive Chairman of Europa Metals said:

“This year’s drilling campaign into the upper siliceous zone of Toral has indeed exceeded expectations. We have obtained a significant amount of bulk sample material from this zone, through the utilisation of PQ size drilling, that will enable us to complete an ore sorting and metallurgical testwork programme in conjunction with WAI.

“Throughout the campaign the Europa Metals team has, in house, been updating our resource model as further information has become available. This will enable us to move quickly to commission an independent update to the existing resource estimate. We look forward to releasing such update to the market in due course.”

Drill Campaign’s Objectives

The drilling campaign was designed to infill known gaps in the resource drilling pattern, around the current known Indicated resource at Toral between the 100 - 800 metre horizon. The holes were also designed to retrieve a bulk sample for use in further metallurgical testwork in order to confirm the suitability of the siliceous ore type, found in the upper levels of the Toral deposit, for X-Ray Transmission ore sorting. Geotechnical logging was also routinely carried out for each hole to aggregate further data for our geotechnical database in order to facilitate further design studies.

Drill holes were located above the current Indicated resource area, in a zone containing a siliceous style of mineralisation (the lower, high-grade zones of Toral hosting a predominantly carbonate style of mineralisation) with the drilling being conducted using the biggest core size possible (PQ) to enable the retrieval of a new bulk sample for further metallurgical test work.

Drilling Results

Hole TOD-029 identified significant widths of the siliceous style of mineralisation present in the upper parts of Toral. The total length of the intersection was 20.45m @ 2.68% ZnEq(PbAg) which included 3.8m @ 8.87% ZnEq(PbAg).

The team elected to drill four “daughter” holes or wedges from the parent TOD-029 hole in order to acquire more sample to be utilised in the PFS ore sorting metallurgical testwork programme.

The results included:

- Hole TOD-028 intersected 2.4m @ 10.58% ZnEq(PbAg)
- Hole TOD-030 intersected 2m @ 1.11% ZnEq(PbAg)
- Hole TOD-031 intersected 1.05m @ 4.39% ZnEq(PbAg)
- Hole TOD-032 intersected 2.7m @ 11.14% ZnEq(PbAg)
- Hole TOD-033 intersected 1.1m @ 4.24% ZnEq(PbAg)
- Hole TOD-034 intersected 14.85m @ 8.36% ZnEq(PbAg)
- Hole TOD-035 no significant intersection

Such heterogenous results were expected across this upper part of Toral and by utilising the samples collated into a bulk sample, Europa Metals will be able to further determine and refine the economic viability of ore sorting as a component in the planned processing route.

Figure 1: Toral Life of Mine Development Plan (looking North) with the 2021 drilling campaign retrieving resource, geotechnical and metallurgical data to refine the scenario for the early years of potential future mining activity, which table is available for viewing on the following link:

http://www.rns-pdf.londonstockexchange.com/rns/8746K_1-2021-9-6.pdf

Drilling parameters for the assay results reported for the 2021 diamond drilling campaign are presented in the table below:

Hole ID	Easting (ETRS89)	Northing (ETRS89)	Elevation (m)	Azi (o)	Dip (o)	Depth (m)
TOD-028	681651.16	4710061.60	570.84	207.96	-45	531.7
TOD-029	681408.639	4710017.25	542.91	202	-49	370
TOD-030	681195.26	4710029.10	531.92	217	-63.5	261.60
TOD-031	681194.48	4710029.69	531.78	217	-63.5	374
TOD-032	681193.81	4710028.92	532.08	217	-63.5	244.9
TOD-033	681458.81	4709821.63	670.62	255	-62	340
TOD-034	681460.66	4709819.98	670.75	173	-70	358
TOD-035	681684.13	4709851.95	660.97	187	-57	470

Figures 2 & 3: East-West long sections locating completed primary drill holes with assays for holes TOD-032, TOD-033, TOD-034 and TOD-035 and all additional holes completed during the 2021 drill campaign , which tables are available for viewing on the following link:

http://www.rns-pdf.londonstockexchange.com/rns/8746K_1-2021-9-6.pdf.

All drill holes during the 2021 campaign were drilled with a PQ diameter, enabling the retrieval of:

- Resource assay data
- Geotechnical data
- Metallurgical samples

Holes TOD-032 to TOD-034 Zn, Pb, Ag & Cu assay results

Set out in the table below are all assays for the 2021 resource drilling campaign completed at the Toral project. The assays announced today for PQ drill holes TOD-32 to 34 are highlighted.

Following receipt of these latest results, combined with the previous results from this campaign, the Company will now seek to commission an independent updated Mineral Resource Estimate for Toral under the JORC (2012) code from AMS.

Hole ID	From	To	Int (m)	Ag ppm	Cu %	Pb %	Zn %	ZnEq (PbAg)%
TOD-028	514.10	516.50	2.40	30.18	0.05	3.78	6.50	10.58
TOD-029	339.60	360.05	20.45	6.59	0.03	0.76	1.85	2.68
TOD-029 *	339.60	341.30	1.70	1.88	0.01	0.35	2.31	2.67
TOD-029 *	346.95	350.75	3.80	18.12	0.05	2.47	6.24	8.87
TOD-029 *	355.00	356.65	1.65	2.37	0.01	0.13	2.54	2.71
TOD-029 *	357.70	360.05	2.35	6.61	0.02	0.44	1.43	1.97

TOD-030	243.10	245.10	2.00	37.07	0.53	0.37	0.06	1.11
TOD-031	351.55	352.60	1.05	7.33	0.38	0.67	3.63	4.39
TOD-032	225.90	228.60	2.70	70.17	0.93	4.94	5.23	11.14
TOD-033	251.50	252.60	1.10	12.90	0.16	1.91	2.23	4.24
TOD-034	328.50	343.35	14.85	45.84	0.11	5.08	3.28	8.36
TOD-034 *	330.40	336.25	5.85	90.88	0.23	9.15	1.24	11.44
TOD-034 *	338.50	343.35	4.85	26.84	0.03	4.11	8.33	12.64

Significant ZnEq intercepts were generated using a total length mineralisation. Zn equivalent calculations were based on 3-year trailing average price statistics obtained from the London Metal Exchange. ZnEq (PbAg)% is the calculated Zn equivalent incorporating silver credits as well as lead and is the parameter used to define the cut-off grade used for reporting resources (Zn Eq (PbAg)% = Zn + Pb*0.904 + Ag*0.019). No top cutting was applied to Zn, Pb, Ag or Cu grades. Interval widths reported are the downhole length and are unlikely to reflect true widths owing to the mineralisation style at the project. True thickness is approximately 70% of the drill thickness.

* Included.

Competent Person's Statement

The exploration results and activity reported in this announcement have been compiled and reviewed by Mr Luis J. Pérez who is a Member of the Australian Institute of Geoscientists (AIG) and a European Geologist (EurGeol). Mr Pérez has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to be regarded as a qualified person under the AIM Note for Mining and Oil & Gas Companies dated June 2009. Mr Pérez consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

United Kingdom
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The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulation (EU) No. 596/2014 as it forms part of United Kingdom domestic law by virtue of the European Union (Withdrawal) Act 2018.

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Appendix: Further information on the Toral Project

Existing Mineral Resource Estimate

- An Indicated resource of approximately 3.8Mt @ 8.3% Zn Equivalent (including Pb credits), 4.7% Zn, 3.9% Pb and 30g/t Ag, including:
 - 180,000 tonnes of zinc, 150,000 tonnes of lead and 3.7 million ounces of silver.
- An Inferred resource of approximately 14Mt @ 6.5% Zn Equivalent (including Pb credits), 4% Zn, 2.7% Pb and 23 g/t Ag, including:
 - 540,000 tonnes of zinc, 360,000 tonnes of lead and 10 million ounces of silver.
- A total resource of approximately 17Mt @ 6.9% Zn Equivalent (including Pb credits), 4.1% Zn, 2.9% Pb and 24 g/t Ag, including:
 - 720,000 tonnes of zinc, 510,000 tonnes of lead and 14 million ounces of silver.

Table 1: Summary of Indicated and Inferred mineral resources for the Toral property reported at a 4.0% Zn equivalent cut-off grade (including Pb and Ag credits) and estimated grade and tonnages at the various cut-off grades. Figures are rounded to reflect the accuracy of the estimate and, as such, totals may not cast.

Cut-Off Zn Eq (PbAg)%	Tonnes (Millions)	Density	Zn_Eq (Pb)%	Zn Eq (PbAg)%	Zn %	Pb %	Ag g/t	Contained Zn Tonnes (000s)	Contained Pb Tonnes (000s)	Ag Troy Oz (Millions)
Indicated										
6	2.8	2.9	9.5	10.0	5.3	4.5	34	150	130	3.1
5	3.3	2.9	8.9	9.5	5.0	4.2	32	170	140	3.4
4	3.8	2.9	8.3	8.9	4.7	3.9	30	180	150	3.7
3	4.1	2.9	7.9	8.5	4.4	3.7	29	180	150	3.8
Inferred										
6	8	2.9	7.8	8.3	4.7	3.4	28	370	270	7.2
5	10	2.9	7.2	7.7	4.4	3.0	26	450	310	8.6
4	14	2.9	6.5	6.9	4.0	2.7	23	540	360	10
3	17	2.9	5.9	6.3	3.7	2.4	20	610	400	11
Total										
6	11	2.9	8.2	8.8	4.8	3.7	30	520	390	10
5	14	2.9	7.6	8.1	4.5	3.3	27	620	450	12
4	17	2.9	6.9	7.3	4.1	2.9	24	720	510	14
3	21	2.9	6.3	6.7	3.8	2.7	22	790	560	15
Transitional Oxide Material										
4	3	2.9	5.2	5.7	2.6	2.9	27	75	83	2.5
Unweathered Fresh Rock										
4	14	2.9	7.2	7.7	4.5	3.0	24	650	430	11

* - ZnEq (Pb)% is the calculated Zn equivalent incorporating lead credits; $(\text{ZnEq (Pb)\%} = \text{Zn} + \text{Pb} \times 0.926)$. ZnEq (PbAg)% is the calculated Zn equivalent incorporating silver credits as well as lead; $(\text{ZnEq (PbAg)\%} = \text{Zn} + \text{Pb} \times 0.926 + \text{Ag} \times 0.019)$. Zn equivalent calculations were based on 3-year trailing average price statistics obtained from the London Metal Exchange and London Bullion Market Association giving an average Zn price of US\$2,680/t, Pb price of US\$2,100/t and Ag price of US\$16.2/oz.

Notes:

1. No mineral reserve calculations have been undertaken. Mineral resources that are not mineral reserves do not have demonstrated economic viability.
2. Numbers are rounded to reflect the fact that an Estimate of Resources is being reported as stipulated by JORC 2012. Rounding of numbers may result in differences in calculated totals and averages. All tonnes are metric tonnes.
3. Zn equivalent calculations were based on 3 year trailing average price statistics obtained from the London Metal Exchange and London Bullion Market Association giving an average Zn price of US\$2,680/t, Pb price of US\$2,100/t and Ag price of US\$16.2/Oz. Recovery and selling factors were incorporated into the calculation of Zn Eq values. It is the Company's opinion that all the elements included in the metal equivalents calculation (zinc, lead and silver) have a reasonable potential to be recovered and sold.
4. ZnEq (PbAg)% is the calculated Zn equivalent incorporating silver credits as well as lead and is the parameter used to define the cut-off grade used for reporting resources $(\text{ZnEq (PbAg)\%} = \text{Zn} + \text{Pb} \times 0.926 + \text{Ag} \times 0.019)$.
5. ZnEq is the calculated Zn equivalent using lead credits and does not include silver credits $(\text{ZnEq} = \text{Zn} + \text{Pb} \times 0.926)$.
6. The Mineral Resource Estimate set out above for the zinc, lead and silver mineralisation in the Toral Project area is based on a 3D geologic model and wireframe restricted block model that integrated the exploration work on the Toral project up to 21 January 2020. The block model used uniform cell size of 25x10x25m to best suit the orientation of the mineralisation and sample spacing. The block model was rotated by 20 degrees in plain view to best match the trend of mineralisation. Sub cells were applied to better fit the wireframe solid models and preserve accurate volume as much as possible. Cells were interpolated at the parent block scale using an Ordinary Kriging.
7. Following statistical analysis and assessment of the updated assay composite database top cuts of 125g/t Ag were applied to the data. No top cuts were applied for Zn or Pb.
8. The Indicated and Inferred mineral resource category for the Toral zinc-lead-silver project set out in Table 1 (at cut-off grades less than 4% Zn Equivalent) comply with the resource definitions as described in the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. The JORC Code, 2012 Edition. Prepared by: The Joint Ore Reserves Committee of The Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia (JORC).
9. The tonnes and grades reported at a cut-off grade of 3% Zn equivalent are below the economic cut-off grade of 4% and as such should not be considered mineral resources, they are shown here for comparison purposes only.