

Europa Metals Ltd
(Formerly Ferrum Crescent Limited)
(Incorporated and registered in Australia
and registered as an external company in
the Republic of South Africa)
(Registration number 4459850)
(External company registration number 2011/116305/10)
Share code on AIM: EUZ
Share code on the JSE: EUZ
ISIN: AU0000014342
("the Company")

Result of Fundraising

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Europa Metals, the European focused lead, zinc and silver developer announces that, further to its announcement of 7.00 a.m. (London time) 8.00 a.m. (South African time) today, it has successfully completed and closed the Fundraising (a portion of which is conditional on Shareholder approval, as set out below).

The Fundraising has raised, in aggregate, gross proceeds of £1.5 million through the placing of 19,527,920 Placing Shares to certain institutional and other investors and a subscription by certain other investors directly with the Company of a further 10,472,080 Subscription Shares in each case at a price of 5 pence per share (ZAR1.01).

The Fundraising is being conducted in two tranches with the initial tranche of new Ordinary Shares being issued under the Company's pre-existing share capital authorities and the second tranche subject to shareholder approval at the Company's forthcoming 2021 Annual General Meeting. The two tranches (subject to passing of the requisite Resolutions in respect of the second tranche) are being issued to subscribers to the Fundraising on a *pro rata* basis.

The net proceeds of the Fundraising will be utilised to progress the Company's refocused corporate and operational strategy and applied towards:

- **Pursuing and assessing appropriate additional projects and potential transaction opportunities:** to support the Group's corporate and strategic development as the Board seeks to create shareholder value, via:
 - Seeking a partial sale/earn-in/JV or similar third party agreement for the Toral Project;
 - Potential acquisitions with near term production/revenue or value realisation point; or
 - Potential low cost project acquisitions prospective in high demand commodities such as copper, lithium, gold, iron or nickel in regions including Europe, Australia, North America and select parts of Asia, Africa and South America;
- **To further progress and de-risk the Toral Project:** initially pursuing further geotechnical drilling to assess key areas for future plant location and potential tailings storage facilities and to compliment metallurgical and waste analysis work (impacting future early years production profile) and ongoing environmental impact assessment;
- **Optional deployment:** to be used at the Board's discretion on the assessment of potential acquisitions for corporate development or further work including metallurgy and associated Toral Project studies; and
- **General working capital:** it is anticipated that the net proceeds of the Fundraising will provide approximately 12 months of additional working capital for the Group excluding any expenditure in respect of potential transaction opportunities.

As noted above, the Fundraising comprises a placing and subscription of new Ordinary Shares to be effected in two tranches. Accordingly, the Company will issue 24,565,324 new Ordinary Shares (the "First Fundraising Shares"), to raise gross proceeds of approximately £1.23 million, to participants in the Placing and Subscription under the Company's pre-existing share capital authorities to allot equity securities granted at the Company's annual general meeting held on 30 November 2020.

The Company intends to issue a further 5,434,676 new Ordinary Shares (the "Second Fundraising Shares"), to raise gross proceeds of approximately a further £270,000. The issue of the Second Fundraising Shares is conditional, *inter alia*, upon the approval of Shareholders at the Company's 2021 Annual General Meeting proposed to be held on or around 30 November 2021, formal notice of which will be notified to shareholders shortly. Subject to Shareholder approval, the Second Fundraising Shares are expected to be admitted to trading on AIM on or around 1 December 2021.

First Admission and Total Voting Rights

Application will be made to the London Stock Exchange for admission of the 24,565,324 First Fundraising Shares to trading on AIM and to the Johannesburg Stock Exchange for quotation on AltX. It is expected that admission will become effective and dealings in the First

Fundraising Shares commence on AIM at 8.00 a.m. on 1 November 2021 (or such later date as may be agreed between the Company and the Bookrunner, but no later than 29 January 2022).

Following First Admission, the total number of Ordinary Shares in the capital of the Company in issue will be 73,695,973 with voting rights. This figure may be used by Shareholders as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, the Company's share capital pursuant to the Company's Constitution.

Second Admission and Total Voting Rights

Second Admission, comprising the Second Fundraising Shares, being 5,434,676 new Ordinary Shares, is conditional upon, amongst other things, the passing of the Resolutions at the Company's forthcoming 2021 Annual General Meeting.

Application will be made to the London Stock Exchange for admission of the 5,434,676 Second Fundraising Shares to trading on AIM and to the Johannesburg Stock Exchange for quotation on AltX. It is expected that admission will become effective and dealings in the Second Fundraising Shares commence on AIM at 8.00 a.m. on or around 1 December 2021 (or such later date as may be agreed between the Company and the Bookrunner, but no later than 29 January 2022).

Following Second Admission, the total number of Ordinary Shares in the capital of the Company in issue will be 79,130,649 with voting rights. This figure may be used by Shareholders as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, the Company's share capital pursuant to the Company's Constitution.

The Fundraising Shares will be issued fully paid and will rank *pari passu* in all respects with the Company's existing Ordinary Shares.

Notice of 2021 Annual General Meeting

The Company will make a further announcement in due course with respect to the publication of the formal notice of its 2021 Annual General Meeting with regards to seeking Shareholder approval for, *inter alia*, the proposed issue of the Second Fundraising Shares and replenishment of the Company's share capital authorities. Once posted, the Notice will also be made available on the Company's website at: www.europametals.com.

Related Party Transaction

Pursuant to the abovementioned Fundraising, Deutsche Balaton Aktiengesellschaft ("DBA") is investing £328,604, via the Subscription, for 6,572,080 new Ordinary Shares. DBA is currently an existing substantial shareholder of the Company and, accordingly, is considered to be a related party under the AIM Rules for Companies (the "AIM Rules"). The participation of DBA in the Fundraising is therefore deemed to constitute a related party transaction pursuant to Rule 13 of the AIM Rules. Accordingly, the independent Directors of Europa Metals, being Myles Champion, Laurence Read, Daniel Smith and Evan Kirby consider, having consulted with Strand Hanson Limited, the Company's Nominated Adviser, that the terms of DBA's participation in the Fundraising are fair and reasonable insofar as the Company's Shareholders are concerned.

Laurence Read, CEO of Europa Metals, commented:

“Today’s £1.5m (gross) Fundraising introduces new investors to Europa Metal’s shareholder register, a number of which have experience within the natural resources sector. With the support of the Company’s Shareholders, our refocused strategy going forwards is to seek to generate value via a potential transaction(s) to augment our asset portfolio whilst continuing to further de-risk and progress our Toral Project. We believe today’s Fundraising provides a stable platform for Europa Metals as we seek to build on our operational success over the course of the last twelve months.

“The Board will seek to secure and take advantage of attractive opportunities in what is currently a very exciting resources market. With our existing Toral lead, zinc and silver project already significantly progressed, we possess 100% of an excellent, high margin asset, located in the EU and governed by relevant world class ESG regulations, that, subject to funding, can be fast tracked into potential future production. With increasing interest in zinc as a next generation battery metal we plan to assess and potentially introduce other, value accretive project opportunities into the Company’s portfolio with a view to replicating our model of cost effectively and efficiently advancing such projects along the value chain.”

Capitalised terms used but not otherwise defined in this announcement shall have the meanings ascribed to such terms in the Company’s announcement made at 7.00 a.m. on 26 October 2021, unless the context requires otherwise.

United Kingdom
26 October 2021

For further information on the Company, please visit www.europametals.com or contact:

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