



EUROPEAN METALS

CINOVEC

A GLOBALLY SIGNIFICANT
LITHIUM PROJECT IN
THE HEART OF EUROPE



BENCHMARK WORLD TOUR - SEPTEMBER 2017

DISCLAIMER & CAUTIONARY STATEMENT



EUROPEAN METALS

DISCLAIMER

This presentation has been prepared by European Metals Limited (“European Metals” or the “Company”). It is not a disclosure document and should not be considered as an offer or invitation to subscribe for, or purchase any securities in the Company or as any inducement to make an offer or invitation with respect to those securities. No agreement to subscribe for securities in the Company will be entered into on the basis of this presentation. This presentation contains forecasts and forward looking information. Such forecasts, projections and information are not a guarantee of future performance, involve unknown risks and uncertainties. Actual results and developments will almost certainly differ materially from those expressed or implied. European Metals has not audited or investigated the accuracy or completeness of the information, statements and opinions contained in this presentation. Accordingly, to the maximum extent permitted by applicable laws, European Metals makes no representation and can give no assurance, guarantee or warranty, express or implied, as to, and takes no responsibility and assumes no liability for, the authenticity, validity, accuracy, suitability or completeness of, or any errors in or omission, from any information, statement or opinion contained in this presentation.

You should not act or refrain from acting in reliance on this presentation material. This overview of the Company’s Cinovec Project does not purport to be all inclusive or to contain all information which its recipients may require in order to make an informed assessment of the Cinovec Project’s prospects. You should conduct your own investigation and perform your own analysis in order to satisfy yourself as to the accuracy and completeness of the information, statements and opinions contained in this presentation before making any investment decision. Information in this presentation that relates to Exploration Results, Mineral Resources or Ore Reserves is based on previous announcements made by European Metals (or other relevant parties) to the ASX and AIM.

This presentation does not constitute financial product advice (nor investment, tax, accounting or legal advice) and has been prepared without taking account of any person’s investment objectives, financial situation or particular needs.

COMPETENT PERSON

The Exploration information in this presentation is based on information compiled by Mr Widenbar who is a recognised geologist and consultant to European Metals. Mr. Widenbar has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Mr Widenbar consents to the inclusion in this presentation of the matters based on his information in the form and the context in which it appears

CINOVEC PROJECT



- **Cinovec is a globally significant lithium project due to –**
 - **Location:** In the heart of Europe within close proximity to numerous potential end users.
 - **Size:** The largest lithium resource in Europe – fourth largest non-brine lithium resource in the world.
 - **Cost:** Low cost producer and potentially lowest cost hard rock producer in the world.

LITHIUM – NEW DEMAND EUROPE



LITHIUM – NEW DEMAND EUROPE



Plans 3 million EVs pa & 50 EV models by 2025. Total spend – EUR 70bn
Reports of EUR 10bn battery factory in Leipzig - 150kms from Cinovec



EUR 1bn EV program, headquarters in Stuttgart & factory in Leipzig. First EV production in 2019. 50% of all vehicles to be EV by 2023



EUR 2bn EV program with target to bring 10 EV models to the market by 2025, making up 15-25% of global sales. All models to have electric capability by 2022



Plans to introduce electric Mini and BMW X3 SUV to range of EV's.
Mass production of EV's by 2020 – 12 EV models by 2025



Based in Dresden, 45 minutes from Cinovec, building 2nd battery factory & expanding production by EUR 2bn. EUR 10bn by 2020 on 10 new EV's



VW's Skoda, headquartered in Mladá Boleslav, announced a new all-electric SUV with a 500km range. Plans to build 500k EV's per year

LITHIUM – NEW DEMAND EUROPE



Building battery factory in Wroclaw, Poland



Building battery factories in Hungary & Austria



Specialist Lithium-Ion battery manufacturers, recently began operations in new factory in Ostrava, Czech Republic



To build Europe's largest Lithium-Ion battery factory (US 4bn) in Sweden – ex-Tesla executives



Building a 2nd Gigafactory in Europe, reported to be in Czech Republic



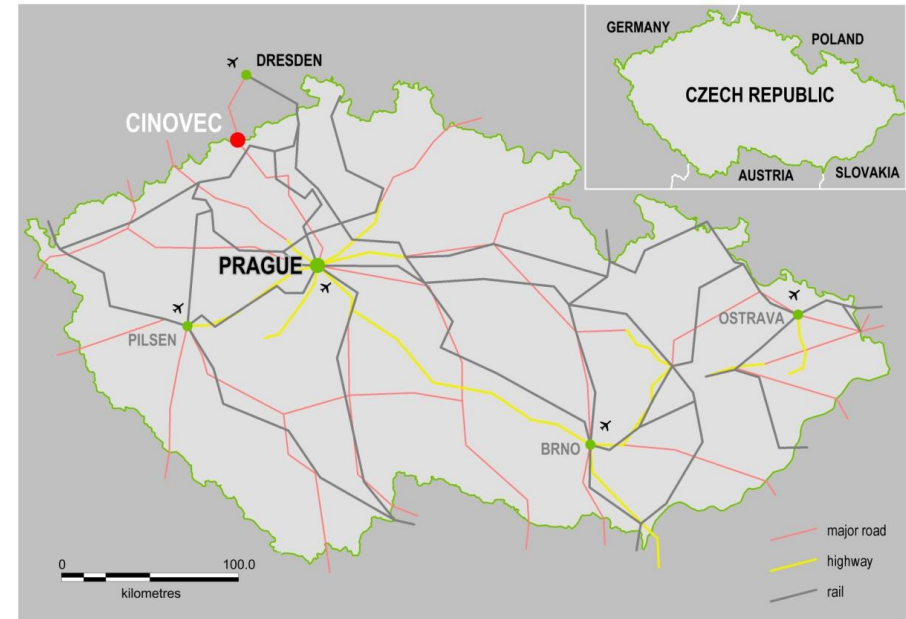
Opened first section of what will be Europe's biggest lithium-ion battery factory in Karlstein, Bavaria & intend to launch their own extremely efficient cell by year-end



Plans to build Gigafactory in Germany with capacity of 34 GWh/year by 2028

CINOVEC – LOCATION

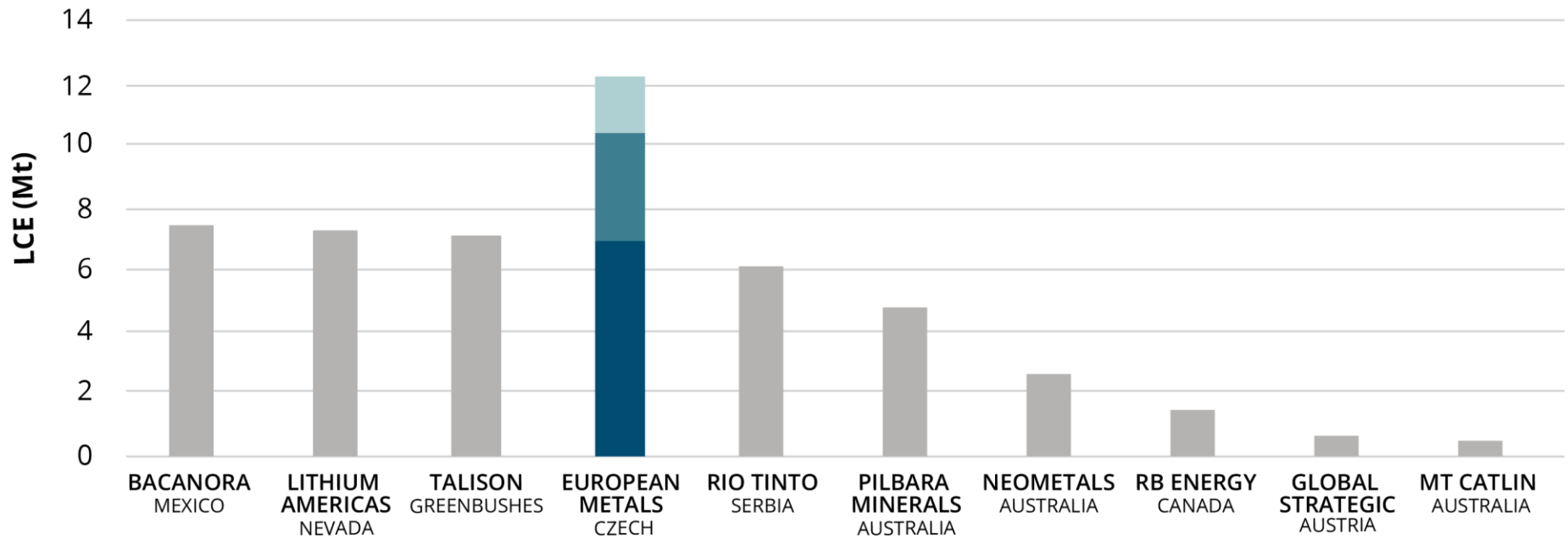
- **Located in the heart of Europe** - ready access to end users.
- **Large industrial and chemical plants** - excellent support services in Czech and Germany.
- **Rail access** - two lines within 10km of the deposit.
- **Road Access** - adjacent to main road.
- **Power available** – 110 KvA transmission lines in project area.
- **Water available** - good supply.
- **Miscellaneous infrastructure.**



PEER ANALYSIS – AVAILABLE RESOURCES

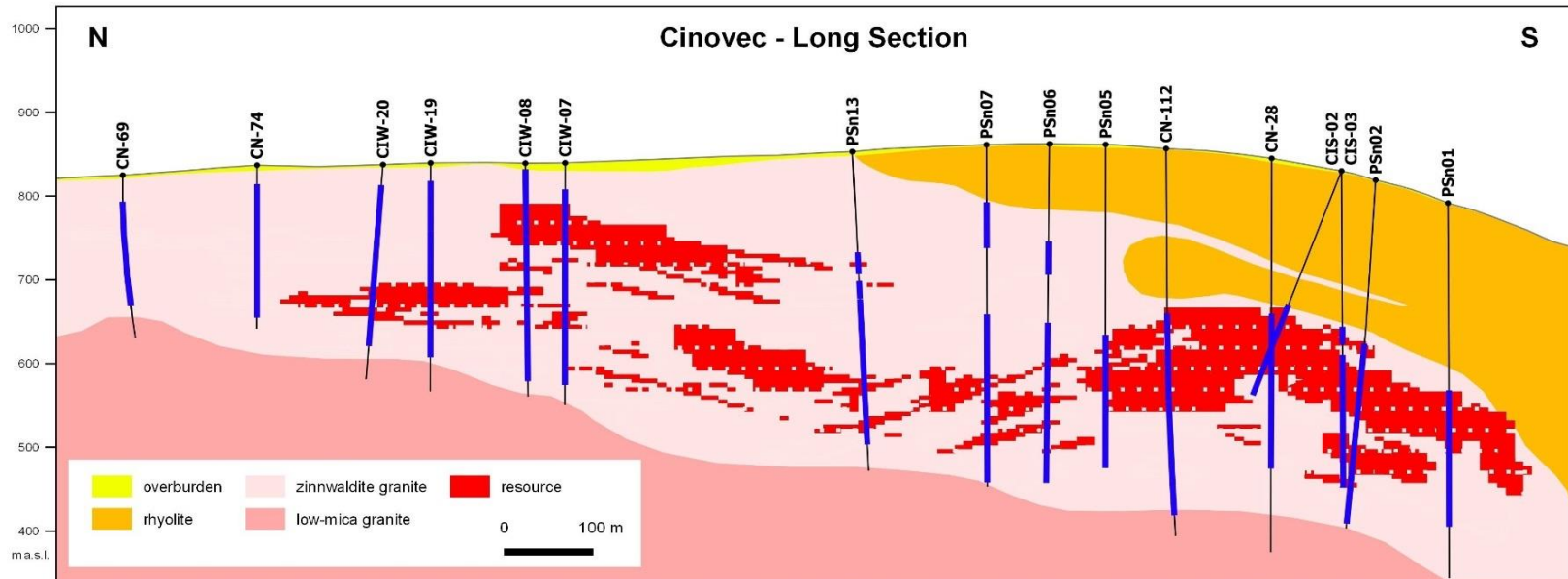


ACTIVE LITHIUM PROJECTS - NON BRINE

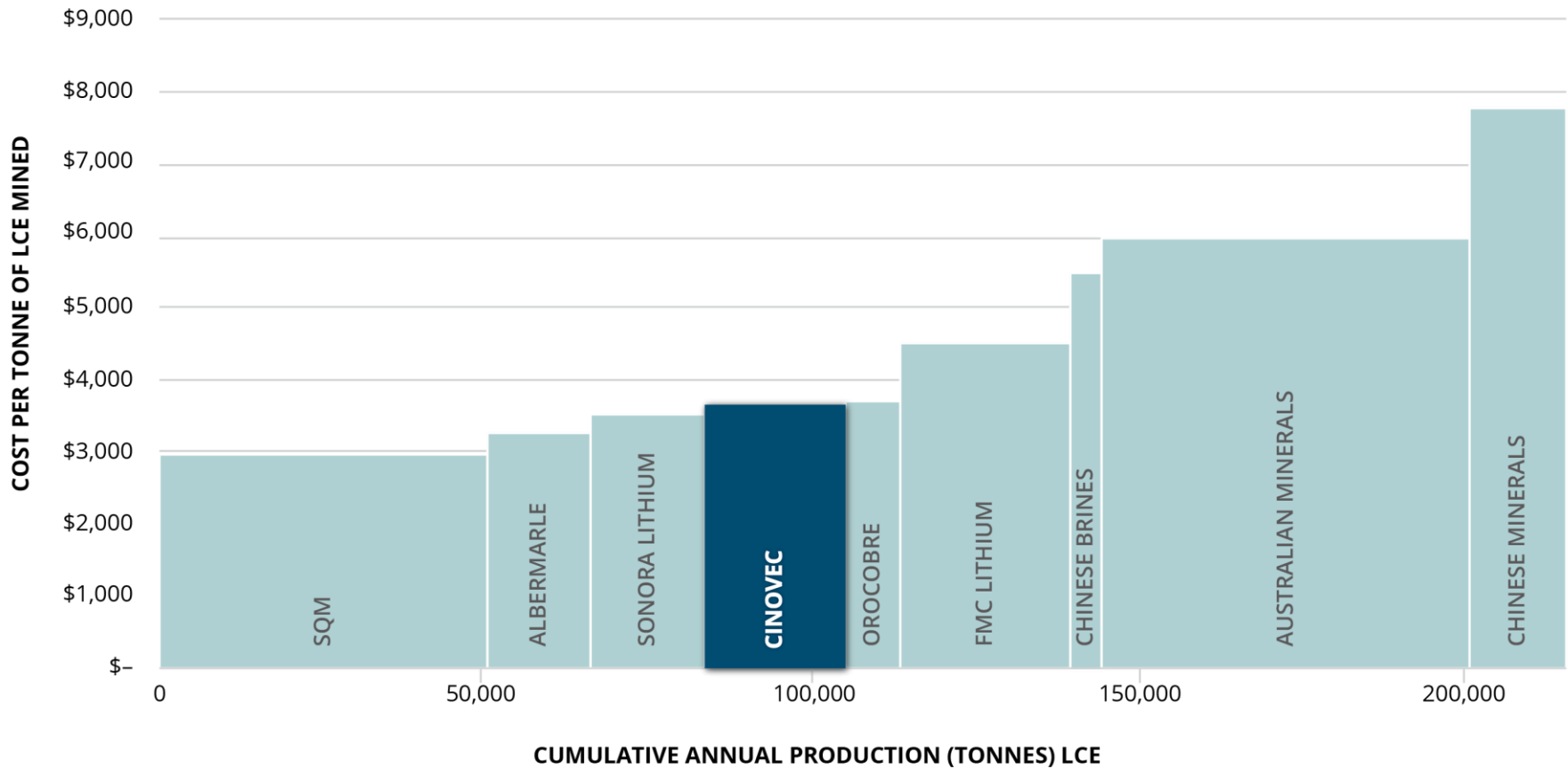


CINOVEC - DEPOSIT

- Historic underground mine for tin and tungsten, closed in 1990.
- **85,190m** historic diamond drilling, **21.5km** historic development, EMH confirmation drilling **9,477m**.
- Upper portion of a granite cupola mineralized. Lithium hosted in lithium mica called zinnwaldite, disseminated in the granite
- Total lithium resource of **7.0 Mt** of lithium carbonate equivalent LCE (**656.5Mt** of resource averaging 0.43% Li₂O at 0.1% Li cut-off, plus **262,600 tonnes** of tin and **91,910 tonnes** of tungsten).



PEER ANALYSIS – COST OF PRODUCTION



Source : Cadence Minerals

PFS SUMMARY – April 2017

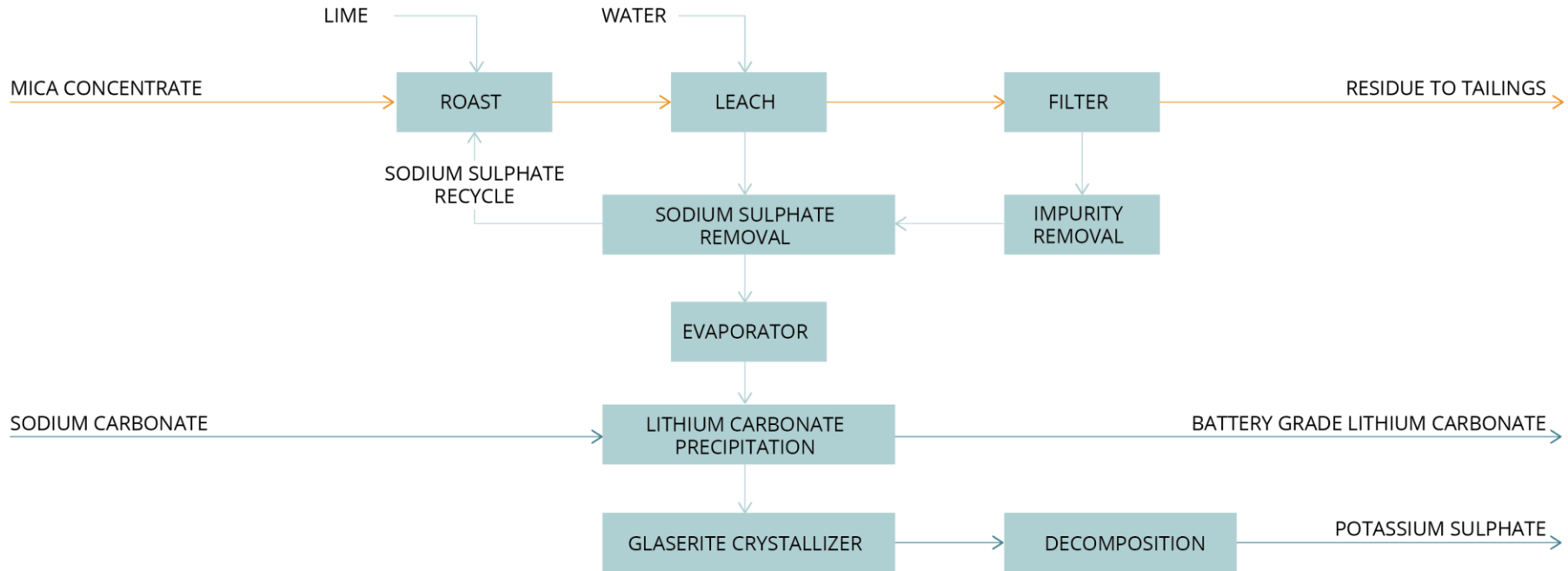


ANNUAL PRODUCTION	20,800 tpa battery grade Li_2CO_3
PROJECT LIFE	21 years
TOTAL JORC RESOURCE	7.0 mt LCE (4.0 mt Indicated, 3.0 mt Inferred)
CONSTRUCTION CAPITAL COSTS	\$ 393 million
OPERATING COSTS (without credits)	\$ 5,211/t Li_2CO_3
OPERATING COSTS (with credits)	\$ 3,483/t Li_2CO_3
LITHIUM CARBONATE PRICE ASSUMPTION	\$ 10,000/t battery grade Li_2CO_3
AFTER TAX ECONOMICS	\$ 540 million (NPV 8% Discount)
INTERNAL RATE OF RETURN	21%

**All figures in USD*

PFS based on **21 years** of production, and approximately one third of the mineral resource of same metal content.

LITHIUM PROCESSING



- Process flow sheet for the production of battery grade lithium carbonate
- Successfully used to produce $> 99.5\%$ Li_2CO_3 – impurities below industry limits
- Process can be adapted to produce lithium hydroxide

CORPORATE SNAPSHOT



ASX & AIM CODE	EMH
CDI's	131M
MARKET CAP @ AUD 0.75	98M AUD
SHARE HOLDER STRUCTURE	
Cadence Minerals plc	20.6%
Held by Directors	12.6%
Top 20 Shareholders	79.6%

EMH 12 MONTH SHARE PRICE PERFORMANCE & VOLUME



DIRECTORS

KEITH COUGHLAN (AUS)
MANAGING DIRECTOR

DAVE REEVES (AUS)
NON EXECUTIVE CHAIRMAN

RICHARD PAVLIK (CZ)
EXECUTIVE DIRECTOR

KIRAN MORZARIA (GB)
NON EXECUTIVE DIRECTOR

THE TEAM



KEITH COUGHLAN (AUS) MANAGING DIRECTOR

- 30 years experience in mining finance
- Cross border listing and financing
- Development of early stage mining projects

DAVE REEVES (AUS) NON EXECUTIVE CHAIRMAN

- Qualified Mining Engineer
- 25 years global experience
- Honours degree from UNSW
- Grad Dip Applied Finance & Securities Investment, SIA

RICHARD PAVLIK (CZ) EXECUTIVE DIRECTOR

- GM of Geomet s.r.o. (CZ)
- Masters Mining Engineering
- 30 yrs Czech mining experience
- Previously Chief Engineer & Head of Surveying & Geology for OKD & New World Resources

KIRAN MORZARIA (GB) NON EXECUTIVE DIRECTOR

- CEO & Director of EMH's largest shareholder, Cadence Minerals in UK
- Bachelor of Engineering & MBA Finance
- Operational & Management experience in Mineral Resource Industry

CRAIG REIMER(AUS) PROJECT MANAGER

- 25 years project, engineering & business management experience
- Registered Professional Engineer
- Held senior leadership positions with Jacobs, UGL, Honeywell & SNC Lavalin
- Worked on projects for BHP, Vale Inco, Atlas Iron, ENK, Lynas, Rare Earths, Newmont & Alcoa

GRANT HARMAN(AUS) METALLURGICAL CONSULTANT

- Previously Manager Lithium Chemicals for Talison Lithium
- Held roles with UGL, SNC Lavalin, CleanTeq & Ausenco

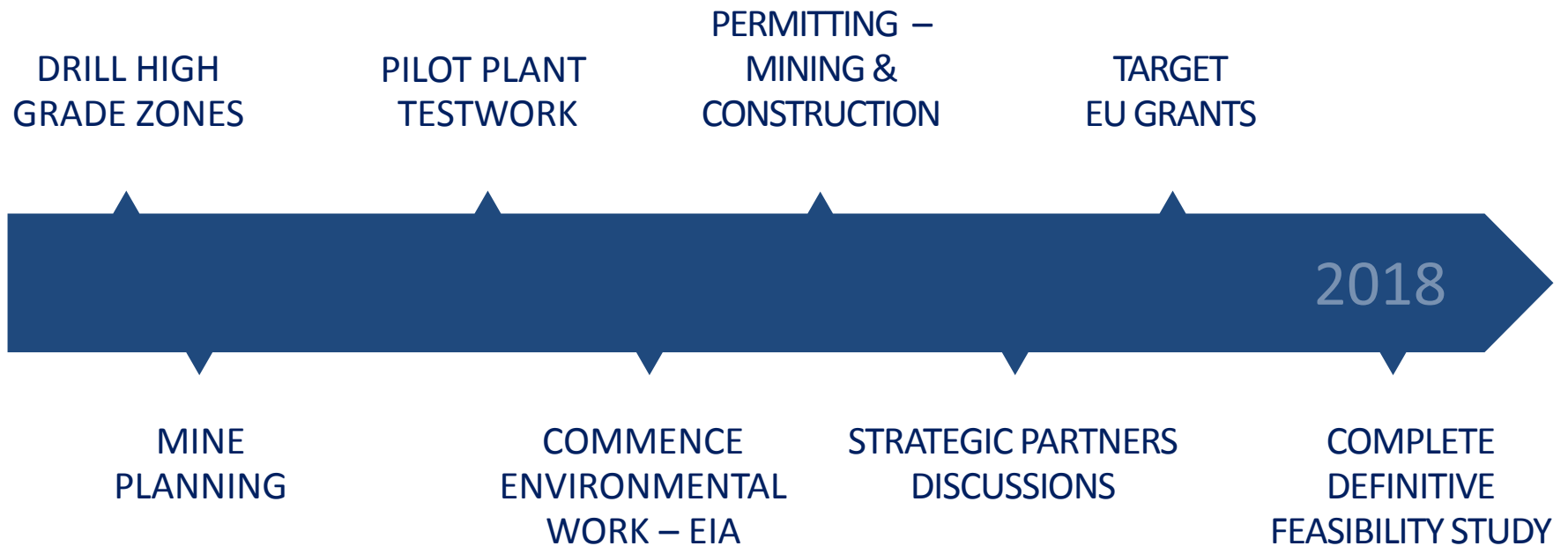
PAVEL REICHL(CZ) GEOLOGICAL CONSULTANT

- Certified Professional Geologist
- Member of American Institute Professional Geologists
- Fellow of Society of Economic Geologists
- Competent Person for Australasian Code
- Qualified Person for AIM Guidance Notes

PATH TO PRODUCTION



EUROPEAN METALS





EUROPEAN METALS

CONTACT

Keith Coughlan | Managing Director
Suite 12, 11 Ventnor Avenue, West Perth, WA 6005, AUSTRALIA

www.europeanmet.com

