

5 February 2018

EUROPEAN LITHIUM RESOURCE EXTENSION DRILLING PROGRAMME

Highlights

- **Zone 2 drilling programme restarts 5 February 2018 for completion early April 2018**
- **Lithological model completed**
- **SRK Consulting (UK) engaged to assist in definition of exploration programme for current exploration targets that will lead to increased measured and indicated resources**
- **Pre-feasibility study (PFS) scheduled by end Q1 2018**
- **Current mine life based on 6.3mt is 13 years (SRK report)**

European Lithium Limited (ASX: **EUR**, FRA:PF8, VSE:ELI) (the **Company**) wishes to announce that, following the successful capital raise in December 2017, it will continue with an aggressive exploration effort to increase measured and indicated resources at its 100% owned advanced Wolfsberg Lithium project in Austria (**Wolfsberg**).

In 2016 a twin hole underground drilling and channel sampling programme verified the original Minerex data and declared the lithium bearing pegmatite resource as JORC Code (2012) compliant Measured and Indicated (Refer ASX announcement 21 November 2016). The Minerex drilling had been carried out on the north limb of an anticline known as Zone 1.

In 2017 a deep hole drilling programme to test the depth extension of the Zone 1 pegmatite veins was completed (Refer ASX announcement 17 May 2017). The Wolfsberg resource is summarised in Table 1 (Refer ASX announcements 3 and 7 July 2017) .

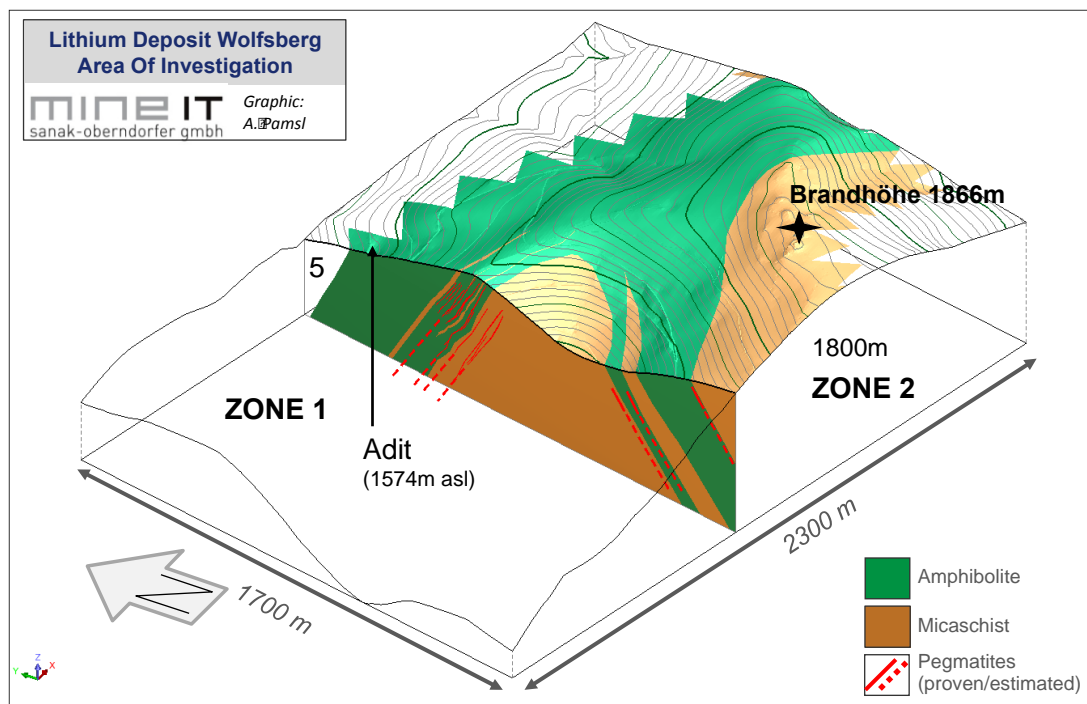
Category	Million Tonnes	%Li ₂ O
Measured	2.86	1.28
Indicated	3.44	1.08
Measured and Indicated	6.30	1.17
Inferred	4.68	0.78
Total Resources	10.98	1.00

Table 1: JORC Code (2012) resources at a 0% Li₂O cut off

The Measured and Indicated resource is being used as the basis of reserve estimation and mine design for the pre-feasibility study (**PFS**) that is scheduled for completion in Q1 2018.

Earlier surface mapping of lithium bearing pegmatite boulders and scout drilling on the southern limb of the anticline indicated that the pegmatite veins could be expected to extend from the northern limb to the southern limb of the anticline. This is illustrated in Figure 1.

Project Topography



Source: Company, Mine-it representation

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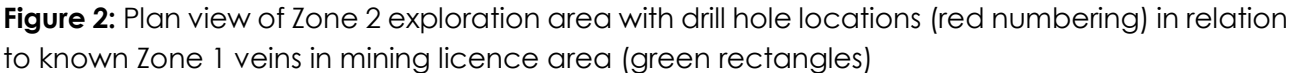
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Figure 1: Schematic of the anticline showing Zone 1 veins and potential veins in Zone 2

A drilling programme in Zone 2 commenced in 2017 which comprised nine holes totalling 1,750m. The planned drill holes and their relation to the known veins in Zone 1 is shown in Figure 2.

Three of the nine holes were drilled. Hole P15-1, the furthest from the hinge of the anticline, did not intersect pegmatites. Holes P15-5 and P15-6 showed wide intersections of spodumene rich pegmatites (Refer ASX announcement 28 June 2017). The drilling programme was suspended as a result of funding constraints.

The Zone 2 drilling programme will now be resumed. A contract has been awarded to the drilling company GEOPS which is prepared for drilling activities in winter conditions. They have mobilised and will start site preparation on 5 February 2018 and aim to complete the outstanding six drill holes in Zone 2 totalling 1,250m by early April 2018. These drill holes have already been permitted by the Mining Authority.

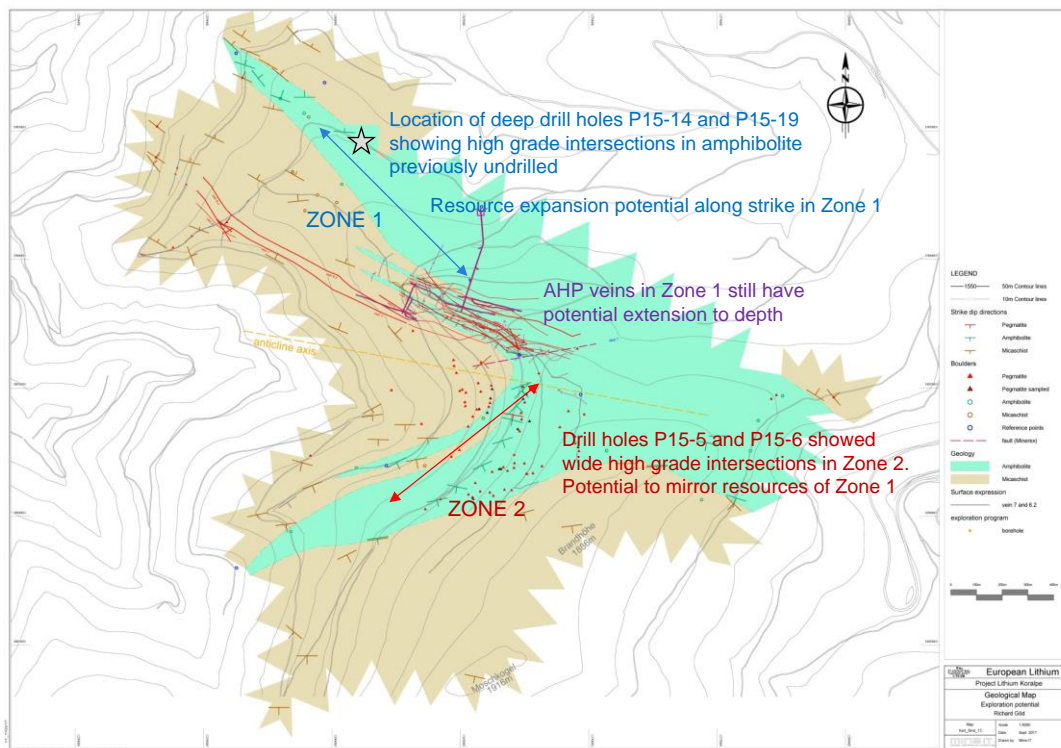


GeoUnterweissacher and Mine-it, Austrian exploration and mining information consultants, were commissioned to use all geological data from drilling and trenching in Zones 1 and 2 for the preparation of a lithological model needed to best locate additional exploration drill holes. This was completed during January 2018.

The drilling in Zone 2 and the new amphibolite area of Zone 1 can be conducted from surface. The deeper areas of Zone 1 will probably require the development of an exploration drift and drilling from underground. This new surface drilling and underground development will require approvals from the Mining authority. These approvals will be

sought to allow a continuous exploration programme from the already permitted Zone 2 drilling.

Resource Expansion Potential



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Figure 3: Exploration Targets

Dr Steve Kesler
Chief Executive Officer
European Lithium Limited

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Visit the Company's website to find out more about the advanced Wolfsberg Lithium Project located in Austria.

Competent Person's Statement

The information in this announcement pertaining to the Wolfsberg Lithium Project, and to which this statement is attached, relates to Project Development and Metallurgical Studies and is based on and fairly represents information and supporting documentation provided by the Company and its Consultants and summarized by Dr Steve Kesler who is a Qualified Person and is a Fellow of the Institute of Materials, Minerals and Mining and a Chartered Engineer with over 40 years' experience in the mining and resource development industry. Dr Kesler has sufficient experience, as to qualify as a Competent Person as defined in the 2012 edition of the "Australian Code for Reporting of Mineral Resources and Ore reserves". Dr Kesler consents to the inclusion in the report of the matters based on information in the form and context in which it appears. The company is reporting progress on project development and metallurgical results under the 2012 edition of the Australasian Code for the Reporting of Results, Minerals Resources and Ore reserves (JORC code 2012).