

31 October 2019

**QUARTERLY ACTIVITIES REPORT AND APPENDIX 5B  
FOR THE QUARTER ENDING 30 SEPTEMBER 2019**

The Board of European Lithium Limited (ASX: **EUR**, FRA: **PF8**, VSE: **ELI**, NEX: **EUR**) (the **Company**) is pleased to present its activities report and Appendix 5B for the three months ending 30 September 2019.

**SUMMARY OF KEY UPDATES**

- Dorfner/Anzaplan continued metallurgical test work and pilot processing expected to be completed in Q4 2019
- Summer drilling program has been completed. Core logging and assay testing on progress to convert JORC resource Inferred into Measured and Indicated category and upgrade resources to 10.98mt
- Multiple pegmatite intersections in shallow drill holes of phase 1; intersections widths up to:
  - P18-13 – 2.19 to 4.1m @ 1.5% Li<sub>2</sub>O
  - P18-22 – 0.8 to 1.17 m @ 0.7% Li<sub>2</sub>O
  - P18-26 – 0.8 to 2.0m @1.0% Li<sub>2</sub>O
  - P18-28 – 2.05 m @1.5% Li<sub>2</sub>O

**CORPORATE MATTERS****Placement**

On 10 May 2019, the Company announced that it would be undertaking a placement, mainly to European based sophisticated investors, at an issue price of \$0.09 per share to raise proceeds of up to €1.5million (before expenses) (**Placement**).

During the quarter, the Company issued 5.3m shares to raise cash proceeds of \$477,000 (before expenses).

**Magna Financing Facility**

As previously announced, the Company established a A\$10m finance facility with MEF I, L.P. (**Magna**) of which A\$2.5m (1,840,500 convertible notes) was drawn down on 7 September 2018.

During the quarter, the Company established a new finance facility with Winance Investment LLC replacing the facility with Magna.

On 13 September 2019, Magna agreed to extend the maturity date of the convertible notes on

issue from 7 September 2019 to 30 November 2019. In consideration for this extension, the Company issued Magna 1,000,000 fully paid ordinary shares on 13 September 2019.

During the quarter, Magna converted 150,000 notes and redeemed 434,782 notes (each with a face value of US\$1.10). As at 30 September 2019, Magna had 103,260 convertible notes remaining.

### **Winance Financing Facility**

On 31 July 2019, the Company announced that it had secured an A\$10m finance facility with Winance Investment LLC (**Winance**) to repay the residual amount owing to Magna, to fast-track the completion of a DFS at the Company's Wolfsberg Lithium Project in Austria and for general working capital purposes.

An initial amount of A\$2.0m (2,000 notes) was drawn down on 20 September 2019 and a further A\$8.0m is available in tranche of A\$1.0m each upon full conversion of the notes from the previous drawdown, subject to a cooling off period.

Full terms and conditions of the convertible securities are included in the announcement released on 31 July 2019.

During the quarter, Winance converted 160 notes. As at 30 September 2019, Winance had 1,840 convertible notes remaining.

### **Capital Movements**

During the quarter, the Company issued the following securities:

- 11 July 2019 – 2,000,000 shares issued pursuant to the Placement and 983,548 shares issued to Magna upon the conversion 50,000 convertible notes
- 31 July 2019 – 995,223 shares issued to Magna upon the conversion of 50,000 convertible notes
- 16 August 2019 – 1,016,411 shares issued to Magna upon the conversion of 50,000 convertible notes
- 13 September 2019 – 1,000,000 shares issued to Magna as consideration for the extension of repayment date of the convertible notes
- 25 September 2019 – 285,714 shares issued to Winance upon the conversion of 20 convertible notes
- 30 September 2019 – 3,300,000 shares issued pursuant to the Placement and 1,999,999 shares issued to Winance upon the conversion of 140 convertible notes

### **Appendix 5B Quarterly Report and Statement of Cash Flows**

The ASX Appendix 5B quarterly report is attached to and lodged with this report. The Company's Appendix 5B Quarterly Report covers the 3-month period from 1 July 2019 to 30 September 2019.

## **EXPLORATION AND DEVELOPMENT ACTIVITIES**

### **Wolfsberg Lithium Project**

#### **Drilling**

Drill core samples have been assayed at ALS laboratory in Dublin, Ireland where crushing, pulp and Li<sub>2</sub>O analysis was completed. The Company expects final results from phase 1 drilling in Q4,

2019.

Five shallow drill holes of phase 1 with a maximum depth of 290.0 m were completed in Zone 1 during Q3 2019. All five drill holes show multiple pegmatite intersections. Three drill holes contain pegmatite intersections with a true thickness up to 2 m. The phase 1 drillings confirm the suspected extension of pegmatite veins with depth (see Sections).

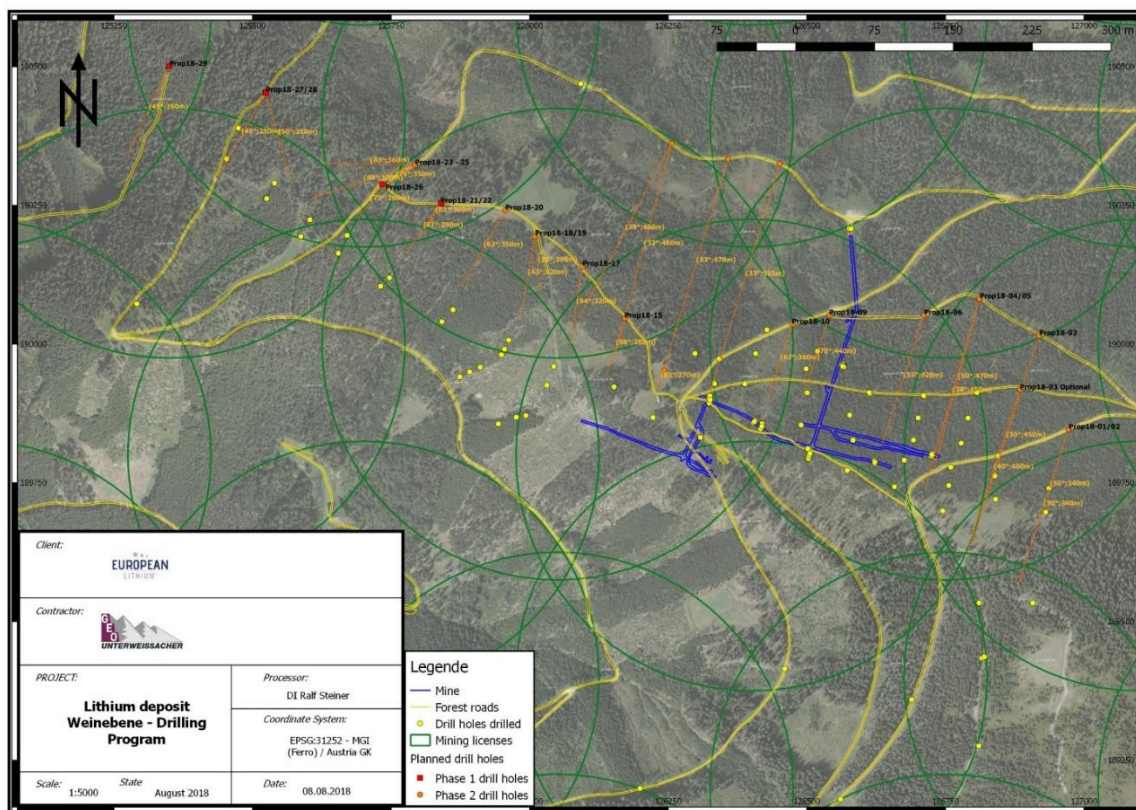


Figure 1: Plan view of Lithium deposit Wolfsberg - area of investigation with drill holes of Phases 1 and 2

The drill hole collar positions and properties are shown in Table 1.

Drill Hole Id	East	North	Collar Elevation	Start Date	End Date	Dip	Azimuth	Total Depth	Total Core Recovery %
P18-13	126244.33	5189952.65	1639.28	19.07.2019	26.07.2019	-83	205	280.2	95.9
P18-22	125839.74	5190256.10	1569.16	11.07.2019	18.07.2019	-67	215	290.0	98.2
P18-26	125738.40	5190295.26	1554.95	18.06.2019	29.06.2019	-73	215	260.2	98.2
P18-28	125476.46	5190400.72	1459.74	29.07.2019	03.08.2019	-45	210	250.1	98.6
P18-29	125349.01	5190499.91	1399.72	02.07.2019	09.07.2019	-46	207	250.2	98.9

Table 1: Drill hole collar positions and properties of phase 1 drilling

In total, 111 samples were submitted to ALS Global in Ireland for analyses. Of those 5 were blanks, 6 were certified reference material (standards), and 21 were duplicates. The strip logs of all five drill holes are presented in Appendix A with sample interval grades shown in Appendix B. Table 2 shows all intersections with a measured thickness of 0.3 m and above including calculated true thickness. All Sections for drill holes P18-13, P18-22 and P18-26 are shown in Figures 2-4.

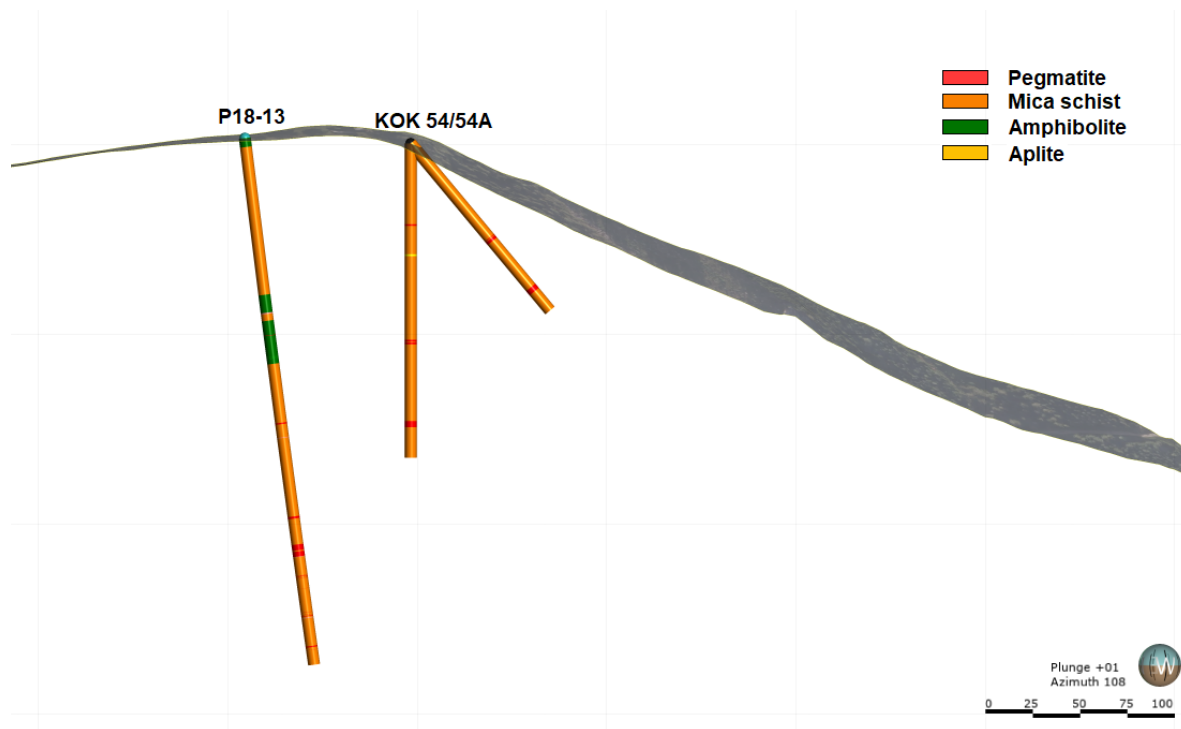


Figure 2: Section for drill hole P18-13

Drill hole P18-13 intercepted several pegmatite veins with most remarkable one at 216.1m having 4.1m true thickness with more than 1.5%  $\text{Li}_2\text{O}$  composited grade.

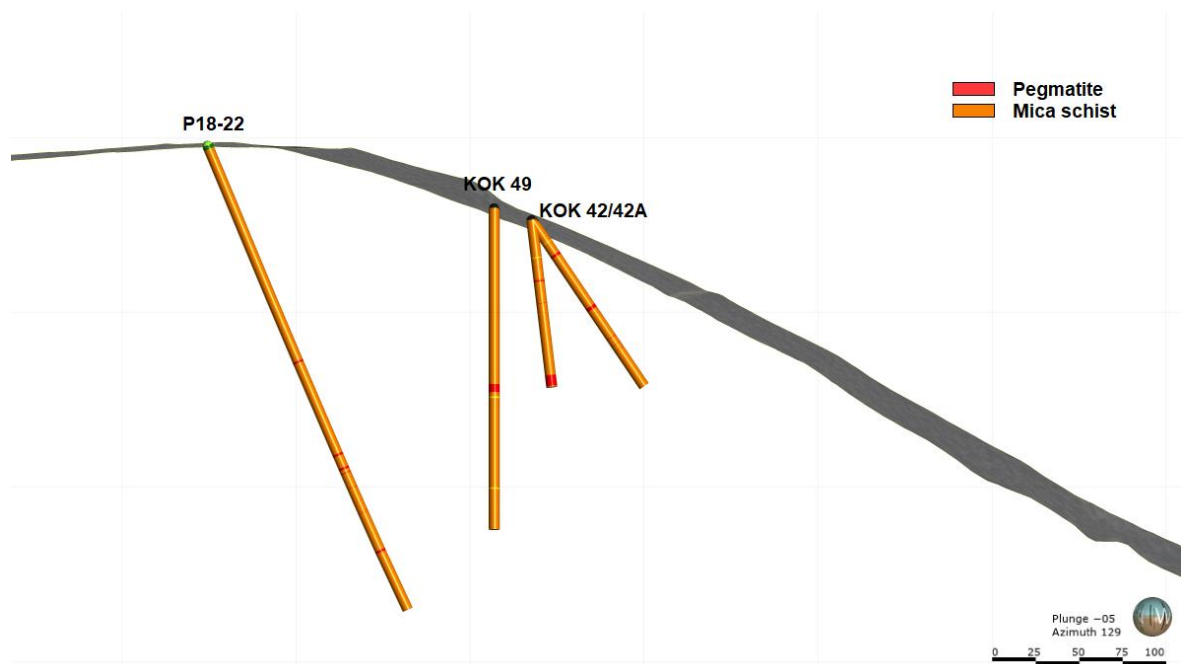


Figure 3: Section for drill hole P18-22

Drill hole P18-22 intercepted three major pegmatites veins ranging from 0.85 to 1.17m of true thickness with lithium grade up to 0.7 %  $\text{Li}_2\text{O}$ .

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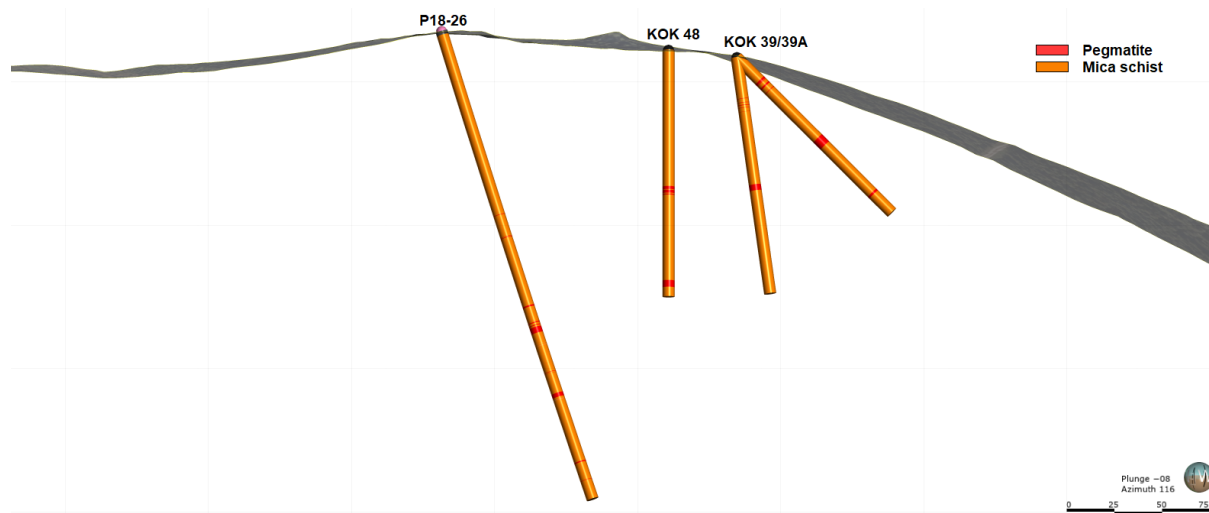


Figure 4: Section for drill hole P18-26

Drill hole P18-26 intercepted four pegmatites with true thickness ranging from 0.81m to over 2m with lithium up to 1%  $\text{Li}_2\text{O}$ .

Drill holes P18-13, P18-22 and P18-26 were located between deep drilling undertaken in 2017 and historical (MINEREX) drilling in order to assist in the conversion of inferred resources (2017) into indicated.

Drill holes P18-28 and P18-29 were exploration drill holes, and they are projected to confirm continuity of the pegmatite vein toward the west where the previous mapping identified outcropping pegmatites at the area. Although P18-29 intercepted relative thin spodumene-bearing pegmatite vein, the results proved that the pegmatite veins remain open toward that area. Drill hole P18-28 is located in the area between established inferred resources (2017) and P18-29. This drill hole confirms continuity of pegmatites veins toward the west. Drill hole P18-28 intercepted at 82.7m 2.05m of pegmatite containing more than 1.5 %  $\text{Li}_2\text{O}$ .

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Drill Hole ID	Pegmatite From (m)	Pegmatite To (m)	Measured Thickness (m)	Measured Dip Angle (°)	True Thickness (m)
P18-13	151.36	152.10	0.74	45	0.52
P18-13	201.20	202.39	1.19	45	0.84
P18-13	216.10	219.20	3.10	45	2.19
P18-13	219.80	222.50	2.70	45	1.91
P18-13	254.05	254.35	0.30	40	0.23
P18-13	270.20	270.80	0.60	35	0.49
P18-22	134.10	135.30	1.20	45	0.85
P18-22	192.00	193.25	1.25	30	1.08
P18-22	200.50	201.75	1.25	30	1.08
P18-22	203.70	204.10	0.40	20	0.38
P18-22	252.30	253.60	1.30	55	0.75
P18-26	152.55	153.36	0.81	45	0.57
P18-26	161.85	162.34	0.49	50	0.31
P18-26	163.36	163.76	0.40	50	0.26
P18-26	164.50	167.75	3.25	45	2.30
P18-26	201.20	203.43	2.23	50	1.43
P18-26	239.40	240.00	0.60	40	0.46
P18-28	55.75	56.50	0.75	15	0.72
P18-28	57.70	58.10	0.40	25	0.36
P18-28	82.70	85.20	2.50	35	2.05
P18-29	32.82	33.15	0.33	20	0.31
P18-29	101.00	101.40	0.40	30	0.35
P18-29	226.57	227.03	0.46	20	0.43

Table 2: Pegmatite intersection widths and calculated true thickness

Sample To (m)	Sample Thickness (m)	Sample Description	Li%	Li2O% (calculated)	MgO%	Fe2O3%	SiO2%	Sn ppm	Rb ppm	Cs ppm	Be ppm	Na2O %
134.1	0.5	Hanging wall - Mica schist	0.088	0.189	2.17	7.32	59.2	50	604	78	8	1.3
135.3	1.2	MHP	0.262	0.564	0.04	1.18	75.5	171	598	17	127	3.8
135.8	0.5	Foot wall - Mica schist	0.062	0.133	2.04	6.67	60.8	30	389	57	7	2
192	0.5	Hanging wall - Mica schist	0.086	0.185	1.95	6.9	64.5	14	245	33	4	1.6
193.25	1.25	MHP	0.323	0.695	0.08	1.37	72.9	179	819	27	160	3.3
193.75	0.5	Foot wall - Mica schist	0.069	0.149	1.87	6.43	65.6	8	222	29	4	1.9
200.5	0.5	Hanging wall - Mica schist	0.075	0.161	2.3	8.46	57.7	41	369	51	9	1.6
201.75	1.25	MHP	0.27	0.581	0.04	0.84	75	247	688	20	142	5
202.25	0.5	Foot wall - Mica schist	0.14	0.301	2.11	7.53	60.2	35	422	70	9	1.2
203.3	1.05	Mica schist	0.1	0.215	1.98	7.04	60	18	287	63	6	1.5
203.7	0.5	Hanging wall - Mica schist	0.096	0.207	2.23	7.55	58.6	33	590	82	18	1.7
204.1	0.4	MHP	0.351	0.756	0.02	0.93	75.9	199	654	10	137	3.8
204.6	0.5	Foot wall - Mica schist	0.066	0.142	1.97	6.72	62.4	20	307	44	5	1.8
235.8	0.95	Mica schist	0.013	0.028	1.35	4.64	73.1	5	110	6	3	1.7

236.8	1	Mica schist	0.016	0.034	2.12	7.51	62.6	6	159	8	4	1.6
237.6	0.8	Mica schist	0.011	0.024	1.25	4.51	74.6	3	109	6	3	1.8
238.6	1	Mica schist	0.012	0.026	1.52	5.55	69.5	4	129	7	3	1.8
252.3	0.5	Hanging wall - Mica schist	0.079	0.17	2.09	7.02	62.7	17	371	81	7	1.8
253.6	1.3	MHP	0.393	0.846	0.16	1.08	73.5	74	505	16	119	3.7
254.1	0.5	Foot wall - Mica schist	0.065	0.14	1.57	5.28	68.5	21	296	65	10	2.3
254.9	0.8	Mica schist	0.049	0.105	1.6	5.79	66.3	45	304	60	27	2.1
114.8	0.7	Aplite Vein	0.066	0.142	0.94	3.47	71.4	146	566	87	89	3.1
152.55	0.5	Hanging wall - Mica schist	0.08	0.172	2.07	7.22	60.7	14	316	33	6	1.5
153.36	0.81	MHP	0.32	0.689	0.07	0.98	74.2	94	695	16	135	3.5
153.86	0.5	Foot wall - Mica schist	0.074	0.159	2.33	8.08	57.7	10	268	32	6	2.5
161.85	0.5	Hanging wall - Mica schist	0.057	0.123	1.59	4.78	70.3	64	506	58	12	1.2
162.34	0.49	MHP	0.483	1.04	0.07	0.85	74.9	311	353	10	109	4.2
163.36	1.02	Mica schist	0.111	0.239	2.3	8.02	57	44	491	96	10	1.9
163.76	0.4	MHP	0.243	0.523	0.08	1.09	75	162	556	10	124	4.1
164.26	0.5	Foot wall - Mica schist	0.059	0.127	1.86	6.17	63.8	46	366	53	10	1.3
201.2	0.5	Hanging wall - Mica schist	0.061	0.131	1.72	6.23	66	19	313	49	6	1.7
202	0.8	MHP	0.278	0.599	0.15	1.06	75.7	121	487	20	152	4.6
202.9	0.73	MHP	0.189	0.407	0.61	2.7	80	45	348	38	72	2
203.43	0.53	MHP	0.362	0.779	0.08	1.04	76.2	74	364	13	136	4
203.93	0.5	Foot wall - Mica schist	0.122	0.263	1.98	6.8	63.3	26	444	86	10	1.8
239.4	0.5	Mica schist	0.034	0.073	1.7	5.42	67.5	15	369	25	6	2
240	0.6	Aplite Vein	0.008	0.017	0.13	0.9	74.1	85	416	5	146	4.1
240.5	0.5	Mica schist	0.022	0.047	1.01	3.49	78.6	34	389	16	11	0.8
33.68	0.86	MHP	0.481	1.036	0.04	0.84	75	366	654	18	147	3.6
85.64	0.5	Mica schist	0.011	0.024	1.71	5.45	68.4	6	129	7	4	1.7
86.6	0.96	Aplite Vein	0.005	0.011	0.39	1.6	65	5	35	2	7	8.9
87.1	0.5	Mica schist	0.014	0.03	2.1	6.75	61.2	8	142	10	4	2.3
101.4	0.4	MHP	0.183	0.394	0.37	1.65	74.5	188	610	26	135	3.6
227.03	0.46	Aplite Vein	<0.005	<0.01	0.12	1.35	75.1	34	277	3	20	3.9
151.36	0.5	Hanging wall - Mica schist	0.063	0.136	2.05	7.25	61.3	58	454	141	9	1.7
152.1	0.74	MHP	0.283	0.609	0.08	1.04	72.6	162	1035	41	149	4
152.6	0.5	Foot wall - Mica schist	0.047	0.101	1.29	4.74	65.5	154	954	135	70	2.1
201.2	0.5	Hanging wall - Mica schist	0.062	0.133	2.1	6.85	62.6	24	417	31	7	1.7
201.8	0.6	MHP	0.434	0.934	0.07	1.03	73.9	405	505	14	140	3.1
202.05	0.25	Mica schist	0.079	0.17	1.76	5.93	64.7	110	710	95	19	2.7
202.39	0.34	MHP	0.038	0.082	0.41	2.02	71.4	164	442	18	136	3.5
202.89	0.5	Foot wall - Mica schist	0.063	0.136	2.05	6.73	61.6	79	385	29	7	1.5
216.1	0.5	Hanging wall - Mica schist	0.056	0.121	1.67	5.23	67.1	115	783	60	30	0.7
217.1	1	MHP	0.461	0.993	0.02	0.75	75.3	151	941	30	146	3.4
218.1	1	MHP	0.846	1.821	0.01	0.93	76.9	251	867	35	156	3.2
219.2	1.1	MHP	0.776	1.671	0.11	1.11	76	137	913	43	173	2.9
219.8	0.6	Mica schist	0.168	0.362	1.95	6.71	62.6	66	1225	313	15	1.9

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220.8	1	MHP	0.749	1.613	0.03	1.03	75.6	108	857	36	178	3.2
221.8	1	MHP	0.686	1.477	0.02	0.93	74.3	93	956	33	180	3.3
222.5	0.7	MHP	0.617	1.328	0.03	1	75.1	64	684	20	174	3.4
223	0.5	Foot wall - Mica schist	0.053	0.114	1.35	4.47	67.4	60	625	59	50	1.3
254.2	0.8	MHP	0.138	0.297	1.13	4.15	66.3	67	555	55	79	2.5
255	0.8	Mica schist	0.066	0.142	1.22	4.43	69.5	51	484	65	55	2.7
255.85	0.85	Aplite Vein	0.048	0.103	1.92	6.37	62.9	34	315	65	7	1.8
270.2	0.5	Hanging wall - Mica schist	0.057	0.123	1.89	6.71	63.5	27	277	44	7	1.9
270.8	0.6	MHP	0.461	0.993	0.1	1.37	73.5	57	448	11	189	3.6
271.3	0.5	Foot wall - Mica schist	0.055	0.118	1.83	6.44	62.7	58	462	56	15	1.3
55.75	0.5	Hanging wall - Mica schist	0.061	0.131	1.32	4.8	71.8	64	556	89	27	2
56.5	0.75	MHP	0.48	1.033	0.06	0.89	75.2	641	912	32	140	4.1
57.7	1.2	Mica schist	0.094	0.202	1.58	5.57	70.3	34	398	105	14	2
58.1	0.4	MHP	0.238	0.512	0.21	1.47	73.2	187	594	25	163	3.8
58.6	0.5	Foot wall - Mica schist	0.072	0.155	2.34	8.19	60.8	80	415	95	14	2.6
82.7	0.5	Hanging wall - Mica schist	0.105	0.226	1.95	6.88	62.1	45	313	75	14	1.9
83.55	0.85	MHP	0.727	1.565	0.01	1.33	78.5	296	629	24	127	3.2
84.4	0.85	MHP	0.827	1.781	<0.01	0.8	75.3	257	851	34	131	3.5
85.2	0.8	MHP	0.609	1.311	0.01	1.23	75.3	214	766	26	149	4.1
85.7	0.5	Foot wall - Mica schist	0.069	0.149	1.9	6.65	62.3	76	452	89	25	1.6
48.55	0.4	Aplite Vein	0.06	0.136	2	6.9	63.4	37	355	42	9	1.8
49.2	0.65	Aplite Vein	0.08	0.164	1.15	4.26	67.6	217	591	41	81	2.6

Table 3: Sampling Intervals and grades

Applications for additional deep holes (>300m depth, phase 2) is under assessment with the relevant authorities during the quarter. The public hearing that is a compulsory part of the approval process for drill holes at depth >300m has been scheduled by the mining authority on the 30 October 2019.

### Definitive Feasibility Study (DFS)

Results from Phase 1 of the summer drilling program (shallow holes <300m depth in Zone 1) are being assessed for eligibility to convert the JORC resource from Inferred into Measured and Indicated category and upgrade resources to 10.98mt. This will form the basis to convert the Measured and Indicated resources into JORC reserves during the DFS mine planning and scheduling. The Zone 1 drilling programme to increase the Measured and Indicated Resource allows the DFS to be undertaken at the envisaged higher mining rate of max. 800,000tpa.

SRK Consulting (**SRK**) continued to work on the optimized mine design and increased declaration of mineral reserves, based on the PFS and current drilling program results when the data become available.

During the 3<sup>rd</sup> quarter, Dorfner/Anzaplan carried out significant metallurgical test work to assess and optimize the process lines, flowsheets and layouts. This testing is to ensure a high-quality final product (Lithium Hydroxide) is produced using the most efficient and competitive metallurgical processes from the beginning of the production cycle.

DRA Global has independently assessed and reviewed the metallurgical test work to complete



the research in a timely manner and attended to all work stages at the testing facility in Hirschau, Germany.

### **Hydrogeology**

The Company continues with hydrogeology monitoring program on a weekly, monthly and quarterly time frame:

- Weekly monitoring includes measuring the water level at the surface and underground sites,
- The monthly monitoring program includes sampling and analysing defined chemical and physical parameters,
- The quarterly monitoring program includes water sampling and analysing water from previously defined field sites and analyses at certified Austrian lab in Austria. The water samples are analysed according to the Austrian state requirements for drinking water.

All hydrogeological data continues to be stored and secured into the Company's database.

The preparation work by SRK, and the geological consultant, GEO Unterweissacher, continues to ensure in-hole hydrogeological test work has been completed appropriately and can continue in future.

### **Environmental**

No environmental work has been carried out in Q3/2019.

Monitoring of water flows and quality from the mine have continued.

### **Product Marketing**

The strategy for the Company remains unchanged and focuses on the supply of lithium hydroxide to the nascent lithium battery plants of Europe. The Company is in discussion with a number of industry players regarding future off-take contracts and good progress has already been made in the advanced discussions with potential off-take partners.

### **Horizon 2020**

As reported in Q1 2019, the Company's 100% owned subsidiary ECM Lithium AT GmbH (**ECM**) has lodged contribution papers to participate in the European Union funded Horizon 2020 - GREENPEG programme. The application process continues with the relevant authorities – next level documentation is expected to be lodged in Q4/2019.

**Tony Sage**  
**Non-Executive Chairman**

**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 Dietrich Wanke who is a Qualified Person and is a Member of the Australian Institution of Mining and Metallurgy (AusIMM) since 2006 with about 30 years' experience in the mining and resource development industry. Dietrich Wanke 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". Dietrich Wanke 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).

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**Tenement Status**

The mining tenements held at the end of the quarter, acquired and disposed of during the quarter and their location:

<b>Tenement reference</b>	<b>Location</b>	<b>Acquired interest during the quarter</b>	<b>Disposed interest during the quarter</b>	<b>Interest at the end of the quarter</b>
104/96	Wolfsberg Project, Austria	-	-	100%
105/96	Wolfsberg Project, Austria	-	-	100%
106/96	Wolfsberg Project, Austria	-	-	100%
107/96	Wolfsberg Project, Austria	-	-	100%
108/96	Wolfsberg Project, Austria	-	-	100%
109/96	Wolfsberg Project, Austria	-	-	100%
110/96	Wolfsberg Project, Austria	-	-	100%
111/96	Wolfsberg Project, Austria	-	-	100%
112/96	Wolfsberg Project, Austria	-	-	100%
113/96	Wolfsberg Project, Austria	-	-	100%
114/96	Wolfsberg Project, Austria	-	-	100%
115/96	Wolfsberg Project, Austria	-	-	100%
116/96	Wolfsberg Project, Austria	-	-	100%
117/96	Wolfsberg Project, Austria	-	-	100%
118/96	Wolfsberg Project, Austria	-	-	100%
119/96	Wolfsberg Project, Austria	-	-	100%
120/96	Wolfsberg Project, Austria	-	-	100%
121/96	Wolfsberg Project, Austria	-	-	100%
122/96	Wolfsberg Project, Austria	-	-	100%
123/96	Wolfsberg Project, Austria	-	-	100%
124/96	Wolfsberg Project, Austria	-	-	100%
125/96	Wolfsberg Project, Austria	-	-	100%
370/11(611/11)	Wolfsberg Project, Austria	-	-	100%
371/11(612/11)	Wolfsberg Project, Austria	-	-	100%
372/11(613/11)	Wolfsberg Project, Austria	-	-	100%
373/11(614/11)	Wolfsberg Project, Austria	-	-	100%
374/11(615/11)	Wolfsberg Project, Austria	-	-	100%
375/11(616/11)	Wolfsberg Project, Austria	-	-	100%
378/11(619/11)	Wolfsberg Project, Austria	-	-	100%
379/11(620/11)	Wolfsberg Project, Austria	-	-	100%
380/11(621/11)	Wolfsberg Project, Austria	-	-	100%
381/11(622/11)	Wolfsberg Project, Austria	-	-	100%
382/11(623/11)	Wolfsberg Project, Austria	-	-	100%
383/11(624/11)	Wolfsberg Project, Austria	-	-	100%
384/11(625/11)	Wolfsberg Project, Austria	-	-	100%
386/11(627/11)	Wolfsberg Project, Austria	-	-	100%
387/11(628/11)	Wolfsberg Project, Austria	-	-	100%

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388/11(629/11)	Wolfsberg Project, Austria	-	-	100%
389/11(630/11)	Wolfsberg Project, Austria	-	-	100%
390/11(631/11)	Wolfsberg Project, Austria	-	-	100%
391/11(632/11)	Wolfsberg Project, Austria	-	-	100%
392/11(633/11)	Wolfsberg Project, Austria	-	-	100%
394/11(636/11)	Wolfsberg Project, Austria	-	-	100%
395/11(637/11)	Wolfsberg Project, Austria	-	-	100%
396/11(638/11)	Wolfsberg Project, Austria	-	-	100%
397/11(639/11)	Wolfsberg Project, Austria	-	-	100%
398/11(640/11)	Wolfsberg Project, Austria	-	-	100%
400/11(645/11)	Wolfsberg Project, Austria	-	-	100%
401/11(646/11)	Wolfsberg Project, Austria	-	-	100%
402/11(647/11)	Wolfsberg Project, Austria	-	-	100%
403/11(648/11)	Wolfsberg Project, Austria	-	-	100%
408/11(648/11)	Wolfsberg Project, Austria	-	-	100%
409/11(641/11)	Wolfsberg Project, Austria	-	-	100%
412/11(649/11)	Wolfsberg Project, Austria	-	-	100%
Andreas 1	Wolfsberg Project, Austria	-	-	100%
Andreas 2	Wolfsberg Project, Austria	-	-	100%
Andreas 3	Wolfsberg Project, Austria	-	-	100%
Andreas 4	Wolfsberg Project, Austria	-	-	100%
Andreas 5	Wolfsberg Project, Austria	-	-	100%
Andreas 6	Wolfsberg Project, Austria	-	-	100%
Andreas 7	Wolfsberg Project, Austria	-	-	100%
Andreas 8	Wolfsberg Project, Austria	-	-	100%
Andreas 9	Wolfsberg Project, Austria	-	-	100%
Andreas 10	Wolfsberg Project, Austria	-	-	100%
Andreas 11	Wolfsberg Project, Austria	-	-	100%

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## Appendix 5B

### Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

**Name of entity**

EUROPEAN LITHIUM LIMITED

**ABN**

45 141 450 624

**Quarter ended ("current quarter")**

30 September 2019

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(717)	(717)
(b) development	-	-
(c) production	-	-
(d) staff costs	-	-
(e) administration and corporate costs	(253)	(253)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	2	2
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other (provide details if material)	-	-
- Promotion and marketing related costs	(170)	(170)
- Overseas listing fees	(19)	(19)
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(1,157)</b>	<b>(1,157)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-

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## Mining exploration entity and oil and gas exploration entity quarterly report

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
	(c) investments	-	-
	(d) other non-current assets	-	-
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other – Refund of costs	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>-</b>	<b>-</b>
<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of shares	477	477
3.2	Proceeds from issue of convertible notes	2,000	2,000
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	(253)	(253)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(812)	(812)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>1,412</b>	<b>1,412</b>
<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	1,200	1,200
4.2	Net cash from / (used in) operating activities (item 1.9 above)	<b>(1,157)</b>	<b>(1,157)</b>
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	<b>1,412</b>	<b>1,412</b>

## Mining exploration entity and oil and gas exploration entity quarterly report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	3	3
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>1,458</b>	<b>1,458</b>

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts		Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	1,458	289
5.2	Call deposits	-	911
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>1,458</b>	<b>1,200</b>

**6. Payments to directors of the entity and their associates**

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

Current quarter \$A'000
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59

-

Director Fees paid to Directors (inclusive of GST)

**7. Payments to related entities of the entity and their associates**

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

Current quarter \$A'000
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175

-

Payments included in item 7.1 are inclusive of GST and relate to payments to Director-related parties for office occupancy costs, capital raising fees, professional services and the reimbursement of business related travel and other expenses.

## Mining exploration entity and oil and gas exploration entity quarterly report

<b>8. Financing facilities available</b> <i>Add notes as necessary for an understanding of the position</i>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (Magna convertible security)	10,000,000	2,000,000
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

The Company has established a convertible note facility with Winance Investment LLC. Full terms and conditions of this facility are included in the ASX announcement dated 31 July 2019.

<b>9. Estimated cash outflows for next quarter</b>	<b>\$A'000</b>
9.1 Exploration and evaluation	(1,859)
9.2 Development	-
9.3 Production	-
9.4 Staff costs	-
9.5 Administration and corporate costs	(413)
9.6 Other – Loan repayment (Magna)	(115)
<b>9.7 Total estimated cash outflows</b>	<b>(2,387)*</b>

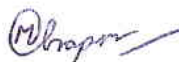
\* This is an estimate of the total cash outflows of the Company for the next quarter and does not take into account any anticipated cash inflows.

<b>10. Changes in tenements (items 2.1(b) and 2.2(b) above)</b>	<b>Tenement reference and location</b>	<b>Nature of interest</b>	<b>Interest at beginning of quarter</b>	<b>Interest at end of quarter</b>
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced <sup>a</sup>	-	-	-	-
10.2 Interests in mining tenements and petroleum tenements acquired or increased	-	-	-	-



**Compliance statement**

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.



Sign here: .....  
Company secretary

Date: .....31 October 2019.....

Print name: .....Melissa Chapman.....

**Notes**

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

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