

12 September 2016

Australian Securities Exchange Limited  
Level 40, Central Park  
152-158 St Georges Terrace  
Perth WA 6000

**STATEMENT OF COMMITMENTS**  
**(BASED ON ACTUAL FUNDS RAISED – \$6,232,200)**

European Lithium Limited (ACN 141 450 624) (formerly “Paynes Find Gold Limited”) (**Company**) intends to apply funds raised from the Offer following re-admission of the Company to the official list of ASX as follows:

Allocation of funds	Notes	(\$)	%
Existing cash reserves of the Company		343,000	5.22
Funds raised from the Public Offer		6,232,200	94.78
<b>TOTAL</b>		<b>6,575,200</b>	<b>100</b>
Drilling – Zone 1	1	1,355,000	20.61
Drilling – Zone 2	1	867,000	13.19
Other exploration costs	1	129,000	1.96
Geology and Supervision		545,000	8.29
Assaying		39,000	0.59
Metallurgical test work		200,000	3.04
Previously incurred project expenditure <sup>2</sup>	2	1,737,106	26.42
Expenses associated with the acquisition of European Lithium AT (Investments) Limited and capital raising <sup>3</sup>	3	555,000	8.44
Administration <sup>4</sup>	4	1,118,094	17.00
Working capital <sup>5</sup>	5	30,000	0.46
<b>Total</b>		<b>6,575,200</b>	<b>100%</b>

**Notes:**

1. Consisting of drilling of Zone 1 and Zone 2 plus other exploration costs detailed in the Independent Geologist's Report in Section 12 of the second replacement prospectus dated 28 July 2016 (Prospectus).
2. Relates to previously incurred expenditure to advance the project to its current stage, being:

Item	Value (\$)
Exploration spend	286,068
Consultants – valuation of exploration asset	11,042
Corporate overheads	374,745
Regulatory costs	104,035
AIM Listing and associated capital raising process to fund project development	87,092
UK historical legal costs	874,124
<b>TOTAL</b>	<b>1,737,106</b>

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3. For details on Expenses of the Offer refer to the section entitled 'Expenses of the Offers' on page 203 of the Prospectus.
4. Administration includes office rental, insurance and general costs of operating an ASX-listed mineral exploration Company.
5. Working capital includes the general costs associated with the management and operation of the business including administration expenses, salaries, directors' fees, rent and other associated costs.

The above table is a statement of current intentions as of the date of this announcement. As with any budget, intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way funds are applied on this basis.

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