

12 September 2016

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

COMPLETION OF ACQUISITION OF EUROPEAN LITHIUM AT (INVESTMENTS) LIMITED

European Lithium Limited (ACN 141 450 624) (formerly “Paynes Find Gold Limited”) (**Company**) is pleased to advise all conditions precedent to the acquisition of 100% of the issued capital of European Lithium AT (Investments) Limited (**EL AT**) (the **Acquisition**) have been satisfied and the Company has completed the Acquisition.

The Company confirms the following:

- (a) The binding term sheet between the Company and European Lithium Limited (**ELL**) dated 5 May 2016 (as amended) is unconditional (**Term Sheet**).
- (b) The Company has not incurred expenses in excess of \$25,000 between the date of the Term Sheet being executed and completion of the Acquisition other than expenses in the normal course of business, related to the acquisition of EL AT or expenses incurred with the prior written consent of ELL.
- (c) The Company had a minimum of \$5,000,000 in the bank at the time of completion of the Acquisition.
- (d) All loans payable, including any interest and associated fees owing, by EL and debts owed to major shareholders and directors by EL AT have been converted to shares in EL AT.
- (e) The Company has changed its name to “European Lithium Limited”.
- (f) Subsequent to the Term Sheet, the Company and ELL agreed that one existing director of the Company would resign and ELL would nominate one new director to the board. To this end, Mr David Holden has resigned as a director and Mr Antony Sage has been appointed as a director of the Company.
- (g) Dr Steve Kesler has been appointed as Chief Executive Officer of the Company.
- (h) The conditions to the Public Offer, EL Offer and EverBlu Capital Offer (as those terms are defined in the prospectus dated 21 June 2016, replaced by the first replacement prospectus dated 1 July 2016, replaced by the second replacement prospectus dated 28 July 2016 (**Prospectus**)) have been satisfied.
- (i) The conditions precedent of the Term Sheet have been satisfied, the Term Sheet has been completed and the Company has issued:

187,500,000 fully paid ordinary shares to shareholders of ELL (or their nominees);

23,437,500 Shares to EverBlu Capital Pty Ltd (or its nominees); and

200,000,000 Adviser Options to EverBlu Capital Pty Ltd (or its nominees).

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- (j) Pursuant to the shareholder approval obtained by the Company on 25 July 2016, the Company has issued 2,500,000 fully paid ordinary shares to Mr Malcolm Day (or his nominee) as part of his participation in the Public Offer.
- (k) The Company has not issued 666,666 fully paid ordinary shares in the Company to Mr Malcolm Day in lieu of services provided (shareholder approval for which was obtained on 25 July 2016).



Paul Lloyd
Director

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