

07 July 2017

## **ADDENDUM TO ASX RELEASE 'EUROPEAN LITHIUM INCREASES RESOURCES AT WOLFSBERG ADDING 4.7 MILLION TONNES AT 0.78% Li<sub>2</sub>O IN ZONE 1'**

European Lithium Limited (ASX:EUR, FRA:PF8) (the **Company**) has been asked by the ASX to provide an addendum to the ASX release of 3 July 2017 "European Lithium increases resources at Wolfsberg adding 4.7 million tonnes at 0.78% Li<sub>2</sub>O in Zone 1" that brings a summary of the material information that was contained in the attached JORC report into the main body of the ASX release.

A comprehensive description of the geology and mineralization is provided in the 'Independent Geologists Report' contained within the 'Second Replacement Prospectus' of 28 July 2016 that can be found on the Company website [www.europeanlithium.com](http://www.europeanlithium.com)

The spodumene bearing pegmatites occur in a regional anticline in veins intruding into the amphibolite and mica schist host rocks concordant with their foliation. The northern limb of this anticline is known as Zone 1 and the strata uniformly strike WNW-ESE and dip to the NNE at an average of 60°. Drilling by the previous owner, Minerex, intersected numerous pegmatite veins of which 15 were identified as of potentially economic significance based on vein width, lithium grade and persistence.

The Minerex data was verified by a programme of twin hole drilling and underground channel sampling and a Measured and Indicated resource of 6.3 million tonnes at 1.17% Li<sub>2</sub>O was declared in an ASX release on 21 November 2016 'European Lithium declares 75% increase in JORC Code (2012) compliant resource tonnes'

Four deep drill holes were made to verify the geological interpretation that the pegmatite veins in Zone 1 continued with depth. The drill holes were aimed to intersect the projected depth extension of the major vein 7 between 1150m and 1250m RL. These drilling results were reported in the ASX releases 'Drilling confirms extension of pegmatite veins to depth at Wolfsberg Lithium Project' on 18 April 2017 and 'European Lithium completes first deep hole drilling programme at Wolfsberg Lithium Project' on 31 May 2017. Percussion drilling was used to drill surface weathered rock to a maximum 47 metres. HQ wireline diamond coring was then used with core diameter reduced to NQ at depth.

The drill core was logged and intersections of pegmatite >0.5m were sampled by taking a quarter cut of the HQ and a half cut of the NQ intersections. The core was sent to the ALS geochemistry laboratory in Ireland for sample preparation and analysis. Lithium analysis was

made using ALS procedure LIOG63 by four acid digestion and analysed by ICP.

The estimation of the resource extension was made by interpreting the best connections between known veins in the Measured and Indicated resource model and the intersections in the deep drill holes assuming the average dip angle. For each vein the strike/dip plot was extended down dip to the deep drill hole intersection and along strike to the extent of strike length used in previous resource modelling for that vein. This was considered reasonable in light of the vein continuity seen along strike at the upper levels of the resource.

The vein thickness for the extension was taken as the average thickness of the adjacent drill holes in the vein i.e. the lower level of the current resource model and the data from the new deep drill holes. The same was applied to lithium grade. The area of the extension to the strike/dip plot and the average vein thickness was used to calculate the resource extension tonnage for each vein.

The current resource model has defined 'Measured' as material that is drilled with 50m spacing and is above and below the veins seen to be continuous from the underground mine development. Resource extensions along strike outside the mine development area which were drilled at 100m intervals were defined as 'Indicated'. The deep hole drilling programme has four drill holes along the resource strike length of 1500m and the calculated extension resource is considered as 'Inferred'

The previously declared Measured and Indicated resource was declared at a 0% cut off grade. It was assumed that the pegmatite veins would be mined contact to contact at the average grade of the deposit. Earlier work by Minerex had shown that 74% of the pegmatite reported to saleable product (spodumene, feldspar, quartz and mica) and that there are very limited zones of lower lithium grade material.

Recently completed metallurgical studies have confirmed that good quality feldspar and quartz can be recovered from the pegmatite in addition to spodumene and these contribute significant by-product credits. Conceptual mining studies propose long hole open stoping as the preferred mining method with ore sorting used to reject waste dilution from the run of mine. At present the resource is evaluated at the average lithium grade of the deposit assuming no cut-off grade is applied.

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).