

7 July 2017

## PAYNES FIND GOLD PROJECT SALE UPDATE

Further to the ASX announcement dated 14 June 2017, European Lithium Limited (**ASX:EUR**) (the **Company**) advises it has agreed to amend the terms of the sale agreement with Cervantes Gold Pty Ltd (**ASX:CVS**) (**CVS**) for the sale of its Paynes Find Gold Project (**Transaction**). The amendment provides CVS with additional time to obtain all necessary approvals for the Transaction.

In accordance with the terms of the Transaction and subsequent amendment EUR has received a further payment of \$20,000 from CVS. The total received is \$70,000 of the \$500,000 cash consideration with the remainder to be paid in the following instalments:

- \$80,000 on completion of the Transaction
- \$150,000 on the later of CVS completing a \$1 million capital raising, or completion of the Transaction
- \$200,000 on the later of 60 days following the Purchaser completing the \$1 million capital raising, or completion of the Transaction.

EUR will receive \$500,000 in share consideration through the issue of 25,000,000 shares in CVS, at a deemed issue price of 2 cents each, on completion of the Transaction.

Tony Sage  
Non-Executive Chairman  
European Lithium Limited

END