

7 December 2017

CAPITAL RAISING HEAVILY OVERSUBSCRIBED

Further to the ASX announcement dated 6 December 2017, European Lithium Limited (ASX:EUR, FRA:PF8, VSE:ELI) (the **Company**) is pleased to announce that firm commitments have been received to raise funds of \$5million at an issue price of \$0.225 per share (**Placement**). The Company will also be issuing one free attaching unquoted option for every four shares applied for under the Placement as well as issuing 14,400,000 options to facilitators of the Placement which are exercisable at \$0.25 (25 cents) on or before 31 May 2019.

The Company has received the majority of the Placement funds with the remaining due in by Friday 8 December. The Company is expecting to issue the shares and options pursuant to the Placement on Monday 11 December 2017.

EUR's Chairman, Tony Sage, said "the placement was heavily oversubscribed which is reflected in the additional \$1m oversubscription facility being accepted by the Company." He added, "approximately 95% of the placement has been taken up by European based shareholders which shows great confidence in the Wolfsberg Lithium Project." He further added, "the funds will be used to help the Company better understand the size and value of the deposit in zone 2 which drilling earlier this year showed a very prospective area."

The Company confirms that the Placement has been to sophisticated and professional investors. Shares pursuant to the Placement will be issued in accordance with the Company's capacity under Listing Rules 7.1 once all the funds have been received.

Tony Sage
Non-Executive Chairman
European Lithium Limited