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30 September 2019

Europa Metals Ltd

("Europa Metals", the "Company" or the "Group") (AIM, AltX: EUZ)

Equity Fundraising to raise £1,000,000 and Issue of Warrants

Europa Metals, the European lead-zinc explorer, is pleased to announce that it has raised, in aggregate, £1,000,000 (before expenses), through an oversubscribed fundraising (the "Fundraising") comprising the issue of, in aggregate, 4,000,000,000 new ordinary shares of no par value each in the capital of the Company ("Ordinary Shares") at an issue price of 0.025 pence per share (the "Issue Price"). The Fundraising comprises a placing of 3,400,000,000 new Ordinary Shares arranged by Turner Pope Investments (TPI) Limited ("Turner Pope"), the Company's joint broker, as agent of the Company, with new and existing institutional and private investors (the "Placing") and a subscription by Brandon Hill Capital Limited ("Brandon Hill"), investing in a principal capacity, for 600,000,000 new Ordinary Shares (the "Subscription"), both at the Issue Price.

The Placing and the Subscription are conditional on admission of the new Ordinary Shares to trading on AIM ("Admission") and, following Admission, the new Ordinary Shares will represent, in aggregate, approximately 24.3 per cent. of the Company's enlarged issued share capital.

The new Ordinary Shares will be fully paid and will rank *pari passu* in all respects with the Company's existing Ordinary Shares. The Issue Price represents a discount of approximately 28.6 per cent. to the Company's closing mid-market price on AIM of 0.035 pence per Ordinary Share on 27 September 2019, being the last business day prior to the date of this announcement.

In addition, one warrant exercisable for a period of 2 years from Admission at a subscription price of 0.0375 pence per Ordinary Share will be issued to all participants in the Placing for every two new Ordinary Shares subscribed (the "Placing Warrants"). Accordingly, 2,000,000,000 Placing Warrants will be issued pursuant to the Placing.

Use of Proceeds

The net proceeds from the Fundraising will be primarily utilised towards progressing the workstreams required for a Pre-feasibility Study in respect of the Company's 100% owned Toral lead-zinc-silver project located in the Castilla y León region, northern Spain ("Toral" or the "Toral Project"), following the forthcoming receipt of an updated Mineral Resource Estimate and JORC (2012) technical report for the project. In addition, the net proceeds will provide the Company with the flexibility to undertake new exploratory drilling outside of the currently defined mineralisation along strike and at depth, as well as deploying funds on the important mining engineering components to progress mine planning work. The balance of the funds will provide additional general working capital for the Group.

The Company believes that the work outlined above will enable it to apply to the relevant regional authorities for a full mine development licence for the project in 2020.

The Company has, to date, received £106,800 in funds from warrants exercised from the funding announced on 29 March 2019. These funds, and receipts from the potential future exercise of further warrants, shall also be utilised towards meeting the above operational objectives.

Broker Warrants

In addition, Turner Pope and Brandon Hill have been issued with 204,000,000 warrants and 36,000,000 warrants respectively to subscribe for new Ordinary Shares at the Issue Price, exercisable for a period of three years from Admission.

Related Party Transaction

Pursuant to the abovementioned Fundraising, Deutsche Balaton Aktiengesellschaft ("DBA") is investing £150,000 for 600,000,000 new Ordinary Shares. DBA has been a substantial shareholder of the Company within the last 12 months and, accordingly, is considered to be a related party under the AIM Rules for Companies. The participation of DBA in the Fundraising is therefore deemed to constitute a related party transaction pursuant to Rule 13 of the AIM Rules for Companies.

Accordingly, the directors of Europa Metals consider, having consulted with Strand Hanson Limited, the Company's nominated adviser, that the terms of DBA's participation in the Fundraising are fair and reasonable insofar as the Company's shareholders are concerned.

Admission to trading

Application will be made to the London Stock Exchange for the admission of the abovementioned, in aggregate, 4,000,000,000 new Ordinary Shares to trading on AIM and to the Johannesburg Stock Exchange for quotation of the new Ordinary Shares on AltX. It is expected that admission will become effective and dealings commence on or around 7 October 2019.

Following Admission, the total issued ordinary share capital of the Company will comprise 16,488,876,318 Ordinary Shares.

Commenting today, Laurence Read, Executive Director of Europa Metals, said:

"During 2019 to date we have significantly progressed Toral. We have identified a number of credible exploration avenues outside of the current confines of the Scoping Study (published in December 2018) and commenced the ground work for a mine development licence application in 2020. The work required to support such an application encompasses a number of highly important mining engineering components that will also progress and refine the Scoping Study assumptions and findings towards a full mine plan."

"Today's fundraising has been successfully concluded at well above our last fundraising price and, whilst at a discount to the prevailing market share price, ensures that Europa Metals can progress the fundamental elements of a Pre-feasibility Study for the Toral Project with a view to demonstrating the asset's potential strengths in terms of grade, resource, economics, with a well-defined development pathway. The Fundraising was oversubscribed, however, given the recent cash inflow from warrant exercises, we took the decision to restrict the fundraise amount. I look forward to announcing further news on the ongoing resource update, metallurgical testwork and current stakeholder engagement process required for the development application in due course."

For further information on the Company, please visit www.europametals.com or contact:

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The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulation (EU) No. 596/2014.

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