

17 September 2024

Europa Metals Ltd

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

Proposed Disposal of Toral Project to Denarius Metals

Europa Metals Ltd, ("Europa" or the "Company") the European focused lead, zinc and silver developer, is pleased to announce the proposed sale of its 100% interest in the Toral Pb, Zn, Ag project ("Toral" or the "Toral Project") to Denarius Metals Corp (CBOE CA: DMET; OTCQX: DNSRF) ("Denarius").

On 23 November 2022, Europa Metals entered into a definitive option agreement (the "Toral Definitive Agreement") with Denarius pursuant to which Europa granted two options to Denarius to acquire up to an 80% ownership interest in Europa Metals Iberia S.L. ("EMI"), a wholly-owned Spanish subsidiary of Europa which holds the Toral Project in the Leon Province, Northern Spain.

Pursuant to the Toral Definitive Agreement, Denarius was granted a First Option, exercisable until November 22, 2025 (subject to a 90-day extension in certain circumstances), to subscribe for a 51% equity interest in EMI by:

- (i) spending, as operator, a total of USD\$4,000,000 on the Toral Project over the three-year period,
- (ii) completing a preliminary economic assessment, and
- (iii) completing and submitting a mining license application in respect of the Toral Project to the local mining authority by July 31, 2023.

Whilst Denarius has been undertaking ongoing work at Toral to satisfy the First Option conditions, Europa has now signed a binding letter of intent ("LOI") with Denarius, who will, subject to Europa shareholder approval, acquire 100% of the issued and outstanding shares of EMI (the "Transaction"),

Transaction Highlights

- Purchase price of CAD3,500,000 in equity in Denarius to be satisfied by the issuance of
- 7,000,000 common shares of Denarius at an issue price of CA\$0.50c per share
- Shares subject to a 4 month hold period following issuance
- Transaction provides Europa was exposure to Denarius' portfolio of projects within Spain and Colombia

Commenting today, Myles Campion, Executive Chairman and acting CEO of Europa Metals

"This exciting transaction in conjunction with the previously announced proposed reverse takeover ("RTO") of Viridian Metals, will create a new platform for Europa.

The Company will emerge post completion of the proposed RTO with 100% ownership of an advanced European asset and a significant shareholding in a fast-growing Canadian mining company in Denarius. It gives Europa exposure to not only Toral, which we know very well, but also Zancudo, a gold mine coming on stream in Colombia in the next six months, the restarting the AquaBlanca nickel-copper mine in southern Spain, and Lomero Poyatos, a polymetallic Cu-Au-Zn-Pb_Ag deposit in southern Spain.

Serafino Iacono, Executive Chairman and CEO, commented,

"The Transaction is in keeping with our vision of producing low-carbon metals within the European Union to support climate transition and the EU's bid to secure the resources needed for technologies such as renewable energy and battery power.

Our work to date provides us with confidence in the potential for the Toral Project to become a long-life underground mining operation which can supply material to the 5,000 tonnes per day processing plant at our Aguablanca Project in Spain. Later this year, we will commence work on the preparation of an updated Mineral Resource estimate followed by a preliminary economic assessment for the Toral Project."

As a condition to Closing, Europa will capitalize all amounts payable from EMI to Europa prior to Closing such that on Closing, EMI shall not owe any funds or have any outstanding liabilities to Europa. The Toral Definitive Agreement will also be terminated on Closing.

The Transaction is subject to each of the Company, Europa and EMI receiving all necessary board, shareholder and regulatory approvals, as applicable, including, but not limited to, approval by Cboe Canada Inc. The closing of the Transaction ("Closing") is expected to occur no later than 31 October, 2024.

The RTO is subject to material conditions including due diligence, shareholder approval and compliance with the AIM Rules regarding the new admission to AIM, so there is no certainty that either the RTO or the Transaction will complete as contemplated.

Next Steps

In accordance with the AIM Rules, Europa will be seeking shareholder approval at an Extraordinary General Meeting ("EGM") for the proposed sale of EMI (and the Toral Project) to Denarius. The Company intends to hold the EGM in mid-October and will announce once the Circular convening the EGM has been posted to Shareholders. Should the sale be approved by Europa shareholders, pursuant to AIM Rule 15, the Company will become an 'AIM Rule 15 cash shell' and, as such, the Company shall have six months to make an acquisition or acquisitions which constitute a reverse takeover under AIM Rule 14 after which the shares would be suspended.

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

Europa Metals Ltd

Dan Smith, Non-Executive Director and Company Secretary (Australia)

T: +61 8 9486 4036

E: dsmith@europametals.com

Myles Champion, Executive Chairman and acting CEO (UK)

E: mcampion@europametals.com

Beaumont Cornish (Nominated Adviser/Broker)

James Biddle/Roland Cornish

T: +44 (0) 20 7628 3396

Questco Corporate Advisory Proprietary Limited (JSE Sponsor)

Danielle Christodoulou

T: +27 (11) 011 9216

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 as it forms part of United Kingdom domestic law by virtue of the European Union (Withdrawal) Act 2018, as amended by virtue of the Market Abuse (Amendment) (EU Exit) Regulations 2019.

Nominated Adviser

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