

Stock Data

Share Price: 0.018p
Market Cap.: £3m
Shares in issue: 16,722m

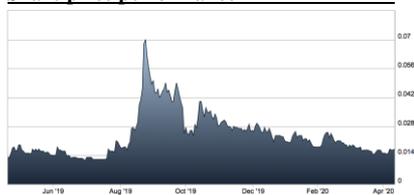
Company Profile

Sector: Mining
Ticker: EUZ.L
Exchange: AIM

Activities

AIM and JSE listed Europa Metals is an exploration company focused on the Toral Pb-Zn-Ag deposit in Spain.

Share price performance



Source: [London Stock Exchange website](#). Note that past performance is not a reliable indicator of future performance.

Turner Pope contact details

Turner Pope Investments (TPI) Ltd
8 Fredrick's Place
London
EC2R 8AB

Tel: 0203 657 0050
Email: info@turnerpope.com
Web: www.turnerpope.com

Attention is drawn to the disclaimers and risk warnings at the end of this document.

Retail clients (as defined by the rules of the FCA) must not rely on this document.

This is a non-independent marketing communication. The analyst who has prepared this report is aware that TPI has a relationship with the company covered in this report. Accordingly, it has not been prepared in accordance with legal requirements designed to promote the independence of investment research and is not subject to any prohibition on dealing ahead of the dissemination of investment research.

TPI acts as broker to Europa Metals Limited.

Sheldon Modeland, P.Geo.

Research analyst

Tel: 0203 657 0050
sheldon.modeland@turnerpope.com

Andrew Thacker,

Corporate Broking & Sales

Tel: 0203 657 0050
andy.thacker@turnerpope.com

Zoe Alexander,

Corporate Broking & Sales

Tel: 0203 657 0050
zoe.alexander@turnerpope.com

Europa Metals Limited

Second phase met tests confirm saleable levels of concentrate product

Europa Metals is an exploration and development company focused on its wholly owned Toral Pb-Zn-Ag project in northern Spain. The Company received its second phase metallurgical test results from mining consultants, Wardell Armstrong (WAI). Locked cycle testing confirms saleable concentrate of lead (60%), zinc (59.1%) and silver (1,350ppm within Pb concentrate). The locked cycle tests also demonstrated good metal recoveries including: 83.7% recovery for lead, 77.7% recovery for zinc and 87.1% recovery for silver. These results represent improvements of concentrate grades compared with the first phase test work. As such, the second phase test results demonstrate the potential for high-grade saleable and marketable Pb and Zn concentrates. High-grade concentrate blends are coveted by smelters and the high silver content could provide a significant credit should the Toral deposit become a producing mine. Whilst the current testwork has been restricted to a specific area Toral resource, further representative tests will be done throughout the ore body in due course. Toral has a JORC compliant resource of 18Mt grading 7.4% Zn Eq. (based on a 4% Zn cut-off grade including Pb credit) and 24g/t Ag, including an Indicated resource of 2.7Mt grading 8.9% Zn Eq.

Second phase metallurgical testwork

The second phase metallurgical testwork conducted by WAI focused on the optimisation of the potential Pb/Ag and Zn concentrate products for potential saleability assuming that Toral is developed into a producing mine. More specifically, this phase determined the ore hardness and abrasivity as well as the chemical and mineralogical characteristics in order to investigate selective floatation of lead and zinc bearing minerals into separate concentrates. Whilst the results are encouraging, they represent the findings from a localised area of the Toral resource and more representative testing will have to be completed in the future.

Key findings and next steps

Results show that the amount of Pb recovered remained broadly unchanged compared with those from the first lock test. There was, however, a 2.5% increase in the Pb concentrate grade and a 6.3% increase in the zinc recovery as well as a 3.3% increase in the zinc concentrate grade. Management believes that both concentrates are readily marketable with a potential to receive silver credits should Toral be developed into a producing mine. Furthermore, whilst more detailed deleterious element testing is required, initial results suggest that the concentrates are free from iron, arsenic and bismuth which have been known to be present in concentrates produced in the region. Following recommendations from WAI, Europa plans an analysis of ore sorting techniques to determine the viability of pre-concentration within the process route. In addition, the Company is progressing with its hydrogeological and environmental programmes as well as continuing with its community engagement plan.

Valuation: maintain our base-case, risk-adjusted value of 0.071p

Whilst the second phase metallurgical testwork is a significant development for Toral with the confirmation of saleable levels of concentrate, we maintain our base case, risk-adjusted value of 0.071p per share. We are encouraged with the overall recoveries and concentrate grades as well as the significant silver content that should attract interest from potential off-take parties. We look forward to further optimisation studies particularly in the process flowsheet as the project continues to be de-risked through the various development stages. **Please note our valuation is relative and such valuation may never be realised, therefore please do not base investment decisions on this valuation alone.**

THIS DOCUMENT IS NOT FOR PUBLICATION, DISTRIBUTION OR TRANSMISSION INTO THE UNITED STATES OF AMERICA, JAPAN, CANADA OR AUSTRALIA.

Conflicts

This is a non-independent marketing communication under the rules of the Financial Conduct Authority (“FCA”). The analyst who has prepared this report is aware that Turner Pope Investments (TPI) Limited (“TPI”) has a relationship with the company covered in this report. Accordingly, the report has not been prepared in accordance with legal requirements designed to promote the independence of investment research and is not subject to any prohibition on dealing by TPI or its clients ahead of the dissemination of investment research. TPI manages its conflicts in accordance with its conflict management policy. For example, TPI may provide services (including corporate finance advice) where the flow of information is restricted by a Chinese wall. Accordingly, information may be available to TPI that is not reflected in this document. TPI may have acted upon or used research recommendations before they have been published.

Risk Warnings

Retail clients (as defined by the rules of the FCA) must not rely on this document. Any opinions expressed in this document are those of TPI’s research analyst. Any forecast or valuation given in this document is the theoretical result of a study of a range of possible outcomes and is not a forecast of a likely outcome or share price. The value of securities, particularly those of smaller companies, can fall as well as rise and may be subject to large and sudden swings. In addition, the level of marketability of smaller company securities may result in significant trading spreads and sometimes may lead to difficulties in opening and/or closing positions. Past performance is not necessarily a guide to future performance and forecasts are not a reliable indicator of future results. AIM is a market designed primarily for emerging or smaller companies and the rules of this market are less demanding than those of the Official List of the UK Listing Authority; consequently AIM investments may not be suitable for some investors. Liquidity may be lower and hence some investments may be harder to realise.

Specific disclaimers

TPI acts as broker to Europa Metals Limited (“Europa”) which is listed on the AIM Market of the London Stock Exchange (“AIM”). TPI’s private and institutional clients may hold, subscribe for or buy or sell Europa’s securities. Opinions and estimates in this document are entirely those of TPI as part of its internal research activity. TPI has no authority whatsoever to make any representation or warranty on behalf of Europa.

General disclaimers

This document, which presents the views of TPI’s research analyst, cannot be regarded as “investment research” in accordance with the FCA definition. The contents are based upon sources of information believed to be reliable but no warranty or representation, express or implied, is given as to their accuracy or completeness. Any opinion reflects TPI’s judgement at the date of publication and neither TPI nor any of its directors or employees accepts any responsibility in respect of the information or recommendations contained herein which, moreover, are subject to change without notice. Any forecast or valuation given in this document is the theoretical result of a study of a range of possible outcomes and is not a forecast of a likely outcome or share price. TPI does not undertake to provide updates to any opinions or views expressed in this document. TPI accepts no liability whatsoever (in negligence or otherwise) for any loss howsoever arising from any use of this document or its contents or otherwise arising in connection with this document (except in respect of wilful default and to the extent that any such liability cannot be excluded by applicable law). The information in this document is published solely for information purposes and is not to be construed as a solicitation or an offer to buy or sell any securities or related financial instruments. The material contained in the document is general information intended for recipients who understand the risks associated with equity investment in smaller companies. It does not constitute a personal recommendation as defined by the FCA or take into account the particular investment objectives, financial situation or needs of individual investors nor provide any indication as to whether an investment, a course of action or the associated risks are suitable for the recipient. This document is approved and issued by TPI for publication only to UK persons who are authorised persons under the Financial Services and Markets Act 2000 and to professional clients, as defined by Directive 2004/39/EC as set out in the rules of the Financial Conduct Authority. This document may not be published, distributed or transmitted to persons in the United States of America, Japan, Canada or Australia. This document may not be copied or reproduced or re-distributed to any other person or organisation, in whole or in part, without TPI’s prior written consent.

Copyright © 2020 Turner Pope Investments (TPI) Limited, all rights reserved.