

Stock Data

Share Price:	13.5p
Market Cap:	£6.63m
Shares in issue:	49.1m

Company Profile

Sector:	Mining
Ticker:	EUZ
Exchange:	AIM

Activities

Europa Metals Limited ('Europa', 'EUZ', 'the Company') is an AIM and JSE listed exploration company focused on Europe, most specifically in Spain. Currently, the Company is progressing its Toral Lead, Zinc and Silver project towards the mine development phase in an established mining region in the Province of León, Northern Spain.

1-year Share price performance


Source: [LSE](#)

Past performance is not an indication of future performance.

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Europa Metals Limited

Europa has announced the results of the Phase III independent, metallurgical testwork carried out by Wardell Armstrong International ('WAI'), along with analysis examining potential for implementing X-Ray Transmission ('XRT') ore sorting that was undertaken by [TOMRA GmbH](#) ('Tomra') and overseen by [Bara Consulting](#) ('Bara'). Together these appear to demonstrate that the [Toral Project](#) ('the Project') is capable of delivering recovery and grades at a consistent premium to market average concentrates, while also opening potential for additional zones of the resource to be brought into the mineable area. Bara is now expected to combine these results with previous data in order to produce an independent update to the Project's preliminary economics, which will build upon its [2018 Scoping Study report](#). This is expected to provide a roadmap for the next phase of work while the Company progresses toward the Project's Pre-feasibility Study.

Exceptional high-grade and recovery results

Phase III Metallurgical testwork grade and recoveries came from three distinct sample types: (i) TOD-025H high-grade sample; (ii) TOD-025L low-grade sample and; (iii) TOD-024 weathered sample obtained from last drilling campaign. WAI detailed quite exceptional recoveries and grades that Europa declares are [amongst the highest reported](#) at either an exploration, development or production stage. Following on from this, Europa is expected to be able to develop a flowsheet on the economical feasible beneficiation of Toral ores, in order to produce marketable concentrates while also establishing basic processing data for input into engineering studies.

Work also undertaken with Bara to provide analysis of opportunities for ore sorting, an area which has been identified for having the potential to unlock value in shallower, lower grade zones not previously considered in the 2018 Scoping Study. With focus on the discrete treatment of different areas of the resource that might result in increased metal recovery, XRT is an established process of sorting Pb/Zn ores through a process of rejecting waste dilution prior to more conventional processing by flotation. This can deliver various benefits, including a reduction in the overall costs of production.

Updated base-case, risk-adjusted valuation

[TPI recently updated](#) its valuation based on the model originally detailed in its [Initiation Research](#) of 12 July 2019. Recognising that the passing of numerous work and resource development stages over the past 12 months had built further confidence into the Project's potential to become a high-grade producer of concentrates located in an area with first-rate infrastructure along with the support from the administration of the Junta of Castilla y Leon, the discount factor originally applied to account for the Project's execution risk was then reduced. Although no further adjustment has been made as a result of today's announcement, the outcome clearly builds upon the confidence TPI has already expressed in the Project. The release of the revised economic parameters might now be anticipated in the coming weeks, along with the widely expected renewal of the Toral investigation permit. Based on this and the balance sheet support now provided through the £2.0m (gross) equity fundraising announced on [19 August 2020](#), the updated risk-adjusted, base-case valuation equating to £16.9m, or 34.5p/share, has been maintained.

Please note that this valuation is the result of financial modelling and there is no guarantee that such a valuation will ever be realised, therefore please do not base investment decisions on this valuation alone.

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