

Stock Data

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| Share Price: | 11.00p |
| Market Cap: | £5.40m |
| Shares in issue: | 49.1m |
| 52 week High/Low | 24.00p/1.800p |

Company Profile

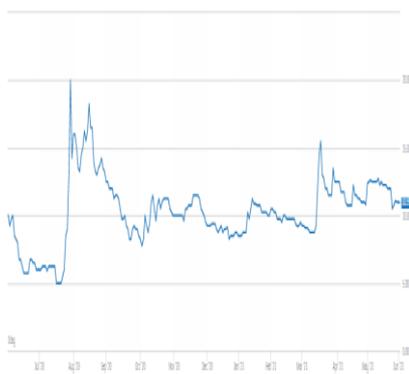
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|-----------|--------|
| Sector: | Mining |
| Ticker: | EUZ |
| Exchange: | AIM |

Activities

Europa Metals Limited ('Europa', 'EUZ', 'the Company') is an AIM and JSE listed exploration company focused on Europe, specifically Spain.

www.europametals.com/

1-year Share price performance



Source: [LSE](https://www.lse.com)

Past performance is not an indication of future performance.

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Turner Pope acts as Corporate Broker to Europa Metals Limited.

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Europa Metals Limited

Europa has confirmed the uncovering of significant intersections along with today's publication of Pre-Feasibility Study ('PFS') drilling results from its 100%-owned Toral Pb/Zn/Ag project ('Toral', 'the Project') in north-west Spain. With initial drilling focus on the upper siliceous material zone (100 to 800m horizon), the present campaign appears not only to be proving up areas previously considered sub-economic, but also offering potential to incorporate a new resource zone within early years production. Along with its ongoing drilling/metallurgical program, the Board hope to provide an updated resource while further enhancing Toral's economics as the PFS gets underway. Operations on the ground continue to progress despite ongoing Pandemic complications, which demonstrates the benefit of comprehensive operational planning and a highly experienced on-site team.

Significant drillhole intersections

Results confirm significant intersections (both siliceous and carbonate styles of mineralisation as expected) from drillholes TOD-028, 029, 030 & 31, including:

- TOD-028 2.4m@10.58% ZnEq(PbAg)*,
- TOD-029 20.45m@ 2.68% ZnEq(PbAg)* including, 3.8m@ 8.87%ZnEq(PbAg),

Europa's drilling objectives are being achieved in this upper zone, both in terms of resource spacing and metallurgical sample collection. These results, which build on existing high gradings and recovery data, could support the ore sorting processing route identified in the prospect's 2020 scoping study, with significant widths of <4% cut-off grade (over 20m on TOD-029, for example) being intersected. Detailed geotechnical data was also captured to contribute to PFS-level mine design, while as previously reported four daughter holes were drilled from TOD-29 (TOD-029 a-d), following pre-assay inspection of intersections. Assay results confirmed the decision to target a meaningful mineralised sample from TOD-29 daughter holes and further ore-sorting testwork, also for the PFS.

Drilling continues and further updates are expected to be announced as soon as available. The resource upgrade is expected to be completed at an appropriate time for input into the PFS report. The hydrogeological campaign is on schedule with completion of the main bore hole work to test water levels/conditions within the proposed mining area being the next key component; piezometer work to monitor local water conditions ongoing.

With all other project workflows and Europa's corporate initiatives considered to be progressing well, further updates can be expected upon completion.

**Zn Eq (PbAg)% is the calculated Zn equivalent incorporating silver credits as well as lead; (Zn Eq (PbAg)% = Zn + Pb*0.926 + Ag*0.019).*

Campaign objectives

Management is targeting gaps within the current JORC (2012) resource model to enhance understanding of the block model, retrieve geotechnical information for mine design and identify opportunities to gather further metallurgical samples from within substantive intersections encountered. It hopes to be able to collate data for detailed development planning covering the early years of Toral production and to progress the economic model prospectively to include a four (or less) year payback period.

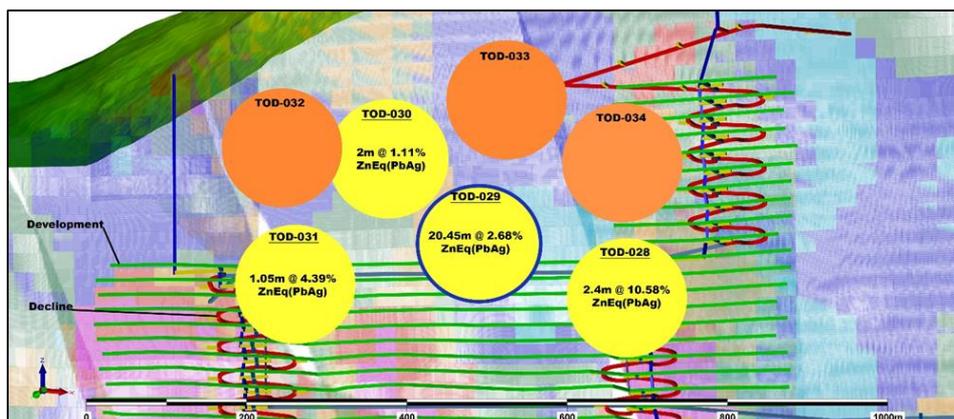
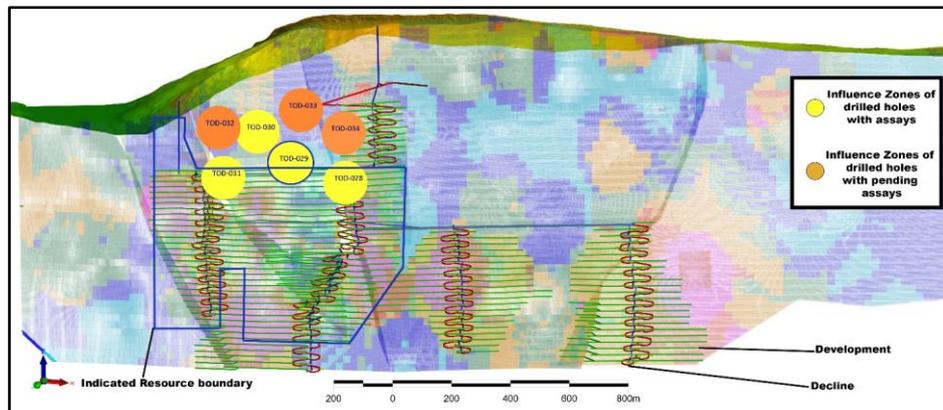
Base case, risk-adjusted valuation of 34.5p/share

TPI last updated its valuation for Europa on 19 August 2020, based on the model originally detailed in its Initiation Research of 12 July 2019. Today's news details the latest positive steps being taken by the Toral Project. The advancement of further studies as the PFS takes shape are expected to heighten credibility still further. It also represents positive testament to the operating environment within Castilla y León, which supports viable, sustainable metals projects towards development. Providing licence security combined with attractive economics, pre-existing infrastructure, currently strong metal prices and access to a good local workforce, adequately demonstrates the OECD-based project's 'deliverability' as a 'real mining operation'. Aside from Europa's apparent market valuation disparity that was highlighted in a peer group comparison generated by TPI on 18 November 2020, Toral can be considered a reasonably advanced, high-grade project with a low-cost entry point for near-term, sustainable production offering payback in Year 4 of a proposed 12-year production schedule.

In a mining market that has faced increasing capital restrictions, the PEA cited Toral as a realistic proposition for production, with sub-surface expansion potential to take the Project well beyond Year 12. Indeed, the consistent presence of copper, up to 0.5% Cu, so far up in the mineralisation presents opportunity for a future, post production exploration campaign to enhance the current, LOM, potentially even identifying a separate thermal event within the system hosting copper feeders. Data crystallised following completion of numerous work and resource development stages over the past 24 months, have built confidence in its potential to become a high-grade producer of concentrates located in a favourable jurisdiction. Balance sheet support provided through the £2.0m (gross) equity fundraising announced on 19 August 2020, in addition to the first draw down of a regional grant-loan, can be expected to ensure the Project will take necessary steps (including drilling) towards completion of its full PFS and application for a Mining Licence. TPI's present risk-adjusted, base-case valuation for Europa stands at £16.9m, or 34.5p/share, which is a multiple of Europa's current level despite the fact that recent news provides scope to further reduce the discount factors applied to the model. Higher metals prices relative to those incorporated in Bara's November 2020 scoping study also add a further 6.5% to Toral's projected LOM total revenues, which presently stand at US\$1,016 million (compared with US\$963 million previously).

(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.)

East-West Long Sections Locating Completed Primary Drill Holes TOD-028, 29, 30 & 31 (2021 Campaign*)



* Blue circle identifies location of TOD-29 daughter holes Source: Europa Metals Limited, [RNS of 7 June 2021](#)

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