

ASX ANNOUNCEMENT

27 January 2026



EUR to acquire US based Velta (Titanium) Holding in all scrip deal

European Lithium Limited (ASX: EUR, FRA:PF8, OTC: EULIF) ("European Lithium" or the "Company"), is pleased to announce that it has entered into a binding agreement to acquire 100% of Velta Holding ("Velta"), a US-based titanium company with manufacturing and mining assets located in Ukraine.

Transaction Overview

Under the terms of the agreement, European Lithium will acquire 100% of the issued capital of Velta for total consideration of approximately 173 million fully paid shares in European Lithium, subject to the completion of final due diligence and satisfaction of customary conditions precedent.

Upon completion of these conditions, the shares will be issued and transferred to the existing shareholders of Velta.

Strategic Rationale

The proposed acquisition of Velta represents a strategic expansion of European Lithium's portfolio into titanium and related critical materials and industrial minerals used in defence, aerospace energy, high-technology manufacturing, and construction industries.

Key strategic benefits include:

- **Portfolio diversification:** Expansion beyond lithium into titanium and related critical materials, enhancing European Lithium's exposure to strategically important resources.
- **Established asset base:** Access to existing mining, processing, and manufacturing assets in Ukraine, providing a platform and operational capacity for scalable production.
- **Value-added production focus:** Development of an integrated production chain, from extraction and processing of raw materials through to the manufacture of titanium metal powders and finished components, particularly for additive manufacturing applications, supporting higher margins and a more sustainable business model.
- **Supply chain security:** Strengthening participation in Western supply chains for critical materials and reducing reliance on supply from higher-risk jurisdictions.
- **Operational and commercial synergies:** Potential synergies in processing, commercialisation, and market access through the combination of Velta's assets with European Lithium's technical expertise.
- **Support for Ukraine's reconstruction:** Contribution to Ukraine's industrial development through investment in production capacity, employment, and tax revenues, generating long-term economic benefits.

Tony Sage, Executive Chairman of European Lithium, commented:

"The acquisition of Velta represents an important step in broadening European Lithium's exposure to critical and strategic minerals. Titanium is a key material used across aerospace, defence, medical, and industrial applications, and Velta's asset base and technical capabilities provide the Company with a platform for future growth. The



transaction is intended to complement European Lithium's core lithium business and support the creation of long-term shareholder value."

Despite the ongoing conflict in Ukraine, Velta Holding has continued to maintain its export markets and operational stability. Any further expansion of production capacity and investment programs will be subject to the prevailing security environment and the satisfaction of the terms and conditions of the proposed transaction.

Andriy Brodsky, Chief Executive Officer of Velta Holding, commented:

"The proposed agreement with European Lithium represents an opportunity to progress a number of development initiatives in Ukraine and the United States that the Group has been preparing over the past decade. These initiatives are focused on both horizontal and vertical integration, supporting a transition from a raw materials-based model to the production of titanium metal and other value-added critical materials.

For Ukraine, this represents investment, employment, and the introduction of new technologies. For Europe and the United States, it supports the development of reliable and transparent supply chains for critical materials. The partnership with European Lithium is expected to strengthen our ability to integrate Ukrainian resources into Western value chains while operating in accordance with international standards of governance and transparency."

About Velta

Velta is a US-based titanium company with operations primarily located in central Ukraine comprising established mining and processing facilities, including the Burzulivsky mining and processing complex and the Likarivskoye deposit. The group's assets include ilmenite and titanium ore resources, associated processing facilities, proprietary technologies, and development pathways aimed at supplying high-quality titanium materials to global markets.

Velta Holding is estimated to account for approximately 2% of the global titanium raw materials market and is included in the list of priority projects of the US-Ukraine Mineral Resources Agreement.

Velta's business model is focused on operational efficiency, improved environmental performance, and the development of processing capabilities. This includes an emphasis on higher-value products, particularly titanium powders for additive manufacturing technologies and finished titanium components.

About European Lithium

European Lithium Limited is an exploration and development stage mining company focused on lithium assets in Austria, Ukraine, and Ireland, along with various assets in Australia, and a rare earth project in Greenland.

European Lithium currently holds 48,036,338 (44.982%) ordinary shares in Critical Metals. Based on the closing share price of Critical Metals being US\$18.30 per share as of 26 January 2026, the Company's current investment in Critical Metals is valued at approximately US\$879,064,985 (A\$1,309,806,828) noting that this valuation is subject to fluctuation in the share price of Critical Metals.

For more information, please visit <https://europeanlithium.com>.

This announcement has been approved for release on ASX by the Board of Directors.

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