

17 March 2026

RENOUNCEABLE RIGHTS ISSUE TO RAISE UP TO ~\$4.3 MILLION

Highlights:

- 3-for-7 Renounceable Rights Issue to raise up to ~\$4.3 million
- Attractively priced at 1.9 cents per share
- Discount of 27% to the 30-day VWAP of 2.6 cents
- Subscribers receive 1 attaching New Option with every 2 New Shares
- New Options will be in the same class as existing ASX listed EREO options with exercise price of 4 cents and expiry in October 2028
- Shareholders can trade their rights and may apply for additional New Shares
- Rights to start trading from 19 March 2026
- All directors will participate
- Funds raised will be used to advance the Company's rare earths metallurgical test work programs and for exploration of the Company's Finnish and Slovakian projects amid an upturn in rare earths pricing and high bullion prices

European Resources Limited (**European Resources** or **the Company**) is undertaking a 3 for 7 renounceable rights issue at \$0.019 per New Share (**Issue Price**) to Eligible Shareholders to raise up to approximately \$4.3 million (**Rights Issue**).

For every 2 New Shares subscribed, subscribers will receive 1 attaching New Option with an exercise price of 4 cents and a term to 1 October 2028. The Company will apply for the quotation of the New Options on the ASX.

The Rights Issue represents a discount of 27% to the 30-day VWAP of 2.6 cents.

The Rights Issue is partially underwritten for \$2,000,000 by Lead Manager and Underwriter Mahe Capital Pty Ltd (ACN 634 087 684) (AFSL 517246).

All directors have committed to participate in the offer.

European Resources Chairman, Mr Thomas Mann said:

“The entitlement offer undertaken by the Company in 2025 enabled us to undertake a diamond drilling program at the Korsnäs REE project in Finland which generated some exciting results, including the recently announced drill hole KR-316 which intersected 31.5m @ 4,902 ppm TREO from 98.5m (NdPr enrichment 28%)¹. At the same time, the Korsnäs project’s metallurgy was advanced by screening test work and now concentrate production test work.

Supported by the recent exploration success and metallurgical developments, the larger raise targeted by this entitlement offer will enable us to continue to extend the exploration footprint of the Korsnäs project, accelerate the metallurgical test work program and also advance the Company’s other projects in Finland and Slovakia all in a supportive geopolitical and pricing environment for our European rare earths and precious metals projects.”

A Prospectus in relation to the Rights Issue was lodged with ASIC on 17 March 2026 and, together with a personalised entitlement acceptance form, will be sent to eligible shareholders shortly after the Record Date.

Eligible shareholders should consider the Prospectus in deciding whether to acquire securities under the Rights Issue and will need to follow the instructions on the Entitlement and Acceptance form that will accompany the Prospectus.

Timetable

The indicative timetable for the Rights Issue is as follows:

Announcement of Rights Issue	17 March 2026
“Ex” Date and Rights Trading commences	19 March 2026
Record Date	20 March 2026
Prospectus sent to Eligible Shareholders	25 March 2026
Opening Date	25 March 2026
Rights Trading ends	8 April 2026
Trading in new securities commences on a deferred settlement basis	9 April 2026
Last Date to extend the Closing Date	10 April 2026
Closing Date (7.00pm Sydney time)	15 April 2026
Announce results of the Offer	22 April 2026
Issue Date	22 April 2026
Trading of New Shares and New Options begins	23 April 2026

The above referred times and dates are indicative only. The Company reserves the right, subject to the Corporations Act and the ASX Listing Rules, to change the times and dates of the above noted Rights Issue timetable.

¹ See the Company’s ASX announcement made 24 February 2026. The Company confirms that it is not aware of any new information or data that materially affects the information included in this announcement.

Prospectus

Further details of the Rights Issue and other information described in this announcement are set out in the Prospectus, a copy of which was lodged with ASIC on 17 March 2026 and will be sent to Eligible Shareholders (together with a personalised Entitlement and Acceptance form) on or about 25 March 2026. Eligible Shareholders should read the Prospectus carefully and in its entirety before deciding whether to participate in the Rights Issue. A copy of the Prospectus will also be available at the Company's website: <https://europeanresources.com.au/#asx-announcements>.

Foreign shareholders

The Offer will only be made to Shareholders with a registered address in Australia or New Zealand. To comply with Listing Rule 7.7.1, the Company has appointed the Lead Manager to arrange for the sale of Rights that would have been available for other Shareholders, with the net proceeds (if any) to be paid to those Shareholders.

No Rights Issue offer in the United States

The information in this announcement does not constitute an offer in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer. No action has been taken to register the Rights Issue, the rights to New Shares and attaching New Options (**Rights**) or the New Shares and attaching New Options, or otherwise to permit a public offering of the Rights or New Shares and attaching New Options (or any Additional New Shares and attaching New Options, if applicable) in any jurisdiction other than Australia or New Zealand.

This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States. The Rights and the New Shares and attaching New Options have not been, and will not be, registered under the US Securities Act of 1933 (**US Securities Act**) or the securities laws of any State or other jurisdiction of the United States. The Rights may not be acquired and/or taken up by persons in the United States and the New Shares and attaching New Options (or any Additional New Shares and attaching New Options, if applicable) may not be offered or sold in the United States except in transactions exempt from, or not subject to the registration requirements of the US Securities Act and the applicable securities laws of any State or other jurisdiction of the United States.

This announcement has been approved by the Company's Board of Directors.

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