



Balkan
Mining and Minerals Limited

BALKAN SECURES CANADIAN LITHIUM PROJECT

HIGHLIGHTS

- BMM secures exclusive option to acquire up to 100% of Gorge lithium project located in the Georgia Lake Area, Thunder Bay North Mining District of Ontario, Canada.
- The Project includes two prospective areas identified by historical works which are yet to be systematically explored, Nelson and Koshman, in addition to the wider Project area. Five grab samples have been historically collected and analysed for lithium returning values up to 3.22% Li₂O (and an average of 2.24% Li₂O).
- The Project is prospective for spodumene pegmatite mineralisation.
- The tenements comprising the Project are part of the larger Georgia Lake pegmatite district which is known to host late-stage pegmatite mineralised deposit types that contain rare elements including lithium, beryllium, tantalum, niobium and tin, including Rock Tech Lithium Inc's (TSX-V: RCK) Georgia Lake project.
- The Project is well located close to rail networks and a major port and is accessible by road from Thunder Bay, Ontario.
- The option agreement is subject to an exclusive 45 day due diligence period to allow BMM to conduct a detailed review of historic exploration results and conduct its own site visit to evaluate the project in a view to the parties agreeing a definitive option and earn-in agreement.
- In conjunction with the transaction, BMM is to raise up to \$1.5 million. Sixty Two Capital has been appointed as lead manager to the capital raising.
- BMM intends to seek shareholder approval in respect of the transaction and capital raising in August 2022.

Balkan Mining and Minerals Ltd (BMM or the Company) (ASX: BMM) is pleased to announce it has secured an exclusive option to acquire up to 100% of the Gorge Lithium exploration project located in the Georgia Lake Area, Thunder Bay North Mining District of Ontario, Canada (the "**Gorge Lithium Project**" or "**Project**").

The Gorge Lithium Project is located approximately 175km to the northeast of the City of Thunder Bay. The Project comprises of 7 active multi-cell mining claims covering a total area of approximately 20.8km² and is located within the larger Georgia Lake pegmatite district which hosts potential for the discovery of lithium bearing pegmatites.

The Project area is accessible by bitumenised highways and dirt roads from Thunder Bay, proximate to railway networks with an international airport located at Thunder Bay.



Balkan
Mining and Minerals Limited

ASX ANNOUNCEMENT

4 July 2022

The Port of Thunder Bay is a major facility that ships a number of commodities and general cargo via the Great Lakes.

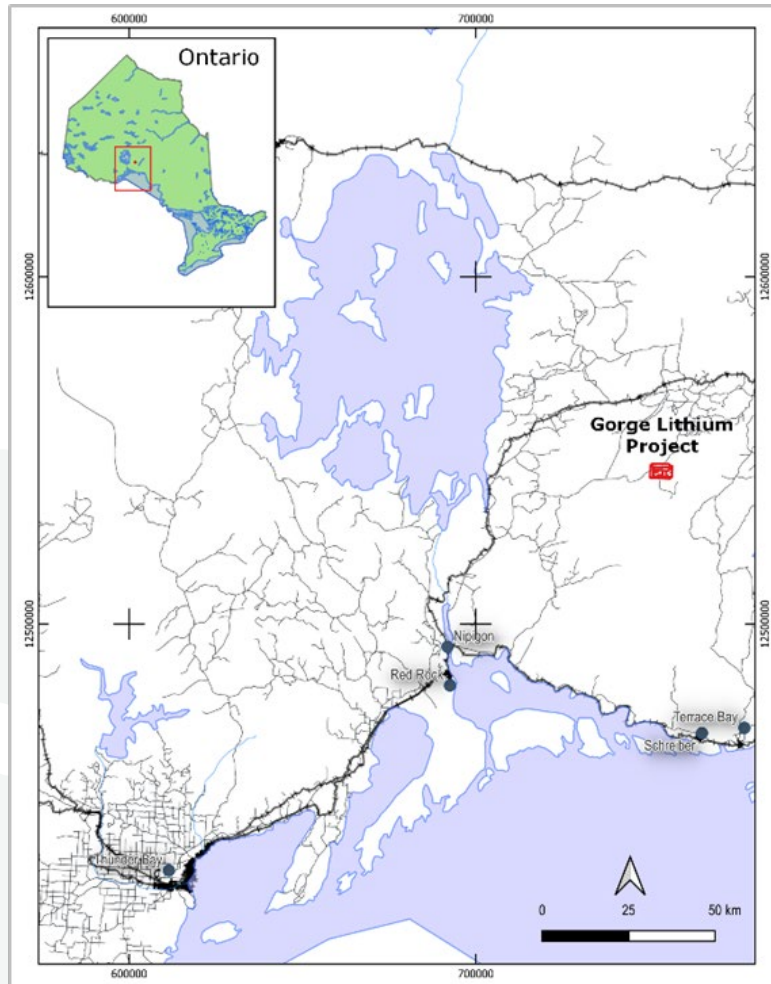


Figure 1 – Location of the Gorge Lithium Project

Historical workings carried out in 1955/56 identified up to 40 lithium and beryllium bearing pegmatites exposed in outcrop over an area of approximately 600km², referred to as the larger Georgia Lake Area.

Follow up field work was carried out in the larger Georgia Lake Area during 2008 with a focus on identifying rare-element pegmatite deposits. During this period, a new pegmatite group referred to as “Gathering Lake Pegmatite Group” was discovered containing both albite-spodumene-type and beryl-type pegmatites.

The most recent field program was completed in 2018 when the presence of lithium bearing mineralisation was confirmed on the Project at the Koshman and Nelson occurrences (Figure 2



Balkan
Mining and Minerals Limited

and 3). Five grab samples were collected and analysed for lithium and lithium values returned up to 3.22% Li₂O (and an average of 2.24% Li₂O).

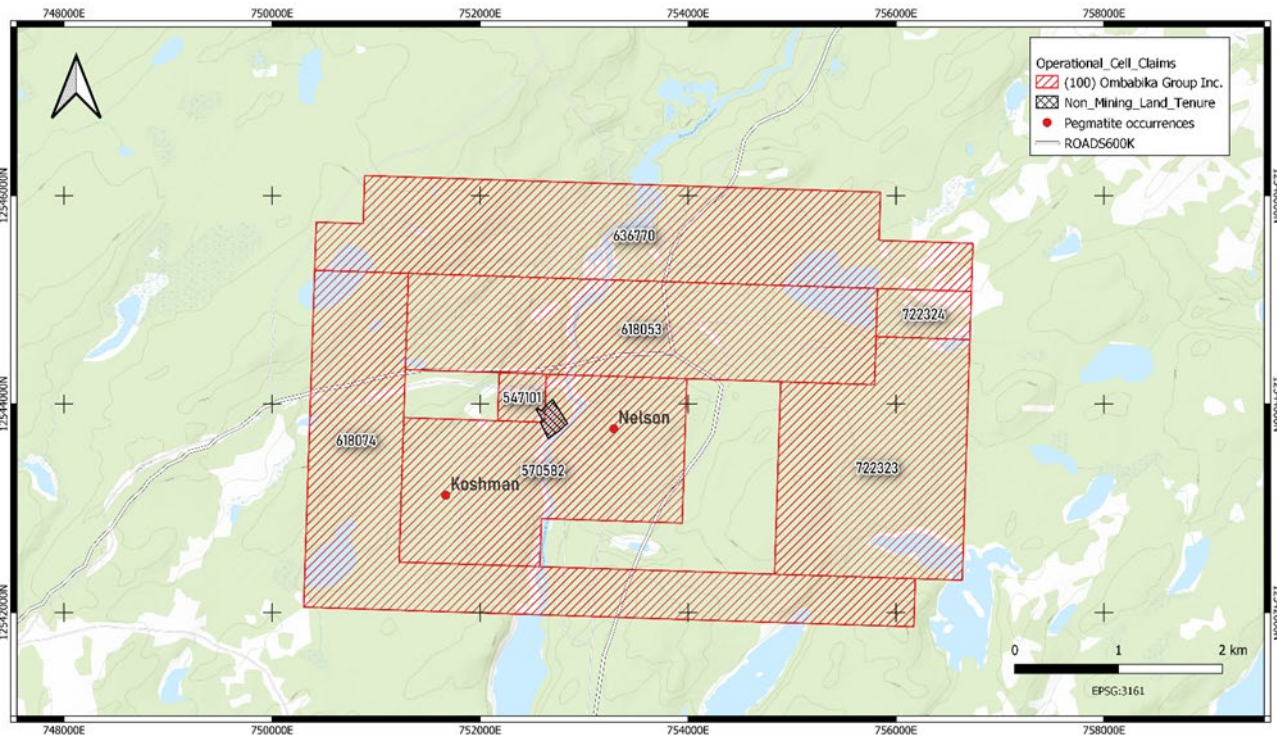


Figure 2 – Location of the Project exploration claims over topo map

The Thunder Bay region of Ontario has been the focus of lithium pegmatite exploration works with the delineation of hard rock lithium deposits including Rock Tech Lithium Inc’s Georgia Lake project in 2021, and Imagine Lithium Inc’s (TSX.V ILI) Jackpot Lithium project and works carried out by Ulta Lithium Inc (TSX.V-ULT) Georgia Lake and Forgan Lake Projects, to name a few.

BMM will have up to 45 days to conduct exclusive due diligence on the group of tenements comprising the Gorge Lithium Project during which time BMM intends to conduct a historic data review on all previous exploration and conduct field reconnaissance work to evaluate the project’s prospectivity and enter into a definitive option and earn-in agreement with Ombabika.

Project Geology

The Georgia Lake area is located within the Quetico Subprovince of the Superior Province of Ontario Canada. The Quetico Subprovince is bounded by the granite-greenstone Wabigoon Subprovince to the north and Wawa Subprovince to the south. The Quetico Subprovince is composed of predominantly metasediments consisting of wacke, iron formation, conglomerate, ultramafic wacke and siltstone, which deposited between 2.70 and 2.69 Ga. The igneous rocks in the Quetico Subprovince include abundant felsic and intermediate intrusions, metamorphosed rare mafic and felsic extrusive rocks and an uncommon suite of gabbroic and ultramafic rocks.



Balkan
Mining and Minerals Limited

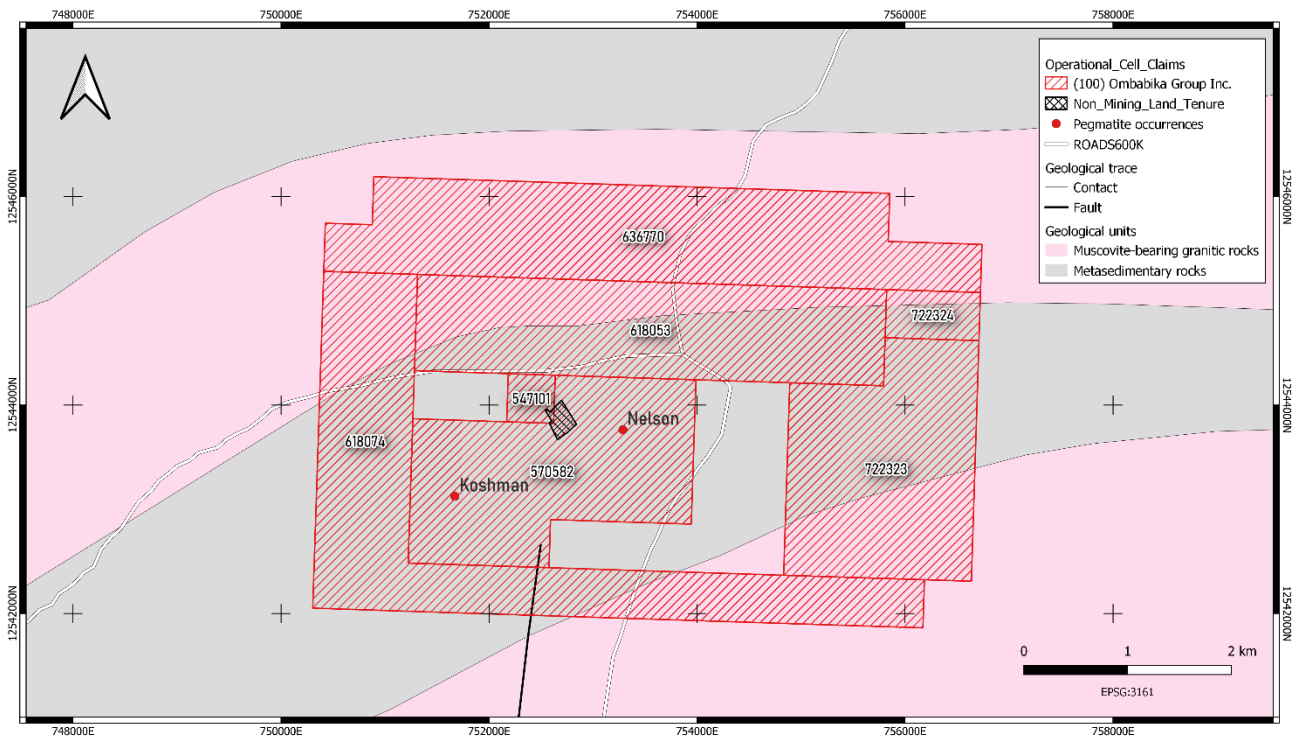


Figure 3 – Location of the Project exploration claims over geological map

There is an abundance of pegmatites close to and within the large masses of granitic rocks. A regional zoning is apparent and a genetic association of pegmatites and granite is indicated. The pegmatites occur in two geometries: as irregular-shaped bodies and as thin veins and attenuated lenses. The irregular bodies of pegmatite are intimately associated with the granite bodies often within a few hundred feet of the contact zone. They typically are medium- to coarse-grained, up to very coarse-grained and are made up of quartz, microcline, perthite and little muscovite. These would be classified as potassic pegmatites. Accessory minerals include biotite, tourmaline and garnet.

The pegmatite veins and lenses can be subdivided into rare-element pegmatites and granitic pegmatites. The rare-element pegmatites are of economic significance and they contain microcline or perthite, albite, quartz, muscovite and spodumene and minor amounts of beryl, columbite-tantalite and cassiterite. The granitic pegmatites are like the irregular pegmatites described above except that they contain more abundant plagioclase. Some of the pegmatites are parallel to the foliation or bedding of the metasediments, whereas others occur in joints in either the metasediments or granite. Contacts are usually sharp and, except where veins cut granitic rocks, often found to be marked by a thin border zone of aplite or granitoid composition. A few pegmatites are internally zoned with mica-rich or tourmaline-rich rock along or close to the walls and quartz cores.



Balkan
Mining and Minerals Limited

Key Terms and Conditions of the Transaction

The Company has entered into an exclusive option agreement with Ombabika Group Inc (**Ombabika**) (an entity incorporated in Ontario, Canada) under which it has a right to acquire up to 100% of the Gorge Lithium Project on the following key terms and conditions:

- (a) **Exclusivity Fee:** BMM has agreed to pay a AUD\$25,000 option exclusivity fee (the "**Exclusivity Fee**") to Ombabika in consideration for Ombabika granting BMM an exclusive right to undertake due diligence on Ombabika and the Gorge Lithium Project with a view to entering into a definitive option and earn-in agreement ("**Option Agreement**") during the Exclusivity Period (defined below).
- (b) **Exclusivity Period:** The exclusivity period ends on the date that is the earlier to occur of:
- (i) 45 days after the date of the Term Sheet (or such later time period as is agreed between the parties); and
 - (ii) execution of the Option Agreement,
(the "**Exclusivity Period**").
- (c) **Earn-in:** Subject to satisfaction of the Conditions (defined below), BMM (or its subsidiary nominee) will have the right to earn up to an 100% interest in the Gorge Lithium Project over a 4 staged earn-in (**Earn-In**) as follows:
- (i) **Acquisition of 25% interest:** BMM will acquire an initial 25% interest in the Gorge Lithium Project (**Initial Interest**) by:
 - a. making a cash payment of AUD\$50,000 to Ombabika within 5 days of execution of the formal option and earn-in agreement ("**Agreement Signing Date**");
 - b. funding AUD\$100,000 to complete initial field work program focusing on high grade dykes within six months of the Agreement Signing Date; and
 - c. issuing AUD\$50,000 worth of shares to Ombabika, with the number of shares to be calculated based on the volume weighted average price of BMM shares, calculated over the 10 trading days before the date of issue of the shares.
 - (ii) **Acquisition of 50% interest:** BMM will acquire a further 25% interest in the Gorge Lithium Project (such that it holds a 50% interest) (50% Interest) by:
 - a. making a cash payment of AUD\$60,000 on or before the date that is 12 months after BMM (or its subsidiary nominee) earns the Initial Interest;
 - b. funding exploration works of at least AUD\$250,000 on or before the date that is 12 months after BMM (or its subsidiary nominee) earns the Initial Interest; and
 - c. issuing AUD\$100,000 worth of shares to Ombabika, based on the volume weighted average price of BMM shares, calculated over the 10 trading days before the date of issue of the shares.
 - (iii) **Acquisition of 75% interest:** BMM will acquire a further 25% interest in the Gorge Lithium Project (such that it holds a 75% interest) (75% Interest) by:



Balkan
Mining and Minerals Limited

ASX ANNOUNCEMENT

4 July 2022

- For personal use only
- a. making a cash payment of AUD\$75,000 on or before the date that is 12 months after BMM (or its subsidiary nominee) earns the 50% Interest;
 - b. funding exploration works totalling of at least AUD\$300,000 on or before the date that is 12 months after BMM (or its subsidiary nominee) earns the 50% Interest; and
 - c. issuing AUD\$100,000 worth of shares to Ombabika, based on the volume weighted average price of BMM shares, calculated over the 10 trading days before the date of issue of the shares.
- (iv) **Acquisition of 100% interest:** BMM will acquire a further 25% interest in the Gorge Lithium Project (such that it holds an 100% interest) by:
- a. making a cash payment of AUD\$100,000 on or before the date that is 12 months after BMM (or its subsidiary nominee) earns the 75% Interest;
 - b. funding exploration works totalling of at least AUD\$500,000 on or before the date that is 12 months after BMM (or its subsidiary nominee) earns the 75% Interest; and
 - c. issuing AUD\$150,000 worth of shares to Ombabika, based on the volume weighted average price of BMM shares, calculated over the 10 trading days before the date of issue of the shares.
- (d) **NSR:** Ombabika will be granted a 2% Net Smelter Royalty on all lithium production from the Assets if BMM acquires a 100% interest in the Gorge Lithium Project. BMM will have the right, but not the obligation, to repurchase back 1% of the NSR for AUD\$1,000,000.
- (e) **Conditions:** The transaction shall be subject to the satisfaction of various conditions precedent on or before 30 September 2022 (or such later date as is agreed), including:
- (i) execution of the Option Agreement prior to expiry of the Exclusivity Period;
 - (ii) BMM obtaining shareholder approval under ASX Listing Rule 7.1 in respect of a capital raising to raise up to \$1,500,000 through the issue of fully paid ordinary shares in the capital of BMM and completing that capital raising;
 - (iii) the parties demonstrating that they have obtained the requisite board approvals to enter into the transaction;
 - (iv) BMM obtaining all required legal, regulatory and shareholder approvals including pursuant to the requirements of the ASX Listing Rules and the applicable provisions of the Corporations Act. ASX has determined that the transaction requires shareholder approval and accordingly BMM will seek shareholder approval to the share issues under the Earn-In;
 - (v) BMM receiving confirmation from the ASX that the transaction does not constitute a significant change in the nature or scale of BMM's activities such that re-compliance with Chapters 1 and 2 of the ASX Listing Rules is required (which confirmation has been obtained); and
 - (vi) the parties obtaining all other necessary third party consents, waivers and approvals to give effect to the transaction (the costs of which shall be borne by the Party requiring consents, waivers and approvals),
- (the **Conditions**).



Balkan
Mining and Minerals Limited

ASX ANNOUNCEMENT

4 July 2022

BMM has engaged Geomap Exporation Inc to provide advisory and introductory services in respect of the acquisition of the Gorge Lithium Project and has agreed to pay Geomap Exploration Inc a introductory fee of AUD\$50,000 to be satisfied via an issue of fully paid ordinary shares at a deemed issue price calculated based on the volume weighted average price of BMM shares, calculated over the 10 trading days before the date of issue of the shares, subject to shareholder approval pursuant to ASX Listing Rule 7.1.

The Company has appointed Sixty Two Capital Pty Ltd as lead manager to the proposed \$1.5 million capital raising to be conducted as a condition precedent to completion of the Gorge Lithium Project transaction. It is intended that the capital raising will be undertaken via an issue of shares at an issue price of 15 cents each to sophisticated and professional investors. Each of the Company's cornerstone investors, Sandfire Resources Limited (ASX: SFR) and EV Resources Limited (ASX: EVR), have indicated their intentions to participate in the capital raising. Funds raised under the capital raising will be used towards funding the acquisition of the Gorge Lithium Project, exploration expenditure on the Gorge Lithium Project, exploration on the Company's existing projects and for general working capital purposes. Sixty Two Capital will receive a fee of 6% of gross amount raised under the capital raising and 2,000,000 unlisted new options with an exercise price of \$0.30 each and expiry date of 3 years from the date of issue of the options (Lead Manager Options). The issue of the Lead Manager Options is subject to shareholder approval pursuant to ASX Listing Rule 7.1.

As set out above, completion of the Gorge Lithium Project transaction is conditional on, amongst other things, the Company obtaining all required legal, regulatory and shareholder approvals (including pursuant to the ASX Listing Rules) and the Company successfully raising up to \$1.5 million under the capital raising. BMM anticipates holding a shareholder meeting to approve the transaction and capital raising in August 2022.

Managing Director Ross Cotton commented:

"Consistent with the Company's growth strategy, we are pleased to have secured an option to expand our Lithium portfolio with the addition of the Gorge Lithium project. Not only is the project positioned in an exciting mineral prospective province that has shown great potential in a Tier 1 jurisdiction such as Canada, but the transaction also provides BMM with the opportunity to diversify its asset base across two important emerging lithium exploration provinces."

For further information please contact:

Ross Cotton

Managing Director

E: Ross.Cotton@balkanmin.com

Authorised for release by the Board of Balkan Mining and Minerals Limited

-ENDS-



Balkan
Mining and Minerals Limited

ABOUT BALKAN MINING AND MINERALS

Balkan Mining and Minerals is an ASX listed company focused on the early - stage exploration through to the development of borate and associated lithium in the Balkans. The Company's Projects comprise the Rekovac, Dobrinja and Pranjani Lithium-Borate Projects which are located within the Republic of Serbia.

Competent Persons Statement

The information in this report that relates to Exploration Targets or Exploration Results is based on information compiled by Mr Dejan Jovanovic, a Competent Person who is a Member of the European Federation of Geologist (EurGeol). The European Federation of Geologists is a Joint Ore Reserves Committee (JORC) Code 'Recognised Professional Organisation' (RPO). An RPO is an accredited organisation to which the Competent Person under JORC Code Reporting Standards must belong in order to report Exploration Results, Mineral Resources, or Ore Reserves through the ASX. Mr Jovanovic is the General Manager, Exploration and is a full-time employee of the Company. Mr Jovanovic has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the JORC 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Jovanovic consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Forward-looking Statements

Certain statements included in this release constitute forward-looking information. Statements regarding BMM's plans with respect to its mineral properties and programs are forward-looking statements. There can be no assurance that BMM's plans for development of its mineral properties will proceed as currently expected. There can also be no assurance that BMM will be able to confirm the presence of additional mineral resources, that any mineralisation will prove to be economic or that a mine will successfully be developed on any of BMM's mineral properties. The performance of BMM may be influenced by a number of factors which are outside the control of the Company and its Directors, staff, and contractors.

These statements include, but are not limited to statements regarding future production, resources or reserves and exploration results. All such statements are subject to certain risks and uncertainties, many of which are difficult to predict and generally beyond the control of the Company, that could cause actual results to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements. These risks and uncertainties include, but are not limited to: (i) those relating to the interpretation of exploration sample, mapping and drill results, the geology, grade and continuity of mineral deposits and conclusions of economic evaluations, (ii) risks relating to possible variations in reserves and resources, grade, planned mining dilution and ore loss, or recovery rates and changes in project parameters as plans continue to be refined, (iii) the potential for delays in exploration or development activities or the completion of feasibility studies, (iv) risks related to commodity price and foreign exchange rate fluctuations, (v) risks related to failure to obtain adequate financing on a timely basis and on acceptable terms or delays in obtaining governmental approvals or in the completion of development or construction activities, and (vi) other risks and uncertainties related to the company's prospects, properties and business strategy.

There is continuing uncertainty as to the full impact of COVID-19 on BMM's business, the Australian economy, share markets and the economies in which BMM conducts business. Given the high degree of uncertainty surrounding the extent and duration of the COVID-19 pandemic, it is not currently possible to assess the full impact of COVID-19 on BMM's business or the price of BMM securities.

Except for statutory liability which cannot be excluded, each of BMM, its officers, employees and advisors expressly disclaim any responsibility for the accuracy or completeness of the material contained in these forward-looking statements and excludes all liability whatsoever (including in negligence) for any loss or damage which may be suffered by any person as a consequence of any information in forward-looking statements or any error or omission. BMM undertakes no obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after today's date or to reflect the occurrence of unanticipated events other than required by the Corporations Act and ASX Listing Rules. Accordingly, you should not place undue reliance on any forward-looking statement.



Balkan
Mining and Minerals Limited

JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary																																	
Sampling techniques	<ul style="list-style-type: none"> Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information. 	<ul style="list-style-type: none"> In total 5 grab samples were taken back in 2018 during the program on the Koshman and Nelson occurrences to confirm the presence of lithium mineralization and confirm their economic potential. The samples were taken directly from outcropping pegmatite with visible spodumene Sample descriptions and lithium values are shown in the table below: <table border="1"> <thead> <tr> <th>Location</th> <th>SampleID</th> <th>Li (%)</th> <th>Eastin</th> <th>Northing</th> <th>Description</th> </tr> </thead> <tbody> <tr> <td rowspan="4">Koshman</td> <td>294410</td> <td>0.17</td> <td>465967</td> <td>5481537</td> <td>8% pale green spodumene, in coarse grained feldspar pegmatite, < 1% med. Gr. Apatite</td> </tr> <tr> <td>294411</td> <td>1.34</td> <td>466025</td> <td>5481487</td> <td>25% cr. Gr. Spodumene, pale green, in albite pegmatite, tr black oxide minerals, possibly Fe-tant, 3-4% muscovite</td> </tr> <tr> <td>294412</td> <td>1.1</td> <td>465977</td> <td>5481551</td> <td>20% spodumene, 2-6cm crystals, 5% muscovite, minor apatite fine grained, minor black</td> </tr> <tr> <td>294413</td> <td>1.12</td> <td>465978</td> <td>5481537</td> <td>20% spodumene, 4-8cm crystals, some portions of the dyke are lacking spodumene and dominated by coarse albite crystals, no presence of apatite in this sample</td> </tr> <tr> <td>Nelson</td> <td>294414</td> <td>1.49</td> <td>467628</td> <td>5482170</td> <td>High graded chips of very coarse grained pegmatite lense/dyke on side of cliff. ~1.5m wide spodumene pegmatite in 100m wide pegmatite sill or dyke, depending on structure of pegmatite, 2-4cm long spod crystals, pale green, very hard to chip sample. 2-3% green muscovite, tr apatite, tr oxide minerals, possibly represents a large zoned pegmatite or spodumene dyke subsequent intrusion into larger peg dyke which is visible on Sat photo.</td> </tr> </tbody> </table>	Location	SampleID	Li (%)	Eastin	Northing	Description	Koshman	294410	0.17	465967	5481537	8% pale green spodumene, in coarse grained feldspar pegmatite, < 1% med. Gr. Apatite	294411	1.34	466025	5481487	25% cr. Gr. Spodumene, pale green, in albite pegmatite, tr black oxide minerals, possibly Fe-tant, 3-4% muscovite	294412	1.1	465977	5481551	20% spodumene, 2-6cm crystals, 5% muscovite, minor apatite fine grained, minor black	294413	1.12	465978	5481537	20% spodumene, 4-8cm crystals, some portions of the dyke are lacking spodumene and dominated by coarse albite crystals, no presence of apatite in this sample	Nelson	294414	1.49	467628	5482170	High graded chips of very coarse grained pegmatite lense/dyke on side of cliff. ~1.5m wide spodumene pegmatite in 100m wide pegmatite sill or dyke, depending on structure of pegmatite, 2-4cm long spod crystals, pale green, very hard to chip sample. 2-3% green muscovite, tr apatite, tr oxide minerals, possibly represents a large zoned pegmatite or spodumene dyke subsequent intrusion into larger peg dyke which is visible on Sat photo.
Location	SampleID	Li (%)	Eastin	Northing	Description																														
Koshman	294410	0.17	465967	5481537	8% pale green spodumene, in coarse grained feldspar pegmatite, < 1% med. Gr. Apatite																														
	294411	1.34	466025	5481487	25% cr. Gr. Spodumene, pale green, in albite pegmatite, tr black oxide minerals, possibly Fe-tant, 3-4% muscovite																														
	294412	1.1	465977	5481551	20% spodumene, 2-6cm crystals, 5% muscovite, minor apatite fine grained, minor black																														
	294413	1.12	465978	5481537	20% spodumene, 4-8cm crystals, some portions of the dyke are lacking spodumene and dominated by coarse albite crystals, no presence of apatite in this sample																														
Nelson	294414	1.49	467628	5482170	High graded chips of very coarse grained pegmatite lense/dyke on side of cliff. ~1.5m wide spodumene pegmatite in 100m wide pegmatite sill or dyke, depending on structure of pegmatite, 2-4cm long spod crystals, pale green, very hard to chip sample. 2-3% green muscovite, tr apatite, tr oxide minerals, possibly represents a large zoned pegmatite or spodumene dyke subsequent intrusion into larger peg dyke which is visible on Sat photo.																														
Drilling techniques	<ul style="list-style-type: none"> Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc). 	<ul style="list-style-type: none"> Not Applicable 																																	
Drill sample recovery	<ul style="list-style-type: none"> Method of recording and assessing core and chip sample recoveries and results assessed. Measures taken to maximise sample recovery and ensure representative nature of the samples. Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material. 	<ul style="list-style-type: none"> Not Applicable 																																	
Logging	<ul style="list-style-type: none"> Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. The total length and percentage of the relevant intersections logged. 	<ul style="list-style-type: none"> Not Applicable 																																	
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> If core, whether cut or sawn and whether quarter, half or all core taken. If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. For all sample types, the nature, quality and appropriateness of the sample preparation 	<ul style="list-style-type: none"> Not Applicable 																																	



Balkan
Mining and Minerals Limited

ASX ANNOUNCEMENT

4 July 2022

	<p>technique.</p> <ul style="list-style-type: none"> Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. Whether sample sizes are appropriate to the grain size of the material being sampled. 	
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established. 	<ul style="list-style-type: none"> All the rock samples collected for the present study work were prepared and analyzed by Actlabs in Thunder Bay and Toronto, having been assessed by the Standards Council of Canada (SCC) and found to conform with the requirements of ISO/IEC 17025:2005 and the conditions for accreditation established by SCC. The Li % was analyzed by Actlabs Code 8 Sodium Peroxide Fusion - ICP-OES/ICP-MS Finish – Lithium Ore analysis package which digests the samples by sodium peroxide fusion and analyses them using ICP/OES. Sodium Peroxide Fusion is considered as a total for lithium assays. There is no information that quality control procedures are being applied.
Verification of sampling and assaying	<ul style="list-style-type: none"> The verification of significant intersections by either independent or alternative company personnel. The use of twinned holes. Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. Discuss any adjustment to assay data. 	<ul style="list-style-type: none"> The Company planning to verify sampling protocols and procedures during DD. The data regarding sampling location and sample information is stored in tabular format and is appended to this report.
Location of data points	<ul style="list-style-type: none"> Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. Specification of the grid system used. Quality and adequacy of topographic control. 	<ul style="list-style-type: none"> There is no information regarding the quality of surveys used to define the sample location.
Data spacing and distribution	<ul style="list-style-type: none"> Data spacing for reporting of Exploration Results. Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. Whether sample compositing has been applied. 	<ul style="list-style-type: none"> The samples are considered random taken directly from outcropping spodumene-bearing pegmatite. The data spacing and distribution are not sufficient to establish the degree of geological and grade continuity.
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material. 	<ul style="list-style-type: none"> Not applicable
Sample security	<ul style="list-style-type: none"> The measures taken to ensure sample security. 	<ul style="list-style-type: none"> Not applicable
Audits or reviews	<ul style="list-style-type: none"> The results of any audits or reviews of sampling techniques and data. 	<ul style="list-style-type: none"> No verification was performed at this stage. The company is planning to verify sampling techniques and data during DD.

ASX | BMM

Balkan Mining and Minerals Limited ABN 67 646 716 681
Level 9, 182 St George's Terrace, Perth WA 6000
T: +61 8 6109 6684 E: info@balkanmin.com www.balkanmin.com



Balkan
Mining and Minerals Limited

ASX ANNOUNCEMENT

4 July 2022

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary																																								
Mineral tenement and land tenure status	<ul style="list-style-type: none"> Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area. 	<ul style="list-style-type: none"> In total six (6) multi-cell and one single mining claim are owned by Ombabika Group Inc which is a holder of the Gorge exploration project. <table border="1"> <thead> <tr> <th>Township / Area</th> <th>Tenure ID</th> <th>Tenure Type</th> <th>Anniversary Date</th> <th>Tenure Status</th> </tr> </thead> <tbody> <tr> <td>SOUTH BEATTY LAKE AREA</td> <td>722324</td> <td>Multi-cell Mining Claim</td> <td>07/11/2022</td> <td>Active</td> </tr> <tr> <td>GATHERING LAKE AREA,SOUTH BEATTY LAKE AREA</td> <td>722323</td> <td>Multi-cell Mining Claim</td> <td>07/11/2022</td> <td>Active</td> </tr> <tr> <td>SOUTH BEATTY LAKE AREA</td> <td>636770</td> <td>Multi-cell Mining Claim</td> <td>12/02/2023</td> <td>Active</td> </tr> <tr> <td>GATHERING LAKE AREA,SOUTH BEATTY LAKE AREA</td> <td>618074</td> <td>Multi-cell Mining Claim</td> <td>07/11/2022</td> <td>Active</td> </tr> <tr> <td>GATHERING LAKE AREA,SOUTH BEATTY LAKE AREA</td> <td>618053</td> <td>Multi-cell Mining Claim</td> <td>07/11/2022</td> <td>Active</td> </tr> <tr> <td>GATHERING LAKE AREA</td> <td>570582</td> <td>Multi-cell Mining Claim</td> <td>23/01/2022</td> <td>Active - Work Report Pending</td> </tr> <tr> <td>GATHERING LAKE AREA</td> <td>547101</td> <td>Single Cell Mining Claim</td> <td>31/03/2022</td> <td>Active - Work Report Pending</td> </tr> </tbody> </table>	Township / Area	Tenure ID	Tenure Type	Anniversary Date	Tenure Status	SOUTH BEATTY LAKE AREA	722324	Multi-cell Mining Claim	07/11/2022	Active	GATHERING LAKE AREA,SOUTH BEATTY LAKE AREA	722323	Multi-cell Mining Claim	07/11/2022	Active	SOUTH BEATTY LAKE AREA	636770	Multi-cell Mining Claim	12/02/2023	Active	GATHERING LAKE AREA,SOUTH BEATTY LAKE AREA	618074	Multi-cell Mining Claim	07/11/2022	Active	GATHERING LAKE AREA,SOUTH BEATTY LAKE AREA	618053	Multi-cell Mining Claim	07/11/2022	Active	GATHERING LAKE AREA	570582	Multi-cell Mining Claim	23/01/2022	Active - Work Report Pending	GATHERING LAKE AREA	547101	Single Cell Mining Claim	31/03/2022	Active - Work Report Pending
Township / Area	Tenure ID	Tenure Type	Anniversary Date	Tenure Status																																						
SOUTH BEATTY LAKE AREA	722324	Multi-cell Mining Claim	07/11/2022	Active																																						
GATHERING LAKE AREA,SOUTH BEATTY LAKE AREA	722323	Multi-cell Mining Claim	07/11/2022	Active																																						
SOUTH BEATTY LAKE AREA	636770	Multi-cell Mining Claim	12/02/2023	Active																																						
GATHERING LAKE AREA,SOUTH BEATTY LAKE AREA	618074	Multi-cell Mining Claim	07/11/2022	Active																																						
GATHERING LAKE AREA,SOUTH BEATTY LAKE AREA	618053	Multi-cell Mining Claim	07/11/2022	Active																																						
GATHERING LAKE AREA	570582	Multi-cell Mining Claim	23/01/2022	Active - Work Report Pending																																						
GATHERING LAKE AREA	547101	Single Cell Mining Claim	31/03/2022	Active - Work Report Pending																																						
Exploration done by other parties	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<ul style="list-style-type: none"> Historical workings carried out in 1955/56 identified up to 40 lithium and beryllium bearing pegmatites exposed in outcrop over an area of approximately 600km², referred to as the larger Georgia Lake Area. Follow up fieldwork was carried out during 2008 with a focus on identifying rare-element pegmatite deposits. During this period, a new pegmatite group referred to as "Gathering Lake Pegmatite Group" was discovered containing both albite-spodumene-type and beryl-type pegmatites. The most recent field program was completed in 2018 when the presence of lithium-bearing mineralisation were confirmed on the Project at the Koshman and Nelson occurrences. 																																								
Geology	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	<ul style="list-style-type: none"> The Georgia Lake area is located within the Quetico Subprovince of the Superior Province of Ontario Canada. The Quetico Subprovince is bounded by the granite-greenstone Wabigoon Subprovince to the north and Wawa Subprovince to the south. The Quetico Subprovince is composed of predominantly metasediments consisting of wacke, iron formation, conglomerate, ultramafic wacke and siltstone, which deposited between 2.70 and 2.69 Ga. The igneous rocks in the Quetico Subprovince include abundant felsic and intermediate intrusions, metamorphosed rare mafic and felsic extrusive rocks and an uncommon suite of gabbroic and ultramafic rocks. There is an abundance of pegmatites close to and within the large masses of granitic rocks. A regional zoning is apparent and a genetic association of pegmatites and granite is indicated. The pegmatites occur in two geometries: as irregular-shaped bodies and as thin veins and attenuated lenses. The irregular 																																								

ASX | BMM



Balkan
Mining and Minerals Limited

ASX ANNOUNCEMENT

4 July 2022

Criteria	JORC Code explanation	Commentary
		<p>bodies of pegmatite are intimately associated with the granite bodies often within a few hundred feet of the contact zone. They typically are medium- to coarse-grained, up to very coarse-grained and are made up of quartz, microcline, perthite and little muscovite. These would be classified as potassic pegmatites. Accessory minerals include biotite, tourmaline and garnet.</p> <ul style="list-style-type: none"> The pegmatite veins and lenses can be subdivided into rare-element pegmatites and granitic pegmatites. The rare-element pegmatites are of economic significance and they contain microcline or perthite, albite, quartz, muscovite and spodumene and minor amounts of beryl, columbite-tantalite and cassiterite. The granitic pegmatites are like the irregular pegmatites described above except that they contain more abundant plagioclase. Some of the pegmatites are parallel to the foliation or bedding of the metasediments, whereas others occur in joints in either the metasediments or granite. Contacts are usually sharp and, except where veins cut granitic rocks, often found to be marked by a thin border zone of aplite or granitoid composition. A few pegmatites are internally zoned with mica-rich or tourmaline-rich rock along or close to the walls and quartz cores.
Drill hole Information	<ul style="list-style-type: none"> A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> easting and northing of the drill hole collar elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar dip and azimuth of the hole down hole length and interception depth hole length. If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case. 	<ul style="list-style-type: none"> Not applicable
Data aggregation methods	<ul style="list-style-type: none"> In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated. Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. The assumptions used for any reporting of metal equivalent values should be clearly stated. 	<ul style="list-style-type: none"> No data aggregation was done on the rock chip samples. No cut-off grades were used. No metal equivalent values are being reported.
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known'). 	<ul style="list-style-type: none"> Not applicable

ASX | BMM

Balkan Mining and Minerals Limited ABN 67 646 716 681
Level 9, 182 St George's Terrace, Perth WA 6000
T: +61 8 6109 6684 E: info@balkanmin.com www.balkanmin.com



Balkan
Mining and Minerals Limited

ASX ANNOUNCEMENT

4 July 2022

Criteria	JORC Code explanation	Commentary
Diagrams	<ul style="list-style-type: none">• <i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i>	<ul style="list-style-type: none">• Appropriate plan maps and sections are appended to the announcement.
Balanced reporting	<ul style="list-style-type: none">• <i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i>	<ul style="list-style-type: none">• The announcement is believed to include all representative and relevant information and is believed to be comprehensive.
Other substantive exploration data	<ul style="list-style-type: none">• <i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i>	<ul style="list-style-type: none">• All exploration data is well summarised in Technical Report On the Gathering Lake Lithium Pegmatite Property (http://www.geologyontario.mndm.gov.on.ca/mndmfiles/afr/data/imaging/20000017160/20000017160_01.pdf)
Further work	<ul style="list-style-type: none">• <i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i>• <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i>	<ul style="list-style-type: none">• The Company intends to conduct due diligence which will include a historic data review on all previous exploration and conduct field reconnaissance work to evaluate the project's prospectivity and enter into a definitive option and earn-in agreement with Ombabika.

ASX | **BMM**

Balkan Mining and Minerals Limited ABN 67 646 716 681
Level 9, 182 St George's Terrace, Perth WA 6000
T: +61 8 6109 6684 E: info@balkanmin.com www.balkanmin.com