

June 2024 Quarterly Activities Report

HIGHLIGHTS

- **Balkan Mining and Minerals (BMM) has received binding commitments for \$750,000 via private placement to advance project generation opportunities and Canadian exploration activities**
- **Experienced corporate executive Mr Fadi Diab appointed to the BMM board of directors as NED**
- **BMM continues to leverage the deep experience of the board and key staff to assess potential new mineral exploration projects**

Balkan Mining and Minerals, Managing Director, Ross Cotton commented:

"The BMM team has been energised by recent renewal of the board and share register in recent months and is busily working behind the scenes to consider potential business development opportunities.

The Company is very fortunate to have world recognised mining industry professionals such as BMM Chairman and Sandfire Resources founder Karl Simich involved with this process, which we are hoping will deliver exciting new projects.

We look forward to advising our shareholders of any new potentialities if and when appropriate."

Balkan Mining and Minerals Ltd (ASX: BMM; "Balkan", "BMM" or "the Company") provides the Company's quarterly activities report for the three months ended 30 June 2024 ("Quarter").

Capital Raising Activities and Board Changes

As reported to the ASX on 27 June 2024, BMM received binding commitments for \$750,000 via private placement to new and existing institutional and sophisticated investors through the issue of 15M new ordinary fully paid shares. Subscribers to the placement received 1 unlisted option for every 2 placement shares. The options have an exercise price of 7.5c each and have an expiry date of 3 years post issue. Sixty Two Capital Pty Ltd acted as the Lead Manager to the placement.

On 16 June 2024, BMM advised of the retirement of Non-Executive Director Mr Luke Martino and the appointment of experienced corporate professional Mr Fadi Diab as Non-Executive Director. Mr Diab was the former Head of Global Payroll at Commonwealth Bank of Australia where he managed the global payroll team who are responsible for 55,000 employees across 15 countries.



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Business Development

Consistent with the Company's objectives, strategic project opportunities are currently being actively reviewed.

Further value accretive projects across a suite of commodities have continued to be assessed in-line with the Company's strategic objectives. BMM believes that the company's board and executives possess the skillset to source, execute and advance company-making business development opportunities to deliver value to BMM shareholders.

BMM stresses that there is no certainty that current discussions will result in new project acquisitions.

BMM Project Activities

Corvette North and Corvette Northwest Lithium Projects (James Bay Region, Quebec, Canada)

The Corvette North and Northwest Projects are proximate to the Corvette Lithium Project which is being advanced by 100% owner Patriot Battery Metals Inc (ASX: PMT) which currently hosts a market capitalisation of circa \$390M.

The Corvette Property hosts the CV5 Spodumene Pegmatite with a maiden mineral resource estimate of 109.2 Mt at 1.42% Li₂O and 160 ppm Ta₂O₅ inferred (at a cut-off of 0.40% Li₂O)¹ and ranks as the largest lithium pegmatite resource in the Americas based on contained LCE, and one of the top 10 largest lithium pegmatite resources in the world.

The Corvette North and Northwest Projects are 100% owned by BMM and cover an area of ~22km². BMM has completed some early stage field work including surface mapping and rock chip sampling (see ASX announcement dated 30 May 2023) and plans to conduct follow up work during the Canadian 2024 summer field season.

Gorge Lithium Project (Ontario, Canada)

As reported in the December 2023 Quarterly Report, a maiden 2,500 diamond drill program was completed at the Gorge Lithium Project during December 2023. The drilling activity focused on known pegmatite occurrences at the Nelson and Koshman prospects with wide visual spodumene mineralisation observed in drill core at the Koshman Prospect (see ASX Announcement dated 12 December 2023).

BMM has been seeking to obtain the assays from this drill campaign from a third party. The Company is attempting to resolve the issues preventing current access to this information and will advise shareholders of the assay results as soon as they are received.

¹ Patriot Battery Metals Inc, 2023. ASX announcement dated 31 July 2023.



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Ex-Corvette N/NW and Gorge Canadian Projects (Tango, Arrel and Barbara Lake Project)

During the quarter, the Company continued its analysis of data collected on its expanded Canadian project portfolio. The Company has continued its planning for the proposed follow-up field work programs on high priority targets identified at the Tango Project. The Company also continued preliminary exploratory works on the Barbara Lake and Arrel Projects.

Serbian Lithium-Borate Projects (Serbia)

The Company announced in September 2022, following the deferral of its planned drilling program at its Rekovac project due to events that were announced by an international copper producer operating in Serbia, and potentially inflammatory social media posts regarding the Company's operations, the Company continues to engage with relevant authorities with regards to BMM's Serbian activities and continues monitoring the situation impacting the Serbian mining sector.

ASX Listing Rule Disclosures

Exploration Expenditure

In accordance with ASX Listing Rule 5.3.1, the Company spent \$62,000 on exploration work during the quarter, which comprised of assays, drilling and field work.

Mining Production and Development Expenditure

In accordance with ASX Listing Rule 5.3.2, there were no substantive mining production and development activities during the quarter.

Payments to Related Parties

In accordance with ASX Listing Rules 5.3.5, the Company advises that the payments to the related parties of the Company and their associates, as advised in the Appendix 5B for the quarter ended 30 June 2024 was \$142,000, which related to director's remuneration.

Tenement Information

In accordance with ASX Listing Rule 5.3.3, the Company advises the following:

- (1) There were no mining tenements acquired or disposed of during the quarter;
- (2) The mining tenements held by the Company as at 30 June 2024 are set out in the table below;
- (3) There were no farm-in or farm-out agreements entered into during the quarter; and
- (4) The Company held no beneficial percentage interests in farm-in or farm-out agreements as at the end of the quarter.



| | Tenement ID | BMM Interest |
|--------------------------|--------------------|--------------|
| <i>Canadian Projects</i> | | |
| Arrel | 752866 to 752871 | 100% |
| Corvette Northwest | 2700709 to 2700732 | 100% |
| Corvette North | 2700733 to 2700750 | 100% |
| | 729134 to 729174 | |
| Barbara | 729180 to 729212 | 100% |
| | 729217 to 729294 | |
| | 729309 to 729368 | |
| <i>Serbian Projects*</i> | | |
| Rekovac | | |
| - Rekovac | 2224 | 100% |
| - Ursule | 2429 | 100% |
| - Siokovac | 2430 | 100% |
| Pranjani | 2427 | 100% |
| Dobranja | 2428 | 100% |

* BMM's interest in these tenements are held indirectly through its Serbian subsidiary, Balkan Istraživanja d.o.o.

** As announced, the Company satisfied the conditions precedent to the transaction with Ombabika Group Inc and commenced its first work program at the Gorge Project in Canada. Under the transaction, the Company has the option to acquire 100% in the Gorge Project via four equal 25% interested staged earn-in acquisition, over a period of 3.5 years by satisfying agreed staged consideration payments and satisfying staged project spending requirements. Please refer to Notice of General Meeting dated 22 August 2022 for further details. The Gorge Project tenements include claim numbers 547101, 570582, 618053, 618074, 636770, 722323 & 722324. Subsequently, the parties have added additional claim numbers 750117, 750118, 750119, 750120 & 750121 to the project area.

*** As originally announced on 31 October 2022, the Company acquired the exclusive option to acquire 100% of the Tango Lithium exploration project in Canada. Pursuant to the exclusive option agreement, the Company has a 3 year option to purchase a 100% interest in the Tango Project by satisfying agreed staged consideration payments. Should BMM elect not to proceed with this transaction during the option period, the Company's right to earn an interest in the project will be extinguished. The Tango Project tenements include claim numbers 563300 through to 563329 and 563331 through to 563341.

For further information, please contact:

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Managing Director

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

-ENDS-



Compliance Statement

This quarterly report contains information on the Rekovac, Dobrinja and Pranjani Projects extracted from ASX market announcements dated 20 August 2021, 6 October 2021, 7 October 2021, 11 October 2021, 29 October 2021, 1 November 2021, 15 November 2021, 23 November 2021, 10 December 2021, 21 January 2022, 31 January 2022, 2 May 2022, and 27 September 2022 and reported by the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (2012 JORC Code) and available for viewing at www.balkanmin.com. BMM confirms that it is not aware of any new information or data that materially affects the information included in any original ASX market announcement.

This quarterly report contains information on the Gorge Project extracted from ASX market announcements dated 4 July 2022, 28 September 2022, 6 October 2022, 14 November 2022, 22 November 2022, 16 December 2022, 19 May 2023, 13 June 2023, 6 July 2023, 19 July 2023, 16 October 2023 and 12 December 2023 and reported by the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (2012 JORC Code) and available for viewing at www.balkanmin.com. BMM confirms that it is not aware of any new information or data that materially affects the information included in any original ASX market announcement.

This quarterly report contains information on the Tango Project extracted from ASX market announcements dated 31 October 2022, 8 November 2022 and 25 May 2023 and reported by the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (2012 JORC Code) and available for viewing at www.balkanmin.com. BMM confirms that it is not aware of any new information or data that materially affects the information included in any original ASX market announcement.

This quarterly report contains information on the Arrel Project extracted from ASX market announcements dated 9 December 2022 and reported by the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (2012 JORC Code) and available for viewing at www.balkanmin.com. BMM confirms that it is not aware of any new information or data that materially affects the information included in any original ASX market announcement.

This quarterly report contains information on the Corvette Northwest and Corvette North Projects extracted from ASX market announcements dated 19 December 2022, 6 February 2023 and 30 May 2023 and reported by the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (2012 JORC Code) and available for viewing at www.balkanmin.com. BMM confirms that it is not aware of any new information or data that materially affects the information included in any original ASX market announcement.

This quarterly report contains information on the Barbara Project extracted from ASX market announcements dated 9 March 2023 and 11 April 2023 and reported by the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (2012 JORC Code) and available for viewing at www.balkanmin.com. BMM confirms that it is not aware of any new information or data that materially affects the information included in any original ASX market announcement.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and, in the case of estimates of Mineral Resources, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.



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Competent Persons Statement

The information 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 Geologists (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 to report Exploration Results, Mineral Resources, or Ore Reserves through the ASX. Mr Jovanovic is the General Manager of 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' (the JORC Code 2012).

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements.

The Company confirms that the form and context in which the Competent Persons' findings are presented have not been materially modified from the original market announcements.

Forward-looking Statements

Certain statements included in this release constitute forward-looking information. Statements regarding BMM's plans concerning its mineral properties and programs are forward-looking statements. There can be no assurance that BMM's strategies for developing its mineral properties will proceed as expected. There can also be no assurance that BMM can 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 several factors 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 Company's control, which 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.

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 any person may suffer 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.

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Balkan Mining and Minerals Limited

ABN

67 646 716 681

Quarter ended ("current quarter")

30 June 2024

| Consolidated statement of cash flows | Current quarter \$A'000 | Year to date (12 months) \$A'000 |
|---|----------------------------|-------------------------------------|
| 1. Cash flows from operating activities | | |
| 1.1 Receipts from customers | - | - |
| 1.2 Payments for | | |
| (a) exploration & evaluation | - | - |
| (b) development | - | - |
| (c) production | - | - |
| (d) staff costs | (111) | (651) |
| (e) administration and corporate costs | (226) | (1,209) |
| 1.3 Dividends received (see note 3) | - | - |
| 1.4 Interest received | 1 | 3 |
| 1.5 Interest and other costs of finance paid | (6) | (11) |
| 1.6 Income taxes paid | - | - |
| 1.7 Government grants and tax incentives | - | - |
| 1.8 Other (provide details if material) | - | - |
| 1.9 Net cash from / (used in) operating activities | (342) | (1,868) |

| | | |
|--|------|---------|
| 2. Cash flows from investing activities | | |
| 2.1 Payments to acquire or for: | | |
| (a) entities | - | - |
| (b) tenements | - | - |
| (c) property, plant and equipment | - | - |
| (d) exploration & evaluation | (62) | (1,305) |
| (e) investments | - | - |
| (f) other non-current assets | - | - |

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

| Consolidated statement of cash flows | | Current quarter \$A'000 | Year to date (12 months) \$A'000 |
|--------------------------------------|---|----------------------------|-------------------------------------|
| 2.2 | Proceeds from the disposal of: | | |
| | (a) entities | - | - |
| | (b) tenements | - | - |
| | (c) property, plant and equipment | - | 49 |
| | (d) investments | - | - |
| | (e) other non-current assets | - | - |
| 2.3 | Cash flows from loans to other entities | - | - |
| 2.4 | Dividends received (see note 3) | - | - |
| 2.5 | Other (provide details if material) | - | - |
| 2.6 | Net cash from / (used in) investing activities | (62) | (1,256) |

| | | | |
|-------------|---|-----------|--------------|
| 3. | Cash flows from financing activities | | |
| 3.1 | Proceeds from issues of equity securities (excluding convertible debt securities) | - | 1,485 |
| 3.2 | Proceeds from issue of convertible debt securities | - | - |
| 3.3 | Proceeds from exercise of options | - | - |
| 3.4 | Transaction costs related to issues of equity securities or convertible debt securities | - | (100) |
| 3.5 | Proceeds from borrowings | - | - |
| 3.6 | Repayment of borrowings | - | - |
| 3.7 | Transaction costs related to loans and borrowings | - | - |
| 3.8 | Dividends paid | - | - |
| 3.9 | Other (funds received for shares not yet issued) | 40 | 40 |
| 3.9 | Other (lease repayments) | (15) | (58) |
| 3.10 | Net cash from / (used in) financing activities | 25 | 1,367 |

| | | | |
|-----------|--|-------|---------|
| 4. | Net increase / (decrease) in cash and cash equivalents for the period | | |
| 4.1 | Cash and cash equivalents at beginning of period | 739 | 2,121 |
| 4.2 | Net cash from / (used in) operating activities (item 1.9 above) | (342) | (1,868) |
| 4.3 | Net cash from / (used in) investing activities (item 2.6 above) | (62) | (1,256) |

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

| Consolidated statement of cash flows | | Current quarter \$A'000 | Year to date (12 months) \$A'000 |
|--------------------------------------|--|----------------------------|-------------------------------------|
| 4.4 | Net cash from / (used in) financing activities (item 3.10 above) | 25 | 1,367 |
| 4.5 | Effect of movement in exchange rates on cash held | - | (4) |
| 4.6 | Cash and cash equivalents at end of period | 360 | 360 |

| 5. | Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts | Current quarter \$A'000 | Previous quarter \$A'000 |
|-----|--|----------------------------|-----------------------------|
| 5.1 | Bank balances | 360 | 739 |
| 5.2 | Call deposits | - | - |
| 5.3 | Bank overdrafts | - | - |
| 5.4 | Other (provide details) | - | - |
| 5.5 | Cash and cash equivalents at end of quarter (should equal item 4.6 above) | 360 | 739 |

| 6. | Payments to related parties of the entity and their associates | Current quarter \$A'000 |
|---|---|----------------------------|
| 6.1 | Aggregate amount of payments to related parties and their associates included in item 1 | 101 |
| 6.2 | Aggregate amount of payments to related parties and their associates included in item 2 | 41 |
| <i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i> | | |

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

| 7. | Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i> | Total facility amount at quarter end \$A'000 | Amount drawn at quarter end \$A'000 |
|-----|---|---|--|
| 7.1 | Loan facilities | - | - |
| 7.2 | Credit standby arrangements | - | - |
| 7.3 | Other (please specify) | - | - |
| 7.4 | Total financing facilities | - | - |
| 7.5 | Unused financing facilities available at quarter end | | - |
| 7.6 | Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well. | | |
| | N/A | | |

| 8. | Estimated cash available for future operating activities | \$A'000 |
|-------|--|----------------|
| 8.1 | Net cash from / (used in) operating activities (item 1.9) | (342) |
| 8.2 | (Payments for exploration & evaluation classified as investing activities) (item 2.1(d)) | (62) |
| 8.3 | Total relevant outgoings (item 8.1 + item 8.2) | (404) |
| 8.4 | Cash and cash equivalents at quarter end (item 4.6) | 360 |
| 8.5 | Unused finance facilities available at quarter end (item 7.5) | - |
| 8.6 | Total available funding (item 8.4 + item 8.5) | 360 |
| 8.7 | Estimated quarters of funding available (item 8.6 divided by item 8.3) | 0.89 |
| | <i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i> | |
| 8.8 | If item 8.7 is less than 2 quarters, please provide answers to the following questions: | |
| 8.8.1 | Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not? | |
| | Answer: Yes, the Company expects to have negative operating cash flows for the time being as it is in the exploration stage and does not generate income. | |
| 8.8.2 | Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful? | |
| | Answer: The Company will continue to consider its options with regards to raising additional funds. As per the ASX Announcement on 27 June 2024, the Company has received binding commitments for \$750,000 (before costs) and further believes it would be successful in raising sufficient funds to continue with the planned level of operations. | |

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: Yes, the Company does expect to be able to continue its operations and meet its business objectives based on expected future successful capital raisings.

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 31 July 2024

Authorised by: By the Board of Balkan Mining and Minerals Limited
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.