

Erin Ventures Receives Exploration License Extension in Serbia- Triggers Strategic Partner's Financing Option

Categories : [Mining](#)

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Erin Ventures Inc. pleased to report that the exploration license for its wholly-owned Piskanja Boron Project has been extended. In accordance with the mineral exploration laws of the Serbian Ministry of Mining and Energy, Erin has until September 18 2020 to complete the next phase of its exploration work, with the right to a further 2-year extension beyond that date, as required (until September of 2022). Additionally, the issuance of this exploration license extension has triggered a 90-day financing option of USD \$5.135 million, which was previously granted to a strategic partner (the first of two financing options). As a result, Erin is now readying plans to continue the exploration works required to advance its Piskanja Project towards feasibility, in anticipation of the financing option being exercised shortly.

Piskanja is Erin's wholly-owned, high-grade boron deposit located in southern Serbia, with an indicated mineral resource of 7.8 million tonnes (averaging 31 per cent B₂O₃), and an inferred resource of 3.4 million tonnes (averaging 28.6 per cent B₂O₃), calculated in accordance with the Canadian Institute of Mining Definition Standards on Mineral Resources and Reserves as disclosed in Erin's report titled, "Mineral Resource Estimate Update On The Piskanja Borate Project, Serbia, October 2016" which is filed on SEDAR.

Triggering of Financing Option

Erin announce in a news release dated June 18 2018, that it had entered into a strategic partnership option agreement with a London based commodity investment specialist for the continuing development of Erin's Piskanja Borate Project. Under the terms of the Agreement, InvestCo has the right to make equity investments in two tranches, totaling USD \$20.135 million, with the proceeds to be used for the advancement of Piskanja towards production, subject to TSX Venture Exchange and shareholder approval. InvestCo's Tranche 1 90-day financing option has now been triggered as a result of Erin receiving the extension to its Piskanja exploration license.

The Tranche 1 Option grants InvestCo the right, for USD \$5.135 million, to purchase EITHER: (A) 51% of the share capital of Balkan Gold (Erin's wholly owned Serbian operating subsidiary); OR (B) USD \$5.135 million of common shares in Erin, with each share to be priced at the maximum discount permissible under the policies of the TSXV, subject to: the price being fixed at the close of trading on the day which InvestCo gives written notice to Erin of its intent to exercise this Option, with the price to be pegged as the higher of either the volume weighted 20 previous trading-day average trading price of Erin's shares on the TSXV, or the closing price on the day notice is given. In either case, the proceeds are to be used exclusively to fund a pre-agreed work program at Piskanja, designed to advance the project to a definitive feasibility study stage, as well as all permitting activities through to

obtaining the requisite licenses, and approvals to exploit and mine Piskanja.

Additionally, and subject to completion of Option 1, InvestCo shall be granted Option 2 which allows InvestCo the right, for USD \$15 million, to purchase an additional 24% equity stake in Balkan Gold.

Source: erinventures