

Jadar Resources is spinning out its Serbian lithium and borate assets into a new ASX listed company that will count copper producer Sandfire Resources as one of its cornerstone investors. Balkan Mining and Minerals will focus on the underexplored Rekovac project, which Jadar will retain exposure to through a ~22 per cent stake in Balkan following the planned initial public offering. Sandfire's \$2m investment will also give it a 22 per cent interest in the new company. Balkan will be led by non-executive chairman elect Sean Murray, former deputy chief executive at Rio Tinto Borax.

"The Rekovac project represents a high-quality yet underexplored asset that has been of lesser focus for Jadar given our rapidly growing Latin American precious metals portfolio and Austrian lithium assets," managing director Adrian Paul said.

"The newly formed Balkan entity will see a concentrated effort, from a newly dedicated management team, on driving additional value into the Rekovac project whilst also allowing Jadar to retain exposure to Rekovac via our equity interest."

The addition of Sandfire to Balkan's register was a vote of confidence in the new company, he said.

### **Rekovac potential**

The Rekovac lithium and borate project is within the Vardar Zone, an emerging Tier 1 lithium borate jurisdiction in central Serbia.

The project is within a geological setting similar Rio Tinto's world-class Jadarite discovery - one of the world's largest lithium and borate deposits with an ore reserve of 16.6Mt grading 1.81 per cent lithium oxide and 13.4 per cent boron trioxide.

Borate and lithium mineralisation was observed in the two stratigraphic diamond drill holes drilled by Jadar to date, confirming the potential for Rekovac to host a large mineralised system.

Source: [stockhead.com.au](http://stockhead.com.au)