

## **Piskanja Boron Project in Serbia part of partnership between Erin Ventures and Temas Resources**

**Categories :** [Mining](#)

**Date :** December 22, 2020

Piskanja is located in a historical mining region that has excellent infrastructure for mining including roads, rail, electric power, experienced miners, and is 250 km south of Belgrade, Serbia by paved roads. Erin Ventures reported on August 31, 2010, that it had been granted a license for the Piskanja boron deposit in Serbia by the Serbian Ministry of Mining and Energy. The license includes the entire known historical mineralized area along with a substantial amount of previously unexplored ground.

In order to form a joint development of Erin Ventures' Piskanja Borate Project located in Serbia, Temas Resources Corp. entered into a letter of intent with Erin Ventures Inc, the Temas company announced.

Piskanja is Erin's wholly owned boron deposit with an indicated mineral resource of 7.8 million tonnes (averaging 31.0 per cent B<sub>2</sub>O<sub>3</sub>), and an inferred resource of 3.4 million tonnes (averaging 28.6 per cent B<sub>2</sub>O<sub>3</sub>), 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 - Amended February 28 2019" - prepared by SRK Consulting Ltd. The responsible persons for the Updated MRE are Dr Mike Armitage and Dr Mikhail Tsyukov who are both employees of SRK and Qualified Persons in accordance with the CIM Definition Standards on Mineral Resources and Reserves, and independent of Erin Ventures.

The salient terms in the letter of intent as are follows:

-Upon execution of a definitive option agreement, Temas will have the sole, exclusive, immediate, and irrevocable option to earn up to 50% equity interest in Balkan Gold (Erin's wholly owned subsidiary which holds the license to the Piskanja Boron Project) by expending a total of €10.5 million towards the development of Piskanja, within a 36-month period (subject to acceleration at the election of Temas).

-Upon receiving necessary regulatory approvals, Temas will make a one-time payment of 250,000 Temas common shares and 250,000 share purchase warrants (at \$1.00 for 4 years) to Erin.

-The terms of the LOI will form the basis of the Option Agreement, which the parties contemplate will be entered into no later than April 15, 2021.

-Temas has until February 28, 2021 to complete its due diligence regarding Piskanja.

-Each €210,000 advanced to the Project by Temas will earn Temas an additional 1%

undivided equity interest in Balkan Gold, to a maximum of 50% interest for €10.5M.

-Upon acquisition of 50% interest in Balkan Gold by completing its expenditures, Temas will be entitled to representation on the board of Balkan Gold, voting rights, and dilution provisions, among other rights regarding the governance of Balkan Gold.

-The Option Agreement will include standard dilution provisions.

-Erin will remain operator on the project until such time as Temas has exercised the Option and earned its 50% interest in Balkan Gold, at which point Temas will become operator of Piskanja.

-During the three year option period, a joint technical committee made up of members from both Erin and Temas will have final say on matters pertaining to programs and budgets.

-This LOI is non-binding, with the terms subject to the parties entering into a binding Option Agreement.

-The Option Agreement will be subject to satisfactory completion of due diligence, applicable regulatory approvals, board approvals, shareholder approvals as may be required, amongst other factors.

“We are extremely excited by this development” said Tim Daniels, CEO of Erin. “Temas is an exceptionally good fit for this project. Not only are they willing to match their funding commitments for Piskanja, with the anticipated equity requirements for project development right through to production, but in addition, they have an experienced management team with like-minded thinking towards the development of Piskanja. Undoubtedly we are stronger with them as our partner.”

Michael Dehn, CEO of Temas stated “having the ability to work on a great project and high demand commodity, that would be the only European production of borates that should add significant shareholder value. When considering Piskanja, alongside our Ilmenite deposits in Canada, we believe that Temas is becoming a very compelling story. Having access to premier projects that could produce products that end up in consumer and industrial products is intended to allow Temas evolve from an explorer to producer.”

-Mineral Resources are not Mineral Reserves as they have no demonstrated economic viability. Temas is not aware of any factors (environmental, permitting, legal, title, taxation, socio-economic, marketing, political, or other relevant factors) that have materially affected the Mineral Resource Estimate.

-Inferred mineral resources are considered too speculative geologically to have economic considerations applied to them that would enable them to be categorized as mineral reserves. There is also no certainty that these inferred mineral resources will be converted to the measured and indicated categories through further drilling, or into mineral reserves, once economic considerations are applied.

-Contained metal figures and totals may differ due to rounding of figures.  
Effective date of resource estimate February 28, 2019

Assumptions used to derive the cut-off grades in order to meet the NI43-101 requirement for mineral resource estimates to demonstrate "reasonable prospects for eventual economic extraction". The estimate assumes:

- An average production of 330,000tpa,
- Mean mining grade of 27.8% B<sub>2</sub>O<sub>3</sub>
- All Run of Mine (RoM) ore to report to a Colemanite Plant for Colemanite production.
- A mean mass yield of RoM ore to Colemanite product of 73.8%.
- An average recovery of B<sub>2</sub>O<sub>3</sub> from RoM ore to Colemanite of 92.9%.
- ~ 50,000tpa of Colemanite product (at 35% B<sub>2</sub>O<sub>3</sub>) to be subsequently processed to produce 25,000tpa of Boric Acid product with an assumed grade of 56.3% B<sub>2</sub>O<sub>3</sub>. The remaining Colemanite product is sold.
- A mean mass yield of Colemanite to Boric Acid product of 49.7% and an assumption that 80% of the B<sub>2</sub>O<sub>3</sub> is recovered to the product.
  
- A Colemanite (at 35% B<sub>2</sub>O<sub>3</sub>) price of USD400/t product.
- A Boric Acid (at 56.3% B<sub>2</sub>O<sub>3</sub>) price of USD800/t product.
- Royalty deduction of 5% on gross revenue.
- Other sales and marketing costs of USD1.5/t product sold.
- Total Construction Costs of US\$85Million.
- Sustaining Capital Costs of US\$19Million.
- Closure Costs of US\$15Million
- Operating Costs of US\$170/tonne product

Source: businesswire.com