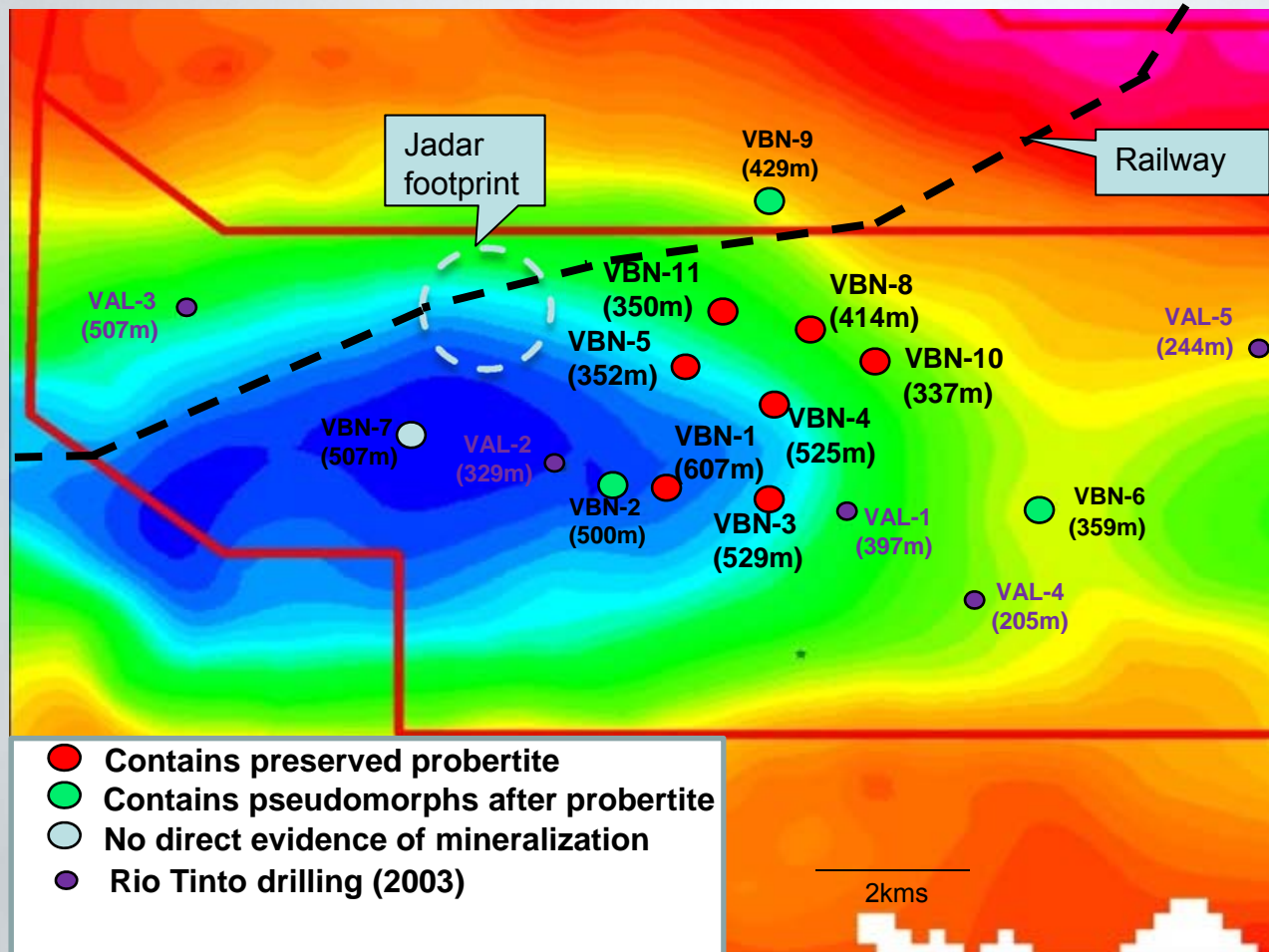




## VALJEVO PROSPECT

### GRAVITY DATA AND DRILL RESULTS TO DATE



- Probertite (a borate mineral) generally found on edges of mineral systems.
- **Preserved borates identified over 9.3km<sup>2</sup> to 14.7km<sup>2</sup>.**
- Thickness of preserved borate ranges from 1.3m to 20.9m in 7 holes where intersected.
- **Thickness** of total zone (incl. pseudomorphs) **31.7m to 67.0m.**
- **Highest Borate grades** incl. **1.6m @ 18.2% B<sub>2</sub>O<sub>3</sub>** (VBN-4) and **1.0m @ 17.7% B<sub>2</sub>O<sub>3</sub>** (VBN-8)
- Highest Li<sub>2</sub>O grades up to 18.8m @ 0.26%.
- Grades increasing / depth of mineralization shallowing to NW.

**News Release Figure 2 – November 5<sup>th</sup>, 2013**

**VBN-010**, located 0.72km SE of VBN-008 was terminated at 337.4m in breccia composed of sub angular limestone clasts embedded into porous carbonate matrix. Borate mineralization in the form of probertite occurred from 308.9 to 314.4m (5.5m) as veins and patches embedded into claystone host rock. Either side of the borate zone, calcite pseudomorphs after borate mineralization occurred from 297.2 to 308.9m (11.7m) and from 314.4 to 319.0m (4.6m). Estimated total pseudomorph + probertite thickness is ~22m. Assays confirm **5.5m of preserved borate from 308.9m** including a best 3m interval of 11.24%B<sub>2</sub>O<sub>3</sub> from 308.9m.

**Table 1: Assays from Hole VBN-010**

From	To	Thickness (m)	B <sub>2</sub> O <sub>3</sub> %	Li <sub>2</sub> O %
308.9	309.9	1	15.48	0.17
309.9	310.9	1	7.6	0.2
310.9	311.9	1	10.63	0.25
311.9	312.8	0.9	4.61	0.25
312.8	313.6	0.8	5.79	0.25
313.6	314.4	0.8	2.34	0.26

**VBN-011**, located 1.0km W of VBN-008 was terminated at 350.0m in clastic sediments (sandstone and conglomerate). Borate mineralization in the form of probertite was intersected from 258.4 to 279.3m (20.9m) as irregular shaped crystalline veins and patches embedded into silty claystone host rock. Either side of the borate zone, calcite pseudomorphs after borate mineralization occurred from 242.4 to 258.4m (16m) and from 279.3 to 292.5m (13.2m). Estimated total pseudomorph + probertite thickness is ~50.1m. Assays confirm **20.9m of preserved borate from 258.4m with a best 3m assaying 14.13%B<sub>2</sub>O<sub>3</sub> from 264.4m**

**Table 2: Assays from Hole VBN-011**

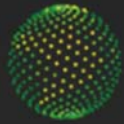
From	To	Thickness (m)	B <sub>2</sub> O <sub>3</sub> %	Li <sub>2</sub> O %
258.4	259.4	1	8.5	0.2
259.4	260.4	1	13.14	0.22
260.4	261.4	1	11.96	0.18
261.4	262.4	1	12.3	0.15
262.4	263.4	1	14.92	0.17
263.4	264.4	1	9.37	0.14
264.4	265.4	1	14.07	0.15
265.4	266.4	1	15.13	0.19
266.4	267.4	1	13.2	0.13
267.4	268.4	1	9.3	0.08
268.4	269.4	1	7.59	0.09
269.4	270.4	1	4.26	0.11
270.4	271.4	1	6.1	0.11
271.4	272.4	1	7.68	0.1
272.4	273.4	1	6.05	0.08
273.4	274.4	1	9.75	0.12
274.4	275.4	1	5.69	0.08
275.4	276.4	1	7.09	0.09

276.4	277.4	1	8.73	0.11
277.4	278.4	1	8.98	0.12
278.4	279.3	0.9	10.27	0.17

The calculation of the extent of the preserved mineralization can only be based on the 7 holes in which borates has been intersected. The lower range of 9.3km<sup>2</sup> is based on extrapolating outwards from peripheral positive holes (in the absence of a constraining negative hole) a distance of 0.5km where drill holes intersected less than 10m of borate, and 1km where drill holes which intercepts have more than 10m of borate. The upper range of 14.3km<sup>2</sup> is based on extrapolating outwards from peripheral positive holes (in the absence of a constraining negative hole) a distance of 1.0km where drill holes intersected less than 10m of borate and 1.5km where drill holes which intercepts have more than 10m of borate.

The weighted grade distribution was calculated by multiplying grade by thickness of preserved borate and suggests that mineralization is thickening to the northwest. Relative depth of mineralization indicates the gently dipping nature of the mineralization, with the shallowest mineralization encountered to date in hole VBN-011. However the actual depth of mineralization below surface is more affected by topography, which is higher in the south around holes VBN -1 and 3 and becomes more subdued towards the northwest around hole VBN-011.

Drill Hole	Total Thickness (m)	Weighted Grade B <sub>2</sub> O <sub>3</sub> (%)	Weighted grade m%	Depth to top of borates (m) in hole	Depth mbsl
VBN-001	11.4	4.1	47	420	187
VBN-003	1.2	16.0	19	426	203
VBN-004	27.6	6.4	177	353	217
VBN-005	13.4	6.0	80	271	148
VBN-008	16.3	10.0	163	270	127
VBN-010	5.5	8.07	44	308	166
VBN-011	20.9	9.72	203	240	112
<b>Average</b>	<b>13.8</b>	<b>8.6</b>			



## BALKANS PROJECT

### Fieldwork

Initiated in number of licenses

Geochemical sampling -15

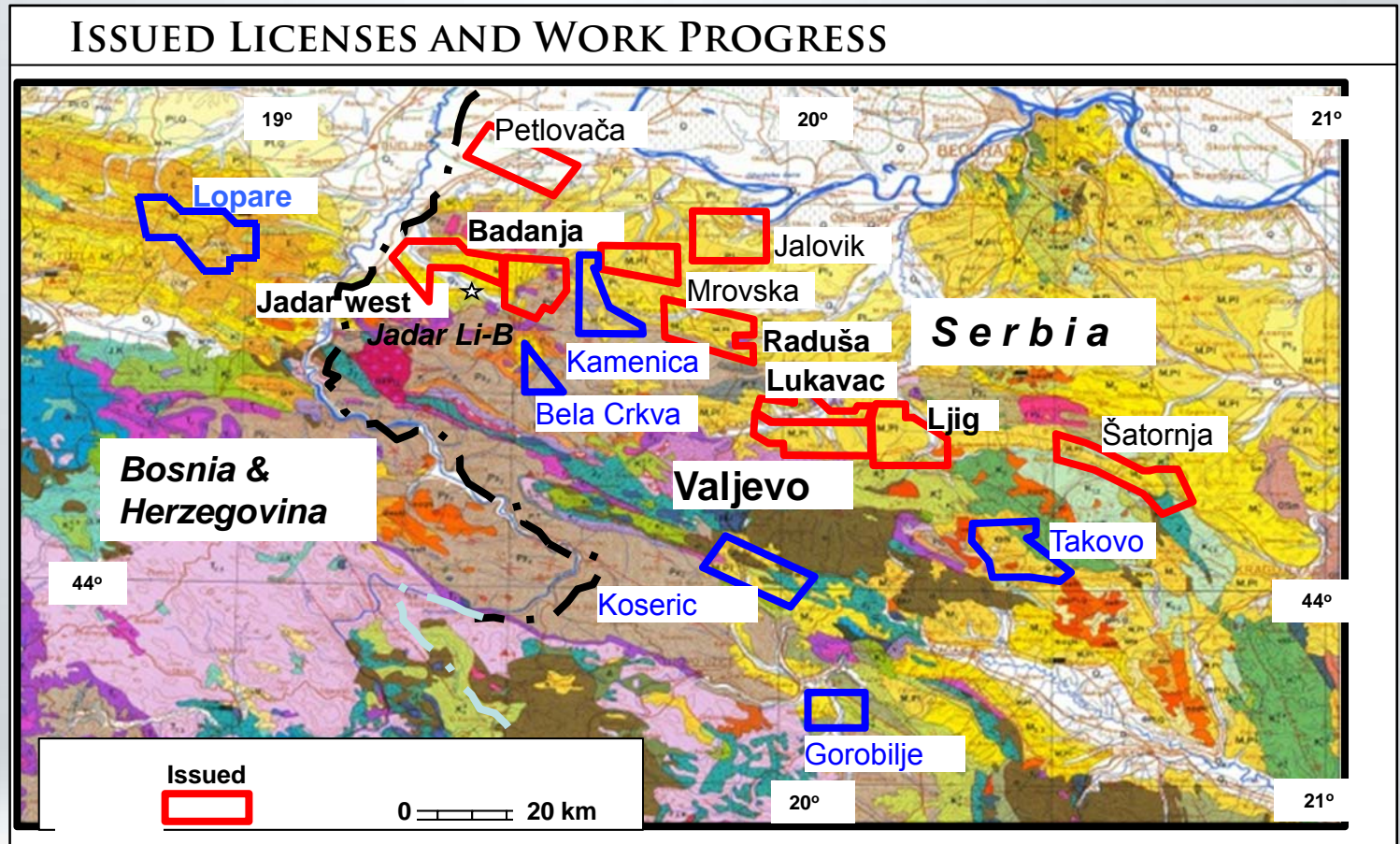
Geological mapping-15

Gravity -14

Magneto tellurics -3

Core drilling -6

Downgraded -6



*16 applications in Serbia approved, and first stage exploration completed in all licences*