ASX ANNOUNCEMENT

20 August 2021

Surface Mapping at Rekovac Completed

HIGHLIGHTS

- Surface mapping conducted over the entire Rekovac license has been completed
- The program was conducted in order to identify potential extensions to mineralisation and drill targets
- Five dominating sedimentary formations have been identified
- Data obtained from the mapping program will be analysed in order to develop priority drill targets ahead of BMM's inaugural drill program at the Rekovac Lithium-Borate Project
- Drill program scheduled to commence in late September
- Review of historical drill core is assisting with the acceleration of the geophysical survey work to commence in early September

Balkan Mining and Minerals Ltd (BMM or the Company) (ASX: BMM) is pleased to announce the completion of its initial surface mapping program at the Rekovac Lithium–Borate Project, located in the highly prospective Vardar Zone in Serbia.

The mapping program is important to understanding the lateral extensions that were previously identified, the permissive lacustrine boratiferous sequences and the closely demarcated areas with evaporate occurrences at the surface.

The data obtained will assist with the effective selection of drilling locations ahead of the 2021 drill program scheduled for commencement in late September 2021. Following the appointment of Geops Balkan Drilling Services d.o.o (**Geops**) as drilling contractor, BMM is finalising the procedures to enable drilling to commence.

Figure 1 - Disseminated nodular analcime (left) and oxidized sulphide lenses (middle), and fine, disseminated sulphides replacing most likely soluble borate minerals – pseudomorphs (right)

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Detailed Surface Mapping

Interpretation of mapping data combined with the re-interpretation of drilling data has provided detailed information on sedimentary formation types, thickness and lateral distribution. The program indicates that the Rekovac license area comprises of five dominating sedimentary formations. The upmost upper WCS formation is exposed locally in the north western licenses portion, and is composed of weakly cemented sands. Formation SSS is exposed within the northern portion of exploration licenses and is characterised by freshwater fossiliferous sandstone and silty sandstones. The SSS formation overlies coarse clastic debris flows, the PCB formation, which is composed of unsorted breccias and conglomerates interbedded with coarse sandstones.

The debris flows are resting unconformably on lower Miocene very fine clastic SLHT formation characterised by laminated and bedded siltstone interbedded by ash-flow tuffs sequences. This fine clastics formation overlies the BLS banded and laminated dolomitic siltstone formation interbedded with minor marls and dolostones. The lower sedimentary formations (SLHT and BLS) were deposited in a reduced quiet water environment in alkaline closed basins—especially those supplied with ash—at times when adequate lithium and boron concentrations developed in water, presumably driven by evaporation.

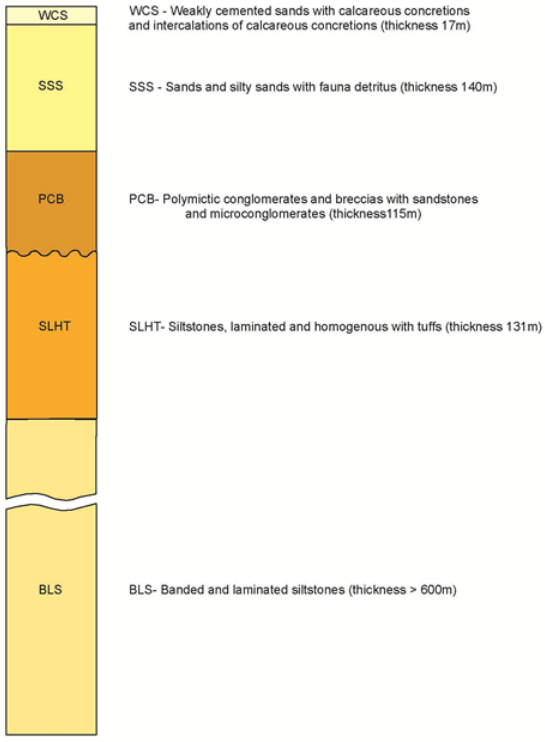

Figure 2 – Stratigraphic Column of Rekovac Lithium-Borate Project Area

The mapping program further identified specific layers containing lenticular or nodular grains of widely disseminated zeolite mineralisation, mostly in the form of analcime. The presence of the zeolite phase in the form of analcime epitomizes that sedimentation is driven by the devitrification of ash in saline-alkaline lake sediments. Analcime found to the south, southeast and southwest of the existing drilling locations, indicate the potential extension of the permissive deposition environment further to those directions.

Some fine disseminated black magnetic sulphide grains and lenses have been identified in several horizons of lake beds disseminated at the surface or among other evaporate minerals in previous drill core. These minerals appear clustered in layers and patches or replacing soluble borate minerals. At the surface, these may oxidize to rusty spots or halos by oxidation reactions. These magnetic sulphide minerals are likely related to volcanic-related sulphur-bearing spring waters emanated from them along with elevated lithium and boron, and other trace elements. Very similar magnetic minerals related to buried lake beds have also been determined in many other borates or lithium-borates bearing basins.

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Five samples of fine disseminated black magnetic sulphide mineralisation have been collected from the previous drilling drill core and surface and are being sent to the local laboratory for mineral phase determination using X-ray diffraction method.

During the outcrop mapping, spring aprons accumulations in form of travertines are occasionally found along faulted margins. Those faults are parallel to the regional structural trend and are thought to be major structural controls on basement fracturing and basin development and may also have acted as potential pathways for mineral-bearing fluids.

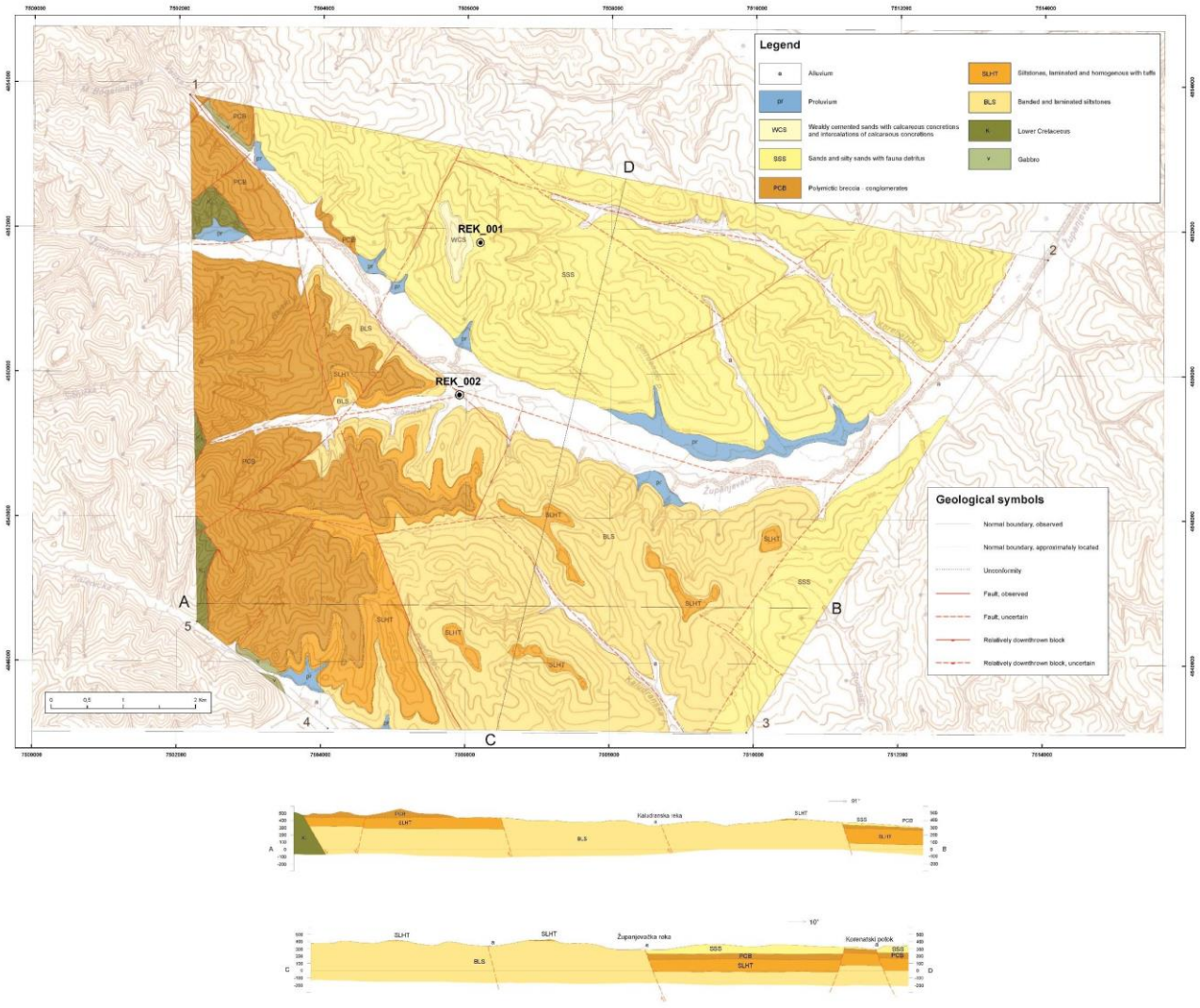

Figure 3 –Lhitofacies map of Rekovac License Area

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Planned Activities

The company will measure magnetic properties over the entire length of the Rekovac diamond drill core (1,238m[1]) using magnetic susceptibility meters to identify if they are correlative with borate and lithium mineralisation found in the drill core. In addition to measuring magnetic susceptibility, the company will measure the bulk density of samples selected from the drill core. Those two parameters will guide geophysics surveys across high priority areas.

Managing Director Ross Cotton, commented:

"The completion of the Rekovac program ahead of time and on budget is a significant milestone for BMM. We have been able to deliver on key targets laid out in our prospectus. What is of particular interest are the highly prospective areas that were not previously identified in the historical data. This demonstrates not only the quality of the work completed by our experienced and dedicated team, but has also provides us with additional prospects for our drilling program. We will continue to advance the project and look forward to updating the market on Rekovac and additionally, on Dobrinja and Pranjani as we head towards a vital and exciting period for the Company."

For further information pls contact:

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

-ENDS-

[1] REK_001 600.1m & REK_002 638m; 2020.

ABOUT BALKAN MINING AND MINERALS

Balkan Mining and Minerals is an ASX listed company focused on the early-stage exploration through to development of borate and associated lithium in the Balkans. The Company's Projects comprise the Rekovac, Dobrinja and Pranjani Lithium-Borate Projects which are located within the Republic of Serbia.

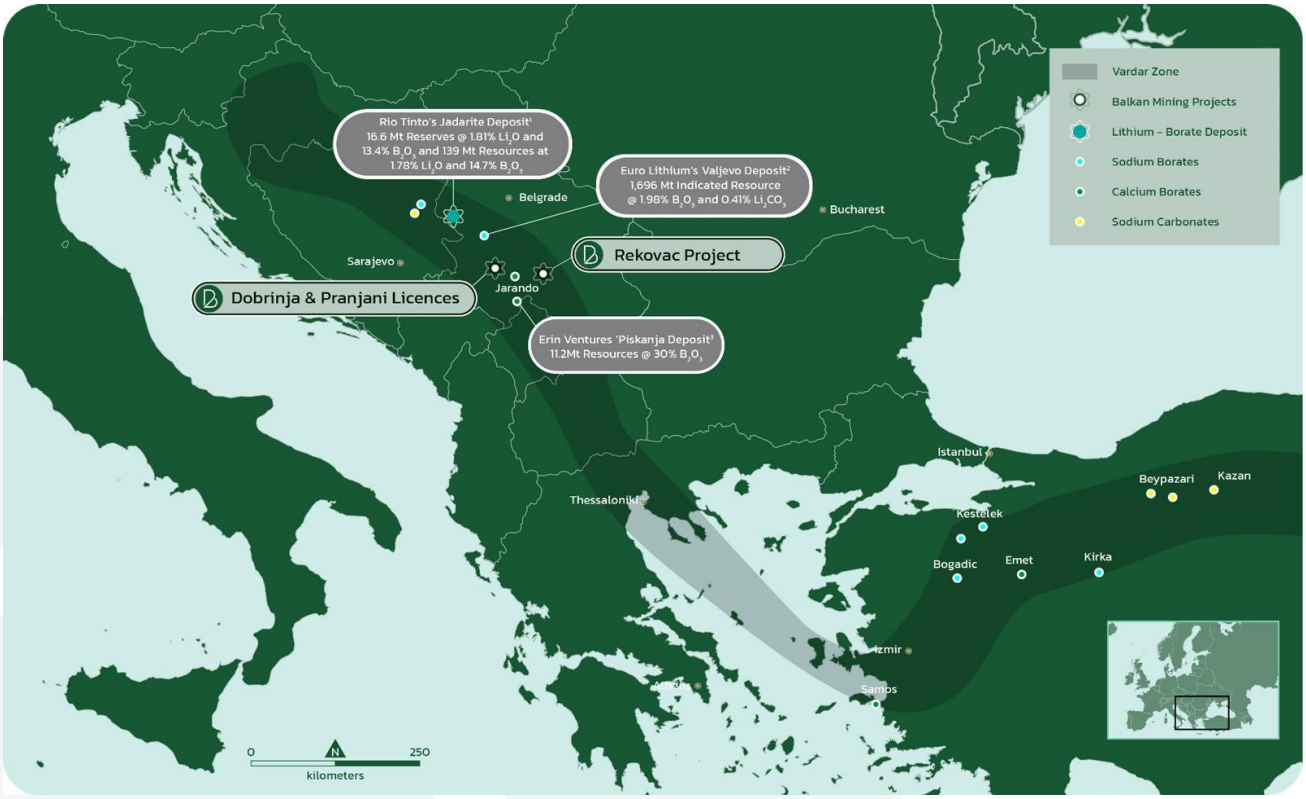

Figure 4 - Balkan Mining and Minerals Project Locations

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Competent Person Statement

The information in this report 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 Geologist (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 in order to report Exploration Results, Mineral Resources, or Ore Reserves through the ASX. Mr Jovanovic is the General Manager, 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'. Mr Jovanovic consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Forward-looking Statements

Certain statements included in this release constitute forward-looking information. Statements regarding BMM's plans with respect to its mineral properties and programs are forward-looking statements. There can be no assurance that BMM's plans for development of its mineral properties will proceed as currently expected. There can also be no assurance that BMM will be able to 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 a number of factors which are 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 control of the Company, that 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.

There is continuing uncertainty as to the full impact of COVID-19 on BMM's business, the Australian economy, share markets and the economies in which BMM conducts business. Given the high degree of uncertainty surrounding the extent and duration of the COVID-19 pandemic, it is not currently possible to assess the full impact of COVID-19 on BMM's business or the price of BMM securities.

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 may be suffered by any person 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.

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JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• Samples for XRD analyses were collected from the surface and the drill core. • A small amount of material approximately 1g were separated from the selected samples and will be sent to the lab for mineral phase determination by the X-ray diffraction method. • Samples were prepared in accordance with industry-standard and commodity types under consideration.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• The Company did not conduct any drilling. • The data were collected from the existing drill core.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• Not Applicable

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Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• Existing drill holes are re-logged and descriptions were done over the full length of the drill core. • Qualitative logging of drill core includes but not limited to, depth, lithology, texture, minerals, descriptions and comments, and lithofacies and sub lithofacies columns.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• Samples for XRD analyses were collected from the surface and the drill core. • Surface samples weighed approximately 200g and are collected for extracting fine disseminated black magnetic sulphide mineralisation. • A small piece of quarter core samples (approximately 5cm) are collected for extracting fine disseminated black magnetic sulphide mineralisation. • A small amount of material approximately 1g were separated from samples and will be sent to the lab for mineral phase determination by the X-ray diffraction method.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• Not applicable
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• No independent verification of the intersections. • All the primary data was transferred on the daily basis into standardised excel spreadsheet templates and will be stored on the company´s server for future reference.

Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• All observation points were surveyed by handheld GPS to accuracy +/- 3m. This level of accuracy is considered and appropriate for the exploration stage. • All coordinates are tied into the state triangulation network and provided in the Serbian Gauss Kruger coordinate system. • 25K government topographic maps were used for topographic control and as a base for drawing lithofacies map.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• The distribution of observations points during surface mapping is considered to be sufficient to establish the degree of geological continuity. • The Rekovac Neogene basin is fairly covered by very dense vegetation and thick colluvial material. Most of the observation points were along with road cuts and slopes where the sedimentary formation of interest are well exposed. • No compositing has been applied.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• Not applicable
Sample security	• *The measures taken to ensure sample security.*	• Samples were sealed in poly-woven sample bags, labelled with a pre-form numbered, and securely stored until shipped to or dropped off at the laboratory in Belgrade. Chain of custody forms were maintained by BMM and Laboratory.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No verification was performed at this stage.

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Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• The 100% owned subsidiary in Serbia, Jadar Lithium doo is a holder of the Rekovac exploration license (License # 2224) has been renewed on 5 November 2020 and it is valid for three years.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Previous drilling, sampling and interpretation of historic geophysics data were conducted by Jadar Resources Ltd. All information regarding previous exploration results can be found on Jadar´s website in for of announcements or in the Independent Technical Assessment Report used in the prospectus.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• Neogene lithium - borate deposits of the type being explored are typically found in tectonically active zones associated with deep-seated faulting. Lithium and borate deposits are formed as stratiform chemical precipitates in closed basins with buried saline-alkaline mudflat environments, usually with a large areal extent (3-5km2). The deposits are typically accompanied by fine pelitic stratas enriched in Na, Mg, Sr and ash-flow tuffs, dolomite, analcime and travertine an indication of spring apron accumulations.
Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* o *easting and northing of the drill hole collar* o *elevation or RL (Reduced Level –*	• All drill hole information has been reported by Jadar Resources Ltd who was the license holder and conducted the initial exploration program.

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	elevation above sea level in metres) of the drill hole collar ○ *dip and azimuth of the hole* ○ *down hole length and interception depth* ○ *hole length.* ● *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	
Data aggregation methods	● *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* ● *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* ● *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	● Not applicable
Relationship between mineralisation widths and intercept lengths	● *These relationships are particularly important in the reporting of Exploration Results.* ● *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* ● *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	● Not applicable
Diagrams	● *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	● Appropriate plan maps and sections are appended to the announcement.

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Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• The announcement is believed to include all representative and relevant information and is believed to be comprehensive.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• All material information has been reported previously by Jadar Resources Ltd.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• The company is planning to measure magnetic properties over the entire length of the Rekovac diamond drill core (1,238m) using magnetic susceptibility meters to identify if magnetic properties are correlative with borate and lithium mineralisation found in the drill core. Besides measuring magnetic susceptibility, the company is planning to measure the bulk density of samples selected from the drill core. Those two parameters will help to guide the subsequent detailed geophysics surveys across high priority areas.

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