

The Monty Project is in the eastern part of Montenegro located near to the town of Mojkovac and approximately 100km from the capital city of Podgorica. Mojkovac is linked by rail and road between Podgorica and Belgrade, Serbia.

Balamara received a 25 year exploration and mining lease of the Brskovo Lead and Zinc Complex (Monty Project) in 2010 on favorable acquisition terms. Since then Balamara has developed a JORC defined resource at Monty and completed further drilling in 2011 for metallurgical samples. Currently work is progressing on the feasibility study as the Company is targeting to bring Monty into production in 2013.

Highlights include:

9.2 Million Tonnes of Zn-Pb-Cu-Ag Mineralisation;

Total Acquisition Cost 120,000 Euro;

Monty Project contains 5 Large Already Defined Deposits;

Excellent Potential to make New Discoveries;

Company Tax in Montenegro is set at only 9%; and

Low sovereign risk.

The acquisition of the Monty Project significantly enhances Balamara's assets. It offers Balamara immediate potential for commercial exploitation due to its previous mining history and infrastructure already being partially established.