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Euromax Resources announced that it has entered into a convertible loan agreement with the European Bank for Reconstruction and Development for an investment of US\$5 million in respect of funding of the ongoing pre-development of the Ilovica project in the FYR Macedonia.

Euromax stated that it has also entered into definitive transaction documentation for a convertible loan of C\$5.2 million, as the first tranche of a proposed investment of up to US\$30 million and a strategic alliance with CC Mining S.A. ("CCM") which is related to Consolidated Contractors Company Group ("CCC Group"), as previously announced on 8 April 2016. Euromax also announced the appointment of Peel Hunt LLP as its European Broker. The appointment will encompass working in collaboration with the Company's brokers in North America to support an intensive marketing programme over the coming year aimed at raising awareness of the Company and the Ilovica Project.

EBRD engagement, despite the fact its not a big one, does influences the attractiveness of the project for other investors and Euromax financial markets target groups. Copper-gold Ilovica project developed by junior mining company Euromax already attracted the bigger players from market, like Royal Gold, Aurubis and German state equity fund.

EBRD joined the first Greenfield copper gold mining project in Europe lead by Euromax Canadian mining developer listed on Toronto stock market exchange, the project which is described as one of the most attractive European discoveries. EBRD engagement may help to ensure the application of highest standards of environment protection if the mine operation kicks off. Eventually we will see if the junior mining developer Euromax will step off and sell the project to a bigger copper-gold exploration player.

Euromax Resources gold copper Ilovica project is a first European greenfield mining project in over three decades. Beside EBRD 20% share in the project, Euromax secured the off take agreement with Aurubis which secured a loan from German state equity fund. In addition Euromax secured loan from Caterpillar and agreement with Royal Gold.

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Royal Gold, Amec Foster Wheeler are on board as financier and technical adviser. Entrance of Aurubis is not a surprise as its a win win deal for both companies. Two other major banks Société Générale S.A. and UniCredit Bank AG are also assessing the loan possibility for Euromax Ilovica mine.

Peel Hunt as European project broker, EBRD provides loan for Euromax's Macedonia gold-copper project

According to Euromax reports the project is being prepared under the strict EBRD's Performance Requirements claim from Euromax.

Earlier we spoke with EBRD spokeswoman, Mrs. Viktorija Quartly about the EBRD expectation with this greenfield mining project.

EBRD have provided a small amount of financing to the company for the preparation of the feasibility study and front end engineering and design work. As part of this financing EBRD have verified that the company is aware of our policy requirements and that the project is being developed in accordance with our Environmental and Social Policy. Bank have worked closely with the company, and they embrace this approach. The company will likely seek further financing in the future and to attract investors it will be important (and is a contractual requirement) for the Company to fulfill and comply with the EBRD Environmental and Social Policy requirements explained EBRD spokeswoman Viktorija Quartly for SEE Mining Watch News of Serbia-Energy.Eu

While talking with EBRD earlier could this EBRD-Euromax JV deal be a success case pattern for natural resources financing in East Europe, EBRD spokesperson explained that this project presents a real opportunity to demonstrate high standards of EHS compliance in this region. In fact, the EBRD has recently completed a project of training local environmental experts in FYR Macedonia, and as part of this training Bank invited Euromax to demonstrate their impressive data collection and data management systems, and overall approach to addressing EHS issues.

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