



**TEMAS RESOURCES CORP.**

## **Temas Resources Enters Strategic Partnership with Erin Ventures for Development of Erin's Piskanja Boron Project**

VANCOUVER, British Columbia, December 17, 2020 Temas Resources Corp. (the "Company" or "**Temas Resources**") (CSE: **TMAS**, OTCQB: **TMASF**), is pleased to announce that it has entered into a letter of intent with Erin Ventures Inc. ("Erin") for the joint development of Erin's Piskanja Borate Project, located in Serbia ("Piskanja").

Piskanja is Erin's wholly owned boron deposit with an indicated mineral resource of 7.8 million tonnes (averaging 31.0 per cent  $B_2O_3$ ), and an inferred resource of 3.4 million tonnes (averaging 28.6 per cent  $B_2O_3$ ), calculated in accordance with the Canadian Institute of Mining Definition Standards on Mineral Resources and Reserves (CIM Standards), 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 (UK) Ltd. The responsible persons for the Updated MRE are Dr Mike Armitage (C.Eng. C.Geol.) and Dr Mikhail Tsypukov who are both employees of SRK and Qualified Persons in accordance with the CIM Definition Standards on Mineral Resources and Reserves (CIM Standards), and independent of Erin Ventures.

The salient terms in the letter of intent ("LOI") as are follows:

- Upon execution of a definitive option agreement (the "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.”

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.

SRK Mineral Resource Statement as at July 19, 2016 for the Piskanja  
Deposit prepared in accordance with CIM Standards

<b>Mineral Resource Category<sup>1</sup></b>	<b>Cut-off (B<sub>2</sub>O<sub>3</sub>)</b>	<b>Tonnage, Mt</b>	<b>B<sub>2</sub>O<sub>3</sub> Grade, %</b>	<b>Contained B<sub>2</sub>O<sub>3</sub>, Mt<sup>3</sup></b>
Indicated	12%	7.8	31.0	2.4
Inferred <sup>2</sup>	12%	3.4	28.6	1.0

<sup>1</sup>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.

<sup>2</sup>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.

<sup>3</sup>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

### **About Temas Resources**

Temas Resources Corp. ("**Temas Resources**") (CSE: TMAS) (OTCQB: TMASF) is responding to the growing global demand for iron ore and two strategically important minerals — titanium and vanadium — deemed by the U.S. Department of the Interior as critical to U.S. national security and the economy. Temas Resources properties are located in the stable, mining-friendly jurisdiction of Quebec (Canada) bordering Vermont, Maine, and New York State (U.S.) in an area known as the Grenville Geological Province. The Grenville Geological Province is home to Lac Tio, the largest solid ilmenite deposit in the world. As a mineral exploration company focused on the acquisition, exploration and development of iron, titanium, and vanadium properties, Temas Resources has focused its efforts on advancing two major projects in the Grenville Geological Province area. The Company's first project, the DAB Property, consists of an option for 100% interest on 128 contiguous mineral claims which covers 6,813 hectares (68.14 km<sup>2</sup>) within the Grenville Geological Province. At the Company's flagship La Blache Property, Temas has 100% ownership of 48 semi-contiguous mineral claims which cover 2,653 hectares (26.53 km<sup>2</sup>) within the Grenville Geological Province. All public filings for the Company can be found on the SEDAR website [www.sedar.com](http://www.sedar.com). For more information about the Company, please visit [www.temasresources.com](http://www.temasresources.com).

### **Qualified Person**

Rory Kutluoglu, B.Sc, P.Geo, is the Qualified Person as defined by NI 43-101 who has reviewed and approved the technical information contained within this press release.

*"Michael Dehn"*

CEO

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## **Forward Looking Statements**

*This news release includes certain "Forward-Looking Statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995 and "forward-looking information" under applicable Canadian securities laws. When used in this news release, the words "anticipate", "believe", "estimate", "expect", "target", "plan", "forecast", "may", "would", "could", "schedule" and similar words or expressions, identify forward-looking statements or information. These forward-looking statements or information relate to, among other things: entry into of the Option Agreement, the Company's plan to build an advanced base and special metals portfolio, the development of the Company's mineral properties, including drilling activities; and future mineral exploration, development and production.*

*Forward-looking statements and forward-looking information relating to any future mineral production, liquidity, enhanced value and capital markets profile of Temas Resources, future growth potential for Temas Resources and its business, and future exploration plans are based on management's reasonable assumptions, estimates, expectations, analyses and opinions, which are based on management's experience and perception of trends, current conditions and expected developments, and other factors that management believes are relevant and reasonable in the circumstances, but which may prove to be incorrect. Assumptions have been made regarding, among other things, the price of iron, titanium, vanadium and other metals; no escalation in the severity of the COVID-19 pandemic; costs of exploration and development; the estimated costs of development of exploration projects; Temas Resources' ability to operate in a safe and effective manner and its ability to obtain financing on reasonable terms.*

*These statements reflect Temas Resources' respective current views with respect to future events and are necessarily based upon a number of other assumptions and estimates that, while considered reasonable by management, are inherently subject to significant business, economic, competitive, political and social uncertainties and contingencies. Many factors, both known and unknown, could cause actual results, performance or achievements to be materially different from the results, performance or achievements that are or may be expressed or implied by such forward-looking statements or forward-looking information and Temas Resources has made assumptions and estimates based on or related to many of these factors. Such factors include, without limitation: the Company's dependence on one mineral project; precious metals price volatility; risks associated with the conduct of the Company's mining activities in Quebec; regulatory, consent or permitting delays; risks relating to reliance on the Company's management team and outside contractors; risks regarding mineral resources and reserves; the Company's inability to obtain insurance to cover all risks, on a commercially reasonable basis or at all; currency fluctuations; risks regarding the failure to generate sufficient cash flow from operations; risks relating to project financing and equity issuances; risks and unknowns inherent in all mining projects, including the inaccuracy of reserves and resources, metallurgical recoveries and capital and operating costs of such projects; contests over title to properties, particularly title to undeveloped properties; laws and regulations governing the environment, health and safety; the ability of the communities in which the Company operates to manage and cope with the implications of COVID-19; the economic and financial implications of COVID-19 to the Company; operating or technical difficulties in connection with mining or development activities; employee relations, labour unrest or unavailability; the Company's interactions with surrounding communities and artisanal miners; the Company's ability to successfully integrate acquired assets; the speculative nature of exploration and development, including the risks of diminishing quantities or grades of reserves; stock market volatility; conflicts of interest among certain directors and officers; lack of liquidity for shareholders of the Company; litigation risk; and the factors identified under the caption "Risk Factors" in Temas Resources' management discussion and analysis. Readers are cautioned against attributing undue certainty to forward-*

*looking statements or forward-looking information. Although Temas Resources has attempted to identify important factors that could cause actual results to differ materially, there may be other factors that cause results not to be anticipated, estimated or intended. Temas Resources does not intend, and does not assume any obligation, to update these forward-looking statements or forward-looking information to reflect changes in assumptions or changes in circumstances or any other events affecting such statements or information, other than as required by applicable law.*