

Katowice, 04.06.2019

BALAMARA ACCELERATES IN-HOUSE MINE WORKS

The board of Balamara announced today that due to the timing of the issuing of a Mining Licence for Nowa Ruda, Balamara has commenced work on the Work Permit and the scheduling for the construction works, these tasks would normally be commenced upon receipt of the Mining Licence however Executive Chairman Derek Lenartowicz said

“Given the revised timing of the licencing process, the Board and the Management have formulated, and are implementing, a strategy to recoup the experienced time loss. We are confident that implementation of this strategy will get us back on track and as originally planned to ‘break ground’ at Nowa Ruda by the end of this year.

Balamara had hoped to see the Mining Licence issued in the first quarter of 2019.

“We have experienced a significant delay within the process to grant the final permit needed to develop the Nowa Ruda Mine. The new strategy was developed with the aim of minimising the time required for Balamara to start physical development of the Nowa Ruda Mine.

“These delays, though not caused by Balamara, have had a significant impact on the company. They have resulted in difficulties in the areas of planning, scheduling and cash management and these in turn have negatively impacted on Balamara’s momentum”, he said.

I believe that most of the existing permit related issues are being, or in fact, have been resolved, with continuing goodwill the project and Balamara as a whole have returned to a more predictable environment.

In order to maintain our momentum we have identified a number of opportunities that are now being addressed and are progressing contemporaneously.

In particular it is our objective to have all required documents relating to various mine works and building permits, including the “Plan Ruchu Zakładu”, ready for submission as soon as the Nowa Ruda Mining Concession is granted to Balamara.

This strategy, if implemented successfully, will save Balamara as much as 5 months in overall mine development time.

This strategy will require some extra effort from everyone at Balamara but I am confident that the team here will rise to the occasion and deliver the expected outcomes, Derek Lenartowicz said.