



THE BORDVEDÅGA BERYLLIUM PROJECT, RANA, NORWAY

THE LARGEST PROVEN BERYLLIUM DEPOSIT IN WESTERN EUROPE
WITH UNTESTED REE AND RARE METAL CREDITS

(CONTAINED WITHIN EXCLUSIVE LANDOWNER AGREEMENT)

21st NORTH has recently -secured exclusive interest in an area near Bordvedåga, Rana Municipality, known to host one of Europe's largest beryllium deposits from Statskog - the Norwegian state-owned land and forest enterprise. 21st NORTH seeks to engage an investor and joint venture partner to advance development of the Bordvedåga Beryllium Project. The project comprises a known open-ended indicated resource of 350.000 tonnes grading 0.18% Be associated with largely unknown REE credits grading c. 0.3% REO. The deposit has potential for additional reserves and numerous additional beryllium targets occur widespread in the sub-region.

PROJECT HIGHLIGHTS

- Historic indicated resource of 350.000 tonnes grading 0.18% Be (0.1% Be cut off). The resource is defined by 45 drill holes totalling 2215meters. Good potential for extending the known resource and locating additional reserves in the region.
- An unfinished pre-feasibility study on the exploitation of the deposit demonstrated good beryllium recoveries (80-85%) and production of a high-grade phenacite concentrate grading 23% BeO.
- Beryllium is considered one of 14 critical elements for the EU in the future.
- Largely untested REE and rare metal mineralisation (c. 0.3% REO with Zr, Nb, Sn credits) is associated with the beryllium deposit.
- The Bordvedåga deposit is well situated for mining both as an open pit and/or underground operation.
- Favourable logistical setting only 15 kilometres from Norway's fourth largest city, Mo i Rana, which holds all necessary infrastructure, port facilities and industrial capacity.
- Access to local hydropower network. New hydropower plant in the project area planned to be in operation prior to 2020.
- Mining friendly community and strong political support from the local municipality of Mo i Rana.

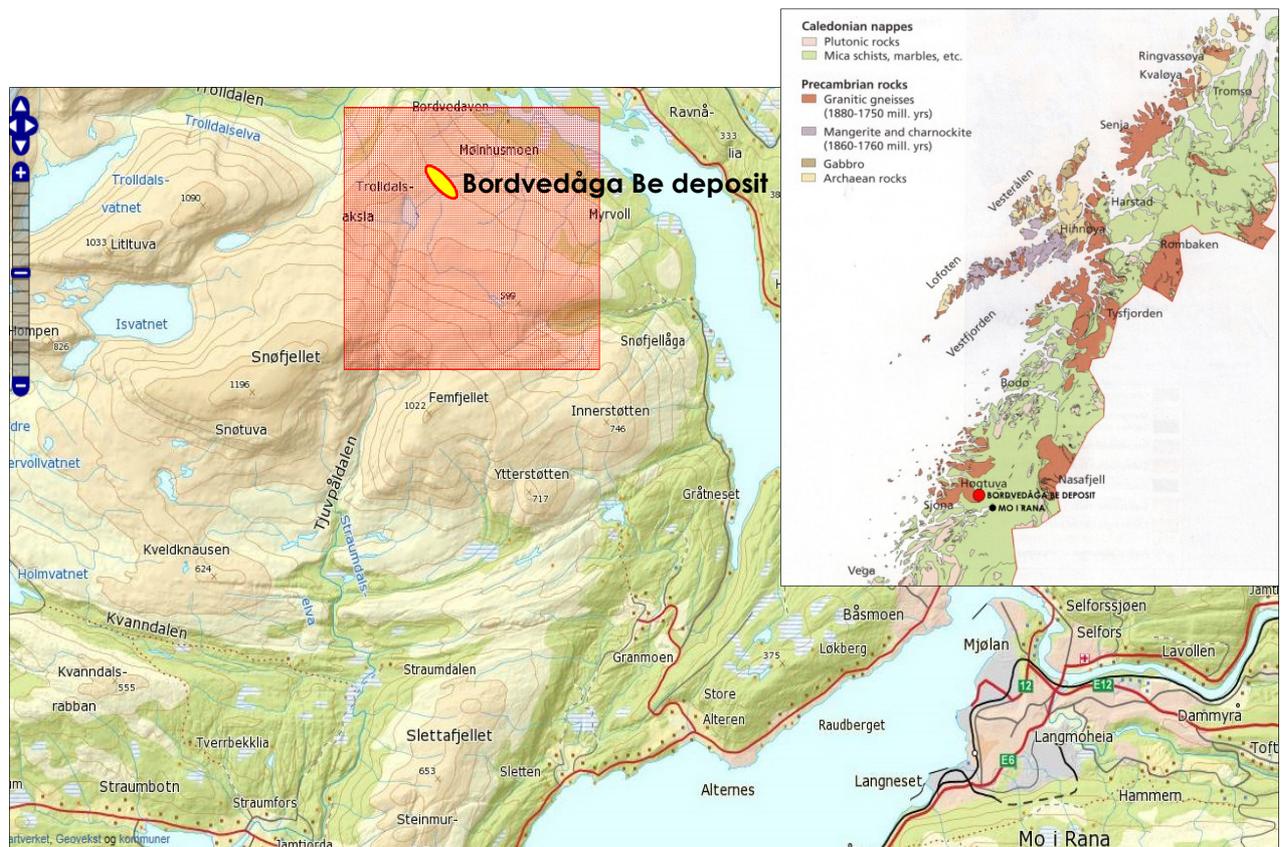
ABOUT BERYLLIUM

Beryllium is a rare metal with unique characteristics that are vital in a range of industrial applications. The metal has a high melting point with excellent thermal conductivity and is as the second lightest metal in the periodic system being weight by weight stiffer than steel. Beryllium has a wide range of industrial and commercial uses and is a critical element for computer, telecommunication, aerospace, defence, and nuclear industries. Beryllium is used to produce light and very strong alloys, metallic glasses, thin foils, and mirrors. Beryllium alloys are used mostly in applications in aerospace, automobile, and computer technologies; oil and gas drilling equipment; musical instruments; medical devices, and telecommunications. Due to its rarity, low density and thermal capacity beryllium is difficult to substitute by other elements and therefore has a low recycling rate.

Beryllium is considered among one of 14 critical raw materials for the EU due to its strategic importance and unique suite of applications. Today, the beryllium market is dominated by the US and China where 99% of world production originates from. Global beryllium production and usage is currently 400-500 tpa but is expected to grow steadily towards 2020.

HISTORIC EXPLORATION

Reconnaissance work by the Geological Survey of Norway (NGU) in the Høgtuva Basement window in 1981 led to the discovery of a large granitic zone with anomalously high values of Be, Zr, Y, Th, Sn and REE. The Bordvedåga beryllium deposit was discovered during follow-up exploration in 1984 within a hydrothermally altered section of the granitic gneiss. NGU carried out several additional exploration programmes in the area around the deposit during the years 1984-1988 with contributions from Norsulfid A/S and public companies. The work included several campaigns of diamond drilling (45 holes at the Bordvedåga deposit totalling 2215 meters and 19 short holes at other locations), surface sampling and geophysical surveys with a total cost of >9 mill. NOK (1.5 million USD). A pre-feasibility study was initiated in 1989 as a cooperation between SINTEF and NGU but was never completed due to financing problems although preliminary results were promising.



Topographic map showing 21st NORTH's area of interest (exclusive landowner agreement) at Bordvedåga. The focus area is c. 5x5 km (red square). Inserted map with simplified geology of the Nordland County, Norway showing distribution of Precambrian rocks and Caledonian nappes. The basement windows are mainly composed of Early Proterozoic granitic gneisses.

INFRASTRUCTURE AND REGIONAL SETTING

The Bordvedåga Be-deposit is situated 15 km NW of the town Mo i Rana and approximately 15 km S of the Arctic Circle. The outcrop of the deposit is characterised by less than 20% till cover and is located c. 400 m a.s.l. close to an ice-free fjord system (c. 6 km). The terrain allows for a mining operation that could be both open pit and underground

An additional c. 5 km of road has to be constructed to have a direct connection with the fjord; however, the infrastructure is better than in most places in Norway. Support from local authorities and the government is ready available and a qualified work force with mining, dressing and metallurgical experience already exists in Mo i Rana.

THE BORDVEDÅGA BE-(REE) DEPOSIT

Bordvedåga is located within the so-called Høgtuva window, which area is part of a series of Precambrian domains in the Caledonian nappes of northern Norway (1900-1700 Ma) mainly comprising deformed granitic terrains and minor greenstones.

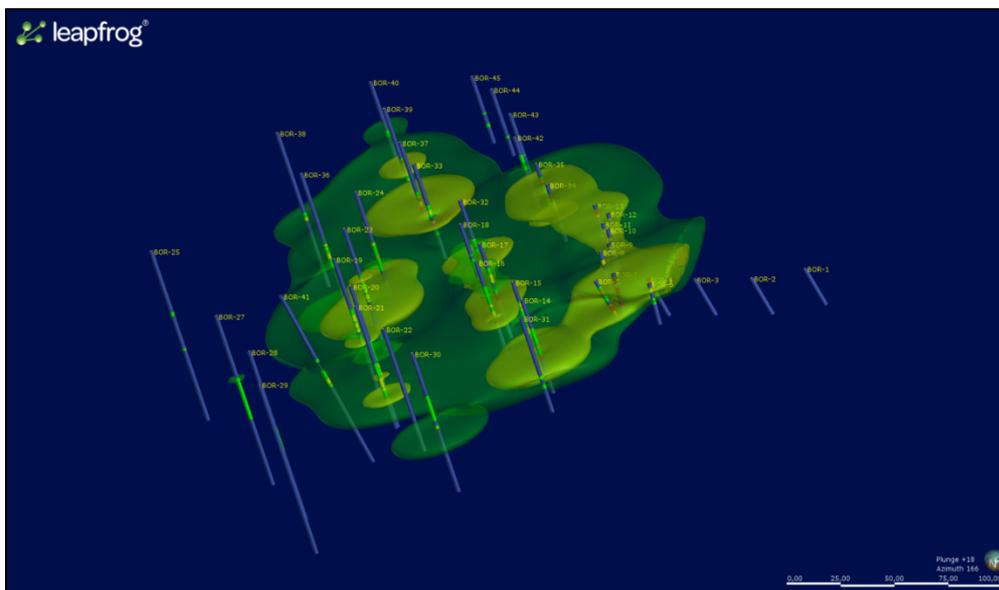
The gneisses of the Bordvedåga area have been sub-divided into a foot-wall gneiss (FG), a mineralised gneiss (MG) and a hanging-wall gneiss (HG), which megascopically are very much alike. The MG crops out in a NW-SE trending and shallow dipping belt up to 250 m thick and 8 km long. The MG is most readily distinguished by its elevated radioactivity, a higher biotite content and its concentration of Be and REE and other rare elements such as Zr, Th and Sn. The MG can be further sub-divided into a weakly mineralised zone (WMZ) characterised by >0.2% Zr, a highly mineralised zone (HMZ) carrying >0.8 Zr and the beryllium mineralised zone (BMZ) defined by a Be-content greater than 650 ppm Be. In addition to the known resource area, Be-mineralisation has been found in the FG, MG and HG gneisses in nearly 100 different locations.

The Bordvedåga Deposit is located in the MG cutting the border of the HMZ and WMZ. The primary host rock is believed to be differentiated granite or other high level intrusive rock, which was hydrothermally altered by fluor-rich solutions. The ore body forms two discrete lenses lying parallel to the foliation of the host gneisses with a shallow dip (20-30°) towards the NE. The Be-ore lenses are intimately associated and may be separated bodies or the same layer repeated by isoclinal folding. Above, below and between the Be-ore lenses, zones enriched in other elements occur. The two mineralisation types are referred to as the Be-ore and the Y-zone, respectively, and comprise enrichment of the following elements:

- Be-Ore: Be, U, Th, Zr, Nb, Sn, W, Mo, Cu and Ba
- Y-zone: Y, Ce, La, Rb, Li, Zn, Pb and Co

This zonation is important to address and understand as especially the REE, which are economically important, are enriched outside the Be-ore and not included in the present resource. The Be-ore has a somewhat higher content of the HREE (Yb and Lu) and lower content of the LREE (Ce, La, Sm and Tb) compared to the Y-zone.

The Be-ore lenses are intersected by 45 drill holes distributed over a grid of roughly 400X200 m. The present work has outlined an indicated resource of 350.000 tonnes of beryllium ore with an average grade of 0.18% Be (equal to 0.32% BeO) with potential for outlining additional reserves in the area. The main concentration of beryllium content in Bordvedåga is hosted by chemically very pure phenacite with minor quantities in gadolinite, genthelvite and a new mineral høgtuvaite. The average grain size of the ore is 0.3-0.5 mm, while the minor and accessory minerals enriched in incompatible lithophile elements (Zr, Nb, Y, REE etc.) are smaller than 100µm. Flotation test work was completed in 1989 as part of the unfinished feasibility study between NGU and SINTEF demonstrated good beryllium recoveries (80-85%) and production of a high-grade phenacite concentrate grading 23% BeO.



Leapfrog 3D modelling of the Bordvedåga beryllium deposit. Showing historic drill holes and modelled grade shells defining the present resource.

EXPLORATION PROPOSAL

In order to verify the historic results and to test open ended parts of the current resource, it is recommendable to conduct a second phase of diamond drilling at the Bordvedåga beryllium deposit. Drilling should to the necessary extent duplicate historic drill holes as part of an up to date 43-101 compatible QA/QC validation as well as test deeper parts of the deposit area. Furthermore, historic drill core should be assessed and re-analysed.

The feasibility study initiated in 1989 by NGU and SINTEF should be re-activated and involve collection of new bulk samples, which shall be subjected to a suitable metallurgical test program in order to evaluate the characteristics of the beryllium ore. If results are positive it is recommended to initiate a bench scale test program on a larger bulk sample (500-1000 kg). Proposed activities in the nearest future include:

- Re-sampling of historic NGU drill core in order to test for additional elements and as part of the QA/QC program
- 2000 meters of QA/QC and resource diamond core definition drilling at the Bordvedåga beryllium deposit area where historic exploration by NGU has outlined a preliminary indicated resource.
- Metallurgical test program on relevant micro bulk samples from the Bordvedåga beryllium deposit (either surface blast samples or drill core material from exploration holes)

TENTATIVE BUDGET 2015-2016

Re-sampling QA/QC program.....	app. EUR 30,000
2000 meter of QA/QC and resource drilling program (assuming helicopter supported).....	app. EUR 475,000
Metallurgical test program.....	app. EUR 50,000
Total [including 5 pct. for unforeseen expenses]	EUR 582,750