

JINDALEE EXPANDS US LITHIUM FOOTPRINT

- **Additional claims staked at McDermitt expand project scale significantly**
- **Drill permitting ongoing for Resource drill program commencing in Q2**
- **Metallurgical test work ongoing**

Jindalee Resources Limited ('Jindalee' or 'Company') is pleased to announce that it has significantly increased the scale of its 100% owned McDermitt Project, approximately 25km west of the town of McDermitt on the Nevada-Oregon border (Figures 1, 2).

Confirmation has been received from the U.S. Federal Bureau of Land Management ('BLM') of the lodgement and stamping of an additional 112 claims immediately adjacent to the existing 242 claims. These claims expand the size of the project by approximately 45% to 28.6km², (Figure 2); and cover the along strike continuation of lithium (Li) mineralised sediments already identified in surface sampling and drilling, further consolidating Jindalee's ground position in the district.



Figure 1 – Location of Jindalee's McDermitt Project.

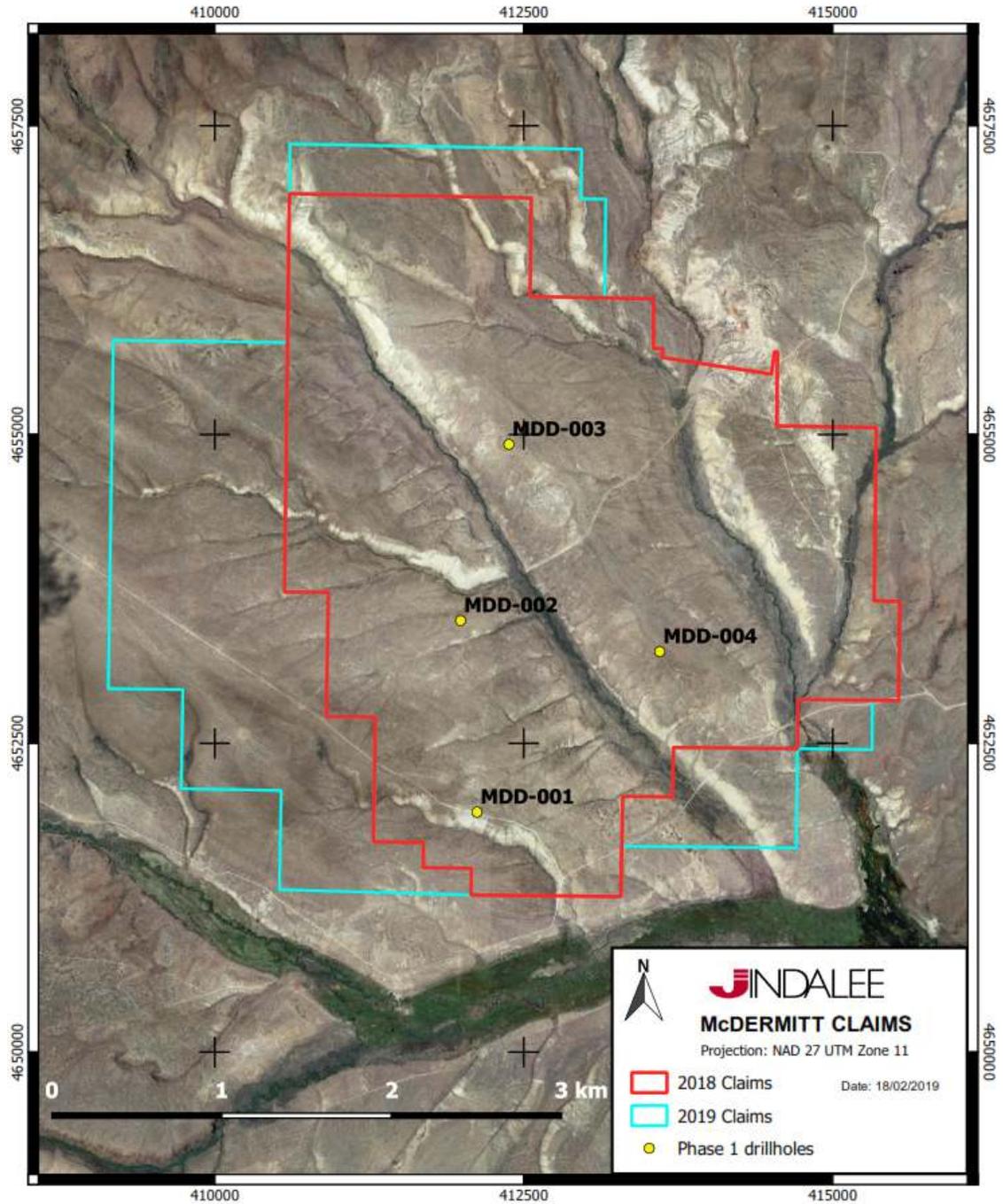


Figure 2 – Recently staked claims at McDermitt compared with original claims boundaries.

McDermitt Project Context

The expansion of Jindalee’s ground position comes as the Company’s confidence in this project increases. The recently estimated exploration target range (ETR)¹ identified that the McDermitt project has the potential to host one of the largest lithium deposits in the US.

The U.S. Geological Survey included lithium in its June 2018 list of minerals critical to the US economic and national security. This critical nature was also highlighted recently in a submission to the US Senate Committee on Energy and Natural Resources by Benchmark Mineral Intelligence².

Key points from this submission relevant to Jindalee’s McDermitt Project include:

1. The US is currently unprepared for the rapid growth in demand for Li chemicals and battery materials with 92% of lithium chemicals imported in 2018.
2. There is the potential for the US to develop its own supplies of domestic lithium.
3. ‘The rate of funding to build new lithium mines and downstream processing needs to double’.

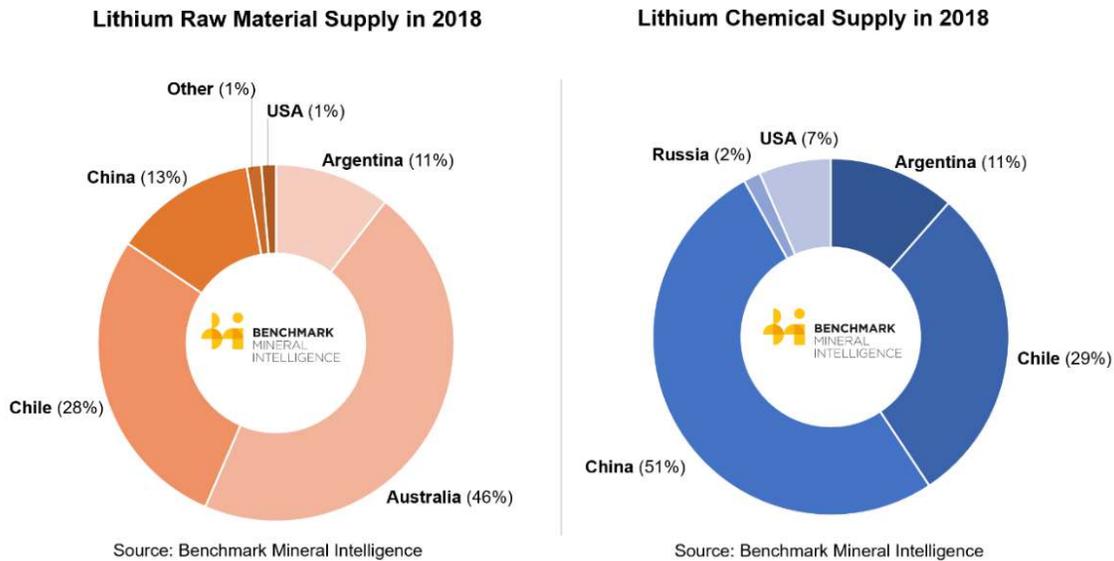


Figure 3 – Sources of US Lithium raw material and Lithium chemicals, highlighting the extreme reliance on imports the US currently faces. Source: Benchmark Minerals.

Ongoing Work Program

A review of the historic and current lithium leaching test work undertaken at McDermitt and other sediment hosted lithium projects has been completed, and initial leach test work utilising sulphuric acid is underway. A range of parameters will be tested as the basis for further optimisation work to follow. Results of these tests will be announced as they become available.

Permitting and associated approvals and logistics for further drilling in the 2019 field season is progressing. Drilling is currently planned to commence in May/June 2019, utilising the Reverse Circulation technique to rapidly test broad areas of the project. The aims of the drilling are to locate higher grade zones, support resource estimation work, extend existing mineralised zones at depth, and test for further mineralised zones below the limit of current drilling.

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Why Lithium Sediments?

Lithium is highly sought after for a range of industrial uses, in particular energy storage where it is a vital component of most popular battery electrolytes and electrodes. A high charge and power to weight ratio makes lithium ideal for applications where weight is a significant consideration (e.g. electric vehicles, mobile phones, hand tools, drones and robots).

Lithium is found in pegmatites, brines and sediments. Lithium bearing sediments at the Company's McDermitt Project have several positive characteristics including:

- Mineralisation is from or close to surface, flat-lying to shallowly dipping with low stripping ratios.
- Easy to drill, allowing for rapid exploration progress.
- Contained within soft rocks suggesting low cost mining.
- The economics of advanced sediment projects indicate the costs to produce lithium compounds used in battery manufacture are highly competitive.
- An adequate scale potential to support a long mine life.

Increasing domestic demand and energy security goals make the USA an ideal location for development of lithium projects:

- Growing local demand is currently satisfied overwhelmingly (92%) by imported material with the Silver Peak mine in Nevada owned by Albermarle (NYSE: ALB) the only operating facility in the US².
- The US is politically stable, with excellent infrastructure and a skilled labour force.
- Executive Order 'Federal Strategy to Ensure Secure and Reliable Supplies of Critical Minerals' signed by President Trump on 20 December 2017 makes the development of lithium projects in the US a focus and priority for Federal agencies.
- The USGS included lithium in its June 2018 list of minerals critical to the US' economic and national security.
- Jindalee's US lithium projects are located on 100% owned tenure, with no royalty overhang.



About Jindalee

Jindalee Resources Limited (ASX: JRL) is an exploration company with direct and indirect exposure to gold, base and strategic metals (including lithium), iron ore, uranium and magnesite through projects generated by the Company's technical team. Jindalee has a track record of rewarding shareholders, including priority entitlements to several successful IPO's and payment of a special dividend.

Jindalee's strategy is to acquire prospective ground, add value through low cost exploration and, where appropriate, either introduce partners to assist in funding further progress, or fund this activity via a dedicated company in which Jindalee retains a significant interest. At 31 December 2018 Jindalee held cash and marketable securities worth \$3.4M, combining with the Company's tight capital structure (only 35M shares on issue) to provide a strong base for leverage into new opportunities.

Further information on the Company can be found at www.jindalee.net

Competent Persons Statement:

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Pip Darvall and Mr Lindsay Dudfield. Mr Darvall is an employee of the Company and Mr Dudfield is a consultant to the Company. Mr Darvall is a member of the Australian Institute of Geoscientists. Mr Dudfield is a member of the Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. Both Mr Darvall and Mr Dudfield have sufficient experience, relevant to the styles of mineralisation and types of deposits under consideration, and to the activity which they are undertaking, to qualify as Competent Persons as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves.' Both Mr Darvall and Mr Dudfield consent to the inclusion in the report of the matters based on this information in the form and context in which it appears.

Forward-Looking Statements:

This document may include forward-looking statements. Forward-looking statements include but are not limited to statements concerning Jindalee Resources Limited's (Jindalee) planned exploration program and other statements that are not historical facts. When used in this document, the words such as "could", "plan", "estimate", "expect", "intend", "may", "potential", "should", and similar expressions are forward-looking statements. Although Jindalee believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements.

References

1. JRL's ASX announcement 20 November 2018: "Lithium Exploration Target at McDermitt".
2. Benchmark Minerals submission to the US Senate can be found at:
<https://www.energy.senate.gov/public/index.cfm/2019/2/full-committee-hearing-to-examine-the-outlook-for-energy-and-minerals-markets-in-the-116th-congress>