

ASX RELEASE
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ASX: JRL



US LITHIUM DRILLING UPDATE

McDermitt Drilling Update

Diamond drilling at Jindalee's McDermitt Lithium project continues to advance with three holes now completed (Figure 1). The fourth hole, MDD-008 is currently at a depth of approximately 95m and is still in sediments, the host rock for lithium mineralisation at McDermitt.

Holes MDD-006 and MDD-007 intersected substantial thicknesses of sediments (155m and 118m respectively) before terminating in basement volcanic rocks. MDD-006 was collared 30m above the elevation of MDD-007, and the original thickness of the overall sedimentary package is therefore estimated to be approximately 150m with surface erosion reducing this in some areas.

Further updates will be provided as they become available.

For further information please contact:

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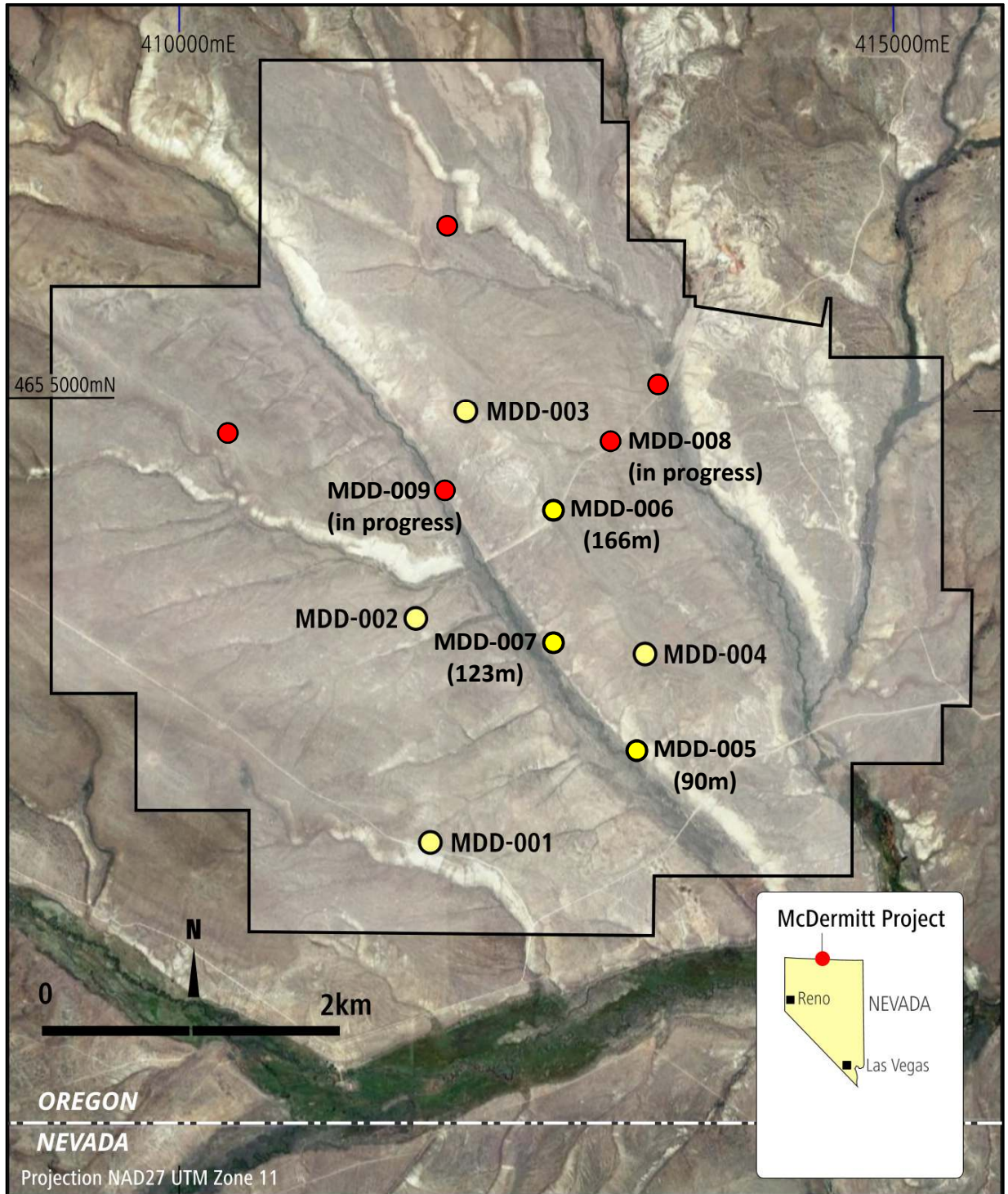


Figure 1 – Location of completed (yellow) and planned holes (red) at McDermitt. Metres show the total depth of completed holes.

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 Jindalee's McDermitt Project have several positive characteristics including:

- Mineralisation is from or close to surface, flat-lying to shallowly dipping with low stripping ratios.
- Contained within soft rocks suggesting low cost mining.
- Favourable metallurgy - initial testwork has indicated high lithium recoveries from conventional sulphuric acid leaching at low temperature and atmospheric pressure.
- The economics of advanced sediment projects demonstrate 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 by imported material with the Silver Peak mine in Nevada owned by Albermarle (NYSE: ALB), the only operating production facility in the US.
- The USA 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 USA a focus and priority for Federal agencies.
- The US Geological Survey included Lithium in its June 2018 list of minerals critical to the USA economic and national security.
- US Department of the Interior report June 2018 includes Lithium as critical to economic and national security.
- Bipartisan Bill 'American Minerals Security Act' introduced May 2019 to secure mineral resources and reduce reliance on foreign sources.
- A domestic source of Lithium would not be subject to tariffs (currently 3.7% minimum).
- Jindalee's USA Lithium projects are located on 100% owned tenure, with no royalties.

About Jindalee

Jindalee Resources Limited (ASX: JRL) is an exploration company with direct and indirect exposure to gold, base and strategic metals, 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 30 June 2019 Jindalee held cash and marketable securities worth \$3.2M, 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 and Metallurgy is based on information compiled by Mr Pip Darvall. Mr Darvall is an employee of the Company and a member of the Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. Mr Darvall has sufficient experience, relevant to the styles of mineralisation and types of deposits under consideration, and to the activity which is being undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves.' Mr Darvall consents 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.