ASX RELEASE
29 OCTOBER 2019
ASX: JRL

SUBSTANTIAL LITHIUM INTERCEPT AT McDERMITT

- **Hole MDD-006 mineralised over entire thickness of sediments**
- **Central part of project now showing thickest and highest lithium grades recorded to date**
- **Significant higher-grade zone emerging**

Jindalee Resources Limited ('Jindalee') is pleased to announce that assay results from hole MDD-006 at its 100% owned McDermitt lithium project have confirmed lithium mineralisation over the entire thickness of the prospective stratigraphy in the central part of the project area (Figure 1, Figure 2), with the latest intercepts including:

- **30m @ 1967 ppm Li, including 14m @ 2673 ppm Li, and**
- **74m @ 1481 ppm Li, including 18m @ 2034 ppm Li (Table 1)**

These results are the thickest and highest grades received to date, demonstrating continuity of lithium mineralisation already seen in adjacent holes (Figure 1, Figure 2), and once again in multiple stacked layers. If all intervals with lithium values <1000ppm are included, the entire sedimentary section assays **151.05m @ 1352 ppm Li**.

Another key feature observed in the results to date is a near surface zone of higher-grade material across a large part of the project area (Figure 3, Table 2), where significant thicknesses of sediments with grades in excess of 2200 ppm Li are observed at shallow depths (a maximum of 78m below surface). The results of hole MDD-012 are awaited and may extend this zone further.

The compilation of higher-grade zones displayed in Table 2 also displays the intercepts as % Li_2O. Typical pegmatite deposits found in Western Australia grade ~1% Li_2O; by comparison the McDermitt lithium project is lower grade, but mineralisation occurs from surface, in relatively soft rocks, and over a huge areal extent.

Feasibility studies published for more advanced lithium sediment projects demonstrate the costs to produce lithium compounds from these sources are highly competitive, sitting well toward the lower end of the cost curve for lithium carbonate production [1,2,3]. Furthermore, the McDermitt project is also favourably located within the US which imports 100% of its lithium for use in an already large and now rapidly evolving automobile sector.

Results from the final three holes MDD-011 to MDD-013 inclusive are awaited and will be reported once received.

PIP DARVALL
Managing Director
T: + 61 8 9321 7550
E: enquiry@jindalee.net

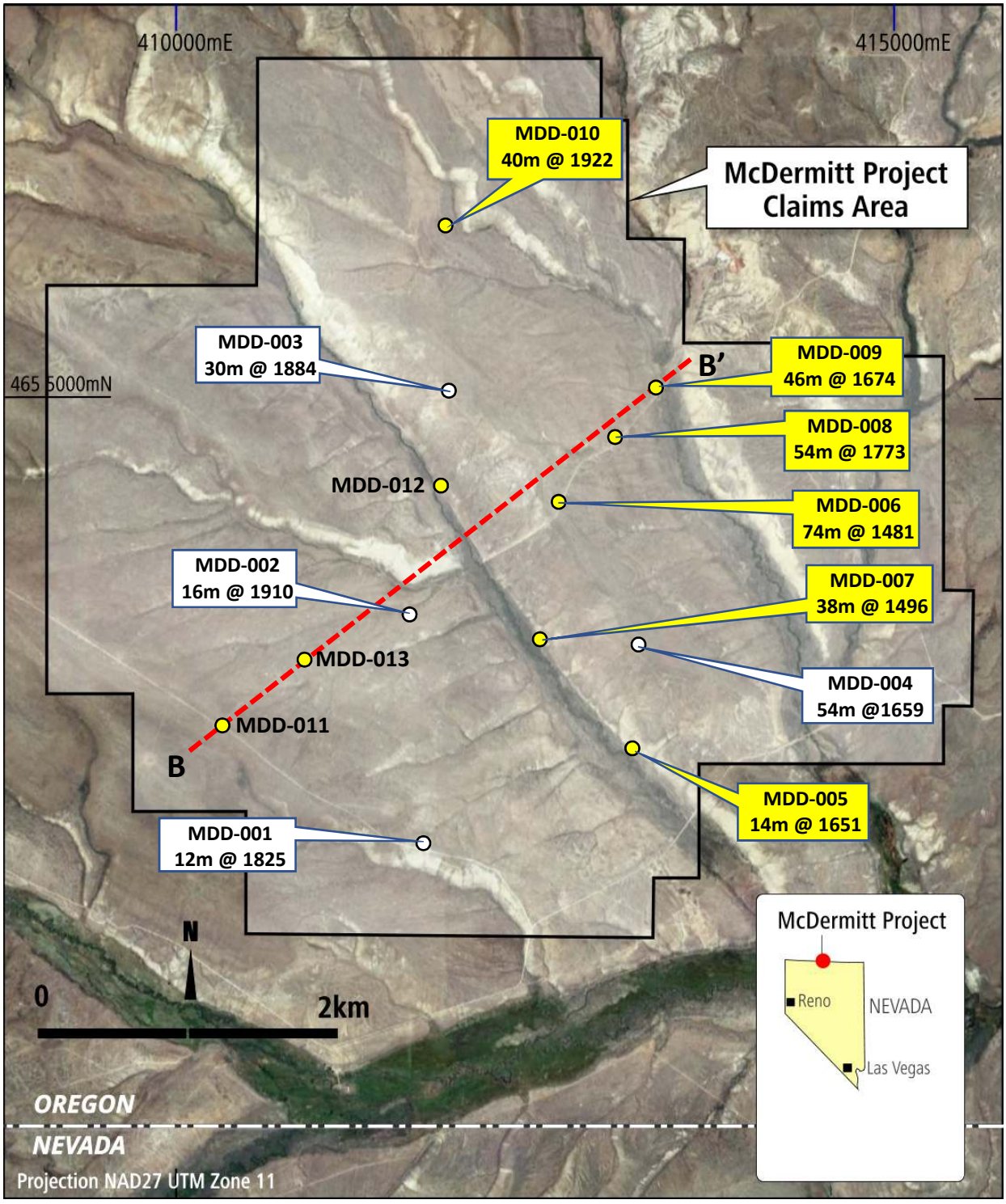

Figure 1 – Summary of the thick significant intercepts (Lithium ppm) so far received at McDermitt. 2018 intercepts in white, 2019 intercepts in yellow. Results from holes MDD-011 to 013 are awaited. The location of the cross section B-B' in Figure 2 is shown as the red dashed line.

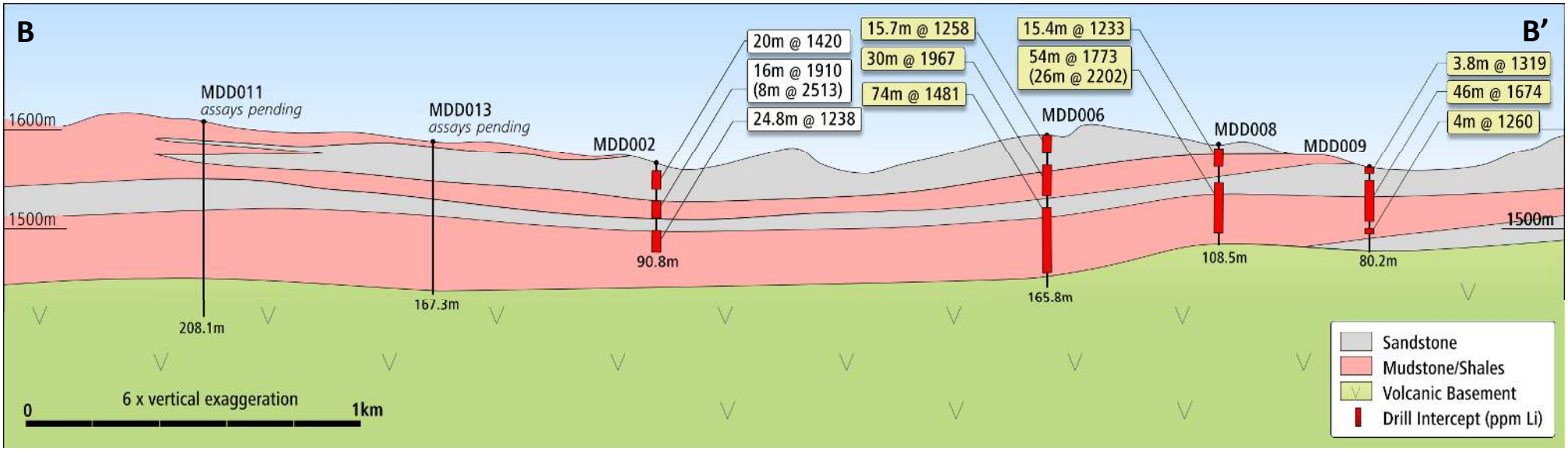

Figure 2 – Schematic cross section showing significant Lithium intercepts from the 2018 and 2019 drill programs.

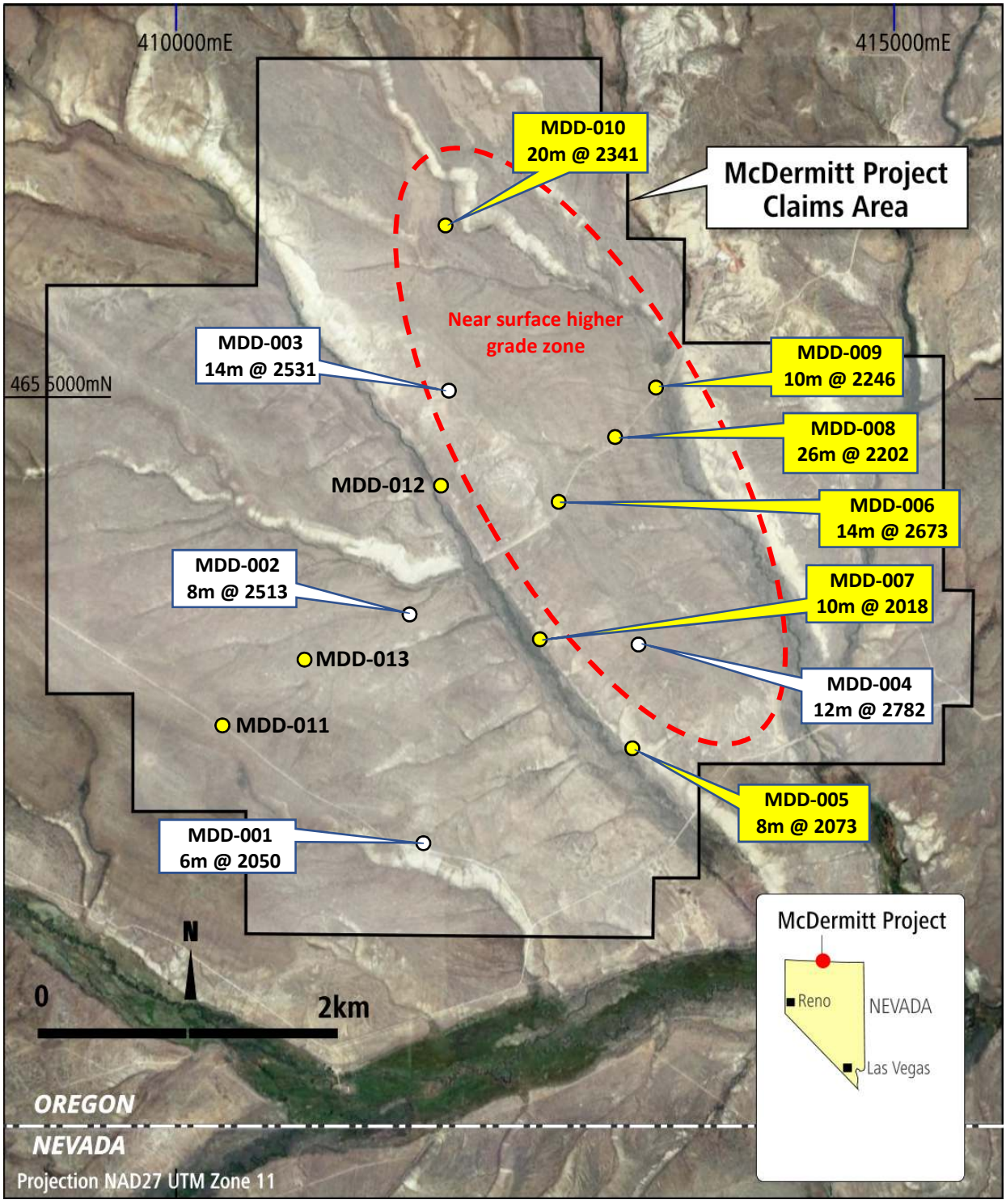

Figure 2 – Higher grade intercepts (Lithium ppm) at McDermitt. Highlighting the near-surface zone of higher-grade material (red dashed oval). 2018 intercepts in white, 2019 intercepts in yellow.

MDD-006	Depth From (m)	Depth To (m)	Thickness (m)	Li (ppm)
	4.27	20	15.73	1258
	28	58	30	1967
including	*30*	*44*	*14*	*2673*
	70	144	74	1481
including	*112*	*130*	*18*	*2034*

Table 1 – Significant intercepts from hole MDD-006

Hole ID	Depth From (m)	Depth To (m)	Thickness (m)	Li (ppm)	Li_2O (%)
MDD-001	50	56	6	2050	0.44
MDD-002	38	46	8	2513	0.54
MDD-003	44	58	14	2531	0.54
MDD-004	28	40	12	2782	0.60
MDD-005	72	80	8	2073	0.45
MDD-006	30	44	14	2673	0.58
MDD-007	78	88	10	2018	0.43
MDD-008	52	78	26	2202	0.47
MDD-009	22	32	10	2246	0.48
MDD-010	48	68	20	2341	0.50

Table 2 – High grade intercepts at McDermitt

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, lithium, 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 September 2019 Jindalee held cash and marketable securities worth $3.2M, combining with the Company's tight capital structure (only 38.5M 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 undertaking, 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.

References:

1. Lithium Americas Corporation release to the TSX and NYSE June 21 2018 'Lithium Americas Announces Preliminary Feasibility Study Results for the Thacker Pass Project'.
2. Global Geoscience (now Ioneer Limited) release to the ASX 23 October 2018 'Outstanding Results from Rhyolite Ridge Pre-Feasibility'.
3. Bacanora Minerals Limited release to AIM 13 December 2017 'Feasibility Study Estimates Net Present Value of US$1.25 billion and Internal Rate of Return of 26% for the Sonora Lithium Project'.

Annexure A:
JORC Code, 2012 Edition – Table 1
Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• Diamond drilling was used to collect HQ triple tube (HQ3 63.5mm) diameter core. • Core was cut and quarter core sampled on 2m intervals. • Colluvium/overburden was not sampled • All samples were placed into individually labelled, consecutively numbered sample bags.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• Diamond drilling was used to collect HQ3 (63.5mm) diameter core. • Core holes were drilled vertically, and core was not oriented.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• Core blocks inserted by the drilling company indicated the length of a run and the amount of recovered core in feet. The site geologist converted this to metres and core recovery was recorded on the sampling sheet. Core recovery was the primary focus for the drill contractor and was typically 100% in the zones of interest. • Core recovery was recorded by the site geologist, and 1m downhole depths marked prior to geological logging and sampling • No relationship between recovery and grade was observed.
Logging	• *Whether core and chip samples have been geologically and*	• Qualitative lithological descriptions were recorded by the field

Criteria	JORC Code explanation	Commentary
	geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	geologist once core had been presented and depths marked. Correlation of this information to the field mapping and stratigraphic sections described in the immediate area is ongoing to build a comprehensive picture of the geology over the project area. • Photos (wet and dry) were taken of all core trays for later review.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• Core was cut and quarter core sampled. • Sample preparation at the laboratory involved crushing to 70% less than 2mm, riffle split off 250g, pulverize split to better than 85% passing 75 microns. • Duplicate samples were inserted approximately every 15 samples to check the representivity of samples and precision in assaying. In most cases duplicate sample assays were within 6% of the original sample indicating samples are representative of the unit being assessed.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• Samples were assayed by ALS Laboratories in Reno Nevada via 4 acid digest of 0.25g sample split with a 48 element ICP-MS finish. • 4 Acid digests are considered to approach a total digest, as some refractory minerals are not attacked. • Certified lithium sediment standards were inserted approximately every 15 samples. Assay results for all standards were within the 95% confidence limits indicating no issues with laboratory accuracy or contamination. • Blank samples were inserted approximately every 15 samples to check for laboratory contamination. In all cases lithium assays indicated no external contamination. • Laboratory QAQC involves the use of internal lab standards, splits and replicates as part of in-house procedures. ALS Laboratories participates in external umpire assessments to maintain high levels of QAQC in relation to their peers.

Criteria	JORC Code explanation	Commentary
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• Assay results were verified by more than one Jindalee geologist. • Data is received and stored electronically with a comparison between the .pdf certificates and the .csv data files indicating no errors in transmission.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Sample locations were surveyed using a handheld Garmin GPS with an accuracy of +/- 3m horizontally, and +/- 5m vertically. • Locations are reported in metres in UTM Zone 11. • Downhole surveys were undertaken at approximately 30m intervals downhole and at the end of hole. The maximum variation from vertical observed was 0.2°, with a survey accuracy of +/- 0.1°.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• Spacing of drilling and associated sampling is adequate for first pass assessment of the areas and geological horizon(s) of interest. • No resource has been estimated and the information available is not currently adequate to do so.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• Vertical drill holes were appropriate for assessing the flat lying units of interest. Downhole lengths reported are therefore the same as true widths.
Sample security	• *The measures taken to ensure sample security.*	• Samples were collected, boxed, palletised and sealed by Jindalee personnel, and subsequently delivered to ALS Laboratories by a third-party freight company. • All samples were received as expected by the laboratory with no mis-labelled samples.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• None undertaken.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• Samples reported are all from land managed by the US Bureau of Land Management, with the mineral rights held under placer claims owned 100% by HiTech Minerals Inc., a wholly owned US based subsidiary of Jindalee Resources Limited. • No joint ventures or royalty interests are applicable.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• At McDermitt, historic uranium exploration by Chevron first identified the presence of lithium. Lithium Americas Corp (TSX:LAC) is exploring the southern end of the McDermitt caldera, approximately 20km south of the Project area for lithium within geologically identical stratigraphy.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• Lithium is hosted in flat-lying lacustrine sediments deposited within the Tertiary aged McDermitt caldera.

Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:*
	  ○ *easting and northing of the drill hole collar*
	  ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*
	  ○ *dip and azimuth of the hole*
	  ○ *down hole length and interception depth*
	  ○ *hole length.*
	• *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*
		• MDD-006 collar located at 413029mE 4654204mN 1599m RL
		• Total hole depth 165.8m
		• Please see table and figures in main body of text.

Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used*	• Significant intercepts are presented as a simple average above a 1000ppm Li cut-off, with a maximum of 4m internal 'waste' (where 'waste' is defined as intervals with less than 1000ppm Li).

Criteria	JORC Code explanation	Commentary
	for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• Vertical drill holes were appropriate for assessing the flat lying units of interest. Downhole lengths reported are therefore the same as true widths.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• See main body of announcement.
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• All drilling results above a cut-off of 1000ppm lithium containing a maximum of 4m internal 'waste' (where 'waste' is defined as intervals with less than 1000ppm Li) are regarded as significant and have been reported.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• Field mapping across the project area, and description of stratigraphic sections exposed in several escarpments will allow for correlation of the geology between drill holes once further results are available. • Also see main body of announcement.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Compilation of the drilling results, field mapping and stratigraphic sections, as well as the sourcing of additional data will be completed once additional assay results have been received. • Also see main body of announcement.