

14 September 2020

**ASX: JRL**



## Placement and Non-Renounceable Entitlement Offer

- **Firm commitments received from sophisticated and professional investors to raise \$1.23M (before costs) at \$0.32 per share**
- **Launch of 1 for 20 non-renounceable pro rata entitlement offer at \$0.32 per share to raise additional \$0.62m (before costs)**
- **Raising at 26.9% discount to the 5-day VWAP of \$0.44**
- **Placement and Entitlement Offer will raise approximately \$1.85M**
- **Funds to be used to further advance the Company's McDermitt Lithium Project (US) and Widgiemooltha Gold-Nickel Project (WA)**

Jindalee Resources Limited (**ASX: JRL**) (**Jindalee** or the **Company**) is pleased to announce a capital raising of up to ~\$1.85m at \$0.32 per share (**Capital Raising**) to fund further exploration and development at the Company's McDermitt Lithium Project (US) and Widgiemooltha Gold-Nickel Project (WA).

The Capital Raising is comprised of a placement of 3.85m new fully paid ordinary shares (**New Shares**) to raise \$1.232m (**Placement**) and a non-underwritten 1 for 20 pro rata non-renounceable entitlement offer (**Entitlement Offer**) to raise up to a further \$0.62m.

### Placement

The Company has received binding commitments for the Placement. The Placement will be conducted under Jindalee's ASX Listing Rule 7.1 capacity and is anticipated to settle after the record date of the Entitlement Offer, such that Placement participants will not be entitled to participate in the Entitlement Offer in respect of their Placement shares.

The issue price for the Placement represents a 26.89% discount to the Company's 5-day VWAP of \$0.4377 on 7 September 2020.

No underwriting or similar fees are payable with respect to the Placement.



## Entitlement Offer

Jindalee will make the Entitlement Offer to all shareholders with an address in Australia and New Zealand (**Eligible Shareholders**) to raise up to ~\$0.62m (before costs). The Entitlement Offer will be conducted on the basis of one (1) new fully paid ordinary share for every twenty (20) shares held by Eligible Shareholders at 5.00pm WST on Thursday, 17 September 2020 (**Record Date**), with shares offered at \$0.32 per share, the same price as the Placement.

Shares issued under the Entitlement Offer will rank equally with existing Shares. In addition to their entitlement, Eligible Shareholders may apply for additional new shares in excess of their entitlement. Further details of the Entitlement Offer will be set out in the Offer Booklet to be despatched to Eligible Shareholders and lodged with ASX by Tuesday, 22 September 2020. Eligible Shareholders should consider the Offer Booklet in deciding whether to acquire shares under the Entitlement Offer and will need to complete the personalised entitlement and acceptance form that will accompany the Offer Booklet.

Each of the Directors has indicated they intend to subscribe for their full entitlement.

No underwriting or similar fees are payable with respect to the Entitlement Offer.

To avoid current postal delays due to COVID-19, all Shareholders are encouraged to update their communication preferences to receive documentation from the Company via email by visiting [admin@advancedshare.com.au](mailto:admin@advancedshare.com.au) or contacting the Share Registry directly by telephone on 1300 113 258 (Australia) +61 8 9389 8033 (International).

## Use of Funds

Funds raised under the Capital Raising are intended to be applied as follows:

- Metallurgical testwork on the McDermit Project
- Drilling and resource estimation at the McDermit Project (subject to timely receipt of drilling approvals)
- Widgiemooltha exploration activities to investigate gold and nickel potential
- General working capital requirements, costs related to the Capital Raising and contingent corporate purposes.

As with any intended budget or use of funds, this is a statement of current intentions. Intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way the funds are applied on this basis. In particular, should approvals to undertake drilling at the McDermit Project not be received prior to the winter hiatus in the US, a portion of the funds raised may, pending receipt of such approvals, be redirected to other activities, including metallurgical testwork and acceleration of exploration activities on the Company's other projects, particularly the Widgiemooltha Project.

## Proposed Timetable

The proposed timetable for the Capital Raising is set out below:

Event	Date
Announcement of the Placement and Entitlement Offer	14 September 2020
Ex-Date for Entitlement Offer	16 September 2020
Record Date to determine Entitlement to New Shares (5.00pm WST)	17 September 2020
Placement Shares issued	18 September 2020
Dispatch of Offer Booklet and Entitlement and Acceptance Form and announcement that dispatch completed	22 September 2020
<b>Entitlement Offer Opens</b>	22 September 2020
<b>Entitlement Offer Closes</b> (5.00pm WST)	9 October 2020
New Shares quoted on a deferred settlement basis	12 October 2020
Announcement of Entitlement Offer shortfall	14 October 2020
Issue of New Shares under Entitlement Offer and despatch date of holding statements	16 October 2020
Trading of New Shares issued under the Entitlement Offer on a normal settlement basis	19 October 2020

All dates are indicative only. The Directors may extend the Closing Date by giving at least 3 Business Days' notice to ASX. The Company reserves the right, subject to the Corporations Act and Listing Rules and other applicable laws, to vary any other date of the Entitlement Offer, including accepting late applications, either generally or in particular cases, without notice.

## Commentary

Jindalee's Chairman Mr Justin Mannolini, said: *"We are pleased to be able to offer our shareholders the ability to participate in this capital raising, which will enable the Company to accelerate exploration and development at our McDermitt lithium project as well as providing flexibility for our activities in Australia. The Board believes that investors are beginning to awaken to the potential of sediment-hosted deposits to make a meaningful contribution to the global lithium supply chain in years to come. The strategic location of McDermitt, in a United States desperate for greater minerals self-sufficiency, provides Jindalee with a very unique value proposition relative to its ASX-listed peers."*

For and on behalf of the Board.

Lindsay Dudfield  
Executive Director.

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