

TESLA “BATTERY DAY” HIGHLIGHTS McDERMITT PROJECT POTENTIAL

- Tesla to invest in localisation of cathode supply chain and production in US
- Tesla’s decision recognises the huge potential of US sediment hosted lithium deposits including Jindalee’s McDermitt sediment hosted lithium deposit
- Further drilling at McDermitt is expected to commence in October

Jindalee (or ‘Company’) is pleased to note the commitment by Tesla (NASDAQ: TSLA) at its recent “Battery Day” to invest in the “localisation” of its cathode supply chain and production in the United States.

Tesla has also recognised the potential of sediment hosted lithium deposits, such as Jindalee’s 100% owned McDermitt project in Oregon, to provide a long life and low-cost source of lithium to the US electric vehicle (EV) battery market.

The McDermitt lithium project is hosted in lacustrine sediments within the McDermitt Caldera, a Miocene age volcanic crater which is host to the largest and highest grade sediment hosted lithium deposits in the US. The project is strategically located with respect to Tesla’s Gigafactory (refer Figure 1).



Figure 1 – Location of Jindalee’s Lithium Projects and US Battery Factories (existing & proposed)

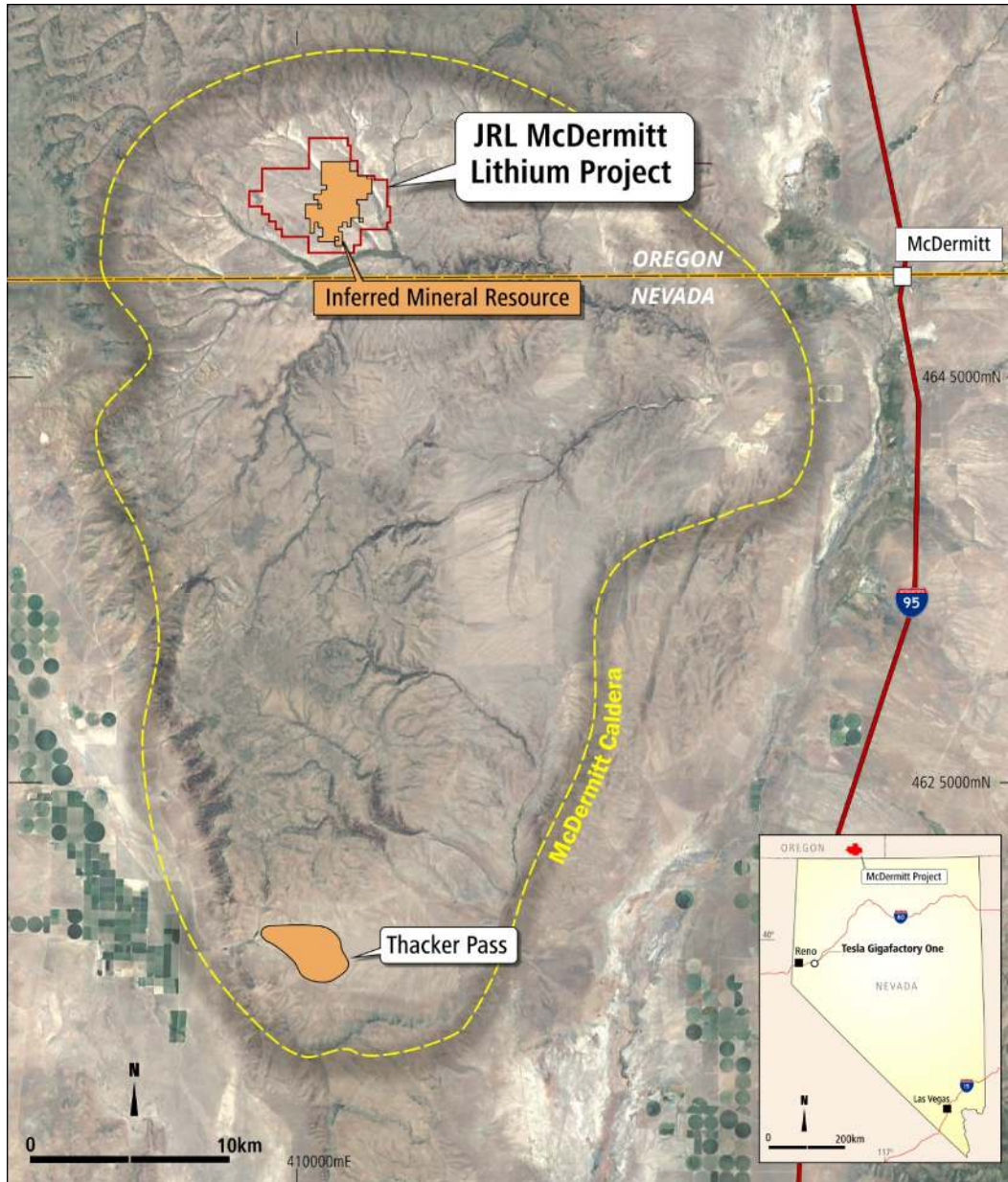


Figure 2 – Location of McDermitt and Thacker Pass deposits

The McDermitt project was pegged by the Company in 2018 after an extensive search across the western US. Subsequent exploration undertaken by Jindalee, including 13 diamond drill holes, demonstrated lithium rich sediments up to 165m thick showing excellent continuity over kilometres of strike, leading to a significant Exploration Target Range (ETR) and maiden Inferred Mineral Resource being announced late 2019.

On 19 November 2019 Jindalee announced an Inferred Mineral Resource of **150Mt @ 2,000ppm Li** (0.43% Li₂O) at 1,750ppm Li cut-off¹ had been estimated at McDermitt (refer Table 1, below):

Cut Off (ppm Li)	Mass (Mt)	Grade (ppm Li)	Contained LCE (Mt)
1,750	150	2,000	1.6

Table 1 – Summary of the maiden Inferred Mineral Resource

The Mineral Resource was estimated using a cut-off grade of 1,750ppm Li, which is considered appropriate in the context of similar projects and based on an assessment of the likelihood of future economic extraction as required by the JORC (2012) Code.

The entire Inferred Mineral Resource sits within 100m of surface and is flat lying, both positive factors for future project economics. Furthermore, analysis of the grade tonnage distribution of the McDermitt resource model highlights the potential for additional material available at lower grades. Metallurgical testwork to date has been very encouraging, indicating high lithium recoveries from conventional sulphuric acid leaching at low temperature and atmospheric pressure and the potential to beneficiate the ore to increase lithium head grade and remove acid consuming minerals, thereby improving project economics².

The Company confirms that it is not aware of any new information or data that materially affects the information included in this market announcement and that all material assumptions and technical parameters underpinning the estimates of mineral resources referenced in this market announcement continue to apply and have not materially changed.

Using the same cut-off grade as the Mineral Resource, an ETR* of **180-330Mt @ 1,800-2,200ppm Li** (exclusive of the Inferred Resource) was also estimated¹ (refer Table 2, below), suggesting that McDermitt has the potential to be one of the largest lithium deposits in the US.

Cut Off (ppm Li)	Mineral Resource		ETR Lower Limit (Mt)	ETR Upper Limit (Mt)	ETR Grade Range (ppm Li)
	(Mt)	(ppm Li)			
1,000	996	1,420	1,200	3,000	1,200-1,600
1,500	328	1,800	370	800	1,600-2,000
1,750	155	2,000	180	330	1,800-2,200
2,000	64	2,200	75	120	2,000-2,400
2,500	5	2,590	2	3	2,400-2,800

Table 2 – Summary of the maiden Inferred Mineral Resource and revised ETR at various cut-off grades, with the preferred cut-off grade figures in bold. (NB: figures may not sum precisely due to rounding, and an increased number of significant figures does not imply increased precision).

*Note that the potential quantity and grade of the ETR is conceptual in nature, there has been insufficient exploration to estimate a Mineral Resource over the Exploration Target and it is uncertain if further exploration will result in the estimation of additional Mineral Resources.

The Company has submitted a proposed drilling program to the Bureau of Land Management (BLM) for permitting. The program comprises 21 holes (refer Figure 3), with holes designed to increase the current Inferred Mineral Resource and ETR, and convert Inferred resources to Indicated status, ahead of a possible Scoping Study.

BLM personnel visited the project mid-September and feedback regarding both the location of the proposed holes and Jindalee’s rehabilitation of previous drill sites was favourable, with drilling now expected to commence in October, subject to final approvals.

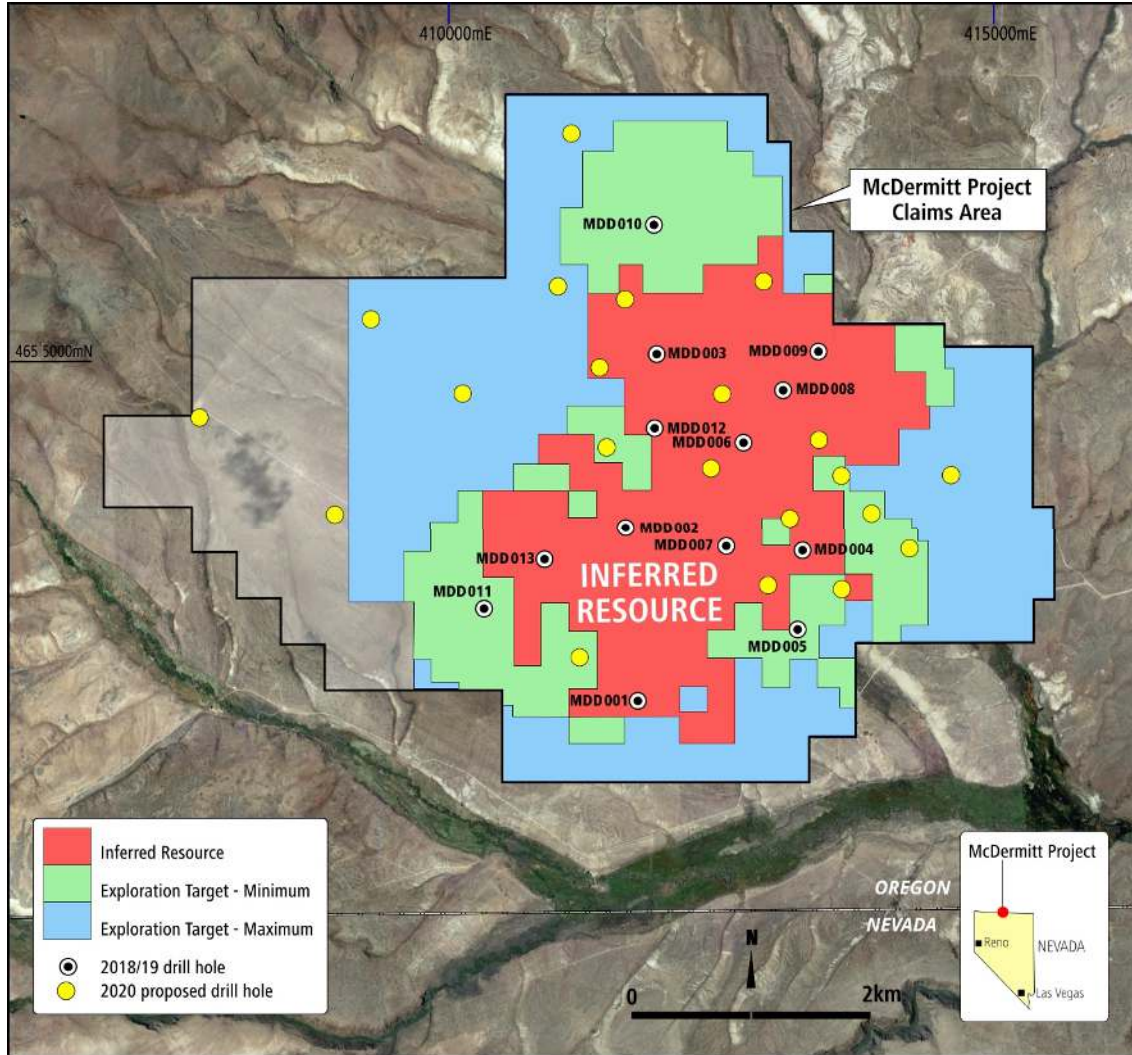


Figure 3 – Plan showing McDermitt Resource¹ and Exploration Target¹ Areas & Proposed Drilling



Figure 4 - Outcropping mineralised sediments towards the centre of the giant McDermitt lithium deposit. View looking north from hole MDD-002.

About Jindalee

Jindalee Resources Limited (ASX: JRL) is an exploration company with direct and indirect exposure to lithium, 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 2020 Jindalee held cash and marketable securities worth \$3.1M. On 14 September 2020 the Company announced a placement and entitlement offer to raise up to \$1.85M (before costs)³. On completion of the raising Jindalee will have cash and marketable securities worth approximately \$4.9M, which combined with the Company's tight capital structure (only 44.7M shares on issue after the raising) provide a strong base for advancing projects currently held by Jindalee and leveraging into new opportunities.

References

1. Jindalee Resources ASX announcement 19/11/2019: "Maiden Lithium Resource at McDermit".
2. Jindalee Resources ASX announcement 17/08/2020: "More Encouraging Metallurgical Results from McDermit".
3. Jindalee Resources ASX announcement 14/09/2020: "Placement and Non-Renounceable Entitlement Offer".

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 Lindsay Dudfield. Mr Dudfield is consultant to the Company and a Member of the Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. Mr Dudfield has sufficient experience relevant to the styles of mineralisation and types of deposits under consideration, and to the activity 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 Dudfield consents to the inclusion in this report of the matters based on this information in the form and context in which it appears.

The information in this report that relates to the Exploration Target and the Mineral Resource Estimate for the McDermit deposit is based on information compiled by Mr. Arnold van der Heyden, who is a Member and Chartered Professional (Geology) of the Australasian Institute of Mining and Metallurgy and a Director of H&S Consultants Pty Ltd. Mr. van der Heyden has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (JORC Code). Mr. van der Heyden consents to the inclusion in this report of the matters based on the information in the form and context in which it appears.

Forward-Looking Statements

This document may contain certain forward-looking statements. Forward-looking statements include but are not limited to statements concerning Jindalee Resources Limited's (Jindalee's) current expectations, estimates and projections about the industry in which Jindalee operates, and beliefs and assumptions regarding Jindalee's future performance. When used in this document, the words such as "anticipate", "could", "plan", "estimate", "expects", "seeks", "intends", "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 are subject to known and unknown risks, uncertainties and other factors, some of which are beyond the control of Jindalee and no assurance can be given that actual results will be consistent with these forward-looking statements.