

ENTITLEMENT OFFER EXTENDED AND COMPANY UPDATE

- Entitlement Offer date extended to 16 October 2020
- McDermitt Drilling Update

Entitlement Offer Extended

On 14 September 2020 Jindalee Resources Limited (**Jindalee**, the **Company**) announced a Placement to raise \$1.23M and a 1 for 20 non-renounceable pro rata entitlement offer of new fully paid ordinary shares in the Company at an issue price of \$0.32 per new share to raise up to approximately \$0.62M before costs (**Entitlement Offer**). The capital raised through the Entitlement Offer will be used to advance exploration programmes at the Company's McDermitt Lithium Project (US) and Widgiemooltha Gold-Nickel Project (WA), as well as for general working capital and costs of the Entitlement Offer.

Following feedback from a range of shareholders regarding postal delays, the closing date has been extended by a further 7 days and will now close on **Friday 16 October 2020**. The revised indicative timetable is as follows:

Event	Date
Announcement of Entitlement Offer and Cleansing Statement	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
Dispatch of Offer Booklet and Entitlement and Acceptance Form and announcement that dispatch completed	22 September 2020
Entitlement Offer Opens	22 September 2020
Entitlement Offer Closes (5.00pm WST)	16 October 2020
New Shares quoted on a deferred settlement basis	19 October 2020
Announcement of Entitlement Offer shortfall	21 October 2020
Issue of New Shares under Entitlement Offer and despatch date of holding statements	23 October 2020
Trading of New Shares issued under the Entitlement Offer on a normal settlement basis	26 October 2020

Eligible Shareholders who intend taking up their entitlements who have not as yet received their Offer Booklet and Entitlement and Acceptance Form are urged to contact the Company's Share Registry without delay on 1300 113 258 (within Australia) or + 61 8 9380 8033 (outside Australia).

McDermitt Drilling Update

Jindalee is pleased to advise that the Bureau of Land Management (BLM) has approved the Company's proposed 21 hole drilling program at McDermitt and that the rehabilitation bond for the program has been lodged with the BLM (Figure 1).

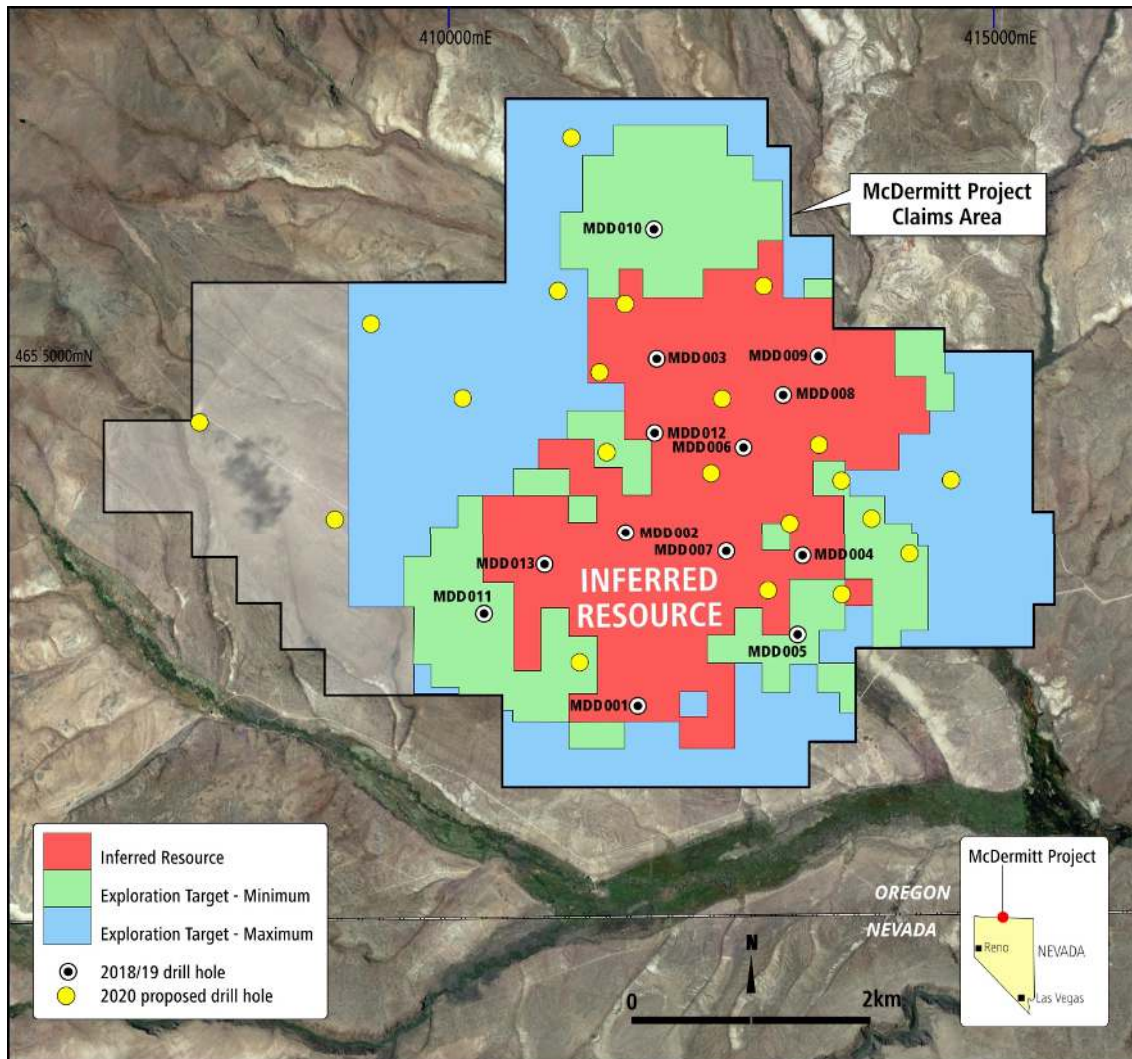


Figure 1 – Location of McDermitt Resource¹ and Exploration Target Areas¹ and planned holes (yellow) at McDermitt.

The proposed 21 hole program is designed to increase the current Inferred Mineral Resource and Exploration Target Range and convert Inferred resources to Indicated status ahead of a possible Scoping Study. The Company expects that drilling will commence later this month, subject to availability of suitable drill rigs.

In late 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.

Recent announcements by Tesla Inc., (NASDAQ: TSLA) regarding its commitment to invest in the “localisation” of its cathode supply chain and production in the United States and the acquisition of the rights to a Nevada sediment hosted lithium deposit³ have underlined the importance of very large sediment hosted lithium deposits like McDermitt. The McDermitt project is strategically located with respect to Tesla’s Gigafactory (refer Figure 2).

Tesla is the first automotive OEM to enter lithium production, a move that may be replicated by other US auto makers keen to gain greater control over the supply chain for minerals critical for the manufacture of electric vehicles.

Authorised for release by the Board of Directors.

For further information please contact:

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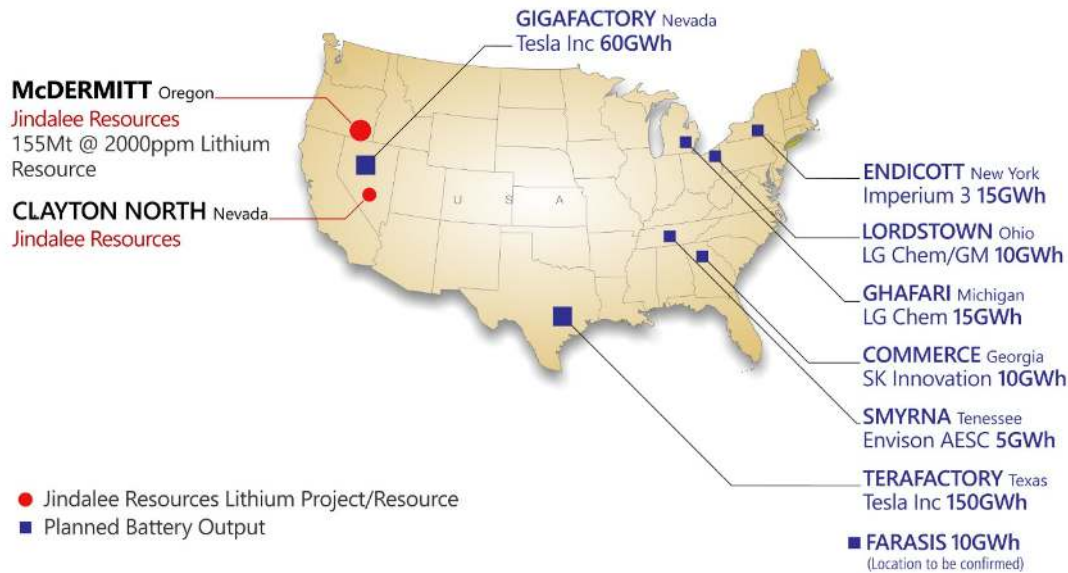


Figure 2 – Location of Jindalee’s Lithium Projects and US Battery Factories (existing & proposed)

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)⁴. 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 McDermitt”.
2. Jindalee Resources ASX announcement 17/08/2020: “More Encouraging Metallurgical Results from McDermitt”.
3. Jindalee Resources ASX announcement 25/09/2020: “Tesla Battery Day highlights McDermitt Project Potential.”
4. 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 McDermitt 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