

ASX RELEASE

16 May 2023

ASX: JRL

OTC: JNDAF



McDermitt Progress Update

- **BLM determines McDermitt Exploration Plan of Operations complete**
- **BLM and DOGAMI accept sureties in place of cash bonds**
- **POSCO metallurgical testwork underway, Jindalee testwork about to commence**

Jindalee Resources Limited (**Jindalee**, the **Company**) provides the following update in relation to its 100% owned McDermitt Lithium Project¹ in Oregon, USA (**McDermitt, Project**).

Jindalee continues to make steady progress at McDermitt notwithstanding the current hiatus in drilling activity. The Company has been encouraged by recent potential corporate activity in the global lithium sector, including the recently announced proposed merger between Livent Limited (ASX:AKE) and Allkem Corporation (NYSE:LTHM)², which bodes well for the prospects for eventual financing and development of the Project.

Permitting

Jindalee is pleased to advise that it has been notified by the US Bureau of Land Management (**BLM**) that the Exploration Plan of Operations (**EPO**) for McDermitt, originally submitted August 2022 (with additional information provided early 2023), has been deemed complete.

The BLM will now seek public comment on the EPO, either separate from or as a part of the environmental review process required by the National Environmental Policy Act (**NEPA**), with the final decision of the NEPA assessment to be incorporated into the EPO. This process is expected to take up to 12 months.

Jindalee is also pleased to advise that both the BLM and the Oregon Department of Geology and Mineral Industries (**DOGAMI**) have agreed to accept surety bonds to replace cash reclamation bonds currently lodged against the McDermitt Project, returning up to US\$120,000 (approximately A\$180,000) in cash to the Company. Importantly, the use of surety bonds is expected to reduce the cash outlay for additional bonding which will be required once the EPO receives final approval.

Metallurgical Testwork – POSCO

In February 2023 Jindalee signed a Non-Binding Memorandum of Understanding (**MOU**) with major Korean conglomerate POSCO Holdings Inc. (NYSE: PKX) (**POSCO**)³. POSCO is a leading global lithium producer and supplier of cathode active materials to major US auto maker General Motors.

Under the terms of the MOU POSCO and Jindalee agreed to undertake joint research designed to optimise the flowsheet for processing ore from McDermitt. The testwork is expected to cost approximately A\$2M, which will be funded entirely by POSCO. POSCO and Jindalee will jointly evaluate the commercialisation of the Project following completion of the testwork.

A large composite sample from the Project was shipped to POSCO's research facility in Korea late March 2023, with testwork now underway. POSCO has advised that results from the first phase of testwork should be available in July 2023.

Metallurgical Testwork – Jindalee

Late March 2023 Jindalee announced that Fluor had completed a review of all metallurgical testwork undertaken at McDermitt⁴. The review determined that acid leaching with beneficiation (to upgrade the leach head grade) delivered the lowest operating costs and best financial outcome and noted that the very large Mineral Resource at McDermitt (21.5 Mt LCE, Table 1)¹ allows flexibility in development, providing the opportunity to optimise mining and feed high grade ore early in the mine life.

Fluor recommended that further testwork to refine the preferred flowsheet and support a pre-feasibility level study (PFS) commence immediately. Jindalee is pleased to advise that selection of samples for this study (which is independent of the testwork currently being undertaken by POSCO) is well advanced, with the testwork expected to commence prior to quarter end.

Authorised for release by the Board of Jindalee Resources Limited.

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Cut-off Grade (ppm Li)	Indicated Resource			Inferred Resource			Indicated and Inferred Resource		
	Tonnage (Mt)	Li Grade (ppm)	LCE (Mt)	Tonnage (Mt)	Li Grade (ppm)	LCE (Mt)	Tonnage (Mt)	Li Grade (ppm)	LCE (Mt)
1000	1,470	1,420	11.1	1,540	1,270	10.4	3,000	1340	21.5

¹Table 1. 2023 McDermitt Mineral Resource Estimates at reporting cut-off of 1,000ppm. Totals may vary due to rounding.

References:

Additional details including JORC 2012 reporting tables, where applicable, can be found in the following releases lodged with ASX and available on the Company's website (www.jindalee.net), and referred to in this announcement:

1. Jindalee Resources ASX announcement 27/02/2023: "Resource at McDermitt increases to 21.5 Mt LCE"
2. Allkem Limited ASX announcement 10/05/2023: "Allkem and Livent to merge"
3. Jindalee Resources ASX announcement 13/02/2023 "MOU Executed with POSCO Holdings"
4. Jindalee Resources ASX announcement 24/03/2023 "Preferred Lithium Extraction Process for McDermitt Project"

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

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About Jindalee

Jindalee Resources Limited (ASX: JRL) is a pure-play US lithium company focussed on the development of the giant McDermitt Lithium Project (21.5 Mt LCE¹), currently the largest lithium deposit in North America. The Company also provides shareholders with indirect exposure to lithium, gold, base and strategic metals, iron ore, uranium and magnesite in Australia through projects generated by the Company's technical team.

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.

Such factors may include, among others, risks related to regulatory approvals of or in connection with the proposed transaction, actual results of current or planned exploration activities, change in market conditions which affect the completion of the transaction, obtaining appropriate approvals to undertake exploration activities in the portfolio of projects, changes in exploration programs and budgets based upon the results of exploration, future prices of minerals resources; grade or recovery rates; accidents, labour disputes and other risks of the mining industry; delays in obtaining government approvals or financing or in the completion of development or construction activities; movements in the share price of investments and the timing and proceeds realised on future disposals of investments, the impact of the COVID 19 pandemic as well as those factors detailed from time to time in the Company's interim and annual financial statements and reports, all over which are available for review on ASX at asx.com.au and OTC Markets at otcmarkets.com.

Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

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This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or any other jurisdiction. Any securities described in this announcement have not been, and will not be, registered under the US Securities Act of 1933 and may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration of the US Securities Act and applicable US state securities laws.

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