

# McDERMITT PFS DEMONSTRATES MULTI-DECADE COMPETITIVE SOURCE OF US LITHIUM CARBONATE

Jindalee Lithium Limited (**Jindalee, the Company; ASX: JLL, OTCQX: JNDAF**) is pleased to advise that its recently completed Pre-Feasibility Study (**PFS**), on the Company's 100% owned McDermitt Lithium Project (currently the largest lithium Resource in the USA) (**McDermitt or the Project**), has demonstrated strong economic returns over an initial project life in excess of 40 years<sup>i</sup>

Highlights include:

- **Lithium Carbonate Production:** Forecast production of 1.8 million tonnes battery grade Lithium Carbonate over first 40 years<sup>i</sup>, supporting the growing US battery supply chain
- **Average Annual Lithium Carbonate Production:**
  - ✓ 47.5ktpa in the first 10 years<sup>i</sup> of operation (C1 unit cost US\$8,080/t of lithium carbonate)<sup>ii</sup>
  - ✓ 44.3ktpa in the first 40 years<sup>i</sup> of operation (C1 unit cost US\$8,670/t of lithium carbonate)<sup>ii</sup>
- **Strong Financial Metrics (first 40 years<sup>iii</sup>):** Ungeared, using flat US\$24,000/t lithium carbonate price<sup>iv</sup>
  - ✓ **Post-tax NPV<sub>8</sub> of US\$3,229M'**
  - ✓ **Post-tax IRR of 17.9%**
  - ✓ **Payback period under 5 years<sup>vi</sup>**
  - ✓ **NPV break even price<sup>vii</sup> of ~US\$14,600/t of lithium carbonate**

*Note: PFS price assumption for lithium carbonate is based on long term incentive price<sup>iv</sup> which exceeds current Chinese spot price<sup>xiii</sup>*

- **Generational Project with Life in Excess of 40 years:** The PFS processing schedule (**Processing Schedule**) supports a 63 year production life, however the production target and forecast financial information excludes any production post 40 years<sup>i</sup>
- **Processing Studies and Capital Estimate prepared by Fluor Corporation (Fluor)<sup>viii</sup>:** US\$3.02B capital estimate, including 21%<sup>ix</sup> contingency, prepared by Fluor - a leading US and global engineering and construction company with deep experience in US sedimentary lithium projects
- **EBITDA<sup>x</sup> Margin<sup>xi</sup>:** 66% over the first 10 years<sup>i</sup> of operations, with C1 costs in the bottom half of industry<sup>xii</sup> and 17% pre-tax net operating cashflow margins (including sustaining capital) at current spot prices<sup>xiii</sup>
- **Maiden Probable Ore Reserve (JORC 2012) of 251Mt @ 1,751ppm lithium,** containing 2.34Mt of Lithium Carbonate Equivalent (**LCE**)<sup>xiv</sup>, accounts for 79%<sup>xv</sup> of forecast production in the PFS Processing Schedule but represents only ~10% of current Mineral Resource on a contained LCE basis, highlighting future optionality
- **Cost Reduction and Sustainability:** Opportunities for cost reduction and enhanced sustainability outcomes through the recently announced strategic agreement with the US Department of Energy<sup>xvi</sup>



- **Potential Partnerships:** PFS completion allows for deeper engagement with a broader pool of potential strategic funding partners as well as the US Government agencies, which continue to actively support domestic US critical minerals production

Jindalee's CEO Ian Rodger Commented:

*The completion of this PFS is a pivotal milestone for Jindalee and our wholly owned McDermitt Lithium Project, underscoring McDermitt's strategic potential as a large-scale, long-life competitive source of "American-made" lithium chemicals for the US battery supply chain.*

*Among the study's key achievements is the successful bench-scale test work, which validated our flowsheet and confirmed the production of battery-grade lithium carbonate with high recovery rates. While the PFS demonstrates McDermitt's compelling value, we remain committed to further enhancing cost efficiency and sustainability as we responsibly advance the Project, delivering value for all stakeholders.*

*We are excited by the recent finalisation of Section 45X tax credit regulations under the Inflation Reduction Act, which represents a significant shift in support for domestic lithium projects. By expanding eligible costs specifically for integrated mining and refining operations—those producing a finished critical mineral product like lithium carbonate—the policy now more effectively targets projects like McDermitt, which is designed to produce battery-grade lithium chemicals domestically. This alignment with US energy security goals reflects a commitment to reducing dependency on foreign suppliers by incentivising long-life, fully integrated supply chain solutions within the US.*

*The completion of the PFS delivers, for the first time, the production metrics and cost estimates needed to engage meaningfully with potential strategic partners, accelerating discussions with a solid technical and financial foundation. It also provides a catalyst for re-engaging with US government agencies on potential future funding, building on our current Department of Defense grant application, which could co-fund the next phase of development.*

*Jindalee has an exciting 12 months ahead as we advance our Exploration Plan of Operations, targeted for mid-CY2025. This will enable a significant infill drilling campaign to inform a future feasibility study and associated test work. With a robust PFS and encouraging early interest from prospective partners, we look forward to building on this momentum as we evaluate the next steps for McDermitt.*

*I extend my sincere thanks to the Jindalee team and our consulting partners, Fluor Corporation and Cube Consulting, whose expertise was instrumental in delivering the PFS."*

Jindalee is pleased to release the McDermitt PFS attached below.

Authorised for release by the Jindalee Board of Directors. For further information please contact:

LINDSAY DUDFIELD

**Executive Director**

T: + 61 8 9321 7550

E: [enquiry@jindaleelithium.com](mailto:enquiry@jindaleelithium.com)

IAN RODGER

**Chief Executive Officer**

T: + 61 8 9321 7550

E: [enquiry@jindaleelithium.com](mailto:enquiry@jindaleelithium.com)

## Cautionary Statement

The full 63 year PFS Processing Schedule is based on processing 79% Probable Ore Reserves, 3% Indicated Resources and 18% Inferred Resources. The production target set out in the PFS covering the initial 40 years<sup>i</sup> of the Processing Schedule is based on 82% inventory within the Indicated Mineral Resources category, with the balance (18%) being classified within the Inferred Mineral Resources category. As the Inferred Mineral Resources make up only 5% of the Processing Schedule over the first 20 years of full production (post ramp-up), Jindalee is satisfied that the Inferred Mineral Resources are not a determining factor in the viability of the Project. There is a low level of geological confidence associated with Inferred Mineral Resources and there is no certainty that further exploration work will result in the determination of Indicated Mineral Resources or that the production target itself will be realised.

Shareholders and prospective investors should be aware that the PFS does not include any forecast financial information in respect of the period after the initial 40 years of the Processing Schedule (post single commission and ramp up year), as Jindalee cannot, at this stage, provide forecast financial information for that subsequent period.

This announcement and information, opinions or conclusions expressed in the course of this announcement contain forward looking statements and forecast financial information. Jindalee has concluded that it has a reasonable basis for those forward looking statements and forecast financial information, including the use of a flat US\$24,000/t lithium carbonate price, the production target set out in the PFS and the financial information on which it is based. The basis for that conclusion is contained throughout this announcement and all material assumptions, including the JORC modifying factors, upon which the forward looking statements and forecast financial information are based, are disclosed in this announcement. However, such forecasts, projections and information are not a guarantee of future performance and involve unknown risks and uncertainties. Actual results and developments will almost certainly differ materially from those expressed or implied. There are a number of risks, both specific to Jindalee, and of a general nature, which may affect the future operating and financial performance of Jindalee, and the value of an investment in Jindalee including and not limited to title risk, renewal risk, economic conditions, stock market fluctuations, commodity demand and price movements, timing of access to infrastructure, timing of environmental approvals, regulatory risks, operational risks, reliance on key personnel, Reserve estimations, cultural resources risks, foreign currency fluctuations, and mining development, construction and commissioning risks.

To achieve the range of outcomes indicated in the PFS, the PFS estimates that funding in the order of \$3.02B in construction capital will be required. Shareholders and investors should be aware that there is no certainty that Jindalee will be able to raise the required funding when needed and it is possible that such funding may only be available on terms that may be highly dilutive or otherwise adversely affect Jindalee shareholders' exposure to the Project economics. Specifically, as outlined in this PFS, Jindalee intends to pursue potential third party partnerships (with parties who have the potential to be joint venture partners in the Project) to advance the Project and may pursue other value realisation strategies such as a sale or partial sale of the Project or underlying future commodity streams. If it does so, such arrangements may materially reduce Jindalee's proportionate ownership of the Project and/ or adversely affect Jindalee shareholders' exposure to the Project economics.

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<sup>i</sup> Full years of production post 1 year commissioning and ramp up period)

<sup>ii</sup> C1 costs post 1 year ramp up, before any relevant tax credits are applied to input costs. Based on PFS Processing Schedule

<sup>iii</sup> PFS economic evaluation period consists of construction, commissioning & ramp-up, followed by first 40 full years of production (**Economic Evaluation Period**)

<sup>iv</sup> Price assumption of \$24,000/t battery grade lithium carbonate (99.5% battery grade) based on ~17% discount to Benchmark Mineral Intelligence long term forecast (Q2 2024 dataset)

<sup>v</sup> Post tax figures include estimated 45X tax credits as outlined in section 10.2.1

<sup>vi</sup> From first production

<sup>vii</sup> Price at which NPV<sub>8</sub> is greater than zero

<sup>viii</sup> Ranked as No. 1 on ENR's 2023 list of the Top Contractors in the in the refining, petrochemical, and mining sectors

<sup>ix</sup> Contingency (\$495M) divided by pre-production capital excluding mining, owner's costs and contingency (\$2,353M)

<sup>x</sup> EBITDA is defined as Earnings Before Interest, Tax, Depreciation and Amortisation. Shareholders and prospective investors should be aware that certain financial measures, including EBITDA and EBITDA Margin, included in this announcement are 'non-IFRS financial information' under ASIC Regulatory Guide 230: "Disclosing non-IFRS financial information" published by ASIC and also "Non-GAAP" financial measures within the meaning of Regulation G under the US Securities Exchange Act of 1934 and are not recognised under the AAS or IFRS. Non-IFRS and Non-GAAP financial measures do not have standardised meanings prescribed by AAS or IFRS and may not be comparable to similarly titled

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measures used by other entities, nor should the information be construed as an alternative to other financial measures determined in accordance with AAS or IFRS. Shareholders and investors are therefore cautioned not to place undue reliance on any non-IFRS financial information contained in this announcement.

<sup>xi</sup> Calculated as EBITDA/Revenue

<sup>xii</sup> Benchmark Mineral Intelligence 2030 C1 Lithium Carbonate Equivalent Cost Curve on LCE basis (Q2 2024 dataset).

Note that break even NPV<sub>8</sub> price is ~\$14,600/t, which is currently above current Chinese spot price (see below)

<sup>xiii</sup> \$10,888/t from Shanghai Metal Markets Lithium Carbonate Index (Battery Grade), delivered to China, VAT inclusive.

As at 14 November 2024

<sup>xiv</sup> Lithium Carbonate Equivalent (**LCE**) is a standard measure that expresses the amount of lithium in terms of lithium carbonate. One tonne of lithium metal is equivalent to 5.323 tonnes of LCE

<sup>xv</sup> 63 year PFS Processing Schedule ore tonnage breakdown: 79% Probable Ore Reserve, 3% Indicated and 18% Inferred Mineral Resources.

<sup>xvi</sup> Refer to JLL ASX announcement dated 24 September 2024 "Jindalee Secures Strategic Agreement with US Department of Energy"

## Executive Summary

*All values are presented in US\$ unless otherwise stated.*

Jindalee's 100% owned McDermitt Lithium Project (**McDermitt** or the **Project**) is located approximately 35km west of the town of McDermitt, straddling the Oregon – Nevada border in the United States of America (**United States** or **US**). The Project covers 13,606 acres covered by Unpatented Mining Claims.

The Project occurs in an extinct volcanic caldera, with lithium mineralisation hosted in a sequence of flat lying lakebed sediments overlying a basaltic basement. Recent geological work has defined a consistent stratigraphic sequence comprising 11 distinct geological units. Four of these units (labelled Units 4, 6, 8 and 10) contain elevated lithium grades above 1,000ppm. Only Units 4 and 6 were considered for processing in the PFS due to their higher grade and recovery characteristics.

The Project has a published Mineral Resource Estimate (**MRE**) of 3,000Mt at an average grade of 1,340ppm lithium for a contained LCE of 21.5Mt<sup>1</sup>, making McDermitt currently the largest lithium resource in the United States. Jindalee subsequently released an Exploration Target Range<sup>2</sup> (**ETR**) highlighting further potential upside at the Project. Both the MRE and ETR have a reporting cut-off grade of 1,000ppm lithium.

Jindalee is committed to ensuring the responsible development of the McDermitt Lithium Project, focusing on minimising environmental impact and delivering long-term economic and social benefits to local communities, industry, government, and Native American stakeholders.

The PFS envisions a conventional open-pit mining method, with a low strip ratio and no blasting required due to the soft and friable nature of the ore and waste material. The pit designs and mining schedule were developed by Cube Consulting, treating only Units 4 and 6 as ore, although Units 8 and 10 are economically viable and may be incorporated into the production schedule in future study phases.

The PFS also supports publication of a Maiden Probable Ore Reserve (JORC 2012), also developed by Cube Consulting, of 251Mt of Ore grading an average of 1,751ppm lithium for 2.34Mt of contained LCE (only ~10% of the lithium contained in the MRE). 79% of the PFS mining schedule comprises Probable Ore Reserves, 3% Indicated Mineral Resources, with the balance (18%) being Inferred Resources, weighted towards the back end of the schedule.

The processing flowsheet consists of ore beneficiation (attrition scrubbing), sulphuric acid leaching, purification and lithium carbonate precipitation. This flow sheet positions the Project as a fully integrated domestic US battery grade lithium carbonate producer. Bench scale metallurgical test work has successfully validated all steps of the flowsheet, achieving high overall lithium recoveries of 81-89% (varying by Unit). Additionally, this test work successfully produced a 99.8% pure lithium carbonate, comfortably meeting battery grade industry standards.

The process plant is designed to have lithium carbonate production capacity of 47.5ktpa. The Project is forecast to produce at this rate for its first 10 full years of production, before declining slowly as the feed grade declines (assuming no further high-grade ore is defined), producing circa 1.8Mt of Lithium Carbonate over an initial 40 year production life (post commissioning and ramp-up), which forms the basis of the PFS Economic Evaluation. The full 63 year PFS Processing Schedule is based on processing 79% Probable Ore Reserves, 3% Indicated Resources and 18% Inferred Resources, with forecast total production of 2.5Mt of Lithium Carbonate.

Onsite non-process infrastructure was defined by Fluor, with grid power supply, tailings and waste storage, and water supply scope definition completed by experienced specialist engineering firms. Fluor consolidated the non-process infrastructure capital cost estimate on a common basis. The Project benefits from access to the power grid and US highway systems via the town of McDermitt, while the nearest railhead at Winnemucca, 120km south of the town of McDermitt, provides access to the extensive North American rail system.

The pre-production capital cost for the Project is estimated at \$3.02B, classified as a Class 4 estimate under the Association for the Advancement of Cost Engineering (**AACE**) estimate classification system, with an accuracy of +35%/-25%. The estimate base date is Q1 CY2024. The capital cost estimate considers all execution-phase costs (post final investment decision), such as engineering procurement, construction and commissioning, to bring the Project into operation. Construction and commissioning are assumed to be undertaken over a three-year period, with pre-strip mining commencing in the third year.

The operating cost estimate for the Project has been classified as Class IV (AACE) and is based on Q1 CY2024 pricing. The cash operating cost for the first 10 years of full production is estimated at \$8,760 per tonne of lithium carbonate,

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<sup>1</sup> Refer to JLL ASX announcement dated 27 February 2023

<sup>2</sup> Refer to JLL ASX announcement dated 21 November 2023



with a C1 cost of \$8,080 per tonne over the same period. The largest portion of operating costs is attributed to the process plant, derived from a Fluor-developed cost model.

The PFS results demonstrate a robust financial case for the Project under base case assumptions. Key financial and operational metrics are summarised in Table 0-1 and reinforce the long life, high margin nature of the Project. The Project maintains average EBITDA margins above 64% over the Economic Evaluation Period (including commissioning and ramp-up year, plus 40 full years of production), with C1 costs in the bottom half of industry cost curve<sup>3</sup>, 17% pre-tax net operating cashflow margins (including sustaining capital) at current lithium carbonate spot prices<sup>4</sup> and payback within the first five years of production. Additionally, a number of future opportunities have been identified during the PFS, which have the potential to materially improve Project economics through process optimisation and potential production of co-products.

The Chinese lithium carbonate spot price, which peaked at approximately \$77,000/t<sup>5</sup> in Q4 2022, has declined significantly to its current level of around \$10,900/t due to a market surplus. As a result, the current spot price is below both the long-term incentive price and McDermitt's NPV<sub>8</sub> breakeven price of ~\$14,600/t<sup>6</sup>. However, market deficits are projected to emerge in the early 2030s, coinciding with McDermitt's anticipated development timeline. Accordingly, the PFS financial analysis uses a lithium carbonate price assumption of \$24,000/t, representing a 17% discount to Benchmark Mineral Intelligence's Q2 2024 long-term incentive price forecast.

Key sensitivities for Project post-tax NPV and cash flow were tested. As is typical for most resource projects, value was most sensitive to revenue (as a proxy for lithium price, lithium recovery and/or lithium head grade). The Project showed the lowest sensitivity to construction capital costs, given the long life and large revenues generated.

McDermitt is expected to be a significant employer in the region, with approximately 1,000 direct jobs to be created during the Project's construction period (estimated at three years) and approximately 600 direct full-time roles during its operating life.

The Project requires a comprehensive set of regulatory approvals at Federal, State, and County levels, and a reputable US based consultant has been engaged to guide the permitting process. Importantly, no issues have been identified to date that are expected to prevent the Project's approval. Strong, bipartisan recognition of the strategic importance of domestically produced lithium provides further confidence in the Project's ultimate approval. The permitting strategy developed for the PFS targets full approval within five years, which aligns with the timeline for the next phase of technical studies to support a final investment decision for the Project by the end of CY2029.

As a US-based project expected to produce battery-grade lithium carbonate, McDermitt holds a range of strategic advantages, bolstered by bipartisan support to de-risk critical mineral supply chains. The US government is actively supporting domestic critical minerals through various funding mechanisms, and the Inflation Reduction Act 2022 (IRA) incentivises sourcing battery materials from domestic or allied nations, excluding China. With the US set to increase requirements for domestic sourcing to qualify for IRA tax credits, McDermitt's position as a future domestic producer of lithium carbonate makes it highly attractive to potential offtake and strategic partners.

In the short term, Jindalee's focus is on securing pre-development funding, which includes exploring US government funding sources and forming strategic partnerships. These partnerships will de-risk the Project technically and commercially, paving the way for subsequent development financing. Early engagement with potential partners has been encouraging, and further engagement is set to increase following the completion of the PFS. Additionally, Jindalee has established a Cooperative Research and Development Agreement with the US Department of Energy and has applied for support from the US Department of Defense to co-fund a Feasibility Study and associated drilling and test work, further enhancing the Project's financing prospects.

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<sup>3</sup> Based on the first 10 years of commercial production and Benchmark Mineral Intelligence 2030 C1 Lithium Carbonate Equivalent Cost Curve (Q2 CY2024 dataset)

<sup>4</sup> US\$10,888/t from Shanghai Metal Markets Lithium Carbonate Index (Battery Grade), delivered to China, VAT inclusive. As at 14 November 2024

<sup>5</sup> Benchmark Minerals Intelligence Q2 2024 dataset

<sup>6</sup> Price at which NPV<sub>8</sub> is greater than zero

**Table 0-1: Key PFS Physical and Financial Metrics**

<b>Physicals and Production Summary</b>	<b>First 10 Full Years</b>	<b>Economic Evaluation Period</b> <small>(Project life incl. construction, commissioning/ ramp-up and first 40 full yrs of production)</small>
Ore processing rate	4.8 to 5.3 Mt per annum	
Ore tonnes processed	48.5Mt	203Mt
Average lithium feed grade	2,146ppm	1,967ppm
Average lithium recovery	85.8%	84.4%
Average lithium carbonate production	47,500t per annum	43,800t per annum
Total lithium carbonate production <sup>1</sup>	475,000t	1,796,169t
<b>Pre-Production Capital Cost</b>		
Pre-production capital	\$2,377M	
Contingency	\$495M	
Owner's costs	\$149M	
Total <sup>2</sup>	\$3,021M	
Payback period <sup>3</sup>	5 years	
<b>Financial Results<sup>4</sup></b>	<b>First 10 full years</b>	<b>Economic Evaluation Period</b>
Revenue	\$11,400M	\$43,108M
Sustaining capital	\$102M	\$508M
Net free cashflow: Pre-tax	\$7,108M	\$23,080M
Net free cashflow: Post-tax	\$6,629M	\$18,061M
C1 Costs <sup>5</sup>	\$8,080/t LCE	\$8,673/t LCE
EBITDA Margin <sup>6</sup>	66%	64%
Discounted Cashflow <sup>4, 7</sup> : Pre-tax		\$3,895M
Discounted Cashflow <sup>4, 7</sup> : Post-tax		\$3,229M
IRR <sup>4</sup> : Pre-tax		18.1%
IRR <sup>4</sup> : Post-tax		17.9%

Notes: (1) Annual figures rounded to nearest 100t, total rounded to nearest 500t. (2) Totals may not sum due to rounding. (3) From commencement of production (4) At \$24,000/t lithium carbonate price. (5) C1 cost includes operating costs for mining, processing, administration and product sales, after accounting for movements in inventory related to ore stockpiles. (6) Calculated as EBITDA / Revenue. (7) 8% real discount rate.

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# 1 Project Details

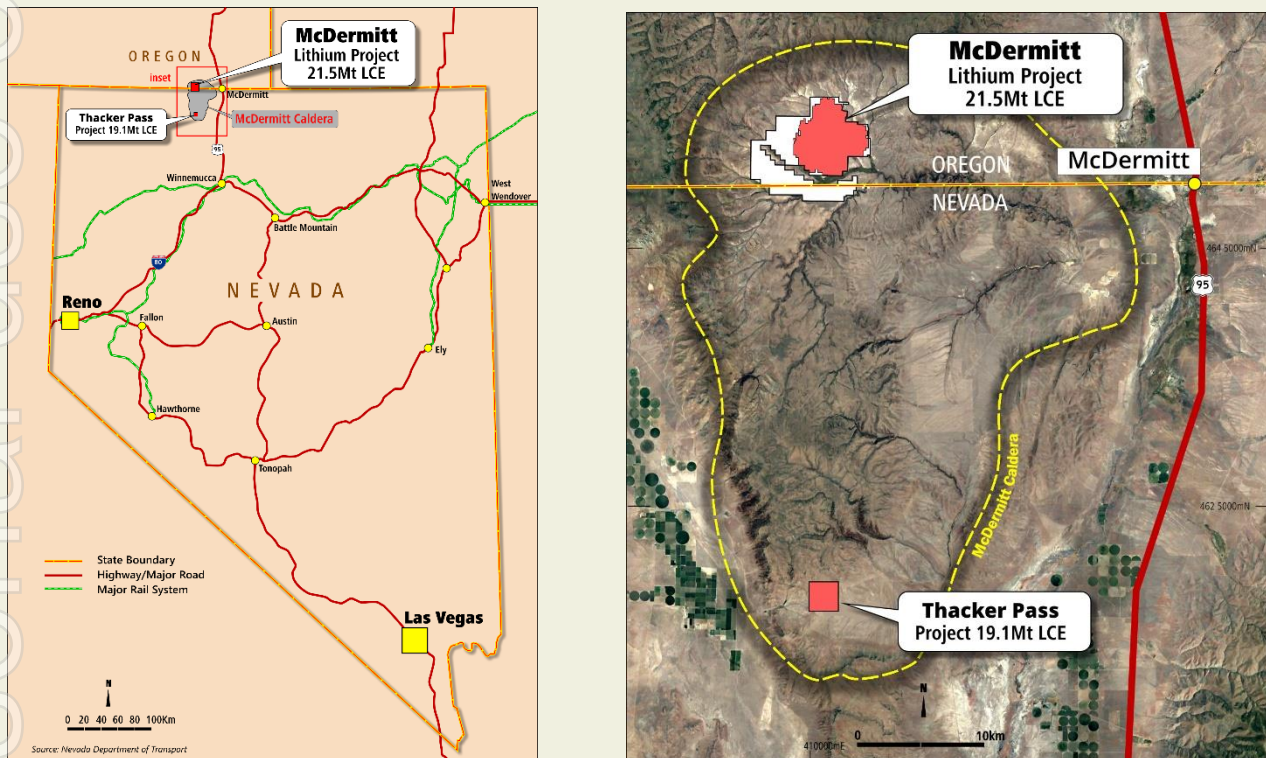
## 1.1 Project Setting

The McDermitt Lithium Project is 100% owned by HiTech Minerals Inc. (HTM). HTM is a US based company registered in Reno, Nevada and a wholly owned subsidiary of Jindalee Lithium Limited.

The Project straddles the Oregon and Nevada state border in the McDermitt Caldera, an extinct volcanic crater which also hosts Lithium Americas' under construction<sup>7</sup> Thacker Pass project.

The Project is approximately 35km west of the town of McDermitt.

Figure 1-1: Regional Setting



## 1.2 Project Tenure

The Project tenure spans 13,606 acres, with all mining claims situated on US Federal land managed by the Bureau of Land Management (BLM), which is an agency within the US Department of Interior. Title to the Project tenure is secured through a series of Unpatented Mining (UM) Claims. The majority (~85%) of the Project tenure lies in Oregon and has been the focus of Jindalee's exploration activities to date.

The UM Claims were renewed in September 2024 and remain in good standing. These UM Claims grant the holder rights to all locatable minerals on the property, including lithium, and allow for prospecting, mining or processing operations as well as reasonable incidental uses. As long as obligations outlined by the US Mining Act and its associated regulations are met, the holder maintains a perpetual entitlement to the claims.

<sup>7</sup> Early works complete, major construction awaiting full notice to proceed, expected second half of 2024. Source: Lithium Americas September 2024 Investor Presentation

## 2 Mineral Resource

### 2.1 Background

The Project is located in the northwest portion of the McDermitt Caldera, a Tertiary-aged volcanic structure (Figure 1-1). The lithium mineralisation is hosted within a sequence of flat-lying paleo-lake sediments that overlie a basaltic volcanic basement (Unit 1). Recent geological work (post-February 2023 MRE) has defined a consistent stratigraphic sequence, comprising 12 distinct units of interbedded mudstones and tuffs, along with overlying colluvium (see Figure 2-2).

Four of these units (Units 4, 6, 8, and 10) contain elevated lithium grades above 1,000ppm, with only Units 4 and 6 considered for processing in the PFS due to their higher head grades and more favourable recovery characteristics.

Unit 4 has an average thickness of 37m (but ranges up to 73m thick) and is dominated by interbedded mudstone and ash tuffs. Lithium values in Unit 4 are typically 1,000ppm to 2,000ppm with local zones greater than 3,000ppm Li. Unit 6 has an average thickness of 28m (maximum thickness of 49m) and is predominantly laminated mudstone and ash tuff. Lithium grades range from 1,000ppm to 2,000ppm with occasional zones greater than 2,500ppm Li.

Local geological knowledge has significantly advanced through a five-year drilling campaign, which included 62 holes (29 diamond core and 33 reverse circulation), resulting in over 5,400 lithium assays. This data, along with the refined stratigraphic understanding, forms the basis of the current McDermitt resource model. The location of the holes with respect to the Inferred and Indicated Resource Estimates, and Exploration Target Range, are shown in Figure 2-1.

Figure 2-1: Location of Drill Holes and MRE

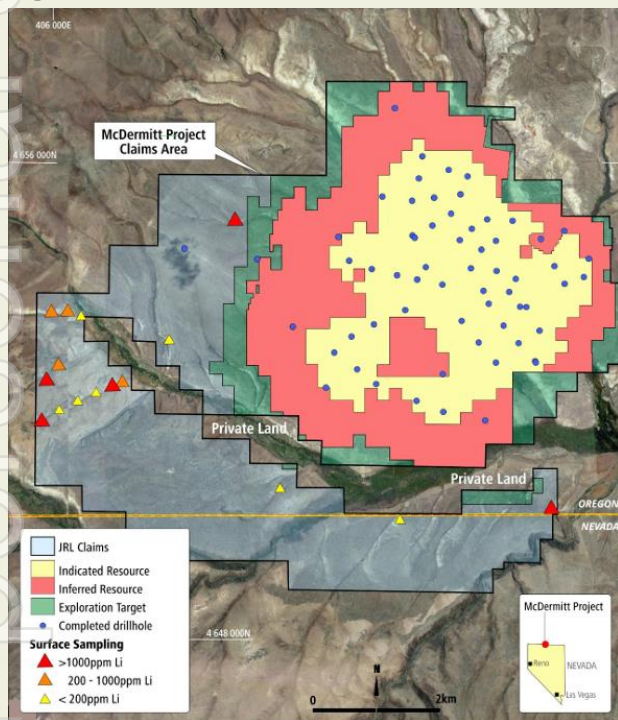
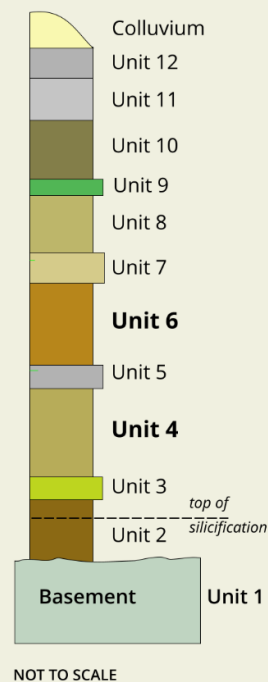


Figure 2-2: Stratigraphic Column (schematic)



### 2.2 Mineral Resource Estimate (MRE)

Table 2-1 summarises the MRE as released to the ASX on 27 February 2023.

The MRE and supporting geological model were developed by H&S Consultants Pty Limited. All lithium grades were estimated via Ordinary Kriging with no top cutting applied given the low coefficient of variation observed.

**Table 2-1: Mineral Resource Estimate**

Classification	Tonnage (Mt)	Li Grade (ppm)	Contained LCE (Mt)
Indicated Resource	1,470	1,420	11.1
Inferred Resource	1,540	1,270	10.4
<b>Total</b>	<b>3,000</b>	<b>1,340</b>	<b>21.5</b>

Notes: Reporting cut-off grade of 1,000 ppm lithium. Totals may vary due to rounding.

In mid-2023, the resource model was updated to incorporate:

- The updated geological model following definition of separate stratigraphic units (see Figure 2-2);
- Minor changes in collar surveys for 2021 and 2022 holes; and
- Updated estimates for potentially deleterious elements.

An updated MRE was not released as the updated resource contained less than 5% more lithium compared to the February 2023 MRE, which was considered immaterial. The updated resource model serves as the basis for the PFS mining model.

## 2.3 Exploration Target Range

Table 2-2 summarises the Exploration Target Range released to the ASX on 21 November 2023.

The Exploration Target Range was also developed by H&S Consultants Pty Limited and is in addition to the February 2023 Mineral Resource Estimate.

**Table 2-2: Exploration Target Range**

Tonnage Range (Mt)	Grade Range (ppm Li)	Mid-Point Contained LCE (Mt)
300 – 700	1,100 – 1,400	3.3

Notes: Reporting cut-off grade of 1,000 ppm lithium.

### Cautionary Statement

The Exploration Target Range has been prepared and reported in accordance with the 2012 edition of the JORC Code. The potential quantity and grade of the Exploration Target Range is conceptual in nature. There has been insufficient exploration to estimate a Mineral Resource for all target areas reported. It is uncertain if further exploration will result in the estimation of a Mineral Resource. Please see the ASX announcement dated 21/11/2023 and titled "Exploration Target Highlights Further Upside at McDermitt" for further details regarding the Exploration Target Range.



## 3 Mining

### 3.1 Overview

A conventional load-and-haul mining method has been selected for the Project, with both ore and waste considered to be free-digging (i.e. no blasting required) due to their soft, friable characteristics.

Cube Consulting developed the PFS pit designs, mining schedule, and cost estimates. The deposit's shallow depth, high operating margin, and extensive size led to the selection of both an elevated cut-off grade of 1,000ppm and a constrained pit design, ensuring a minimum project life of at least 50 years.

The PFS mining schedule treats Units 4 and 6 as ore, while Units 8 and 10, though economically viable under PFS assumptions, are treated as waste. Units 8 and 10 remain part of ongoing optimisation efforts that could see them incorporated in future study phases. The schedule prioritises higher-grade ore for immediate processing, with intermediate-grade ore stockpiled for later treatment. All mining activities, including ore and waste handling, run of mine (**ROM**) rehandling, and waste storage, are assumed to be conducted as contract operations for the purpose of the PFS. However, future study phases will continue to evaluate a number of direct and contract hiring options for mining operations, with an emphasis on hiring and spending locally.

The PFS mining schedule comprises 79% Probable Ore Reserves, 3% Indicated Mineral Resources and 18% Inferred Mineral Resources, which are weighted to the back end of the schedule (detailed processing schedule contained in Figure 3-4). Further assumptions underpinning the Maiden Ore Reserve Estimate, as well as the PFS pit designs and schedule, are detailed in section 4 of Appendix 1.

Table 3-1 summarises the key mining metrics.

**Table 3-1: Mining Metrics**

Dimension	Unit	Total Project Quantity
Ore	dry Mt	318
Waste <sup>1</sup>	dry Mt	411
<b>Total ex Pit</b>	<b>dry Mt</b>	<b>729</b>
Strip ratio <sup>1</sup>	Waste:Ore	1.3
Average head grade	ppm lithium	1,760
Contained lithium	Mt, LCE	3.0
Mining Plan	Years	40
Economic Evaluation Period processing life <sup>2</sup>	Years	40 <sup>2</sup>
Total Processing	Years	63

Note: (1) Waste includes 90 Mt of Unit 8 and Unit 10. Strip ratio reduces to 0.8 if Unit 8 and Unit 10 are reclassified as Ore. (2) 40 full years of processing post single ramp up and commissioning year.

### 3.2 Pit Design

A pit wall overall slope angle (**OSA**) of 35 degrees was used based on a desktop study by a US geotechnical consulting firm with experience in similar material types. Neither the pit shell nor the mining schedule is sensitive to the relatively shallow pit wall angle due to the large lateral extent of the resource relative to pit depth.

Optimised pit shells were developed using Geovia Whittle software, forming the basis for the detailed PFS pit designs. The inputs were identical to those used in the Ore Reserve Estimate (refer to section 3.4) and are further outlined in section 15 and Appendix 1. Key assumptions include:

- A lithium price of \$24,000 per tonne of lithium carbonate, consistent with the Project's financial analysis (refer section 10.2.2 for further details).
- Mining dilution and recovery factors accounted for by converting the resource model to a mining model using Deswik software, with block sizes aligned to selective mining units (**SMU**) appropriate for the envisioned mining fleet. The free-dig nature of the ore eliminates the need for blasting, avoiding associated dilution and ore loss.



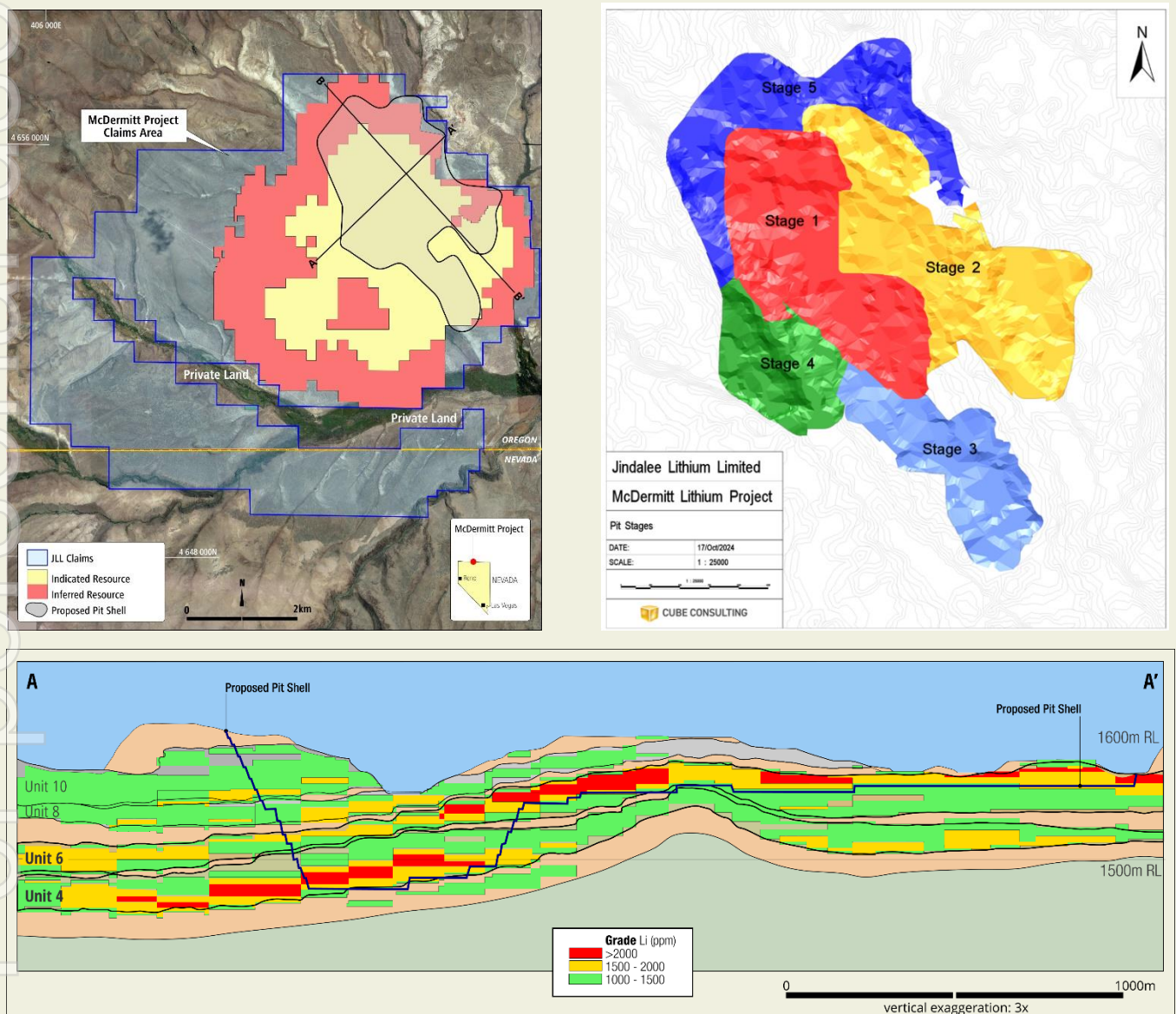
- Separate economic break-even grades were estimated for Unit 4 (833ppm Li) and Unit 6 (857ppm Li) at an attrition cut size of 250µm, after which a strategic decision was made to apply an elevated cut-off grade of 1,000ppm Li, given the Project's large resource and the long mine life.

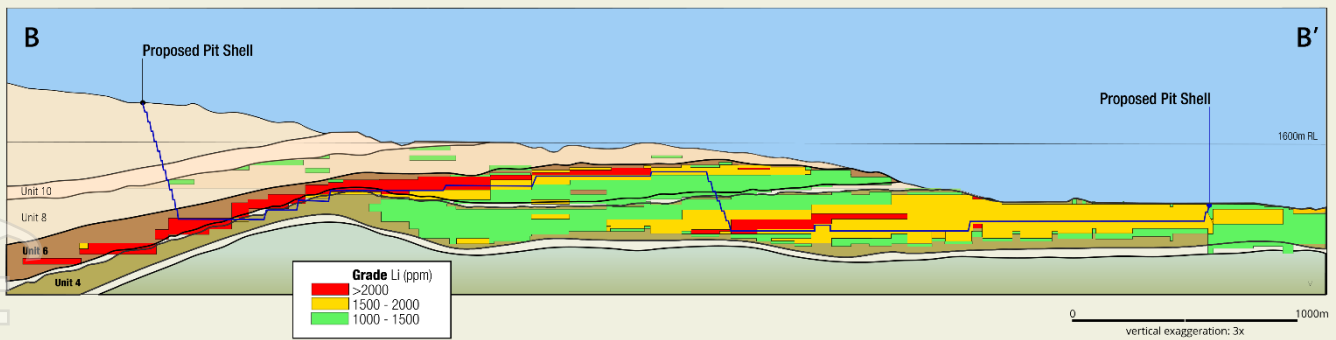
The shallow, laterally extensive orebody yielded a wide range of high-margin pit shells during optimisation. As a result, final pit shell selection was constrained to ensure sufficient high-grade ore for at least a 50-year processing life.

Detailed pit designs were developed based on the chosen optimised shells. These designs consist of five primary stages, with stages 1 through 4 focusing on the Indicated and Inferred resource, and stage 5 targeting mainly the Inferred resource in the northern part of the deposit (Figure 3-1). Stages 1 through 4 were further subdivided into sub-stages, guided by nested optimisation shells to minimise pre-production waste stripping and prioritise early access to higher-grade ore.

Key design parameters include a road width of 25m, bench height of 10m, and berm width of 5.3m, with benches expected to be mined in 2.5m flitches.

**Figure 3-1: Proposed Pit Shell on MRE, Pit Design Stages & Cross Sections**



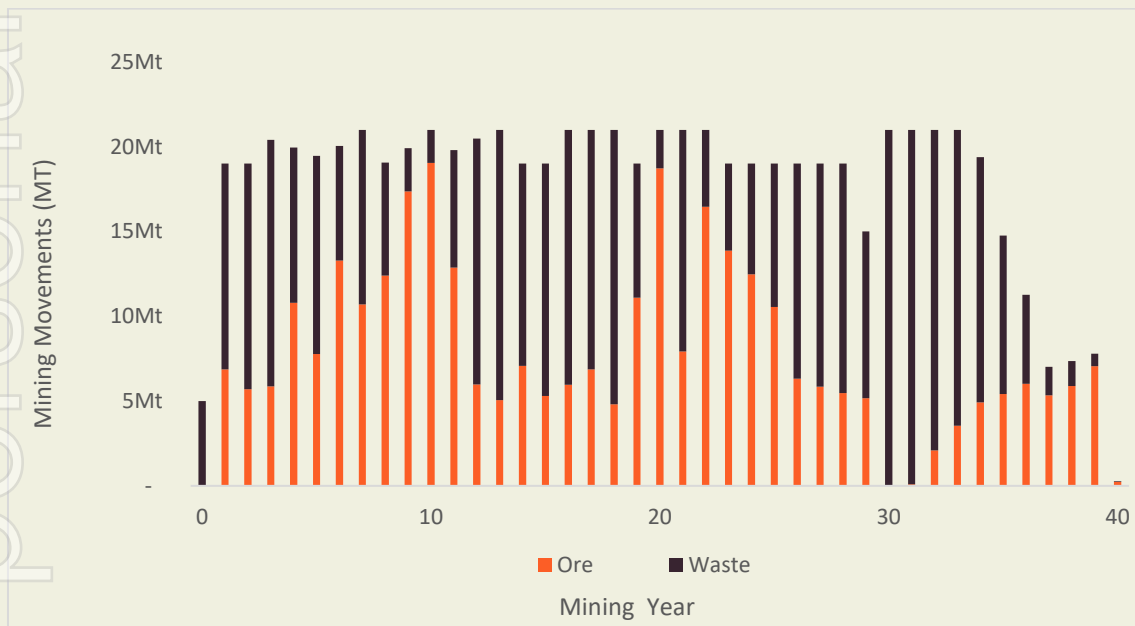


### 3.3 Mine Schedule

Mine scheduling was conducted using Minemax Scheduler, an advanced optimisation tool capable of dynamically maximising NPV within prescribed targets and constraints, while incorporating the preferential treatment of high-grade ore through stockpiling.

The PFS mine schedule (**Mine Schedule**) was designed to achieve a consistent mining rate, while applying practical mining constraints. The result was a steady rate of approximately 20Mtpa for 35 years of the 40-year mining period (Figure 3-2). The PFS Processing Schedule extends for a further 23 years beyond the initial 40 year mining period by drawing down on stockpiled ore, however all production post 40 years (excluding 1 year ramp-up) has been excluded from the PFS Economic Evaluation.

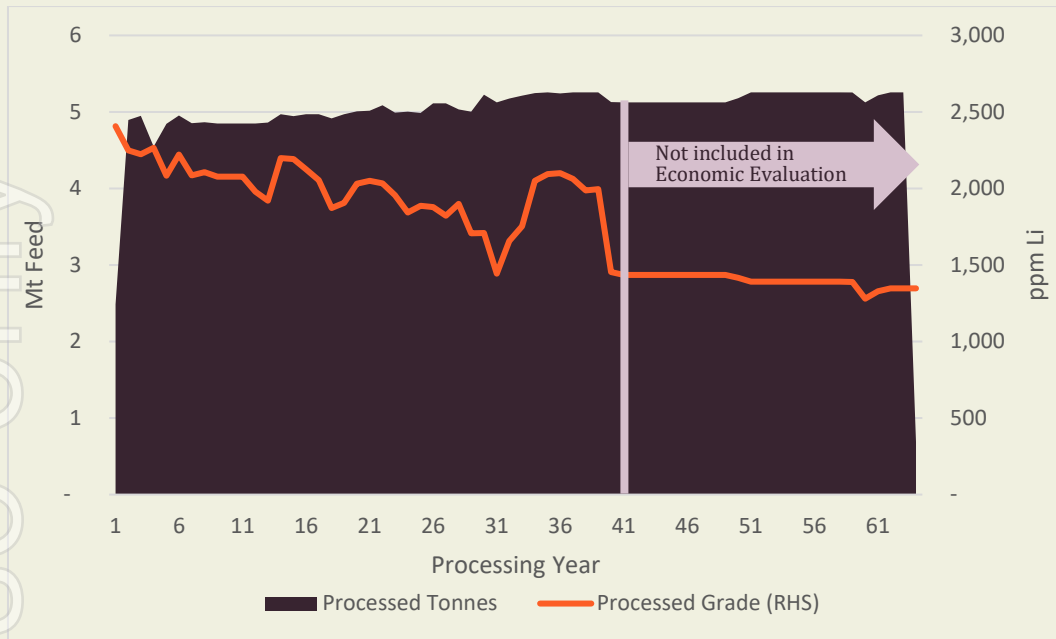
**Figure 3-2: Mining Profile**



The schedule included only Unit 4 and Unit 6 as ore, optimising for value by selecting the highest value ore available for first treatment and stockpiling the balance for later processing.

The system bottleneck was designed to be the 6,000 tonnes-per-day sulphuric acid plant (part of the process plant – see section 5). Ore feed to the plant increases from approximately 4.8Mtpa to 5.3Mtpa over time, as the average head grade decreases, to maintain the maximum leach feed rate through the plant (Figure 3-3).

**Figure 3-3: Process Plant Feed Tonnes and Feed Grade Profile (PFS Processing Schedule)**



The PFS Processing Schedule was designed to limit the amount of Inferred Resources over the first two decades. Table 3-2 shows a plant feed by Resource classification for different Project time periods, while the annual Processing Schedule is presented in Figure 3-4. This demonstrates that Inferred Resources processed over this early period are minimal and do not significantly impact Project viability as outlined in section 3.4.

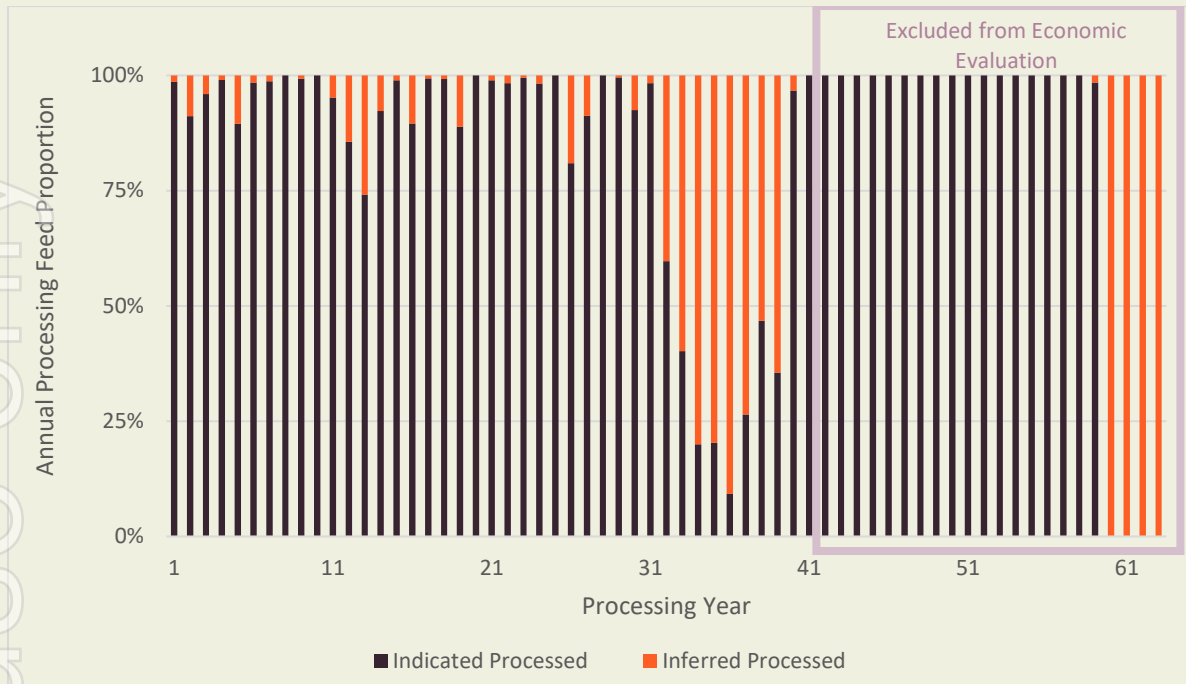
The higher proportion of Inferred material in years from 32 to 38 in Figure 3-4, reflects remaining higher grade Inferred Resources not treated in earlier years and is included towards the end of the Economic Evaluation Period, before lower grade stockpiles are treated for the remaining 23 years of the Project's life. Jindalee is comfortable that it has a reasonable basis for including years 32-38 as:

- The Project's viability is not dependent on the Inferred Resources (falling ~24 years post project payback period based on financial analysis); and
- future pre-development infill drilling will seek to upgrade these tonnes into Measured or Indicated Resources.

**Table 3-2: Inferred Share of Plant Feed**

Production Period	Inferred Share of Plant Feed (%)
Ramp up year + 10 full years	3%
Ramp up year + 20 full years	5%
Ramp up year + 40 full years (Economic Evaluation Period)	18%
Life of Project	18%

**Figure 3-4: PFS Processing Schedule by Ore Classification**



### 3.4 Ore Reserve Estimate

Cube Consulting completed a second production, stockpiling and process feed schedule using the final PFS pit designs, but considering only Indicated Resources as ore, and treating all Inferred Resources as waste for the purpose of defining an Ore Reserve Estimate (**Reserve Schedule**). The financial analysis of the Reserve Schedule produced favourable financial metrics, demonstrating the Project's economic viability (factoring in all relevant test work, design criteria, cost and revenue assumptions).

As a result, this work supports the reporting of a Maiden Probable Ore Reserve Estimate for the Project (Table 3-3), in accordance with the JORC Code (2012 Edition). Further details supporting the Ore Reserve Estimate are found in section 15 and Appendix 1.

**Table 3-3: McDermitt Lithium Project Open Pit Ore Reserves Estimate<sup>1</sup>**

Category	Ore Tonnes (Mt)	Li Grade (ppm Li) <sup>2</sup>	Contained LCE (Mt)
Probable	251	1,751	2.34

Notes: (1) Cut-off grade of 1,000ppm Li applied. (2) Run of Mine Processed grade.

### 3.5 Mining Fleet

Mining is assumed to be undertaken on a contract basis. However, future study phases will continue to evaluate a number of direct and contract hiring options for mining operations, with an emphasis on hiring and spending locally. Table 3-4 summarises the major mining equipment required. Industry standard ancillary equipment has been allowed for in the operating cost estimate.

**Table 3-4: Mining Fleet**

Operation	Equipment	Number
Open Pit Mining	Excavator – 200t	3
	Dump truck – 90t	21
Rehandle (ROM, waste)	Wheel loader – 12m <sup>3</sup>	2
	Dump truck – 90t	7

### 3.6 Mining Cost Estimate

The mining cost estimate was prepared by an experienced mining contractor estimator, based on applying hourly equipment rates to the mine schedule. Operator hours were costed separately from equipment rates. The equipment rates were informed by indicative capital and life cycle cost estimates provided by US original equipment manufacturer (OEM) equipment dealers, and included considerations for site conditions (e.g., tyres, ground engaging tools) based on the estimator's experience. Assumptions for the interest rate on fleet purchases and contractor margins were aligned with prevailing market rates.

Fuel consumption rates were derived from equipment manufacturer data and typical burn rates in similar conditions, with a diesel price of \$1.00 per litre applied. Labour requirements for the open pit mining and rehandling operations are estimated at 260 full-time personnel, working in two 12-hour shifts, seven days per week. Labour rates reflect pay levels and on-costs typical for similar roles in the region. Suitable sites for the storage of mine waste within existing claims were identified, with haulage distances factored into the mining cost estimates.

### 3.7 Pit Dewatering

The depth to the estimated water level varies across the pit, ranging from near surface to approximately 80m below ground level. Preliminary modelling suggests mean dewatering volumes of approximately 70m<sup>3</sup>/hr could be encountered. This is relatively low compared with other open pit mining operations in the western US.

Future study phases will undertake further groundwater investigations, with the Company committed to implementing responsible water management practices that prioritise conservation, recycling, and minimisation of water use to support sustainable operations and strengthen the Company's social licence.

## 4 Metallurgy

### 4.1 Overview

Fluor conducted a review of the metallurgical test work undertaken for the Project since 2018, as well as the flowsheets of comparable projects, before recommending in mid-2023 that ore beneficiation followed by sulphuric acid leaching be adopted. Specifically, the recommended processing route consists of the following key steps:

1. Ore beneficiation (i.e. attrition scrubbing),
2. Sulphuric acid leaching,
3. Purification and Lithium Carbonate precipitation.

The metallurgical test work for the PFS was defined and supervised by Fluor, with most of the work undertaken by Hazen Research Inc. of Colorado, US (**Hazen**). Some test work was undertaken by sub-consultants to Hazen due to the specialised equipment involved. Test work on attrition scrubbing and sulphuric acid leaching was undertaken separately for each of Units 4, 6, 8 and 10, while purification and precipitation test work was undertaken on a bulk composite sample.

### 4.2 Sample Selection

Samples of Units 4, 6, 8 and 10 were collected from diamond core located within a preliminary pit shell defined at the commencement of the PFS, representing the early years of mine life. A total sample mass of 630kg was supplied to Hazen, with approximately 70% from core and 30% from assay rejects. Table 4-1 shows the head grade for lithium and two key gangue metals.

Table 4-1: Sample Head Grade

Unit	Head Grade (assay %)		
	Lithium	Calcium	Magnesium
4	0.20	5.3	4.9
6	0.20	5.1	5.3
8	0.15	4.8	4.3
10	0.16	4.7	3.6

### 4.3 Mineralogy and Ore Characteristics

The only lithium-bearing mineral identified to date is hectorite, a tri-octahedral smectite group mineral. The dominant gangue minerals include quartz, K-feldspar, analcime and calcite.

Bond Crusher work index testing, conducted for Units 4, 6, and 8, revealed an average work index ranging from 5.1 to 6.6kWh per tonne of feed, classifying the material as soft. No suitable sample was available for Unit 10.

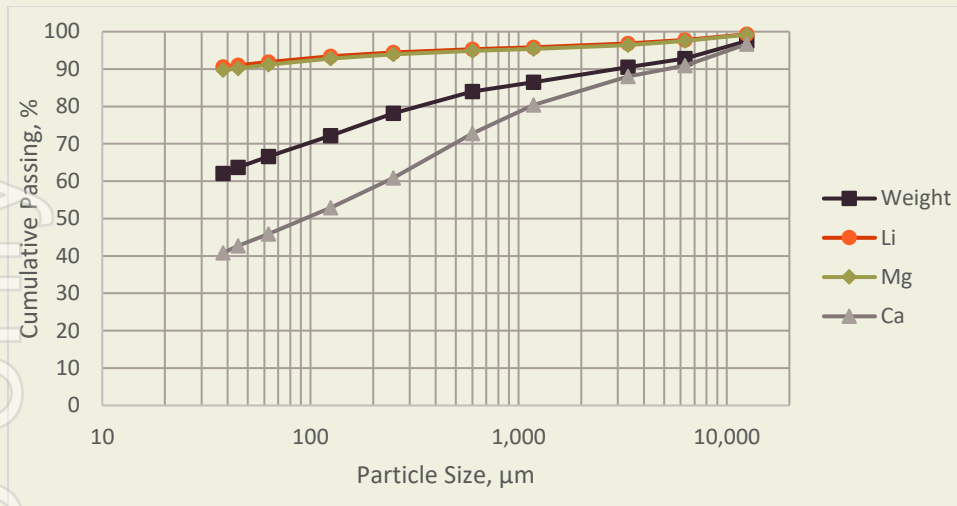
### 4.4 Beneficiation / Attrition Scrubbing

Beneficiation via attrition scrubbing is a physical process where the ore is blended with water and mixed at high speed. This agitation separates the finer clay particles, containing most of the lithium, from coarser sands which can be disposed of before treatment.

Figure 4-1 shows the particle size distribution for Unit 4 after the attrition process. The smaller the cut size, the lower the mass reporting to the leach circuit. Because lithium is mostly in the very fine clay particles, a reduction in cut size can have a small impact on lithium recovery but cause a large reduction in the calcium that reports to the leach circuit. Magnesium and lithium recoveries correlate closely.



**Figure 4-1: Particle Size Distribution – Mass, Li, Mg and Ca (Unit 4)**



#### 4.5 Sulphuric Acid Leach Test Work

The main leach test work was undertaken using a 250 micron ( $\mu\text{m}$ ) post attrition cut on all four Units and 500kg sulphuric acid per tonne leach feed. Additional leaching tests were also undertaken after grinding the 250 $\mu\text{m}$  cut fraction to 100% passing 75 $\mu\text{m}$ . A higher acid dose (850kg acid / t leach feed) was also used in separate tests on 250 $\mu\text{m}$  cut samples to determine maximum leach extraction.

Table 4-2 shows both higher acid strength and finer grinding increased leach extraction from the already high levels of extraction achieved in the 250 $\mu\text{m}$  cut test work, highlighting the potential to improve lithium extraction with further test work. The leach kinetics are fast, with most of the lithium leached in the first hour of the four-hour leaching tests.

Following analysis of these test work results, it was decided to design the process plant assuming feed from Unit 4 and Unit 6 only, and reduce the attrition cut size to 125 $\mu\text{m}$ . Leach extraction was assumed to remain as per the main 250 $\mu\text{m}$  cut test work despite the indication that higher extraction may be possible with the finer attrition cut size.

**Table 4-2: Leach Extraction**

Unit	Leach Extraction		
	250 $\mu\text{m}$ cut 500kg/t	250 $\mu\text{m}$ cut with 100% passing 75 $\mu\text{m}$ 500kg/t	250 $\mu\text{m}$ cut 850kg/t
4	96.8%	99.1%	98.7%
6	91.9%	92.1%	99.1%

#### 4.6 Purification and Lithium Carbonate Precipitation

The bulk composite test work demonstrated that lithium carbonate could be successfully purified and precipitated.

Overall lithium recovery is a function of recovery through the attrition, leaching and purification steps. At 125 $\mu\text{m}$  attrition cut, overall recovery ranges from 81% to 89%, varying by Unit.

On 31 July 2024, the Company announced first production of battery-grade lithium carbonate, assaying 99.8%  $\text{Li}_2\text{CO}_3$  with acceptable levels of deleterious elements in accordance with a typical third-party contract specification.

The lithium carbonate grade and purity has subsequently been confirmed by an independent, third-party laboratory.

## 5 Process Plant

### 5.1 Overview

The flowsheet design and process development were undertaken by Fluor. The design parameters for ore beneficiation and acid leaching were informed by metallurgical test work as outlined in section 4, with the design from neutralisation to lithium purification based on industry benchmarks with parallel test work on a bulk composite to confirm assumptions.

The process plant has been designed to have a lithium carbonate production capacity of 47.5ktpa, assuming feed consisting of approximately 50% each of Unit 4 and Unit 6 with 125 $\mu$ m attrition cut.

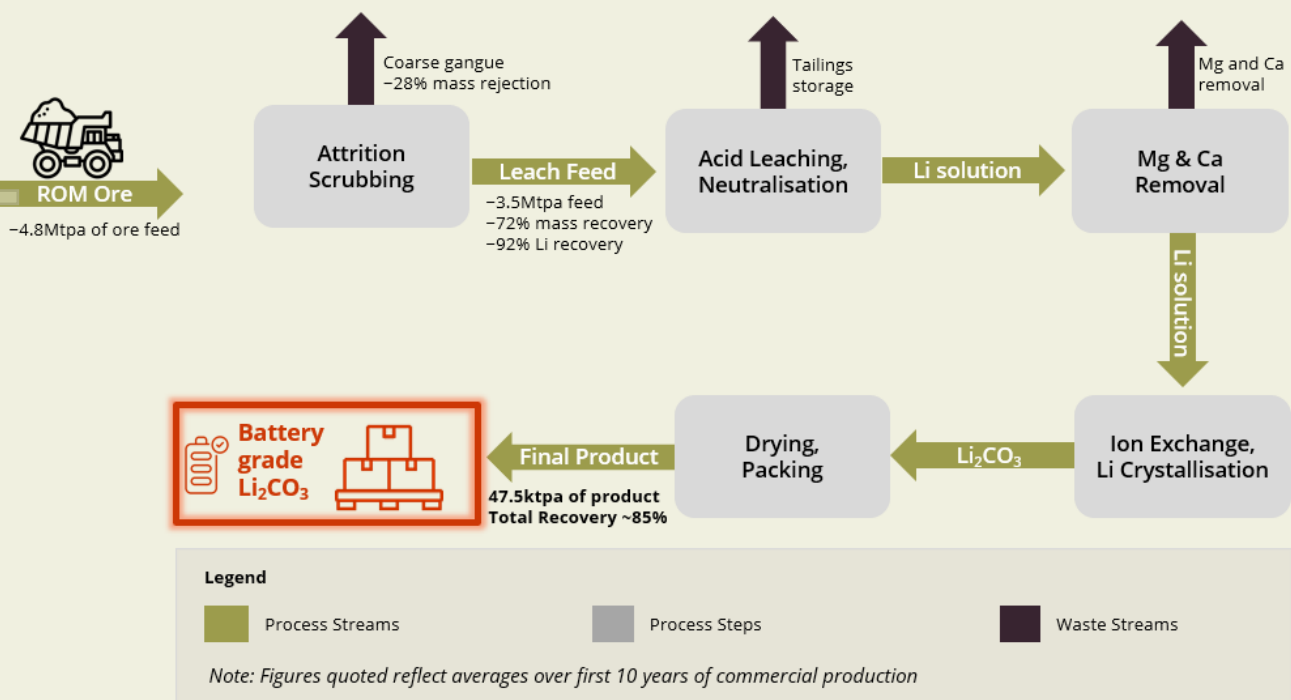
### 5.2 Flowsheet and Process Description

Figure 5-1 shows the summarised process flowsheet with approximate flow rates for the first 10 years of processing operations. The flowsheet combines well-established mining and standard chemical unit operations, proven over decades in traditional phosphate, mining and hydrometallurgy industries.

For the purposes of the PFS, it was decided the design bottleneck would be the sulphuric acid plant, limited to a maximum capacity of 6,000tpd acid production. A summary description of the process is as follows:

- The ore preparation circuit receives and washes the ROM feed to form a slurry.
- The attrition circuit separates the finer, lithium bearing, fraction from the coarser gangue fraction. Material larger than 125 $\mu$ m is rejected whilst the finer fraction proceeds to dewatering ahead of the leach circuit. 25% to 30% of the feed mass is rejected at this stage.
- The leach circuit dissolves the lithium from the clay using sulfuric acid produced by the on-site acid plant. The lithium rich solution proceeds to purification and the neutralisation circuit removes any residual acid in the clay tailings and prepares them for storage.
- The magnesium sulphate crystallisation circuit removes magnesium impurities from the solution.
- Further impurities (e.g. aluminium, calcium, iron and any residual magnesium) are removed in an ion exchange circuit.
- The lithium carbonate circuit crystallises, dries and bags the high purity lithium carbonate product.

Figure 5-1: Simplified Process Flowsheet



### 5.3 Design Criteria

Table 5-1 lists key design criteria.

**Table 5-1: Design Criteria**

Criteria	Unit	Amount
Availability x Utilisation	%	92%
Ore Feed	dry Mtpa	5.5
Leach Feed	dry Mtpa	4.1
Acid Plant Capacity	tpd	6,000

### 5.4 Production Profile

The lithium carbonate production profile is driven by the mine schedule which provides tonnes and grades at annual increments for each of Unit 4 and Unit 6.

The production profile achieves average annual production of 47.5ktpa for the first 10 years of full production, and 43.1ktpa for a further 30 years. Table 5-2 summarises the production profile. Total lithium carbonate production over life-of-Project is estimated to be 2.5 Mt. Average lithium recovery over the life of the Project is estimated to be 84.4%.

**Table 5-2: Production Profile**

Period (inclusive)	Total Years	Average Annual Production (tpa)
<b>Economic Evaluation Period</b>		
Year 1 (ramp-up)	1 year	25,800
Year 2 to 11	10 years	47,500
Year 12 to 41	30 years	43,100
<b>Post-Economic Evaluation Period</b>		
Year 42 to 51	10 years	34,200
Year 1 to 63	63 years	39,900

*Note: Production rounded to the nearest 100 tpa.*

### 5.5 Waste Storage

Long-term storage will be required for mined waste, attrition coarse rejects, and clay tailings. Potential storage sites have been identified within existing mining claims, and appropriate allowances for storage costs have been included in the capital and operating cost estimates.

Initial characterisation studies of mined waste and attrition coarse rejects have been completed, with no material concerns identified. However, additional leaching studies will be conducted on a broader range of samples in future study phases.

## 6 Infrastructure

### 6.1 Overview

Onsite non-process infrastructure was defined by Fluor, with grid power supply and water supply scope definition completed by experienced specialist engineering firms. Fluor consolidated the non-process infrastructure capital cost estimate on a common basis.

### 6.2 Onsite Non-Process Infrastructure (NPI)

All standard non-process infrastructure required for facilities of this type have been included, such as administration and training facilities, laboratory, warehouses, workshops and medical / emergency response centre. The mining and rehandle rates include allowance for contractor provided facilities for mining operations. Water and power will be provided to the mining contractor from the site distribution systems.

To the extent possible, the construction and operations workforces will be recruited locally, however an allowance for a 1,000 room camp and associated facilities has been made as part of the PFS.

### 6.3 Power

Approximately 80% of site power is expected to be generated utilising waste heat from the on-site sulphuric acid plant, with provision made in the capital cost estimates for the installation of two steam turbines. The remaining 20% of the power required is expected to be drawn from the local grid under normal operating conditions, although the power infrastructure is designed to accommodate 100% of the Project's energy needs if required.

McDermitt is located within the service area of the Harney Electric Cooperative which sources wholesale power from the Bonneville Power Administration (**BPA**). Approximately 80% of the electricity supplied by the BPA is sourced from hydroelectric generation, offering a renewable energy source for supplemental power needs.

Existing power infrastructure, including a 115kV transmission line running parallel to State Highway 95, is located approximately 22 kilometres east of the Project. The capital cost estimate includes allowance for constructing a spur line to connect the Project to the grid.

### 6.4 Water

The site has a negative water balance. Mean annual precipitation at McDermitt airport is 208mm and snowfall is 514mm. Pan evaporation is estimated to be 1,370mm based on measured evaporation at the Rye Patch Dam weather station, adjusted to account for location and elevation.

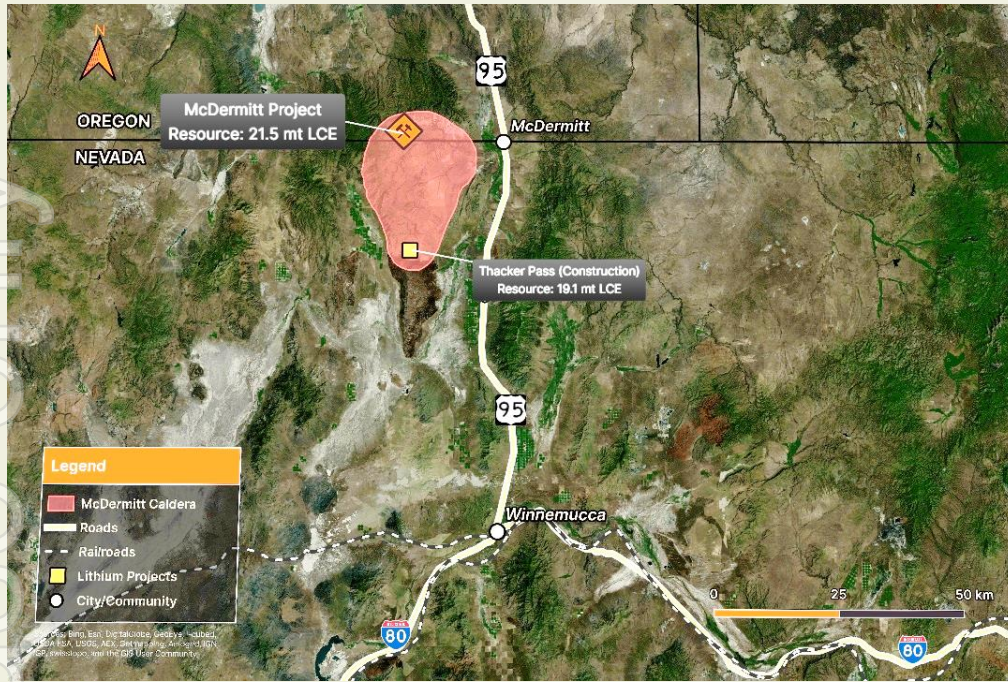
Groundwater in the Owyhee basin in Oregon is estimated to have potential surplus and the area has been poorly explored for water. Groundwater in the McDermitt and Orovada basins in Nevada has been fully allocated and obtaining a sustainable supply of water would require a commercial arrangement with one or more existing holders of water rights.

A comprehensive plan to identify and progress water supply opportunities has been developed by hydrological consultants experienced in the region.

### 6.5 Transport

The Project location is well served by the national highway system. The north-south State Highway 95 (SH95) passes through the town of McDermitt, connecting with the major east-west interstate highway I-80 at Winnemucca, approximately 120 km to the south of the town of McDermitt (Figure 6-1).

Figure 6-1: Major Road and Rail Routes adjacent to McDermitt



Source: Vriify

The nearest railroad access to the Project is at Winnemucca. The railroad is owned and maintained by Union Pacific, while above rail services can be provided by either Union Pacific or BNSF. There are transloading facilities available from rail to truck in Winnemucca. It has been assumed that most bulk reagents will be transported to Winnemucca by rail and then by truck to the Project site.

Access to the Project site from the town of McDermitt is predominantly via unsealed roads. An allowance has been made in the capital cost estimate to upgrade the site access to a sealed, dual lane, all-weather road.

## 7 Environmental, Social and Governance (ESG) Considerations

Jindalee is committed to responsibly developing the McDermitt Lithium Project, focusing on minimising environmental impact and delivering long-term economic and social benefits to local communities, industry, government, and Native American stakeholders.

Since 2022, Jindalee has conducted extensive environmental baseline studies, cultural assessments and test work at the McDermitt Project as part of exploration permitting and related activities. In 2023, the Company completed a Social Risk Assessment and is currently updating this as part of ongoing efforts to enhance ESG outcomes. Ongoing engagement with Native American communities, including the recent Communications Protocol and Cultural Study agreements with the local Fort McDermitt Paiute Shoshone Tribe, continue to play a crucial role in the Project's development.

While this PFS presents a compelling initial base case, Jindalee is committed to identifying and pursuing opportunities to further enhance the Project's ESG outcomes in future study phases. The Company's strategic agreement with the US Department of Energy, regional universities, and the local Oregon permitting agency underscores Jindalee's commitment to exploring innovative solutions for environmental sustainability.

Delivering value to a broad range of stakeholders is central to the Company's strategy, making ESG a core focus. To further this, Jindalee has appointed a US-based ESG Manager and plans to conduct an ESG materiality assessment in H1 CY2025. This assessment will help define specific ESG objectives and inform the development of the Company's longer-term ESG roadmap, aligned with recognised international standards.



## 8 Capital Cost

### 8.1 Overview

The pre-production capital cost estimate for the Project is estimated at \$3.02B, classified as a Class 4 estimate under the AACE estimate classification system, with an accuracy of +35%/-20%. The capital cost estimate considers all execution-phase costs (post final investment decision), such as engineering procurement, construction and commissioning, to bring the Project into operation. Construction and commissioning are assumed to be undertaken over a three-year period, with pre-strip mining commencing in the third year.

The estimate was largely developed by Fluor, accounting for 97% of the total, with the balance (e.g. mining, power, water, waste storage) consolidated by Fluor on a common basis from estimates by other engineering firms. Fluor conducted a comprehensive estimate review which included a range of engineering benchmark comparisons with peer projects, with the Project placed comfortably in the middle of the range on a capital intensity basis. The estimate base date was Q1 CY2024.

### 8.2 Pre-production Capital Cost Estimate

Table 8-1 summarises the breakdown of the pre-production capital cost estimate.

**Table 8-1: Pre-Production Capital Cost Estimate**

Area	Estimate (\$M)
Process Plant	1,042
Acid Plant	517
Non-Process Infrastructure	358
Engineering, Procurement and Construction Management (EPCM)	273
Construction, Indirect Construction Costs & Commissioning	164
<b>Subtotal</b>	<b>2,353</b>
Contingency	495
Mining (pre-strip)	23
Owners Costs	149
<b>Total</b>	<b>3,021</b>

The Mining (pre-strip) estimate was sourced from the first year of the mine operating cost estimate developed by Cube Consulting. It includes mobilisation and establishment costs for the mining and rehandle operations as well as the estimated cost to move 5Mt of mine waste prior to commencement of processing.

Process Plant and Acid Plant capital costs were developed by Fluor. Non-Process Infrastructure capital costs were developed by Fluor except for areas such as grid power connection, water supply and waste storage. The scope and capital cost estimates for these areas were determined by specialist engineering firms and then consolidated by Fluor on a common basis.

Overall, approximately 80% of the capital cost estimate was estimated as factored costs based on the ex-works prices for mechanical and electrical equipment. Approximately 15% of the estimate was calculated using priced material take-offs and less than 5% from allowances. Indicative vendor pricing was sought for major process plant equipment with the balance of process equipment ex-works costs obtained from recent historical data in the Fluor estimating cost database.

The Project execution basis selected was EPCM, with the estimates for EPCM, Construction Indirects and Commissioning determined by Fluor. Project contingency was developed by Fluor using a deterministic approach based upon the quality of the information available for the various components of the Project scope. The contingency estimate is quoted on a "P<sub>70</sub>" basis, indicating a 70% probability that the final capital cost will fall below the total estimate (including contingency). A sensitivity analysis of contingency at different confidence levels is included in section 10.4.2.

Owners' Costs were estimated by Fluor using benchmarks from their project database.

### 8.3 Sustaining Capital and Closure Costs

Sustaining capital for the process plant, infrastructure and waste storage has been estimated based on Project requirements over the life of the mine. For the process plant and infrastructure, sustaining capital was estimated as a percentage of the initial capital cost estimate, with a startup factor applied to reflect that sustaining capital should not be required in the early years of plant operation. The estimated sustaining capex for process plant and infrastructure is \$324M for the Economic Evaluation Period.

Sustaining capital relating to storage of mine waste and tailings was estimated based on the estimated timing for storage facility expansions, with an estimate of \$184M for the Economic Evaluation Period.

In addition, an allowance of \$250M has been made for closure and rehabilitation, covering the removal of plant and infrastructure, as well as the rehabilitation of mine waste and tailings storage areas.

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## 9 Operating Costs

### 9.1 Overview

The operating cost estimate for the McDermitt Lithium Project has been classified as Class IV (AACE) and is based on Q1 CY2024 pricing. The cash operating cost for the first 10 years of full production is estimated at \$8,760 per tonne of lithium carbonate, with a C1 cost of \$8,080 per tonne over the same period, before applicable tax credits on input costs. The largest portion of operating costs is attributed to the process plant, derived from a Fluor-developed cost model. While Class IV operating cost estimates were prepared for the full 63 project life, the following chapter focuses on the project life to the end of the first 40 years of full production post ramp up (**Economic Evaluation Period**).

### 9.2 Operating Cost Profile

Figure 9-1 shows the cash operating cost estimate over the Economic Evaluation Period.

Cash operating costs are dominated by process plant costs which remain close to constant at around \$280M to \$290M pa over the Economic Evaluation Period.

Mining and rehandle costs are constant at approximately \$76M p.a. and \$24M p.a. respectively for the first ~35 years. Mining then scales down and has ceased by the end of year 40, after which only rehandle costs would continue to be incurred.

Other costs, including product transport, general & administrative (G&A) and camp operations are constant at around ~\$25M p.a.

**Figure 9-1: Cash Operating Cost Profile for Economic Evaluation Period**

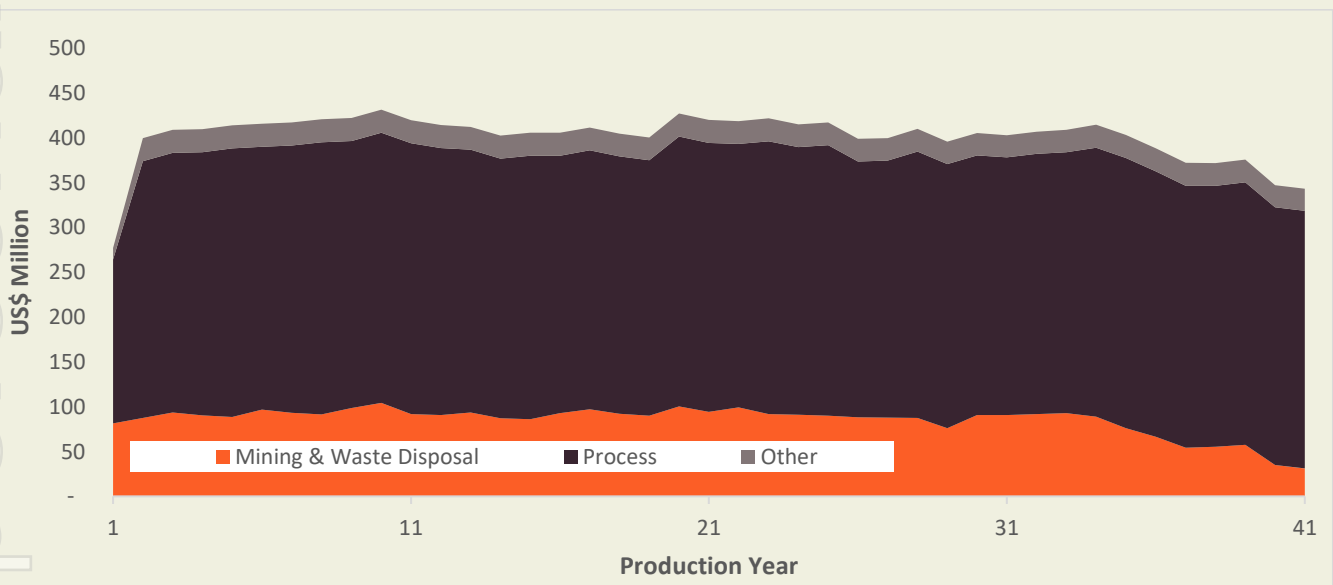


Table 9-1 summarises the operating cost estimate for the first 10 years of full production, the following 30 years, and their respective share of total production costs over the Economic Evaluation Period. There are broadly three periods:

- The first 10 years of commercial production where production averages 47.5ktpa LCE,
- The next 30 years where production averages 43.1ktpa LCE and mining is still taking place, and
- The balance of the life of the production profile when mining has ceased, and the remaining intermediate grade ore on the ROM stockpile is processed.

The process feed grade during the Economic Evaluation Period averages ~2,000ppm Li, with the remaining years of project life averaging ~1,400ppm Li as stockpiles are treated. As a result, the Economic Evaluation Period is considered the most representative of steady state operation with processing based on a constant mining rate of approximately 20Mtpa for 35 years of the 40-year mining period. Additional exploration and infill drilling offer the potential to outline higher value ore that may delay processing of the intermediate grade stockpile post the Economic Evaluation Period.

**Table 9-1: Operating Cost Estimate for Economic Evaluation Period**

Area		First 10 Full Years <sup>1</sup>		Next 30 Years	Project Share <sup>3</sup>
		\$M p.a.	\$/t LCE	\$/t LCE	
Mining and Rehandle		94	1970	1905	21%
Process Plant	Reagents and Consumables	219	4605	4946	73%
	Labour and Maintenance Supplies	65	1,375	1,513	
	Utilities	13	266	330	
Other	Product transport, Camp operations, G&A	26	542	586	6%
<b>Cash Operating Cost</b>		<b>416</b>	<b>8,759</b>	<b>9,281</b>	<b>100%</b>
Inventory Movement <sup>2</sup>		(32)	(678)	(395)	
<b>C1 Cost</b>		<b>384</b>	<b>8,080</b>	<b>8,886</b>	

Notes: (1) Excludes ramp-up year (2) Inventory movement accounts for the progressive build up and draw down of ore stockpiles over time, to more accurately reflect mining costs for lithium carbonate production in each period. (3) Project Share based on Economic Evaluation Period.

### 9.3 Mining and Rehandle

The mine operating cost is driven by the annual mining schedule and includes:

- Ore and waste mining (~75% of Economic Evaluation Period total); and
- ROM rehandle and waste removal to storage (~25% of Economic Evaluation Period total).

The mining rate is approximately 20 Mtpa for the first 35 years of mining after which it scales down to cessation of mining at the end of year 40. ROM rehandle and waste removal continue at approximately constant rates over the 63-year processing life.

The cost of pre-strip and mobilisation / establishment items are treated as capital cost items and are not included in the operating cost estimate.

### 9.4 Process Plant including Utilities

The process plant operating cost is driven by the annual production feed schedule and delivered quantity and grade of ore (both of Li and acid consuming waste minerals), with Fluor developing a comprehensive operating cost model to support the estimate. The Project cost summary by plant area is:

- Mineral processing and refinery costs (~65%); and
- Sulphuric acid plant (~35%).

By cost type, the Project summary is:

- Reagents and consumables (~75%);
- Labour and maintenance supplies (~10% each); and
- Utilities (~5%).

#### 9.4.1 Reagents and Consumables

Sulphur, limestone, soda ash and quicklime account for over 90% of the reagent and consumable cost. The primary drivers of reagent consumption are to generate sulphuric acid for ore digestion, and then neutralise any remaining acid and undertake the first stages of impurity removal.

Reagent consumption rates were calculated based on the production feed schedule and delivered cost estimates were applied to determine the estimated annual expense. Fluor secured budget and delivery quotations from regional suppliers for key reagents including sulphur, soda ash and quicklime. Recent benchmark delivery costs from Fluor's cost database were applied to ex-factory quotations for all other reagents.

The estimated cost of limestone was developed by Jindalee considering a mix of sources including currently operating quarries, known but undeveloped regional deposits and local sources such as the attrition coarse rejects which contain a significant proportion of calcite.

#### **9.4.2 Labour**

Fluor developed a detailed build-up of process plant labour requirements assuming a four-panel roster with 12-hour shifts. It is estimated that approximately 250 process plant staff will be required to operate the plant. Employment costs were benchmarked by Fluor using data from similar roles in the Oregon / Nevada region.

#### **9.4.3 Maintenance Supplies**

The maintenance supplies were estimated based on the capital cost of the installed mechanical equipment multiplied by a percentage rate which varied with the complexity of the area of the plant. The percentage was determined by Fluor based on benchmarking against similar projects.

#### **9.4.4 Utilities**

The sulphuric acid plant generates high pressure steam that can be used to generate electrical power. This locally generated power is sufficient to supply approximately 80% of the total site-wide demand. The balance of the power demand was assumed to be supplied from the grid at the average delivered unit cost for industrial power in Oregon as published by the US Energy Information Administration.

The water supply costs were estimated by calculating the power required to draw water from wells and pump from nominal well locations to the process plant, together with an allowance for maintenance of the borefield and pipeline.

### **9.5 Product Transport, Camp Operations and G&A**

#### **9.5.1 Product Transport**

It has been assumed that all production will be supplied to US based battery manufacturers. The product transport cost estimate is based on a weighted average haulage distance of 500km from site.

#### **9.5.2 Camp Operations**

While the intent is to employ locally based personnel for the majority of the labour requirements, further work as part of future study phases is required to confirm the feasibility of this. For the purposes of the PFS operating cost estimate, it has been assumed that all site labour would require accommodation in a local camp or similar facilities.

The accommodation cost was based on the 'cost per room per day', sourced by Fluor based on regional benchmarks, and the number of rooms required each day. This was estimated from the mining and process plant employment rosters with additional allowances for camp services personnel, owner personnel and suppliers.

#### **9.5.3 General and Administrative (G&A)**

The G&A estimate is \$15M per annum. No sales or marketing costs have been included, as it assumed that most production will be sold to an off-take partner.

## 10 Economic Evaluation

### 10.1 Overview

A bespoke financial model was developed by an experienced, independent consultant, with an independent review which checked the mathematical accuracy and consistency of the model. The model incorporates the mine and processing schedules, along with other key assumptions outlined in the PFS report, reflecting a financially sound and robust Project. It is important to note that the Economic Evaluation excludes any production after the first 40 full years of the Processing Schedule (post 1 year ramp-up and commissioning period).

### 10.2 Key Financial Inputs

The mining and processing schedules and associated capital and operating costs as outlined in this PFS report form the basis for the financial analysis. Other key inputs are summarised in Table 10-1 below.

**Table 10-1: Key Financial Inputs**

Input	Unit	Value
Lithium Carbonate price	\$/t	24,000
Project construction period	Years	3
Processing ramp-up period	Years	1
Commercial production (post ramp-up)	Years	62
Economic Evaluation Period (post ramp-up)	Years	40
Discount rate (real)	Percent	8%
Corporate tax rate – Federal	Percent	21%
Corporate tax rate – Oregon	Percent	6.6%

#### 10.2.1 Tax Inputs

Tax assumptions were prepared with the assistance of Jindalee’s US advisors and include tax credits introduced under the Inflation Reduction Act 2022 section 45X<sup>8</sup> (**45X**). Section 45X includes a 10% production tax credit (**PTC**) based on applicable production costs incurred in the production of lithium carbonate (as an applicable critical mineral). According to final US Department of the Treasury rules,<sup>9</sup> these include, but are not limited to, labour, electricity, storage costs, depreciation and overhead. Additionally, extraction costs, such as mining, qualify for the PTC in integrated mining and processing operations as anticipated at McDermitt.

The 45X PTC also extends to the cost of materials used in the process plant (i.e. reagents) if the suppliers of these materials are not claiming 45X PTCs. As all the reagents used in the McDermitt flowsheet are not classified as applicable critical minerals, Jindalee expects these costs will qualify. Importantly, the PTCs applicable to critical minerals production under 45X are not subject to a phase out or sunset date.<sup>10</sup>

In accordance with the final rules, Jindalee has applied PTC to all cash operating costs and depreciation.

#### 10.2.2 Lithium Market and Pricing

The lithium market has experienced extraordinary growth, with a compound annual growth rate of ~24% p.a. between 2015 and 2023, and it is expected to grow a further ~15% p.a. over the next decade driven by demand growth in lithium-ion batteries<sup>11</sup>. Despite this forecast strong growth trajectory, the market is currently in surplus, with price levels materially below the long-term price required to incentivise new western lithium chemical supply. This over supply stems from substantial supply growth following the elevated prices of 2021/22 (see Figure 10-1), leading to recently announced project deferrals and mine closures.

<sup>8</sup> <https://www.congress.gov/bill/117th-congress/house-bill/5376/text>

<sup>9</sup> <https://www.federalregister.gov/documents/2024/10/28/2024-24840/advanced-manufacturing-production-credit>

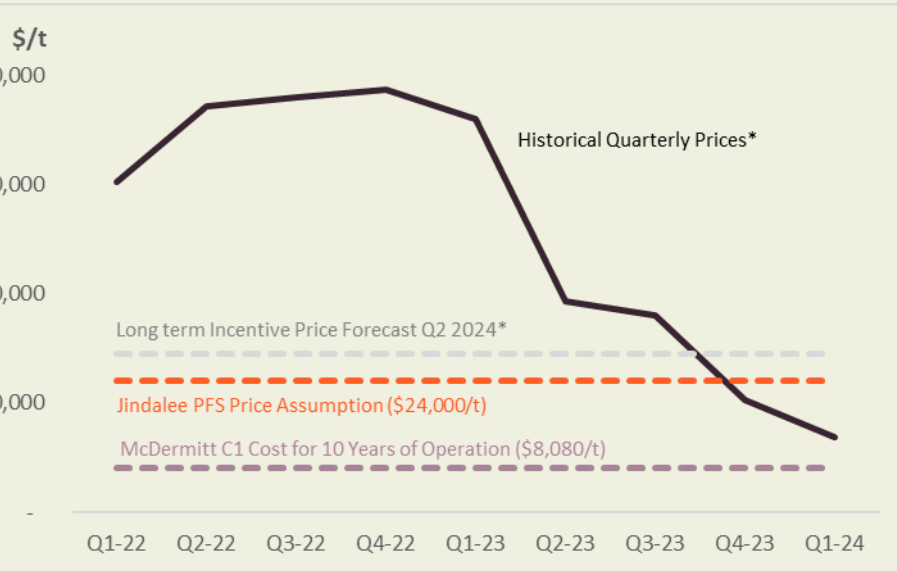
<sup>10</sup> <https://www.federalregister.gov/documents/2023/12/15/2023-27498/section-45x-advanced-manufacturing-production-credit>

<sup>11</sup> Benchmark Minerals Intelligence Q2 2024 Dataset



Against this backdrop, significant market deficits are expected in the early 2030s<sup>11</sup>, aligning with the Project’s expected development timeframe. This will likely require lithium prices to rise to levels required to incentivise new production<sup>11</sup>. In line with these market dynamics, Jindalee has adopted to select a flat long-term price for battery grade lithium carbonate of \$24,000/t, which is a ~17% discount to long term incentive price forecast from Benchmark Mineral Intelligence<sup>11</sup>.

**Figure 10-1: Historical Battery Grade Lithium Price with Long Term Forecast\***



\*Source: Benchmark Minerals Intelligence Q2 CY2024 dataset

### 10.3 Key Financial Outputs

The PFS results demonstrate a robust financial case for the Project under base case assumptions, with key financial outputs summarised in Table 10-2 reinforcing the long life and high margin nature of McDermitt. In particular, the Project maintains average EBITDA margins above 64% over the Economic Evaluation Period, with C1 costs in the bottom half of industry<sup>12</sup> and 17% pre-tax net operating cashflow margins (including sustaining capital) at current lithium carbonate spot prices<sup>13</sup>. The strong annual cashflows and rapid payback period of the Project are illustrated in Figure 10-2.

<sup>12</sup>Based on the first 10 years of commercial production and Benchmark Mineral Intelligence 2030 C1 Lithium Carbonate Equivalent Cost Curve (Q2 2024 dataset)

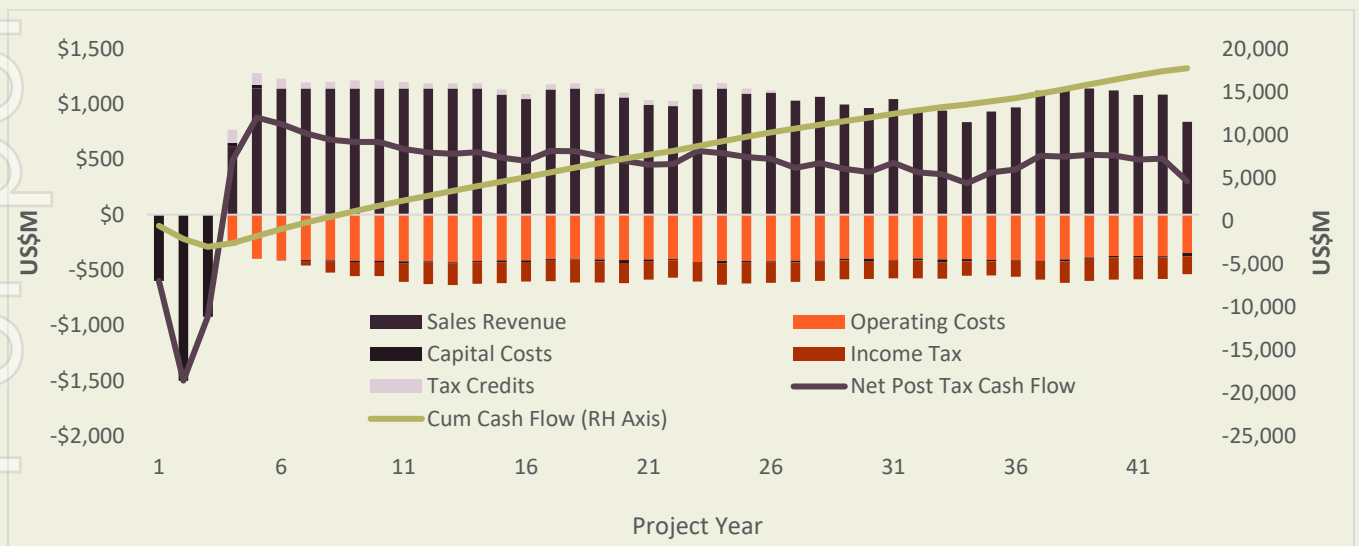
<sup>13</sup> US\$10,888/t from Shanghai Metal Markets Lithium Carbonate Index (Battery Grade), delivered to China, VAT inclusive. As at 14 November 2024

**Table 10-2: Key Financial Outputs for Economic Evaluation Period**

Dimension	Units	First 10 Full Years		Next 30 Years		Economic Evaluation Period (Project life incl. construction, commissioning/ ramp-up and first 40 full yrs of production)		
		Pre-tax	Post-tax	Pre-tax	Post-tax	Pre-tax	Post-tax	
Lithium carbonate price	\$/t	24,000						
Lithium carbonate produced	dry tonnes	475,000		1,295,355		1,796,169		
Gross revenue	\$M	11,400		31,089		43,108		
Construction capital	\$B	3.0						
Payback period	Years	5						
Sustaining capital	\$M	102		406		508		
Free cashflow	\$M	7,108	6,629	18,680	14,022	23,080	18,061	
C1 Costs*	\$/t LCE	8,080		8,886		8,673		
EBITDA	\$M	7,562		19,578		27,530		
EBITDA Margin	EBITDA / Revenue	66%		63%		64%		
Discounted cashflow	\$M					3,895	3,229	
IRR	%					18.1%	17.9%	

\*C1 cost includes operating costs for mining, processing, administration and product sales, after accounting for movements in inventory related to ore stockpiles. It does not include 45X tax credits related to input costs outlined in section 10.2.1.

**Figure 10-2: Annual and Cumulative Cashflow during Economic Evaluation Period (excluding end of life rehabilitation costs)**



### 10.3.1 Breakeven Price Scenario

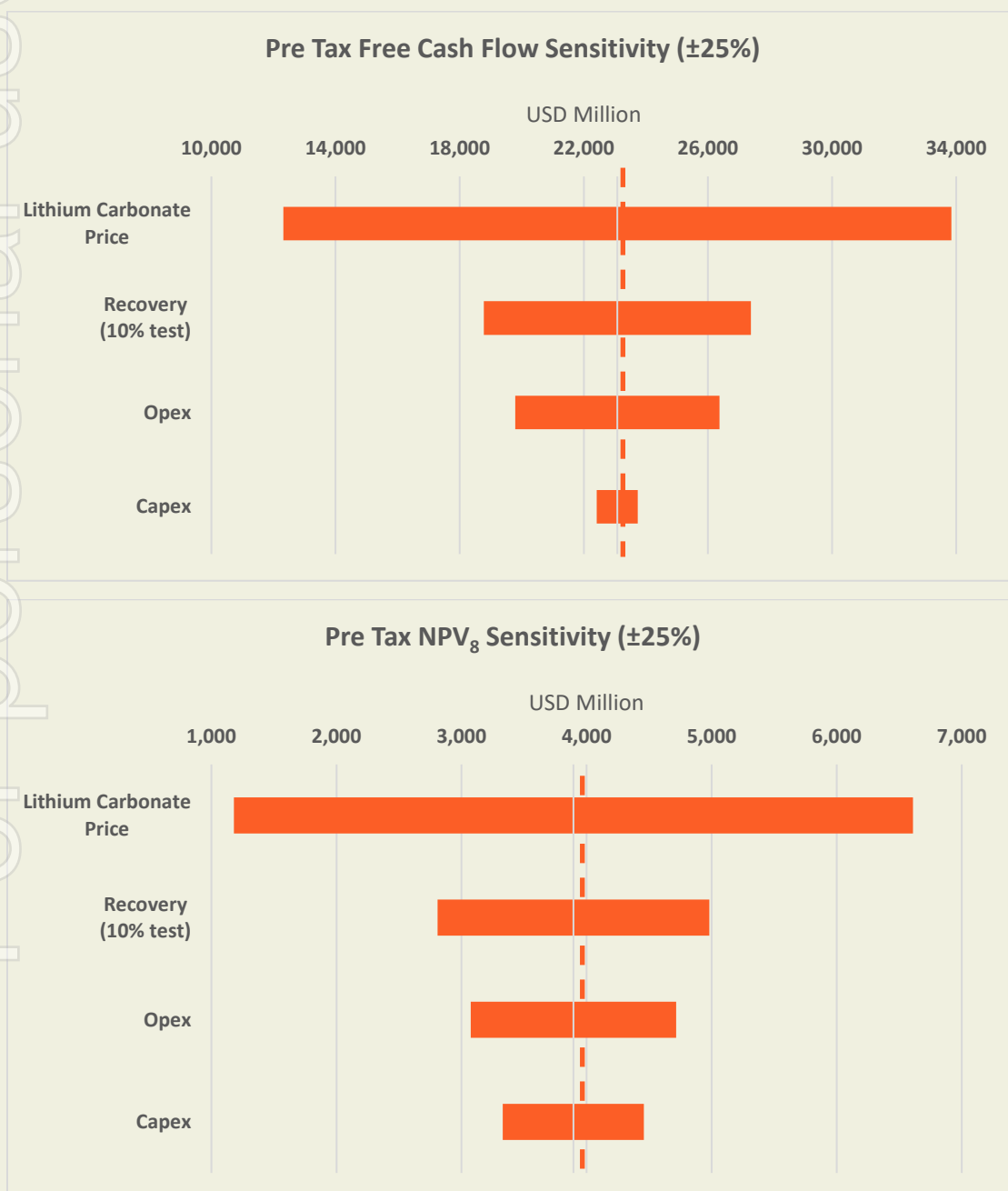
The NPV break even price over the Economic Evaluation Period is ~\$14,600/t (the price where post tax NPV<sub>8</sub> becomes positive) and is currently above current Chinese spot price of \$10,888/t<sup>4</sup>. This is consistent with market commentary in section 10.2.2, specifically that as a result of current market surplus, spot pricing remains under incentive pricing levels, with long term pricing expected to revert to higher levels to incentivise new supply to meet projected demand.

### 10.4 Sensitivity

The sensitivity of McDermitt’s post-tax NPV<sub>8</sub> and free cash flow were tested against four key factors: lithium carbonate price, lithium recovery, operating costs and construction capital cost. The impact to changes of ±25% on all factors (except lithium recovery, which was tested at ±10%) are presented in Figure 10-3. As is typical for resource projects, cashflows were most sensitive to the price (in this case for lithium carbonate). In contrast, the construction capital cost was the least sensitive, given the extended production life forecast at McDermitt.

Additionally, the sensitivity of Project returns to unique US-based government potential development funding is discussed in section 10.4.1.

Figure 10-3: Sensitivity Analysis



### 10.4.1 Potential US Government Funding

The US Federal Government has taken significant steps to de-risk critical mineral supply chains by encouraging domestic production. This has included providing significant concessional project finance loan commitments to a range of Jindalee’s peers (see Table 10-3), which have primarily been made available through the US Department of Energy’s (DOE) Loan Program Office (LPO)<sup>14</sup> and the US Export-Import (EXIM) Bank’s “Make More in America”<sup>15</sup>. These loans have been offered on highly favourable terms, such as low interest rates and with long tenors, compared to typical project financing options in the lithium sector. Notably, Lithium Americas has closed a \$2.26B loan from the DOE LPO for the construction of its Thacker Pass project<sup>16</sup>, which is a near neighbour to McDermitt, being also located within the McDermitt Caldera.

As a US-based project, McDermitt is well-positioned to potentially access similar government funding as it progresses toward development. To illustrate the potential impact on Project equity returns from such funding, a conceptual gearing case was modelled based on Jindalee assumptions, informed by disclosed terms of the Thacker Pass loan<sup>17</sup>. The key assumptions were:

- 23-year term
- 4.49% coupon (aligned with 30-year US Treasury Rates (T-rates<sup>18</sup>))
- \$2.2B maximum loan amount, including ~\$365M in capitalised fees and interest during construction

This resulted in a conceptual geared equity post-tax NPV of \$3,667M and IRR of 28.9% (vs. ungeared of \$3,229M and 17.9%). Additionally, the equity funding requirement was reduced to ~\$1.19B, underscoring the potential strategic benefit of being a large-scale US domestic project.

**Table 10-3: Recent US Government Critical Minerals Debt Funding Precedents**

Date	Company	Location	Metal	Funding (US\$M)	Terms	US Entity	Scope	Status	Comment	Ref
Jan 2023	Ioneer	Nevada, US	Lithium & Boron	700	10 year tenor, @ US T-rates	DOE	Construction processing facility	Conditional Commitment	Funds ~55% of capex	1,2
Apr 2024	Perpetua Resources	Idaho, US	Antimony	1,800	15 year tenor, rate unspecified	EXIM	Construction of mine and processing plant	Letter of Intent	N/A	3
Oct 2024	Lithium Americas	Nevada, US	Lithium	2,260	24 year tenor, @ US T-rates	DOE	Construction processing facility	Closed	Funds ~75% of capex	4,5

Table References:

1. [https://www.energy.gov/lpo/articles/lpo-announces-conditional-commitment-ioneer-rhyolite-ridge-advance-domestic-production#:~:text=The%20U.S.%20Department%20of%20Energy's,Project%20\(Rhyolite%20Ridge\)%20in%20Esmeralda](https://www.energy.gov/lpo/articles/lpo-announces-conditional-commitment-ioneer-rhyolite-ridge-advance-domestic-production#:~:text=The%20U.S.%20Department%20of%20Energy's,Project%20(Rhyolite%20Ridge)%20in%20Esmeralda)
2. [https://rhyolite-ridge.ioneer.com/wp-content/uploads/2020/05/ioneer\\_DFS\\_Press\\_Release\\_29Apr2020-1.pdf](https://rhyolite-ridge.ioneer.com/wp-content/uploads/2020/05/ioneer_DFS_Press_Release_29Apr2020-1.pdf)
3. <https://www.investors.perpetuareources.com/investors/news/perpetua-resources-receives-indication-for-up-to-18-billion-financing-from-export-import-bank>
4. <https://lithiumamericas.com/news/news-details/2024/Lithium-Americas-Closes-2.26-Billion-U.S.-DOE-ATVM-Loan/default.aspx>
5. [https://s203.q4cdn.com/835901927/files/doc\\_presentations/2024/Jan/15/lac-corp-prez-2024-january.pdf](https://s203.q4cdn.com/835901927/files/doc_presentations/2024/Jan/15/lac-corp-prez-2024-january.pdf)

<sup>14</sup> <https://www.energy.gov/lpo/inflation-reduction-act-2022>

<sup>15</sup> <https://www.exim.gov/about/special-initiatives/make-more-in-america-initiative>

<sup>16</sup> <https://lithiumamericas.com/news/news-details/2024/Lithium-Americas-Closes-2.26-Billion-U.S.-DOE-ATVM-Loan/default.aspx>

<sup>17</sup> [https://s203.q4cdn.com/835901927/files/doc\\_presentations/2024/Jan/15/lac-corp-prez-2024-january.pdf](https://s203.q4cdn.com/835901927/files/doc_presentations/2024/Jan/15/lac-corp-prez-2024-january.pdf)

<sup>18</sup> 22 October 2024 30 year Daily Treasury Par Yield Curve Rate of 4.49% taken from [https://home.treasury.gov/resource-center/data-chart-center/interest-rates/TextView?type=daily\\_treasury\\_yield\\_curve&field\\_tdr\\_date\\_value=2024](https://home.treasury.gov/resource-center/data-chart-center/interest-rates/TextView?type=daily_treasury_yield_curve&field_tdr_date_value=2024)

## 10.4.2 Contingency

Fluor conducted a deterministic analysis to assess capital cost contingency at varying confidence levels. The associated contingency values and their impact on the financial metrics are presented in Table 10-4.

**Table 10-4: Sensitivity Analysis of Capital Cost Contingency**

Confidence Level	Contingency (\$M)	Post-Tax NPV (\$M)	Post-Tax IRR (%)
P <sub>85</sub>	618	3,265	17.4%
P <sub>70</sub>	495	3,349	17.9%
P <sub>50</sub>	370	3,435	18.5%

## 10.5 Economic Contribution

### 10.5.1 Direct Employment

Direct on-site construction employment is estimated at approximately 1,000 roles over a nominal three-year construction period. Additional off-site roles will be generated in engineering and procurement, manufacturing and fabrication of components and logistics.

Direct operational employment is estimated at approximately 600 full-time roles. Once operational, total direct wages (excluding on-costs such as leave, social security contributions, etc.) are forecast to exceed \$50M per annum.

It is expected that substantial additional indirect and induced employment will be generated in addition to the direct on-site roles.

### 10.5.2 Corporate Taxation

Once operational, direct corporate taxation over the Economic Evaluation Period is forecast as follows:

- Federal corporate income tax, including impact of 45X PTCs, is forecast to average ~\$90M pa.
- Oregon corporate income tax is forecast to average over \$38M pa.

# 11 Permitting

## 11.1 Overview

The Project requires a comprehensive set of regulatory approvals at Federal, State and County levels. A reputable consultancy with extensive experience in permitting mining projects across Oregon and Nevada has been engaged to guide the process. Importantly, no regulatory or permitting issues have been identified that are expected to hinder the eventual approval of the Project. The bipartisan recognition of the strategic importance of domestically produced lithium, as a critical mineral, provides further confidence in the Project’s ultimate approval.

The permitting strategy developed as part of the PFS targets obtaining full approval within 5 years from the commencement of all necessary baseline environmental studies (in addition to the extensive baseline studies already underway).

## 11.2 Land Ownership

The mining claims are located solely on public lands administered by the BLM. The mine will be located on unpatented mining claims owned by Jindalee and may also have some infrastructure located on state (i.e. Oregon and/or Nevada) and/or private lands – for example access roads, water lines, power lines and communications infrastructure. The full development envelope and the ownership of all land that may be impacted has not yet been determined.

## 11.3 Permitting Requirements

There will be some overlap in work required for various permits, e.g. baseline studies to support the Federal National Environmental Policy Act (NEPA) process would also support (potentially with some minor adjustments) various state level approvals. It is intended to determine the detailed scope of those studies after consultation with all relevant agencies to minimise the risk of rework being required. Administrative permits including various “over the counter” type permits and notification and reporting type requirements that are unlikely to impact the Project timeline are not included in this summary.

### 11.3.1 Federal Agencies and Approvals

Table 11-1 summarises the main Federal agencies expected to provide regulatory oversight and the types of permits they each issue.

Table 11-1: Federal Agencies and Approvals

Federal Agency	Permit / Approval
BLM	Mining Plan of Operations
	NEPA – Record of Decision
Army Corps of Engineers	Clean Water Act, section 404 Permit (Waters of the United States)
US Fish and Wildlife Service (USFWS)	Disturbance Take Permit – Bald and Golden Eagle Protection Act
	Incidental Take Permit – Endangered Species Act
Other	Hazardous waste generation and repository permits

### 11.3.2 State Agencies and Approvals

The Oregon regulatory approvals process(-es), and agencies involved, depend on the type of processing that occurs in Oregon. The proposed flowsheet is expected to be classified as “chemical process mining”.

“Chemical process mining” permit applications are managed by the Oregon Department of Geology and Mineral Industries (DOGAMI) through the Consolidated Permit Application (CPA) process. DOGAMI acts as the facilitating state agency and clearinghouse for the mine permitting process and coordinates the approval process with other permitting and cooperating agencies.

State permits such as air pollution control permit, storm water pollution prevention plan, and land use permits need to be obtained directly from the relevant agencies.

Table 11-2 summarises the main Oregon agencies expected to provide regulatory oversight and the types of permits they each issue.



**Table 11-2: Oregon Agencies and Approvals**

Oregon Agency	Permit / Approval
DOGAMI	CPA
Oregon Department of Water Resources ( <b>ODWR</b> )	Water Rights
	Diversion Dam Permit
	Reservoir Permit
	Dam Safety Permit
Oregon Health Authority ( <b>OHA</b> )	Drinking Water Permit
Oregon Department of Environmental Quality ( <b>ODEQ</b> )	Water Pollution Permits
	Air Pollution Permits
	Discharge Permits
	Dewatering Permit

### 11.3.3 County Permits and Approvals

Table 11-3 summarises the main County approvals expected to be required.

**Table 11-3: County Approvals**

County (State)	Permit / Approval
Malheur (OR)	Land Use Compatibility Statement
	Greater Sage Grouse (GRSG) Permit

### 11.4 Permitting Timeline and Critical Path

The permitting critical path is expected to be driven by the Federal and state approval process timelines and the underlying baseline investigations, reporting, development of management plans, etc. to support those processes. State and county approval processes have been assumed to run parallel to the Federal process.

The NEPA requires Federal agencies to incorporate environmental considerations in their planning and decision-making through a systematic interdisciplinary approach.

In broad terms, the work can be summarised into three sequential phases:

- Baseline studies,
- Development of the Mining Plan of Operations, and
- NEPA processes culminating in “Record of Decision” (**ROD**).

The State permitting requirements are similar.

Jindalee is targeting a five-year timeline for securing the Record of Decision from the commencement of all necessary baseline environmental studies (in addition to the extensive baseline studies undertaken to date).

## 12 Project Timeline

### 12.1 Project Timeline

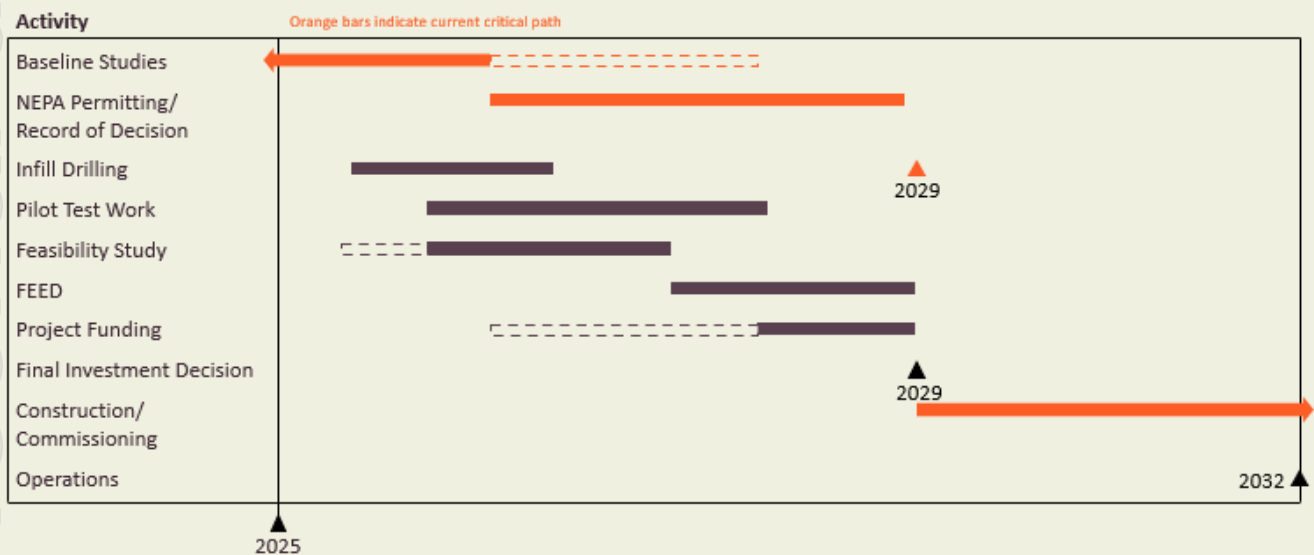
Figure 12-1 summarises the Project timeline with first production targeted at the beginning of CY2033.

The timeline assumes five years from the commencement of all necessary baseline environmental studies to completion of permitting, studies and funding by the end of CY2029. The pre-construction period includes the following key milestones:

- Completion of all Federal, state and local permitting requirements,
- Completion of infill drilling program to improve resource confidence and provide fresh samples for metallurgical test work,
- Pilot scale metallurgical test work to refine process design criteria, and
- Completion of feasibility and front-end engineering and design (FEED) studies.

Following the completion of the FEED study and receipt of all necessary permits, the Project is expected to enter a three-year construction and commissioning period, with completion anticipated by the end of CY2032.

Figure 12-1: Simplified Project Timeline



#### 12.1.1 Critical Path

The assumed project critical path flows through the:

- Federal and state permitting timeline, and
- Construction and commissioning timeline.

The five-year target timeline for permitting is at the faster end of the estimated range. It has been assumed that the Feasibility and FEED studies can be completed in parallel with the permitting work, and that Project funding arrangements can also be finalised in parallel. It has been assumed that receipt of all major permits will be a condition precedent to release of funds. The three-year construction and commissioning timeline is based on benchmarks for similar major projects. A detailed construction schedule has yet to be developed.

## 13 Project Funding

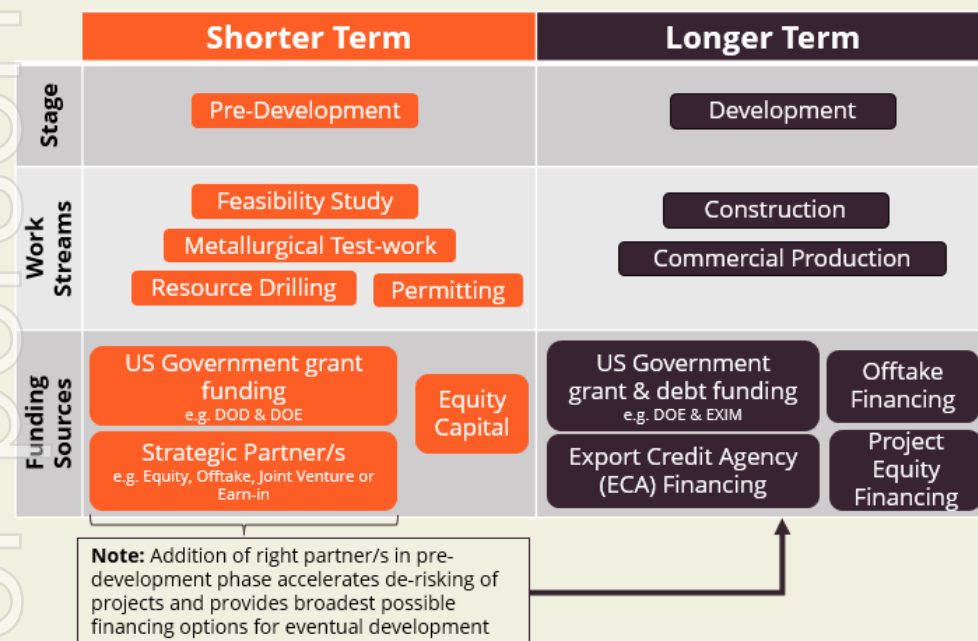
The PFS estimates \$3.02B in construction capital, including contingency and indirect costs. The Company considers that the favourable financial metrics for the McDermitt Lithium Project as demonstrated in the PFS, with large scale and long-life production, position the Project as attractive to both customers and financiers. Jindalee is also encouraged by the significant US government (state and Federal) financial support for domestic critical mineral projects and believes that it has reasonable grounds to assume that funding for developing the Project will be available when required.

As noted below in figure 13-1, the funding package is expected to comprise a combination of equity, debt, government grant, offtake and prepayment agreement and/ or asset level joint venture.

McDermitt's status as a potential US domestic source of battery-grade lithium carbonate provides a significant competitive advantage under the Inflation Reduction Act 2022 (IRA). Section 30D of the IRA offers up to a \$7,500 Clean Vehicle Credit, which is contingent upon where the critical minerals and battery components are sourced. Starting in 2024, 40% of the value of critical minerals used in EV batteries must be sourced from the US or free trade agreement partners to qualify, increasing to 80% by 2028. From 2025, no credit is available if the minerals or components come from a Foreign Entity of Concern, including China<sup>19,20</sup>. Given that China currently processes 65% of the world's lithium chemicals and holds some level of ownership in 60% of global mine supply<sup>21</sup> compliant sources of battery grade lithium chemicals are expected to be in high demand among US battery manufacturers and automakers seeking to qualify for these credits. This will likely make McDermitt's lithium carbonate highly attractive to potential offtake and strategic partners looking to service the US market.

Jindalee's immediate focus is securing pre-development funding sources which will provide the platform for the subsequent development financing. Figure 13-1 outlines Jindalee's, strategy, which initially focuses on securing US government funding and forming strategic partnerships (with parties who have the potential to be joint venture partners in the Project) during the pre-development phase. These partnerships will play a pivotal role in de-risking the Project, both technically and commercially, while providing a range of options for eventual development financing.

Figure 13-1: Funding Strategy Summary



### 13.1 Progress to Date and Next Steps

Engagement with potential partners commenced in 2023, with a range of groups including chemical companies, mining companies, trading houses and other battery value chain participants, including signing a non-binding Memorandum of

<sup>19</sup><https://www.irs.gov/newsroom/irs-releases-final-guidance-for-certain-clean-vehicle-credits-under-the-inflation-reduction-act>

<sup>20</sup> <https://crsreports.congress.gov/product/pdf/IN/IN12322>

<sup>21</sup> Based on 2024 estimates from Benchmark Minerals Intelligence Q2 2024 Dataset

Understanding with POSCO Holdings Inc. in February 2023<sup>22</sup>. Initial responses have been positive, and support Jindalee's assessment of the availability of third-party funding, with multiple groups indicating strong interest, and with completion of the PFS a key catalyst for further engagement.

While these structures and processes remain in preliminary stages and discussions are conceptual at this point, the interest reflects a clear appetite that aligns with Jindalee's strategy to supply lithium chemicals to the US battery supply chain. Following completion of the PFS Jindalee expects to resume further engagement with various potential partners (with parties who have the potential to be joint venture partners in the Project), with Jindalee having already commenced discussions with potential advisors to support this process.

With regard to US government support, while Jindalee was unsuccessful in its previous application for non-dilutive funding with the US Department of Energy (**DOE**) (see announcement dated 23 September 2024), in September 2024, Jindalee executed a strategic Cooperative Research and Development Agreement with the DOE. Under the agreement, the DOE will fund test work seeking to improve cost and sustainability outcomes for the Project. Jindalee also has an application on foot with the Department of Defense (**DOD**), which if successful would co-fund a Feasibility Study, including further drilling and metallurgical test work at McDermitt. Jindalee has retained Ankura Consulting Group who continue to assist Jindalee with accessing potential US Government funding streams.

Following the release of the PFS, Jindalee plans to engage a leading corporate adviser to finalise and implement an optimal financing structure. As outlined in Figure 13-1, the initial focus will be on securing US government grant funding and forming strategic partnerships, particularly with entities that could become joint venture partners in the Project. This strategy is designed to:

- Finance the Project through the remaining pre-development phases to the Final Investment Decision (**FID**).
- Accelerate de-risking of the Project, both technically and commercially.
- Expand the range of financing options for the development phase.

The ultimate funding mix for the Project's construction will depend on the involvement of partners and market conditions. However, Jindalee anticipates a structure comprising:

- **Debt Financing:** Covering 50–75% of construction costs, leveraging the Project's eligibility for concessional loans from US government agencies (see Section 10.4.1 for precedent analysis).
- **Partner Contributions and Alternative Funding:** The substantive remaining funds are expected to predominantly come from strategic partner investments (including asset level joint ventures), offtake agreements and/or royalty type arrangements. This approach aims to minimise Jindalee's equity funding requirements, thereby reducing dilution for shareholders.
- **Equity Financing Funds:** The balance of any remaining funds is expected to be equity financing.

In summary, Jindalee believes there are reasonable grounds that the requisite funding for the development of the Project will be available when required, which grounds include:

- The PFS confirms that the Project is economically viable.
- McDermitt is a large-scale, long-life project with attractive returns, making it appealing to potential partners and traditional third-party financiers.
- Engagement to date with potential partners has been positive, with plans in place to increase engagement now that the PFS is complete.
- The Jindalee Board and Management Team have extensive experience in project development, financing and production in the resources industry.
- Securing suitable strategic partnerships (with parties who have the potential to be joint venture partners in the Project) during McDermitt's pre-development phase is expected to unlock a wide range of potential funding sources for future development. Partnerships are a proven pathway to de-risk and fund large-scale projects and are increasingly common in the lithium sector. This is particularly true amongst Jindalee's more advanced North American peers seeking to establish integrated production of battery grade lithium chemicals.
- McDermitt, as a US domestic critical minerals project, is uniquely positioned to potentially receive concessional US government support including non-dilutive grant funding and low cost, long tenor loans. Jindalee's strong

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<sup>22</sup> Refer to JLL ASX announcement 13 February 2023

engagement to date with US state and Federal governments, and the success of US based peers in obtaining similar funding, provides further confidence in this strategy and Jindalee's ability to secure the required funding.

- Jindalee's clean corporate and capital structure, combined with its 100% ownership of the McDermitt project—free from any existing royalties or offtake agreements—offers the Company significant flexibility when negotiating development funding.

The ability of Jindalee to fund its future requirements will depend on, amongst other things, debt and equity market conditions at the time and there is no certainty that the required capital will be available to develop the Project or that, even if available, will be available on favourable terms. Funding via additional equity issues or strategic partnerships, including joint venture partners, may be dilutive to the Company's existing shareholders and, if available, debt financing will be subject to the Company agreeing to certain debt covenants and other terms and conditions. Similarly, any arrangements with third party joint venture partners, royalty companies, streaming finance funders or offtake partners may involve the Company agreeing to less than optimal terms and conditions, which may dilute or otherwise adversely affect Jindalee shareholders' exposure to the Project economics.

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## 14 Opportunities and Risks

### 14.1 Opportunities

This section provides a non-exhaustive list of potentially material opportunities relevant to the development of the Project.

#### 14.1.1 Cooperative Research and Development Agreement with US Department of Energy

In September 2024, Jindalee executed a Cooperative Research and Development Agreement (**CRADA**) with the US Department of Energy<sup>23</sup>. Under this CRADA Jindalee is collaborating with a range of leading US research institutions and government agencies to enhance the McDermitt Lithium Project's extraction process. The partnership focuses on reducing costs, optimising sustainability, minimising environmental impact and exploring co-product opportunities. This work is aligned with Jindalee's internal efforts (and linked to several opportunities outlined in this section), ensuring a coordinated approach to improve the flowsheet and support its long-term success.

#### 14.1.2 Process Optimisation

Ore processing and refining accounts for ~80% of estimated operating costs, or approximately \$300M pa. Future metallurgical test work may improve the attrition, leaching and recovery processes. Opportunities include further upgrading of the ore prior to leaching (improved head grade and/or reduced levels of acid consuming gangue minerals) and reductions in reagent consumption as ore types are better understood. For example, based on PFS modelling, a 10% reduction in acid consuming gangue mineral grades could result in a reduction in annual cash operating costs of approximately \$11M. Pilot plant test work may also enable further process optimisation.

#### 14.1.3 Co-Product Streams

Future metallurgical test work may identify opportunities to generate by-product(s). This includes the fertiliser magnesium sulphate (also known as Epsom Salt), which is currently assumed to be a waste stream with associated storage and disposal costs. If this material could be sold it could potentially increase annual revenues and project margins. Revenue from Epsom Salt is not included in PFS financials and is subject to additional test work and market development activities in future study phases. Other co-product opportunities will be progressed under the DOE CRADA in conjunction with the ongoing research.

#### 14.1.4 Strategic Partnerships

As highlighted in section 13, Jindalee intends to pursue strategic partnerships during the pre-development phases of the Project. Potential strategic partners may include resource companies, battery chemical manufacturers and/or battery end-users. Such partners potentially bring a number of synergies which may act to de-risk the Project and support the development timeframe. Specifically, strategic partners may:

- Offer technical, metallurgical and project expertise, to de-risk project development;
- Provide connections to the value chain, securing market access for lithium carbonate, a specialised chemical; and
- Mitigate funding risks by offering near-term investment and positioning the Project for future development financing.

Whilst the introduction of partners has the potential to de-risk the Project and accelerate the development timeframe (as outlined above), as well as reducing Jindalee's funding requirements, it is likely that the introduction of partners will result in Jindalee's interest in the Project being reduced and any financial gains attributable from the Project being reduced in proportion to Jindalee's remaining interest.

#### 14.1.5 Exploration and Infill Drilling

Future drilling programs may support an increase in the MRE and Ore Reserve, offering opportunities for expansion and/or extension of lithium carbonate production. Currently, less than 11% of the contained lithium in the MRE is

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<sup>23</sup> Refer to JLL ASX announcement dated 16 September 2024, "Jindalee Secures Strategic Agreement with US Department of Energy"



converted into an Ore Reserve. Infill drilling could enhance confidence in grade continuity across the deposit and may also identify areas with higher lithium grades and/or lower gangue content, prioritising these zones for processing.

#### **14.1.6 Mining Method Optimisation**

The flat-lying, shallow and laterally extensive nature of the deposit presents the potential for a modified open-pit mining method, such as terrace mining, subject to further resource definition and mining studies in future phases. Terrace mining (or a similar method) could reduce haulage distances through in-pit dumping in mined out areas, offering the potential to lower operating costs and minimise the disturbance footprint.

### **14.2 Risks**

This section provides a non-exhaustive list of potentially material risk factors relevant to the development of the Project.

#### **14.2.1 Lithium Price**

The economics of the Project are robust but vary with the lithium price assumed, as described in the sensitivity section of the financial analysis.

Over the past 18 months the Chinese lithium carbonate spot price has been volatile reaching highs of \$77,000/t in Q4 2022<sup>24</sup> and, as at the date of this PFS, is currently at a price of ~\$10,900/t<sup>25</sup>. The lithium carbonate price used in the financial analysis (\$24,000/t) reflects a discount to the Benchmark Minerals Intelligence (Q2 CY2024) long term price forecast (\$29,000/t) which is based on the incentive price required to develop other lithium projects to meet projected long term lithium demand. It is, however, at a premium to current Chinese lithium carbonate spot prices and the Project's NPV<sub>8</sub> break even price of ~\$14,600/t<sup>6</sup>. The Project's forecast operating cash costs, including required sustaining capital investment, is also below the current cyclical low price for lithium carbonate, meaning the Project would generate positive pre-tax net operating cashflow margins at current spot prices.

The sensitivity to lithium price may also be mitigated through the Project being a source of US domestic lithium for those users required or highly incentivised to use domestic supply, and to the extent that development of the Project may be underwritten by long-term offtake arrangements with price floors and/or equity investment by partners or through receipt of government grants and/or loan funding.

#### **14.2.2 Resource and Reserve Estimates**

Resource and Reserve estimates are expressions of judgement based on knowledge, experience and industry practice, including compliance with the 2012 JORC Code. By their very nature, these estimates are imprecise and depend on interpretations that may prove to be inaccurate which means that the reconciliation and performance of the Reserve model is a risk that is inherent until production confirms the modelling. Major variances to contained metal in the Reserve will have a negative impact on the revenue generated by the Project.

Major variances to the contained lithium or the ore continuity in the Ore Reserve Estimate may impact the lithium production profile. Similarly, major changes in the type and grade of gangue metals may impact the operating cost profile.

These risks may be mitigated to an extent through planned infill drilling and additional metallurgical test work as well as the fact that the contained lithium in the Ore Reserve Estimate holds less than 11% of the contained lithium in the Mineral Resource Estimate and the resource remains open.

#### **14.2.3 Production Profile**

The economics of the Project are a function of the production profile. The target production profile may not be achieved for a variety of reasons including an inability to achieve the lithium recovery and/or lithium carbonate purity that have been assumed in the study, as well as the process plant not operating as planned. Ramp-up may be slower than assumed due to mining, commissioning or process plant design issues.

Infill drilling, metallurgical and variability test work and, where appropriate, pilot plant test work are planned to increase confidence in the production profile prior to final investment decision.

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<sup>24</sup> Benchmark Mineral Intelligence

<sup>25</sup> US\$10,888/t from Shanghai Metal Markets Lithium Carbonate Index (Battery Grade), delivered to China, VAT inclusive. As at 14 November 2024

#### **14.2.4 Operating Inputs**

The cost and availability of operating inputs (including reagents, labour, water and power) and rates for contract mining and rehandle will depend on market conditions at the relevant point in time. These may be different to the assumptions made in the study.

#### **14.2.5 Permitting**

The Project is reliant upon receipt of environmental and other regulatory approvals from various Federal, state and county departments to commence development of the Project. There is no guarantee that the required approvals will be granted. Delays in undertaking baseline studies, changes to scope and/or layout and/or delays in permitting processes may delay the Project from commencing production in the proposed timeframe.

#### **14.2.6 Funding**

The PFS assumes that future planned works are not constrained by funding. If funding cannot be secured for planned study activities or for project financing, this could delay critical path items and the final investment decision, or prevent the Project from proceeding as planned or at all.

#### **14.2.7 Operational and development risks**

The ultimate and continued success of the Project is dependent on a number of factors, including the construction of efficient development and production infrastructure within capital expenditure budgets and on schedule.

The Company's operations may be delayed or prevented as a result of various factors, including weather conditions, mechanical difficulties or a shortage of technical expertise or equipment. There may be difficulties with obtaining government and/or third-party approvals including for land access; operational difficulties encountered with construction, extraction and production activities; unexpected shortages or increase in the price of consumables, plant and equipment; or cost overruns.

The Company's operations may be curtailed or disrupted by risks beyond its control, such as environmental hazards, industrial accidents and disputes, technical failures, unusual or unexpected geological conditions, adverse weather conditions, fires, explosions and other accidents. The occurrence of any of these circumstances could result in the Company not realising its operational or development plans or in such plans costing more than expected or taking longer to realise than expected. Any of these outcomes could have an adverse effect on the Company's financial and operational performance.

## 15 Ore Reserves - Other Material Information Summary

The following information is provided in addition to other sections of this report to meet the remaining requirements under ASX Listing Rule 5.9.1 to the extent not expressly outlined in the PFS report. This information is further provided in detail in the attached JORC Table 1 in Appendix 1.

### 15.1 Material Assumptions

Material assumptions and the outcomes of this PFS are outlined in sections 8 (Capital Cost), 9 (Operating Cost) and 10 (Economic Evaluation) of this report.

### 15.2 Classification Criteria – Ore Reserve

The main basis of classification of Ore Reserves is the underlying Mineral Resource classification. All Probable Ore Reserves derive from Indicated Mineral Resources in accordance with JORC Code (2012) guidelines, after the application of relevant Modifying Factors. The results of the Ore Reserve Estimate (**ORE**) reflect the Competent Person's view of the deposit. No Probable Ore Reserves are derived from Measured Mineral Resources. No Inferred Mineral Resources are included in the Ore Reserves.

### 15.3 Classification Criteria – MRE

The ORE is estimated from the MRE as announced on 27 February 2023. The classification of the MRE as reported at the time<sup>26</sup> is repeated below.

The MRE was classified using the ordinary kriging (**OK**) estimation search passes and additional criteria. Indicated Mineral Resources were defined using search radii of 750x750x6m, while Inferred Resources used radii of 1500x1500x12m. All Mineral Resources are confined to within 200m of surface, with at least 2 holes and 12 samples required to inform these blocks. The Inferred MRE was limited to blocks within 1,000m of holes and 62% of this material is extrapolated beyond drill holes.

Appropriate account has been taken of all relevant factors, including relative confidence in tonnage/grade estimates, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data. The reported MRE appropriately reflects the Competent Person's view of the deposit.

### 15.4 Mining Method & Assumptions

The McDermitt deposit will be mined by open pit mining methods utilising conventional truck and shovel mining equipment. The final pit design is the basis of the Ore Reserve Estimate.

The selected mining method, design and extraction sequence are tailored to suit orebody characteristics, minimise dilution and ore loss, defer waste movement and capital expenditure, utilise proposed process plant capacity and expedite free cash generation in a safe manner.

Desktop geotechnical modelling was completed by a US based geotechnical consultant experienced with similar deposits. The recommended geotechnical pit design parameters assume dry slopes based on adequate dewatering and/or depressurisation ahead of mining. It is notable that due to the large lateral extent of the orebody relative to pit depth, and hence the planned open pits, the reported Ore Reserves are not sensitive to pit slope design angles.

Hydrogeological investigations have been prepared by independent consultants.

Only open pit mining has been considered in the PFS.

No additional mining dilution and recovery modifying factors have been applied, with the underlying assumption that the resource estimation process adequately accounts for this.

Minimal mining widths have little to no material impact on the achievement of the Ore Reserves due to the large lateral extent of the orebody, as demonstrated by the detailed pit designs used for the PFS study.

The mining schedule is based on realistic mining productivity and equipment utilisation estimates which also considered the vertical rate of mining development. No Inferred Mineral Resources were used in the estimation of the Ore Reserves. Additional mining information is included in section 3.

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<sup>26</sup> Refer to JLL ASX announcement dated 27 February 2023

The operational mine plan includes waste rock dumps, a ROM pad, surface water channels, dewatering bores, light and heavy vehicle workshop facilities, and supply facilities and technical services and administration facilities.

## 15.5 Processing Method and Assumptions

A processing flowsheet, mass and energy balance, equipment identification, mechanical, electrical and civil layouts were all developed to PFS standard by Fluor.

Attrition of the ore is followed by a sulphuric acid leach. The leachate is then crystallised and purified to produce lithium carbonate that meets battery grade specification. The unit processes are standard. The overall flowsheet is similar to that of an adjacent project treating similar ore which underwent pilot plant testing and is now under construction.

Metallurgical test work was undertaken at Hazen Laboratories in Colorado, US, on approximately 600 kg of samples from 6 core holes representative of the higher lithium grade units within an initial starter pit. The test work encompassed the entire flowsheet from attrition (beneficiation) to production of battery grade lithium carbonate.

The ore contains various gangue elements. The metallurgical test work program has demonstrated the ability to remove those elements sufficiently to achieve battery grade lithium carbonate product.

Estimated overall lithium recovery ranges 81% to 89% assuming a 125 µm attrition cut and varying with the lithological unit under consideration. See sections 4 and 5 for further details.

## 15.6 Basis of Cut-off Grade

The cut-off grades applied in support of the reported Ore Reserves take into account all relevant parameters such as product price net of royalties and downstream selling costs, metallurgical recoveries and ore related costs. A lithium price of US\$24,000/t of Lithium Carbonate was assumed (consistent with section 10.2.2). Metallurgical recoveries and operating cost assumptions are consistent with those outlined in this report.

Only Unit 4 and Unit 6 are included within the Ore Reserve Estimate. Due to the variance of processing parameters associated with the geological units, separate cut-off grades were estimated for Unit 4 (833 ppm Li) and Unit 6 (857 ppm Li) at attrition cut-off of 250 µm. However, a strategic decision was made to proceed with an elevated minimum cut-off grade of 1,000 ppm Li, due to the large inventory and long mine life.

## 15.7 Estimation Methodology

The ORE is estimated from the MRE as announced on 27 February 2023. The estimation methodology of the MRE as reported at that time is repeated below.

Lithium grade was estimated with nominal 2.0m sample composites using the ordinary kriging (**OK**) estimation technique in Datamine software. The main mineralised domain was limited to potentially mineralised paleo-lake sediments, with overlying colluvium and underlying basalt estimated separately. The grade distribution for lithium is not strongly skewed so OK was considered to be an appropriate estimation method; there are no extreme values requiring grade cutting.

The model block size was 200x200x5m, which is approximately one half of the average sample spacing in the better drilled area, which is around 400m. The initial horizontal search radii were around 4 times the block size. Minimum sub-blocks were 40x40x1m. No specific assumptions were made regarding selective mining units (**SMUs**), so the model block size is effectively the SMU.

The MRE was classified using the OK estimation search passes and additional criteria. Indicated Mineral Resources were defined using search radii of 750x750x6m, while Inferred Resources used radii of 1500x1500x12m. All Mineral Resources are confined to within 200m of surface, with at least 2 holes and 12 samples required to inform these blocks. The Inferred MRE was limited to blocks within 1,000m of holes and 62% of this material is extrapolated beyond drill holes.

Dry bulk density (**DBD**) for the MRE was estimated using a regression between density and depth below surface, based on measurements taken on 119 sections of HQ core from 22 holes drilled in the 2018, 2019, 2021 and 2022 programs. The calliper method was used for the earlier samples, while the more recent samples were tested by the immersion method with paraffin wax coating. Results indicate a variation with depth below surface, and the DBD estimates used for each block were determined using the regression  $DBD = 1.4696 + (DEPTH \times 0.0016)$ , capped at a maximum of 2.00 t/m<sup>3</sup>. The average DBD across the volume estimated is 1.50 t/m<sup>3</sup>.

The block model and estimates were validated in a number of ways – visual and statistical comparisons of block and drill hole grades, examination of grade-tonnage data and comparison with previous MRE model.

A cut-off grade of 1,000 ppm Li was adopted, based on a comprehensive economic model that incorporates a range of conceptual costs for items including mining, processing, administration and capital.

## **15.8 Material Modifying Factors**

The project site is located on US Federal land managed by the BLM, with the Project covered by 13,606 acres of Unpatented Mining Claims.

As highlighted in section 11, the Project requires a comprehensive set of regulatory approvals at Federal, State and County levels. A reputable consultancy with extensive experience in permitting mining projects across Oregon and Nevada has been engaged to guide the process. Importantly, no regulatory or permitting issues have been identified that are expected to hinder the eventual approval of the Project. The bipartisan recognition of the strategic importance of domestically produced lithium, as a critical mineral, provides further confidence in the Project's ultimate approval.

The Project will require water, power, transport and non-process infrastructure. Project requirements and assumptions are outlined in section 6.

## 16 Competent Persons Statement

The estimated Ore Reserves underpinning the production target set out in this announcement have been prepared by a Competent Person as defined in the 2012 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves” (the **JORC Code**).

The information in this announcement that relates to the Maiden Ore Reserves for the McDermitt Lithium Project is based on and fairly represents information and supporting documentation compiled by Mr Quinton de Klerk. Mr de Klerk is an Associate of Cube Consulting Pty Ltd and is a Fellow of the Australian Institute of Mining and Metallurgy. Mr de Klerk has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity currently 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”. Mr. de Klerk consents to the inclusion in this report of the matters based on the information in the form and context in which it appears.

The information in this announcement that relates to the Mineral Resource Estimate for the McDermitt Lithium Project has been extracted from Jindalee’s ASX announcement on the 27/02/2023 titled “Resource at McDermitt increases to 21.5 Mt LCE”. The information in this announcement that relates to the Exploration Target for the McDermitt Lithium Project has been extracted from Jindalee’s ASX announcement on the 21/11/2023 titled “Exploration Target Highlights Further Upside at McDermitt”.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements referenced above and, in the case of estimates of the Mineral Resource Estimate for the McDermitt Lithium Project, that all material assumptions and technical parameters underpinning the Mineral Resource Estimate in that announcement continue to apply and have not materially changed. To the extent disclosed above, the Company confirms that the form and context in which the Competent Person’s findings are presented have not been materially modified from the original market announcements.



## 17 Glossary

45X	Section 45X of the Inflation Reduction Act 2022
\$	United States dollars (unless otherwise stated)
µm	Micrometre or micron
AACE	American Association for the Advancement of Cost Engineering
B	billion
BLM	Bureau of Land Management
BPA	Bonneville Power Administration
C1 cost	The direct cash cost of producing lithium carbonate, including mining, processing, and administration after adjusting for inventory movements, but excluding sustaining capital and indirect costs. It does not include 45X tax credits related to input costs outlined in section 10.2.1.
CPA	consolidated permit application
CRADA	Cooperative Research and Development Agreement
DBD	dry bulk density
DOD	Department of Defense
DOE	Department of Energy
DOGAMI	Oregon Department of Geology and Mineral Industries
EBITDA	earnings before interest, taxes, depreciation and amortisation
Economic Evaluation Period	Life of the project covering construction, commissioning/ramp-up (1 year) and the first full 40 years of production
ESG	environmental, social and governance
ETR	Exploration Target Range
EXIM	US Export-Import Bank
FEED	front-end engineering and design
G&A	general and administration
HTM	HiTech Minerals Inc.
IRA	Inflation Reduction Act 2022
Jindalee, JLL	Jindalee Lithium Limited
JORC, JORC Code	Australasian Code of Reporting of Exploration Results, Mineral Resources and Ore Reserves
kt	kilotonnes (1,000 metric tonnes)
ktpa	kilotonnes per annum
LCE	lithium carbonate equivalent – a standard measure that expresses the amount of lithium in terms of lithium carbonate (Li <sub>2</sub> CO <sub>3</sub> ). One tonne of lithium metal is equivalent to 5.323 tonnes of LCE
Li	lithium
LPO	Loan Program Office of the US Department of Energy
M	million
McDermitt	The McDermitt Lithium Project, unless otherwise stated
Mt	megatonnes (1,000,000 metric tonnes)

MRE	Mineral Resource Estimate
NEPA	National Environmental Policy Act
NV	Nevada
ODEQ	Oregon Department of Environmental Quality
ODWR	Oregon Department of Water Resources
OEM	original equipment manufacturer
OK	ordinary kriging
OR	Oregon
ORE	Ore Reserve Estimate
OSA	overall slope angle
p.a.	per annum
PFS	pre-feasibility study
ppm	parts per million
Project	The McDermitt Lithium Project
PTC	production tax credit
ROD	record of decision
ROM	run of mine
SMU	selective mining unit
t	metric tonne
tpa	metric tonnes per annum
T-rates	US Treasury rates
UM Claims	Unpatented Mining Claims
US	United States

# Appendix 1 – JORC Code, 2012 Edition – Table 1

## Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> <li>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.</li> <li>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</li> <li>Aspects of the determination of mineralisation that are Material to the Public Report.</li> <li>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.</li> </ul>	<p><b>Reverse Circulation (RC)</b></p> <ul style="list-style-type: none"> <li>RC drilling was used to collect samples at 5 foot (~1.52m) intervals.</li> <li>Approximately 2-4kg was collected from each interval using a riffle splitter (for dry samples) and a rotary splitter (for wet samples).</li> <li>All samples were placed into individually labelled, consecutively numbered sample bags.</li> <li>The RC samples obtained are considered representative of the material drilled.</li> </ul> <p><b>Diamond drilling</b></p> <ul style="list-style-type: none"> <li>Diamond core was collected in HQ triple tube (HQ3 63.5mm) diameter core.</li> <li>Core was cut and quarter core sampled on 2m intervals or lithological boundaries.</li> <li>Colluvium/overburden was not sampled.</li> <li>All samples were placed into individually labelled, consecutively numbered sample bags.</li> </ul>
Drilling techniques	<ul style="list-style-type: none"> <li>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).</li> </ul>	<p><b>Reverse Circulation</b></p> <ul style="list-style-type: none"> <li>RC drilling was completed using a conventional hammer, 2-slot interchange and 4.75 inch bit.</li> <li>Water injection was generally used after setting 10’ – 20’ of casing (~6.1m) with holes drilled wet thereafter.</li> <li>Holes were drilled vertically using 10 foot (3.05m) rods.</li> </ul> <p><b>Diamond</b></p> <ul style="list-style-type: none"> <li>Diamond drilling was used to collect HQ3 (63.5mm) diameter core.</li> <li>Core holes were drilled vertically, and core was not oriented.</li> </ul>
Drill sample recovery	<ul style="list-style-type: none"> <li>Method of recording and assessing core and chip sample recoveries and results assessed.</li> <li>Measures taken to maximise sample recovery and ensure representative nature of the samples.</li> </ul>	<p><b>Reverse Circulation</b></p> <ul style="list-style-type: none"> <li>Water inflows were encountered in most holes which may have caused loss of fine (clay) fraction from some intervals, thereby underestimating lithium grade (previous metallurgical testwork has indicated that ~80% of the lithium is in the -10-micron fraction).</li> </ul>

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>Two methods have been used to quantify the potential understatement of lithium grades in RC drilling. First the results from assaying of bulk samples taken for metallurgy have been compared to the drill hole sample. Secondly the Company has twinned several of the RC holes with diamond core drilling in subsequent drill programs.</li> </ul> <p><b>Diamond</b></p> <ul style="list-style-type: none"> <li>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 &gt;90% in the zones of interest.</li> <li>Core recovery was recorded by the site geologist, and 1m downhole depths marked prior to geological logging and sampling.</li> <li>No relationship between recovery and grade was observed.</li> </ul>
Logging	<ul style="list-style-type: none"> <li>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</li> <li>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</li> <li>The total length and percentage of the relevant intersections logged.</li> </ul>	<ul style="list-style-type: none"> <li>Qualitative lithological descriptions (colour, weathering, grain size, lithology, mineralogy, veining textures and other significant features) were recorded by the field geologist.</li> <li>Representative samples of bedrock were collected from each 5 foot interval of every RC hole and were retained in labelled sample chip trays, with chip trays photographed on completion of each hole.</li> <li>Photos (wet and dry) were taken of all core trays for later review.</li> </ul>
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> <li>If core, whether cut or sawn and whether quarter, half or all core taken.</li> <li>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</li> <li>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</li> <li>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</li> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>RC samples were split in the field (riffle split if dry; rotary split if wet) and collected in pre-numbered calico bags.</li> <li>Diamond core was cut and quarter or half core sampled.</li> <li>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.</li> <li>Duplicate samples were inserted approximately every 15 samples to check the representivity of samples and precision in assaying.</li> </ul>

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Criteria	JORC Code explanation	Commentary
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> <li>Whether sample sizes are appropriate to the grain size of the material being sampled.</li> <li>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</li> <li>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.</li> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>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.</li> <li>4 Acid digests are considered to approach a total digest, as some refractory minerals are not attacked.</li> <li>Certified lithium sediment standards were inserted approximately every 15 samples.</li> <li>Blank samples were inserted approximately every 15 samples to check for laboratory contamination.</li> <li>Duplicates were taken approximately 1 in every 15 samples.</li> <li>All standards, blanks and duplicate data are reviewed as assays are received. Any QAQC data that fails to meet acceptable confidence limits set by Jindalee are followed up with the laboratory as an action item.</li> <li>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.</li> </ul>
Verification of sampling and assaying	<ul style="list-style-type: none"> <li>The verification of significant intersections by either independent or alternative company personnel.</li> <li>The use of twinned holes.</li> <li>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</li> <li>Discuss any adjustment to assay data.</li> </ul>	<ul style="list-style-type: none"> <li>Assay results were verified by more than one Jindalee geologist.</li> <li>Data is received and stored electronically with a comparison between the .pdf certificates and the .csv data files indicating no errors in transmission.</li> </ul>
Location of data points	<ul style="list-style-type: none"> <li>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.</li> <li>Specification of the grid system used.</li> <li>Quality and adequacy of topographic control.</li> </ul>	<ul style="list-style-type: none"> <li>Drill hole locations were surveyed using a handheld Garmin GPS with an accuracy of +/- 3m horizontally, and +/- 5m vertically; hole positions were also checked against a Digital Elevation Model (DEM).</li> <li>Locations are reported in metres NAD83 Zone11.</li> <li>No downhole surveys were undertaken on RC drillholes prior to 2022. Downhole surveys were taken approximately every 30m in the 2022 program with no significant deviations recorded.</li> <li>Downhole surveys were undertaken on diamond drill holes at approximately 30m (100') intervals downhole including at the end of hole. The typical variation from vertical observed was &lt;1°, maximum variation</li> </ul>

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Criteria	JORC Code explanation	Commentary
		from vertical observed was 2.3°, with a survey accuracy of +/- 0.1°. No downhole survey data was received for MDD007.
<i>Data spacing and distribution</i>	<ul style="list-style-type: none"> <li>• <i>Data spacing for reporting of Exploration Results.</i></li> <li>• <i>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.</i></li> <li>• <i>Whether sample compositing has been applied.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Drill spacing is a minimum of 800m for Inferred Resource and 400m for Indicated Resource category.</li> <li>• The drilling was designed to infill and extend an Indicated and Inferred Mineral Resource reported by the Company on 6 July 2022 based on 41 diamond and RC drillholes.</li> <li>• Drill spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource estimation and classification applied.</li> </ul>
<i>Orientation of data in relation to geological structure</i>	<ul style="list-style-type: none"> <li>• <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i></li> <li>• <i>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.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Vertical drill holes were appropriate for assessing the flat lying units of interest. Downhole lengths reported are therefore the same as true widths.</li> </ul>
<i>Sample security</i>	<ul style="list-style-type: none"> <li>• <i>The measures taken to ensure sample security.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Samples were collected by qualified geological consultants engaged by Jindalee and stored on site in locked sample storage bins provided by ALS Laboratories, who then collected the bins and transported them to their facility in Reno, US.</li> </ul>
<i>Audits or reviews</i>	<ul style="list-style-type: none"> <li>• <i>The results of any audits or reviews of sampling techniques and data.</i></li> </ul>	<ul style="list-style-type: none"> <li>• QAQC data is reviewed regularly with each returned assay batch and reported on a per program basis.</li> </ul>

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## Section 2 Reporting of Exploration Results

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

Criteria	JORC Code explanation	Commentary
<i>Mineral tenement and land tenure status</i>	<ul style="list-style-type: none"> <li><i>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.</i></li> <li><i>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.</i></li> </ul>	<ul style="list-style-type: none"> <li>Samples reported are all from land managed by the US Bureau of Land Management, with the mineral rights held under Unpatented Mining Claims claims owned 100% by HiTech Minerals Inc., a wholly owned US based subsidiary of Jindalee Resources Limited.</li> <li>No joint ventures or royalty interests are applicable.</li> </ul>
<i>Exploration done by other parties</i>	<ul style="list-style-type: none"> <li><i>Acknowledgment and appraisal of exploration by other parties.</i></li> </ul>	<ul style="list-style-type: none"> <li>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 30km south of the Project area for lithium within geologically identical stratigraphy.</li> </ul>
<i>Geology</i>	<ul style="list-style-type: none"> <li><i>Deposit type, geological setting and style of mineralisation.</i></li> </ul>	<ul style="list-style-type: none"> <li>Lithium is hosted in flat-lying lacustrine sediments deposited within the Tertiary aged McDermitt Caldera.</li> </ul>
<i>Drill hole Information</i>	<ul style="list-style-type: none"> <li><i>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:</i> <ul style="list-style-type: none"> <li><i>easting and northing of the drill hole collar</i></li> <li><i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i></li> <li><i>dip and azimuth of the hole</i></li> <li><i>down hole length and interception depth</i></li> <li><i>hole length.</i></li> </ul> </li> <li><i>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.</i></li> </ul>	<ul style="list-style-type: none"> <li>Please refer to table and figures in ASX announcement on 27/02/2024 titled “Resource at McDermitt increases to 21.5 Mt LCE”.</li> </ul>
<i>Data aggregation methods</i>	<ul style="list-style-type: none"> <li><i>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.</i></li> </ul>	<ul style="list-style-type: none"> <li>Significant intercepts are presented as a simple average above a 1000ppm Li cut-off, with a maximum of 10 feet (3.05m) internal ‘waste’ (where ‘waste’ is defined as intervals with less than 1000ppm Li).</li> </ul>

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> <li>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</li> <li>The assumptions used for any reporting of metal equivalent values should be clearly stated.</li> </ul>	<ul style="list-style-type: none"> <li>Lithium carbonate equivalent (LCE) is calculated by taking the Li value and multiplying by 5.323 to determine the molar equivalent in standard industry fashion.</li> </ul>
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> <li>These relationships are particularly important in the reporting of Exploration Results.</li> <li>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</li> <li>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').</li> </ul>	<ul style="list-style-type: none"> <li>Vertical drill holes were appropriate for assessing the flat lying units of interest. Downhole lengths reported are therefore the same as true widths.</li> </ul>
Diagrams	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>Please refer to table and figures in ASX announcement on 27/02/2024 titled "Resource at McDermitt increases to 21.5 Mt LCE".</li> </ul>
Balanced reporting	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>For RC drilling all results above a cut-off of 1000ppm lithium containing a maximum of 10 feet (3.05m) internal 'waste' (where 'waste' is defined as intervals with less than 1000ppm Li) are regarded as significant and have been reported.</li> <li>For diamond 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.</li> </ul>
Other substantive exploration data	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>Metallurgical test work has indicated high lithium recoveries from leaching with sulphuric acid at moderate temperature and atmospheric pressure and that the mineralised material can be beneficiated using attrition scrubbing. Test work undertaken in 2022 also indicated positive results from alkali salt (sulphation) roasting.</li> <li>Also see main body of this announcement.</li> </ul>

Criteria	JORC Code explanation	Commentary
<i>Further work</i>	<ul style="list-style-type: none"><li><i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i></li><li><i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i></li></ul>	<ul style="list-style-type: none"><li>Additional work underway includes:<ul style="list-style-type: none"><li>Continue drilling to infill and extend the MRE</li><li>Ongoing metallurgical test work aimed at downstream processing</li><li>Permitting Exploration Plan of Operation (commenced 2023)</li></ul></li></ul>

### Section 3 Estimation and Reporting of Mineral Resources

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

Criteria	JORC Code explanation	Commentary
Database integrity	<ul style="list-style-type: none"> <li>Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.</li> <li>Data validation procedures used.</li> </ul>	<ul style="list-style-type: none"> <li>Assay results were verified by more than one Jindalee geologist.</li> <li>Data is received and stored electronically with a comparison between the original .csv data files and the compiled database indicating no errors in transmission or transcription.</li> <li>H &amp; S Consultants Pty Limited (H&amp;SC) only performed basic checks on the MS Access database provided by Jindalee to ensure internal data integrity.</li> </ul>
Site visits	<ul style="list-style-type: none"> <li>Comment on any site visits undertaken by the Competent Person and the outcome of those visits.</li> <li>If no site visits have been undertaken indicate why this is the case.</li> </ul>	<ul style="list-style-type: none"> <li>Site visits have been undertaken by Jindalee Competent Persons.</li> <li>No site visit was undertaken by the Competent Person responsible for the estimation of the MRE (Mineral Resource Estimate) because the project is at an early stage of investigation.</li> </ul>
Geological interpretation	<ul style="list-style-type: none"> <li>Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.</li> <li>Nature of the data used and of any assumptions made.</li> <li>The effect, if any, of alternative interpretations on Mineral Resource estimation.</li> <li>The use of geology in guiding and controlling Mineral Resource estimation.</li> <li>The factors affecting continuity both of grade and geology.</li> </ul>	<ul style="list-style-type: none"> <li>Lithium mineralisation occurs predominantly within specific stratigraphic units that can be correlated over project area using field mapping, aerial photography and drilling. The new drilling confirms the previous interpretation, adding to confidence in the continuity of both geology and grade.</li> <li>The MRE is based on 62 drill holes and a specific correlation of units between drill holes has been assumed.</li> <li>Alternative interpretations could correlate the horizons differently from hole to hole, but this is unlikely to have a substantial impact on the estimates.</li> <li>The MRE is guided and controlled by stratigraphy, which is the major control on the continuity of both grade and geology.</li> <li>Stratigraphy is the major factor affecting the continuity both of grade and geology, although lithium grades appear to be less continuous than the individual stratigraphic units.</li> </ul>
Dimensions	<ul style="list-style-type: none"> <li>The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.</li> </ul>	<ul style="list-style-type: none"> <li>At a 1,000 ppm Li cut-off grade, the MRE has the following approximate extent: <ul style="list-style-type: none"> <li>6.4 km in the north-south direction,</li> <li>6.5 km in the east-west direction,</li> </ul> </li> </ul>

Criteria	JORC Code explanation	Commentary
<p><i>Estimation and modelling techniques</i></p>	<ul style="list-style-type: none"> <li><i>The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.</i></li> <li><i>The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.</i></li> <li><i>The assumptions made regarding recovery of by-products.</i></li> <li><i>Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation).</i></li> <li><i>In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.</i></li> <li><i>Any assumptions behind modelling of selective mining units.</i></li> <li><i>Any assumptions about correlation between variables.</i></li> <li><i>Description of how the geological interpretation was used to control the resource estimates.</i></li> <li><i>Discussion of basis for using or not using grade cutting or capping.</i></li> <li><i>The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.</i></li> </ul>	<ul style="list-style-type: none"> <li>○ 0-200m below surface, locally with a thin layer of barren colluvium.</li> <li>Lithium grade was estimated with nominal 2.0m sample composites using the ordinary kriging estimation technique in Datamine software. The main mineralised domain was limited to potentially mineralised paleo-lake sediments, with overlying colluvium and underlying basalt estimated separately. The grade distribution for lithium is not strongly skewed so OK was considered to be an appropriate estimation method; there are no extreme values requiring grade cutting. Initial search radii for the MRE were 750x750x6m, then expanded to 1500x1500x12m. All Mineral Resources are confined to within 200m of surface, with at least 2 holes and 12 samples required to inform these blocks. Stratigraphic control was achieved by using a dynamic search that followed the orientation of a geochemical marker horizon. The MRE was limited to blocks within 1,000m of holes, which is the maximum distance of extrapolation.</li> <li>The new drilling effectively confirms the previous MRE, so the new MRE does take appropriate account of this data.</li> <li>No assumptions were made regarding recovery of by-products.</li> <li>No deleterious elements or other non-grade variables of economic significance were estimated.</li> <li>The model block size is 200x200x5m, which is approximately one half of the average sample spacing in the better drilled area, which is around 400m. The initial horizontal search radii are around 4 times the block size. Minimum sub-blocks are 40x40x1m.</li> <li>No specific assumptions were made regarding selective mining units (SMUs), so the model block size is effectively the SMU.</li> <li>There are no assumptions about correlation between variables because only lithium has been estimated.</li> <li>The geological interpretation was used to control the resource estimates through stratigraphic constraints imposed via the narrow vertical radius and dynamic search strategy.</li> <li>The grade distribution for lithium is not strongly skewed so no grade cutting or capping was required.</li> </ul>

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Criteria	JORC Code explanation	Commentary
		<ul style="list-style-type: none"> <li>The estimates were validated in a number of ways – visual and statistical comparisons of block and drill hole grades, examination of grade-tonnage data and comparison with previous MRE model. The comparisons of model and drill hole data show that the estimates appear reasonable. No reconciliation data is available because the deposit remains unmined.</li> </ul>
Moisture	<ul style="list-style-type: none"> <li>Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.</li> </ul>	<ul style="list-style-type: none"> <li>Tonnages were estimated on a dry weight basis; moisture was determined by comparison of dry and wet sample weights.</li> </ul>
Cut-off parameters	<ul style="list-style-type: none"> <li>The basis of the adopted cut-off grade(s) or quality parameters applied.</li> </ul>	<ul style="list-style-type: none"> <li>The adopted cut-off grade of 1,000 ppm Li is based on a comprehensive economic model that incorporates a range of conceptual costs for items including mining, processing, administration and capital.</li> </ul>
Mining factors or assumptions	<ul style="list-style-type: none"> <li>Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.</li> </ul>	<ul style="list-style-type: none"> <li>The mining method is currently assumed to be open pit extraction. The estimates include an allowance for internal mining dilution within the blocks and sub-blocks, which currently define minimum mining dimensions.</li> <li>The resource estimates do not include potential external mining dilution arising from factors such as blast movement, mixing of materials during blasting and digging, or misallocation of ore and waste.</li> <li>Assumptions regarding mining are conceptual at this stage of the project.</li> </ul>
Metallurgical factors or assumptions	<ul style="list-style-type: none"> <li>The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.</li> </ul>	<ul style="list-style-type: none"> <li>Lithium at McDermitt is hosted within or adsorbed onto clay minerals.</li> <li>Recent metallurgical testwork showed that beneficiation by attrition scrubbing can increase lithium grades by up to 60% and leaching results confirmed high lithium extraction rates (~95%) from beneficiated samples with reduced acid consumption.</li> <li>Testwork undertaken in 2022 indicated that alkali salt (sulphation) roasting may also present a viable alternative processing route.</li> <li>Additional work to further optimise metallurgical processes is underway.</li> <li>Assumptions regarding metallurgical amenability are conceptual at this stage of the project.</li> </ul>
Environmental factors or assumptions	<ul style="list-style-type: none"> <li>Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction</li> </ul>	<ul style="list-style-type: none"> <li>At this stage of the project, limited environmental baseline studies have been conducted and no environmental assumptions have been made</li> </ul>



Criteria	JORC Code explanation	Commentary
	<p><i>to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.</i></p>	<p>beyond that a conventional open-pit mine and processing facilities should be possible.</p> <ul style="list-style-type: none"> <li>It is assumed that all necessary environmental approvals will be in place when mining commences. All waste and process residues will be disposed of in a responsible manner and in accordance with the mining license conditions.</li> </ul>
Bulk density	<ul style="list-style-type: none"> <li><i>Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.</i></li> <li><i>The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit.</i></li> <li><i>Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.</i></li> </ul>	<ul style="list-style-type: none"> <li>Dry bulk density (DBD) for the MRE was estimated using a regression between density and depth below surface, based on measurements taken on 119 sections of HQ core from 22 holes drilled in the 2018, 2019, 2021 and 2022 programs. The calliper method was used for the earlier samples, while the more recent samples were tested by the immersion method with paraffin wax coating. Results indicate a variation with depth below surface, and the DBD estimates used for each block were determined using the regression <math>DBD = 1.4696 + (DEPTH \times 0.0016)</math>, capped at a maximum of 2.00 t/m<sup>3</sup>. The average DBD across the volume estimated is 1.50 t/m<sup>3</sup>.</li> <li>The bulk density was measured by a method that adequately accounts for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit.</li> <li>The bulk density formula was applied to the mineralised sediments and the overlying colluvium.</li> </ul>
Classification	<ul style="list-style-type: none"> <li><i>The basis for the classification of the Mineral Resources into varying confidence categories.</i></li> <li><i>Whether appropriate account has been taken of all relevant factors (ie relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).</i></li> <li><i>Whether the result appropriately reflects the Competent Person's view of the deposit.</i></li> </ul>	<ul style="list-style-type: none"> <li>The MRE was classified using the estimation search passes and additional criteria. Indicated Mineral Resources were defined using search radii of 750x750x6m, while Inferred Resources used radii of 1500x1500x12m. All Mineral Resources are confined to within 200m of surface, with at least 2 holes and 12 samples required to inform these blocks. The Inferred MRE was limited to blocks within 1,000m of holes and 62% of this material is extrapolated beyond drill holes</li> <li>Appropriate account has been taken of all relevant factors, including relative confidence in tonnage/grade estimates, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data.</li> </ul>

Criteria	JORC Code explanation	Commentary
		<ul style="list-style-type: none"> <li>The reported MRE appropriately reflects the Competent Person's view of the deposit.</li> </ul>
<i>Audits or reviews</i>	<ul style="list-style-type: none"> <li><i>The results of any audits or reviews of Mineral Resource estimates.</i></li> </ul>	<ul style="list-style-type: none"> <li>No independent audits or reviews have been undertaken to date; the MRE has been subject to internal peer review within H&amp;SC.</li> </ul>
<i>Discussion of relative accuracy/ confidence</i>	<ul style="list-style-type: none"> <li><i>Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.</i></li> <li><i>The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.</i></li> <li><i>These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.</i></li> </ul>	<ul style="list-style-type: none"> <li>The relative accuracy and confidence level in the Mineral Resource estimates are considered to be in line with the generally accepted accuracy and confidence of the nominated JORC Mineral Resource category. This has been determined on a qualitative, rather than quantitative, basis, and is based on the Competent Person's experience with similar deposits. Factors that could affect the relative accuracy and confidence of the estimate include: <ul style="list-style-type: none"> <li>The correlation of mineralised horizons,</li> <li>The continuity of higher grade samples.</li> </ul> </li> <li>The estimates are local, in the sense that they are localised to model blocks of a size considered appropriate for local grade estimation. The Inferred Mineral Resources could be relevant to technical and economic analysis at the level of a Scoping Study, while the Indicated Mineral Resources could be relevant to technical and economic analysis at the level of a Pre-Feasibility or Feasibility Study.</li> <li>No production data is available as the deposit remains unmined.</li> </ul>

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## Section 4 Estimation and Reporting of Ore Reserves

(Criteria listed in section 1, and where relevant in sections 2 and 3, also apply to this section.)

Criteria	JORC Code explanation	Commentary
<i>Mineral Resource estimate for conversion to Ore Reserves</i>	<ul style="list-style-type: none"> <li><i>Description of the Mineral Resource estimate used as a basis for the conversion to an Ore Reserve.</i></li> <li><i>Clear statement as to whether the Mineral Resources are reported additional to, or inclusive of, the Ore Reserves.</i></li> </ul>	<ul style="list-style-type: none"> <li>The Mineral Resource Estimate for the McDermitt deposit which formed the basis of this Ore Reserve Estimate was compiled by Mr Arnold van der Heyden from H&amp;S Consultants Pty Limited (Competent Person) utilising relevant data.</li> <li>The estimate is based on exploration drilling and assay data from 33 Reverse Circulation (RC) holes and 29 diamond holes. The data set, geological interpretation and model was validated by the Competent Person and by Jindalee's internal and Quality Assurance and Quality Control (QAQC) processes.</li> <li>Ordinary Kriging was utilised to estimate the resource. The individual block size for estimation was 200m x 200 m x 5 m (E-W, S-N and elevation respectively).</li> <li>The Mineral Resources are reported inclusive of the Ore Reserve.</li> </ul>
<i>Site visits</i>	<ul style="list-style-type: none"> <li><i>Comment on any site visits undertaken by the Competent Person and the outcome of those visits.</i></li> <li><i>If no site visits have been undertaken indicate why this is the case.</i></li> </ul>	<ul style="list-style-type: none"> <li>The Competent Person has not conducted a site visit. A site visit was not considered necessary as there is no existing mining or open pits to view.</li> <li>The Competent Person has relied on the reports of other experts in relation to the site-specific factors.</li> </ul>
<i>Study status</i>	<ul style="list-style-type: none"> <li><i>The type and level of study undertaken to enable Mineral Resources to be converted to Ore Reserves.</i></li> <li><i>The Code requires that a study to at least Pre-Feasibility Study level has been undertaken to convert Mineral Resources to Ore Reserves. Such studies will have been carried out and will have determined a mine plan that is technically achievable and economically viable, and that material Modifying Factors have been considered.</i></li> </ul>	<ul style="list-style-type: none"> <li>These Ore Reserves are supported by a pre-feasibility study (PFS), and the reported Ore Reserves are a direct result from that study which underpins the practical, technical and economical support and level of confidence for the reporting of these Ore Reserves.</li> <li>Financial modelling completed as part of the PFS shows that the Project is economically viable under current assumptions.</li> </ul>
<i>Cut-off parameters</i>	<ul style="list-style-type: none"> <li><i>The basis of the cut-off grade(s) or quality parameters applied.</i></li> </ul>	<ul style="list-style-type: none"> <li>The cut-off grades applied in support of the reported Ore Reserves take into account all relevant parameters such as product price net of royalties and downstream selling costs, metallurgical recoveries and ore related costs.</li> <li>Only Unit 4 and Unit 6 are included within the Ore Reserve Estimate. Due to the variance of processing parameters associated with the geological</li> </ul>

Criteria	JORC Code explanation	Commentary
<p><i>Mining factors or assumptions</i></p>	<ul style="list-style-type: none"> <li><i>The method and assumptions used as reported in the Pre- Feasibility or Feasibility Study to convert the Mineral Resource to an Ore Reserve (i.e. either by application of appropriate factors by optimisation or by preliminary or detailed design).</i></li> <li><i>The choice, nature and appropriateness of the selected mining method(s) and other mining parameters including associated design issues such as pre-strip, access, etc.</i></li> <li><i>The assumptions made regarding geotechnical parameters (e.g. pit slopes, stope sizes, etc), grade control and pre-production drilling.</i></li> <li><i>The major assumptions made and Mineral Resource model used for pit and stope optimisation (if appropriate).</i></li> <li><i>The mining dilution factors used.</i></li> <li><i>The mining recovery factors used.</i></li> <li><i>Any minimum mining widths used.</i></li> <li><i>The manner in which Inferred Mineral Resources are utilised in mining studies and the sensitivity of the outcome to their inclusion.</i></li> <li><i>The infrastructure requirements of the selected mining methods.</i></li> </ul>	<p>units, separate cut-off grades were estimated for Unit 4 (833 ppm Li) and Unit 6 (857 ppm Li) at attrition cut-off of 250 µm. However, a strategic decision was made to proceed with an elevated minimum cut-off grade of 1,000 ppm Li, due to the large inventory and long mine life.</p> <ul style="list-style-type: none"> <li>The McDermitt deposit will be mined by open pit mining methods utilising conventional truck and shovel mining equipment. The final pit design is the basis of the Ore Reserve Estimate.</li> <li>The selected mining method, design and extraction sequence are tailored to suit orebody characteristics, minimise dilution and ore loss, defer waste movement and capital expenditure, utilise proposed process plant capacity and expedite free cash generation in a safe manner.</li> <li>Desktop geotechnical modelling was completed by a US based geotechnical consultant experienced with similar deposits. The recommended geotechnical pit design parameters assume dry slopes based on adequate dewatering and/or depressurisation ahead of mining. It is notable that due to the large lateral extent of the orebody relative to pit depth, and hence the planned open pits, the reported Ore Reserves are not sensitive to pit slope design angles.</li> <li>Hydrogeological investigations have been prepared by independent consultants.</li> <li>Only open pit mining has been considered in the PFS.</li> <li>No additional mining dilution and recovery modifying factors have been applied, with the underlying assumption that the resource estimation process adequately accounts for this.</li> <li>Minimal mining widths have little to no material impact on the achievement of the Ore Reserves due to the large lateral extent of the orebody.</li> <li>The mining schedule is based on realistic mining productivity and equipment utilisation estimates which also considered the vertical rate of mining development. No Inferred Mineral Resources were used in the estimation of the Ore Reserves.</li> <li>The operational mine plan includes waste rock dumps, a ROM pad, surface water channels, dewatering bores, light and heavy vehicle workshop</li> </ul>

Criteria	JORC Code explanation	Commentary
<i>Metallurgical factors or assumptions</i>	<ul style="list-style-type: none"> <li><i>The metallurgical process proposed and the appropriateness of that process to the style of mineralisation.</i></li> <li><i>Whether the metallurgical process is well-tested technology or novel in nature.</i></li> <li><i>The nature, amount and representativeness of metallurgical test work undertaken, the nature of the metallurgical domaining applied and the corresponding metallurgical recovery factors applied.</i></li> <li><i>Any assumptions or allowances made for deleterious elements.</i></li> <li><i>The existence of any bulk sample or pilot scale test work and the degree to which such samples are considered representative of the orebody as a whole.</i></li> <li><i>For minerals that are defined by a specification, has the ore reserve estimation been based on the appropriate mineralogy to meet the specifications?</i></li> </ul>	<p>facilities, and supply facilities and technical services and administration facilities.</p> <ul style="list-style-type: none"> <li>A processing flowsheet, mass and energy balance, equipment identification, mechanical, electrical and civil layouts were all developed to PFS standard by Fluor Corporation.</li> <li>Attrition of the ore is followed by a sulfuric acid leach. The leachate is then crystallised and purified to produce lithium carbonate that meets battery grade specification. The unit processes are standard. The overall flowsheet is similar to that of an adjacent project treating similar ore which underwent pilot plant testing and is now under construction.</li> <li>Metallurgical testwork was undertaken at Hazen Laboratories in Colorado, US, on approximately 600 kg of samples from 6 core holes representative of the higher lithium grade units within an initial starter pit. The testwork encompassed the range of the flowsheet from attrition (beneficiation) to production of battery grade lithium carbonate.</li> <li>The ore contains various gangue elements. The metallurgical testwork program has demonstrated the ability to remove those elements sufficiently to achieve battery grade lithium carbonate product.</li> <li>Estimated overall lithium recovery ranges 81% to 89% assuming a 125 µm attrition cut and varying with the lithological unit under consideration</li> </ul>
<i>Environmental</i>	<ul style="list-style-type: none"> <li><i>The status of studies of potential environmental impacts of the mining and processing operation. Details of waste rock characterisation and the consideration of potential sites, status of design options considered and, where applicable, the status of approvals for process residue storage and waste dumps should be reported.</i></li> </ul>	<ul style="list-style-type: none"> <li>The McDermitt Project sits on US Federal land managed by the Bureau of Land Management (BLM). To date, exploration has occurred under a 'notice' level of approval. Further exploration will be undertaken under a 'plan of operations' level of approval. Potential environmental impacts of the planned exploration program, and proposed mitigations, are covered in the Exploration Plan of Operations application which has been submitted to the relevant authorities and is under consideration.</li> <li>A consolidated regulatory approvals plan has been developed by a reputable consultancy, using a team with experience in obtaining such approvals in Oregon and Nevada.</li> <li>Sighter characterisation testwork on selected samples of potential mine waste and attrition rejects was undertaken by McClelland Laboratories in</li> </ul>

Criteria	JORC Code explanation	Commentary
Infrastructure	<ul style="list-style-type: none"> <li><i>The existence of appropriate infrastructure: availability of land for plant development, power, water, transportation (particularly for bulk commodities), labour, accommodation; or the ease with which the infrastructure can be provided, or accessed.</i></li> </ul>	<p>Nevada, USA. Characterisation of tailings will be undertaken post completion of the PFS.</p> <ul style="list-style-type: none"> <li>Suitable sites for the storage of waste and tailings within existing mining claims have been identified as part of the PFS.</li> <li>The McDermitt Project sits on US Federal land managed by the Bureau of Land Management (BLM).</li> <li>The Project is located approximately 25 km west of State Highway 95 near the town of McDermitt on the Oregon – Nevada border in the USA. An existing access road from the town of McDermitt to the project site will require upgrading. The nearest rail head is at Winnemucca, approximately 120 km to the south of the town of McDermitt.</li> <li>The mine will be located in Oregon, with a suitable site for processing facilities identified within existing mining claims in the state. Potential locations for the storage of waste and tailings within these claims have also been identified.</li> <li>The workforce is expected to be sourced locally, augmented by a ‘drive in – drive out’ labour force. Local accommodation will be sourced or built for the construction and operations workforce.</li> <li>Water is expected to be sourced by the purchase and transfer of existing water licenses.</li> <li>Power will be generated on-site and supplied from the 115 kV transmission line that runs parallel to State Highway 95, approximately 6 km west of the town of McDermitt.</li> <li>A similar project is under construction approximately 35 km to the south of the McDermitt Project site and learnings from that project will be applied in future study phases.</li> </ul>
Costs	<ul style="list-style-type: none"> <li><i>The derivation of, or assumptions made, regarding projected capital costs in the study.</i></li> <li><i>The methodology used to estimate operating costs. Allowances made for the content of deleterious elements.</i></li> <li><i>The derivation of assumptions made of metal or commodity price(s), for the principal minerals and co- products.</i></li> </ul>	<ul style="list-style-type: none"> <li>An AACE Class IV capital cost estimate was developed by Fluor Corporation. The estimate incorporated costs from specialist consultants for power and water supply, and tailings management.</li> <li>Operating costs were consolidated by JLL: <ul style="list-style-type: none"> <li>The mining, rehandle and waste management cost estimate was developed by a specialist mining cost consultant,</li> </ul> </li> </ul>

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Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> <li><i>The source of exchange rates used in the study. Derivation of transportation charges.</i></li> <li><i>The basis for forecasting or source of treatment and refining charges, penalties for failure to meet specification, etc.</i></li> <li><i>The allowances made for royalties payable, both Government and private.</i></li> </ul>	<ul style="list-style-type: none"> <li>○ The process plant operating cost estimate was developed by Fluor Corporation,</li> <li>○ The tailings management and water operating cost estimates were developed by specialist consultants,</li> <li>○ The ongoing administration cost estimate was developed by JLL through benchmarking,</li> <li>○ The product transport costs were estimated by JLL to existing and planned US 'giga factories'.</li> <li>• The cost estimate is presented in US dollars.</li> <li>• No royalties are payable.</li> </ul>
Revenue factors	<ul style="list-style-type: none"> <li><i>The derivation of, or assumptions made regarding revenue factors including head grade, metal or commodity price(s) exchange rates, transportation and treatment charges, penalties, net smelter returns, etc.</i></li> <li><i>The derivation of assumptions made of metal or commodity price(s), for the principal metals, minerals and co-products.</i></li> </ul>	<ul style="list-style-type: none"> <li>• The mined ore head grades are estimated utilising industry accepted geostatistical techniques with the application of relevant mining Modifying Factors.</li> <li>• Battery grade lithium carbonate is the only revenue source included in the financial modelling.</li> <li>• A lithium carbonate price of US\$24,000/dry tonne was assumed for both the Pit Shell analysis and the financial modelling. This price is approximately 82% of the Benchmark Mineral Intelligence long-term price for lithium carbonate of \$29,000/dry tonne issued in Q2 CY2024 and is generally consistent with the lithium carbonate price assumed in other current studies for lithium projects.</li> <li>• The pit shell used as the guide for the final pit design had a revenue factor of 0.515. It was not necessary to use a higher revenue factor as this shell provided sufficient ore for a mine life in excess of 50 years.</li> </ul>
Market assessment	<ul style="list-style-type: none"> <li><i>The demand, supply and stock situation for the particular commodity, consumption trends and factors likely to affect supply and demand into the future.</i></li> <li><i>A customer and competitor analysis along with the identification of likely market windows for the product.</i></li> <li><i>Price and volume forecasts and the basis for these forecasts.</i></li> <li><i>For industrial minerals the customer specification, testing and acceptance requirements prior to a supply contract.</i></li> </ul>	<ul style="list-style-type: none"> <li>• The global demand for lithium is largely driven by demand for batteries for electric vehicles whilst the demand for US-sourced lithium is also driven by the dynamics of US – China trade.</li> <li>• The Benchmark Mineral Intelligence Lithium Forecast report issued in Q2 CY2024 forecasts lithium demand approximately doubling between 2024 and 2030 to 2.8 Mt of lithium carbonate equivalent (LCE). Long-term demand for lithium is forecast to have a compound annual growth rate (CAGR) of 11% p.a. between 2024 and 2040.</li> </ul>

Criteria	JORC Code explanation	Commentary
		<ul style="list-style-type: none"> <li>Battery grade lithium carbonate is generally accepted to require greater than 99.5% purity lithium carbonate. Limits on specific impurities depend on user-specific specifications.</li> <li>Most lithium projects in the US are expected to be developed with some form of long-term off-take agreement between the lithium producer and end users (e.g. battery chemical supplier, battery manufacturer and/or electric car manufacturer).</li> </ul>
<i>Economic</i>	<ul style="list-style-type: none"> <li><i>The inputs to the economic analysis to produce the net present value (NPV) in the study, the source and confidence of these economic inputs including estimated inflation, discount rate, etc.</i></li> <li><i>NPV ranges and sensitivity to variations in the significant assumptions and inputs.</i></li> </ul>	<ul style="list-style-type: none"> <li>The capital and operating cost estimates for the process plant and associated infrastructure were developed by Fluor Corporation to AACE Class IV.</li> <li>Other cost estimates were developed to pre-feasibility study level by specialist consultants with appropriate experience</li> <li>A lithium carbonate price of US\$24,000/dry tonne was assumed for the study.</li> <li>Sensitivity analysis indicates that the main financial drivers are lithium price, lithium head grade and metallurgical recoveries followed by operating cost.</li> <li>The NPV remains favourable for the sensitivity tests within reasonable ranges.</li> </ul>
<i>Social</i>	<ul style="list-style-type: none"> <li><i>The status of agreements with key stakeholders and matters leading to social licence to operate.</i></li> </ul>	<ul style="list-style-type: none"> <li>The Project site is located on US Federal land managed by the BLM. Unpatented mining claims are held over the relevant land.</li> <li>Consultation has commenced with adjacent landowners, relevant Native American tribes, local community and other stakeholders as part of the Exploration Plan of Operation (EPO) consultation process.</li> </ul>
<i>Other</i>	<ul style="list-style-type: none"> <li><i>To the extent relevant, the impact of the following on the project and/or on the estimation and classification of the Ore Reserves:</i></li> <li><i>Any identified material naturally occurring risks.</i></li> <li><i>The status of material legal agreements and marketing arrangements.</i></li> <li><i>The status of governmental agreements and approvals critical to the viability of the project, such as mineral tenement status, and government and statutory approvals. There must be reasonable</i></li> </ul>	<ul style="list-style-type: none"> <li>The forecast timeline to commence construction is consistent with advice from a reputable consultancy experienced in managing regulatory approvals for mining projects in Oregon and Nevada. This work estimates that the approval process will take between five and eight years to complete.</li> <li>The relevant Native American tribes are being engaged to undertake cultural surveys over the Project site.</li> </ul>

Criteria	JORC Code explanation	Commentary
	<p><i>grounds to expect that all necessary Government approvals will be received within the timeframes anticipated in the Pre-Feasibility or Feasibility study. Highlight and discuss the materiality of any unresolved matter that is dependent on a third party on which extraction of the reserve is contingent.</i></p>	<ul style="list-style-type: none"> <li>• Letters of support for the Project have been received from state politicians, government agencies, potential financiers and industry partners.</li> </ul>
Classification	<ul style="list-style-type: none"> <li>• <i>The basis for the classification of the Ore Reserves into varying confidence categories.</i></li> <li>• <i>Whether the result appropriately reflects the Competent Person's view of the deposit.</i></li> <li>• <i>The proportion of Probable Ore Reserves that have been derived from Measured Mineral Resources (if any).</i></li> </ul>	<ul style="list-style-type: none"> <li>• The main basis of classification of Ore Reserves is the underlying Mineral Resource classification. All Probable Ore Reserves derive from Indicated Mineral Resources in accordance with JORC Code (2012) guidelines.</li> <li>• The results of the Ore Reserve Estimate reflect the Competent Person's view of the deposit. No Probable Ore Reserves are derived from Measured Mineral Resources.</li> <li>• No inferred Mineral Resource is included in the Ore Reserves.</li> </ul>
Audits or reviews	<ul style="list-style-type: none"> <li>• <i>The results of any audits or reviews of Ore Reserve estimates.</i></li> </ul>	<ul style="list-style-type: none"> <li>• No audits or reviews of the Ore Reserve estimate have been carried out.</li> </ul>
Discussion of relative accuracy/ confidence	<ul style="list-style-type: none"> <li>• <i>Where appropriate a statement of the relative accuracy and confidence level in the Ore Reserve estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the reserve within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors which could affect the relative accuracy and confidence of the estimate.</i></li> <li>• <i>The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.</i></li> <li>• <i>Accuracy and confidence discussions should extend to specific discussions of any applied Modifying Factors that may have a material impact on Ore Reserve viability, or for which there are remaining areas of uncertainty at the current study stage.</i></li> <li>• <i>It is recognised that this may not be possible or appropriate in all circumstances. These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.</i></li> </ul>	<ul style="list-style-type: none"> <li>• In the opinion of the Competent Person, cost assumptions and modifying factors applied in the process of estimating Ore Reserves are reasonable.</li> <li>• Market analyses and pricing assumptions, as supplied by Jindalee, are subject to market forces and present an area of uncertainty associated with this product. Revenue sensitivity is shown in section 10 of this report.</li> </ul>

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