JINDALEE ACQUIRES SECOND US LITHIUM PROJECT AT McDERMITT

- **Jindalee adds second lithium clay project to US portfolio.**
- **Surface sampling results up to 3020 ppm Li (6502 ppm Li_2O)[1]**
- **Outcropping clays up to 67m thick observed throughout the project area.**
- **Drill permitting underway.**

Following on from the recent acquisition of the Clayton North Project, Jindalee Resources Limited ('Jindalee' or 'Company') is pleased to announce that it has staked an additional 242 placer mineral claims covering approximately 4840 acres (19.6 km^2) of Bureau of Land Management managed land, approximately 16km west of the town of McDermitt on the Nevada-Oregon border (Figures 1 & 2).

These additional claims are also 100% owned by HiTech Minerals Inc., a wholly owned, US based subsidiary of Jindalee. The project was generated by Jindalee after an extensive search across Nevada, Arizona and Oregon by Australian and US personnel, and after ground truthing and sampling of twelve potential project areas. The projects were acquired for the cost of field work, staking and filing the relevant claims.

Figure 1 – Location of Jindalee's US Lithium clay projects.

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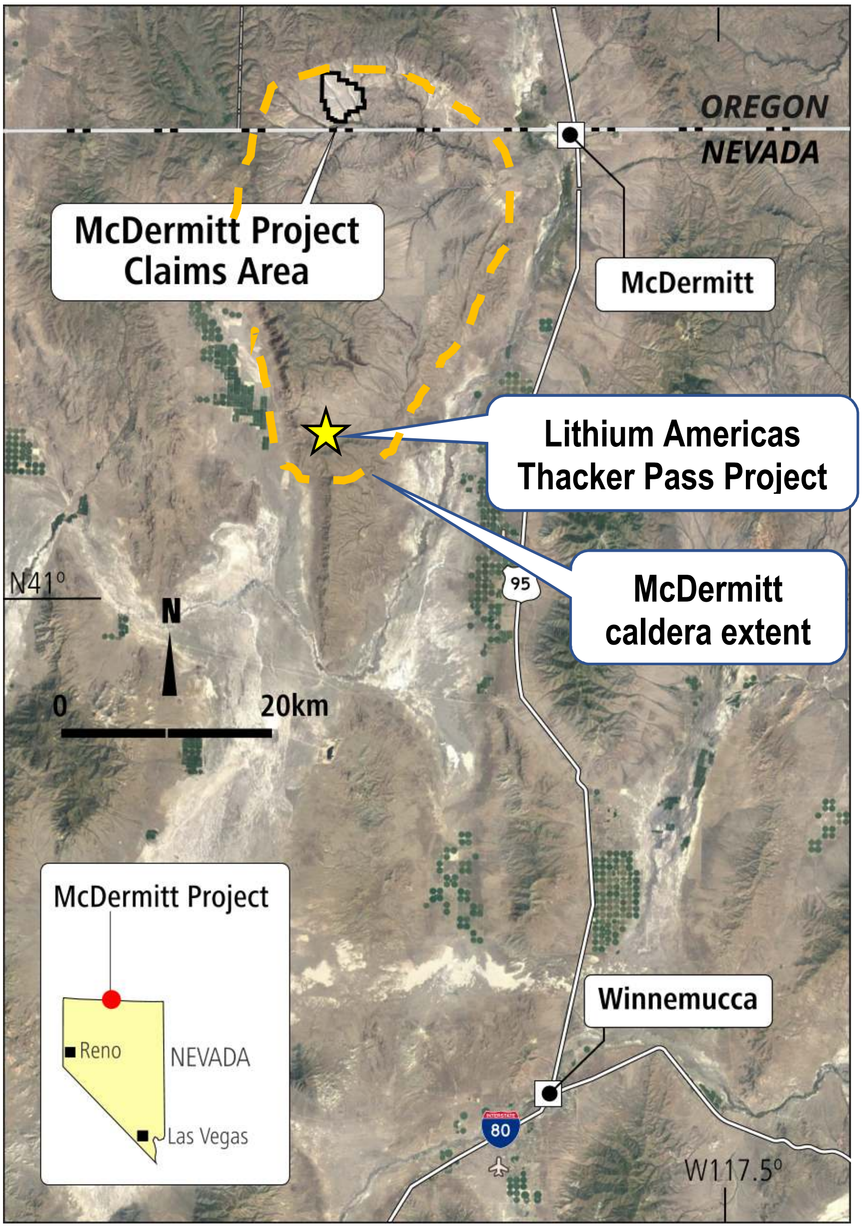

Figure 2 – Location of McDermitt Project showing the approximate outline of the McDermitt caldera and Lithium Americas project.

Extensive areas of flat-lying clays outcrop over most of the ~4km X ~5km project area with substantial thicknesses of up to 67m noted from surface (Figures 4 & 5, Table 1). Significantly, scree and recent cover obscures the base of the clay outcrops and the true width of the prospective horizon is likely to be greater than the observed thicknesses.

Assay results up to 3020 ppm Li (6502 ppm Li_2O)[1] were returned from composite channel samples, auger and shallow core drilling (Figure 3, Table 1). Importantly some of the highest grades were returned from composite samples over thicknesses of 50m and greater (e.g. Figure 4) suggesting that lithium is not confined to specific horizons, but consistently found within broad intervals of clays including:

- 50m @ 950ppm Li (2045 ppm Li_2O)[1] in MDS027
- 40m @ 1370ppm Li (2950 ppm Li_2O)[1] in MDS025
- 37m @ 710ppm Li (1529 ppm Li_2O)[1] in MDS026

Lithium bearing clays at McDermitt lie within the Tertiary aged McDermitt volcanic caldera in an analogous geological setting to the 'Thacker Pass' project 30km to the south and held by Lithium Americas (Figure 2, TSX:LAC, market cap. C$625M). Lithium Americas recently released an updated Measured, Indicated and Inferred resource of 532.7Mt @ 2921 ppm Li, and are currently progressing Pre-Feasibility Studies[2].

With strongly anomalous lithium grades recorded over the entire project area, Jindalee is rapidly progressing the necessary permitting and approvals to allow for drill testing as soon as possible. The proposed drilling program is designed to follow up the very encouraging values returned from initial surface sampling within the weathered, oxide material, and potentially locate high grade zones to be targeted in follow up resource drilling. Samples of surface oxide material have also been submitted for initial metallurgical testwork to test the amenability of the lithium bearing clays to simple leaching.

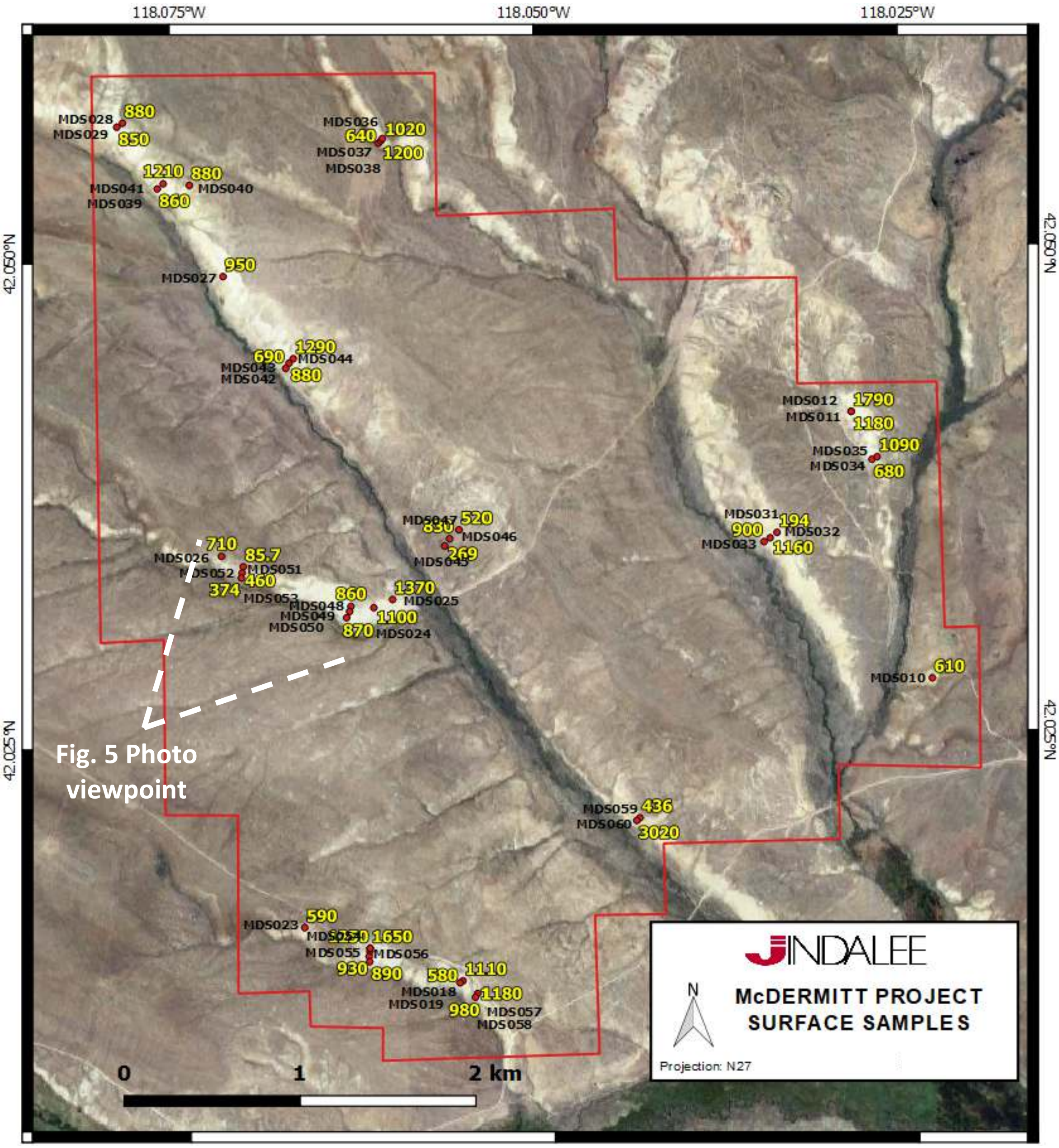

Figure 3 – McDermitt surface sample results showing lithium assays in yellow (ppm Li), and sample ID's (MDS prefix) in black. Viewpoint for Figure 5 is shown in the southwest of the area.

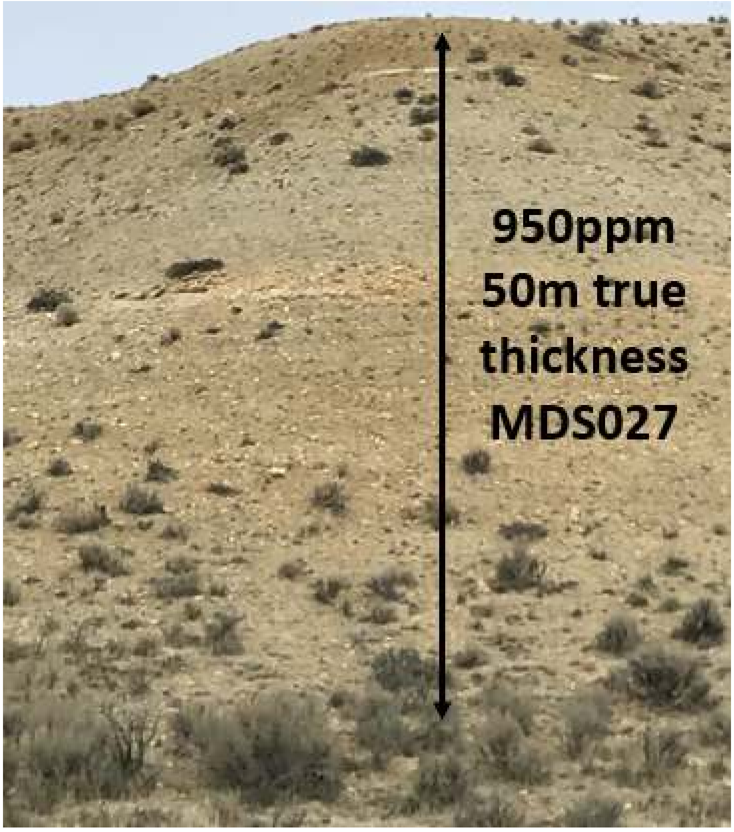

Figure 4 – 50m thick outcropping lithium bearing clays with assay result from sample MDS027.

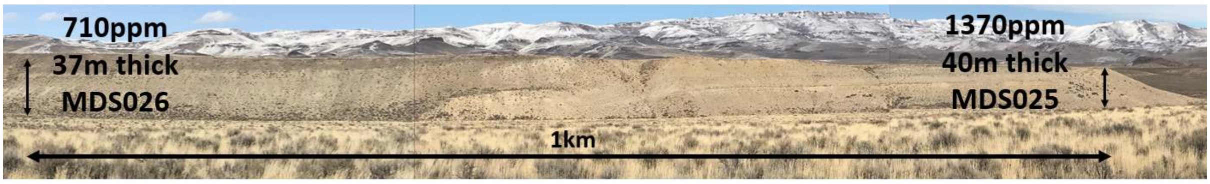

Figure 5 – Composite panorama looking northeast at extensive lithium bearing clays at McDermitt, showing lithium results from surface sampling across a >1km wide mesa.

Background

Lithium has the highest electrochemical potential of any metal, an extremely high co-efficient of thermal expansion, fluxing and catalytic characteristics, and low density. Lithium is highly sought after for a range of industrial uses, in particular energy storage where it is a vital component of most popular battery electrolytes and electrodes. A high charge and power to weight ratio makes lithium ideal for applications where weight is a significant consideration (e.g. electric vehicles, mobile phones, hand tools, drones and robots).

Lithium is listed on the critical materials lists for the US Department of Defence and South Korea, is ranked number 15 on the British Geological Survey '2015 Risk List', and is one of 23 commodities in the 2017 'Critical Mineral Resources of the US' report by the United States Geological Survey.

Lithium is found in pegmatites, brines and clays. Lithium bearing clays have several characteristics that meet Jindalee's investment criteria including:

- Mineralisation is from surface, flat lying to shallowly dipping with low to non-existent stripping ratios.
- Soft, with low cost mining and easy to drill, allowing for rapid exploration progress.
- The economics of advanced clay projects indicate costs for the production of lithium compounds are highly competitive.
- Adequate scale potential to support a long mine life.

Increasing domestic demand and energy security goals make the USA an ideal location for development of lithium projects:

- Growing local demand is currently satisfied by imported material (e.g. Tesla's Gigafactory is located ~250km from Jindalee's Clayton North Project) with the Silver Peak mine owned by Albermarle Corporation (NYSE: ALB) the only operating production facility in the US.
- The US is politically stable, with excellent infrastructure and a skilled labour force. Nevada is ranked 3rd best jurisdiction in the world for mining (2017 Fraser Institute Investment Attractiveness Survey).
- Lithium is one of 23 commodities in the 2017 'Critical Mineral Resources of the US' report by the United States Geological Survey.
- Executive Order 'Federal Strategy to Ensure Secure and Reliable Supplies of Critical Minerals' signed by President Trump on 20 December 2017 makes the development of lithium projects in the U.S.A. a focus and priority for Federal agencies.
- 100% owned tenure, with no royalty overhang

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About Jindalee

Jindalee Resources Limited (ASX: JRL) is an exploration company with direct and indirect exposure to gold, base and strategic metals, iron ore, uranium and magnesite through projects generated by the Company's technical team. Jindalee has a track record of rewarding shareholders, including priority entitlements to several successful IPO's and payment of a special dividend.

Jindalee's strategy is to acquire prospective ground, add value through low cost exploration and, where appropriate, either introduce partners to assist in funding further progress, or fund this activity via a dedicated company in which Jindalee retains a significant interest. At 31 March 2018 Jindalee held cash and marketable securities worth $5.0M which, combined with the Company's tight capital structure (only 34.9M shares on issue), provide a strong base for leverage into new opportunities.

Further information on the Company can be found at www.jindalee.net

References

1. Lithium clay assays are typically reported in ppm Li in a similar manner to lithium brines, whereas pegmatite assays are usually reported as % lithium oxide or Li_2O - to convert from Li to Li_2O multiply by 2.153. A comparison is provided in the below table which shows typical grades for pegmatites, brines and clays reported in the different formats.

	Li_2O %	Li ppm	Li mg/l
Pegmatite	1-1.5	4645-6967	
Brine	0.02-0.15	100-700	100-700
Clay	0.26-0.75	1200-3500	

2. Lithium Americas (TSX: LAC) release entitled 'Lithium Americas Provides Updated Resource Estimate for the Lithium Nevada Project', released to the Toronto Stock Exchange on April 5 2018.

Competent Persons Statement:

The information in this report that relates to Exploration Results is based on information compiled or reviewed by Mr Pip Darvall and Mr Lindsay Dudfield. Mr Darvall is an employee of the Company and Mr Dudfield is a consultant to the Company. Both Mr Darvall and Mr Dudfield are Members of the Australasian Institute of Mining and Metallurgy and Members of the Australian Institute of Geoscientists. Both Mr Darvall and Mr Dudfield have sufficient experience of relevance to the styles of mineralisation and types of deposit under consideration and to the activities undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves. Both Mr Darvall and Mr Dudfield consent to the inclusion in the report of the matters based on their information in the form and context in which it appears.

Forward-Looking Statements:

This document may include forward-looking statements. Forward-looking statements include, but are not limited to statements concerning Jindalee Resources Limited's (Jindalee) planned exploration program and other statements that are not historical facts. When used in this document, the words such as "could", "plan", "estimate", "expect", "intend", "may", "potential", "should", and similar expressions are forward-looking statements. Although Jindalee believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements.

Project	SampleID	Sample_Type	Lat.	Long.	Depth (m)	Li (ppm)	Comments
McDermitt	MDS010	Composite	42.0278	-118.024	0	610	sample over 10m thick exposure
McDermitt	MDS011	Composite	42.0416	-118.029	0	1180	Combined thickness with MDS012 of 25m
McDermitt	MDS012	Composite	42.0416	-118.029	0	1790	Combined thickness with MDS011 of 25m
McDermitt	MDS018	Composite	42.0127	-118.056	0	1110	Combined thickness with MDS019 of 25m
McDermitt	MDS019	Composite	42.0126	-118.056	0	580	Combined thickness with MDS018 of 25m
McDermitt	MDS023	Composite	42.0156	-118.067	0	590	Sample over 26m thick exposure
McDermitt	MDS024	Composite	42.032	-118.062	0	1100	3m thick tuff unit
McDermitt	MDS025	Composite	42.0324	-118.06	0	1370	Sample over 40m thick exposure
McDermitt	MDS026	Composite	42.0348	-118.072	0	710	Sample over 37m thick exposure
McDermitt	MDS027	Composite	42.0492	-118.072	0	950	50m thick unit sampled, 67m total thickness observed
McDermitt	MDS028	Composite	42.0572	-118.078	0	880	Combined thickness with MDS029 of 42m, 59m total thickness observed
McDermitt	MDS029	Composite	42.057	-118.079	0	850	Combined thickness with MDS029 of 42m, 59m total thickness observed
McDermitt	MDS031	Auger	42.0355	-118.034	0.3302	194	
McDermitt	MDS032	Auger	42.0352	-118.034	0.3302	1160	
McDermitt	MDS033	Auger	42.035	-118.035	0.7112	900	
McDermitt	MDS034	Auger	42.0391	-118.027	0.6858	680	
McDermitt	MDS035	Auger	42.0392	-118.027	0.4572	1090	
McDermitt	MDS036	Auger	42.0559	-118.061	0.7366	640	
McDermitt	MDS037	Auger	42.056	-118.061	0.762	1200	
McDermitt	MDS038	Auger	42.0561	-118.06	0.3302	1020	
McDermitt	MDS039	Auger	42.0538	-118.076	0.381	860	
McDermitt	MDS040	Auger	42.0539	-118.074	0.254	880	
McDermitt	MDS041	Auger	42.054	-118.076	0.5842	1210	
McDermitt	MDS042	Auger	42.0444	-118.067	0.889	690	
McDermitt	MDS043	Auger	42.0447	-118.067	0.3048	880	
McDermitt	MDS044	Auger	42.0449	-118.067	0.6096	1290	
McDermitt	MDS045	Auger	42.0351	-118.057	0.5588	269	
McDermitt	MDS046	Auger	42.0355	-118.056	0.8128	830	
McDermitt	MDS047	Auger	42.0359	-118.056	0.7874	520	
McDermitt	MDS048	Auger	42.0321	-118.063	0.3302	860	
McDermitt	MDS049	Auger	42.0318	-118.063	0.3556	860	
McDermitt	MDS050	Auger	42.0315	-118.064	0.3556	870	
McDermitt	MDS051	Auger	42.0342	-118.071	0.4572	85.7	
McDermitt	MDS052	Auger	42.0339	-118.071	0.4318	460	
McDermitt	MDS053	Auger	42.0337	-118.071	0.4826	374	
McDermitt	MDS054	Auger	42.0143	-118.062	0.889	1960	
McDermitt	MDS055	Auger	42.0141	-118.063	0.3048	930	
McDermitt	MDS056	Auger	42.0138	-118.062	0.2794	890	
McDermitt	MDS057	Auger	42.012	-118.055	0.4572	1180	
McDermitt	MDS058	Auger	42.0118	-118.055	0.3556	980	
McDermitt	MDS059	Auger	42.0209	-118.044	0.2032	436	
McDermitt	MDS060	Auger	42.0208	-118.044	0.5842	3020	
McDermitt	MDS063	Core	42.0145	-118.062	1.52-2.53	1250	
McDermitt	MDS064	Core	42.0145	-118.062	3-3.78	1650	

Table 1: McDermitt Project Sampling Data

Annexure A:
JORC Code, 2012 Edition – Table 1
Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *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.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *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.*	• Composite rock chip or channel samples were collected below the transported horizon for samples MDS010-029. • Bottom of hole auger samples were collected at point locations for samples MDS031-060. • 25mm core for samples MDS063-064 • All samples were placed into individually labelled sample bags.
Drilling techniques	• *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).*	• Auger for samples MDS031-060 • 25mm core for samples MDS063-064
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *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.*	• Core recovery for samples MDS063-064 was visually estimated by the geologist at 50% suggesting the potential for significant bias of these 2 samples
Logging	• *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*	• Brief lithological descriptions were recorded by the field geologists during sample collection.

Criteria	JORC Code explanation	Commentary
	studies. • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *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.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• No sub sampling was undertaken. All recovered material was sent for analysis. • 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. • Duplicate samples were collected at regular intervals. In all cases duplicate sample assays were within 10% of the original sample indicating samples are representative of the unit being assessed.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *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.* • *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.*	• 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 • Lithium clay standards were inserted approximately every 20 samples. Assay results for all standards were within the 95% confidence limits indicating no issues with laboratory accuracy.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• Assay results were verified by more than one Jindalee geologist. • Data is received and stored electronically with a comparison between the .pdf certificates and the .csv data files indicating no errors in transmission.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations*	• Sample locations were surveyed using handheld Garmin GPS units with an assumed accuracy of +/- 4m.

Criteria	JORC Code explanation	Commentary
	used in Mineral Resource estimation. • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Locations are reported in decimal degrees, Longitude and Latitude.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *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.* • *Whether sample compositing has been applied.*	• Spacing of sampling is adequate for first pass reconnaissance assessment of the areas and horizon(s) of interest. • No resource has been estimated and the information is not adequate to do so.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *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.*	• A composite surface sampling technique was used to minimize any bias with continuous or 1m spaced samples collected across strike of the units of interest. • Estimated true thicknesses of units reported is based on elevation readings taken on the handheld GPS units used, with an assumed accuracy of +/- 6m. • Auger sampling was undertaken to assess lithium anomalism at point location below surface material.
Sample security	• *The measures taken to ensure sample security.*	• Samples were collected and delivered to the freight company by Jindalee personnel or contractors for dispatch to ALS Laboratories. • All samples were received as expected by the laboratory with no missing or mis-labelled samples.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• None undertaken.

Section 2 Reporting of Exploration Results

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

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *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.* • *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.*	• Samples reported are all from land managed by the US Bureau of Land Management, with the mineral rights held under placer claims HTM 1-242 owned 100% by HiTech Minerals Inc., a wholly owned US based subsidiary of Jindalee Resources Limited. • No joint ventures or royalty interests are applicable.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• 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.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• At McDermitt lithium is hosted in flat-lying lacustrine clays deposited within the Tertiary age McDermitt caldera.
Drill hole Information	• *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:* ○ *easting and northing of the drill hole collar* ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* ○ *dip and azimuth of the hole* ○ *down hole length and interception depth* ○ *hole length.* • *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.*	• Please see table and figures in main body of text.
Data aggregation methods	• *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.* • *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*	• Lithium ppm values may be converted to the equivalent lithium oxide values by multiplying by 2.153

Criteria	JORC Code explanation	Commentary
	such aggregations should be shown in detail. • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *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').*	• Please see main body of text.
Diagrams	• *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.*	• See main body of announcement.
Balanced reporting	• *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.*	• All results within the Jindalee claim areas have been reported.
Other substantive exploration data	• *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.*	• See main body of announcement.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• See main body of announcement.