

24 July 2018

The Manager
Australian Securities Exchange
Companies Announcement Centre
20 Bridge Street
Sydney NSW 2000

ACTIVITIES REPORT FOR JUNE QUARTER 2018

Highlights

- ❖ The Application Information Requirements (“AIR”) document was approved by the province, a major milestone signaling the conclusion of the formal document portion of the pre-application phase of the Environmental Assessment process.
- ❖ A summer exploration program commenced at Crown Mountain with the construction of roads and pads for large-diameter core drilling.
- ❖ Phase II of design engineering, focused on selenium mitigation and spoil pile design, continued, showing promising early results.
- ❖ Drafting of the Application for an Environmental Assessment Certificate continued.
- ❖ Baseline environmental studies are winding down; most are in the report generation phase.
- ❖ At the end of June, Jameson executed an Agreement with a subsidiary of Bathurst Resources Limited to fund ongoing advancement of Crown Mountain, culminating in a 50/50 joint venture once all staged funds are received.
- ❖ As at 30 June 2018 the Top 20 shareholders held approximately 61% of the capital of the Company and the Company held A\$1.7 million in cash. Jameson remains debt-free.
- ❖ Subsequent to quarters end the Bathurst deal closed with Jameson’s subsidiary NWP Coal Canada Ltd receiving C\$4m from Bathurst to fund the Summer exploration program.

The Bathurst deal significantly reduces Jameson’s cash requirements, while at the same time accelerates the tasks which are critical to moving Crown Mountain toward production.

Overview

Jameson Resources Limited (“Jameson” or “the Company”) achieved two major milestones during the quarter with respect to the Crown Mountain Coking Coal Project (“Crown Mountain” or the “Project”).

Early in the quarter the government approved the AIR document, signalling the end of the formal document phase of the Environmental pre-application process.

At quarter’s end, Jameson signed an Agreement with Bathurst Resources (Canada) Limited that provides for funding of (a) the summer exploration program, and subject to certain milestones (b) the remaining pre-construction activities and (c) a large cash component (C\$110 million) for construction and development of an open pit mine.

These two milestones are significant achievements for Jameson and provide additional confidence in the viability of Crown Mountain, and the Company’s ability to fund the Project through to production.

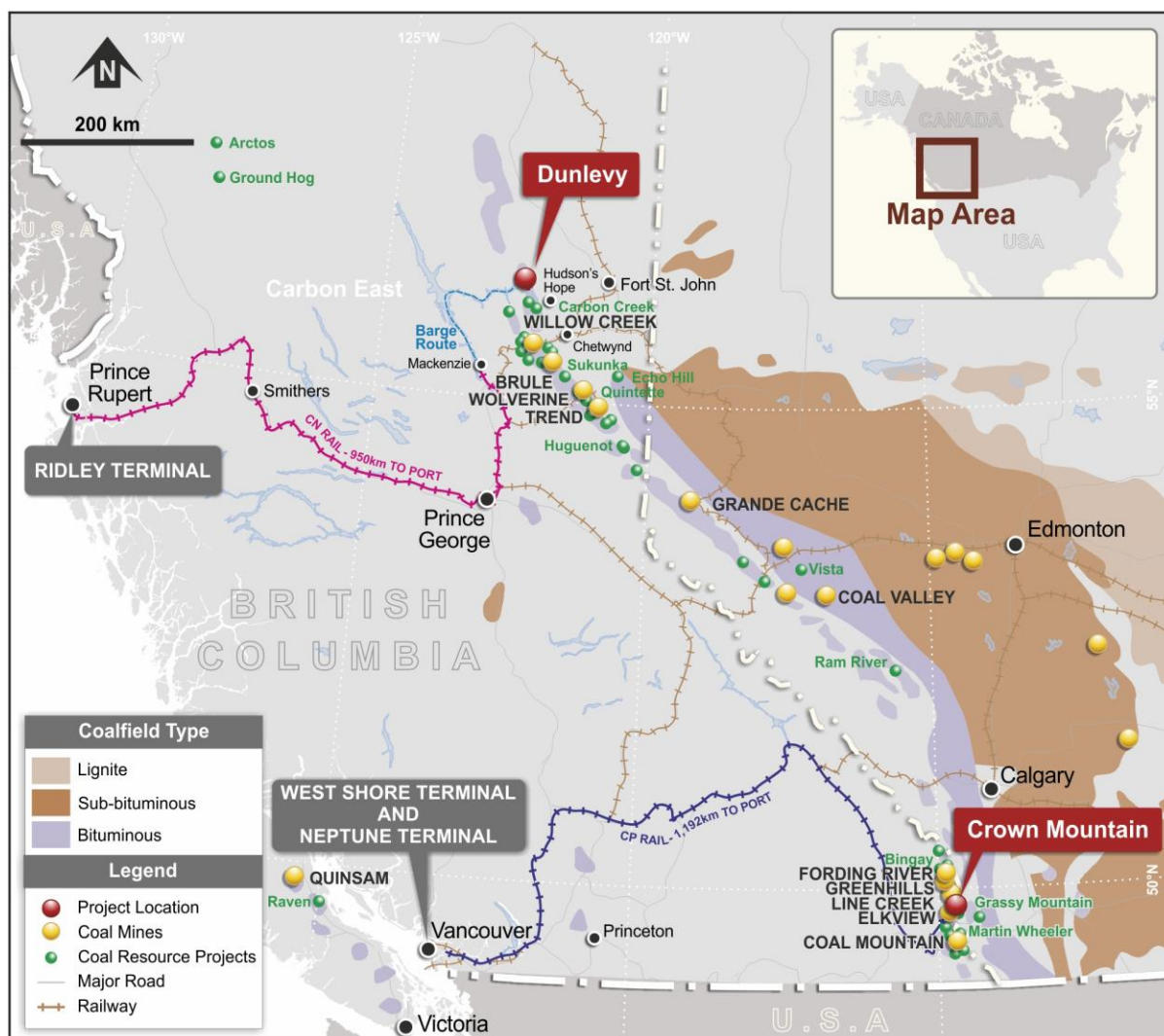


Figure 1 – Project Location Plan

Project Summary

Crown Mountain Project - Elk Valley Coal Field, British Columbia

The remaining required formal document in the pre-application phase of the EA process, the AIR, was approved by the province in April.

The AIR represents the blueprint for preparing the Application for an EA Certificate. Jameson has tasked Dillon Consulting, of Vancouver, Canada, with drafting the Application, an effort that is underway.

The summer exploration program planned at Crown Mountain is a follow-up to work conducted in 2013. Additional core drilling will be executed to increase the confidence level in coal quality and allow for larger scale coal carbonization studies (including pilot coke oven testing) to occur. Exploration activity will also include geotechnical coring in the pit, spoil disposal, and infrastructure areas, drilling additional ground water monitoring wells, and geochemical analysis of overburden.

Engineering activity continues to focus on mitigating the selenium issue associated with spoil disposal areas in the region. Positive results from Phase I of this process were announced in January, and Phase II, focused on bioremediation, is progressing well.

The four additional coal exploration license applications filed last year remain in the province's referral process. A Notice of Work ("NOW") has been submitted to the province containing proposed exploration in these areas, which will be conducted subject to issuance of tenure. However, the bulk of the geologic/quality summer program is located on already approved NOWs.

On June 29 Jameson executed an Agreement with a Canadian subsidiary of Bathurst Resources Limited, an ASX-list (BRL) coal mining company based in New Zealand.

Full details of the Bathurst deal are contained in the June 29 ASX announcement. Highlights include:

- Jameson, Bathurst (via its wholly owned subsidiary Bathurst Resources (Canada) Ltd) and NWP have entered into an investment agreement and a shareholders' agreement.
- The funding of Crown Mountain will be conducted in three tranches as follows:
 - an initial payment of C\$4 million to fund the summer exploration program which is now underway;
 - a second tranche of C\$7.5 million to cover remaining pre-construction activities of permitting, engineering/design, and a BFS. To allow fast-tracking to continue, some of the C\$7.5 million will be disbursed during exploration to support parallel activities such as selenium mitigation and engineering. A portion of this tranche will also be applied to certain Jameson corporate costs (not to exceed C\$150,000 per quarter) during the period up to the start of construction and development; and
 - a final tranche of C\$110 million to fund mine construction and development. In the event of higher-than-projected pre-construction costs, up to C\$5 million of this amount may be brought forward to supplement the C\$7.5 million tranche.

- The investments above will be in Jameson's wholly owned Canadian subsidiary NWP, which holds both the Crown Mountain and Dunlevy projects. The Dunlevy project is not part of the Agreement and will be transferred from NWP to Jameson.
- As a result of the above funding, Bathurst's ownership interest in NWP will be as follows:
 - after the initial investment of C\$4 million: 8%;
 - following completion of the second tranche of C\$7.5 million: 20%; and
 - following completion of the final tranche of C\$110 million (comprising a C\$55 million share subscription and a capital contribution to NWP of C\$55 million), 50%, and Crown Mountain will be operated as a joint venture between Jameson and Bathurst.
- It is anticipated that the C\$110 million cash payment will be part of a financing package comprised of a mix of funding options which may include leasing the major minor equipment, and a debt component for the balance. Bathurst will not proceed with the final tranche until such a package has been fully arranged with binding commitments from respective debt providers.
- The second and final funding tranches are granted to Bathurst as exclusive funding options. The second tranche option will expire 90 days after the later of the date on which the summer exploration program is completed, the laboratory reports are issued in relation to the summer exploration program and Jameson issues a news release containing the results of the exploration program. The final tranche option will expire 90 days after the later of the date on which the BFS is obtained, all permits and approvals required to proceed with development of a mine are obtained and a decision to proceed with development of a mine is made by the NWP board.
- NWP may invite Bathurst to subscribe for preference shares in NWP to raise further capital prior to the second and final funding tranches and funds received will be applied towards the second and final funding tranches (as applicable) and are not in addition to those subscription rights.
- Should Bathurst elect not to proceed with the second or final funding tranches, there are provisions protecting Jameson's interest as Jameson has an exclusive option for 12 months following such an event to purchase all of the NWP shares held by Bathurst at the same price that Bathurst paid for them.
- Bathurst and Jameson each have first right of refusal should either party elect to sell its NWP interest to a third party. Further, should an exceptional offer for Crown Mountain emerge at any time, the parties may, by mutual consent, agree to pursue such an offer.
- As is typical with such transactions, Jameson has provided certain warranties and indemnities to Bathurst with respect to pre-existing issues.
- As part of the transaction, the majority of inter-company debt owed to Jameson from NWP has been converted into NWP equity. A balance of C\$2 million remains, to allow transfer to Jameson of items such as mineral tax credit refunds, corporate expense reimbursement, etc.
- Bathurst will nominate one director to NWP concurrent with execution of the Agreement, and once a 50/50 joint venture is achieved, will appoint 50% of the NWP directors. Bathurst will not have a seat on the Jameson board.

Assuming both the second and final funding options are exercised and paid in full by Bathurst, Jameson's need to raise cash over the next several quarters will be significantly reduced. With the financial backing and management assistance of Bathurst, Jameson is confidently moving Crown Mountain forward on all fronts. The Crown Mountain project will no longer be cash constrained, allowing NWP to focus on executing the critical path items and optimizing the timeline. We believe that the Agreement is a milestone moment for Jameson shareholders and will be a key component in enhancing the value of Jameson going forward.

Of note, the Bathurst deal closed on 12 July and the initial C\$4 million payment has been received.

Dunlevy Project – North East British Columbia

No activity occurred at Dunlevy, which remains in good standing with the province, and represents a future opportunity for Jameson.

Corporate

Jameson has 256.6 million shares outstanding, \$1.7 million in cash and equivalents at quarter's end, and no debt.

The Company continues to focus on advancing the Crown Mountain project with the objective of operating a low cost high quality hard coking coal mine.

On Behalf of the Board of Directors,

A handwritten signature in blue ink, appearing to read 'Art Palm', is positioned above the printed name and title.

Art Palm

Chief Executive Officer and Acting Chairman

About Jameson Resources Limited

Jameson Resources Limited (ASX:JAL) is a junior resources company focused on the acquisition, exploration and development of strategic coal projects in western Canada. The Company has a 92% interest in NWP Coal Canada Limited, which holds a 90% interest in the Crown Mountain coal project, and a 100% direct interest in the Dunlevy coal project located in British Columbia. Jameson's tenement portfolio in British Columbia is positioned in coalfields responsible for the majority of Canada's metallurgical coal exports and are all close to railways connecting to export facilities.

To learn more, please contact the Company at +61 89200 4473, or visit:

www.jamesonresources.com.au

Forward Looking Statements

This announcement contains "forward-looking statements". Such forward-looking statements include, without limitation: estimates of future earnings, the sensitivity of earnings to commodity prices and foreign exchange rate movements; estimates of future production and sales; estimates of future cash flows, the sensitivity of cash flows to commodity prices and foreign exchange rate movements; statements regarding future debt repayments; estimates of future capital expenditures; estimates of resources and statements regarding future exploration results; and where the Company expresses or implies an expectation or belief as to future events or results, such expectation or belief is expressed in good faith and believed to have a reasonable basis. However, forward looking statements are subject to risks, uncertainties and other factors, which could cause actual results to differ materially from future results expressed, projected or implied by such forward-looking statements. Such risks include, but are not limited to commodity price volatility, currency fluctuations, increased production costs and variances in resource or reserve rates from those assumed in the company's plans, as well as political and operational risks in the countries and states in which we operate or sell product to, and governmental regulation and judicial outcomes. For a more detailed discussion of such risks and other factors, see the Company's Annual Reports, as well as the Company's other filings. The Company does not undertake any obligation to release publicly any revisions to any "forward looking statement" to reflect events or circumstances after the date of this release, or to reflect the occurrence of unanticipated events, except as may be required under applicable securities laws.