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Update on Proposed Acquisition of Austrian Lithium Exploration Assets adjacent to the successful Wolfsberg Project

Highlights

- Jadar has almost completed its acquisition of an 80% interest in Austrian Lithium Exploration Licences
- Two Exploration areas in Austria (a mining-friendly EU jurisdiction) containing 99 licences “Freischürfe”
- Licences surround European Lithium Limited’s Wolfsberg lithium deposit
- Attractive exploration assets which will complement the existing European projects
- Strategically placed for European manufactures using lithium
- Acquisition consideration will consist of 90.9 million ordinary shares and 25 million options
- The Company will appoint Mr Steven Dellidis as a director at completion

Jadar Lithium Limited (ASX: **JDR**) (**Jadar** or **the Company**) advises that, further to the Company’s announcements of 2 October 2018 and 6 November 2018, it has almost completed the acquisition of effectively 80% of Austrian Exploration Licences from Exchange Minerals Limited, with a first right of refusal over the remaining 20% (**Acquisition**).

The Acquisition is subject to a number of conditions precedent, those remaining are as follows:

- Mr Steve Dellidis being appoint to the Jadar Lithium Limited Board on completion of the Acquisition; and
- the parties obtaining any other necessary third party consents to allow the parties to lawfully complete the Acquisition.

The remaining steps to completion of the transaction are:

- finalisation of the set-up of a Special Purpose Vehicle (SPV) in Austria; and
- valid transfer of the licences to the SPV in accordance with the requirements of the Austrian Mining Authority.

It is anticipated that completion will occur within the next two weeks.

PROJECT OVERVIEW

The Austrian Lithium Exploration Licences are located in Carinthia, ~270 km south of Vienna, Austria and 20 km east of Wolfsberg, an industrial town, with established infrastructure, including access to the European motorway and railway network. Other mining activities are already established in the area. The main industry in the area is forestry and a pulp and paper mill is in operation nearby.

The Austrian Lithium Project Exploration Licences comprises two exploration areas made up of 99 exploration licences, which together cover a total area of 46.5 km², and are valid until 31 December 2020. The Austrian Lithium Projects' Exploration Licences are strategically placed for European manufacturers using lithium.

The Austrian Lithium are considered prospective for lithium and other pegmatite hosted minerals. There has been no recent geological exploration for these minerals by any public company or any mine production on any of the project areas.



Figure 1; Austrian Project Location Map.

The Austrian Lithium Exploration Licences surround European Lithium Limited's (ASX: EUR) underground Wolfsberg Lithium project which announced on 3 July 2017 a JORC total Resource of 10.98MT @ 1.00% Li₂O, with 37 exploration permits (together covering an area of 7.62 km²) overlapping those of European Lithium Limited (see figure 1 above). The potential extensions of European Lithium Ltd's lithium deposit to the NW and SE are not known at the moment.

ENDS

Further Enquiries

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