ASX RELEASE
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ASX: JRL

FURTHER POSITIVE DRILLING RESULTS FROM US LITHIUM PROJECT

- **Additional assays received from the second of four holes at the McDermitt Project.**
- **Broad zones of lithium bearing sediments with up to 12m @ 2781 ppm Li, and 6m @ 3113 ppm Li intersected within a thicker zone of 22m @ 2187 ppm Li.**
- **Entire hole has an average grade of 1415 ppm Li over 80.4m.**
- **Thicker intercepts and improved grades highlight project potential.**

Jindalee Resources Limited ('Jindalee' or 'Company') is pleased to announce further assay results just received from its initial drill program at McDermitt. The 100% owned McDermitt Project comprises 242 placer mineral claims covering approximately 4840 acres (19.6 km^2) of Bureau of Land Management ('BLM') managed land, approximately 25km west of the town of McDermitt on the Nevada-Oregon border (Figures 1, 2).

Four vertical diamond drill holes were completed by Jindalee in September to an average depth of 90m to gain an understanding of the thickness and grade of lithium mineralisation previously encountered in surface sampling[1] (Figure 3, Table 1). Drilling confirmed flat-lying, lithium bearing sediments up to 92m thick including tuffaceous sandstones, siltstones and mudstones. The sedimentary package remains open at depth, with basement not reached in the recent program.

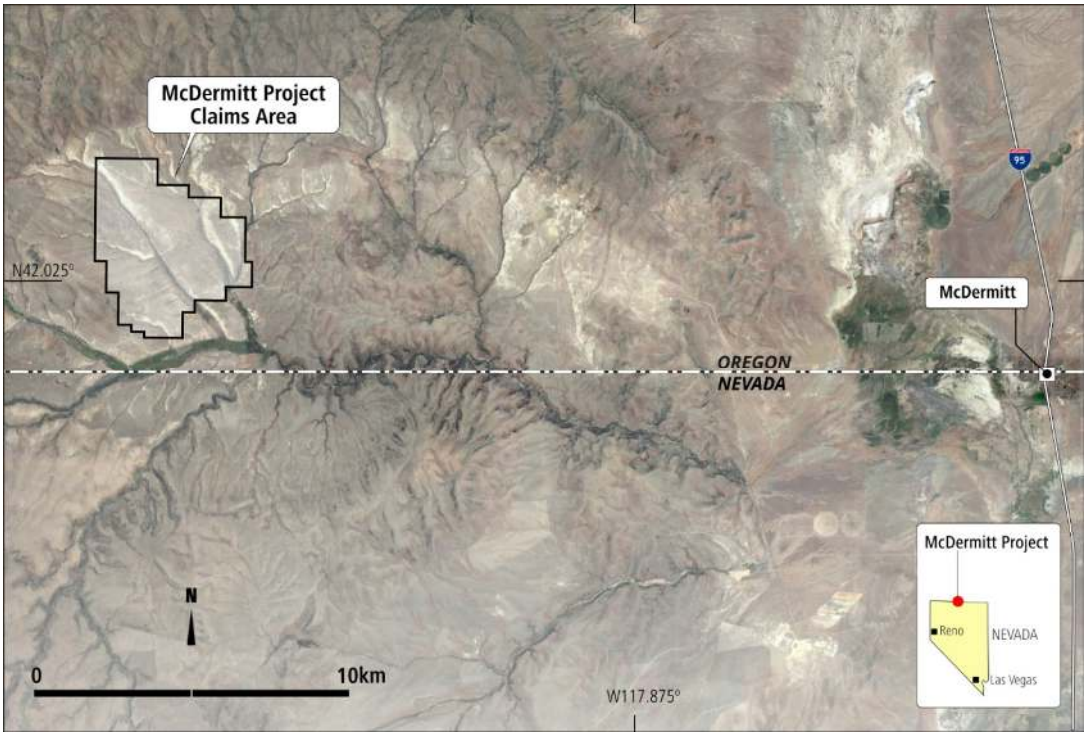

Figure 1 – Location of Jindalee's McDermitt Project.

Jindalee Resources Limited
ABN 52 064 121 133
Level 2, 9 Havelock Street, West Perth, WA 6005
PO Box 1033, West Perth, WA 6872

www.jindalee.net
E: enquiry@jindalee.net
P: +61 8 9321 7550
F: +61 8 9321 7950

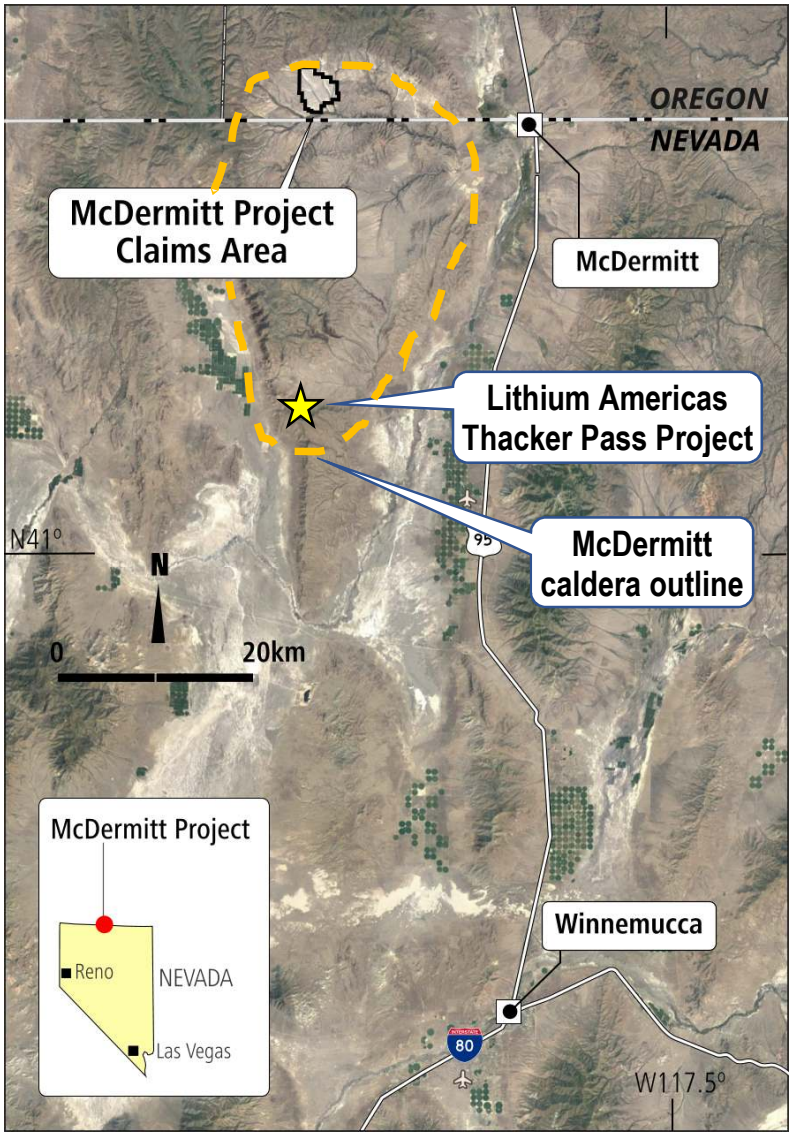

Figure 2 – Location of McDermitt Project showing the approximate outline of the McDermitt caldera and Lithium Americas project.

Results from the first hole (MDD-001) indicated the presence of three distinct zones of lithium mineralisation[2]. The additional assays just received from MDD-004, located approximately 2km to the northeast, show considerably thicker and higher grades of lithium mineralisation viz. up to to 22m @ 2187 ppm Li, including 6m @ 3113 ppm Li and 12m @ 2781 ppm Li (Table 2, Figure 4). The average grade of 1415 ppm Li over the entire 80.4m of core recovered from hole MDD-004 highlights the potential scale of the system at McDermitt (note no core recovery was achieved from 0-2.5m depth).

These broad zones of lithium mineralisation offer considerable encouragement that the McDermitt Project has the potential to host similar grades and thicknesses of lithium mineralisation to those reported for the Thacker Pass Project held by Lithium Americas (TSXV: LAC) along strike to the south (Figure 2). The Thacker Pass Project hosts the highest grades of the known sediment hosted lithium deposits in the US and is one of the most advanced, having recently completed a Pre-Feasibility Study[3,4].

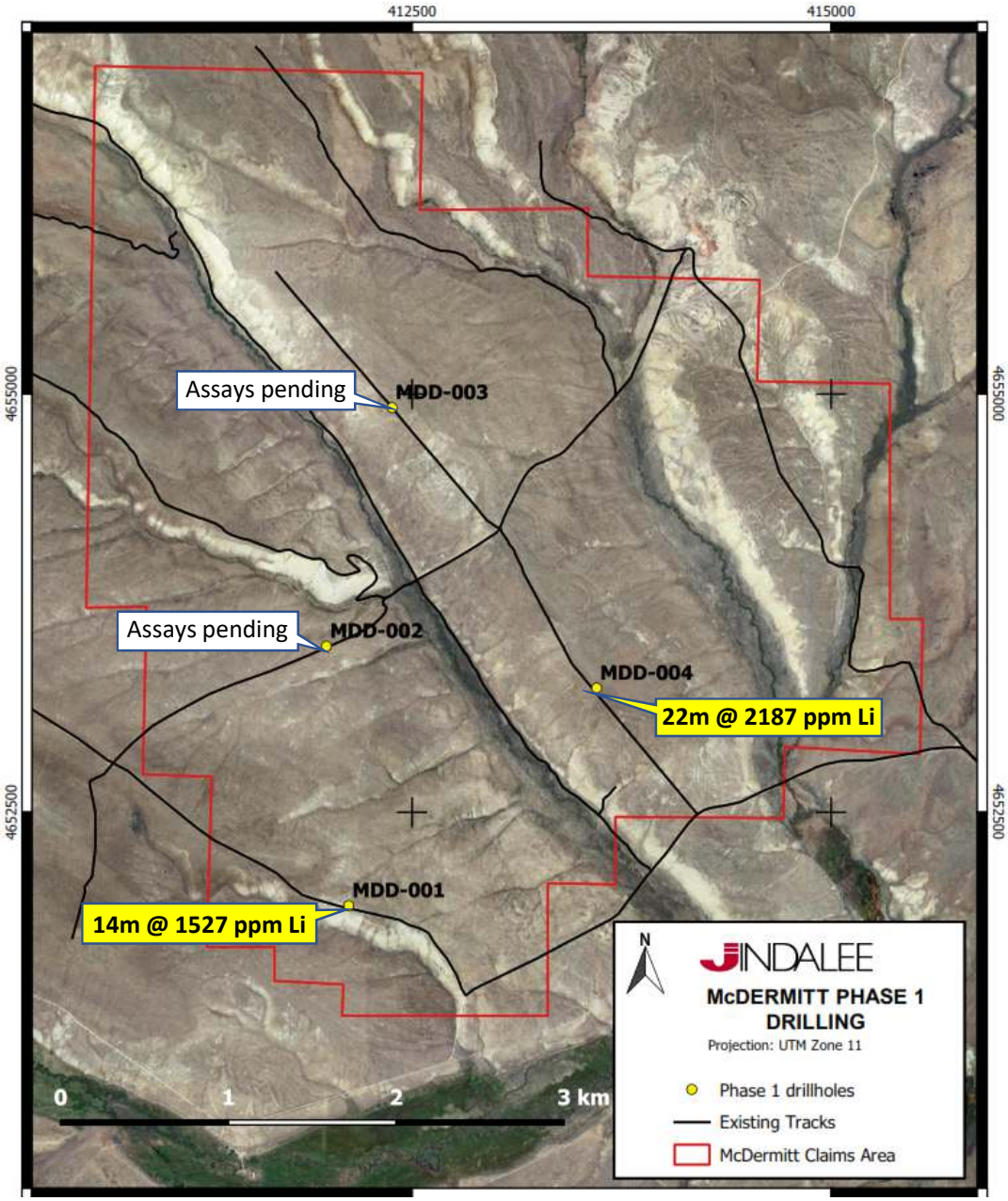

Figure 3 – Recent drill holes at McDermitt, with assay results from MDD-001 and MDD-004.

Figure 4 – Drill core from hole MDD-004 at McDermitt showing excellent core recovery through a lithium mineralised zone.

Hole ID	Easting NAD27 Zone 11	Northing NAD27 Zone 11	RL (m)	Dip (°)	Depth (m)
MDD-001	412122	4651943	1527	-89.3	92.36
MDD-002	411989	4653494	1571	-89.6	90.83
MDD-003	412380	4654920	1619	-89	91.47
MDD-004	413601	4653243	1538	-89.7	82.91

Table 1: McDermitt Project Drill Collar Locations.

MDD-004	Depth From (m)	Depth To (m)	Thickness (m)	Li (ppm)	Li_2O (%)
	2.5	18	15.5	1185	0.26
	28	82	54	1659	0.36
including	*28*	*50*	*22*	*2187*	*0.47*
including	*28*	*40*	*12*	*2782*	*0.60*
including	***32***	***38***	***6***	***3113***	***0.67***

Table 2: Significant intercepts from drillhole MDD-004.

US Lithium Background

Lithium has the highest electrochemical potential of any metal, an extremely high co-efficient of thermal expansion, fluxing and catalytic characteristics, and a 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 is one of 23 commodities in the 2017 'Critical Mineral Resources of the US' report by the United States Geological Survey (USGS).

Lithium is found in pegmatites, brines and sediments. Lithium bearing sediments at the Company's McDermitt Project have several characteristics that meet Jindalee's investment criteria including:

- Mineralisation is at or close to surface, flat lying to shallowly dipping with low stripping ratios.
- Soft, with low cost mining and easy to drill, allowing for rapid exploration progress.
- The economics of advanced sediment projects indicate costs to produce 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 ~360km from Jindalee's McDermitt Project) with the Silver Peak mine in Nevada and 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.
- 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.
- The USGS included Lithium in its June 2018 list of minerals critical to the US economic and national security.
- Jindalee's US Lithium projects are located on 100% owned tenure, with no royalty overhang.

For further information please contact:

PIP DARVALL
Managing Director
T: + 61 8 9321 7550
E: enquiry@jindalee.net

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 30 September 2018 Jindalee held cash and marketable securities worth $4.5M, combining with the Company's tight capital structure (only 34.9M shares on issue) to provide a strong base for leverage into new opportunities.

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

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.

References:

1. JRL's ASX announcement 13 June 2018: "Jindalee Acquires Second US Lithium Project at McDermitt".
2. JRL's ASX announcement 30 October 2018: "Initial Drilling Results from US Lithium Project".
3. Lithium Americas Technical Report on the Pre-Feasibility Study for the Thacker Pass Project, Humboldt County, Nevada, USA - 1 August 2018.
4. Lithium Americas TSX announcement 21 June 2018: "Lithium Americas Announces Preliminary Feasibility Study Results for the Thacker Pass Project". And subsequent NI43-101 filing on 1 August 2018.

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.*	• Diamond drilling was used to collect HQ triple tube (HQ3 63.5mm) diameter core. • Core was cut and quarter core sampled on 2m intervals. • Colluvium/overburden was not sampled • All samples were placed into individually labelled, consecutively numbered 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).*	• Diamond drilling was used to collect HQ3 (63.5mm) diameter core. • Core holes were drilled vertically and core was not oriented.
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 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 100% in the zones of interest. • Core recovery was recorded by the site geologist, and 1m downhole depths marked prior to geological logging and sampling • No relationship between recovery and grade was observed.
Logging	• *Whether core and chip samples have been geologically and*	• Qualitative lithological descriptions were recorded by the field

Criteria	JORC Code explanation	Commentary
	geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical 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.*	geologist once core had been presented and depths marked. Correlation of this information to the field mapping and stratigraphic sections described in the immediate area is ongoing to build a comprehensive picture of the geology over the project area. • Photos (wet and dry) were taken of all core trays for later review.
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.*	• Core was cut and quarter core sampled. • 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 inserted approximately every 15 samples to check the representivity of samples and precision in assaying. In all cases duplicate sample assays were within <12% of the original sample (<2.5% in MDD-004) 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. • 4 Acid digests are considered to approach a total digest, as some refractory minerals are not attacked. • Certified lithium sediment standards were inserted approximately every 15 samples. Assay results for all standards were well within the 95% confidence limits indicating no issues with laboratory accuracy or contamination. • Blank samples were inserted approximately every 15 samples to check for laboratory contamination. In all cases lithium assays indicated no external contamination. • 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.

Criteria	JORC Code explanation	Commentary
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 used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Sample locations were surveyed using a handheld Garmin GPS with an accuracy of +/- 3m horizontally, and +/- 5m vertically. • Locations are reported in metres in UTM Zone 11. • Downhole surveys were undertaken at approximately 30m intervals downhole and at the end of hole. The maximum variation from vertical observed was 1.7°, typically <0.5°, with a survey accuracy of +/- 0.1°.
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 drilling and associated sampling is adequate for first pass assessment of the areas and geological horizon(s) of interest. • No resource has been estimated and the information available is not currently 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.*	• Vertical drill holes were appropriate for assessing the flat lying units of interest. Downhole lengths reported are therefore the same as true widths.
Sample security	• *The measures taken to ensure sample security.*	• Samples were collected, boxed, palletised and sealed by Jindalee personnel, and subsequently delivered to ALS Laboratories by a third-party freight company. • 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 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 20km south of the Project area for lithium within geologically identical stratigraphy.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• Lithium is hosted in flat-lying lacustrine sediments deposited within the Tertiary aged 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*	• Significant intercepts are presented as a simple average above a 1000ppm Li cut-off, with a maximum of 4m internal 'Waste' (where 'waste' is defined as intervals with less than 1000ppm Li). • The average grade over the entire hole is presented as a simple average of all assay results.

Criteria	JORC Code explanation	Commentary
	for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• Conversion from Li ppm to Li_2O is achieved by multiplying by 2.153 and converting to %
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').*	• Vertical drill holes were appropriate for assessing the flat lying units of interest. Downhole lengths reported are therefore the same as true widths.
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 drilling results above a cut-off of 1000ppm lithium containing a maximum of 4m internal waste are regarded as significant and 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.*	• Field mapping across the project area, and description of stratigraphic sections exposed in several escarpments will allow for correlation of the geology between drill holes once further results are available. • Also 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.*	• Compilation of the drilling results, field mapping and stratigraphic sections, as well as the sourcing of additional data will be completed once additional assay results have been received. • Also see main body of announcement.