

24 October 2019

Quarterly Activities Report

For the period ending 30 September 2019

Highlights

- **Company to Acquire Yanamina Gold Project in Peru**
- **Appointment of General Manager, Exploration**
- **Company has selected the first zone for follow up works on its Vranje South project with the aim to conduct preliminary scout drilling**
- **Company identified target at Rekovac Lithium –Borate Project**

Jadar Lithium Limited (ASX: **JDR**) ("**Jadar**" or "**the Company**"), is pleased to provide shareholders with this Quarterly Activities Report for the three (3) months ending 30 September 2019.

ACQUISITION OF YANAMINA PROJECT

As announced on 16 September 2019, Jadar Lithium Limited has executed a term sheet for the purchase of the Yanamina Gold Project (**Yanamina** or the **Project**) located in the Ancash region of northern Peru (**Acquisition**). The Project has effectively lay dormant since 2012 and presents the Company with an advanced gold production opportunity to compliment the Company's high potential lithium projects located in Serbia and Austria. The Acquisition is subject to shareholder approval which is being sought at the Company's Annual General Meeting to be held on 25 November 2019. During the quarter the Company progressed with finalising the transaction, subject to receiving shareholder approval.

EXPLORATION ACTIVITIES

Serbia

Vranje-South project

Following the encouraging results received from the Company's latest field program, the Company has selected the first zone for follow up works on its Vranje South project with the aim to select scout drill targets with drilling estimated to commence in 4Q 2019/1Q2020.

Works included analysis and reinterpretation of the acquired geophysics data, field reconciliation, and defining ideal drilling locations, land access approval and drilling

JADAR LITHIUM QUICK STATS

ASX Code: JDR
Shares on Issue: 480.4 million
Market Cap: \$5.28 million
Cash: \$1.69m (at 30 Sept 2019)

BOARD & MANAGEMENT

Non- Executive Chairman
Mr Luke Martino

Non-Executive Directors
Mr Steven Dellidis
Mr Nicholas Sage
Mr Stefan Müller

Company Secretary
Ms Louisa Martino

ASSET PORTFOLIO

AUSTRIA

Weinebene

(80% interest – ~28km²)

Eastern Alps Projects

(80% interest – ~37km²)

SERBIA

Cer

(100% interest - ~92.77km²)

Rekovac

(100% interest - ~75.4km²)

Vranje-South

(100% interest - ~90.44km²)

contractor selection.

The purpose of the planned scout drilling program will be to test the identified geochemical, gravity and magnetic anomalies announced in Jadar's press release dated 16 July 2019.

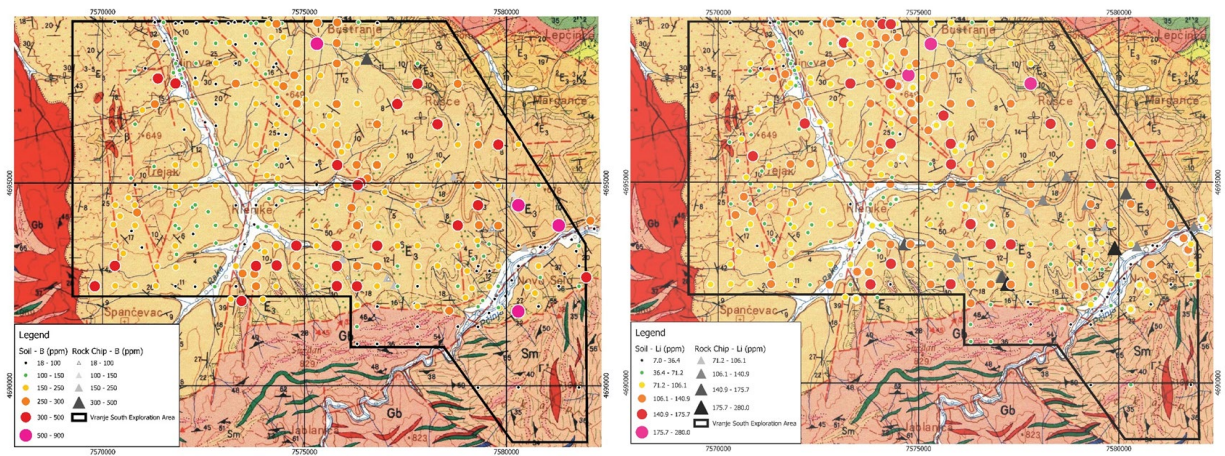


Figure 1: The results of soil and rock chips sampling program at Vranje south project - boron (left diagram) and lithium (right diagram) on a geological map ¹

Rekovac project

The Company carried out soil and rock chip sampling programs on the Rekovac project and collected a total of 291 soil and 26 rock chips samples. The assays returned with elevated values with up to 342 ppm of boron and up to 280 ppm of lithium². The elevated values highlight the prospective area within exposed lower Miocene strata in the central and the southern part of the project area.

During the sampling program, the Company identified the presence of scattered spherical nodules and pseudomorphs, which are most likely replacing evaporite minerals within the fine pelitic sediments. XRD analyses of selected samples indicated the presence of two evaporates minerals; Dolomite and Analcime, both of which are considered to be indicators of a saline-alkaline environment.

The Company acquired historic regional gravity and magnetic data to aid in defining basin geometry and deep-seated fault zones within the project area, which may have acted as a potential conduit for mineralising fluids.

The Company continues to evaluate the available data on the project area and will conduct additional fieldwork within the selected perspective area with the aim of generating drilling targets.

¹ Refer ASX Announcements dated 20 August, 2018, 14 November, 2018 and 16 July, 2019

² Refer ASX Announcement dated 7 August, 2019

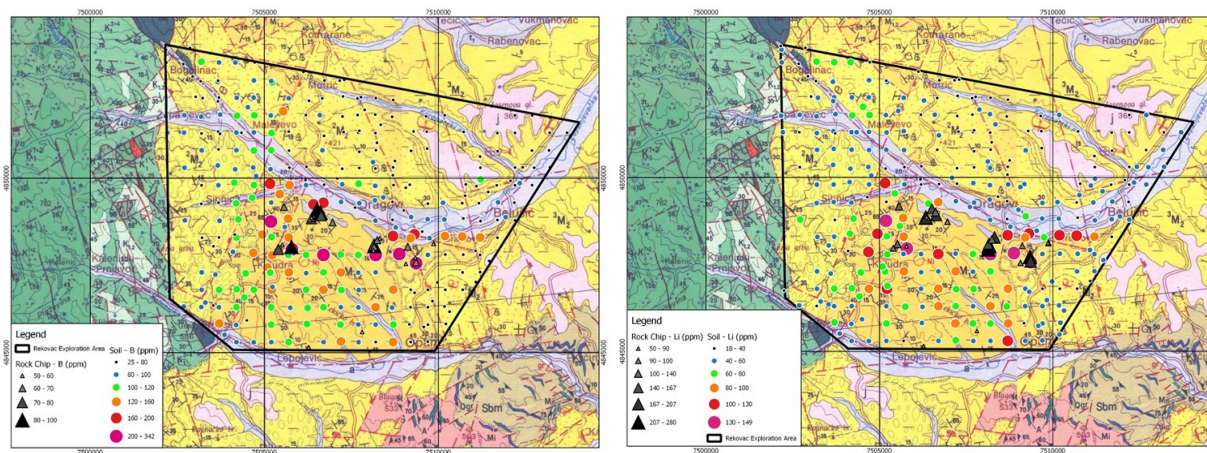


Figure 2: The results of rock chips and soil sampling program at Rekovac project - boron (left diagram) and lithium (right diagram) on a geological map ³

Austria

During the quarter, the Company prepared a proposed work program for its Weinebene project and satellite pegmatite projects. The Company expects to submit a work program to the mining authorities for approval in Q4.

CORPORATE ACTIVITIES

Appointment of General Manager, Exploration

During the quarter the Company appointed Mr Dejan Jovanovic as General Manager of Exploration, commencing 1 October 2019.

Mr Jovanovic has over 12 years of experience managing complex geological projects focusing on exploration and development. Mr Jovanovic has held numerous positions throughout his career including roles most notably with Rio Tinto, Serbia where he worked on Rio Tinto's jadar lithium-borate deposit; senior exploration roles with Lithium Li Ltd / Pan Global Resources Inc serving as a key leadership capacity for exploration programs in the Balkans. Mr Jovanovic has also acted as a consulting geologist to various clients including European Lithium and he has extensive experience working with a variety of mineral commodities including lithium, borates, gold, cobalt, nickel and rare earths.

The Group's cash balance as at 30 September 2019 was \$1.69million.

ANNOUNCEMENTS

This Quarterly Activities Report contains information extracted from ASX market announcements reported in accordance with the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral

³ Refer ASX Announcement dated 7 August 2019

Resources and Ore Reserves” (“2012 JORC Code”). Further details (including 2012 JORC Code reporting tables, where applicable) of exploration results referred to in this Quarterly Activities Report can be found in the following announcements lodged on the ASX:

Jadar Lithium generates exciting results at Vranje South Lithium –Borate Project in Serbia	16 July 2019
--	--------------

Rekovac Exploration Results, Definition Drill-Ready Target	07 Aug 2019
--	-------------

Jadar to Acquire Yanamina Gold Project and Vranje-South Lithium Update	16 Sep 2019
--	-------------

Appointment of General Manager, Exploration	18 Sep 2019
---	-------------

These announcements are available for viewing on the Company’s website jadarlithium.com.au under the News and Research tab. Jadar confirms that it is not aware of any new information or data that materially affects the information included in any original ASX announcement.

SCHEDULE OF TENEMENTS

Project	Tenement ID	Indirect Interest *
SERBIA PERMITS		
Cer	2223	100%
Rekovac	2224	100%
Vranje-South	2225	100%
AUSTRIA – CENTRAL PERMIT		
Weinebene	82/16 (001/16) – 141/16 (060/16)	80%
AUSTRIA – EASTERN ALPS PERMITS		
Glanzalm-Ratzell-Poling	2/16/T (FS 14) 25/19/T (01/19/JDR) – 41/19/T (17/19/JDR)	80%
Millstätter Seerücken	55/16 (FS 13) 327/19 (18/19/JDR) – 332/19 (23/19/JDR)	80%
Falkenberg	43/16 (FS 1) 44/16 (FS 2)	80%
Hohenwart	56/16 (1083/16) – 81/16 (1181/16)	80%
Mitterberg	45/16 (FS 3) – 49/16 (FS 7)	80%
St. Radegund	51/16 (FS 9) – 53/16 (FS-11)	80%
Untere Mittagwand	70/16 (1134/16), 71/16 (1135/16), 75/16 (1156/16)	80%
Garrach	53/16 (FS 11)	80%
Pallbaueralm	333/19 (24/19/JDR) – 345/19 (36/19/JDR)	80%
Mittereck		80%
Zinkenschlucht		80%
Lug-ins-Land	55/16 (FS 13)	80%
Kreuzstein	329/19 (20/19/JDR) 330/19 (21/19/JDR)	80%

* Designates Jadar Lithium Limited's interest in permits held through subsidiaries as follows:

- Jadar Lithium DOO, Beograd incorporated in Serbia and owned 100% by Jadar Lithium Limited; and
- Subsidiary Jadar Lithium GmbH incorporated in Austria and owned 80% by Jadar Lithium Limited.

ENDS

Further Enquiries

Luke Martino

Non-Executive Chairman

Tel: +61 8 6489 0600

E: luke@jadarlithium.com.au

Disclaimer

Forward-looking statements are statements that are not historical facts. Words such as “expect(s)”, “feel(s)”, “believe(s)”, “will”, “may”, “anticipate(s)”, “potential(s)” and similar expressions are intended to identify forward-looking statements. These statements include, but are not limited to statements regarding future production, resources or reserves and exploration results. All of such statements are subject to certain risks and uncertainties, many of which are difficult to predict and generally beyond the control of the Company, that could cause actual results to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements. These risks and uncertainties include, but are not limited to: (i) those relating to the interpretation of drill results, the geology, grade and continuity of mineral deposits and conclusions of economic evaluations, (ii) risks relating to possible variations in reserves, grade, planned mining dilution and ore loss, or recovery rates and changes in project parameters as plans continue to be refined, (iii) the potential for delays in exploration or development activities or the completion of feasibility studies, (iv) risks related to commodity price and foreign exchange rate fluctuations, (v) risks related to failure to obtain adequate financing on a timely basis and on acceptable terms or delays in obtaining governmental approvals or in the completion of development or construction activities, and (vi) other risks and uncertainties related to the Company’s prospects, properties and business strategy. Our audience is cautioned not to place undue reliance on these forward-looking statements that speak only as of the date hereof, and we do not undertake any obligation to revise and disseminate forward-looking statements to reflect events or circumstances after the date hereof, or to reflect the occurrence of or non-occurrence of any events.