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6 July 2018

Ms Jessica Coupe
Adviser, Listings Compliance
Level 40, Central Park
152-158 St Georges Tce
Perth WA 6000

Via email: jessica.coupe@asx.com.au

RESPONSE TO ASX PRICE QUERY

Jadar Lithium Limited (ASX: JDR) (“the Company”) refers to your Price Query Letter dated 2 July 2018 and provides the following responses:

- 1. Is the Company aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities?**

The Company is not aware of any information concerning it that has not been announced.

- 2. If the answer to question 1 is “yes”:**

Not applicable.

- 3. If the answer to question 1 is “no”, is there any other explanation that the Company may have for the recent trading in its securities?**

The Company is not aware of any other specific information which would explain the recent increase in price in the Company’s securities.

As announced on 8 June 2018, the Company has completed its Phase 1 reconnaissance and mapping program on all five of its projects in Serbia. The results of the preliminary sampling program for the Cer project were released earlier today. The Company is awaiting the full results from the other project areas and will announce the results of the program once finalised in accordance with its continuous disclosure obligations. Per the Company's announcement on 8 June 2018, the objective of the program was to determine anomalous areas that will be the focus of a follow up program. As such, given the early nature of the exploration program, the Company is not anticipating any material outcomes until further exploration activities are undertaken.

As previously announced, the Company is continuing to review further complementary and potentially value-adding European opportunities, including Board and Management. All matters remain incomplete and confidential. There is no certainty that any such matters will eventually materialise and the Company will continue to inform the market if any matter is concluded in accordance with its continuous disclosure obligations.

The Company has only recently been made aware of an article published on Stockhead dated 2 July 2018 titled "*The Europeans are coming – and these are the ASX small cap stocks they're buying*" whereby the Company is mentioned.

4. Please confirm that the Company is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.

The Company confirms it is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.

5. Please confirm that the Company's responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of the Company with delegated authority from the board to respond to ASX on disclosure matters.

The Company confirms that the responses provided in this letter have been authorised and approved by the Board.

Yours faithfully

Louisa Martino
Company Secretary
Jadar Lithium Limited



02 July 2017

Ms Louisa Martino

Company Secretary
Jadar Lithium Limited
PO Box 8282
SUBIACO EAST WA 6008

By email: louisa@indianoceancapital.com; luke@indianoceancapital.com

Dear Ms Martino

Jadar Lithium Limited (the “Company”): price query

We note the change in the price of the Company’s securities from a low of \$0.014 to a high of \$0.018 today.

We also note the significant increase in the volume of the Company’s securities traded today.

In light of this, ASX asks the Company to respond separately to each of the following questions and requests for information:

1. Is the Company aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities?
2. If the answer to question 1 is “yes”:
 - a) Is the Company relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1?

Please note that the recent trading in the Company’s securities would suggest to ASX that such information may have ceased to be confidential and therefore the Company may no longer be able to rely on Listing Rule 3.1A. Accordingly, if the answer to this question is “yes”, you need to contact us immediately to discuss the situation.
 - b) Can an announcement be made immediately?

Please note, if the answer to this question is “no”, you need to contact us immediately to discuss requesting a trading halt (see below).
 - c) If an announcement cannot be made immediately, why not and when is it expected that an announcement will be made?
3. If the answer to question 1 is “no”, is there any other explanation that the Company may have for the recent trading in its securities?
4. Please confirm that the Company is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.
5. Please confirm that the Company’s responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of the Company with delegated authority from the board to respond to ASX on disclosure matters.

When and where to send your response

This request is made under, and in accordance with, Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by not later than half an hour before the start of trading (**ie before 7.30 am AWST on Tuesday**)

3 July 2018). If we do not have your response by then, ASX will have no choice but to consider suspending trading in the Company's securities under Listing Rule 17.3.

You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, the Company's obligation is to disclose the information "immediately". This may require the information to be disclosed before the deadline set out in the previous paragraph.

ASX reserves the right to release a copy of this letter and your response on the ASX Market Announcements Platform under Listing Rule 18.7A. Accordingly, your response should be in a form suitable for release to the market.

Your response should be sent to me by e-mail at tradinghaltspert@asx.com.au. It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

Listing Rules 3.1 and 3.1A

Listing Rule 3.1 requires a listed entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. Exceptions to this requirement are set out in Listing Rule 3.1A.

In responding to this letter, you should have regard to the Company's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*.

It should be noted that the Company's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

Trading halt

If you are unable to respond to this letter by the time specified above, or if the answer to question 1 is "yes" and an announcement cannot be made immediately, you should discuss with us whether it is appropriate to request a trading halt in the Company's securities under Listing Rule 17.1.

If you wish to request a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted.

You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

If you have any queries or concerns about any of the above, please contact me immediately.

Kind regards

[Sent electronically without signature]

Jessica Coupe
Listings Adviser, Listings Compliance (Perth)