

# Jindalee Resources Ltd

11:05 14 Jan 2021

## Jindalee Resources' McDermitt Lithium Project well-placed to support US clean energy future

Jindalee Resources Limited (ASX:JRL) is confident that its McDermitt Lithium Project in Oregon, the most advanced of its US lithium assets, is strategically placed to support the country's transition to a clean energy future.

The coming inauguration of President-elect Biden has focused investor attention on his election commitment for the United States to achieve net-zero carbon emissions by 2050 and the development of large, strategic lithium projects are a core element of this strategy.

Several battery factory developments have been announced or proposed in the US and McDermitt is well-placed to emerge as a future source of lithium for those projects.

### Sector developments

Tesla Inc's (NASDAQ:TLA) (FRA:TL0) (BMV:TSLA) commitment to invest in the 'localisation' of its cathode supply chain and production in the US and the acquisition of the rights to a Nevada sediment-hosted lithium deposit - together with the recent announcement by Albemarle (NYSE:ALB) (FRA:AMC) (ETR:AMC) that it will begin a program evaluating sediment (clay) hosted lithium resources and clay extraction technology - underline the strategic importance of very large sediment-hosted lithium deposits like McDermitt.

Tesla is the first automotive OEM to enter lithium production, a move that may be replicated by other US automakers keen to gain greater control over the supply chain for minerals critical for the manufacture of electric vehicles.

### McDermitt mineral resource

In late 2019 Jindalee announced an inferred mineral resource of 150 million tonnes at 2,000 parts per million (ppm) lithium (0.43% Li<sub>2</sub>O) at McDermitt.

The mineral resource was estimated using a cut-off grade of 1,750 ppm lithium, which is considered appropriate in the context of similar projects and based on an assessment of the likelihood of future economic extraction as required by the JORC (2012) Code.

Notably, the entire resource sits within 100 metres of surface and is flat-lying, which are both positive factors for future project economics.

Additionally, analysis of the grade tonnage distribution of the McDermitt resource model highlights the potential for additional material available at lower grades.

**Price:** 1.09

**Market Cap:** \$48.73 m

### 1 Year Share Price Graph



January 2020 September 2020 January 2021

### Share Information

**Code:** JRL

**Listing:** ASX

**52 week High Low**  
1.09 0.2262

**Sector:** Battery Metals

**Website:** www.jindalee.net

### Company Synopsis:

*Jindalee Resources Ltd (ASX:JRL) is an exploration company with direct and indirect exposure to lithium, gold, base and strategic metals, iron ore, uranium and magnesite.*

action@proactiveinvestors.com.au



Location of Jindalee's Lithium Projects and US Battery Factories (existing & proposed)

### Drilling assays pending

On December 14, 2020, Jindalee announced that it had cut short drilling at McDermitt after members of the drilling crew tested positive for COVID-19. The company is pleased to advise that all of Jindalee's US geological team tested negative for COVID-19 and were able to return home for Christmas.

The company's 2020 drilling program at the project was designed to extend the current inferred mineral resource and exploration target range and convert the inferred mineral resources to indicated status ahead of a possible scoping study.

Fifteen holes of the 21-hole proposed program were completed in November/December, with the drilling intersecting up to 185 metres true thickness of the target sediments hosting the lithium mineralisation at the project.

All samples have been submitted for analysis, however, laboratories in the US are experiencing long delays and

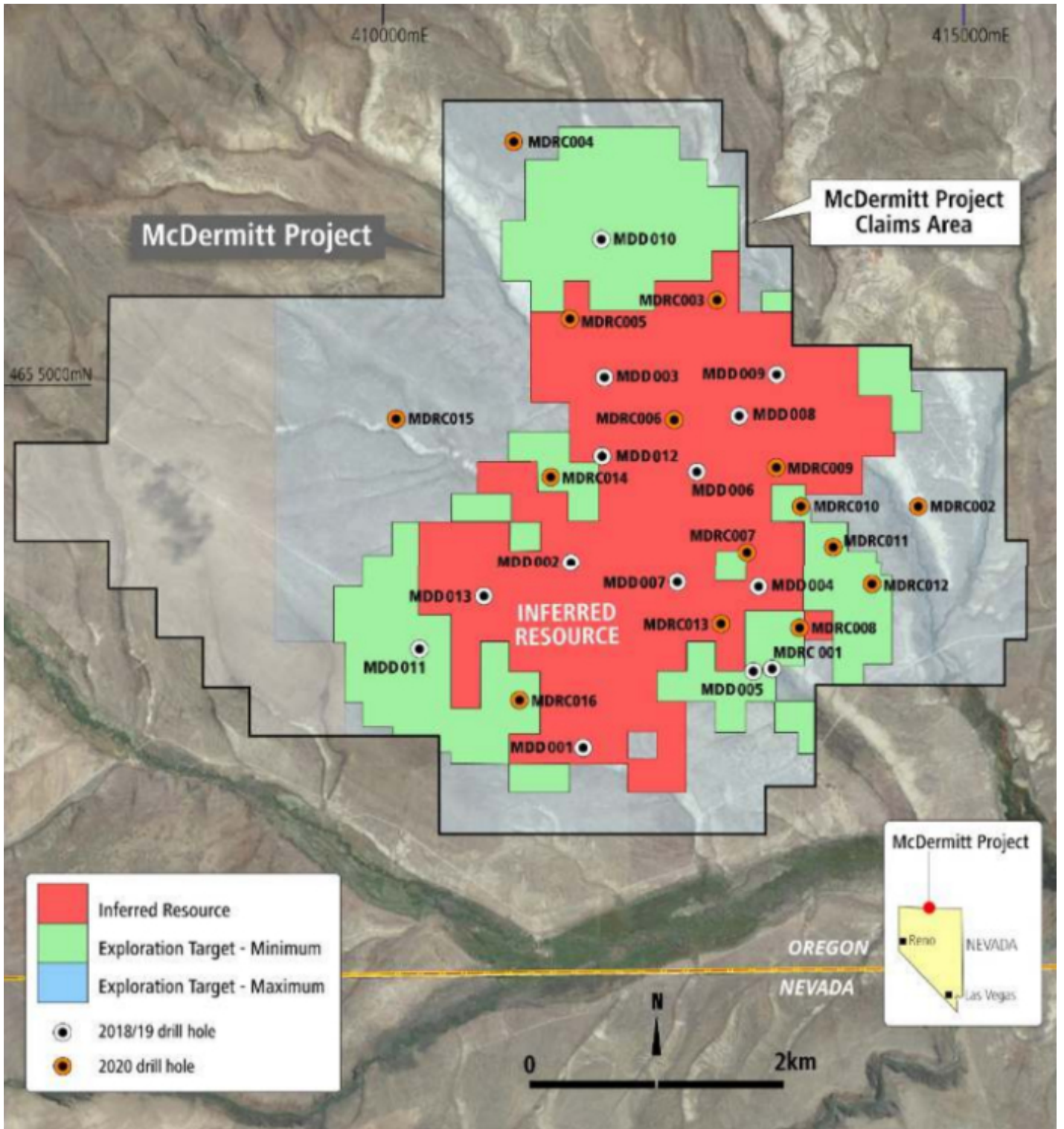
Jindalee has been advised that initial assay results should be received late January.

### **Awaiting test-work results**

The company considers the metallurgical test-work to date very encouraging, as it indicates high lithium recoveries from conventional sulphuric acid leaching at low temperature and atmospheric pressure.

In August 2020 Jindalee announced that beneficiation of McDermitt ore via attrition scrubbing at 20% solids had increased the lithium content in the <0.01mm fraction by more than 50% (from 0.22% to 0.34%) and had reduced carbonate to 3.0% (from 6.3%) and removed approximately 90% of the analcime.

Further test-work to quantify the leaching characteristics of the beneficiated ore is well advanced with first results expected later this month.



Location of McDermitt resource, exploration target areas and 2020 drilling.

### **Potential to list in North America**

Valuations of peer companies listed on TSX have appreciated markedly over the past six months, which has prompted Jindalee to undertake discussions with several North American groups interested in potential transactions - which would result in a listing of the company's US lithium assets on a North American exchange.

These discussions are preliminary in nature and there is no guarantee that any transaction will result.

Proactive Investors facilitate the largest global investor network across 4 continents in 4 languages. With a team of analysts, journalists & professional investors Proactive produce independent coverage on 1000's of companies across every sector for private investors, private client brokers, fund managers and international investor communities.

Contact us +61 (0)2 9280 0700 [action@proactiveinvestors.com.au](mailto:action@proactiveinvestors.com.au)

### No investment advice

The Company is a publisher. You understand and agree that no content published on the Site constitutes a recommendation that any particular security, portfolio of securities, transaction, or investment strategy is suitable or advisable for any specific person. You understand that the Content on the Site is provided for information purposes only, and none of the information contained on the Site constitutes an offer, solicitation or recommendation to buy or sell a security. You understand that the Company receives either monetary or securities compensation for our services. We stand to benefit from any volume which any Content on the Site may generate.

You further understand that none of the information providers or their affiliates will advise you personally concerning the nature, potential, advisability, value, suitability or profitability of any particular security, portfolio of securities, transaction, investment, investment strategy, or other matter.

You understand that the Site may contain opinions from time to time with regard to securities mentioned in other products, including Company-related products, and that those opinions may be different from those obtained by using another product related to the Company. You understand and agree that contributors may write about securities in which they or their firms have a position, and that they may trade such securities for their own account. In cases where the position is held at the time of publication and such position is known to the Company, appropriate disclosure is made. However, you understand and agree that at the time of any transaction that you make, one or more contributors may have a position in the securities written about. You understand that price and other data is supplied by sources believed to be reliable, that the calculations herein are made using such data, and that neither such data nor such calculations are guaranteed by these sources, the Company, the information providers or any other person or entity, and may not be complete or accurate.

From time to time, reference may be made in our marketing materials to prior articles and opinions we have published. These references may be selective, may reference only a portion of an article or recommendation, and are likely not to be current. As markets change continuously, previously published information and data may not be current and should not be relied upon.

The Site does not, and is not intended to, provide investment, tax, accounting, legal or insurance advice, and is not and should not be construed as providing any of the foregoing. You should consult an attorney or other relevant professional regarding your specific legal, tax, investment or other needs as tailored to your specific situation.

In exchange for publishing services rendered by the Company on behalf of Jindalee Resources Ltd named herein, including the promotion by the Company of Jindalee Resources Ltd in any Content on the Site, the Company receives from said issuer annual aggregate cash compensation in the amount up to Twenty Five Thousand dollars (\$25,000).