Jadar Resources

ASX RELEASE: 28 April 2020

Quarterly Activities Report

For the period ending 31 March 2020

Highlights

- **Maiden JORC 2012 Resource Estimate of 6,742,260 tonnes @ 1.23g/t gold and 4.31g/t silver for 265,987 ounces of contained gold, and 934,528 ounces of contained silver, confirming the Yanamina Gold Project as a significant bulk mining development opportunity with strong economic potential.**
- **Successfull completion of scout drilling program at Rekovac lithium – borate project in Serbia.**

Jadar Resources Limited (ASX: **JDR**) ("**Jadar**" or "the **Company**") is pleased to provide shareholders with this Quarterly Activities Report for the three (3) months ending 31 March 2020.

Peru

YANAMINA PROJECT

On 10 February 2020 the Company announced that it had completed its maiden mineral resource estimate for the Yanamina Gold Project in accordance with the JORC Code (2012). The total Indicated and Inferred Mineral Resource at cut-off grade of 0.5 g/t gold ("Au") are 6,742,260 tonnes @ 1.23 g/t gold and 4.31 g/t silver for 265,987 ounces of contained gold, and 934,528 ounces of contained silver ("Ag").[1]

About the Yanamina Project

The Yanamina Project (historically also known as Paron) is a low sulphidation epithermal gold and silver resource with favourable geology, ore body geometry and metallurgical characteristics. The project is located in north-central Peru in the Department of Ancash, province of Huaylas, District of Caraz, and lies approximately 16km east of the town of Caraz.

The Project is located 40 km to the north and 120 km south respectively of Barrick Gold's ("Barrick") Pierina (210 MT @ at 1.1 g/t for 7.5 million ounces),and Alto Chicama/Lagunas Norte (227 MT @ 1.1 g/t for 8 million ounces) gold mines.

[1] Refer ASX Announcement dated 10 February 2020.

The Yanamina Project area lies within a regional northerly trending belt of complexly folded and intensely faulted, Late Mesozoic marine sediments, which have been intruded by Tertiary batholithic rocks of various compositions. The oldest rocks in the region are Cretaceous quartzites and shales. The most important structure in the region is the Yungay Graben, which trends northerly across the region and has been traced along strike for almost 100 kilometres. The eastern edge of the Yungay Graben is defined by the Ancash Fault Zone which hosts the Yanamina Project. The intense structural deformation associated with the formation of the Yungay Graben and the Ancash Fault provided conduits for gold-bearing hydrothermal solutions giving rise to a number of gold occurrences and deposits in the region.

The Yanamina gold resource is contained within 50 metres of the surface and the large majority of the resource outcrops or sub outcrops, consequently reducing potential waste ore. In addition to the existing resources, Yanamina contains a number of cost effective exploration targets, including lateral and vertical extensions to the existing resource envelope and a down faulted hanging wall extension of potentially significant tonnage.

Figure 1: Regional Location Map

The summary tables for the 0.5g/t Au cut-offs with contained metal are as follows.[2]

Resources	Tonnes	Grade (Au g/t)	Grade (Ag g/t)	Total ozs (Au)	Total ozs (Ag)
Indicated	2,790,620	1.35	4.34	121,136	389,431
Inferred	3,951,640	1.14	4.29	144,851	545,097
Total/average	**6,742,260**	**1.23**	**4.31**	**265,987**	**934,528**

Exploration Potential

The work carried out for the Resource estimation highlighted a number of areas at Yanamina which show potential for extension of mineralised zones, both as an extension but also proximal to the existing resource. As a result of the extensive and important surface alteration within the mineralised zone, a number of these target areas can be initially explored geologically to determine their potential.

[2] Refer ASX Announcement dated 10 February 2020.

Serbia

REKOVAC LI-B PROJECT

On 11 February 2020 the Company announced drilling commences at Rekovac lithium - borate project in Serbia.

The drilling program enveloped two diamond drill holes (REK_001 and REK_002), totaling 1,238.1 meters. Both drill holes aimed to test gravity low (blue) and to capture most of the targeted saline - alkaline sections. Both drill holes have been entirely logged, cut and sampled. In total, 358 drill core samples have been sent to ALS for geochemical analysis. Also, 15 samples have been sent for qualitative X-ray diffraction and mineral phase identification. The Company is expecting to receive all results during the first week of May.

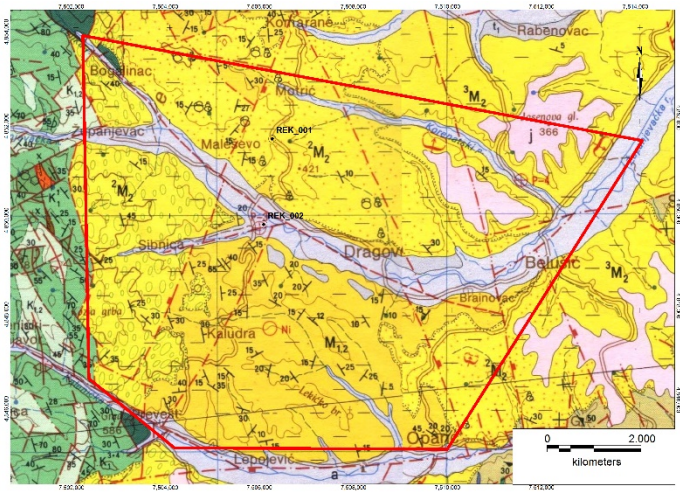

Figure 2: Geology map with drilling collar locations

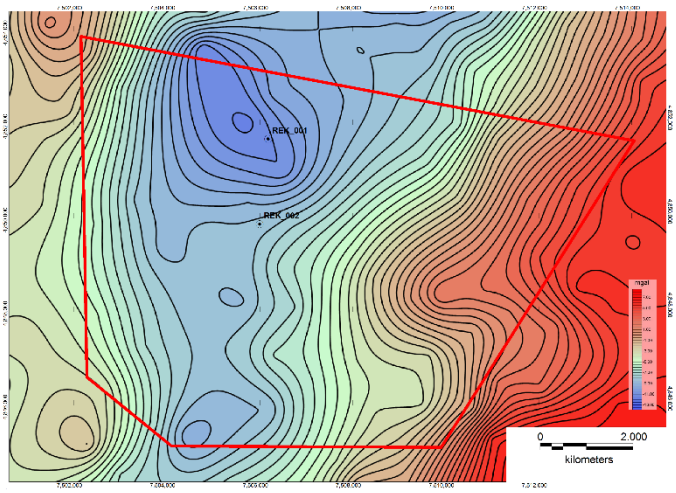

Figure 3: Bouguer gravity image contoured at 0.5 mGal with drilling collar locations

About the Rekovac Li-B Exploration Project

The Rekovac project is located in central Serbia and lies approximately 20km south of the town of Kragujevac. The project area lies within a regional trending belt so-called the Vardar Zone. Neogene lacustrine sedimentary basins are located along the long, narrow trend vary greatly in size and shape belt formed by the movement between two plate boundaries.

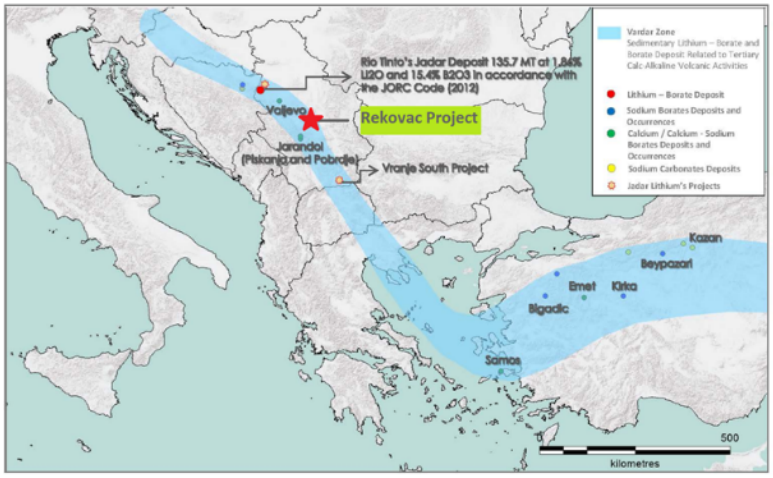

Figure 4: Projects location map showing the Jadar´s Project locations within the Vardar trend and the major lithium and borate deposits and occurrences

The sediments within the license area are mapped as early and middle Miocene lacustrine sediments. The lower Miocene lacustrine sediments are exposed in the southern and central part of the license area and consisting of siltstone and claystone. The lower Miocene formation likely extends north where it is covered and preserved by younger freshwater sediments consisting of siltstone, sandstone, and coarse clastic sequences. The Eastern part of the license area is made up of clastic formations composed of conglomerates and breccias.

Past work identified favourable lithology, structure, surface geochemistry, and indirect evidence of mineralisation in the form of pseudomorphs.

OTHER

The Company submitted its year-end report for Rekovac to the Ministry of Mining and Energy, and at the same time its application for exploration license renewal for a three-year term.

After discussion with members of the Geological and Mining Association of Serbia (GRAS), the Company submitted an official letter to Ministry of Mining and Energy and an official letter to the Ministry of Finance, given the current affects of the COVID-19 pandemic. The Ministry of Mining and Energy has been requested to:

- Extend the exploration period for Cer and Vranje for a period of 6 months, and
- Reduce the scope of exploration work program required to meet the requirements for the renewal of the exploration permit.

The Ministry of Finance has been requested to:

- Defer or reduce exploration tax for the duration of the state of emergency due to the inability to conduct exploration activities.

Austria

No field exploration activities occurred during the reporting period due to very cold winter months. The Company used this time to process all data, consider implications and plan field activities.

Corporate

The Group's cash balance as 31 March 2020 was $1.25 million. During the quarter the aggregated amount of payments made to related parties and their associates totalled US$37,000 comprising director fees, company secretarial fees and accounting fees.

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

Maiden JORC 2012 Resource at Yanamina	10 Feb 2020
Drilling Commences at Rekovac Project Serbia	11 Feb 2020
Impact of COVID-19	27 Mar 2020
Drilling Completed at Rekovac	30 Mar 2020

These announcements are available for viewing on the Company's website jadar.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	01/19/JDR – 17/19/JDR	80%
Millstätter Seerücken	18/19/JDR – 23/19/JDR, 55/16 (FS 13)	80%
Thalheim (Judenburg)	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 - Garrach	51/16 (FS 9) – 53/16 (FS-11)	80%
Mittereck	24/19/JDR - 36/19/JDR	80%
Klementkogel	54/16 (FS 12)	80%
Birkfeld	50/16 (FS 8)	80%
PERU PERMITS		
Malu I	RJ. N° 5721-95-RPM	100%
Malu II	R.P. N° 1294-2010	100%
Malu III	R.P. N° 4646-2010	100%
MonicaT	R.P.N°6057-2008	100%
Gladys E	R.P. N° 4152-2009	100%

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

- Jadar Lithium DOO, Beograd incorporated in Serbia and owned 100% by Jadar Resources Limited;
- Subsidiary Jadar Lithium GmbH incorporated in Austria and owned 80% by Jadar Resources Limited; and
- Minera Wealth Peru S.A.C incorporated in Peru and owned 100% by Jadar Resources Limited

There were no tenements acquired or disposed of during the quarter and no farm-in or farm-out agreements entered into.

ENDS

Further Enquiries
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This ASX announcement was authorised for release by the Board of Jadar Resources Limited.

Compliance Statement

Yanamina Project

This quarterly report contains information on the Yanamina Project extracted from an ASX market announcement dated 10 February 2020 and reported in accordance with the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" ("2012 JORC Code"). JDR confirms that it is not aware of any new information or data that materially affects the information included in the original ASX market announcement

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Jadar Resources Limited

ABN	Quarter ended ("current quarter")
66 009 144 503	31 March 2020

Consolidated statement of cash flows		Current quarter $A'000	Year to date (9 months) $A'000
1.	**Cash flows from operating activities**		
1.1	Receipts from customers		
1.2	Payments for		
	(a) exploration & evaluation (if expensed)		
	(b) development		
	(c) production		
	(d) staff costs	(45)	(205)
	(e) administration and corporate costs	(182)	(429)
1.3	Dividends received (see note 3)		
1.4	Interest received	4	16
1.5	Interest and other costs of finance paid		
1.6	Income taxes paid		
1.7	Government grants and tax incentives		
1.8	Other (provide details if material)		(19)
1.9	**Net cash from / (used in) operating activities**	**(223)**	**(637)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire:		
	(a) entities		
	(b) tenements		
	(c) property, plant and equipment		
	(d) exploration & evaluation (if capitalised)	(168)	(568)
	(e) investments		
	(f) other non-current assets		

Consolidated statement of cash flows		Current quarter $A'000	Year to date (9 months) $A'000
2.2	Proceeds from the disposal of:		
	(a) entities		
	(b) tenements		
	(c) property, plant and equipment		
	(d) investments		
	(e) other non-current assets		
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other (provide details if material)		
2.6	**Net cash from / (used in) investing activities**	**(168)**	**(568)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)		400
3.2	Proceeds from issue of convertible debt securities		
3.3	Proceeds from exercise of options		
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(74)	(74)
3.5	Proceeds from borrowings		
3.6	Repayment of borrowings		
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (provide details if material)		
3.10	**Net cash from / (used in) financing activities**	**(74)**	**326**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	1,595	2,023
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(223)	(637)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(168)	(568)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(74)	326

Consolidated statement of cash flows		Current quarter $A'000	Year to date (9 months) $A'000
4.5	Effect of movement in exchange rates on cash held	115	101
4.6	**Cash and cash equivalents at end of period**	**1,245**	**1,245**

5.	**Reconciliation of cash and cash equivalents** at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	**Current quarter $A'000**	**Previous quarter $A'000**
5.1	Bank balances	1,245	1,595
5.2	Call deposits		
5.3	Bank overdrafts		
5.4	Other (provide details)		
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**1,245**	**1,595**

6.	**Payments to related parties of the entity and their associates**	**Current quarter $A'000**
6.1	Aggregate amount of payments to related parties and their associates included in item 1	37
6.2	Aggregate amount of payments to related parties and their associates included in item 2	

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments

7.	**Financing facilities** *Note: the term "facility' includes all forms of financing arrangements available to the entity.* *Add notes as necessary for an understanding of the sources of finance available to the entity.*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
7.1	Loan facilities		
7.2	Credit standby arrangements		
7.3	Other (please specify)		
7.4	**Total financing facilities**	-	-

7.5	**Unused financing facilities available at quarter end**	-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.	

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (Item 1.9)	(223)
8.2	Capitalised exploration & evaluation (Item 2.1(d))	(168)
8.3	Total relevant outgoings (Item 8.1 + Item 8.2)	(391)
8.4	Cash and cash equivalents at quarter end (Item 4.6)	1,245
8.5	Unused finance facilities available at quarter end (Item 7.5)	-
8.6	Total available funding (Item 8.4 + Item 8.5)	1,245
8.7	**Estimated quarters of funding available (Item 8.6 divided by Item 8.3)**	3

8.8 If Item 8.7 is less than 2 quarters, please provide answers to the following questions:

1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer:

2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer:

3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer:

Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Date: 28 April 2020

Authorised by: By the Board

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.

2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".

5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.