Jadar Resources

ASX RELEASE: 12 April 2021

Tierra Blanca Silver-Zinc-Lead Project Exploration Update

Highlights

- **Preparation for a drilling campaign is underway at Jadar's Tierra Blanca Silver-Zinc-Lead Project in Chihuahua, Mexico, and an exploration camp established.**
- **A comprehensive Land Use Agreement has been signed between Jadar and the surface rights owner that also allows for the eventual mining operations at Tierra Blanca.**
- **Rehabilitation of old workings has allowed for easy survey and mapping of the surface area of the licence and underground workings to be conducted.**
- **Tierra Blanca is confirmed to exhibit an outcropping breccia "pipe" of up to 20 metres in width.**
- **Drilling permit application for an initial 1,500 diamond drilling (DD) metre campaign will be submitted in early May with drilling anticipated to commence July 2021.**
- **The drilling campaign is designed to test downdip extensions of a steeply dipping breccia pipe, below shallow old workings that extended no more than 40 metres from surface.**

Jadar Resources Limited (ASX:JDR) ("**Jadar**", the "**Company**") is pleased to announce that preparation for the Company's upcoming drill campaign at the Tierra Blanca Silver-Zinc-Lead Project is now underway with a comprehensive Land Use Agreement signed between Jadar and the surface rights owner and an exploration camp established to facilitate activities. Tierra Blanca is an outcropping polymetallic Silver-Zinc-Lead Project located close to infrastructure in the prolific mining district around the City of Chihuahua in Chihuahua State, Mexico.

In November 2020[1] Jadar entered an option agreement with Pacific Advisory Pte Ltd to acquire Tierra Blanca. The district surrounding Chihuahua is a significant silver producing region with several substantial mines operated by majors and mid-tier companies, with District Historical Production of 50Mt at 310 g/t Ag, 8.2% Pb and 7.1% Zn[2].

Jadar Resources' Executive Director Adrian Paul commented:
"We are extremely excited to have the Land Use Agreement signed between Jadar and the surface rights owner in order to progress preparation for our maiden drill campaign at the Tierra Blanca Silver-Zinc-Lead Project. The Land Use agreement not only allows for drilling and exploration activities but also provides for mine development through to mining and rehabilitation. The width and strongly mineralized tenor of the outcropping breccia identified at the Project provides a number of potential drilling targets and we look forward to defining these targets and submitting our permit in the coming weeks."

[1] JDR ASX Announcement 17 November 2020 - Jadar Portfolio Grows with Acquisition of Tierra Blanca Project in Prolific Mining District
[2] Ryana Silver Presentation - https://reynasilver.com/presentations/GuiguiProject.pdf

Tierra Blanca Silver-Zinc-Lead Project Update

Exploration work at the Tierra Blanca Project commenced in late February 2021, and since that time, roads have been upgraded to provide better access to site, additionally a mining camp has been established within 2 kilometres of the existing portal.

The Company has executed a comprehensive land use agreement with the owner of the surface rights, which provides for use of the land from exploration, through to mine construction, mining operations and rehabilitation.

Rehabilitation of the old underground workings has been completed with survey and mapping of the surface area of the licence and underground workings conducted. The workings are more extensive than previously anticipated, and have demonstrated intensive mineralisation over 4 levels separated by 10 metre intervals, with levels 3 and 4 demonstrating intensive sulphide mineralisation. Activities to date have focused on securing void spaces, building secure wooden ladders in vertically dipping workings, and clearing unsafe rock in order to facilitate further exploration activities.

This rehabilitation work has allowed the survey and mapping of the underground workings in parallel with mapping of the extensive outcrop of the mineralized system.

The work to date has confirmed Jadar's initial interpretation of an outcropping breccia pipe dipping subvertically, with a width of up to 20 metres. More detailed sampling planned after the submission of the drilling application will test the potential for mineralized grades across the width of the orebody and better define potential drill targets.

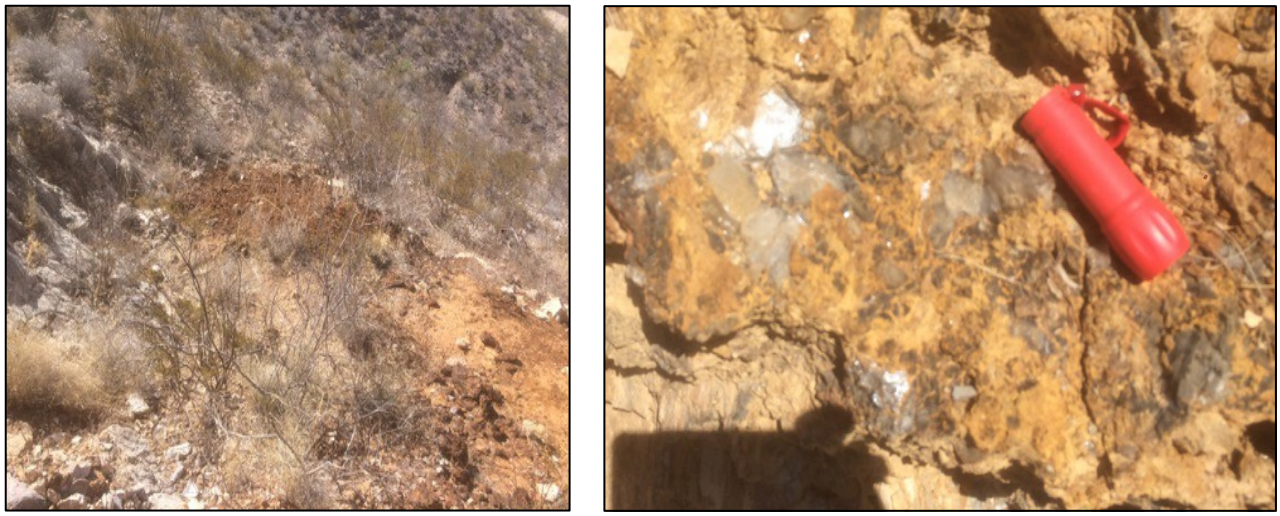

Figure 1- Ferruginous surface staining, marking ore zone (left) & Oxidised breccia ore on surface (right)

Figure 2 - Breccia ore: Open space & druzy quartz , layered & minor sulfides matrix, carbonate clasts (left) & Silica flooded matrix minor sulphides with carbonate clasts (right)

Figure 3 - Tierra Blanca adit and outcrop oxidised breccia

Next Steps

- Work is underway on preparing the submission of a drilling permit by early May for Jadar's maiden 1,500 metre diamond drilling campaign.
- Drill holes are being plotted and surveyed, and the environmental assessment is due within the next week. The application will take up to 60 days to be approved, depending upon any particular land use requirements.
- The drilling campaign is designed to test downdip extensions of a steeply dipping breccia pipe, below shallow old workings that extended no more than 40 metres from surface.
- In the interim period, underground sampling of the orebody will be done, and the results released to the market when available.

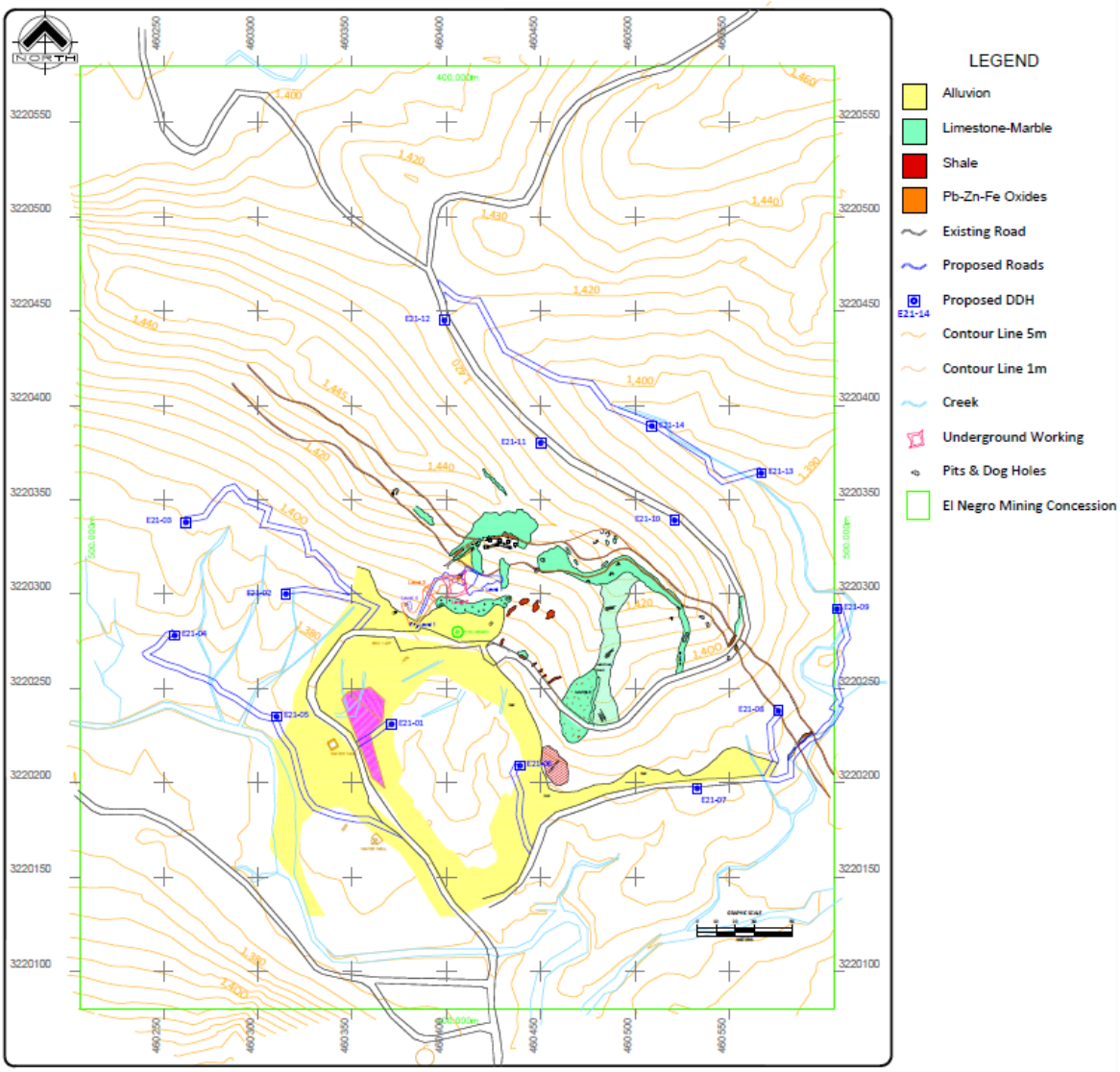

Figure 4 – Tierra Blanca El Negro Mining Concession Plan view with proposed diamond drilling locations

Tierra Blanca Background

In November 2020[3] Jadar entered an option agreement with Pacific Advisory Pte Ltd, to acquire Tierra Blanca, located in the prolific mining district around the City of Chihuahua in Chihuahua State, Mexico. The district surrounding Chihuahua is a significant silver producing region with several substantial mines operated by majors and mid-tier companies, with District Historical Production of 50Mt at 310 g/t Ag, 8.2% Pb and 7.1% Zn[4].

Tierra Blanca is interpreted to be what is termed a Carbonate Replacement Deposit (CRD) which are common in the region. Tierra Blanca is located in a metallogenic province that has yielded several substantial orebodies predominantly containing silver, zinc and lead. Several significant mines operate in the region, with prolific artisanal workings pointing to multiple exploration opportunities.

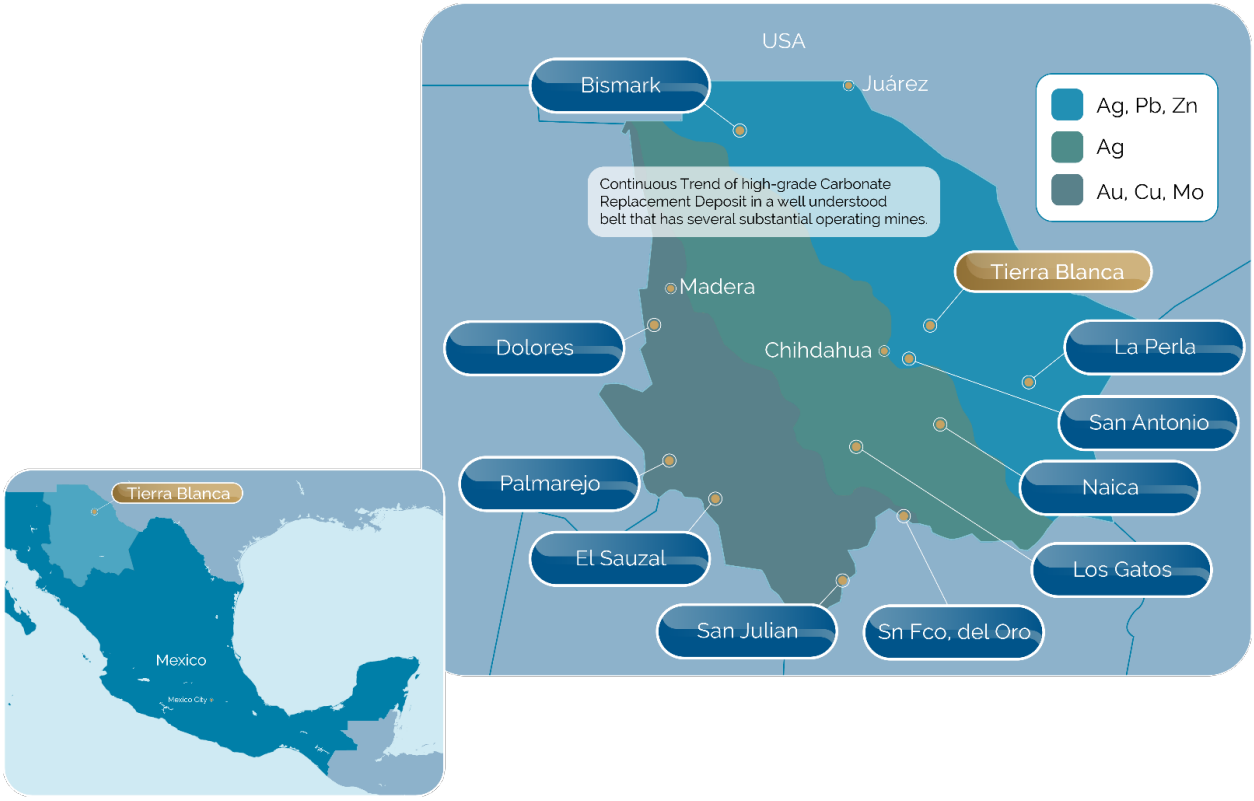

Figure 5 - Tierra Blanca Silver-Zinc-Lead Project Location

[3] JDR ASX Announcement 17 Novemenber 2020 - Jadar Portfolio Grows with Acquisition of Tierra Blanca Project in Prolific Mining District
[4] Ryana Silver Presentation - https://reynasilver.com/presentations/GuiguiProject.pdf

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

Forward Looking Statements

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.