Jadar Resources

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Drilling Commences at Rekovac Project Serbia

Highlights

- **Diamond drill program for two holes, each between 500 to 600 metres, has commenced at the Rekovac Project in Central Serbia, targeting the permissive Lower Miocene Strata.**
- **Rekovac is located in the World Class Vardar Zone and exhibits a very similar geological setting to the Jadar Basin, which hosts Rio Tinto's world-class Jadarite discovery, one of the world's largest lithium deposits.**
- **The drill program is expected to be completed in approximately four weeks with results released to market once available.**

Jadar Resources Limited (**ASX:JDR**) ("**Jadar**", the "**Company**") is pleased to announce that drilling has commenced at its 100% owned Rekovac Project, located in central Serbia ("**Rekovac"** or the **"Project"**). The diamond drilling program is designed to test a gravity low in the northern portion of the Rekovac Project, and will comprise of two planned holes, each between 500 to 600 meters, targeting the permissive Lower Miocene strata.

The Rekovac Project holds significant exploration upside as the project is located in the World Class Vardar Zone and exhibits very similar geological setting to the Jadar Basin, which hosts Rio Tinto's world-class Jadarite discovery, one of the world's largest lithium deposits, with a Resource of 135.7 Mt @ 1.86% Li2O and 15.4% B2O3.

Past exploration results have identified elevated lithium and boron values and the presence of evaporate minerals and their pseudomorphs, within exposed lacustrine sediments in the southern and central part of exploration license as previously announced (refer ASX release - Jadar Lithium Announces Exploration Results and Definition of Drill-Ready Target at Rekovac Lithium-Borate Project in Serbia dated 7 August 2019). Results included soil values showing up to 342 ppm of boron and up to 149 ppm of lithium[1]. The results suggest the basin is prospective for deposits related to the emanation of lithium – boron enriched fluids and their precipitation. These target sediments are anticipated to extend to the north where a more complete stratigraphic section is preserved under younger sediments, and is the focus for current drilling.

Jadar Resources Chairman, Luke Martino, commented: "The commencement of drilling at the Rekovac project is an important step for Jadar, as it has the potential to provide significant exploration upside. Although the program is a greenfield drill program, soil values have shown promising results, and the projects' proximity to Rio Tinto's world-class Jadarite discovery, further indicates the potential. We look forward to updating the market once results are received."

[1] The Company is not aware of any new information or data that materially affects the information included in the original ASX announcement.

Image 1 – Drill Rig at Jadar's Rekovac Project in Serbia

Weather permitting, the exploratory drilling should be completed in approximately 4 weeks, with assay results to follow after the completion of drilling.

World Class Vardar Zone

The Rekovac Project is located in the Vardar Zone, a world-class geological belt hosting pelitic sediments accumulated in several semi-interconnected basins along a geological trend (Figure 1).

The Vardar Zone stretches from northern Iran to Bosnia and Herzegovina, where it appears to disappear at the edge of the Alpine formations. Basins along the long, narrow trend vary greatly in size, shape, and sedimentation. The Vardar zone was formed by the movement between two tectonic plate boundaries. These tectonic forces result in rhomboid-shaped - "pull apart" - basins between the more stable basin boundaries. The basins of interest are mapped as lacustrine and marine sediments.

Evaporate (Lithium – borate) deposits of the type being explored in Vardar zone are typically found in tectonically active zones associated with deep-seated faulting. The deposits occur in shallow water lacustrine and mudflat environments, usually accompanied by Calc - alkaline volcanic and tuffs.

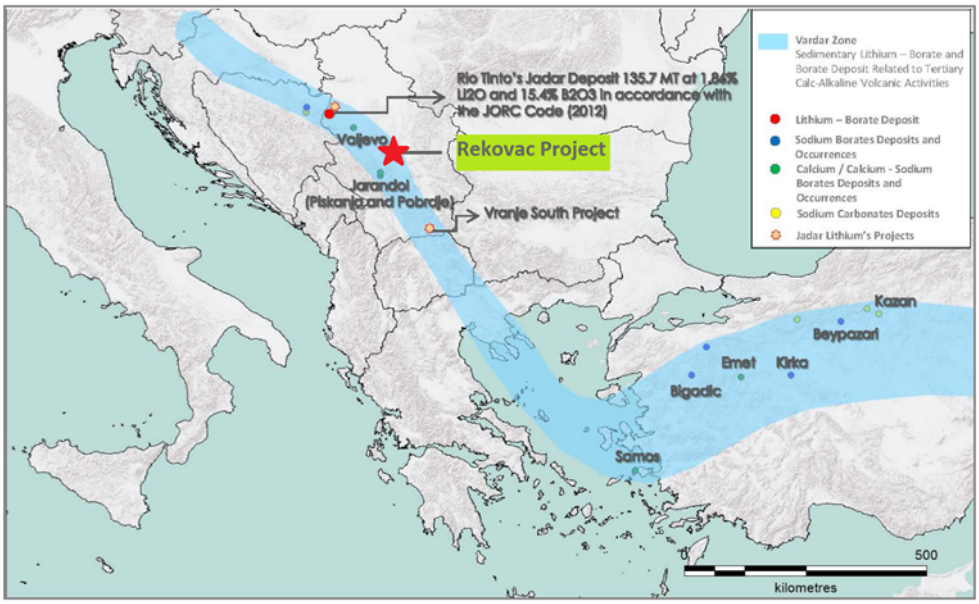

Figure 1 – Position of the Vardar Zone

In the Balkan region, borate and lithium mineral deposits and occurrences have been recognised in recent years. These occurrences have been barely tested, while lithium mineralisation was found associated with borates even more recently during drilling in the Jadar basin of Serbia. Beside the jadar deposit which is the world´s largest lithium - borate deposit, borates have been found in Pobrdje and Piskanja within the Jarandol deposit. Some of the world´s largest borate deposits were discovered within the Vardar zone, and Kirka borax deposit in Turkey is the world´s largest deposit also located in the central part of Vardar trend.

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