ASX RELEASE: 23 MARCH 2021

JADAR AWARDED NEW EXPLORATION LICENCES IN SERBIA

Highlights

- **Jadar has been granted four new Serbian exploration licences covering some 261 km^2.**
- **The new licences are located within the Vardar Zone an emerging Tier 1 lithium borate Jurisdiction**
- **Jadar to spin out its Serbian lithium and borate assets into a newly incorporate Balkan focused subsidiary, Balkan Mining and Minerals Limited ("Balkan") (proposed ASX code BMM) which intends to undertake an Initial Public Offering ("IPO") to facilitate an admission to the ASX**
- **Sixty Two Capital has been appointed as lead manager of the IPO and ARQ Capital has been engaged as co-lead manager**

Jadar Resources Limited (ASX: **JDR**) ("**Jada**r", the "**Company**") is pleased to advise it has secured four new exploration licences in Serbia covering an area of 261 km^2. All exploration licences are located within the Vardar belt hosting the world-class lithium - borate deposits (Figure 1).

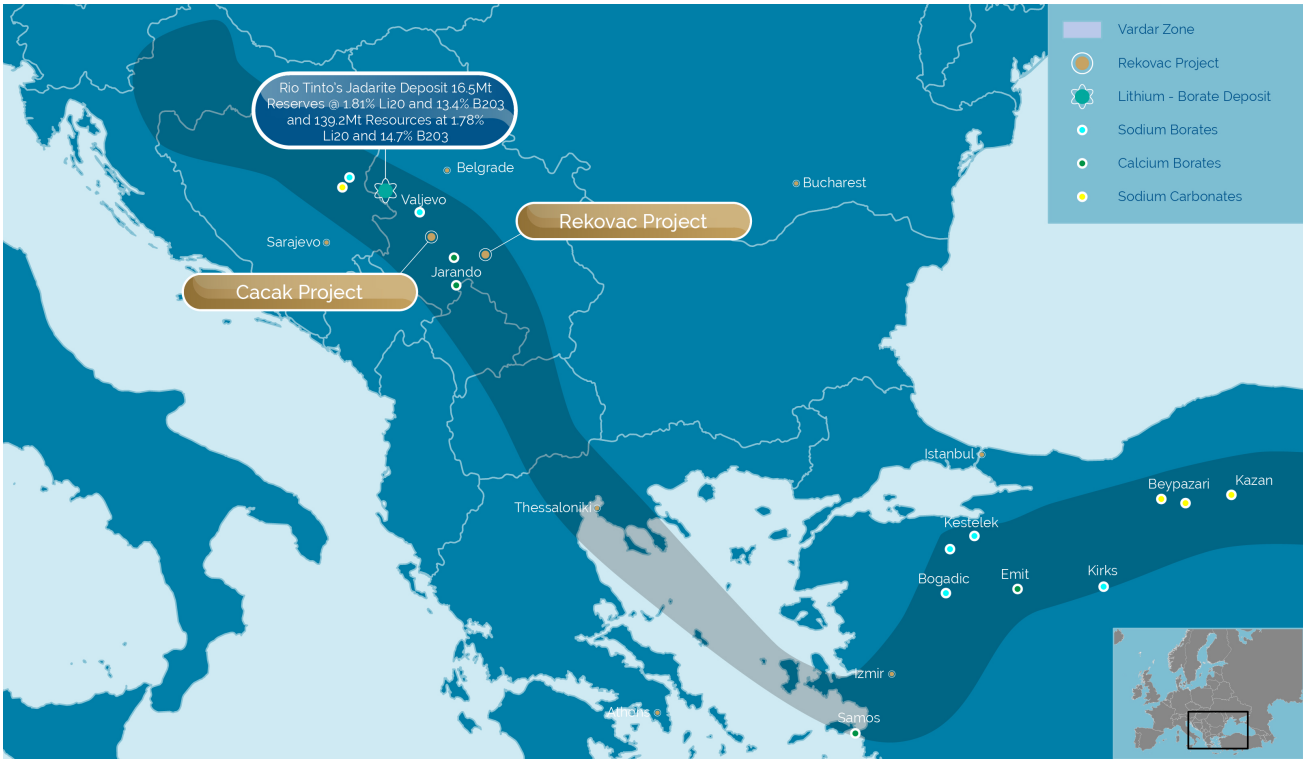

Figure 1 – Vardar zone and project locations plan

As announced on 24 February 2021[1], the Company has made the decision to spin out its Serbian lithium and borate assets (comprising of its Rekovac Lithium and Borate Project and these four newly awarded exploration licences) into a newly incorporated subsidiary, Balkan Mining and Minerals Limited, subject to shareholder approval in accordance with ASX Listing Rule 11.4.1(b). It is intended that Balkan will undertake a $6.5M capital raising (IPO) and seek a listing on the official list of the Australian Securities Exchange ("**ASX**").

Under the proposed spin out transaction, Jadar will retain an interest of approximately 22% in Balkan post IPO, allowing Jadar and its shareholders to maintain exposure to the Serbian lithium and borate assets via the Company's equity interest in Balkan. Additonally, Sandfire Resources Limited ("Sandfire") has conditionally agreed to a strategic investment of $2.0M amounting to an approximate 22% equity interest in Balkan.

Further detail will be set out in the notice of meeting to be dispatched to shareholders shortly, together with our announcements released to the ASX.

The Ursule and Siokovac Licences (Rekovac Project)

The Ursule and Siokovac exploration licences are adjacent to the Jadar's existing Rekovac licence where the Company's maiden drilling program identified the presence of preserved Borate and Lithium mineralisation[2].

The Ursule licence covers the central part of the Grear Rekovac Basin (Rekovac Block) over an area of 99 km^2 and is located approximately 110 km south-southeast of Belgrade. Most of the central portions of the basin were mapped as middle Miocene age sediments. The target boratiferous lower Miocene sediments (Dragovo Formation), outcropping in the southwestern portion of the licence area close to their contacts with basement formations. These permissive sediments are anticipated to extend to the north-northeast where it is covered and preserved by younger sediment cover. NE-SW trending faults are thought to be major structural controls on basement fracturing and basin development and may also serve as zones of migration for mineral-bearing fluids.

The Siokovac licences cover the northern part of the Grear Rekovac Basin (Rekovac Block) and the licence area is approximately 98 km^2. The central and northern part of the licenced area is covered by a younger quaternary lake and alluvial formation which overlies middle Miocene marine sediments. The target lower Miocene lacustrine sediments (Dragovo Formation) paraconformably lay under marine sediments.

The middle Miocene spring aprons travertines are exposed along faulted margins in the northwestern edge of the licenced area. The travertines are one of the indicators that suggest a contribution of spring waters feeding the lake and a potential conduit for mineralising fluids. The spring aprons travertine deposits occur in association with the borate/lithium-borates deposits.

[1] JDR ASX Announcement 24 February 2021 - Jadar to Spin Out Serbian Lithium Projects
[2] JDR ASX Announcement 20 May 2020 - New Discovery of Borate and Lithium Mineralisation Intersections at Rekovac Project

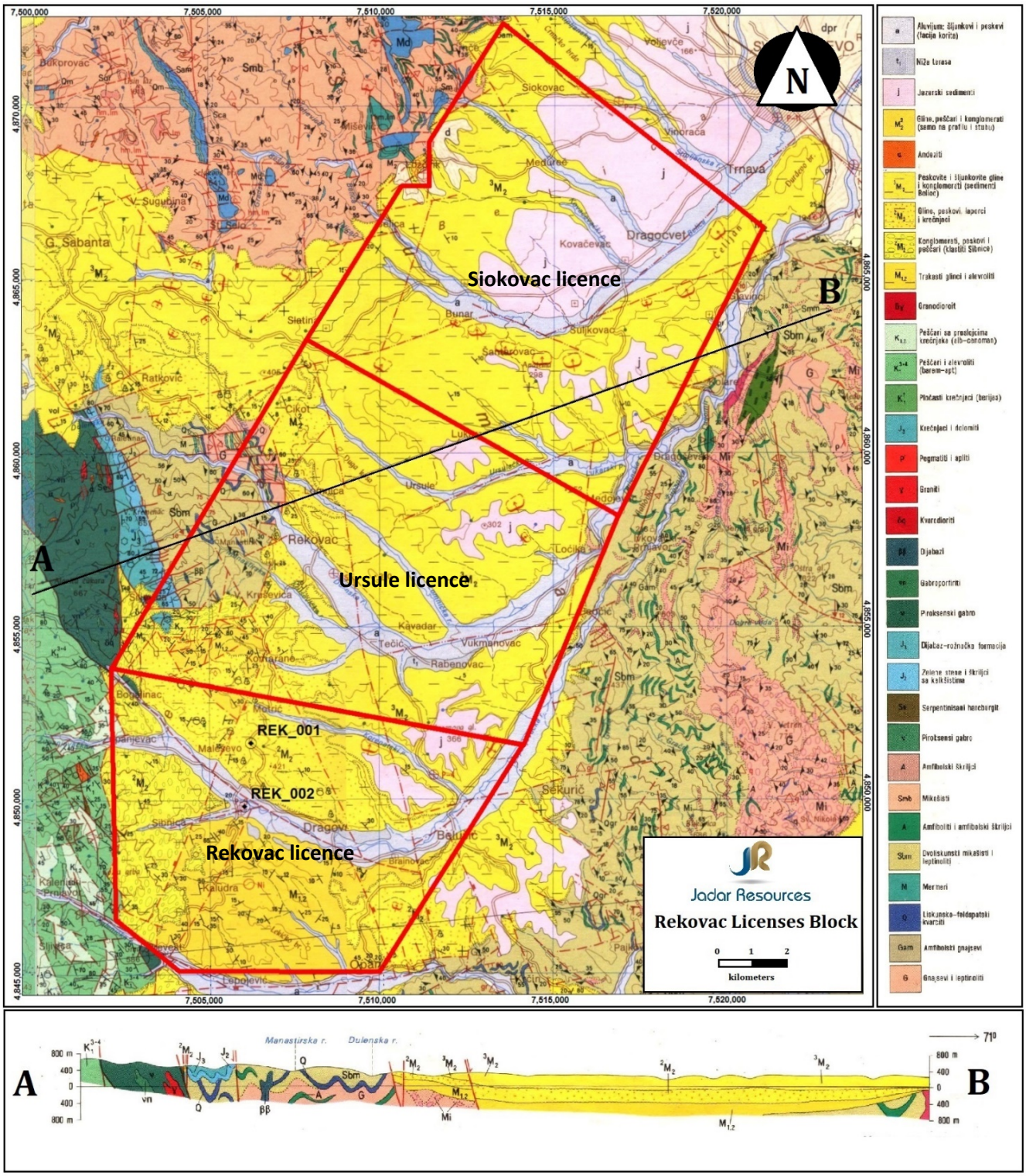

Figure 2 – Rekovac licence blocks over geology map

The Dobrinja & Pranjani Licences (Čačak Project)

The Dobrinja and Pranjani licence areas (Čačak Block) are located in western Serbia approximately 90 km south-southwest of Belgrade (Figure 3). The Project area is covered by two exploration licences covering approximately 64 km^2 (Dobrinja 38 km^2, Pranjani 26 km^2) of outcropping Neogene age basins containing lithified lacustrine sediments mapped as early, middle and upper Miocene.

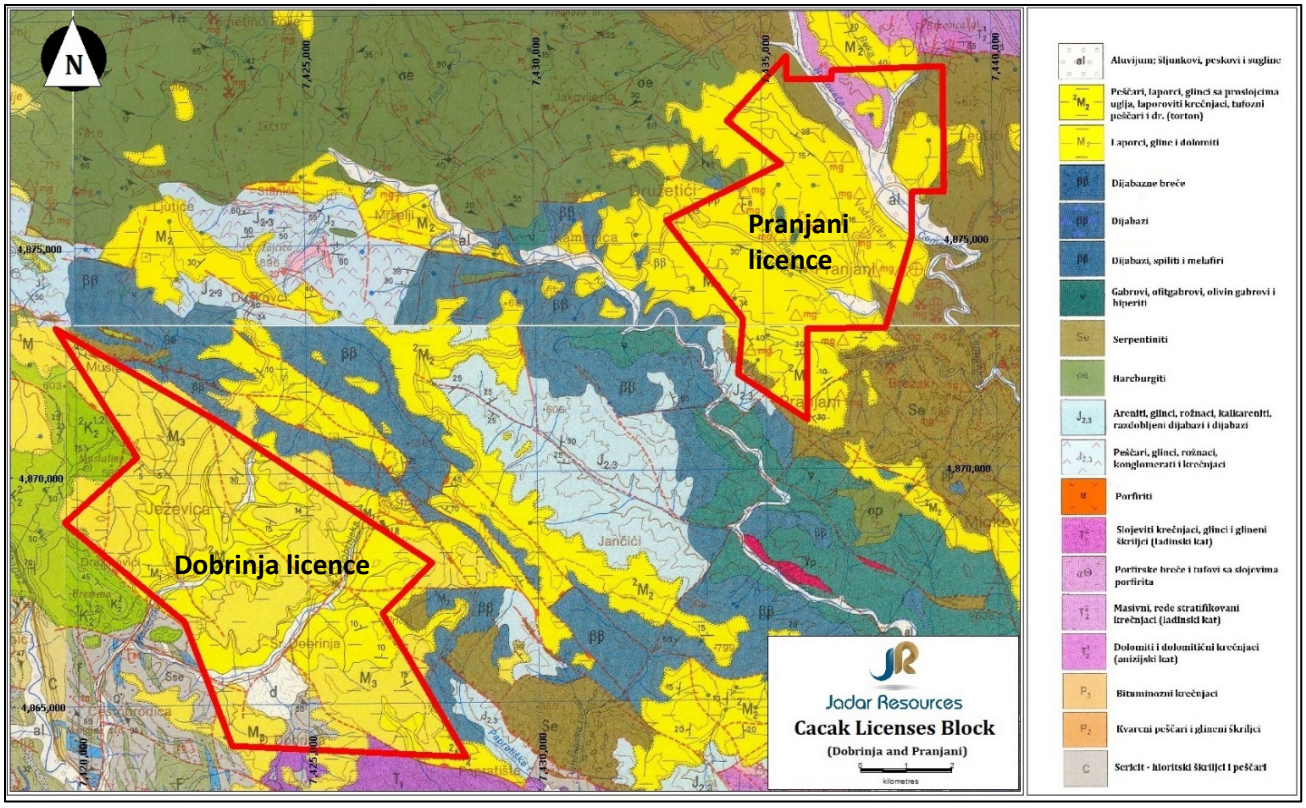

Figure 3 – Cacak licence blocks over geology map

Earlier studies carried out by the Yugoslavian Geological Survey identified favourable lacustrine strata for hosting lithium and boron within the licenced areas, which was followed up by Jadar´s desktop studies that identified the basin's potential.

The Dobrinja Basin is located in the southeast of the Kosjeric Basin and southwest of the Pranjani Basin. Available literature describes that the Dobrinja and Pranjani Basins are relicts of one much larger basin, which has eroded over time, leaving behind two smaller separated basins.

The Dobrinja Basin is elongated in a northeast-southwest direction and filled by Neogene lacustrine sediments. The target lower Miocene sediments are exposed within western and eastern basin margins close to the contact with Basement formations. The target lower Miocene sediments lay below younger middle and upper Miocene sediments. The margins of the basin are either peridotites - serpentinite and diabase formation to the north, east and southeast and cretaceous limestone, paleozoic schist and triassic limestone to the west, southwest and south. The targeted lower Miocene continental-lacustrine sediments are characterised by marlstone, claystone, ash-flow tuffs and spring aprons travertines.

The Pranjani Basin lies immediately northeast of the Dobrinja Basin and extends over an area of approximately 40 km^2. The lake structural basin is filled by Neogene aged continental - lacustrine sediments mapped as middle Miocene. These sediments are composed mainly of marls, claystones, siltstones, ash-flow tuffs and clastics flows close to the basin margins.

The geologic map indicates spread magnesite occurrences within the Pranjani Basin. These magnesite occurrences appear to be a good indicator that suggests a component of spring-sourced waters was supplied to the lake during sediment deposition. Hydrothermal magnesites are found in many other basins associated with lithium-boron enriched fluids and their precipitates.

The mesozoic basement rocks underlying the Pranjani Basin contain an ophiolite complex composed of peridotite - serpentinite and the diabase and triassic limestone.

Balkan Adviser Appointments

Sixty Two Capital Pty Ltd ("62 Capital") has been appointed as lead manager and ARQ Capital Pty Ltd ("ARQ Capital") has been engaged as co-lead manager of the IPO to be undertaken by Balkan. Balkan has agreed to pay an aggregate capital raising fee of 6% of the total amount raised under the IPO to 62 Capital and ARQ Capital.

Jadar Adviser Appointments

In addition, Jadar has entered into an exclusive Corporate Advisor Mandate with 62 Capital. 62 Capital will assist Jadar with general corporate advisory and capital markets advice including advising and assisting Jadar with identifying and evaluating potential growth strategies including mergers and acquisitions, equity/debt raisings, corporate restructures, debt refinancing, trade sales and divestments, joint ventures and farm-ins and assistance with documentation and preparation of marketing materials, amongst other things. Should the Company complete a transaction introduced through 62 Capital, a completion fee equating to 10% of the total transaction value (such an amount to be paid in either cash or shares at Jadar's discretion) is payable by Jadar to 62 Capital. 62 Capital holds a first right of refusal to act as the Company's lead financial advisor or agent in respect of any acquisition or disposal, or public or private offering during the term of the mandate. The mandate will continue for a 6 month period (unless terminated earlier). Termination of the mandate can occur at any time by either party giving 30 days' written notice to the other. The Mandate contains such other terms as are considered standard for an agreement of its nature (including, non-circumvention provisions for a 1 year period post termination of the Mandate, representations and warranties).

62 Capital will not receive any fees under the Corporate Advisor Mandate entered into with Jadar in respect of the spin-out and IPO transaction to be undertaken by Balkan.

ENDS

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

Forward Looking Statements

Forward Looking Statements regarding Jadar´s plans with respect to its mineral properties and programs are forward-looking statements. There can be no assurance that Jadar's plans for development of its mineral properties will proceed as currently expected. There can also be no assurance that Jadar will be able to confirm the presence of additional mineral resources, that any mineralisation will prove to be economic or that a mine will successfully be developed on any of Jadar's mineral properties. The performance of Jadar may be influenced by a number of factors which are outside the control of the Company and its Directors, staff, and contractors. 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.

Competent Person Statement

The information in this report that relates to Exploration Targets or Exploration Results is based on information compiled by Mr Dejan Jovanovic, a Competent Person who is a Member of the European Federation of Geologist (EurGeol). The European Federation of Geologists is a Joint Ore Reserves Committee (JORC) Code 'Recognised Professional Organisation' (RPO). An RPO is an accredited organisation to which the Competent Person under JORC Code Reporting Standards must belong in order to report Exploration Results, Mineral Resources, or Ore Reserves through the ASX. Mr Jovanovic is the General Manager, Exploration and is a full-time employee of the Company. Mr Jovanovic has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the JORC 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Jovanovic consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.