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JINDALEE
LITHIUM

JINDALEE LITHIUM LIMITED

ACN 064 121 133

Half-Year Financial Report

31 December 2023

CORPORATE DIRECTORY

Board and Management

Wayne Zekulich	Non-Executive Chair (appointed 1 February 2024)
Justin Mannolini	Non-Executive Chair (resigned 1 February 2024)
Lindsay Dudfield	Executive Director
Darren Wates	Non-Executive Director
Paul Brown	Non-Executive Director
Ian Rodger	Chief Executive Officer (appointed 22 January 2024)
Carly Terzanidis	Company Secretary

Auditors

BDO Audit (WA) Pty Ltd
Level 9
Mia Yellagonga Tower 2
5 Spring Street
Perth, WA 6000

Legal Advisors

Hamilton Locke
Central Park Building
Level 48, 152-158 St Georges Terrace
Perth, WA 6000

Share Registry

Advanced Share Registry
110 Stirling Highway
Nedlands, WA 6000
Telephone: +61 (8) 9389 8033
Facsimile: +61 (8) 6370 4203

Securities Exchange Listings

The Company is listed on the Australian Securities Exchange Ltd ("ASX") and the United States OTCQX market ("OTC")

Home Exchange: Perth, Western Australia

ASX Code: **JLL**
OTC Code: **JNDAF**

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THE DIRECTORS' REPORT

The Directors present their report, together with the financial statements, on the consolidated entity consisting of Jindalee Lithium Limited (formerly known as Jindalee Resources Limited) ("Jindalee", the "Company" or "Parent Entity") and the entities it controlled at the end of, or during, the half-year ended 31 December 2023 ("Consolidated Entity").

DIRECTORS AND MANAGEMENT

The following persons were directors and management of Jindalee Lithium Limited during the whole of the financial half-year and up to the date of this report, unless otherwise stated:

Wayne Zekulich	*BBus, FCA* (appointed 1 February 2024)
Justin Mannolini	*B.Com/LL (Hons), LLM (Cantab), GAICD, SA FIN* (resigned 1 February 2024)
Lindsay Dudfield	*B.Sc.*
Darren Wates	*LLB, BCom, Grad Dip App Fin*
Paul Brown	*M.Eng (MI)*
Ian Rodger	*BE (Hons), MSc, GAICD* (appointed 22 January 2024)

Jessamyn Lyons resigned as Joint Company Secretary in November 2023.

OPERATING RESULT

The Consolidated Entity incurred an operating loss after income tax for the half-year ended 31 December 2023 of $2,854,875 (half-year ended 31 December 2022: operating loss after income tax of $1,732,722).

The loss for the period includes a loss on revaluation of financial assets of $454,042 and share based payments expenses of $828,774 relating to options issued to employees under the employee share plan to employees, and options issued to Directors.

PRINCIPAL ACTIVITIES

The principal activity of the Consolidated Entity is mineral exploration.

REVIEW OF OPERATIONS

Jindalee's strategy is to identify, acquire and develop projects with the potential to transform the Consolidated Entity and this continued to be the primary focus.

During the half-year efforts were concentrated on Jindalee's 100% owned McDermitt Lithium Project (USA) and included release of an Exploration Target abutting the existing Mineral Resource, detailed metallurgical testwork to inform the Pre-Feasibility Study ("PFS") which commenced in June 2023, and permitting activities to enable more detailed work to be undertaken at McDermitt and derisk the Project.

During the period the Company also announced two significant additions to the management team, effective early 2024, with the appointment of Ian Rodger as Chief Executive Officer ("CEO") and Wayne Zekulich as Chair.

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McDermitt Lithium Project (USA)

In February 2023, Jindalee announced an updated Mineral Resource Estimate ("MRE") at the McDermitt Lithium Project (USA) (Figure 1)[1].

The 2023 MRE for McDermitt contains a combined Indicated and Inferred Mineral Resource Inventory of 3.0 Billion tonnes at 1,340 ppm lithium (Li) for a total of 21.5 Million tonnes lithium carbonate equivalent ("LCE") at 1,000 ppm cut-off grade. At 21.5 Mt LCE, McDermitt is the largest lithium deposit in the United States (US) by contained lithium in Mineral Resource, and a globally significant resource (Table 1), with the deposit remaining open to the west and south (Figure 1).

Cut-off Grade (ppm Li)	Indicated Resource			Inferred Resource			Indicated and Inferred Resource		
	Tonnage (Mt)	Li Grade (ppm)	LCE (Mt)	Tonnage (Mt)	Li Grade (ppm)	LCE (Mt)	Tonnage (Mt)	Li Grade (ppm)	LCE (Mt)
1,000	1,470	1,420	11.1	1,540	1,270	10.4	3,000	1340	21.5

Table 1 – Summary of 2023 McDermitt MRE[1] at the reporting cut-off of 1,000 ppm. Note: totals may vary due to rounding.

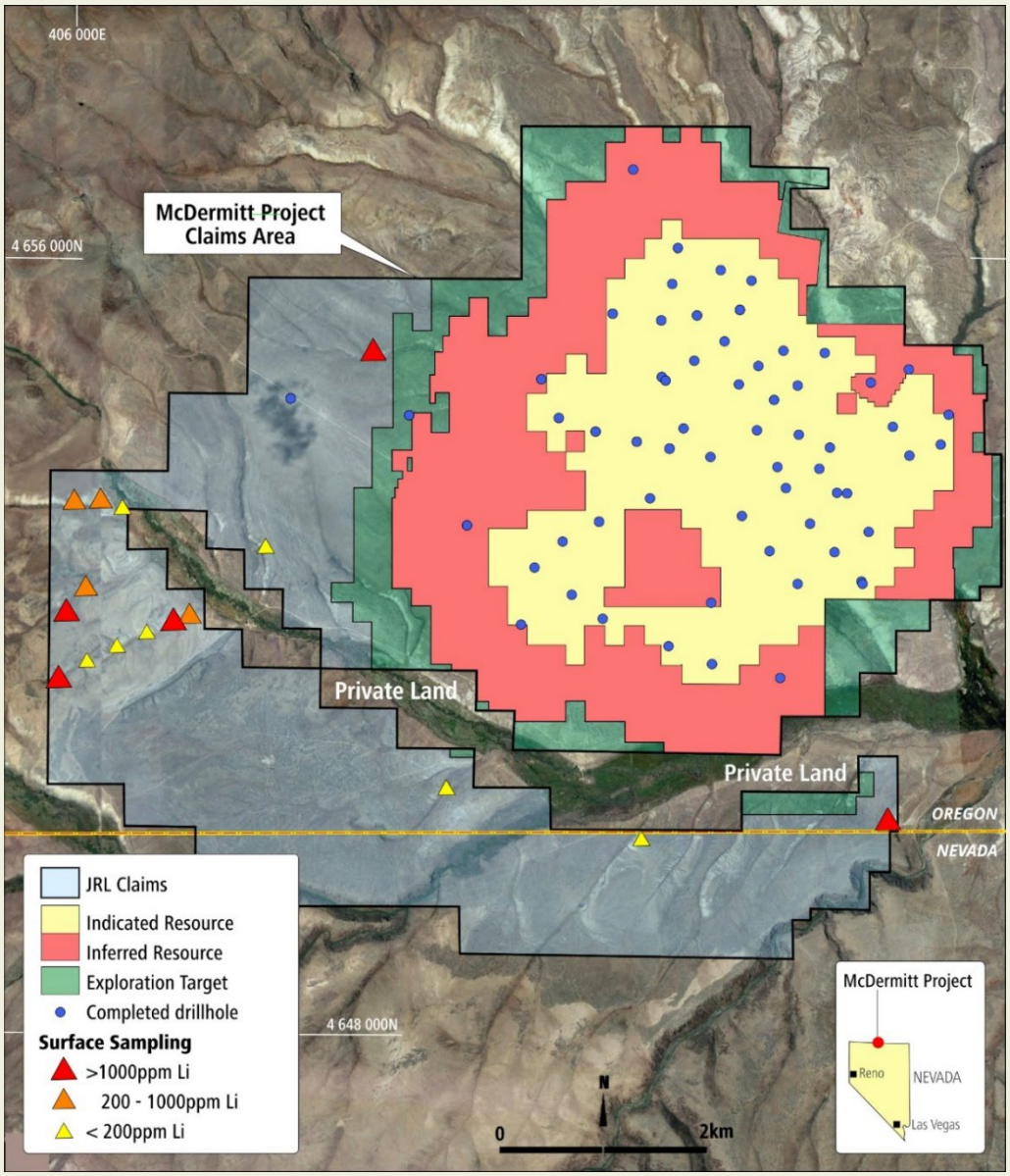

Figure 1 – Plan view of the McDermitt Lithium Project with 2023 Mineral Resource[1] (at 1523mRL), completed drilling, Exploration Target[2] and Surface Sampling locations outside the Mineral Resource and Exploration Target areas.

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Cut-off Grade (ppm Li)	Lower Limit (Mt)	Upper Limit (Mt)	Grade Range (ppm Li)	Mid-point Contained LCE (Mt)
1,000	300	700	1100 - 1400	3.3

Table 2 – Summary of Exploration Target Range at cut-off of 1,000ppm. LCE calculated using the midpoint of the range.

Exploration Target

On 21 November 2023 Jindalee announced an independently estimated Exploration Target Range ("ETR") at McDermitt of **300 – 700 Million tonnes at 1,100 – 1,400 ppm Li** (at 1,000ppm Li cut-off) (Table 2, Figure 1)[2].

The Exploration Target surrounds and abuts the 2023 MRE and is extrapolated from 62 holes drilled at McDermitt from 2018 to 2022. Material for the MRE extends to a maximum distance of 1,200m from the nearest hole, with the ETR extending to a maximum of 1,500m from the nearest hole (Figure 1).

Cautionary Statement

The Exploration Target has been prepared and reported in accordance with the 2012 edition of the JORC Code. The potential quantity and grade of the Exploration Target is conceptual in nature. There has been insufficient exploration to estimate a Mineral Resource for all target areas reported. It is uncertain if further exploration will result in the estimation of a Mineral Resource.

Metallurgical Testwork

In March 2023 Jindalee announced that global engineering, procurement, construction and maintenance company Fluor Corporation had reviewed metallurgical testwork undertaken at McDermitt and had determined that acid leaching with ore beneficiation (to upgrade the leach head grade) delivered the lowest operating costs and best financial outcome among the alternatives considered[3].

Fluor also noted that the very large Mineral Resource at McDermitt (21.5 Mt LCE, Table 1)[1] allows flexibility in development, providing the opportunity to optimise mining and ore feed grade early in the mine life and recommended that a comprehensive metallurgical testwork program be undertaken to provide information upon which the preferred flowsheet for the processing of McDermitt ore could be defined.

In June 2023 leading mine engineering group Cube Consulting generated conceptual pit shells using the McDermitt MRE geological model to assist with selection of samples for the metallurgical testwork program, which is being managed by Fluor. Samples from Units 4, 6, 8 and 10 (units recognised by Jindalee geologists as carrying elevated lithium values) within the Indicated portion of Pit Shell 6 (nominal 43 years) (Figure 2) were selected and approximately 700 kg of drill core was despatched to consultant metallurgists Hazen for testing.

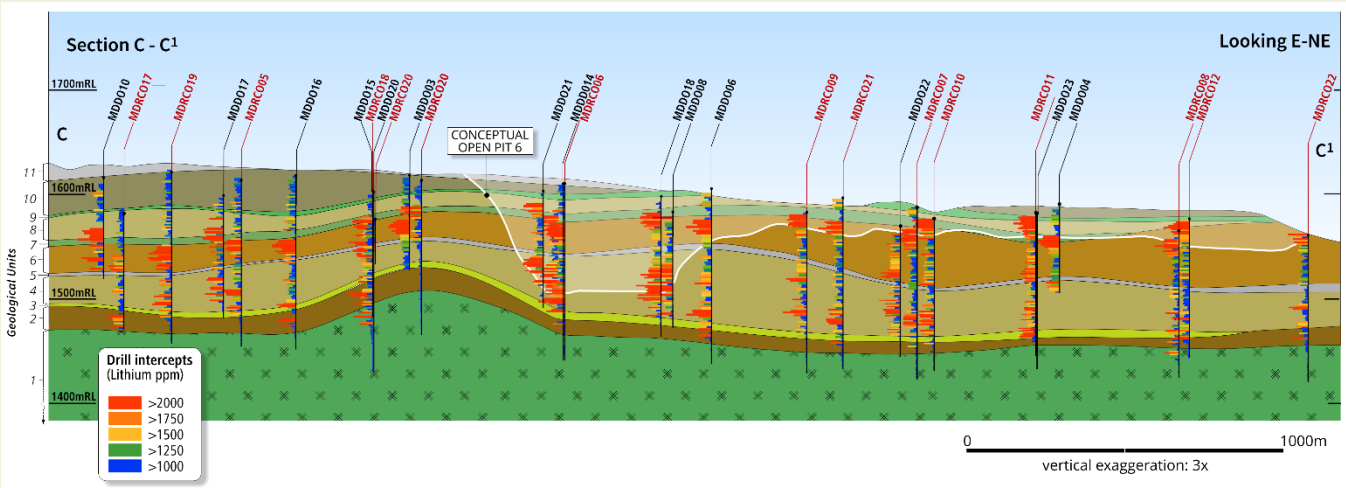

Figure 2 – Schematic Section C-C' with completed drilling, simplified geology and conceptual Pit Shell 6 (nominal 43 years). (Note: lateral projection onto section plane and 3x vertical exaggeration may cause distortion)

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On 23 October 2023, Jindalee announced initial head assay results had been received for Units 4, 6, 8 and 10[4]. These samples averaged 0.179% Li (1,790 ppm), 34% higher than the average grade of the current McDermitt Indicated and Inferred resource grade of 0.134% Li (1,340 ppm)[1], suggesting excellent potential to selectively mine and process units of higher-grade ore early in the mine life, with positive implications for Project economics (Table 3).

Sample	Head Assays (wt %)								
	Li	As	Ce	La	Mn	Mo	Sr	Y	Zn
Unit 4	0.204	0.007	0.005	0.002	0.064	<0.001	0.038	0.003	0.019
Unit 6	0.205	<0.005	0.005	0.002	0.060	<0.001	0.038	0.003	0.018
Unit 8	0.152	<0.005	0.005	0.002	0.061	<0.001	0.035	0.003	0.020
Unit 10	0.155	<0.005	0.005	0.002	0.067	<0.001	0.034	0.003	0.017
Average	0.179	<0.005	0.005	0.002	0.063	<0.001	0.036	0.003	0.018

Table 3. Head Assays from McDermitt metallurgical samples (rounded to 3 significant decimal places) [4].

On 15 November 2023 the Company announced excellent results from beneficiation of the individual unit samples via attrition scrubbing[5]. The calculated recovery for a composite sample (representing a nominal life-of-mine average feed) recovered 92.0% of the lithium to leach feed and rejected 25.3% of the mass at a cut size of 250 microns (Table 4). The average grade to leach was 2,107 ppm Li, 18% higher than the average head grade of the metallurgical samples (1,790 ppm Li)[4] and 57% higher than the average Mineral Resource grade (1,340 ppm Li; refer Table 1).

Cut Size (µm)	Pit Shell	Li Recovery	Mass Rejection	Li to Leach
250	6	92.0%	25.3%	2,107 ppm

Table 4 – Summary of Lithium Recoveries via Attrition Scrubbing at 250 micron cut size (Pit Shell 6) [5].

Subsequent to the end of the period, initial acid leaching results from the metallurgical testwork were announced on 18 January 2024[6]. Leaching was conducted on leach feed with a beneficiation cut size of 250 micron (µm). This feed was leached without further grinding (250 µm leach feed) and with further grinding to achieve 100% passing 75 µm (75 µm leach feed) using 500 kg acid per tonne of leach feed and returned very high lithium extraction rates. The 250 µm leach feed was also leached with a higher strength acid (850 kg/t) recording extremely high extraction rates (>98%) for all units (Table 5). The leach testwork extended for up to four hours with most of the Li extraction occurring in the first hour.

Unit	Cut Size (µm)	Leach Feed (100% passing µm)	Li Extraction (500 kg/t)	Li Extraction (850 kg/t)
4	250	250	96.8%	98.7%
		75	99.1%	N/A
6		250	91.9%	99.1%
		75	92.1%	N/A
8		250	91.5%	99.0%
		75	90.7%	N/A
10		250	89.2%	100.0%
		75	88.0%	N/A
Composite		250	92.9%*	N/A
		75	94.0%	N/A

Table 5 – Maximum Lithium Extraction at variable feed sizes and acid strengths - Units 4, 6, 8 and 10 *(* calculated)*

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The calculated Li extraction for a composite sample using 250 µm leach feed was 92.9% which compares favourably with the extraction rate (94.0%) achieved through testwork from the finer (75 µm) leach feed (Table 5) using 500 kg/t acid.

Leaching of a bulk composite commenced in January 2024 to provide lithium in solution for downstream testwork. Beneficiated samples (250 µm) were also shipped to POSCO Holdings (NYSE: PKX) for testwork, pursuant to the Memorandum of Understanding signed with POSCO in February 2023[7].

Pre-Feasibility Study

The McDermitt PFS commenced in June 2023 with Fluor appointed as lead engineer and Michael Elias engaged as the Company's Study Manager. Fluor has extensive experience with sediment hosted lithium deposits in the US and has assembled a team of highly credentialled metallurgists and engineers to work on the study.

In December 2023 Jindalee reported that additional study work was underway with US West Coast based engineering firms for supporting works including pit geotechnical, mine waste and tailings storage management, hydrology and water supply and grid power supply, and that discussions were underway with a mine planning engineering consultancy with contract award targeted for early 2024[8]. The mine planning consultancy was awarded in mid-January 2024 to Cube Consulting. The PFS will also leverage the baseline environmental studies and Native American heritage investigations undertaken for the Exploration Plan of Operations ("EPO") (refer below).

Work is progressing well with several preliminary deliverables received by the end of the period. The PFS is expected to continue through until mid-2024, subject to the timing of metallurgical test results, site investigations and approvals.

Permitting

In May 2023 Jindalee announced that the EPO for McDermitt, originally submitted to the US Bureau of Land Management ("BLM") in August 2022 (with additional information provided early 2023), had been deemed complete[9].

The public comment period on the EPO closed mid-September 2023 and the environmental review process required by the National Environmental Policy Act ("NEPA") commenced 10 January 2024. The final decision of the NEPA assessment will be incorporated into the EPO, with this process expected to take up to 12 months.

Commencement of the NEPA review is a significant milestone as once approved, the EPO will allow Jindalee to significantly increase on-site activity, including infill drilling and providing additional, fresh samples for site investigations (e.g. geotechnical, hydrological) and further metallurgical testwork.

The strategic importance of the McDermitt Project to the US was further underlined in December 2023 with enactment of the latest National Defense Authorization Act which bans the US Defense Department from buying batteries produced by China's biggest manufacturers, furthering the need to establish domestic supply chains[10].

Jindalee continues to engage with US Government agencies (both State and Federal) regarding opportunities to advance the Project, including technical cooperation between agencies and the potential for US Government funding for the Project, with further updates expected in 2024.

CORPORATE

Management Changes

In December 2023 Jindalee announced two significant additions to the management team as the Company transitions from explorer to developer.

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On 4 December 2023 Jindalee announced the appointment of Ian Rodger as CEO, commencing January 2024[11]. Mr Rodger is a qualified Mining Business Executive with 15 years of experience in various roles including as a Mining Engineer for Rio Tinto across two large greenfield mine developments, before successfully transitioning into mining corporate finance where he held Executive and Director positions at RFC Ambrian overseeing origination and management of numerous mandates across a range of corporate advisory roles.

In his most recent role as Project Director for Oz Minerals (ASX: OZL), Mr Rodger made significant contributions to successfully define the value potential of the West Musgrave Nickel/Copper Province through the delivery of a portfolio of growth studies. Most notably, he led technical, market and partnership development workstreams, successfully confirming value potential for producing an intermediate Nickel product for the battery value chain.

Mr Rodger holds a Bachelor of Mining Engineering from the University of Queensland, a Masters of Mineral Economics from Curtin University and is also a graduate of the Australian Institute of Company Directors and member of the Australasian Institute of Mining and Metallurgy.

On 27 December 2023 the Company announced the appointment of Wayne Zekulich as Non-Executive Chair, effective 1 February 2024, replacing Justin Mannolini who served as a Jindalee director since September 2013[12].

Mr Zekulich is an accomplished Company Director and finance professional having held various Non-Executive Director and Chief Financial Officer roles. Mr Zekulich is currently the Chairman of Pantoro (ASX: PRN) and a Board member of Infrastructure WA. He currently consults to a global investment bank. Mr Zekulich holds a Bachelor of Business Degree and is a Fellow of the Institute of Chartered Accountants.

Jindalee also advised that Ms Jessamyn Lyons had resigned from the role of Joint Company Secretary during the period, with Ms Carly Terzanidis remaining in the role of Company Secretary[11].

Capital Raising

On 16 October 2023, Jindalee announced a capital raising comprising the issue of up to 3,930,000 new ordinary shares at an issue price of $1.40 per Share to raise up to $5,500,000 (before costs), via a public offer to raise up to $3,500,000 ("Public Offer") and a priority offer to eligible Jindalee securityholders to raise up to $2,000,000 ("Priority Offer"). The capital raising was offered pursuant to a Prospectus dated 13 October 2023[13,14], with funds being utilised to advance exploration and development of the McDermitt Lithium Project and to provide general working capital.

Public Offer applications were received for in excess of the maximum amount of $3.5 million (before costs). Accordingly, Jindalee resolved to close the Public Offer early[15]. Over 150 new sophisticated, professional and retail investors joined the Company's share register following the Public Offer.

The Priority Offer closed on 27 October 2023 raising $0.6 million (before costs)[16]. Jindalee Directors applied for a further 175,000 shares (worth $245,000), approved by shareholders at the Company's Annual General Meeting ("AGM") held on 22 November 2023.

Change of Name

At the AGM shareholders approved changing the Company's name to Jindalee Lithium Limited to reflect the focus on lithium exploration, with the Company's ASX ticker changing to "JLL".

General

In addition to its US lithium projects, Jindalee provides shareholders with indirect exposure to hard rock lithium, gold, base and strategic metals, iron ore, uranium and magnesite in Australia through holdings in spin-out companies Dynamic Metals Ltd (ASX: DYM) and Energy Metals (ASX: EME).

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Jindalee currently has 60.5M shares on issue, with cash and listed securities at 31 December 2023 of approximately $6.56M[17].

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There were no significant changes in the state of affairs of the Consolidated Entity during the financial half-year.

EVENTS OCCURING AFTER REPORTING PERIOD

As noted above, Justin Mannolini retired from the Board and position of Non-Executive Chair after 10 years of service, on 1 February 2024. Wayne Zekulich joined the Board and assumed the role of Non-Executive Chair on the same date. Mr Zekulich will be issued 500,000 unquoted Company options exercisable at $1.28 expiring 22 December 2026 as part of his remuneration package, subject to shareholder approval to be requested at a general meeting to be held as soon as practicable.

As announced on 4 December 2023, Ian Rodger commenced in the role of Chief Executive Officer in January 2024. Mr Rodger was issued 4,500,000 unquoted Company options on 27 February 2024, with various exercise prices, vesting dates and expiry dates, as part of his remuneration package.

Other than the matters outlined above, no other matter or circumstance has arisen since 31 December 2023 that has significantly affected, or may significantly affect the Consolidated Entity's operations, the results of those operations, or the Consolidated Entity's state of affairs in future financial periods.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 9 of this half-year report.

This report is made in accordance with a resolution of the Board of, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the Directors

LINDSAY DUDFIELD
Executive Director
PERTH 14 March 2024

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References:

Additional details including JORC 2012 reporting tables, where applicable, can be found in the following releases lodged with ASX and referred to in this report:

1. Jindalee Lithium ASX announcement 27/02/2023: "Resource at McDermitt increases to 21.5 Mt LCE"
2. Jindalee Lithium ASX announcement 21/11/2023: "Exploration Target Highlights Further Upside at McDermitt"
3. Jindalee Lithium ASX announcement 24/03/2023: "Preferred Lithium Extraction Process for McDermitt Project"
4. Jindalee Lithium ASX Announcement 23/10/2023: "First results from Metallurgical Testwork at McDermitt"
5. Jindalee Lithium ASX Announcement 15/11/2023: "Exceptional Metallurgical Results from McDermitt"
6. Jindalee Lithium ASX Announcement 18/01/2024: "More Exceptional Metallurgical Results from McDermitt"
7. Jindalee Lithium ASX Announcement 13/02/2023: "MOU Executed with POSCO Holdings"
8. Jindalee Lithium ASX Announcement 19/12/2023: "McDermitt Lithium Project Update"
9. Jindalee Lithium ASX Announcement 16/05/2023: "McDermitt Progress Update"
10. Source: https://www.whitehouse.gov/briefing-room/statements-releases/2023/12/22/
11. Jindalee Lithium ASX announcement 04/12/2023: "Appointment of Ian Rodger as CEO"
12. Jindalee Lithium ASX announcement 27/12/2023: "Non-Executive Chair Transition"
13. Jindalee Lithium ASX announcement 16/10/2023: "$5.5M Capital Raising to Advance McDermitt Lithium Project"
14. Jindalee Lithium ASX announcement 13/10/2023: "Prospectus"
15. Jindalee Lithium ASX Announcement 19/10/2023: "Public Offer to Close Early - $3.5 Million Raised"
16. Jindalee Lithium ASX Announcement 31/10/2023: "Priority Offer Raises $0.6 Million"
17. Jindalee Lithium ASX announcement 30/01/2024: "Quarterly Cashflow Report"

Competent Persons Statement

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr. Lindsay Dudfield and Mr. Brett Marsh. Mr. Dudfield is a director and consultant to the Company and a Member of the Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. Mr. Marsh is an employee of the Company and an American Institute of Professional Geologists ("AIPG") Certified Professional Geologist and a Registered Member of the Society for Mining, Metallurgy & Exploration ("SME"). Both Mr. Dudfield and Mr. Marsh have sufficient experience relevant to the styles of mineralisation and types of deposits under consideration, and to the activity being undertaken, to qualify as Competent Persons as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves' ("JORC Code"). Mr. Dudfield and Mr. Marsh consent to the inclusion in this report of the matters based on this information in the form and context in which it appears.

The information in this report that relates to the Exploration Target and the Mineral Resource Estimate for the McDermitt deposit is based on information compiled by Mr. Arnold van der Heyden, who is a Member and Chartered Professional (Geology) of the Australasian Institute of Mining and Metallurgy and a director of H&S Consultants Pty Ltd. Mr. van der Heyden has sufficient experience 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 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' ("JORC Code").

The Company confirms that it is not aware of any further new information or data that materially affects the information included in the market announcements referred to in this report and in the case of estimates of Mineral Resources, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. To the extent disclosed above, the Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Cautionary Statement

This announcement and information, opinions or conclusions expressed in the course of this announcement contain forecasts and forward looking information. Such forecasts, projections and information are not a guarantee of future performance, involve unknown risks and uncertainties. Actual results and developments will almost certainly differ materially from those expressed or implied. There are a number of risks, both specific to Jindalee, and of a general nature which may affect the future operating and financial performance of Jindalee, and the value of an investment in Jindalee including and not limited to title risk, renewal risk, economic conditions, stock market fluctuations, commodity demand and price movements, timing of access to infrastructure, timing of environmental approvals, regulatory risks, operational risks, reliance on key personnel, reserve estimations, native title risks, cultural heritage risks, foreign currency fluctuations, and mining development, construction and commissioning risk.

Forward-Looking Statements

This document may contain certain forward-looking statements. Forward-looking statements include but are not limited to statements concerning Jindalee's current expectations, estimates and projections about the industry in which Jindalee operates, and beliefs and assumptions regarding Jindalee's future performance. When used in this document, the words such as "anticipate", "could", "plan", "estimate", "expects", "seeks", "intends", "may", "potential", "should", and similar expressions are forward-looking statements. Although Jindalee believes that its expectations reflected in these forward-looking statements are reasonable, such statements are subject to known and unknown risks, uncertainties and other factors, some of which are beyond the control of Jindalee and no assurance can be given that actual results will be consistent with these forward-looking statements.

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Tel: +61 8 6382 4600
Fax: +61 8 6382 4601
www.bdo.com.au

Level 9
Mia Yellagonga Tower 2
5 Spring Street
Perth, WA 6000
PO Box 700 West Perth WA 6872
Australia

DECLARATION OF INDEPENDENCE BY ASHLEIGH WOODLEY TO THE DIRECTORS OF JINDALEE LITHIUM LIMITED

As lead auditor for the review of Jindalee Lithium Limited for the half-year ended 31 December 2023, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Jindalee Lithium Limited and the entities it controlled during the period.

Ashleigh Woodley

Director

BDO Audit (WA) Pty Ltd

Perth

14 March 2024

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BDO Audit (WA) Pty Ltd ABN 79 112 284 787 is a member of a national association of independent entities which are all members of BDO Australia Ltd ABN 77 050 110 275, an Australian company limited by guarantee. BDO Audit (WA) Pty Ltd and BDO Australia Ltd are members of BDO International Ltd, a UK company limited by guarantee, and form part of the international BDO network of independent member firms. Liability limited by a scheme approved under Professional Standards Legislation.

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General Information

The financial statements cover Jindalee Lithium Limited as a Consolidated Entity consisting of Jindalee Lithium Limited and the entities it controlled at the end of, or during, the half-year. The financial statements are presented in Australian dollars, which is Jindalee Lithium Limited's functional and presentation currency.

Jindalee Lithium Limited is a listed public company limited by shares, incorporated, and domiciled in Australia. Its registered office and principal place of business are:

Registered Office	Level 3, 88 William Street Perth WA 6000
Principal Place of Business	Level 2, 9 Havelock Street West Perth WA 6005
Telephone:	+61 (8) 9321 7550
Facsimile:	+61 (8) 9321 7950
Email:	enquiry@jindalee.net
Web:	www.jindaleelithium.com

A description of the nature of the Consolidated Entity's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 14 March 2024.

Jindalee Lithium Limited
Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the half-year ended 31 December 2023

	Notes	31 December 2023 $	31 December 2022 $
Finance Income		15,424	52,096
Other income		-	174,413
Share-based payments expensed	7	(828,774)	(1,369,010)
Employee benefits expenses		(567,825)	(208,039)
Corporate regulatory expenses		(142,480)	(193,620)
Accounting Fees		(21,800)	(113,075)
Exploration expenditure		(15,764)	(157,084)
Share of loss of associate		(68,284)	-
Investor and Promotional Activities		(134,596)	(58,902)
Depreciation and amortisation expense		(29,774)	(29,460)
Finance costs		(4,042)	(6,193)
Fair value movement on financial assets	8	(454,042)	233,312
Foreign exchange gain/(loss)		(434,058)	91,647
Other expenses		(168,860)	(144,409)
Loss before income tax from continuing operations		**(2,854,875)**	**(1,728,324)**
Income tax expense/benefit		-	-
Loss after income tax expense from continuing operations		(2,854,875)	(1,728,324)
Loss from discontinued operations		-	(4,398)
Loss for the half-year after tax		**(2,854,875)**	**(1,732,722)**
Other comprehensive loss for the period			
Foreign currency translation		(2,852)	-
Total comprehensive loss for the period		**(2,857,727)**	**(1,732,722)**
Loss per share attributed to the members of Jindalee Resources Limited - from continuing and discontinued operations			
Basic loss per share (cents per share)	3	(4.88)	(3.02)
Diluted loss per share (cents per share)	3	(4.88)	(3.02)

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

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Jindalee Lithium Limited
Consolidated Statement of Financial Position
As at 31 December 2023

	Notes	31 December 2023 $	30 June 2023 $
Current assets			
Cash and cash equivalents		3,294,789	2,241,925
Trade and other receivables		285,384	79,188
Total current assets		**3,580,173**	**2,321,113**
Non-current assets			
Exploration and evaluation assets	4	12,759,351	11,300,580
Property, plant and equipment		346,259	359,200
Right of use assets		27,270	54,541
Investment in associates		2,252,478	2,320,762
Financial assets at fair value through profit and loss	9	1,509,607	2,032,100
Total non-current assets		**16,894,965**	**16,067,183**
Total assets		**20,475,138**	**18,388,296**
Current liabilities			
Trade and other payables		562,302	511,265
Lease liabilities		30,410	58,987
Total current liabilities		**592,712**	**570,252**
Total liabilities		**592,712**	**570,252**
Net assets		**19,882,426**	**17,818,044**
Equity			
Contributed equity	5	24,906,000	21,326,715
Accumulated losses		(12,920,563)	(10,065,688)
Reserves	6	7,896,989	6,557,017
Total equity		**19,882,426**	**17,818,044**

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

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Jindalee Lithium Limited
Consolidated Statement of Cash Flows
For the half-year ended 31 December 2023

	Notes	31 December 2023 $	31 December 2022 $
Cash flows from operating activities			
Payments to suppliers and employees		(1,032,707)	(805,894)
Payments to suppliers and employees - discontinued operations		-	(230,740)
Interest received		15,424	54,879
Interest paid		(4,042)	(7,193)
Payments for exploration and evaluation		(15,764)	(240,346)
Net cash outflow from operating activities		**(1,037,089)**	**(1,229,294)**
Cash flows from investing activities			
Payments for property, plant and equipment		-	(355,624)
Payments for exploration and evaluation		(1,978,307)	(2,109,212)
Payments for exploration and evaluation - discontinued operations		-	(1,885,441)
Proceeds from sale of financial assets at fair value through profit and loss		68,451	-
Proceeds from sale of tenements		-	25,000
Proceeds from disposal of investments		-	139,018
Net cash outflow from investing activities		**(1,909,856)**	**(4,186,259)**
Cash flows from financing activities			
Proceeds from issue of shares		4,355,612	-
Payments for cost of issue of shares		(288,505)	-
Lease principal repayments		(28,577)	(24,269)
Repayment of borrowings to associate		(36,200)	-
Net cash outflow/inflow from financing activities		**4,002,330**	**(24,269)**
Net increase/(decrease) in cash and cash equivalents held		**1,055,385**	**(5,439,822)**
Cash and cash equivalents at the beginning of reporting period		2,241,925	8,690,940
Foreign exchange movement on cash		(2,521)	(261,114)
Cash and cash equivalents at the end of reporting period		**3,294,789**	**2,990,004**

The above consolidated statement of cashflows should be read in conjunction with the accompanying notes.

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Jindalee Lithium Limited
Consolidated Statement of Changes in Equity
For the half-year ended 31 December 2023

	Contributed equity	Reserves	Accumulated losses	Total equity
	$	$	$	$
As at 1 July 2023	21,326,715	6,557,017	(10,065,688)	17,818,044
Total comprehensive income for the half-year:				
Loss for the half-year	-	-	(2,854,875)	(2,854,875)
Other comprehensive income	-	(2,852)	-	(2,852)
Total comprehensive income for the half-year	-	(2,852)	(2,854,875)	(2,857,727)
Transactions with owners in their capacity as owners				
Issue of shares net of issue costs	3,579,285	-	-	3,579,285
Share-based payments	-	1,342,824	-	1,342,824
As at 31 December 2023	**24,906,000**	**7,896,989**	**(12,920,563)**	**19,882,426**

	Contributed equity	Reserves	Accumulated losses	Total equity
	$	$	$	$
As at 1 July 2022	21,326,062	4,432,709	(7,488,412)	18,270,359
Total comprehensive income for the half-year:				
Loss for the half-year	-	-	(1,732,722)	(1,732,722)
Total comprehensive income for the half-year	-	-	(1,732,722)	(1,732,722)
Transactions with owners in their capacity as owners				
Share-based payments	-	1,369,010	-	1,369,010
As at 31 December 2022	**21,326,062**	**5,801,719**	**(9,221,134)**	**17,906,647**

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

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1. Significant accounting policies

Basis of preparation of the half-year financial report

These general purpose financial statements for the interim half-year reporting period ended 31 December 2023 have been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

These general purpose financial statements do not include all the notes of the type normally included in the annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual financial statements for the year ended 30 June 2023 and any public announcements made by the Consolidated Entity during the interim reporting period in accordance with continuous disclosure requirements of the *Corporations Act 2001*.

With effect from 27 November 2023, the name of the Company was changed from Jindalee Resources Limited to Jindalee Lithium Limited.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

Adoption of new and revised Accounting Standards

For the half-year ended 31 December 2023, the Consolidated Entity has reviewed all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to its operations and effective for annual reporting periods beginning on or after 1 July 2023. The Consolidated Entity has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Going Concern

These consolidated financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business.

At 31 December 2023, the Group had a cash position of $3,294,789 (June 2023: $2,241,925) and a working capital balance of $2,987,461 (June 2023: $1,750,861). For the half-year ended 31 December 2023 the Group recorded a loss of $2,854,875 (2022: $1,732,722) and had net cash outflows from operating and investing activities of $2,946,945 (2022: $5,415,553).

The Group's cash flow forecast to 31 March 2025 indicates that the Group will need to raise additional funds to meet expenditure commitments, its business plan and its current level of corporate overheads to continue as a going concern. As a result, there is a material uncertainty related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

To address the future funding requirements of the Group, the Directors have:

- developed a business plan that provides encouragement for investors to invest; and
- continued their focus on maintaining an appropriate level of corporate overheads in line with the Group's available cash resources.

Going Concern (continued)

The Directors are confident that the Company will be able to complete a fund raising to meet the Group's funding requirements for the forecast period ending 31 March 2025. The Directors therefore believe that it is appropriate to prepare the 31 December 2023 financial statements on a going concern basis. In the event that the Company is not able to successfully complete the fund raising referred to above, it may need to realise their assets and extinguish their liabilities other than in the normal course of business and at the amounts different to those stated in the financial statements. The financial statements do not include adjustments relating to the recoverability and classification of recorded asset amounts, nor to the amounts and classification of liabilities that might be necessary should the Company and the Group not continue as a going concern.

2. Operating segments

Management has determined that the Consolidated Entity has one reportable segment, being mineral exploration in the United States. As the Consolidated Entity is focused on mineral exploration, the Board periodically monitors the Consolidated Entity based on actual versus budgeted exploration expenditure incurred on the Consolidated Entity as a whole. This internal reporting framework is most relevant to assist the Board with making decisions regarding the Consolidated Entity and its ongoing exploration programmes and activities, while also taking into consideration the results of exploration work that has been performed to date. The reportable segment is represented by the primary statements forming this half-year financial report.

3. Earnings Per Share

	31 December 2023	31 December 2022
	$	$
Loss used in calculation of loss per share	(2,854,875)	(1,728,324)
Basic loss per share (cents per share)	(4.88)	(3.02)
Diluted loss per share (cents per share)	(4.88)	(3.02)
Weighted average number of ordinary shares used as the denominator in calculating loss per share	58,520,842	57,378,966
Weighted average number of ordinary shares used as the denominator in calculating diluted loss per share	58,520,842	57,378,966

4. Exploration and Evaluation Expenditure

	31 December 2023	30 June 2023
	$	$
Balance at the beginning of period	11,300,580	7,965,835
Exploration expenditure incurred	1,458,771	4,920,275
Disposal of tenements / interest in JV [1]	-	(1,585,530)
Balance at the end of period	12,759,351	11,300,580

[1]The Group completed a demerger of its wholly owned subsidiary Dynamic Metals Limited on 11 January 2023, as part of which the Western Australian tenements were sold.

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Included in the disposal amount is $1,578,531 relating to Western Australian tenements held by the Company, which were sold to Dynamic Metals Limited as part of the spin-out. The tenements were sold for 7,686,490 shares valued at $1,537,298, resulting in a loss of $41,232 on disposal. The remaining balance of $7,000 was held by HiTec Minerals Pty Ltd and disposed of as part of the spin-out transaction. Refer to Note 26 for further detail.

The balance carried forward represents projects in the exploration and evaluation phase.

Ultimate recoupment of exploration expenditure carried forward is dependent on successful development and commercial exploitation, or alternatively, sale of respective areas.

5. Contributed Equity

	31 December 2023	30 June 2023
	$	$
Share capital		
Ordinary fully paid shares	24,906,000	21,326,715

Movement on contributed equity

	Number	$
Balance at the beginning of the half-year	57,378,966	21,326,715
Issue of shares 20 October 2023	2,500,000	3,500,000
Issue of shares 11 November 2023	436,151	610,611
Issue of shares 11 December 2023	175,000	245,000
Share issue costs	-	(776,326)
Balance at the end of the half-year	60,490,117	24,906,000

6. Reserves

	31 December 2023	30 June 2023
	$	$
Share-based payment reserve	7,909,756	6,566,932
Foreign currency reserve	(12,767)	(9,915)
	7,896,989	6,557,017

Movement on Share-based payment reserve

	31 December 2023	30 June 2023
	$	$
Balance at the beginning of the period	6,566,932	4,432,709
Share-based payment (refer to note 8)	1,342,824	2,134,223
Balance at the end of the period	7,909,756	6,566,932

Movement on Foreign currency reserve

	31 December 2023	30 June 2023
	$	$
Balance at the beginning of the period	(9,915)	-
Movement during the period	(2,852)	(9,915)
Balance at the end of the period	(12,767)	(9,915)

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Nature and purpose of the reserves:

The share-based payments reserve is used to recognise the fair value of options issued but not exercised.

The foreign currency reserve is used to recognise exchange differences arising from the translation of the financial statements of foreign operations to Australian dollars.

7. Share Based Payments

The following share-based payments were granted for the half-year ended 31 December 2023.

On 20 October 2023, the Company issued 500,000 unlisted options to Canaccord, which will vest over a service period. The fair value of the options was estimated as at the grant date using the Black Scholes model, considering the terms and conditions below and volatility of 100%:

Number granted	Grant date	Exercise price	Risk-free interest rate	Expiry date	Fair value at grant date	Total fair value	% vested at 31/12/2023
500,000	13 Oct 2023	2.10	3.94%	20 Oct 2026	$1.03	$514,050	100%

Share-based payment expense of $828,774 and share issue cost $514,050 were recognised in the half year ended 31 December 2023.

8. Financial assets at fair value through profit and loss

	31 December 2023 $	31 December 2022 $
Non-current		
Shares in listed corporations		
Balance at beginning of period	2,032,100	1,902,845
- Additions	-	-
- Disposals	(68,451)	(22,412)
- Fair value movement	(454,042)	134,353
- Transferred to Non-current asset held for sale	-	(264,706)
Balance at end of period	1,509,607	1,750,080

9. Fair Value Measurements of Financial Instruments

The carrying values of financial assets and liabilities of the Consolidated Entity approximate their fair values. Fair values of financial assets and liabilities have been determined for measurement and/or disclosure purposes.

Fair value hierarchy

The Consolidated Entity classifies assets and liabilities carried at fair value using a fair value hierarchy that reflects the significance of the inputs used in determining that value. The following table analyses financial instruments carried at fair value by the valuation method. The different levels in the hierarchy have been defined as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and

Level 3: Unobservable inputs for the asset or liability

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Consolidated	Level 1 $	Level 2 $	Level 3 $	Total $
31 December 2023				
Financial assets at fair value through profit and loss	1,509,607	-	-	1,509,607
Total as at 31 December 2023	1,509,607	-	-	1,509,607
30 June 2023				
Financial assets at fair value through profit and loss	2,032,100	-	-	2,032,100
Total as at 30 June 2023	2,032,100	-	-	2,032,100

Due to their short-term nature, the carrying amount of the current receivables and current payables is assumed to approximate their fair value.

10. Contingencies and Commitments

There has been no change in contingent liabilities, contingent assets or commitments since the last annual reporting date, 30 June 2023.

11. Dividends

No dividends have been paid or provided for during the half-year ended 31 December 2023 (31 December 2022: nil).

12. Events Occurring After Reporting Date

As announced on 27 December 2023, Justin Mannolini retired from the Board and position of Non-Executive Chair on 1 February 2024. Wayne Zekulich joined the Board and assumed the role of Non-Executive Chair on the same date. Mr Zekulich will receive $80,000 per annum in director fees and be issued 500,000 unquoted Company options exercisable at $1.28 expiring 22 December 2026 subject to a 12 month vesting period as part of his remuneration package, subject to shareholder approval to be requested at a general meeting to be held as soon as practicable.

As announced on 4 December 2023, Ian Rodger commenced in the role of Chief Executive Officer in January 2024. Mr Rodger will receive a base salary of $360,000 per annum and was issued with 4,500,000 unlisted options as part of his remuneration package on 27 February 2024.

Other than the matters outlined above, no other matter or circumstance has arisen since 31 December 2023 that has significantly affected, or may significantly affect the Consolidated Entity's operations, the results of those operations, or the Consolidated Entity's state of affairs in future financial periods.

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Jindalee Lithium Limited
Directors' declaration
31 December 2023

In the opinion of the Directors of Jindalee Lithium Limited:

a) the consolidated financial statements, and notes set out on pages 11 to 17, are in accordance with the *Corporations Act 2001*, including:

   i) Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the Corporations Regulations 2001; and

   ii) giving a true and fair view of the Consolidated Entity's financial position as at 31 December 2023 and of its performance for the half-year ended on that date; and

b) there are reasonable grounds to believe that the Consolidated Entity will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the Directors by:

LINDSAY DUDFIELD
Executive Director

PERTH
14 March 2024

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Tel: +61 8 6382 4600
Fax: +61 8 6382 4601
www.bdo.com.au

Level 9
Mia Yellagonga Tower 2
5 Spring Street
Perth, WA 6000
PO Box 700 West Perth WA 6872
Australia

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INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Jindalee Lithium Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Jindalee Lithium Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2023, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the Group does not comply with the *Corporations Act 2001* including:

(i) Giving a true and fair view of the Group's financial position as at 31 December 2023 and of its financial performance for the half-year ended on that date; and

(ii) Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to the audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be the same terms if given to the directors as at the time of this auditor's review report.

Material uncertainty relating to going concern

We draw attention to Note 1 in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern and therefore the Group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our conclusion is not modified in respect of this matter.

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Responsibility of the directors for the financial report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the Corporations Act 2001 including giving a true and fair view of the Group's financial position as at 31 December 2023 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

BDO Audit (WA) Pty Ltd

Ashleigh Woodley

Director

Perth,

14 March 2024