JINDALEE LITHIUM

Jindalee Lithium Limited

ABN 52 064 121 133

Interim Report - 31 December 2025

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Jindalee Lithium Limited
Contents
31 December 2025

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Competent Person's 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. Mr Dudfield is a Director and shareholder of, and consultant to, the Company and a Member of the Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. Mr Dudfield has sufficient experience relevant to the styles of mineralisation and types of deposits 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, Minerals Resources and Ore Reserves.' Mr Dudfield consents 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 Mineral Resource Estimates and Exploration Targets 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). Mr van der Heyden consents to the inclusion in this report of the matters based on this information in the form and context in which it appears.

The Company confirms that it is not aware of any further new information or data that materially affects the information included in the original market announcements by Jindalee Lithium Limited referenced 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 announcements 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 announcements.

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.

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.

Such factors may include, among others, risks related to regulatory approvals of or in connection with the proposed transaction, actual results of current or planned exploration activities, change in market conditions which affect the completion of the transaction, obtaining appropriate approvals to undertake exploration activities in the portfolio of projects, changes in exploration programs and budgets based upon the results of exploration, future prices of minerals resources; grade or recovery rates; accidents, labour disputes and other risks of the mining industry; delays in obtaining government approvals or financing or in the completion of development or construction activities; movements in the share price of investments and the timing and proceeds realised on future disposals of investments, as well as those factors detailed from time to time in the Company's interim and annual financial statements and reports, all over which are available for review on ASX at asx.com.au and OTC Markets at otcmarkets.com.

Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements will prove to be accurate, actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place reliance on forward-looking statements.

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JINDALEE LITHIUM

The Directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Group') consisting of Jindalee Lithium Limited (referred to hereafter as the 'Company', 'parent entity' or 'Jindalee') and the entities it controlled at the end of, or during, the half-year ended 31 December 2025.

Directors

The following persons were Directors 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
Ian Rodger (appointed 1 July 2025)
Lindsay Dudfield
Darren Wates
Paul Brown

Principal activities

The principal activity of Jindalee Lithium Limited during the half-year was mineral exploration and development, including the consideration of opportunities to add to the Company's mineral project portfolio.

During the half-year there was no change in the nature of this activity, with Jindalee retaining interests in projects in the United States (US) and Western Australia and continuing to consider various opportunities to complement its existing project portfolio.

Dividends

There were no dividends paid, recommended or declared during the current or previous financial half-year.

Review of operations

The loss for the Group after providing for income tax amounted to $2,829,889 (31 December 2024: $1,939,143), reflecting continued investment in exploration, permitting and technical work programs, primarily at the Company's 100% owned McDermitt Lithium Project ('McDermitt') in the United States.

Jindalee's strategy of identifying, advancing and developing projects with the potential to transform the Group remained unchanged during the period. Activities during the half-year were focused on progressing McDermitt through key permitting milestones, advancing drilling and technical de-risking programs, and undertaking strategic initiatives intended to support future study phases and development optionality. Corporate activities were directed toward strengthening the Company's balance sheet and maintaining strategic flexibility.

McDermitt Lithium Project (USA) (Jindalee 100%)

Jindalee's 100% owned McDermitt Lithium Project is located approximately 35 kilometres west of the town of McDermitt, straddling the Oregon–Nevada border in the United States. McDermitt is one of the largest lithium resources in the United States and is considered to be of strategic importance to domestic US critical minerals supply chains.

Permitting and Community Engagement

A major milestone was achieved during the half-year with approval of the Exploration Plan of Operations ('EPO') by the United States Bureau of Land Management ('BLM'). The EPO approval followed completion of the environmental review process required under the National Environmental Policy Act, including publication of a Draft Environmental Assessment for public review and consultation with relevant federal, state and local agencies. The BLM issued its Decision Record in December 2025.

Approval of the EPO enables a significant increase in on-site activity at McDermitt. Approved activities include infill drilling to provide additional geological and environmental data, collection of fresh samples for geotechnical studies, and further metallurgical test work, with results intended to inform future technical studies, including a Feasibility Study.

In parallel with the federal permitting process, applications for state level permits were lodged during the period. Outcomes from these applications are expected during the first half of 2026, subject to standard administrative processes.

Drilling Program (McDermitt)

During the half-year, the Company completed a large diameter core drilling program at McDermitt comprising five PQ3 (8.5cm diameter) core holes. The program was designed to obtain fresh samples for metallurgical test work and to provide additional geological and geotechnical data across key mineralised units.

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Three of the holes were collared to twin historic reverse circulation holes drilled in 2021 and 2022, enabling comparison with historic drilling results. The drilling program was successfully completed during the period.

Subsequent to the end of the reporting period, the Company reported assay results from the drilling program, confirming broad lithium and magnesium intercepts from shallow depths. Results demonstrated good correlation with historic drilling data and will inform planned geostatistical analysis to assist in determining optimal drilling methodologies for future programs.

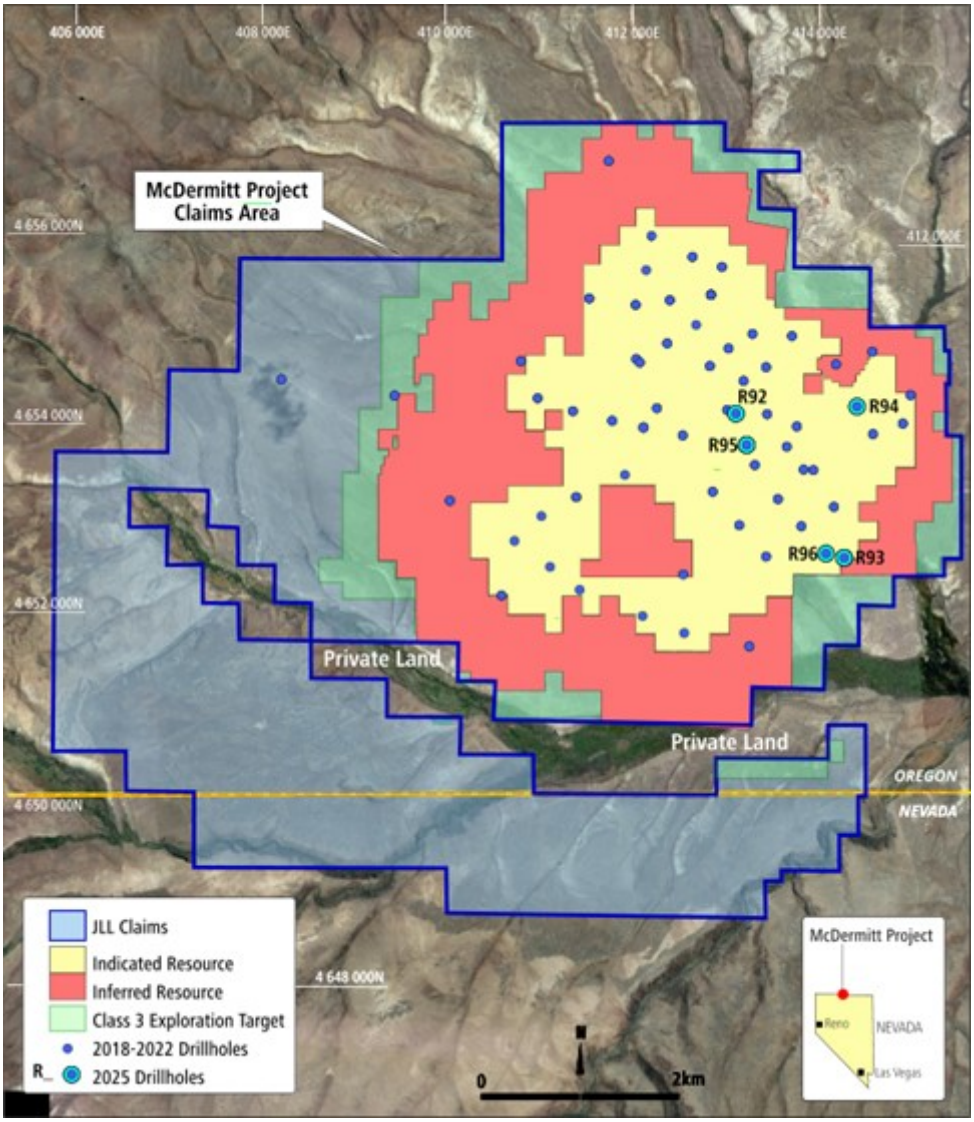

Figure 1 – Plan view of the McDermitt Project with drillhole collars and 2023 Mineral Resource

Magnesium Value Optimisation and Metallurgical Test Work

During the half-year, the Company advanced a value optimisation program focused on assessing the potential to unlock value from the significant magnesium endowment at McDermitt. Magnesium was treated as waste material in the McDermitt Pre-Feasibility Study ('PFS'), however previous metallurgical work demonstrated that both lithium and magnesium can be efficiently extracted using sulphuric acid leaching. The objective of the value optimisation program is to evaluate whether McDermitt can be repositioned as a potential dual product project supplying both lithium and magnesium to the US market, with the potential to enhance overall project economics and strategic positioning.

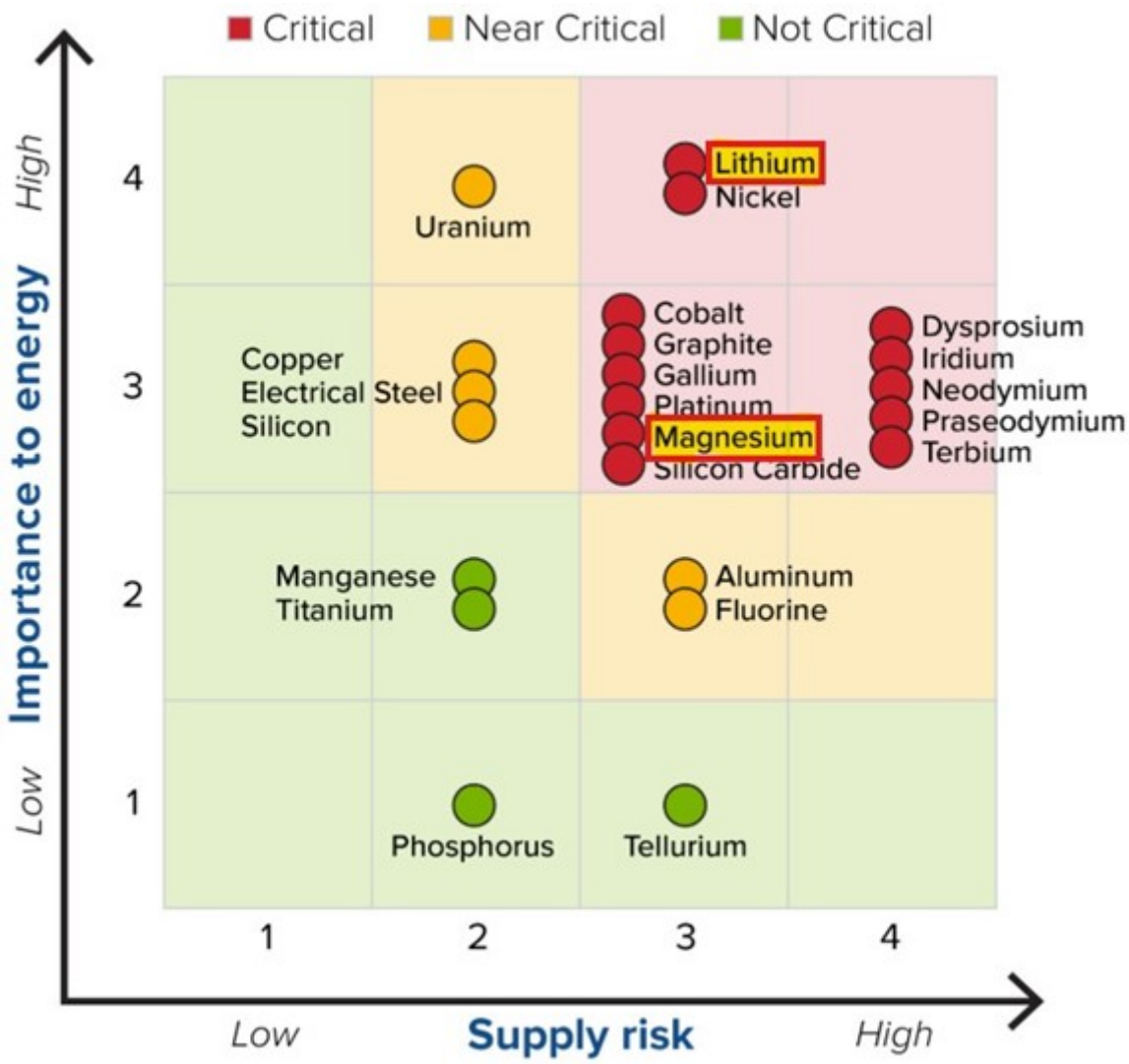

Figure 2 – Criticality Matrix

Source: US Department of Energy, Medium-Term Criticality Assessment (2025-2035)

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The magnesium workstream is underpinned by metallurgical test results confirming high magnesium recoveries from leaching of beneficiated McDermitt material, alongside strong lithium extraction. Fresh core samples obtained from the 2025 drilling program will form the basis for further metallurgical test work aimed at optimising lithium recoveries and evaluating pathways to unlock magnesium value.

This work includes consideration of alternative flowsheet configurations and downstream processing options that may enable the production of higher value magnesium products, including compounds suitable for further processing.

Subsequent to the end of the reporting period, leachate derived from McDermitt material was shipped to an external laboratory for additional magnesium focused test work, with initial results expected during the first quarter of 2026.

Memorandum of Understanding with LiChem Operations

During the period, the Company maintained its Memorandum of Understanding ('MoU') with LiChem Operations, LLC ('LiChem'). The MoU provides a framework for evaluating LiChem's patented refining process for producing battery grade lithium from fine grained sedimentary feedstocks such as those at McDermitt.

In accordance with the MoU, a sample of McDermitt material was shipped to LiChem for preliminary consideration, with no material technical work undertaken during the period.

The Company believes that, if successful, the LiChem process has the potential to reduce capital and operating costs relative to the sulphuric acid flowsheet contemplated in the McDermitt PFS and may also have the potential to recover valuable by-products, including magnesium.

The LiChem collaboration does not alter the PFS base case, which remains the Company's primary development pathway. Rather, it reflects Jindalee's strategy of evaluating alternative technologies that could enhance future project economics and sustainability outcomes.

US Government Support
During the half-year, the Company continued to engage with United States federal and state government agencies in relation to permitting, technical collaboration and potential funding opportunities for the McDermitt Project.

McDermitt is recognised as a project of strategic importance to the United States, reflecting its scale, location on federal lands and alignment with US Government priorities to strengthen domestic supply chains for critical minerals. The Project retains its designation as a FAST41 Transparency Project under the "Fixing America's Surface Transportation Act" initiative, which is intended to improve coordination, transparency and predictability across federal permitting processes for major infrastructure and resource developments.

The Company also continued work under its Cooperative Research and Development Agreement ('CRADA') with the US Department of Energy's Office of Energy Efficiency and Renewable Energy. The CRADA provides a framework for collaborative research focused on improving extraction methodologies, reducing environmental impacts and evaluating opportunities for coproduct recovery. Research activities under the CRADA are funded by the Department of Energy, with the Company providing in-kind support, including access to data, samples and technical expertise.

Broader US Government policy settings during the period continued to emphasise the importance of securing reliable domestic supplies of critical minerals, including lithium and magnesium, through initiatives aimed at accelerating domestic production, supporting project financing and reducing reliance on foreign supply chains. These policy priorities underpin the Company's ongoing engagement with government agencies regarding potential funding support to co-fund future study work, drilling programs and associated technical activities at McDermitt.

Industry Developments
Industry conditions for lithium improved during the half-year, with a recovery in prices following a period of weaker market conditions earlier in the year. By the end of the reporting period, prices had strengthened, with positive price momentum continuing into 2026.

Global demand for lithium ion batteries increased during the year, reflecting continued growth across key end use sectors. Demand growth continued to be led by the electric vehicle sector, reflecting ongoing global adoption of electric vehicles, despite moderating growth rates in some markets.

Battery energy storage systems represented the fastest growing segment of the lithium ion battery market during the year. Growth in energy storage capacity reflects the increasing role of energy storage in supporting renewable energy integration and grid stability.

Longer term industry forecasts continue to project strong growth in battery energy storage demand, with installed capacity expected to increase materially over the coming years as utilities and developers expand grid scale and distributed storage infrastructure.

More broadly, industry developments during the period highlighted the increasing strategic importance of large, long-life lithium projects located in stable jurisdictions. These developments included increased government involvement in critical minerals markets, the use of policy mechanisms to support domestic production and investment, and heightened emphasis on secure, transparent and resilient supply chains for battery materials.

Geopolitical and trade related risks affecting global critical minerals supply chains also remained a feature of the operating environment. These factors reinforce the strategic rationale for advancing lithium projects capable of supplying domestic markets over the long term, particularly in jurisdictions seeking to reduce reliance on imported critical minerals and processed materials.

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Other Projects

Clayton North Project (USA) (Jindalee 100%)

The Clayton North Project is located in southwest Nevada, approximately 23 kilometres north of Albemarle Corporation's Silver Peak lithium operation. No field work was undertaken at Clayton North during the half-year. The Company continues to consider follow-up drilling to further evaluate anomalous lithium intersections returned from earlier proof of concept drilling.

Sherlock Project (Australia) (Jindalee 20%)

The Sherlock Project, located approximately 75 kilometres east of Karratha in Western Australia, is held in joint venture with Sabre Resources Limited (ASX: SBR). Jindalee's 20% interest is free carried to completion of a Bankable Feasibility Study. No exploration activity was reported on the project during the half-year.

Corporate

Proposed US Listing / SPAC Transaction

During the half-year, the Company continued to progress a proposed transaction involving the merger of its wholly owned United States subsidiary with a United States special purpose acquisition company ('SPAC'), with the objective of establishing a US listed vehicle to be named US Elemental holding the McDermitt Lithium Project.

The proposed transaction represents a central element of the Company's strategy to advance McDermitt through its next phase of development. Establishing a US listed entity is intended to provide direct access to US capital markets, align the Project with US domestic critical minerals policy priorities, and create a corporate structure capable of supporting the funding requirements associated with a Feasibility Study and subsequent development activities.

Under a non-binding letter of intent entered into during the period, the proposed transaction contemplates that Jindalee will receive 50 million new shares in the combined entity, initially valued at US$10 per share in consideration, equating to an equity value of US$500 million, subject to customary debt adjustments.

The letter of intent contemplates a capital raising of US$20–30 million or more, with affiliates of Antarctica Capital LLC expected to commit US$4 million as part of the proposed financing.

Upon completion of the proposed transaction and associated capital raising, Jindalee is expected to retain more than 80% ownership of the combined entity, subject to final transaction terms.

During the half-year, the Company progressed due diligence and negotiation of transaction documentation, with the exclusivity period under the letter of intent extended to allow this work to continue. Engagement with selected US investors commenced during the period to support the evaluation of the proposed structure and funding pathway.

At this stage, the proposed transaction remains subject to completion of definitive documentation, satisfaction of customary conditions, and receipt of necessary approvals. There is no certainty that the transaction will proceed, or that, if completed, the combined entity will trade at a valuation consistent with that implied by the proposed transaction terms. The Company continues to assess the transaction alongside alternative funding and strategic pathways to advance McDermitt.

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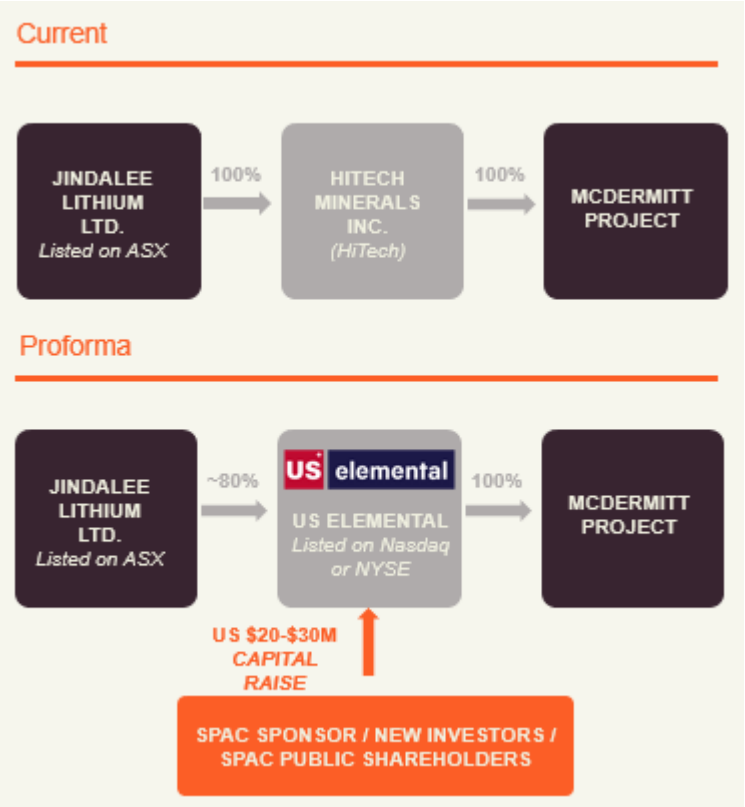

Figure 3 – Illustrative Pro Forma Corporate Structure

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Capital Raising and Financial Position

During the half-year, the Company completed a number of funding and balance sheet initiatives to support ongoing activities at the McDermitt Project and to maintain strategic flexibility.

In October 2025, the Company raised approximately $8.0 million (before costs) via a placement of ordinary shares at $0.55 per share to Australian and international investors, with participants receiving one attaching option for each share issued (exercise price $0.825, expiry 30 November 2028) for nil additional consideration.

The Company also completed a Share Purchase Plan on the same terms, which closed oversubscribed and raised approximately $1.5 million, with eligible shareholders receiving one attaching option for each share issued on the same terms as the placement.

In addition, during the half-year the Company received approximately $0.75 million from the exercise of options, resulting in the issue of 2,027,026 ordinary shares.

During the period, the Company also repurchased the remaining balance of its convertible securities, with the remaining 1,298,230 convertible securities repurchased for total cash consideration of $1.36 million, resulting in the Company having no convertible securities on issue and being debt-free at the end of the reporting period.

In parallel with these initiatives, the Company entered into a non-binding term sheet with L1 Capital Global Opportunities Master Fund which contemplates the provision of an equity line of credit of up to US$100 million to the proposed combined US entity (rather than to Jindalee), conditional upon completion of the proposed US listing transaction and completion of due diligence and documentation. There is no certainty that the facility will be finalised.

As at 31 December 2025, the Company had approximately 102.4 million ordinary shares on issue and cash and listed securities of approximately $7.0 million.

Compliance statements

The information in this report that relates to exploration results has been previously released in the Company's ASX announcements. These announcements are available to view on the Company's website at: https://investorhub.jindaleelithium.com/announcements.

Jindalee confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

Significant changes in the state of affairs

On 1 July 2025, Ian Rodger was appointed Managing Director of the Company.

On 14 July 2025, Matt Haas was appointed Vice President – Studies and Development.

On 9 September 2025, the Company announced that it had entered into a non-binding Letter of Intent with Constellation Acquisition Corp. I (OTCPK: CSTAF), a United States special purpose acquisition company sponsored by an affiliate of Antarctica Capital, LLC, to merge Constellation with the Company's wholly owned United States subsidiary, HiTech Minerals Inc., to form a combined entity. HiTech owns the McDermitt Lithium Project in Oregon, United States.

On 17 September 2025, 2,898,550 ordinary shares were issued following the conversion of convertible notes on issue.

On 1 October 2025, Tristan Garthe was appointed Chief Financial Officer of the Company.

In October 2025, the Company completed an equity raising comprising a placement (raising approximately $8.0 million before costs) and a Share Purchase Plan (raising approximately $1.5 million).

In October 2025, the Company repurchased the remaining convertible securities for total cash consideration of $1.36 million, resulting in the Company having no convertible securities on issue.

On 12 December 2025, the Company received approximately $0.75 million from the exercise of options.

On 15 December 2025, Tristan Garthe was appointed Joint Company Secretary, alongside Carly Terzanidis, who continues in the role.

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

Environmental regulation

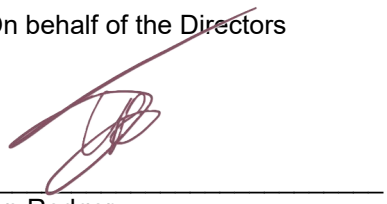
AASB S2 'Climate-related Disclosures' sets out specific climate related disclosures. It applies to entities required to prepare and lodge a financial report with ASIC under Chapter 2M and is effective for different entities based on certain criteria. This mandatory sustainability reporting may be applicable for the Company for the first time for the year ending 30 June 2028.

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 immediately after this Directors' report.

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

On behalf of the Directors



Ian Rodger
Managing Director

16 March 2026
Perth

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DECLARATION OF INDEPENDENCE BY DEAN JUST TO THE DIRECTORS OF JINDALEE LITHIUM LIMITED

As lead auditor for the review of Jindalee Lithium Limited for the half-year ended 31 December 2025, 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.

Dean Just

Director

BDO Audit Pty Ltd

Perth

16 March 2026

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Jindalee Lithium Limited
Statement of profit or loss and other comprehensive income
For the half-year ended 31 December 2025

JINDALEE LITHIUM

	Note	Consolidated 31 Dec 2025 $	31 Dec 2024 $
Revenue			
Interest revenue calculated using the effective interest method		29,407	3,360
Net fair value gain on derivative liability		-	362,257
Net fair value gain on revaluation of investments		409,000	141,667
Net gain on sale of investments		111,058	-
Net gain on foreign exchange		-	4,990
Expenses			
Share-based payments		(49,813)	(341,528)
Employee benefits expense		(463,397)	(759,027)
Depreciation expense		(8,334)	(1,471)
Professional fees		(428,097)	(133,319)
Investor and promotional activities		(118,327)	(161,340)
Corporate regulatory expenses		(558,967)	(169,588)
Share of losses in associate		-	(158,762)
Net loss on foreign exchange		(660,065)	-
Other expenses		(702,789)	(307,983)
Finance costs		(389,565)	(418,399)
Loss before income tax expense		(2,829,889)	(1,939,143)
Income tax expense		-	-
Loss after income tax expense for the half-year attributable to the owners of Jindalee Lithium Limited		(2,829,889)	(1,939,143)
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation		184,398	1,112,455
Other comprehensive income for the half-year, net of tax		184,398	1,112,455
Total comprehensive income for the half-year attributable to the owners of Jindalee Lithium Limited		(2,645,491)	(826,688)
		Cents	**Cents**
Basic earnings per share	12	(3.22)	(2.81)
Diluted earnings per share	12	(3.22)	(2.81)

The above 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
Statement of financial position
As at 31 December 2025

JINDALEE LITHIUM

	Note	Consolidated 31 Dec 2025 $	30 Jun 2025 $
Assets			
Current assets			
Cash and cash equivalents		6,508,598	3,982,659
Trade and other receivables		165,849	120,259
Prepayments		191,101	157,377
Total current assets		6,865,548	4,260,295
Non-current assets			
Investments	4	539,500	488,000
Property, plant and equipment		316,094	362,390
Exploration and evaluation	5	22,544,947	19,396,821
Total non-current assets		23,400,541	20,247,211
Total assets		30,266,089	24,507,506
Liabilities			
Current liabilities			
Trade and other payables		1,093,186	1,378,882
Provisions		5,572	4,291
Financial liabilities	6	-	2,480,826
Total current liabilities		1,098,758	3,863,999
Total liabilities		1,098,758	3,863,999
Net assets		29,167,331	20,643,507
Equity			
Issued capital	7	42,633,862	31,514,360
Reserves	8	3,543,447	3,309,236
Accumulated losses		(17,009,978)	(14,180,089)
Total equity		29,167,331	20,643,507

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

Jindalee Lithium Limited
Statement of changes in equity
For the half-year ended 31 December 2025

JINDALEE LITHIUM

Consolidated	Issued capital $	Reserves $	Accumulated losses $	Total equity $
Balance at 1 July 2024	25,058,279	4,847,530	(11,143,402)	18,762,407
Loss after income tax expense for the half-year	-	-	(1,939,143)	(1,939,143)
Other comprehensive income for the half-year, net of tax	-	1,112,455	-	1,112,455
Total comprehensive income for the half-year	-	1,112,455	(1,939,143)	(826,688)
Transactions with owners in their capacity as owners:				
Contributions of equity, net of transaction costs	3,656,773	-	-	3,656,773
Share-based payments	-	341,528	-	341,528
Convertible note options	-	206,757	-	206,757
Reclassification of lapsed options from reserve	-	(94,649)	94,649	-
Balance at 31 December 2024	28,715,052	6,413,621	(12,987,896)	22,140,777

Consolidated	Issued capital $	Reserves $	Accumulated losses $	Total equity $
Balance at 1 July 2025	31,514,360	3,309,236	(14,180,089)	20,643,507
Loss after income tax expense for the half-year	-	-	(2,829,889)	(2,829,889)
Other comprehensive income for the half-year, net of tax	-	184,398	-	184,398
Total comprehensive income for the half-year	-	184,398	(2,829,889)	(2,645,491)
Transactions with owners in their capacity as owners:				
Contributions of equity, net of transaction costs (note 7)	11,119,502	-	-	11,119,502
Share-based payments (note 8)	-	49,813	-	49,813
Balance at 31 December 2025	42,633,862	3,543,447	(17,009,978)	29,167,331

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

Jindalee Lithium Limited
Statement of cash flows
For the half-year ended 31 December 2025

JINDALEE LITHIUM

	Note	Consolidated 31 Dec 2025 $	31 Dec 2024 $
Cash flows from operating activities			
Payments to suppliers and employees		(2,866,597)	(1,680,327)
Interest received		29,407	3,360
Interest and other finance costs paid		(389,565)	(66)
Net cash used in operating activities		(3,226,755)	(1,677,033)
Cash flows from investing activities			
Payments for property, plant and equipment		-	(4,109)
Payments for exploration and evaluation	5	(3,524,359)	(2,772,442)
Proceeds from disposal of investments		468,558	-
Net cash used in investing activities		(3,055,801)	(2,776,551)
Cash flows from financing activities			
Proceeds from issue of shares, net of costs	7	9,611,006	2,987,791
Proceeds from issue of convertible debt securities		-	3,000,000
Repayment of convertible debt securities		(1,363,142)	-
Net cash from financing activities		8,247,864	5,987,791
Net increase in cash and cash equivalents		1,965,308	1,534,207
Cash and cash equivalents at the beginning of the financial half-year		3,982,659	298,197
Effects of exchange rate changes on cash and cash equivalents		560,631	(3,448)
Cash and cash equivalents at the end of the financial half-year		6,508,598	1,828,956

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The above statement of cash flows should be read in conjunction with the accompanying notes

Note 1. General information

The financial statements cover Jindalee Lithium Limited as a Group 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	Principal place of business
Ground Floor 41 Colin Street West Perth WA 6005	Level 2 9 Havelock Street West Perth WA 6005

A description of the nature of the Group'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 16 March 2026.

Note 2. Material accounting policy information

These general purpose financial statements for the interim half-year reporting period ended 31 December 2025 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2025 and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

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

New or amended Accounting Standards and Interpretations adopted

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any material impact on the financial performance or position of the Group during the financial half-year ended 31 December 2025 and are not expected to have a significant impact for the full financial year ending 30 June 2026.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

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.

As at 31 December 2025, the Group had a cash position of $6,508,598 (30 June 2025: $3,982,659) and net assets of $29,167,331 (30 June 2025 : $20,643,507). For the half-year ended 31 December 2025, the Group recorded a loss of $2,829,889 (31 December 2024: $1,939,143) and had net cash outflows from operating activities of $3,226,755 (31 December 2024: $1,677,033).

The Group’s activities are principally focused on the advancement of its mineral exploration and development projects and, as such, the Group does not currently generate operating revenues. Accordingly, the Group’s ability to continue as a going concern is dependent on managing expenditure levels and securing additional funding when required.

In forming their view on going concern, the Directors have considered the Group’s cash position at 31 December 2025, the Group’s forecast cash flows and budgeted work programs, noting the discretionary nature of a significant portion of planned exploration and study expenditure, which may be deferred or scaled depending on available funding and market conditions.

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Note 2. Material accounting policy information (continued)

The Directors also considered the Group's ability to access funding through a range of potential sources, including equity raisings and other financing alternatives typically available to companies at a similar stage of development. Based on this assessment, the Directors consider that the Group has access to a range of funding options and expect that the Group will be able to secure additional funding as required to meet its obligations as and when they fall due.

Accordingly, the Directors believe it is appropriate to prepare the consolidated financial statements for the half-year ended 31 December 2025 on a going concern basis.

Note 3. Operating segments

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODMs'). The CODMs are responsible for the allocation of resources to operating segments and assessing their performance.

The CODMs have determined that there is one operating segment being mineral exploration in the United States, therefore the results of the one operating segment are as shown throughout these financial statements and are not duplicated here.

Note 4. Investments

	Consolidated	
	31 Dec 2025	30 Jun 2025
	$	$
Non-current assets		
Ordinary shares	539,500	488,000
Reconciliation		
Reconciliation of the fair values at the beginning and end of the current and previous financial half-year are set out below:		
Opening fair value	488,000	148,833
Disposals	(357,500)	-
Net gain on revaluation	409,000	339,167
Closing fair value	539,500	488,000

Refer to note 10 for further information on fair value measurement.

Note 5. Exploration and evaluation

	Consolidated	
	31 Dec 2025	30 Jun 2025
	$	$
Non-current assets		
Exploration and evaluation assets	22,544,947	19,396,821

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Note 5. Exploration and evaluation (continued)

Reconciliations
Reconciliations of the written down values at the beginning and end of the current financial half-year are set out below:

Consolidated	Exploration and evaluation $
Balance at 1 July 2025	19,396,821
Additions	3,524,359
Exchange differences	(376,233)
Balance at 31 December 2025	22,544,947

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.

Note 6. Financial liabilities

	Consolidated	
	31 Dec 2025 $	30 Jun 2025 $
Current liabilities		
Financial liability at amortised cost	-	1,532,839
Financial liability at fair value through profit or loss – derivative component	-	947,987
	-	2,480,826

	Consolidated	
	31 Dec 2025 $	30 Jun 2025 $
Movement in financial liability at amortised cost		
Opening balance	1,532,839	-
Balance on initial recognition	-	2,174,268
Less transaction costs	-	(292,548)
Finance costs	153,519	652,889
Partial conversion	(1,000,000)	(1,001,770)
Repurchase	(686,358)	-
Closing balance	-	1,532,839
Movement in financial liability at FVTPL – derivative component		
Opening balance	947,987	-
Balance on initial recognition	-	463,473
Fair value movement	(947,987)	484,514
Closing balance	-	947,987

Note 7. Issued capital

	Consolidated			
	31 Dec 2025 Shares	30 Jun 2025 Shares	31 Dec 2025 $	30 Jun 2025 $
Ordinary shares - fully paid	102,425,569	79,870,846	42,633,862	31,514,360

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Note 7. Issued capital (continued)

Movements in ordinary share capital

Details	Date	Shares	Issue price	$
Balance	1 July 2025	79,870,846		31,514,360
Issue of shares - conversion of convertible notes	17 September 2025	2,898,550	$0.345	1,000,000
Issue of shares - placement	24 October 2025	14,327,262	$0.550	7,879,994
Issue of shares - placement fee	24 October 2025	363,636	$0.550	200,000
Issue of shares - share purchase plan	27 November 2025	2,720,065	$0.550	1,496,036
Issue of shares - exercise of options	12 December 2025	2,027,026	$0.370	750,000
Issue of shares - Directors' placement	17 December 2025	218,184	$0.550	120,001
Share issue transaction costs				(326,529)
Balance	31 December 2025	102,425,569		42,633,862

Note 8. Reserves

	Consolidated	
	31 Dec 2025	30 Jun 2025
	$	$
Foreign currency reserve	153,119	(31,279)
Share-based payments reserve	3,390,328	3,340,515
	3,543,447	3,309,236

Foreign currency reserve
The reserve is used to recognise exchange differences arising from the translation of the financial statements of foreign operations to Australian dollars. It is also used to recognise gains and losses on hedges of the net investments in foreign operations.

Share-based payments reserve
The reserve is used to recognise the value of equity benefits provided to employees and Directors as part of their remuneration, and other parties as part of their compensation for services.

Movements in reserves
Movements in each class of reserve during the current financial half-year are set out below:

Consolidated	Foreign currency reserve $	Share-based payments reserve $	Total $
Balance at 1 July 2025	(31,279)	3,340,515	3,309,236
Foreign currency translation	184,398	-	184,398
Share-based payments	-	49,813	49,813
Balance at 31 December 2025	153,119	3,390,328	3,543,447

Note 9. Dividends

There were no dividends paid, recommended or declared during the current or previous financial half-year.

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Note 10. Fair value measurement

Fair value hierarchy
The following tables detail the Group's assets and liabilities, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:
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
Level 3: Unobservable inputs for the asset or liability

Consolidated - 31 Dec 2025	Level 1 $	Level 2 $	Level 3 $	Total $
Assets				
Ordinary shares	539,500	-	-	539,500
Total assets	539,500	-	-	539,500
Liabilities				
Financial liabilities - derivative	-	-	-	-
Total liabilities	-	-	-	-

Consolidated - 30 Jun 2025	Level 1 $	Level 2 $	Level 3 $	Total $
Assets				
Ordinary shares	488,000	-	-	488,000
Total assets	488,000	-	-	488,000
Liabilities				
Financial liabilities - derivative	-	947,987	-	947,987
Total liabilities	-	947,987	-	947,987

There were no transfers between levels during the financial half-year.

Valuation techniques for fair value measurements categorised within level 2 and level 3
Unquoted investments have been valued using a discounted cash flow model.

Derivative financial instruments have been valued using quoted market rates. This valuation technique maximises the use of observable market data where it is available and relies as little as possible on entity specific estimates.

Note 11. Related party transactions

The only transaction with related parties during the half-year was with Director, Ian Rodger, who was granted 263,255 performance rights.

Note 12. Earnings per share

	Consolidated 31 Dec 2025 $	Consolidated 31 Dec 2024 $
Loss after income tax attributable to the owners of Jindalee Lithium Limited	(2,829,889)	(1,939,143)
	Number	**Number**
Weighted average number of ordinary shares used in calculating basic earnings per share	87,805,269	68,891,739
Weighted average number of ordinary shares used in calculating diluted earnings per share	87,805,269	68,891,739

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Note 12. Earnings per share (continued)

	Cents	Cents
Basic earnings per share	(3.22)	(2.81)
Diluted earnings per share	(3.22)	(2.81)

Options and performance rights are excluded from the above calculations due to losses in both periods meaning their inclusion would be anti-dilutive.

Note 13. Share-based payments

Options
Set out below are summaries of options granted under the plan:

	Number of options 31 Dec 2025	Weighted average exercise price 31 Dec 2025	Number of options 31 Dec 2024	Weighted average exercise price 31 Dec 2024
Outstanding at the beginning of the financial half-year	12,075,000	$1.660	9,400,000	$2.570
Granted	-	$0.000	6,500,000	$0.900
Expired/cancelled	(1,500,000)	$3.780	(400,000)	$3.500
Outstanding at the end of the financial half-year	10,575,000	$1.359	15,500,000	$1.840
Exercisable at the end of the financial half-year	8,950,000	$1.285	5,875,000	$2.230

The weighted average remaining contractual life of options outstanding at the end of the financial half-year was 1.77 years (31 December 2024: 2.31 years).

Performance rights
Set out below are summaries of performance rights granted under the plan:

	Number of rights 31 Dec 2025	Number of rights 31 Dec 2024
Outstanding at the beginning of the financial half-year	250,000	-
Granted	671,657	2,374,943
Expired	-	(874,980)
Outstanding at the end of the financial half-year	921,657	1,499,963

The weighted average remaining contractual life of performance rights outstanding at the end of the financial half-year was 2.75 years (31 December 2024: 4.91 years).

Note 14. Events after the reporting period

No matter or circumstance has arisen since 31 December 2025 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

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Jindalee Lithium Limited
Directors' declaration
31 December 2025

JINDALEE LITHIUM

In the Directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;

- the attached financial statements and notes give a true and fair view of the Group's financial position as at 31 December 2025 and of its performance for the financial half-year ended on that date; and

- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of Directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the Directors

Ian Rodger
Managing Director

16 March 2026
Perth

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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 2025, 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, material accounting policy information 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 2025 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.

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 true and fair and is free from material misstatement, whether due to fraud or error.

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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 2025 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 Pty Ltd

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Dean Just

Director

Perth, 16 March 2026

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