

# **JINDALEE**

## **LITHIUM**

**Jindalee Lithium Limited**

**ABN 52 064 121 133**

**Half-Year Financial Report**

**31 December 2024**

**Jindalee Lithium Limited**  
**Corporate directory**  
**31 December 2024**

Board and Management	Wayne Zekulich - Non-Executive Chair Lindsay Dudfield - Executive Director Darren Wates - Non-Executive Director Paul Brown - Non-Executive Director Ian Rodger - Chief Executive Officer
Company secretary	Carly Terzanidis
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@jindaleelithium.com
Share register	Automic Group Level 5, 191 St Georges Terrace Perth, WA 6000 Telephone: +61 (2) 9698 5414
Auditor	BDO Audit Pty Ltd Level 9 Mia Yellagonga Tower 2, 5 Spring Street Perth, WA 6000
Legal Advisors	Piper Alderman Level 26, 71 Eagle Street Brisbane, QLD 4000
Stock exchange listing	Jindalee Lithium Limited shares are listed on the Australian Securities Exchange (ASX code: JLL) and OTC Markets Group Inc (OTCQX: JNDAF)
Website	<a href="http://www.jindaleelithium.com">www.jindaleelithium.com</a>

**Jindalee Lithium Limited**  
**Contents**  
**31 December 2024**

Directors' report	3
Auditor's independence declaration	14
Statement of profit or loss and other comprehensive income	15
Statement of financial position	16
Statement of changes in equity	17
Statement of cash flows	18
Notes to the financial statements	19
Directors' declaration	28
Independent auditor's review report to the members of Jindalee Lithium Limited	29

**Jindalee Lithium Limited**  
**Directors' report**  
**31 December 2024**

The directors present their report, together with the financial statements, on the Group consisting of Jindalee Lithium Limited ("Jindalee", "the Company" or "Parent Entity") and the entities it controlled at the end of, or during, the half-year ended 31 December 2024.

**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:

Lindsay Dudfield  
Wayne Zekulich  
Darren Wates  
Paul Brown

**Principal activities**

The principal activity of Jindalee Lithium Limited during the half-year was mineral exploration. During the half-year there was no change in the nature of this activity

**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 \$1,939,143 (31 December 2023: \$2,854,875).

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

During the half-year efforts were concentrated on Jindalee's 100% owned McDermitt Lithium Project (USA) ("McDermitt" or "Project"). Mid-November 2024 Jindalee announced the results of the McDermitt Pre-Feasibility Study ("PFS"), confirming a 63 year life with strong financial metrics and a 5 year pay-back<sup>1</sup>. The PFS supported publication of a Maiden Probable Ore Reserve for McDermitt and also indicated excellent potential to further reduce capital and operating costs, as well as increase production at the Project.

Permitting activities and community engagement to help enable more detailed work to be undertaken at McDermitt continued during the period. Jindalee also announced the signing of a cooperative research and development agreement with the US Department of Energy ("DoE") to identify opportunities to improve outcomes at McDermitt<sup>9</sup> and noted that an application for a grant to co-fund an accelerated Feasibility Study was being considered by the Department of Defense ("DoD")<sup>11</sup>.

During the period the Company raised approximately \$6.1M to fund completion of the PFS and other activities via the combination of a placement, an entitlement offer to shareholders and a convertible note.

**McDermitt Lithium Project (USA)**

Jindalee's 100% owned McDermitt Lithium Project is located approximately 35km west of the town of McDermitt, straddling the Oregon and Nevada border.

The Project occurs in the McDermitt Caldera, an extinct volcanic structure, with lithium mineralisation hosted in a sequence of flat lying lakebed sediments overlying a basaltic basement. Recent geological work has defined a consistent stratigraphic sequence comprising 12 distinct geological units. Four of these units (Units 4, 6, 8 and 10) contain elevated lithium grades above 1,000ppm.

The current (2023) MRE for McDermitt contains a combined Indicated and Inferred Mineral Resource Estimate of 3.0 Billion tonnes at 1,340ppm lithium for a total of 21.5 Million tonnes Lithium Carbonate Equivalent ("LCE") at 1,000ppm cut-off grade<sup>2</sup> (see Table 1). At 21.5Mt LCE, McDermitt is one of the largest lithium deposits in the US by contained lithium in Mineral Resource, and a globally significant resource, with the deposit remaining open, particularly to the west.

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)
<b>1,000</b>	1,470	1,420	11.1	1,540	1,270	10.4	3,000	1340	21.5

**Table 1 – Summary of 2023 McDermitt MRE<sup>2</sup> at the reporting cut-off of 1,000 ppm. Note: totals may vary due to rounding.**

### Metallurgical Testwork

In March 2023 Jindalee announced that global engineering, procurement, construction and maintenance company Fluor Corporation (“Fluor”) 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<sup>3</sup>. Fluor has extensive experience with sediment hosted lithium deposits in the US and recommended that a comprehensive metallurgical testwork program be undertaken to enable the preferred flowsheet for the processing of McDermitt ore to be defined and form the basis for the PFS.

Testwork on drill core from Units 4, 6, 8 and 10 commenced at consultant metallurgists Hazen Research Inc. in July 2023 under the supervision of Fluor. Mid-November 2023 Jindalee announced excellent results from beneficiation of the individual unit samples via attrition scrubbing<sup>4</sup>. 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 (µm) (Table 2). 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) 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
<b>250</b>	<b>6</b>	<b>92.0%</b>	<b>25.3%</b>	<b>2,107 ppm</b>

**Table 2 – Summary of Lithium Recoveries via Attrition Scrubbing at 250 micron cut size<sup>4</sup>.**

Initial acid leaching results from the	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 3 – Maximum Lithium Extraction at variable feed sizes and acid strengths - Units 4, 6, 8 and 10**

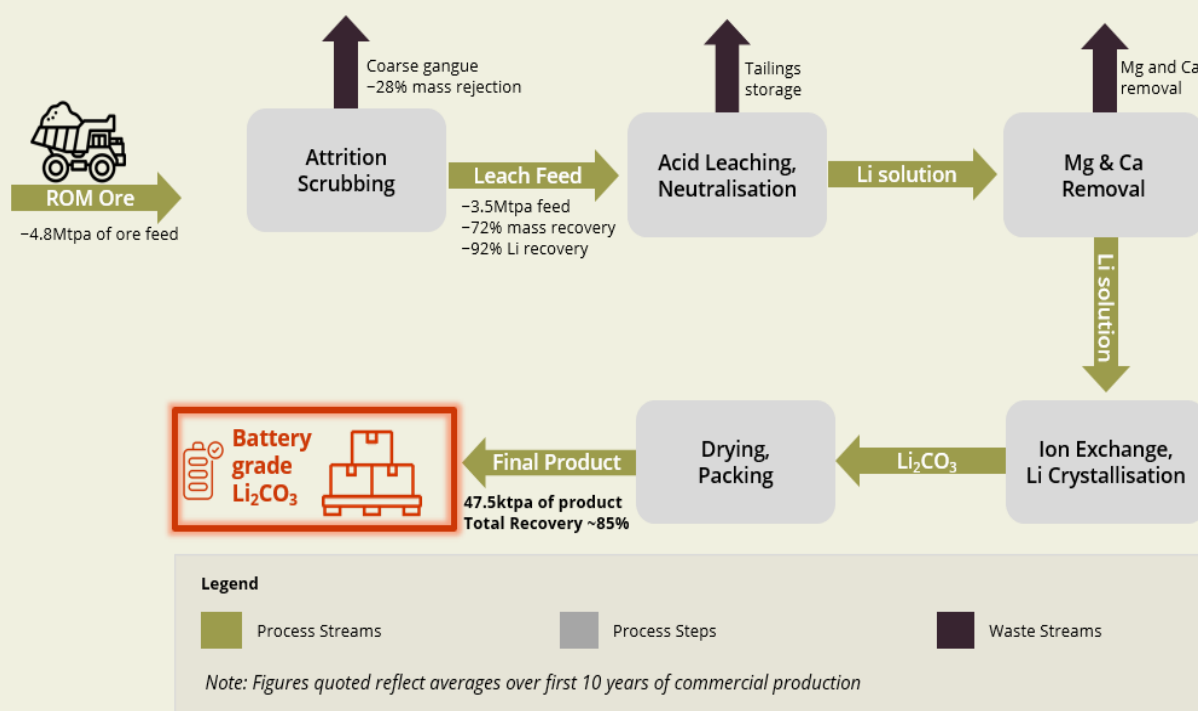
(\* calculated)

**Jindalee Lithium Limited**  
**Directors' report**  
**31 December 2024**

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 3) using 500 kg/t acid.

Testwork on beneficiated samples (250 µm) undertaken by POSCO Holdings (NYSE: PKX), pursuant to the Memorandum of Understanding signed with POSCO in February 2023<sup>6</sup>, returned similar extraction rates (96.5% from Unit 4 and 96.3% from Unit 6) within two hours at similar acid dosages<sup>7</sup>.

Leaching of a bulk composite commenced in January 2024 to provide lithium in solution for downstream testwork and in July 2024 the Company announced first production of a 99.8% pure lithium carbonate, comfortably meeting battery grade industry standards (>99.5%) and confirming that all steps of the McDermitt flowsheet adopted for the PFS had been validated<sup>8</sup> (Figure 1).



**Figure 1 – McDermitt Lithium Project – Simplified Flowsheet.**

**Pre-Feasibility Study (PFS)**

On 19 November 2024 Jindalee announced the results of the PFS on the McDermitt Lithium Project<sup>1</sup>. The PFS represents the culmination of over 18 months of detailed metallurgical testwork (refer above) and engineering and related studies managed by the Jindalee team, with key support from Fluor, Cube Consulting and specialist US and Australian consultants. Highlights of the PFS are summarised in Tables 4 and 5 and include:

- **Lithium Carbonate Production:** Forecast production of 1.8 million tonnes battery grade Lithium Carbonate over first 40 years, supporting the growing US battery supply chain
- **Average Annual Lithium Carbonate Production:**
  - 47.5ktpa in the first 10 years of commercial operation (C1 unit cost US\$8,080/t of lithium carbonate)
  - 44.3ktpa in the first 40 years of commercial operation (C1 unit cost US\$8,670/t of lithium carbonate)
- **Strong Financial Metrics (first 40 years):** Ungeared, using flat US\$24,000/t lithium carbonate price
  - **Post-tax NPV<sub>8</sub> of US\$3,229M**
  - **Post-tax IRR of 17.9%**
  - **Payback period under 5 years**

**Jindalee Lithium Limited**  
**Directors' report**  
**31 December 2024**

- **Generational Project with Life in Excess of 40 years:** The PFS Processing Schedule supports a 63 year production life (including commissioning and ramp-up), however it is important to note that the production target and forecast financial information excludes any production post 40 years of commercial operation)
- **Processing Studies and Capital Estimate prepared by Fluor:** US\$3.02B capital estimate, including 21% contingency
- **EBITDA Margin:** 66% over the first 10 years of operations, with C1 costs in the bottom half of industry and 17% pre-tax net operating cashflow margins (including sustaining capital) at November 2024 spot prices
- **Maiden Probable Ore Reserve (JORC 2012) of 251Mt @ 1,751ppm lithium,** containing 2.34Mt<sup>1</sup> of LCE, accounts for 79% of forecast production in the PFS Processing Schedule but represents only ~10% of current MRE<sup>3</sup> on a contained LCE basis, highlighting future optionality

The PFS envisions a conventional open-pit mining method, with a low strip ratio and no blasting required due to the soft and friable nature of the ore and waste material. The pit designs and mining schedule were developed by Cube Consulting, treating only Units 4 and 6 as ore, although Units 8 and 10 are economically viable and may be incorporated into the production schedule in future study phases.

The PFS supported publication of a Maiden Probable Ore Reserve, also developed by Cube Consulting, of 251Mt of Ore grading an average of 1,751ppm lithium for 2.34Mt of contained LCE (Table 4) representing only ~10% of the lithium contained in the MRE. 79% of the PFS mining schedule comprises Probable Ore Reserves, 3% Indicated Resources with the balance (18%) being Inferred Resources, weighted towards the back end of the schedule.

Cut-off Grade (ppm Li)	Probable Reserve		
	Tonnage (Mt)	Li Grade (ROM-ppm)	LCE (Mt)
<b>1,000</b>	251	1,751	2.34

**Table 4 – Summary of 2024 McDermitt Reserve. Note: totals may vary due to rounding.**

Physicals and Production Summary	First 10 Full Years	Economic Evaluation Period <small>(Project life incl. construction, commissioning/ ramp-up and first 40 full yrs of production)</small>
Ore processing rate	4.8 to 5.3 Mt per annum	
Ore tonnes processed	48.5Mt	203.0Mt
Average lithium feed grade	2,146ppm	1,967ppm
Average lithium recovery	85.8%	84.4%
Average lithium carbonate production	47,500t per annum	43,800t per annum
Total lithium carbonate production <sup>i</sup>	475,000t	1,796,169t
<b>Pre-Production Capital Cost</b>		
Pre-production capital	US\$2,377M	
Contingency	US\$495M	
Owner's costs	US\$149M	
Total <sup>ii</sup>	US\$3,021M	
Payback period <sup>iii</sup>	5 years	

<b>Financial Results<sup>iv</sup></b>	<b>First 10 full years</b>	<b>Economic Evaluation Period</b> (Project life incl. construction, commissioning/ ramp-up and first 40 full yrs of production)
Revenue	US\$11,400M	US\$43,108M
Sustaining capital	US\$102M	US\$508M
Net free cashflow: Pre-tax	US\$7,108M	US\$23,080M
Net free cashflow: Post-tax	US\$6,629M	US\$18,061M
C1 Costs <sup>v</sup>	US\$8,080/t LCE	US\$8,673/t LCE
EBITDA Margin <sup>vi</sup>	66%	64%
Discounted Cashflow <sup>iv, vii</sup> : Pre-tax		US\$3,895M
Discounted Cashflow <sup>iv, vii</sup> : Post-tax		US\$3,229M
IRR <sup>iv</sup> : Pre-tax		18.1%
IRR <sup>iv</sup> : Post-tax		17.9%

**Table 5 – Key PFS Physical and Financial Metrics.**

**Notes:**

(i) Annual figures rounded to nearest 100t, total rounded to nearest 500t.

(ii) Totals may not sum due to rounding.

(iii) From commencement of production.

(iv) At US\$24,000/t lithium carbonate price.

(v) C1 cost includes operating costs for mining, processing, administration and product sales, after accounting for movements in inventory related to ore stockpiles.

(vi) Calculated as EBITDA / Revenue.

(vii) 8% real discount rate.

**Refer to Jindalee's ASX announcement dated 19 November 2024<sup>1</sup> for further details.**

As noted above, the processing flowsheet consists of ore beneficiation (attrition scrubbing), sulphuric acid leaching, purification and lithium carbonate precipitation (Figure 1). This flowsheet positions the Project as a fully integrated domestic US battery grade lithium carbonate producer.

The process plant is designed to have lithium carbonate production capacity of 47.5ktpa. The Project is forecast to produce at this rate for its first 10 full years of production, before declining slowly as the feed grade declines (assuming no further high-grade ore is defined), producing circa 1.8Mt of Lithium Carbonate over an initial 40 year production life post ramp up and commissioning, which forms the basis of the PFS Economic Evaluation. The full 63 year PFS Processing Schedule has forecast total production of 2.5Mt of Lithium Carbonate.

Onsite non-process infrastructure was defined by Fluor, with grid power supply, tailings and waste storage, and water supply scope definition completed by experienced specialist engineering firms. Fluor consolidated the non-process infrastructure capital cost estimate on a common basis. The Project benefits from access to the power grid and US highway systems via the town of McDermitt, while the nearest railhead at Winnemucca, 120km south of the town of McDermitt, provides access to the extensive North American rail system.

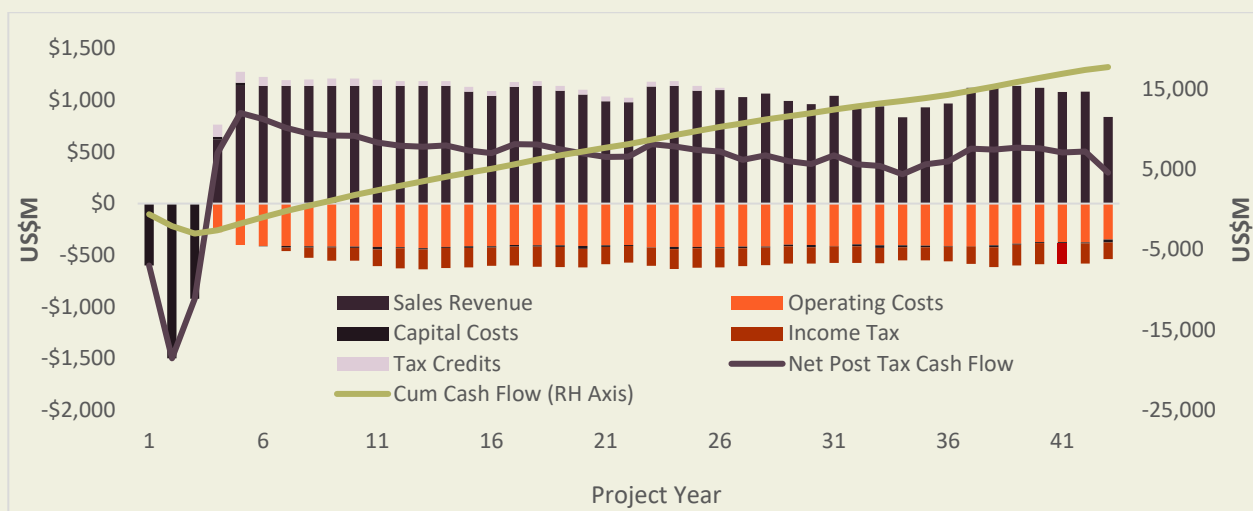
The pre-production capital cost for the Project is estimated at US\$3.02B, classified as a Class 4 estimate under the Association for the Advancement of Cost Engineering ("AACE") estimate classification system, with an accuracy of +35%/-25%. The estimate base date is Q1 CY2024. The capital cost estimate considers all execution-phase costs (post final investment decision), such as engineering procurement, construction



and commissioning, to bring the Project into operation. Construction and commissioning are assumed to be undertaken over a three-year period, with pre-strip mining commencing in the third year.

The operating cost estimate for the Project has been classified as Class IV (AACE) and is based on Q1 CY2024 pricing. The cash operating cost for the first 10 years of full production is estimated at US\$8,760 per tonne of lithium carbonate, with a C1 cost of US\$8,080 per tonne over the same period. The largest portion of operating costs is attributed to the process plant, derived from a Fluor-developed cost model.

The PFS results demonstrate a robust financial case for the Project under base case assumptions. Key financial and operational metrics are summarised in Table 5 and reinforce the long life, high margin nature of the Project. The Project maintains average EBITDA margins above 64% over the 40-year Economic Evaluation Period, with C1 costs in the bottom half of industry cost curve, 17% pre-tax net operating cashflow margins (including sustaining capital) at November 2024 lithium carbonate spot prices and payback within the first five years of production (Figure 2).



**Figure 2 – Annual and Cumulative Cashflow during Economic Evaluation Period.**

Key sensitivities for Project post-tax NPV and cash flow were tested. As is typical for most resource projects, value was most sensitive to revenue (as a proxy for lithium price, lithium recovery and/or lithium head grade). The Project showed the lowest sensitivity to construction capital costs, given the long life and large revenues generated.

Additionally, a number of future opportunities have been identified during the PFS, which have the potential to materially improve Project economics through process optimisation and potential production of co-products. These include opportunities for cost reduction and enhanced sustainability outcomes through the strategic agreement with the US Department of Energy announced in September 2024<sup>9</sup>.

### Permitting and Community Engagement

In May 2023 Jindalee announced that the Exploration Plan of Operations (“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<sup>10</sup>.

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 in 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. A draft of the Environmental Assessment (“EA”) was updated during the period to include further mitigation measures following discussions with the BLM and additional State and Federal agencies, with the EA expected to be submitted for public comment early 2025.

Once approved, the EPO will allow Jindalee to significantly increase on-site activity, including infill drilling and providing additional geological and environmental data, together with fresh samples for geotechnical, studies and further metallurgical testwork.

**Jindalee Lithium Limited**  
**Directors' report**  
**31 December 2024**

In October 2024 the Company advised that it had entered into agreements with the nearby Fort McDermitt Paiute Shoshone Tribe (“FMPST”), located approximately 30km east of the Project<sup>7</sup>. These agreements form a crucial part of the community engagement and permitting process.

The first agreement, a Communications Protocol, is designed to facilitate cooperation between the FMPST and the Company and foster sharing of information and collaborative efforts between the parties. The Communications Protocol also establishes a communication cadence between the parties to ensure open dialogue on issues of common concern and interest.

The second agreement is a Cultural Study, Ethnobotanical Survey and Funding Agreement, which will allow FMPST, in partnership with its consultants, to conduct studies in the Project area. These studies aim to identify culturally significant areas, plants and resources, ensuring that potential impacts on the FMPST’s cultural heritage are considered as part of Jindalee’s proposed activities under its EPO. Under this agreement Jindalee will provide limited funds to FMPST to cover costs incurred as part of the studies. Jindalee looks forward to working closely with the FMPST, and other Tribal groups, going forward.

The Company continues to build its US capability ahead of an expected increase in activity in 2025, including appointment of experienced Environmental, Social, and Governance (“ESG”) Manager Sandra Carson who commenced in November 2024. Ms Carson will focus on advancing the federal and state permitting programs at McDermitt, developing robust community engagement programs for McDermitt and surrounding communities (including interested Tribal groups), and developing industry-leading ESG policies and procedures specific to exploration activities, which would be among the first in the industry to focus on early stage exploration.

### **US Government Support**

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.

In September 2024 Jindalee announced that it had been approved by the DoE’s Office of Energy Efficiency and Renewable Energy for a Cooperative Research and Development Agreement (“CRADA”) <sup>9</sup>. The CRADA aims to develop cutting edge extraction methods for McDermitt designed to lower costs and minimise environmental impact, including lowering water usage and acid consumption and reducing the footprint of the Project, as well as exploring the potential for co-products. Research is being led by Ames National Laboratory with other key members including the Oregon Department of Geology and Mineral Industries (“DOGAMI”), Oregon State University, University of Nevada Reno, Lawrence Berkeley National Laboratory and the National Energy Technology Laboratory.

Work undertaken under the CRADA is being funded by the DoE with Jindalee providing in-kind support, including access to data, samples, and technical expertise. In October 2024, Jindalee hosted a contingent of researchers from the consortium at the McDermitt Project location to further project understanding and develop mineralogical characterisation and genesis models. This foundational work will be leveraged in developing and refining future novel lithium extraction methodologies from the McDermitt ore, which could potentially further optimise the McDermitt flowsheet.

Also in September 2024, Jindalee confirmed that an application for non-dilutive grant funding lodged with the DoD remained on foot<sup>11</sup>. If successful, the DoD grant application is expected to provide co-funding for an accelerated Feasibility Study and associated drilling and test work at McDermitt, with any potential award decision expected early 2025, once policy settings under the new US administration have been confirmed.

President Trump was inaugurated as President of the United States on 21 January 2025. The Trump administration has expressed strong support for increasing US production of critical minerals and reducing reliance on China, which currently dominates global supply chains for these essential materials, including lithium. Several policy initiatives are anticipated to advance this objective, such as:

- **Increased tariffs on Chinese imports:** Tariffs as high as 60% have been proposed to incentivise domestic production<sup>12</sup>.
- **Streamlined regulation in the critical mineral sector:** Efforts include fast-tracking permitting for new projects, supported by two executive orders issued on President Trump’s first day in office<sup>13,14,15</sup>.
- **Enhanced financing and tax incentives:** Ongoing support for domestic critical minerals projects, bolstered by an additional executive order issued on President Trump’s first day in office<sup>15</sup>.

**Jindalee Lithium Limited**  
**Directors' report**  
**31 December 2024**

As a future large-scale, long-life producer of “American-made” lithium chemicals for the US battery supply chain, the McDermitt Lithium Project is well placed to capitalise on the Trump administration’s strong support for domestic critical minerals projects and US energy security.

## **CORPORATE**

### **Capital Raising**

During the period Jindalee raised approximately \$6.1M via a combination of a Placement, Entitlement Issue and Convertible Note (together, the “Capital Raise”)<sup>16</sup>, with potential to raise up to a further \$9.0M in Convertible Notes. The Capital Raise was cornerstoned by Mercer Street Global Opportunity Fund II and other funds managed by US-based C/M Capital Partners (“Mercer Street”). The three components of the Capital Raise are summarised below:

- A **Placement** of ~\$0.6M to Mercer Street, directors and management at \$0.30 per fully paid ordinary share (“Share”) with each 2 Shares accompanied by 1 listed Short-Term Option and 1 listed Long-Term Option (“Attaching Options”):
  - Short-Term Option (JLLO): exercise price of \$0.40 and expiry date of 30 June 2025
  - Long-Term Option (JLLOA): exercise price of \$0.60 and expiry date of 30 June 2027

Placement Shares were issued to Mercer Street and management on 10 July 2024 following receipt of funds, with participation in the Placement by Jindalee Directors approved at the Extraordinary General Meeting (“EGM”) held 21 August 2024<sup>17</sup> and Shares issued shortly thereafter.

- An **Entitlement Issue** to raise up to \$3.1M from eligible shareholders on a 1 for 6 basis at \$0.30 per Share with Attaching Options being offered on the same ratio and the same terms issued to Placement participants. Shareholders were also able to apply for any shortfall of new Shares offered in the Entitlement Issue. The Entitlement Issue closed on 2 August 2024 with ~82.5% of the Shares available under the Entitlement Issue taken up by Jindalee shareholders, raising ~\$2.5M<sup>18</sup>.
- An issue of **Convertible Notes**, each with a face value of \$1.00, to Mercer Street for a total investment of up to \$12M in three or more tranches. Funds for the first tranche comprising an investment of \$1.5M were received early July 2024, with the second tranche (also \$1.5M) approved at the EGM and received in August 2024, with potential for additional funding of up to \$9.0M by mutual agreement.

### **General**

Jindalee currently has 73.6M shares on issue, with cash at 31 December 2024 of approximately \$1.83M<sup>19</sup>.

#### **Significant changes in the state of affairs**

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

#### **Matters subsequent to the end of the financial half-year**

On 25 February 2025 Jindalee announced that it had realised \$2.75M (before costs) from the sale of its shareholding in Dynamic Metals (ASX: DYM, “Dynamic”). Dynamic was formerly a Jindalee subsidiary which held Jindalee’s Australian exploration assets and which listed on ASX in January 2023 following a \$7M initial public offer (“IPO”), which included a priority entitlement to Jindalee shareholders.

Other than the matters outlined above, no other matter or circumstance has arisen since 31 December 2024 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.

No other matter or circumstance has arisen since 31 December 2024 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.

#### **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.

**Jindalee Lithium Limited**  
**Auditor's independence declaration**

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



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Lindsay Dudfield  
Executive Director

14 March 2025  
Perth

## Jindalee Lithium Limited

### Auditor's independence declaration

#### 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 19/11/2024: "McDermitt Lithium Project Pre-Feasibility Study"
2. Jindalee Lithium ASX announcement 27/02/2023: "Resource at McDermitt increases to 21.5 Mt LCE"
3. Jindalee Lithium ASX announcement 24/03/2023: "Preferred Lithium Extraction Process for McDermitt Project"
4. Jindalee Lithium ASX Announcement 15/11/2023: "Exceptional Metallurgical Results from McDermitt"
5. Jindalee Lithium ASX Announcement 18/01/2024: "More Exceptional Metallurgical Results from McDermitt"
6. Jindalee Lithium ASX Announcement 13/02/2023: "MOU Executed with POSCO Holdings"
7. Jindalee Lithium ASX announcement 31/10/2024: "Quarterly Activities Report – September 2024"
8. Jindalee Lithium ASX Announcement 31/07/2024: "Battery-Grade Lithium Carbonate produced from McDermitt"
9. Jindalee Lithium ASX Announcement 16/09/2024: "JLL Secures Strategic Agreement with US Department of Energy"
10. Jindalee Lithium ASX Announcement 16/05/2023: "McDermitt Progress Update"
11. Jindalee Lithium ASX Announcement 23/09/2023: "US Government Funding Update"
12. <https://www.pbs.org/newshour/economy/trump-favors-huge-new-tariffs-how-do-they-work>
13. <https://www.bloomberg.com/news/articles/2024-12-18/trump-team-eyes-ev-subsidy-cuts-in-plan-to-reshape-auto-industry>
14. [Declaring a National Energy Emergency – The White House](#)
15. [Unleashing American Energy - The White House](#)
16. Jindalee Lithium ASX announcement 04/07/2024: "JLL Secures Funding to Advance McDermitt Lithium Project"
17. Jindalee Lithium ASX announcement 21/08/2024: "Results of Meeting"
18. Jindalee Lithium ASX announcement 09/08/2024: "Results of Entitlement Issue"
19. Jindalee Lithium ASX announcement 30/01/2025: "Quarterly Cashflow Report – December 2024"
20. Jindalee Lithium ASX announcement 25/02/2025: "Jindalee Realises \$2.75M From Sale of Non-Core Asset"

#### 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. 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 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' ("JORC Code").

The information in this report that relates to the Ore Reserves for the McDermitt Lithium Project is based on and fairly represents information and supporting documentation compiled by Mr Quinton de Klerk. Mr de Klerk is an Associate of Cube Consulting Pty Ltd and is a Fellow of the Australian Institute of Mining and Metallurgy. Mr de Klerk has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity currently 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 information in this report that relates to 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, production targets and Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the referenced 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 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.

## **Jindalee Lithium Limited**

### **Auditor's independence declaration**

#### 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, the impact of the COVID 19 pandemic 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](http://asx.com.au) and OTC Markets at [otcm Markets.com](http://otcm Markets.com).

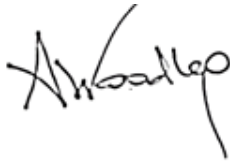
Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in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

## 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 2024, 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 Pty Ltd**  
Perth  
14 March 2025

**Jindalee Lithium Limited**  
**Statement of profit or loss and other comprehensive income**  
**For the half-year ended 31 December 2024**

		<b>Consolidated</b>	
		<b>31</b>	<b>31</b>
	<b>Note</b>	<b>December</b>	<b>December</b>
		<b>2024</b>	<b>2023</b>
		<b>\$</b>	<b>\$</b>
<b>Revenue</b>			
Finance Income		3,360	15,424
<b>Expenses</b>			
Share-based payments	8	(341,528)	(828,774)
Employee benefits expense		(759,027)	(567,825)
Corporate regulatory expenses		(169,588)	(142,480)
Accounting Fees		-	(21,800)
Exploration expenditure		-	(15,764)
Investor and promotional activities		(161,340)	(134,596)
Depreciation and amortisation expense		(1,471)	(29,774)
Finance costs		(418,399)	(4,042)
Fair value movement on financial assets		141,667	(454,042)
Gain/(loss) on foreign exchange		4,990	(434,058)
Professional fees		(133,319)	-
Other expenses		(307,983)	(168,860)
Share of losses in associate		(158,762)	(68,284)
Fair value movement on derivative liability	5	362,257	-
<b>Loss before income tax expense</b>		(1,939,143)	(2,854,875)
Income tax expense		-	-
<b>Loss after income tax expense for the half-year</b>		(1,939,143)	(2,854,875)
<b>Other comprehensive income</b>			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation		1,112,455	(2,852)
Other comprehensive income for the half-year, net of tax		1,112,455	(2,852)
<b>Total comprehensive income for the half-year</b>		(826,688)	(2,857,727)
		<b>Cents</b>	<b>Cents</b>
Basic earnings per share	9	(2.81)	(4.88)
Diluted earnings per share	9	(2.81)	(4.88)

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



**Jindalee Lithium Limited**  
**Statement of financial position**  
**As at 31 December 2024**

	<b>Consolidated</b>	
	<b>31</b>	<b>30</b>
<b>Note</b>	<b>December</b>	<b>June</b>
	<b>2024</b>	<b>2024</b>
	<b>\$</b>	<b>\$</b>
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	1,828,956	298,197
Trade and other receivables	322,951	142,221
Total current assets	<u>2,151,907</u>	<u>440,418</u>
<b>Non-current assets</b>		
Investments accounted for using the equity method	2,801,168	2,959,930
Financial assets	290,500	148,833
Property, plant and equipment	383,081	357,894
Exploration and evaluation	4 18,979,900	16,514,741
Total non-current assets	<u>22,454,649</u>	<u>19,981,398</u>
<b>Total assets</b>	<u>24,606,556</u>	<u>20,421,816</u>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Trade and other payables	278,911	1,646,404
Financial liabilities	5 2,180,337	-
Provisions	6,531	13,005
Total current liabilities	<u>2,465,779</u>	<u>1,659,409</u>
<b>Total liabilities</b>	<u>2,465,779</u>	<u>1,659,409</u>
<b>Net assets</b>	<u>22,140,777</u>	<u>18,762,407</u>
<b>Equity</b>		
Issued capital	6 28,715,052	25,058,279
Reserves	7 6,413,621	4,847,530
Accumulated losses	(12,987,896)	(11,143,402)
<b>Total equity</b>	<u>22,140,777</u>	<u>18,762,407</u>

*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 2024**

<b>Consolidated</b>	<b>Contributed Equity \$</b>	<b>Reserves \$</b>	<b>Accumulated losses \$</b>	<b>Total equity \$</b>
Balance at 1 July 2023	21,326,715	6,557,017	(10,065,688)	17,818,044
Loss after income tax expense for the half-year	-	-	(2,854,875)	(2,854,875)
Other comprehensive income for the half-year, net of tax	-	(2,852)	-	(2,852)
Total comprehensive income for the half-year	-	(2,852)	(2,854,875)	(2,857,727)
<i>Transactions with owners in their capacity as owners:</i>				
Contributions of equity, net of transaction costs	3,579,285	-	-	3,579,285
Share-based payments (note 8)	-	1,342,824	-	1,342,824
Balance at 31 December 2023	<u>24,906,000</u>	<u>7,896,989</u>	<u>(12,920,563)</u>	<u>19,882,426</u>

<b>Consolidated</b>	<b>Contributed Equity \$</b>	<b>Reserves \$</b>	<b>Accumulated losses \$</b>	<b>Total equity \$</b>
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)
<i>Transactions with owners in their capacity as owners:</i>				
Contributions of equity, net of transaction costs (note 6)	3,656,773	-	-	3,656,773
Share-based payments (note 8)	-	341,528	-	341,528
Convertible note options	-	206,757	-	206,757
Reclass of lapsed options from reserve	-	(94,649)	94,649	-
Balance at 31 December 2024	<u>28,715,052</u>	<u>6,413,621</u>	<u>(12,987,896)</u>	<u>22,140,777</u>

*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 2024**

	<b>Consolidated</b>	
	<b>31</b>	<b>31</b>
<b>Note</b>	<b>December</b>	<b>December</b>
	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<b>Cash flows from operating activities</b>		
Payments to suppliers and employees	(1,680,327)	(1,032,707)
Payments for exploration and evaluation	-	(15,764)
Interest received	3,360	15,424
Interest and other finance costs paid	(66)	(4,042)
	<u>(1,677,033)</u>	<u>(1,037,089)</u>
Net cash used in operating activities		
<b>Cash flows from investing activities</b>		
Payments for property, plant and equipment	(4,109)	-
Payments for exploration and evaluation	(2,772,442)	(1,978,307)
Proceeds from disposal of investments	-	68,451
	<u>(2,776,551)</u>	<u>(1,909,856)</u>
Net cash used in investing activities		
<b>Cash flows from financing activities</b>		
Proceeds from issue of shares (net of costs)	2,987,791	4,067,107
Proceeds from issue of convertible debt securities	5 3,000,000	-
Repayment of borrowings	-	(36,200)
Repayment of lease liabilities	-	(28,577)
	<u>5,987,791</u>	<u>4,002,330</u>
Net cash from financing activities		
Net increase in cash and cash equivalents	1,534,207	1,055,385
Cash and cash equivalents at the beginning of the financial half-year	298,197	2,241,925
Effects of exchange rate changes on cash and cash equivalents	(3,448)	(2,521)
	<u>1,828,956</u>	<u>3,294,789</u>
Cash and cash equivalents at the end of the financial half-year		

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

**Jindalee Lithium Limited**  
**Notes to the financial statements**  
**31 December 2024**

**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**

Level 3, 88 William Street, Perth, WA 6000

**Principal place of business**

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 13 March 2025.

**Note 2. Material accounting policy information**

These general purpose financial statements for the interim half-year reporting period ended 31 December 2024 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 2024 and any public announcements made by the Group 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.

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

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Group.

**Note 2. Material accounting policy information (continued)**

**Financial liabilities - convertible notes**

The Company entered into Convertible Note Agreements (“Agreements”) for an investment of \$3,000,000 with Mercer Street Global Opportunity Fund II, LP (“Mercer”) and WVP Emerging Manager Onshore Fund LLC – C/M Capital Series (‘WVP’) in July 2024. The \$3,000,000 investment by Mercer and WVP was via an issue of convertible notes.

The Agreements are hybrid financial instruments which includes a combination of debt financial liability, a derivative financial liability that represents the conversion feature to convert the debt instrument into a variable number of equity instruments.

On initial recognition, the embedded derivatives are recognised at fair value and the debt host liability is initially recognised based on the residual value from deducting the fair value of the embedded derivatives from the amount of consideration received from issuing the instruments.

The debt component is subsequently recognised as a financial liability at amortised cost, net of transaction costs. The difference between the fair value of the debt component on initial recognition and the redemption amount, is recognised in profit or loss over the period of the instrument using the effective interest method.

The derivative liability is subsequently measured at fair value through profit or loss, with all gains or losses in relation to the movement of fair value being recognised in the profit or loss.

Transaction costs are apportioned to the debt liability and the embedded derivative in proportion to the allocation proceeds. The transaction costs attributed to the conversion feature are expensed immediately and the transaction costs attributed to the debt components are offset against these components.

Financial liabilities are removed when the obligation specified in the contract is discharged, cancelled, or expired. The difference between the carrying amount of a financial liability that has been extinguished and the consideration paid is recognised in profit or loss as other income or finance costs.

**Going concern**

These Group 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 2024, the Group had a cash position of \$1,828,956 (30 June 2024:\$298,197) and a working capital deficit of \$313,872 (30 June 2024:\$1,218,991). Included in current liabilities is the convertible note liability which is classified as current due to the conversion feature of the instrument. The maturity date for the instrument is 24-months from issue and is therefore not immediately due and payable. Excluding this amount from current liabilities, the Group has a working capital position of a surplus of \$1,866,465. For the half-year ended 31 December 2024, the Group recorded a loss of \$1,939,143 (2023: \$2,854,875) and had net cash outflows from operating and investing activities of \$4,453,584 (2023: \$2,946,945).

Subsequent to period end, the Group disposed of its investment in associate, receiving cash consideration of \$2.75M (before costs) (refer note 12) which has assisted with the Group’s funding requirements. Notwithstanding this, the Group’s cash flow forecast to 31 March 2026 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 exists a material uncertainty that may cast significant doubt over the entity’s ability to continue as a going concern.

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

- developed a business plan that provides encouragement for investors to invest; and
- access to additional funding through the convertible note facility (refer note 5); and
- continued their focus on maintaining an appropriate level of corporate overheads in line with the Group’s available cash resources

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 2026. The directors therefore believe that it is appropriate to prepare the 31 December 2024 financial statements on a going concern basis.

**Jindalee Lithium Limited**  
**Notes to the financial statements**  
**31 December 2024**

**Note 2. Material accounting policy information (continued)**

In the event that the Company is not able to successfully complete the fund raising referred to above, it may be unable to realise its assets and discharge its liabilities in the normal course of business. 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.

**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.

CODMs have determined that there is one operating segment being mineral exploration in the United States.

**Note 4. Exploration and evaluation**

	<b>Consolidated</b>	
	<b>31</b>	<b>30</b>
	<b>December</b>	<b>June</b>
	<b>2024</b>	<b>2024</b>
	<b>\$</b>	<b>\$</b>
<i>Non-current assets</i>		
Exploration and evaluation assets	<u>18,979,900</u>	<u>16,514,741</u>

*Reconciliations*

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

<b>Consolidated</b>	<b>\$</b>
Balance at 1 July 2024	16,514,741
Expenditure during the half-year	1,415,097
Foreign exchange	<u>1,050,062</u>
Balance at 31 December 2024	<u><u>18,979,900</u></u>

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 5. Financial liabilities**

	<b>Consolidated</b>	
	<b>31</b>	<b>30</b>
	<b>December</b>	<b>June</b>
	<b>2024</b>	<b>2024</b>
	<b>\$</b>	<b>\$</b>
<i>Current liabilities</i>		
Financial liability at amortised cost	1,716,862	-
Financial liability at FVTPL – derivative component	<u>463,475</u>	<u>-</u>
	<u><u>2,180,337</u></u>	<u><u>-</u></u>

**Jindalee Lithium Limited**  
**Notes to the financial statements**  
**31 December 2024**

**Note 5. Financial liabilities (continued)**

The Company entered into Convertible Note Agreements (“Agreements”) for an investment of \$3,000,000 with Mercer Street Global Opportunity Fund II, LP (“Mercer”) and WVP Emerging Manager Onshore Fund LLC – C/M Capital Series (“WVP”) in July 2024. The \$3,000,000 investment by Mercer and WVP was via an issue of convertible notes.

The convertible notes were issued in two tranches (‘First Convertible Securities’ and ‘Second Convertible Securities’ respectively).

The key terms of the First Convertible Securities are as follows:

First Investment Amount	\$1,500,000
Agreement/Execution date	4 July 2024
First closing date	12 July 2024
Inception date	12 July 2024
Investment period	24 months from inception
Convertible Securities issued	1,650,000 convertible securities valued at \$1,650,000 (each with a face value of \$1)
First Options	2,027,027 options valued at \$106,216 (valued using Hoadley model)
First Commencement Shares	576,738 shares valued at \$201,858 based on the Company’s share price on 12 July 2024
Conversion of Convertible Securities	In respect of the First Convertible Securities and the Second Convertible Securities only, the higher of: (i) if the Conversion Notice is given on or before the date that is three months after the First Closing, \$0.345 (Conversion Price A); or (ii) if the Conversion Notice is given after the date that is three months following the First Closing, the lesser of: (A) Conversion Price A; and (B) 90% of the average of the two lowest daily VWAPs during the preceding twenty (20) Trading Days on which Shares were traded in the ordinary course of business on the ASX immediately prior to the relevant Conversion Notice (Conversion Price B); and (iii) the Initial Tranche Floor Price (\$0.20)
Conversion Price A	\$0.345
Conversion Price B	90% of the average of the two lowest daily VWAPs during the preceding twenty (20) Trading Days on which Shares were traded in the ordinary course of business on the ASX immediately prior to the relevant Conversion Notice (Conversion Price B)
Initial Tranche Floor Price	\$0.20
VWAP = volume weighted average price	

**Jindalee Lithium Limited**  
**Notes to the financial statements**  
**31 December 2024**

**Note 5. Financial liabilities (continued)**

The key terms of the Second Convertible Securities are as follows:

Second Investment Amount	\$1,500,000
Agreement/Execution date	4 July 2024
Inception date	29 August 2024
Investment period	24 months from inception
Convertible Securities issued	1,650,000 convertible securities valued at \$1,650,000 (each with a face value of \$1)
Second Options	2,027,027 options valued at \$100,541 (valued using Hoadley model)
Conversion of Convertible Securities	In respect of the First Convertible Securities and the Second Convertible Securities only, the higher of: (i) if the Conversion Notice is given on or before the date that is three months after the First Closing, \$0.345 (Conversion Price A); or (ii) if the Conversion Notice is given after the date that is three months following the First Closing, the lesser of: (A) Conversion Price A; and (B) 90% of the average of the two lowest daily VWAPs during the preceding twenty (20) Trading Days on which Shares were traded in the ordinary course of business on the ASX immediately prior to the relevant Conversion Notice (Conversion Price B); and (iii) the Initial Tranche Floor Price (\$0.20)
Conversion Price A	\$0.345
Conversion Price B	90% of the average of the two lowest daily VWAPs during the preceding twenty (20) Trading Days on which Shares were traded in the ordinary course of business on the ASX immediately prior to the relevant Conversion Notice (Conversion Price B)
Initial Tranche Floor Price	\$0.20
VWAP = volume weighted average price	

In addition to the First Convertible Securities and the Second Convertible Securities, Mercer and WVP are able to potentially invest up to a further aggregate of \$9 million each which, if drawn, will be issued together with a prescribed number of shares and a prescribed number of options for nil consideration ('Subsequent Convertible Securities').

*Movement in financial liability at amortised cost*

	<b>Consolidated</b>	
	<b>31</b>	<b>30</b>
	<b>December</b>	<b>June</b>
	<b>2024</b>	<b>2024</b>
	<b>\$</b>	<b>\$</b>
Opening balance	-	-
Balance on initial recognition	2,174,268	-
Less transaction costs	(292,548)	-
Finance costs	302,266	-
Partial conversion	(467,124)	-
	<hr/>	<hr/>
Closing balance	<u>1,716,862</u>	-



**Jindalee Lithium Limited**  
**Notes to the financial statements**  
**31 December 2024**

**Note 5. Financial liabilities (continued)**

*Movement in financial liability at FVTPL – derivative component*

	<b>Consolidated</b>	
	<b>31</b>	<b>30</b>
	<b>December</b>	<b>June</b>
	<b>2024</b>	<b>2024</b>
	<b>\$</b>	<b>\$</b>
Opening balance	-	-
Balance on initial recognition	825,732	-
Fair value movement	(362,257)	-
	<hr/>	<hr/>
Closing balance	<u>463,475</u>	-

**Note 6. Issued capital**

	<b>Consolidated</b>			
	<b>31</b>	<b>30</b>	<b>31</b>	<b>30</b>
	<b>December</b>	<b>June</b>	<b>December</b>	<b>June</b>
	<b>2024</b>	<b>2024</b>	<b>2024</b>	<b>2024</b>
	<b>Shares</b>	<b>Shares</b>	<b>\$</b>	<b>\$</b>
Ordinary shares - fully paid	<u>73,591,849</u>	<u>60,490,117</u>	<u>28,715,052</u>	<u>25,058,279</u>

*Movements in ordinary share capital*

<b>Details</b>	<b>Date</b>	<b>Shares</b>	<b>Issue price</b>	<b>\$</b>
Balance	1 July 2024	60,490,117		25,058,279
Issue of shares - placement	10 July 2024	1,772,224	\$0.30	531,667
Issue of shares - convertible note	12 July 2024	576,738	\$0.35	201,858
Issue of shares - entitlement offer	9 August 2024	8,315,511	\$0.30	2,494,653
Issue of shares - placement	30 August 2024	211,111	\$0.30	63,333
Issue of shares - conversion of convertible note	21 November 2024	2,226,148	\$0.21	467,124
Share issue costs		-	\$0.00	(101,862)
		<hr/>	<hr/>	<hr/>
Balance	31 December 2024	<u>73,591,849</u>		<u>28,715,052</u>

*Ordinary shares*

Ordinary shares participate in dividends. On winding up of the Group any proceeds would be distributed to the number of shares held.

At shareholder meetings on a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

**Note 7. Reserves**

	<b>Consolidated</b>	
	<b>31</b>	<b>30</b>
	<b>December</b>	<b>June</b>
	<b>2024</b>	<b>2024</b>
	<b>\$</b>	<b>\$</b>
Foreign currency reserve	1,093,707	(18,748)
Share-based payments reserve	5,319,914	4,866,278
	<hr/>	<hr/>
	<u>6,413,621</u>	<u>4,847,530</u>

**Jindalee Lithium Limited**  
**Notes to the financial statements**  
**31 December 2024**

**Note 7. Reserves (continued)**

*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.

1.

*Movements in reserves*

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

<b>Consolidated</b>	<b>Share-based payment reserve \$</b>	<b>Foreign currency reserve \$</b>	<b>Total \$</b>
Balance at 1 July 2024	4,866,278	(18,748)	4,847,530
Foreign currency translation	-	1,112,455	1,112,455
Share-based payments	341,528	-	341,528
Convertible note options	206,757	-	206,757
Reclass of lapsed options from reserve	(94,649)	-	(94,649)
	<hr/>	<hr/>	<hr/>
Balance at 31 December 2024	<u>5,319,914</u>	<u>1,093,707</u>	<u>6,413,621</u>

**Note 8. Share-based payments**

	<b>Number of options 31 December 2024</b>	<b>Weighted average exercise price 31 December 2024</b>	<b>Number of options 30 June 2024</b>	<b>Weighted average exercise price 30 June 2024</b>
Outstanding at the beginning of the financial half-year	9,400,000	\$2.57	5,000,000	\$2.78
Granted	6,500,000	\$0.90	5,400,000	\$2.54
Exercised	-	\$0.00	(1,000,000)	\$3.50
Lapsed/cancelled	(400,000)	\$3.50	-	\$0.00
	<hr/>	<hr/>	<hr/>	<hr/>
Outstanding at the end of the financial half-year	<u>15,500,000</u>	\$1.84	<u>9,400,000</u>	\$2.57
	<hr/>	<hr/>	<hr/>	<hr/>
Exercisable at the end of the financial half-year	<u>5,875,000</u>	\$2.23	<u>3,975,000</u>	\$2.34

The weighted average remaining contractual life of options outstanding at the end of the financial half-year was 2.23 years (30 June 2024: 2.15 years).

**Jindalee Lithium Limited**  
**Notes to the financial statements**  
**31 December 2024**

**Note 8. Share-based payments (continued)**

	Number of performance rights	
	31 December 2024	30 June 2024
Outstanding at the beginning of the financial half-year	-	-
Granted	2,374,943	-
Lapsed	(874,980)	-
	<hr/>	<hr/>
Outstanding at the end of the financial half-year	<u>1,499,963</u>	-

Options granted during the year have been valued using Hoadley or Black Scholes models. The number of securities granted and valuation inputs are outlined below.

	Options issued No.	Grant date	Expiry date	Share price at grant date	Exercise price	Expected volatility %	Risk-free rate %	Fair value at grant date \$
Director options (ii)	2,000,000	26/11/2024	31/12/2027	\$0.23	\$0.60	65.00%	3.99%	95,137
CEO options - Tranche 1 (i)	1,500,000	02/11/2024	31/12/2027	\$0.22	\$0.60	65.00%	4.05%	68,310
CEO options - Tranche 2 (ii)	1,500,000	02/11/2024	31/12/2027	\$0.22	\$1.00	65.00%	4.05%	36,700
CEO options - Tranche 3 (iii)	1,500,000	02/11/2024	31/12/2028	\$0.22	\$1.50	65.00%	4.05%	38,141

The vesting conditions of the options are as follows:

- (i) 6 months of continued employment
- (ii) 12 months of continued employment
- (iii) 24 months of continued employment

Performance rights without market vesting conditions have been valued at the share price on the grant date of 11 and 15 October 2024.

The below performance rights were not issued to key management personnel.

	Performance rights issued No.	Grant date	Expiry date	Fair Value at grant date
Class A (i)	224,994	11/10/2024	27/11/2029	\$0.23
Class B (ii)	374,991	11/10/2024	27/11/2029	\$0.23
Class C (iii)	374,991	11/10/2024	27/11/2029	\$0.23
Class D (iv)	374,991	11/10/2024	27/11/2029	\$0.23
Class E (v)	149,996	11/10/2024	27/11/2029	\$0.23
Class A (i)*	131,247	15/10/2024	27/11/2029	\$0.23
Class B (ii)*	218,745	15/10/2024	27/11/2029	\$0.23
Class C (iii)*	218,745	15/10/2024	27/11/2029	\$0.23
Class D (iv)*	218,745	15/10/2024	27/11/2029	\$0.23
Class E (v)*	<u>87,498</u>	15/10/2024	27/11/2029	\$0.23
	<u>2,374,943</u>			

**Jindalee Lithium Limited**  
**Notes to the financial statements**  
**31 December 2024**

**Note 8. Share-based payments (continued)**

- (i) All necessary approvals received for drilling under modification 6 of the Company's notice-level drilling application and remains in continuous employment. Probability of vesting 100%.
- (ii) HiTech Minerals Inc. successfully selected for award negotiations for department of defense DPA III grant application and remains in continuous employment. Probability of vesting 60%.
- (iii) Finalisation of all necessary approvals required to undertake drilling under Jindalee's proposed environmental plan of operations and remains in continuous employment. Probability of vesting 60%.
- (iv) Two years continuous employment or other engagement with the Company or its subsidiary(/ies) from the performance rights grant date. Probability of vesting 100%.
- (v) Three years continuous employment or other engagement with the Company or its subsidiary(/ies) from the performance rights grant date. Probability of vesting 100%.

\* Performance rights lapsed on 31 December 2024 as employee left the Company.

**Note 9. Earnings per share**

	<b>Consolidated</b>	
	<b>31</b>	<b>31</b>
	<b>December</b>	<b>December</b>
	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Loss after income tax	<u>(1,939,143)</u>	<u>(2,854,875)</u>
	<b>Number</b>	<b>Number</b>
Weighted average number of ordinary shares used in calculating basic earnings per share	68,891,739	58,520,842
	<b>Cents</b>	<b>Cents</b>
Basic earnings per share	(2.81)	(4.88)
Diluted earnings per share	(2.81)	(4.88)

**Note 10. Dividends**

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

**Note 11. Contingencies and commitments**

There has been no change in contingent liabilities, contingent assets or commitments since the last annual reporting date, 30 June 2024.

**Note 12. Related party transactions**

The only transactions with related parties during the half year were options issued to CEO. See Note 8.

**Note 13. Events after the reporting period**

On 25 February 2025 Jindalee announced that it had realised \$2.75M (before costs) from the sale of its shareholding in Dynamic Metals (ASX: DYM, "Dynamic"). Dynamic was formerly a Jindalee subsidiary which held Jindalee's Australian exploration assets and which listed on ASX in January 2023 following a \$7M initial public offer ("IPO"), which included a priority entitlement to Jindalee shareholders.

Other than the matters outlined above, no other matter or circumstance has arisen since 31 December 2024 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.

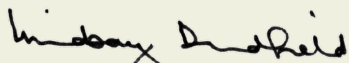
**Jindalee Lithium Limited**  
**Directors' declaration**  
**31 December 2024**

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 2024 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



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Lindsay Dudgeon  
Executive Director

14 March 2025  
Perth

## 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 2024, 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 2024 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 2 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.



### **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.

### **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 2024 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**

A handwritten signature in black ink, appearing to read 'Ashleigh Woodley', written over the BDO logo.

**Ashleigh Woodley**

**Director**

Perth, 14 March 2025