

31 January 2022

QUARTERLY ACTIVITIES REPORT FOR THE PERIOD ENDING 31 DECEMBER 2021

HIGHLIGHTS

- Successful completion of a dedicated geotechnical drilling program at the Crown Mountain Hard Coking Coal Project in order to further investigate geotechnical conditions to advance design studies and permitting for key mine infrastructure.
- Extensive engagement with key Indigenous Nations and completion of review and comment on the Crown Mountain Hard Coking Coal Project Environmental Assessment (EA) by most of those Nations.
- Commencement of review of key components of the EA by Provincial and Federal Regulators. Comments and feedback from both Regulators and Indigenous Nations are being incorporated into the EA for formal submission in the March-22 quarter.
- Successful completion of a Share Placement and Share Purchase Plan to raise \$3.14M (before costs) to enable continued progression of development of the Crown Mountain Hard Coking Coal Project and administration and corporate costs.
- Ongoing progress of studies to identify offsets and remediation opportunities for both wildlife and fish habitat in the Elk Valley region. Future optimisation studies for the BFS will also consider potential pathways to reduce Scope 1 and 2 emissions as well as ways we can work on being a valued community partner in the areas we operate.
- During the quarter, Jameson progressed identification and assessment of potential opportunities that have been sufficiently progressed up the value curve in steelmaking coal in developed countries, with an initial focus on Canada and Australia. Discussion with parties in relation to some of these assets is ongoing.
- Continued positive outlook for seaborne steelmaking coal markets resulting in unprecedented record high price levels during the quarter.

OVERVIEW

The primary focus of Jameson Resources Limited (“Jameson” or “the Company”) during the reporting period was to continue advancing towards environmental approvals and permitting, for development of the Crown Mountain Hard Coking Coal Project (“Crown Mountain” or the “Project”).

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The Company’s two projects are located in British Columbia, Canada which are shown in *Figure 1 Location Plan* below.



Figure 1 – Project Location Plan

SAFETY PERFORMANCE

During the December quarter and for the year to date, there have been no recordable injuries at Jameson’s projects and licences. The 12-month rolling Total Recordable Injury Frequency Rate (“TRIFR”) and Lost Time Injury Frequency Rate (“LTIFR”) at the end of the December 2021 quarter was 0 and 0 respectively.

PROJECT SUMMARY

1. CROWN MOUNTAIN HARD COKING COAL PROJECT ELK VALLEY COAL FIELD, BRITISH COLUMBIA

The Crown Mountain HCC Project is a potential low-cost, high-quality, open cut steelmaking coal mine located adjacent to two existing hard coking coal mines within the Elk Valley in British Columbia. A Bankable Feasibility Study (“BFS”) completed in July 2020 confirmed that Crown Mountain represents a compelling high quality hard coking coal development opportunity with a competitive operating and capital cost structure and access to existing common user rail and port infrastructure.

The Project is 90% owned by Jameson’s Canadian Subsidiary, NWP Coal Canada Ltd (“NWP”) that is 77.8% owned by Jameson and 22.2% by Bathurst Resources Limited (ASX:BRL).

ENVIRONMENTAL ASSESSMENT

The Project is currently in the final stages of the evaluation phase, which includes submitting an EA Application and progressing further optimisation of the BFS. Following the EA Application submittal and in parallel with the public review of the EA, work will commence on the additional approvals and permits required to develop and operate the Project.

The Crown Mountain EA Application team, coordinated by Dillon Consulting (Vancouver), is a joint effort of several specialised environmental consultants. The team is developing the EA to meet the requirements detailed in the Application Information Requirements (“AIR”). The key milestones this quarter were:

- progressing the finalisation of drafting of the EA
- further close engagement with First Nations groups and review and comment by those groups on the draft EA Chapters
- commencement of review by Federal and Provincial regulators on key components of the EA
- Ongoing engagement with local communities and other key stakeholders.

JAL views stakeholder engagement as integral to its strategy of operating in an open and transparent manner to achieve one of its three strategic goals of Engaged Stakeholders. With the easing of Covid travel restrictions, the Managing Director was able to visit Canada for an extended period in October and November to undertake extensive engagement with Indigenous Nations groups, municipal, regional, Provincial and Federal Government representatives, community and recreational groups and the regional community.

GEOTECHNICAL DRILLING PROGRAM

In parallel with the ongoing progress of the Environmental Assessment (EA), a dedicated geotechnical drilling was undertaken during the quarter. The program was designed to further investigate geotechnical conditions to advance design studies and permitting for key mine infrastructure.



Photo1: Geotechnical drilling underway at Crown Mountain

The drilling was successfully undertaken over a 12-day period before the onset of winter conditions limited access to the site. Completion of the drilling will enable laboratory testing and analysis to be undertaken during the winter period so that design of the site infrastructure can be advanced in 2022. The infrastructure design is critical to support the mine permitting process for the Project.

CROWN MOUNTAIN PROJECT SCHEDULE

Feedback and comment from the review of the Draft EA by Indigenous Nations groups and Regulators is currently being incorporated into the EA. The preliminary review undertaken will assist in ensuring the EA meets the requirements of the BC Environmental Assessment Office's AIR and the Federal Government EIS guidelines. It is expected the formal EA Application will be submitted to Provincial and Federal Regulators in the March Quarter.

Subject to the provision of any further required information, the EA will then be subject to a formal Application Review phase involving a public comment period and technical review by Regulators, First Nations groups and other key stakeholders. The duration of the assessment and review process is dependent upon the extent of any subsequent Information Requests and ongoing engagement with stakeholders.

Jameson is committed to being an ESG Leader among steelmaking coal developers and that commitment includes ensuring a thorough transparent assessment process and deep engagement with Regulators and stakeholders.

2. DUNLEVY PROJECT – NORTH EAST BRITISH COLUMBIA

No activity occurred at Dunlevy, which remains in good standing with the Province, and represents a future opportunity for Jameson. Annual rental fees were paid in December 2021. Dunlevy is not part of NWP and remains 100% owned by Jameson.

MARKET UPDATE – STEELMAKING COAL

Demand for seaborne steelmaking coal has continued to strengthen due to record global steel production throughout 2021. In particular, demand for Canadian premium low volatile hard coking coal from British Columbia such as that from the Project is in high demand.

During the quarter, prices for coal that has access to China remain significantly higher than that obtained by Australian exporters without access to Chinese markets. Spot price for Canadian Premium Low-Volatile Hard Coking Coal, like that to be produced at Crown Mountain, exceeded US\$620/tonne (CFR basis) during October and November 2021 and currently remains above US\$400/tonne.

CORPORATE – CAPITAL RAISE

During the quarter, Jameson undertook a capital raising which raised a total of \$3.14 million (before costs). That funding included:

- A Placement to sophisticated, professional and institutional investors which raised A\$2.86 million
- A Share Purchase Plan (SPP), which provided the opportunity to all shareholders to participate in the company's capital raising, which raised a further \$285,000.

The Board thanks shareholders for their continued support and notes that JAL's largest shareholder, AustralianSuper participated in the Placement to maintain its approximately 14.9% equity interest in the Company (before the SPP).

Both the Company's Chair, Nicole Hollows, and Managing Director, Michael Gray, also subscribed for equity in the Share Placement. (Note: As required by ASX Listing Rule 10.11, the issue of shares to both Ms Hollows and Mr Gray required shareholder approval which was subsequently granted at the Company's Annual General Meeting on 14 January 2022).

The funds raised from the Placement and SPP will primarily be used for:

- continued progression of the Crown Mountain Environmental Assessment Application through Application Review
- further optimisation works to improve project economics and seek opportunities to de-risk project development
- engagement with key target Asian steelmaking customers of Crown Mountain Hard Coking Coal;
- continued engagement with project financiers, and
- NWP Coal Canada Limited's administration, project management and corporate overheads and Jameson Resources' corporate costs.

All shares issued under the Placement and SPP rank equally with existing fully paid ordinary shares in the Company.

Following the Placement and SPP, JAL has 348.2 million fully paid ordinary shares on issue. As outlined in the Appendix 5B for the quarter, at 31 Dec 2021 the company has cash at bank of A\$3.0 million in cash and equivalents, and no debt. A further \$390,000 cash was received by the company on 17 January 2022 as proceeds of the Share Purchase Plan and Director share subscription.

During the quarter Bathurst Resources Limited ("BRL") and Jameson contributed to furthering the Crown Mountain Hard Coking Coal Project in proportion to their common shareholding in NWP, being 20% and 80% respectively. BRL and Jameson are continuing to fund the Project up until the receipt of permits and Final Investment Decision, in proportion to common equity shareholdings.

The quantum of funding required for Crown Mountain before the Tranche Two Option is exercised or expires, will depend upon the timing of spend and may result in alternate timing to production should this funding not be available.

As outlined in the Appendix 5B for the quarter ending 31 Dec 2021 (section 6.1), during the quarter approximately \$120k in payments were made to related parties and/or their associates including director fees, gross salaries and superannuation.

The announcement is authorised for release to the market by the Board of Jameson Resources Limited.

For further information, please contact:

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About Jameson Resources Limited

Jameson Resources Limited (ASX:JAL) is a junior resources company focused on the acquisition, exploration and development of strategic coal projects in western Canada. The Company has an 77.8% equity interest in NWP Coal Canada Limited (“NWP”) which holds a 90% interest in the Crown Mountain Coal Project, and a 100% direct interest in the Dunlevy coal project located in British Columbia. Jameson’s tenement portfolio in British Columbia is positioned in coalfields adjacent to existing mines responsible for the majority of Canada’s steelmaking coal exports and are close to railways connecting to export facilities.

To learn more, please contact the Company at +61 8 9200 4473, or visit:

www.jamesonresources.com.au

An independent, growth oriented steelmaking coal developer focused on delivering sustainable outcomes

About Bathurst Resources Limited

In July 2018, a subsidiary of Bathurst Resources Limited (ASX:BRL) acquired an 8% interest in NWP, with option to increase that interest to 50% subject to certain milestones and additional payments. Bathurst exercised the Tranche One Option in September 2019 and now holds a 20% interest in NWP with an additional 2.2% held as Class B Preference shares.

Bathurst is the largest coal company operating in New Zealand with over 2.2 million tonnes per annum of coal under management. More than 70% of the coal sold is used for steel making, both domestically and for export to Asian coke makers and steel mills. The remainder is sold to domestic users in the agricultural and energy sectors. Bathurst is focussed on low cost, sustainable mining with a strong focus on the local communities and environmental management.

Forward Looking Statements

This announcement contains “forward-looking statements”. Such forward-looking statements include, without limitation: estimates of future earnings, the sensitivity of earnings to commodity prices and foreign exchange rate movements; estimates of future production and sales; estimates of future cash flows, the sensitivity of cash flows to commodity prices and foreign exchange rate movements; statements regarding future debt repayments; estimates of future capital expenditures; estimates of resources and statements regarding future exploration results; and where the Company expresses or implies an expectation or belief as to future events or results, such expectation or belief is expressed in good faith and believed to have a reasonable basis. However, forward looking statements are subject to risks, uncertainties and other factors, which could cause actual results to differ materially from future results expressed, projected or implied by such forward-looking statements. Such risks include, but are not limited to commodity price volatility, currency fluctuations, increased production costs and variances in resource or reserve rates from those assumed in the company’s plans, as well as political and operational risks in the countries and states in which we operate or sell product to, and governmental regulation and judicial outcomes. For a more detailed discussion of such risks and other factors, see the Company’s Annual Reports, as well as the Company’s other filings. The Company does not undertake any obligation to release publicly any revisions to any “forward looking statement” to reflect events or circumstances after the date of this release, or to reflect the occurrence of unanticipated events, except as may be required under applicable securities laws.

Schedule of Mineral Tenements

Jameson Resources Limited provides details of the Company's consolidated interests in mineral tenements/licenses at the end of the quarter in accordance with Listing Rule 5.3.3 and their relevant percentage change in ownership ending 30 June 2020, which reflects Jameson's 77.8% interest in NWP Coal Canada Limited which holds a 90% interest and 100% interest in various licences that form part of the Crown Mountain Coal Project, and a 100% direct interest in the Dunlevy coal project located in British Columbia.

| Project | Tenement | JAL ownership % | Interest at beginning of Quarter | Acquired/ Disposed | Interest at end of Quarter |
|--------------------------------------|----------|-----------------|----------------------------------|--------------------|----------------------------|
| Crown Mountain – North Block | 418150 | 77.8% | 90% | - | 90% |
| Crown Mountain – South Block | 418151 | 77.8% | 90% | - | 90% |
| Crown Mountain – West Crown | 418152 | 77.8% | 90% | - | 90% |
| Crown Mountain – Southern Extension | 418153 | 77.8% | 90% | - | 90% |
| Crown Mountain – Crown East | 418154 | 77.8% | 90% | - | 90% |
| Crown Mountain – Northwest Extension | 418966 | 77.8% | 100% | - | 100% |
| Crown Mountain – Northern Extension | 419273 | 77.8% | 100% | - | 100% |
| Crown Mountain – Grave Creek | 419272 | 77.8% | 100% | - | 100% |
| Crown Mountain – Alexander Creek | 419274 | 77.8% | 100% | - | 100% |
| Crown Mountain – Grave Creek West | 419275 | 77.8% | 100% | - | 100% |
| Dunlevy | 418441 | 100% | 100% | - | 100% |
| Dunlevy | 418442 | 100% | 100% | - | 100% |