28 OCTOBER 2020

JAMESON RESOURCES LIMITED | QUARTERLY ACTIVITIES REPORT FOR THE PERIOD ENDING 30 SEPTEMBER 2020

Highlights

- The Crown Mountain Bankable Feasibility Study ("BFS") was completed in the quarter and results released to the ASX on 9 July 2020, demonstrating robust economic outcomes and reaffirming that Crown Mountain represents a compelling high quality coking coal opportunity, with a competitive operating and capital cost structure with access to existing common user rail and port infrastructure
- Work commenced on BFS optimisation with remaining bulk sample coal from the 2018-19 program sent to Birtley labs for blending to a 10% ash specification and on to Canmet for sole heated oven testwork
- Jameson successfully completed a placement of 39.565 million new fully paid ordinary shares in the Company at an issue price of $0.12 per share to raise gross proceeds of approximately $4.74 million
- Preparation of the Environmental Assessment Application ("EA Application") progressed during the quarter, furthering the write up of existing conditions and effects assessment, which are critical components of the EA Application. The EA Application remains on track for a March 2021 quarter submission date
- In conjunction with the preparation of the EA Application, the Company continued its regular EA Application pre-submittal meetings with all levels of government
- During the quarter Jameson commenced a process in line with its articulated strategy to proactively identify potential metallurgical coal opportunities in developed countries, with an initial focus on Canada and Australia
- The Company continues to monitor the developments and impacts of COVID-19 on its employees, consultants and how business is conducted, especially given the recent increase in cases being reported in British Columbia and Alberta, Canada
- As at 30 September 2020, the top 20 shareholders held approximately 69.5% of the capital of the Company and the Company held A$6.7 million in cash (A$4.1 million in Jameson and A$2.6 million in NWP Coal Canada Limited). Jameson remains debt-free.

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").

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

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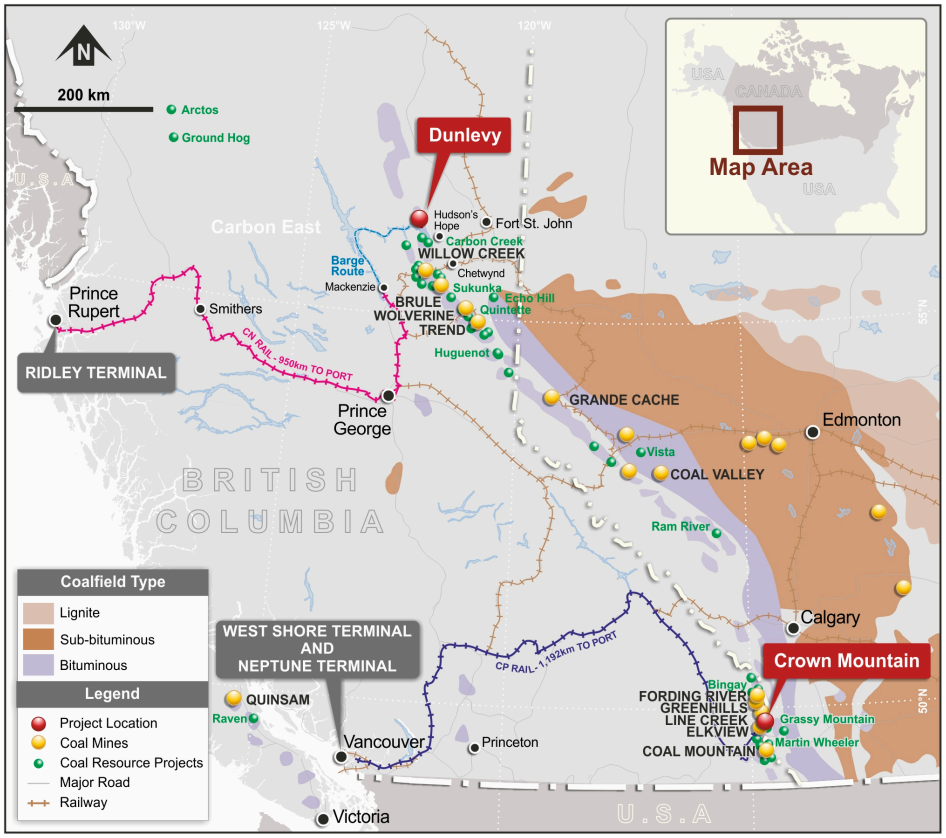


Figure 1 – Project Location Plan

SAFETY PERFORMANCE

During the September quarter and 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") at the end of the September 2020 quarter was zero (0).

PROJECT SUMMARY

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

Crown Mountain is a potential low-cost, high-quality, open cut metallurgical coal mine currently in the final stages of the evaluation phase, which is comprised of completing optimisation of the Bankable Feasibility Study ("BFS") and submitting an Environmental Assessment Application ("EA Application"). Following the EA Application submittal, work will commence on the additional approvals and permits required to develop and operate the Project.

On July 9 2020, the Company released the results of the Crown Mountain Hard Coking Coal Project BFS which was managed by Stantec (Vancouver), with Sedgman Canada Ltd (a member of CIMIC Group) ("Sedgman") and SRK Consulting ("SRK") also contributing to the study. The study delivered robust economic outcomes, with the study assuming a fully capitalised scenario (i.e. no leasing) where the Company purchases all mobile mining equipment, workshops and ancillary infrastructure. The BFS outcomes are detailed in Table 1 below:

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Table 1

BFS Outcome*	Unit	
Total ROM Coal Mined	Mt ROM	57.5
Mine Life	Years	15
Average ROM Strip Ratio	Bcm:ROM t	4.7
LOM Processing Yield	%	48.7
LOM Average Annual Clean Coal Production	Mtpa	1.7
Total Clean Coal Production	Mt	26.3
Clean Coal Strip Ratio	Bcm:t clean coal	10.3
Pre-production Capital Expenditure**	US$m	309
Cash Cost (FOB Vancouver)	US/t	93.17
Low Vol, Premium Hard Coking Coal Benchmark	US/t	164
NPV(10) (Pre-tax)	US$m	376
NPV(10) (Post-tax)	US$m	217
IRR (Pre-tax)	%	36.4
IRR (Post-tax)	%	27.2
Crown Mountain Net Cashflow (Pre-tax)	US$m	1,029
Crown Mountain Net Cashflow (Post-tax)	US$m	652

*Operating costs and capital expenditure have been converted from CAD to USD at 0.75
**Excludes Contingency, Owners Costs, Reclamation Security

The BFS reaffirmed Crown Mountain as a compelling high quality coking coal opportunity for development with competitive operating and capital cost structure, and access to existing common user rail and port infrastructure. The Project will produce a high quality low volatile metallurgical coal, with a Life of Mine ("LOM") product mix of 86% Hard Coking Coal and 14% Pulverised Coal Injection coal. The mine plan is based on an average LOM production rate of 1.7Mtpa of saleable coal, 57.5Mt Total Run of Mine ("ROM") from the North, East and South pits over 15 years.

The BFS provides critical inputs for the EA Application which is expected to be submitted in the March 2021 quarter.

The Crown Mountain EA Application team, coordinated by Dillon Consulting (Vancouver) ("Dillon"), 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 the completion of the social economics baseline studies, surface water effects assessment and initiation of the air, noise and ground water modelling, along with furthering the existing conditions and effects assessments write-ups. As part of NWP Coal Canada Limited's ("NWP") engagement process, a NWP website was launched during the quarter at www.nwpcoal.com.

In line with the Company's strategic objectives and values, NWP continues to operate in an open and transparent manner to achieve engaged stakeholders. During the quarter NWP began to expand its stakeholder engagement which included meetings with Federal and Provincial Members of Parliament, Elk Valley Cumulative Effects Working Group and an Environmental NGO.

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BFS OPTIMISATION

During the quarter, optimisation work on the BFS commenced. The work undertaken included preparation of remaining bulk samples (sealed and refrigerated) from the 2018-19 exploration program. The samples were tested to ensure that they have not been adversely impacted by oxidisation, and subsequently blended at Birtley lab Canada to a 10% ash specification (BFS coal quality was completed in the range of 9 to 9.5% ash) and sent to Canmet to undertake Sole Heated Oven analysis. The samples are to undergo analysis at 10% ash to better understand if the higher ash has an impact on the coal quality parameters. The data will be used as part of the initial work Sedgman has been engaged to undertake (post September quarter end) to optimise ash yield (washability) curves. As outlined in the BFS optimisation opportunities, there is potential to increase the overall coal handling and preparation plant yield by producing a higher ash specification product.

Hard Coking Coals with a higher ash than benchmark specification of 9.3%[1] ash incur a penalty on the price received from end users. There are number of premium benchmarked hard coking coals sold globally that have published[2] ash specification of up to 10.5%. The results from the coal quality test work will be compared to other 10% products to determine the value of the Crown Mountain 10% ash product.

Additional optimisation work has been prioritised, some already scoped, however has not as yet been committed to at this stage.

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 2019. Dunlevy is not part of the Bathurst deal and remains 100% owned by Jameson.

CORPORATE

During the quarter Jameson successfully completed a placement of 39.565 million new fully paid ordinary shares in the Company at an issue price of $0.12 per share to raise gross proceeds of approximately $4.74 million, with the funds to be primarily used towards the Environmental Assessment Application, which is on track for March quarter 2021 submission, undertaking optimisation work on the BFS and for general working capital purposes.

Jameson has 303.3 million fully paid ordinary shares on issue, A$6.7 million in cash and equivalents at quarter's end, and no debt. NWP, of which Jameson owns 77.8%, holds A$2.6 million of this cash balance.

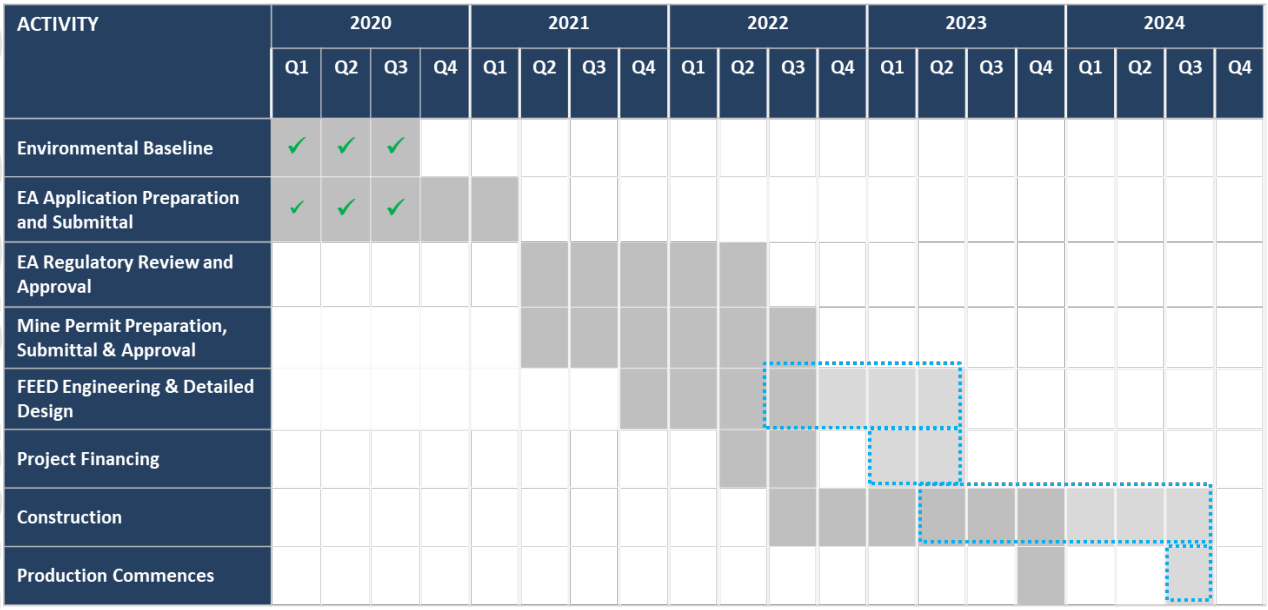
As previously disclosed, during the quarter Bathurst Resources Limited ("BRL") and Jameson contributed to furthering the Crown Mountain Hard Coking Coal Project in proportion to their common shareholding in NWP, being 20% and 80% respectively. BRL and Jameson are continuing to fund the Project up until the receipt of permits and Final Investment Decision ("FID"), in proportion to common equity shareholdings. BRL will have the opportunity to achieve 50% common equity shareholding in NWP if at FID, BRL elects to exercise its Tranche Two Option at which time Jameson will be compensated for funding the period between BFS and receipt of permits at 80%. The exact method of compensation is still the matter of an ongoing negotiation. The workstream for the Front End Engineering and Design ("FEED") and Detailed Engineering Design will be dependent on the continuation of funding from both BRL and JAL, including how this funding will be reimbursed to JAL. The quantum of funding required before the Tranche Two Option is exercised or expires, will depend upon the timing of spend and may result in delay to the original target commencement date of December quarter 2021.

[1] Premium Low Vol HCC FOB Australia

[2] Specifications guide Metallurgical Coal, S&P Global Platts, April 2020

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NWP will be reviewing all funding options for the FEED including the potential to sell down part of the Crown Mountain Hard Coking Coal Project to fund this pre-development work that is on the critical path to first production but scheduled to occur prior to FID and Project Financing (scheduled to commence June quarter 2022). The alternate timing to production should this funding not be available is outlined below by the blue boxes.



As outlined in the Appendix 5B for the quarter ending 30 September 2020 (section 6.1), during the quarter approximately $58k in payments were made to related parties and/or their associates including director fees, gross salaries and superannuation.

This 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 responsible for the majority of Canada's metallurgical 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 metallurgical coal developer focused on delivering sustainable outcomes

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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 September 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	Location British Columbia, Canada	Jameson Resources Limited 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	418430	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%