JINDALEE RESOURCES LIMITED
AND CONTROLLED ENTITIES

A.B.N. 52 064 121 133

FINANCIAL REPORT
30 JUNE 2020

CORPORATE DIRECTORY

Board and Management

Justin Mannolini	Non-Executive Chairman
Lindsay Dudfield	Executive Director
Patricia (Trish) Farr	Executive Director/Company Secretary

Registered Office & Principal Place of Business

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West Perth, WA 6005
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Email: enquiry@jindalee.net
Web: www.jindalee.net

Auditors

BDO Audit (WA) Pty Ltd
38 Station Street
Subiaco, WA 6008

Legal Advisors

House Legal
86 First Avenue
Mount Lawley, WA 6050

Share Registry

Advanced Share Registry
110 Stirling Highway
Nedlands, WA 6000
Telephone: +61 (8) 9389 8033
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Securities Exchange Listing

The Company is listed on the Australian Securities Exchange Ltd (“ASX”)
Home Exchange: Perth, Western Australia

ASX Code: **JRL**

CONTENTS

DIRECTORS' REPORT

The Directors present their report on the consolidated entity (referred to hereafter as the Group) consisting of Jindalee Resources Limited and the entities it controlled at the end of, or during the year ended 30 June 2020.

Directors

The following persons were directors of Jindalee Resources Limited during the whole of the financial year and up to the date of this report unless noted otherwise:

Lindsay Dudfield
Justin Mannolini
Patricia Farr
Pip Darvall - *resigned as a director on 31 December 2019.*

Principal activities

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

Financial results

The consolidated loss of the Group after providing for income tax for the year ended 30 June 2020 was $250,878 (2019: loss $1,019,707).

Dividends

No dividends have been declared since the end of the previous financial year and no dividends have been recommended by the Directors.

Significant changes in the state of affairs

During the year there has been no significant change in the state of affairs of the Group.

Operations and financial review

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

During the year efforts were concentrated on the McDermitt lithium project (US) and included drilling to deliver both an expanded exploration target and a maiden inferred resource, as well as metallurgical testwork to further derisk the project. The Company also increased its ground position in the Widgiemooltha area and acquired other projects in Western Australia.

<u>McDermitt</u>
Nine diamond holes were completed at the McDermitt Project during the period, with substantial thicknesses of lithium mineralisation intersected in all holes and in November the Company announced that an independently estimated update to the Exploration Target Range had confirmed McDermitt as a major new lithium discovery and one of the largest lithium deposits in the US.[1]

In November 2019 Jindalee announced a maiden Inferred Mineral Resource estimate at McDermitt of 150Mt at an average grade of 2,000 ppm Li (0.43% Li_2O)[2], using a relatively high cut-off grade of 1,750 ppm Li. This cut-off grade is appropriate in the context of similar projects and based on an assessment of the likelihood of future economic extraction as required by the JORC (2012) Code.

Additional work planned for McDermitt includes further metallurgical test work, commencement of early stage permitting activities and drilling to build on the current Mineral Resource estimate.

The Company confirms that it is not aware of any new information or data that materially affects the information included in this market announcement and that all material assumptions and technical parameters underpinning the estimates of mineral resources referenced in this market announcement continue to apply and have not materially changed.

*Note that the potential quantity and grade of the ETR is conceptual in nature, there has been insufficient exploration to estimate a Mineral Resource over the Exploration Target and it is uncertain if further exploration will result in the estimation of additional Mineral Resources.

Western Australia

During the year the Company added to its existing ground position in the Widgiemooltha area of Western Australia and pegged additional prospective tenements in Western Australia.

At Widgiemooltha a targeting study focussing on the Chalice greenstone belt highlighted several untested gold targets obscured by transported cover which warrant follow-up.

Impact of COVID-19

The Group continues to monitor the ongoing and evolving situation relating to the Coronavirus pandemic (COVID-19) and the potential implications for the health and wellbeing of the Group's employees, contractors and stakeholders. The Company implemented various health and safety measures and cost saving initiatives and has concluded at this time that there has been no material impact on the Group's exploration activities, solvency or its ability to continue as a going concern.

Financial

The net assets of the Group have increased by $794,733 from $4,580,207 at 30 June 2019 to $5,374,940 at 30 June 2020, principally due to raising $1,126,655 (net of costs) from the issue of 3,866,145 fully paid ordinary shares at $0.30/share during the year net of the Group's loss for the year of $250,878.

The Directors believe the Group is in a sound financial position to continue its exploration endeavours.

Competent Persons Statement:

The information in this report that relates to Exploration Results is based on information compiled by Mr Lindsay Dudfield. Mr Dudfield is a 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 which is being undertaking, to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves'. Mr Dudfield consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

The information in this Report that relates to Mineral Resource Estimates and Exploration Target Ranges 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 Australian Institute of Mining and Metallurgy and a Director of H&S Consultants Pty Ltd. Mr. van der Heyden has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (JORC Code). Mr. van der Heyden consents to the inclusion in this report of the matters based on the information in the form and context in which it appears.

Forward-Looking Statements:

This document may include forward-looking statements. Forward-looking statements include but are not limited to statements concerning Jindalee Resources Limited's (Jindalee) planned exploration program and other statements that are not historical facts. When used in this document, the words such as "could", "plan", "estimate", "expect", "intend", "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 involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements.

References:
Additional details including JORC 2020 reporting tables, where applicable, can be found in the ASX announcements reference in this report and the below announcements lodged with the Australian Securities Exchange (ASX) during the period:
1. Jindalee Resources Limited ASX Announcement 13/11/2019 'Exploration Target Confirms Huge Scale at McDermitt'.
2. Jindalee Resources Limited ASX Announcement 19/11/2019 'Maiden Lithium Resource at McDermitt.'
3. Jindalee Resources Limited ASX Announcements 30/12/2019 'Company Update' and 30/01/2020 'Quarterly Activities Report.'

Events since the end of the financial year

As announced to ASX on 27 July 2020, the Group entered into a binding agreement with Auroch Minerals Limited (Auroch) (ASX: AOU) agreeing to vend a 70% interest in exploration licences 36/895, 36/910, 36/953 and 37/1370. Under the terms of the agreement, the Group received \$50,000 cash with a further \$50,000 cash due upon completion of all earn-in commitments. Auroch must spend \$500,000 on exploration across the four tenements over a three year period, including \$100,000 in the first 12 months. The Group maintains a 30% free carried position until a decision to mine.

As announced to ASX on 3 August 2020, the Group appointed Ms Karen Wellman Chief Executive Officer of the Company with an effective date of 12 October 2020. Mrs Wellman will be paid a base salary of \$220,000 per annum exclusive of statutory superannuation and subject to shareholder approval at the Company's Annual General Meeting will be issued 1,000,000 unlisted options exercisable at \$0.40 vesting on 30 April 2021 and expiring 30 June 2025; and 1,000,000 unlisted options exercisable at \$0.50 vesting on 30 April 2022 and expiring on 30 June 2025.

The impact of the Coronavirus (COVID-19) pandemic is ongoing and while it has not significantly impacted the Group up to 30 June 2020, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

Other than the matters outlined above, there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors, to affect significantly the operations, the results of those operations, or the state of affairs of the Group in future financial years.

Likely developments and expected results of operations

The Directors are not aware of any developments that might have a significant effect on the operations of the Group in subsequent financial years not already disclosed in this report.

Environmental regulation

The Group is subject to significant environmental regulation in respect of its exploration activities. Tenements in Western Australia are granted subject to adherence to environmental conditions with strict controls on clearing, including a prohibition on the use of mechanised equipment or development without the approval of the relevant government agencies, and with rehabilitation required on completion of exploration activities. These regulations are controlled by the Department of Mines and Petroleum.

Jindalee's claims in the United States of America are all located on Federally owned land managed by the Bureau of Land Management. There are a range of requirements that must be met when undertaking exploration activities, including seeking approval depending on the nature of the activities and undertaking rehabilitation once activities are complete. Bonds are payable prior to the commencement of exploration activities and are returned on satisfactory completion of rehabilitation. Jindalee Resources Limited conducts its exploration activities in an environmentally sensitive manner and the Group is not aware of any breach of statutory conditions or obligations.

Greenhouse gas and energy data reporting requirements

The Directors have considered compliance with both the Energy Efficiency Opportunity Act 2006 and the National Greenhouse and Energy Reporting Act 2007 which requires entities to report annual greenhouse gas emissions and energy use. The Directors have assessed that there are no current reporting requirements for the year ended 30 June 2020, however reporting requirements may change in the future.

Information on Directors

J Mannolini B.Com/LL (Hons), LLB (Law), GAICD. *Non-Executive Chairman*		
Experience and expertise	Mr Mannolini was appointed to the Jindalee Board as a Non-Executive Director in September 2013 and as Chairman in July 2016. Mr Mannolini is a partner in the Corporate Advisory Group of Australian law firm Gilbert + Tobin. He was an Executive Director with Macquarie Capital, the investment banking division of the Macquarie Group from March 2013 to May 2016 and was responsible for cross-industry coverage of the Western Australian market. Prior to joining Macquarie, Mr Mannolini was Managing Director and head of Gresham Advisory Partners' Perth office, and before that, a partner in the mergers and acquisitions group of Australian law firm Freehills. In May 2016 Mr Mannolini was appointed to the board of the Northern Australia Infrastructure Facility, a $5B fund set up by the Australian Government to encourage population growth and economic development in northern Australia. As a lawyer and investment banker, Mr Mannolini has more than 20 years experience in corporate finance ranging across industry sectors and product lines, including mergers and acquisitions transactions and general strategic advisory mandates for companies in the resources sector.	
Other current directorships	None	
Former directorships in last 3 years	None	
Special responsibilities	Chairman	
Interests in shares and options	Ordinary Shares – Jindalee Resources Limited Unlisted $0.40 Options expiring 30/06/2022	342,564 500,000 (vested 22/11/2017)

L Dudfield B.Sc. *Executive Director*		
Experience and expertise	Mr Dudfield is a qualified geologist with over 40 years experience exploring for gold and base metals in Australia and abroad, including close involvement with a number of greenfields discoveries. Mr Dudfield is a member of the AusIMM, SEG, AIG and GSA. He is a founding director of Jindalee Resources Limited and has been a Director for 16 years.	
Other current directorships	Energy Metals Limited - Non-Executive Director Alchemy Resources Limited – Non-Executive Chairman	
Former directorships in last 3 years	None	
Special responsibilities	None	
Interests in shares and options	Ordinary Shares – Jindalee Resources Limited Unlisted $0.40 Options expiring 30/06/2022	13,072,065 1,000,000 (vested 22/11/2017)

<table>
<tr><th colspan="3">P Farr GradCertProfAcc. GradDipACG. GAICD FGIA/FCIS Executive Director/Joint Company Secretary</th></tr>
<tr><td>Experience and expertise</td><td colspan="2">Ms Farr is an experienced Chartered Secretary with over 20 years experience in the exploration and mining industry in the areas of corporate governance, compliance and administration. Ms Farr has provided Company secretarial services to several ASX listed companies including Musgrave Minerals Limited and prior to that Energy Metals Limited and Fox Resources Limited. Ms Farr is a graduate member of the Australia Institute of Company Directors, fellow member of Governance Institute of Australia (formerly Chartered Secretaries Australia) and the Institute of Chartered Secretaries and Administrators. Mrs Farr was appointed to the Jindalee Board in 2008.</td></tr>
<tr><td>Other current directorships</td><td colspan="2">None</td></tr>
<tr><td>Former directorships in last 3 years</td><td colspan="2">None</td></tr>
<tr><td>Special responsibilities</td><td colspan="2">None</td></tr>
<tr><td>Interests in shares and options</td><td>Ordinary Shares – Jindalee Resources Limited
Unlisted $0.40 Options expiring 30/06/2022</td><td>440,000
500,000 (vested 22/11/2017)</td></tr>
</table>

<table>
<tr><th colspan="3">P Darvall M.Sc.(Geology), MBA, GAICD Managing Director Resigned 31 December 2019</th></tr>
<tr><td>Experience and expertise</td><td colspan="2">Mr Darvall is a geologist with exploration experience across a range of commodities, in Australia, PNG and the USA. From 2010 to 2014 he was Exploration Manager for Atlas Iron overseeing a rapid growth in Atlas' resource base, before starting his own consultancy company specialising in resource project evaluation and management. Mr Darvall has a MSc (Geology) from Monash University, an MBA from Curtin University and is a graduate of the AICD Company Directors Course. Mr Darvall is also a member of the AusIMM, AIG and SEG.

Mr Darvall was appointed Managing Director on 28/05/2018 and resigned on 31/12/2019.</td></tr>
<tr><td>Other current directorships</td><td colspan="2">None</td></tr>
<tr><td>Former directorships in last 3 years</td><td colspan="2">None</td></tr>
<tr><td>Special responsibilities</td><td colspan="2">Managing Director</td></tr>
<tr><td>Interests in shares and options</td><td>Nil</td><td>Nil</td></tr>
</table>

Company Secretary Information

Ms Farr is an experienced Chartered Secretary having provided Company Secretarial services to several listed and unlisted companies, the majority of which operate in the mineral resources sector in Australia. Ms Farr is a graduate member of the Australian Institute of Company Directors and Fellow member of Governance Institute of Australia (formerly Chartered Secretaries Australia).

Meetings of Directors

The following table sets out the number of meetings of the Company's Directors held during the year ended 30 June 2020 the numbers of meetings attended by each Director.

Name	**Board of Directors**	
	Meetings Held	**Meetings Attended**
J Mannolini	8	8
L Dudfield	8	8
P Farr	8	8
P Darvall (resigned 31 December 2019)	4	4

As at the date of this report, the Group did not have an Audit Committee of the Board of Directors. The Board considers that due to the Group's size, an Audit Committee's functions and responsibilities can be adequately and efficiently discharged by the Board as a whole, operating in accordance with the Group's mechanisms designed to ensure independent judgement in decision making.

Retirement, election and continuation in office of directors

Ms Patricia Farr is a director retiring by rotation who, being eligible, may offer herself for re-election at the Company's 2020 Annual General Meeting.

AUDITED REMUNERATION REPORT

The Directors are pleased to present Jindalee Resources Limited 2020 remuneration report which sets out remuneration information for the Company's non-executive directors, executive directors and other key management personnel.

The report contains the following sections:
(a) Key management personnel disclosed in this report
(b) Remuneration governance and the use of remuneration consultants
(c) Executive remuneration policy and framework
(d) Relationship between remuneration and the Group's performance
(e) Non-executive director remuneration policy
(f) Voting and comments made at the Company's 2019 Annual General Meeting
(g) Details of remuneration
(h) Service agreements
(i) Details of share-based compensation and bonuses
(j) Equity instruments held by key management personnel
(k) Loans to key management personnel
(l) Other transactions with key management personnel

(a) Key management personnel disclosed in this report

J Mannolini	Non-Executive Chairman
L Dudfield	Executive Director
P Farr	Executive Director/Company Secretary
P Darvall	Managing Director *(resigned 31 December 2019)*

For further details on each director see pages 6-7.

(b) Remuneration governance and use of remuneration consultants

The Company has a Remuneration Policy however has not established a separate Remuneration Committee. Due to the early stage of development and small size of the Company a separate Remuneration Committee was not considered to add any efficiency to the process of determining the levels of remuneration for directors and key executives. The Board considers that it is more appropriate to set aside time at a Board meeting each year to specifically address matters that would ordinarily fall to a remuneration committee such as reviewing remuneration, recruitment, retention and termination procedures and evaluating senior executives remuneration packages and incentives. A copy of the Remuneration Policy can be found on the Company's website www.jindalee.net

In addition, all matters of remuneration will continue to be in accordance with the Corporations Act requirement, especially with regard to related party transactions. That is, none of the directors participate in any deliberations regarding their own remuneration or related issues.

Independent external advice is sought from remuneration consultants when required, however no advice has been sought during the year ended 30 June 2020.

The Corporate Governance Statement provides further information on the Company's remuneration governance. Further details on the Corporate Governance Statement can be found on the Company's website www.jindalee.net

(c) Executive remuneration policy and framework

In determining executive remuneration, the Board aims to ensure that remuneration practices are:

- Competitive and reasonable, enabling the Company to attract and retain key talent
- Aligned to the Company's strategic and business objectives and the creation of shareholder value
- Transparent and easily understood, and
- Acceptable to shareholders.

All executives receive consulting fees or a salary, part of which may be taken as superannuation, and from time to time, options. Options issued to Directors are subject to approval by Shareholders. The Board reviews executive packages annually by reference to the executive's performance and comparable information from industry sectors and other listed companies in similar industries.

Board members are allocated superannuation guarantee contributions as required by law, and do not receive any other retirement benefits. From time to time, some individuals may choose to sacrifice their salary or consulting fees to increase payments towards superannuation.

All remuneration paid to directors and specified executives is valued at the cost to the Group and expensed. Options are valued using the Black-Scholes methodology.

(d) Relationship between remuneration and the Group's performance

The policy setting the terms and conditions for the executive directors, was developed and approved by the Board and is considered appropriate for the current exploration phase of the Groups development. Emoluments of Directors are set by reference to payments made by other companies of similar size and industry, and by reference to the skills and experience of directors. Fees paid to directors are not linked to the performance of the Group. This policy may change once the exploration phase is complete and the Company is generating revenue. At present the existing remuneration policy is not impacted by the Group's performance including earnings and changes in shareholder wealth (dividends, changes in share price or returns of capital to shareholders). The Board has not set short term performance indicators, such as movements in the Company's share price, for the determination of director emoluments as the Board believes this may encourage performance which is not in the long-term interests of the Company and its shareholders. The Board has structured its remuneration arrangements in such a way it believes is in the best interests of building shareholder wealth in the longer term. The Board believes participation in the Company's Employee Share Option Plan motivates key management and executives with the long-term interests of shareholders.

The following table shows the share price and the market capitalisation of the Group at the end of each of the last five financial years.

	2016	**2017**	**2018**	**2019**	**2020**
Share Price	$0.23	$0.21	$0.28	$0.39	$0.32
Market Capitalisation	$8.03M	$7.33M	$9.77M	$13.65M	$12.4M
Dividends (cents per share)	-	-	-	-	-

(e) Non-executive director remuneration policy

On appointment to the Board, all non-executive directors enter into a service agreement with the Company in the form of a letter of appointment. The letter summarises the Board policies and terms including remuneration, relevant to the office of director.

The Board policy is to remunerate non-executive directors at commercial market rates for comparable companies for their time, commitment and responsibilities.

The maximum aggregate amount of fees that can be paid to non-executive directors is subject to approval by shareholders at the Annual General Meeting and is currently set at $200,000 per annum.

Fees for non-executive directors are not linked to the performance of the Group. Non-executive directors' remuneration may also include an incentive portion consisting of options, subject to approval by Shareholders.

(f) Voting and comments made at the Company's 2019 Annual General Meeting

Jindalee received 93% of "yes" votes on its remuneration report for the 2019 financial year. The Company did not receive any specific feedback at the AGM or throughout the year on its remuneration practices.

(g) Details of remuneration

The following table sets out details of the remuneration received by the Group's key management personnel for the current and previous financial year measured in accordance with the requirements of the accounting standards.

		Short-term benefits		**Post-employment benefits**		**Share-based payment**			**Remuneration consisting of options**
Non-Executive Director/Chairman		Directors Fees $	Cash Salary, Consulting Fees $	Super-annuation $	Long Service Leave $	Options $	Shares $	Total $	Percentage %
J Mannolini	2019	40,000	-	3,800	-	-	-	43,800	-
	2020	20,000	-	1,900	-	-	-	21,900	-
Executive Directors									
L Dudfield	2019	-	89,100	-	-	-	-	89,100	-
	2020	-	91,575	-	-	-	-	91,575	-
P Farr	2019	-	106,000	10,070	7,305	-	-	123,375	-
	2020	-	106,000	10,070	14,682	-	-	129,720	-
P Darvall#	2019	-	240,000	22,800	-	-	-	262,800	-
	2020	-	133,918	11,575	-	(81,044)*	-	64,449	-

 # resigned 31 December 2019.

** negative number due to reversal of previously issued options cancelled due to vesting conditions not being met.*

(h) Service Agreements

Remuneration and other terms of employment for key management personnel are formalised in service agreements. The service agreements specify the components of remuneration, benefits and notice periods.

<u>J Mannolini</u>
Mr Mannolini was appointed a Non-Executive Director on 30 September 2013 and appointed Chairman on 1 July 2016.

Mr Mannolini's is entitled to directors' fees of $40,000 per annum plus statutory superannuation in accordance with his letter of appointment. As a result of uncertainty in financial markets following COVID-19, Mr Mannolini elected to suspend payment of his remuneration until further notice and was paid Directors fees of $20,000 for the year. Mr Mannolini's appointment is contingent upon satisfactory performance and successful re-election by shareholders of the Company as and when required by the Constitution of the Company and the Corporations Act. Mr Mannolini is not entitled to any termination benefits.

<u>L Dudfield</u>
Mr Dudfield was appointed a director on 22 January 1996. Mr Dudfield is remunerated pursuant to the terms and conditions of a consultancy agreement entered into with Mr Dudfield and Jopan Management Pty Ltd trading as Western Geological Services. During the financial year ended 30 June 2020, Mr Dudfield was paid consulting fees of $91,575. Unless extended for a further period, the current consultancy agreement will expire in June 2021. The agreement may be terminated by either party on the giving on 90 days notice or earlier in the event of a default not remedied within 14 days. Mr Dudfield is not entitled to any termination benefits.

<u>P Farr</u>
Ms Farr was appointed as a director on 29 August 2008. Ms Farr is paid a salary plus statutory superannuation pursuant to the terms and conditions of an ongoing employment contract. Due to reduced hours during the financial year Ms Farr was paid a salary of $106,000 and statutory superannuation of $10,070 for the year ended 30 June 2020. Ms Farr's employment contract may be terminated by either party on the giving of one month's notice. Upon termination of the contract for any reason the Company will pay leave entitlements due to Ms Farr.

<u>P Darvall</u> *(resigned 31 December 2019)*
Mr Darvall was appointed Managing Director on 28 May 2018 and resigned on 31 December 2019. Mr Darvall was paid an annual salary of $240,000 per annum plus statutory superannuation pursuant to an Executive Services Agreement. Upon his resignation on 31 December 2019 leave entitlements due to Mr Darvall were paid in full.

(i) Details of share-based compensation and bonuses

Options over shares in Jindalee Resources Limited are granted under the Company's Employee Share Option Plan. Participation in the plan and any vesting criteria, is at the Board's discretion and no individual has a contractual right to participate in the plan or to receive any guaranteed benefits. Any options issued to directors of the Company are subject to shareholder approval.

Details of options over ordinary shares in the Company provided as remuneration to each director of the Company are set out below.

No options were issued as remuneration to any director for the year ended 30 June 2020.

The fair value of services received in return for share options granted to employees is measured by reference to the fair value of options granted. The estimate of the fair value of the services is measured based on Black-Scholes option valuation methodology. The life of the options and early exercise option are built into the option model.

No bonuses were paid during the year and there is currently no bonus scheme in place.

Following the resignation of Mr Pip Darvall (former director), 1,500,000 options with an exercise price of $0.60 and expiry date of 30 June 2022 were cancelled on 31 December 2019. The fair value of options upon cancellation were $81,044, being tranche C of options issued to Mr Pip Darvall on 22 November 2017. Tranches A and B were fully expensed in prior periods.

Further information on the fair value of share options and assumptions is set out in Note 18 to the financial statements.

(j) Equity instruments held by key management personnel

The following tables detail the number of fully paid ordinary shares and options over ordinary shares in the Company that were held during the financial year and the previous financial year by key management personnel and their associated related parties.

2020 **Name**	**Balance at the start of the year**	**Options/ Shares granted as compensation**	**Received during the year on the exercise of options**	**Number of options vested during year**	**Number of options forfeited during the year**	**Other changes during the year**	**Balance at the end of the year**	**Vested and exercisable**	**Unvested**
J Mannolini									
Ordinary fully paid shares	250,000	-	-	-	-	92,564*	342,564	-	-
Unlisted Options	500,000	-	-	-	-	-	500,000	500,000	-
L Dudfield									
Ordinary fully paid shares	12,480,844	-	-	-	-	591,221*	13,072,065	-	-
Unlisted Options	1,000,000	-	-	-	-	-	1,000,000	1,000,000	-
P Farr									
Ordinary fully paid shares	404,533	-	-	-	-	35,467*	440,000	-	-
Unlisted Options	500,000	-	-	-	-	-	500,000	500,000	-
P Darvall *(resigned 31/12/2019)*									
Ordinary fully paid shares	54,500	-	-	-	-	(54,500)*	-#	-	-
Unlisted Options	4,500,000	-	-	-	1,500,000	(3,000,000)#	-#	-	-

* Changes during the year relate to participation in 2019 entitlement offer and on-market purchases.

P Darvall resigned 31/12/2019 and is no longer a member of Key Management Personnel.

Securities Policy

The Company has implemented a policy on trading in the Company's securities designed to ensure that all directors, senior management and employees of the Company act ethically and do not use confidential inside information for personal gain. The policy states acceptable and unacceptable times for trading in Company securities and outlines the responsibility of directors, senior management and employees to ensure that trading complies with the *Corporations Act 2001*, the Australian Securities Exchange (ASX) Listing Rules and Company Policy. A copy of this policy was lodged with the ASX and is available on the Company's website.

Any transaction conducted by Directors with regards to shares of the Company requires notification to the ASX. Each Director has entered into an agreement to provide any such information with regards to Company dealings directly to the Company Secretary promptly to allow the Company to notify the ASX within the required reporting timeframes.

Shares provided on exercise of options

During the year, no ordinary shares in the Company were provided as a result of the exercise of remuneration options.

For details on the valuation of the options, including models and assumptions used, please refer to Note 18. There were no alterations to the terms and conditions of options granted as remuneration since their grant date. No options were granted as remuneration during the year ended 30 June 2020.

(k) Loans to key management personnel

There were no loans to individuals or members of key management personal during the financial year or the previous financial year.

(l) Other transactions with key management personnel

During the year the Group paid a total of $91,575 to Western Geological Services (a division of Jopan Management Pty Ltd), the fees being for the provision of technical and management services provided to the Group by Mr Lindsay Dudfield. These fees are included in the remuneration table on page 10. Mr Dudfield's spouse is the major shareholder of and the sole director and company secretary of Jopan Management Pty Ltd.

End of Audited Remuneration Report

Shares under option

Unissued ordinary shares of the Company under option at the date of this report are as follows:

Grant Date	Number	Date vested & exercisable	Expiry Date	Exercise Price
22/08/2017	400,000	22/08/2017	30/06/2022	$0.40
22/11/2017	2,000,000	22/11/2017	30/06/2022	$0.40
22/11/2017	1,500,000	30/06/2018	30/06/2022	$0.40
22/11/2017	1,500,000	30/06/2019	30/06/2022	$0.50
16/01/2019	200,000	16/01/2019	30/06/2022	$0.50

No option holder has any right under the options to participate in any other share issue of the Company or any other entity.

Shares Issued on Exercise of Options

There were no shares issued on exercise of options during the year and up to the date of this report.

Directors and Officers insurance

Jindalee Resources Limited paid a premium during the year in respect of directors' and officers' liability insurance policy, insuring the directors and officers of the company against a liability incurred whilst acting in the capacity of a director, secretary or executive officer to the extent permitted by the *Corporations Act 2001*. The Directors have not included details of the nature of the liabilities covered or the amount of the premium paid in respect of the policy as such disclosure is prohibited under the terms of the contract of insurance.

Corporate Governance Statement

The Company's 2020 Corporate Governance Statement has been released as a separate document and is located on the Company's website at http://jindalee.net/corporate-governance/.

Proceedings on behalf of the Company

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under section 237 of the *Corporations Act 2001*.

Non-audit services

The Company from time to time may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Company is important.

The Board of Directors has considered the position and is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001.* The Directors are satisfied that the provision of non-audit services by the auditor as set out below did not compromise the auditor independence requirements of the *Corporations Act 2001* for the following reasons:

- the non-audit services have been reviewed by the Board to ensure they do no impact on the impartiality and objectivity of the auditor; and
- none the services undermine the general principles relating to auditor independence as set out in APES 110 *Code of Ethics for Professional Accountants.*

During the year ended 30 June 2020 and in the previous financial year there were no fees paid or payable for non-audit services provided by the auditor of Jindalee Resources Limited.

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required by section 307C of the *Corporations Act 2001* is included on page 44.

This report is signed in accordance with a resolution of the Directors.

Lindsay Dudfield.

L Dudfield
Executive Director

Perth
14 August 2020

JINDALEE RESOURCES LIMITED
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2020

	Note	2020 $	2019 $
Revenue from continuing operations	4	7,063	32,470
Other income	4	582,662	386,766
Employee benefits expense		(157,905)	(217,965)
Share-based payments	18	81,044	(172,239)
Depreciation expense		(75,011)	(6,568)
Exploration expenditure		(66,702)	(189,186)
Impairment of exploration assets	13	(189,694)	(2,966)
Fair value movement on financial assets	11	(134,801)	(564,676)
Tenancy and operating expenses		(29,834)	(95,941)
Gain on foreign exchange		2,681	13,837
Other administration expenses		(139,217)	(147,112)
Corporate and regulatory expenses		(110,249)	(62,059)
Finance costs		(20,915)	-
Loss before income tax		(250,878)	(1,019,707)
Income tax benefit	5	-	-
Loss after income tax		(250,878)	(1,019,707)
Loss attributable to owners of Jindalee Resources Limited		(250,878)	(1,019,707)
Other comprehensive income			
Items that may be reclassified to profit or loss			
Revaluation of investments taken to equity		-	-
Other comprehensive income for the year		-	-
Total comprehensive loss for the year attributable to the ordinary equity holders of the Company		(250,878)	(1,019,707)
Loss per share attributable to the ordinary equity holders of the Company			
Basic loss per share (cents per share)	7	(0.66)	(2.92)
Diluted loss per share (cents per share)	7	(0.66)	(2.92)

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

JINDALEE RESOURCES LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2020

	Note	2020 $	2019 $
CURRENT ASSETS			
Cash and cash equivalents	9	839,726	908,486
Trade and other receivables	10	54,092	18,867
Financial assets at fair value through profit or loss	11	305,858	-
Total Current Assets		1,199,676	927,353
NON-CURRENT ASSETS			
Other receivables	10	61,106	60,216
Property, plant and equipment	12	19,788	21,856
Right of use assets		122,215	-
Exploration and evaluation expenditure	13	2,310,327	1,381,602
Financial assets at fair value through profit or loss	11	1,827,574	2,228,085
Total Non-Current Assets		4,341,010	3,691,759
TOTAL ASSETS		5,540,686	4,619,112
CURRENT LIABILITIES			
Trade and other payables	14	12,513	14,495
Provision for annual leave		1,748	17,105
Lease liabilities		63,299	-
Total Current Liabilities		77,560	31,600
NON-CURRENT LIABILITIES			
Provision for long service leave		13,650	7,305
Lease liabilities		74,536	-
Total Non-Current Liabilities		88,186	7,305
TOTAL LIABILITIES		165,746	38,905
NET ASSETS		**5,374,940**	**4,580,207**
EQUITY			
Contributed equity	15	8,381,909	7,255,254
Accumulated losses	16	(5,537,977)	(5,287,099)
Reserves	17	2,531,008	2,612,052
TOTAL EQUITY		**5,374,940**	**4,580,207**

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

JINDALEE RESOURCES LIMITED
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2020

	Note	2020 $	2019 $
Cash flows from operating activities			
Payments in the course of operations		(470,828)	(660,431)
Interest received		7,063	43,825
Interest paid		(20,915)	-
Net cash outflow from operating activities	6	(484,680)	(616,606)
Cash flows from investing activities			
Payments for exploration and evaluation		(1,155,140)	(847,342)
Payments for property, plant and equipment		(3,861)	-
Payment of bonds		-	(1,800)
Proceeds from sale of tenements and royalty		260,000	40,000
Proceeds from sale of financial assets at fair value through profit or loss	11	241,727	88,761
Net cash outflow from investing activities		(657,274)	(720,381)
Cash flows from financing activities			
Lease principal repayments		(53,461)	-
Proceeds from issue of shares net of costs	15	1,126,655	-
Payment of dividend		-	(66,610)
Net cash inflow/(outflow) from financing activities		1,073,194	(66,610)
Net decrease in cash and cash equivalents		(68,760)	(1,403,597)
Cash and cash equivalents at the beginning of the financial year		908,486	2,312,083
Cash and cash equivalents at the end of the financial year	9	839,726	908,486

Non-cash financing and investing activities 11

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

JINDALEE RESOURCES LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2020

Consolidated	Contributed equity	Share-based payment reserve	Available for sale investments revaluation reserve	Accumulated losses	Total equity
	$	$	$	$	$
Balance at 30 June 2018 as originally stated	**7,227,254**	**2,467,813**	**937,392**	**(5,204,784)**	**5,427,675**
Change in accounting policy	-	-	(937,392)	937,392	-
Restated balance at 1 July 2018	**7,227,254**	**2,467,813**	-	(4,267,392)	**5,427,675**
Total comprehensive loss for the year:					
Loss for the year	-	-	-	(1,019,707)	(1,019,707)
Total comprehensive loss for the year	-	-	-	(1,019,707)	(1,019,707)
Transactions with owners in their capacity as owners					
Share-based payments	28,000	144,239	-	-	172,239
Balance at 30 June 2019	**7,255,254**	**2,612,052**	-	(5,287,099)	**4,580,207**
Total comprehensive loss for the year:					
Loss for the year	**-**	**-**	-	(250,878)	(250,878)
Total comprehensive loss for the year	**-**	**-**	-	(250,878)	(250,878)
Transactions with owners in their capacity as owners					
Issue of shares net of costs	1,126,655	-	-	-	1,126,655
Share-based payments	-	(81,044)	-	-	(81,044)
Balance at 30 June 2020	**8,381,909**	**2,531,008**	-	(5,537,977)	**5,374,940**

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

1. CORPORATION INFORMATION

These financial statements of Jindalee Resources Limited for the year ended 30 June 2020 were authorised for issue in accordance with a resolution of directors on 14 August 2020.

The financial statements cover the Group of Jindalee Resources Limited and it's controlled entities. Jindalee Resources Limited is a company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange.

The nature of the operations and principal activities of the Group are described in Note 3.

Unless otherwise stated, policies adopted in the preparation of the financial statements are consistent with those of the previous year.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

In order to assist in the understanding of the financial statements, the following summary explains the material accounting policies that have been adopted in the preparation of the accounts.

(a) Statement of Compliance
These general-purpose financial statements have been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, Urgent Issues Group Interpretations and the *Corporations Act 2001*.

Compliance with IFRS

The consolidated financial statements of Jindalee Resources Limited also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

(b) Adoption of New Accounting Standards

AASB 16 Leases
The Group leases office space for its corporate office.

Impact of application of AASB 16 Leases ("AASB 16")
AASB 16 provides a model for the identification and treatment of lease arrangements in the financial statements. AASB 16 superseded the lease guidance including *AASB 117 Leases* and the related Interpretations, when it became effective for the Group for the accounting period beginning 1 July 2019.

The Group has chosen the modified retrospective application of AASB 16. Consequently, the Group has not restated the comparative information.

Impact of the new definition of a lease
The Group has made use of the practical expedient available on transition to AASB 16 not to reassess whether a contract is or contains a lease. Accordingly, the definition of a lease in accordance with AASB 117 and Interpretation 4 will continue to apply to those leases entered or modified before 1 July 2019.

The change in definition of a lease mainly relates to the concept of control. AASB 16 distinguishes between leases and service contracts on the basis of whether the use of an identified asset is controlled by the customer. Control is considered to exist if the customer has:

- The right to obtain substantially all of the economic benefits from the use of an identified asset; and
- The right to direct the use of that asset.

The Group has applied the definition of a lease and related guidance set out in AASB 16 to all lease contracts entered into or modified on or after 1 July 2019. The Directors have determined that the new definition in AASB 16 will not change significantly the scope of contracts that meet the definition of a lease for the Group.

Operating leases
AASB 16 has changed how the Group accounts for leases previously classified as operating leases under AASB 117, which were off-balance sheet.

On initial application of AASB 16, for all leases (except as noted below), the Group has:

(a) Recognised Right-of-Use assets (“ROU Assets”) and lease liabilities in the consolidated statement of financial position, initially measured at the present value of the future lease payments;
(b) Recognised depreciation of ROU Assets and interest on lease liabilities in the consolidated statement of profit or loss; and
(c) Separated the total amount of cash paid into a principal portion (presented within financing activities) and interest (presented within operating activities) in the consolidated cash flow statement.

Under AASB 16 lease incentives (eg rent-free period) are recognised as part of the measurement of the ROU Assets and lease liabilities. Previously lease incentives resulted in the recognition of a lease liability incentive amortised as a reduction of rental expenses on a straight-line basis.

Under AASB 16, ROU Assets will be tested for impairment in accordance with AASB 136 Impairment of Assets. This replaces the previous requirement to recognise a provision for onerous lease contracts.

For short-term leases (lease term of 12 months or less) and leases of low-value assets the Group opted to recognise a lease expense on a straight-line basis as permitted by AASB 16.

As at 1 July 2019 the Group had non-cancellable lease commitments of $191,297, excluding leases that are of a short-term nature and leases of low-value assets. The Group recognised ROU Assets with a net book value of $191,297 and corresponding lease liabilities of $191,297 at 1 July 2019. After accounting for depreciation and lease principal payments during the year the balances as at 30 June 2020 were ROU Assets with a net book value of $122,215 and lease liabilities of $137,835.

The impact on the consolidated statement of profit or loss (increase / (decrease)) for the year is:

Expense	*$*	*Notes*
Tenancy and operating	53,461	Rent expense on previously recognised operating lease
Depreciation expense	(69,082)	Depreciation of lease asset recognised under AASB 16
Finance costs	(20,915)	Interest on lease recognised under AASB 16
Net impact on loss for the period	(36,536)	

Under AASB 117, lease payments from operating leases were included in cash flows from operating activities. Under AASB 16 lease repayments are included in cash flows from financing activities. The impact on cash flows for the period from adopting AASB 16 is to increase cash flows from operating activities by $32,546 and to reduce cash flows from financing activities by $32,546.

There is no impact on other comprehensive income and the basic and diluted loss per share.

Determination of whether variable payments are in-substance fixed
For lease agreements subject to lease payments with fixed increases, the Group factored in the fixed increases into the calculation of the lease liability. The Group has no lease agreements subject to lease payments based on a variable index.

Determination of the appropriate rate to discount the lease payments
The Group estimated the incremental borrowing rate applicable to its lease as the rate of interest that a lessee would have to pay to borrow over a similar term and with similar security the funds necessary to obtain an asset of a similar value to the ROU Asset. The estimate was based on a risk adjusted rate and considered the materiality of the impacts of applying a range of interest rates. The incremental borrowing rate applied is 12.5%.

The following is a reconciliation of total operating lease commitments at 30 June 2019 to the lease liabilities recognised at 1 July 2019:

	$
Operating lease commitments disclosed at 30 June 2019	231,042
Less: discount applied using incremental borrowing rate	(39,745)
Lease liability recognised at 1 July 2019	191,297
Right-of-Use asset (value determined solely with reference to the lease liability value)	191,297

The recognised ROU Asset relates to office premises.

Summary of new accounting policies

Right-of-use assets
The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment.

Lease liabilities
At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

Short-term leases and leases of low-value assets
The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered of low value (i.e., below $5,000). Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

New and revised Accounting Standards for Application in Future Periods

A number of new standards, amendments to standards and interpretations issued by the AASB which are not yet mandatorily applicable to the Group have not been applied in preparing these consolidated financial statements. Those which may be relevant to the Group are set out below. The Group does not plan to adopt these standards early.

AASB 2018-6: *Amendments to the Australia Accounting Standards – Definition of a business*

This standard amends AASB 3 Business Combinations' ("AASB 3") definition of a business. To be considered a business, an acquisition would have to include an input and a substantive process that together significantly contributes to the ability to create outputs. The new guidance provides a framework to evaluate when an input and a substantive process are present. The revisions to AASB 3 also introduced an optional concentration test. If the concentration test is met, the set of activities and assets acquired is determined not to be a business combination and asset acquisition accounting is applied. The concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets. The Group's assessment of the impact of this new amendment is that it is not expected to have a material impact on the Group in the current or future reporting periods.

Conceptual Framework for Financial Reporting (Conceptual Framework)
The revised Conceptual Framework is applicable to annual reporting periods beginning on or after 1 January 2020 and early adoption is permitted. The Conceptual Framework contains new definition and recognition criteria as well as new guidance on measurement that affects several Accounting Standards. Where the Group has relied on the existing framework in determining its accounting policies for transactions, events or conditions that are not otherwise dealt with under the

Australian Accounting Standards, the Group may need to review such policies under the revised framework. At this time, the application of the Conceptual Framework is not expected to have a material impact on the Group's financial statements.

(c) Basis of Preparation/Accounting

The financial statements have been prepared on an accruals basis and are based on historical costs and do not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

In applying International Financial Reporting Standards ("IFRS"), management is required to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities that are not readily available from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported. These accounting policies have been consistently applied throughout the period, except for the adoption of AASB 16. Refer to note 2(b) for further detail.

The significant accounting policies set out below have been applied in the preparation and presentation of the financial statements for the year ended 30 June 2020 and the comparative information.

(d) Principles of Consolidation

The consolidated financial statements incorporate the assets and liabilities of the subsidiary of Jindalee Resources Limited ("Company" or "Parent Entity") as at 30 June 2020 and the results of all subsidiaries for the year then ended. Jindalee Resources Limited and its subsidiaries together are referred to in the financial statements as the Group or consolidated entity.

Subsidiaries are all entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies, generally accompanying a shareholding of more than one-half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group.

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries are changed where necessary to ensure consistency with the policies adopted by the Group.

Investments in subsidiaries are accounted for at cost in the parent entity information disclosures of Jindalee Resources Limited.

Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to owners of Jindalee Resources Limited.

When the Group ceases to have control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, jointly controlled entity or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that the amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in a jointly-controlled entity or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

(e) Cash and Cash Equivalents

For the purposes of the statement of cash flows, cash and cash equivalents includes cash on hand, and term deposits repayable on demand with a financial institution. The cash and cash equivalents balance primarily consists of funds on term deposit with original maturity at time of purchase of three months or less that are readily convertible to known amounts of cash and which are subject to minimal risk of changes in value.

(f) Trade and Other Receivables

Trade and other receivables are recognised initially at fair value, less any allowance for expected credit losses. See note 10 for further information about the group’s accounting for trade and other receivables.

(g) Revenue Recognition

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

All revenue is stated net of the amount of goods and services tax.

(h) Property, Plant and Equipment

Plant and equipment is stated at cost less accumulated depreciation and any impairment in value.

Depreciation is calculated using the diminishing value and prime cost methods and is brought to account over the estimated economic lives of all property, plant and equipment. The rates used are based on the useful life of the assets and range from 10% to 40%.

The assets’ residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset’s carrying amount is written down immediately to its recoverable amount if the asset’s carrying amount is greater than its estimated recoverable amount.

Depreciation methods, useful lives and residual values are reassessed at each reporting date.

(i) Impairment of Assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset’s recoverable amount. An asset’s recoverable amount is the higher of its fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets and the asset’s values in use cannot be estimated to be close to its fair value. In such cases the asset is tested for impairment as part of the cash generating unit to which it belongs. When the carrying amount of an asset or cash-generating unit exceeds its’ recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses relating to continuing operations are recognised in those expense categories consistent with the function of the impaired asset.

As assessment is also made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had the impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at the revalued amount, in which case the reversal is treated as a revaluation increase. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

(j) Exploration and Evaluation Expenditure

The Group's policy with regards to exploration and evaluation expenditure, including the costs of acquiring licences and permits, are capitalised as exploration and evaluation assets on an area of interest basis. Under this method exploration and evaluation expenditure is carried forward on the following basis:

i) Each area of interest is considered separately when deciding whether, and to what extent, to carry forward or write off exploration and evaluation costs.

ii) Exploration and evaluation expenditure related to an area of interest is carried forward provided that rights to tenure of the area of interest are current and that one of the following conditions is met:

- such evaluation costs are expected to be recouped through successful development and exploitation of the area of interest or alternatively, by its sale; or

- exploration and/or evaluation activities in the area of interest have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves and active and significant operations in relation to the area are continuing.

Exploration and evaluation costs accumulated in respect of each particular area of interest include only net direct expenditure.

(k) Trade and Other Payables

Trade payables and other payables are carried at amortised cost and represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and usually paid within 30 days of recognition.

(l) Employee Entitlements

The Group's liability for employee entitlements arising from services rendered by employees to reporting date are recognised in current liabilities. Employee entitlements expected to be settled within one year together with entitlements arising from wages and salaries, and annual leave which will be settled within one year, have been measured at their nominal amount and include related on-costs.

(m) Share Based Payment Transactions

Share based payments

Under AASB 2 *Share Based Payments*, the Group must recognise the fair value of options granted to directors, employees and consultants as remuneration as an expense on a pro-rata basis over the vesting period in the statement of profit or loss and other comprehensive income with a corresponding adjustment to equity.

The Group provides benefits to employees (including directors) of the Group in the form of share based payment transactions, whereby employees render services in exchange for shares or rights over shares ("equity-settled transactions"). The cost of these equity-settled transactions with employees (including directors) is measured by reference to fair value at the date they are granted. For options the fair value is determined using a Black-Scholes model.

(n) Loss Per Share

(i) Basic Loss Per Share

Basic loss per share is determined by dividing the operating loss attributable to the equity holder of the Group after income tax by the weighted average number of ordinary shares outstanding during the financial period.

(ii) Diluted Loss Per Share

Diluted loss per share adjusts the figures used in determination of basic earnings per share by taking into account amounts unpaid on ordinary shares and any reduction in earnings per share that will arise from the exercise of options outstanding during the period.

(o) Contributed Equity

Issued and paid up capital is recognised at the fair value of the consideration received by the Group. Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of the share proceeds received.

(p) Income Tax and Other Taxes

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Deferred income tax is provided on all temporary differences at the statement of financial position date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences except:

- When the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- When the taxable temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, and the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- When the deductible temporary difference is associated with investments in subsidiaries, associates or interest in joint ventures, in which case a deferred tax asset is only recognised to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

The carrying amount of deferred income tax assets is reviewed at each statement of financial position date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at each statement of financial position date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Income taxes relating to items recognised directly in equity are recognised in equity and not in profit or loss.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

Goods & Services Tax

Revenues, expenses and assets are recognised net of the amount of GST except:

- Where the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- Receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis and the GST component of cash flow arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

(q) Critical Accounting Estimates and Judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

Accounting for capitalised exploration and evaluation expenditure

The Group's accounting policy is stated at Note 2(j). There is some subjectivity involved in the carrying forward as capitalised or writing off to the statement of profit or loss and other comprehensive income exploration and evaluation expenditure, however management give due consideration to areas of interest on a regular basis and are confident that decisions to either write off or carry forward such expenditure fairly reflect the prevailing situation.

Share-based payments

The Group measures share-based payments at fair value at the grant date. The fair value is determined using a Black-Scholes model or other valuation technique appropriate for the instrument being valued.

Deferred tax balances

Deferred tax assets in respect of tax losses are not recognised in the financial statements as management considers that it is currently not probable that future taxable profits will be available to utilise those tax losses. Management reviews on a regular basis the future profitability of the Group to consider if tax losses should be recognised and to ensure that any tax losses recognised will be utilised.

(r) Investment and other financial assets

Financial Instruments

The Group has exposure to interest rate risk which is the risk that the Group's financial position will be adversely affected by movements in interest rates. Interest rate risk on cash and short term deposits is not considered to be a material risk due to the short term nature of these financial instruments.

The Group has no monetary foreign currency assets or liabilities.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the reporting date which are classified as non-current assets.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss ("FVTPL") include financial assets that are trading or that meet certain conditions and are designated at FVTPL upon initial recognition. All derivative financial instruments fall into this category, except for those designated and effective as hedging instruments, for which the hedge accounting requirements apply.

Assets in this category are measured at fair value with gains or losses recognised in profit or loss. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

Recognition and derecognition

Regular purchases and sales of financial assets are recognised on trade-date – the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit and/or loss are initially recognised at fair value and transaction costs are expensed in the statement of profit or loss and other comprehensive income. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

When securities classified as available-for-sale are sold, the accumulated fair value adjustments recognised in equity are included in the statement of profit or loss and other comprehensive income as gains and losses from investment securities.

Subsequent measurement
Loans and receivables and held-to-maturity investments are carried at amortised cost using the effective interest method.

Financial assets at fair value through profit or loss are subsequently carried at fair value. Gains on financial assets at fair value through profit or loss are recognised in profit or loss.

Details on how the fair value of financial instruments is determined is disclosed in Notes 19 and 22.

(s) Provisions
Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability.

(t) Dividends
Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

(u) Leases
Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Group as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

(v) Farm-in arrangements
In accounting for farm-ins inside the exploration and expenditure phase, the Group:

- The Group does not record any expenditure made by the farmee on its behalf;
- The Group does not recognise a gain or loss on the farm-out arrangement but rather, redesignates any costs previously capitalised in relation to the whole interest as relating to the partial interest retained; and
- Any cash consideration received is credited against costs previously capitalised in relation to the whole interest with any excess accounted for by the Group as a gain on disposal.

3. SEGMENT INFORMATION

Management has determined that the Group has two reportable segments, being mineral exploration in Australia and the United States. As the Group is focused on mineral exploration, the Board periodically monitors the Group based on actual versus budgeted exploration expenditure incurred in each of these geographical locations. This internal reporting framework is most relevant to assist the Board with making decisions regarding the Group and its ongoing exploration programmes and activities, while also taking into consideration the results of exploration work that has been performed to date.

	Mineral exploration		Total
	Australia	**USA**	
Year ended 30 June 2020		**$**	**$**
Reconciliation of segment revenue to Group revenue			
Revenue from external sources	-	-	-
Unallocated revenue			7,063
Total revenue			7,063
Reconciliation of segment result to Group loss			
Segment result	(51,076)	(2,680)	(53,756)
Unallocated			
- Interest revenue			7,063
- Corporate expenses and other costs, net of other income			(204,185)
Loss before tax			(250,878)
As at 30 June 2020			
Reconciliation of segment assets to Group assets			
Segment assets	5,523,859	1,418,222	6,942,081
Intersegment eliminations			(1,401,395)
Total assets			5,540,686
Reconciliation of segment liabilities to Group liabilities			
Segment liabilities	(165,746)	(1,401,395)	(1,567,141)
Intersegment eliminations			1,401,395
Total liabilities			(165,746)

3. SEGMENT INFORMATION (continued)

	Mineral exploration		Total
	Australia	**USA**	
Year ended 30 June 2019		**$**	**$**
Reconciliation of segment revenue to Group revenue			
Revenue from external sources	-	-	-
Unallocated revenue			32,470
Total revenue			32,470
Reconciliation of segment result to Group loss			
Segment result	(613,744)	(14,133)	(627,877)
Unallocated			
- Interest revenue			32,470
- Corporate expenses and other costs, net of other income			(424,300)
Loss before tax			(1,019,707)
As at 30 June 2019			
Reconciliation of segment assets to Group assets			
Segment assets	4,604,980	567,614	5,172,594
Intersegment eliminations			(553,482)
Total assets			4,619,112
Reconciliation of segment liabilities to Group liabilities			
Segment liabilities	(38,905)	(553,482)	(592,387)
Intersegment eliminations			553,482
Total liabilities			(38,905)

4. REVENUE AND OTHER INCOME

	2020	2019
	$	$
Revenue from continuing operations		
Interest	7,063	32,470
Other income		
Gain on sale of tenements and royalty[#]	555,155	370,402
Other	27,507	16,364
	582,662	386,766

[#]Refers to: sale of 80% of tenements 15/1736, 15/4747 & 15/1752 to Torque Metals Ltd; payment of non-refundable option payment on Millrose tenement by Golden Eagle Mining; cash payment and equity received for sale of gold royalty interests to Vox Royalty Corp.

5. TAXATION

	2020 $	2019 $
(a) Income tax expense/(benefit)		
Current tax	-	-
Deferred tax	-	-
	-	-
Deferred income tax expense included in income tax expense/(benefit) comprises:		
(Decrease)/increase in deferred tax liability	-	-
	-	-
Opening balance - deferred tax (asset)/ liability	-	-
Movement for period	-	-
Closing Balance – deferred tax (asset)/ liability	-	-
(b) Numerical reconciliation of income tax expense to prima facie tax payable		
Loss before income tax:	(250,878)	(1,019,707)
Tax at the Australian tax rate of 30% (2019: 30%)	(75,263)	(305,912)
Tax effect of amounts which are not deductible in calculating taxable income:		
Foreign income not assessable	(804)	(4,240)
Non-deductible (income)/expenses	(8,925)	(1,972)
Share-based payments	(24,313)	51,672
Tax losses not recognised	109,305	260,452
Total income tax benefit	-	-

The franking account balance at year end was $nil (2019: $nil).

Jindalee Resources Limited and its wholly owned subsidiaries have not implemented the tax consolidation legislation.

Jindalee Resources Limited has unrecognised deferred tax assets at year-end of $1,328,985 (2019: $1,214,460) representing unrecognised tax losses.

Jindalee Resources Limited is not considered to be a base rate entity for income tax purposes and is therefore subject to income tax at a rate of 30% (2019: 30%).

Net deferred tax assets have not been brought to account as it is not probable within the immediate future that tax profits will be available against which deductible temporary differences and tax losses can be utilised. The Company's ability to use losses in the future is subject to the Company satisfying the relevant tax authority's criteria for using these losses.

6. RECONCILIATION OF LOSS AFTER INCOME TAX TO NET CASH OUTFLOW FROM OPERATING ACTIVITIES

	2020 $	2019 $
Loss after income tax	(250,878)	(1,019,707)
Exploration expenditure written off	189,694	(2,966)
Depreciation	75,011	6,569
Gain on sale of tenements and royalty	(555,155)	(370,332)
Share-based payments	(81,044)	172,239
Fair value movement on financial assets	134,801	564,676
Change in operating assets and liabilities during the financial year:		
Decrease in trade and other receivables	14,774	11,354
Increase/(decrease) in trade and other payables	(2,871)	4,771
Increase/(decrease) in provisions	(9,012)	16,790
Net cash outflow from operating activities	(484,680)	(616,606)

7. LOSS PER SHARE

	2020 $	2019 $
Loss used in calculation of basic and diluted loss per share	(250,878)	(1,019,707)
Basic loss per share (cents per share)	(0.66)	(2.92)
Diluted loss per share (cents per share)	(0.66)	(2.92)
Weighted average number of ordinary shares used as the denominator in calculating basic and diluted loss per share.	37,999,169	34,940,105

Options on issue were not considered to be dilutive as their impact would have been to increase the loss per share.

8. DIVIDENDS

No dividend has been declared for the year ended 30 June 2020 (2019: nil).

9. CASH AND CASH EQUIVALENTS

	2020 $	2019 $
Cash at bank	839,726	908,486
	839,726	908,486

10. TRADE AND OTHER RECEIVABLES

	2020 $	2019 $
Current		
Trade and other receivables	54,092	18,867
Non-current		
Other receivables (deposits)	61,106	60,216

Trade and other receivables are denominated in Australian dollars and are interest free with settlement terms of between 7 and 30 days. No trade receivables were past due or impaired as at 30 June 2020 (2019: nil). Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off by reducing the carrying amount directly. Allowance for expected credit loss is established, using the expected credit loss model under AASB9 when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables.

The amounts held in trade and other receivables do not contain impaired assets and are not past due. Based on the credit history of these trade and other receivables, it is expected that these amounts will be received when due.

Due to the short-term nature of these receivables their carrying value is assumed to be their fair value. Please refer to Note 19 for information on credit risk.

11 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT AND LOSS

	2020 $	2019 $
Current		
Shares in listed corporations		
- Opening balance	-	-
- Additions[1]	281,875	-
- Disposals	-	-
- Fair value movement	23,983	-
- Closing balance	305,858	-
Shares in listed corporations		
Non-Current		
Shares in listed corporations		
- Opening balance	2,228,085	2,601,522
- Additions	-	280,000
- Disposals	(241,727)	(88,761)
- Fair value movement	(158,784)	(564,676)
- Closing balance	1,827,574	2,228,085

The fair value of listed financial assets at fair value through profit and loss has been determined directly by reference to published price quotations in an active market.

At 30 June 2020 the market value of the Group's shareholding in Energy Metals Limited was $1,467,195 (2019: $1,824,977).
Refer to Note 19 for information on Group's exposure to price risk.

[1] These financial assets are shares issued in the capital of Vox Royalty Corp (TSX-V: VOX) which were acquired as consideration for tenement sales and were non-cash transactions.

12. NON-CURRENT ASSETS - PROPERTY, PLANT AND EQUIPMENT

	2020 $	2019 $
Plant and equipment - at cost	183,526	179,776
Less: accumulated depreciation	(163,738)	(157,920)
	19,788	21,856
Reconciliation of the carrying amount of property, plant and equipment:		
Carrying amount at beginning of year	21,856	28,424
Additions	3,861	-
Less: depreciation expense for year	(5,929)	(6,568)
Carrying amount at end of year	19,788	21,856
Total property, plant and equipment	19,788	21,856

13. NON-CURRENT ASSETS – EXPLORATION AND EVALUATION EXPENDITURE

	2020 $	2019 $
Balance at beginning of year	1,381,602	545,961
Exploration expenditure incurred	1,155,139	847,343
Disposal of tenements/interest in JV	(36,720)	(8,736)
Exploration expenditure written off	(189,694)	(2,966)
Balance at the end of the year	2,310,327	1,381,602

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.

The exploration expenditure written off during the year relates to exploration and evaluation expenditure on tenements surrendered, or to which the Group does not currently have right to tenure.

14. CURRENT LIABILITIES – TRADE AND OTHER PAYABLES

	2020 $	2019 $
Trade and other payables	12,513	14,495

Trade and other payables are non-interest bearing and are normally settled on 30 day terms.

The carrying value of trade and other payables are assumed to be the same as their fair values, due to their short term nature. Refer to note 19.

15. CONTRIBUTED EQUITY

	2020 $	2019 $
Share capital		
38,860,920 ordinary fully paid shares (2019: 34,994,775)	8,381,909	7,227,254

	Number	$
Balance at the beginning of year	34,994,775	7,255,254
Issue of shares net of costs[1]	3,866,145	1,126,655
Balance at the end of the year	38,860,920	8,381,909

[1] Pursuant to a non-renounceable entitlement offer as announced to ASX on 12 August 2019, the Company issued 3,499,478 fully paid ordinary shares at $0.30 per share for a total of $1,049,843 before costs associated with the issue. On 17 June 2020 the Company announced a placement and issued 366,667 fully paid ordinary shares at $0.30 for a total of $110,000 before costs associated with the issue.

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.

16. ACCUMULATED LOSSES

	2020 $	2019 $
Retained earnings at the beginning of the financial year	(5,287,099)	(5,204,784)
Loss attributable to members of the Group	(250,878)	(1,019,707)
Transfer from available for sale investments revaluations reserve	-	937,392
Accumulated losses at the end of the financial year	(5,537,977)	(5,287,099)

17. RESERVES

	2020 $	2019 $
Share-based payment reserve		
Balance at the beginning of the year	2,612,052	2,467,813
Share-based payments (refer to note 18)	(81,044)	144,239
Balance at the end of the year	2,531,008	2,612,052
Available for sale investments revaluations reserve		
Balance at the beginning of year	-	937,392
Transfer to retained earnings following change in accounting policy	-	(937,392)
Balance at the end of the year	-	-
Total reserves	2,531,008	2,612,052

Nature and purpose of the reserves:

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

18. SHARE BASED PAYMENT TRANSACTIONS

Share based payments transactions are recognised at fair value in accordance with AASB 2 Share based payments. The adoption of AASB 2 is equity-neutral for equity-settled transactions. The gain in the year was $81,044, representing reversal of prior year expense related to options that lapsed in the current year following the resignation of Mr Pip Darvall on 31 December 2019 (2019: expense of $172,239).

Employee Share Option Plan

Jindalee Resources Limited Employee Share Option Plan ("ESOP") was established to encourage all eligible directors, executive officers and employees who have been continuously employed by the Group to have a greater involvement in the achievement of the Group's objectives and to provide an incentive to strive to that end by participating in the future growth and prosperity of the Group through share ownership.

The ESOP allows the Group to issue free options to eligible persons. The options can be granted free of charge and are exercisable at a fixed price in accordance with the rules of the ESOP.

All options currently on issue are fully vested.

Summary of Options

Set out below are summaries of options granted during and in prior financial years. No options were granted during the year ended 30 June 2020:

Grant Date	Expiry Date	Exercise Price	Balance at the start of the year Number	Granted during the year Number	Exercised during the year Number	Expired/lapsed during the year Number	Balance at end of the year Number	Vested and exercisable at end of the year Number
22/11/2017	30/06/2022	$0.50 [T4]	1,500,000	-	-	-	1,500,000	1,500,000
22/11/2017	30/06/2022	$0.60 [T5]	1,500,000	-	-	(1,500,000)	-	-
16/01/2019	30/06/2022	$0.50 [T6]	200,000	-	-	-	200,000	200,000
Weighted average exercise price			$0.50	-	-	-	-	-

The weighted average remaining contractual life of share options outstanding at the end of the period is 2 years (2019: 3 years).

Fair Value of Share Options and Assumptions

The fair value of services received in return for share options granted is measured by reference to the fair value of options granted. The estimate of the fair value of the services is measured based on a Black-Scholes option valuation methodology. This life of the options and early exercise option are built into the option model.

The assumptions used for the options valuation are as follows:

	T4	**T5**	**T6**
Grant Date	22/11/2017	22/11/2017	16/01/2019
Exercise Price	$0.50	$0.60	$0.50
Expected Life	4.77 years	4.77 years	3.45 years
Share Price at Time of Issue	$0.25	$0.25	$0.28
Expected Volatility	65%	65%	65%
Dividend Yield	0%	0%	0%
Risk Free Interest Rate	2.14%	2.14%	1.92%
Option Value	$0.09518	$0.08464	$0.08891

As a result, a share-based payment gain of $81,044 was recognised during the year ended 30 June 2020 in relation options that lapsed and were cancelled in the current year following the resignation of Mr Pip Darvall on 31 December 2019.

19. FINANCIAL AND CAPITAL RISK MANAGEMENT

(a) Capital Risk Management

The Group manages its capital to ensure that it will be able to continue as a going concern.

In managing its capital, the Group's primary objective is to ensure its continued ability to provide a consistent return for its equity shareholders. In order to achieve this object, the Group seeks to maintain a capital structure that balances risks and returns at an acceptable level and also to maintain a sufficient funding base to enable the Group to meet its working capital and strategic investment needs. In making decisions to adjust its capital structure to achieve these aims, either through new share issues, or sourcing of debt, the Group considers not only its short-term position but also its long-term operational and strategic objectives.

There have been no significant changes to the Group's capital management objectives, policies and processes in the year nor has there been any change in what the Group considers to be its capital.

The capital structure of the Group consists of cash and cash equivalents (Note 9) and equity attributable to equity holders of the Group, comprising issued capital, reserves and retained earnings (accumulated losses) as disclosed in Notes 15, 16 and 17 respectively.

(b) Significant Accounting Policies

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 2 of the financial statements.

19. FINANCIAL AND CAPITAL RISK MANAGEMENT (continued)

(c) Categories of Financial Instruments

	2020 $	2019 $
Financial Assets		
Current		
Cash and cash equivalents	839,726	908,486
Trade and other receivables	54,092	18,867
Total Current Financial Assets	893,818	927,353
Non-current		
Financial assets at fair value through profit and loss	2,133,432	2,228,085
Other receivables	61,106	60,216
Total Non-Current Financial Assets	2,194,538	2,288,301
Financial Liabilities		
Current		
Trade and other payables	12,513	14,495
Lease liabilities	63,299	-
Total Current Financial Liabilities	75,812	14,495
Non-current		
Lease liabilities	74,537	-
Total Current Financial Liabilities	74,537	-

(d) Credit Risk Exposure

As at the reporting date, the Group has no significant concentrations of credit risk. The carrying amount reflected above represents the Group's maximum exposure to credit risk.

(e) Interest Rate Risk Exposure

The Group's exposure to interest rate risk arises from assets bearing variable interest rates. The weighted average interest rate on cash holdings was 0.90% at 30 June 2020 (2019: 2.00%). All other financial assets and liabilities are non-interest bearing. The net fair value of the Group's financial assets and liabilities approximates their carrying value.

The Group invests its surplus funds on deposit with Australian banking financial institutions, namely the National Australia Bank and ANZ Bank. For banks and financial institutions, only independently rated parties with a minimum rating of AA- are accepted.

The table below summarises the impact of an increase/decrease in interest rates received on financial instruments held at year end on the Group's pre-tax profit for the year and on equity. The analysis is based on the assumption that rates increased/decreased proportionally by 10% of the current weighted average interest rate with all other variables held constant.

Impact on profit and equity	2020 $	2019 $
Increase of 10%	(1,385)	3,247
Decrease of -10%	1,385	(3,247)

19. FINANCIAL AND CAPITAL RISK MANAGEMENT (continued)

(f) Price Risk

The Group is exposed to equity securities price risk. This arises from investments held by the Group and classified in the statement of financial position as financial assets at fair value through profit and loss. The Group is not exposed to commodity price risk.

To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio.

The table below summarises the impact of an increase/decrease in prices of securities held at year end on the Group's pre-tax profit for the year and on equity. The analysis is based on the assumption that the prices of all securities increased/decreased by 10% with all other variables held constant.

Impact on profit and equity	2020 $	2019 $
Increase of 10%	213,343	222,808
Decrease of -10%	(213,343)	(222,808)

(g) Liquidity Risk

The liquidity position of the Group is managed to ensure sufficient liquid funds are available to meet our financial commitments in a timely and cost-effective manner. The Board reviews the Group's liquidity position on a regular basis including cash flow statements to determine the forecast liquidity position and maintain appropriate liquidity levels. Note 14 details the Group's current obligations which, in addition to finance lease liabilities disclosed in the statement of financial position, are all due within 12 months and reflect the actual cash flows given the short-term nature of these liabilities.

There are no unused borrowing facilities from any financial institution.

(h) Fair Values

The carrying amounts and estimated fair values of financial assets and financial liabilities are as follows:

Consolidated	2020 $	2019 $
Financial Assets		
Cash and cash equivalents	839,726	908,486
Trade and other receivables	54,092	18,867
Non-current deposits	61,106	60,218
Financial assets at fair value through profit and loss	2,133,432	2,228,085
Total Financial Assets	3,088,356	3,215,656
Financial Liabilities		
Trade and other payables	12,513	14,495
Lease liabilities	137,835	-
Total Financial Liabilities	150,348	14,495

The methods and assumptions used to estimate the fair value of financial instruments are outlined below:

Cash

The carrying amount is fair value due to the liquid nature of these assets.

Receivables/payables

Due to the short-term nature of these financial rights and obligations, their carrying amounts are estimated to represent their fair values. Non-current receivables receive a market rate of interest and are assessed as representing their fair values.

19. FINANCIAL AND CAPITAL RISK MANAGEMENT (continued)

Financial assets at fair value through profit and loss

Assets in this category are measured at fair value with gains or losses recognised in profit or loss. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists. Refer to Note 22 for further details.

20. CONTINGENCIES

Contingent Liabilities

Claims of Native Title

To date the Group has been notified by the Native Title Tribunal of native title claims which cover some of the Group's licence holdings. Until further information arises in relation to the claims and its likelihood of success, the Group is unable to assess the likely effect, if any, of the claims.

Performance Bonds and Security Documents

In support of titles granted to or operated by the Group, various securities are submitted to the Department of Mines, Industry Regulation and Safety. These consist of unconditional performance bonds and securities or Form 32 security documents. The Company has no liability outstanding.

Contingent Assets

Tenement Subject to Option

The Group entered into an agreement with Torque Metals Limited agreeing to vend an 80% interest in exploration licences 15/1736, 15/1747 and 15/1752. Under the terms of the agreement, the Group received $10,000 reimbursement for previous tenement costs. The Group maintains a 20% free carried position to completion of a Pre-Feasibility Study (PFS). On completion of the PFS the Group can either contribute pro-rata or dilute, with the Group reverting to a 1.5% gross royalty if the Group's interest falls below 5%.

The Group entered into an agreement with Vox Royalty Corp (Vox) for the sale of several non-core royalty and project interests over gold tenements at Kookynie, West Kundana, Millrose and a free-carried interest (convertible to a royalty) in the New Bore and Kelly Well projects.

Due to the early stage of these agreements, no royalty payment has been recognised as at 30 June 2020.

Other than the above, there has been no change in contingent liabilities, contingent assets or commitments since the last annual reporting date, 30 June 2019.

There are no other contingencies of the Group at balance date.

21. COMMITMENTS

Capital Commitments

There are no capital expenditure commitments for the Group as at 30 June 2020.

22. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

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

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

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and
Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Recurring fair value measurements	**Level 1**	**Level 2**	**Level 3**	**Total**
	$	**$**	**$**	**$**
30 June 2020				
Financial assets at fair value through profit and loss	2,133,432	-	-	2,133,432
Total as at 30 June 2020	2,133,432	**-**	**-**	2,133,432
30 June 2019				
Financial assets at fair value through profit and loss	2,228,085	-	-	2,228,085
Total as at 30 June 2019	2,228,085	**-**	**-**	2,228,085

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

23. CONTROLLED ENTITIES

						Investment at Cost	
	% held			**State of**	**Date of**	**2020**	**2019**
Controlled Entity	**2020**	**2019**	**Class**	**Incorporation**	**Incorporation**	**$**	**$**
Eastmin Pty Limited	100%	100%	Ord	WA	15/04/2005	2	2
HiTec Minerals Pty Ltd	100%	100%	Ord	WA	13/04/2016	100	100
HiTech Minerals Inc.	100%	100%	Ord	Nevada, USA	21/02/2018	2	2

The date of acquisition of the controlled entities was on the date of incorporation.

24. RELATED PARTY TRANSACTIONS

(a) Parent entity
The parent entity within the Group is Jindalee Resources Limited.
(b) Subsidiaries
Interests in subsidiaries are set out in Note 23.
(c) Key management personnel compensation

	2020	**2019**
	$	**$**
Short-term employee benefits	351,493	482,405
Post-employment benefits	38,227	36,670
Share-based payments	(81,044)	126,458
	308,676	645,533

Refer to the remuneration report contained within the Directors' Report and Note 18 for further details on other transactions with key management personnel and share based compensation.

25. REMUNERATION OF AUDITORS

	2020 $	2019 $
Amounts paid or payable at 30 June to the auditors for:		
Audit and review of financial statements	29,671	27,733
Total remuneration for audit and other assurance services	29,671	27,733

26. PARENT ENTITY FINANCIAL INFORMATION

The following details information related to the parent entity, Jindalee Resources Limited, at 30 June 2020 and 30 June 2019.

The information presented here has been prepared using consistent accounting policies as presented in Note 2.

	2020 $	2019 $
Financial Position		
Assets		
Current assets	846,433	614,492
Non-current assets	5,073,260	3,712,312
Total assets	5,919,693	4,326,804
Liabilities		
Current liabilities	284,636	31,599
Non-current liabilities	527,424	7,305
Total liabilities	812,060	38,904
Net assets	5,107,633	4,287,900
Equity		
Issued capital	8,381,909	7,255,254
Accumulated losses	(5,805,283	(6,516,798)
Reserves	2,531,008	3,549,444
Total equity	5,107,633	4,287,900
Financial Performance		
Loss for the year	(225,877)	(1,029,170)
Other comprehensive income	-	-
Total comprehensive loss	(225,877)	(1,029,170)

No guarantees have been entered into by Jindalee Resources Limited in relation to the debts of its subsidiary companies.

Jindalee Resources Limited had no commitments or contingent liabilities or assets at year end other than those disclosed in Notes 20 and 21.

27. EVENTS OCCURING AFTER THE REPORTING PERIOD

As announced to ASX on 27 July 2020, the Group entered into a binding agreement with Auroch Minerals Limited (Auroch) (ASX: AOU) agreeing to vend a 70% interest in exploration licences 36/895, 36/910, 36/953 and 37/1370. Under the terms of the agreement, the Group received $50,000 cash with a further $50,000 cash due upon completion of all earn-in commitments. Auroch must spend $500,000 on exploration across the four tenements over a three year period, including $100,000 in the first 12 months. The Group maintains a 30% free carried position until a decision to mine.

As announced to ASX on 3 August 2020, the Group appointed Ms Karen Wellman Chief Executive Officer of the Company with an effective date of 12 October 2020. Mrs Wellman will be paid a base salary of $220,000 per annum exclusive of statutory superannuation and subject to shareholder approval at the Company’s Annual General Meeting will be issued 1,000,000 unlisted options exercisable at $0.40 vesting on 30 April 2021 and expiring 30 June 2025; and 1,000,000 unlisted options exercisable at $0.50 vesting on 30 April 2022 and expiring on 30 June 2025.

The impact of the Coronavirus (COVID-19) pandemic is ongoing and while it has not significantly impacted the Group up to 30 June 2020, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

Other than the matters outlined above, there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors, to affect significantly the operations, the results of those operations, or the state of affairs of the Group in future financial years.

JINDALEE RESOURCES LIMITED AND ITS CONTROLLED ENTITIES
ACN 064 121 133

DECLARATION BY DIRECTORS

In the Directors' opinion:

1. The financial statements, comprising the consolidated statement of profit or loss and other comprehensive income, consolidated statement of financial position, consolidated statement of cash flows, consolidated statement of changes in equity, accompanying notes, are in accordance with the *Corporations Act 2001*, and:

    (a) complying with Accounting Standards and the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and

    (b) giving a true and fair view of the consolidated entity's financial position as at 30 June 2020 and of its performance for the year ended on that date.

2. In the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

3. The directors have been given the declarations as required by section 295A of the *Corporations Act 2001.*

4. Note 2(a) confirms that the financial statements also comply with International Reporting Standards as issued by the International Accounting Standards Board.

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

L Dudfield
Executive Director
14th day of August 2020 at Perth, Western Australia.

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Australia

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

As lead auditor of Jindalee Resources Limited for the year ended 30 June 2020, 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 audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

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

Ashleigh Woodley

Director

BDO Audit (WA) Pty Ltd

Perth, 14 August 2020

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Fax: +61 8 6382 4601
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Australia

INDEPENDENT AUDITOR'S REPORT

To the members of Jindalee Resources Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Jindalee Resources Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2020, 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 year then ended, and notes to the financial report, including a summary of significant accounting policies and the directors' declaration.

In our opinion the accompanying financial report of the Group, is in accordance with the Corporations Act 2001, including:

(i) Giving a true and fair view of the Group's financial position as at 30 June 2020 and of its financial performance for the year ended on that date; and

(ii) Complying with Australian Accounting Standards and the Corporations Regulations 2001.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the Financial Report section of our report. We are independent of the Group in accordance with 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 our audit of the 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 in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Recoverability of exploration and evaluation expenditure

Key audit matter	How the matter was addressed in our audit
As disclosed in Note 13 to the Financial Report, the carrying value of capitalised exploration and evaluation expenditure represents a significant asset of the Group. Refer to Note 2 of the Financial Report for a description of the accounting policy and significant judgements applied to capitalised exploration and evaluation expenditure. In accordance with AASB 6 Exploration for and Evaluation of Mineral Resources (AASB 6), the recoverability of exploration and evaluation expenditure requires significant judgment by management in determining whether there are any facts or circumstances that exist to suggest that the carrying amount of this asset may exceed its recoverable amount. As a result, this is considered a key audit matter.	Our procedures included, but were not limited to: • Obtaining a schedule of the areas of interest held by the Group and assessing whether the rights to tenure of those areas of interest remained current at balance date; • Considering the status of the ongoing exploration programmes in the respective areas of interest by holding discussions with management, and reviewing the Group's exploration budgets, ASX announcements and directors' minutes; • Considering whether any such areas of interest had reached a stage where a reasonable assessment of economically recoverable reserves existed; • Considering whether any facts or circumstances existed to suggest impairment testing was required; and • Assessing the adequacy of the related disclosures in Notes 2 and 13 to the Financial Report.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 2020, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the Financial Report

The directors of the Company are responsible for the preparation of the 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 financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (http://www.auasb.gov.au/Home.aspx) at:

https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf

This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included pages 8 to 13 of the directors' report for the year ended 30 June 2020.

In our opinion, the Remuneration Report of Jindalee Resources Limited, for the year ended 30 June 2020, complies with section 300A of the Corporations Act 2001.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

BDO WA (Audit) Pty Ltd

BDO

Ashleigh Woodley

Director

Perth, 14 August 2020