

# JINDALEE

Resources Limited  
ABN 52 064 121 133

## QUARTERLY REPORT TO SHAREHOLDERS

for the three months  
ended 30 September 2013.

### ASX Code - JRL

For further information, contact:

Mr Lindsay Dudfield  
Jindalee Resources Limited

Telephone: 61 8 9321 7550  
Facsimile: 61 8 9321 7950  
Email: [enquiry@jindalee.net](mailto:enquiry@jindalee.net)

Level 2, 18 Kings Park Road  
West Perth WA 6005

PO Box 1033  
West Perth WA 6872

This report and further information are  
available on Jindalee's website at:

[www.jindalee.net](http://www.jindalee.net)



## HIGHLIGHTS

- \* Alchemy Resources intersects high-grade gold at Seaborg Prospect, Bryah Basin<sup>4</sup>:  
  
CBRB01 0-51m (EOH) **51m @ 4.20 g/t**  
CBRB02 16-45m (EOH) **29m @ 4.33 g/t**
- \* Justin Mannolini joins Jindalee Board
- \* Quality of projects available for acquisition continues to improve as contraction in resources sector deepens
- \* Jindalee's AGM to be held 28 November 2013 with relevant documents despatched to shareholders 24 October 2013

## FINANCIAL

- \* The Company has a total of 34.8 million shares on issue
- \* At 30 September 2013 Jindalee had no debt and held cash and shares worth \$9.5M before tax, (equivalent to **\$0.27 per share**)

A handwritten signature in black ink that reads "Lindsay Dudfield".

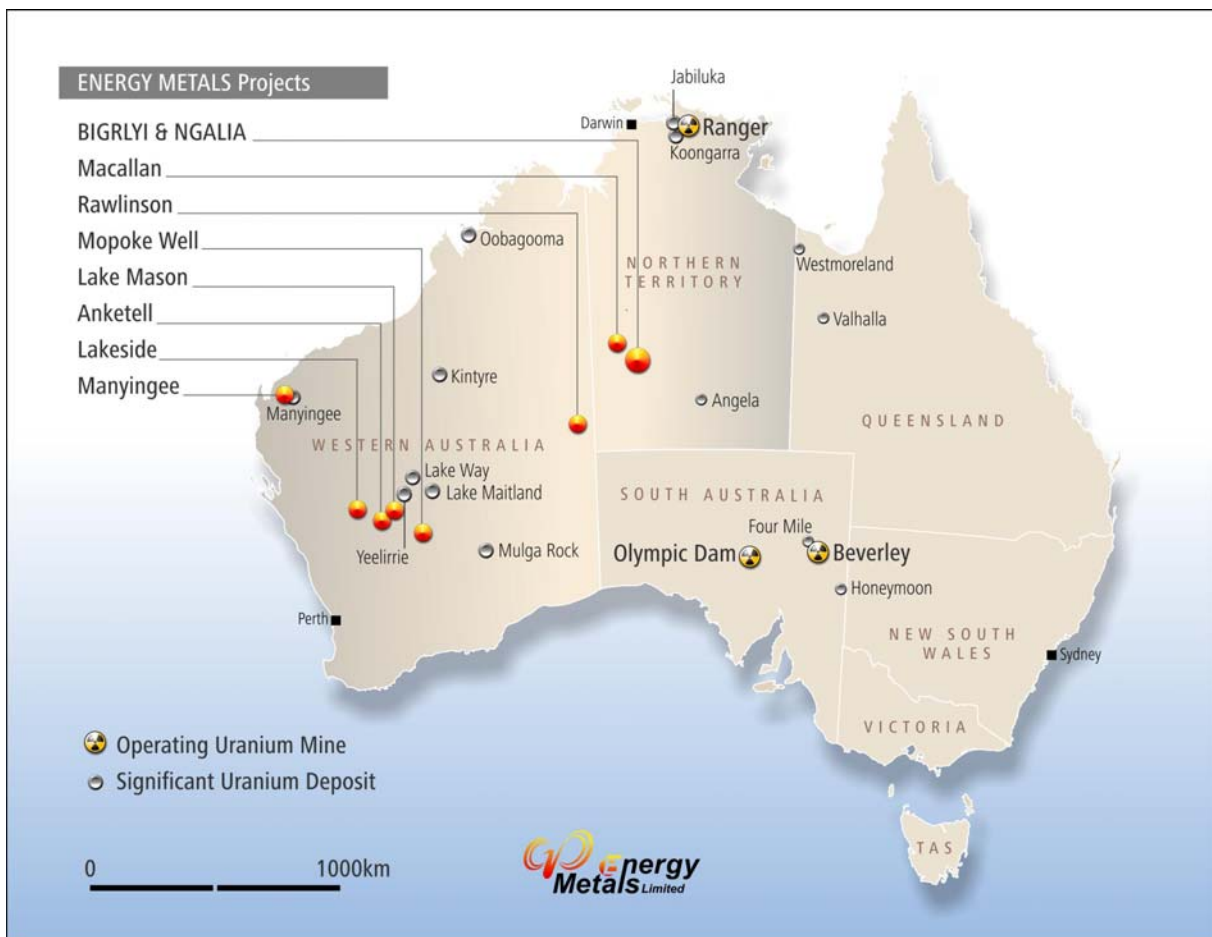
Lindsay Dudfield  
Executive Chairman and Managing Director  
25 October 2013

## URANIUM

### Energy Metals (Jindalee 9.1% of issued capital)

Jindalee holds approximately 14 million Energy Metals shares, giving shareholders continued exposure to the development of the Bigrlyi uranium-vanadium deposit and the potential of Energy Metals' other uranium projects.

Energy Metals controls 9 projects (total area >4,000km<sup>2</sup>) located in the Ngalia Basin in the Northern Territory (NT) and in Western Australia (WA), with the majority of projects containing uranium mineralization or defined resources. Exploration has largely been concentrated on the main Bigrlyi Project in NT (53.3% owned by Energy Metals), where significant uranium resources, accompanied by economically significant vanadium values have been defined and a prefeasibility study completed. More recently, increasing attention has been turned to other wholly-owned prospects in the region, where there is demonstrated potential to define additional Bigrlyi-style resources.



**Energy Metals Projects**

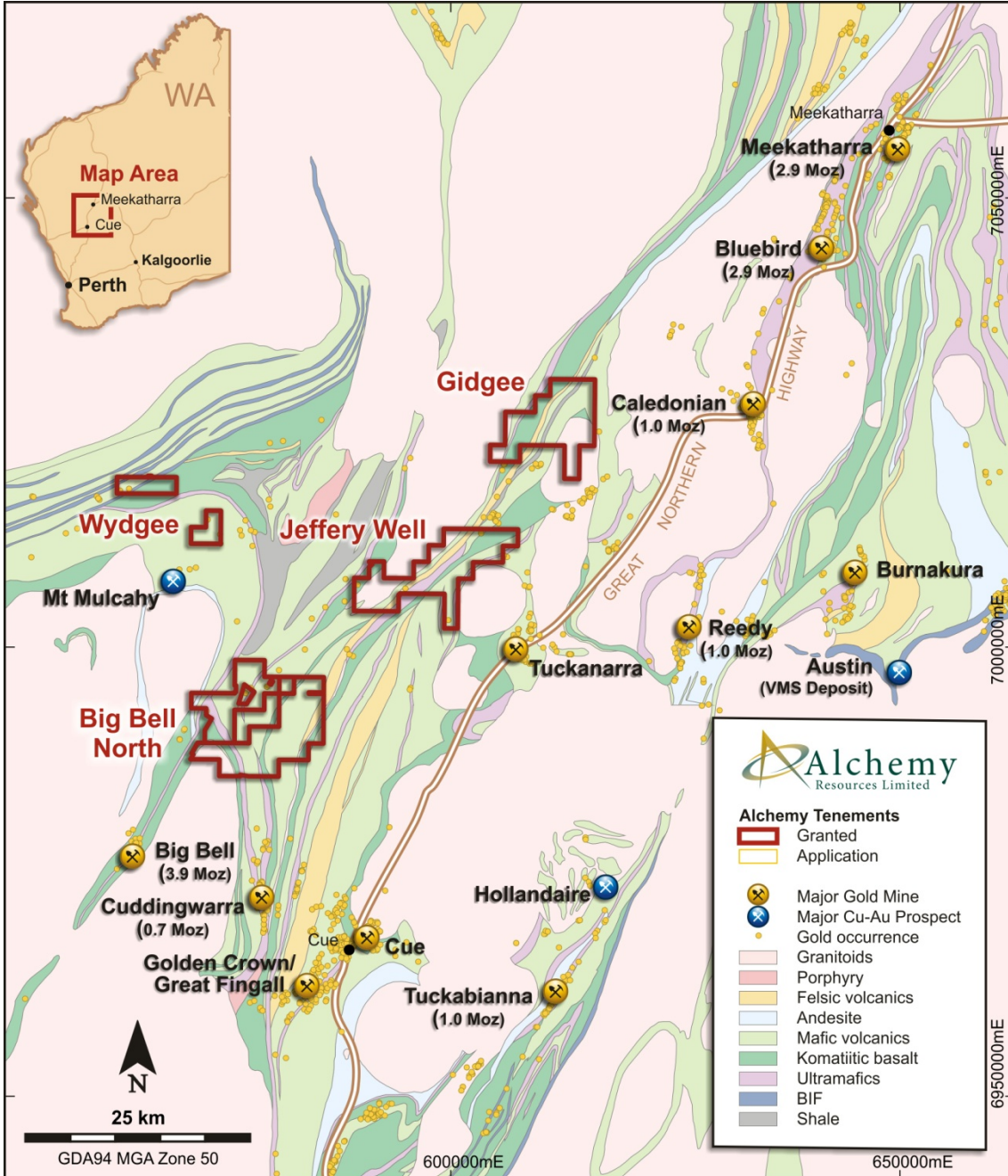
There were no significant developments announced for the period.

**GOLD**

**Murchison**

(Jindalee 20% free carried)

The Murchison Project comprises over 600 km<sup>2</sup> of prospective greenstone, mostly located between the Big Bell Mine (2.8M oz) and Paddys Flat (2M oz). The Project is a Joint Venture with Alchemy Resources (Alchemy) with Jindalee’s 20% interest free carried to completion of a Bankable Feasibility Study.



**Murchison Project Areas on Regional Geology**

No exploration was undertaken on the Murchison tenements over the quarter. Several licences with limited exploration potential were surrendered during the quarter.

Alchemy had previously announced that they were planning in-fill aircore and targeted RC drilling that will test the most prospective parts of the 1500m-long gold anomalous zone, identified at Jeffery Well. Previous wide-spaced drilling at this prospect had returned several highly anomalous intersections, including one 2m interval at 10.2g/t gold within a 5m interval averaging 5g/t gold<sup>1</sup>, outlining potential to locate internal high grade shoots within this mineralised structure.

#### Yilgangi (Jindalee 20 % loan-carried)

The Yilgangi project is located in the Eastern Goldfields, approximately 130 km northeast of Kalgoorlie. Renaissance Minerals Limited (ASX code RNS) hold an 80% controlling interest in the Yilgangi joint venture and are the project operators. Jindalee retain our 20% participatory loan-carried interest through to a Decision to Mine.

Renaissance's efforts at Yilgangi are focused on the advanced Hobbes prospect, where previous drilling by Newcrest established a more than three kilometre-long zone of gold anomalism. Limited infill drilling undertaken by Renaissance during 2012 was reasonably successful in establishing continuity of the shallow supergene gold mineralization. Encouraging results announced by Renaissance included 15m at 2.37g/t gold from 37m and 10m at 2.47g/t gold from 54m depth<sup>2</sup>.

No further exploration was undertaken on the Yilgangi Project tenements during the quarter, but further infill drilling over the central core of the anomalous area is proposed.

#### Alchemy Resources (Jindalee 11.1% of issued capital)

In addition to involvement in the Murchison joint venture projects, Jindalee holds a significant equity interest in Alchemy Resources. This provides shareholders with exposure to Alchemy's expanded portfolio of projects, including Alchemy's Gascoyne region gold and copper-gold projects, located 120km northeast of Meekatharra. Alchemy's Bryah Basin copper project is located to the west of Sandfire Resources' Doolgunna project and covers the extensions of the Narracoota Volcanics, the unit which host Sandfire's high grade DeGrussa copper-gold discovery. The project also hosts over 300,000oz of indicated gold resources at the Hermes and Wilgeena gold prospects<sup>3</sup>.

During the quarter, Alchemy undertook further shallow RAB and aircore drilling, designed to assess various gold only targets, as well as further testing the extensions of the favourable Narracoota Volcanic stratigraphy for indications of DeGrussa-style bedrock base metal mineralisation.

Subsequent to the end of the quarter, Alchemy announced the results from two holes drilled at the Seaborg gold prospect and designed to verify a previous intersection of 27m @ 5.43g/t, returned by Troy Resources. Alchemy's results confirmed the historic values, indicating potential for the discovery of a relatively high grade shoot. Alchemy's results featured intersections of 51m @ 4.20 g/t from surface and 29m @ 4.33g/t from 16 metres depth<sup>4</sup>. Further follow-up work, including geological mapping and drilling is planned.

Further information on Alchemy Resources activities can be found on their website, [www.alchemyresources.com.au](http://www.alchemyresources.com.au).

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## Cardinia JV

**(Jindalee 11% free carried)**

Jindalee holds an 11% interest in a group of tenements at Cardinia, located 30 kilometres east of Leonora. The joint venture project forms part of Navigator Resources' extensive Leonora Gold Project holdings. Jindalee's interest in the Cardinia joint venture ground is free-carried to completion of a Bankable Feasibility Study.

On 28 March 2013 Navigator was placed into voluntary administration due to cash flow issues arising from their Bronzewing operations. The potential impact on ongoing exploration operations within their Leonora gold project, and in particular, the joint venture tenements is uncertain at this stage with Navigator's Leonora gold project still advertised for sale by the administrators. In their December 2012 quarterly report, Navigator announced anomalous results returned from shallow hand auger soil sampling over two joint venture tenements, Prospecting Licences 37/7275-76. Aircore drilling had reportedly been planned to further investigate the significance of these anomalies.

## IRON ORE

### Joyners

**(Jindalee 20% free carried)**

The Joyners project is a joint venture with Golden West Resources Limited and forms a part of Golden West's much larger Wiluna West project. Golden West has earned an 80% interest in the joint venture tenements with Jindalee maintaining a 20% equity position, free-carried through to completion of a Bankable Feasibility Study. The joint venture tenements contain indicated and inferred iron oxide resources (Joyners North) estimated to total 7.2 million tonnes at 63% iron<sup>5,6</sup>.

No exploration was undertaken on the joint venture tenements during the quarter.

## CORPORATE

### Board Changes

On 30 September 2013 Jindalee announced the appointment of Justin Mannolini as a Non-Executive Director of the Company. Justin is an Executive Director with Macquarie Capital, the investment banking division of the Macquarie Group, and is responsible for cross-industry coverage of the Western Australian market. Prior to joining Macquarie, Justin was Managing Director and head of Gresham Advisory Partners' Perth office, and before that, a partner in the mergers and acquisitions group of leading Australian law firm Freehills, in both the Sydney and Perth offices.

As a lawyer and banker, Justin has more than 18 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. Justin has a combined degree in Commerce and Law (with Honours) from the University of Western Australia and a Master of Laws from the University of Cambridge (Queens College).

The following day the Company announced that Mark Scott had retired from the Jindalee Board. Mark was one of Jindalee's founding directors and became Chairman in August 2008. Mark helped guide the Company through its initial listing on the ASX in July 2002 and the monetisation of several key investments, including Energy Metals Limited, which enabled Jindalee to pay a \$0.55 fully franked special dividend to shareholders in July 2010.



The Board wishes to thank Mark for his contribution as Chairman and his service to shareholders as a director of the Company, and wishes him the very best in his future endeavours.

Lindsay Dudfield, the Company's Managing Director, will act as Jindalee's Chairman in the interim.

### Annual Report & AGM

Jindalee's Annual General Meeting will be held at the Company's registered office at 10am on 28 November 2013. The Notice of Annual General Meeting, Explanatory Statement and Proxy Form (together with a copy of the 2013 Annual Report where requested) were mailed to Shareholders on 24 October 2013. Copies of these documents are also available from the Company's website ([www.jindalee.net](http://www.jindalee.net))

### Financial Position and Outlook

At 30 September 2013 Jindalee held cash and shares worth approximately \$9.5M, including \$5.6M in cash assets. These assets, combined with our tight capital structure (34.8M shares on issue) provide a strong base for leverage into new opportunities.

The acquisition of projects with the potential to transform the Company continues to be our ongoing primary focus. A considerable number of advanced project opportunities, situated both within Australia and in mining friendly overseas countries were examined during the period, but none passed Jindalee's strict investment criteria. The ongoing deterioration in the resources sector is resulting in a significant improvement in the quality of projects becoming available, further increasing the prospect of acquiring a meaningful project on favourable terms in the near future.

#### Notes:

1. Reference: Alchemy Resources December 2011 Quarterly Activities Report.
2. Reference: ASX Announcement by Renaissance Minerals Limited dated 31<sup>st</sup> October 2012 titled, "Drill Results at Yilgangi Project Eastern Goldfields WA, including 15m @ 2.4g/t and 20m @ 2.2g/t".
3. Reference: ASX announcement by Alchemy Resources dated 22<sup>nd</sup> October 2012 titled, "Bryah Basin gold resource update
4. Reference: ASX Announcement by Alchemy Resources Limited dated 15 October 2013 titled, "High Grade Gold Hits from Bryah Basin".
5. reference: ASX Announcement by Golden West Resources dated 18th July 2011 titled, "Wiluna West Hematite Project Iron Resource Update".
6. In relation to the Statement of Mineral Resources provided for the Joyners Joint Venture project, Jindalee Resources has made appropriate enquiries with Golden West Resources and is not aware of any new information or data that materially affects the information included in this report and that all material assumptions and technical parameters, underpinning the estimate contained in Golden West's original market announcement and any subsequent disclosures continue to apply and have not materially changed. Furthermore, Jindalee confirms that the form and context in which the relevant Competent Person's findings are presented have not been materially modified.

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Terrence Peachey, who is an employee of the Company and is a member of the Australian Institute of Geoscientists. Mr Peachey has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activity, which he is 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 Peachey consents to the inclusion in the report of the matters based on his 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.