

# JINDALEE

Resources Limited  
ABN 52 064 121 133

## QUARTERLY REPORT TO SHAREHOLDERS

for the three months  
ended 30 June 2014.

### ASX Code - JRL

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

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



## HIGHLIGHTS

- \* Energy Metals announces updated uranium resource for their Lakeside project, WA<sup>1</sup>.
- \* Alchemy Resources locates new geochemical anomalies along the Seaborg trend on their Gascoyne gold project<sup>4</sup>.
- \* Jindalee well positioned to capitalise on opportunities becoming available as the resources downturn continues.

## FINANCIAL

- \* The Company has a total of 34.8 million shares on issue
- \* At 30 June 2014 Jindalee had no debt and held cash and shares worth \$7.3M before tax, (equivalent to **\$0.21 per share**).

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

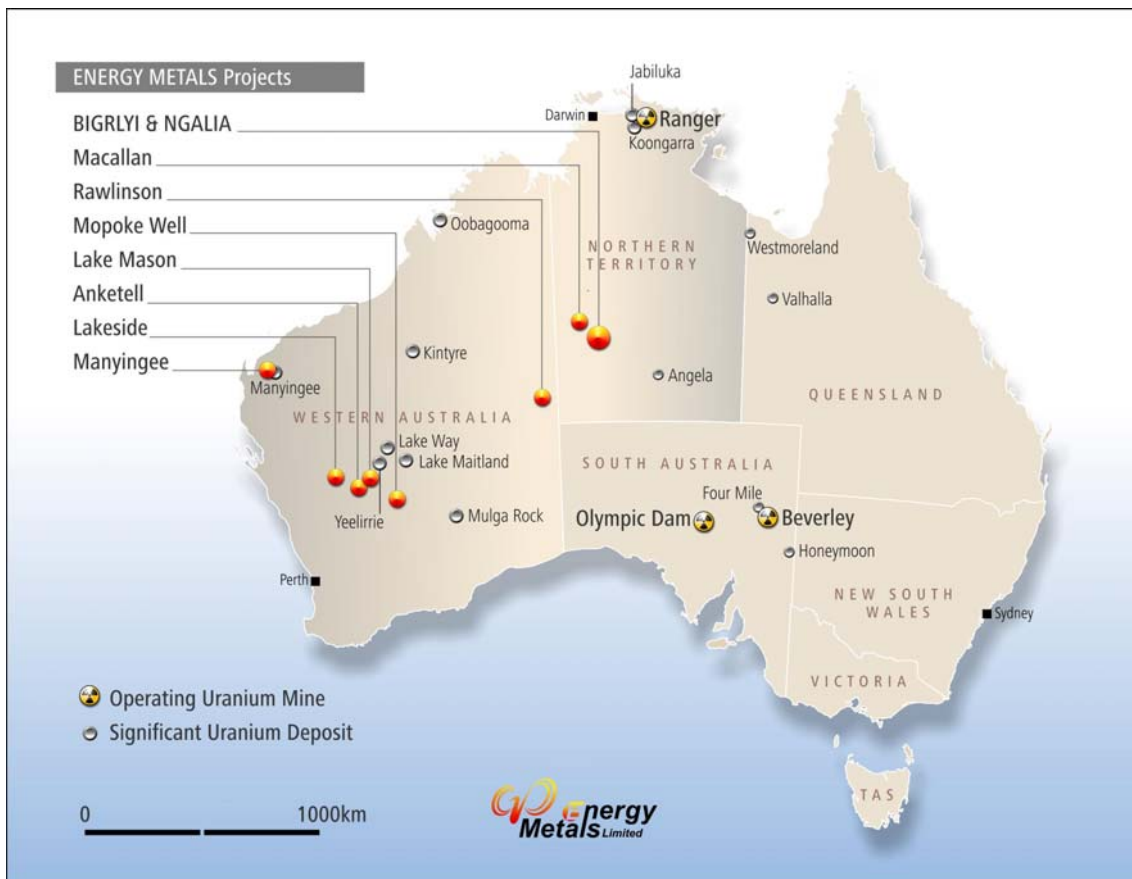
Lindsay Dudfield  
Executive Chairman and Managing Director  
29 July 2014

## URANIUM

### Energy Metals (Jindalee 6.7% 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 (ASX: EME) controls 8 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 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**

During the quarter, Energy Metals announced an updated mineral resource estimate for the Lakeside project in Western Australia. At a 200ppm lower grade cut-off, the revised inferred resource was reported as 2.74 million tonnes averaging 350ppm U<sub>3</sub>O<sub>8</sub><sup>1</sup>. Further details of the resource estimate are contained in EME's announcement. Energy Metals has applied for Retention Licences covering the Lakeside and other shallow uranium resources in WA, pending an improvement in the uranium price.

Further information on Energy Metal's activities and current resource estimates can be found in Energy Metals ASX announcements and on their website, [www.energymetals.net](http://www.energymetals.net).

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## **GOLD**

### **Yilgangi**

**(Jindalee 20 % loan-carried)**

The Yilgangi project is located in the Eastern Goldfields, approximately 130 km northeast of Kalgoorlie. Renaissance Minerals Limited (ASX: RNS) hold an 80% controlling interest in the Yilgangi joint venture and are the project operators. Jindalee's 20% participatory interest is loan-carried 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.

No field exploration was undertaken at Yilgangi during the quarter. Renaissance has previously announced that it is seeking to divest and/or joint venture its Eastern Goldfields projects, including Yilgangi. Jindalee retains a pre-emptive right over the Yilgangi tenements.

### **Murchison**

**(Jindalee 20% free carried)**

No exploration was undertaken on the Murchison tenements over the quarter with many of the project tenements having been relinquished.

### **Alchemy Resources**

**(Jindalee 9.4% of issued capital)**

In addition to involvement in the Murchison joint venture projects, Jindalee holds a significant equity interest in Alchemy Resources (ASX: ALY). This provides shareholders with exposure to Alchemy's expanded portfolio of projects, including Alchemy's Gascoyne region gold and copper-gold projects, located 130km north of Meekatharra, WA.

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 mine. Independence Group, a well-regarded and successful nickel, base metal and gold producer and explorer is farming into Alchemy's base metal-prospective Bryah Basin tenements, committing to spend a minimum of \$6.5M over a six year period in order to earn an 80% interest. Alchemy has reported that Independence has commenced field work on the ground with geophysical surveys underway ahead of drilling later in the year<sup>2</sup>.

The agreement with Independence Group does not include Alchemy's gold prospective tenements, where Alchemy retains a 100% interest. Alchemy has already defined indicated gold resources totalling over 300,000oz at the Hermes and Wilgeena gold prospects<sup>3</sup>, and continues to explore a number of other advanced gold prospects throughout their extensive ground holding.

Subsequent to the end of the quarter, Alchemy announced the results of a shallow geochemical drilling program aimed at testing for near surface gold anomalism beneath cover along the strike extensions of the Seaborg prospect<sup>4</sup>. Several anomalous zones were defined with a peak value in the shallow regolith of 73ppb gold. These anomalous zones will be the focus of ongoing work.

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

## 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' (in Administration) 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 8 April 2014, ASX-listed Kin Mining announced the signing of a deal to acquire Navigator's Leonora gold assets. Should the sale proceed, it is anticipated that Kin Mining will recommence exploration of the Leonora tenements, including those subject of the Cardinia joint venture.

## IRON ORE

### Joyners

**(Jindalee 20% free carried)**

The Joyners project is a joint venture with GWR Group Limited (formerly Golden West Resources Limited) and forms a part of GWR's much larger Wiluna West project. GWR 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 project tenements over the quarter.

## CORPORATE

At 30 June 2014 Jindalee held liquid assets (cash and shares) worth approximately \$7.3M, including \$5.25M in cash. 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. Throughout the quarter, further advanced project opportunities, situated both within Australia and in mining friendly overseas countries were examined, but none passed Jindalee's strict investment criteria. The ongoing deterioration in the resources sector has yielded 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.

**Tenement Schedule - 30 June 2014.**

<b>Project</b>	<b>Tenement Reference</b>	<b>Interest at beginning of Qtr</b>	<b>Acquired/ Disposed</b>	<b>Interest at end of Qtr</b>
Joyners	M53/1078-I	20%	N/A	20%
	E53/1089-I	20%	N/A	20%
Cardinia	P37/7274	11%	N/A	11%
	P37/7275	11%	N/A	11%
	P37/7276	11%	N/A	11%
	M37/646	11%	N/A	11%
Wydgee	E20/610	20%	N/A	20%
Jeffrey Well	E20/507	20%	surrendered	0%
Big Bell North	E20/594	20%	surrendered	0%
Yilgangi	E31/597	20%	N/A	20%
Mt Josephine	ELA80/4853*	100%	N/A	100%

- Tenement applied for through JRL'S wholly-owned subsidiary, Eastmin Pty Ltd

Notes:

1. Reference: ASX Announcement by Energy Metals Limited dated 3<sup>rd</sup> June 2014, titled, "Resource Estimate Update Lakeside Uranium Project Cue, WA."
2. Reference: ASX Announcement by Alchemy Resources date 11 July 2014, "Independence commences ground EM at Bryah Basin copper-gold project".
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 14<sup>th</sup> July 2014 titled, "New gold geochemical anomalies identified within Seaborg Corridor".
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 is not aware of any new information that materially affects the information included in this report and that all material assumptions and technical parameters, underpinning the estimate contained in GWR'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.