

The logo for JINDALEE features a large, stylized red letter 'J' on the left. To its right, the word 'INDALEE' is written in a bold, black, sans-serif font. Below the main logo, the words 'RESOURCES LIMITED' are centered in a smaller, bold, black, sans-serif font.

JINDALEE
RESOURCES LIMITED

ACN 064 121 133

Half Yearly Financial Report

31 December 2012

CORPORATE DIRECTORY

DIRECTORS

Mark Richard Scott
Non-Executive Chairman

Lindsay George Dudfield
Managing Director

Patricia Anne Farr
Executive Director/Joint Company Secretary

REGISTERED OFFICE

Level 2, 18 Kings Park Road
WEST PERTH WA 6005

POSTAL ADDRESS

PO Box 1033
WEST PERTH WA 6872

AUDITORS

BDO Audit (WA) Pty Ltd
38 Station Street
SUBIACO WA 6008

SHARE REGISTRY

Advanced Share Registry Pty Ltd
Unit 2, 150 Stirling Highway
NEDLANDS WA 6009
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Facsimile: + 61 8 9389 7871

STOCK EXCHANGE LISTING

Australian Securities Exchange Limited
ASX Code: **JRL**
The home exchange is Perth

CONTACT DETAILS

Website: www.jindalee.net

Email enquiry@jindalee.net

Telephone: + 61 8 9321 7550
Facsimile: + 61 8 9321 7950

COMPANY SECRETARY

Ross Gregory Ledger

BANKERS

National Australia Bank Limited
100 St Georges Terrace
PERTH WA 6000

SOLICITORS

Steinepreis Paganin
Level 4, 16 Milligan Street
PERTH WA 6000

THE DIRECTORS' REPORT

Your Directors present the financial report for the Consolidated Entity consisting of Jindalee Resources Limited and the entity it controlled at the end of, or during, the half-year ended 31 December 2012.

DIRECTORS

The names of the Directors who were directors of Jindalee Resources Limited during the whole of the half-year and up to the date of this report are:

Mark Scott *MSc, MComm (Hons)*
Lindsay Dudfield *B.Sc.*
Patricia Farr *GradCertProfAcc. GAICD*

REVIEW OF OPERATIONS

The principal activity of the Consolidated Entity is mineral exploration. The Consolidated Entity continued its strategy of acquiring prospective acreage and, where appropriate, introducing third parties to fund the higher risk and/or expensive stages of exploration, often for a significant interest in the partnering company. Management also evaluated numerous advanced projects in both Australia and overseas during the period and will continue to appraise suitable opportunities to grow the Consolidated Entity and create wealth for shareholders.

The Consolidated Entity incurred an operating loss after income tax for the half year ended 31 December 2012 of \$250,232 (half year ended 31 December 2011: operating loss after income tax of \$407,618).

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditors' independence declaration as required by section 307C of the *Corporations Act 2001* is set out on page 11 of this half-year report.

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



LINDSAY DUDFIELD
Managing Director

PERTH
7 March 2013

DIRECTORS' DECLARATION

In the opinion of the Directors of Jindalee Resources Limited:

- a) the financial statements, and notes set out on pages 4 to 10, are in accordance with the *Corporations Act 2001*, including:
 - i) Complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
 - ii) giving a true and fair view of the consolidated entity's financial position as at 31 December 2012 and of its performance for the half-year ended on that date; and
- b) there are reasonable grounds to believe that the Consolidated Entity will be able to pay its debts as and when they become due and payable.

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:



LINDSAY DUDFIELD
Managing Director

PERTH
7 March 2013

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the half-year ended 31 December 2012

	Notes	<i>Consolidated</i>	
		31 December 2012 \$	31 December 2011 \$
Revenue from continuing operations		158,121	253,038
Exploration expenditure		(119,502)	(412,797)
Depreciation expenses		(8,975)	(16,031)
Corporate regulatory expenses		(46,591)	(65,861)
Employee benefits expenses		(167,222)	(157,930)
Tenancy and operating		(36,631)	(41,944)
Administration expenses		(82,156)	(140,449)
Finance cost		(250)	(931)
Loss before income tax		(303,206)	(582,905)
Income tax benefit		102,042	175,287
Loss for the half-year		(201,164)	(407,618)
Other comprehensive income			
<i>Items that may be reclassified to profit and loss:</i>			
Revaluation of investments taken to equity		114,494	(1,050,068)
Other comprehensive income for the period		114,494	(1,050,068)
Total comprehensive income for the period		(86,670)	(1,457,686)
Loss per share:			
Basic loss per share (cents per share)	5	(0.58)	(1.17)

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the notes to these half-year accounts.

Consolidated Statement of Financial Position

As at 31 December 2012

	Notes	<i>Consolidated</i>	
		31 December 2012 \$	30 June 2012 \$
CURRENT ASSETS			
Cash and cash equivalents		6,056,113	6,339,762
Trade and other receivables		40,565	66,280
TOTAL CURRENT ASSETS		6,096,678	6,406,042
NON CURRENT ASSETS			
Available for sale financial assets	3	4,709,810	4,546,248
Property, plant & equipment		44,904	53,878
Exploration and evaluation expenditure		170,480	164,059
TOTAL NON CURRENT ASSETS		4,925,194	4,764,185
TOTAL ASSETS		11,021,872	11,170,227
CURRENT LIABILITIES			
Trade and other payables		17,001	28,766
Dividend payable		92,999	95,543
Provision for annual leave		14,359	15,992
TOTAL CURRENT LIABILITIES		124,359	140,301
NON CURRENT LIABILITIES			
Provision for long service leave		27,231	20,000
Deferred tax liabilities		655,690	708,664
TOTAL NON-CURRENT LIABILITIES		682,921	728,664
TOTAL LIABILITIES		807,280	868,965
NET ASSETS		10,214,592	10,301,262
EQUITY			
Contributed equity	4	7,207,254	7,207,254
Retained earnings		688,616	889,780
Reserves		2,318,722	2,204,228
TOTAL EQUITY		10,214,592	10,301,262

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

Consolidated Statement of Cash Flows

For the half-year ended 31 December 2012

	<i>Consolidated</i>	
	31 December 2012 \$	31 December 2011 \$
Cash flows from operating activities		
Payments in the course of operations	(338,766)	(508,819)
Payments for exploration, evaluation & development expenditure	(130,963)	-
Interest received	188,874	223,444
Interest paid	(250)	(931)
Income tax paid	-	(283,757)
Net cash outflow from operating activities	<u>(281,105)</u>	<u>(570,063)</u>
Cash flows from investing activities		
Payments for property, plant & equipment	-	(2,444)
Net cash outflow from investing activities	<u>-</u>	<u>(2,444)</u>
Cash flows from financing activities		
Payment of dividend	(2,544)	(30,120)
Net cash outflow from financing activities	<u>(2,544)</u>	<u>(30,120)</u>
Net decrease in cash and cash equivalents held	(283,649)	(602,627)
Cash and cash equivalents at the beginning of reporting period	6,339,762	8,089,708
Cash and cash equivalents at the end of reporting period	<u>6,056,113</u>	<u>7,487,081</u>

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

Consolidated Statement of Changes in Equity

For the half-year ended 31 December 2012

	Contributed equity	Share-based payment reserve	Available for sale investments revaluation reserve	Retained earnings/accumulated losses	Total equity
	\$	\$	\$	\$	\$
At 1 July 2012	7,207,254	1,900,250	303,978	889,780	10,301,262
Total comprehensive income for the half-year:					
Loss for the half-year	-	-	-	(201,164)	(201,164)
<i>Other comprehensive income</i>					
Revaluation of investments (net of tax)	-	-	114,494	-	114,494
Total comprehensive income for the half-year	-	-	114,494	(201,164)	(86,670)
At 31 December 2012	7,207,254	1,900,250	418,472	688,616	10,214,592
At 1 July 2011	7,207,254	1,900,250	595,421	3,778,842	13,481,767
Total comprehensive income for the half-year:					
Loss for the half-year	-	-	-	(407,618)	(407,618)
<i>Other comprehensive income</i>					
Revaluation of investments (net of tax)	-	-	(1,050,068)	-	(1,050,068)
Total comprehensive income for the half-year	-	-	(1,050,068)	(407,618)	(1,457,686)
At 31 December 2011	7,207,254	1,900,250	(454,647)	3,371,224	12,024,081

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

1. Significant Accounting policies

Basis of preparation of the half-year report

This general purpose financial report for the half-year reporting period ended 31 December 2012 has been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the Corporations Act 2001.

This half yearly financial report does not include all the notes of the type normally included in the annual financial statements. Accordingly, this report is to be read in conjunction with the annual financial statements for the year ended 30 June 2012 and any public announcements made by Jindalee Resources Limited during the interim reporting period in accordance with continuous disclosure requirements of the Corporations Act 2001.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

The half-year financial report has been prepared on an historical cost basis, except where stated. For the purpose of preparing the half-year financial report, the half-year has been treated as a discrete reporting period.

New or revised Standards and Interpretations that are first effective in the current reporting period

The Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to their operations and effective for the current reporting period. None of the new and revised standards and interpretations adopted during the period had a material impact nor did they result in any changes to the Group's presentation of, or disclosure in, its half-year financial report.

New Accounting Standards for Application in Future Periods

The following Accounting Standards apply to the Group from 1 July 2013. Management are still reviewing the implications of these Accounting Standards though do not expect there to be any material impact to the Group on their adoption.

AASB 10 *Consolidated Financial Statements* establishes a new control model that applies to all entities. It replaces parts of AASB 127 *Consolidated and Separate Financial Statements* dealing with the accounting for consolidated financial statements and UIG-112 *Consolidation – Special Purpose Entities*.

AASB 11 *Joint Arrangements* replaces AASB 131 *Interests in Joint Ventures* and UIG-113 *Jointly- controlled Entities – Non-monetary Contributions by Ventures*. AASB 11 uses the principle of control in AASB 10 to define joint control, and therefore the determination of whether joint control exists may change.

There are no other new and revised Standards and amendments thereof and Interpretations effective for future reporting periods issued during the current report period that are relevant to the Group.

2. Segment Information

Management has determined that the Group has one reportable segment, being mineral exploration in Australia. As the Group is focused on mineral exploration, the Board periodically monitors the Group based on actual versus budgeted exploration expenditure incurred on the Group as a whole. 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.

	Jindalee	Total
	\$	\$
Half-year ended 31 December 2012		
<i>Reconciliation of segment revenue to Group revenue</i>		
Revenue from external sources	-	-
Unallocated revenue	-	158,121
Total revenue	-	158,121
 <i>Reconciliation of segment result to Group profit</i>		
Segment result	(295,949)	(295,949)
Unallocated	-	158,121
- Interest revenue	-	158,121
- Corporate expenses and other costs	-	(165,378)
Loss before tax	-	(303,206)
 As at 31 December 2012		
<i>Reconciliation of segment assets to Group assets</i>		
Segment assets	11,021,872	11,021,872
Intersegment eliminations	-	-
Total assets	11,021,872	11,021,872
 Half-year ended 31 December 2011		
<i>Reconciliation of segment revenue to Group revenue</i>		
Revenue from external sources	-	-
Unallocated revenue	-	253,038
Total revenue	-	253,038
 <i>Reconciliation of segment result to Group profit</i>		
Segment result	(587,688)	(587,688)
Unallocated	-	253,038
- Interest revenue	-	253,038
- Corporate expenses and other costs	-	(248,255)
Profit before tax	-	(582,905)
 As at 30 June 2012		
<i>Reconciliation of segment assets to Group assets</i>		
Segment assets	13,622,431	13,622,431
Intersegment eliminations	-	-
Total assets	13,622,431	13,622,431

3. Available for Sale Financial Assets

	31 December 2012	30 June 2012
	\$	\$
Shares in listed corporations	4,709,810	4,546,248

The fair value of listed available-for-sale investments has been determined directly by reference to published price quotations in an active market.

4. Contributed Equity

There were no movements in the ordinary share capital of the Company in the current or comparative reporting period.

5. Earnings Per Share

	31 December 2012 \$	31 December 2011 \$
(Loss)/profit used in calculation of basic and diluted earnings per share	(201,164)	(407,618)
Basic earnings per share (cents per share)	(0.58)	(1.17)
Diluted earnings per share (cents per share)	(0.58)	(1.17)
Weighted average number of ordinary shares used as the denominator in calculating basic and diluted earnings per share and diluted earnings per share.	34,794,775	34,794,775

6. Contingencies and Commitments

There has been no change in contingent liabilities, contingent assets or commitments since the last annual reporting date, 30 June 2012.

7. Events Occurring After Reporting Date

There has not arisen in the interval between the end of the financial period 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 periods.

7 March 2013

The Board of Directors
Jindalee Resources Limited
Level 2, 18 Kings Park Road
WEST PERTH WA 6005

Dear Sirs,

DECLARATION OF INDEPENDENCE GLYN O'BRIEN TO THE DIRECTORS OF JINDALEE RESOURCES LIMITED

As lead auditor for the review of Jindalee Resources Limited for the half-year ended 31 December 2012, I declare that to the best of my knowledge and belief, there have been:

- no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Jindalee resources Limited and the entity it controlled during the period.



Glyn O'Brien
Director

BDO Audit (WA) Pty Ltd
Perth, Western Australia

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF JINDALEE RESOURCES LIMITED

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Jindalee Resources Limited, which comprises the consolidated statement of financial position as at 31 December 2012, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes comprising a statement of accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the disclosing entity and the entities it controlled at the half-year's end or from time to time during the half-year.

Directors' Responsibility for the Half-Year Financial Report

The directors of the disclosing entity are responsible for the preparation of the half-year 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 half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2012 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Jindalee Resources Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Jindalee Resources Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.



Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Jindalee Resources Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2012 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

BDO Audit (WA) Pty Ltd

A handwritten signature in blue ink, consisting of the letters 'BDO' above a stylized signature that appears to read 'Glyn O'Brien'.

Glyn O'Brien
Director

Perth, Western Australia
Dated this 7th day of March 2013