



RESOURCES LIMITED

ACN 064 121 133

Half-Year Financial Report

31 December 2021

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CORPORATE DIRECTORY

Board and Management

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

Registered Office & Principal Place of Business

Level 2
9 Havelock Street
West Perth, WA 6005
Telephone: +61 (8) 9321 7550
Facsimile: +61 (8) 9321 7950
Email: enquiry@jindalee.net
Web: www.jindalee.net

Auditors

BDO Audit (WA) Pty Ltd
Level 9
Mia Yellagonga Tower 2
5 Sprint Street
Perth, WA 6000

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
Facsimile: +61 (8) 9262 3723

Securities Exchange Listing

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

ASX Code: **JRL**

THE DIRECTORS' REPORT

Your Directors present the financial report for the Consolidated Entity consisting of Jindalee Resources Limited and the entities it controlled at the end of, or during, the half-year ended 31 December 2021.

DIRECTORS

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

Justin Mannolini *B.Com/LL (Hons), LLM (Law), GAICD.*
Lindsay Dudfield *B.Sc.*
Patricia Farr *GradCertProfAcc. GradDipACG, GAICD, FGIA/FCIS.*

OPERATING RESULT

The Consolidated Entity incurred an operating profit after income tax for the half-year ended 31 December 2021 of \$691,702 (half-year ended 31 December 2020: operating loss after income tax of \$440,884).

The profit for the year includes a gain on revaluation of financial assets of \$1,106,726, gains on sales of tenements of \$254,394 and share based payments expenses of \$258,279 relating to options issued to the Chief Executive Officer and an advisor in a prior period which continues to be expensed in the current period.

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

PRINCIPAL ACTIVITIES

The principal activity of the Group is mineral exploration. The Group holds interests in tenements in the United States, Tasmania and Western Australia prospective for lithium, magnesite, gold, diamonds, nickel and iron ore, with most of these tenements wholly owned. The Group also has indirect interests in uranium, gold and base metals through several investee companies.

REVIEW OF OPERATIONS

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 half-year efforts were concentrated on the McDermitt lithium project (US) and included completion of a preliminary Scoping Study, drilling designed to infill and extend the current resource, as well as metallurgical testwork to further derisk the project. The Company also completed first pass drilling at the Clayton North lithium project (US) and the Chalice gold prospect (Widgiemooltha Project, WA) and divested several non-core projects in Western Australia.

Lithium Projects (US)

In September 2021 Jindalee announced the results of a positive preliminary Scoping Study based on the Indicated and Inferred Mineral Resource Inventory at McDermitt of 1.43Bt at an average grade of 1,320 ppm Li, using a cut-off grade of 1,000 ppm Li¹. The key outcomes of the Study highlighted the potential of the Project to support a viable standalone lithium mining and processing operation and reinforced the significance of McDermitt as a potential long-life source of supply to the rapidly growing US battery manufacturing industry.

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.

In November 2021 Jindalee announced that 39 new holes designed to infill and extend the current Mineral Resource at McDermitt had been approved and that drilling had commenced, with 12 holes from this program completed by the end of the period². Additional work planned for McDermitt includes further metallurgical testwork, commencement of early stage permitting activities and completion of the approved drilling program.

Also in mid-November 2021 Jindalee announced results from an initial “proof of concept” drill program at Clayton North³. Six holes were drilled with one hole intersecting lithium rich fine-grained sediments; the remaining holes failed to penetrate the cover rocks to test the underlying prospective lithium rich sediments.

Western Australia

During the year Jindalee added to its existing ground position in the Widgiemooltha area of Western Australia (WA) and pegged additional prospective tenements in Western Australia. Several non-core projects, including Kenya, Salt Creek, Aries and Forrestania, were divested during the period with the Company retaining exposure to any future discoveries at these projects via free-carried interests or royalties⁴.

Drill testing of conceptual gold targets at the Chalice gold prospect (Widgiemooltha) commenced during the period, with 41 aircore holes completed in December 2021⁴. The Company has also engaged consultants with specific expertise to assist with nickel and lithium targeting at Widgiemooltha⁵.

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 has implemented various health and safety measures and has concluded at this time that there has been no material impact on the Group’s solvency or its ability to continue as a going concern.

Financial

During the half year the Company issued 700,000 shares following the exercise of 200,000 unlisted \$0.40 options issued pursuant to the Company’s Employee Share Option Plan and 500,000 unlisted \$0.40 options issued following shareholder approval at the Company’s 2017 AGM.

EVENTS OCCURRING AFTER REPORTING PERIOD

On 27 January 2022⁶ the Company announced it had signed a Binding Term Sheet for the sale of 70% of the Prospect Ridge Project to Tasmanian Magnesium Pty Ltd, a wholly owned subsidiary of GWR Group Limited (ASX: GWR) for total consideration of \$1M, payable in cash and GWR shares. Jindalee holds 100% beneficial interest in the Prospect Ridge Project via its wholly owned subsidiary HiTec Minerals Pty Ltd. Key terms of the transaction are:

- Total consideration of \$1M, comprising \$250K in cash and \$750K in GWR shares
- HiTec Minerals' 30% interest free carried to Decision to Mine
- Tasmania Magnesium required to spend a minimum of \$2M on the Project and complete a Scoping Study within 5 years or Tasmanian Magnesium's 70% interest reverts to HiTec with Tasmanian Magnesium having no further interest in the Project.

Other than the matter outlined above, there has not arisen in the interval between the end of the financial period and the date of this report any other 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.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 8 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
Executive Director

PERTH 2 March 2022

References:

Additional details including JORC 2012 reporting tables, where applicable, can be found in the following releases lodged with ASX and referred to in this report:

1. Jindalee Resources ASX announcement 16/11/2021: "Positive Preliminary Scoping Study".
2. Jindalee Resources ASX announcement 29/11/2021: "Drilling commences at McDermitt Lithium Project, USA".
3. Jindalee Resources ASX announcement 18/11/2021: "Drilling confirms lithium at Clayton North".
4. Jindalee Resources ASX announcement 28/01/2022: "Quarterly Activities Report".
5. Jindalee Resources ASX announcement 16/02/2022: "Jindalee progressing WA nickel sulphide exploration."
6. Jindalee Resources ASX announcement 27/01/2022: "Jindalee forms JV with GWR at Prospect Ridge."

Competent Persons Statement

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Lindsay Dudfield and Mrs Karen Wellman. 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. Mrs Wellman is an employee of the Company and a Member of the Australasian Institute of Mining and Metallurgy. Both Mr Dudfield and Mrs Wellman have sufficient experience relevant to the styles of mineralisation and types of deposits under consideration, and to the activity being undertaken, to qualify as Competent Persons as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves.' Mr Dudfield and Mrs Wellman consent to the inclusion in this 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 the Exploration Target and the Mineral Resource Estimate 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 Australasian 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). The Company confirms that it is not aware of any further new information or data that materially affects the information included in the original market announcements by Jindalee Resources Ltd (JRL) entitled "McDermitt Lithium Resource confirmed as largest in USA" released on 8 April 2021 and in the case of estimates of Mineral Resources, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. To the extent disclosed above, the Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Forward-Looking Statements

This document may contain certain forward-looking statements. Forward-looking statements include but are not limited to statements concerning Jindalee Resources Limited's (Jindalee's) current expectations, estimates and projections about the industry in which Jindalee operates, and beliefs and assumptions regarding Jindalee's future performance. When used in this document, the words such as "anticipate", "could", "plan", "estimate", "expects", "seeks", "intends", "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 are subject to known and unknown risks, uncertainties and other factors, some of which are beyond the control of Jindalee and no assurance can be given that actual results will be consistent with these forward-looking statements.

DIRECTORS' DECLARATION

In the opinion of the Directors of Jindalee Resources Limited:

- a) the consolidated financial statements, and notes set out on pages 9 to 16, are in accordance with the *Corporations Act 2001*, including:
 - i) Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the Corporations Regulations 2001; and
 - ii) giving a true and fair view of the Consolidated Entity's financial position as at 31 December 2021 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
Executive Director

PERTH
2 March 2022

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

As lead auditor for the review of Jindalee Resources Limited for the half-year ended 31 December 2021, 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 review; and
2. 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 entities it controlled during the period.



Ashleigh Woodley
Director

BDO Audit (WA) Pty Ltd
Perth, 2 March 2022

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the half-year ended 31 December 2021

	Notes	31 December 2021 \$	31 December 2020 \$
Revenue from continuing operations		13,850	1,606
Other income	3	260,423	42,507
Employee benefits expenses		(58,896)	(56,209)
Depreciation expense		(35,582)	(29,119)
Exploration expenditure		(108,290)	(61,200)
Fair value movement on financial assets	6	1,106,726	418,135
Tenancy and operating		(16,575)	(17,505)
Other administration expenses		(224,056)	(146,757)
Foreign exchange gain/(loss)		103,485	(183,592)
Share-based payments expensed		(258,279)	(359,873)
Corporate regulatory expenses		(87,202)	(40,923)
Finance costs		(3,902)	(7,954)
Profit/(loss) before income tax		691,702	(440,884)
Income tax expense		-	-
Profit/(loss) for the half-year after tax		691,702	(440,884)
Other comprehensive income for the period		-	-
Total comprehensive profit/(loss) for the period		691,702	(440,884)
Earnings/(loss) per share attributable to the members of Jindalee Resources Ltd:			
Basic earnings/(loss) per share (cents per share)	4	1.29	(1.06)
Diluted earnings/(loss) per share (cents per share)	4	1.16	(1.06)

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

Consolidated Statement of Financial Position

As at 31 December 2021

	Notes	31 December 2021 \$	30 June 2021 \$
Current assets			
Cash and cash equivalents		8,635,430	10,158,652
Trade and other receivables		233,308	265,474
Prepayments		95,816	261,190
Financial assets at fair value through profit and loss	6	150,066	221,179
Total current assets		9,114,620	10,906,495
Non-current assets			
Other receivables		61,986	62,268
Property, plant and equipment		18,626	22,325
Right of use assets		31,883	63,761
Exploration and evaluation assets	5	6,108,071	3,890,211
Financial assets at fair value through profit and loss	6	3,811,447	2,862,844
Total non-current assets		10,032,013	6,901,409
Total assets		19,146,633	17,807,904
Current liabilities			
Trade and other payables		257,488	114,569
Provision for annual leave		17,243	11,959
Lease liabilities		38,557	74,788
Total liabilities		313,288	201,316
Net assets		18,833,345	17,606,588
Equity			
Contributed equity	7	19,876,524	19,599,748
Accumulated losses		(5,350,578)	(6,042,280)
Reserves		4,307,399	4,049,120
Total equity		18,833,345	17,606,588

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 2021

	Notes	31 December 2021 \$	31 December 2020 \$
Cash flows from operating activities			
Payments to suppliers and employees		(206,307)	(457,713)
Interest received		15,747	1,606
Interest paid		(3,902)	(7,956)
Net cash outflow from operating activities		(194,463)	(464,063)
Cash flows from investing activities			
Proceeds from sale of financial assets at fair value through profit and loss	6	447,133	20,125
Payments financial assets at fair value through profit and loss		(838)	-
Payments for property, plant and equipment		-	(3,635)
Payments for exploration and evaluation	5	(2,053,100)	(892,055)
Proceeds from sale of tenements		37,500	100,000
Net cash outflow from investing activities		(1,569,304)	(775,565)
Cash flows from financing activities			
Lease principal repayments		(36,231)	(30,666)
Proceeds from issue of shares net of costs	7	276,777	1,837,593
Net cash inflow from financing activities		240,546	1,806,927
Net increase/(decrease) in cash and cash equivalents held		(1,523,222)	567,299
Cash and cash equivalents at the beginning of reporting period		10,158,652	839,726
Cash and cash equivalents at the end of reporting period		8,635,430	1,407,025

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 2021

	Contributed equity	Share-based payment reserve	Accumulated losses	Total equity
	\$	\$	\$	\$
At 1 July 2021	19,599,748	4,049,120	(6,042,280)	17,606,588
<i>Total comprehensive income for the half-year:</i>				
Profit for the half-year	-	-	691,702	691,702
Total comprehensive income for the half-year	-	-	691,702	691,702
<i>Transactions with owners in their capacity as owners:</i>				
Issue of shares net of costs	276,776	-	-	276,776
Share-based payment expense	-	258,279	-	258,279
At 31 December 2021	19,876,524	4,307,399	(5,350,578)	18,833,345
At 1 July 2020	8,381,909	2,531,008	(5,537,978)	5,374,939
<i>Total comprehensive loss for the half-year:</i>				
Loss for the half-year	-	-	(440,884)	(440,884)
Total comprehensive loss for the half-year	-	-	(440,884)	(440,884)
<i>Transactions with owners in their capacity as owners:</i>				
Issue of shares net of costs	1,837,593	-	-	1,837,593
Share-based payment expense reversal	-	359,873	-	359,873
At 31 December 2020	10,219,502	2,890,881	(5,978,862)	7,131,521

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

Notes to the Consolidated Financial Statements

1. Significant Accounting policies

Basis of preparation of the half-year financial report

This interim general purpose financial report for the half-year reporting period ended 31 December 2021 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 and therefore cannot be expected to provide a full understanding of the financial performance, financial position and financing and investing activities of the consolidated entity as full financial statements. Accordingly, this half-year financial report is to be read in conjunction with the annual financial statements for the year ended 30 June 2021 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* and the ASX Listing Rules.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, except for those detailed under 'adoption of new and revised Accounting Standards'.

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.

Adoption of new and revised Accounting Standards

For the half-year ended 31 December 2021, the Group has reviewed all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board ("AASB") that are relevant to its operations and effective for annual reporting periods beginning on or after 1 July 2021. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Critical accounting estimates and judgements

The preparation of financial reports requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing the interim consolidated financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were consistent with those that applied to the annual consolidated financial statements as at and for the year ended 30 June 2021.

2. Segment Information

Management has determined that the Group has one reportable segment, 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 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. The reportable segment is represented by the primary statements forming this half-year financial report.

Notes to the Consolidated Financial Statements

3. Other Income

	31 December 2021	31 December 2020
	\$	\$
Sale of tenements	254,394	17,490
Other	6,029	25,017
	<u>260,423</u>	<u>42,507</u>

The sale of tenements includes non-cash consideration of \$217,500 received as shares in the acquiring companies and cash receipts of \$37,500 net of cost of tenements sold of \$606.

4. Earnings Per Share

	31 December 2021	31 December 2020
	\$	\$
Profit/(loss) used in calculation of loss per share	<u>691,702</u>	<u>(440,884)</u>
Basic earnings/(loss) per share (cents per share)	1.29	(1.06)
Diluted loss per share (cents per share)	1.16	(1.06)
Weighted average number of ordinary shares used as the denominator in calculating earnings/(loss) per share	53,776,097	41,781,522
Weighted average number of ordinary shares used as the denominator in calculating diluted earnings/(loss) per share	59,426,097	41,781,522

5. Exploration and Evaluation Assets

	31 December 2021	30 June 2021
	\$	\$
Exploration and evaluation assets	<u>6,108,071</u>	<u>3,890,211</u>
Balance at the beginning of period	3,890,211	
Exploration expenditure incurred	2,218,474	
Tenements sold	(606)	
Exploration expenditure written off	(8)	
Balance at the end of period	<u><u>6,108,071</u></u>	

The balance carried forward represents projects in the exploration and evaluation phase.

The ultimate recoupment of costs carried forward is dependent on the successful development and commercial exploitation or sale of the areas of interest.

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.

Notes to the Consolidated Financial Statements

6. Financial Assets at Fair Value Through Profit and Loss

	31 December 2021 \$	30 June 2021 \$
Current		
Financial assets at fair value through profit and loss	150,066	221,179
Balance at the beginning of period	221,179	305,858
Disposal proceeds	(160,025)	-
Gain on disposal	43,821	-
Fair value movement on investments held at end of period	45,090	(84,679)
Balance at the end of period	150,066	221,179
Non-current		
Financial assets at fair value through profit and loss	3,811,447	2,862,844
Balance at the beginning of period	2,862,844	1,827,574
Additions ¹	218,333	50,000
Disposal proceeds	(287,109)	(163,598)
Gain on disposal	112,002	48,306
Fair value movement on investments held at end of period	905,376	1,100,562
Balance at the end of period	3,811,447	2,862,844

¹ includes \$217,500 in respect of shares received as consideration for tenement sales (refer note 3).

7. Contributed Equity

	31 December 2021 \$	30 June 2021 \$
Share capital		
Ordinary fully paid shares	19,876,524	19,599,750
	Number	\$
Balance at the beginning of the half-year	53,403,966	19,599,750
Conversion of options	700,000	280,000
Share issue costs	-	(3,226)
Balance at the end of the half-year	54,103,966	19,876,524

During the period the Company issued 700,000 fully paid ordinary shares at \$0.40 per share on exercise of options for a total of \$280,000.

8. Contingencies and Commitments

There has been no change in contingent liabilities, contingent assets or commitments since the last annual reporting date, 30 June 2021.

Notes to the Consolidated Financial Statements

9. 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 following table 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).

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
31 December 2021				
Financial assets at fair value through profit and loss	3,961,513	-	-	3,961,513
Total as at 31 December 2021	3,961,513	-	-	3,961,513
30 June 2021				
Financial assets at fair value through profit and loss	3,084,023	-	-	3,084,023
Total as at 30 June 2021	3,084,023	-	-	3,084,023

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

10. Dividends

No dividends have been paid or provided for during the half-year ended 31 December 2021 (31 December 2020: nil).

11. Events Occurring After Reporting Date

On 27 January 2022 the Company announced it had signed a Binding Term Sheet for the sale of 70% of the Prospect Ridge Project to Tasmanian Magnesium Pty Ltd, a wholly owned subsidiary of GWR Group Limited (ASX: GWR) for total consideration of \$1M, payable in cash and GWR shares. Jindalee holds 100% beneficial interest in the Prospect Ridge Project via its wholly owned subsidiary HiTec Minerals Pty Ltd. Key terms of the transaction are:

- Total consideration of \$1M, comprising \$250K in cash and \$750K in GWR shares
- HiTec Minerals' 30% interest free carried to Decision to Mine
- Tasmania Magnesium required to spend a minimum of \$2M on the Project and complete a Scoping Study within 5 years or Tasmanian Magnesium's 70% interest reverts to HiTec with Tasmanian Magnesium having no further interest in the Project.

Other than the matter outlined above there has not arisen in the interval between the end of the financial period and the date of this report any other 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.

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Jindalee Resources Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Jindalee Resources Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2021, 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 half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the Group does not comply with the *Corporations Act 2001* including:

- (i) Giving a true and fair view of the Group's financial position as at 31 December 2021 and of its financial performance for the half-year ended on that date; and
- (ii) Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of 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 the audit of the annual 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 the same terms if given to the directors as at the time of this auditor's review report.

Responsibility of the directors for the financial report

The directors of the Company 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 gives a true and fair view and is free from material misstatement, whether due to fraud or error.



Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether 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 Group's financial position as at 31 December 2021 and its financial performance for the half-year ended on that date and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

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.

BDO Audit (WA) Pty Ltd

A handwritten signature in black ink. The signature starts with the letters 'BDO' in a stylized, blocky font. Below this, there is a cursive signature that appears to read 'Ashleigh Woodley'. A long, sweeping horizontal stroke extends from the top of the signature across the page.

Ashleigh Woodley

Director

Perth, 2 March 2022