

JINDALEE

Resources Limited
ABN 52 064 121 133

QUARTERLY REPORT TO SHAREHOLDERS

for the three months
ended 31 March 2007.

ASX Code - JRL

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

www.jindalee.net



HIGHLIGHTS

- * Newcrest reports encouraging gold intercepts from infill drilling at **Yilgangi**
- * Exploration to re-commence at **Mt Gibb** nickel project
- * **Energy Metals** (Jindalee 37%) increases uranium resource at **Bigriyi** by 26% to:

14.3 M lbs U₃O₈ (+16.3 M lbs V₂O₅)

A major extensional drilling program (262 holes) has commenced at Bigriyi.
- * Initial hematite resource (3Mt @ 63.3% Fe) outlined at **Joyners Find**

FINANCIAL

- * The Company has a total of 29.9m shares on issue
- * At 31 March 2007 Jindalee had no debt and held cash and shares worth approximately \$86.9m (equivalent to **\$2.91 per share**)

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

Lindsay Dudfield
Managing Director
30 April 2007

GOLD

Yilgangi

(Newcrest 70%; Jindalee 30%)

The Yilgangi project is located in the Eastern Goldfields, approximately 120 km northeast of Kalgoorlie. Newcrest Operations Limited (a subsidiary of Newcrest Mining Limited) farmed into Yilgangi in March 2004 and has been earning a 70% interest in the project by spending \$0.75m on exploration.

Encouraging gold intercepts were returned from aircore drilling undertaken by Newcrest at Yilgangi during the December 2006 quarter. This drilling (74 holes for 3,739m) was undertaken to test the continuity of a 3km x 1km gold anomaly ("Hobbes" prospect) located beneath transported cover and outlined from RAB and aircore drilling (refer attached plan).

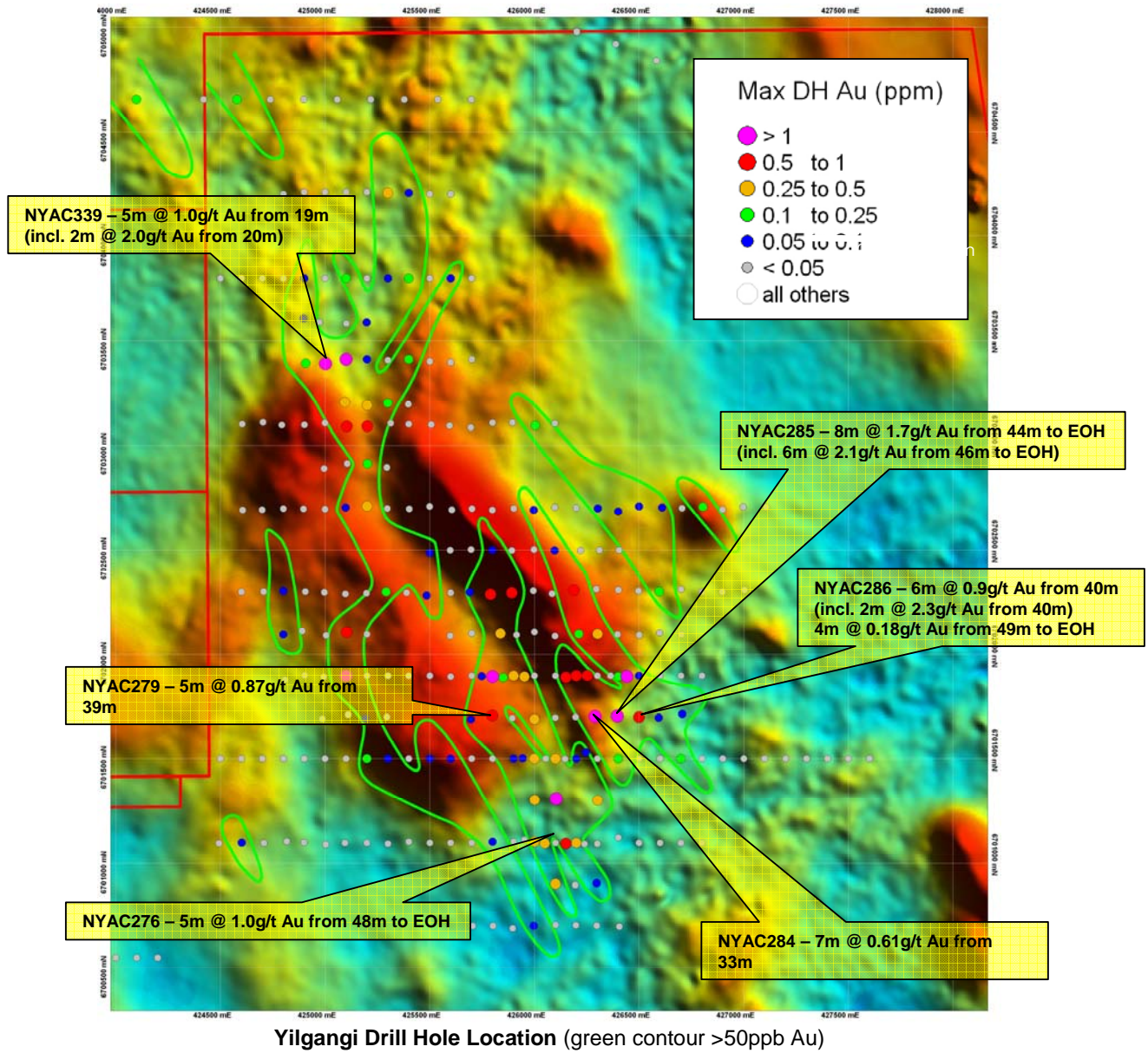
Re-sampling (1m splits) of gold anomalous intervals recorded from initial composite (4x1m) sampling at Hobbes confirmed anomalous gold intercepts (>0.1 g/t) from 20 holes including **6m @ 2.1 g/t Au** from NYAC285 (end of hole) and **5m @ 1.0 g/t Au** from NYAC276 (also end of hole).

All significant intercepts (average >0.5g/t Au over >5m) from the re-sampling are summarized below:

Hole ID	MGA94 N	MGA94 E	Hole Depth	Dip	1m resamples (Fire Assay)
NYAC276	6701310	426104	53	-90	5m @ 1.0 g/t Au from 48m to EOH (incl. 2m @ 1.4 g/t Au from 48m)
NYAC279	6701707	425799	49	-90	5m @ 0.87 g/t Au from 39m 1m @ 0.52 g/t Au from 48m to EOH
NYAC284	6701702	426920	53	-90	7m @ 0.61 g/t Au from 33m 3m @ 0.39 g/t Au from 49m
NYAC285	6701705	426395	52	-90	8m @ 1.7 g/t Au from 44m to EOH (incl. 6m @ 2.1 g/t Au from 46m to EOH)
NYAC286	6701699	426499	53	-90	6m @ 0.90 g/t Au from 40m (incl. 2m @ 2.3 g/t Au from 40m) 4m @ 0.18 g/t Au from 49m to EOH
NYAC339	6703389	425002	51	-90	5m @ 1.0 g/t Au from 19m (incl. 2m @ 2.0 g/t Au from 20m)

Subsequent to the end of the period Newcrest advised that it has earned its 70% interest in the Yilgangi project. Work proposed by Newcrest to 31 December 2007 includes detailed infill aircore drilling at the southern end of Hobbes prior to RC drill testing of the best targets outlined at the prospect.

Jindalee now has several options, including contributing pro-rata to the proposed program or diluting to either project carried or free carried positions.



Kirkalocka (Jindalee 100%)

The Kirkalocka project is located in the Southern Murchison, approximately 80 km south of Mt Magnet and abutting Equigold NL's Kirkalocka gold mine (0.4M oz resource). The project was until recently a joint venture with Equigold funding exploration to earn a 60% interest.

Equigold withdrew from the Kirkalocka project during the period. Jindalee is currently reviewing exploration data for the area prior to planning future activities.

NICKEL

Mt Gibb (Jindalee 20% free carried)

The Mt Gibb Project is a Joint Venture with Uran subsidiary Great Western Exploration Limited with Jindalee carried to completion of a bankable feasibility study. The project is located at the southern end of the Forrestania greenstone belt, along strike from Western Areas' Flying Fox and Digger Rocks nickel deposits. The primary target is sulphide nickel although the greenstone belt is also host to significant gold mineralisation.

During the period Great Western Exploration lodged a prospectus to raise \$3m prior to listing on ASX. It is anticipated that exploration at Mt Gibb will resume as soon as this capital raising is completed.

Kilkenny (GME earning 70%)

The Kilkenny project comprises two Exploration Licences (E39/990 and ELA39/1167), located in the NE Goldfields approximately 45 km SE of Leonora. GME Resources Limited is earning a 70% interest in the tenements by spending \$500,000 on exploration by December 2008. Once GME has earned a 70% interest Jindalee has several options, including contributing pro-rata, diluting or falling back to a 20% free-carried interest.

GME advises that an RC drilling program planned for January 2007 was abandoned due to widespread heavy rain, with drilling on the Joint Venture to be completed late May 2007.

Bow River (Jindalee 100%)

This project is located in the East Kimberley region, 80 km south of Kununurra and 60 km north along strike from the Sally Malay nickel mine. Previous drilling at Bow River intersected massive sulphides including 3.12m @ 1.45% Ni and 0.47% Cu in a differentiated mafic-ultramafic intrusion, similar to the host rock at the Sally Malay mine.

During the period the Company agreed to purchase geophysical data generated by previous explorers. These data will be interpreted with nickel targets generated from this work to be tested during the current field season.

IRON ORE

Joyner's Find (Golden West earning 60%)

The Joyner's Find project is a joint venture with Golden West Resources Limited with Golden West earning a 60% interest by spending \$400,000 on exploration by April 2008. Once Golden West has earned its interest Jindalee can elect to contribute pro-rata or dilute to a 20% free carried interest.

Golden West reports that sectional resource calculations undertaken at the Joyner's Find North prospect during the period outlined an Inferred Mineral Resource of:

3.04 million tonnes @ 63.3% Fe

This resource is based on 400m spaced RC drill traverses with the mineralisation being hard hematite style and containing low levels of phosphorous and relatively low alumina and LOI.

Work planned for the coming quarter includes infill RC drilling to upgrade the status of the resource to indicated/measured, and mapping and sampling south of the Joyners Find North prospect.

COAL/LIGNITE

Scaddan (Jindalee 100%)

The Scaddan project is located approximately 60km north of Esperance, WA, and comprises a single exploration licence application (ELA 63/1144) covering part of the Scaddan East lignite resource, previously held by Wesfarmers Premier Coal Ltd. ELA 63/1144 was lodged in February 2007 after Wesfarmers' tenure over the area (R63/2) expired, and is subject to a competing exploration licence application (ELA 63/1147) lodged simultaneously by Blackham Resources Ltd, with priority likely to be decided by ballot.

Wesfarmers subsequently applied for a mining lease (MLA 63/638) over the area formerly covered by R63/2 and lodged an objection to ELA 63/1144. Jindalee has objected to MLA 63/638. These issues will be decided before a Mining Warden (on a date yet to be fixed) where Jindalee will argue that:

1. ELA 63/1144 (and ELA 63/1147) were lodged 17 days before MLA 63/638 and therefore have priority, and
2. Wesfarmers has held the area continuously since 1980 and in that time has failed to comply with the relevant tenement conditions, meet expenditure commitments and explore and develop the area.

Should ELA 63/1144 be successful the Company will investigate the potential for applying "coal to oil" technology and other techniques to extract value from the lignite deposits.

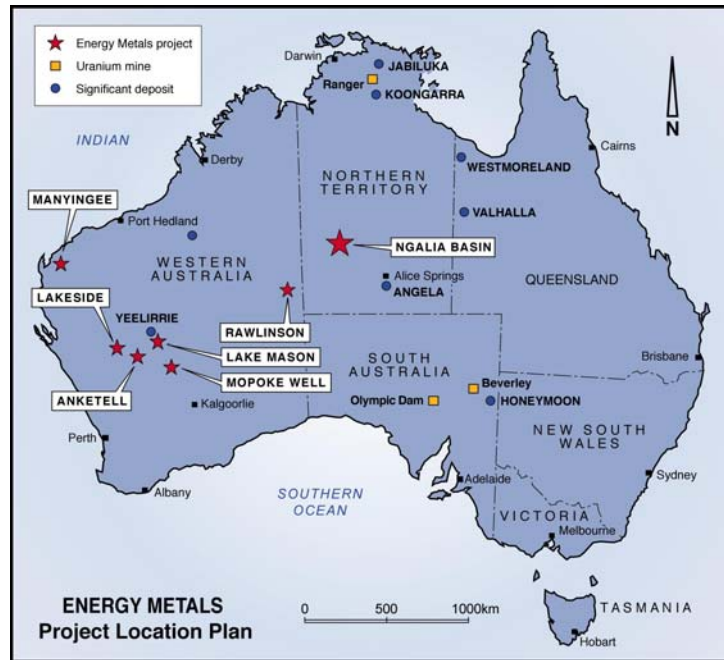
URANIUM

Energy Metals (Jindalee 37% of issued capital)

Jindalee holds 10 million Energy Metals shares (representing 37% of issued capital) and 5 million listed options (exercisable at 30c by 30 June 2008), giving Jindalee shareholders significant exposure to Energy Metals' portfolio of exciting uranium projects.

Energy Metals controls 8 projects (total area >4,000 km²) located in the Ngalia Basin in the Northern Territory and in Western Australia, with 6 of the projects containing uranium mineralisation discovered in the 1970's. Initial exploration has focussed on the Bigrlyi Project in NT (53.3% owned by Energy Metals) where previous drilling returned relatively high grade intercepts with excellent metallurgical recoveries. The uranium mineralisation at Bigrlyi is accompanied by economically significant levels of vanadium.

Work undertaken at Bigrlyi during the period included compilation of data from 43 holes drilled in the December 2006 quarter, re-calculation of the uranium and vanadium resource models incorporating results from this drilling and commencement of a scoping study (likely to be completed May 2007).



On 2nd March 2007 an updated resource estimate for the Bigryli project was released (summarised below):

Indicated and Inferred Resources

Cut Off (%)	Tonnes	U ₃ O ₈ (%)	V ₂ O ₅ (%)	U ₃ O ₈ (Kt)	V ₂ O ₅ (Kt)
0.10	2,430,000	0.21	0.20	5.00	4.95
0.05	4,530,000	0.14	0.16	6.50	7.41

The resources were estimated using ordinary kriging by Hellman & Schofield Pty Ltd (“H&S”) and are shown at 0.10% and 0.05% cut-off grades. Energy Metals considers that the 0.05% lower cut-off grade best approximates the economic cut-off grade considering the style of the mineralisation and the current uranium price.

At a cut-off grade of 0.05% U₃O₈ the Bigryli resource now totals 14.3 million pounds (lbs) of U₃O₈ and 16.3 million lbs of V₂O₅, representing a 26% increase in uranium and a 17% increase in vanadium compared with the previous (July 2006) resource. Furthermore the price of uranium has increased from US\$45.5/lb in July 2006 to US\$113/lb currently.

Early April 2007 the Bigryli Joint Venture partners approved a substantial drilling program (262 holes for 51,255m) for the 2007 field season. Most of these holes will be drilled outside of current resource envelopes and therefore it is likely that this program will result in a significant increase in the resource base at Bigryli. Drilling commenced late April 2007.

Energy Metals also announced encouraging results from initial broad spaced drilling on two 100% owned WA uranium projects (Lakeside and Anketell). Some of the better intercepts recorded from downhole radiometric gamma probing (quoted as equivalent U₃O₈) are summarised below:

Project	Hole No.	East	North	Depth From	Thickness (m)	eU ₃ O ₈ (ppm)	Max eU ₃ O ₈ (ppm)
Lakeside	LAC027	570100	6965750	0.43	1.25	695.1	1048
	LAC028	570200	6965750	0.63	1.50	529.1	1087
	LAC038	569500	6965250	0.93	1.35	340.0	444
Anketell	AAC003	671000	6896000	6.10	0.35	249.4	280
	AAC009	670200	6897000	4.30	1.10	304.6	413
	AAC018	669800	6898000	1.75	2.15	304.3	434

Energy Metals has advised that infill drilling is underway at the Lake Mason project ahead of calculation of an initial resource model. It is anticipated that a similar approach will be adopted at Lakeside and Anketell.

Uran (Jindalee 5% of issued capital)

Jindalee holds approximately 2.5 million Uran Limited shares, representing 5% of issued capital. Uran is a dedicated uranium company and is primarily focused on advanced projects in Eastern Europe.

Uran is undertaking final feasibility studies on two sediment hosted uranium deposits in Ukraine and is reviewing uranium projects in Kazakhstan and Uzbekistan. In March 2007 Uran advised that it remains the "favourite" should the Czech government seek a partner to assist with expansion of the Rozna uranium mine.

CORPORATE

At 27 April 2007 quarter Jindalee held cash and shares worth approximately \$109m (or \$3.68 per share undiluted), compared with a market capitalization of \$67m (or \$2.25 per share undiluted).

Management is concerned that the Company is trading at an unacceptable discount to its net tangible assets and is looking at a number of options to ensure Jindalee's share price better reflects the value of these assets. To this end the Company has held preliminary discussions regarding the sale of its holdings in Energy Metals (10m shares and 5m options). No firm proposals have been received to date.

In addition to cash and shares the Company holds a large portfolio of tenements prospective for gold and base metals, the value of which is not reflected in Jindalee's share price. The Company is considering vending some of these properties for equity in exploration companies proposing to list on ASX. It is envisaged that Jindalee shareholders will be given the opportunity to invest directly in these companies.

Note: The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Lindsay Dudfield who is a consultant to the Company and is a member of the Australasian Institute of Mining and Metallurgy. Mr Dudfield 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 2004 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 his information in the form and context in which it appears.