JINDALEE

RESOURCES LIMITED

ACN 064 121 133

Half-Year Financial Report

31 December 2019

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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

Registered Office & Principal Place of Business

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Subiaco, WA 6008

Legal Advisors

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Share Registry

Advanced Share Registry
110 Stirling Highway
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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 2019.

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.*
Pip Darvall*	M.Sc. (Geology), MBA, GAICD

**As announced to ASX on 21 November 2019 and 30 December 2019, Mr Pip Darvall resigned as a Director of the Company effective 31 December 2019.*

OPERATING RESULT

The Consolidated Entity incurred an operating loss after income tax for the half-year ended 31 December 2019 of $1,049,600 (half-year ended 31 December 2018: operating loss after income tax of $949,732). 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 to is 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 drilling to deliver both an expanded exploration target and a maiden inferred resource, as well as metallurgical testwork to further derisk the project. The Company also increased its ground position in the Widgiemooltha area and acquired other projects in Western Australia.

McDermitt

Nine diamond holes were completed at the McDermitt Project during the period, with substantial thicknesses of lithium mineralisation intersected in all holes and in November the Company announced that an independently estimated update to the Exploration Target Range had confirmed McDermitt as a major new lithium discovery and one of the largest lithium deposits in the US.[1]

In November Jindalee announced a maiden Inferred Mineral Resource estimate at McDermitt of 150Mt at an average grade of 2,000 ppm Li (0.43% Li_2O)[2], using a relatively high cut-off grade of 1,750 ppm Li. This cut-off grade is appropriate in the context of similar projects and based on an assessment of the likelihood of future economic extraction as required by the JORC (2012) Code.

Additional work planned for McDermitt includes further metallurgical test work, commencement of early stage permitting activities and drilling to build on the current Mineral Resource estimate.

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.

*Note that the potential quantity and grade of the ETR is conceptual in nature, there has been insufficient exploration to estimate a Mineral Resource over the Exploration Target and it is uncertain if further exploration will result in the estimation of additional Mineral Resources.

Western Australia

During the half year the Company added to its existing ground position in the Widgiemooltha area of Western Australia and pegged additional prospective tenements in Western Australia.

At Widgiemooltha a targeting study focussing on the Chalice greenstone belt highlighted several untested gold targets obscured by transported cover which warrant follow-up.

The Company also lodged an Exploration Licence application at Gruyere North[3], immediately along strike from the 5.78Moz Gruyere gold deposit being mined by Goldfields and Gold Road Resources.

Corporate

The Company successfully completed a 1 for 10 non-renounceable rights issue raising $1.05M (before costs of the offer) with strong demand from existing and new shareholders.

Following the resignation of Mr Pip Darvall (former director), 1,500,000 options with an exercise price of $0.60 and expiry date of 30 June 2022 were cancelled on 31 December 2019.

EVENTS OCCURING AFTER REPORTING PERIOD

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.

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 7 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

LINDSAY DUDFIELD
Executive Director
PERTH 24 February 2020

Competent Persons Statement:

The information in this report that relates to Exploration Results is based on information compiled by Mr Lindsay Dudfield. Mr Dudfield is an employee of the Company and a member of the Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. Mr Dudfield has sufficient experience, relevant to the styles of mineralisation and types of deposits under consideration, and to the activity which is being 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 Dudfield consents to the inclusion in the 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 Mineral Resource Estimates and Exploration Target Ranges 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 Australian 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). Mr. van der Heyden consents to the inclusion in this report of the matters based on the 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.

References:

1. Jindalee Resources Limited ASX Announcement 13/11/2019 'Exploration Target Confirms Huge Scale at McDermitt'.
2. Jindalee Resources Limited ASX Announcement 19/11/2019 'Maiden Lithium Resource at McDermitt.'
3. Jindalee Resources Limited ASX Announcements 30/12/2019 'Company Update' and 30/01/2020 'Quarterly Activities Report.'

DIRECTORS' DECLARATION

In the opinion of the Directors of Jindalee Resources Limited:

a) the consolidated financial statements, and notes set out on pages 12 to 18, 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 2019 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
24 February 2020

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DECLARATION OF INDEPENDENCE BY PHILLIP MURDOCH TO THE DIRECTORS OF JINDALEE RESOURCES LIMITED

As lead auditor for the review of Jindalee Resources Limited for the half-year ended 31 December 2019, 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.

Phillip Murdoch

Director

BDO Audit (WA) Pty Ltd

Perth, 24 February 2020

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the half-year ended 31 December 2019

	Notes	31 December 2019 $	31 December 2018 $
Revenue from continuing operations		3,960	19,204
Other income	3	6,995	320,742
Employee benefits expenses		(93,551)	(118,440)
Depreciation expense		(34,269)	(3,596)
Exploration expenditure		(215,642)	(71,627)
Loss on sale and fair value movement on financial assets	6	(545,099)	(857,224)
Tenancy and operating		(20,484)	(51,289)
Other administration expenses		(151,017)	(94,490)
Foreign exchange (loss)/gain		(22,101)	9,199
Share-based payments reversal/(expensed)	11	81,044	(63,749)
Corporate regulatory expenses		(48,146)	(38,462)
Finance costs	1	(11,290)	-
Loss before income tax		(1,049,600)	(949,732)
Income tax benefit		-	-
Loss for the half-year after tax		(1,049,600)	(949,732)
Other comprehensive loss for the period		-	-
Total comprehensive loss for the period		(1,049,600)	(949,732)
Loss per share attributable to the members of Jindalee Resources Ltd:			
Basic loss per share (cents per share)	4	(2.80)	(2.72)
Diluted loss per share (cents per share)		(2.80)	(2.72)

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 2019

	Notes	31 December 2019 $	30 June 2019 $
CURRENT ASSETS			
Cash and cash equivalents		610,517	908,486
Trade and other receivables		22,546	18,867
Prepayments		6,970	-
TOTAL CURRENT ASSETS		640,033	927,353
NON CURRENT ASSETS			
Other receivables		66,936	60,216
Property, plant and equipment		19,470	21,856
Right of use assets	1	159,414	-
Exploration and evaluation assets	5	2,214,322	1,381,602
Financial assets at fair value through profit and loss	6	1,558,388	2,228,085
TOTAL NON CURRENT ASSETS		4,018,530	3,691,759
TOTAL ASSETS		4,658,563	4,619,112
CURRENT LIABILITIES			
Trade and other payables		6,770	14,495
Provision for annual leave		4,551	17,105
Lease liabilities	1	58,228	-
TOTAL CURRENT LIABILITIES		69,549	31,600
NON CURRENT LIABILITIES			
Provision for long service leave		13,650	7,305
Lease liabilities	1	107,169	-
TOTAL NON-CURRENT LIABILITIES		120,819	7,305
TOTAL LIABILITIES		190,368	38,905
NET ASSETS		4,468,195	4,580,207
EQUITY			
Contributed equity	7	8,273,886	7,255,254
Reserves		2,531,008	2,612,052
Accumulated losses		(6,336,699)	(5,287,099)
TOTAL EQUITY		4,468,195	4,580,207

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 2019

	Notes	31 December 2019 $	31 December 2018 $
Cash flows from operating activities			
Payments to suppliers and employees		(568,531)	(368,283)
Interest received		3,960	19,588
Interest paid		(11,290)	-
Net cash outflow from operating activities		(575,861)	(348,695)
Cash flows from investing activities			
Proceeds from sale of financial assets at fair value through profit and loss	6	124,598	-
Payments for exploration and evaluation	5	(832,720)	(606,349)
Payment of bond		(6,718)	(668)
Net cash outflow from investing activities		(714,840)	(607,017)
Cash flows from financing activities			
Lease principal repayments		(25,900)	-
Proceeds from issue of shares net of costs	7	1,018,632	-
Payment of dividends		-	(66,610)
Net cash inflow/(outflow) from financing activities		992,732	(66,610)
Net decrease in cash and cash equivalents held		(297,969)	(1,022,322)
Cash and cash equivalents at the beginning of reporting period		908,486	2,312,083
Cash and cash equivalents at the end of reporting period		610,517	1,289,761

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 2019

	Contrib-uted equity	Share-based payment reserve	Available for sale investments revaluation reserve	Accumulated losses	Total equity
	$	$	$	$	$
At 1 July 2019	7,255,254	2,612,052	-	(5,287,099)	4,580,207
Total comprehensive income for the half-year:					
Loss for the half-year	-	-	-	(1,049,600)	(1,049,600)
Other comprehensive income	-	-	-	-	-
Total comprehensive loss for the half-year		-	-	(1,049,600)	(1,049,600)
Transactions with owners in their capacity as owners:					
Issue of shares net of costs	1,018,632	-	-	-	1,018,632
Share-based payment expense reversal	-	(81,044)	-	-	(81,044)
At 31 December 2019	8,273,886	2,531,008	-	(6,336,699)	4,468,195
At 1 July 2018 as originally presented	7,227,254	2,467,813	937,392	(5,204,784)	5,427,675
Change in accounting policy	-	-	(937,392)	937,392	-
Restated total equity as at 1 July 2018	7,227,254	2,467,813	-	(4,267,392)	5,427,675
Total comprehensive income for the half-year:					
Loss for the half-year	-	-	-	(949,732)	(949,732)
Other comprehensive income	-	-	-	-	-
Total comprehensive income /(loss) for the half-year	-	-	-	(949,732)	(949,732)
Transactions with owners in their capacity as owners:					
Share-based payments	-	63,749	-	-	63,749
At 31 December 2018	7,227,254	2,531,562	-	(5,217,124)	4,541,692

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 financial report

This interim general purpose financial report for the half-year reporting period ended 31 December 2019 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 2019 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 2019, 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 2019. The Group has applied for the first time AASB 16 "Leases", the impact of which is described below. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

AASB 16 Leases

The Group leases office space for its corporate office.

Impact of application of AASB 16 Leases ("AASB 16")

AASB 16 provides a model for the identification and treatment of lease arrangements in the financial statements. AASB 16 superseded the lease guidance including *AASB 117 Leases* and the related Interpretations, when it became effective for the Group for the accounting period beginning 1 July 2019.

The Group has chosen the modified retrospective application of AASB 16. Consequently, the Group has not restated the comparative information.

Impact of the new definition of a lease

The Group has made use of the practical expedient available on transition to AASB 16 not to reassess whether a contract is or contains a lease. Accordingly, the definition of a lease in accordance with AASB 117 and Interpretation 4 will continue to apply to those leases entered or modified before 1 July 2019.

The change in definition of a lease mainly relates to the concept of control. AASB 16 distinguishes between leases and service contracts on the basis of whether the use of an identified asset is controlled by the customer. Control is considered to exist if the customer has:

- The right to obtain substantially all of the economic benefits from the use of an identified asset; and
- The right to direct the use of that asset.

The Group has applied the definition of a lease and related guidance set out in AASB 16 to all lease contracts entered into or modified on or after 1 July 2019. The Directors have determined that the new definition in AASB 16 will not change significantly the scope of contracts that meet the definition of a lease for the Group.

Operating leases

AASB 16 has changed how the Group accounts for leases previously classified as operating leases under AASB 117, which were off-balance sheet.

On initial application of AASB 16, for all leases (except as noted below), the Group has:

(a) Recognised Right-of-Use assets ("ROU Assets") and lease liabilities in the consolidated statement of financial position, initially measured at the present value of the future lease payments;

(b) Recognised depreciation of ROU Assets and interest on lease liabilities in the consolidated statement of profit or loss; and

(c) Separated the total amount of cash paid into a principal portion (presented within financing activities) and interest (presented within operating activities) in the consolidated cash flow statement.

Under AASB 16 lease incentives (eg rent-free period) are recognised as part of the measurement of the ROU Assets and lease liabilities. Previously lease incentives resulted in the recognition of a lease liability incentive amortised as a reduction of rental expenses on a straight-line basis.

Under AASB 16, ROU Assets will be tested for impairment in accordance with AASB 136 Impairment of Assets. This replaces the previous requirement to recognise a provision for onerous lease contracts.

For short-term leases (lease term of 12 months or less) and leases of low-value assets the Group opted to recognise a lease expense on a straight-line basis as permitted by AASB 16.

As at 30 June 2019 the Group had non-cancellable lease commitments of $191,297, excluding leases that are of a short-term nature and leases of low-value assets. The Group recognised ROU Assets with a net book value of $191,297 and corresponding lease liabilities of $191,297 at 1 July 2019. After accounting for depreciation and lease principal payments during the half-year the balances as at 31 December 2019 were ROU Assets with a net book value of $159,414 and lease liabilities of $165,397.

The impact on the consolidated statement of profit or loss (increase / (decrease)) for the period is:

Expense	*$*	*Notes*
Tenancy and operating	37,190	Rent expense on previously recognised operating lease
Depreciation expense	(31,883)	Depreciation of lease asset recognised under AASB 16
Finance costs	(11,290)	Interest on lease recognised under AASB 16
Net impact on loss for the period	(5,983)	

Under AASB 117, lease payments from operating leases were included in cash flows from operating activities. Under AASB 16 lease repayments are included in cash flows from financing activities. The impact on cash flows for the period from adopting AASB 16 is to increase cash flows from operating activities by $25,900 and to reduce cash flows from financing activities by $25,900.

There is no impact on other comprehensive income and the basic and diluted EPS.

Determination of whether variable payments are in-substance fixed

For lease agreements subject to lease payments with fixed increases, the Group factored in the fixed increases into the calculation of the lease liability. The Group has no lease agreements subject to lease payments based on a variable index.

Determination of the appropriate rate to discount the lease payments

The Group estimated the incremental borrowing rate applicable to its lease as the rate of interest that a lessee would have to pay to borrow over a similar term and with similar security the funds necessary to obtain an asset of a similar value to the ROU Asset. The estimate was based on a risk adjusted rate and considered the materiality of the impacts of applying a range of interest rates. The incremental borrowing rate applied is 12.5%.

The following is a reconciliation of total operating lease commitments at 30 June 2019 to the lease liabilities recognised at 1 July 2019:

	$
Operating lease commitments disclosed at 30 June 2019	231,042
Less: discount applied using incremental borrowing rate	(39,745)
Lease liability recognised at 1 July 2019	191,297
Right-of-Use asset (value determined solely with reference to the lease liability value)	191,297

The recognised ROU Asset relates to office premises.

Summary of new accounting policies

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered of low value (i.e., below $5,000). Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

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 2019.

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 financial report.

3. Other Income

	31 December 2019 $	31 December 2018 $
Sale of tenements#	-	315,402
Other	6,995	5,340
	6,995	320,742

#Refers to sale of New Bore and Kelly Well tenements to Dacian Gold Ltd; sale of 80% of non-gold rights and payment of Option on Camel Bore and North Sinclair tenements by Aldoro Resources Ltd.

4. Loss Per Share

	31 December 2019 $	31 December 2018 $
Loss used in calculation of loss per share	(1,049,600)	(949,732)
Basic loss per share (cents per share)	(2.80)	(2.72)
Diluted loss per share (cents per share)	(2.80)	(2.72)
Weighted average number of ordinary shares used as the denominator in calculating loss per share	37,480,743	34,894,775

5. Exploration and Evaluation Assets

	31 December 2019 $	30 June 2019 $
Exploration and evaluation assets	2,214,322	1,381,602
Balance at the beginning of the half-year	1,381,602	
Exploration expenditure incurred	832,720	
Balance at the end of the half-year	2,214,322	

No impairment of the Group's exploration and evaluation assets has been recognised during the half-year ended 31 December 2019 (31 December 2018: $nil).

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

6. Financial Assets at Fair Value Through Profit and Loss

	31 December 2019 $	30 June 2019 $
Financial assets at fair value through profit and loss	1,558,388	2,228,085
Balance at the beginning of the half-year	2,228,085	
Financial assets acquired	-	
Financial assets disposed	(124,598)	
Fair value movement on investments held at end of period	(545,099)	
Balance at the end of the half-year	1,558,388	

7. Contributed Equity

	31 December 2019 $	30 June 2019 $
Share capital		
Ordinary fully paid shares	8,273,886	7,255,254

	Number	$
Balance at the beginning of the half-year	34,994,775	7,255,254
Issue of shares under Entitlement Offer net of costs	3,499,478	1,018,632
Balance at the end of the half-year	38,494,253	8,273,886

During the period the Company issued 3,499,478 fully paid ordinary shares at $0.30 per share for a total of $1,018,632 net of issue costs.

8. Contingencies and Commitments

Tenement Subject to Option

There has been no change in contingent liabilities, contingent assets or commitments since the last annual reporting date, 30 June 2019.

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 2019				
Financial assets at fair value through profit and loss	1,558,388	-	-	1,558,388
Total as at 31 December 2019	1,558,388	-	-	1,558,388
30 June 2019				
Financial assets at fair value through profit and loss	2,228,085	-	-	2,228,085
Total as at 30 June 2019	2,228,085	-	-	2,228,085

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 2019 (31 December 2018: nil).

11. Related Party Transactions

The following options held by Mr Pip Darvall (former director) were cancelled on 31 December 2019 following his resignation from the Company.

Number of Options	Exercise Price	Expiry	Related Option Expense Reversal
1,500,000	$0.60	30 June 2022	$81,044

12. 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.

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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 2019, 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 then ended, and notes comprising a statement of 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 half-year financial report of the Group is not in accordance with the Corporations Act 2001 including:

(i) Giving a true and fair view of the Group's financial position as at 31 December 2019 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.

Directors' responsibility for the Half-Year 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 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 Group's financial position as at 31 December 2019 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. As the auditor of the Group, 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 the Group, would be in the same terms if given to the directors as at the time of this auditor's review report.

BDO Audit (WA) Pty Ltd

BDO

Phillip Murdoch

Director

Perth, 24 February 2020