

# JINDALEE

Resources Limited  
ABN 52 064 121 133

## QUARTERLY REPORT TO SHAREHOLDERS

for the three months  
ended 31 December 2014.

### ASX Code - JRL

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

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



## HIGHLIGHTS

- \* Infill drilling at Yilgangi returns a best intersection of 17m at 1.66g/t gold<sup>1</sup>.
- \* Jindalee remains well positioned to capitalise on opportunities becoming available as the resources downturn continues.

## FINANCIAL

- \* The Company has a total of 34.8 million shares on issue
- \* At 31 December 2014 Jindalee had no debt and held cash and shares worth \$7.1M before tax, (equivalent to **\$0.20 per share**).

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

**Lindsay Dudfield**  
Executive Chairman and Managing Director  
30 January 2015

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## **URANIUM**

### **Energy Metals** (Jindalee 6.7% of issued capital)

Jindalee holds approximately 14 million Energy Metals shares, giving shareholders continued exposure to the development of the Bigrlyi uranium-vanadium deposit and the potential of Energy Metals' other uranium projects.

Energy Metals (ASX Code: EME) controls 8 projects (total area >4,000 km<sup>2</sup>) located in the Ngalia Basin in the Northern Territory (NT) and in Western Australia (WA), with the majority of projects containing uranium mineralization or defined resources. Exploration has largely been concentrated on the main Bigrlyi Project in NT (53.3% owned by Energy Metals), where significant uranium resources have been defined and a prefeasibility study completed. More recently, increasing attention has been turned to other wholly-owned prospects in the region, where there is demonstrated potential to define additional Bigrlyi-style resources.

There were no significant announcements over the quarter.

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

## **GOLD**

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

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

Renaissance's efforts at Yilgangi are focused on the advanced Hobbes prospect, where previous drilling by Newcrest established a more than three kilometre-long zone of gold anomalism.

Subsequent to the end of the quarter, Renaissance announced the results from two RC drill holes drilled late last year on an intermediate 50m section, located between two previous drill lines that had returned significant gold intersections from basement rocks. These two holes were designed to target the potential for the development of higher grade bedrock shoots at an interpreted intersection between the prevailing northwesterly-trending stratigraphy and an inferred cross structure.

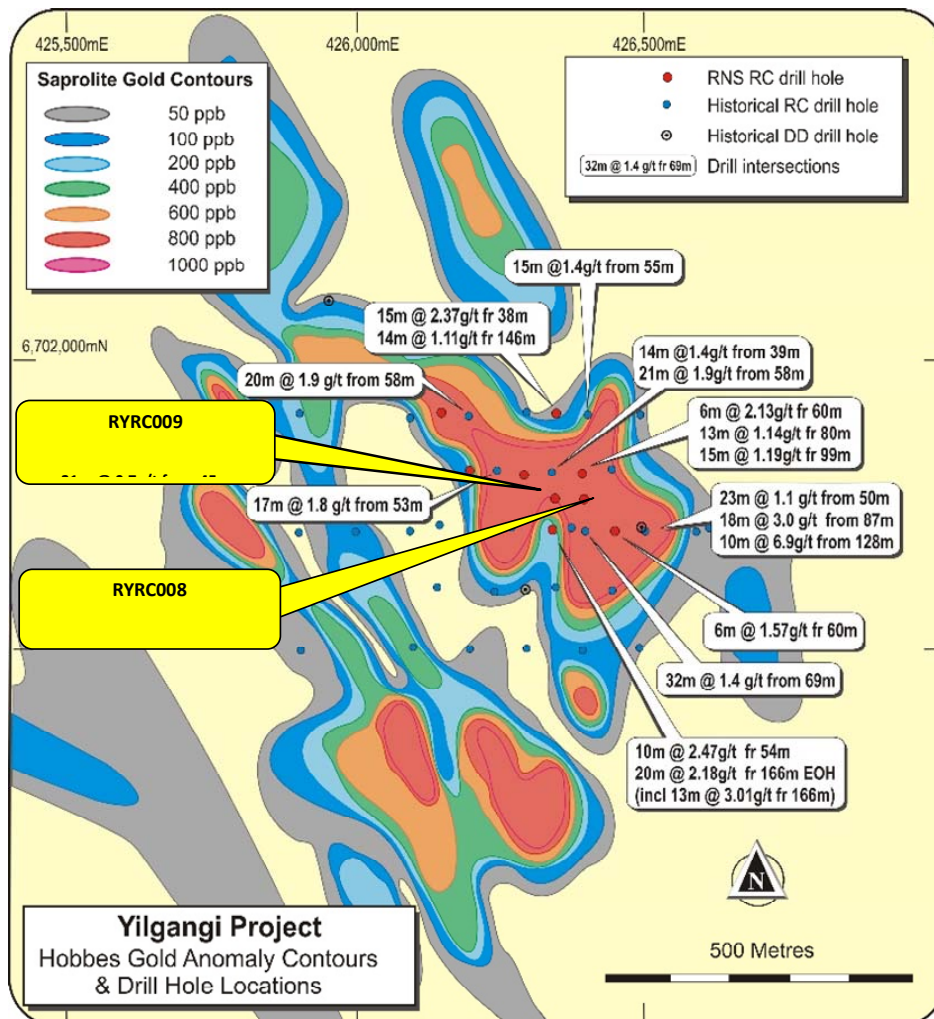
Significant results from the two drillholes, as released by Renaissance <sup>1</sup> include:

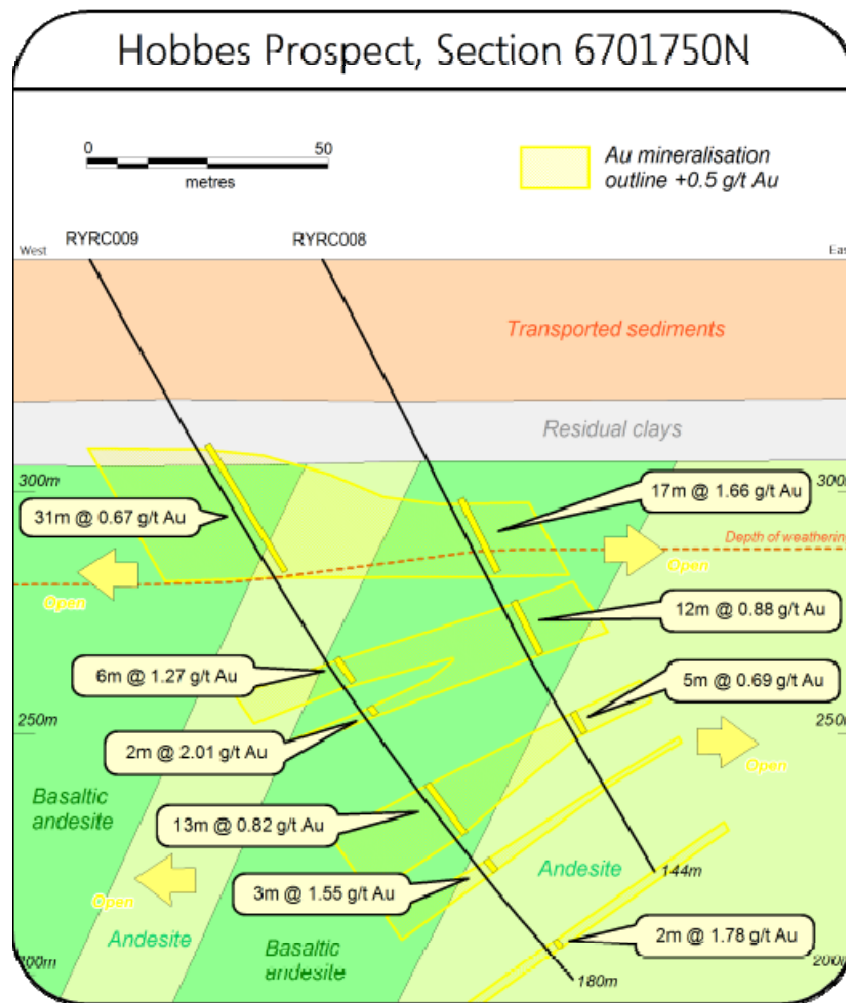
- 17m @ 1.7g/t gold from 57m (RYRC008);
- 12m @ 0.9g/t gold from 81m (RYRC008);
- 31m @ 0.7g/t gold from 45m (RYRC009); and
- 13m @ 0.8g/t gold from 129m (RYRC009)

The results support the continuity of the broad zones of highly anomalous gold mineralization, intersected on the adjacent drill sections. A summary drill table and accompanying plan and cross section, provided by Renaissance and as contained in their initial ASX release<sup>1</sup> are reproduced below:

**Table 1. Yilgangi Project - RC Drilling Results**

Hole Name	Easting	Northing	RL	Azi	Dip	End Depth (m)	Intersection			Gold (g/t)
							From (m)	To (m)	Interval (m)	
RYRC008	406402	6701751	348	90	-60	144	57	74	<b>17</b>	<b>1.66</b>
							81	93	<b>12</b>	<b>0.88</b>
							107	112	5	0.69
RYRC009	426354	6701748	348	90	-60	180	45	76	<b>31</b>	<b>0.67</b>
							97	103	6	1.27
							109	111	2	2.01
							129	142	<b>13</b>	<b>0.82</b>
							149	152	3	1.55
							171	173	2	1.78





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

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

Alchemy’s Bryah Basin copper project is located to the west of Sandfire Resources’ Doolgunna project and covers the extensions of the Narracoota Volcanics, the unit which hosts Sandfire’s high grade DeGrussa copper-gold mine. Independence Group, a well-regarded and successful nickel, base metal and gold producer and explorer is farming into Alchemy’s base metal-prospective Bryah Basin tenements, committing to spend a minimum of \$6.5M over a six year period in order to earn an 80% interest, with Alchemy then free-carried to completion of a Pre-Feasibility Study and interest-free carried for a further \$5M thereafter. Geophysical surveys and shallow geochemical drilling are being employed by Independence to prioritise target areas for deeper bedrock testing.

The agreement with Independence Group does not include Alchemy’s gold prospective tenements, where Alchemy retains 80-100% interest. Alchemy has already defined indicated gold resources totalling over 300,000oz at the Hermes and Wilgeena gold prospects<sup>2</sup>. In addition, the project retains a number of other advanced gold prospects and numerous new target zones, defined from shallow geochemical exploration programs completed during the previous quarters.

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

**Cardinia JV**                      **(Jindalee 11% free carried)**

Jindalee holds an 11% interest in a group of tenements at Cardinia, located 30 kilometres east of Leonora. The joint venture project forms part of Kin Mining NL's recently acquired and extensive Leonora Gold Project holdings. Jindalee's interest in the Cardinia joint venture ground is free-carried to completion of a Bankable Feasibility Study.

**IRON ORE**

**Joyners**                              **(Jindalee 20% free carried)**

The Joyners project is a joint venture with GWR Group Limited (formerly Golden West Resources Limited) and forms a part of GWR's much larger Wiluna West project. GWR has earned an 80% interest in the joint venture tenements with Jindalee maintaining a 20% equity position, free-carried through to completion of a Bankable Feasibility Study. The joint venture tenements contain indicated and inferred iron oxide resources (Joyners North) estimated to total 7.2 million tonnes at 63% iron<sup>3,4</sup>.

No exploration was undertaken on the joint venture project tenements over the quarter.

**CORPORATE**

Jindalee's AGM was held on 26 November 2014. Proxies were received for approximately 20.9M shares (60% of issued capital) and were overwhelmingly in favour of all resolutions. The Company thanks Shareholders for their attendance at the meeting and for their ongoing support.

At 31 December 2014 Jindalee held liquid assets (cash and shares) worth approximately \$7.1M, including \$5M in cash. These assets, combined with our tight capital structure (34.8M shares on issue), provide a strong base for leverage into new opportunities.

The acquisition of projects with the potential to transform the Company continues to be our ongoing primary focus. Throughout the quarter, further advanced project opportunities, situated both within Australia and in mining friendly overseas countries were examined, but none passed Jindalee's strict investment criteria. The ongoing deterioration in the resources sector has yielded a significant improvement in the quality of projects becoming available, further increasing the prospect of acquiring a meaningful project on favourable terms in the near future.

**Additional Information:**

Tenement Schedule

<b>Project</b>	<b>Tenement Reference</b>	<b>Interest at beginning of Qtr</b>	<b>Acquired/ Disposed</b>	<b>Interest at end of Qtr</b>
Joyners	M53/1078-I	20%	N/A	20%
	E53/1089-I	20%	N/A	20%
Cardinia	P37/7274	11%	N/A	11%
	P37/7275	11%	N/A	11%
	P37/7276	11%	N/A	11%
	M37/646	11%	N/A	11%
Yilgangi	E31/597	20%	N/A	20%
Mt Josephine	ELA80/4853*	100%	N/A	100%

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

Notes:

- 1 Reference: ASX announcement by Renaissance Minerals Limited dated 27th January 2015 titled, "Gold Discovery at Providence Prospect, Pinjin Project, Western Australia". The reader is referred to the Renaissance announcement for the supporting information accompanying the publication of these results. Jindalee Resources confirms that the form and context in which the relevant Competent Person's findings are presented have not been materially modified.
- 2 Reference: ASX announcement by Alchemy Resources dated 22<sup>nd</sup> October 2012 titled, "Bryah Basin gold resource update".
- 3 Reference: ASX Announcement by Golden West Resources dated 18th July 2011 titled, "Wiluna West Hematite Project Iron Resource Update".
- 4 In relation to the Statement of Mineral Resources provided for the Joyners Joint Venture project, Jindalee Resources is not aware of any new information that materially affects the information included in this report and that all material assumptions and technical parameters, underpinning the estimate, completed in accordance with the provisions of the 2004 version of the JORC code, and as documented in GWR's original market announcement and any subsequent disclosures, continue to apply and have not materially changed. Furthermore, Jindalee confirms that the form and context in which the relevant Competent Person's findings are presented have not been materially modified.

Competent Person Statement

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Terrence Peachey, who is an employee of the Company and is a member of the Australian Institute of Geoscientists. Mr Peachey has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activity, which he is undertaking, to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves.' Mr Peachey consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Forward-Looking Statements

This document may 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.