

The logo for Jindalee Resources Limited features a large, stylized letter 'J' in red. The 'J' has three horizontal white bars near its top. To the right of the 'J', the word 'INDALEE' is written in a black, sans-serif, all-caps font. Below the company name, the words 'RESOURCES LIMITED' are written in a smaller, bold, black, sans-serif, all-caps font.

**JINDALEE**  
**RESOURCES LIMITED**

ACN 064 121 133

**Half Yearly Financial Report**

**31 December 2008**

## CORPORATE DIRECTORY

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### DIRECTORS

Mark Richard Scott  
*Non-Executive Chairman*

Lindsay George Dudfield  
*Managing Director*

Patricia Anne Farr  
*Non-Executive Director*

### REGISTERED OFFICE

Level 2, 18 Kings Park Road  
WEST PERTH WA 6005

### POSTAL ADDRESS

PO Box 1033  
WEST PERTH WA 6872

### SOLICITORS

Blakiston & Crabb  
1202 Hay Street  
WEST PERTH WA 6005

### SHARE REGISTRY

Advanced Share Registry Pty Ltd  
Unit 2, 150 Stirling Highway  
NEDLANDS WA 6009  
Telephone: + 61 8 9389 8033  
Facsimile: + 61 8 9389 7871

### CONTACT DETAILS

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

Email [enquiry@jindalee.net](mailto:enquiry@jindalee.net)

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

### COMPANY SECRETARY

Ross Gregory Ledger

### STOCK EXCHANGE LISTING

Australian Stock Exchange Limited  
ASX Code : **JRL**

### AUDITORS

BDO Kendalls Audit and Assurance (WA)  
Pty Ltd  
128 Hay Street  
SUBIACO WA 6008

### BANKERS

National Australia Bank Limited  
50 St Georges Terrace  
PERTH WA 6000

## **THE DIRECTORS' REPORT**

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Your Directors present their report on 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 2008.

### **DIRECTORS**

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

Mark Scott (61) *MSc, MComm (Hons)*

Lindsay Dudfield (52) *B.Sc.*

Patricia Farr (37) *GradCertProfAcc* – appointed 29/08/2008

Donald Ross Kennedy (69) *B.Sc.(Hons)* – resigned 01/09/2008

### **REVIEW OF OPERATIONS**

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

The Consolidated Entity incurred an operating loss after income tax of \$918,802 (2007: loss of \$82,423).

At 31 December 2008 Jindalee held 39.9% of the issued capital of Energy Metals Limited with one Jindalee Director also on the Board of Energy Metals Limited. This means Jindalee is considered to control Energy Metals Limited and, as a result current accounting standards require that Energy Metals' accounts are consolidated with those of Jindalee.

Your Directors are concerned that the Consolidated Accounts may give shareholders an incorrect impression of Jindalee's true financial position. At 31 December 2008 Jindalee had no debt and held shares in investee companies (including Energy Metals) worth approximately \$20M (equivalent to \$0.64 per share or \$0.62 fully diluted). Jindalee combines a diverse portfolio of attractive exploration projects with a strong balance sheet and is well placed to take advantage of opportunities identified by the Company.

**AUDITOR'S INDEPENDENCE DECLARATION**

A copy of the auditors' independence declaration as required by section 307C of the Corporations Act 2001 is set out on page 10 to 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:

A handwritten signature in black ink, appearing to read 'Lindsay Dudgeon'.

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LINDSAY DUDFIELD  
Managing Director

PERTH

10 March 2009

## DIRECTORS' DECLARATION

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In the Directors' opinion:

- a) The financial statements, and notes set out on pages 5 to 9, are in accordance with the Corporations Act 2001, including:
  - i) complying with Accounting Standard AASB 134 Interim Financial Reporting, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
  - ii) giving a true and fair view of the consolidated entity's financial position as at 31 December 2008 and of its performance, as represented by the results of its operations, changes in equity and its cash flows, for the half year ended on that date; and
- b) There are reasonable grounds to believe that the Company 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:



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LINDSAY DUDFIELD  
Managing Director

PERTH

10 March 2009

**BALANCE SHEET**  
 As at 31 December 2008

	<i>Consolidated</i>	
	<b>31 December 2008</b>	<b>30 June 2008</b>
	\$	\$
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	6,362,961	6,327,360
Trade and other receivables	246,503	2,144,848
Available for sale financial assets	4 797,740	1,444,265
<b>TOTAL CURRENT ASSETS</b>	<b>7,407,204</b>	<b>9,916,473</b>
<b>NON CURRENT ASSETS</b>		
Property, plant & equipment	425,239	428,500
Exploration and evaluation expenditure	10,564,840	8,621,943
<b>TOTAL NON CURRENT ASSETS</b>	<b>10,990,079</b>	<b>9,050,443</b>
<b>TOTAL ASSETS</b>	<b>18,397,283</b>	<b>18,966,916</b>
<b>CURRENT LIABILITIES</b>		
Trade and other payables	34,157	94,517
Provision	17,220	-
<b>TOTAL CURRENT LIABILITIES</b>	<b>51,377</b>	<b>94,517</b>
Non-current liabilities bond	-	10,000
<b>TOTAL LIABILITIES</b>	<b>51,377</b>	<b>104,517</b>
<b>NET ASSETS</b>	<b>18,345,906</b>	<b>18,862,399</b>
<b>EQUITY</b>		
Contributed equity	6,052,253	6,052,253
Accumulated losses	(3,579,776)	(2,619,540)
Minority interest	9,894,051	9,533,779
Reserves	5,979,378	5,895,907
<b>TOTAL EQUITY</b>	<b>18,345,906</b>	<b>18,862,399</b>

The above consolidated balance sheet should be read in conjunction with the accompanying notes.

## INCOME STATEMENT

For the half-year ended 31 December 2008

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	<i>Consolidated</i>	
	31 December 2008	31 December 2007
	\$	\$
Revenue from continuing operations	922,006	1,063,419
Other income	4,232	-
Depreciation expenses	(39,858)	(29,034)
Corporate regulatory expenses	(159,565)	(180,244)
Employee benefits expenses	(214,085)	(328,051)
Exploration expenditure written off	(281,474)	(79,733)
Impairment of available for sale financial assets	(528,824)	-
Administration expenses	(621,234)	(528,780)
	<hr/>	<hr/>
<b>Loss before income tax</b>	(918,802)	(82,423)
Income tax expense	-	-
	<hr/>	<hr/>
<b>Loss for the half-year</b>	(918,802)	(82,423)
Profit/(loss) attributable to minority interest	41,434	(50,560)
	<hr/>	<hr/>
<b>Loss attributable to members of the parent entity</b>	<b>(960,236)</b>	<b>(132,983)</b>
Basic earnings/(loss) per share (cents)	(2.8)	(0.42)
Diluted earnings/(loss) per share (cents)	(2.8)	(0.42)

The above consolidated income statement should be read in conjunction with the accompanying notes.

## CONSOLIDATED CASH FLOW STATEMENT

For the half-year ended 31 December 2008

	<i>Consolidated</i>	
	31 December 2008	31 December 2007
	\$	\$
<b>Cash flows from operating activities</b>		
Receipts in the course of operations	694,008	1,440,154
Payments in the course of operations	(920,901)	(1,202,650)
Interest received	227,320	196,131
	427	433,635
<b>Cash flows from investing activities</b>		
Payments for property, plant & equipment	(32,521)	(121,520)
Payments for exploration, evaluation & development expenditure	(2,243,559)	(3,523,076)
(Payment for)/proceeds from sale of available for sale financial assets	(279)	(195,887)
	(2,276,359)	(3,840,483)
<b>Cash flows from financing activities</b>		
Proceeds from issue of shares net of costs	2,311,533	3,268,086
	2,311,533	3,268,086
<b>Net decrease in cash and cash equivalents held</b>	<b>35,601</b>	<b>(138,762)</b>
Cash and cash equivalents at the beginning of reporting period	6,327,360	7,218,900
	<b>6,362,961</b>	<b>7,080,138</b>

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



## CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For the half-year ended 31 December 2008

	<i>Consolidated</i>	
	31 December 2008	31 December 2007
	\$	\$
<b>Total equity at the beginning of the half-year</b>	18,862,399	14,086,724
Revaluation of investments	(136,354)	1,100,000
<b>Net income recognised directly in equity:</b>	(136,354)	1,100,000
Loss for the period	(960,236)	(82,423)
<b>Total recognised income and expense for the year</b>	(1,096,590)	1,017,577
<b>Transactions with equity holders in their capacity as equity holders:</b>		
Minority interest on acquisition of additional share of subsidiary	360,273	3,307,048
Gain/(loss) on increase of investment in subsidiary	219,824	(38,962)
Contributions by Minority Interest in subsidiary	580,097	3,268,086
<b>Total equity at the end of the half year</b>	18,345,906	18,372,387
<b>Total recognised income and expense for the half year is attributable to:</b>		
Members of Jindalee Resources Ltd	(960,236)	(132,983)
Minority Interests	41,434	50,560
	(918,802)	(82,423)

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

## 1. Significant Accounting policies

### Basis of preparation of the half-year report

This general purpose financial report for the interim half-year reporting period ended 31 December 2008 has been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the Corporations Act 2001.

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2008 and any public announcements made by Jindalee Resources Limited during the interim reporting period in accordance with continuous disclosure requirements of the Corporations Act 2001.

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

## 2. Segment Information

The Group only operates in one industry, the mining exploration and prospecting industry, and in one geographical area, Australia.

## 3. Contributed Equity

There were no movements in the ordinary share capital of the company in the current reporting period.

## 4. Available for Sale Financial Asset

	31 December 2008	31 December 2007
	\$	\$
Opening balance	1,444,265	829,149
Impairment loss	(528,824)	-
Revaluation reserve	(136,354)	1,100,000
Additions	18,653	117,505
	797,740	2,046,654

The impairment loss on available for sale financial assets is due to a significant and prolonged decline in the nature of the individual asset as per AASB 139 paragraph 61.

## 5. Dividends

No dividends have been paid or declared and no dividends have been recommended by the Directors.

## 6. Contingencies and Commitments

There has been no change in contingent liabilities, contingent assets or commitments since the last annual reporting date, 30 June 2008.

## 7. Events Occurring After Balance Date

There are no events subsequent to the end of the financial period that would have a material effect on these financial statements.

10 March 2009

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

Dear Sirs

**DECLARATION OF INDEPENDENCE BY CHRIS BURTON TO THE DIRECTORS OF JINDALEE RESOURCES LIMITED**

As lead auditor of Jindalee Resources Limited for the half year ended 31 December 2008, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- 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.



**Chris Burton**  
Director



**BDO Kendalls Audit & Assurance (WA) Pty Ltd**  
Perth, Western Australia.



## INDEPENDENT AUDITOR'S REVIEW REPORT

ABN 79 112 284 787

To the members of Jindalee Resources Limited

### Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Jindalee Resources Limited, which comprises the balance sheet as at 31 December 2008, and the income statement, statement of changes in equity and cash flow statement for the half-year ended on that date, a statement of accounting policies, other selected explanatory notes and the directors' declaration of the consolidated entity comprising the disclosing entity and the entities it controlled at the half-year end or from time to time during the half-year.

#### *Directors' Responsibility for the Half-Year Financial Report*

The directors of the consolidated entity are responsible for the preparation and fair presentation of the half-year financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the half-year financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

#### *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 Interim and Other Financial Reports 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 financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2008 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Jindalee Resources Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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

*Independence*

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

*Conclusion*

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

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2008 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and Corporations Regulations 2001.

**BDO Kendalls Audit and Assurance (WA) Pty Ltd**

BDO Kendalls



**Chris Burton**

Director

Perth, Western Australia on 10 March 2008