



**RESOURCES LIMITED**

ACN 064 121 133

**Half-Year Financial Report**

**31 December 2014**

## CORPORATE DIRECTORY

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### DIRECTORS

Lindsay Dudfield  
*Executive Chairman & Managing Director*

Justin Mannolini  
*Non-Executive Director*

Patricia Farr  
*Executive Director & Joint Company Secretary*

### 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

### REGISTERED OFFICE

Level 2, 18 Kings Park Road  
WEST PERTH WA 6005

### COMPANY SECRETARY

Ross Gregory Ledger

### POSTAL ADDRESS

PO Box 1033  
WEST PERTH WA 6872

### BANKERS

National Australia Bank Limited  
100 St Georges Terrace  
PERTH WA 6000

### AUDITORS

BDO Audit (WA) Pty Ltd  
38 Station Street  
SUBIACO WA 6008

### SOLICITORS

Kings Park Corporate Lawyers  
Level 2, 45 Richardson Street  
WEST PERTH WA 6005

### SHARE REGISTRY

Advanced Share Registry Pty Ltd  
Unit 2, 110 Stirling Highway  
NEDLANDS WA 6009  
Telephone: + 61 8 9389 8033  
Facsimile: + 61 8 9262 3723

### STOCK EXCHANGE LISTING

Australian Securities Exchange Limited  
ASX Code: **JRL**  
The home exchange is Perth

## **THE DIRECTORS' REPORT**

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Your Directors present the financial report for the Consolidated Entity consisting of Jindalee Resources Limited and the entity it controlled at the end of, or during, the half-year ended 31 December 2014.

### **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:

Lindsay Dudfield *B.Sc.*

Justin Mannolini *B.Com/LL (Hons), LLM (Law).*

Patricia Farr *GradCertProfAcc. GAICD, AGIA.*

### **OPERATIONS AND FINANCIAL REVIEW**

The principal activity of the Consolidated Entity is mineral exploration. The Group holds interests in tenements in Western Australia prospective for gold, base metals and iron ore through joint ventures, with the Group's interests mostly free carried to completion of a Bankable Feasibility Study. The Group also has indirect interests in uranium, gold and base metals through investee companies.

In line with the Group's business strategy, during the period management also evaluated numerous advanced projects in both Australia and overseas, with a view to securing an opportunity capable of growing the Group and creating wealth for shareholders. The acquisition of a transforming project continues to be our primary focus.

The Consolidated Entity incurred an operating loss after income tax for the half year ended 31 December 2014 of \$316,056 (half year ended 31 December 2013: operating loss after income tax of \$235,709). The Directors believe the Group is in a strong financial position to continue its exploration endeavours.

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 12 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:



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LINDSAY DUDFIELD  
Executive Chairman/Managing Director  
PERTH  
24 February 2015

## DIRECTORS' DECLARATION

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In the opinion of the Directors of Jindalee Resources Limited:

- a) the financial statements, and notes set out on pages 4 to 11, 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 2014 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:



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LINDSAY DUDFIELD  
Executive Chairman/Managing Director

PERTH  
24 February 2015

## Consolidated Statement of Profit or Loss and Other Comprehensive Income

### For the half-year ended 31 December 2014

	Notes	Consolidated Entity	
		31 December 2014 \$	31 December 2013 \$
Revenue from continuing operations		90,653	109,483
Exploration expenditure		(99,422)	(126,015)
Depreciation expenses		(4,561)	(5,785)
Corporate regulatory expenses		(36,292)	(45,812)
Employee benefits expenses		(93,828)	(117,930)
Share-based payments	8	(34,524)	(35,000)
Tenancy and operating		(43,940)	(45,269)
Administration expenses		(94,142)	(61,962)
<b>Loss before income tax</b>		<b>(316,056)</b>	<b>(328,290)</b>
Income tax benefit		-	92,581
<b>Loss for the half-year after tax</b>		<b>(316,056)</b>	<b>(235,709)</b>
<b>Other comprehensive income</b>			
<i>Items that may be reclassified to profit or loss:</i>			
Revaluation of investments taken to equity		69,803	430,840
<b>Other comprehensive income for the period</b>		<b>69,803</b>	<b>430,840</b>
<b>Total comprehensive (loss)/income for the period</b>		<b>(246,253)</b>	<b>195,131</b>
<b>Loss per share attributable to the members of Jindalee Resources Ltd:</b>			
Basic loss per share (cents per share)	5	(0.91)	(0.68)
Diluted loss per share (cents per share)		(0.91)	(0.68)

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 2014

	Notes	Consolidated Entity	
		31 December 2014 \$	30 June 2014 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents		4,975,556	5,252,718
Trade and other receivables		40,854	45,475
<b>TOTAL CURRENT ASSETS</b>		<b>5,016,410</b>	<b>5,298,193</b>
<b>NON CURRENT ASSETS</b>			
Available for sale financial assets	3	2,096,065	2,026,262
Property, plant and equipment		22,927	27,488
Exploration and evaluation expenditure		165,424	162,899
<b>TOTAL NON CURRENT ASSETS</b>		<b>2,284,416</b>	<b>2,216,649</b>
<b>TOTAL ASSETS</b>		<b>7,300,826</b>	<b>7,514,842</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables		13,551	21,501
Dividend payable		87,903	87,903
Provision for annual leave		22,495	14,294
<b>TOTAL CURRENT LIABILITIES</b>		<b>123,949</b>	<b>123,698</b>
<b>NON CURRENT LIABILITIES</b>			
Provision for long service leave		3,692	6,231
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>3,692</b>	<b>6,231</b>
<b>TOTAL LIABILITIES</b>		<b>127,641</b>	<b>129,929</b>
<b>NET ASSETS</b>		<b>7,173,185</b>	<b>7,384,913</b>
<b>EQUITY</b>			
Contributed equity	4	7,207,254	7,207,254
Accumulated losses		(2,073,646)	(1,757,591)
Reserves		2,039,577	1,935,250
<b>TOTAL EQUITY</b>		<b>7,173,185</b>	<b>7,384,913</b>

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 2014

	<i>Consolidated Entity</i>	
	<b>31 December 2014</b>	<b>31 December 2013</b>
	\$	\$
<b>Cash flows from operating activities</b>		
Payments in the course of operations	(269,554)	(278,441)
Payments for exploration, evaluation and development expenditure	(99,422)	(127,140)
Interest received	94,339	93,221
<b>Net cash outflow from operating activities</b>	<u>(274,637)</u>	<u>(312,360)</u>
<b>Cash flows from investing activities</b>		
Payments for property, plant and equipment	(2,525)	(1,906)
<b>Net cash outflow from investing activities</b>	<u>(2,525)</u>	<u>(1,906)</u>
<b>Net decrease in cash and cash equivalents held</b>	(277,162)	(314,266)
Cash and cash equivalents at the beginning of reporting period	5,252,718	5,755,241
<b>Cash and cash equivalents at the end of reporting period</b>	<u>4,975,556</u>	<u>5,440,975</u>

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 2014

	Contributed equity	Share-based payment reserve	Available for sale investments revaluation reserve	Accumulated losses	Total equity
	\$	\$	\$	\$	\$
At 1 July 2014	7,207,254	1,935,250	-	(1,757,591)	7,384,913
<i>Total comprehensive income for the half-year:</i>					
Loss for the half-year	-	-	-	(316,056)	(316,056)
<i>Other comprehensive income:</i>					
Revaluation of investments (net of tax)	-	-	69,803	-	69,803
Total comprehensive income /(loss) for the half-year	-	-	69,803	(316,056)	(246,253)
<i>Transactions with owners in their capacity as owners:</i>					
Share-based payments	-	34,524	-	-	34,524
<b>At 31 December 2014</b>	<b>7,207,254</b>	<b>1,969,774</b>	<b>69,803</b>	<b>(2,073,646)</b>	<b>7,173,185</b>
At 1 July 2013	7,207,254	1,900,250	-	(164,181)	8,943,323
<i>Total comprehensive income for the half-year:</i>					
Loss for the half-year	-	-	-	(235,709)	(235,709)
<i>Other comprehensive income:</i>					
Revaluation of investments (net of tax)	-	-	430,840	-	430,840
Total comprehensive income /(loss) for the half-year	-	-	430,840	(235,709)	195,131
<i>Transactions with owners in their capacity as owners:</i>					
Share-based payments	-	35,000	-	-	35,000
<b>At 31 December 2013</b>	<b>7,207,254</b>	<b>1,935,250</b>	<b>430,840</b>	<b>(399,890)</b>	<b>9,173,454</b>

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



## Notes to the Consolidated Financial Statements

### For the half-year ended 31 December 2014

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#### 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 2014 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 2014 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.

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.

##### **New or revised Standards and Interpretations that are first effective in the current reporting period**

The Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to their operations and effective for the current reporting period. None of the new and revised standards and interpretations adopted during the period had a material impact nor did they result in any changes to the Group's presentation of, or disclosure in, its half-year financial report.

##### **New Accounting Standards for Application in Future Periods**

There are no new and revised Standards and amendments thereof and Interpretations effective for future reporting periods issued during the current report period that are relevant to the Group.

## Notes to the Consolidated Financial Statements

### For the half-year ended 31 December 2014

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#### 2. Segment Information

Management has determined that the Group has one reportable segment, being mineral exploration in Australia. 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. Available for Sale Financial Assets

	31 December 2014	30 June 2014
	\$	\$
Shares in listed corporations	2,096,065	2,026,262

The fair value of listed available-for-sale investments has been determined directly by reference to published price quotations in an active market.

#### 4. Contributed Equity

There were no movements in the ordinary share capital of the Company in the current or comparative reporting period.

#### 5. Loss Per Share

	31 December 2014	31 December 2013
	\$	\$
Loss used in calculation of earnings per share	(316,056)	(235,709)
Basic loss per share (cents per share)	(0.91)	(0.68)
Diluted loss per share (cents per share)	(0.91)	(0.68)
Weighted average number of ordinary shares used as the denominator in calculating loss per share.	34,794,775	34,794,775

#### 6. Contingencies and Commitments

There has been no change in contingent liabilities, contingent assets or commitments since the last annual reporting date, 30 June 2014.

## Notes to the Consolidated Financial Statements

### For the half-year ended 31 December 2014

#### 7. 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 table following 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 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>31 December 2014</b>				
Available-for-sale financial asset	2,096,065	-	-	2,096,065
<b>Total as at 31 December 2014</b>	<b>2,096,065</b>	<b>-</b>	<b>-</b>	<b>2,096,065</b>
<b>30 June 2014</b>				
Available-for-sale financial asset	2,026,262	-	-	2,026,262
<b>Total as at 30 June 2014</b>	<b>2,026,262</b>	<b>-</b>	<b>-</b>	<b>2,026,262</b>

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

#### 8. Share-Based Payment

Under AASB 2 Share Based Payments, the fair value of options granted to directors, employees and consultants as remuneration must be recognised as an expense on a pro-rata basis over the vesting period in the statement of profit or loss and other comprehensive income with a corresponding adjustment to equity.

##### Fair Value of Share Options and Assumptions

The fair value of services received in return for share options granted to directors, employees and consultants is measured by reference to the fair value of options granted. The estimate of the fair value of the services is measure based on a Black-Scholes option valuation methodology. The life of the options and early exercise option are built into the option model.

The expense in the half-year was \$34,524.

## Notes to the Consolidated Financial Statements

### For the half-year ended 31 December 2014

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The assumptions used for the options valuation are as follows:

Exercise Price	\$0.50
Expected Life	2.6 years
Number Issued	2,100,000
Grant Date	26/11/2014
Share Price at Time of Issue	\$0.16
Expected Volatility	60%
Dividend Yield	0%
Risk Free Interest Rate	2.51%
Option Value	1.644 cents

#### 9. Related Party Transactions

On 26 November 2014, Shareholders approved the granting of 1,000,000 unlisted Director Options to Mr Lindsay Dudfield and 500,000 unlisted Director Options to Mrs Patricia Farr. The options were fully vested at grant date. The fair value of the options issued to Directors was \$24,660.

Note 8 provides details of the assumptions used for the option valuation.

#### 10. Dividends

No dividends have been paid or provided for during the half-year.

#### 11. 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.

DECLARATION OF INDEPENDENCE BY GLYN O'BRIEN TO THE DIRECTORS OF JINDALEE RESOURCES LIMITED

As lead auditor for the review of Jindalee Resources Limited for the half-year ended 31 December 2014, 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 entity it controlled during the period.



Glyn O'Brien

Director

BDO Audit (WA) Pty Ltd

Perth, 24 February 2015

## INDEPENDENT AUDITOR'S REVIEW REPORT

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 consolidated statement of financial position as at 31 December 2014, 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, notes comprising a statement of accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the half-year's end or from time to time during the half-year.

#### 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 consolidated entity's financial position as at 31 December 2014 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*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Jindalee Resources Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.



## 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 2014 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 Audit (WA) Pty Ltd

A handwritten signature in blue ink, appearing to read 'Glyn O'Brien', with the 'BDO' logo written above it.

Glyn O'Brien

Director

Perth, 24 February 2015