

# JINDALEE

Resources Limited  
ABN 52 064 121 133

## QUARTERLY REPORT TO SHAREHOLDERS

for the three months  
ended 30 September 2015.

### 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

- \* Alchemy Resources (ASX: ALY) announces further encouraging base metal anomalism from drilling on Bryah Basin Copper-Gold Project
- \* 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 30 September 2015, Jindalee had no debt and held cash and shares worth \$6.3M (equivalent to **\$0.18 per share**).

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

Lindsay Dudfield  
Executive Chairman and Managing Director  
23 October 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: 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.

No new exploration results were released during 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.

There were no significant developments over the quarter.

### **Alchemy Resources** (Jindalee 7.6% 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 (ASX: IGO), 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.

On 2 October, Alchemy announced preliminary results from IGO's inaugural program of RC and diamond drilling at the Neptune prospect<sup>1</sup>. Although no massive sulphides were intersected, the drilling returned further encouragement in the form of strong alteration and zones of blebby and stringer sulphides containing locally associated bedrock copper and gold anomalism, including a best result of 24m at 1,263ppm copper, based on four-metre composite samples. Downhole electrical geophysics was planned ahead of further drilling.

Alchemy also has a joint venture agreement in place with Northern Star Resources (ASX: NST), under the terms of which NST is responsible for the ongoing exploration of the remaining Gascoyne project tenements, not covered by the pre-existing joint venture with IGO. This joint venture includes a number of existing gold prospects and occurrences, as well as other areas considered prospective for the discovery of further gold deposits.

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 (ASX: KIN) extensive Leonora Gold Project holdings. Jindalee's interest in the Cardinia joint venture ground is free-carried to completion of a Bankable Feasibility Study. No work was reported from the Cardinia joint venture tenements during the period.

## **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 published indicated and inferred iron oxide resources (Joyners North) estimated to total 7.2 million tonnes at 63% iron.<sup>2,3</sup>

There were no significant developments on the joint venture ground over the quarter.

## **CORPORATE**

At 30 June 2015, Jindalee held cash and marketable securities worth approximately \$6.3M. 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 (accounting firm BDO reported that at 30 June 2015 some 43% of ASX juniors had insufficient cash to survive more than two quarters at current burn rates) 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 coming period.

## 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%
Ruth Well	ELA47/3340	100%	N/A	100%
	ELA47/3341	100%	N/A	100%
Jane Well	ELA08/2765*	0%	New application	100%
South Bronzewing	ELA36/0853	0%	New application	100%
Radio Hill	ELA47/3361	0%	New application	100%

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

#### Notes:

1. Reference: ASX Announcement by Alchemy Resources Limited dated 2<sup>nd</sup> October 2015 titled, "Bryah Basin Project Exploration Update".
2. Reference: ASX Announcement by Golden West Resources dated 18th July 2011 titled, "Wiluna West Hematite Project Iron Resource Update".
3. 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.