
JINDALEE ACQUIRES ARIES DIAMOND PIPES

Jindalee Resources Limited (ASX: **JRL**) is pleased to advise that it has applied for an Exploration Licence (E80/5027) covering the Aries kimberlite cluster, including the Aries, Athena, Helena and Persephone diamondiferous kimberlite pipes (“Aries Project”). E80/5027 is an uncontested application owned 100% by Jindalee and is considered highly prospective for gem quality diamonds.

Background

The Aries Project is located in the Kimberley region of Western Australia, approximately 270km east of Derby and 230km west of the Argyle diamond mine (refer Figure 1). The Aries kimberlite pipe was discovered in 1986 by Triad Minerals, in joint venture with Freeport, with subsequent exploration undertaken by companies including Thundelarra, BHP Billiton Minerals and United Kimberley Diamonds (“UKD”).

In 2005 UKD undertook bulk testing on several kimberlite pipes at the Project, recovering a total of 22.5 carats of diamonds from 2,169 tonnes of treated material. UKD noted that “although the diamonds are of gem quality and the pipes are significantly diamondiferous, these kimberlites are not considered to be economic at this time (due to low grade (carats per hundred tonnes) not quality)”. Refer to Appendix 1 for photos of diamonds recovered by UKD from the Project in the 2005 field season¹.

In 2006 UKD changed its name to United Minerals Corporation (ASX: **UMC**) as its emphasis shifted to bulk commodities, primarily bauxite in the Kimberley region and iron ore in the Pilbara, although the company retained a Mining Lease (M80/329) over the Aries kimberlite cluster. United Minerals Corporation subsequently discovered a high grade iron ore deposit abutting BHP’s Area C mining operations. In October 2009 BHP announced a takeover for United Minerals Corporation and M80/329 was surrendered in November 2009.

WA Department of Mines and Petroleum records suggest that negligible work has been undertaken on the Aries Project since November 2009.



Next Steps

The Aries Project covers a number of kimberlite pipes containing gem quality diamonds. Although significant exploration was undertaken in the period from 1986 to 2005 Jindalee believes that there is very good potential to find additional diamondiferous pipes and alluvial diamond deposits in the area. Jindalee has commenced compiling the historical data and looks forward to commencing work as soon as E80/5027 is granted.

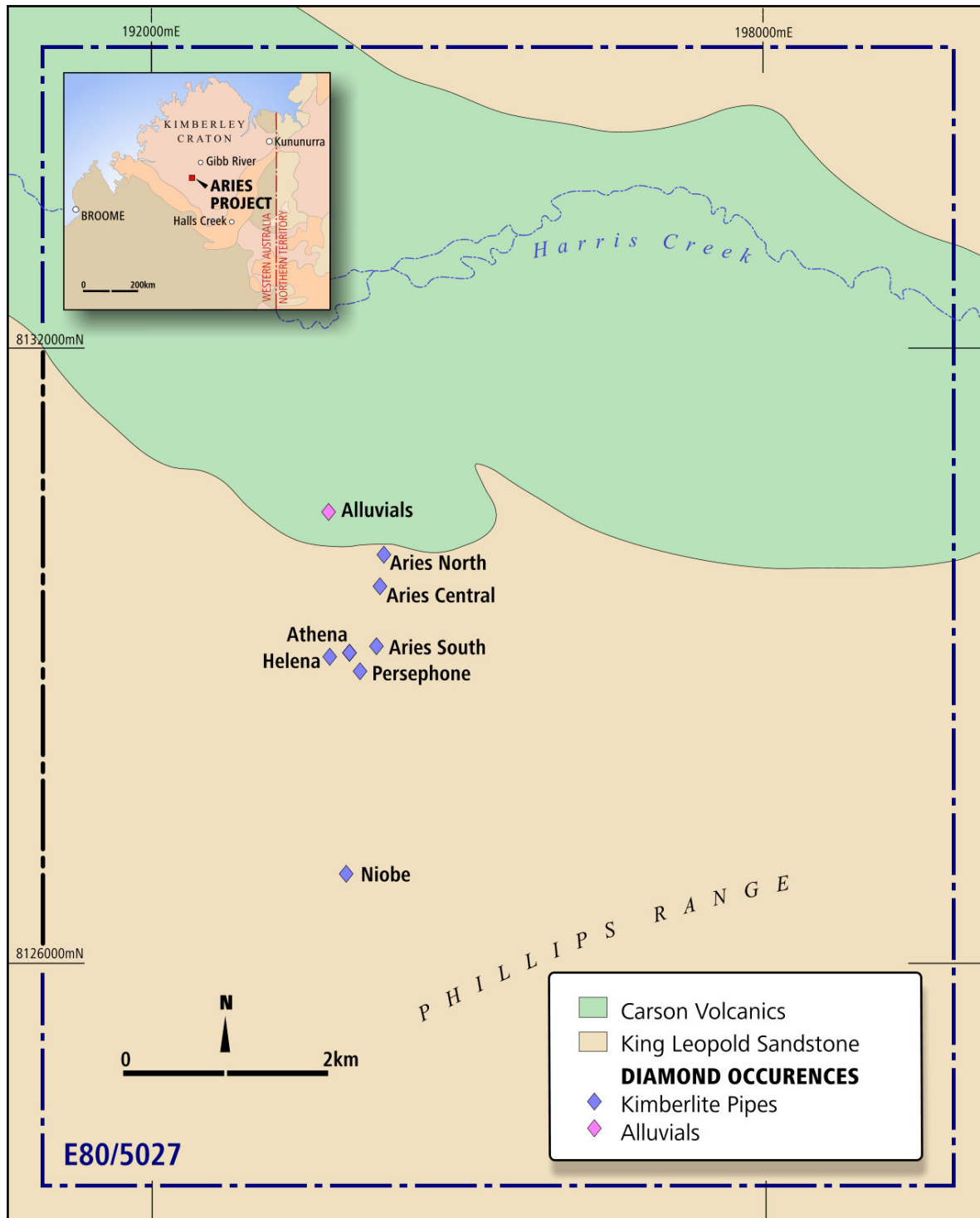


Figure 1 – Plan showing location of Aries Project

For further information about the Company please visit www.jindalee.net or contact:

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About Jindalee

Jindalee Resources Limited (ASX: JRL) is an exploration company with direct and indirect exposure to gold, iron ore, base metals, uranium, magnesite and diamonds through projects generated by the Company's technical team and consultants. Directors and management combine approximately 100 years of technical and commercial experience, and are significant shareholders in the Company. Jindalee has a track record of rewarding shareholders, including priority entitlements to several successful IPO's. Jindalee also paid shareholders a \$0.55 fully franked special dividend in July 2010.

Jindalee's main focus is to create wealth for shareholders through the acquisition of high quality projects. At 31 March 2016 Jindalee held cash and marketable securities worth \$6.4M which, combined with the Company's tight capital structure (only 34.9M shares on issue), provide a strong base for leverage into new opportunities.

Further information on the Company can be found at our website: www.jindalee.net

Notes: 1. Reference: ASX Announcement by United Kimberley Diamonds NL dated 27 October 2005 titled "Quarterly Report, First Quarter, Period Ending 30 September 2005"

Competent Persons Statement:

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled or reviewed by Mr Terrence Peachey and Mr Lindsay Dudfield. Mr Peachey is an employee of the Company and Mr Dudfield is a consultant to the Company. Mr Peachey is a Member of the Australian Institute of Geoscientists and Mr Dudfield is a Member of the Australasian Institute of Mining and Metallurgy and a Member of the Australian Institute of Geoscientists. Both Mr Peachey and Mr Dudfield have sufficient experience of relevance to the styles of mineralisation and types of deposit under consideration and to the activities undertaken, to each qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves. Both Mr Peachey and Mr Dudfield consent to the inclusion in the report of the matters based on their information in the form and context in which it appears.

Forward-Looking Statements:

This announcement contains certain forward-looking statements. These forward-looking statements are not historical facts but rather are based on Jindalee's current expectations, estimates and projections about the industry in which Jindalee operates and beliefs and assumptions regarding Jindalee's future performance. Words such as "anticipates", "expects", "intends", "plans", "believes", "seeks", "estimates", "potential" and similar expressions are intended to identify forward-looking statements. These statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties and other factors, some of which are beyond the control of Jindalee, are difficult to predict and could cause actual results to differ materially from those expressed or forecasted in the forward-looking statements. Jindalee cautions shareholders and prospective shareholders not to place undue reliance on these forward-looking statements, which reflect the view of Jindalee only as of the date of this announcement. The forward-looking statements made in this release relate only to events as of the date on which the statements are made. Jindalee will not undertake any obligation to release publicly any revisions or updates to these forward-looking statements to reflect events, circumstances or unanticipated events occurring after the date of this announcement except as required by law or by any appropriate regulatory authority.

Appendix 1 – Photos of diamonds recovered from the Project in 2005¹



Athena – Total of 13.78 carats. Largest diamond 0.79 carats



Persephone – Total of 5.16 carats. Largest diamond 0.67 carats



Helena, Aries North and Aries Central – Total of 3.57 carats. Largest diamond 1.25 carats