Jindalee Resources Ltd
ABN 52 064 121 133
Level 1
3 Ord Street
West Perth WA 6005
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Western Australia
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JINDALEE

27 October 2003

Company Announcements Office
Australian Stock Exchange
Level 4, 20 Bridge Street
SYDNEY NSW 2000

Electronic Lodgement

Dear Sir/Madam,

We confirm the Jindalee Resources Limited 2003 Annual Report together with Notice of Annual General Meeting and Proxy Form will be dispatched to shareholders today.

Yours faithfully,

LINDSAY DUDFIELD
Managing Director.

JINDALEE RESOURCES LIMITED

A.B.N. 52 064 121 133

JINDALEE
Resources Limited

ANNUAL REPORT 2003

CONTENTS

CORPORATE DETAILS.

DIRECTORS

Donald Ross Kennedy
(Chairman)

Lindsay George Dudfield
(Managing Director)

Mark Richard Scott
(Non-Executive Director)

COMPANY SECRETARY

Ross Gregory Ledger

REGISTERED OFFICE

Level 1

3 Ord Street

West Perth WA 6005

PO Box 1033

West Perth WA 6872

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AUDITOR

Horwath Perth

128 Hay Street

Subiaco WA 6008

SHARE REGISTRY

Advanced Share Registry Pty Ltd

Level 7, 200 Adelaide Terrace

Perth WA 6000

Telephone: 61 8 9221 7288

Facsimile: 61 8 9221 7869

BANKERS

National Australia Bank Limited

50 St Georges Terrace

Perth WA 6000

STOCK EXCHANGE LISTING

The Company's shares are listed by

the Australian Stock Exchange Limited - Code **JRL**

The home exchange is Perth.

Dear Fellow Shareholder

I am delighted to present the 2003 Annual Report, our first report to shareholders since listing on the Australian Stock Exchange in July 2002.

During this period Jindalee substantially increased its portfolio of 100% owned gold exploration properties and applied for exciting nickel projects, including Mt Gibb and West Musgraves. Management also evaluated a number of advanced projects with the potential to provide early cash flow and will continue to appraise suitable opportunities to grow the Company.

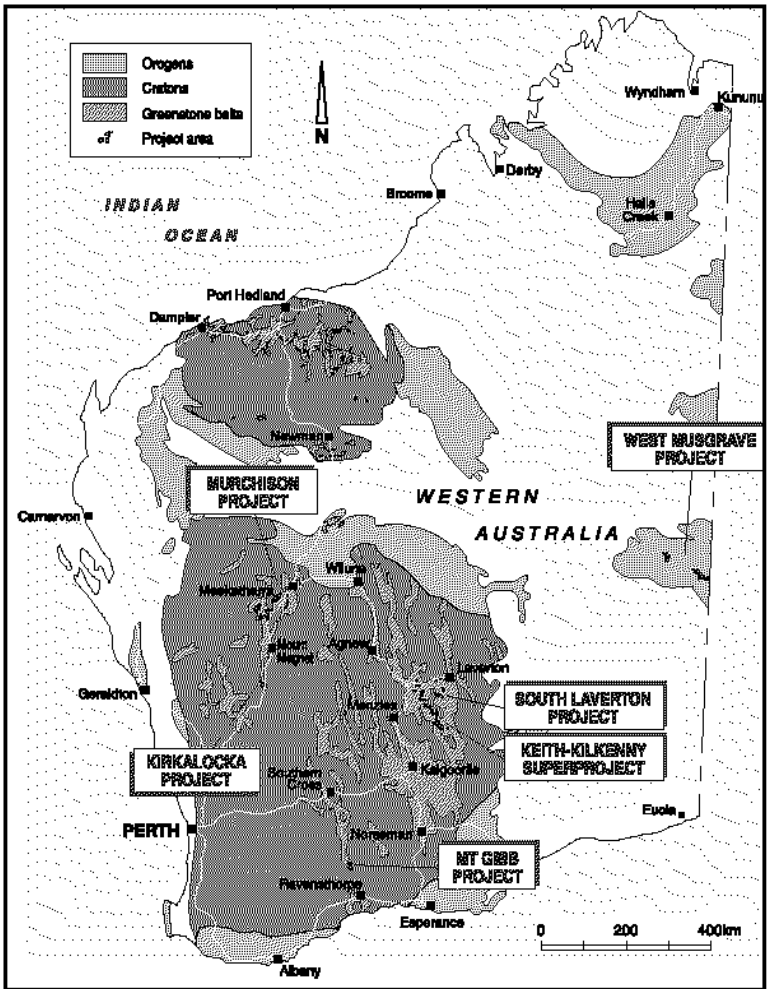
Strong financial discipline, combined with a policy of introducing joint venture partners to fund ongoing exploration, meant the increase in exploration assets was achieved in a cost-effective manner and Jindalee finished the September 2003 quarter with cash reserves of $1.81m (after raising $2.65m from the IPO).

In recent months we have witnessed upward price movements for both gold and nickel, accompanied by an increase in the market's interest in junior explorers, including Jindalee. We believe this interest in Jindalee reflects the Company's substantial land positions in greenstone belts with proven gold and nickel endowment and our ability to add value to these projects and attract majors to fund ongoing exploration where necessary.

With our strong tenement portfolio, healthy cash position and tight capital structure Jindalee is well placed to capitalise on the revitalisation of the exploration sector. The coming year promises to be an exciting period for shareholders.

D. Ross Kennedy
Chairman

October 2003



WESTERN AUSTRALIA
PROJECT LOCATIONS

Jindalee is a junior explorer with the primary objective of creating wealth for shareholders through the discovery of world-class precious and base metal deposits in Australia.

Our strategy to grow Jindalee is simple – we acquire prospective ground cheaply, add value through low cost reconnaissance activity and, where appropriate, introduce major companies as partners to fund the higher risk and/or expensive stages of exploration. This way our cash burn rate remains low and we delay the need to raise new equity, thus maintaining Jindalee's relatively tight capital structure and ensuring our shareholders gain maximum leverage from any exploration success.

Jindalee's exploration effort is focused on highly prospective trends where previous work has been minimal or ineffective due to transported cover. We believe that these areas represent the "last frontier" for the discovery of large mineral deposits in Australia.

Consistent with this approach Jindalee has amassed significant landholdings in the Yilgarn Craton of Western Australia, in particular the Murchison and North Eastern Goldfields regions and the Forrestania greenstone belt. The Company has also acquired a strategic interest in the emerging West Musgraves province in Central Australia.

GOLD

EASTERN GOLDFIELDS REGION – KEITH KILKENNY SUPERPROJECT

The Keith Kilkenny Superproject comprises a large land position straddling the Keith Kilkenny Tectonic Zone (KKTZ), a major crustal scale lineament associated with significant gold deposits at Wiluna, Thunderbox and Carosue. The area is characterised by widespread transported cover and bedrock outcrops are rare, but where exposed commonly exhibit encouraging features including small gold workings, sheared contacts and pervasive carbonate alteration. Previous exploration has been minimal.

Major companies have recognised the potential of this landholding to host large gold deposits. Jindalee currently has joint ventures in place with Newcrest Mining and Placer Dome and expects to conclude more joint ventures on wholly owned tenements over the coming year. In the current joint ventures Jindalee has a number of options available, including electing to contribute pro-rata or diluting to either project carried or free carried positions. Details of recent exploration on joint venture tenements follow:

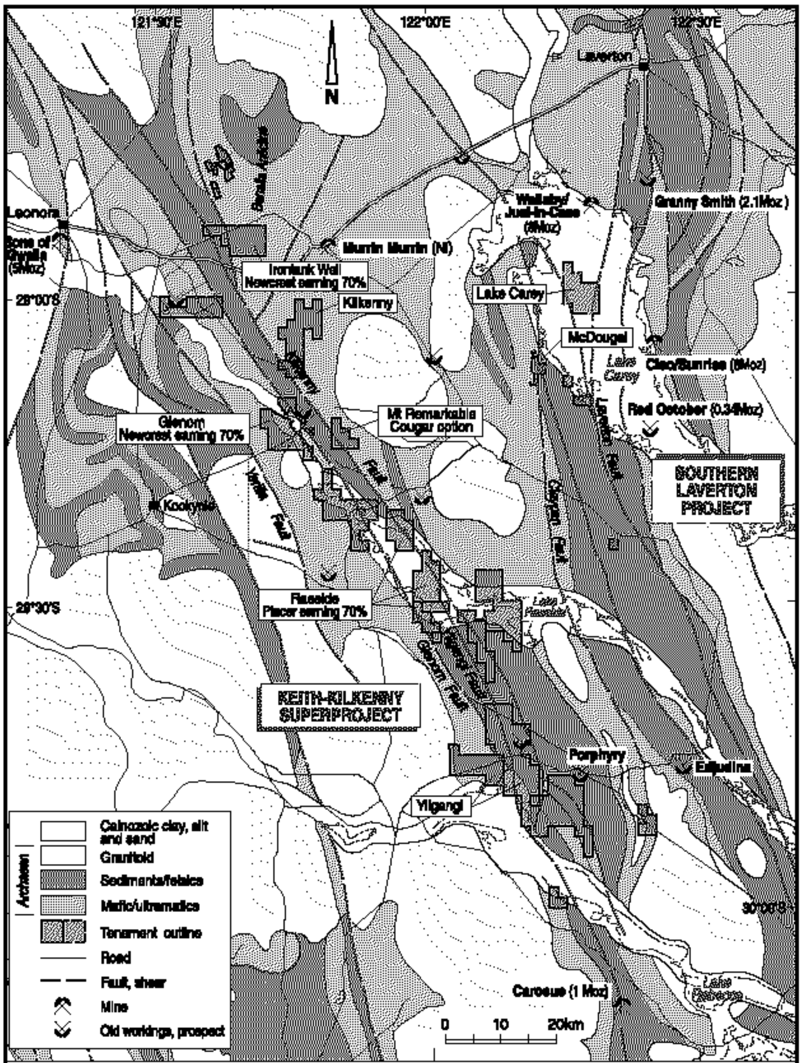
IRONTANK WELL *(Newcrest earning 70%)*

Early in 2003 Jindalee completed three broad spaced RAB drill traverses (holes mostly 100m apart on lines 500m apart) to provide regolith information on the northern part of the Irontank Well property. Two holes from this program returned anomalous bottom-of-hole gold values from altered sediments and felsic volcanoclastics on the eastern margin of the KKTZ:

IWR-07	3m @ 0.32 g/t from 17m; and
IWR-16	5m @ 0.12 g/t from 35m

These holes were drilled across a magnetic low interpreted as a broad zone of magnetite destructive alteration located beneath shallow transported cover and representing a target with large tonnage potential.

In July 2003 Jindalee accepted an offer from Newcrest to earn a 70% interest in the project by spending $1M within 4 years. Initial work at Irontank Well will include deep RC drilling beneath the gold anomalies outlined by Jindalee with drilling scheduled to commence in the December 2003 quarter.



JINDALEE RESOURCES LIMITED
KEITH - KILKENNY SUPERPROJECT SOUTHERN LAVERTON PROJECT
PROJECT LOCATION PLAN

RAESIDE *(Placer earning 70%)*

The Raeside project covers a granitoid cluster straddling the KKTZ and is a conceptual play with potential for large gold deposits. The prospective stratigraphy is buried beneath recent sediments associated with the Lake Raeside drainage system and specialist track mounted drill rigs are required to test bedrock.

During the period joint venture partner Placer undertook heritage surveys and flew detailed aeromagnetics to better define targets prior to drill testing. Placer can earn a 70% interest in the Raeside project by spending $1M by October 2005 and is keen to commence drilling as soon as conditions permit.

GLENORN *(Newcrest earning 70%)*

Newcrest completed two aircore drilling programs at Glenorn (total 152 holes) during the period. The first program comprised holes drilled 150m apart on 1km spaced traverses and was designed to investigate a series of splays and structures interpreted from aeromagnetic data.

Two distinct gold anomalous areas were defined from this program. In the eastern part of the tenement better gold values (maximum intercept 1m @ 1.1 g/t Au) were recorded from the base of a paleochannel overlying mafic bedrock. Bedrock on the western side of the project was dominated by felsic lithologies and returned low-level saprolite anomalies from the end of a number of traverses.

The second drilling program was designed to follow up the western saprolite anomalies. Holes ranged in depth from 16m to 112m (average depth 54m) and intersected intermediate to felsic volcanic rocks overlain by 8m to 45m of transported cover. Shearing was present throughout, with sericite–chlorite alteration commonly associated with the shearing. Anomalous gold intercepts, including 4m @ 0.62 g/t and 4m @ 0.59 g/t will be followed up in the coming period.

YILGANGI *(JRL 100%)*

Jindalee and Teck Cominco jointly completed a broad spaced RAB drilling program (154 holes for 3,274m) at Yilgangi in June 2003. The drilling was designed to provide bedrock information on two aeromagnetic targets in the northern part of the project. The drilling intersected carbonate altered felsic volcaniclastics and sediments beneath a thin veneer of transported cover. No anomalous values were recorded from this work and early October 2003 Teck Cominco advised it would not exercise its option to earn a 51% interest in Yilgangi.

In the coming period Jindalee intends to follow up broad gold anomalous intercepts (eg 9m @ 2.46 g/t, 25m @ 1.06 g/t) recorded by previous explorers from the central and southern parts of the tenement.

EASTERN GOLDFIELDS REGION – SOUTHERN LAVERTON PROJECT

Jindalee's Southern Laverton tenements are located on the western side of the Laverton Tectonic Zone (LTZ), an area with substantial gold endowment including significant deposits at Granny Smith (2.1M oz), Cleo/Sunrise (8M oz), Wallaby (8M oz) and Red October (0.4M oz). These deposits were all discovered beneath recent transported sediments.

LAKE CAREY *(JRL 100%)*

This tenement is located 15 km northwest of the Sunrise Dam mine and a similar distance south of the Wallaby deposit. A major structure (Claypan Fault) is interpreted to trend through Wallaby and transect the tenement before heading south towards the Butcher Well gold deposits. The project is entirely covered by a veneer of transported material associated with Lake Carey and the western side of the tenement remains completely untested.

Examination of aeromagnetic data by consultant geophysicists has reinforced the prospectivity of this tenement. Several zones of felsic intrusive activity and/or magnetite destructive alteration are interpreted adjacent to the Safari Fault, a major structure likely to have influenced significant alteration or mineralising events in the area.

These targets are overlain by 15 to 20 metres of cover and testing will require a specialist lake rig. Jindalee is seeking a partner to undertake first pass drilling at Lake Carey.

MCDOUGAL *(JRL 100%)*

McDougal is located on the western edge of Lake Carey and is prospective for both gold and lateritic nickel mineralisation. Interpretation of regional aeromagnetic data suggests that the tenement straddles a northeast trending "dilational jog" linking the Claypan Fault and a parallel splay off this regional structure in an area of highly complex faulting and folding.

Jindalee completed a single RAB drill traverse (15 holes for 522m) over the southern part of the tenement in January 2003. The best intercept returned from 5 x 1m composite sampling was 15m @ 0.33 g/t Au from surface in hole MDAR-07.

McDougal is sandwiched between two lateritic nickel resources, Murrin 23 to the north and Eucalyptus to the south. Jindalee will resume discussions with companies interested in the nickel potential of the property.

ROYALTY INTERESTS

Jindalee holds several "sleeping" royalty interests over tenements located in the Eastern Goldfields. The Kookynie Royalty covers an area of over 200 km^2 and includes most of the historical mines in the Kookynie district (recorded production of almost 0.5M oz). The Company also retains a royalty interest in tenements at West Kundana and located immediately adjacent to Placer's Kundana mine. Placer is actively exploring the area and the proximity of the project to their plant enhances the likelihood of early cash flow should a discovery be made.

MURCHISON REGION

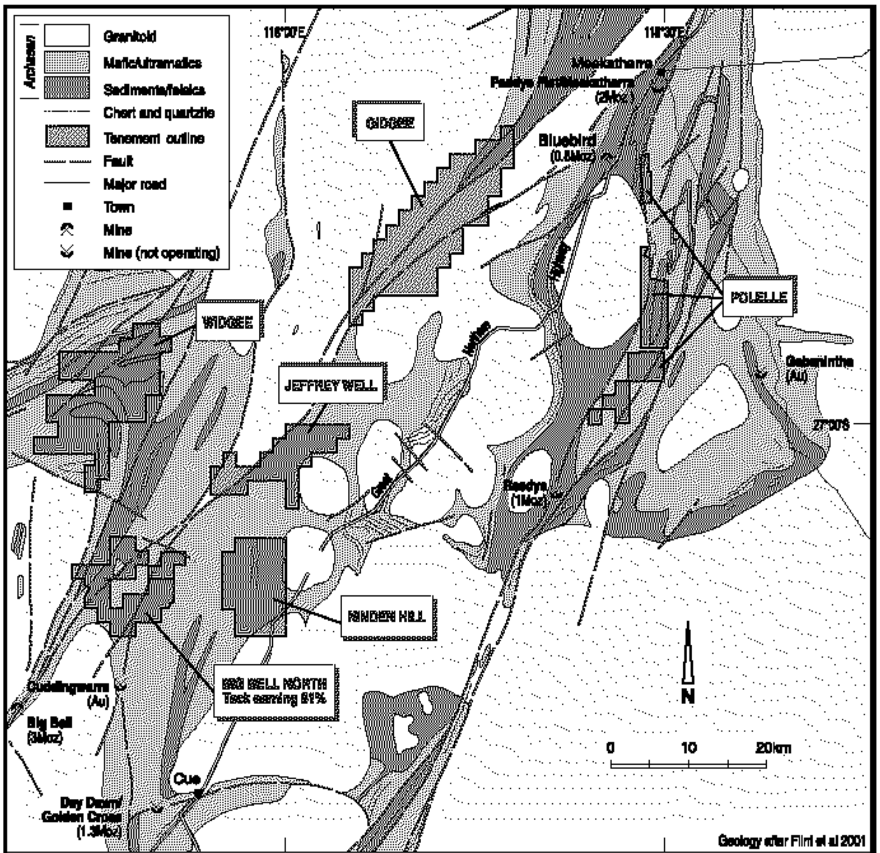
Despite good infrastructure and proven gold endowment, including several 1M oz deposits, the Murchison region remains under explored and the potential for discovering significant mineralisation remains high.

Jindalee has substantially increased its land position in the Murchison since the Company listed in July 2002 and now holds over 600 km^2 of prospective greenstone, mostly located between the Big Bell mine (2.8M oz) and Paddys Flat (2M oz).

BIG BELL NORTH *(Teck Cominco option to earn 51%)*

This project covers the area where the trends hosting the Big Bell and Cuddingwarra deposits converge under sheetwash associated with Behring Creek. Despite this favourable structural setting, large parts of the tenement have received minimal attention because of perceived difficult drilling conditions.

In November 2002 Jindalee completed a broad spaced RAB drilling program (holes 100m to 200m apart on four widely spaced traverses), primarily to gain better information on bedrock geology and the thickness of transported material.



MURCHISON PROJECT
LOCATION PLAN

Anomalous gold values (>100 ppb) were returned from 5m composite samples in two holes and, more importantly, the program demonstrated that the transported cover is often relatively thin and the area can be satisfactorily tested with RAB or aircore drilling.

Early in October 2003 Teck Cominco agreed to enter an option to earn a 51% interest in Big Bell North by spending $1M over four years.

POLELLE *(JRL 100%)*

The Polelle project covers the southern extensions of the greenstone belt hosting the Paddy Flat Mining Centre where the greenstones are deflected around a large internal granitoid referred to as the Norrie Pluton. Much of the prospective trend is obscured by sheetwash and the area remains virtually untested.

Jindalee completed a reconnaissance RAB drilling program (holes 100m apart on traverses 1600m apart) in November 2002. Despite deep weathering and the broad spaced nature of the drilling anomalous gold values (>100 ppb) were recorded from the bottom of holes on two adjacent traverses. The Company also purchased detailed (50m line spacing) aeromagnetics over part of the project and will use these data to target further drilling.

GIDGEE *(JRL 100%)*

Interpretation of aeromagnetics and limited reconnaissance drilling (mostly 800m by 200m density) conducted by previous explorers confirms that this tenement straddles over 30 km of deformed greenstone belt associated with a major northeast trending structure but masked by widespread transported material.

A broad low-level gold anomaly outlined in the northern part of the Gidgee property presents a target for follow up as soon as the tenement is granted.

KIRKALOCKA *(JRL 100%)*

The Company completed lag and soil sampling programs to follow up a 208 ppb laterite gold anomaly in the southern part of the project. Composite sampling (2 x 50m composite samples on traverses 400m apart) recorded weakly anomalous gold values but could not repeat the tenor of previous sampling.

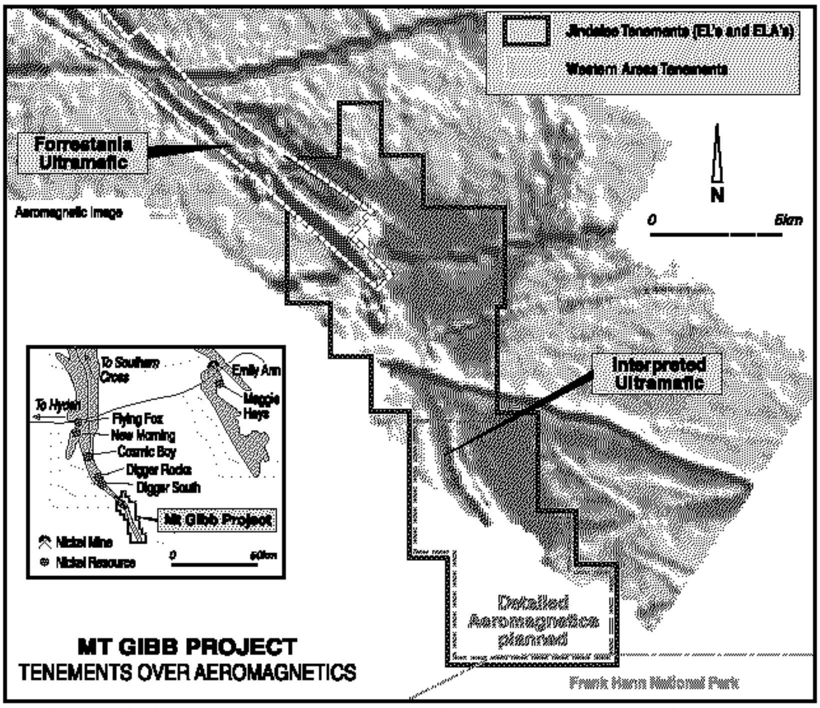
Future exploration will focus on the soil covered extensions to the shear hosting the Kirkalocka gold mine located 3.5 km north along strike from Jindalee's tenement boundary.

NICKEL

Jindalee holds several projects with good potential for the discovery of nickel mineralisation. These projects are located in proven fertile nickel environments, either along strike from, or in close proximity to existing nickel deposits.

MT GIBB *(JRL 100%)*

This project is located southeast along strike from Western Area's Flying Fox and Digger Rocks sulphide nickel deposits and covers an aeromagnetic anomaly interpreted to represent the southern extensions of the Forrestania nickel belt beneath transported soils. There is no evidence of previous exploration in the area.



MT GIBB PROJECT
TENEMENTS OVER AEROMAGNETICS

In October 2003 Western Areas announced significant nickel intercepts from drilling at Flying Fox, including 21.4m @ 7.8% Ni and 6.6m @ 7.9% Ni. These intercepts have dramatically upgraded the potential of the Forrestania belt, including Jindalee's Mt Gibb tenements.

Jindalee has commissioned a detailed aeromagnetic survey to provide data on greenstone distribution over the southern part of the Mt Gibb project and better define the targeted magnetic feature. The survey will be flown mid October 2003 with ground follow up to commence as soon as the survey results are available.

KILKENNY *(JRL 100%)*

The Kilkenny project comprises two Exploration Licences located 30 km southwest along strike from the Murrin Murrin nickel mine. Although interpretation of aeromagnetic data suggests the property contains ultramafic rocks concealed beneath transported cover there is no evidence of any previous exploration for nickel sulphide mineralisation.

Several parties have indicated an interest in Kilkenny and it is likely the Company will introduce a partner to share exploration risk.

MT REMARKABLE (optioned to Cougar Metals)

Previous exploration at Mt Remarkable has confirmed the potential of the project to host lateritic nickel. Ten wide spaced aircore holes drilled in 2001 intersected siliceous limonite mineralisation with average widths of 8 to 12m over a strike length of 2 km. Better intercepts include 10m @ 0.88% Ni from 4m in hole MRA-06 and 11m @ 0.92% Ni from 48m in hole MRA-07.

In April 2003 Jindalee granted unlisted public company Cougar Metals Limited an option to explore for (and potentially exploit) lateritic nickel mineralisation at Mt Remarkable. Cougar has until January 2005 to drill out all lateritic nickel targets to a 200m x 100m density, calculate the resource present and acquire this resource for a tonnage based cash payment. Jindalee will receive additional cash payments for any ore mined from the tenement.

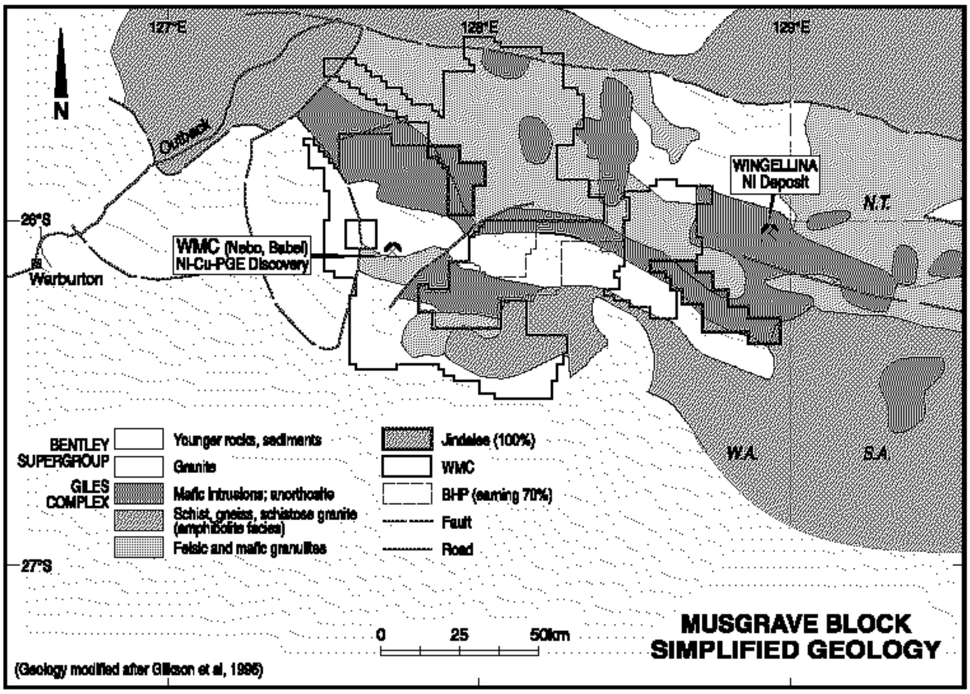
Jindalee will retain the rights to all other mineralisation at Mt Remarkable, including sulphide nickel, gold and platinum group metals.

WEST MUSGRAVES *(JRL 100%)*

This project comprises three Exploration Licences (E's 69/1887 to 69/1889) located in the western part of the Musgrave Province of Central Australia and applied for in May 2003. The tenements (total area 640 km^2) cover mafic-ultramafic rocks of the mid Proterozoic Giles Complex.

The Giles Complex is comprised of discrete, differentiated intrusive bodies associated with major deep-seated structures and the potential for the discovery of giant nickel-copper-PGE deposits similar to Noril'sk and Voiseys Bay is considered high. Drilling at WMC's Nebo prospect (eg: 26.5m @ 2.45% Ni & 1.78% Cu) has reinforced this potential.

Records suggest that despite the prospectivity of the Giles Complex there has been no fieldwork conducted on these tenements for over 30 years. The Company intends to use a combination of geochemical prospecting and recently released aeromagnetic data to identify areas for detailed follow up. It is envisaged that a partner will then be sought to fund the next stage of exploration.



Note: *This report has been compiled by Mr L.G. Dudfield (Managing Director) who is a Member of the Australasian Institute of Mining and Metallurgy with over 20 years experience and who is a competent person as defined. The report accurately reflects the information compiled by the competent person.*

The Directors present their report of Jindalee Resources Limited for the year ended 30 June 2003.

DIRECTORS

The following persons were directors of Jindalee Resources Limited during the whole of the financial year and up to the date of this report:

Lindsay George Dudfield

Mark Richard Scott

Donald Ross Kennedy

PRINCIPAL ACTIVITIES

The principal activity during the year of Jindalee Resources Limited was mineral exploration. During the year there was no change in the nature of this activity.

FINANCIAL RESULTS

The loss of the Company after providing for income tax for the year ended 30 June 2003 was $270,989. (2002: $33,744)

DIVIDENDS

No dividends have been paid or declared since the end of the previous financial year, and no dividends have been recommended by the Directors.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There has been no significant change in the state of affairs of the company during the year, other than the company obtaining listing on the Australian Stock Exchange on 11 July 2002.

REVIEW OF OPERATIONS

The details of the Company's exploration activities during the year are included within the Review of Activities section of the Annual Report.

MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

There has not arisen in the interval between the end of the financial year 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 Company in future financial years.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

The Directors are not aware of any developments that might have a significant effect on the operations of the Company in subsequent financial years not already disclosed in this report.

INFORMATION ON DIRECTORS

Name	*Director's Experience*	*Special Responsibilities*
Mr Donald Ross Kennedy *BSc (Hons)*	Mr Kennedy is a qualified geologist with 40 years experience in gold and base metals exploration, both in Australia andoverseas. As Managing Director, then Exploration Director, of Resolute Limited he was the leader of one of the most successful exploration teams in Australia leading to the development of gold mines at Marymia, Chalice, Higginsville and Challenger in Australia and Nkran and Golden Pride in Africa. Fellow of the AusIMM and member of the AIG, GSA, MICA and AICD.	Chairman Non-executive Director
Mr Lindsay George Dudfield *BSc*	Mr Dudfield is a qualified geologist with 24 years experience exploring for gold and base metals in Australia and overseas, including close involvement with a number of greenfields discoveries. Member of the AusIMM, SEG, AIG and GSA. Director for 7 years.	Managing Director
Mr Mark Richard Scott *MSc, MCom (Hons)*	Mr Scott has an investment banking and corporate finance background. Director for 2 years.	Non-executive Director

DIRECTORS' INTERESTS IN THE SHARES AND OPTIONS OF THE COMPANY

The particulars of Directors' interest in shares and options are as at the date of this report.

	Ordinary Shares	25¢ Options Expiring 30/06/05	35¢ Options Expiring 30/06/07
D R Kennedy	32,000	16,000	500,000
L G Dudfield	1,612,249	565,000	1,000,000
M R Scott	2,721,053	1,360,553	500,000

MEETINGS OF DIRECTORS

The following table sets out the number of meetings of the Company's Directors held during the year ended 30 June 2003 and the numbers of meetings attended by each Director.

	Number Held Whilst in Office	Number Attended
D R Kennedy	3	3
L G Dudfield	3	3
M R Scott	3	2

As at the date of this report, the Company did not have an Audit Committee of the Board of Directors. The Directors have not formed an Audit Committee as they consider one inappropriate for the current size and state of development of the Company.

DIRECTORS' AND EXECUTIVES' EMOLUMENTS

The Company's policy for determining the nature and amount of emoluments of board members and senior executives of the Company is that Directors are to be paid consulting fees at commercial rates for professional services performed. No board member is entitled to receive directors' fees at present.

Details of the nature and amount of each element of the emoluments of each director of Jindalee Resources Limited are set out in the following tables.

Name	Salary	Consulting Fees	Options	Total
	$	$	$	$
Non-Executive Directors of Jindalee Resources Limited				
D R Kennedy	-	30,300	3,119	33,419
M R Scott	-	-	3,119	3,119
Executive Directors of Jindalee Resources Limited				
L G Dudfield	-	101,076	6,239	107,315

The Company Secretary, Mr R.G Ledger, received remuneration of $3,310 for the year to 30/06/03.

DIRECTORS AND OFFICERS INSURANCE

Jindalee Resources Limited has directors and officers insurance current for the period 10/01/2003 to 10/01/2004.

SHARE OPTIONS

The details of the options on issue by the Company is as follows:

	Number	Exercise Price	Expiry Date
Quoted	8,073,971	25 cents	30 June 2005
Unquoted	2,150,000	35 cents	30 June 2007

ENVIRONMENTAL REGULATION

The Company is subject to significant environmental regulation in respect of its exploration activities. Tenements in Western Australia are granted subject to adherence to environmental conditions with strict controls on clearing, including a prohibition on the use of mechanised equipment or development without the approval of the State Mining Engineer, and with rehabilitation required on completion of exploration activities. These regulations are controlled by the Department of Minerals & Petroleum Resources.

Jindalee Resources Limited conducts its exploration activities in an environmentally sensitive manner and the Company is not aware of any breach of statutory conditions or obligations.

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party, for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the company with leave of the Court under section 237 of the Corporations Act 2001.

This report is made in accordance with a resolution of the Directors.

27th day of August 2003 at Perth, Western Australia

L G DUDFIELD

Managing Director.

It is the responsibility of the Board of Directors of Jindalee Resources Limited to monitor the business affairs of the Company and to protect the rights and interests of the shareholders. The corporate governance practices in place throughout the reporting period ended 30 June 2003 have aimed to ensure the implementation of a strategic business plan and an integrated framework of accountability over the Company's resources, functions and assets. These practices are summarised below:

COMPOSITION OF THE BOARD OF DIRECTORS

The current Board of Jindalee Resources Limited consists of one executive director and two non-executive directors.

MEMBERSHIP OF THE BOARD OF DIRECTORS

Given the small size of the Company and its current Board, the Board has not maintained a formal Nomination Committee. The Board as a whole is responsible for establishing the criteria for board membership, nominating directors and the review of board membership.

The composition of the Board is determined ensuring that there is an appropriate combination of corporate and operational expertise and qualifications. The performance of directors is reviewed by the Board on a continuous basis, taking into consideration their ability to meet the expectations of the Board and to implement the strategies and operating plans formulated by the Board.

At every Annual General Meeting one third of the Directors (excluding the Managing Director) must retire and sit for re-election.

INDEPENDENT PROFESSIONAL ADVICE

The Directors may, in fulfilling their duties, obtain independent professional advice at the Company's expense, however prior notification by the Director to the Board is required.

REMUNERATION OF DIRECTORS

The review of compensation arrangements for all the Directors is the responsibility of the Board as a whole. The Board is also responsible for the review of incentive and share option schemes, superannuation plans, retirement and termination entitlements, Fringe Benefits Tax policies and professional indemnity and liability insurance policies. The Board has access to industry surveys and compensation of similar companies in order to determine the appropriate current market standards.

NOMINATION OF AUDITORS AND REVIEW OF AUDIT ARRANGEMENTS

The nomination of external auditors is the responsibility of the Board of Directors as a whole.

The Board ensures the establishment of an effective internal control framework within the Company to safeguard the Company's assets, maintain proper accounting records and ensure the reliability of financial information compiled by the Company.

The Board receives regular reports from external auditors and ensures that the annual financial report and external reports are prepared within the guidelines of statutory requirements.

MANAGING BUSINESS RISKS

The Board meets regularly to evaluate and monitor possible areas of operational and financial business risks to the Company.

The Board ensures that activities performed by the Company follow a criteria set by budgets, operating plans and strategic plans.

ETHICAL STANDARD

The Board requires that the Directors and staff of the Company administer a high ethical standard at all times. The Directors are members of their appropriate professional bodies and abide by the ethical standards espoused in their by-laws and standards.

Directors and staff of Jindalee Resources Limited are not permitted to engage in trading of the Company's shares during a period when they are in possession of price sensitive information which is not currently available to the market. This includes the period leading up to the release of periodic reports.

THE ROLE OF SHAREHOLDERS

The Board of Jindalee Resources Limited endeavours to ensure that shareholders are informed of all the activities affecting the Company. Information is conveyed to shareholders via the annual report, quarterly reports and other announcements which are also delivered to the Australian Stock Exchange and posted on the Company's website (http://www.jindalee.net). Hard copies of this information are available on request.

The Board encourages the attendance and participation of shareholders at the Annual General Meeting and specially convened General Meetings by holding those meetings in a location accessible by a large number of shareholders.

STATEMENT OF FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 30 JUNE 2003

	Note	2003 $	2002 $
Revenue from ordinary activities	2	113,954	11,284
Employee benefits expense		(73,455)	-
Depreciation expense		(9,019)	-
Exploration expenditure written off		(160,153)	(20,575)
Tenancy and operating expenses		(62,631)	-
Other expenses from ordinary activities	3	(79,685)	(24,453)
Loss from ordinary activities before related income tax expense		(270,989)	(33,744)
Income tax expenses relating to ordinary activities	4		
Loss from ordinary activities after income tax		(270,989)	(33,744)
Total changes in equity other than those resulting from transactions with owners as owners		(270,989)	(33,744)

The above statement of financial performance should be read in conjunction with the accompanying notes.

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2003

	Note	2003 $	2002 $
CURRENT ASSETS			
Cash assets	15	1,985,962	2,659,395
Receivables	6	15,556	13,071
Total Current Assets		2,001,518	2,672,466
NON-CURRENT ASSETS			
Property, plant and equipment	7	39,736	33,812
Exploration, evaluation, and development expenditure	8	658,444	420,505
Total Non-Current Assets		698,180	454,317
TOTAL ASSETS		2,699,698	3,126,783
CURRENT LIABILITIES			
Payables	9	12,646	238,389
Provisions	10	1,603	-
Total Current Liabilities		14,249	238,389
TOTAL LIABILTIES		14,249	238,389
NET ASSETS		2,685,449	2,888,394
EQUITY			
Contributed Equity	11	2,993,407	2,925,362
(Accumulated losses)	22	(307,958)	(36,968)
TOTAL EQUITY	12	2,685,449	2,888,394

The above statement of financial position should be read in conjunction with the accompanying notes.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2003

	Note	2003 $ Inflows (Outflows)	2002 $ Inflows (Outflows)
Cash flows from operating activities			
Cash receipts in the course of operations		10,000	10,574
Cash payments in the course of operations		(255,589)	(55,438)
Interest received		101,469	710
Net cash provided by / (used in) operating activities	15	(144,120)	(44,154)
Cash flows from investing activities			
Payments for exploration, evaluation and development expenditure		(398,094)	(127,726)
Payments for property, plant & equipment		(14,944)	-
Net cash provided by / (used in) investing activities		(413,038)	(127,726)
Cash flows from financing activities			
Proceeds from issue of shares and options		68,047	2,682,457
Share issue costs		-	(160,404)
Proceeds from borrowings		-	309,222
Loan repaid to associated entity		(184,322)	-
Net cash provided by / (used in) financing activities		(116,275)	2,831,275
Net increase / (decrease) in cash held		(673,433)	2,659,395
Cash at the beginning of the financial year		2,659,395	-
Cash at the end of the financial year	15	1,985,962	2,659,395

The above statement of cash flows should be read in conjunction with the accompanying notes.

1. SUMMARY OF ACCOUNTING POLICIES

In order to assist in the understanding of the accounts, the following summary explains the material accounting policies that have been adopted in the preparation of the accounts.

(a) Basis of Accounting.

The financial report is a general purpose financial report prepared in accordance with Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, Urgent Issues Group Consensus Views and the Corporations Act 2001. The Financial Report has been prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

Unless otherwise stated, policies adopted in the preparation of the financial report are consistent with those of the previous year.

(b) Depreciation of Property, Plant and Equipment

Depreciation is calculated on the diminishing value and prime cost methods and is brought to account over the estimated economic lives of all buildings, plant and equipment. The rates used are based on the useful life of the assets and range from 13.5% to 100%.

(c) Income Tax

The company adopts the liability method of tax effect accounting whereby the income tax expense shown in the statement of financial performance is based on the operating profit/(loss) before income tax adjusted for any permanent differences.

Timing differences which arise due to the different accounting periods in which items of revenue and expense are included in the determination of operating profit/(loss) before income tax and taxable income are brought to account as either a provision for deferred income tax or an asset described as future income tax benefit at the rate of income tax applicable to the period in which the benefit will be received or the liability will become payable.

Future income tax benefits are not brought to account unless realisation of the asset is assured beyond reasonable doubt. Future income tax benefits in relation to tax losses are not brought to account unless there is virtual certainty of realisation of the benefit.

(d) Investments

Shares held as current assets in companies quoted on prescribed stock exchanges have been valued at the lower of cost or market value. Shares held as non-current assets acquired as investments are valued at cost except where, in the opinion of the Directors, there has been a permanent increase or diminution in value.

(e) Exploration and Development Costs

The company's policy with respect to exploration and development cost is to use the area of interest method. Under this method exploration and development costs are carried forward on the following basis:

i) Each area of interest is considered separately when deciding whether, and to what extent, to carry forward or write off exploration, evaluation and development costs.

ii) Exploration and development costs related to an area of interest are carried forward provided that rights to tenure of the area of interest are current and that one of the following conditions is met:

- such development costs are expected to be recouped through successful development and exploitation of the area of interest or alternatively, by its sale; or
- exploration and/or evaluation activities in the area of interest have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves and active and significant operations in relation to the area are continuing.

Exploration and development costs accumulated in respect of each particular area of interest include only net direct expenditure.

(f) Cash

For the purposes of the statement of cash flows, cash includes cash on hand, cash in bank accounts, money market investments readily convertible to cash within two working days, and bank bills but net of outstanding bank overdrafts.

(g) Recoverable Amount of Non-Current Assets

The recoverable amount of an asset is the net amount expected to be recovered through the cash inflows and outflows arising from its continued use and subsequent disposal.

Where the carrying amount of a non-current asset is greater than its recoverable amount, the asset is written down to its recoverable amount. Where net cash inflows are derived from a group of assets working together, recoverable amount is determined on the basis of the relevant group of assets. The decrement in the carrying amount is recognised as an expense in the net loss in the reporting period in which the recoverable amount write-down occurs.

(h) Acquisition of Assets

The purchase method of accounting is used for all acquisitions of assets regardless of whether shares or other assets are acquired. Cost is determined as the fair value of the assets given up at the date of acquisition plus costs incidental to the acquisition.

Costs relating to the acquisition of new areas of interest are classified as either exploration and evaluation expenditure, development properties or mine properties based on the stage of development reached at the date of acquisition.

(i) Comparative Figures

The comparative figures are amended where appropriate to conform with any change in the current year presentation.

(ii) Employee Entitlements

Provision is made for the Company's liability for employee entitlements arising from services rendered by employees to balance date. Employee entitlements expected to be settled within one year together with entitlements arising from wages and salaries, and annual leave which will be settled within one year, have been measured at their nominal amount and include related on-costs.

(i) Earnings Per Share

(i) Basic Earnings Per Share

Basic earnings per share is determined by dividing the operating loss after income tax by the weighted average number of ordinary shares outstanding during the financial year.

(ii) Diluted Earnings Per Share

Diluted earnings per share adjusts the figures used in determination of basic earnings per share by taking into account amounts unpaid on ordinary shares and any reduction in earnings per share that will arise from the exercise of options outstanding during the year.

2. REVENUE FROM ORDINARY ACTIVITIES

	2003 $	2002 $
Revenue from ordinary activities:		
Revenue from operating activities	10,000	10,574
Other revenues:		
Interest from other parties	103,954	710
Total revenue from ordinary activities	113,954	11,284

3. LOSS FROM ORDINARY ACTIVITIES

	2003 $	2002 $
(Loss) from ordinary activities before income tax expense has been arrived at after charging / (crediting) the following item:		
Depreciation expense	9,019	-
Exploration expenditure – written off	160,153	20,575

4. INCOME TAX EXPENSE

No income tax has been provided for or charged as an expense in the financial statements as the company has the benefit of carried forward tax losses. The benefit of remaining tax losses will only be obtainable if:

i) The company derives future assessable income of a nature and amount sufficient to enable the benefit from the deduction for the losses to be realised.

ii) The company continues to comply with the provisions of the income tax legislation relating to the deduction of losses from prior years.

iii) No changes in tax legislation adversely affect the company in realising the benefit from the deduction for the losses.

	2003 $	2002 $
The directors estimate that the potential future income tax benefit at 30 June 2003 in respect of tax losses, not brought to account is:	53,698	11,501

5. DIRECTORS' REMUNERATION

	2003 $	2002 $
Income paid or payable, or otherwise made available, to Directors by the Company and related parties in connection with the management of affairs of the Company	143,854	53,239

The number of Directors whose total income from the Company was within the specified bands, are as follows:	No. 2003	No. 2002
$0 to $9,999	1	3
$30,000 to $39,999	1	-
$40,000 to $49,999	-	1
$100,000 to $109,999	1	-

6. CURRENT ASSETS – RECEIVABLES

	2003 $	2002 $
Other debtors	15,556	13,071

7. NON-CURRENT ASSETS - PROPERTY, PLANT AND EQUIPMENT

Plant & equipment - at cost	48,755	33,812
Less: accumulated depreciation	(9,019)	-
	39,736	33,812
Reconciliation of the carrying amount of property, plant & equipment:		
Carrying amount at 1 July 2002	33,812	-
Additions	14,943	33,812
Less depreciation expense for year	(9,019)	-
Carrying amount at 30 June 2003	39,736	33,812

8. NON-CURRENT ASSETS – EXPLORATION, EVALUATION AND DEVELOPMENT EXPENDITURE

	2003 $	2002 $
Balance at beginning of year – at cost	420,505	55,953
Exploration expenditure incurred	398,092	385,127
Exploration expenditure written off	(160,153)	(20,575)
	658,444	420,505

The balance carried forward represents projects in the exploration and evaluation phase.

Ultimate recoupment of exploration expenditure carried forward is dependent on successful development and commercial exploitation, or alternatively, sale of respective areas.

9. CURRENT LIABILITIES – PAYABLES

Trade creditors	12,646	54,067
Loan from related party	-	184,322
	12,646	238,389

10. CURRENT LIABILITIES – PROVISIONS

Employee entitlements	1,603	-

11. CONTRIBUTED EQUITY

		2003 $	2002 $
	Share capital		
	20,809,396 (2002: 20,809,592) ordinary shares, fully paid	2,993,407	2,925,362
(a)	Movements in ordinary share capital		
	Balance at the beginning of the year	2,925,362	2
	8,073,971 "loyalty options" issued at a price of 1 cent each, exercisable at 25 cents each on or before 30/06/05.	80,739	-
	10,104,763 shares from the conversion of debt to equity from a director related entity	-	454,714
	10,704,827 shares from the proceeds of the prospectus	-	2,676,207
	Less: Transaction costs arising on share issues	(12,694)	(205,561)
	Balance at the end of year	2,993,407	2,925,362

12. TOTAL EQUITY

Total equity at the beginning of the financial year	2,888,394	(3,222)
Operating (loss) after income tax attributable to the members of the parent entity	(270,989)	(33,744)
Increase in share capital	68,044	2,925,360
Total equity at the end of the financial year	2,685,449	2,888,394

13. PERFORMANCE BONDS AND SECURITY DOCUMENTS

In support of titles granted to or operated by the Company, various securities have been submitted to the Department of Minerals & Petroleum Resources. These consist of unconditional performance bonds, securities or Form 32 security documents with a total potential liability of $205,000.

14. RELATED PARTY DISCLOSURES

The names of persons who were directors of the Company at any time during the financial year are as follows:

Donald Ross KENNEDY

Lindsay George DUDFIELD

Mark Richard SCOTT

Remuneration & Employment Agreements

Information on remuneration of Directors is disclosed in note 5.

Transactions with Directors and Director-Related Entities

The following related party transactions occurred during the financial year.

i) During the year the Company paid a total of $101,076 to Western Geological Services for the provision of technical and management services and reimbursed Western Geological Services on a cost basis for expenses associated with renting office space for the Company. Western Geological Services is related to Mr Dudfield, who is a director and shareholder of the Company.

ii) During the year the Company paid a total of $30,300 to Redross Consultants Pty Ltd for the provision of technical and management services. Redross Consultants Pty Ltd is related to Mr Kennedy, who is a director and shareholder of the Company.

Aggregate numbers of shares and options of the Company held directly, indirectly or beneficially by Directors of the Company at 30 June 2003:

	2003	2002
Mr D R Kennedy		
Ordinary fully paid shares	32,000	32,000
25 cent options expiring 30/06/05	16,000	-
35 cent options expiring 30/06/07	500,000	-
Mr L G Dudfield		
Ordinary fully paid shares	1,612,249	1,030,000
25 cent options expiring 30/06/05	565,000	-
35 cent options expiring 30/06/07	1,000,000	-
Mr M R Scott		
Ordinary fully paid shares	2,721,053	2,766,104
25 cent options expiring 30/06/05	1,360,553	-
35 cent options expiring 30/06/07	500,000	-

15. RECONCILIATION OF LOSS FROM ORDINARY ACTIVITIES AFTER INCOME TAX TO NET CASH OUTFLOW FROM OPERATING ACTIVITIES

	2003	2002
	$	$
(Loss) from ordinary activities after income tax	(270,989)	(33,744)
Exploration expenditure written off	160,153	-
Depreciation	9,019	-
Change in operating assets and liabilities during the financial year:		
(Increase) decrease in debtors	(2,485)	(13,414)
Increase (decrease) in accounts payable	(39,818)	3,004
Net cash (used in) operating activities	(144,120)	(44,154)
Reconciliation of cash balance comprises:		
Cash at bank	1,985,962	2,659,395

16. EARNINGS PER SHARE

	Jindalee Resources Limited	
	2003	2002
Basic earnings per share (cents per share)	(1.3)	(2.14)
Diluted earnings per share (cents per share)	(1.3)	(2.14)
Weighted average number of ordinary shares used in calculation of basic earnings per share.	20,809,396	1,579,801
Diluted weighted average number of ordinary shares used in calculation of basic earnings per share	20,809,396	1,579,801

17. CONTINGENT LIABILITIES

Claims of Native Title - Mabo

To date the Company has been notified by the Native Title Tribunal of native title claims which cover some of the Company's licence holdings. Until further information arises in relation to the claims and its likelihood of success, the Company is unable to assess the likely effect, if any, of the claims.

18. COMMITMENTS FOR EXPENDITURE

	2003 $	2002 $
A. Exploration Tenement Leases		
In order to maintain current rights of tenure to exploration tenements, the Company is required to outlay lease rentals and to meet the minimum expenditure requirements of the Western Australian Department of Mineral and Petroleum Resources. These obligations are subject to renegotiation upon expiry of the exploration licences or when application for a mining lease is made, and assume that all pending applications are granted, no properties are farmed out, and no expenditure exemptions are granted. These obligations are not provided for in the financial statements and are payable:		
Not later than 1 year	313,400	346,267
Later than 1 year but not later than 2 years	313,400	458,487
Later than 2 years but not later than 5 years	313,400	497,264
Later than 5 years	-	-
	940,200	1,302,018

B. Capital Expenditure Commitments

There are no capital expenditure commitments for the Company.

19. REMUNERATION OF AUDITORS

	2003 $	2002 $
Amounts received or due and receivable by the auditors for:		
Auditing the financial statements	5,250	5,000
Other services	-	5,700
	5,250	10,700

20. FINANCIAL INSTRUMENTS

(a) Credit Risk Exposure

The credit risk on financial assets of the Company which have been recognised on the statement of financial position, other than investments in shares, is generally the carrying amount, net of any provisions for doubtful debts.

(b) Interest Rate Risk Exposure

The Company's exposure to interest rate risk and the effective weighted average interest rate by maturity periods is set out below.

Exposures rise predominantly from assets and liabilities bearing variable interest rates as the Company intends to hold the fixed rate assets and liabilities to maturity.

2003		Floating	Fixed Interest Maturing in:			Non-	
		interest	1 year	over 1 year	more than	interest	
		rate	or less	to 5 years	5 years	bearing	Total
	Note	$	$	$	$	$	$
Financial assets							
Cash	15	1,985,962	-	-	-	-	1,985,962
Receivables	6	-	-	-	-	15,556	15,556
		1,985,962	-	-	-	15,556	2,001,518
Weighted average interest rate		3.7%					
Financial liabilities							
Payables	9	-	-	-	-	12,646	12,646
Provisions	10	-	-	-	-	1,603	1,603
						14,249	14,249
Net financial assets (liabilities)		1,985,962	-	-	-	1,307	1,987,269

Reconciliation of Net Financial Assets to Net Assets	Notes	2003
		$
Net financial assets as above		1,987,269
Non-financial assets and liabilities		
Property, plant & equipment	7	39,736
Exploration, evaluation and development	8	658,444
Loan from related party	9	-
Net assets as per statement of financial position		2,685,449

20. FINANCIAL INSTRUMENTS (Cont'd)

2002	Note	Floating interest rate $	Fixed Interest Maturing in: 1 year or less $	over 1 year to 5 years $	more than 5 years $	Non-interest bearing $	Total $
Financial assets							
Cash	15	2,659,395	-	-	-	-	2,659,395
Receivables	6	-	-	-	-	13,071	13,071
		2,659,395	-	-	-	13,071	2,672,466
Weighted average interest rate		3.7%					
Financial Liabilities							
Payables	9	-	-	-	-	54,067	54,067
Provisions	10	-	-	-	-	-	-
		-	-	-	-	54,067	54,067
Net financial assets (liabilities)		2,659,395	-	-	-	(40,996)	2,618,399

Reconciliation of Net Financial Assets to Net Assets	Notes	2003 $
Net financial assets as above		2,618,399
Non-financial assets and liabilities		
Property, plant & equipment	7	33,812
Exploration, evaluation & development	8	420,505
Loan from related party	9	(184,322)
Net assets as per statement of financial position		2,888,394

20. FINANCIAL INSTRUMENTS (Cont'd)

(c) Net Fair Value of Financial Assets and Liabilities

The net fair value of cash and cash equivalents and non-interest bearing monetary financial assets and financial liabilities of the Company approximates their carrying amounts.

The net fair value of other monetary financial assets and financial liabilities is based upon market prices where a market exists or by discounting the expected future cash flows by the current interest rates for assets and liabilities with similar risk profiles.

The carrying amounts and net fair values of financial assets and liabilities at balance date are:

2003	$ Carrying amount	$ Net fair value
Financial assets		
Debtors	15,556	15,556
	15,556	15,556
Financial liabilities		
Payables	12,646	12,646
Provisions	1,603	1,603
	14,249	14,249

2002	$ Carrying amount	$ Net fair value
Financial assets		
Debtors	13,071	13,071
	13,071	13,071
Financial liabilities		
Payables	54,067	54,067
Provisions	-	-
	54,067	54,067

None of the classes of financial assets and liabilities are readily traded on organised markets in standardised form.

21. SEGMENT INFORMATION

Industry Segment

During the financial year the Company operated in one industry, the mining exploration and prospecting industry.

Geographical Segments

During the financial year the Company operated within Australia only.

22. ACCUMULATED LOSSES

	2003	2002
Accumulated losses at the beginning of the financial year	(36,968)	(3,224)
Net loss attributable to members of the Company	(270,989)	(33,744)
Accumulated losses at the end of the financial year	(307,958)	(36,968)

23. EVENT OCCURRING AFTER BALANCE DATE

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

DIRECTORS' DECLARATION

The Directors declare that the financial statements and notes set out on pages 7 to 22:

(a) comply with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and

(b) give a true and fair view of the Company's financial position as at 30 June 2003 and of its performance, as represented by the results of its operations and cash flows, for the financial year ended on that date.

In the Directors' opinion:

(a) the financial statements and notes are in accordance with the Corporations Act 2001; 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 Directors.

L G Dudfield

Managing Director

27th day of August 2003 at Perth, Western Australia

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Chartered Accountants
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SCOPE

The financial report comprises the statement of financial performance, statement of financial position, statement of cash flows, accompanying notes to the financial statements, and the directors' declaration for Jindalee Resources Limited (the company), for the year ended 30 June 2003.

The directors of the company are responsible for the preparation and true and fair presentation of the financial report in accordance with the Corporations Act 2001. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit approach

We conducted an independent audit in order to express an opinion to the members of the company. Our audit was conducted in accordance with Australian Auditing Standards in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the Corporations Act 2001, including compliance with Accounting Standards and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the company's financial position, and of its performance as represented by the results of its operations and cash flows.

We formed our audit opinion on the basis of these procedures, which included:

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report, and
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the directors.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

INDEPENDENCE

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements and the Corporations Act 2001.

AUDIT OPINION

In our opinion, the financial report of Jindalee Resources Ltd is in accordance with:

(a) the Corporations Act 2001, including:

 (i) giving a true and fair view of the company's financial position as at 30 June 2003 and of its performance for the year ended on that date; and

 (ii) complying with Accounting Standards in Australia and the Corporations Regulations 2001; and

(b) other mandatory financial reporting requirements in Australia.

Dated the 27 th day of August 2003.

HORWATH PERTH

Chartered Accountants

HORWATH PERTH

GLYN O'BRIEN

Partner

INTERESTS IN MINING TENEMENTS (as at 13 October 2003)

Raeside JV

E31/213*[1]
E31/232*[1]
E31/291*[1]
ELA31/603*[1]
P31/1666*[1]

Glenorn JV

E31/412*[2]
MLA39/859
ELA39/1052

Irontank Well JV

E37/692*[2]
PLA37/6417*[2]

Cardinia JV

P37/4404*[6]
P37/4405*[6]
P37/4406*[6]
P37/4407*[6]
MLA37/646*[6]
MLA37/647*[6]
MLA37/648*[6]

Yilgangi

E31/597
ELA31/551

Kilkenny

ELA39/990
ELA39/1032

Mt Remarkable

E39/698*[3]

Braiser Well

E37/606

GRI Hill

E31/396

Edjudina

E31/418

Claypan Bore

ELA31/349

Rainbow Dam

ELA31/556

Jessie Dam

ELA31/602

Burley Well

ELA37/758

Watson Well

ELA31/370

Menangina

ELA31/637

Mt Gibb

E74/181
ELA74/273
ELA74/305
P74/157
ELA39/1055
PLA74/251

Lake Carey

E38/1212

Carey

ELA39/788

McDougal

E39/882

Murphy's Well

ELA39/828

Crimson Belle

E39/879

Lake Edge

ELA39/947

Mt Howe

E39/925

Yundamindra

ELA39/989
ELA39/1019

Mt Weld

ELA39/1048

White Quarz Bore

ELA39/814

Mt Hornett

ELA39/1055

Big Bell North

E20/432*[4]
ELA20/534*[4]
PLA20/1866

Polelle

E51/1003
ELA51/1042

Gidgee

ELA51/1044

Widgie

ELA20/549*[5]
ELA51/1048
ELA20/551

Jeffrey Well

ELA20/507

Ninden Hill

ELA20/536

Lake Violet

ELA53/1085

Joyners Find

ELA53/1089

Kirkalocka

E59/1024

West Musgraves

ELA69/1887
ELA69/1888
ELA69/1889

All of the above tenements are situated in Western Australia and are beneficially owned by Jindalee. Percentage interest is 100% unless otherwise stated.

ABBREVIATIONS

*1	=	*JV with Placer Pacific*	E	=	*Exploration Licence*
*2	=	*JV with Newcrest Mining Limited*	P	=	*Prospecting Licence*
*3	=	*JV with Cougar Metals NL*	M	=	*Mining Lease*
*4	=	*JV with Teck Cominco*	ELA	=	*Exploration Licence Application*
*5	=	*Subject to Ballot*	PLA	=	*Prospecting Licence Application*
*6	=	*11% only*	MLA	=	*Mining Licence Application*

DISTRIBUTION OF EQUITY SECURITIES (as at 13 October 2003)

Analysis of numbers of shareholders by size of holding

Number held 20,809,396*

Spread of Holdings	No. of units	No. of holders	% of total Issued capital
1 - 1,000	93	43,171	0.207 %
1,001 - 5,000	158	491,367	2.361 %
5,001 - 10,000	174	1,413,081	6.790 %
10,001 - 100,000	248	8,111,306	38.979 %
100,001 - 3,000,000	27	10,750,471	51.662 %
TOTAL	700	20,809,396	99.999 %

*(*includes 2,276,858 shares escrowed until 11/07/2004)*

Analysis of number of option holders by size of holding

Number held 8,073,971

Spread of Holdings	No. of holders	No. of units	% of total
1 - 1,000	43	20,905	0.258 %
1,001 - 5,000	82	327,456	4.055 %
5,001 - 10,000	57	473,353	5.862 %
10,001 - 100,000	98	3,364,062	41.665 %
100,001 - 2,000,000	11	3,888,195	48.157 %
TOTAL	291	8,073,971	99.997 %

The percentage of the total holding of the 20 largest holders of each class of equity securities was:

Ordinary shares	54.58%
Options	68.75%

SUBSTANTIAL SHAREHOLDERS

An extract of the Company's Register of Substantial Shareholders is set out below:

Name	% of Issued Securities	Number of Ordinary Shares
Kale Capital Corporation	13.07	2,721,053
Teck Cominco Australia Pty Ltd	9.61	2,000,000

20 LARGEST SHAREHOLDERS

The names of the twenty largest shareholders are listed below:

Name	% of Issued Securities	Number of Ordinary Shares
1. Kale Capital Corporation	13.07	2,721,053
2. Teck Cominco Australia Pty Ltd	9.61	2,000,000
3. Lindsay Dudfield	9.18	1,910,249
4. Jopan Management Pty Ltd	4.52	940,000
5. Yandal Investments Pty Ltd	3.13	652,500
6. Pillage Investments Pty Ltd	2.16	450,000
7. Spaceface Pty Ltd	1.92	399,849
8. ANZ Nominees Limited	1.17	242,333
9. Alistair James Dudfield	1.16	241,312
10. Ross Asset Management Limited	1.09	226,920
11. J Williams & Co Pty Ltd	0.96	200,000
12. Warramboo Holdings Pty Ltd	0.96	200,000
13. Wythenshawe Pty Ltd	0.96	200,000
14. Plato Prospecting Pty Ltd	0.83	173,057
15. Pensaw Pty Ltd	0.80	167,500
16. Kagelu Holdings Pty Ltd	0.64	133,862
17. United Asset Management Ltd	0.61	126,990
18. Bond Street Custodians Limited	0.60	126,000
19. Taurus Entrepot Nominees	0.60	124,325
20. Baracus Pty Ltd	0.58	121,925

20 LARGEST OPTION HOLDERS

The names of the twenty largest option holders are listed below:

Name	% of Issued Securities	Number of Options
1. Kale Capital Corporation	16.85	1,360,553
2. Teck Cominco Australia Pty Ltd	12.38	1,000,000
3. Lindsay Dudfield	6.70	565,000
4. Jopan Management Pty Ltd	6.88	555,250
5. Apakian Pty Limited	6.20	500,625
6. Yandal Investments Pty Ltd	3.10	250,000
7. Taurus Entrepot Nominees	1.86	150,000
8. Spaceface Pty Ltd	1.55	124,925
9. Bond Street Custodians Limited	1.51	122,000
10. M & K Korkidas Pty Ltd	1.48	119,500
11. Ross Asset Management Limited	1.40	113,460
12. Warramboo Holdings Pty Ltd	1.24	100,000
13. Wythenshawe Pty Ltd	1.24	100,000
14. Ronald Boyd	1.05	85,000
15. Strong Investments Pty Ltd	1.01	81,250
16. Idameneo (No 79) Nominees	0.84	67,500
17. Kagelu Holdings Pty Ltd	0.83	66,931
18. Adrian Donald Lee	0.81	65,250
19. United Asset Management Ltd	0.79	63,496
20. Lake Argyle Holdings Pty Ltd	0.74	60,000

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Jindalee Resources Limited

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PO Box 1033, West Perth WA 6872

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

Email: enquiry@jindalee.net Web: www.jindalee.net

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JINDALEE
Resources Limited
ACN 064 121 133

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of shareholders of Jindalee Resources Limited will be held at The Celtic Club, 48 Ord Street, West Perth, Western Australia on Wednesday 26 November 2003 at 4.00pm Western Standard Time, for the purpose of transacting the following business:

BUSINESS

Annual Accounts

To receive and consider the Company's Financial Report and the Auditor's Report for the year ended 30 June 2003.

Resolution 1 - Re-election of Mr Mark Richard Scott as a Director

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

> *"That, Mr Mark Richard Scott, being a Director of the Company who retires in accordance with clause 13.2 of the Company's Constitution, be re-elected."*

Other Business

To transact any other business which may be properly brought before the meeting in accordance with the Company's Constitution and the Corporations Act.

By Order of the Board

GREG LEDGER
Company Secretary
27 October 2003

PROXIES

- Votes at the general meeting may be given personally or by proxy, attorney or representative.
- A shareholder entitled to attend and vote at the above meeting may appoint not more than two proxies to attend and vote at this meeting. Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the shareholder's voting rights.
- A proxy may but need not be a shareholder of the Company.
- The instrument appointing the proxy must be in writing, executed by the appointor or his attorney duly authorised in writing or, if such appointor is a corporation, either under seal or under hand of an officer of his attorney duly authorised.
- The instrument of proxy (and the power of attorney or other authority, if any, under which it is signed) must be lodged by person, post, courier or facsimile and reach the Registered Office of the Company at least 48 hours prior to the meeting. For the convenience of shareholders a Proxy Form is enclosed.

JINDALEE Resources Limited

PROXY FORM

The Company Secretary
Jindalee Resources Limited

Registered Office Address:	Level 1, 3 Ord Street, West Perth, Western Australia 6005
Postal Address:	PO Box 1033, West Perth, Western Australia 6872
Telephone:	(08) 9321 7550
Facsimile:	(08) 9321 7950
Email:	enquiry@jindalee.net.au

I/We (name of shareholder) ....

of (address) ....

being a member/members of Jindalee Resources Limited ("Company")

holding .... shares in the Company

HEREBY APPOINT

(proxy's name) ....

of (proxy's address)..

and/or failing him (name) ....

of (address) ....

or failing that person then the Chairman of the Annual General Meeting as my/our proxy to vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held at 48 Ord Street, West Perth, Western Australia on 26 November 2003 at 4.00 WST and at any adjournment of the meeting.

Should you so desire to direct the Proxy how to vote, you should place a cross in the appropriate box(es) below:

I/We direct my/our Proxy to vote in the following manner:	For	Against	Abstain
Resolution 1 – Re-election of Mr Mark Scott as Director	☐	☐	☐

If you do not wish to direct your proxy how to vote, please place a mark in the box. By marking this box, you acknowledge that the Chairman may exercise your proxy even if he has an interest in the outcome of the resolution and votes cast by him other than as proxy holder will be disregarded because of that interest. The Chairman intends to vote in favour of the resolution. ☐

This Proxy is appointed to represent ________% of my voting right, or if 2 proxies are appointed Proxy 1 represents ________% and Proxy 2 represents ________% of my total votes. My total voting right is ________ shares

If the shareholder is an individual:

Name: ____

If the shareholder is a company:

Affix common seal (if required by Articles)

____________________________	____________________________
Director/Sole Director and Secretary	Director/Secretary

Dated: 2003.

INSTRUCTIONS FOR APPOINTMENT OF PROXY

1. A shareholder entitled to attend and vote is entitled to appoint no more than two proxies to attend and vote at this Annual General Meeting as the shareholder's proxy. A proxy need not be a shareholder of the Company.

2. Where more than one proxy is appointed, each proxy must be appointed to represent a specific proportion of the shareholder's voting rights. If such appointment is not made then each proxy may exercise half of the shareholder's voting rights. Fractions shall be disregarded.

3. The proxy form must be signed personally by the shareholder or his or her attorney, duly authorised in writing. If a proxy is given by a corporation, the proxy must be executed under either the common seal of the corporation or under the hand of an officer of the company or its duly authorised attorney. In the case of joint shareholders, this proxy must be signed by at least one of the joint shareholders, personally or by a duly authorised attorney.

4. If a proxy is executed by an attorney of a shareholder, then the original of the relevant power of attorney or a certified copy of the relevant power of attorney, if it has not already been noted by the Company, must accompany the proxy form.

5. To be effective, forms to appoint proxies must be received by the Company no later than 48 hours before the time appointed for the holding of this Annual General Meeting, by post, facsimile or email to the respective addresses stipulated in this proxy form.

6. If the proxy form specifies a way in which the proxy is to vote on any of the resolutions stated above, then the following applies:

   (a) the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way; and

   (b) if the proxy has 2 or more appointments that specify different ways to vote on the resolution, the proxy must not vote on a show of hands; and

   (c) if the proxy is the Chairman, the proxy must vote on a poll and must vote that way, and

   (d) if the proxy is not the Chairman, the proxy need not vote on a poll, but if the proxy does so, the proxy must vote that way.

   If a proxy is also a shareholder, the proxy can cast any votes the proxy holds as a shareholder in any way that the proxy sees fit.