Jindalee Resources Ltd
ABN 52 064 121 133
Level 2
18 Kings Park Road
West Perth WA 6005
PO Box 1033
West Perth WA 6872
Western Australia
Telephone: (08) 9321 7550
Facsimile: (08) 9321 7950
Email: enquiry@jindalee.net
Web: www.jindalee.net

19 September 2007

The Manager
Companies Announcement Office
Australian Stock Exchange Limited
Level 4, 20 Bridge Street
SYDNEY NSW 2000

Via Electronic Lodgement

Dear Sir/Madam

ALCHEMY RESOURCES – GOLD IPO – PRIORITY APPLICATION

Jindalee Resources is pleased to advise that the Company has secured for Jindalee shareholders a priority allocation to subscribe for 10,000,000 Alchemy Resources Limited ("Alchemy") shares to be issued under an initial public offering ("IPO") to raise up to $6,000,000 (with a minimum subscription of $4,000,000) by issuing up to 24,000,000 shares at 25 cents each. Jindalee shareholders will be given priority to apply for the balance of the Alchemy shares on offer, subject to Alchemy being able to meet the minimum shareholder spread requirement of the ASX Listing Rules.

Alchemy was formed to acquire under-explored gold tenements in the Murchison region of Western Australia previously held by Jindalee. The tenements straddle district scale structures that host major gold deposits with total historic gold production of over 11 million ounces, including Big Bell, Cue, Meekatharra, Bluebird and Cuddingwarra. Alchemy has an exceptional Board and management team headed by Managing Director Michael Hannington (ex Oxiana) and Exploration Manager Jonathan King (ex CSIRO). Jindalee holds 10 million Alchemy shares and retains a 20% free-carried interest in several of the IPO tenements.

The offer of securities under the Alchemy IPO is made pursuant to a Prospectus dated 18 September 2007 and lodged with ASIC on that date ("Prospectus"). Any Jindalee Shareholder wishing to acquire Alchemy securities will need to complete the priority offer application form that will accompany the Prospectus. **Alchemy will dispatch a copy of the Prospectus to Jindalee Shareholders registered as members as at 5.00pm WST on 25 September 2007**. Other indicative dates are:

Opening date	25 September 2007
Closing date of the Priority Offer	19 October 2007
Closing date of the Public Offer	26 October 2007
Dispatch of Holding Statements	14 November 2007
Anticipated Listing Date	22 November 2007

Further details on the Alchemy IPO and how to request a copy of the Prospectus can be obtained from the Alchemy website at www.alchemyresources.com.au

Lindsay Dudfield
MANAGING DIRECTOR