JINDALEE

Resources Limited
ABN 52 064 121 133

QUARTERLY REPORT TO SHAREHOLDERS

for the three months ended 31 December 2007.

ASX Code - JRL

For further information, contact:

Mr Lindsay Dudfield
Jindalee Resources Limited

Telephone: 61 8 9321 7550
Facsimile: 61 8 9321 7950
Email: enquiry@jindalee.net

Level 2, 18 Kings Park Road
West Perth WA 6005

PO Box 1033
West Perth WA 6872

This report and further information are available on Jindalee's website at:

www.jindalee.net

HIGHLIGHTS

* RC drilling at **Yilgangi** (JRL 20%) records broad gold intercepts including:

  37m @ 1.2 g/t Au (from 65m)

* **Energy Metals** (JRL 40%) reports positive results from an Initial Scoping Study at the Bigrlyi uranium project (NT). Significant resource upgrade imminent.
* Field inspection of the **Bow River** project (JRL 100%) reveals good potential for nickel-copper mineralisation
* **Alchemy Resources** (JRL 25%) lists on ASX and commences exploration of Murchison gold (and iron ore) projects.

FINANCIAL

* The Company has a total of 31.9m shares on issue
* At 31 December 2007 Jindalee had no debt and held cash and shares worth approximately $60.5M (equivalent to **$1.89 per share**)

Lindsay Dudfield
Managing Director
31 January 2008

GOLD

Yilgangi (Jindalee 20% carried)

The Yilgangi project is located in the Eastern Goldfields, approximately 120 km northeast of Kalgoorlie. Newcrest Operations Limited (a subsidiary of Newcrest Mining Limited) farmed into Yilgangi in March 2004 and to date has spent in excess of $1.5M on exploration. Newcrest now holds an 80% interest in the project with Jindalee's 20% interest in the project carried to Decision to Mine. Jindalee also holds a pre-emptive right over the project in the event that Newcrest decides to assign its interest in the project.

Newcrest reports that exploration during the period was dominated by drilling, with one stratigraphic core hole and 16 RC holes from a proposed 39 RC hole program completed. Assays have been received from the core hole and 4 of the RC holes, with additional results from re-sampling of RC holes completed in the September 2007 quarter also received.

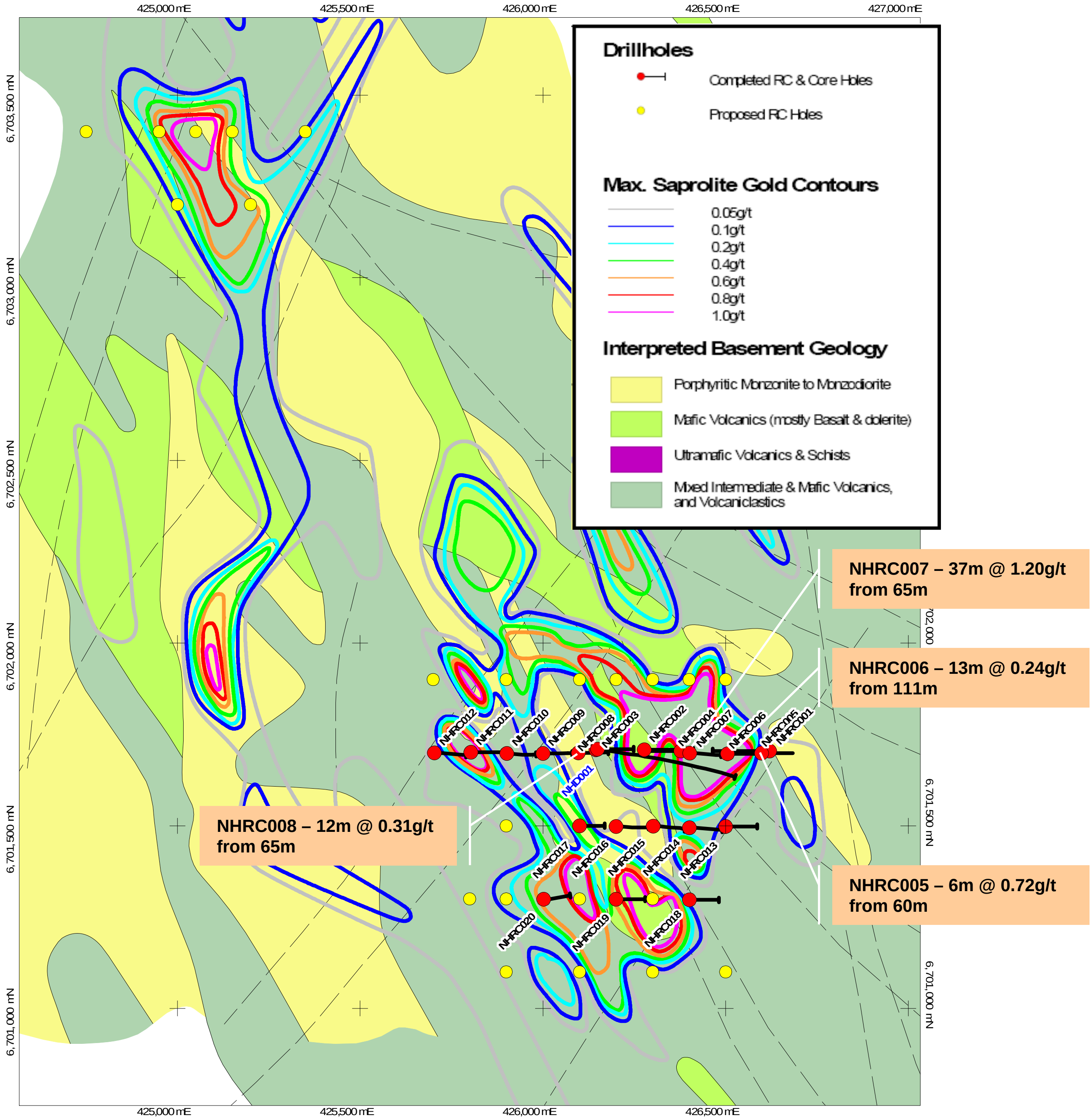
The core hole (NHD001) twinned NHRC003 and covered the interpreted down-dip position of mineralisation intersected in holes NHRC001, NHRC002 and NHRC004. The hole intersected a volcanic-sediment package with minor felsic intrusives and confirmed that this package dips steeply to the west. Zones of strong epidote-carbonate-biotite±magnetite alteration were observed with limited veining and sulphide development noted. Anomalous gold values were returned from NHD001, although of lower tenor than values intersected in the adjacent RC holes (refer table below).

Hole ID	MGA94 N	MGA94 E	Hole Depth	Significant Intercepts (Au g/t)
NHD001	6701708	426145	606.4m	7m @ 0.66 from 126m (incl. **1m @ 2.5 from 128m** & **1m @ 1.4 from 131m**) 9m @ 0.47 from 370m (incl. **1m @ 1.9 from 371m**) 11m @ 0.34 from 416m (incl. **1m @ 1.3 from 418m** & **1m @ 1.0 from 420m**) **1m @ 3.9 from 604m**

A 39 hole RC program designed to investigate primary mineralisation below an extensive saprolite gold anomaly identified in aircore drilling at Hobbes commenced during the period (refer following figure). Sixteen holes (total 2,337m) had been completed by the end of December with assay results from holes NHRC005 to NHRC008 received during the period and summarised below:

Hole ID	MGA94 N	MGA94 E	Hole Depth	Significant Intercepts (Au g/t)
NHRC005	6701699	426598	150m	6m @ 0.72 from 60m (incl. **1m @ 2.9 from 61m**)
NHRC006	6701697	426505	150m	13m @ 0.24 from 111m (incl. **1m @ 1.0 from 123m**)
NHRC007	6701699	426402	150m	**37m @ 1.2 from 65m** (incl. **17m @ 2.0 from 82m**)
NHRC008	6701700	426097	150m	12m @ 0.31 from 65m

NB: all holes dip -55º; azimuth 090º



Hobbes Prospect RC Drilling

Results from 1m re-sampling of previously reported composite sampling were also received and are summarised below:

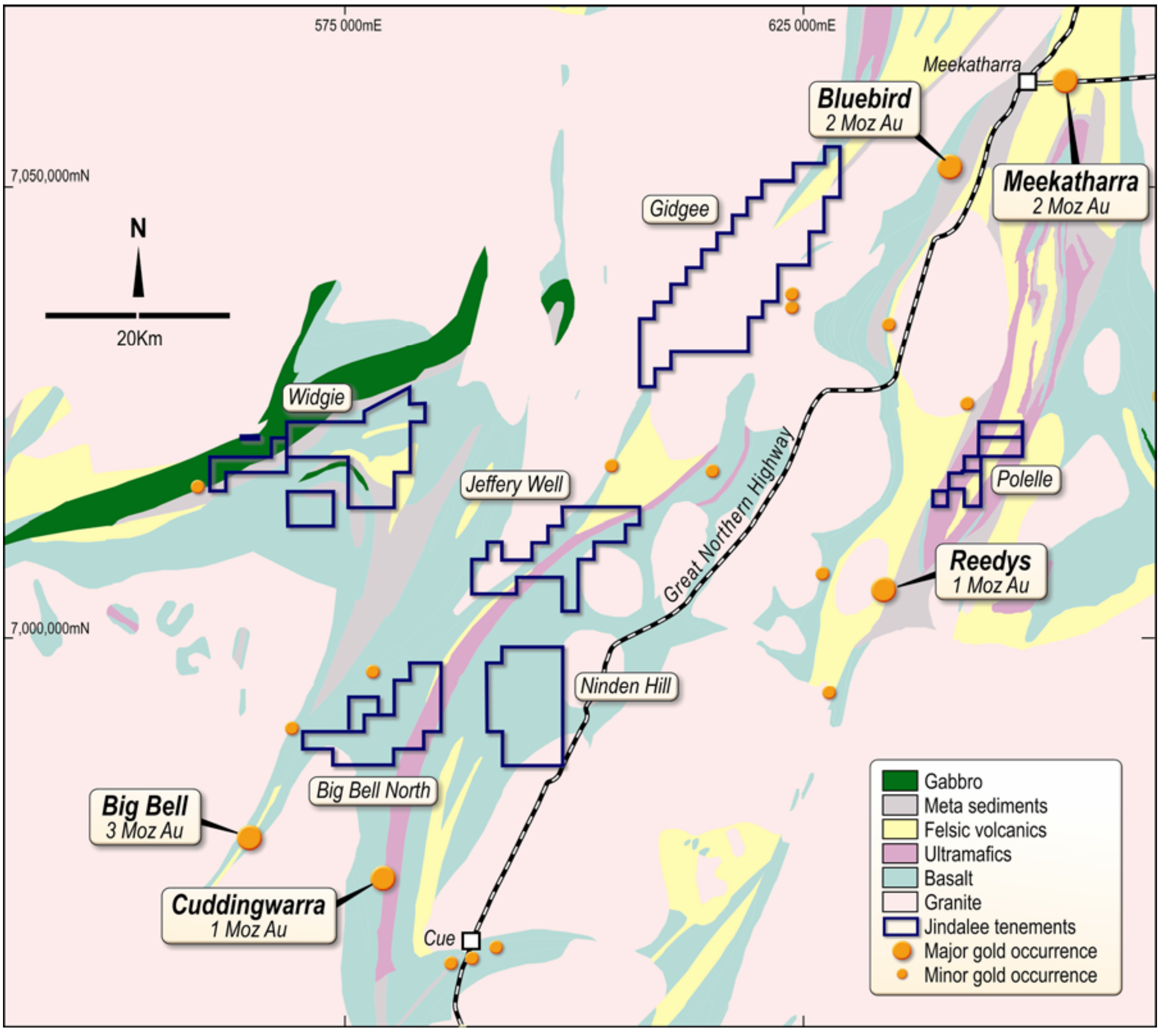
Hole ID	MGA94 N	MGA94 E	Hole Depth	4m Composites (Au g/t)	1m Splits (Au g/t)
NHRC002	6701708	426277	234m	4m @ 0.36g/t Au from 152m	5m @ 0.32g/t from 151m
NHRC003	6701710	426149	174m	12m @ 0.15g/t Au from 52m	10m @ 0.17g/t from 53m

NB: all holes dip -55º; azimuth 090º

Further assay results will be announced as they become available.

Murchison (Jindalee 20% free carried)

The Murchison Project comprises over 600 km² of prospective greenstone, mostly located between the Big Bell Mine (2.8M oz) and Paddys Flat (2M oz), including strategic tenements at Widgie and Gidgee. The Project is a Joint Venture with Alchemy Resources with Jindalee's 20% interest free carried to completion of a Bankable Feasibility Study (BFS). Jindalee also holds 10 million Alchemy shares representing approximately 25% of Alchemy's issued capital.



Alchemy has assembled a very strong Board and management team headed by Managing Director Mike Hannington (ex Oxiana) and Exploration Manager Jonathan King (ex CSIRO). Alchemy listed on ASX on 26 November 2007 after raising $4.9m (before costs) to fund exploration in the Murchison district.

Alchemy reports that an initial assessment by structural geological consultants Jigsaw Geoscience has confirmed the potential for large tonnage gold deposits within the Murchison Project tenements. Spectral analysis of surface samples and historic drill spoils has commenced and is expected to "map" alteration patterns and highlight vectors to concealed gold mineralisation.

Available data suggest the Widgie tenements, located along strike from Midwest Corporation's Beebyn and Madoonga iron ore deposits, are prospective for iron ore and this potential will be assessed in the coming period. Alchemy is also reviewing a number of advanced gold projects in the district.

Anchor (Jindalee 3.9% of issued capital)

Anchor Resources Limited is exploring a portfolio of projects located in Eastern Australia prospective for gold, antimony, copper, uranium and basemetals. Jindalee is Anchor's 5th largest shareholder with 1.2 million shares, acquired through the sale of its Birdwood project in northern NSW prior to Anchor listing on ASX. The Company also holds 0.6 million listed options following a rights issue of "loyalty options" to Anchor shareholders.

Anchor expects to start drilling at Tyringham (gold) and Dundurrabin (copper-gold) in the first quarter of 2008, with drilling scheduled for Bielsdown (antimony-gold) and Clayholes Dam (gold) in the following quarter. The company has completed an airborne geophysical survey at Birdwood (copper-gold) and is also progressing exploration at Chillagoe (uranium), Greenvale (tin-tungsten) and Canonba/Callaroy (copper-gold).

NICKEL

Mt Gibb (Jindalee 20% free carried)

The Mt Gibb Project is a Joint Venture with Great Western Exploration Limited with Jindalee free carried to completion of a BFS. The project is located at the southern end of the Forrestania greenstone belt, along strike from Western Areas' Flying Fox and Digger Rocks nickel deposits. The primary target is sulphide nickel although the greenstone belt is also host to significant gold mineralisation.

During the December quarter three diamond holes (total 953.6m) were completed. All holes intersected narrow (<0.4m) zones of massive sulphide hosted in an amphibolite sequence. Although sulphide mineralogy is dominated by pyrite, encouragement is gained from indicators of sulphide remobilisation. Assay results are pending.

Final preparations for an airborne EM survey over the Hatters North Tenement were completed in the December quarter. The survey has been designed to test potential repetitions of the Forrestania mafic / ultramafic sequence obscured by cover.

Kilkenny (GME earning 70%)

The Kilkenny project comprises two Exploration Licences (E39/990 and ELA39/1167), located in the NE Goldfields approximately 45 km SE of Leonora. GME Resources Limited is earning a 70% interest in the tenements by spending $0.5M on exploration by December 2008. Once GME has earned its interest Jindalee has several options, including contributing pro-rata, diluting or falling back to a 20% free-carried interest.

No exploration activity was conducted on the Kilkenny licence during the reporting period.

Bow River (Jindalee 100%)

Sampling Gossans at Bow River

This project is located in the East Kimberley region, 80 km south of Kununurra and 60 km north along strike from the Sally Malay nickel mine. Previous drilling at Bow River intersected massive sulphides with intercepts including 3.12m @ 1.45% Ni and 0.47% Cu. The mineralisation occurs in a differentiated mafic-ultramafic intrusion, similar to the host rock at the Sally Malay mine.

Field checking during the period revealed sub-cropping gossans updip of historic nickel-copper intercepts and reinforced the potential for extensions to the known mineralisation.

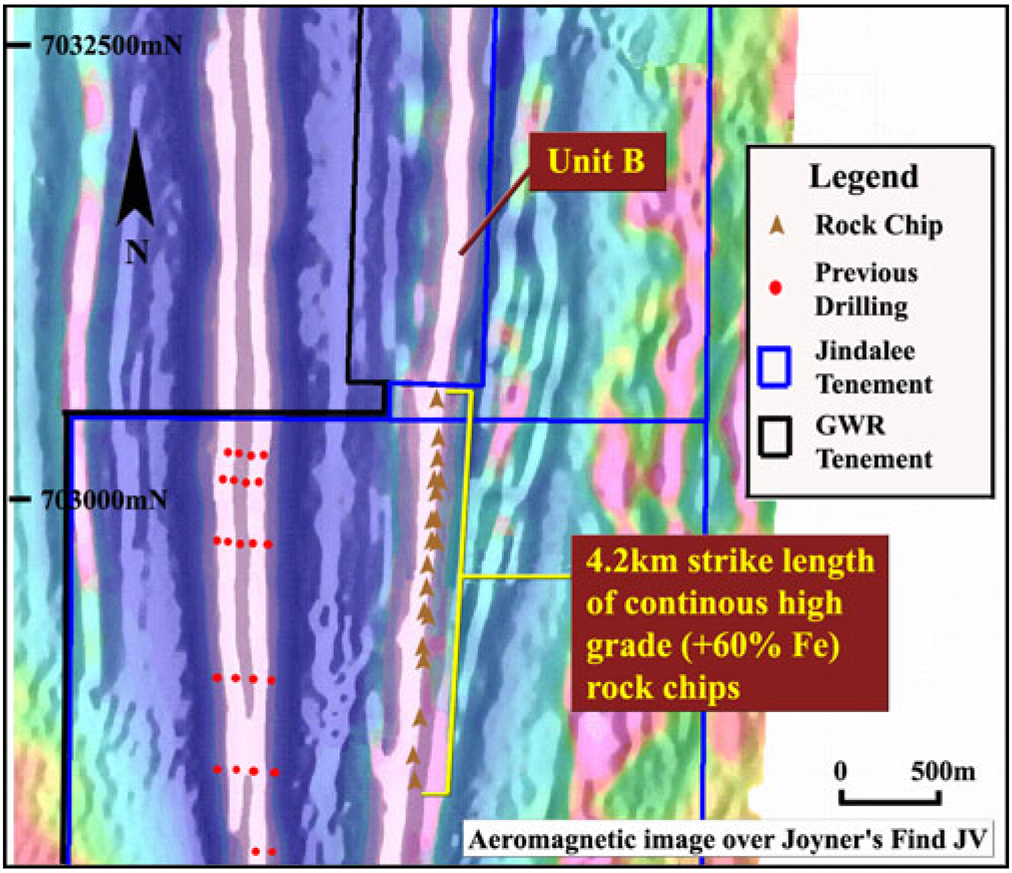
Jindalee plans to conduct a ground EM survey at Bow River at the start of the field season, with conductors generated from this survey to be drill tested soon after.

IRON ORE

Joyner's Find (Jindalee 40%)

The Joyner's Find project is a joint venture with Golden West Resources Limited. During the period Golden West advised that it had earned a 60% interest in the project. Jindalee now has the option of either contributing pro-rata or diluting to a 20% free carried interest.

Exploration undertaken during the quarter included interpretation of airborne magnetic data and rock chip sampling. Rock chip sampling directly south of the Joyner's Find deposit identified high grade iron ore mineralisation over a strike length of 4.2km. The best results include **16m at 62.62% Fe** and **8m at 68.71% Fe** (refer following table). The mineralisation is typical of B ridge haematite mineralisation and occurs within steeply dipping ultramafic schist. Mapping indicates the mineralisation lies within two main bands with a potential cumulative width of 5-15m. RC drilling is planned to test this mineralisation further.



Joyner's Find - Rock Chip Sample Locations

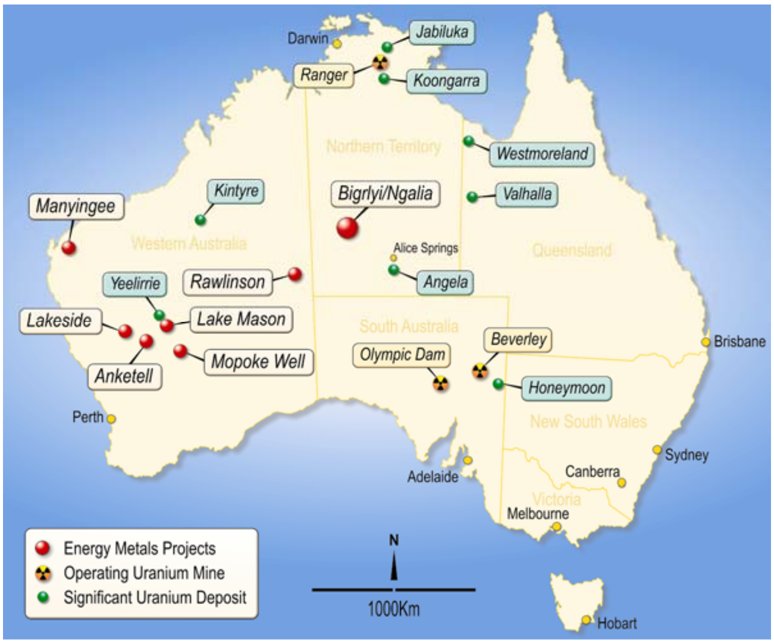
	Northing	Easting								
Sample Number		From (m)	To (m)	Width (m)	Fe (%)	SiO2 (%)	Al2O3 (%)	P (%)	S (%)	LOI1000
GA213374		**793561**	**793569**	**8**	**68.71**	**0.45**	**0.29**	**0.07**	**0.02**	**0.77**
GA213376	7030310	793513	793517	4	65.47	2.44	0.91	0.05	0.05	2.85
GA213377	7030200	793504	793508	4	64.11	3.85	1.04	0.07	0.12	2.66
GA213378		793524	793528	4	67.56	1.23	0.82	0.05	0.03	1.05
GA213380	7030000	793473	793483	**10**	**62.09**	**3.33**	**2.07**	**0.08**	**0.10**	**4.90**
GA213381		793483	793489	6	63.14	2.22	1.77	0.05	0.06	5.29
Combined width				**16**	**62.62**	**2.78**	**1.92**	**0.06**	**0.08**	**5.10**
GA213382	7029900	793451	793454	3	62.73	2.75	1.86	0.07	0.07	5.30
GA213383		793463	793471	**8**	**63.22**	**3.07**	**1.72**	**0.07**	**0.09**	**4.45**
GA213384	7029800	793467	793472	5	64.62	2.43	1.68	0.07	0.08	2.72
GA213385		793477	793481	4	62.31	2.99	2.96	0.18	0.06	4.40

Rock Chip Sample Results

URANIUM

Energy Metals (Jindalee 40.3% of issued capital)

Jindalee holds 12.6 million Energy Metals shares (representing 40.3% of issued capital) and 3.0 million listed options (exercisable at 30c by 30 June 2008), giving Jindalee shareholders significant exposure to Energy Metals' portfolio of exciting uranium projects.



Energy Metals controls 8 projects (total area >4,000 km^2) located in the Ngalia Basin in the Northern Territory and in Western Australia, with 6 of the projects containing uranium mineralisation discovered in the 1970's. Initial exploration has focussed on the Bigrlyi Project in NT (53.7% owned by Energy Metals) where previous drilling returned relatively high grade intercepts with excellent metallurgical recoveries. The uranium mineralisation at Bigrlyi is accompanied by economically significant levels of vanadium.

Energy Metals reports that the resource-drilling program, which commenced on the Bigrlyi Project in April 2007 continued until late November 2007. Some 274 holes (55,021m) were completed with most of these holes drilled outside of current resource envelopes. Downhole gamma probing returned anomalous uranium (eU_3O_8) values from 75% of holes drilled, with follow-up geochemical sampling confirming, and generally upgrading downhole probe intercepts. Data from the 2007 drilling campaign are being compiled prior to release of an upgraded resource for Bigrlyi (expected March 2008).

Highlights of the 2007 field season include the discovery of multiple, often shallow, lenses at the Anomaly 4 deposit and the confirmation of extensions to the west of the Anomaly 15 deposit. Importantly, the recognition of significant uranium mineralisation in holes drilled outside of current resource suggests a material resource increase will result from this drilling.

An Initial Scoping Study based on the resource calculated from drilling to December 2006 (14.3 lbs of U_3O_8 and 16.3 million lbs of V_2O_5 at the 0.5kg/t cut-off) demonstrated that the Bigrlyi project has the potential to produce 8.43 million pounds (lbs) of U_3O_8 and 6.97 million lbs of V_2O_5 from 2.37Mt of ROM ore over a mine life of 8 years. The increased March 2008 resource should impact positively on the economics of the Bigrlyi project.

Uran **(Jindalee 4.9% of issued capital)**

Jindalee holds approximately 2.5 million Uran Limited shares, representing 4.9% of issued capital. Uran is a dedicated uranium company and is primarily focused on advanced projects in Eastern Europe.

The company has recently lodged five new exploration permits in the Czech Republic; two new applications (Osecna-Kotel and Plouznice) over known uranium deposits with the remainder (Veznice, Jamne and Polna) to replace applications that were previously rejecteddrilling by the Czech Ministry of the Environment. Uran is also appealing against a decision to refuse its tenement application over the Brzkov uranium deposit.

In Ukraine Uran is negotiating with government agencies to commence feasibility studies on two sediment hosted uranium deposits and the company is also progressing three tenement applications in Bulgaria.

Note: The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Lindsay Dudfield who is a consultant to the Company and is a member of the Australiasian Institute of Mining and Metallurgy. Mr Dudfield 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 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves.' Mr Dudfield consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.