

JINDALEE

Resources Limited
ABN 52 064 121 133

QUARTERLY REPORT TO SHAREHOLDERS

for the three months
ended 30 June 2012.

ASX Code - JRL

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

www.jindalee.net



HIGHLIGHTS

- * Energy Metals receives all outstanding Chinese government approvals to export uranium concentrates to CGNPC
- * Renaissance Minerals acquires Newcrest's 80% interest in the Yilgangi project
- * Alchemy Resources (JRL 10%) announces further encouraging drill results from the Central Bore gold prospect

FINANCIAL

- * The Company has a total of 34.8 million shares on issue
- * At 30 June 2012 Jindalee had no debt and held cash and shares worth \$10.9M before tax, (equivalent to **\$0.31 per share**)

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

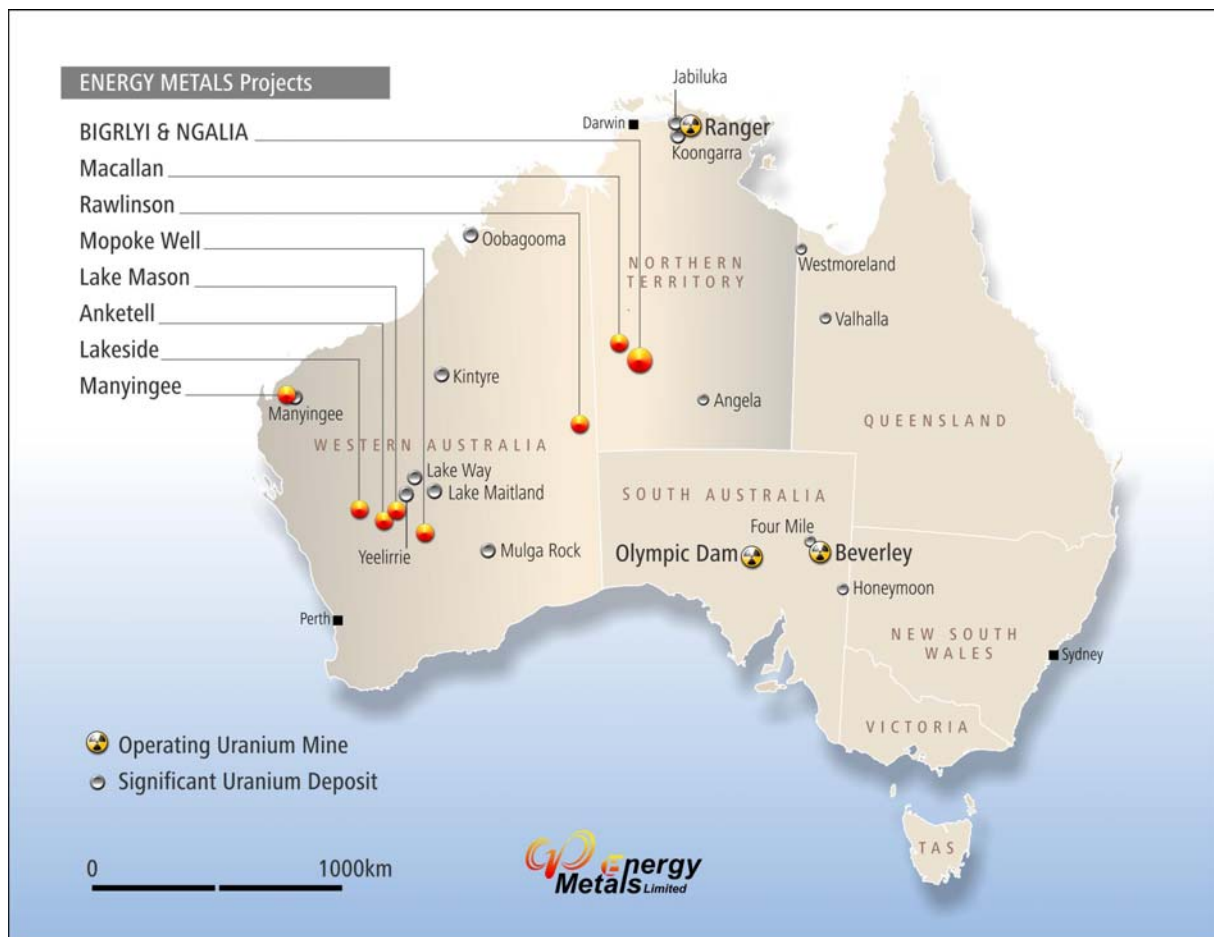
Lindsay Dudfield
Managing Director
30 July 2012

URANIUM

Energy Metals (Jindalee 9.1% of issued capital)

Jindalee holds approximately 14 million Energy Metals shares, giving shareholders continued exposure to the development of the Bigryli uranium-vanadium deposit and the potential of Energy Metals' other uranium projects.

Energy Metals controls 9 projects (total area >4,000km²) located in the Ngalia Basin in the Northern Territory (NT) and in Western Australia (WA), with the majority of projects containing uranium mineralization or defined resources. Exploration has largely been concentrated on the main Bigryli Project in NT (53.3% owned by Energy Metals), where significant uranium resources, accompanied by economically significant vanadium values have been defined and a prefeasibility study completed. More recently, increasing attention has been turned to other wholly-owned prospects in the region, where there is demonstrated potential to define additional Bigryli-style resources.



Energy Metals Projects

During the quarter, Energy Metals advised that the trial shipment of uranium concentrates to its largest shareholder China Guangdong Nuclear Power Company (CGNPC) had been postponed due to delays in receiving documents from Chinese government agencies. On 17 July 2012 Energy Metals announced that all prerequisite approvals had been received and that the company was working with the Australian supplier to ensure completion of the shipment by 31 October 2012.

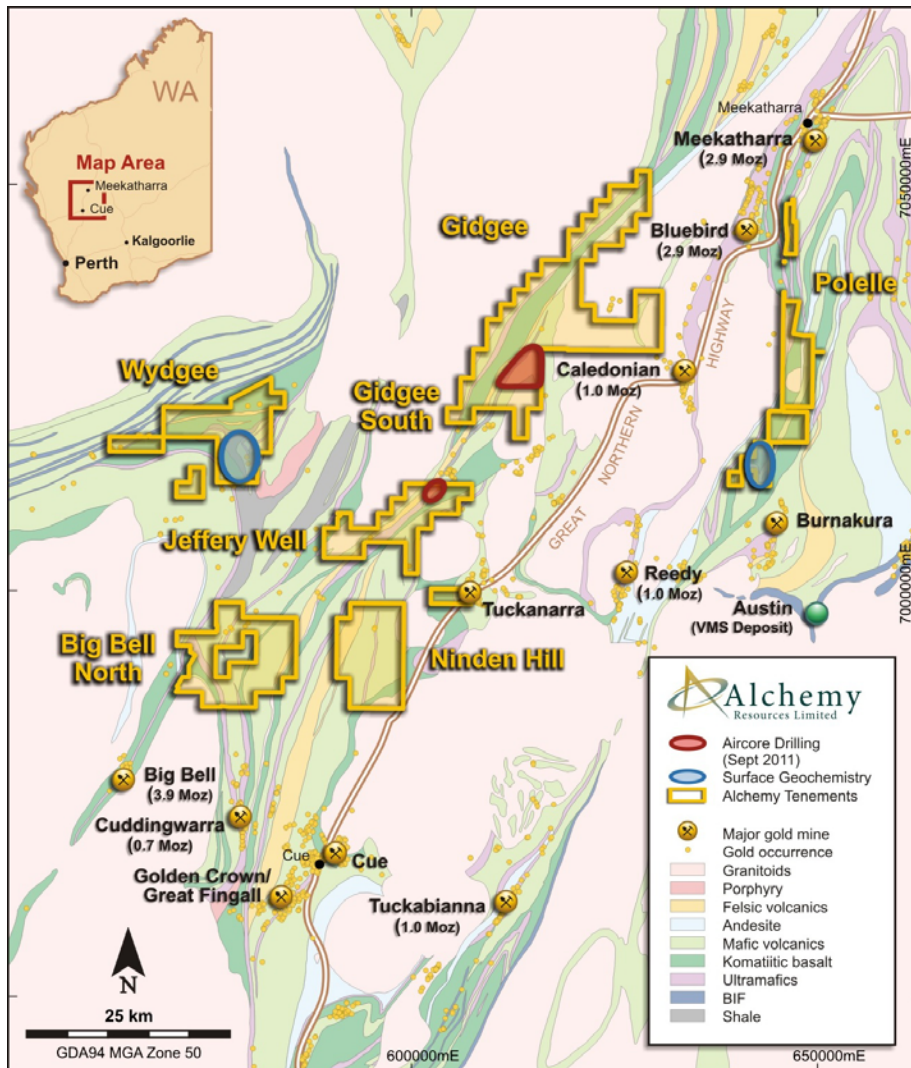
Work continues towards progressing the Bigryli feasibility study.

GOLD

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). The Project is a Joint Venture with Alchemy Resources (Alchemy) with Jindalee's 20% interest free carried to completion of a Bankable Feasibility Study.



Murchison Project Areas on Regional Geology

Alchemy is in the process of planning in-fill aircore and targeted RC drilling that will test the most prospective parts of the 1500m-long gold anomalous zone, identified at Jeffery Well. Previous wide-spaced drilling at this prospect had returned several highly anomalous intersections, including one 2m interval at 10.2g/t gold within a 5m interval averaging 5g/t gold, outlining potential to locate internal high grade shoots within this mineralised structure.

Re-assessment of the Wydgee and Ninden Hill projects in 2011 highlighted the base metal prospectivity of these project areas. Mapping by the Geological Survey of Western Australia, in combination with discovery of base metal mineralisation by Silver Swan Group at Austin, Reed Resources at Chunderloo and Silver Lake Resources at Eelya, indicates that the northern Murchison district hosts volcanic sequences with significant base metal potential. Field mapping, rock chip sampling and surface geochemistry programs over the Wydgee and Ninden Hill projects delineated several areas of gold and/or base metal anomalism that will be the subject of further exploration and drill testing later in the year.

Alchemy Resources **(Jindalee 11.1% of issued capital)**

In addition to involvement in the Murchison joint venture projects, Jindalee holds a significant equity interest in Alchemy Resources. This provides shareholders with exposure to Alchemy's expanded portfolio of projects, including Alchemy's Gascoyne region gold and copper-gold projects, located 120km northeast of Meekatharra. Alchemy's Bryah Basin copper project is located to the west of Sandfire Resources' Doolgunna project and covers the extensions of the Narracoota Volcanics, the unit which host Sandfire's high grade DeGrussa copper-gold discovery.

During the quarter, Alchemy announced that they had been successfully awarded a \$120,000 grant under the WA Government's Exploration Incentives Scheme. These funds will be directed toward the investigation of previously untested geophysical anomalies within prospective Narracoota Volcanic rocks and the Peak Hill Schist on some of the tenements recently acquired from Grosvenor Gold Pty Ltd. Since acquiring the ground from Grosvenor, Alchemy has also embarked on a campaign of geological mapping, surface sampling and ground geophysics, aimed at defining additional targets within this large tenement package.

Elsewhere within their Gascoyne holdings, Alchemy also announced the results from a 19 hole infill drill program at the Central Bore gold prospect. Best downhole gold intersections from the latest drilling results released by Alchemy included:

- 3m @ 10.27g/t from 123m
- 3m @ 7.0g/t from 117m
- 9m @ 4.01g/t from 140m

Gold mineralisation at Central Bore is described as occurring in higher grade zones (>10g/t gold) within a broad (40-60m thick) low grade gold envelope associated with a series of NE-trending veins and structures. Mineralisation remains open to both the northeast and southwest along strike and at depth.

Additional details on Alchemy's exploration and development activities can be found on Alchemy Resources' website: www.alchemyresources.com.au

Yilgangi **(Jindalee 20 % loan-carried)**

The Yilgangi project is located in the Eastern Goldfields, approximately 130 km northeast of Kalgoorlie. During the quarter, Renaissance Minerals Limited (ASX code: RNS) completed the purchase of Newcrest's 80% interest in the Yilgangi joint venture for \$100,000 cash and a further \$450,000 cash payable upon definition of total JORC resources of 0.25M oz gold. Renaissance has also granted Newcrest the option to claw-back a 50% interest in the project if JORC resources of 1.5M oz gold are established at Yilgangi, with Newcrest retaining a 2.5% Net Smelter Royalty on Renaissance's share of future production.

Jindalee, which waived its pre-emptive right to match Renaissance's offer, retains its 20% participatory loan-carried interest through to Decision to Mine, free of the claw-back and royalty rights granted to Newcrest.

Renaissance will manage the project and will initially focus on the advanced Hobbes prospect, where previous drilling by Newcrest established a more than three kilometre-long zone of gold anomalism containing a number of broad downhole gold intersections, including:

- NHRC007 – 32m @ 1.40g/t from 69m
- NHRC030 – 15m @ 1.39g/t from 55m
- NHRC031 – 20m @ 1.85g/t from 58m
- NHRC037 – 17m @ 1.75g/t from 53m
- NHRC044 – 14m @ 1.42g/t from 39m & 21m @ 1.89g/t from 58m
- NHD002 – 23m @ 1.10g/t from 50m, 18m @ 3.03g/t from 87m & 10m @ 6.94g/t from 128m

Renaissance has committed to spending at least \$400,000 at Yilgangi over the next two years.

Cardinia JV

(Jindalee 11% free carried)

Jindalee holds an 11% interest in a group of tenements at Cardinia, located 30 kilometres east of Leonora. The joint venture project forms part of Navigator Resources' extensive Leonora Gold Project holdings. Jindalee's interest in the Cardinia joint venture ground is free-carried to completion of a Bankable Feasibility Study.

There were no developments reported for the Cardinia JV tenements during the quarter. Navigator has appointed PCF Capital in an advisory capacity to assist with investigating strategic alternatives for the development of their Leonora Gold Project.

IRON ORE

Joyners

(Jindalee 20% free carried)

The Joyners project is a joint venture with Golden West Resources Limited and forms a part of Golden West's much larger Wiluna West project. Golden West has earned an 80% interest in the joint venture tenements with Jindalee maintaining a 20% equity position, free-carried through to completion of a Bankable Feasibility Study. The joint venture tenements contain indicated and inferred iron oxide resources (Joyners North) estimated to total 7.9 million tonnes at 62.2% iron.

There were no developments concerning the joint venture tenements during the quarter.

CORPORATE

At 30 June 2012 Jindalee held cash and shares worth approximately \$10.9M, including \$6.3M in cash. These assets, combined with our tight capital structure (34.8M shares on issue) provide a strong base for leverage into new opportunities.

The acquisition of projects with the potential to provide significant growth for shareholders continues to be our primary focus. A number of advanced project opportunities situated both within Australia and in mining friendly countries were examined during the quarter, with several of these properties remaining the subject of ongoing investigations.

Notes: The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Terrence Peachey, who is an employee of the Company and is a member of the Australian Institute of Geoscientists. Mr Peachey has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activity, which he is undertaking, to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves.' Mr Peachey consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Forward-Looking Statements: This document may include forward-looking statements. Forward-looking statements include, but are not limited to statements concerning Jindalee Resources Limited's (Jindalee) planned exploration program and other statements that are not historical facts. When used in this document, the words such as "could", "plan", "estimate", "expect", "intend", "may", "potential", "should", and similar expressions are forward-looking statements. Although Jindalee believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements.