JINDALEE RESOURCES LIMITED
AND CONTROLLED ENTITIES

A.B.N. 52 064 121 133

ANNUAL FINANCIAL REPORT
30 JUNE 2023

CORPORATE DIRECTORY

Board and Management

Justin Mannolini	Non-Executive Chair
Lindsay Dudfield	Executive Director and Chief Executive Officer (“CEO”)
Darren Wates	Non-Executive Director
Paul Brown	Non-Executive Director
Carly Terzanidis	Company Secretary
Jessamyn Lyons	Company Secretary

Registered Office

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Perth, WA 6000

Principal Place of Business

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Web: www.jindalee.net

Auditors

BDO Audit (WA) Pty Ltd
Level 9
Mia Yellagonga Tower 2
5 Spring Street
Perth, WA 6000

Legal Advisors

Hamilton Locke
Level 48, 152-158 St Georges Terrace
Perth, WA 6000

Share Registry

Advanced Share Registry
110 Stirling Highway
Nedlands, WA 6000
Telephone: +61 (8) 9389 8033
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Securities Exchange Listing

The Company is listed on:

The Australian Securities Exchange Ltd (“ASX”)
Home Exchange: Perth, Western Australia
ASX Code: JRL

OTC Markets Group Inc
OTCQX: JNDAF
www.otcmarkets.com

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DIRECTORS' REPORT

The Directors present their report on the consolidated entity (referred to hereafter as "the Group") consisting of Jindalee Resources Limited (referred to hereafter as "Jindalee", the "Company" or "Parent Entity" or "JRL") and the entities it controlled at the end of, or during the year ended 30 June 2023.

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, unless otherwise stated:

Lindsay Dudfield	
Justin Mannolini	
Darren Wates	appointed on 4 August 2022
Patricia Farr	resigned on 4 August 2022
Paul Brown	appointed on 1 December 2022

Principal activities

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

Financial results

The consolidated loss of the Group after providing for income tax for the year ended 30 June 2023 was $2,577,276 (2022: loss $1,446,131).

Dividends

No dividends have been 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

On 11 January 2023, the Group successfully completed a spin-out of its subsidiary, Dynamic Metals Ltd ("Dynamic"). As a result of the spin-out, the group divested its Western Australian tenements to Dynamic and obtained 12,500,000 ordinary fully paid shares in Dynamic in return. There have been no other significant changes in the state of affairs of the Group.

Operations and financial review

Jindalee's strategy is to identify and acquire projects with the potential to transform the Company and this continued to be the Group's primary focus.

During the year efforts were concentrated on Jindalee's 100% owned McDermitt Lithium Project (US) and included drilling to both infill and extend the Indicated and Inferred Mineral Resource Estimate ("MRE") announced in July 2022[1] (Table 1), metallurgical testwork to optimise processing options and baseline studies to further derisk the Project.

In November 2022 Jindalee shareholders approved the spin-out of the Company's Australian assets via Dynamic. Dynamic listed on ASX in January 2023 after raising $7M, with the Company now a pure play US lithium explorer and developer focussed on the McDermitt Lithium Project[2].

<u>McDermitt</u>

In October 2022 Jindalee completed a 21 hole drilling program at McDermitt. The program was designed to increase confidence in the mineral resource to allow for conversion of Inferred Mineral Resource to Indicated, as well as extending the deposit to the west. Significant widths of lithium mineralisation were intersected, with some of the better intercepts from the program[3] including:

- MDD025: 182.2m @ 1197ppm Li from 21.4m
- MDD028: 131.6m @ 1219ppm Li from 21.9m
- MDRC024: 68.6m @ 1669ppm Li from surface
- MDRC025: 50.3m @ 1512ppm Li from surface

In February 2023 Jindalee announced an updated MRE at McDermitt[4]. The 2023 combined Indicated and Inferred Mineral Resource is 21.5Mt Lithium Carbonate Equivalent ("LCE"), making McDermitt the largest lithium deposit in the US by contained lithium in Mineral Resource and a globally significant resource.

The 2023 combined Indicated and Inferred Mineral Resource represents an overall increase (from 2022[1]) in tonnage of 65%, with a 2% decrease in grade for a 62% increase in contained lithium. Importantly, the Indicated Mineral Resource increased (by tonnage) by 138% with an overall 131% increase in contained metal (to 11.1Mt LCE) at this higher confidence classification (Table 1).

	2022 Mineral Resource			2023 Mineral Resource			% Difference		
	Tonnage (Mt)	Li Grade (ppm)	LCE (Mt)	Tonnage (Mt)	Li Grade (ppm)	LCE (Mt)	Tonnage (Mt)	Li Grade (ppm)	LCE (Mt)
Indicated Resource	620	1,460	4.8	1,470	1,420	11.1	138%	-3%	131%
Inferred Resource	1,200	1,310	8.4	1,540	1,270	10.4	27%	-4%	23%
Total	**1,820**	**1,370**	**13.3**	**3,000**	**1,340**	**21.5**	**65%**	**-2%**	**62%**

Table 1 – Comparison of 2022[1] and 2023[4] McDermitt Mineral Resource Estimates at the reporting cut-off of 1,000ppm. Note: totals may vary due to rounding

The Company confirms that it is not aware of any new information or data that materially affects the information included in this market announcement and that all material assumptions and technical parameters underpinning the estimates of mineral resources referenced in this market announcement continue to apply and have not materially changed.

In March 2023 Jindalee announced that global engineering, procurement, construction and maintenance company Fluor Corporation (NYSE: FLR) had reviewed all metallurgical testwork completed at McDermitt[5] and determined that acid leaching with beneficiation (to upgrade the leach head grade) delivered the lowest operating costs and best financial outcome for the Project. Fluor recommended that further testwork to refine this preferred flowsheet and support a pre-feasibility study ("PFS") level study be undertaken. Metallurgical testwork (managed by Fluor) is currently underway utilising samples representative of Indicated resources within conceptual Pit Shell 5 (nominal 20 years).

In June 2023 Jindalee announced that it had commenced a PFS on the Project with Fluor appointed as lead engineer[6]. Fluor has extensive experience with US sediment hosted lithium deposits and has assembled a team of highly credentialled metallurgists and engineers to work on the study. The Company also advised that experienced engineer Michael Elias had been engaged as Jindalee's Study Manager for the PFS. Results from the PFS are expected to be available mid-2024.

In February 2023 Jindalee announced that it had signed a non-binding Memorandum of Understanding ("MOU") with major Korean conglomerate POSCO Holdings Inc. ("POSCO") (NYSE: PKX), whereby POSCO and Jindalee agreed to undertake joint research on a large composite sample from McDermitt[7]. POSCO is a supplier of cathode active materials to major US auto maker General Motors and this testwork is designed to optimise the flowsheet for recovering lithium from McDermitt. Testing of the McDermitt ore at POSCO's Korean facilities is ongoing.

Jindalee continues to de-risk the Project on multiple fronts. In addition to ongoing geological, metallurgical and engineering studies the Company is building on environmental baseline and cultural surveys completed during 2022. In May 2023 the Company announced the US Bureau of Land Management ("BLM") had advised that the Exploration Plan of Operations ("EPO") for McDermitt had been deemed complete[8]. Once approved, the EPO will allow Jindalee to significantly increase on-site activity, including infill drilling and bulk sampling.

Australia

In November 2022 Jindalee shareholders approved the spin-out of Jindalee's Australian assets via Dynamic, with Dynamic listing on ASX in January 2023 after raising $7M (before costs)[2]. The Dynamic initial public offering included a priority offer to existing Jindalee shareholders, as well as a public offer. Jindalee holds 12.5M Dynamic shares and is Dynamic's largest shareholder, providing Jindalee shareholders with an indirect interest in Dynamic's Australian projects.

Material Business Risks

The Company has exposure to a number of material economic, environmental and social sustainability risks, as is typical for a mineral exploration and development company, including but not limited to those set out below. In accordance with the Company's Board Charter and Risk Management Policy, the Board has oversight of risk management with the assistance of the Risk Management Team.

Tenure and access

The Company's exploration tenure in the United States is subject to periodic renewal. The renewal of the term of granted tenure is subject to the discretion of the relevant authority and may be subject to conditions. The imposition of new conditions or the inability to meet those conditions may adversely affect the Company or its prospects.

The McDermitt Project overlaps certain third party interests that may limit the Company's ability to conduct exploration and mining activities. Where the Company's projects overlap private land, exploration activity on the projects may require authorisation or consent from the owners of or other interest holders in that land.

Exploration

Potential investors should understand that mineral exploration and development are high-risk undertakings. There can be no assurance that exploration of the Company's projects, or any other projects that may be acquired in the future, will result in the discovery of an economic ore deposit. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited. The success of the Company will also depend upon the Company having access to sufficient development capital, being able to maintain title to its projects and obtaining all required approvals for its activities. In the event that exploration programs prove to be unsuccessful this could lead to a diminution in the value of the tenements, a reduction in the cash reserves of the Company and possible relinquishment of its projects.

Climate change

The operations and activities of the Company are subject to changes to local or international compliance regulations related to climate change mitigation efforts. While the Company will endeavour to manage these risks and limit any consequential impacts, there can be no guarantee that the Company will not be impacted by these occurrences. Climate change may also cause certain physical and environmental risks that cannot be predicted by the Company, including events such as increased severity of weather patterns, incidence of extreme weather events and longer-term physical risks such as shifting climate patterns. All these risks associated with climate change may significantly change the industry in which the Company operates.

Reliance on key personnel

The Company's future depends, in part, on its ability to attract and retain key personnel. It may not be able to hire and retain such personnel at compensation levels consistent with its existing compensation and salary structure. Its future also depends on the continued contributions of its key management and technical personnel, the loss of whose services would be difficult to replace. In addition, the inability to continue to attract appropriately qualified personnel could have a material adverse effect on the Company's business.

Environmental

The operations and proposed activities of the Company are subject to laws and regulations concerning the environment. Approvals are required for land clearing and for ground disturbing activities. Delays in obtaining such approvals can result in the delay to anticipated exploration programmes or mining activities. As with most exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. It is the Company's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws. There is a risk that environmental laws and regulations become more onerous making the Company's activities more expensive.

Economic
General economic conditions, introduction of tax reform, new legislation, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company, as well as on its ability to fund its operations.

Additional requirements for capital
The operations of the Company are currently dependent on its ability to obtain financing through debt and equity to meet its business objectives. There is a risk that the Company may not be able to access capital from debt or equity markets for future operations, projects or developments. This could have a material adverse impact on the Company's business and financial condition.

Contract and contractor
The Company has outsourced certain activities to third party contractors. Such contractors may not be available to perform services for the Company when required or may only be willing to do so on terms that are not acceptable to the Company. Contractor performance may be hampered by capacity constraints and may not comply with applicable provisions, standards or laws in respect of quality, safety, environmental compliance and timeliness, which may be difficult to control. In the event that a contractor underperforms or its services are terminated, the Company may not be able to find a suitable replacement on satisfactory terms within the required timeframe or at all. These circumstances could have a material adverse effect on the Company's operations.

Exchange rates
Due to its operations in the United States, the Company is exposed to the fluctuations and volatility of the rate of exchange between the United States dollar and the Australian dollar as determined in international markets. Movements in interest rates may result from changes in economic conditions, monetary and fiscal policies, international and regional political events or other factors beyond the control of the Company, which may adversely affect the financial condition of the Company.

Cost inflation
Higher than expected inflation rates generally, specific to the mining industry, or specific to the US or Australia, could be expected to increase operating and capital expenditure costs and potentially reduce the value of future project developments.

Sovereign risks
The Company's exploration and development activities are carried out in the United States. As a result, the Company will be subject to political, social, economic and other uncertainties including, but not limited to, changes in policies or the personnel administering them, foreign exchange restrictions, changes of law affecting foreign ownership, currency fluctuations, local beneficiation requirements, local content laws, expropriation risk, royalties and tax increases in that country. Other potential issues contributing to uncertainty such as repatriation of income, exploration licensing, environmental protection and Government control over mineral properties, changes to political, legal, regulatory, fiscal and exchange control systems and changes in Government may also impact the Company's projects or operations.

<u>Financial</u>
The net assets of the Group have decreased by $452,315 from $18,270,359 at 30 June 2022 to $17,818,044 at 30 June 2023.

The Directors believe the Group is in a sound financial position to continue its exploration endeavours.

<u>Competent Persons Statement</u>
The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Lindsay Dudfield and Mr Brett Marsh. Mr Dudfield is a director and shareholder of, and consultant to, the Company and a Member of the Australasian Institute of Mining and Metallurgy (AusIMM) and the Australian Institute of Geoscientists (AIG). Mr Marsh is an employee of the Company and an American Institute of Professional Geologists (AIPG) Certified Professional Geologist and a Registered Member of the Society for Mining, Metallurgy & Exploration (SME). Both Mr Dudfield and Mr Marsh have sufficient experience relevant to the styles of mineralisation and types of deposits under consideration, and to the activity being undertaken, to qualify as Competent Persons as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources

and Ore Reserves' ("JORC Code"). Mr Dudfield and Mr Marsh consent to the inclusion in this report of the matters based on this information in the form and context in which it appears.

The information in this report that relates to the Mineral Resource Estimates for the McDermitt deposit is based on information compiled by Mr Arnold van der Heyden, who is a Member and Chartered Professional (Geology) of the AusIMM and a Director of H&S Consultants Pty Ltd. Mr van der Heyden has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the JORC Code. Mr van der Heyden consents to the inclusion in this report of the matters based on this information in the form and context in which it appears.

The Company confirms that it is not aware of any further new information or data that materially affects the information included in the original market announcements by Jindalee Resources Ltd (JRL) referenced in this report and in the case of estimates of Mineral Resources, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed. To the extent disclosed above, the Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

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.

References

Additional details including JORC 2012 reporting tables, where applicable, can be found in the ASX announcements referenced in this report and the below announcements lodged with the ASX during the period:

1. Jindalee Resources ASX announcement 06/07/2022: "170% increase to Indicated Resource at McDermitt
2. Jindalee Resources ASX announcement 13/01/2023: "Dynamic Metals raises $7M in IPO – to list on ASX"
3. Jindalee Resources ASX Announcement 14/12/2022: "Outstanding final assays at McDermitt lithium project"
4. Jindalee Resources ASX announcement 27/02/2023: "Resource at McDermitt increases to 21.5 Mt LCE"
5. Jindalee Resources ASX announcement 24/03/2023: "Preferred Lithium Extraction Process for McDermitt Project"
6. Jindalee Resources ASX announcement 07/06/2023: "Fluor Appointed Lead Engineer for McDermitt Project"
7. Jindalee Resources ASX announcement 13/02/2023: "MOU Executed with POSCO Holdings"
8. Jindalee Resources ASX Announcement 16/05/2023: "McDermitt Progress Update"

Events since 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 Group 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 Group in subsequent financial years not already disclosed in this report.

Environmental regulation

The Group's claims in the United States of America are all located on Federally owned land managed by the Bureau of Land Management. There are a range of requirements that must be met when undertaking exploration activities, including seeking approval depending on the nature of the activities and undertaking rehabilitation once activities are complete. Bonds are payable prior to the commencement of exploration activities and are returned on satisfactory completion of rehabilitation. The Group conducts its exploration activities in an environmentally sensitive manner and the Group is not aware of any breach of statutory conditions or obligations.

Greenhouse gas and energy data reporting requirements

The Directors have considered compliance with both the *Energy Efficiency Opportunity Act 2006* and the *National Greenhouse and Energy Reporting Act 2007* which requires entities to report annual greenhouse gas emissions and energy use. The Directors have assessed that there are no current reporting requirements for the year ended 30 June 2023, however reporting requirements may change in the future.

Information on Directors

J Mannolini B.Com/LLB (Hons), LLM (Cantab), GAICD, SF FIN. *Non-Executive Chair*		
Experience and expertise	Mr Mannolini was appointed to the Company's Board as a Non-Executive Director in September 2013 and as Chair in July 2016. Mr Mannolini is a partner in the Corporate Advisory Group of Australian law firm Gilbert + Tobin. He was an Executive Director with Macquarie Capital, the investment banking division of the Macquarie Group from March 2013 to May 2016 and was responsible for cross-industry coverage of the Western Australian market. Prior to joining Macquarie, Mr Mannolini was Managing Director and head of Gresham Advisory Partners' Perth office, and before that, a partner in the mergers and acquisitions group of Australian law firm Freehills. In May 2016 Mr Mannolini was appointed to the board of the Northern Australia Infrastructure Facility, a $5B fund set up by the Australian Government to encourage population growth and economic development in northern Australia. As a lawyer and investment banker, Mr Mannolini has more than 20 years' experience in corporate finance ranging across industry sectors and product lines, including mergers and acquisitions transactions and general strategic advisory mandates for companies in the resources sector.	
Other current directorships	Dynamic Metals Limited – Non-Executive Chair	
Former directorships in last 3 years	iCetana Limited – resignation effective May 2021	
Special responsibilities	Chair	
Interests in shares and options	Ordinary Shares – Jindalee Resources Limited	750,000

L Dudfield B.Sc. *Executive Director and CEO*		
Experience and expertise	Mr Dudfield is a qualified geologist with over 40 years' experience in multi-commodity exploration, primarily within Australia. He held senior positions with the mineral division of Amoco (1977-1979) and Exxon (1980-1987) and was closely involved with the delineation of the Scuddles zinc-copper mine at Golden Grove, WA. In 1987 he became a founding director of Dalrymple Resources NL and spent the following eight years helping acquire and explore Dalrymple's properties, leading to a number of greenfields discoveries. In late 1994 Mr Dudfield joined the board of Horizon Mining NL (Jindalee's predecessor and has been responsible for managing the Company since inception. Mr Dudfield is a member of the Australasian Institute of Mining and Metallurgy ("AusIMM"), the Society of Economic Geologists ("SEG"), the Australian Institute of Geoscientists ("AIG") and the Geological Society of Australia ("GSA").	
Other current directorships	Energy Metals Limited – Non-Executive Director Alchemy Resources Limited – Non-Executive Chair Dynamic Metals Limited – Non-Executive Director	
Former directorships in last 3 years	None	
Special responsibilities	CEO	
Interests in shares and options	Ordinary Shares – Jindalee Resources Limited* *In addition to the above shares, it is noted that 544,933 shares are held by Jopan Management Pty Ltd, a company owned by Mr Dudfield's spouse, over which Mr Dudfield neither controls nor exerts any significant influence on, and 68,250 shares are held by Mr Dudfield's spouse.	14,813,915

Information on Directors (continued)

P Brown M.Eng (MI) *Non-Executive Director*		
Experience and expertise	Mr Brown has over 23 years' experience in the mining industry, most recently with Mineral Resources (ASX: MIN) where he was Chief Executive – Lithium and Chief Executive – Commodities. Mr Brown has held senior operating roles with Leighton, HWE and GMG and has a strong track record in technical leadership, project/studies management and mine planning and management. Mr Brown has a Masters in Mine Engineering.	
Other current directorships	Future Battery Metals Limited – Non-Executive Director	
Former directorships in last 3 years	Resource Development Group Limited – resignation effective October 2022	
Special responsibilities	None	
Interests in shares and options	Unquoted Options – Jindalee Resources Limited	500,000

D Wates LLB, BCom, Grad Dip App Fin *Non-Executive Director* **Appointed 04/08/2022**		
Experience and expertise	Mr Wates is a corporate lawyer with over 23 years' experience in equity capital markets, mergers and acquisitions, resources, project acquisitions/divestments and corporate governance gained through private practice and in-house roles in Western Australia. Mr Wates is the founder and Principal of Corpex Legal, a Perth based legal practice providing corporate, commercial and resources related legal services, primarily to small and mid-cap ASX listed companies. In this role, Mr Wates has provided consulting general counsel services to ASX listed company Neometals Ltd (ASX: NMT) since 2016, having previously been employed as legal counsel of NMT. Mr Wates holds Bachelor degrees in Law and Commerce and a Graduate Diploma in Applied Finance and Investment.	
Other current directorships	None	
Former directorships in last 3 years	None	
Special responsibilities	None	
Interests in shares and options	Unquoted Options – Jindalee Resources Limited	500,000

P Farr GradCertProfAcc, GradDipACG, GAICD, FGIA/FCIS *Executive Director/Company Secretary* **Resigned as Director 04/08/2022 and Company Secretary 01/12/2022**	
Experience and expertise	Ms Farr is an experienced Chartered Secretary with over 20 years' experience in providing company secretarial and corporate governance services to a small portfolio of ASX listed, unlisted and not-for-profit companies predominantly in the mineral resources, research and health sectors. Ms Farr is a graduate member of the Australia Institute of Company Directors, fellow member of Governance Institute of Australia and the Institute of Chartered Secretaries and Administrators. Ms Farr was appointed to the Jindalee Board in 2008.
Other current directorships	None
Former directorships in last 3 years	None
Special responsibilities	None
Interests in shares and options	n/a, resigned 04/08/2022

Company Secretary Information

Ms Terzanidis is a Chartered Secretary, an Associate of the Governance Institute of Australia and holds a Bachelor of Commerce from Curtin University with majors in Accounting and Corporate & Resources Administration. Ms Terzanidis is Company Secretary of Alchemy Resources Limited (ASX: ALY) and Joint Company Secretary of Viridis Mining and Minerals Limited (ASX: VMM).

Ms Lyons is a Chartered Secretary, a Fellow of the Governance Institute of Australia and holds a Bachelor of Commerce with majors in Investment Finance, Corporate Finance and Marketing. Ms Lyons is a Director of Nexia Perth, Company Secretary of Dreadnought Resources Limited (ASX: DRE) and Ragnar Metals Limited (ASX: RAG), and Joint Company Secretary of Echo IQ Limited (ASX: EIQ) and Torque Metals Limited (ASX: TOR).

Meetings of Directors

The following table sets out the number of meetings of the Company's Directors held during the year ended 30 June 2023 the numbers of meetings attended by each Director.

Name	Board of Directors	
	Meetings held during the time the Director held office	Meetings attended
J Mannolini	8	6
L Dudfield	8	6
P Farr	1	1
D Wates	7	7
P Brown	5	5

As at the date of this report, the Group did not have an Audit Committee of the Board of Directors. The Board considers that due to the Group's size, an Audit Committee's functions and responsibilities can be adequately and efficiently discharged by the Board as a whole, operating in accordance with the Group's mechanisms designed to ensure independent judgement in decision making.

Retirement, election and continuation in office of directors

Mr Lindsay Dudfield and Mr Paul Brown are the Directors seeking election at the Company's 2023 Annual General Meeting.

AUDITED REMUNERATION REPORT

The Directors are pleased to present Jindalee Resources Limited 2023 remuneration report which sets out remuneration information for the Company's non-executive directors, executive directors and other key management personnel.

The report contains the following sections:

(a) Key management personnel disclosed in this report
(b) Remuneration governance and the use of remuneration consultants
(c) Executive remuneration policy and framework
(d) Relationship between remuneration and the Group's performance
(e) Non-executive director remuneration policy
(f) Voting and comments made at the Company's 2022 Annual General Meeting
(g) Details of remuneration
(h) Service agreements
(i) Details of share-based compensation and bonuses
(j) Equity instruments held by key management personnel
(k) Loans to key management personnel
(l) Other transactions with key management personnel

(a) Key management personnel disclosed in this report

J Mannolini	Non-Executive Chair
L Dudfield	Executive Director and CEO
D Wates	Non-Executive Director (appointed 4 August 2022)
P Brown	Non-executive director (appointed 1 December 2022)
P Farr	Executive Director/Company Secretary (resigned as Executive Director on 4 August 2022 and Company Secretary on 1 December 2022)
K Wellman	Chief Executive Officer (resigned on 10 January 2023)

For further details on each Director see pages 7-8.

(b) Remuneration governance and use of remuneration consultants

The Company has a Remuneration Policy however has not established a separate Remuneration Committee. Due to the early stage of development and small size of the Company a separate Remuneration Committee was not considered to add any efficiency to the process of determining the levels of remuneration for directors and key executives. The Board considers that it is more appropriate to set aside time at a Board meeting each year to specifically address matters that would ordinarily fall to a Remuneration Committee such as reviewing remuneration, recruitment, retention and termination procedures and evaluating senior executive remuneration packages and incentives. A copy of the Remuneration Policy can be found on the Company's website www.jindalee.net.

In addition, all matters of remuneration will continue to be in accordance with the *Corporations Act 2001* requirement, especially with regard to related party transactions. That is, none of the Directors participate in any deliberations regarding their own remuneration or related issues.

Independent external advice is sought from remuneration consultants when required, however no advice has been sought during the year ended 30 June 2023.

The Corporate Governance Statement provides further information on the Company's remuneration governance. Further details on the Corporate Governance Statement can be found on the Company's website www.jindalee.net.

(c) Executive remuneration policy and framework

In determining executive remuneration, the Board aims to ensure that remuneration practices are:

- Competitive and reasonable, enabling the Company to attract and retain key talent
- Aligned to the Company's strategic and business objectives and the creation of shareholder value
- Transparent and easily understood, and
- Acceptable to shareholders

All executives receive consulting fees or a salary, part of which may be taken as superannuation, and from time to time, options. Options issued to Directors are subject to approval by Shareholders. The Board reviews executive packages annually by reference to the executive's performance and comparable information from industry sectors and other listed companies in similar industries.

Board members are allocated superannuation guarantee contributions as required by law, and do not receive any other retirement benefits. From time to time, some individuals may choose to sacrifice their salary or consulting fees to increase payments towards superannuation.

All remuneration paid to directors and specified executives is valued at the cost to the Group and expensed. Options are valued using the Black-Scholes methodology.

(d) Relationship between remuneration and the Group's performance

The policy setting the terms and conditions for the executive directors was developed and approved by the Board and is considered appropriate for the current exploration phase of the Group's development. Emoluments of Directors are set by reference to payments made by other companies of similar size and industry, and by reference to the skills and experience of directors. Fees paid to Directors are not linked to the performance of the Group. This policy may change once the exploration phase is complete and the Company is generating revenue. At present the existing remuneration policy is not impacted by the Group's performance including earnings and changes in shareholder wealth (dividends, changes in share price or returns of capital to shareholders). The Board has not set short term performance indicators, such as movements in the Company's share price, for the determination of director emoluments as the Board believes this may encourage performance which is not in the long-term interests of the Company and its shareholders. The Board has structured its remuneration arrangements in such a way it believes is in the best interests of building shareholder wealth in the longer term. The Board believes participation in the Company's Employee Securities Incentive Plan motivates key management and executives with the long-term interests of shareholders.

The following table shows the share price and the market capitalisation of the Group at the end of each of the last five financial years.

	2019	2020	2021	2022	2023
Share Price	$0.39	$0.32	$2.50	$2.99	$1.75
Market Capitalisation	$13.7M	$12.4M	$133.5M	$171.6M	$100.1M
Dividends (cents per share)	-	-	-	-	-

(e) Non-executive director remuneration policy

On appointment to the Board, all non-executive directors enter into a service agreement with the Company in the form of a letter of appointment. The letter summarises the Board policies and terms including remuneration, relevant to the office of director.

The Board policy is to remunerate non-executive directors at commercial market rates for comparable companies for their time, commitment and responsibilities.

The maximum aggregate amount of fees that can be paid to non-executive directors is subject to approval by shareholders at the Annual General Meeting and is currently set at $350,000 per annum.

Fees for non-executive directors are not linked to the performance of the Group. Non-executive directors' remuneration may also include an incentive portion consisting of options, subject to approval by Shareholders.

(f) Voting and comments made at the Company's 2022 Annual General Meeting

Jindalee received 99.76% of "yes" votes on its remuneration report for the 2022 financial year. The Company did not receive any specific feedback at the AGM or throughout the year on its remuneration practices.

(g) Details of remuneration

The following table sets out details of the remuneration received by the Group's key management personnel for the current and previous financial year measured in accordance with the requirements of the accounting standards.

		Short-term benefits		**Post-employment benefits**		**Share-based payment**		**Remuneration consisting of options**
Non-Executive Director/Chair		Director Fees $	Cash Salary, Consulting Fees $	Superannuation $	Annual and Long Service Leave $	Options $	Total $	Percentage %
J Mannolini	2023	50,000	-	5,250	-	-	55,250	0%
	2022	50,000	-	5,000	-	-	55,000	0%
Non-Executive Directors								
D Wates[1]	2023	45,467	-	4,774	-	534,500	584,741	91%
P Brown[2]	2023	30,027	-	3,153	-	245,706	278,886	88%
Executive Directors								
L Dudfield	2023	-	203,125	-	-	-	203,125	0%
(and CEO)	2022	-	159,000	-	-	-	159,000	0%
P Farr[3]	2023	-	11,848	-	-	-	11,848	0%
	2022	-	127,576	-	-	-	127,576	0%
Chief Executive Officer								
K Wellman[4]	2023	-	129,231	13,569	-	-	142,800	0%
	2022	-	240,000	24,000	-	317,451	581,451	55%
Total								
	2023	125,494	344,204	26,746	-	780,206	1,276,650	61%
	2022	50,000	526,576	29,000	-	317,451	923,027	34%

[1]Appointed 4 August 2022
[2] Appointed 1 December 2022
[3]Resigned as Executive Director on 4 August 2022
[4]Resigned on 10 January 2023

(h) Service Agreements

Remuneration and other terms of employment for key management personnel are formalised in service agreements. The service agreements specify the components of remuneration, benefits and notice periods.

J Mannolini
Mr Mannolini was appointed a Non-Executive Director on 30 September 2013 and appointed Chairman on 1 July 2016. Mr Mannolini is entitled to directors fees of $50,000 per annum plus statutory superannuation in accordance with his letter of appointment. Mr Mannolini's appointment is contingent upon satisfactory performance and successful re-election by shareholders of the Company as and when required by the Constitution of the Company and the *Corporations Act 2001*. Mr Mannolini is not entitled to any termination benefits.

D Wates
Mr Wates was appointed as a non-executive director on 4 August 2022. Mr Wates is entitled to directors fees of $50,000 per annum plus statutory superannuation in accordance with his letter of appointment. Mr Wates' appointment is contingent upon satisfactory performance and successful re-election by shareholders of the Company as and when required by the Constitution of the Company and the *Corporations Act 2001*. Mr Wates is not entitled to any termination benefits.

P Brown
Mr Brown was appointed as a non-executive director on 1 December 2022. Mr Brown is entitled to directors fees of $50,000 per annum plus statutory superannuation in accordance with his letter of appointment. Mr Brown's appointment is contingent upon satisfactory performance and successful re-election by shareholders of the Company as and when required by the Constitution of the Company and the *Corporations Act 2001*. Mr Brown is not entitled to any termination benefits.

L Dudfield
Mr Dudfield was appointed a director on 22 January 1996. On 11 January 2023, Mr Dudfield was appointed as CEO of Jindalee Resources Limited. Mr Dudfield is remunerated pursuant to the terms and conditions of a consultancy agreement entered into with Mr Dudfield and Jopan Management Pty Ltd trading as Western Geological Services. The agreement may be terminated by either party on the giving on 90 days' notice or earlier in the event of a default not remedied within 14 days. Mr Dudfield is not entitled to any termination benefits.

P Farr
Ms Farr was appointed as a director on 29 August 2008 and resigned on 4 August 2022. Ms Farr is remunerated pursuant to the terms and conditions of a consultancy agreement. The agreement may be terminated by either party on the giving on 90 days' notice or earlier in the event of a default not remedied within 14 days. Ms Farr is not entitled to any termination benefits.

K Wellman
Ms Wellman was appointed Chief Executive Officer effective 12 October 2020 and resigned on 10 January 2023. Ms Wellman was paid an annual salary of $240,000 per annum plus statutory superannuation pursuant to an Executive Services Agreement. Ms Wellman's employment contract may be terminated by either party on the giving of three months' notice. Upon termination of the contract, for any reason, the Company will pay leave entitlements due to Ms Wellman.

(i) Details of share-based compensation and bonuses

Options over shares in Jindalee Resources Limited are granted under the Company's Employee Securities Incentive Plan. Participation in the plan and any vesting criteria, is at the Board's discretion and no individual has a contractual right to participate in the plan or to receive any guaranteed benefits. Any options issued to directors of the Company are subject to shareholder approval.

Options
The terms and conditions of each grant of options over ordinary shares affecting remuneration of directors and other key management personnel in this financial year or future reporting years are as follows:

Name	Number of options granted	Grant date	Vesting date and exercisable date	Expiry date	Exercise price	Fair value per option at grant date
D Wates	500,000	30/11/2022	30/11/2022	30/11/2025	$3.32	$1.069
P Brown	500,000	22/03/2023	01/12/2023	22/03/2026	$3.63	$1.248

Options granted carry no dividend or voting rights.

All options were granted over unissued fully paid ordinary shares in the Company. Options vest based on the provision of service over the vesting period whereby the executive becomes beneficially entitled to the option on vesting date. Options are exercisable by the holder as from the vesting date. There has not been any alteration to the terms or conditions of the grant since the grant date. There are no amounts paid or payable by the recipient in relation to the granting of such options other than on their potential exercise.

Values of options over ordinary shares granted, exercised and lapsed for Directors and other key management personnel as part of compensation during the year ended 30 June 2023 are set out below:

Name	Value of options granted during the year $	Value of options exercised during the year $	Value of options lapsed during the year $	Remuneration consisting of options for the year %
D Wates	534,500	-	-	91%
P Brown	624,000	-	-	88%

The fair value of services received in return for share options granted to employees is measured by reference to the fair value of options granted. The estimate of the fair value of the services is measured based on Black-Scholes option valuation methodology. The life of the options and early exercise option are built into the option model.

No bonuses were paid during the year and there is currently no bonus scheme in place.

Further information on the fair value of share options and assumptions is set out in Note 17 to the financial statements.

(j) Equity instruments held by key management personnel

The following tables detail the number of fully paid ordinary shares and options over ordinary shares in the Company that were held during the financial year and the previous financial year by key management personnel and their associated related parties.

2023 Name	Balance at the start of the year	Options/ Shares granted as compensation	Received during the year on the exercise of options	Number of options vested during year	Number of options forfeited during the year	Other changes during the year	Balance at the end of the year	Vested and exercisable	Unvested
J Mannolini									
Ordinary fully paid shares	750,000	-	-	-	-	-	750,000	-	-
Unlisted Options	-	-	-	-	-	-	-	-	-
D Wates									
Ordinary fully paid shares	-	-	-	-	-	-	-	-	-
Unlisted Options	-	500,000	-	-	-	-	500,000	500,000	-
P Brown									
Ordinary fully paid shares	-	-	-	-	-	-	-	-	-
Unlisted Options	-	500,000	-	-	-	-	500,000	-	500,000
L Dudfield									
Ordinary fully paid shares	14,745,665	-	-	-	-	-	14,745,665	-	-
Unlisted Options	-	-	-	-	-	-	-	-	-
P Farr									
Ordinary fully paid shares	905,922	-	-	-	-	(905,922)	N/A	-	-
Unlisted Options	-	-	-	-	-	-	-	-	-
K Wellman									
Ordinary fully paid shares	652,000	-	-	-	-	(652,000)	N/A	-	-
Unlisted Options	1,375,000	-	-	-	-	(1,375,000)	N/A	N/A	N/A

<u>Securities Trading Policy</u>

The Company has implemented a policy on trading in the Company's securities designed to ensure that all Directors, senior management and employees of the Company act ethically and do not use confidential inside information for personal gain. The policy states acceptable and unacceptable times for trading in Company securities and outlines the responsibility of Directors, senior management and employees to ensure that trading complies with the *Corporations Act 2001*, the ASX Listing Rules and Company policy. A copy of this policy was lodged with the ASX and is available on the Company's website.

Any transaction conducted by Directors with regards to shares of the Company requires notification to the ASX. Each Director has entered into an agreement to provide any such information with regards to Company dealings directly to the Company Secretary promptly to allow the Company to notify the ASX within the required reporting timeframes.

For details on the valuation of the options, including models and assumptions used, please refer to Note 17.

(k) Loans to key management personnel

There were no loans to individuals or members of key management personnel during the financial year or the previous financial year.

(l) Other transactions with key management personnel

During the year the Group paid a total of $203,125 to Western Geological Services (a division of Jopan Management Pty Ltd), the fees being for the provision of technical and management services provided to the Group by Mr Lindsay Dudfield. Mr Dudfield's spouse is the major shareholder of and the sole director and company secretary of Jopan Management Pty Ltd.

During the year, the Group paid a total of $11,848 to Farr Corporate Pty Ltd for the provision of company secretarial and accounting services, while Ms Farr was an executive director of Jindalee Resources Limited. Ms Farr is a director and shareholder of Farr Corporate Pty Ltd.

End of Audited Remuneration Report

Shares under option

Unissued ordinary shares of the Company under option at the date of this report are as follows:

Grant Date	Number	Date vested and exercisable	Expiry Date	Exercise Price
27/11/2020	375,000	30/04/2021	30/06/2025	$0.40
27/11/2020	1,000,000	30/04/2022	30/06/2025	$0.50
22/03/2021	1,000,000	22/03/2021	22/03/2024	$3.50
01/08/2022	1,500,000	various	28/07/2025	$3.78
30/11/2022	500,000	30/11/2022	30/11/2025	$3.32
17/01/2023	125,000	25/01/2026	25/01/2026	$5.00
22/03/2023	500,000	01/12/2023	22/03/2026	$3.63
1/07/2023	400,000	various	10/07/2026	$3.50

No option holder has any right under the options to participate in any other share issue of the Company or any other entity.

Shares Issued on Exercise of Options

There were no shares (2022: 3,975,000) issued on exercise of options during the year and up to the date of this report.

Directors and Officers insurance

Jindalee Resources Limited paid a premium during the year in respect of a directors' and officers' liability insurance policy, insuring the Directors and officers of the company against a liability incurred whilst acting in the capacity of a director, secretary or executive officer to the extent permitted by the *Corporations Act 2001*. The Directors have not included details of the nature of the liabilities covered or the amount of the premium paid in respect of the policy as such disclosure is prohibited under the terms of the contract of insurance.

Corporate Governance Statement

The Company's 2023 Corporate Governance Statement has been released as a separate document and is located on the Company's website at: https://www.jindalee.net/site/about/corporate-governance.

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*.

Non-audit services

The Company from time to time may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Company is important.

The Board of Directors has considered the position and is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001.* The Directors are satisfied that the provision of non-audit services by the auditor as set out below did not compromise the auditor independence requirements of the *Corporations Act 2001* for the following reasons:

- the non-audit services have been reviewed by the Board to ensure they do not impact on the impartiality and objectivity of the auditor; and
- none the services undermine the general principles relating to auditor independence as set out in APES 110 *Code of Ethics for Professional Accountants.*

Details of the amounts paid or payable to the auditor for audit and non-audit services during the year are disclosed in note 24.

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required by section 307C of the *Corporations Act 2001* is included on page 46.

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

Lindsay Dudfield

L Dudfield
Executive Director

Perth
29 September 2023

JINDALEE RESOURCES LIMITED
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2023

	Note	2023 $	2022 (restated*) $
Finance Income	3	83,806	30,891
Other income	3	386,209	237,681
Share-based payments	17	(2,134,223)	(383,589)
Employee benefits expense		(740,311)	(134,127)
Corporate and regulatory expenses		(234,675)	(226,783)
Accounting Fees		(204,924)	(34,423)
Exploration expenditure		(180,539)	(273,045)
Share of loss of associate	26(c)	(179,238)	-
Investor and promotional activities		(152,897)	(66,978)
Depreciation and amortisation expense		(59,696)	(69,857)
Finance costs		(10,947)	(5,230)
Fair value movement on financial assets	10	515,332	(533,267)
Gain/(loss) on foreign exchange		349,430	205,447
Other administration expenses		(770,538)	(376,446)
Loss before income tax		(3,333,211)	(1,629,726)
Income tax expense	4	-	-
Loss after income tax		(3,333,211)	(1,629,726)
Loss attributable to owners of Jindalee Resources Limited		(3,333,211)	(1,629,726)
Profit after income tax expense from discontinued operations	26(a)	755,933	183,595
Loss for the year after tax		(2,577,277)	(1,446,131)
Other comprehensive income			
Items that may be reclassified to profit or loss			
Revaluation of investments taken to equity		-	-
Other comprehensive income for the year		-	-
Total comprehensive loss for the year attributable to the ordinary equity holders of the Company		(2,577,277)	(1,446,131)
Loss per share attributable to the ordinary equity holders of the Company – from continuing and discontinued operations			
Basic loss per share (cents per share)	6	(4.49)	(2.26)
Diluted loss per share (cents per share)	6	(4.49)	(2.26)

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

*The comparative information has been restated due to a discontinued operation. See Note 26(a).

JINDALEE RESOURCES LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2023

	Note	2023 $	2022 $
CURRENT ASSETS			
Cash and cash equivalents	8	2,241,925	8,690,940
Trade and other receivables	9	79,188	46,122
Prepayments		-	142,731
Total Current Assets		2,321,113	8,879,793
NON-CURRENT ASSETS			
Other receivables		-	62,827
Property, plant and equipment	11	359,200	66,842
Right of use assets		54,541	-
Investment in associate	26 (c)	2,320,762	-
Exploration and evaluation expenditure	12	11,300,580	7,965,835
Financial assets at fair value through profit and loss	10	2,032,100	1,902,844
Total Non-Current Assets		16,067,183	9,998,348
TOTAL ASSETS		18,388,296	18,878,141
CURRENT LIABILITIES			
Trade and other payables	13	511,265	372,141
Tax payable		-	208,551
Provision for annual leave		-	27,090
Lease liabilities		58,987	-
Total Current Liabilities		570,252	607,782
NON-CURRENT LIABILITIES			
Total Non-Current Liabilities		-	-
TOTAL LIABILITIES		570,252	607,782
NET ASSETS		**17,818,044**	**18,270,359**
EQUITY			
Contributed equity	14	21,326,715	21,326,062
Accumulated losses	15	(10,065,688)	(7,488,412)
Reserves	16	6,557,017	4,432,709
TOTAL EQUITY		**17,818,044**	**18,270,359**

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

*The comparative information has been restated due to a discontinued operation. See Note 26(a).

JINDALEE RESOURCES LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2023

	Note	2023 $	2022 Restated* $
Cash flows from operating activities			
Payments to suppliers and employees		(1,287,556)	(395,385)
Interest received		20,979	25,727
Interest paid		(7,311)	(5,230)
Payments for exploration and evaluation		(210,770)	-
Other income – income from POSCO		210,386	-
Payments to suppliers - discontinued operations		-	(213,959)
Recharges from discontinued operations		372,264	-
Net cash outflow from operating activities	5	(902,008)	(588,847)
Cash flows from investing activities			
Payments for exploration and evaluation		(4,587,525)	(4,224,842)
Payments for exploration and evaluation – discontinued operations		(429,839)	(34,734)
Payments for property, plant and equipment		(360,439)	(50,786)
Proceeds from sale of tenements		25,000	317,500
Proceeds from sale of financial assets at fair value through profit or loss		-	1,462,471
Cash flows from spin-off of subsidiary		(268,092)	-
Proceeds from disposal of investments		139,405	-
Net cash outflow from investing activities		(5,481,490)	(2,530,391)
Cash flows from financing activities			
Lease principal repayments		(60,924)	(74,788)
Proceeds from issue of shares net of costs		-	1,726,314
Net cash inflow from financing activities		(60,924)	1,651,526
Net (decrease)/increase in cash and cash equivalents		(6,444,422)	(1,467,712)
Cash and cash equivalents at the beginning of the financial year		8,690,940	10,158,652
Foreign exchange movement on cash		(4,593)	-
Cash and cash equivalents at the end of the financial year	8	2,241,925	8,690,940

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

JINDALEE RESOURCES LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2023

Consolidated	Contributed equity	Reserves	Accumulated losses	Total equity
	$	$	$	$
Balance at 30 June 2021	**19,599,748**	**4,049,120**	**(6,042,280)**	**17,606,588**
Total comprehensive loss for the year:				
Loss for the year	-	-	(1,446,131)	(1,446,131)
Total comprehensive loss for the year	-	-	(1,446,131)	(1,446,131)
Transactions with owners in their capacity as owners				
Issue of shares net of costs	1,726,314	-	-	1,726,314
Share-based payments	-	383,589	-	383,589
Balance at 30 June 2022	**21,326,062**	**4,432,709**	**(7,488,412)**	**18,270,359**
Total comprehensive loss for the year:				
Loss for the year	-	-	(2,577,277)	(2,577,277)
Total comprehensive loss for the year	-	-	(2,577,277)	(2,577,277)
Transactions with owners in their capacity as owners				
Issue of shares net of costs	653	-	-	653
Share-based payments	-	2,134,223	-	2,134,223
Foreign exchange movement	-	(9,915)	-	(9,915)
Balance at 30 June 2023	**21,326,715**	**6,557,017**	**(10,065,688)**	**17,818,044**

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

1. CORPORATION INFORMATION

These financial statements of Jindalee Resources Limited for the year ended 30 June 2023 were authorised for issue in accordance with a resolution of Directors on 29 September 2023.

The financial statements cover the Group of Jindalee Resources Limited and it's controlled entities. Jindalee Resources Limited is a company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange.

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

(a) Statement of Compliance

These general-purpose financial statements have been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board ("AASB"), Urgent Issues Group Interpretations and the *Corporations Act 2001*.

Compliance with IFRS

The consolidated financial statements of Jindalee Resources Limited also comply with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

(b) New Accounting Standards, interpretations and amendments adopted by the Group

The accounting standards and interpretations relevant to the operations of the Group are consistent with those of the previous financial year. There are some amendments and interpretations effective for the first time from 1 July 2023, though they did not have any impact on the current period or any prior period and are not likely to affect future periods.

A number of new standards, amendments to standards and interpretations issued by the AASB which are not yet mandatorily applicable to the Group have not been applied in preparing these consolidated financial statements and none are expected to be relevant to the Group. The Group does not plan to adopt these standards early.

(c) Basis of Preparation/Accounting

The financial statements have been prepared on an accruals basis and are based on historical costs and do 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.

In applying IFRS, management is required to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities that are not readily available from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported. Accounting policies have been consistently applied throughout the year.

The significant accounting policies set out below have been applied in the preparation and presentation of the financial statements for the year ended 30 June 2023 and the comparative information.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Going Concern

These consolidated financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business.

At 30 June 2023, the Group had a cash position of $2,241,925 (2022: $8,690,940) and a working capital balance of $1,779,761 (2022: $8,272,011). For the year ended 30 June 2023, the Group recorded a loss of $2,577,277 (2022: $1,446,131) and had net cash outflows from operating and investing activities of $6,383,498 (2022: $3,119,238).

The Group's cash flow forecast to 30 September 2024 indicates that the Group will need to raise additional funds to meet expenditure commitments, its business plan and its current level of corporate overheads to continue as a going concern. As a result, there is a material uncertainty related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business

To address the future funding requirements of the Group, the Directors have:

- developed a business plan that provides encouragement for investors to invest; and
- continued their focus on maintaining an appropriate level of corporate overheads in line with the Group's available cash resources.

The Directors are confident that the Company will be able to complete a fund raising to meet the Group's funding requirements for the forecast period ending 30 September 2024. The Directors therefore believe that it is appropriate to prepare the 30 June 2023 financial statements on a going concern basis.

In the event that the Company is not able to successfully complete the fund raising referred to above, it may need to realise their assets and extinguish their liabilities other than in the normal course of business and at the amounts different to those stated in the financial statements. The financial statements do not include adjustments relating to the recoverability and classification of recorded asset amounts, nor to the amounts and classification of liabilities that might be necessary should the Company and the Group not continue as a going concern.

(e) Principles of Consolidation

The consolidated financial statements incorporate the assets and liabilities of the subsidiary of Jindalee Resources Limited as at 30 June 2023 and the results of all subsidiaries for the year then ended. Jindalee Resources Limited and its subsidiaries together are referred to in the financial statements as the Group.

Subsidiaries are all entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies, generally accompanying a shareholding of more than one-half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group.

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries are changed where necessary to ensure consistency with the policies adopted by the Group.

Investments in subsidiaries are accounted for at cost in the Parent Entity information disclosures of Jindalee Resources Limited.

Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to owners of Jindalee Resources Limited.

When the Group ceases to have control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, jointly controlled entity or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that the amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in a jointly-controlled entity or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

(f) Cash and Cash Equivalents

For the purposes of the statement of cash flows, cash and cash equivalents includes cash on hand, and term deposits repayable on demand with a financial institution. The cash and cash equivalents balance primarily consists of funds on term deposit with original maturity at time of purchase of three months or less that are readily convertible to known amounts of cash and which are subject to minimal risk of changes in value.

(g) Trade and Other Receivables

Trade receivables are recognised initially at fair value, less any allowance for expected credit losses. See note 9 for further information about the Group's accounting for trade receivables.

(h) Revenue Recognition

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

All revenue is stated net of the amount of goods and services tax.

Revenue in relation to joint venture agreements is recognised over the period the services are rendered.

(i) Property, Plant and Equipment

Plant and equipment is stated at cost less accumulated depreciation and any impairment in value.

Depreciation is calculated using the diminishing value and prime cost methods and is brought to account over the estimated economic lives of all property, plant and equipment. The rates used are based on the useful life of the assets and range from 10% to 40%.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Depreciation methods, useful lives and residual values are reassessed at each reporting date.

(j) Impairment of Assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets and the asset's value in use cannot be estimated to be close to its fair value. In such cases the asset is tested for impairment as part of the cash generating unit to which it belongs. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses relating to continuing operations are recognised in those expense categories consistent with the function of the impaired asset.

As assessment is also made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had the impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at the revalued amount, in which case the reversal is treated as a revaluation increase. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

(k) Exploration and Evaluation Expenditure

The Group's policy with regards to exploration and evaluation expenditure, including the costs of acquiring licences and permits, are capitalised as exploration and evaluation assets on an area of interest basis. Under this method exploration and evaluation expenditure is 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 and evaluation costs.

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

  - such evaluation 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 evaluation costs accumulated in respect of each particular area of interest include only net direct expenditure.

(l) Trade and Other Payables

Trade payables and other payables are carried at amortised cost and represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and usually paid within 30 days of recognition.

(m) Employee Entitlements

The Group's liability for employee entitlements arising from services rendered by employees to reporting date are recognised in current liabilities. 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.

(n) Share Based Payment Transactions

Share based payments

Under AASB 2 *Share Based Payments*, the Group must recognise the fair value of options granted to directors, employees and consultants as remuneration as an expense on a pro-rata basis over the vesting period in the statement of profit or loss and other comprehensive income with a corresponding adjustment to equity.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The Group provides benefits to employees (including Directors) of the Group in the form of share-based payment transactions, whereby employees render services in exchange for shares or rights over shares ("equity-settled transactions"). The cost of these equity-settled transactions with employees (including Directors) is measured by reference to fair value at the date they are granted. For options the fair value is determined using a Black-Scholes model.

(o) Loss Per Share

(i) Basic Loss Per Share

Basic loss per share is determined by dividing the operating loss attributable to the equity holder of the Group after income tax by the weighted average number of ordinary shares outstanding during the financial period.

(ii) Diluted Loss Per Share

Diluted loss 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 period.

(p) Contributed Equity

Issued and paid up capital is recognised at the fair value of the consideration received by the Group. Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of the share proceeds received.

(q) Income Tax and Other Taxes

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Deferred income tax is provided on all temporary differences at the statement of financial position date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences except:

- When the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- When the taxable temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, and the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- When the deductible temporary difference is associated with investments in subsidiaries, associates or interest in joint ventures, in which case a deferred tax asset is only recognised to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

The carrying amount of deferred income tax assets is reviewed at each statement of financial position date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at each statement of financial position date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income taxes relating to items recognised directly in equity are recognised in equity and not in profit or loss.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

Goods & Services Tax

Revenues, expenses and assets are recognised net of the amount of GST except:

- Where the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- Receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis and the GST component of cash flow arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

(r) Critical Accounting Estimates and Judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

Accounting for capitalised exploration and evaluation expenditure

The Group's accounting policy is stated at Note 2(k). There is some subjectivity involved in the carrying forward as capitalised or writing off to the statement of profit or loss and other comprehensive income exploration and evaluation expenditure, however management give due consideration to areas of interest on a regular basis and are confident that decisions to either write off or carry forward such expenditure fairly reflect the prevailing situation.

Share-based payments

The Group measures share-based payments at fair value at the grant date. The fair value is determined using a Black-Scholes model or other valuation technique appropriate for the instrument being valued.

Deferred tax balances

Deferred tax assets in respect of tax losses are not recognised in the financial statements as management considers that it is currently not probable that future taxable profits will be available to utilise those tax losses. Management reviews on a regular basis the future profitability of the Group to consider if tax losses should be recognised and to ensure that any tax losses recognised will be utilised.

(s) Investment and other financial assets

Financial Instruments

The Group has exposure to interest rate risk which is the risk that the Group's financial position will be adversely affected by movements in interest rates. Interest rate risk on cash and short term deposits is not considered to be a material risk due to the short term nature of these financial instruments.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the reporting date which are classified as non-current assets.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss ("FVTPL") include financial assets that are either classified as held for trading or that meet certain conditions and are designated at FVTPL upon initial recognition. All derivative financial instruments fall into this category, except for those designated and effective as hedging instruments, for which the hedge accounting requirements apply.

Assets in this category are measured at fair value with gains or losses recognised in profit or loss. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

Recognition and derecognition

Regular purchases and sales of financial assets are recognised on trade-date – the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit and/or loss are initially recognised at fair value and transaction costs are expensed in the statement of profit or loss and other comprehensive income. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

Subsequent measurement

Loans and receivables and held-to-maturity investments are carried at amortised cost using the effective interest method.

Details on how the fair value of financial instruments is determined is disclosed in Notes 18 and 21.

(t) Provisions

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability.

(u) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

(v) Leases

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Group as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

(w) Associates

Associates are entities over which the Group has significant influence but not control or joint control. Investments in associates are accounted for using the equity method. Under the equity method, the share of the profits or losses of the associate is recognised in profit or loss and the share of the movements in equity is recognised in other comprehensive income. Investments in associates are carried in the statement of financial position at cost plus post-acquisition changes in the Group's share of net assets of the associate. Goodwill relating to the associate is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment. Dividends received or receivable from associates reduce the carrying amount of the investment.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

The Group discontinues the use of the equity method upon the loss of significant influence over the associate and recognises any retained investment at its fair value. Any difference between the associate's carrying amount, fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

(x) Segment information

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ("CODMs"). The CODMs are responsible for the allocation of resources to operating segments and assessing their performance.

CODMs have determined that there is one operating segment being mineral exploration in the United States.

(y) Non-current assets or disposal groups classified as held for sale

Non-current assets and assets of disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continued use. They are measured at the lower of their carrying amount and fair value less costs of disposal. For non-current assets or assets of disposal groups to be classified as held for sale, they must be available for immediate sale in their present condition and their sale must be highly probable.

An impairment loss is recognised for any initial or subsequent write down of the non-current assets and assets of disposal groups to fair value less costs of disposal. A gain is recognised for any subsequent increases in fair value less costs of disposal of non-current assets and assets of disposal groups, but not in excess of any cumulative impairment loss previously recognised.

Non-current assets are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of assets held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of disposal groups classified as held for sale are presented separately on the face of the statement of financial position, in current assets. The liabilities of disposal groups classified as held for sale are presented separately on the face of the statement of financial position, in current liabilities.

(z) Other income

The Group recognises revenue as follows:

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other income

Other revenue is recognised when it is received or when the right to receive payment is established.

3. OTHER INCOME

	2023 $	2022 $
Finance Income	83,806	30,891
Other income		
Gain on sale of tenements and royalty[1,2]	174,413	982,590
Income from POSCO[3]	210,386	-
Other	1,410	11,067
	386,209	993,657

3. OTHER INCOME (continued)

[1] The 2023 gain on sale of tenements includes non-cash consideration of $150,000 received as shares in Voltaic Strategic Resources Limited and cash receipts of $25,000 net of costs of tenements sold of $587.

[2] The 2022 gain on sale included sale of 70% of the Prospect Ridge Project in Tasmania and other sale of tenements in Western Australia.

[3] On 13 February 2023, Jindalee Resources Limited announced that it had signed a non-binding Memorandum of Understanding with major Korean conglomerate POSCO Holdings Inc. (NYSE: PKX) (POSCO), whereby POSCO and Jindalee agreed to undertake joint research on a large composite sample from McDermitt. This MOU follows initial analysis of a smaller sample of McDermitt ore undertaken by POSCO in 2022. Testing of the McDermitt ore will investigate three separate metallurgical processes, with the testwork expected to take approximately six months at a cost of approximately A$2M, which will be funded entirely by POSCO.

4. TAXATION

(a) Numerical reconciliation of income tax expense to prima facie tax payable	2023 $	2022 $
Loss before income tax:	(3,333,211)	(1,237,581)
Tax at the Australian tax rate of 25% (2022: 25%)	(833,303)	(309,455)
Tax effect of amounts which are not deductible in calculating taxable income:		
Foreign income not assessable	112,096	(51,361)
Non-deductible (income)/expenses	557,227	158,531
Capital losses not utilised	(172,828)	172,828
Share-based payments	533,556	95,897
Imputation credits	-	(78,239)
Income tax losses not recognised	(196,748)	(220,350)
Total income tax benefit	-	208,551
Profit/(Loss) before income tax: discontinued operations	755,933	(1,237,821)
Tax at the Australian tax rate of 25% (2022: 25%)	188,983	(309,455)
Tax effect of amounts which are not deductible in calculating taxable income – discontinuing operations		
Non-deductible (income)/expenses	(197,226)	-
Income tax not recognised	8,243	-
Total Income tax benefit	-	-

The franking account balance at year end was $421,411 (2022: $421,411).

Jindalee Resources Limited and its wholly owned subsidiaries have not yet entered the tax consolidation regime.

Jindalee Resources Limited has unrecognised deferred tax assets at year-end of $1,389,885 (2022: $1,168,549) representing unrecognised tax losses.

Jindalee Resources Limited has group carried forward revenue tax losses of $6,315,651 as at 30 June 2023 and carried forward capital losses of $0.

Jindalee Resources Limited is considered a base rate entity for income tax purposes and is therefore subject to income tax at a rate of 25% (2022: 25%).

Net deferred tax assets have not been brought to account as it is not probable within the immediate future that tax profits will be available against which deductible temporary differences and tax losses can be utilised. The Company's ability to use losses in the future is subject to the Company satisfying the relevant tax authority's criteria for using these losses.

5. CASH FLOW INFORMATION

(a) Reconciliation of loss after income tax to net cash outflow from operating activities

	2023 $	2022 $
Loss after income tax	(2,577,277)	(1,446,131)
Share-based payments	2,134,223	383,589
Depreciation and amortisation	59,696	70,030
Finance income	14,648	-
Finance costs	10,830	-
Foreign currency gains and losses	7,650	-
Loss on sale of investment	41,232	-
Share of loss of associate	179,238	-
Non-cash items from discontinued operations	(621,588)	-
Fair value movement on financial assets	(515,332)	886,208
Other income (non-cash)	(446,009)	(982,590)
Change in operating assets and liabilities during the financial year:		
Increase/(decrease) in trade and other receivables	234,117	(5,723)
Increase/(decrease) in trade and other payables	483,980	490,639
Increase/(decrease) in provisions	92,586	15,131
Net cash outflow from operating activities	(902,008)	(588,847)

(b) Non-cash investing and financing activities

Non-cash investing and financing activities disclosed in other notes are:

- Fair value movement of financial assets at fair value through profit and loss (Note 10)
- Acquisition of Voltaic Strategic Resources Limited Shares included in Fair value movement of financial assets at fair value through profit and loss (Note 10)

6. LOSS PER SHARE

	2023 $	2022 $
Loss used in calculation of basic and diluted loss per share	(2,577,277)	(1,446,132)
Basic loss per share (cents per share)	(4.49)	(2.26)
Diluted loss per share (cents per share)	(4.49)	(2.26)
Weighted average number of ordinary shares used as the denominator in calculating basic and diluted loss per share.	57,378,966	54,769,406

Options on issue were not considered to be dilutive as their impact would have been to increase the loss per share.

7. DIVIDENDS

No dividend has been declared for the year ended 30 June 2023 (2022: nil).

8. CASH AND CASH EQUIVALENTS

	2023 $	2022 $
Cash at bank	778,467	2,177,779
Term deposits	1,463,458	6,513,161
	2,241,925	8,690,940

9. TRADE AND OTHER RECEIVABLES

	2023 $	2022 $
Current		
Trade and other receivables	79,188	46,122
Non-current		
Other receivables (deposits)	-	62,827

Trade and other receivables are denominated in Australian dollars and are interest free with settlement terms of between 7 and 30 days. No trade receivables were past due or impaired as at 30 June 2023 (2022: nil). Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off by reducing the carrying amount directly. A provision for doubtful receivables is established, using the expected credit loss model under AASB 9 when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables.

The amounts held in trade and other receivables do not contain impaired assets and are not past due. Based on the credit history of these trade and other receivables, it is expected that these amounts will be received when due.

Due to the short-term nature of these receivables their carrying value is assumed to be their fair value. Please refer to Note 18 for information on credit risk.

10. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT AND LOSS

	2023 $	2022 $
Current		
Shares in listed corporations		
- Opening balance	-	221,179
- Additions	-	-
- Disposals	-	(221,179)
- Fair value movement	-	-
- Closing balance	-	-
Non-current		
Shares in listed corporations		
- Opening balance	1,902,845	2,862,844
- Additions	150,000	1,166,583
- Disposals	(536,078)	(827,858)
- Fair value movement	515,332	(1,298,725)
- Closing balance	2,032,100	1,902,844

The fair value of listed financial assets at fair value through profit and loss has been determined directly by reference to published price quotations in an active market. Refer to Note 18 for information on Group’s exposure to price risk

11. PROPERTY, PLANT AND EQUIPMENT

	2023 $	2022 $
Plant and equipment - at cost	461,921	164,580
Less: accumulated depreciation	(102,721)	(97,739)
Total property, plant and equipment	359,200	66,842
Reconciliation of the carrying amount of property, plant and equipment:		
Carrying amount at beginning of year	66,842	22,325
Additions and disposals (net)	297,514	50,786
Less: depreciation expense for year	(5,156)	(6,269)
Carrying amount at end of year	359,200	66,842

12. EXPLORATION AND EVALUATION EXPENDITURE

	2023 $	2022 $
Balance at beginning of year	7,965,835	3,890,211
Exploration expenditure incurred	4,920,275	4,378,034
Disposal of tenements/interest in JV[1]	(1,585,530)	(302,410)
Balance at the end of the year	11,300,580	7,965,835

[1]The Group completed a demerger of its wholly owned subsidiary Dynamic Metals Limited on 11 January 2023, as part of which the Western Australian tenements were sold.

Included in the disposal amount is $1,578,531 relating to Western Australian tenements held by the Company, which were sold to Dynamic Metals Limited as part of the spin-out. The tenements were sold for 7,686,490 shares valued at $1,537,298, resulting in a loss of $41,232 on disposal. The remaining balance of $7,000 was held by HiTec Minerals Pty Ltd and disposed of as part of the spin-out transaction. Refer to Note 26 for further detail.

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.

The exploration expenditure written off during the prior year relates to exploration and evaluation expenditure on tenements surrendered, or to which the Group does not currently have right to tenure.

13. TRADE AND OTHER PAYABLES

	2023 $	2022 $
Trade payables	511,265	372,141

Trade and other payables are non-interest bearing and are normally settled on 30 day terms.

The carrying value of trade and other payables are assumed to be the same as their fair values, due to their short term nature.

14. CONTRIBUTED EQUITY

	2023 $	2022 $
Share capital		
Ordinary fully paid shares	21,326,715	21,326,062

Movements in ordinary shares during the past two years were as follows:

		Number	Issue Price	$
1-Jul-21	Balance at beginning of year	53,403,966		19,599,748
20-Sep-21	Conversion of options	550,000	$0.40	220,000
12-Oct-21	Conversion of options	150,000	$0.40	60,000
28-Mar-22	Conversion of options	900,000	$0.50	450,000
30-Mar-22	Conversion of options	200,000	$0.50	100,000
4-Apr-22	Conversion of options	1,775,000	$0.40	710,000
14-Apr-22	Conversion of options	400,000	$0.50	200,000
Jul 21 to Jun 22	Share issue costs			(13,686)
30-Jun-22	Balance at the end of year	57,378,966		21,326,062
1-Jul-22	Balance at beginning of year	57,378,966		21,326,062
Jul 22 to Jun 23	Reimbursement of share issue costs			653
30-Jun-23	Balance at the end of year	57,378,966		21,326,715

Ordinary shares participate in dividends. On winding up of the Group any proceeds would be distributed to the number of shares held.

At shareholder meetings on a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

15. ACCUMULATED LOSSES

	2023 $	2022 $
Retained earnings at the beginning of the financial year	(7,488,412)	(6,042,280)
Loss attributable to members of the Group	(2,577,277)	(1,446,132)
Accumulated losses at the end of the financial year	(10,065,688)	(7,488,412)

16. RESERVES

	2023 $	2022 $
Share-based payment reserve		
Balance at the beginning of the year	4,432,709	4,049,120
Share-based payments (refer to note 17)	2,124,223	383,589
Balance at the end of the year	6,566,932	4,432,709

	2023 $	2022 $
Foreign Currency reserve		
Balance at the beginning of the year	-	-
Movement at the end of the year	(9,915)	-
Balance at the end of the year	(9,915)	-
Total Reserves	6,557,017	

Nature and purpose of the reserves:

The share-based payments reserve is used to recognise the fair value of options issued but not exercised.
The foreign currency reserve is used to recognise exchange differences arising from the translation of the financial statements of foreign operations to Australian dollars.

17. SHARE BASED PAYMENT TRANSACTIONS

Share based payment transactions are recognised at fair value in accordance with AASB 2. The expense in the year was $2,134,223 (2022: $383,589).

Employee Incentive Securities Plan

Jindalee Resources Limited Employee Incentive Securities Plan ("Plan") was established to encourage all eligible directors, executive officers and employees who have been continuously employed by the Group to have a greater involvement in the achievement of the Group's objectives and to provide an incentive to strive to that end by participating in the future growth and prosperity of the Group through share ownership.

The Plan allows the Group to issue free options to eligible persons. The options can be granted free of charge and are exercisable at a fixed price in accordance with the rules of the Plan.

Summary of Options

Set out below are summaries of options granted during current and prior financial years.

Grant Date	Expiry Date	Exercise Price	Notes on Fair Value	2023 Number	2022 Number
Opening Balance				2,375,000	6,350,000
Exercised during the year				-	(3,975,000)
Expired/lapsed during the year				(500,000)	-
27/11/2020	30/06/2025	$0.40	1	-	375,000
27/11/2020	30/06/2025	$0.50	2	-	1,000,000
22/03/2021	22/03/2024	$3.50	3	-	1,000,000
20/07/2022	28/07/2025	$3.78	4	1,000,000	-
28/07/2022	28/07/2025	$3.78	5	1,000,000	-
30/11/2022	30/11/2025	$3.32	6	500,000	-
17/01/2023	25/01/2026	$5.00	7	125,000	-
22/03/2023	22/03/2026	$3.63	8	500,000	-
Closing Balance				**5,000,000**	**2,375,000**
Vested and exercisable at the end of the year				**3,375,000**	**2,375,000**
Weighted average exercise price at the end of the year				$2.784	$1.75

The weighted average remaining contractual life of share options outstanding at the end of the period is 1.8 years (2022: 2.2 years).

17. SHARE BASED PAYMENT TRANSACTIONS (continued)

Fair Value of Share Options and Assumptions

The fair value of services received in return for share options granted to directors is measured by reference to the fair value of options granted. The estimate of the fair value of the services is measured based on a Black-Scholes option valuation methodology. This life of the options and early exercise option are built into the option model.

The assumptions used for the options valuation are as follows:

	1	2	3	4	5
Grant Date	27/11/2020	27/11/2020	22/03/2021	20/07/2022	28/07/2022
Exercise Price	$0.40	$0.50	$3.50	$3.78	$3.78
Expected Life	4.56 years	4.56 years	3 years	3 years	3 years
Share Price at Time of Issue	$0.83	$0.83	$1.60	$2.47	$2.56
Expected Volatility	80%	80%	80%	88.4%	88.4%
Dividend Yield	0%	0%	0%	0%	0%
Risk Free Interest Rate	0.43%	0.43%	0.43%	3.21%	2.89%
Option Value	$0.62	$0.59	$0.52	$1.183	$1.236
Vesting Conditions	Vested	Vested	N/A	Tranche 1: 250 000 options, 12 months service Tranche 2: 250,000 options, 18 months service Tranche 3: 500,000 options, 24 months service	Tranche 1: 500,000 vested Tranche 2: 500,000 options lapsed

	6	7	8
Grant Date	30/11/2022	17/01/2023	22/03/2023
Exercise Price	$3.32	$5.00	3.63
Expected Life	3 years	3.02 years	3 years
Share Price at Time of Issue	$2.21	$1.88	$2.50
Expected Volatility	87.8%	68%	90%
Dividend Yield	0%	0%	0%
Risk Free Interest Rate	3.17%	3.14%	3.02%
Option Value	$1.069	$0.3998	$1.248
Vesting Conditions	N/A	On share price VWAP over 20 consecutive days of at least $6.00	12 months service

18. FINANCIAL AND CAPITAL RISK MANAGEMENT

(a) Capital Risk Management

The Group manages its capital to ensure that it will be able to continue as a going concern.

In managing its capital, the Group's primary objective is to ensure its continued ability to provide a consistent return for its equity shareholders. In order to achieve this objective, the Group seeks to maintain a capital structure that balances risks

18. FINANCIAL AND CAPITAL RISK MANAGEMENT (continued)

and returns at an acceptable level and also to maintain a sufficient funding base to enable the Group to meet its working capital and strategic investment needs. In making decisions to adjust its capital structure to achieve these aims, either through new share issues, or sourcing of debt, the Group considers not only its short-term position but also its long-term operational and strategic objectives.

There have been no significant changes to the Group's capital management objectives, policies and processes in the year nor has there been any change in what the Group considers to be its capital.

The capital structure of the Group consists of cash and cash equivalents (Note 8) and equity attributable to equity holders of the Group, comprising issued capital, reserves and retained earnings (accumulated losses) as disclosed in Notes 14, 15 and 16 respectively.

(b) Significant Accounting Policies

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 2 of the financial statements.

(c) Categories of Financial Instruments

	2023 $	2022 $
Financial Assets		
Current		
Cash and cash equivalents	2,241,925	8,690,940
Trade and other receivables	63,076	46,122
Total Current Financial Assets	2,305,001	8,737,062
Non-current		
Financial assets at fair value through profit and loss	2,032,100	1,902,844
Other receivables	-	62,827
Total Non-Current Financial Assets	2,032,100	1,965,671
Financial Liabilities		
Current		
Trade and other payables	511,265	372,141
Tax payable	-	208,551
Lease liabilities	58,987	-
Total Current and Non-Current Financial Liabilities	570,252	580,692

(d) Credit Risk Exposure

As at the reporting date, the Group has no significant concentrations of credit risk. The carrying amount reflected above represents the Group's maximum exposure to credit risk.

(e) Interest Rate Risk Exposure

The Group's exposure to interest rate risk arises from assets bearing variable interest rates. The weighted average interest rate on cash holdings was 2.32% at 30 June 2023 (2022: 0.68%). All other financial assets and liabilities are non-interest bearing. The net fair value of the Group's financial assets and liabilities approximates their carrying value.

The Group invests its surplus funds on deposit with Australian banking financial institutions, namely the National Australia Bank and ANZ Bank. For banks and financial institutions, only independently rated parties with a minimum rating of AA- are accepted.

The table below summarises the impact of an increase/decrease in interest rates received on financial instruments held at year end on the Group's pre-tax profit/(loss) for the year and on equity. The analysis is based on the assumption that rates increased/decreased proportionally by 10% of the current weighted average interest rate with all other variables held constant.

18. FINANCIAL AND CAPITAL RISK MANAGEMENT (continued)

Impact on profit and equity	2023 $	2022 $
Increase of 10%	8,381	4,457
Decrease of -10%	(8,381)	(4,457)

(f) Price Risk

The Group is exposed to equity securities price risk. This arises from investments held by the Group and classified in the statement of financial position as financial assets at fair value through profit and loss. The Group is not exposed to commodity price risk.

To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio.

The table below summarises the impact of an increase/decrease in prices of securities held at year end on the Group's pre-tax profit for the year and on equity. The analysis is based on the assumption that the prices of all securities increased/decreased by 10% with all other variables held constant.

Impact on profit and equity	2023 $	2022 $
Increase of 10%	203,210	190,284
Decrease of -10%	(203,210)	(190,284)

(g) Liquidity Risk

The liquidity position of the Group is managed to ensure sufficient liquid funds are available to meet financial commitments in a timely and cost-effective manner. The Board reviews the Group's liquidity position on a regular basis including cash flow statements to determine the forecast liquidity position and maintain appropriate liquidity levels. Note 13 details the Group's current obligations which are all due within 12 months and reflect the actual cash flows given the short-term nature of these liabilities.

There are no unused borrowing facilities from any financial institution.

(h) Fair Values

The carrying amounts and estimated fair values of financial assets and financial liabilities are as follows:

Consolidated	2023 $	2022 $
Financial Assets		
Cash and cash equivalents	2,241,925	8,690,940
Trade and other receivables	63,076	46,122
Non-current deposits	-	62,827
Financial assets at fair value through profit and loss	2,032,100	1,902,844
Total Financial Assets	4,337,101	10,702,733
Financial Liabilities		
Trade and other payables	511,265	372,141
Tax payable	-	208,551
Lease liabilities	58,987	-
Total Financial Liabilities	570,252	580,692

The methods and assumptions used to estimate the fair value of financial instruments are outlined below:

Cash

The carrying amount is fair value due to the liquid nature of these assets.

18. FINANCIAL AND CAPITAL RISK MANAGEMENT (continued)

Receivables/payables

Due to the short-term nature of these financial rights and obligations, their carrying amounts are estimated to represent their fair values. Non-current receivables receive a market rate of interest and are assessed as representing their fair values.

Financial assets at fair value through profit and loss

Assets in this category are measured at fair value with gains or losses recognised in profit or loss. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists. Refer to Note 21 for further details.

19. CONTINGENCIES

Contingent Liabilities

There are no contingent liabilities of the Group at balance date.

20. COMMITMENTS

Capital Commitments

There are no capital expenditure commitments for the Group as at 30 June 2023 (30 June 2022: Nil).

21. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

The carrying values of financial assets and liabilities of the Group approximate their fair values. Fair values of financial assets and liabilities have been determined for measurement and/or disclosure purposes.

Fair value hierarchy

The Group classifies assets and liabilities carried at fair value using a fair value hierarchy that reflects the significance of the inputs used in determining that value. The table following analyses financial instruments carried at fair value by the valuation method. The different levels in the hierarchy have been defined as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Recurring fair value measurements	**Level 1** **$**	**Level 2** **$**	**Level 3** **$**	**Total** **$**
30 June 2022				
Financial assets at fair value through profit and loss	1,902,844	-	-	1,902,844
Total as at 30 June 2022	1,902,844	**-**	**-**	1,902,844
30 June 2023				
Financial assets at fair value through profit and loss	2,032,100	-	-	2,032,100
Total as at 30 June 2023	2,032,100	**-**	**-**	2,032,100

Due to their short-term nature, the carrying amount of the current receivables and current payables are assumed to approximate their fair value.

22. CONTROLLED ENTITIES

Controlled Entity	% held 2023	2022	Class	State of Incorporation	Date of Incorporation	Investment at Cost 2023 $	2022 $
Eastmin Pty Limited	Deregistered	100%	Ord	WA	15/04/2005	-	2
HiTec Minerals Pty Ltd	0%[1]	100%	Ord	WA	13/04/2016	-	100
HiTech Minerals Inc.	100%	100%	Ord	Nevada, USA	21/02/2018	-	2
Dynamic Metals Limited	25.5%[1]	100%	Ord	WA	24/05/2022	2,360,764	10

1. Refer to Note 26 for details on change of ownership.

23. RELATED PARTY TRANSACTIONS

(a) Parent entity

The parent entity within the Group is Jindalee Resources Limited.

(b) Subsidiaries

Interests in subsidiaries are set out in Note 22.

(c) Key management personnel compensation

During the year the Group paid a total of $203,125 to Western Geological Services (a division of Jopan Management Pty Ltd), the fees being for the provision of technical and management services provided to the Group by Mr Lindsay Dudfield (Executive Director) (2022: $159,000). Mr Dudfield's spouse is the major shareholder of and the sole director and company secretary of Jopan Management Pty Ltd.

During the year, the Group paid a total of $11,848 (2022: $127,576) to Farr Corporate Pty Ltd for the provision of company secretarial and accounting services, until 4 August 2022, when Ms Farr resigned as executive director. Ms Farr is a director and shareholder of Farr Corporate Pty Ltd.

During the year, the Group incurred a share-based payment expense of $809,106 associated with the granting of 500,000 unlisted options each to Mr Wates and Mr Brown (Non-Executive Directors).

	2023 $	2022 $
Short-term employee benefits	469,698	576,576
Post-employment benefits	26,746	29,000
Share-based payments	780,206	317,451
	1,276,650	923,027

Refer to the remuneration report contained within the Directors' Report and Note 17 for further details on other transactions with key management personnel and share based compensation.

24. REMUNERATION OF AUDITORS

	2023 $	2022 $
Amounts paid or payable at 30 June to the auditors for:		
Audit and review of financial statements	30,686	29,414
Other assurance services	15,862	-
Total remuneration for audit and other assurance services	46,548	29,414

25. PARENT ENTITY FINANCIAL INFORMATION

The following details information related to the parent entity, Jindalee Resources Limited, at 30 June 2023 and 30 June 2022.

Information presented here has been prepared using consistent accounting policies as presented in Note 2.

	2023 $	2022 $
Financial Position		
Assets		
Current assets	2,100,011	8,622,502
Non-current assets	16,315,675	10,461,346
Total assets	18,415,686	19,083,848
Liabilities		
Current liabilities	(541,352)	(396,231)
Non-current liabilities	-	(417,258)
Total liabilities	(541,352)	(813,489)
Net assets	17,874,334	18,270,359
Equity		
Issued capital	21,326,715	21,326,062
Accumulated losses	(10,048,213)	(7,488,412)
Reserves	6,595,832	4,432,709
Total equity	17,874,334	18,270,359
Financial Performance		
Loss for the year	(2,717,421)	(1,610,373)
Other comprehensive income	-	-
Total comprehensive loss	(2,717,421)	(1,610,373)

No guarantees have been entered into by Jindalee Resources Limited in relation to the debts of its subsidiary companies.

Jindalee Resources Limited had no commitments or contingent liabilities at year end other than those disclosed in Notes 19 and 20.

26. GROUP STRUCTURE

a) Demerger of Dynamic Metals Limited (Discontinued Operations)

The Group held tenements in Western Australia up until the demerger of Dynamic Metals Limited on 11 January 2023, which is treated as a discontinued operation. The demerger resulted in the formation of an independent ASX-listed company, Dynamic Metals Limited (ASX: DYM). Subsequent to the demerger, the Group retains a 25.5% equity ownership in Dynamic Metals Limited, which is equity accounted from 11 January 2023.

To effect the demerger, the Group first transferred all assets and liabilities relating to the Western Australia tenements to Dynamic Metals Limited. This included tenements held by the Parent Entity, all assets and liabilities held by Dynamic Metals Limited and all assets and liabilities held by HiTec Minerals Pty Ltd (at the time a wholly owned subsidiary of Jindalee Resources Limited), at their respective carrying amounts. The carrying amounts of the assets and liabilities were considered to equate to their fair values.

The Group recognised the following gain and losses on the transaction:

30 June 2023	**2023 $**	**2022 $**
Details of the disposal of subsidiary		
Consideration received (12,500,000 Dynamic Metals shares)	2,500,000	-
Carrying amount of net assets sold	(1,919,645)	-
Gain on sale before income tax expense	580,355	-
Income tax expense	-	-
Profit after tax of discontinued operation	580,355	-
Results from discontinued operation		
Other income	276,140	755,976
Expenses	(309,113)	(363,831)
Profit/(loss) of discontinued operation before tax	(32,973)	392,146
Income tax benefit	208,551	(208,551)
Profit/(loss) of discontinued operation after tax	175,578	183,595
Gain on sale after income tax	580,355	-
Profit from discontinued operation	755,933	183,595
Cash flows from discontinued operations:		
Cash flows from operating activities	372,264	213,959
Cash flows from investing activities	(697,931)	34,734

b) Equity Accounted Investment – Dynamic Metals Limited

The Group initially recognised its retained investment at the fair value of the shares acquired, being $2,500,000. The quoted fair value of the shares as at 30 June 2023 was $4,000,000.

Subsequent equity accounting

The Group recognises its share of the profits of Dynamic Metals Limited, being 25.5% of its net profit after tax, as income in each reporting period. The Group recognised $175,578 in equity accounted losses for the year ended 30 June 2023.

The following is a summary of the financial information presented in the financial statements of Dynamic Metals Limited, amended to include adjustments made by the Group in applying the equity method.

Information relating to associates that are material to the Company are set out below:

26. GROUP STRUCUTRE (continued)

	2023 $
Summarised statement of financial position	
Current assets	4,564,592
Non-current assets	4,319,997
Total assets	8,884,589
Current liabilities[8]	277,721
Non-current liabilities	32,842
Total liabilities	310,563
Net assets	8,574,027
Summarised statement of profit or loss and other comprehensive income[2]	
Revenue	99,965
Expenses	(802,858)
Profit before income tax	(702,894)
Income tax expense	-
Profit after income tax	(702,894)
Other comprehensive income	-
Total comprehensive income	(702,894)

[2]The results for 2023 are from 11 January 2023 to 30 June 2023

c) Reconciliation of the Group's carrying amount

On initial recognition of fair value	2,500,000
Share of loss - associate	(179,238)
Closing carrying amount	2,320,762

27. EVENTS OCCURING AFTER THE REPORTING PERIOD

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 Group in future financial years.

JINDALEE RESOURCES LIMITED AND ITS CONTROLLED ENTITIES
ACN 064 121 133

DECLARATION BY DIRECTORS

In the Directors' opinion:

1. The financial statements, comprising the consolidated statement of profit or loss and other comprehensive income, consolidated statement of financial position, consolidated statement of cash flows, consolidated statement of changes in equity and accompanying notes, are in accordance with the *Corporations Act 2001*, and:

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

   (b) giving a true and fair view of the Group's financial position as at 30 June 2023 and of its performance for the year ended on that date.

2. In the Directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

3. The Directors have been given the declarations as required by section 295A of the *Corporations Act 2001.*

4. Note 2(a) confirms that the financial statements also comply with International Reporting Standards as issued by the International Accounting Standards Board.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the Directors by:

L Dudfield
Executive Director
29 September 2023 at Perth, Western Australia

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Australia

DECLARATION OF INDEPENDENCE BY ASHLEIGH WOODLEY TO THE DIRECTORS OF JINDALEE RESOURCES LIMITED

As lead auditor of Jindalee Resources Limited for the year ended 30 June 2023, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Jindalee Resources Limited and the entities it controlled during the period.

Ashleigh Woodley

Director

BDO Audit (WA) Pty Ltd

Perth

29 September 2023

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INDEPENDENT AUDITOR'S REPORT

To the members of Jindalee Resources Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Jindalee Resources Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2023, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies and the directors' declaration.

In our opinion the accompanying financial report of the Group, is in accordance with the Corporations Act 2001, including:

(i) Giving a true and fair view of the Group's financial position as at 30 June 2023 and of its financial performance for the year ended on that date; and

(ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Group in accordance with the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to Note 2 in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the group's ability to continue as a going concern and therefore the group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Recoverability of exploration and evaluation expenditure

Key audit matter	*How the matter was addressed in our audit*
As disclosed in Note 12 to the Financial Report, the carrying value of capitalised exploration and evaluation expenditure represents a significant asset of the Group. Refer to Note 2 of the Financial Report for a description of the accounting policy and significant judgements applied to capitalised exploration and evaluation expenditure. In accordance with AASB 6 *Exploration for and Evaluation of Mineral Resources* ("AASB 6"), the recoverability of exploration and evaluation expenditure requires significant judgment by management in determining whether there are any facts or circumstances that exist to suggest that the carrying amount of this asset may exceed its recoverable amount. As a result, this is considered a key audit matter.	Our procedures included, but were not limited to: • Obtaining a schedule of the areas of interest held by the Group and assessing whether the rights to tenure of those areas of interest remained current at balance date; • Considering the status of the ongoing exploration programmes in the respective areas of interest by holding discussions with management, and reviewing the Group's exploration budgets, ASX announcements and directors' minutes; • Considering whether any such areas of interest had reached a stage where a reasonable assessment of economically recoverable reserves existed; • Considering whether any facts or circumstances existed to suggest impairment testing was required; and • Assessing the adequacy of the related disclosures in Notes 2 and 12 to the Financial Report.

Accounting for divestment and recognition of investment in associate

Key audit matter	*How the matter was addressed in our audit*
As disclosed in Note 2 and 26 to the Financial Report, during the year ended 30 June 2023 the Group divested its interest in its subsidiary, Dynamic Metals Limited (Dynamic) and HiTec Minerals Pty Ltd. Following the demerger transactions, the Group received an equity interest in Dynamic, giving the Group a 25.5% interest as at acquisition date. The classification of the asset is an investment under AASB 128 *Investments in Associates and Joint Ventures*. Measurement thereof is a key audit matter due to the significance of the asset to the Group, and the judgement exercised by management in assessing the classification of the investment and determining whether there are any indicators to suggest the investment in associate is impaired.	Our procedures included, but were not limited to: • Reviewing the relevant agreements to understand the key terms and conditions; • Reviewing management's calculation of the gain on disposal; • Reviewed management's expert's consideration of the tax implication of the demerger transaction; • Evaluating management's determination of whether the Group maintained significant influence over the investment; • Considering management's assessment of indicators that the investment in associate may be impaired; • Agreeing the Group's share of associated loss, changes as a result of share issues, dilution and reserve movements to the audited financial reports of the associate; • Reviewing the financial information of the associate including assessing if the accounting policies of the associate were consistent with the Group; and • Assessing the adequacy of the related disclosures in Note 2 and 26 to the Financial Report, including assessment of discontinued operations.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 2023, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:

https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf

This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 10 to 17 of the directors' report for the year ended 30 June 2023.

In our opinion, the Remuneration Report of Jindalee Resources Limited, for the year ended 30 June 2023, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

BDO Audit (WA) Pty Ltd

BDO

Ashleigh Woodley

Director

Perth,

29 September 2023