

30th October 2009

SEPTEMBER 2009 QUARTERLY REPORT

Highlights

- **The first deep drilling program comprising a 10 hole diamond and reverse circulation program (1887.5 metres) intersected strong alteration and anomalous uranium at targets UC19 and UC17**
- **At UC19, MURD002 intersected anomalous uranium and copper associated with greater than 100 metre-wide zone of strong hematite-chlorite alteration in a mafic intrusive within the Westmoreland Sandstone with Cu up to 1.04% and U3O8 up to 107.4 ppm.**
- **At UC17, MURD006 intersected anomalous uranium associated with hematite-chlorite altered Westmoreland sandstone.**
- **The following positive indications can be interpreted from the drilling to date**
 - **A strong association between uranium mineralisation and hematite chlorite alteration, similar to that developed at the Westmoreland deposit located to the east (48m lbs U3O8 @ 0.09%)**
 - **A strong association between uranium mineralisation and mafic intrusives, again similar to that developed at the Westmoreland deposit and elsewhere**
 - **Confirmation that mafic intrusives are much more widespread than first expected in the Westmoreland sandstone in the area, leading to additional likely targets in the project area**
 - **A strong association between uranium and lower magnetic susceptibility hematite-chlorite alteration which can be directly targeted in airborne magnetic data in the area**
 - **The presence of copper at significant grades (maximum over 1%) associated with iron and potassium alteration, which suggests the possible existence of Iron Oxide Copper Gold Uranium mineralisation of the Olympic Dam type.**
- **The Murphy Joint Venture has agreed to fund an additional program of ground magnetics and follow-up drilling on the UC19 target starting in November**
- **Additional sampling from the first drill hole (MURD002) has shown separate intervals of 57 metres at 0.10% Cu and up to 106 ppm U3O8 and 51 metres at 0.11% Cu and up to 107 ppm U3O8 in the altered mafic intrusive**
- **UC19 target consists of a five kilometre long zone of anomalous uranium and copper from shallow air core scout drilling**
- **Phase 2 drilling concentrating on the western part of the Murphy project has recently been completed and samples have been submitted for assay**
- **Bondi to raise up to \$1.7million by placement of up to 17 million shares at \$0.10 per share**

Bondi Mining Ltd (ASX: BOM) is pleased to provide an update on its activities during the September Quarter. Bondi has made significant progress on its uranium projects and is currently continuing its 2009 exploration program at the Murphy project in collaboration with JOGMEC. In addition, the company is continuing to pursue other advanced uranium opportunities.

Murphy Project

(Bondi 100%)

The **Murphy Project**, Northern Territory, is the southern extension of the Alligator Rivers Uranium field and has identical geological ingredients to the district that hosts 750 million lbs of high grade uranium mineralisation further to the north.

The first phase of the 2009 program was designed to test a number of drill targets which were defined on the basis of a combination of magnetics, Radon track etch anomalism, soil geochemical anomalies, and in some cases anomalous uranium and clay alteration in aircore scout drilling.

Phase 1 Drilling

At UC19, four holes were drilled for a total of 449.5 metres of reverse circulation drilling and 711 metres of diamond drilling. The drilling was designed to test anomalous uranium and clay alteration intersected in scout drilling, first testing the structural position of the sandstone-hosted Westmoreland-style mineralisation and then continuing down to test the interpreted position of unconformity mineralisation.

The longest drillhole (MURD002) reached a depth of 556 metres and intersected two thick mafic intrusives within the Westmoreland sandstone sequence. The second mafic intrusive showed strong hematite-chlorite alteration associated with minor carbonate veins, and there were three zones of anomalous copper and uranium within the altered dyke, which returned the following results:

- **4 metres at 47.8 ppm U₃O₈ and 0.6 % Cu from 446 metres in hole MURD002 including 2 metres at 85.3 ppm U₃O₈ and 1 % Cu from 447 metres, in turn including 1m at 107.4 ppm U₃O₈ and 0.99% Cu from 447m.**
- **19 metres at 26.4 ppm U₃O₈ and 0.2 % Cu from 476 metres in hole MURD002 including 4 metres at 63.8 ppm U₃O₈ and 0.4 % Cu from 480 metres in hole MURD002**
- **4 metres at 8.1 ppm U₃O₈ and 0.2 % Cu from 407 metres in hole MURD002**

Sampling has now been completed for this interval, and has shown that all the samples within the interval from 405 metres downhole to 525 metres downhole contain strongly anomalous copper and/or uranium. Refer Table 1 for results.

These intersections are open in both directions along strike and there is a strong likelihood that similar alteration, possibly with higher and more continuous grades, may be present nearby at much shallower depths. The mafic intrusives appear to strike east northeast and dip steeply to the north, based on drilling and geophysical modelling. Based on this interpretation, the true width of the deeper mafic intrusive intersection is slightly greater than 100m, all of which is logged as containing hematite-chlorite alteration.

The association between uranium mineralisation and the mafic intrusives is significant, in that there is a similar strong association at both the Westmoreland and Nabarlek deposits. The deep drilling has shown that mafic intrusives are much more widespread in the area than first thought. This is very encouraging, since mafic dykes and sills are widely acknowledged to be an important factor in the localising of uranium mineralisation of the unconformity and sandstone style.

It is also significant that the altered and mineralised intrusive had a much lower magnetic susceptibility, confirming that uranium mineralisation can be targeted in the area by looking for demagnetization in airborne magnetic datasets.

On the basis of these new insights, the company is currently undertaking a reinterpretation of the subsurface geology of the area which has already highlighted a number of new near-surface targets. In addition, the company is reinterpreting the patterns of copper zoning displayed in surface geochemistry and scout drilling, on the basis of the observed association between copper and uranium in the new drilling.

At UC17 three holes were drilled for a total of 265 metres of reverse circulation drilling and 288 metres of diamond drilling. The drilling was designed to test a soil geochemical uranium anomaly developed

of the southern extension of the Emu fault. The deepest drillhole in the area (MURD006) reached a depth of 270.5 metres and drilled through a thick interval of Westmoreland sandstone on the west side of the fault. An anomalous uranium interval of 1 metre at 15.1 ppm U₃O₈ from 249 to 250 metres was intersected in the deeper part of the hole, associated with hematite-chlorite alteration similar to that developed at the Westmoreland deposit further to the east.

The association of uranium with hematite-chlorite alteration is very similar to that developed at Laramide's Westmoreland deposit, giving further support to the idea that similar mineralisation could be developed in the Murphy area.

Three RC holes were also drilled at target UC25, for a total of 174 metres. All three drillholes in this area intersected basement granite, with no strong uranium anomalies.

Phase 2 Drilling

A second phase of drilling has recently been completed testing targets in the western, part of the Murphy project area. Samples have been submitted for assay.

Phase 3 Drilling

Subsequent to the end of the quarter, an additional program of ground geophysics and drilling was approved for funding by the Murphy JV. The aim of the program is to test for a possible higher grade core to the system at UC19 which may be at shallower depths. The first drilling program returned highly encouraging wide zones of hematite-chlorite alteration with associated zones of anomalous uranium and copper in drill hole MURD002.

The Murphy Uranium project is the subject of a Joint Exploration Agreement between Bondi and Japan Oil, Gas and Metals National Corporation (JOGMEC) wherein JOGMEC can earn a 51% undivided interest in the project by funding AUD \$3 million in exploration over four years. As previously announced, a \$1.25 million 2009 exploration program of airborne geophysics, drilling and soil sampling to be funded by JOGMEC is currently under way, with assistance from NT government grants. Bondi is the operator of the exploration program.

Project Generation

Bondi's highest current priority is to acquire a high quality resource-stage uranium project, and the company is making good progress toward this objective. To this end, a number of opportunities were reviewed during the quarter and the company is in continuing discussions regarding the highest priority targets. During the September quarter the company also continued a regional geological and prospectivity framework study in South Australia and the Northern Territory focusing on the identification of new areas with strong potential for hosting high grade unconformity-style uranium mineralisation.

Corporate

During the September quarter the company reached agreement to raise up to \$1.7million by placement of up to 17 million shares at \$0.10 per share. The placement was made to a number of sophisticated and/or professional investors in accordance with section 708 of the Australian Corporations Act 2001 (Cth). The issue of the shares was subject to shareholder approval at a general meeting to be held on 28 October 2009 (approval subsequently received).

Bondi Mining Ltd is a Brisbane-based exploration company with a focus on high-grade cycle-proof uranium targets with world class size potential. Bondi's Australian uranium portfolio is currently focused on the Murphy project in the Northern Territory, and the company is currently undertaking a generative program focussed on additional high quality uranium plays in South Australia and the Northern Territory. The company also retains a significant land holding in the gold-prospective Georgetown region of Queensland.

All queries to:

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The exploration data and results contained in this report are based on information reviewed by Dr Rick Valenta, a fellow of the Australian Institute of Mining and Metallurgy. He is Managing Director of the Company and has sufficient experience which is relevant to the styles of mineralisation and types of deposits under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the December 2004 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code). Dr Valenta has consented to the inclusion in this release of the matters based on his information in the form and context in which it appears.

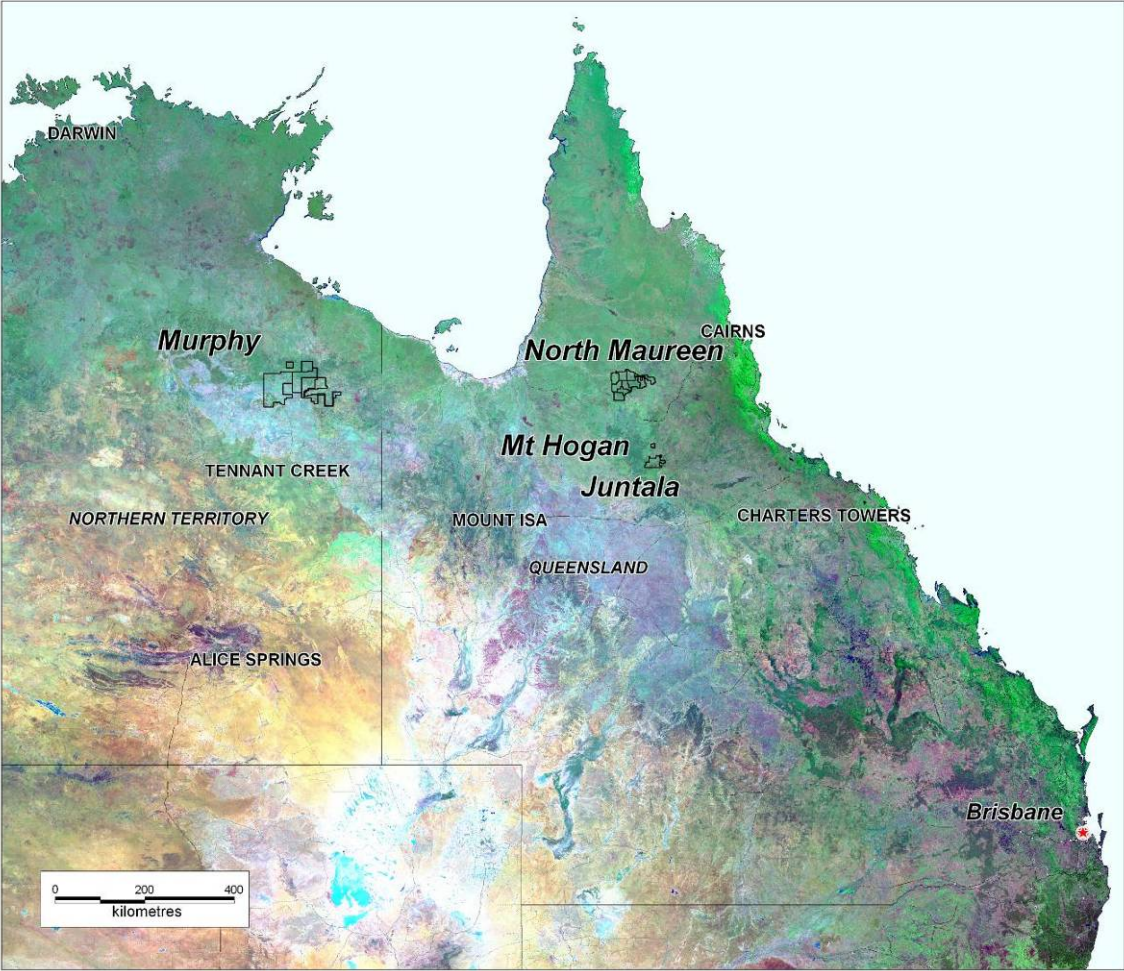


Figure 1 – Regional location of Bondi Mining's uranium projects

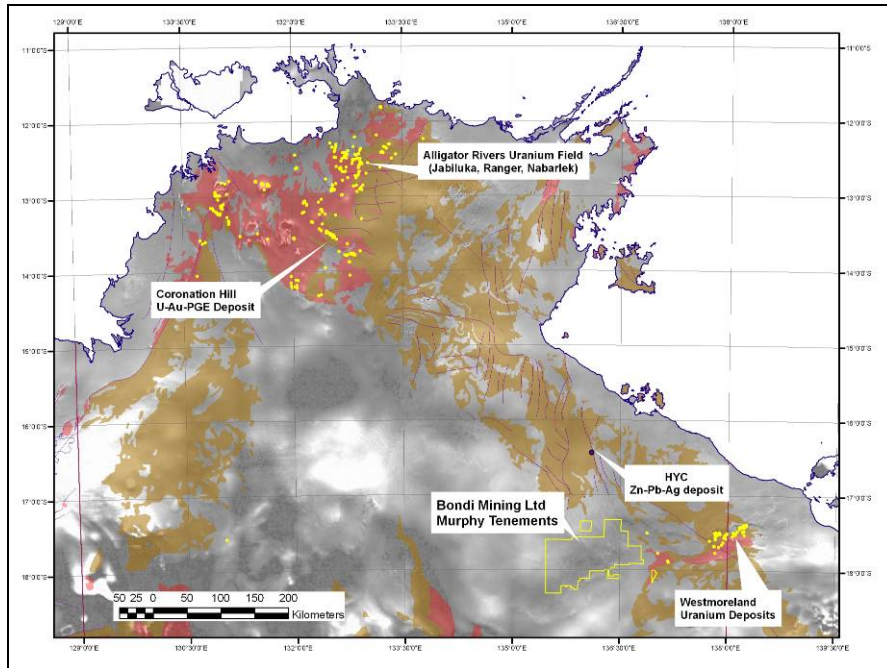


Figure 2 – Regional location of Murphy project, overlain on regional magnetics, Kombolgie basin sediments (brown), basement (red), and uranium deposits (yellow)

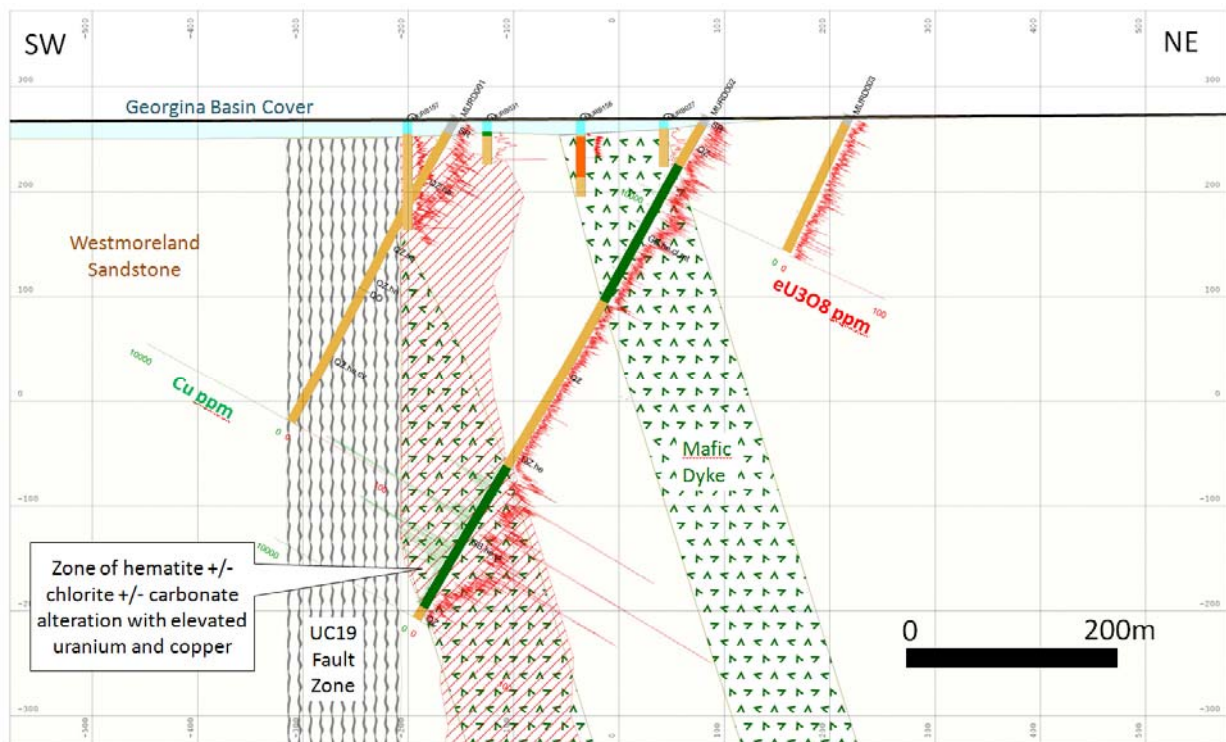


Fig.3. Cross section showing interpreted geology, Cu assays, and gamma log results from the UC19 area.

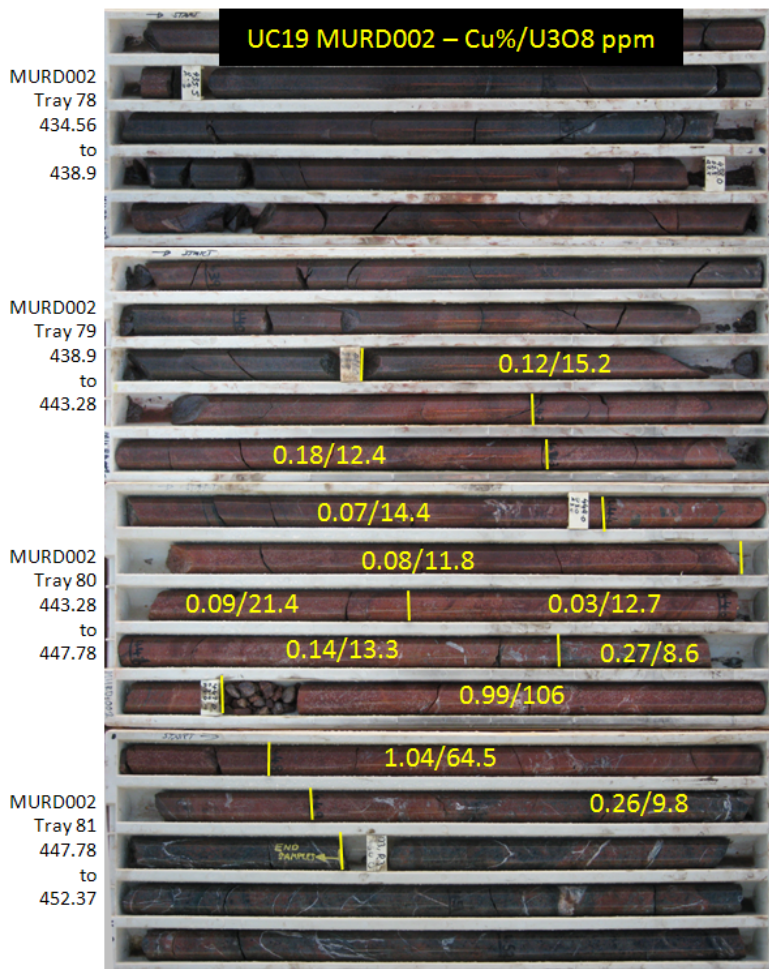


Fig.4. Core photos of one of the altered sections of gabbroic intrusive which contain anomalous copper and uranium, showing intense hematite-chlorite alteration and carbonate veining

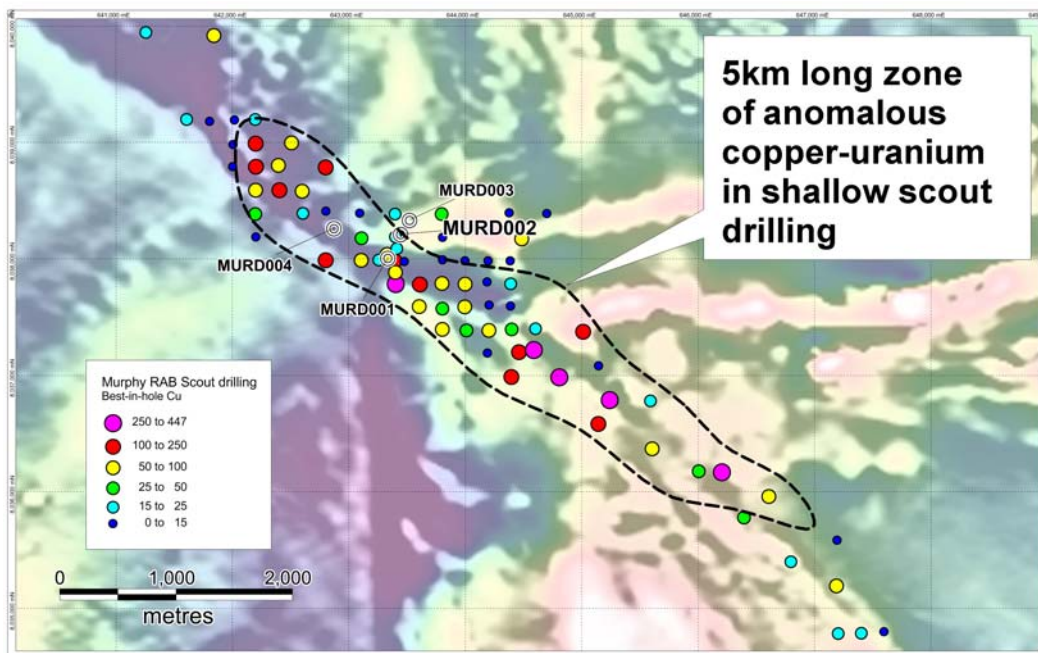


Fig.5. Map of the UC19 area showing existing drilling and best-in-hole Cu values from shallow RAB scout drilling

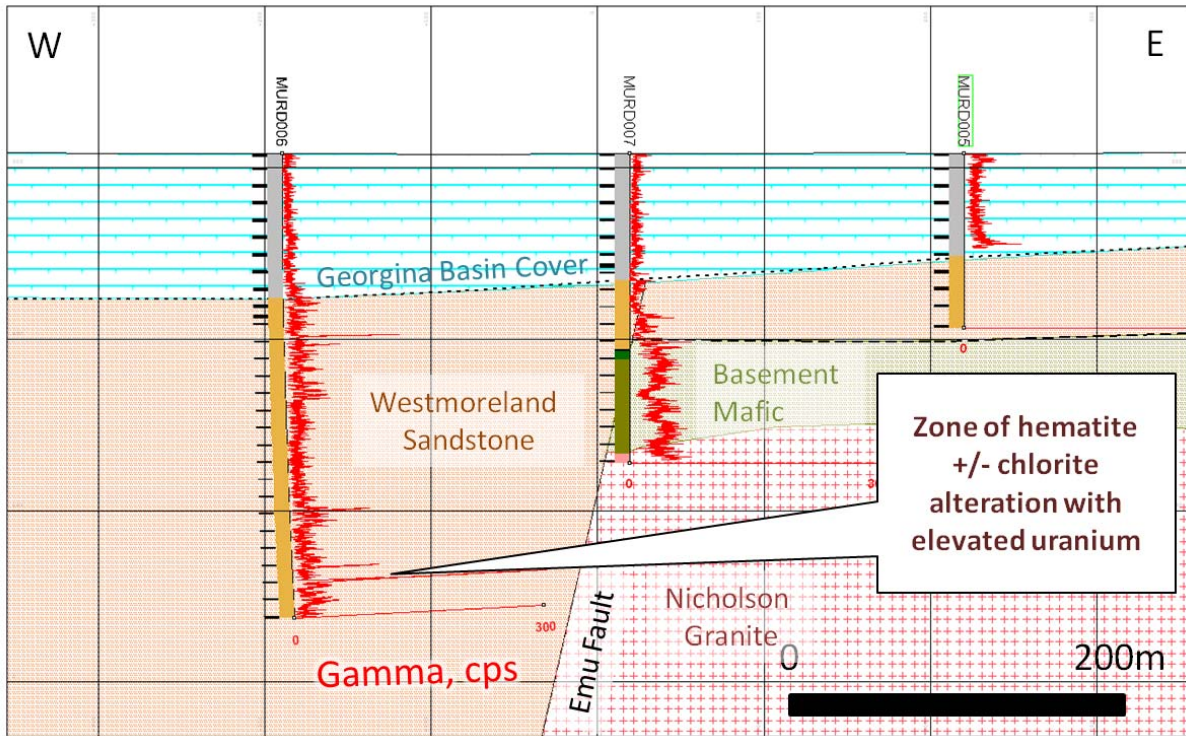


Fig.6. Cross section showing interpreted geology and gamma log results from the UC17 area. Black regions on the drill traces show areas sampled for the current set of results.

	From	To	Interval, m	Cu %	U ₃ O ₈ ppm
MURD002	405.0	462.0	57.0	0.10	11
including	405.0	416.0	11.0	0.14	14
with	406.0	412.0	6.0	0.19	17
with	406.0	409.5	3.5	0.22	5
including	439.0	462.0	23.0	0.17	15
with	439.0	450.0	11.0	0.29	26
with	446.0	450.0	4.0	0.62	70
with	447.0	448.0	1.0	0.99	106
MURD002	474.0	525.0	51.0	0.11	14
including	474.0	504.0	30.0	0.19	20
with	476.0	495.0	19.0	0.24	26
with	480.0	492.0	12.0	0.27	31
with	480.0	480.5	0.5	0.67	107

Table 1. Selected intercepts from the MURD002 altered interval. Downhole lengths - true width not known