

ASX RELEASE



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BONDI TO ACQUIRE EXCITING NEW COPPER-GOLD PROJECT AT MT. OWEN, NEAR THE MT. LYELL COPPER/GOLD MINE, IN WESTERN TASMANIA

- A Letter Of Intent (LOI) covering the Mt Owen Project was signed with Pangean Resources Pty Ltd (Pangean), on 19th January 2011;
- The Mt. Owen Project has a number of lookalike targets to the adjacent Mt Lyell mineral field, which contains one of the largest copper-gold resources in Australia.
- The strong alteration zones within the Mt. Owen Project are newly recognised and have never been drill-tested;
- Bondi Mining Limited (Bondi) plans to acquire 100 percent ownership of the Project for a modest consideration of shares and cash. The LOI also provides for project milestone payments and production royalty of 2%;
- The Mt. Owen Project comprises a 19km² tenement located approximately 1.5 km SE of the Mt. Lyell mineral field. It has excellent access and is close to road, rail and port facilities;
- An exploration program, including a deep IP survey, mapping and geochemical sampling, followed by drilling of resulting targets, should commence in February / March 2011.

Bondi Mining Ltd (ASX Code:BOM - Bondi) is pleased to announce that a Letter Of Intent (LOI) has been signed with Pangean Resources Pty Ltd (Pangean) covering the highly prospective Mt. Owen Project (Mt. Owen) on EL 39/ 2005 in western Tasmania. Mt. Owen is located approximately 1.5km to the south-east of the Mt. Lyell mineral field (Fig 2), which is hosted within the Mt. Read Volcanics.

“We are very excited with the untested potential of the Mt. Owen project, which is very close to the world class Mt. Lyell copper / gold mines” said Dr Richard Valenta, Managing Director of Bondi Mining Ltd., “This target is in the shadow of the Mt Lyell deposit, and has never been explored in detail. We consider that this Project has the potential to revitalise and diversify the exploration effort within this Company, as we explore in one of the most highly-mineralised regions of the world.”

Historical production and reserves at the Mt Lyell mineral field total 312 Mt at 1% Cu, 0.3 g/t Au and 5 g/t Ag. Included in this figure are several high grade orebodies such as North Lyell, with historical production of 5.9 Mt at 5.4% Cu, 34.3 g/t Ag and 0.4 g/t

Au. The largest producer at Mt Lyell is the Prince Lyell deposit, with approximately 90 Mt at 0.9% Cu, 0.3 g/t Au and 2 g/t Ag.

Previous exploration at Mt. Owen comprises reconnaissance mapping, rockchip sampling, PIMA spectrometer alteration analysis, and a helicopter-borne magnetics survey. Exploration companies in the past considered the Mt. Owen Conglomerate too young to host the Mt. Lyell type Cu/Au/Ag mineralisation and therefore no significant exploration was completed over the Mt Owen Project area. However, research in the last 20 years¹ has produced evidence that the timing of mineralisation at Lyell is later than previously modelled, in the Ordovician, rather than Mid / Late Cambrian². The implications of this research are that the Mt. Owen group sediments may have been deposited before the mineralising event seen at Mt. Lyell and therefore could host alteration and/or mineralisation associated with a Mt. Lyell type, copper - gold system in the underlying Mt Read volcanics.

Re-processed 'HYMAP' hyperspectral data (by Pangean) flown by the Tasmanian Mines Department (MRT) in 2003, has defined several zones of pyrophyllite/muscovite alteration at Mt. Owen, similar to alteration in the Mt. Lyell mineral field. No hyperspectral analysis has been conducted by previous exploration companies over the Mt. Owen area prior to the Pangean study. Pangean confirmed these alteration responses through an on-ground program of PIMA spectral sampling. None of the identified alteration zones have been surface sampled or drill tested.

Bondi has two weeks to complete a due diligence on the project, from the date of signing the LOI, and will sign a Definitive Agreement within 30 days of signing the LOI.

The Definitive Agreement will provide that Bondi Mining is to pay \$90,000 cash and issue 1.75 million shares to acquire 100% ownership of the Project and undertake a minimum \$150,000 work program on the project. The agreement also provides for cash to be paid, or equivalent shares to be issued, at project milestones. If Bondi elects to relinquish the exploration licence at any stage over the 5 years it will not be required to make any further milestone payments.. The agreement includes payment of a 2% Net Smelter Return Royalty on any production from a mine established on the tenements.

On signing the Definitive Agreement Bondi will commence an intensive exploration program including geological mapping, reconnaissance soil sampling and a detailed IP and MT survey, followed by drilling upon identification of high quality targets.



Dr Rick Valenta

Managing Director

¹ AGSO / Geoscience Australia

² (AMIRA/ARC Project 439, Report 4, 1997)

About Bondi Mining Ltd

Bondi Mining Ltd (“Bondi”, ASX symbol – BOM) is a Brisbane-based exploration company with a focus on high-grade cycle-proof uranium targets and also high quality copper – gold targets with the potential for hosting a world-class deposit. Bondi’s Australian uranium portfolio is focused on the Murphy project in the Northern Territory and the North Maureen Project in Queensland, and the company continues to monitor tenure position and evaluate high quality uranium plays in a number of prospective jurisdictions.

Bondi’s highest current priority is to acquire a resource-stage project, and the company is making good progress toward this objective.

BONDI MINING LIMITED

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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.

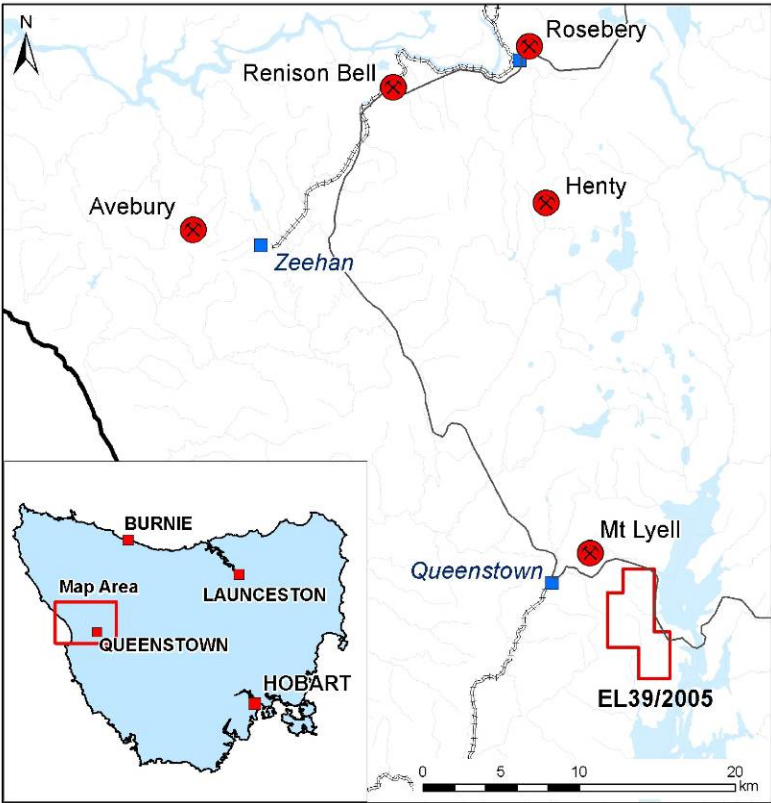


Figure 1. Location map of the Mt. Owen project

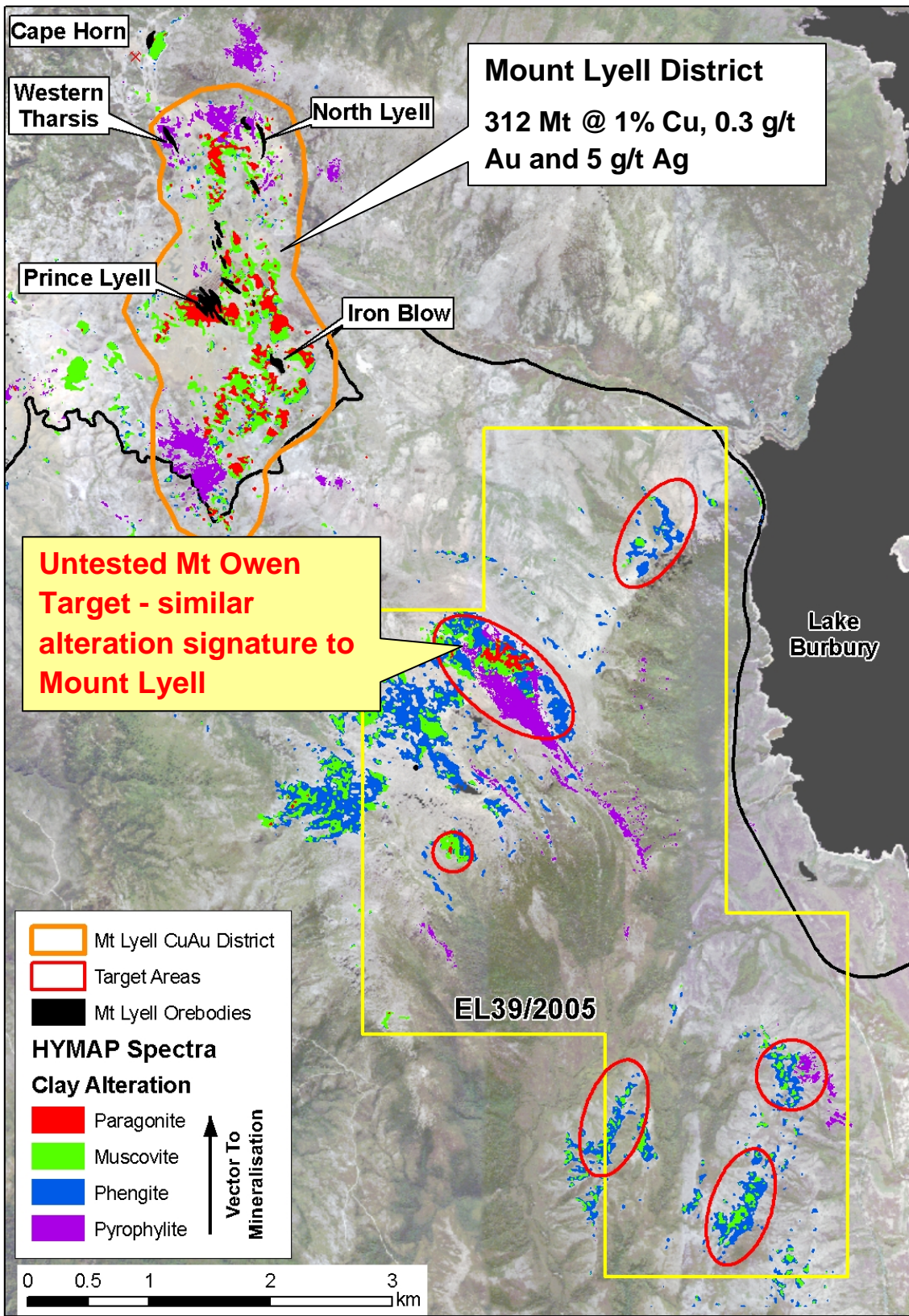


Figure 2. Mt. Lyell copper – gold - silver district and the Mt. Owen project, showing similar alteration from a 'Hymap' survey. The red ellipses represent target areas.

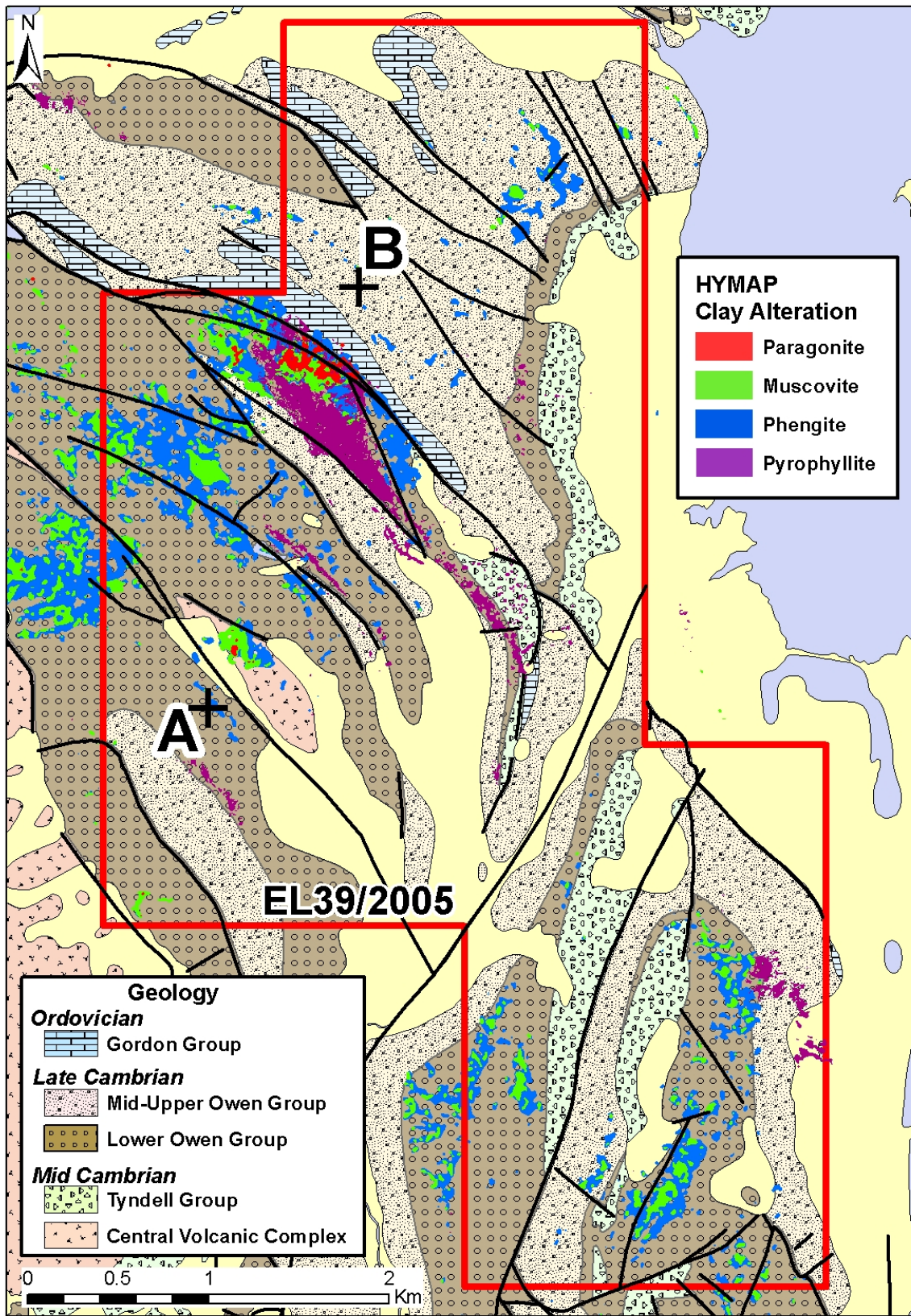


Figure 3. Geological map of the Mt. Lyell copper – gold – silver district and Mt. Owen project with clay alteration zones and target areas (red).

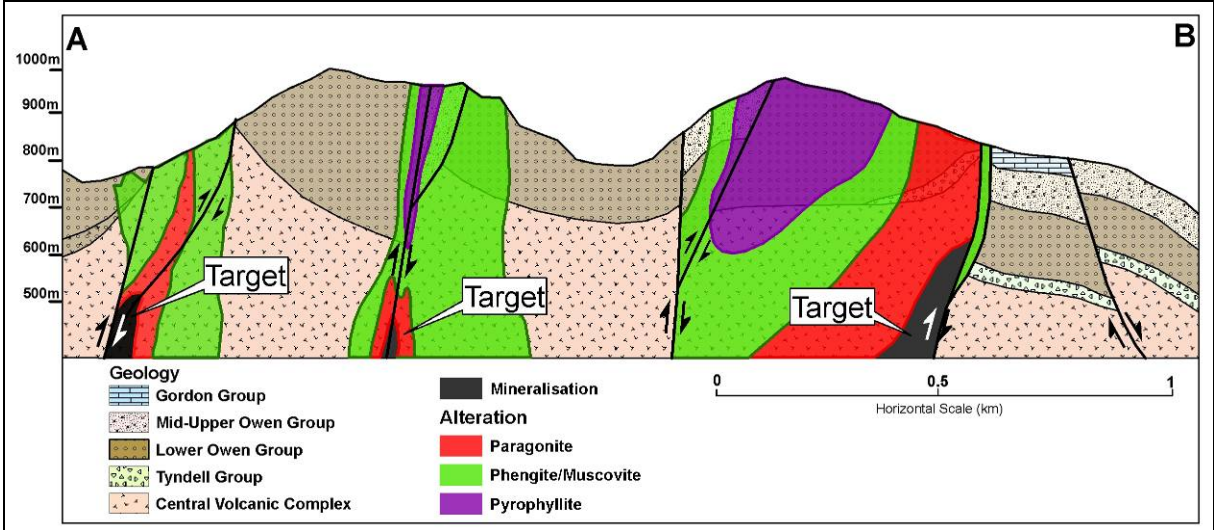


Figure 4. An interpretive geological cross section illustrating the main geological units, SW dipping faults and target model for copper – gold mineralisation.