

## Quarterly Report – March 2010

### Highlights

#### Exploration

Significant progress was made on the JV uranium projects and the Company is currently gearing up to begin field activities at the Murphy and North Maureen projects in collaboration with Japan's JOGMEC. In addition, the company is continuing to pursue other advanced uranium opportunities. Grass roots generative work continued during the March quarter, focusing on high quality uranium targets.

#### Murphy

- Notice received from JOGMEC of their intention to continue funding the Murphy project in 2010, with a planned budget of \$700,000.

#### North Maureen

- Joint Venture agreement concluded with JOGMEC, to target uranium discovery in the North Maureen Project, Queensland.
- Sole funding by JOGMEC of up to \$900,000 to earn a 51% interest.
- FIRB approval received for North Maureen JV.

#### Corporate

- Offers were made on a number of advanced projects during the quarter, though no final agreement was reached.
- Cash \$2.3 million as at 31 March 2010.

#### Planned Activities for 2010

Exploration expenditure of \$1,100,000 planned for 2010 season on Murphy and North Maureen projects, all funded by the JV partner. Acquisition of an advanced project remains a high priority, and there are currently five projects in active review.

#### Murphy

- Exploration planned for Murphy includes additional drilling at UC19, during the third quarter of 2010, and a regional airborne electromagnetic survey in the western part of the Murphy area.

#### North Maureen

- In the June quarter, the company intends to finalise uranium targets and commence field followup of the highest priority targets.

## **Murphy Project**

*(Bondi 100%)*

Due to the wet season, no on-ground exploration took place on the Murphy Project during the quarter.

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 project is the subject of a Joint Exploration Agreement between Bondi and Japan Oil, Gas and Metals National Corporation (JOGMEC)

JOGMEC can earn a 51% undivided interest in the project by funding \$3 million in exploration over four years. Bondi is the operator of the exploration program. During the quarter Bondi was informed by JOGMEC of their intention, under the JOGMEC Stage 3 Earn-in, to sole fund \$700,000 of exploration on the Murphy Project during 2010. At the conclusion of this expenditure, JOGMEC will have vested 51% interest in the Murphy project.

### **2010 Program**

In 2010 exploration will focus on the UC19 area and the Murphy West area: the WSW trending unconformity between the Murphy Inlier metasediments and the overlying Westmoreland conglomerates and sandstones; the uranium – copper mineralisation at target UC19 and the Emu Fault Zone at target UC17.

A large Airborne Electromagnetic (AEM) survey comprising a total of 2,200 line km is planned for the Murphy West area (1600 line km), the UC19 area (400 line km) and the UC17 area (200 line km) in the month of August 2010. Refer to Figure 2 for a plan showing the proposed survey area. Exploration conducted in 2009 confirmed the presence of black shales within the Murphy Inlier sediments and close to the unconformity, which are favourable for hosting uranium mineralisation. The aim of the AEM survey at Murphy West is to define the location, depth and extent of basement conductors, which represent the black shale horizons. These conductors will be interpreted and form the basis of future drilling program.

The aim of the AEM surveys at UC19 and UC17 targets is to locate more subtle alteration haloes surrounding a buried uranium deposit(s). A RC/ diamond drilling program comprising two holes for approx 750m is planned for UC19. This drilling will test any new targets defined by the AEM survey and geochemical and geophysical anomalies as yet un-tested by current drilling.

## **North Maureen Project**

*(Bondi 100%)*

Due to the wet season, no on-ground exploration took place on the North Maureen Project during the quarter.

The North Maureen Project in Queensland is a large package of tenements immediately to the north of the Maureen deposit of Mega Uranium Ltd which contains an NI43-101 compliant Indicated Resource of 3.1 million tonnes at 0.09% U<sub>3</sub>O<sub>8</sub> (5.95 Mlbs U<sub>3</sub>O<sub>8</sub>) and an Inferred Resource of 0.15 million tonnes at 0.11% U<sub>3</sub>O<sub>8</sub> (0.38 Mlbs U<sub>3</sub>O<sub>8</sub>). The tenement package contains a number of untested targets under thin cover, which show similar characteristics to the Maureen deposit.

During 2008, the company flew a detailed 29,000 line-kilometre airborne geophysical survey and drilled 56 RC holes designed to test conceptual targets for unconformity hosted uranium mineralisation. Drilling intersected the expected sedimentary cover sequence, followed by

Permo-Carboniferous volcanics and/or granites, and in some cases Proterozoic basement schists. Elevated scintillometer values were encountered in some drillholes.

## **2010 Program**

The aim of exploration on the North Maureen project is to explore subtle radiometric anomalies within areas of exposed basement or shallow cover adjacent to favourable lithologies and structural settings using the Maureen deposit analogy.

After re-processing and interpretation of the magnetics, radiometrics and mapped geology in May to clearly define the target areas adjacent to the unconformity, between the basement schists and the overlying Permo-Carboniferous sediments and felsic volcanics, Bondi will conduct a helicopter supported, reconnaissance mapping and traversing survey in June and July to define zones of uranium, gold and molybdenum mineralisation.

Any mineralised zones will be thoroughly mapped and eventually drill tested. Under the formal terms of the Joint Venture:

- JOGMEC will earn an initial 25% stake by spending a total of \$450,000 by March 31, 2011, and
- JOGMEC will earn up to 51% by spending a total of \$900,000 by March 31, 2012.
- JOGMEC will provide an initial contribution to Bondi of 2009 exploration costs of approximately \$63,000

It is anticipated that the joint venture will carry out further ground-based geophysical and geochemical surveys in order to identify and prioritise drill targets.

## **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. During the quarter, a number of projects reached advanced negotiation stage though final agreements were not reached. There are currently five high priority projects under review, with a focus on high potential uranium opportunities, though other commodities are also under consideration.

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 North Maureen Project in Queensland, 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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info@bondimining.com.au

*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.*

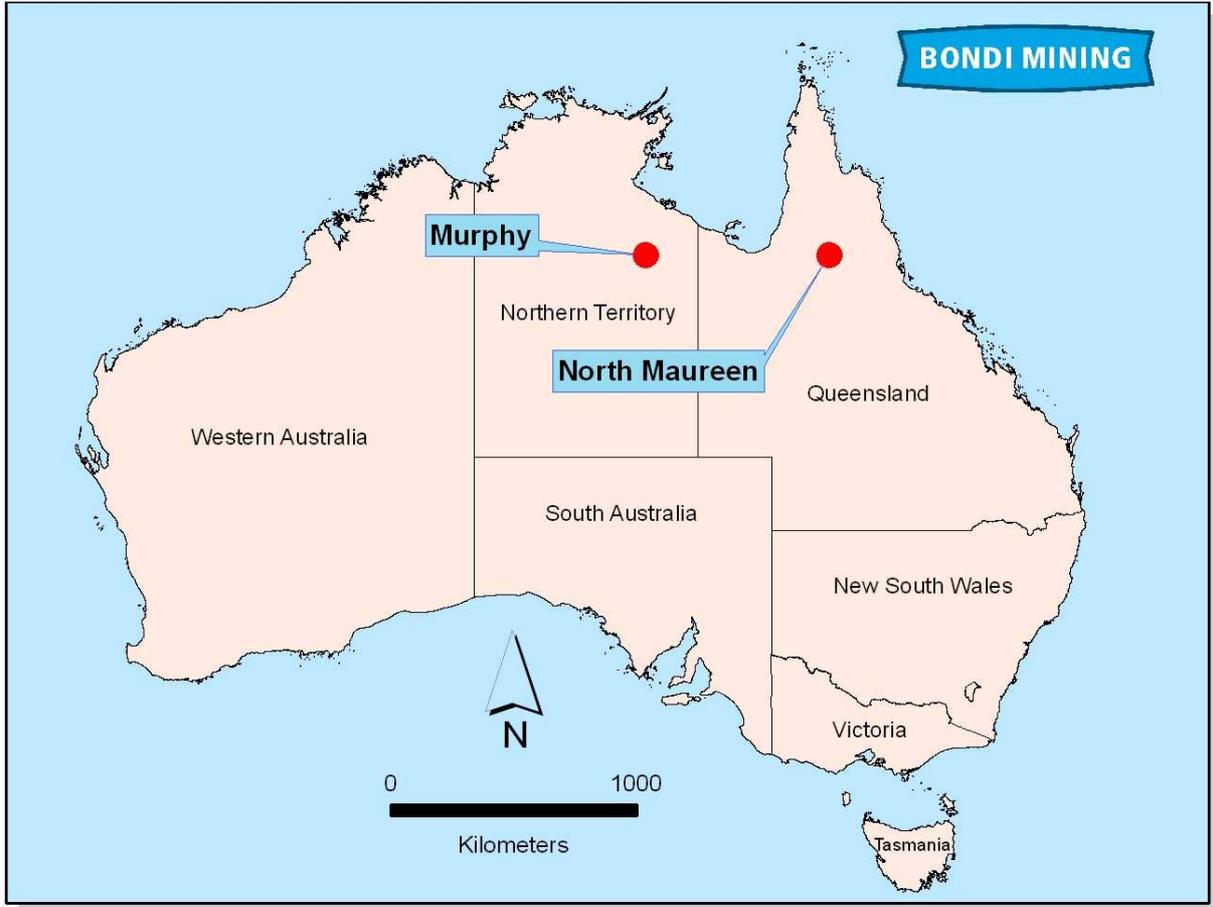


Figure 1 – Regional location of Bondi Mining's uranium projects

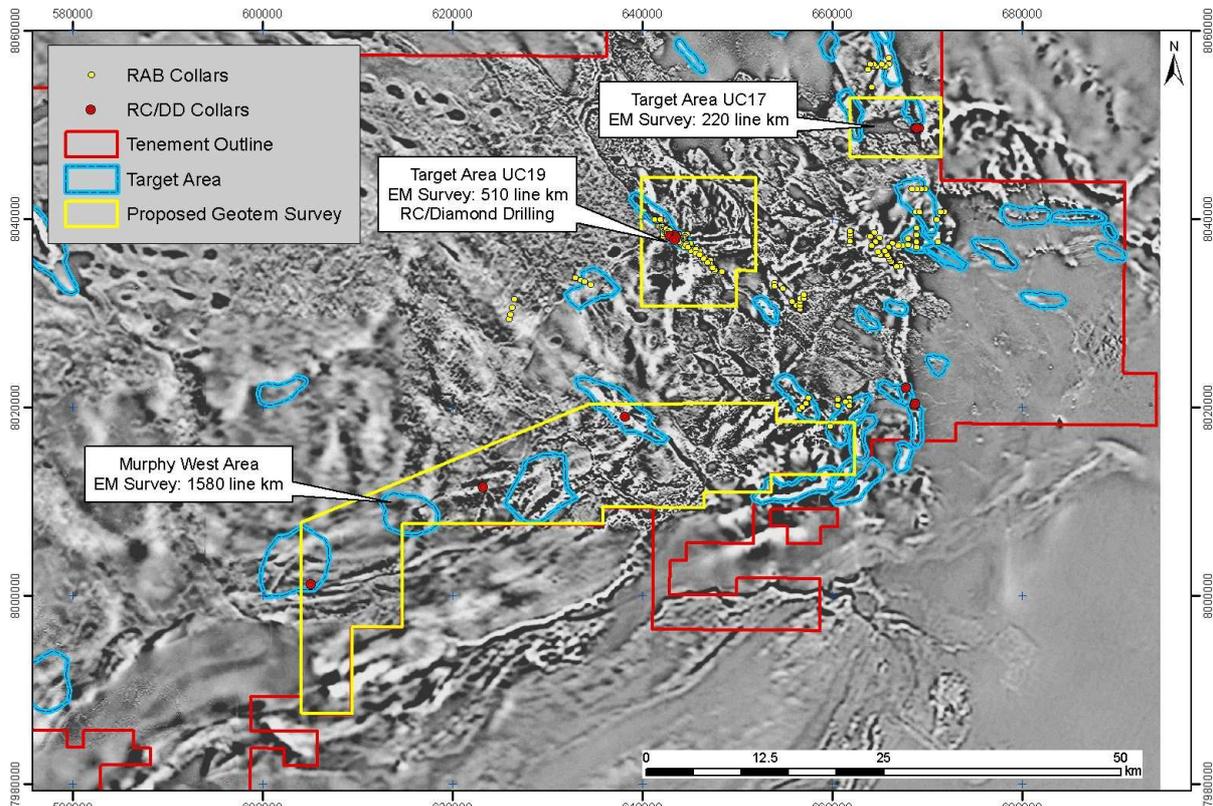


Figure 2 – Map of portion of Murphy project, showing location of planned 2010 drilling and geophysical surveys

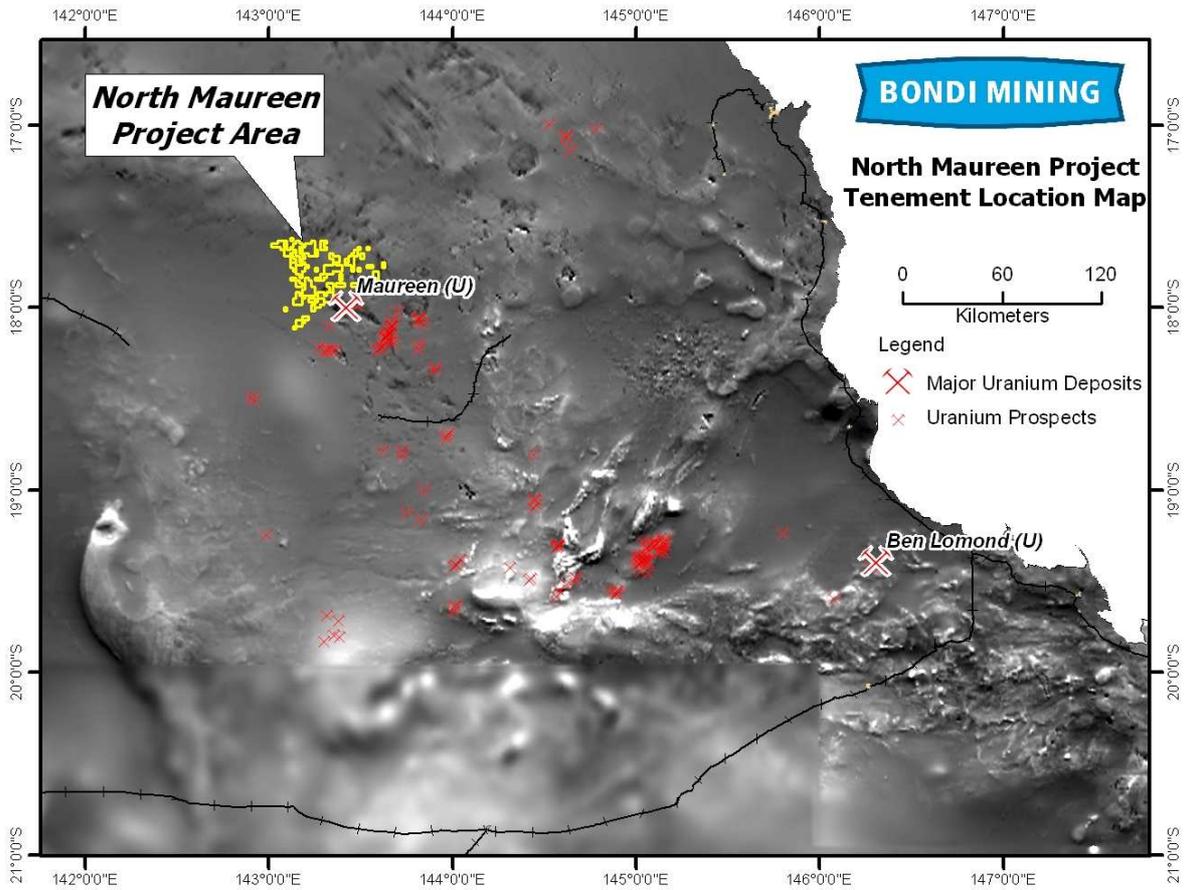


Figure 3 - Regional location of the North Maureen project

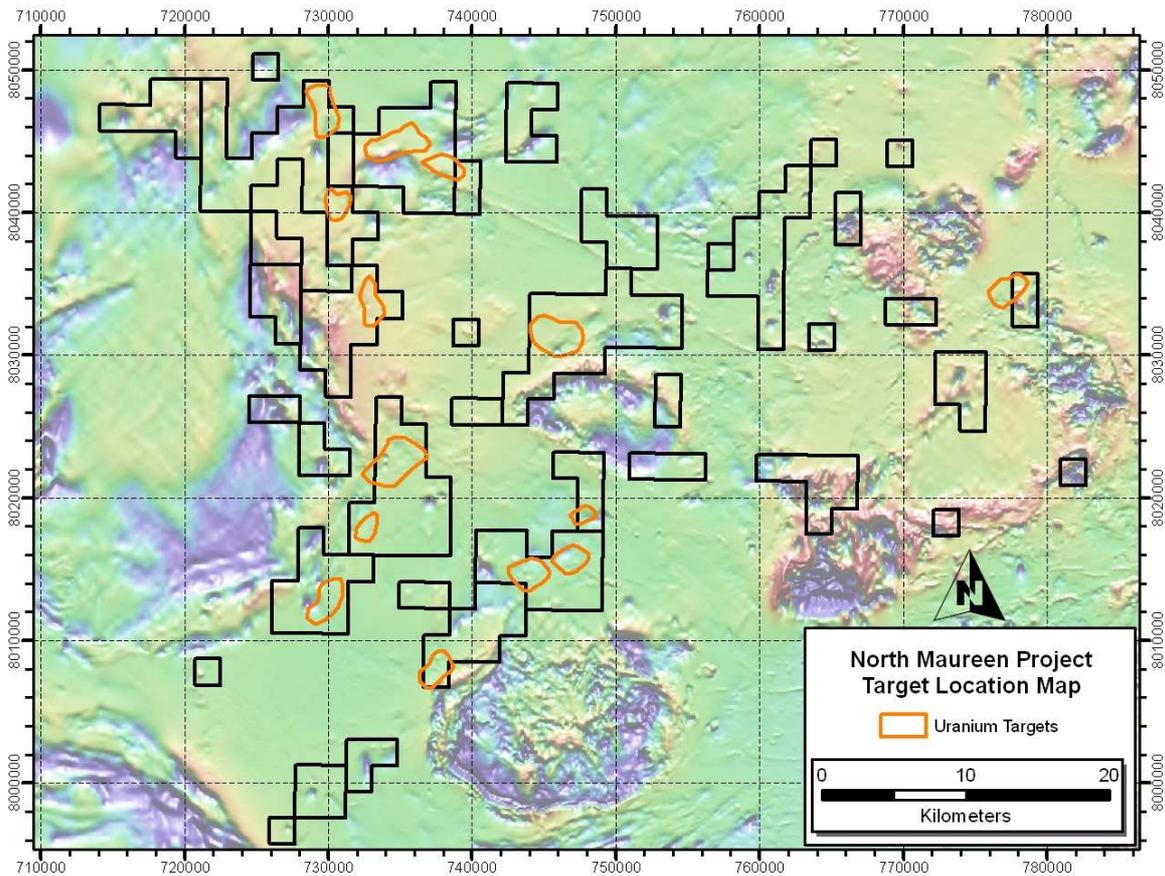


Figure 4 - North Maureen uranium targets superimposed on magnetic data

**APPENDIX 5B**  
**Mining exploration entity quarterly report**

**BONDI MINING LTD**

**ABN 21 120 723 426**

Quarter ended

31-Mar-10

**Consolidated statement of cash flows**

**Cash flows related to operating activities**

- 1.1 Receipts from product sales and related debtors
- 1.2 Payments for (a) exploration and evaluation  
(b) development  
(c) production  
(d) administration
- 1.3 Dividends received
- 1.4 Interest and other items of a similar nature received
- 1.5 Interest and other costs of finance paid
- 1.6 Income taxes paid
- 1.7 Other (JV and other income)

**Net Operating Cash Flows**

**Cash flows related to investing activities**

- 1.8 Payment for purchases of: (a) prospects  
(b) equity investments  
(c) other fixed assets
- 1.9 Proceeds from sale of: (a) prospects  
(b) equity investments  
(c) other fixed assets
- 1.10 Loans to other entities
- 1.11 Loans repaid by other entities
- 1.12 Other (provide details if material)

**Net Investing cash flows**

- 1.13 Total operating and investing cash flows  
(carried forward)

Current quarter	Year to date (9 months)
\$A'000	\$A'000
-	-
(229)	(1,712)
0	-
0	-
(107)	(518)
0	-
0	22
0	-
0	-
278	972
(58)	(1,236)
-	-
-	-
0	-
-	-
-	-
-	-
-	-
0	0
(58)	(1,236)

1.13 Total operating and investing cash flows (brought forward)	(58)	(1,236)
<b>Cash flows related to financing activities</b>		
1.14 Proceeds from issues of shares, options, etc	-	1,969
1.15 Proceeds from sale of forfeited shares	-	-
1.16 Proceeds from borrowings	-	-
1.17 Repayment of borrowings	-	-
1.18 Dividends paid	-	-
1.19 Other (Share issue costs)	2	(25)
<b>Net financing cash flows</b>	2	1,944
<b>Net increase (decrease) in cash held</b>	(56)	708
1.20 Cash at beginning of quarter / year to date	2,389	1,625
1.21 Exchange rate adjustments to item 1.20	-	-
1.22 <b>Cash at end of quarter</b>	2,333	2,333

**Payments to directors of the entity and associates of the directors**

**Payments to related entities of the entity and associates of the related entities**

Current quarter \$A'000

1.23 Aggregate amount of payments to the parties included in item 1.2

52

1.24 Aggregate amount of loans to the parties included in item 1.10

-

1.25 Explanation necessary for an understanding of the transactions

Directors' fees, wages, superannuation, professional fees and consulting fees for the Quarter.

**Non-cash financing and investing activities**

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

Nil

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Nil

**Financing facilities available**

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

**Estimated cash outflows for next quarter**

	\$A'000
4.1 Exploration and evaluation (Exploration of \$457,326 of which \$427,326 will be funded through JV contributions from JOGMEC and Government grants).	30
4.2 Development	-
4.3 Administration	138
<b>Total</b>	<b>168</b>

**Reconciliation of cash**

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	221	77
5.2 Deposits at call	2,112	2,312
5.3 Bank overdraft		
5.4 Other (provide details) - 30 and 60 day term deposits		
<b>Total: cash at end of quarter (item 1.22)</b>	<b>2,333</b>	<b>2,389</b>

**Changes in interests in mining tenements**

Tenement reference	Nature of interest (note 2)	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed	n/a		
6.2 Interests in mining tenements acquired or increased	n/a		

## Issued and quoted securities at end of current quarter

	Total number	Number quoted	Issue price per security (cents)	Amount paid up per security (cents)
7.1 <b>Preference securities</b> <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 <b>Ordinary securities</b>	88,662,807	88,662,807	Fully Paid	Fully Paid
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
7.5 <b>Convertible debt securities</b> <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 <b>Options</b> <i>(description and conversion factor)</i>	3,000,000 500,000 500,000 500,000 108,000 58,000 58,000 50,000 65,000		<u>Excise Price</u> 0.25 0.30 0.35 0.40 0.30 0.30 0.30 0.15 0.12	<u>Expiry Date</u> 28/12/2010 11/11/2011 11/11/2011 11/11/2011 26/11/2012 26/11/2012 26/11/2012 22/09/2013 28/02/2015
7.8 Issued during quarter	65,000		0.12	28/02/2015

7.9	Exercised during quarter				
7.10	Cancelled during quarter				
7.11	<b>Debentures</b> (totals only)				
7.12	<b>Unsecured notes</b> (totals only)				

### Compliance statement

- 1.0 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2.0 This statement does give a true and fair view of the matters disclosed.

Sign here:  Date: 29 Apr 2010

Company Secretary

Print name: MR PIERRE VAN DER MERWE

### Notes

- 1.0 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2.0 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3.0 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4.0 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5.0 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.