

30<sup>th</sup> January 2009

## **DECEMBER 2008 QUARTERLY REPORT**

### **Highlights**

- **Bondi Mining Ltd formalised a Joint Venture with Japan's JOGMEC to target uranium discovery in the Murphy Project, Northern Territory**
- **Sole funding by JOGMEC of up to A\$3.0 million to earn a 51% interest**
- **Agreement includes an initial contribution to Bondi of 2008 exploration costs on the project from 1st of August, 2008 to 21st of December, 2008 estimated to be approximately A\$600,000**
- **Target is large high grade unconformity style uranium deposits similar to the East Alligators Rivers Uranium field that hosts Jabiluka, Ranger and Narbarlek**
- **The joint venture will recommence exploration in early 2009 with a high resolution airborne magnetic and radiometric survey which will extend 100m-spaced coverage to the remaining 6000 square kilometres of the tenement group.**
- **Ionic leach geochemical sampling over the UC19 target returned uranium anomalies of up to 79 times background over the area of known anomalous uranium in the UC19 scout drilling.**
- **On the strength of positive orientation results, ionic leach sampling was extended to the UC17, UC25 and UC26 target areas**
- **Reinterpretation of the North Maureen area resulted in the identification of a number of high priority gold exploration targets, which are the subject of a government grant application. The company is in discussion with potential partners for the North Maureen project.**
- **Following receipt of results from the Murphy Phosphate drill program, WCP Resources elected to withdraw from the JV prior to earning any equity.**

Bondi Mining Ltd (ASX: BOM) is pleased to provide an update on its activities during the December Quarter. Bondi has made significant progress on its uranium projects and is currently planning its 2009 exploration activities in collaboration with JOGMEC. In addition, the company is continuing to pursue other uranium opportunities in the Northern Territory and South Australia.

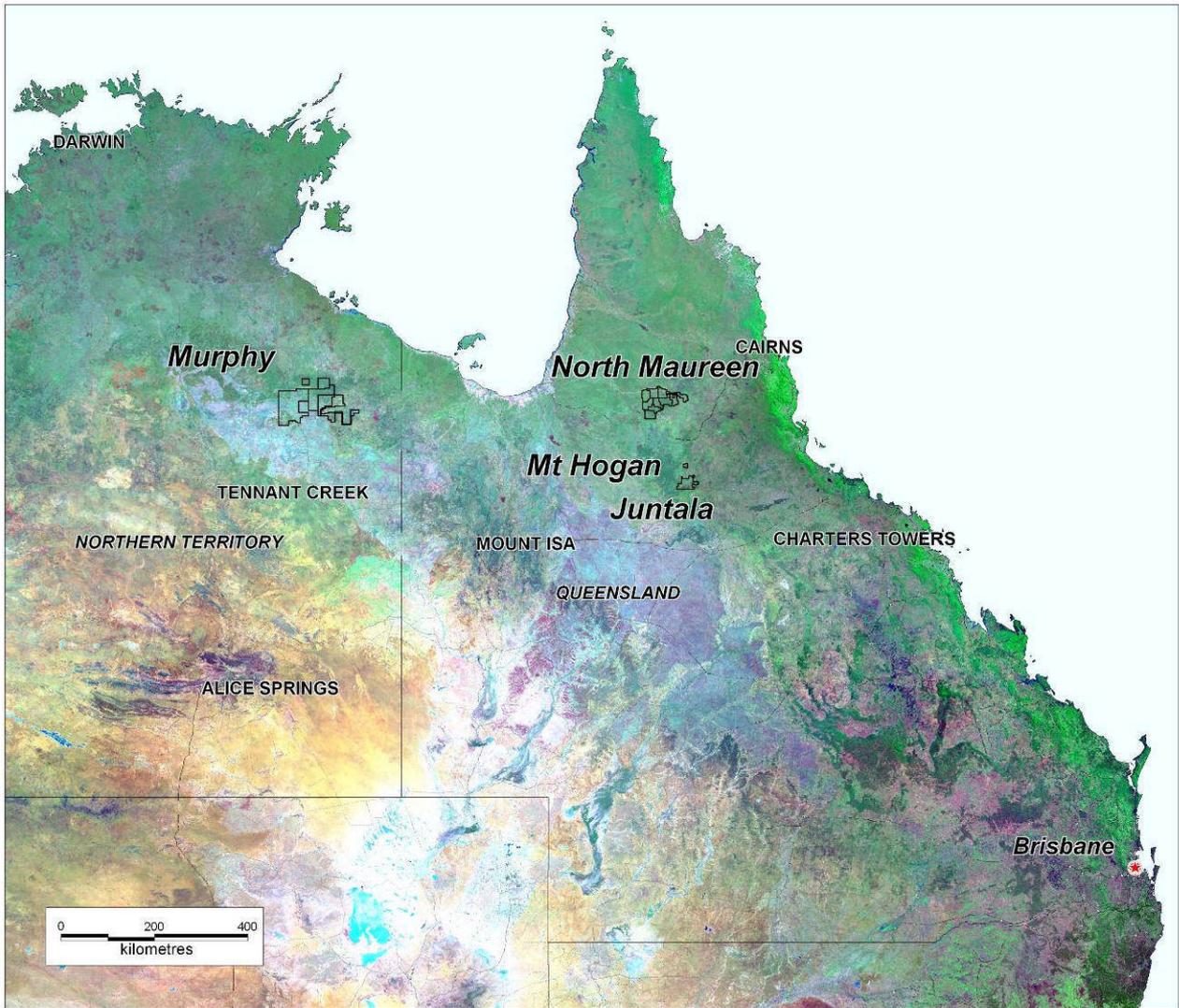


Figure 1 – Regional location of Bondi Mining’s uranium projects

### 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.

In late December the company announced that it had entered into a joint venture with the Japanese government resource entity, JOGMEC (Japan Oil, Gas and Metals National Corporation), to invest up to A\$3 million in exploration over Bondi’s 100%-owned Murphy Project.

Under the formal terms of the Joint Venture:

- JOGMEC is committed to fund A\$1 million on the project by March 31 2009 which includes an initial contribution of uranium exploration costs on the project from 1st of August, 2008 to 21st of December, 2008.
- JOGMEC will earn an initial 34% stake by spending a total of A\$2 million by March 31, 2012, and
- JOGMEC will earn up to 51% by spending a total of A\$3 million by March 31, 2013.

The joint venture will recommence exploration in early 2009 with a high resolution airborne magnetic and radiometric survey which will extend 100m-spaced coverage to the remaining 6000 square kilometres of the tenement group.

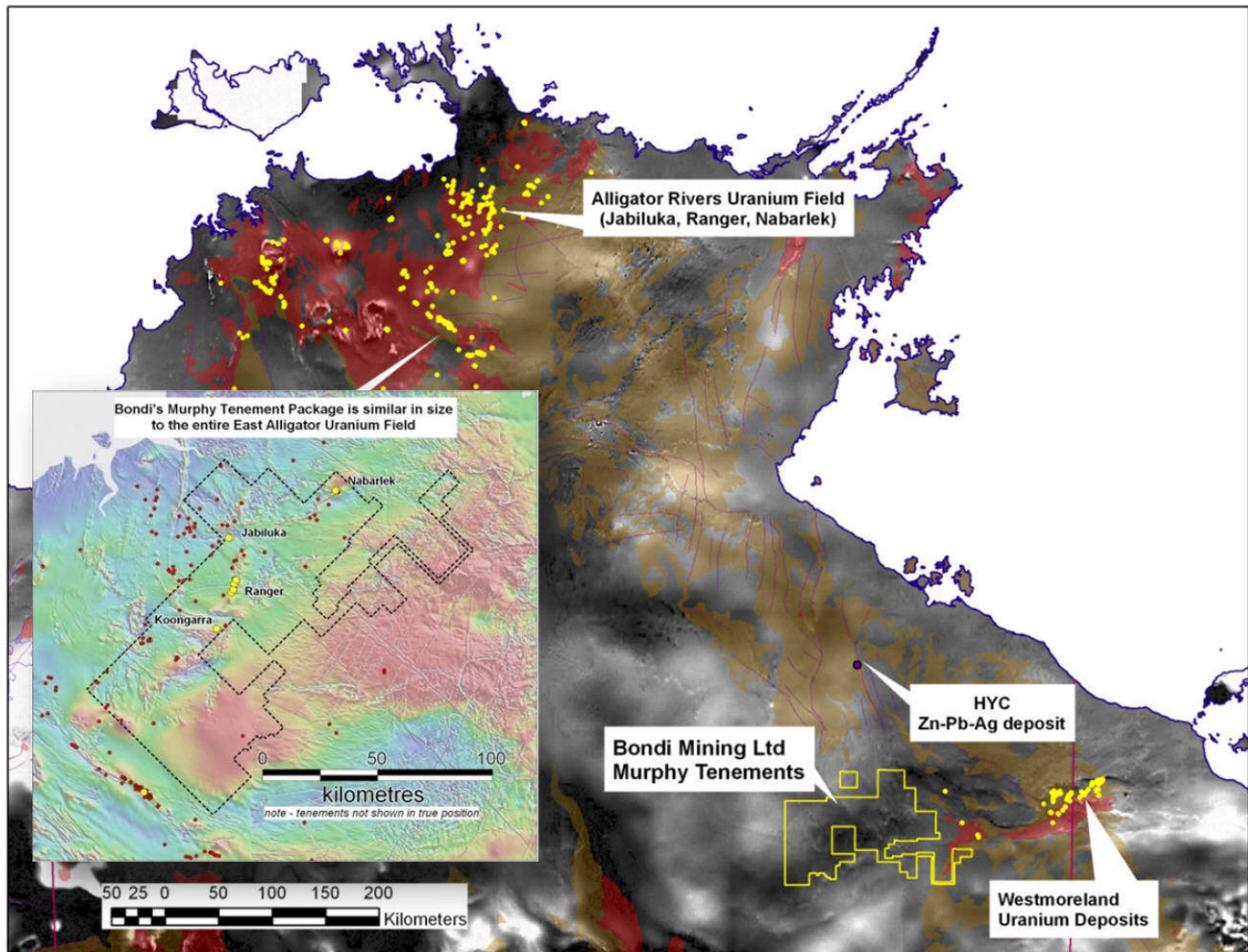


Figure 2 – Simplified geology over greyscale magnetics showing the position of the Murphy project at the covered extension of the same basement (red) - cover (brown) contact that hosts the East Alligator deposits. Inset shows the Murphy Tenements plotted at the same scale as the East Alligator Uranium field, showing that the Murphy tenements cover an area similar in size to the entire East Alligator district.

### Results to date

A first phase of drilling was completed in the June Quarter, and a second phase of drilling was planned to follow up anomalous results from the first program and to test a number of new targets. The anomalies were mainly from holes drilled into target UC19 and were defined by scintillometer readings up to four times background, coincident eU3O8 values of up to 155 ppm in gamma logs and uranium assays up to 20 ppm, and pervasive illite clay and hematite alteration. A grand total of 168 holes were drilled for 8392m including both phases of drilling. The second phase comprised 30 holes for approximately 2400m.

During the quarter, a reinterpretation of the regional geology was carried out based on the new drill data and track etch results. This exercise resulted in the identification of a number of new targets which were then partially covered with ionic leach sampling just prior to the onset of the wet season. The results of this surveying are expected in the first quarter of 2009.

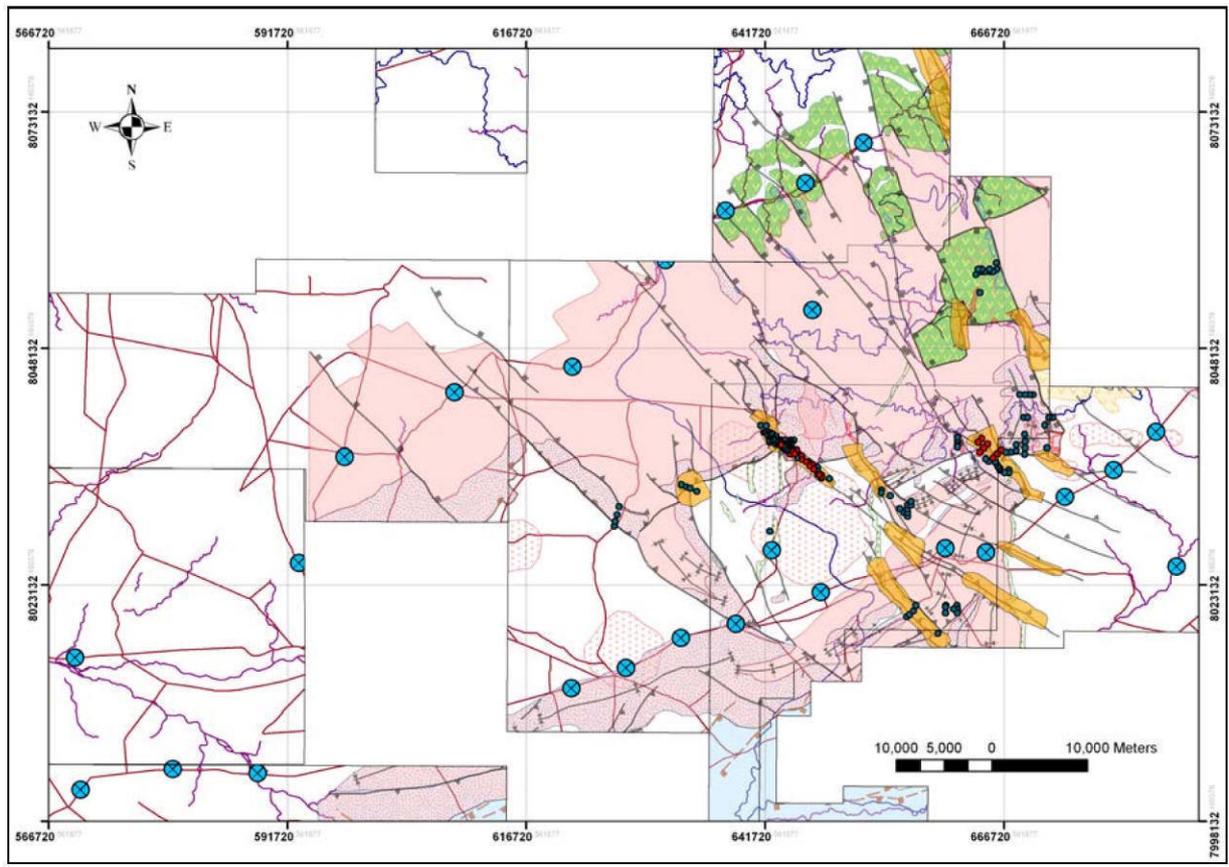


Figure 3 – Murphy drillholes superimposed on solid geological interpretation. Red dots indicate second pass uranium drill collars and blue crossed circles indicate phosphate drill collars

An additional 1700 Track Etch cups were buried, retrieved and despatched to the lab during the December quarter. Results are expected in early 2009. An orientation trial of RadonX was carried out over the UC19 target area, and was shown to produce similar anomalous results to Track Etch.

During the quarter, an orientation survey of Ionic Leach geochemistry was also carried out over the UC19 area. 78 soil samples were collected along three traverses at UC 19 at 100m spacing and despatched for ionic leach, partial digest analysis at ALS in Perth. Two samples (BOM04193 & 4194) assayed 113 and 192 ppb U respectively and are coincident with anomalous drill holes MURB026 and MURB031. These results are up to 79 times the uranium background for the survey. A further seventeen samples assayed greater than 30ppb U and occurred along the northern part of the sample traverses. The anomalies remain open to the north. On the strength of these positive results, larger surveys were carried out over the UC19, UC17, UC25 and UC26 target areas.

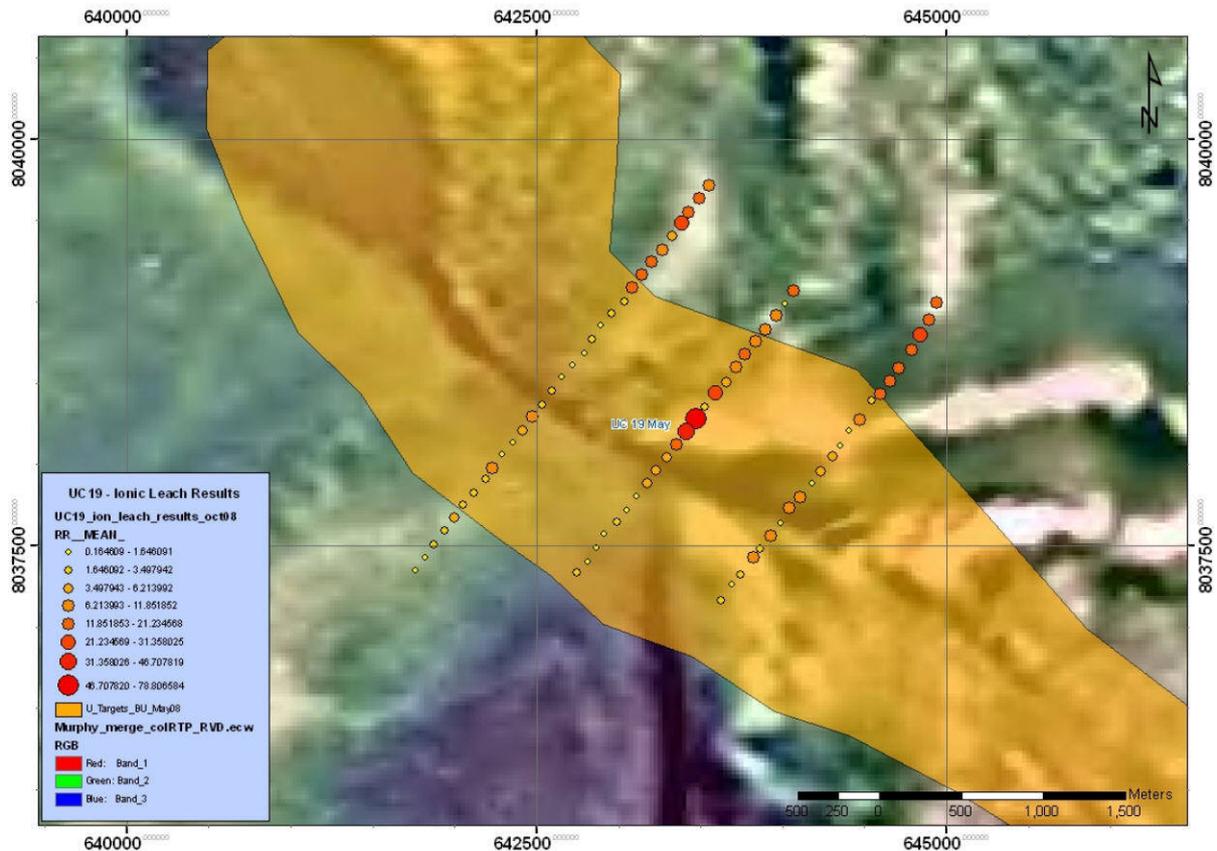


Figure 4 – UC19 area ionic leach uranium response ratios, showing a strong anomaly coincident with anomalous scout drilling results

In early October, Bondi Mining was awarded a grant of \$100,000 through the Northern Territory government's "Geophysics and Drilling Collaborations" program. The program provides 50% of expenses (up to \$100,000) to assist with the cost of exploration in remote areas.

### Murphy Phosphate Project

(Bondi 100% - WCP Resources earning up to 70% of rights to phosphorous minerals)

In joint venture with WCP resources, Bondi recently completed a wide-spaced Rotary Air Blast drilling program of 1,215 metres from 26 holes across the licences that were designed to determine the configuration and distribution of the Cambrian Georgina Basin's extensions in subcrop under the Murphy tenements and to explore for phosphate mineralisation in this stratigraphic setting. Geological logging has shown the western group of 10 drill holes spanning an area of 3,000 square kilometres to have intersected marine sediments likely to be of similar age to the prospective early Middle to Late Cambrian rocks of the Georgina Basin.

A total of 525 samples were analysed and assay results revealed the presence of anomalous phosphorous in some intercepts through carbonate sediments. Phosphorous was detected in all the holes with values ranging from a background of 10 to 3540 ppm P. Four of the 26 holes recorded moderately anomalous phosphorous values ranging from 1100 to 3540 ppm or equivalent to 8142 ppm or 0.8% P<sub>2</sub>O<sub>5</sub>.

Following a thorough assessment of these results in the context of data obtained from earlier exploration, WCP decided to withdraw from its agreement with Bondi without having earned any equity in the licences.

## **Mt Hogan Project**

*(Bondi 100% rights to Uranium – Newcrest 100% Tenement owner)*

No work was completed on the Mount Hogan project during the quarter. Further work on Mount Hogan has been put on hold while the company concentrates its efforts on the uranium-friendly jurisdiction of the Northern Territory.

## **North Maureen Project**

*(Bondi 100%)*

The **North Maureen Project** in Queensland is a large 3,300km<sup>2</sup> package of tenements immediately to the north of the Maureen deposit of Mega Uranium Ltd which contains a historical resource of 6.5 million lbs U<sub>3</sub>O<sub>8</sub> at a grade of 0.12% U<sub>3</sub>O<sub>8</sub> and 0.07% Molybdenum. The area is also highly prospective for gold, tin and diamonds.

As a large, strategic landholding in a covered geological terrain with strong prospectivity, the North Maureen tenement package is a valuable asset to the company. In the December quarter, the decision was taken to change strategy at North Maureen and concentrate on identifying potential targets for commodities other than uranium, with the aim of bringing in a funding partner to further progress exploration on the project.

Further uranium exploration on North Maureen has been put on hold while the company concentrates its uranium exploration efforts on the more favourable jurisdiction of the Northern Territory.

## **Juntala Project**

*(Bondi 100%)*

Further work on Juntala has been put on hold while the company concentrates its efforts on the uranium-friendly jurisdiction of the Northern Territory.

## **Project Generation**

During the December quarter the company commissioned a regional 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. A number of areas have been identified and are now being analysed in more detail and monitored for changes in the land situation.

Bondi Mining Ltd is a Brisbane based exploration company with a focus on high- grade cycle -proof uranium targets with world class size potential. The company's Australian uranium portfolio is made up of 20 granted tenements and 3 applications totaling 15,085 km<sup>2</sup> in three major uranium provinces in the Northern Territory and 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.*

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

**BONDI MINING LTD**

ABN 21 120 723 426

Quarter ended

31-Dec-08

**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 \$A'000	Year to date (6 months) \$A'000
	-	-
	(406)	(1,247)
	-	-
	-	-
	(173)	(342)
	-	-
	10	11
	-	-
	-	-
	164	164
	(405)	(1,414)
	-	-
	-	-
	0	(1)
	-	-
	-	-
	-	-
	-	-
	-	-
	0	(1)
	(405)	(1,415)

1.13 Total operating and investing cash flows (brought forward)	(405)	(1,415)
<b>Cash flows related to financing activities</b>		
1.14 Proceeds from issues of shares, options, etc	-	-
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)	-	-
<b>Net financing cash flows</b>	0	0
<b>Net increase (decrease) in cash held</b>	(405)	(1,415)
1.20 Cash at beginning of quarter / year to date	662	1,672
1.21 Exchange rate adjustments to item 1.20	-	-
1.22 <b>Cash at end of quarter</b>	257	257

**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

85

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	166
4.2 Development	-
<b>Total</b>	<b>166</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	6	120
5.2 Deposits at call	251	542
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>257</b>	<b>662</b>

During the quarter, the Company announced a Joint Venture with Japan's JOGMEC at the Murphy Project, NT. The agreement includes an initial contribution to Bondi of uranium exploration costs on the project from 1st August 2008 to 21st December 2008, estimated to be approximately \$600,000. Subsequent to the end of the December quarter, the agreement has been submitted with the Foreign Investment Review Board (FIRB). The company expects the initial contribution of approximately \$600,000 to be received in the March quarter following FIRB approval.

**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	EL24694	176 sub-blocks relinquished.	100%	100%
	EL24841	21 sub-blocks	100%	100%
	EL15427	26 sub-blocks	100%	100%
	EL15430	54 sub-blocks	100%	100%
	EL15431	29 sub-blocks	100%	100%
	EL15437	52 sub-blocks	100%	100%
	EL24694, EL24841, EL25708, EL25709, EL25710, EL26138, EL26139, EL26140.	Joint venture agreement at Murphy Project with JOGMEC. JOGMEC may earn up to a 51% interest by spending A\$3.0 million by 31 March 2013.	100%	100%
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>	58,900,000	58,900,000	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 5,000,000 108,000 58,000 58,000 50,000		<u>Excise Price</u> 0.25 0.30 0.35 0.40 0.60 0.30 0.30 0.30 0.15	<u>Expiry Date</u> 28/12/2010 11/11/2011 11/11/2011 11/11/2011 20/11/2009 26/11/2012 26/11/2012 26/11/2012 22/09/2013
7.8 Issued during quarter				

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: 30 Jan 2008

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.