



## QUARTERLY REPORT ASX Announcement

ASX CODE: RUM

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**MAJOR PROJECTS**  
Ammaroo Rock Phosphate  
Karinga Lakes Brine Potash

# QUARTERLY ACTIVITIES REPORT PERIOD ENDED 30 JUNE 2015

Rum Jungle Resources Ltd's strategic intent is to find, develop and operate fertiliser mineral projects located in close proximity to existing Central Australian transport infrastructure. Rum Jungle Resources Ltd has significant resources of both phosphate and sulphate of potash.

## HIGHLIGHTS

### CORPORATE

- The company's current primary focus is the general preservation of cash, sustaining its tenement position and undertaking the formal processes to secure cornerstone industry investment in one of the company's flagship projects to take it forward to bankable feasibility study and development. This formal process is being facilitated by Flagstaff Partners and a separate arrangement has been put in place with Montpellier Advisors based in Dubai with specific focus on Middle Eastern investors
- During the period a number of global and regional fertiliser producers signed mutual confidentiality agreements gaining access to the data room in order to conduct due diligence of the detailed project and company information and to compare RUM's Australian based projects with their other global investment options. This process remains ongoing and discussions continue with a subset of the parties that have reviewed the data, with RUM's key objective to form a joint venture to progress either the Ammaroo phosphate project or the portfolio of sulphate of potash projects.
- In order to facilitate the potential future establishment of joint ventures or investment at the specific project level, the Company is in the process of completing an internal reorganisation of its assets so the wholly owned subsidiary, Territory Phosphate, holds all the phosphate assets, and another wholly owned subsidiary is being established, Territory Potash, which will hold all of the sulphate of potash assets
- The Heads of Agreement established between RUM and the Darwin Ports Corporation, originally established in November 2013, has been extended to until 31 December 2017. The non-binding Heads of Agreement establishes a framework that underpins the negotiation of formal agreements for the use of land and the construction and operation of infrastructure at Darwin's East Arm Wharf port facilities for the future export of phosphate rock, phosphoric acid, phosphate fertilisers and potash salts
- Mr R J Annells retired from being a director with effect on 30 June 2015
- The Company has sufficient cash reserves on deposit to undertake its current near term strategic objectives
- Cash Balance \$4.4 million (including secured Term Deposits of \$775k)

### HEALTH, SAFETY, ENVIRONMENT AND COMMUNITY

- There were no incidents to report in 346 field hours worked on the projects

## **PHOSPHATE**

- Post exploration rehabilitation on the entire Ammaroo phosphate project area has been completed and an inspection was conducted by the NT Department of Mines and Energy. Once the government's formal assessment is completed it is expected that the relevant environmental security bonds will be released

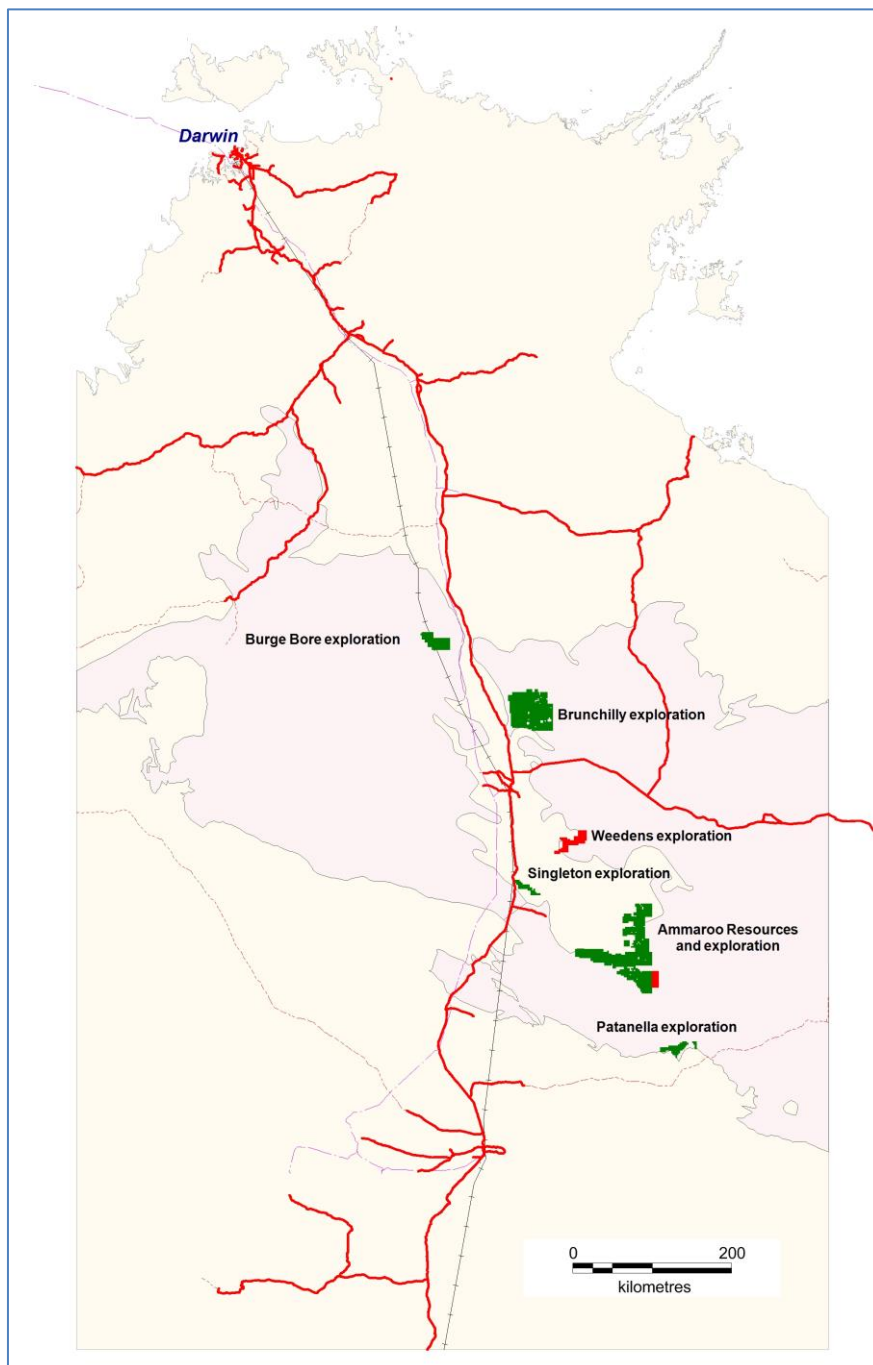
## **SULPHATE OF POTASH**

- The Northern Territory Government has granted the 'right to negotiate' for both the Lake Amadeus and Lake Macdonald projects which are both on Aboriginal Land where the Aboriginal Land Rights Act applies. Other projects are on pastoral lease where the Native Title legislation applies. The first meeting with Traditional Owners of Lake Macdonald was conducted recently and the Company is awaiting feedback from the Central Land Council. The first meeting with the Lake Amadeus Traditional Owners is scheduled for early October 2015
- Lake Frome and Lake Torrens tenements in South Australia have been granted by the South Australian Government. Work plans associated with 'first pass' brine sampling on these projects have been submitted to the South Australian Government and native title negotiations with relevant native title authorities have commenced
- Work plans associated with a deep drilling program at the Karinga Lakes project have been submitted to the NT Government and are awaiting approval

## **SILICA (HIGH PURITY QUARTZ)**

- The Dingo Hole Silica deposit was discovered during the conduct of phosphate exploration activities on the Ammaroo Project area. Accordingly, rationalisation and separation of silica tenements from the phosphate tenements was undertaken during the Quarter
- Assays results of initial rock chips were announced to the ASX on 20 July 2015 and a second phase of processing test work on the sample material is being conducted by Dorfner Anzaplan, based in Germany. This process will take up to three months to complete
- A briefing note has been included within this Quarterly report (pages 19-20) that outlines key aspects of the high purity quartz market and industry dynamics for the information of shareholders. This briefing note will also be available on the Company's website [www.rumjungleresources.com.au](http://www.rumjungleresources.com.au)

## PHOSPHATE PROJECTS



Phosphate projects in the Georgina and Wiso Basins (shown in pink) in relation to transport infrastructure and gas pipelines (pink lines). Granted ELs in green. EL applications in red.

### AMMAROO PHOSPHATE PROJECT, NT

The Ammaroo Phosphate Project is located 200 km southeast of Tennant Creek. The project area contains the Ammaroo and Ammaroo South JORC Resources, the untested Rockhole phosphate prospect and significant greenfields potential in the northeast. Application for EL 30663 covers a likely extension of the Ammaroo South resource. The Ammaroo prefeasibility study was completed and the findings announced to the ASX in 2014.

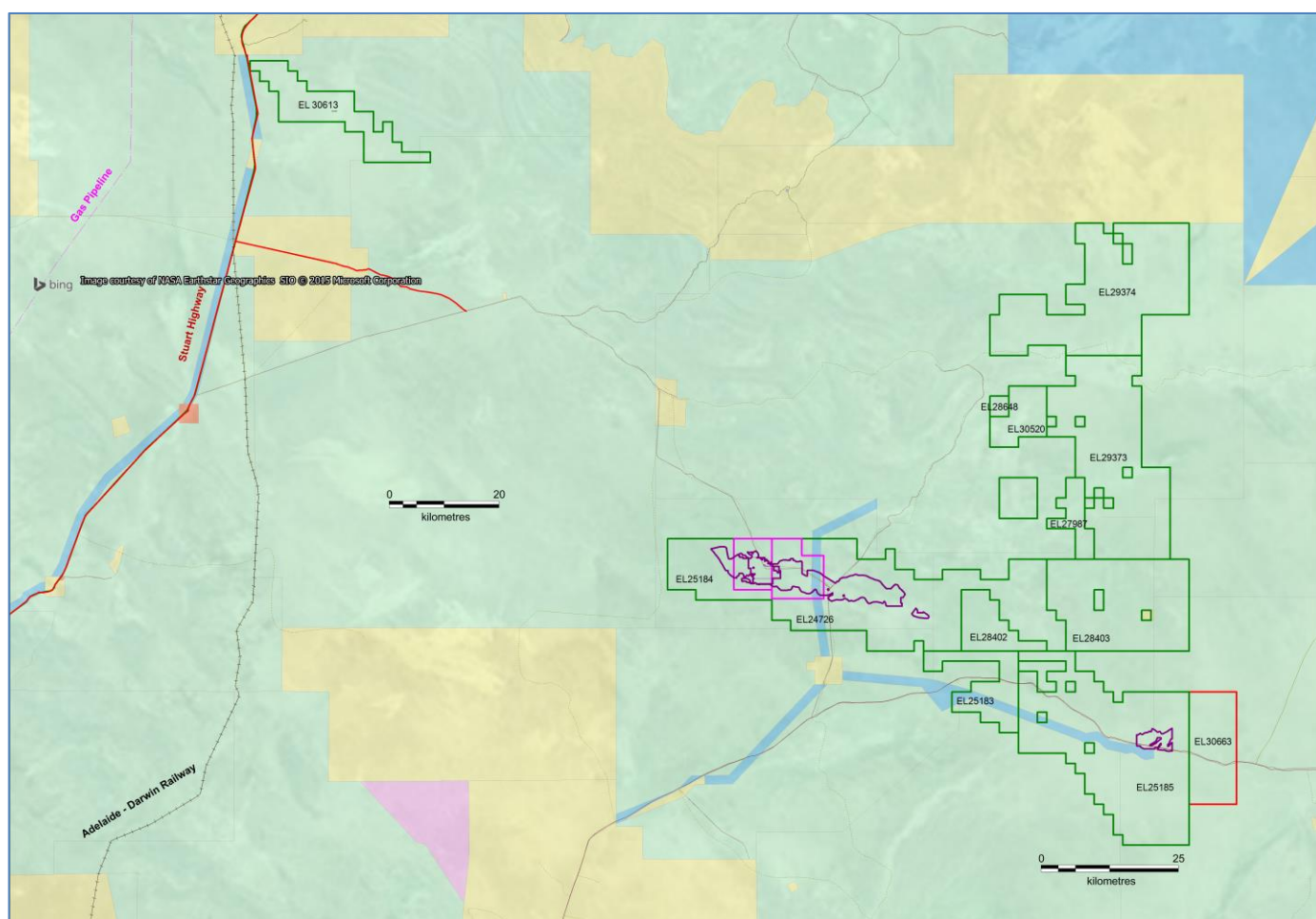
#### **Project Tenements**

The tenement situation for the end of June is listed in the following table. (Note that the NT Government STRIKE titles mapping system has been incorrect since 17 April 2015 and is still failing to display several ELs.)

Tenement	Area km <sup>2</sup>	Sub-Blocks	Grant	Expiry	Holder
EL 24726	na	215	1/04/2008	31/03/2016	Territory Phosphate
EL 25183	130.82	41	19/04/2007	* 18/04/2015	Territory Phosphate
EL 25184	201.29	63	19/04/2007	* 18/04/2015	Territory Phosphate
EL 25185	682.47	214	19/04/2007	* 18/04/2015	Territory Phosphate
EL 27987	60.75	19	27/10/2010	26/10/2016	Territory Phosphate
EL 28402	99.02	31	20/06/2011	19/06/2017	Territory Phosphate
EL 28403	399.26	125	20/06/2011	19/06/2017	Territory Phosphate
EL 28648	12.81	4	25/10/2011	24/10/2017	Territory Phosphate
EL 29373	531.13	166	14/09/2012	13/09/2018	Territory Phosphate
EL 29374	548.11	171	14/09/2012	13/09/2018	Territory Phosphate
EL 30520	137.59	43	01/04/2008	31/03/2016	Territory Phosphate
ELA 30663	175.4	51	-	-	Territory Phosphate
MLA 29463	6,375 hectares	na	application 30/03/2012	30 years from grant	Territory Phosphate
MLA 29854	9,074 hectares	na	application 14/02/2013	25 years from grant	Territory Phosphate

**Ammaroo phosphate titles are now all in the name of Territory Phosphate.**

**\*Renewals pending**



**Tenement status as of 30 June 2015. Granted ELs in green, EL applications in red and ML applications in pink. The JORC resource is outlined in purple.**

The only on-ground work during the Quarter was rehabilitation. NT Department of Mines and Energy undertook an inspection of the Ammaroo Project and their report is awaited



## SINGLETON PHOSPHATE PROJECT, NT

EL 30613, close to the railway as shown in the figure above, was granted this Quarter. It covers potentially prospective rocks which were intersected in waterbores. Rum Jungle Resources undertook a detailed study of all available information on 14 waterbores and gamma logs in and near Singleton EL 30613. This led to the conclusion that the southeastern half of the title is the most prospective for Cambrian phosphate. Access is good and the area could be drill tested with only a few holes.

Tenement	Area km <sup>2</sup>	Sub-Blocks	Grant	Expiry	Holder
EL 30613	179.86	56	15/06/2015	14/06/2021	Territory Phosphate

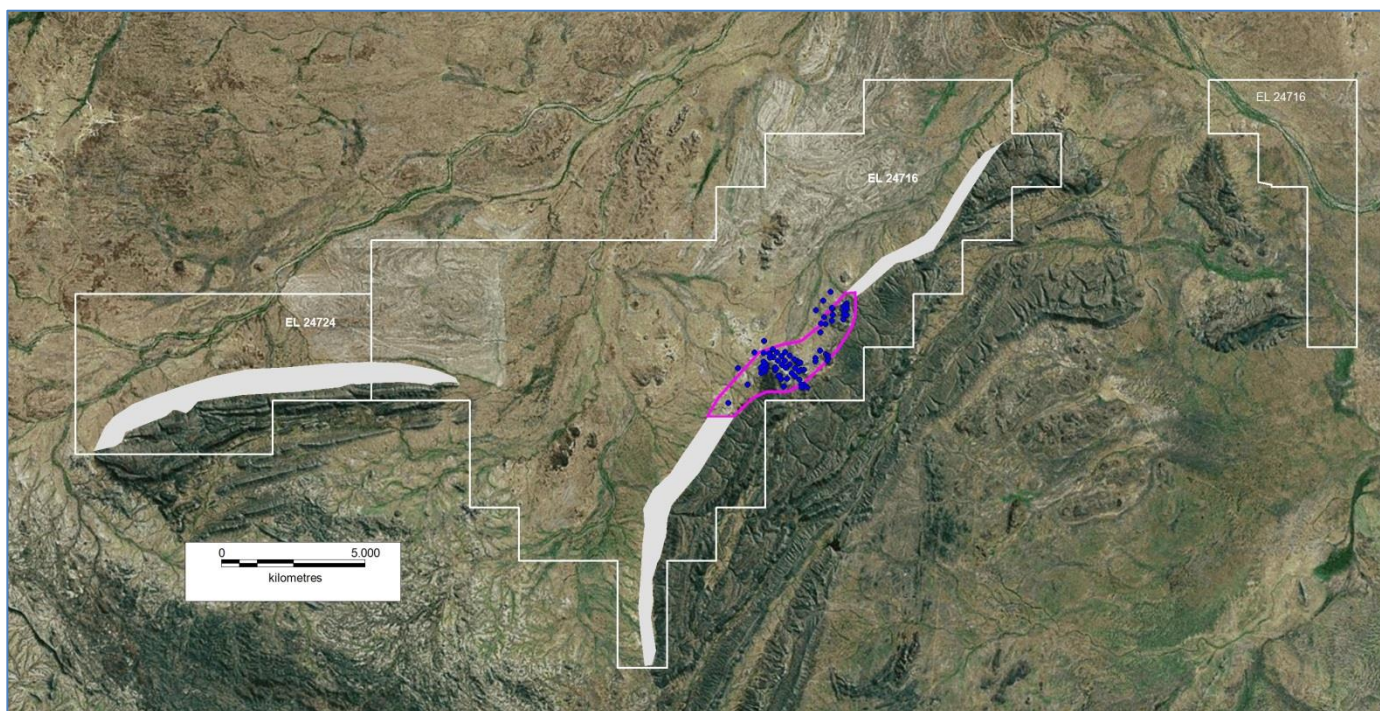
Singleton EL.

## PATANELLA PHOSPHATE PROJECT, NT

This project, formerly called Lucy Creek, on the southern margin of the Georgina Basin contains the Patanella Prospect of approximately 50 Mt and 100 Mt at 10% to 17% P<sub>2</sub>O<sub>5</sub> at a cut-off grade of 5% P<sub>2</sub>O<sub>5</sub> or approximately 20 Mt to 50 Mt at 15% to 20% P<sub>2</sub>O<sub>5</sub> at a cut-off grade of 10% P<sub>2</sub>O<sub>5</sub>. There was no on-ground work this Quarter.

Tenement	Area km <sup>2</sup>	Sub-Blocks	Grant	Expiry	Holder
EL 24716	234.62	74	01/12/2005	30/11/2015	Territory Phosphate
EL 24724	50.74	16	02/12/2005	01/12/2015	Territory Phosphate

Patanella ELs.



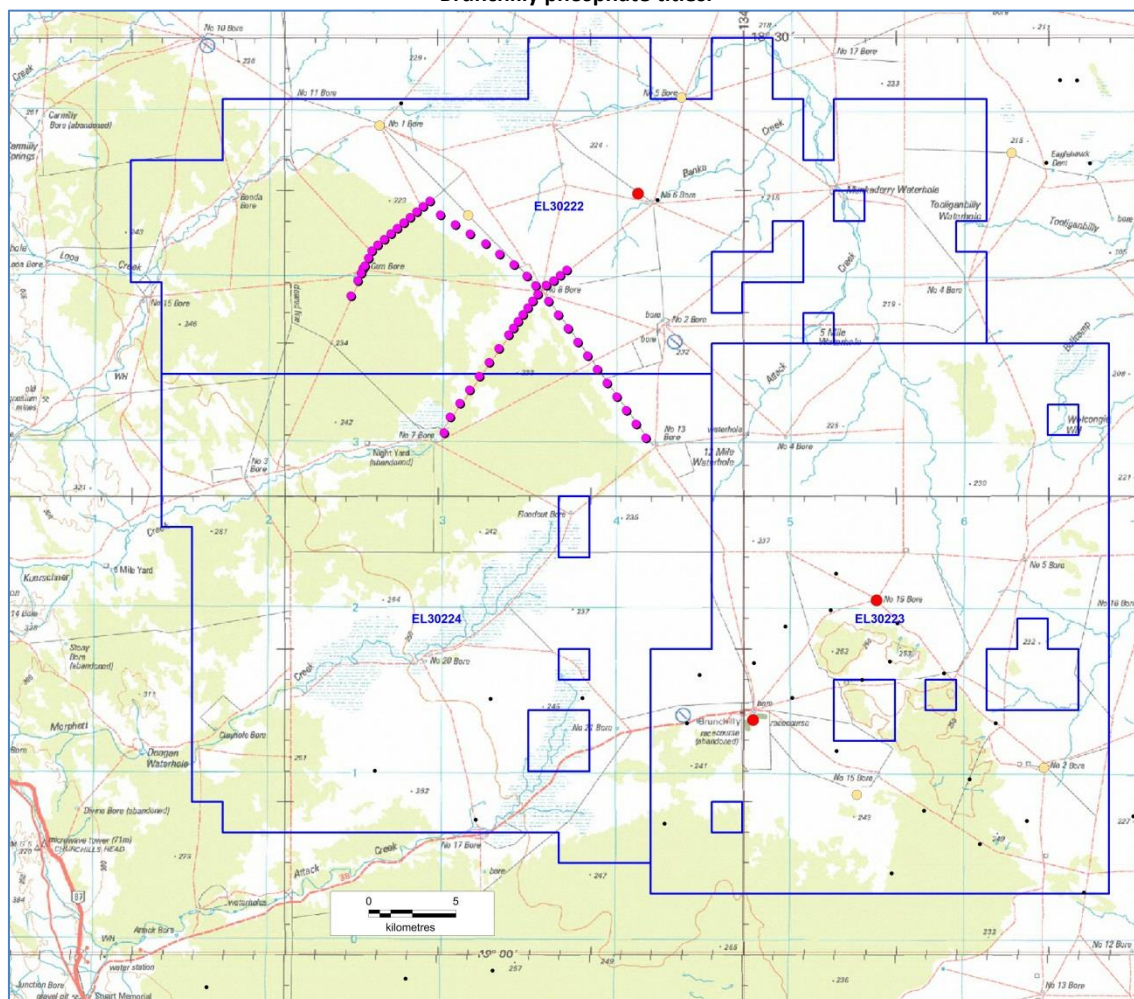
Patanella Prospect Exploration Target in pink, existing drillholes as blue dots and the prospective interval in grey.

## BRUNCHILLY PHOSPHATE PROJECT, NT

The Brunchilly Project consists of three contiguous phosphate ELs near Tennant Creek. Depth to basement geophysical modelling, waterbores, soil sampling, and previous phosphate drilling all indicate prospectivity. There has only been wide-spaced drilling by Vale over part of the area. Group reporting has been approved and a proposed drilling program of ca 50 holes and budget has been prepared. There was no on-ground this Quarter.

Tenement	Area km <sup>2</sup>	Sub-Blocks	Grant Date	Expiry	Holder
EL 30222	768.25	236	15/10/2014	14/10/2020	Territory Phosphate
EL 30223	767.24	236	15/10/2014	14/10/2020-	Territory Phosphate
EL 30224	789.94	243	15/10/2014	14/10/2020	Territory Phosphate

Brunchilly phosphate titles.



Brunchilly Project area showing waterbores rated as highly prospective for phosphate by CSIRO/Vale shown in red. Minemakers' soil sampling in pink. Previous wide-spaced drilling by Vale is shown as black dots. The north of the tenement package is the most prospective and has never been drilled for phosphate.

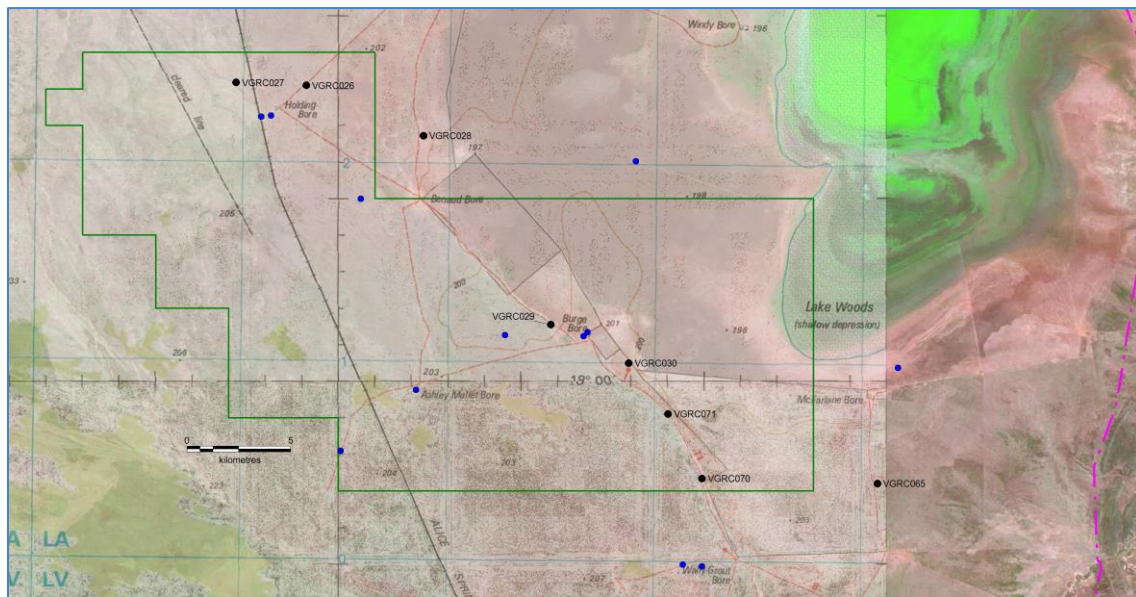


## BURGE BORE PHOSPHATE PROJECT, NT

This is a single EL that straddles the Central Australian Railway. Waterbore intercepts of phosphate indicate prospectivity and the MIRA depth to basement modelling indicates a favourable setting straddling a basement ridge. The grant of Rum Jungle Resources' application was delayed for over 12 months while NT Department of Mines and Energy sought advice from the Department of Land Resources Management regarding the Lake Woods Conservation Covenant which makes Lake Woods and the surrounds a Site of Conservation Significance. This only impinges on the east of the EL. An in-house waterbore study conducted during the Quarter confirmed that any phosphate present is likely to be above the watertable over a significant part of the EL.

Tenement	Area km <sup>2</sup>	Sub-Blocks	Grant Date	Expiry	Holder
EL 30225	532.55	163	15/05/2015	14/05/2021	Territory Phosphate

**Burge Bore phosphate title.**



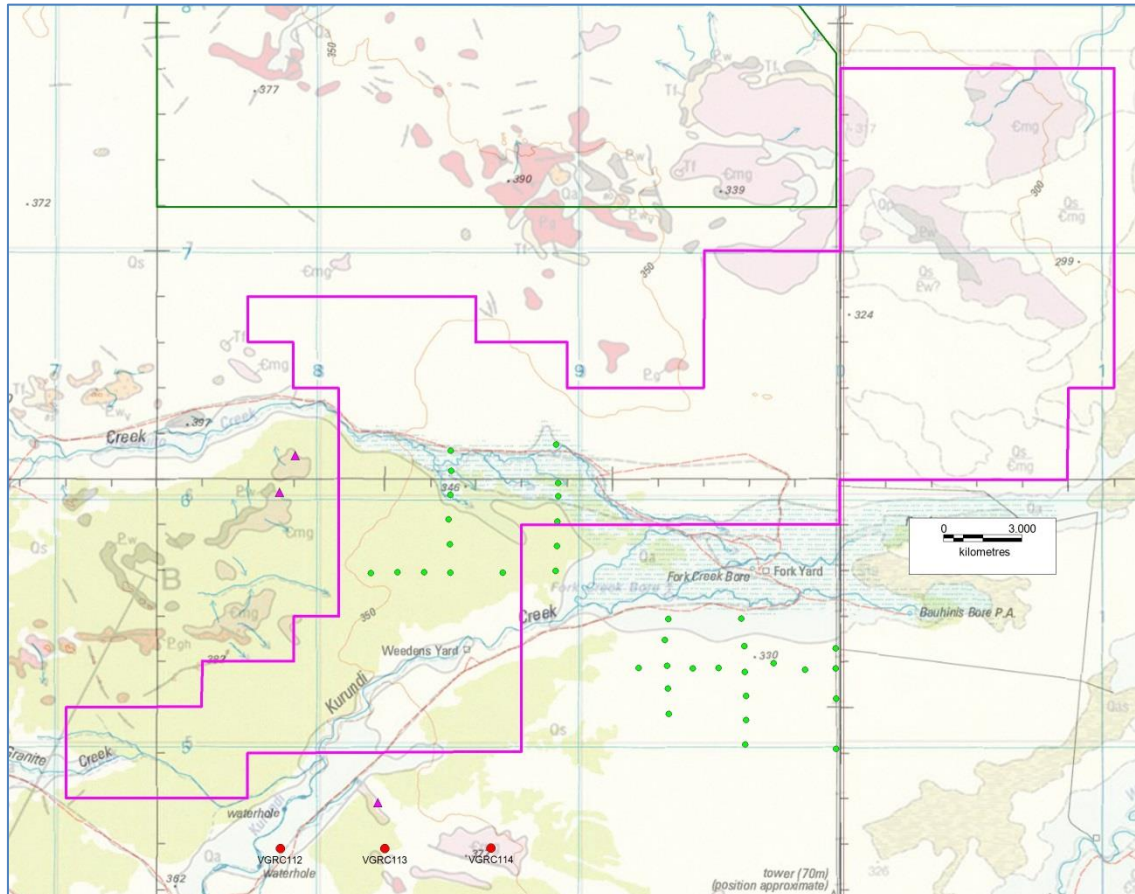
**Burge Bore EL 30225 showing waterbores used in the recent in-house study as blue dots. The previous widely-spaced Vale holes are labelled black dots. Note the proximity to the railway and gas pipeline (purple). The maximum extent of inundation of Lake Woods is much larger than shown on this topo/satellite image, extending to Burge Bore itself.**

## WEEDENS PHOSPHATE, NT

This application is based on previous exploration in the mid 1990s for under-cover Tennant Creek IOCG which showed that the Cambrian section is at least 60 m thick. The ground has only been held once previously for phosphate exploration, by Vale from 2010 to 2012. They drilled only three holes to 59 m max, 5 km apart, all south of this application. Vale was side-tracked by iron in the south of their former tenement package and suddenly withdrew NT-wide without testing the area now applied for.

Tenement	Area km <sup>2</sup>	Sub-Blocks	Application Date	Holder
ELA 30672	447.96	139	20/11/2014	Territory Phosphate

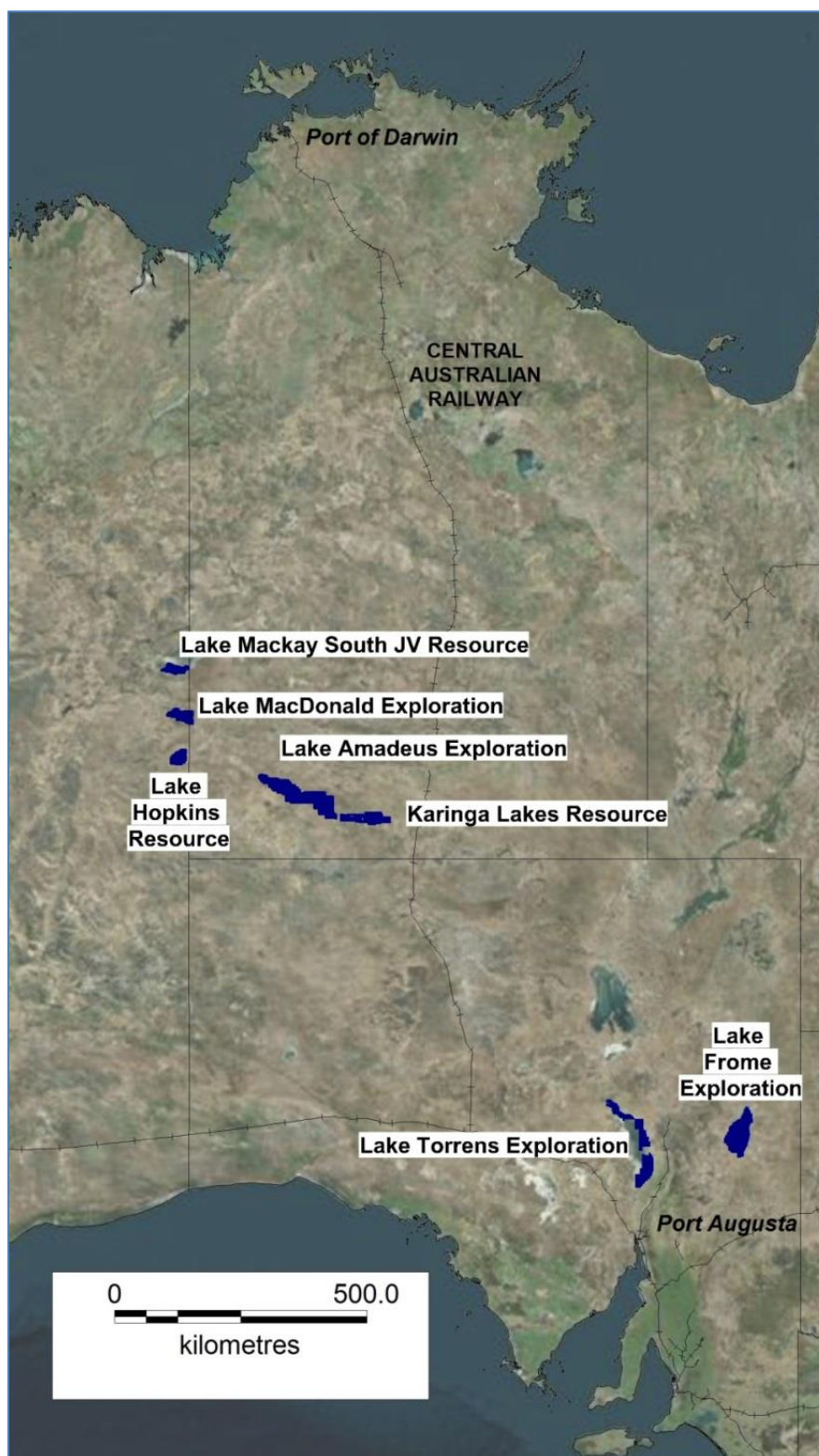
Weedens phosphate title.



Previous work in the area of application (pink). Green dots are percussion holes targeted on basement IOCG. They intersected prospective Cambrian stratigraphy but were not tested for phosphate. Red dots are Vale holes, 5 km apart. Pink triangles are Vale rock chip samples. The pink outcrops labelled Cmg are the few outcrops of target formation, which is otherwise under shallow surficial cover, superimposed on the topographic map. Pg is unprospective granite basement.



## SULPHATE OF POTASH PROJECTS



Rum Jungle Resources' potash projects and Lake Mackay JV.

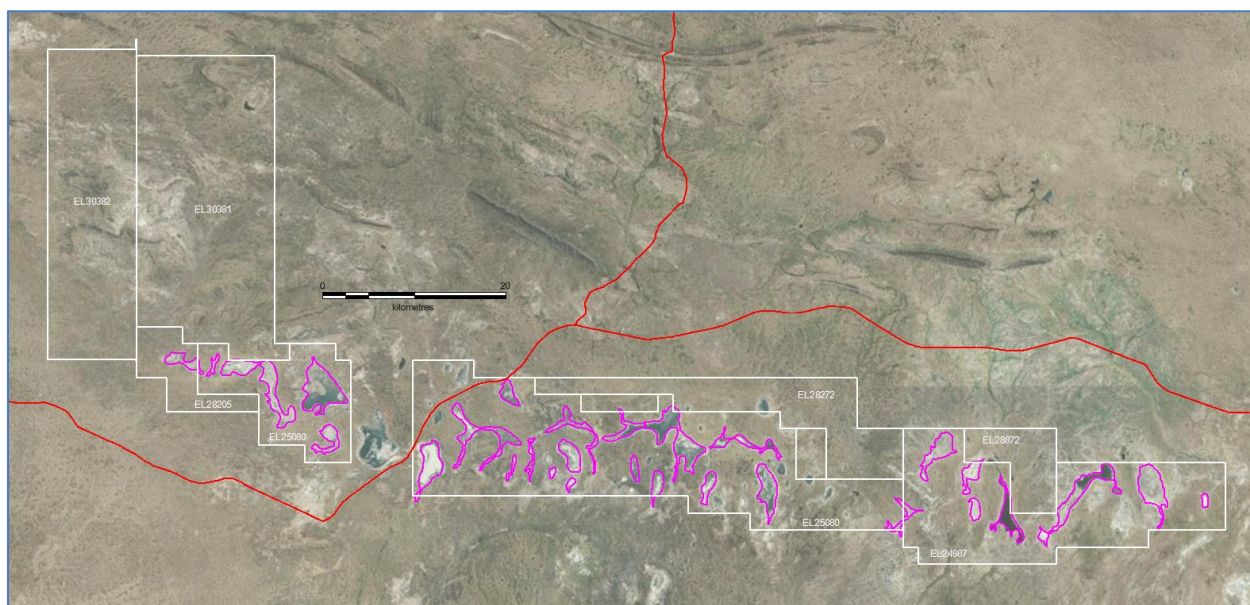
## KARINGA LAKES POTASH PROJECT, NT

The Karinga Lakes Potash project is located along the Lasseter Highway between Alice Springs and Uluru. The project contains a chain of dozens of dry salt lakes. The lake sediments and the underlying rocks contain potassium-rich brines, some of which are being fed from the Central Australian Groundwater Discharge Zone. The brines can be processed through solar evaporation and flotation to produce potash fertiliser minerals.

The tenement situation is shown below.

Tenement	Area km <sup>2</sup>	Sub-Blocks	Grant	Expiry	Holder
EL 24987	335.2	108	10/10/2006	09/10/2016	RUM
EL 25080	699	225	09/10/2006	08/10/2016	RUM
EL 28272	164.61	53	14/04/2011	13/04/2017	RUM
EL 28205	59.04	19	09/03/2011	08/03/2017	RUM
EL 28872	65.21	21	06/03/2012	05/03/2018	RUM
EL 30381	479.18	154	16/03/2015	15/03/2021	RUM
EL 30382	330.14	114	16/03/2015	15/03/2021	RUM

Karinga Lakes potash titles.



Karinga Lakes Project titles as of 30 June 2015 with the JORC resource outlined in pink. The lake between the two parts of EL 25080 is a Sacred Site.

Rain gauges and water level monitoring equipment were installed on Karinga Lakes during this Quarter to evaluate changes in water level after rain events. This data can be used to estimate yearly lake recharge due to rainfall events.

### Resource

The most recent JORC 2012 Resource was released to the market on 20 February 2014 and has not changed since.

Resource Category	Potassium (tonnes)	K <sub>2</sub> SO <sub>4</sub> (tonnes)	Schoenite (tonnes)
Measured	2,600,000	5,800,000	13,000,000
Indicated	210,000	460,000	1,100,000
Inferred	950,000	2,100,000	4,900,000
<b>Total</b>	<b>3,800,000</b>	<b>8,400,000</b>	<b>19,000,000</b>

Karinga Lakes Brine Resource (entries have been rounded).

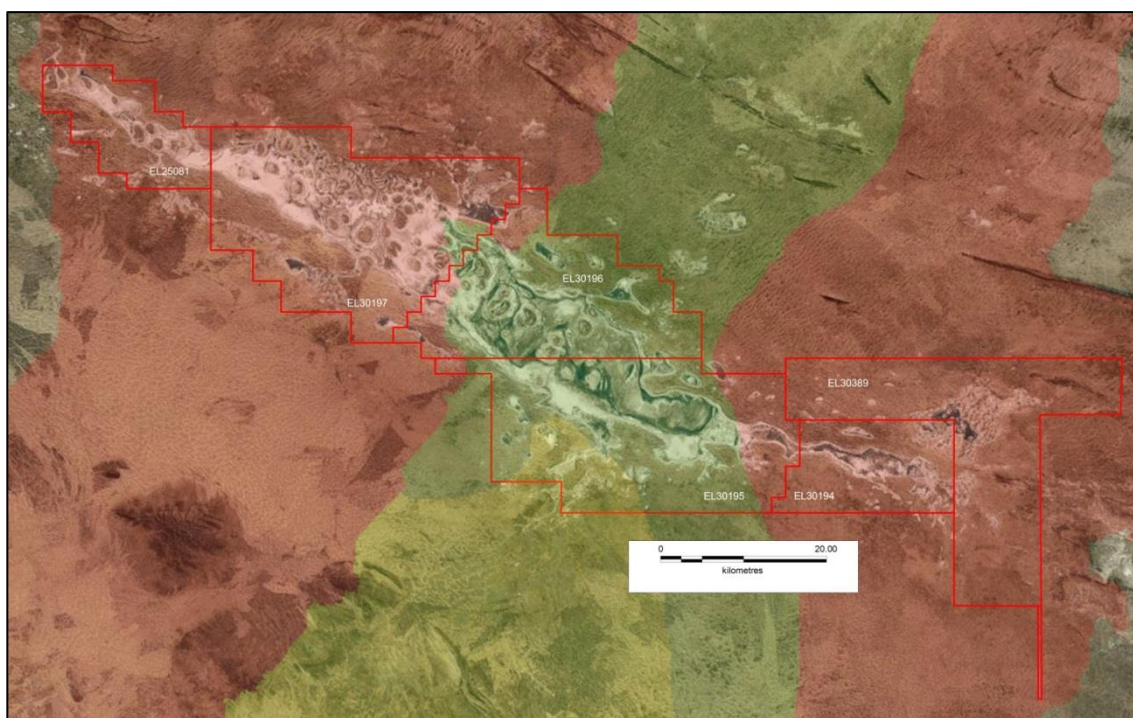
The sulfate of potash tonnage represents the in-situ brine with no recovery factor applied. It will not be possible to extract all of the contained brine by pumping of trenches; the amount which can be extracted depends on many factors including the permeability of the sediments, the drainable porosity, and the recharge dynamics of the aquifers.

## LAKE AMADEUS POTASH PROJECT, NT

Six contiguous ELs applications cover all of Lake Amadeus in the NT. The applications include 1,010 km<sup>2</sup> of lake area along a 130 km length. The eastern boundary is contiguous with the Karinga Lakes Project and corresponds to the ALRA/pastoral boundary. All the Lake Amadeus applications are on ALRA land. A work program has been sent to the Central Land Council.

Tenement	Area km <sup>2</sup>	Sub-Blocks	Application Date	Holder
ELA 30194	218.00	70	05/12/2013-	RUM
ELA 30195	622.88	200	05/12/2013	RUM
ELA 30196	446.18	143	05/12/2013	RUM
ELA 30197	633.44	203	05/12/2013	RUM
ELA 30389	527.1	186	09/05/2014	RUM
ELA 30650	190.5	61	04/11/2014	RUM

**Lake Amadeus potash titles.**



**Six contiguous potash applications over Lake Amadeus. The red catchments are rated by GA as most prospective for potassium, followed by yellow and green.**

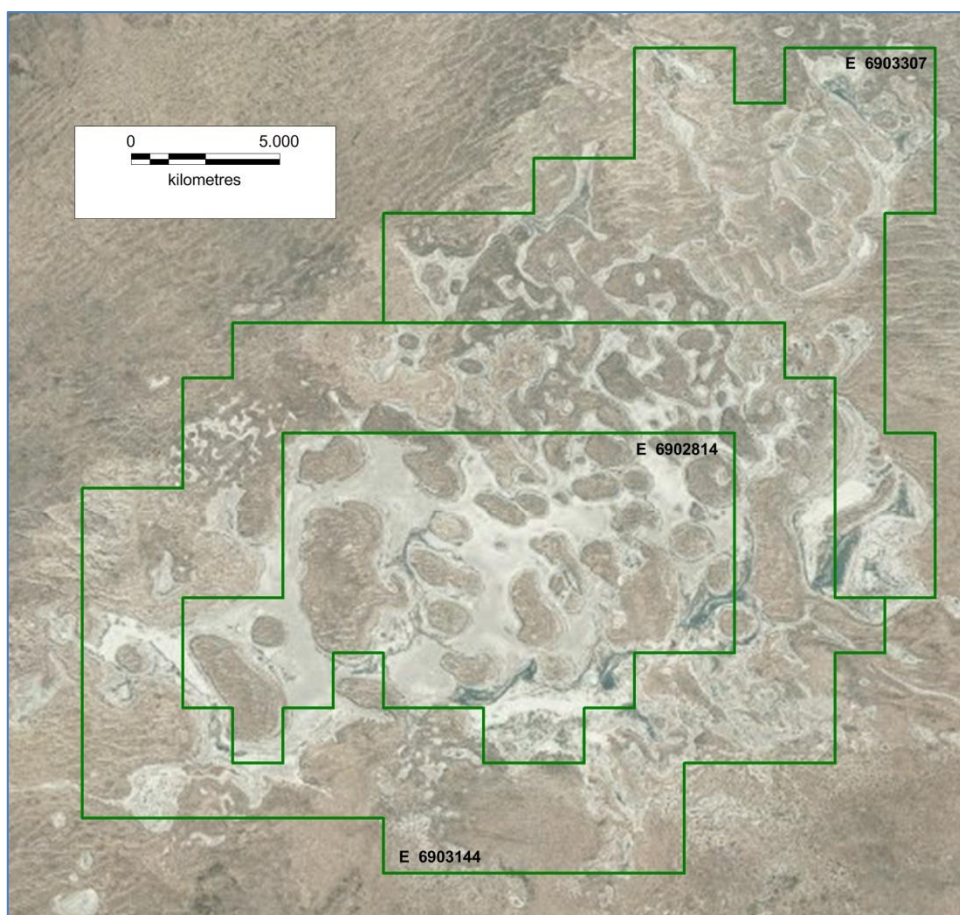


## LAKE HOPKINS POTASH, WA

This project consists of three contiguous granted titles.

Tenement	Area km <sup>2</sup>	Sub-Blocks	Grant	Expiry	Holder
E69/2814	153.5	49	06/07/2011	05/07/2016	RUM
E69/3144	256.8	82	11/11/2013	10/11/2018	RUM
E69/3307	150.5	48	09/03/2015	08/03/2020	RUM

Lake Hopkins potash titles and commitments.



All three titles over Lake Hopkins are now granted.

### Resource and Exploration Target

The Inferred JORC brine potash resource is 4.5 million tonnes K<sub>2</sub>SO<sub>4</sub> on E69/2814, which was announced 12 September 2014 and has not changed since.

Area (m <sup>2</sup> )	Average Thickness (m)	Bulk Volume (m <sup>3</sup> )	Porosity estimate	Brine Volume (m <sup>3</sup> )	Average Dissolved Potassium Concentration (kg/m <sup>3</sup> )	Potassium Tonnage (million tonnes) <sup>1</sup>	K <sub>2</sub> SO <sub>4</sub> Tonnage (million tonnes) <sup>1</sup>
85,910,000	18.7	1,606,438,647	0.40 (upper)	642,575,459	3.849	2.5	5.6
			0.33 (middle)	530,124,754		2.0	4.5
			0.26 (lower)	417,674,048		1.6	3.6

Notes: 1) Tonnage rounded to two significant figures

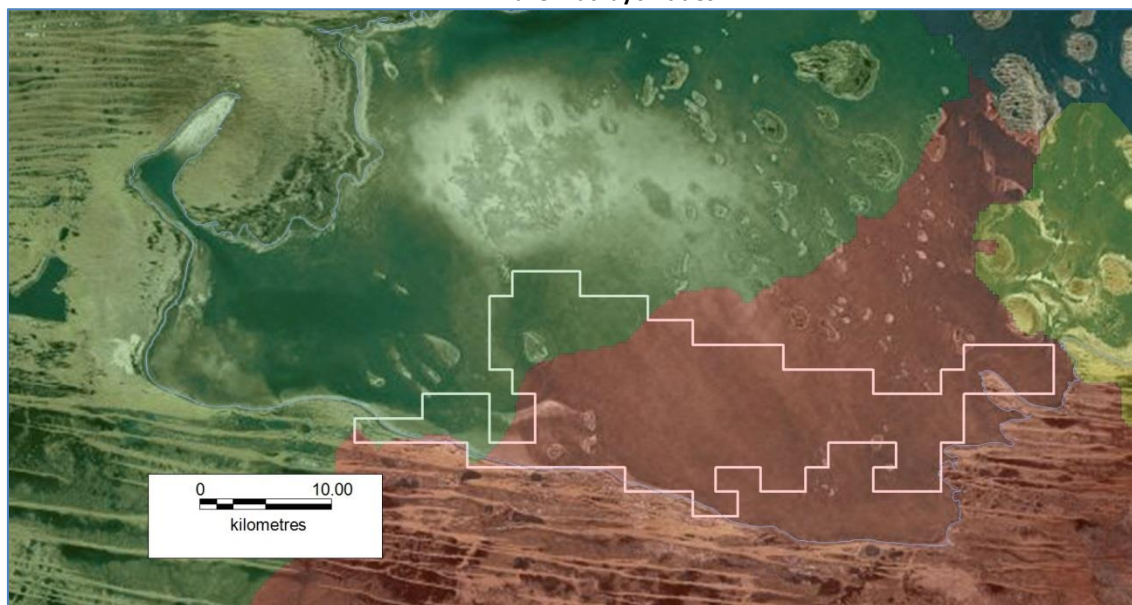
A brine exploration target for the immediate surrounding tenement E69/3144 has been estimated at 2.5 to 3.8 million tonnes K<sub>2</sub>SO<sub>4</sub>. It has not been extrapolated onto E69/3307.

## LAKE MACKAY POTASH, WA

The JV gives Rum Jungle Resources potash exploration rights to the southern part of Lake Mackay as held by a Toro Energy subsidiary. This includes all of E80/3486 and parts of E80/3484, 3485 and 3519. Rum Jungle Resources has now spent sufficient to earn 51% of the potash rights in the JV. There was no work during this Quarter.

Tenement	Sub-Blocks in JV	Grant	Expiry	Holder
E80/3484	35	16/05/2008	15/05/2017	Nova/Toro Energy Ltd
E80/3485	17	16/05/2008	15/05/2017	Nova/Toro Energy Ltd
E80/3486	69	16/05/2008	15/05/2017	Nova/Toro Energy Ltd
E80/3519	12	16/05/2008	15/05/2017	Nova/Toro Energy Ltd

Lake Mackay JV titles.



Lake Mackay JV area. The red catchments are rated as most prospective for potassium, followed by yellow and green.

### Resource

A JORC brine potash resource of 13 million tonnes  $K_2SO_4$  was announced for the Lake Mackay South Potash Project on 09/09/2014 and has not changed since.

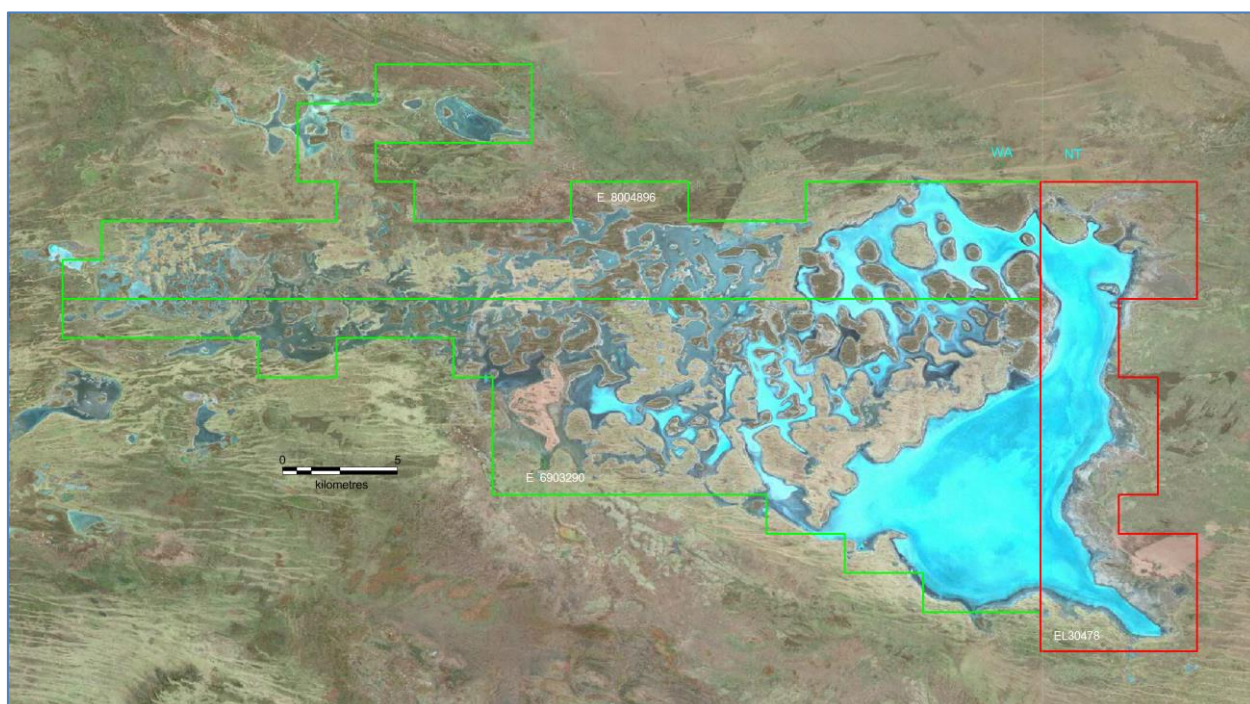
## LAKE MACDONALD POTASH, WA and NT

Three titles across WA and NT cover all of Lake MacDonald which straddles the border. The titles are less than 100 km from the producing Surprise petroleum field. Both WA titles are now granted. An NT work program for ELA 30478 was submitted to the Central Land Council this Quarter and a meeting with Traditional Owners and the Central Land Council to discuss land access for exploration activities is planned for July 15 at Kintore.

Discussions on an Exploration Agreement over the two Western Australian tenements with the Central Desert Native Title Services is ongoing.

Tenement	Area km <sup>2</sup>	Sub-Blocks	Grant	Expiry	Holder
WA E69/3290	311.9	99	09/03/2015	08/03/2020	RUM
WA E80/4896	226.8	72	08/06/2015	07/06/2020	RUM
NT ELA 30478	122.9	39	-	-	RUM

Lake MacDonald titles.



Lake MacDonald titles straddling the WA/NT border on satellite image background. The northern WA title, E80/4896 was granted this Quarter.

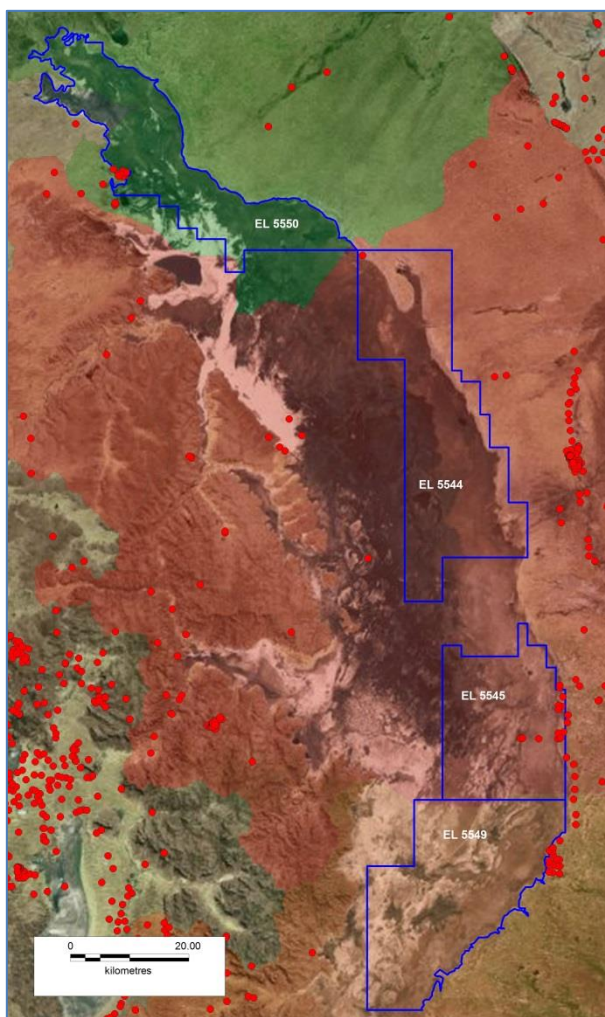


## LAKE TORRENS POTASH, SA

Rum Jungle Resources has four granted titles that cover a significant portion of Lake Torrens in South Australia. A reconnaissance work program was submitted to SA Government departments this Quarter and Native Title notification documents have also been submitted to the relevant parties.

Tenement	Area km <sup>2</sup>	Grant Date	Expiry	Holder
EL 5544	880	05/01/2015	04/01/2017	RUM
EL 5545	505	05/01/2015	04/01/2017	RUM
EL 5549	736	05/01/2015	04/01/2017	RUM
EL 5550	617	05/01/2015	04/01/2017	RUM

Lake Torrens titles.



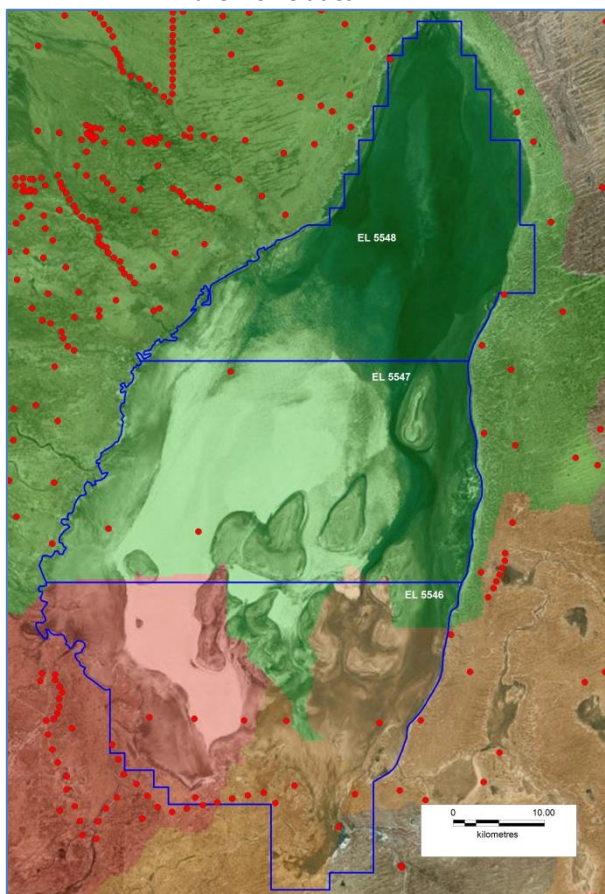
Lake Torrens titles. The catchments shown with a red tint are rated by GA as most prospective for potassium. Historic drillholes are shown as red dots. Note that there has been almost no drilling on the lake itself.

## LAKE FROME POTASH, SA

A series of titles of 2,718 km<sup>2</sup> cover the entire of Lake Frome in SA. There is very little data on the potash prospectivity, but GA rated the southwest as the most prospective. The lake has previously been explored for alkali evaporites and a single hole was drilled targeting lithium. The titles were granted this Quarter and a reconnaissance work program and Native Title notification documents were submitted to the required SA Government departments.

Tenement	Area km <sup>2</sup>	Grant Date	Expiry	Holder
EL 5546	949	05/01/2015	04/01/2017	RUM
EL 5547	995	05/01/2015	04/01/2017	RUM
EL 5548	774	05/01/2015	04/01/2017	RUM

Lake Frome titles.



Lake Frome titles. The catchments shown with a red tint are rated by GA as most prospective for potassium. Historic drillholes are shown as red dots. There has been very little drilling on the lake itself.

## OTHER TARGET COMMODITIES

### DINGO HOLE SILICA

This project is targeting potentially high-purity silica quartz rock. The titles are contiguous with and north of the Ammaroo phosphate project. A process of title rationalisation and consolidation continued during the Quarter.

Tenement	Area km <sup>2</sup>	Sub-blocks	Grant Date	Expiry	Holder
EL 30659	22.37	7	29/06/2015	28/06/2021	RUM
ELA 30792	3.20	1	App 13/03/2015	-	RUM
EL 30819	9.59	3	01/04/2008	31/03/2016	RUM

**Dingo Hole titles.**

Encouraging first-pass chemical analysis results of Dingo Hole Silica were announced to the market on 20 July 2015, after the end of the reporting Quarter. These results were based on of visually-selected rock chip samples and indicate that the Dingo Hole Silica Project could be a viable source of High Purity Quartz.

Rum Jungle Resources intends engage with the pastoralist and to put in place the appropriate cultural heritage and government approvals to further investigate the potential resource to better understand its chemical composition and size, including in the subsurface.

The company has engaged Dorfner Anzaplan in Germany to undertake basic process development testing of a Dingo Hole Silica sample for high purity applications. High purity quartz requires several specific processing steps in order to evaluate the full market potential and most suitable applications. This test work will take a number of months to complete and will include:

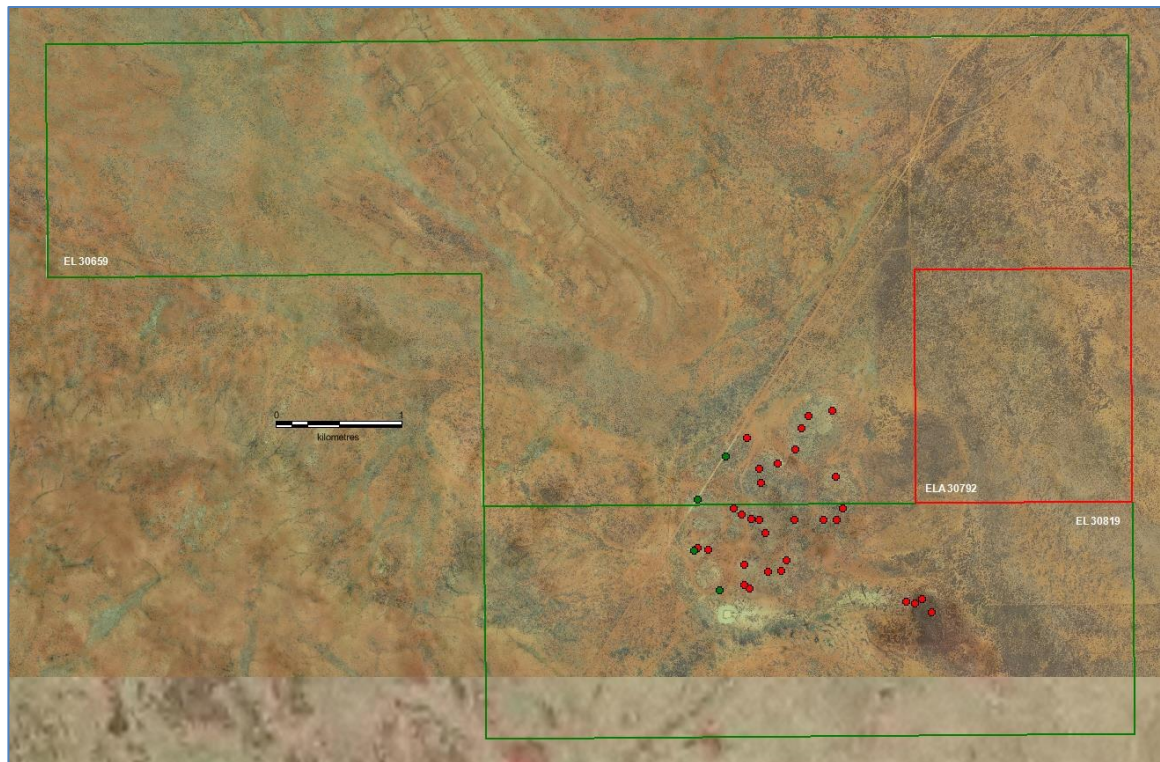
- Characterisation of mineral phases and inclusions
- Processing and mineral dressing to produce glass sand and powder fractions
- Physical treatment including attritioning, magnetic separation and flotation/high tension separation
- Chemical and thermal processing including hot chlorination
- Laboratory melting tests
- Testing for EMC (Epoxy Moulded Compound) Filler Applications

Final reporting will provide advice on potential applications which may include:

- Semiconductor applications
- High temperature lamp tubing
- Telecommunication
- Optics
- Microelectric applications
- Solar silicon applications

Moreover, a future second stage of investigations on a larger sample of material, will aim to produce a high purity commercial sample which could form a basis for engaging with High Purity Quartz offtake partners from Japan, Korea, China, Europe or the US.





Map of Dingo Hole Silica titles with high resolution satellite imagery over the most prospective portion showing the rock-chip surface sample locations. The first round of sampling is shown as green dots and the second round as red dots.

## Silica and High Purity Quartz

### Industry and Product Background Briefing Note

Silica, or more correctly silicon dioxide  $\text{SiO}_2$ , is one of the most abundant compounds on the surface of the Earth, being most obvious as quartz and common sand. Silica has a multitude of uses depending on the degree of purity. Grades up to 99.5%  $\text{SiO}_2$  are used in the manufacture of glass, optical fibres and ceramics.

There are various definitions of High Purity Quartz (HPQ) relative to the total and elemental contamination. Whilst modern processing methods can remove much of the contamination, it is the substitutional elements such as aluminium, titanium and lithium which are impossible remove if they are structurally bound to the silica, that constrain the ultimate purity of the silica. Naturally-occurring ultra-pure  $\text{SiO}_2$  (greater than 99.997%) which is suitable for production of high-purity fillers, silicon metal and use in solar panels and semi-conductors is geologically rare and commands a significant premium over the price of lower grader material. As shown below (Table 1), prices for low to medium grade HPQ material are typically about US\$300-US\$500/t. The very best processed silica rock can sell for in excess of US\$5,000/t. Deposits of this chemical quality and composition are rare and the largest known occurrence is in Alaskite igneous rocks near Spruce Pine, North Carolina, USA.

Type or Application	$\text{SiO}_2$ minimum %	Other Elements maximum %	Other Elements maximum ppm	Market Size Mtpa	Typical price US\$/tonne
Clear glass-grade sand	99.5	0.5	5,000	>70	\$30
Semiconductor filler, LCD and optical glass	99.8	0.2	2,000	2	\$150
'Low grade' HPQ	99.95	0.05	500	0.75	\$300
'Medium grade' HPQ	99.99	0.01	100	0.25	\$500
'High grade' HPQ*	99.997	0.003	30	<0.1	>\$5,000

#### Notes

\*'High grade' high purity quartz with <30 ppm, is the standard high purity material produced by Unimin Corp and TQC at Spruce Pine. Limits can vary according to the composition of other raw materials in the application

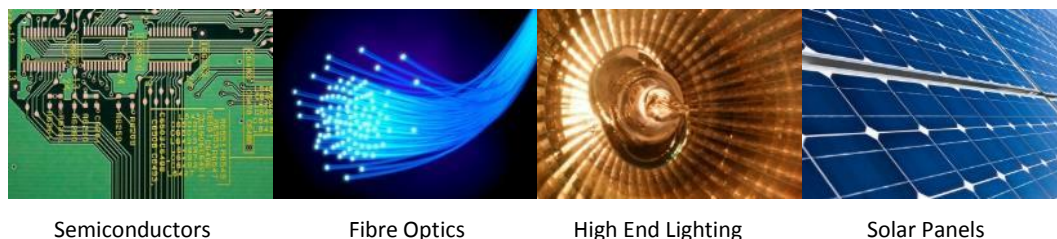
**Table 1. Typical silica sand and quartz specifications by market. Modified from Richard Flook and *Industrial Minerals* December 2013 p25.**

HPQ is normally expressed relative to an industry-standard benchmark called IOTA®. Reference to this standard can be found at [www.iotaquartz.com](http://www.iotaquartz.com). The previous best deposits in Australia have been unable to meet the IOTA® standards even after processing. For example, the IOTA-STD® standard for processed silica is less than 14 ppm aluminium, 1.2 ppm titanium and less than 0.5 ppm lithium.

As can be seen from the table above, the markets for the HPQ products are relatively small but potentially valuable. Moreover, growth in demand for solar panels, semiconductors and other high tech and green requirements for silicon metal and high tech glass will no doubt underpin demand and growth and the need for new high quality silica deposits to be discovered and exploited.

Some categories of HPQ are considered a strategic mineral in the US National Defense Stockpile.

### High Purity Quartz Applications



**Figure 1. Uses of HPQ.**

### Mining and Processing

The processing required to produce HPQ depends on the amount and type of impurities present and may include crushing, screening, flotation, acid-washes using hydrofluoric acid (which is a waste product from a phosphoric acid plant), magnetic separation and/or other physical, chemical and thermal techniques. Obviously, the lower the level of transitional elements and the more pure the material that is extracted from the ground, the less processing is required to produce a valuable product. With the deposits generally occurring at the surface, as is the case with the Dingo Hole Silica, mining the material is more akin to a rock quarry and therefore relatively low cost. The more limited the processing requirements, the lower the total costs of production.

The global industry is dominated by a small number of players that are integrated from the mine through to the high end downstream processing. A good example is the Quartz Corporation that mines at Spruce Pine in the USA, crushes, screens and mills the material to sand prior to flotation at the mine site before sending the material to Norway for the final high end processing steps that remove the remaining unwanted deleterious elements. Their corporate video at [www.thequartzcorp.com](http://www.thequartzcorp.com) provides a good explanation of the processing steps.



**Figure 2. IOTA® Alaskite from Spruce Pine.** Image from: <http://www.iotaquartz.com/geology.cfm>

In addition to Spruce Pine, other High Purity Quartz deposits of various geological types are present elsewhere in the USA, Mauritania, Russia, Germany, and Norway. Companies involved are listed below.

Company	Location
I-Minerals	Helmer-Bovill, NW Idaho, USA
Mauritanian Minerals Co	Oum Agueneina, Mauritania
Momentive Performance Materials Inc	Geesthacht, Germany; Hebron, Ohio, USA
Nordic Mining	Kvinnherad, Hordaland, Norway
Polar Quartz, OJSC, RUSNANO	Yugra, western Siberia, Russia
The Quartz Corp	Spruce Pine, North Carolina, USA
Russia Quartz LLC, RUSNANO, KGOK JSC	Kyshtym, Chelyabinsk, Russia
Unimin Corp/Sibelco	Spruce Pine, North Carolina, USA

**Table 2. Companies involved in the High Purity Quartz industry. This list is not exhaustive. Excerpt from Industrial Minerals December 2013 p 23**

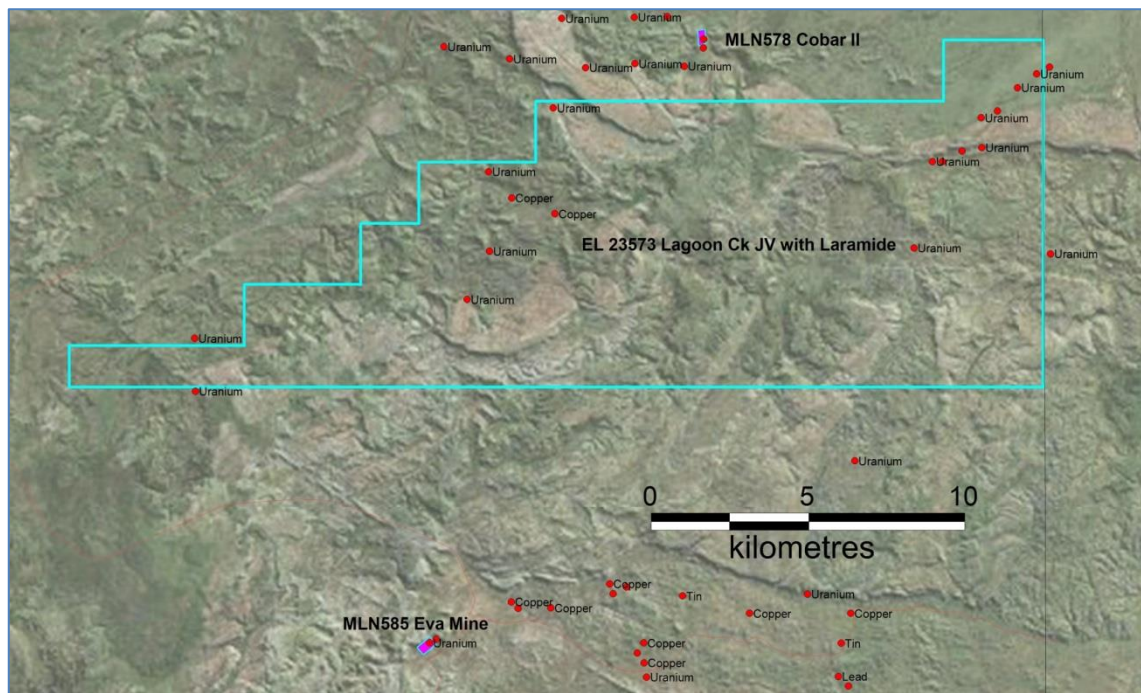


## WESTMORELAND PROJECT, NT

This project targeting U/Au includes two MLNs and a JV over EL 23573 with Lagoon Creek Resources which is a subsidiary of Laramide. MLN 585 covers the historic Eva uranium mine which has JORC 2004 resources for uranium and gold. The old mine produced 25.8t U<sub>3</sub>O<sub>8</sub>. MLN 578 covers the historic Cobar II uranium mine which produced 0.33t U<sub>3</sub>O<sub>8</sub>. There was no work this Quarter.

Tenement	Area km <sup>2</sup>	Sub-Blocks	Grant	Expiry	Holder
EL 23573	189.8	65	23/12/2003	22/12/2015	CEN/Lagoon Ck
ML 585	12.14 hectares	na	01/01/2001	31/12/2021	CEN
ML 578	6.47 hectares	na	21/12/1955	31/12/2017	CEN

CEN and JV titles in the Westmoreland Project.



CEN Westmoreland Project adjacent to the Queensland border showing mineral occurrences and prospects.

## TOP END PROJECT – MT BUNDEY / MT GOYDER, NT

The Top End Project is in an established polymetallic province within 20 km of the Toms Gully gold mine. Rum Jungle Resources has withdrawn from all but an inactive joint venture with Crocodile Gold (now Primary Minerals) over exploration tenements surrounding the Tom's Gully Gold Mine. Rehabilitation of all work by Rum Jungle Resources has been completed and the security bond released by the Department of Mines and Energy.



## HEALTH, SAFETY, ENVIRONMENT AND COMMUNITY

### **Field Hours**

Field hours for the Quarter are shown below. There were no accidents, injuries or environmental incidents during the Quarter.

Project	Field Hours Worked
Ammaroo	220
Karinga Lakes	120
Mount Bunday/Mount Goyder	6
<b>Total</b>	<b>346</b>

Field hours worked for the Quarter.

## CORPORATE

The Company had \$4.4 million cash on hand at 30 June 2015.

Exploration and studies expenditure (cash flow) was approximately \$406 million for the Quarter, including statutory charges (levies, rental etc.) to maintain tenements.

Administration expenditure (cash flow) was circa \$498k for the Quarter.

## RESOURCE REGISTER as of 30 June 2015

Commodity	Project	Ownership	Resource Category	Mt P <sub>2</sub> O <sub>5</sub>	Grade P <sub>2</sub> O <sub>5</sub> %	Cut-Off P <sub>2</sub> O <sub>5</sub> %	JORC	Announced	Status
Phosphate	Ammaroo, NT	Territory Phosphate	Measured	135	15.4	10	2012	Rum Jungle Resources 09 December 2014	pre-feasibility completed
			Indicated	80	15.3				
			Inferred	930	14				
			Total	1,145	14				
	Ammaroo South, NT	Territory Phosphate	Inferred	70	13	10	2012	Rum Jungle Resources 12 June 2014	exploration

Commodity	Project	Ownership	Resource Category	Mt K <sub>2</sub> SO <sub>4</sub>	Grade mg/L K	Cut-Off mg/L K	JORC	Announced	Status
Potash	Karinga Lakes, NT	Rum Jungle Resources	Measured	5.8	-	3,000	2012	Rum Jungle Resources 20 February 2014	scoping study completed
			Indicated	0.46	-				
			Inferred	2.1	-				
			Total	8.4	av 4,760				
	Lake Mackay South JV, WA	51% of potash rights Rum Jungle Resources, 49% Toro Energy Limited	Inferred (mid estimate using 0.33% porosity)	13	av 3,758	none applied, but above 3,000 mg/L used at Karinga Lakes	2012	Rum Jungle Resources 09 September 2014	exploration
	Lake Hopkins, WA	Rum Jungle Resources	Inferred (mid estimate using 0.33% porosity)	4.5	av 3,849		2012	Rum Jungle Resources 12 September 2014	exploration

Commodity	Project	Ownership	Resource Category	Tonnes	Grade Au g/t	Cut-Off g/t	Au Oz	JORC	Announced	Status
Gold	Eva*, NT	Central Australian Phosphate	Inferred	14,000	3.07	1.2	1,400	2004	NuPower (CEN) 4 March 2011	no activity since acquisition
			Indicated	87,600	3.88		10,900			
			Total	101,600	3.77		12,300			

Commodity	Project	Ownership	Resource Category	Tonnes	Grade U <sub>3</sub> O <sub>8</sub> %	Cut-Off U <sub>3</sub> O <sub>8</sub> %	U <sub>3</sub> O <sub>8</sub> Tonnes	JORC	Announced	Status
Uranium	Eva*, NT	Central Australian Phosphate	Inferred	105,300	0.05	0.02	60	2004	NuPower (CEN) 4 March 2011	no activity since acquisition
			Indicated	430,500	0.14		590			
			Total	535,800	0.12		650			

**Notes**

Territory Phosphate Pty Ltd and Central Australian Phosphate Pty Ltd (formerly NuPower Limited) are wholly-owned subsidiaries of Rum Jungle Resources Ltd. All resources are listed as of the time of the ASX announcement given above and have not changed since. Totals may include rounding.

\*Rum Jungle Resources has not undertaken any work to independently verify the Eva project resources prepared by Mining Associates Pty Ltd and announced by NuPower. This information was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported. Further work and evaluation may be required to independently verify the JORC 2004 compliant resource and/or make it compliant with JORC 2012.

## ATTESTATIONS

*The information in this report that relates to the phosphate Mineral Resource estimates is based on information compiled by Jonathon Abbott, a Competent Person who is a Member of the Australian Institute of Geoscientists. Jonathon Abbott is a full time employee of MPR Geological Consultants Pty Ltd and is an independent consultant to Rum Jungle Resources.*

*Mr Abbott has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves".*

*Mr Abbott consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.*



**Jonathon Abbott**  
**Consulting Geologist**  
**MPR Geological Consulting Pty Ltd**

*The information in this report that relates to the potash resources have been verified by Ben Jeuken from Groundwater Science Pty. Ltd. who is a member of the AusIMM, and the International Association of Hydrogeologists and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity to which he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves".*

*Ben Jeuken consents to the inclusion in this report on the matters based on his information in the form and context in which it appears.*



**BM Jeuken BSc, MAusIMM, MIAH**  
**Principal - Groundwater Science**

## DISCLAIMER

*This report contains forward looking statements. Forward looking statements are not based on historical facts, but are based on current expectations of future results or events. These forward looking statements are subject to risks, uncertainties and assumptions which could cause actual results or events to differ materially from the expectations described in such forward looking statements. Although Rum Jungle Resources believes that the expectations reflected in the forward looking statements in this presentation are reasonable, no assurance can be given (and Rum Jungle Resources does not give any assurance) that such expectations will prove to be correct. Undue reliance should not be placed on any forward looking statements in this announcement, particularly given that Rum Jungle Resources has not yet made a decision to proceed to develop any other project, and Rum Jungle Resources does not yet know whether it will be able to finance any project.*



**Chris Tziolis**  
**Managing Director**



## TENEMENT ACTIVITIES

Rum Jungle Resources Limited April - June 2015 Actions		
Date	Tenement	Action
13/05/2015	EL 28272	Partial Reduction (21 Blocks)
15/05/2015	EL 30225	Granted for 6 years – 163 Blocks
27/05/2015	EL 24716	Transferred from Central Australian Phosphate Pty Ltd 100%
27/05/2015	EL 24724	Transferred from Central Australian Phosphate Pty Ltd 100%
27/05/2015	EL 24726	Transferred from Central Australian Phosphate Pty Ltd 100%
27/05/2015	EL 27987	Transferred from Central Australian Phosphate Pty Ltd 100%
27/05/2015	EL 28648	Transferred from Central Australian Phosphate Pty Ltd 100%
27/05/2015	EL 29373	Transferred from Central Australian Phosphate Pty Ltd 100%
27/05/2015	EL 29374	Transferred from Central Australian Phosphate Pty Ltd 100%
27/05/2015	EL 30520	Transferred from Central Australian Phosphate Pty Ltd 100%
27/05/2015	MLA 29854	Transferred from Central Australian Phosphate Pty Ltd 100%
27/05/2015	EL 28402	Transferred to Territory Phosphate Pty Ltd 100%
27/05/2015	EL 28403	Transferred to Territory Phosphate Pty Ltd 100%
27/05/2015	EL 30222	Transferred to Territory Phosphate Pty Ltd 100%
27/05/2015	EL 30223	Transferred to Territory Phosphate Pty Ltd 100%
27/05/2015	EL 30224	Transferred to Territory Phosphate Pty Ltd 100%
27/05/2015	EL 30225	Transferred to Territory Phosphate Pty Ltd 100%
27/05/2015	MLA 29463	Transferred to Territory Phosphate Pty Ltd 100%
04/06/2015	EL 24716	Transferred to Territory Phosphate Pty Ltd 100%
04/06/2015	EL 24724	Transferred to Territory Phosphate Pty Ltd 100%
04/06/2015	EL 24726	Transferred to Territory Phosphate Pty Ltd 100%
04/06/2015	EL 27987	Transferred to Territory Phosphate Pty Ltd 100%
04/06/2015	EL 28648	Transferred to Territory Phosphate Pty Ltd 100%
04/06/2015	EL 29373	Transferred to Territory Phosphate Pty Ltd 100%
04/06/2015	EL 29374	Transferred to Territory Phosphate Pty Ltd 100%
04/06/2015	EL 30520	Transferred to Territory Phosphate Pty Ltd 100%
04/06/2015	MLA 29854	Transferred to Territory Phosphate Pty Ltd 100%
05/06/2015	EL 30819	Transferred to Rum Jungle Resources Ltd 100%
08/06/2015	E80/4896	Granted for 5 years Lake Macdonald/Western Australia - 72 Blocks
29/06/2015	EL 30659	Granted for 6 years Dingo Silica NT - 7 Blocks

Territory Phosphate Pty Ltd		
April - June 2015 Actions		
Date	Tenement	Action
27/05/2015	EL 28402	Transferred from Rum Jungle Resources Ltd 100%
27/05/2015	EL 28403	Transferred from Rum Jungle Resources Ltd 100%
27/05/2015	EL 30222	Transferred from Rum Jungle Resources Ltd 100%
27/05/2015	EL 30223	Transferred from Rum Jungle Resources Ltd 100%
27/05/2015	EL 30224	Transferred from Rum Jungle Resources Ltd 100%
27/05/2015	EL 30225	Transferred from Rum Jungle Resources Ltd 100%
27/05/2015	MLA 29463	Transferred from Rum Jungle Resources Ltd 100%
04/06/2015	EL 24716	Transferred from Rum Jungle Resources Ltd 100%
04/06/2015	EL 24724	Transferred from Rum Jungle Resources Ltd 100%
04/06/2015	EL 24726	Transferred from Rum Jungle Resources Ltd 100%
04/06/2015	EL 27987	Transferred from Rum Jungle Resources Ltd 100%
04/06/2015	EL 28648	Transferred from Rum Jungle Resources Ltd 100%
04/06/2015	EL 29373	Transferred from Rum Jungle Resources Ltd 100%
04/06/2015	EL 29374	Transferred from Rum Jungle Resources Ltd 100%
04/06/2015	EL 30520	Transferred from Rum Jungle Resources Ltd 100%
04/06/2015	MLA 29854	Transferred from Rum Jungle Resources Ltd 100%
15/06/2015	EL 30613	Granted for 6 years- 56 Blocks Singleton

Central Australian Phosphate Limited		
April- June 2015 Actions		
Date	Tenement	Action
27/05/2015	EL 24716	Transferred to Rum Jungle Resources Ltd 100%
27/05/2015	EL 24724	Transferred to Rum Jungle Resources Ltd 100%
27/05/2015	EL 24726	Transferred to Rum Jungle Resources Ltd 100%
27/05/2015	EL 27987	Transferred to Rum Jungle Resources Ltd 100%
27/05/2015	EL 28648	Transferred to Rum Jungle Resources Ltd 100%
27/05/2015	EL 29373	Transferred to Rum Jungle Resources Ltd 100%
27/05/2015	EL 29374	Transferred to Rum Jungle Resources Ltd 100%
27/05/2015	EL 30520	Transferred to Rum Jungle Resources Ltd 100%
27/05/2015	MLA 29854	Transferred to Rum Jungle Resources Ltd 100%
04/06/2015	EL 30819	Transferred to Rum Jungle Resources Ltd 100%