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Operator: Rum Jungle Uranium Limited
Tenement Manager: Ross McColl
Tenement: EL25528
Project Name: Mount Bundy
Report Title: Third Annual Report for EL 25528, Mount Bundy NT, period ended 04/07/2010
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Target Commodity: Uranium, gold, base metals
Date of Report: 4/8/ 2010
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SUMMARY
During the third year of tenure staff evaluated TEMPEST and VTEM data for conductive anomalies over structure or conductors that warrant soil geochemical surveys. A structural review of the tenement was undertaken specifically looking at structures related to the nearby Tom’s Gully mine which pass into EL25528 which may control gold mineralization.

Expenditure was $15 000 against a covenant of $25 000 dollars.
INTRODUCTION
EL 25528 was granted to Wasabi Energy Ltd on July 5 2007. On May 31 2007, Rum Jungle Uranium Ltd purchased EL’s 25528 (Mount Bundy), 24939 (Woolner) and 24917 (Ross River) from Wasabi via the allocation of shares and share options. RJU is exploring the tenement for uranium and base metals. EL25528 is located immediately north and north east of Crocodile Gold Australia Pty Ltd’s, Tom’s Gully Gold Mine. Crocodile Gold has gold rights to the tenement.

GEOLOGICAL SETTING
EL 25528 is located in the central domain of the Proterozoic Pine Creek Orogen (PCO) in the Top End of the Northern Territory. The tenement geology is primarily located in weathered siltstones of the Palaeoproterozoic Wildman Siltstone Formation which is the basal unit of the Mount Partridge Group. Overlying the Wildman Siltstone to the south is the heavily folded and deformed South Alligator Group, composed of the iron rich Koolpin Formation, the Gerowie Tuff (1862 Ma) and the overlying Mount Bonnie Formation.

The Mount Bonnie Formation conformably grades into the overlying Burrell Creek Formation of the Finniss River Group which occupies a large area of the central domain of the PCO. To the south of the tenement, The Mount Bundy Igneous Suite, comprising the thorium rich and magnetic Mount Goyder Syenite and the paler pink Mount Bundy Granite, intruded the Wildman Siltstone and South Alligator Group sediments around 1853 Ma.

The Mount Bundy intrusion injected gold, uranium, base metal and iron bearing fluids into surrounding country rocks producing Tom’s Gully Gold Mine, the Quest gold and base metal deposits and the Mount Bundy Iron Ore mine.

EL 25528 is generally a flat area with minimal outcrop covered by a lateritic gravel horizon and younger alluvial floodplains and drainages.
PREVIOUS EXPLORATION
During the first year of tenure (Doyle 2008), an airborne geophysical survey (magnetics and radiometrics) was flown over the tenement by UTS Geophysics. Approximately 108 line km were flown at 200m line spacing.

Radiometric reconnaissance was conducted over seven radiometric anomalies (88-93 and 98) identified from the airborne data. Anomalies were scouted on the ground with an Exploranium GR-110 Scintillometer and sampled as necessary. Most anomalies were low order anomalies between 200-400 cps centred on lateritic gravel areas. Anomaly 89 is an old gravel pit. A sample was taken from a hematitic ironstone outcrop on the northern boundary of the tenement which returned elevated cobalt (189ppm) and zinc (3250ppm).

Figure 3. Radiometric image with rock chip sample location
During the second year of tenure (Doyle 2009) 90 line km of Airborne TEMPEST surveying was flown at 333m line spacing by Fugro Airborne as part of a larger survey over the entire Pine Creek Orogen. The survey was flown between October and December 2008, however processed data was not received until early July 2009. Initial inspection of the conductivity depth images (CDI’s) indicate that the TEMPEST maps the graphitic black siltstone unit of the Wildman Siltstone Formation very well.

Twelve RAB holes were drilled for 385m targeting prospective graphitic siltstone units under black soil cover on Marrakai Station east of the Arnhem Highway. RJU used local drillers P&C Thompson for the RAB program. Most hole intersected vari-coloured siltstone of the Wildman Siltstone Formation including the target graphitic unit in some holes. The graphitic unit contained some pyrite but was nowhere mineralised. Most of the 2008 RAB drilling concentrated on tracks and fence lines in the eastern part of the tenement. Best assay results included 2m @ 1260ppm Pb in hole MBRA018 and 3m @ 2610ppm Zn in hole MBRA017. No anomalous uranium was detected using hand held scintillometer, therefore no uranium assays were conducted at the laboratory.

Heli –VTEM was flown at 200m line spacing in the far south east corner of EL25528 for 11 line km by Geotech Airborne in May 2008. One small point source anomaly is evident, located about 150m south of RAB Hole MBRA009 on VTEM Line 13120.

CURRENT EXPLORATION
During Year 3 of EL 25528, work carried out (to date) by Rum Jungle Uranium has comprised:

Evaluation of TEMPEST and VTEM data for conductive anomalies over structure or conductors that warrant soil geochemical surveys. A structural review of the tenement has been undertaken specifically looking at structures related to the nearby Tom’s Gully mine which pass into EL25528 which may control gold mineralization.

No field work has been conducted on the tenement yet in 2010 due to the extended wet season and lack of access on black soil flood plains on the tenement. Orientation soil geochemical surveys have been taken recently on surrounding tenements looking at a new technique (soil-gas hydrocarbon geochemistry) which boasts it can detect mineralization beneath black soil. If this technique is successful, then RUM will try it on EL25528 later in the year once the ground dries out.

Heli –VTEM that was flown in the previous year at 200m line spacing in the far south east corner of EL25528 indentified one small point source anomaly, located about 150m south of RAB Hole MBRA009 on VTEM Line 13120. This anomaly will be followed up in the fourth year of tenure.

PROPOSED EXPLORATION ACTIVITY YEAR 4
Work proposed by Rum Jungle Uranium for Year 4 of EL 25528 is expected to comprise:

- Ongoing structural and Electromagnetic data interpretation to select potential gold mineralisation trap sites.
- Soil geochemical surveys to detect mineralization beneath cover
- RAB drilling (1000m) to test geochemical, EM and structural targets.
PROPOSED EXPENDITURE YEAR 4

Total Expenditure $20 000

CONCLUSION
No mineralisation has been intersected to date, however new EM data will give company geologists extra tools to determine new drill targets for the second half of 2010.

REFERENCES