Titleholder: Central Australian Phosphate Pty Ltd
Operator: Rum Jungle Resources Ltd
Tenement Manager: Complete Tenement Management
Tenements: EL 29373, EL 29374
Project Name: Ammaroo Phosphate
Report Title: Partial relinquishment report for EL 29373 and EL 29374, GR324-13, Ammaroo Phosphate Project
Authors: John Dunster
Corporate Author: Rum Jungle Resources Ltd
Target Commodities: Rock Phosphate
Date of Report: 30/08/2014
Datum/Zone: GDA94/ Zone 53
250K map sheet: Frew River SF 53-03, Elkedra 53-07
100K map sheets: George Creek 6055, Hanlon 6056
Address: PO Box 775, Darwin NT 0801
Phone: 8942 0385
Fax: 8942 0318
Contact Email: jdunster@rumjungleresources.com.au

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SUMMARY
The Ammaroo Phosphate Project is located 240 km southeast of Tennant Creek. The project covers >280 km of strike of the highly prospective southern Georgina Basin. The project area contains the Ammaroo Phosphate Deposit, which is currently Australia’s largest JORC phosphate resource, the satellite Ammaroo South resource, the Rockhole prospect, and significant greenfields potential. The overall Ammaroo Phosphate Project is in prefeasibility. Fourteen sub-blocks are being relinquished from 180 at EL 29373. Twenty-two sub-blocks are being relinquished from 193 at EL 29374. The relinquished sub-blocks are either basement or sterilised by Scared Sites and/or flood-outs. There has been no on-ground work what-so-ever on the sub-blocks relinquished.
INTRODUCTION
The Ammaroo Phosphate Project tenements are located 280 km northeast of Alice Springs and 240 km southeast of Tennant Creek, on the Barrow Creek SF53-06, Elkedra SF53-07, Bonney Well SF53-02 and Frew River 1:250,000 mapsheets. Rum Jungle Resources has been exploring for Cambrian rock phosphate in this area since 2009 resulting in the discovery of Barrow Creek 1 deposit and the Ammaroo South Prospect. Rum Jungle Resources also acquired the Arganara Phosphate deposit, which is contiguous with Barrow Creek 1, by taking over Central Australian Phosphate. The two largest flagship deposits have been combined into Australia’s largest JORC rock phosphate resource now called Ammaroo Phosphate and the satellite Ammaroo South deposit has been elevated to Inferred Resource status.

LOCATION, ACCESS AND LAND USE

Location
ELs 29373 and 29374 are located in the northeastern part of the Ammaroo Phosphate Project on the Elkedra and Frew River 250K, George Creek and Hanlon 100K sheets.

Figure 1. The Ammaroo project area showing all the areas being relinquished during this rationalisation outlined in red. ELs 29373 and 29374 are in the northeast of the project area. The areas relinquished from them are stippled. The JORC phosphate resources are shown in light green.
**Access and Logistics**

Access to the project area is via the sealed Stuart Highway and the partly sealed Plenty and unsealed Sandover Highways from the south and the Taylors Road / Murray Downs road from the north (Figure 2). Construction of Rum Jungle Resources' exploration tracks and line clearing are generally done by the local pastoralist or a Tennant Creek based earthmoving contractor. The 20-person Rum Jungle Resources' Ammaroo base camp and fly-camps are used for exploration. Bores are used for drinking water. A medical clinic is located at the Ampilatwatja Aboriginal Community. Fuel is carted from Alice Springs on an as-needs basis. The nearest airstrips are at Ampilatwatja and Ali Curung. The Rum Jungle Resources' Ammaroo base camp has an emergency helipad and JetA1 and AvGas.

![Figure 2. Access to the Ammaroo Project area from Alice Springs in the south.](image)

**Climate**

The climate is described as arid tropical by Baker et al 2005. The year is notionally divided into two main seasons, a short, hot summer featuring the bulk of the annual rainfall and a longer mild to cold and dry winter. These two dominant seasonal patterns are separated by short (1-2 months) transitional periods. The summer rains are somewhat influenced by the monsoonal rain patterns from the north, particularly cyclones which cross the Western Australian coastline.

Rainfall figures over a 30 year period (1981 – 2010) indicate an annual average rainfall of 383 mm (BOM 2012). However, rainfall is highly variable and unpredictable and annual records range from 86.4 mm to 914 mm. As shown below, much of 2010 and the start of 2011 were atypically wet while the rainfall for 2012 was more typical (Figure 3).
The average monthly relative humidity at 9 am (derived from data from 1988 - 2010) fluctuates between 31 to 52 percent with an average of 42 percent (Figure 4). The average monthly relative humidity at 3 pm is about 11-21 percent lower than the 9 am recorded humidity.

The mean monthly maximum and minimum temperature over a 30 year period (1981 – 2010) indicate that the summer temperatures can fluctuate between 21 and 38 degrees Celsius and the winter temperatures can flux between 7 and 27 degrees Celsius. Sub-zero temperatures occur occasionally during July and August and there have been instances of surface water freezing at night. Figure 5 shows the mean monthly maximum and minimum temperatures recorded at Ali Curung.
Physiography, Land Systems, Flora and Fauna

Figure 1 (previous) shows the physiography. The project is located in the Tanami Bioregion south of the Davenport Ranges. This bioregion is comprised mainly of red sand plains with underlying rock strata occasionally exposed as hills and ranges. The sand plains are vegetated with mixed shrublands of Acacia, Eucalyptus or Hakea over Triodia hummock grasslands. On the ranges, Acacia shrublands occur over hummock grasses. This bioregion contains many plant taxa that are endemic to the region or the Northern Territory and several flora and fauna species that are of conservation significance.

Using the system devised by Perry, the area contains two major land systems; the Alinga and Singleton. The Alinga Land System can generally be described as a system of undulating plains interspersed by low rounded ridges with shallow stony soils, red earths and red clayey sands. The land system is dominated by *Acacia aneura* (Mulga) or *Acacia georginae* (Gidgee) woodlands over short grasses and forbs. On shallow stony soils, sparse shrublands occur over *Triodia* sp (Spinifex). The Singleton land system includes red sands forming undulating plains and sand rises, separated by moderately wide, flat swales. Alluvial flats and drainage floors may also be present. Vegetation is dominated by sparse shrublands over *Triodia* (Spinifex), with Acacia woodlands also being present.

The project has been the subject of several baseline fauna and flora surveys commissioned by Rum Jungle Resources. These, a Threatened Species Report, and a report on weed species have been provided with MMPs and are not repeated here. These topics are dealt with even more comprehensively in the NOI.

Land Use

The area is sparsely settled. The largest permanent habitations are the indigenous communities at Ampilatwatja (population approx. 500) and Ali Curung (population quoted variously as 960 or 535 of which over 95% are Indigenous persons). The dominant Aboriginal languages spoken are Warlpiri and Alyawarr with English as a second or third language.

Most of ELs 29373 and 29374 are on Elkedra pastoral lease. A small area in the south is on Annitowa and Derry Downs.

Aboriginal Sites of Significance

An AAPA register search showed several sites in and near the areas relinquished. ELs 29373 and 29374 are being brought into an existing agreement with the CLC. This necessitates site-specific clearances by the CLC which are yet to be undertaken.

![Figure 5. Mean maximum (red) and minimum (blue) monthly temperatures (°C) at Ali Curung, NT (BOM 2013).](image-url)
**Heritage Sites**

A search of the NT Heritage Register held by NRETAS shows no Declared Heritage Sites in the area covered by this report.

**Mineral Titles Act**

ELs 29373 and 29374 are part of reporting group GR324-13 under the Mineral Titles Act. The reporting period for the group report is 14/09 to 13/09.

**Mining Management Act**

The NT Mining Management Act (MMA) allows for different reporting groups to the Mineral Titles Act (MTA). Under the MMA, ELs 29373 and 29374 are part of the amended Ammaroo Authorisation 609-04. The most recent version was approved by DME in Alice Springs during June 2014. This included approval for drilling on ELs 29373 and 29374, but well removed from the areas being relinquished. This work is still pending CLC on-ground site-specific clearances.

**WorkSafe**

As part of an NT-wide move by Worksafe to improve its monitoring and inspections of exploration and mining projects, Worksafe required Rum Jungle Resources to redo its Safety Management System and update its Risk Management Plans for each project including Ammaroo. Consultants Switched on to Safety were engaged to completely update Rum Jungle Resources WHS&E. The most recent Worksafe inspection of the Ammaroo project was undertaken in March 2014.

**HISTORY OF TENURE**

EL 29393 and 29374 were both granted to NuPower Resources Limited on 14/09/2012 for 180 sub-blocks (575.9 km²) and 193 sub-blocks (6187 km²) respectively. NuPower referred to them as Gooding Bore and Trew Creek. Neither title had been reduced until now.

NuPower became Central Australian Phosphate Limited. During 2013, Rum Jungle Resources took over Central Australian Phosphate which gave Rum Jungle Resources control of the contiguous Central Australian Phosphate titles which were incorporated into the Ammaroo Project. Central Australian Phosphate was delisted and became Central Australian Phosphate Pty Ltd which is a wholly-owned subsidiary of Rum Jungle Resources Ltd.

ELs 29373 and 29374 are contiguous with other ELs in Rum Jungle Resources’ Ammaroo Project and remain so even after this partial relinquishment.

**EXPLORATION AND PROJECT RATIONALE**

The Ammaroo Project is being explored for rock phosphate, principally within the Arthur Creek Formation which hosts the Ammaroo Phosphate Resource and the Ammaroo South deposit. Exploration is directed at locating phosphate where it is shallow (low strip ratios), not entirely weathered (predictable rock properties amenable to mining), and highest grade and thickest (palaeo-coast and potentially draped over palaeo-highs). Rum Jungle Resources’ approach, which has worked successfully to date, is to initially undertake reconnaissance RC or air core drilling on existing tracks and fences. Samples are analysed in the field with a handheld XRF and potential phosphate is sent for laboratory analysis. Depending on success, follow-up drilling usually involves cleared drill lines and/or grid RC drilling.

Since the discovery of economic grades of phosphate in 2010, Rum Jungle Resources has moved to rapidly prove them up to JORC 2012 standard including a significant component in the Measured category. The company has also completed a Scoping Study and a Prefeasibility Study is underway.
GEOLOGICAL SETTING

Regional Geology

The Ammaroo Project is located in the Georgina Basin which contains the largest sedimentary rock phosphate deposits in Australia. The Georgina Basin includes rocks of Neoproterozoic to Devonian age, with Cambrian platform carbonate rocks dominating basin fill. The southern Georgina Basin is contiguous with the Wiso Basin to the west (Figure 6).

The southern Georgina Basin includes a thick sequence of Cambrian-Ordovician sediments, deposited within the Dulcie Trough and on the adjoining Elkedra Shelf. Work by previous explorers and NTGS identified an extensive area of shelf-facies marine carbonate and clastic sediments of the Middle Cambrian Arthur Creek Formation within the southern Georgina Basin (Figure 7). This area is prospective for sedimentary phosphate mineralisation.

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Figure 7. Simplified Cambrian lithostratigraphy of the southern Georgina Basin, from NTGS.

Figure 8. Regional geological setting showing simplified geology from NTGS. The northern-most edge of pale pink unit is the target stratigraphy.

Cambrian sediment outcrop is generally restricted to the north of the project area, along the flanks of the Davenport Range. Several formations contain very similar carbonate and recessive shale units that can be very difficult to tell apart without palaeontology and some published maps show incorrect formation assignation. Indeed, the outdated Elkedra published 250K map shows the Arthur Creek Formation as being partially laterally equivalent to the Chabalowe Formation and partially underlying it, whereas the actual Chabalowe Formation is laterally equivalent to the younger Arrinhrunga Formation not the Arthur Creek Formation. The Chabalowe Formation can directly and conformably overlie the Arthur Creek Formation, but they are distinctly different ages, and this should be the relationship on the Elkedra mapsheet. The former Errarra Formation shown on published maps is now recognised as Red Heart Dolostone. In addition, it has recently been recognised that the so-called Thorntonia Limestone mapped over large areas of the Northern Territory is
actually the older Hay River Formation and the former name should be restricted to its type area in Queensland. This change is yet to be reflected on any NT maps or publications.

Alluvial, aeolian and residual sediments of Cenozoic age blanket most of the remaining project area

**Local Geology and Prospectivity**

Within the overall project area, the Cambrian lithostratigraphy of the southern Georgina Basin includes units of the Shadow and Narpa Groups, of which two units are known to be phosphatic:

- mid-Cambrian Thorntonia Limestone (now Hay River Formation) – a limestone and dolostone unit (rarely containing a localised black shale) with phosphorite beds
- mid-Cambrian Arthur Creek Formation – deep-water anoxic organic-rich shales overlain by shallow-water aerobic calc- and dolo-siltstones with phosphorite beds

To date, the Thorntonia Limestone (Hay River Formation) phosphate in the study area is thought to be inferior to that in the Arthur Creek Formation in Rum Jungle Resources’ project area. In the opinion of Rum Jungle Resources, reports of phosphate in the Chabalowe Formation are erroneous and reflect the mismapping on published maps (see discussion above).

Drilling within the project area indicates that the Arthur Creek Formation target stratigraphy generally contains two distinct facies:

- an upper aerobic facies consisting of grey to brown siltstones, with minor brown chert bands or lenses; and
- a lower anaerobic facies consisting of dark green to black siltstones, with minor black chert bands or lenses.

The upper facies is the phosphate target and, where it is present, the lower facies serves as economic basement.

Other than isolated outcrops of basement, all of ELs 29373 and 29374 are covered by units mapped as Tertiary and unconsolidated Cenozoic cover, much of which is associated with modern drainages.

**RESOURCES**

**Main Ammaroo Resource**

The current JORC 2012 resource for the main Ammaroo Project is over a billion tonnes at 14% P$_2$O$_5$ using a 10% cut-off. The project is in pre-feasibility. The latest update is available at:

Table 1. Ammaroo Phosphate Resource.

Ammaroo South is a satellite resource on EL 25185 approximately 70 km southeast of the main Ammaroo deposit. It is a JORC 2012 Inferred phosphate resource estimated at 70 Mt at 13% $P_2O_5$ using a 10% cut-off.

Table 2. Ammaroo South Phosphate Resource.
Figure 9. Rum Jungle Resources Ammaroo Project area. The Ammaroo Phosphate and Ammaroo South deposits are shown in light green. ELs 29373 and 29374 are in the northeast of the project area. The areas being relinquished from these ELs are shown stippled in red.

**SUB-BLOCKS RELINQUISHED**

The partial relinquishments are shown in detail on block ID maps below.
Figure 10. Sub-block ID map showing the 22 sub-blocks (stippled) being dropped from EL 29373.
Figure 11. Sub-block ID map showing the 22 sub-blocks being dropped from EL 29374.
WORK ON RELINQUISHED AREA
There has been no on-ground work what-so-ever on the sub-blocks being relinquished.

CONCLUSION AND RECOMMENDATIONS
The relinquished blocks are either basement or sterilised by Scared Sites and/or flood-outs.