Rum Jungle Resources Ltd.: Dingo Hole Silica - Chemical Analysis Results and Rock Chip Samples

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Darwin, Australia (ABN Newswire) - Rum Jungle Resources Ltd. (ASX:RUM) is pleased to announce that it has received some outstanding results from visually-selected outcrop samples of its Dingo Hole Silica Project. The project covers approximately 117 hectares of silica outcrop within wholly owned EL 30659, EL 30819 and ELA 30792 tenements. The silica outcrops are located 10 km from the Ammaroo Phosphate Project, 230 km south southeast of Tennant Creek in the Northern Territory. Seventy-five element sub-parts per million Gas Discharge Mass Spectrometry (GDMS) was performed on four samples of Dingo Hole Silica and ICP-SMS testing was conducted on a further 30 samples.

Highlights:

- Encouraging first-pass chemical analysis of visually-selected rock chip samples from Rum Jungle Resources' Dingo Hole Silica Project indicate the potential for the area to produce high purity quartz

- High Purity Quartz (HPQ) is defined relative to the IOTA(R) standard and is a key strategic raw material for high tech and green energy industries globally

- HPQ resources that can be processed to meet the IOTA(R) standards are relatively rare globally and very high quality silica that is very low in certain impurities can command prices ranging from US$300 per tonne to in excess of US$5,000 per tonne, dependent on quality and end use

- A key determinant of quality is the presence of substitutional elements aluminium, titanium and lithium which have been determined to be at very low levels in these initial rock chip sample analyses

- Best results are from rock chip sample DHS 7 with aluminium at 887 parts per billion (ppb), titanium at 104 ppb and Lithium at 4ppb which are better than the industry benchmark (1,000 ppb = 1 ppm)

- Although at a very early stage of assessment, this emerging project in Rum Jungle Resources' portfolio could represent a new near-term, low capital, small volume, high margin start up operation for the company

These results as discussed below, compare to the industry standard which relates to the overall SiO2 content and the level and chemical nature of the impurities. High Purity Quartz (HPQ) is defined as silica with a total contamination of not more than 50 ppm (99.995% SiO2) and whilst modern processing methods can remove much of the contamination, it is the substitutional elements which constrain the ultimate purity and therefore the value of the silica. Ultra-High purity quartz is expressed relative to an industry-standard benchmark called IOTA(R) which contains less than 16.2 ppm aluminium and total impurities less than 20 ppm, equating to 99.998% SiO2. Aluminium is a structural element within silica and there is no known method to remove it. As such, the natural levels determine the value of the silica. The IOTA-8(R) standard for titanium is less than 1.2 ppm and lithium less than 200 ppb. IOTA(R) standard ultra high purity quartz material has a current market price in excess of US$5,000 per tonne recognising that the global market for this type of product is currently around 100,000 tonnes per annum. The previous best deposits in Australia typically have been unable to meet IOTA(R) standards.

Rum Jungle Resources engaged the services of JR Jericho Resources Pty Ltd to advise on correct analytical techniques, to undertake preparation of samples and to provide local expertise. The assays reported below were conducted by specialist laboratories in New York and Sweden under the supervision of JR Jericho Resources. All of the Dingo Hole samples tested by GDMS were found to contain greater than 99.94% SiO2 with only minimal sample preparation prior to assay. Whilst this is highly encouraging in itself, it is the low levels of aluminium, titanium and lithium contaminants that make some of these results outstanding and the deposit highly unusual. Nine of 30 ICP-SMS samples of Dingo Hole Silica samples were better than the IOTA(R) 16.2 ppm (16,200 ppb) standard for aluminium and nearly all were better than the 200 ppb (0.2 ppm) IOTA(R) level for lithium and well below the 1.2 ppm (1,200 ppb) level for deleterious titanium. Rock chip sample DHS 7 contains only 887 ppb aluminium, 104 ppb titanium and 4 ppb lithium.

On the basis of these widespread low levels of aluminium, titanium and lithium detected in these rock chip

samples with minimal sample preparation, there is potential that a large proportion of the Dingo Hole Silica outcrop may, with standard high-tech industry processing, meet the industry IOTA(R) standard for High Purity Quartz.

RECOMMENDATIONS FOR FURTHER WORK

Rum Jungle Resources intends to 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.

CAUTIONARY NOTE

The initial chemical analysis has been conducted on a series of visually-selected rock chip samples taken from the surface of the silica outcrop. There is no guarantee that these results are representative of the deposit as a whole and until further sampling, drilling, assaying and processing test work, is conducted, there is no guarantee that a consistent IOTA(R) standard material could be produced from the silica at Dingo Hole.

To view tables and figures, please visit:
http://media.abnnewswire.net/media/en/docs/ASX-RUM-426364.pdf

About Rum Jungle Resources Ltd:

Rum Jungle Resources Ltd. (ASX:RUM) is an Australian Securities Exchange listed, diversified junior explorer focused on highly prospective land located in Australia's Northern Territory and Queensland.

A Northern Territory and Queensland focussed mineral explorer with a portfolio including: Uranium, Potash, Phosphate and Base Metals.

Rum Jungle Resources has strategic alliances with other major Northern Territory explorers increases exposure to additional exploration areas.

Rum Jungle Resources has experienced geological management backed up by a solid financial base to fund exploration budgets.

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