

Listings Officer  
ASX Melbourne  
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## JOINT VENTURE HEADS OF AGREEMENT SIGNED WITH TORO ENERGY LTD TO EXPLORE AND POSSIBLY DEVELOP POTASH MINERALS AT LAKE MACKAY ON W.A./N.T. BORDER

Rum Jungle Resources Ltd ('RUM') is pleased to announce that it has signed a binding Heads of Agreement with Toro Energy Ltd ('Toro') to explore for potash and related evaporate minerals contained within lake brines on the southern section of the vast area of Lake Mackay in W.A. The four Exploration Licenses (E80/3484, E80/3485, E80/3486 and E80/3519) cover over 400 square kilometres of lake surface (see figure 1).

Previous shallow drilling by Toro to one meter depth has confirmed recovery of brine in the lake subsurface with contents of potassium, magnesium and sulphur similar to other potash rich brine systems in the area and overseas. The brine has the potential to produce schoenite, epsomite and sulphate of potash, similar to Rum's Karinga Lakes Project in the NT.

Rum's recently acquired Lake Hopkins project is strategically located between Lake Mackay and the Karinga Lakes Project (See figure 2), should the possibility of linking up any brine resources exist.

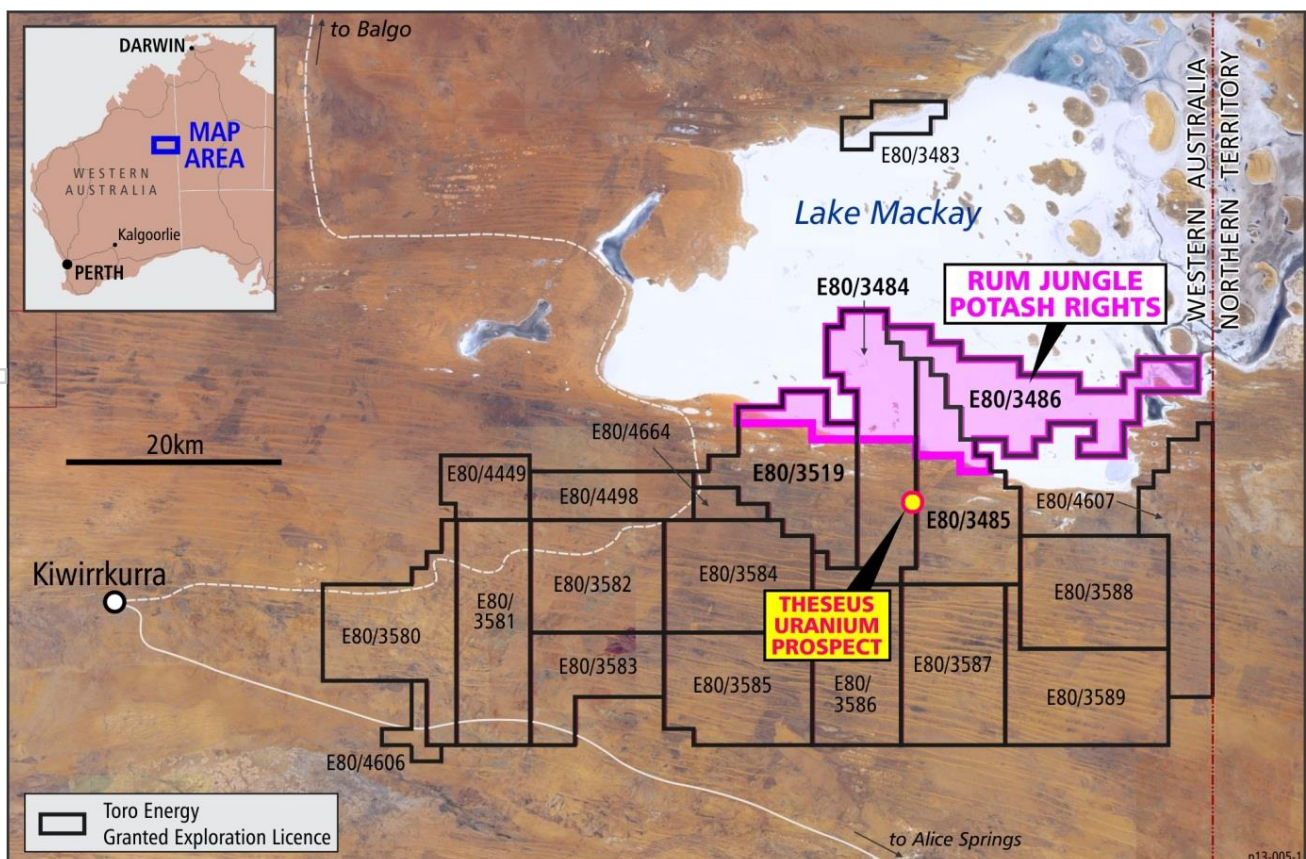
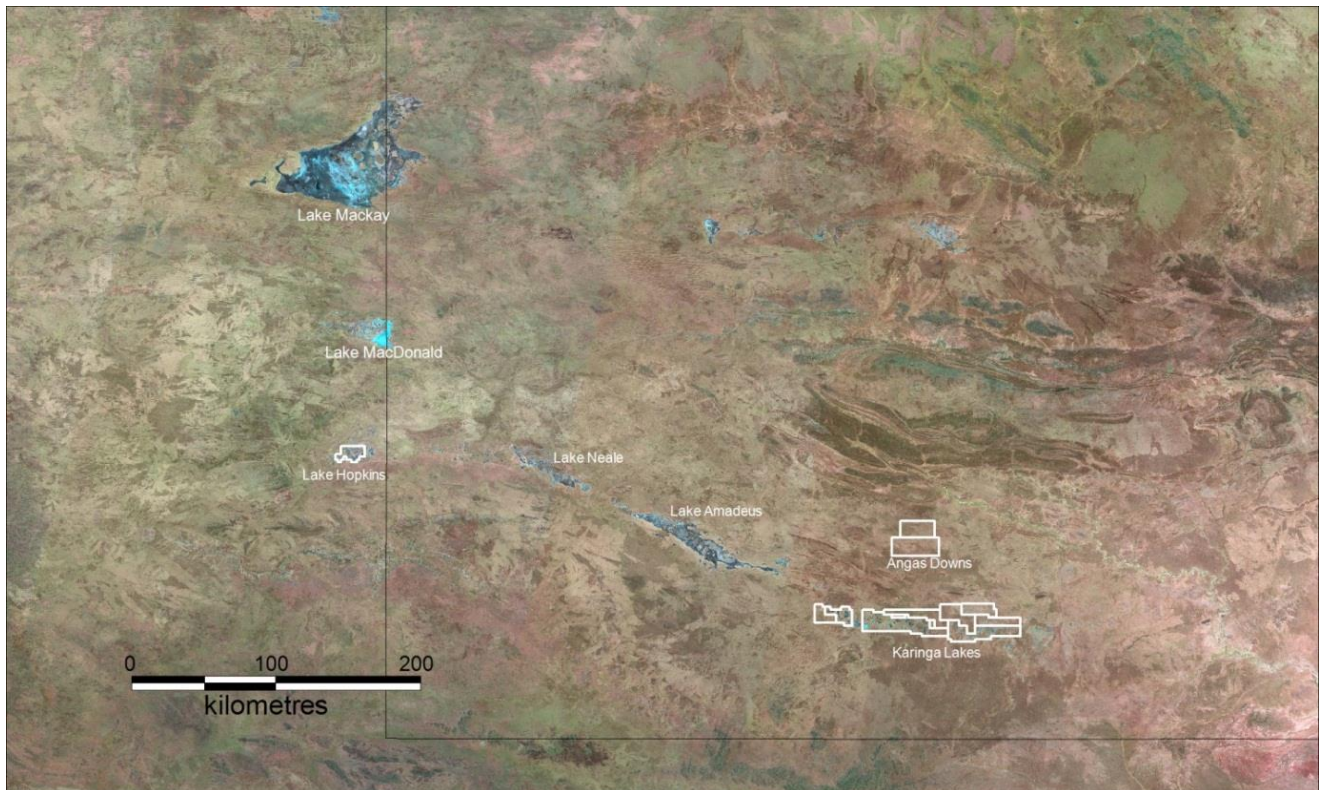


Figure 1: Toro's four contiguous Exploration Licences with Potash JV area shaded in pink



**Figure 2: Satellite image showing location of Karinga Lakes, Lake Hopkins and Lake Mackay. Note the huge relative size of Lake Mackay. Lake Amadeus and Lake Neale are Aboriginal sacred sites and exempt from exploration. The black vertical line is the W.A./N.T. Border.**

Toro enjoys a good working relationship with aboriginal land owners and have a land access agreement in place which will allow Rum to access the lake in the current field season and drill sufficient deeper holes, which have been approved, to determine a maiden resource within the Toro tenements.

Terms of the Joint Venture are as follows:

1. Rum to spend a minimum \$250,000 in Year 1 drilling the lake and estimating a maiden resource to earn a 51% interest in the potash minerals. Toro can elect to contribute pro rata to further exploration, or;
2. Rum to spend another \$750,000 in years 2 and 3 to increase interest to 80% at which point Toro can elect to hold its 20% interest and contribute to further expenditure.
3. If either party dilute below 5% their interest will be converted to a 2% royalty.
4. Toro will retain all uranium rights.
5. The agreement is subject to Rum preparing formal agreements and carrying out due diligence within 30 days.



A handwritten signature in black ink, appearing to read 'D. Muller', is positioned above the name and title of the Managing Director.

**D.W.Muller M.Sc., M.B.A., F.Aus.I.M.M.  
Managing Director**

*The information in this report that relates to comments on exploration results, mineral resources or ore reserves is based on information compiled by Mr David Muller, who is a Fellow of the Australasian Institute of Mining and Metallurgy.*

*Mr Muller is Managing Director of Rum Jungle Resources Ltd and an employee of the Company. Mr Muller 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 2004 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves".*

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

*This document may contain forward-looking statements. Certain material factors or assumptions were applied in drawing a conclusion or making a forecast or projection as reflected in the forward-looking information. Actual values, results or events may be materially different to those expressed or implied.*