

QUARTERLY ACTIVITIES REPORT PERIOD ENDED 30 JUNE, 2013

Rum Jungle Resources Ltd's strategic intent is to find, develop and operate fertiliser minerals, base metals and gold projects, located in close proximity to existing transport infrastructure, with a geographical focus centred on the Northern Territory, Australia.

Rum Jungle Resources Ltd is the only company with significant resources of both phosphate and potash in Australia. The company has the backing of large institutional investors and has cash at bank of approximately \$13.0 million to complete the takeover of Central Australian Phosphate and facilitate progression of its projects.

HIGHLIGHTS

HEALTH, SAFETY, ENVIRONMENT AND COMMUNITY

5,808 hours of field work were conducted during the quarter. There were no lost time injuries or reportable environmental incidents during the quarter.

CORPORATE

The off-market takeover offer for Central Australian Phosphate continued. RUM held 26.5% of CEN's shares at 30 June 2013. This has subsequently increased to above 50% enabling RUM to take control of CEN. Two Rum Jungle Resources non-Executive Directors have been appointed to the central Australian Phosphate Board. Mr Robert Annells has been appointed as the Non Executive Chairman and Mr Jeff Landels has been appointed as a Non-Executive Director.

Mr Christopher Tziolis was appointed to the Board of Rum Jungle Resources as Executive Director.

Rum Jungle Resources attended the International Fertiliser Association Conference in May 2013 enabling the introduction of the phosphate and potash projects to the global fertiliser community and the initiation of discussions on potential future off-take arrangements and partnerships.

The Managing Director attended Mines and Money in Beijing, China, actively continuing talks with Chinese businesses.

PHOSPHATE

Activities have concentrated on advancing the Barrow Creek 1 project. A Scoping Study was completed and results released 22 April 2013. The key findings were:

- three options have been identified as potentially viable to develop the Barrow Creek 1 project as a standalone operation
- potential operating life in excess of 25 years
- indicative scoping study level project NPV range of \$320M - \$450M
- project IRR range of 14.0% - 18.7%
- conservative assumptions used
- potential for significant upside
- results warrant the commencement of a pre-feasibility study.

A number of Tier 1 Engineering firms have approached Rum Jungle Resources with a view of potentially conducting the proposed pre-feasibility study for the Barrow Creek 1 project. A request for proposal for the pre-feasibility study management has been released and it is expected that the successful tenderer will be selected and announced in during the next quarter.

A second evaluation diamond drilling program commenced at Barrow Creek 1 on 04 June 2013 and at the end of the quarter, 18 holes had been completed for 491.1 metres.



ASX ANNOUNCEMENT

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MAJOR PROJECTS
Ammaroo Rock Phosphate
Karinga Lakes Brine Potash
Ross River: IOCGU
Top End: Polymetallic

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Exploration and extensional resource definition RC/air core drilling commenced on 19 June 2013 and 44 holes had been completed for 2,120 metres at the end of the quarter.

The company is currently undertaking a strategic review of merging the exploration on the CEN ground with its own program, in consultation with the CEN Board. It is obvious a major drilling effort will be required to uplift resources within the lightly explored CEN ground. Whilst MMP programs are being jointly prepared the source and allocation of funds for the exploration will be determined once the final holding position of RUM's interest in CEN is finalised. Notwithstanding, a modest budget of around \$1M has the potential to make a major lift in the inferred resource position above the current 548,000,000 tonne resource now demonstrated by the combined Arganara and Barrow Creek 1 resource.

POTASH

The company and its JV partner have a JORC resource of a maximum contained 5.5 M tonnes of potassium sulfate at the Karinga Lakes Potash project. Exploration activities for 2013 at Karinga Lakes are now in full swing. A Joint Venture with Toro Energy to explore brine potash at Lake Mackay has been agreed to and is currently being finalised by lawyers. At Lake Hopkins, an Exploration Access Agreement has been reached with Traditional Owners

KARINGA LAKES POTASH, NT

- Karinga Camp installed during June and now fully operational
- Air core drilling commenced on 13 June 2013. By the end of the quarter, 32 holes had been completed for 472 metres
- Two 100 m long trenches have been excavated, ready for pump testing
- Evaporation trial of 12,000 litres of brine is in progress
- 70 km of new access track construction is in progress

LAKE HOPKINS POTASH, (WA/NT Border)

An Exploration Access Agreement and a compensation package was verbally reached with Traditional Owners of the Tjukurla community at an onsite meeting in April.

The project is awaiting approval of a Mining Access Permit from the Federal Minister to enter and work on Aboriginal Land. The permit is to be discussed by the Aboriginal Lands Trust which next meets on August 13. A sacred site survey of the lake also needs to be done. The exploration program will then be submitted to WA Department of Mines and Petroleum for approval.

LAKE MACKAY POTASH, WA

A JV was signed with Toro Energy giving Rum Jungle Resources potash exploration rights to the southern part of Lake Mackay as held by Toro. Company lawyers are currently finalising the legal documents for the Joint Venture.

GOLD

TOP END / MOUNT GOYDER

Eight RC holes were pegged at Donkey Hill gold prospect and nearby EM anomalies on a Uranex joint venture tenement. Drilling is to commence later in the year.

HEALTH, SAFETY, ENVIRONMENT AND COMMUNITY

The person-hours worked in the field on each project are summarised below. There were no lost time injuries or reportable environmental incidents during the quarter.

Project	Field Hours Worked
Ammaroo	4,310
Karinga	1,450
Ross River	48
Mount Bunday / Mount Goyder	0
Total	5,808

CORPORATE AND ADMINISTRATION

On 13 February 2013, Rum Jungle Resources (RUM) announced an off-market takeover offer for Central Australian Phosphate (CEN, formerly NuPower). CEN's Arganara phosphate deposit is contiguous with RUM's Barrow Creek 1. The first Bidders Statement was released 26 March 2013 and the takeover offer remained in force during the quarter. As of 01 July 2013, RUM held 26.505% of CEN. This has subsequently increased to above 50% enabling RUM to take control of CEN. Two Rum Jungle Resources non-Executive Directors have been appointed to the central Australian Phosphate Board. Mr Robert Annells has been appointed as the Non Executive Chairman and Mr Jeff Landels has been appointed as a Non-Executive Director.

The figure below depicts the potential of the combined known Barrow Creek 1 and Arganara resources and the exploration potential of the southeastern extension. Rum Jungle Resources now controls what has the potential to be a globally significant phosphate province with potential resources in excess of 1 billion tonnes of phosphate rock.

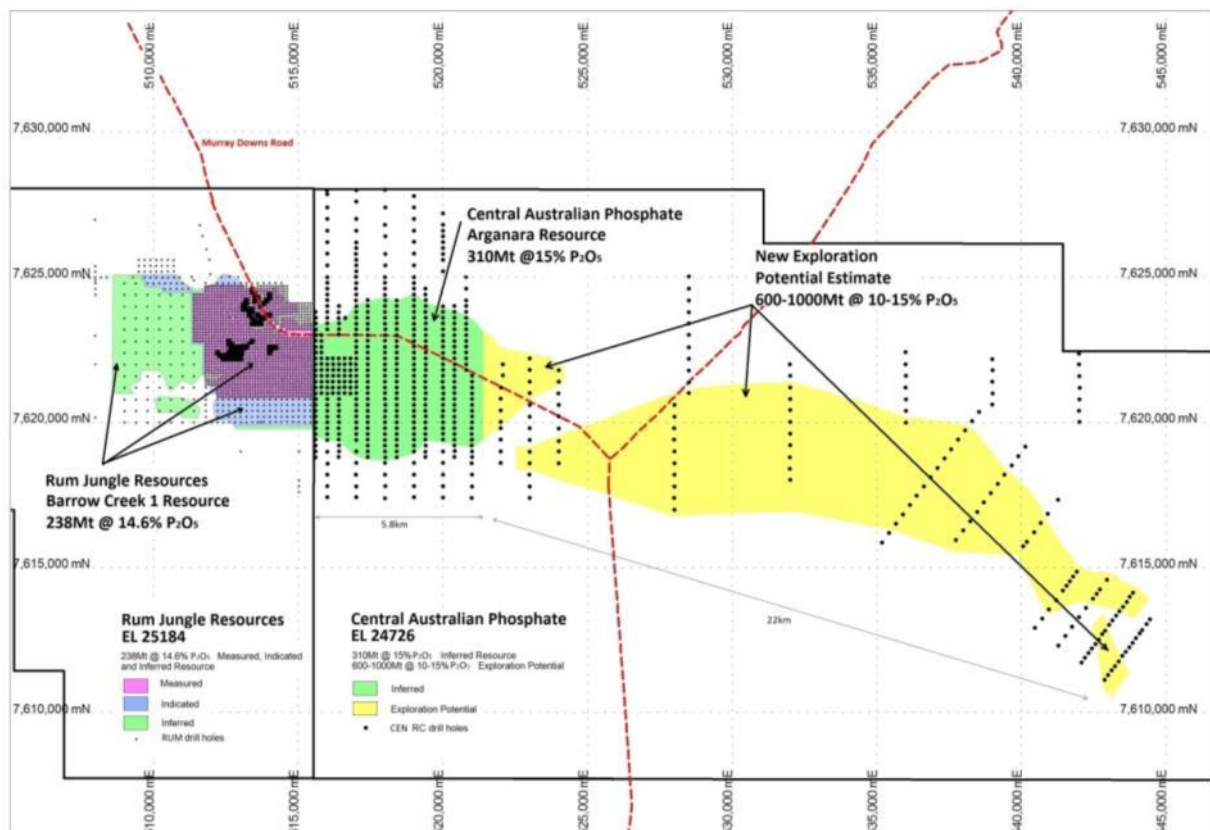


Figure 1. The contiguous Barrow Creek 1 and Arganara phosphate deposits are a single geological entity.

On 6 June 2013, Mr Chris Tziolis was appointed to the Board as Executive Director. He is currently employed by Rum Jungle Resources as the Director of Project Development. Chris is a former Rio Tinto executive and McKinsey consultant, is a member of the Australian Institute of Company Directors and has a Master of Business Administration, a Master of Arts in International Relations and a Bachelor of Science in Chemistry.

WORKING CAPITAL

The working capital at end of quarter was approximately \$13M, represented by cash on deposit.

AMMAROO PHOSPHATE PROJECT (RUM 100%)

Ammaroo Phosphate Project

The Ammaroo Phosphate Project includes 13 granted exploration licences (EL) and two EL applications which cover over 5,000 km² of the highly prospective southern Georgina Basin. The project area contains the Barrow Creek 1 deposit (covered by an ML application) and the Ammaroo 1 prospect (Figure 2).

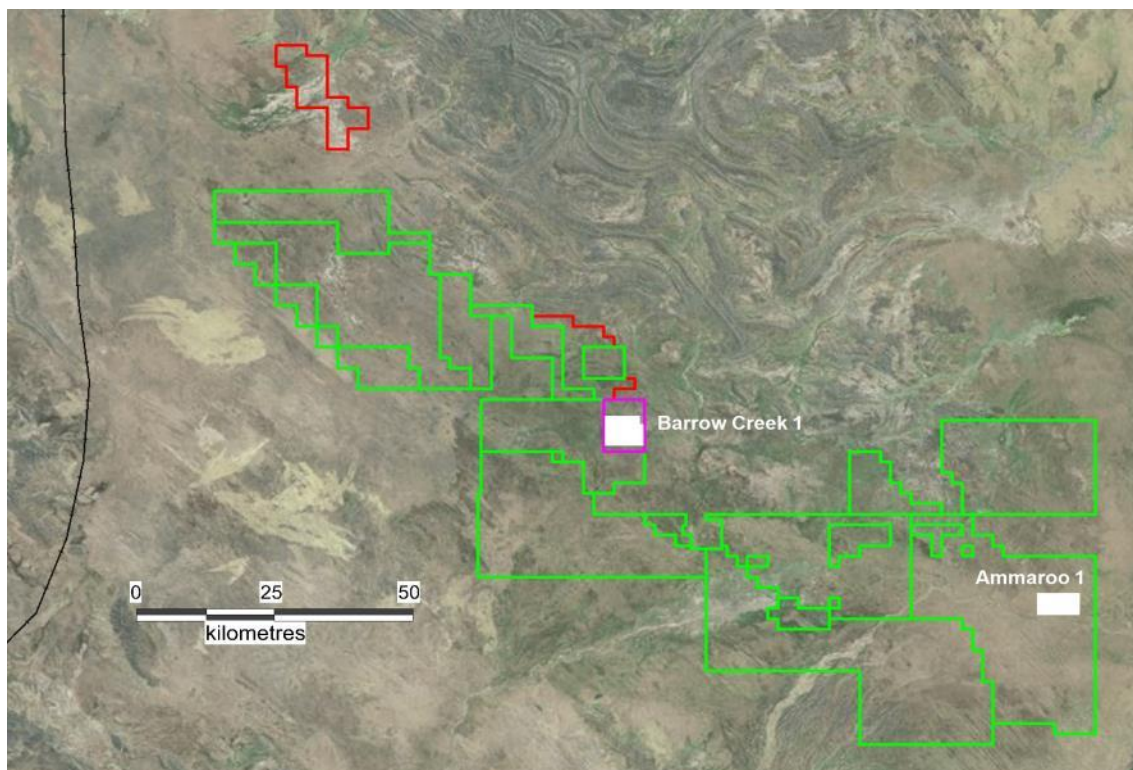


Figure 2. Rum Jungle Resources' and subsidiaries' holdings as of the 30/06/2013, showing:

- Rum Jungle Resources' named phosphate deposits
- ML application in pink over Barrow Creek 1 resource
- granted ELs in green
- EL applications in red
- Note proximity to the Central Australian Railway to the west.

Barrow Creek 1 Resource

Rum Jungle Resources discovered the Barrow Creek 1 phosphate deposit on EL 25184 in 2010. The previously announced Measured Resource is 136 million tonnes at an average grade of 15.7% and a cut off of 10% P₂O₅, and the total Measured, Indicated and Inferred Resource is 238 million tonnes at an average grade of 14.6% and a cut off of 10% P₂O₅. These estimates were provided by an independent geologist and were reported in accordance with the JORC code. Further resource definition and exploration drilling is currently underway.

Barrow Creek 1 Scoping Study

The primary aim of the scoping study was to initially identify, review and analyse potential development options which could be progressed into pre-feasibility. A preliminary economic evaluation was conducted to determine the relative potential economic viability of each development option. The scoping study presumed a capital and operating cost estimate to an accuracy level of +/- 35%. The scoping study identified three phosphate production and associated transport to railhead options as potentially economic and technically viable for the development of the Barrow Creek 1 Phosphate Project as a standalone operation with an operating life in excess of 25 years. The scoping study, summarised in the tables below, recommended the commencement of a pre-feasibility study to further define the optimum development path for Barrow Creek 1 and to form the basis of a future bankable feasibility study.

	Option 1	Option 2	Option 3
Project scale	A Direct Ship Ore (DSO) start-up (up to 4 years) ramping up to 1.8 million tonnes per annum product output As grade drops below DSO level, commence beneficiation through flotation to produce a 30%-32% P ₂ O ₅ rock, for the remainder of the operating life producing 1.8 Million tonnes per annum product output	Beneficiation through flotation ramping up to 1.8 million tonnes per annum of 30%-32% P ₂ O ₅ rock from start-up	Production of 540,000 tonnes per annum Merchant Grade Phosphoric Acid through either a 'Wet Process' or a 'Thermal Process'
Transport to railhead	DSO transported 90 km to the railhead by road initially before the construction of a slurry pipeline to transport beneficiated rock to the rail head	Beneficiated rock transported 90 km by slurry pipeline to the rail head	Acid transported 90 km by pipeline to the rail head
Construction start-up	Q3 2014	Q3 2014	Q3 2014
Production commencement	Q1 2016 for DSO, Q4 2019 for beneficiated rock	Q1 2016	Q3 2016
CAPEX estimate	\$277M for DSO start-up and a further but delayed \$175M for beneficiation	\$432M	\$830M
Product specifications	Ramp-up to 1.8 million tonnes per annum DSO >27% P ₂ O ₅ 1.8 million tonnes per annum beneficiated rock 30%-32% P ₂ O ₅	1.8 million tonnes per annum beneficiated rock 30%-32% P ₂ O ₅	540,000 tonnes per annum merchant grade phosphoric acid
Indicative waste to ore strip ratio	<3 to 1	<3 to 1	<3 to 1
Indicative phosphate recovery and cut-off grade	DSO – 50% recovery, cut-off grade 24% Beneficiated Rock – 66% recovery, cut-off 12.5%	66% recovery, cut-off grade 12.5%	>75% recovery, cut-off grade 12.5%
Indicative average cash costs of production (not including Royalties) 25 year life, FOB Darwin*	Average \$86 per tonne of export product Year 2 - \$70 per tonne, Year 25 \$96	Average \$88 per tonne of export product Year 2 - \$78 per tonne, Year 25 \$96	Average \$510 per tonne of export product Year 2 - \$470 per tonne, Year 25 - \$523 per tonne
Average annual royalties**	\$12 per product tonne	\$12 per product tonne	\$12 per product tonne
Long run phosphate price assumptions, FOB*	DSO >27% - US\$120 per tonne >30% Rock US\$140 per tonne in 2016 increasing to US\$150 per tonne in 2018 and US\$160 in 2022	>30% Rock US\$140 per tonne in 2016 increasing to US\$150 per tonne in 2018 and US\$160 in 2022	US\$800 per tonne in 2016 increasing to US\$860 per tonne in 2018 and US\$920 per tonne in 2022
Weighted average cost of capital (post tax nominal)	8.5%	8.5%	8.5%
Inflation	2.5%	2.5%	2.5%
Currency exchange rates	AUD/USD \$1.00 long run	AUD/USD \$1.00 long run	AUD/USD \$1.00 long run
Project NPV (8.5% post tax nominal WACC)	\$340 million	\$320 million	\$450 million
Project IRR	18.7%	16.6%	14.0%

* Real 2013 Australian dollars (US dollars where indicated)

** Incorporates estimated NT Government royalties, estimated payments under a Native Title Agreement and an existing 40 cents per product tonne royalty

Key study assumptions included:

- The total Measured, Indicated and Inferred Resource is 238 million tonnes at an average grade of 14.6% at a cut off of 10% P₂O₅
- Market specifications for export beneficiated rock are 30%-33% P₂O₅
- Rail and port export capacity for rock products assumed to be 1,800,000 tonnes per annum which determines a target rock product output rate
- Target phosphoric acid output rate circa 540,000 tonnes per annum
- Mining and processing rates determined by product output rate to maximise utilisation of transport infrastructure
- Chemical composition of the phosphate ore indicates very low levels of uranium and cadmium but higher than normal levels of lead, which is common to the Georgina Basin phosphate occurrences, in comparison to the Moroccan benchmark standard for export phosphate rock.
- Scoping study CAPEX and OPEX estimates are ±35%

Barrow Creek 1 Resource Definition Drilling and Phosphate Exploration Drilling

PQ diameter diamond drilling at Barrow Creek 1 commenced on 04/06/2013 and at the end of the quarter, 18 holes had been completed for 491.1 metres. Exploration and resource definition RC/air core drilling commenced on 19/06/2013 and 44 holes had been completed for 2,120 metres at the end of the quarter.



Figure 3. Diamond Drilling in progress during institutional investor visit

KARINGA LAKES POTASH PROJECT (RUM 85%, Reward 15%)

The Karinga Lakes Potash JV between Rum Jungle Resources Ltd and Reward Minerals Ltd includes six granted exploration licences and an application on pastoral leases along the Lasseter Highway between Alice Springs and Uluru. The Karinga Lakes Potash Project has logistical advantages of being located adjacent to the Lasseter Highway and an existing rail siding at Kulgera 120 km from the project.

The companies are exploring for sulfate of potash (SOP) and potassium magnesium sulfate (schoenite) in sub-surface lake brine in up to 26 dry salt lakes. Rum Jungle Resources Ltd is the operator, providing sole risk funding and increasing equity. Reward Minerals is expected to further dilute its interest. The Karinga Lakes project has a 2013 exploration budget of close to \$2 million.

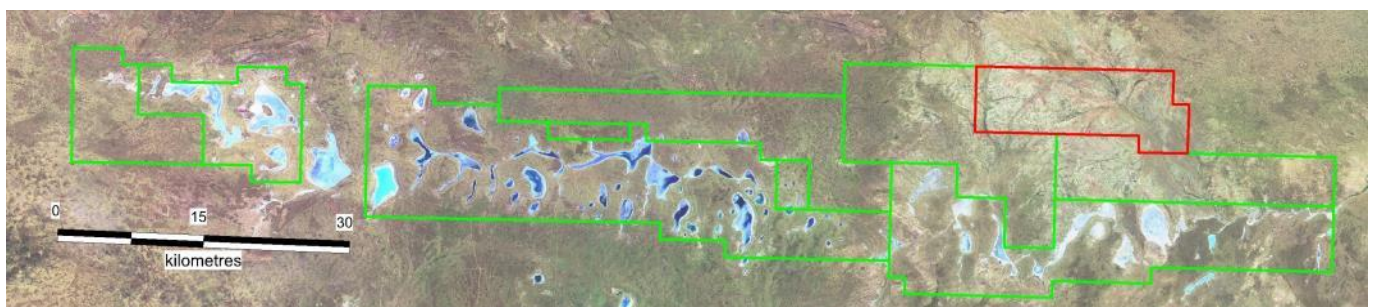


Figure 4. Karinga Lakes and tenements as of 30/06/2013 on SPOT5 imagery. Granted ELs in green, application in red.

Air Core Drilling

At the end of the quarter, 32 holes had been completed for 472 m at an average depth of 15.2 m per hole. Curtin Springs Roadhouse was used as a logistic base whilst the camp was being commissioned. Drill hole locations were restricted to the lake edges due to most lakes still being inundated with water. Upon completion of the 2013 exploration program, a revised JORC resource will be estimated by hydrogeological consultants. The resource estimate will be a key component of a scoping study for Karinga Lakes which will commence late 2013 or early 2014.

Table 1. Selected brine assays from Air Core drilling in June

DESCRIPTION			K	Mg	SO4	Na	Cl
			mg/L	mg/L	mg/L	mg/L	mg/L
DETECTION			0.1	0.1	0.1	0.1	0.1
Hole	From	To					
KLAC103	0	2	8400	4100	48000	62000	84000
KLAC104	0	21	9900	5100	60000	79500	110000
KLAC109	0	27	6500	7925	62250	89750	130000
KLAC110	0	24	6060	7660	54000	88000	130000
KLAC120	0	21	4900	10214	44857	89857	142857
KLAC121	0	9	4460	9560	47800	81600	121200



Figure 5. Air Core Drilling in Progress on wet salt lake at Karinga

Evaporation Trial

A 12,000 litre evaporation trial commenced on 30 May 2013 when 3,000 litres of brine were pumped from drillholes at four different salt lakes. Combined samples of 4,000 litres were placed into three evaporation tanks for first stage evaporation. It should take 3-4 months for 80-90% NaCl precipitation at which point, enriched brine will be pumped into smaller tanks for stage two evaporation resulting in around 1 tonne of mixed schoenite salts ready for flotation testing.



Figure 6. Evaporation tanks with 12,000 litres of brine at start of trial

Trenching

Subsequent to the end of quarter, two trenches have been excavated on Pulcura Lake and Curtin Boundary Lake. Pump testing has commenced at Pulcura Lake. Trenching was completed with a 5 tonne excavator.



Figure 7. Trench completed at Curtin Boundary Lake



Figure 8. Trench completed and ready for pump testing at Pulcura Lake

Karinga Camp

The transportable Karinga Camp was mobilised onto site during June and was fully operational by early July.



Figure 9. Karinga Lakes exploration camp

ANGAS DOWNS POTASH PROJECT (RUM 100%)

These ELs total 635 km² and are targeting subsurface rock evaporites and potash brines in palaeo salt lakes. The tenements are located 50-70 km north of Karinga Lakes. A drilling MMP has been approved for EL 27933, and an on-country meeting was held with the Central Land Council and Traditional Owners at Imanpa during the last quarter. The company has yet to receive a reply from the Land Council.



Figure 10. Angas Downs granted EL 27933 and EL 28885 with interpreted palaeo-lakes outlined on SPOT5 imagery.

LAKE HOPKINS, WA

The Lake Hopkins project is targeting potash brine similar to the Karinga Lakes Project. The core tenement E69/2814, which covers 153.5 km², has been buffered by a new application made by Rum Jungle Resources. A meeting with Traditional Owners took place on April 19. At the meeting, a compensation and access agreement was verbally consummated and it was agreed that exploration could commence as soon as the Ngaanyatjarra Land Council members could document the agreement and pass it through the relevant authorities. The project is awaiting approval of an access permit from the Federal Minister to enter and work on Aboriginal Land and approval for exploration from the Western Australian Department of Mines and Petroleum. A brine sampling program and air core drill program are planned for later in 2013, with the aim of estimating an Inferred brine resource.

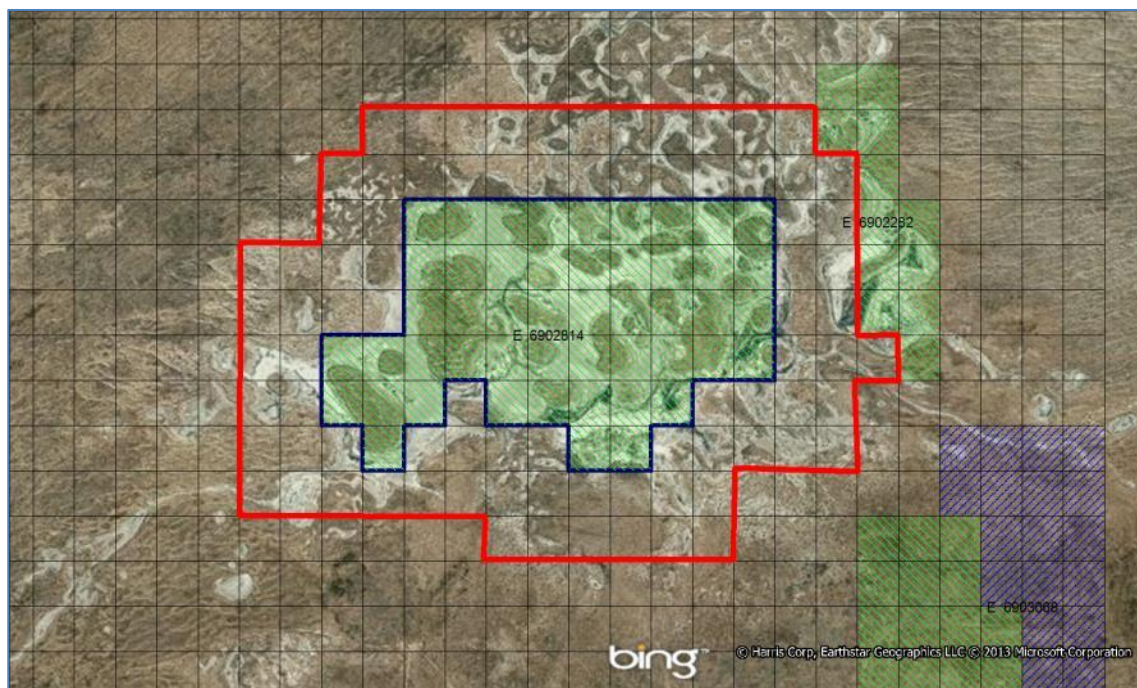


Figure 11. Tenement boundaries plotted over Lake Hopkins, WA. The blue polygon is the granted E 69/2814 and the red is the surrounding application.

LAKE MACKAY, WA

A JV was signed with Toro Energy giving Rum Jungle Resources potash exploration rights to the southern part of Lake Mackay as held by Toro. The four Exploration Licences (E 80/3484, 3485, 3486 and 3519) cover over 400 square kilometres of lake surface. Previous shallow drilling by Toro to one metre depth has confirmed recovery of brine in the lake subsurface with contents of potassium, magnesium and sulfur similar to other potash rich brine systems in the area and overseas. The brine has the potential to produce schoenite, epsomite and sulfate of potash, similar to the Karinga Lakes Project in the NT.

The joint venture allows RUM to earn 51% of potash rights by spending \$250,000 in year 1. Toro have previously had 112 drill holes cleared for drilling by Traditional Owners at 2 km spacing which should allow exploration drilling to proceed smoothly once the joint venture is finalised.

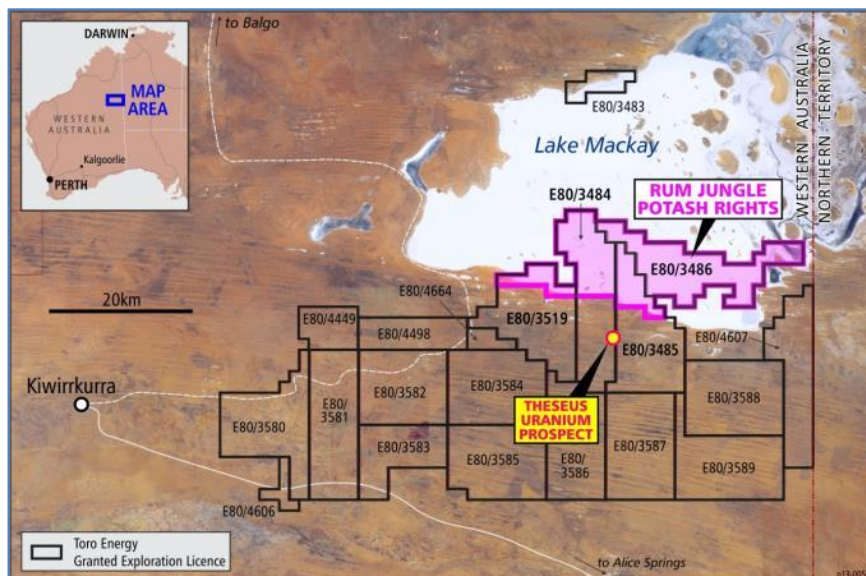


Figure 12. Toro’s four contiguous Exploration Licences with Potash JV area shaded in pink.

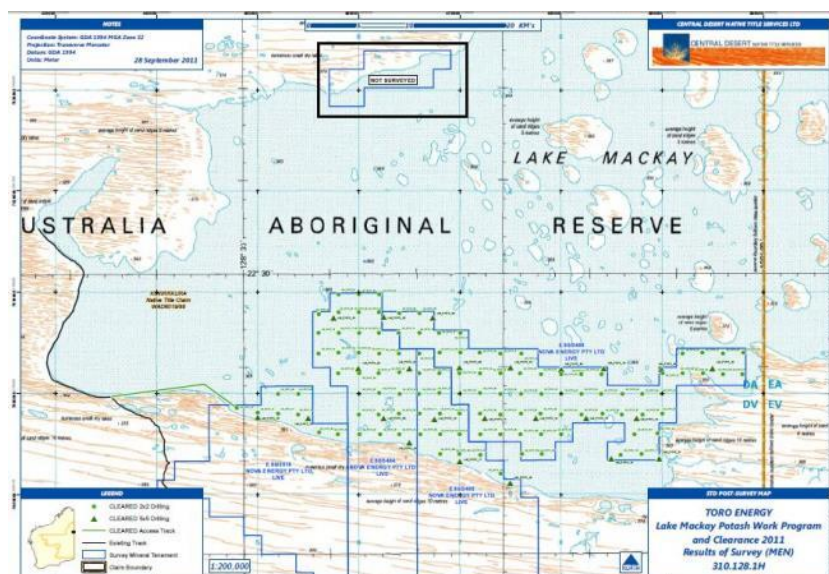


Figure 13. Drill holes cleared for drilling on Joint Venture tenements on the southern part of Lake Mackay

ROSS RIVER / ALICE SPRINGS PROJECT (RUM 100%)

Most work planned for 2013 in the Ross River Project will be targeting an iron oxide copper gold terrain in eastern EL 28156 where there are copper shows coincident with geophysical/structural targets. Desk-top studies continued during this quarter but there was no field work apart from rehabilitation activities. EL 28334 was surrendered during the quarter.

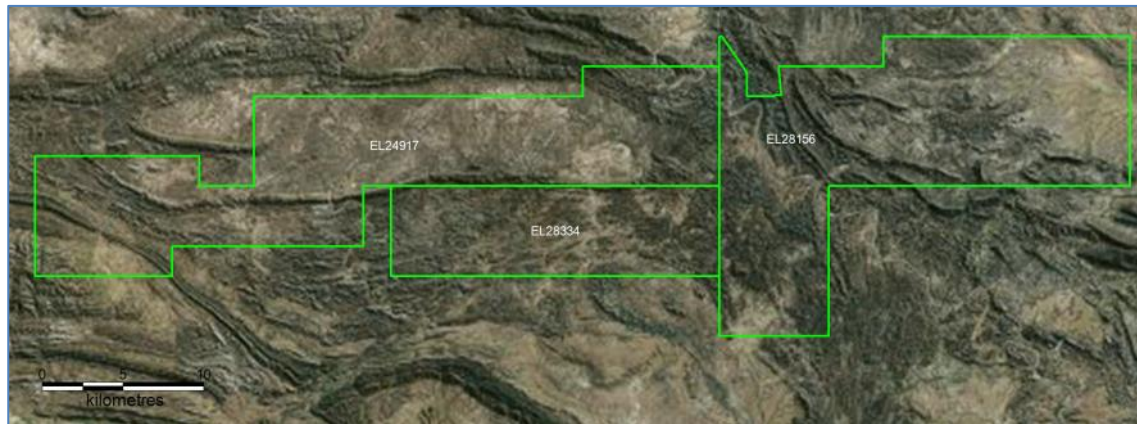


Figure 14. Ross River tenements as of 01/06/2013. EL 28334 has been surrendered.

MOUNT BUNDEY / MOUNT GOYDER, TOP END PROJECT (RUM100% & earning 70% in EL 25165)

The Top End Project is in an established polymetallic province within 20 km of the Toms Gully gold mine. In addition to three titles in its own name, Rum Jungle Resources is earning equity in EL 25165 in JV with Uranex NL. Rum Jungle Resources' has mature leads in the Mount Goyder part of the Top End Project targeting gold in the Annaburroo Dome which includes the historic Donkey Hill Prospect. Significant high grade surface samples were presented in previous quarterly reports. During this quarter, eight RC holes were pegged at Donkey Hill gold prospect and nearby EM anomalies on the Uranex joint venture tenement. Drilling is to commence later in the year. Rum Jungle Resources has also been in JV with Crocodile Gold over thirteen exploration tenements near Mount Bunday, surrounding the Toms Gully Gold Mine, since 2007.



DW Muller BSc, MSc, MBA, FAusIMM
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.