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QUARTERLY REPORT 30 JUNE 2013

SUMMARY

Chile – Tuina Copper Project

- ❖ Executed a second Heads of Agreement in the Tuina District for an option to acquire 75% of a further 1,000 ha of mining titles (Porvenir Agreement)
- ❖ Rock chips from the Tuina area identify high grade copper and silver zones (max values of 8.8% Cu and 120g/t Ag respectively)
- ❖ The Porvenir agreement offers near term production opportunity from widespread copper oxide mineralisation
- ❖ Received 53Gb of exploration data from the Porvenir permits including drilling results from 301 drill holes
- ❖ Binding agreements with the two Chilean companies (Porvenir and Chile Metals) are progressing

Australia – Kamarga Zinc, Copper Project

- ❖ Soil sampling has identified 20km long copper target
- ❖ Heavy liquid separation test work indicates that the zinc mineralisation can be upgraded from 2.6%Zn to 11.2%Zn by density sorting

Chile – Tuina Copper Project

During the quarter RMG announced that it had signed a second Heads of Agreement with a private Chilean company (Porvenir S.C.M.) in the Tuina District of northern Chile for the option to acquire a 100% interest in a further 1,000 ha of granted mining concessions (see ASX release of 5 June 2013). The agreement is subject to the completion of legal due diligence and execution of a binding Option Agreement.

Once the Porvenir Option Agreement is executed, Chile Metals will have a right to 25% of the Porvenir permits pursuant to their Agreement with RMG (ASX release 25 March 2013). The result is that RMG will hold 75% of the Porvenir and the Chile Metals permits in the Tuina District.

The Tuina Project now comprises 66 permits covering 105 sq. kms. of the Tuina Formation. Figure 1 shows the extent of the permits. The permits cover structures and stratigraphy that are host to significant copper mineralisation as evidenced by the large number of copper mines in the general district operated by Chilean mining companies. Many of the Tuina Project permits contain significant copper workings exploiting copper oxide mineralisation.

RMG plans to drill down-dip of the highest priority copper oxide zones to determine the extent of the sulphide mineralisation and, where appropriate, drill these zones to enable resource estimates and scoping studies to be completed of both oxide and sulphide mineralisation. Figures 2 and 3 are an example from the San José pit of outcropping copper oxide mineralisation.

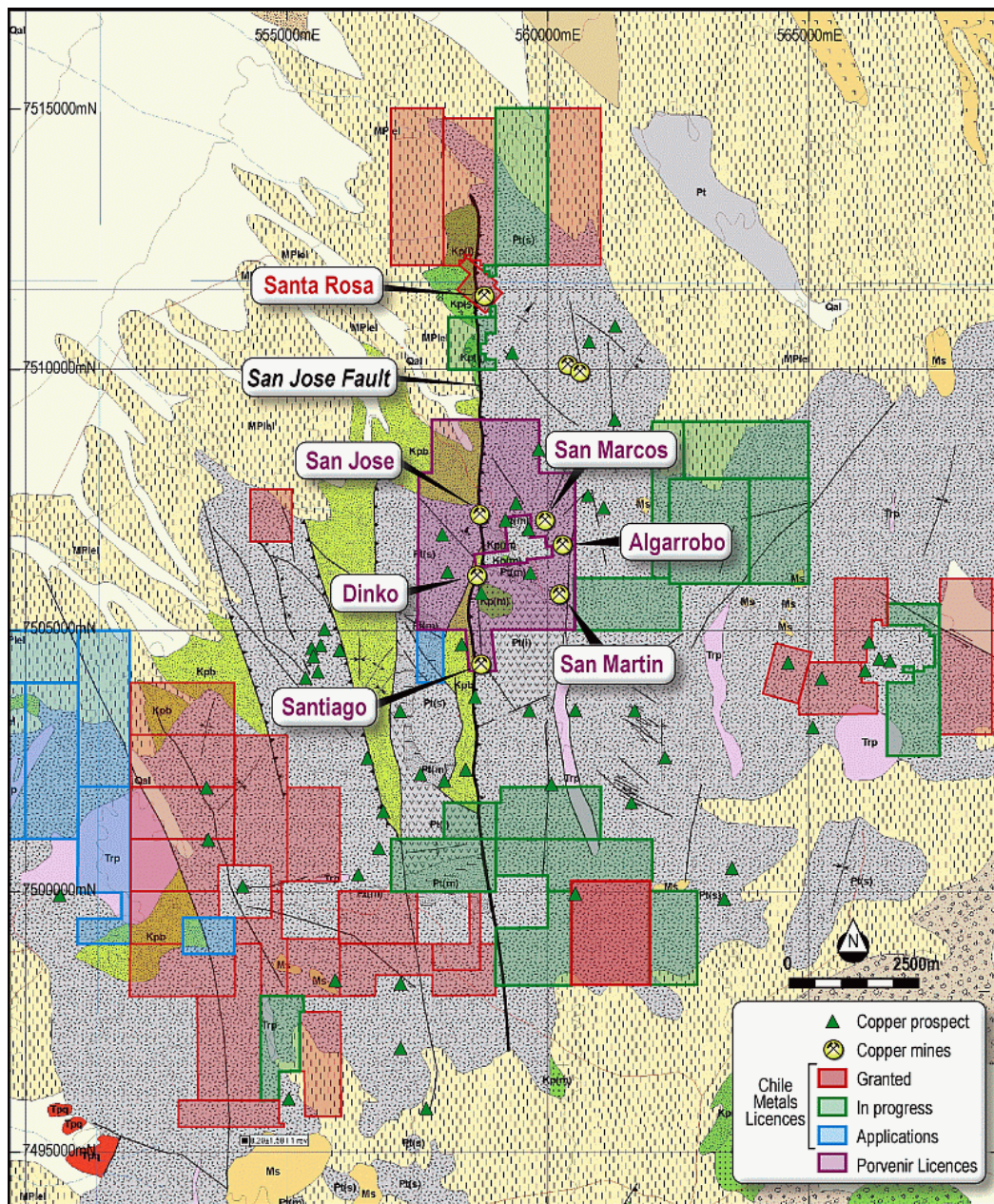


Figure 1 Location of concessions under non-binding Option agreements to RMG



Figure 2 Copper oxide mineralisation in south wall of San José open pit



Figure 3 San José copper oxide pit looking north

During the quarter the results of a programme of rock chip sampling from the Chile Metals permits was announced (ASX release 12 April 2013). These rock chips identified significant copper mineralisation over 5 different mining leases with maximum values of 8.8%Cu and 120g/t Ag.

At the end of the Quarter the Company received a data package of 53Gb of exploration data including the results of 302 diamond and percussion drill holes from the Porvenir permits for evaluation. This review is in progress. RMG's senior geologists have been on site validating the Porvenir drill core geology and drill hole collars. During the site visits another open pit (San Marcos) was identified with significant widths of copper oxide mineralisation (Figure 4).

An EIS study¹ submitted to the Chilean Government in November 2007 presented a mine schedule and plan to mine 25-30 million tonnes of copper sulphide ore from the Porvenir permits by open pit and underground mining. This study and its results are yet to be confirmed by RMG.

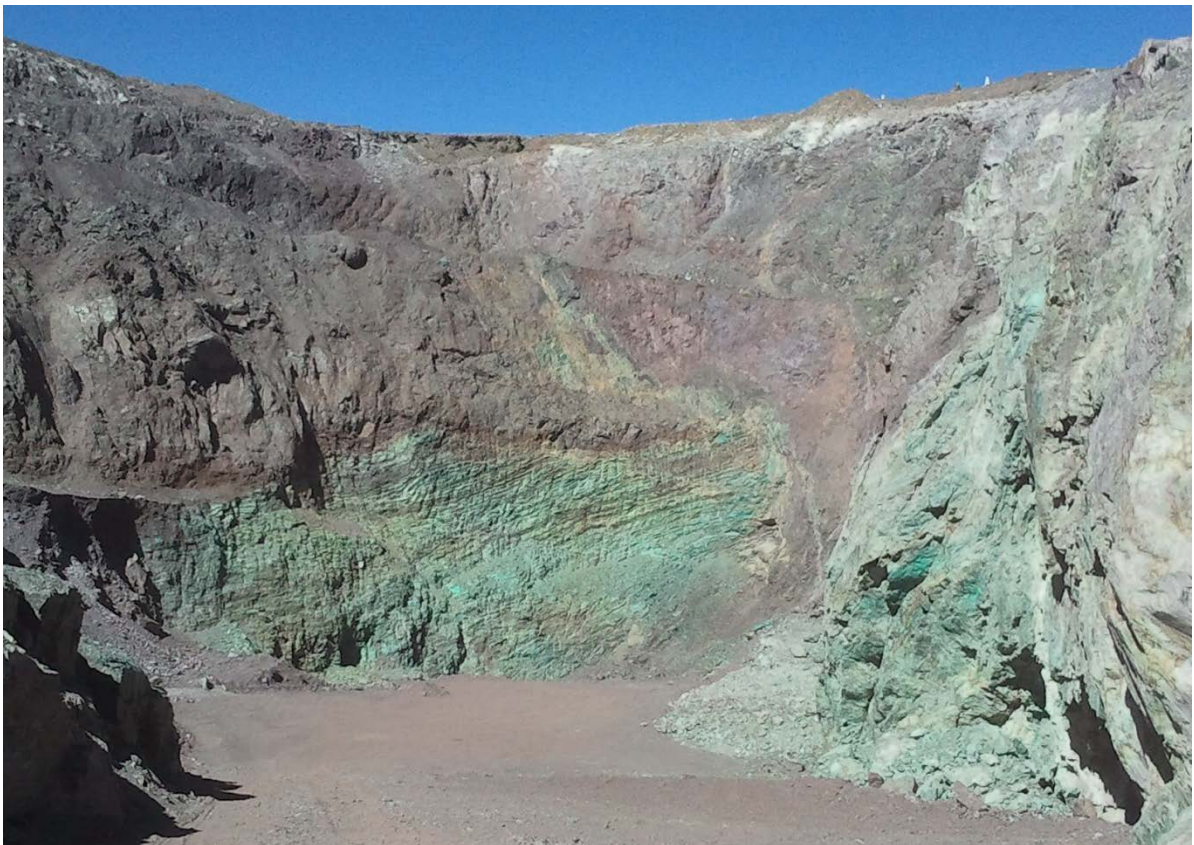


Figure 4 San Marcos copper oxide open pit

It is clear that there are numerous copper oxide pits in the Tuina area within the Chile Metals and Porvenir permits. The total resource on many of these oxide zones has not been

¹ http://www.e-seia.cl/archivos/DIA_Ampliacion_y_Desarrollo_TUINA.pdf

well defined as a result of the under-capitalised ownership (i.e. no drilling, and no major pit-wall cut-backs undertaken). Any development of these copper oxide zones is facilitated by an established toll copper oxide acid leach plant that is operating approximately 30kms distant.

An early cash flow opportunity is to drill and develop one or more of the oxide copper resources.

In general, RMG's objective is to

- assess the remaining opportunity for copper oxide resources
- establish a significant copper sulphide flotation plant and thereby capture all sulphide mining in the well mineralised Tuina District

Kamarga Copper – Queensland

On 19 June 2013 RMG released the news of a 20km long copper target within the Kamarga copper Project area. Figure 5 shows the soil sample locations and the copper anomalies. The soil samples confirm the copper anomalism of the stream sediment anomalies and in particular highlight a significant copper anomaly along the base of the Gunpowder Sandstone unit zone over a strike length of 20kms.

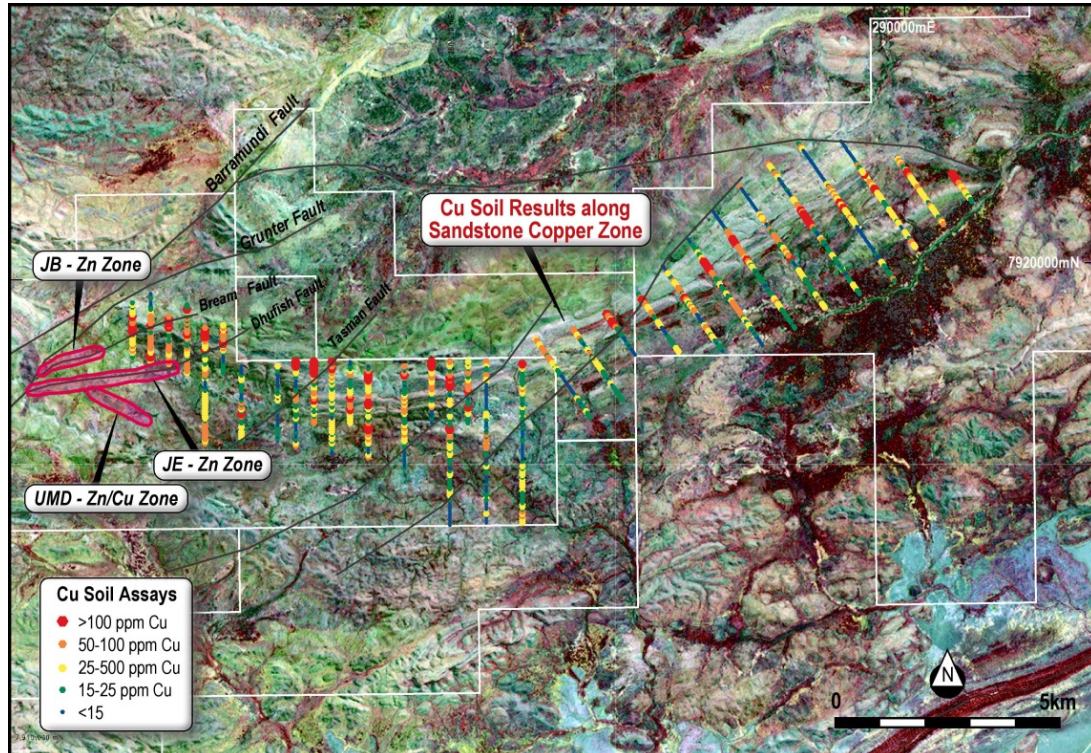


Figure 5 Kamarga sandstone copper target over 20kms

The sandstone hosted copper occurrences are considered by the Australian Government Geological Survey² and the Queensland Government Geological Survey³ to have affinities with the Zambian Copper Belt from both a mineralisation style and stratigraphic similarities.

Kamarga Zinc – Queensland

The Kamarga zinc Project is located 20kms southeast of the world class Century Zn-Pb mine in north-west Queensland. Century is the world's second largest producer of zinc concentrate and is scheduled to cease production in 2016⁴.

During the Quarter the Company completed another programme of heavy density test-work on the Kamarga zinc mineralisation at the JB zone with ALS-AMMTEC in Perth. Previous heavy liquid separation (HLS) test work results were reported on 23 January 2013.

The metallurgical test work is proposed to review the efficacy of sorting the crushed material by density contrast and achieve an upgrading of the lower grade material to enhance the possible economics of the project.

Heavy Liquid Separation Test Work

ALS-AMMTEC composited the half HQ core intervals from HQ diamond drill hole JB017 from 201.5m to 208.5m down-hole, a total of 14 samples for 29.1kgs of material. The drill hole was completed in 2012 and has been held under cold storage at ALS pending the test work. The calculated grade of the composite is 2.60%Zn, 0.92%Pb, 3.54g/t Ag and was crushed to 100% passing 22.5mm. The average grade of the composite is believed to fairly represent a grade control mining parcel of ore from the JB mineralisation.

Heavy liquid with a density of 3.0 t/m³ was then added to the composited sample and the mass of material that floated and sank was weighed and assayed.

Figure 6 is a summary of the HLS test work results. The table indicates that at a coarse crush size of 22mm, 17% of the rock can be separated based on a density of 3.0 and this material contains 85% of the zinc metal with a grade of 11% Zn.

The test work suggests that it is possible, subject to further test work, that the 2.6% Zn head grade may be able to be upgraded to a >10% Zn head grade through the use of a heavy media separation circuit in a processing plant prior to grinding and flotation. Further test work is required to optimise sample selection and crusher sizing to optimise zinc and lead recovery.

²http://dbforms.ga.gov.au/pls/www/geodx.strat_units.def?strno=17551&stratname=Surprise%20Crek%20Formation

³ Mines and Mineralisation of the Lawn Hill Map Sheet, 1999/5; Denaro, Culpeper, Morwood, Burrows

⁴ <http://www.mmg.com/en/Our-Operations/Mining-operations/Century/Mine-closure-planning.aspx>

CUMULATIVE SUMMARY OF HLS RESULTS BASED ON SG: P100 22mm							
Product	Weight	LEAD		ZINC		SILVER	
	% Dist. Relative to Size Fractions	Grade (%)	% Dist. Relative to Total -22mm Feed	Grade (%)	% Dist. Relative to Total -22mm Feed	Grade (g/t)	% Dist. Relative to Total -22mm Feed
SG +3.0	17.4	1.36	89.1	11.2	85.2	9.07	83.3
SG +2.85	33.7	0.72	91.5	6.33	93.0	5.04	89.5
SG +2.7	98.4	0.25	93.9	2.29	98.4	1.84	95.3
SG -2.7	99.5	0.25	94.3	2.28	98.7	1.83	95.8

Figure 6 Table of test work results to upgrade zinc grades

The Company believes that its exploration activities have confirmed the significant copper and zinc endowment of the Kamarga Project and affirm its commitment to continue to build the resource base with the objective of eventual economic exploitation.

To this end, RMG has continued to acquire vacant land opportunities in the Kamarga district to enhance its holding of the prospective geologic areas for both copper and zinc mineralisation. RMG now holds or has rights to over 390 sq. kms of EPM's at Kamarga (see ASX release 19 June 2013).

The Company's permits comprising the Kamarga Project are now divided between those held 100% by RMG (EPM19172) those held under option from Teck Australia Pty Ltd ("Teck") (EPM14309) and those still in application (EPM's 19675, 25174, 25191).

Forward Programs

Chile - Tuina

The Company is currently completing its due diligence and working towards completing the formal agreements with Chile Metals Ltda and Porvenir S.C.M. Once these have been completed, the Company intends to commence drill hole planning to confirm the best copper targets within the Tuina permit portfolio.

The Company is also continuing to engage in discussions with other permit holders in Chile with prospective copper, copper-silver and copper-gold targets.

Queensland - Kamarga

Further field work at the Kamarga Project has been postponed in preference to work at Tuina. All tenements within the Kamarga project are in good standing and will be maintained.

The Company continues to be engaged in discussions with potential partners for the Kamarga Project to provide additional funding to advance the project to its next stage of development.

Tasmania - McLeans Creek

A review of this project w.r.t market conditions indicates that the Company may look at obtaining a partner or divestment.

Corporate and Finance

The Company has \$1,992,246 in cash and bank deposits at the end of the quarter.

Chile Metals and Porvenir Agreements

The due diligence ("DD") work for the Chile Metals Agreement has identified three issues for amending the binding agreement.

1. The Morro del Inca permit has been granted to a competing applicant for the same area and has been removed from the Agreement.
2. Deep hole RC drilling at Santa Rosa undertaken in 2008 was discovered, the results of which were not encouraging (albeit poor sample quality from long RC holes is suspected but not recorded). As a result, RMG can no longer justify an immediate drilling programme at Santa Rosa. RMG will continue to review the extensive Chile Metals portfolio of permits to re-prioritise the exploration targets given the excellent results of the rock sampling and reconnaissance work (ASX Release 12 April 2013).
3. The DD also identified that Chile Metals personnel have a business relationship with a Chilean company that holds significant interests in the Tuina District. As a result, Chile Metals has facilitated RMG executing a Memorandum of Understanding with Porvenir S.C.M. (ASX Release 5 June 2013).

As a consequence, the agreement between Chile Metals and RMG has been amended for RMG to expend \$15million expenditure over 10 years on both Porvenir and Chile Metals permits without any fixed schedule of expenditure. The \$15million expenditure commitment will include all acquisition costs, including the Porvenir acquisition costs. In addition, once the Chile Metals Agreement is executed, RMG will immediately hold an interest in 75% of the Chile Metals permits conditional upon meeting the expenditure commitment.

The heads of agreement between RMG and Chile Metals required various conditions to be completed by 22 June 2013. Whilst certain of the conditions have been met, the parties have agreed to extend the period to complete the remaining condition, an amended binding agreement, by two months to 22 August 2013.

The DD work on the Porvenir assets has identified a number of encumbrances registered on the mining titles from previous mining agreements. These are all in the process of being removed, and our legal team advises us that at this stage there does not appear to be any impediment to their removal from the titles. To date, the Porvenir DD process has not identified any matters requiring amendments to the MOU (ASX release of 5 June 2013) other than extension of the term of the MOU to 30th September 2013 to enable removal of the encumbrances.

The Board expects to execute both binding agreements in the September Quarter.

Ends

For further information please contact:

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Competent Persons Statement

The data in this report that relates to Exploration Results, Exploration Targets, and Mineral Resources are based on information compiled by Mr Peter Rolley who is a Member of The Australian Institute of Geoscientists (MAIG) and who has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity 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 (the "JORC Code 2004"). Mr Rolley is a shareholder and an Executive Director of RMG Ltd and he consents to the inclusion of the information in the form and context in which they appear.

Forward Looking Statements

This document may include forward looking statements. Forward looking statements include, but are not necessarily limited to, statements concerning RMG Limited's planned exploration programme and other statements that are not historic facts. When used in this document, the words such as "could", "indicates", "plan", "estimate", "expect", "intend", "may", "potential", "should" and similar expressions are forward looking statements. Such statements involve risks and uncertainties, and no assurances can be provided that actual results or work completed will be consistent with these forward looking statements.