



31 October 2011

Companies Announcements Office
Australian Securities Exchange

ELS 30 2011

SUCCESSFUL CAPITAL RAISING

RMG Limited (ASX: RMG), Perth-based base metals explorer, today announced it has placed 240 million shares and 240 million free attaching options to a range of existing and new investors to raise \$2,400,000 before expenses. Proceeds from the issue will be used to advance work on the Company's exciting Kamarga base metal prospect in North Queensland.

The share placement was made to sophisticated investors from Australia and overseas. The Company will issue 240 million shares at one cent (\$0.01) each with a free attaching option exercisable at two cents (\$0.02) on or before 30 April 2014.

Forrest Capital and CPS Securities jointly arranged the capital raising.

The placement will be completed in two stages. RMG will immediately issue 75m new shares at \$0.01 each with a free attaching option raising \$750,000 before costs pursuant to ASX Listing Rule 7.1 (Tranche 1 Securities). The balance of the placement of 165 million shares and free attaching options (Tranche 2 Securities) will be subject to shareholder approval at a general meeting to be held on or about 12 December 2011. The shares will rank equally with all current shares on issue and application for quotation of the shares will be made. Following general meeting approval for the second part of the issue, application will be made for listing of the two cents (\$0.02) option class.

RMG Chairman, Robert Kirtlan, said "We are pleased to have completed this raising with strong support from existing and new shareholders.

The funding allows us to aggressively progress work programs at RMG's exciting Kamarga project in Queensland. Our recent drilling has yielded excellent results and underpin our belief Kamarga has excellent potential to prove a viable zinc-lead deposit.

With the extra capital we will continue drilling until the upcoming wet season forces camp closure and we will then, subject to sufficient results, be looking to generate a resource over the early summer period prior to recommencing work at commencement of the next dry season."

An Appendix 3B will be lodged upon completion of final acceptances.

Further announcements of drilling results will continue to be issued upon receipt of results.

ENDS

For further information please contact:
Mr Robert Kirtlan - Chairman
+61 8 9381 1177