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Companies Announcements Office
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KAMARGA DRILLING UPDATE
ZINC ZONE EXTENDED

Highlights

- The JB zinc zone is now confirmed by RMG drilling to be 600m along strike and 100m in width, and open in both dimensions.
- Review of historical drilling indicates the JB zinc zone may continue for over 1,500 metres in length, and 200m in width. Further drilling is required to confirm these extents.
- Best intercept[1] in JB014 is;
    - 6m @ 5.08%Zn, 0.79%Pb, 4g/tAg (5.9%Zn+Pb) from 223m downhole (190m vertical)
- Best intercept in JB006 is;
    - 6m @ 6.73%Zn, 0.30%Pb, 1g/tAg (7.0%Zn+Pb) from 334m downhole (290m vertical)
- RMG has commenced compiling all the RMG and historical drill hole results into a 3D model. The results of this compilation and modelling are expected to be available in early 2012.

[1] Minimum 5m > 3%Zn+Pb, maximum 2m internal dilution. True width is unknown

Summary

The latest drilling results reported below, when plotted with the previously reported JB drill holes indicate the continuity of the higher grade zinc zones over a strike length of 600m and open along strike (Figure 1 and 2).

As reported in the ASX release of 26 October 2011, the historical Newmont (KD series) and Mt Isa Mines (BB series) diamond drill hole results are now being incorporated into the Kamarga project. These results indicate that the JB zinc mineralisation zone extends over 1,500 metres strike and over 200m in width, although further drilling is required to verify the continuity of higher grade mineralisation within this envelope. Figure 2 shows the long section of the JB zinc zone with both the RMG and the historical drill hole collars.

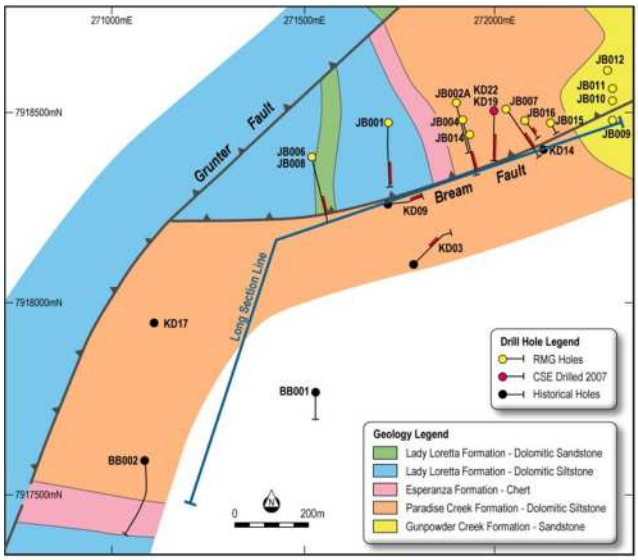

Figure 1 Location of Drill Holes

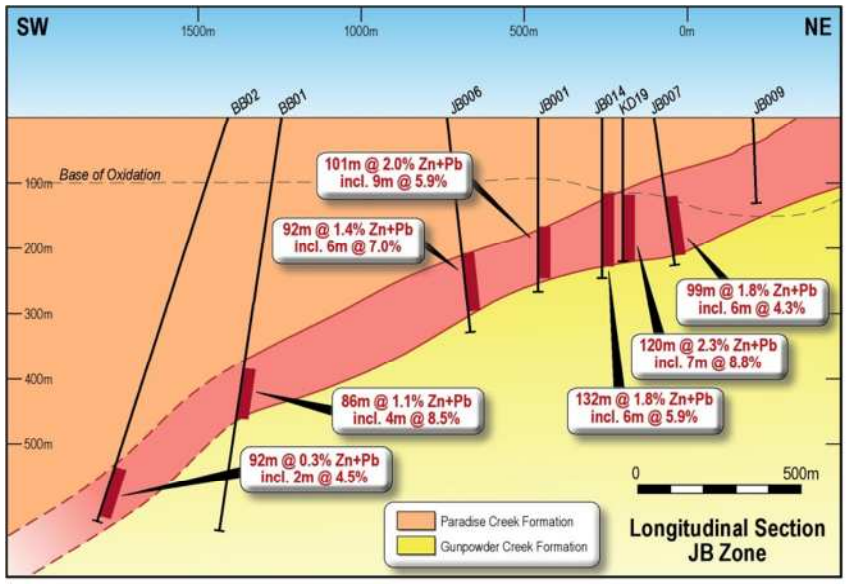

Figure 2 Longitudinal section along JB zinc zone (note 2:1 vertical exaggeration)

Table 1 presents the mineralised zone and all intercepts for the best drill hole on each section drilled by RMG along the JB zone. The distances between each section are shown in the long section (Figure 2). The Table shows the continuity of the core of the zinc mineralisation over a strike length of 600m and the continuity of a number of higher grade zones within the mineralised envelope.

Southern JB006 271535E	Central C JB001 271745E	Central B JB014 271940E	Central A KD19 271990E	Northern JB007 272080E
92m @ 1.4%Zn+Pb	101m @ 2%Zn+Pb	132m @ 1.8%Zn+Pb	120m @ 2.3%Zn+Pb	99m @ 1.8%Zn+Pb
Intercepts are;	Intercepts are;	Intercepts are;	Intercepts are;	Intercepts are;
3m @ 2.7%Zn+Pb	4m @ 5.4%Zn+Pb	6m @ 3.3%Zn+Pb	2m @ 5.8%Zn+Pb	2m @ 14.6%Zn+Pb
9m @ 2.5%Zn+Pb	2m @ 4.6%Zn+Pb	3m @ 3.7%Zn+Pb	10m @ 3.4%Zn+Pb	6m @ 4.3%Zn+Pb
3m @ 3.0%Zn+Pb	9m @ 5.9%Zn+Pb	3m @ 4.1%Zn+Pb	7m @ 8.8%Zn+Pb	2m @ 5.9%Zn+Pb
6m @ 7.0%Zn+Pb	2m @ 7.9%Zn+Pb	6m @ 5.9%Zn+Pb	2m @ 8.4%Zn+Pb	6m @ 3.1%Zn+Pb
8m @ 3.0%Zn+Pb	4m @ 4.0%Zn+Pb	3m @ 6.1%Zn+Pb	3m @ 6.4%Zn+Pb	2m @ 4.6%Zn+Pb
	3m @ 10.3% Zn+Pb	3m @ 7.3%Zn+Pb	3m @ 9.1% Zn+Pb	3m @ 8.7%Zn+Pb

Table 1 The major RMG intercept on each cross section through JB zinc zone

Kamarga Project

RMG Ltd commenced drilling at the Kamarga Zinc project in northwest Queensland in late July. Drilling has now been completed and sites rehabilitated in preparation for the northern Australia wet season.

The Kamarga Project is located 20kms southeast of the world class Century Zn-Pb mine. Century is the world's second largest producer of zinc concentrate (Figure 3).

Kamarga was explored during the 1970's and 1980's by several companies including Newmont, CRA, North Mining and MIM. The earlier explorers reported an exploration target[2] of 5-15Mt @ 5-10% Zn[3]. The prospect has had little work since the 1990's.

[2] The potential quantity and grade is conceptual in nature as there has been insufficient exploration to define a Mineral Resource, and it is uncertain if further exploration will result in the estimation of a Mineral Resource. The information relating to exploration targets should not be misunderstood or misconstrued as an estimate of Mineral Resources or Ore Reserves.

[3] The conceptual size of the target is referenced in Jones et al, 1999; The Kamarga Deposit. In Mineral Deposits: Processes to Processing, Stanley et al (eds). pp873-876

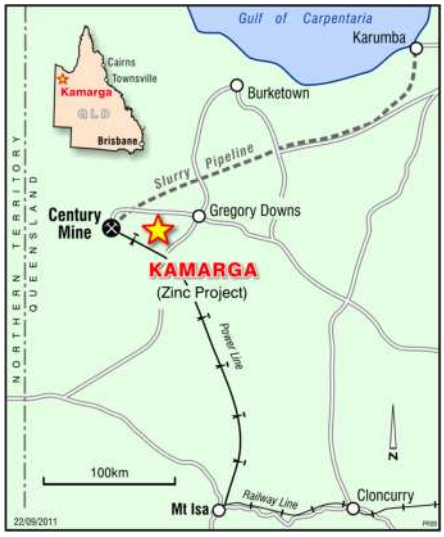

Figure 3 Location of Kamarga Project

RMG Drilling

RMG has completed drilling seventeen holes at the JB zinc prospect. Table 2 presents all the drill hole collar details from the beginning of the programme in July 2011. Figure 1 is a plan view of the drill hole collars.

Results from JB001 to JB005 and JB007 were reported in ASX releases dated September 28th 2011 and October 26th 2011. Results from JB006 to JB016 are reported below. These holes show that the zinc mineralisation extends for a minimum of 600m along strike and is still open along strike to the north-east and to the south-west.

Drill Hole ID	Easting	Northing	Elevation	Dip	Azimuth	RC	EOH	Comment
JB001	271721	7918465	177	-60	160	120	311.3	Full JB Zinc intercept
JB002	271892	7918519	185	-60	152	108	180.5	Abandoned
JB002A	271902	7918519	182	-60	160	133	267.4	Terminated early
JB003	272082	7918619	180	-60	160	87.6	159.6	Abandoned
JB004	271915	7918474	181	-60	161	97	299.8	Full JB Zinc intercept
JB005	272062	7918573	180	-60	160	73	73	Abandoned
JB006	271498	7918325	172	-60	160	102	380	Full JB Zinc intercept
JB007	272026	7918510	177	-60	145	30	272.9	Full JB Zinc intercept
JB008	271499	7918326	177	-85	175	108	345.3	Intersected FeS halo
JB009	272361	7918522	181	-90	0	130	130	Updip oxidised zone
JB010	272351	7918548	184	-90	0	130	130	Updip oxidised zone
JB011	272340	7918575	186	-90	0	130	130	Updip oxidised zone
JB012	272331	7918602	187	-90	0	77	76	Abandoned
JB013	271916	7918431	184	-60	160	29	29	Abandoned
JB014	271917	7918431	184	-60	160	108	285.9	Full JB Zinc intercept
JB015	272157	7918475	177	-80	140	90	128.6	Abandoned
JB016	272065	7918482	176	-80	140	90	226.2	Partial FeS halo

Table 2 All RMG drill hole collar details

JB006 (Figure 4)

- 92m at 1.3%Zn, 0.1%Pb (1.4%Zn+Pb) from 235m downhole (205m vertical)
- All intercepts in JB006 are;[4]
    - 3m @ 2.67%Zn, 0.01%Pb, 1g/tAg (2.7%Zn+Pb) from 235m
    - 9m @ 2.31%Zn, 0.14%Pb, 1g/tAg (2.5%Zn+Pb) from 293m
    - 3m @ 2.95%Zn, 0.06%Pb, 1g/tAg (3.0%Zn+Pb) from 311m
    - 6m @ 6.73%Zn, 0.30%Pb, 1g/tAg (7.0%Zn+Pb) from 334m
    - 8m @ 2.76%Zn, 0.28%Pb, 1g/tAg (3.0%Zn+Pb) from 353m
    -

JB008 (Figure 4)

JB008 intersected a copper sulphide zone of mineralisation as reported in ASX release dated 7 December 2011. The hole intersected a strongly veined and brecciated sequence of dolomitic siltstones with attendant chalcopyrite, bornite and chalcocite mineralisation (>500ppm Cu) from 190m vertical depth over a down-hole width of 39 metres. As previously reported, all copper intercepts are shown in Table 3[5]. The geologic logging of the drill hole suggests that the copper mineralisation is related to the nearby Grunter Fault and that it is overprinting the zinc-lead mineralisation.

There are no significant zinc intersections in JB008 that meet the reporting criteria. Drill hole JB008 intersected the pyrite replacement zone adjacent to the Bream and Grunter Faults that has resulted in depleted zinc and lead values.

HoleId		From	To	Width	Cu%	Ag g/t
JB008		195	234	39	0.24	5
	including	198	204	6	1.05	10

Table 3 Copper results from JB008

JB009, JB010, JB011, JB012

These are all vertical RC percussion holes along the northern up-dip extension of the zinc mineralised zone. These drill holes were designed to test the zinc mineralisation within 50m of surface. All holes intersected oxidised mineralisation with zinc values between 0.1%Zn and 0.8%Zn. These results reflect the strong acid leaching of the zinc and lead mineralisation by the oxidation of the attendant pyrite.

There remains 250 metre strike length between the mineralised drill hole JB007 and these RC Percussion holes, that has not been tested by drilling in 2011.

[4] Minimum 2m > 3%Zn+Pb, maximum 2m internal dilution. True width is unknown.
[5] Intercept is greater than 0.5%Cu over > 3m with < 2m internal dilution. True width is unknown.

JB013, JB015

Hole JB013 was abandoned due to bogged drill rods and was redrilled as JB014. Drill hole JB015 was abandoned due to cavernous ground similar to JB003 and JB005.

JB014 (Figure 5)

- 132m @ 1.52%Zn, 0.25%Pb (1.8%Zn+Pb) from 137m downhole (112m vertical)
- All intercepts in JB014 are;
    - 6m @ 2.97%Zn, 0.29%Pb, 1g/tAg (3.3%Zn+Pb) from 178m downhole
    - 3m @ 3.65%Zn, 0.04%Pb, 1g/tAg (3.7%Zn+Pb) from 207m downhole
    - 3m @ 3.33%Zn, 0.73%Pb, 1g/tAg (4.1%Zn+Pb) from 212m downhole
    - 6m @ 5.08%Zn, 0.79%Pb, 4.0g/tAg (5.9%Zn+Pb) from 223m downhole
    - 3m @ 5.71%Zn, 0.41%Pb, 4.7g/tAg (6.1%Zn+Pb) from 243m downhole
    - 3m @ 4.43%Zn, 2.88%Pb, 3.0g/tAg (7.3%Zn+Pb) from 259m downhole

JB016 (Figure 6)

- 61m @ 0.8%Zn, 0.16%Pb (1.0%Zn+Pb) from 130m downhole (125m vertical)
- Intercepts in JB016 are;
    - 3m @ 4.43%Zn, 0.70%Pb, 1g/tAg (5.1%Zn+Pb) from 179m downhole
    - 2.5m @ 5.06%Zn, 1.24%Pb, 1g/tAg, (6.3%Zn+Pb) from 188.5m downhole

Proposed Exploration Activities

RMG has commenced compiling all the RMG and historical drill hole results into a 3D model for identifying the next programme of drilling. The results of this compilation and modelling are expected to be available in early 2012.

The copper mineralisation reported in ASX release of 7 December 2011 will also be compiled in anticipation of a new drilling programme.

Several drilling contractors have been approached for expressions of interest in re-commencing drilling at Kamarga as soon as the wet season concludes, possibly in mid April 2012.

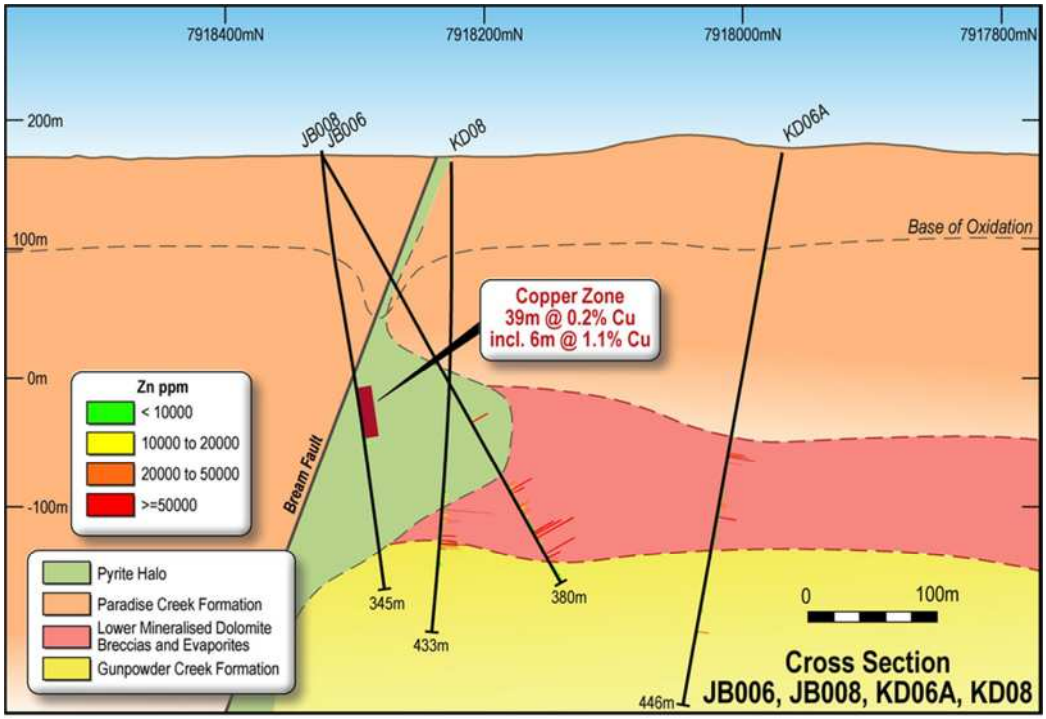

Figure 4 Cross section JB006 and JB008

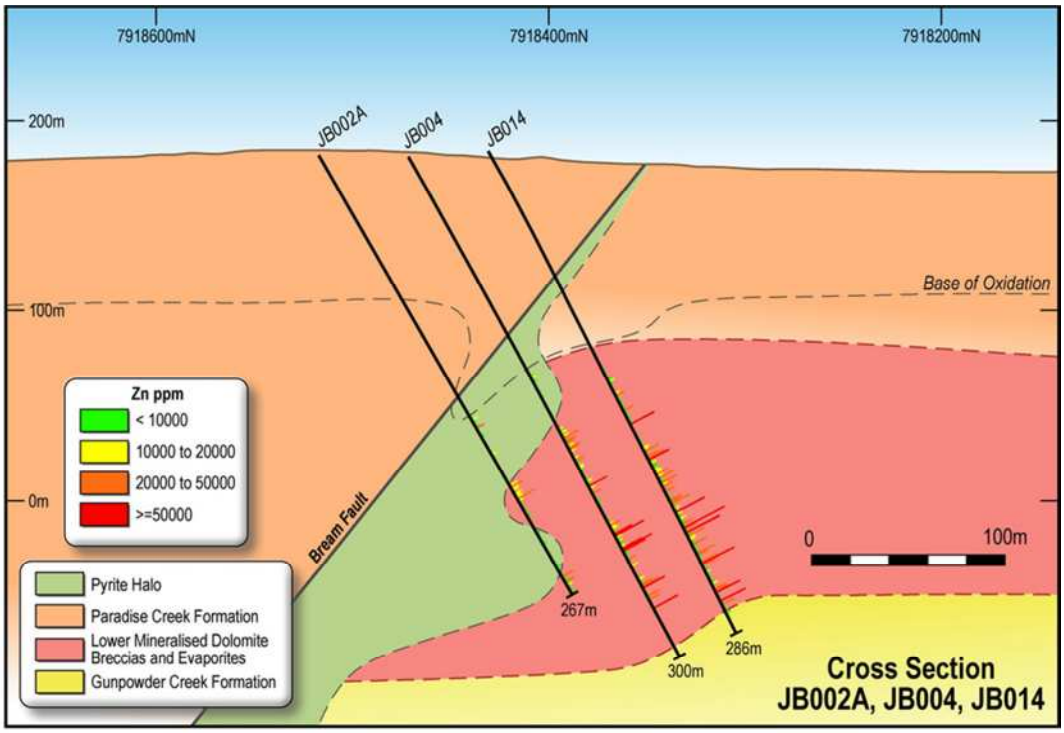

Figure 5 JB002A, JB004 and JB014 cross section

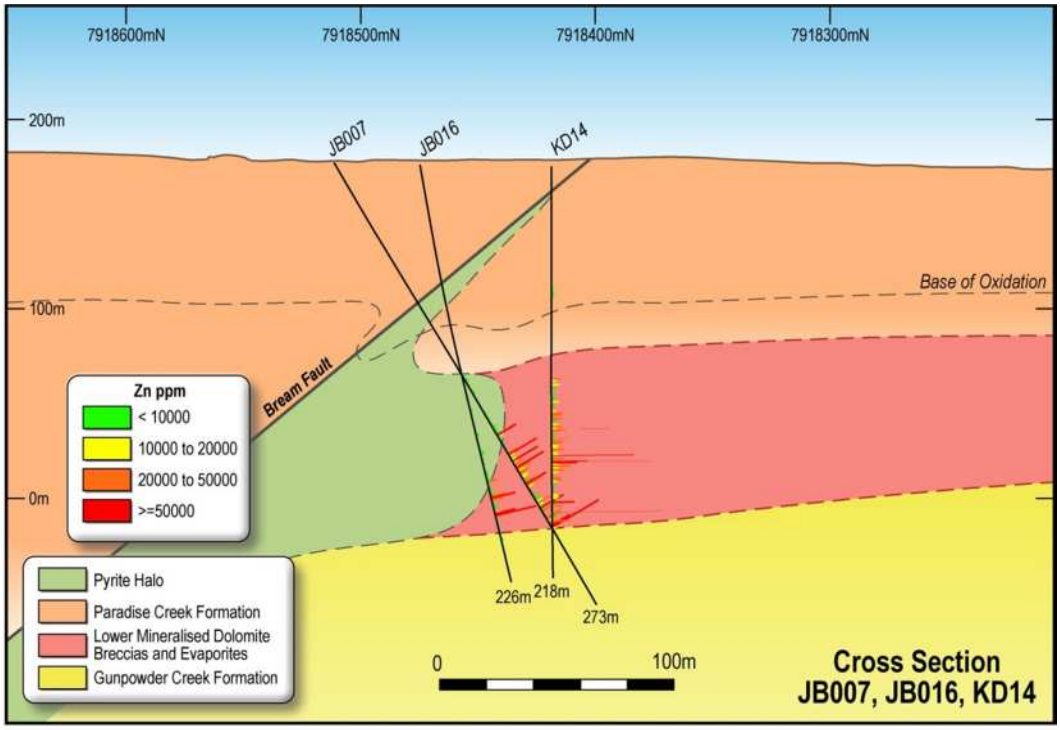

Figure 6 JB007, JB016 and KD14 cross section

Figure 7 Drill core of zinc mineralisation from JB001

The Company has an exclusive right to earn up to 100% of the Kamarga zinc project from Teck Australia Pty Ltd subject to certain back-in rights (see release dated March 18, 2011).

For further information, visit the website www.rmgltd.com.au or please contact:

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Note: Intervals presented are downhole. True widths are unknown. All samples are from NQ diamond drill core, sawn in half, from intervals of 1.0m in length. Drill core recovery from all sampled intervals is >98%. Drill holes are surveyed down hole by Eastman camera and drill core has been oriented where possible. Sample preparation undertaken by Bureau Veritas (AMDEL) in Mount Isa and chemical analysis by Bureau Veritas (AMDEL) in Adelaide. Elements determined by 4-acid digest and ICP-OES finish. QA/QC includes blanks and standards provided by Geostats Pty Ltd. Collars have been located by hand held GPS and reported in WGS84 Zone 54S.

Competent Person Statement

The information relating to Exploration Results is based on information compiled and reviewed by Mr. Peter Rolley, who is a Member of the Australasian Institute of Geoscientists. Mr Rolley is self-employed and provides consulting services to RMG Ltd.

Mr. Rolley has sufficient experience which is 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'. Mr. Rolley consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

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.