



19 June 2013

Companies Announcements Office  
Australian Securities Exchange

## **COPPER TARGET OVER 20 KILOMETRES AT KAMARGA - QUEENSLAND**

RMG Limited (ASX:RMG) ("RMG" or "the Company") is pleased to report the identification of a 20 km long copper target at Kamarga in north-west Queensland from its soil sampling and mapping programmes.

### **Introduction**

RMG is very pleased to announce the results of its recent soil sampling programme at Kamarga in north-west Queensland. These results confirm the potential of the sandstone hosted copper zone that was first reported in the Company's ASX release of 6 December 2011 (also termed the Torpedo Copper Zone in previous images and documents).

The location of the Kamarga area is shown in Figure 1, and Figure 2 shows the current extent of its Exploration Licence holdings ("EPM's") within the Kamarga area. 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.

The Company's permits at Kamarga are now divided between those held 100% by RMG and those held under option from Teck Australia Pty Ltd ("Teck"). The 20 kilometre long sandstone copper target is divided approximately equally between Teck and RMG permits.

### **Soil Sample Programme**

RMG completed a soil sampling programme on an 800m by 50m grid over selected areas within the Kamarga area, focusing along the Gunpowder Creek Formation. The soils were collected by RMG from approximately 10cm depth and sieved in the field to 2mm. The assay lab dried and sieved to <math> < 212\mu\text{m}</math>. A 2g aliquot was digested in aqua regia and analysed by ICP-MS. Certified blanks and standards were submitted in a ratio of 1:20.

Figure 3 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. Peak value is 445ppm Cu.

The soil sample results confirm the previously reported copper anomalies of the stream sediment sample programme. The soils confirm that the areas of greater interest in the Sandstone Copper zone are located at structural complex zones along the basal sandstone units. Further soil sampling and mapping is required at several zones of interest. One zone followed up with reconnaissance mapping revealed extensive malachite (copper oxide) staining over several metres. This zone is observed intermittently over a strike length of 20 kms.

Figure 4 is a photo of the outcropping mineralisation with malachite staining and Figure 5 is close up of the mineralised outcrop.

### **Historical Exploration**

In the 1970's CRA and Newmont recognised the sandstone hosted copper mineralisation and undertook the stream sediment sampling programme previously reported. In the same era, Newmont drilled four open hole percussion holes to a depth of 30m below surface to test the sandstone hosted copper zone at 4 locations accessible at the time, near to the Tasman Fault shown in Figure 3. The results of these holes are not reportable to the public as we cannot verify hole locations, sample integrity or representivity, or assay precision or accuracy. Delta Gold also drilled 2 percussion holes in 1993. Teck have not undertaken any field work on the copper targets at Kamarga.

In our view, all previous drill holes and resultant samples were poor quality or not optimally sited for testing the large lateral extent of the sandstone hosted copper mineralisation.

### **Geology**

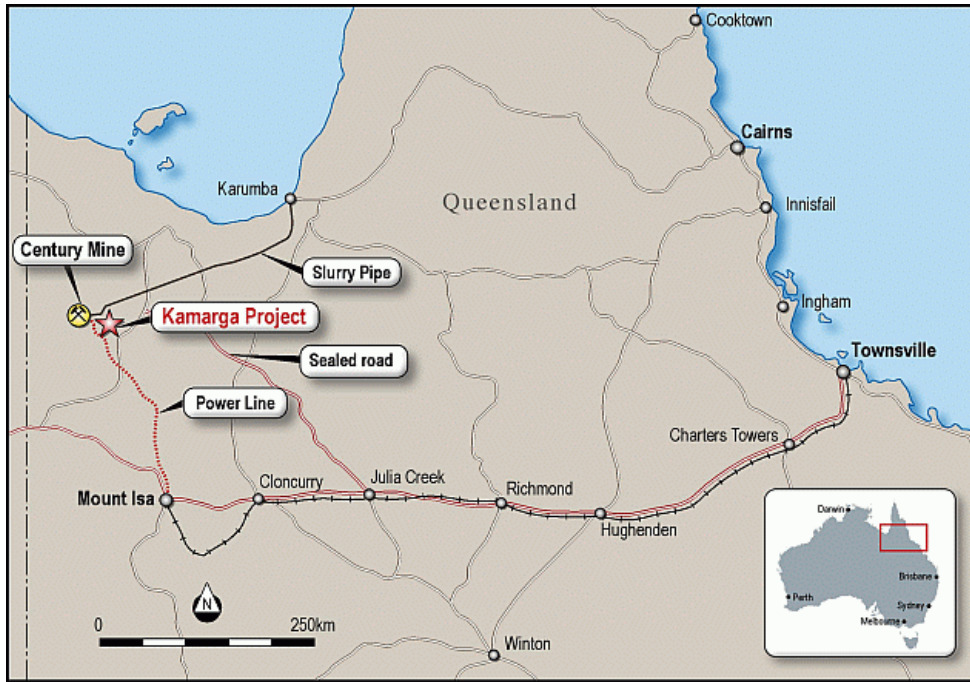
The Gunpowder Formation is a mid-Proterozoic sequence of shales, sandstones, arkosic sandstones and siltstones, and dolomitic siltstones. In the vicinity of the Kamarga Sandstone Copper Zone the mineralised units dip around 20deg to the south and south-east. The mineralised sandstones are overlain by a sequence of shales and underlain by an extensive thickness of basalts.

The sandstone hosted copper occurrences are considered by the Australian Government Geological Survey<sup>1</sup> and the Queensland Government Geological Survey<sup>2</sup> to have affinities with the Zambian Copper Belt from both a mineralisation style and stratigraphic similarities.

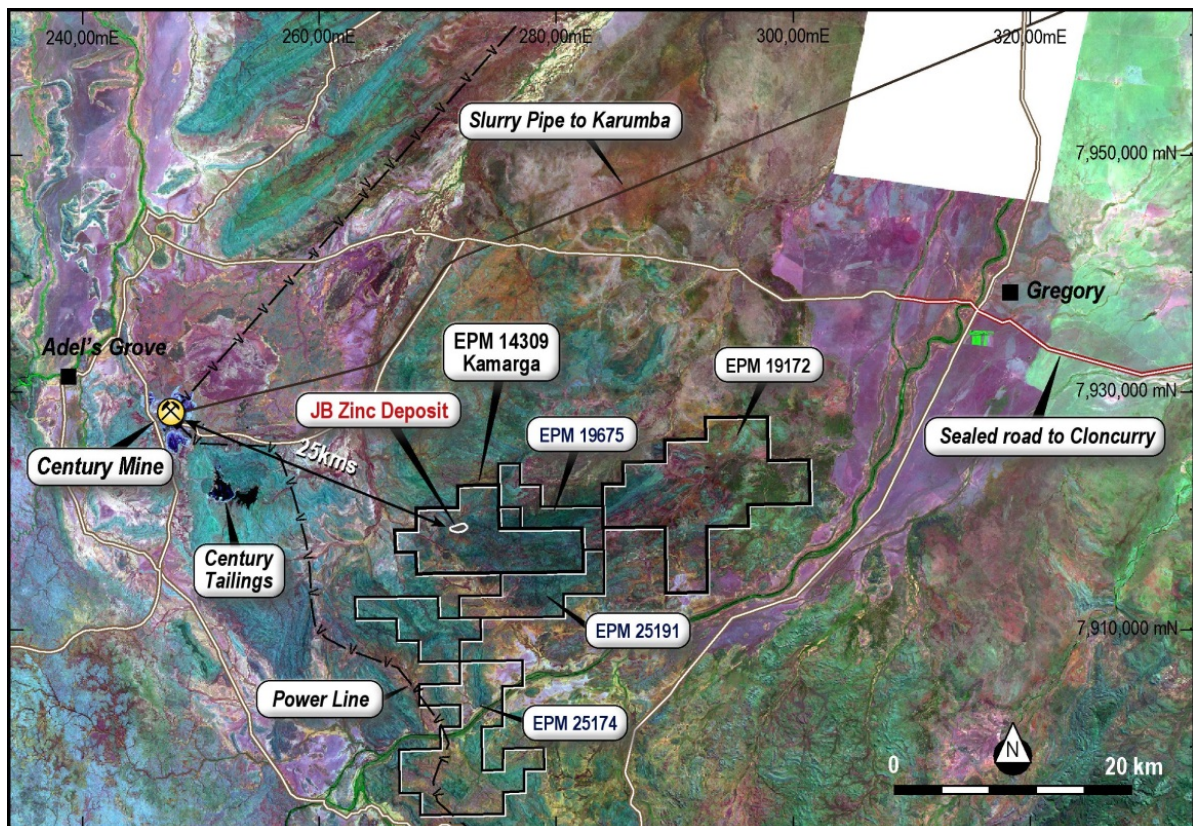
---

<sup>1</sup>[http://dbforms.ga.gov.au/pls/www/geodx.strat\\_units.def?strno=17551&stratname=Surprise%20Creek%20Formation](http://dbforms.ga.gov.au/pls/www/geodx.strat_units.def?strno=17551&stratname=Surprise%20Creek%20Formation)

<sup>2</sup> Mines and Mineralisation of the Lawn Hill Map Sheet, 1999/5; Denaro, Culpeper, Morwood, Burrows



**Figure 1 Location plan of Kamarga Project**



**Figure 2 Extent of RMG licences at Kamarga**

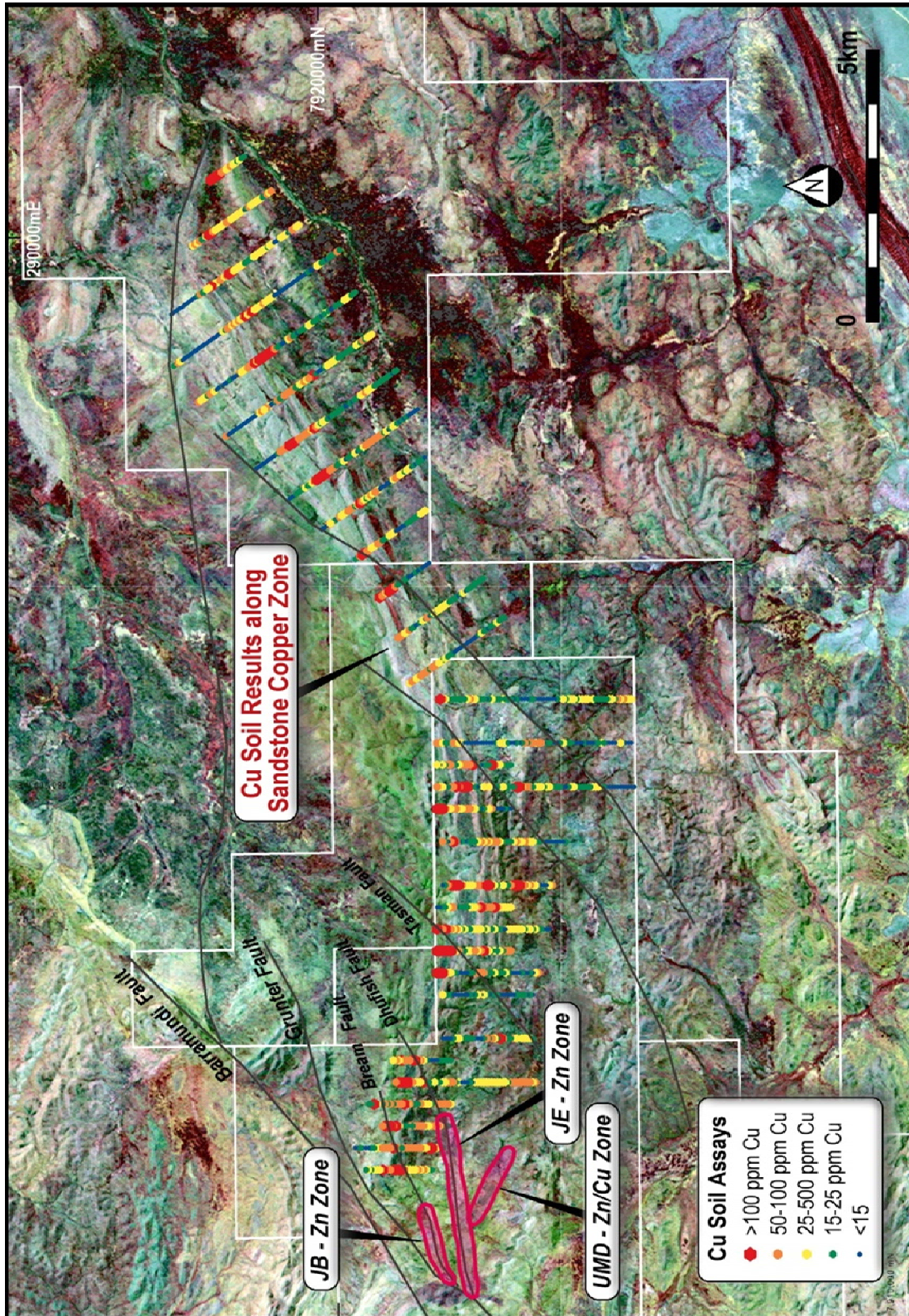


Figure 3 Plan of soil sample results, showing copper grades



**Figure 4 Outcrop of copper mineralisation**



**Figure 5 Close up of copper mineralisation**

## Summary

In conclusion, the Sandstone hosted copper target

- ✿ extends over a distance of 20 kilometres
- ✿ The soil sampling has not been infilled to identify the better zones of mineralisation
- ✿ There is no ground geophysics to identify the best sulphide sections at depth
- ✿ Airborne EM mapping has identified a number structural positions coincident with the sandstone hosted copper target that require detailed sampling and mapping
- ✿ Historical drilling has been inadequate and of poor quality
- ✿ The majority of the sandstone hosted mineralisation has not been drill tested at all
- ✿ It is a very large mineralised system with a large amount of copper metal evident

For further information, visit the website [www.rmgltd.com.au](http://www.rmgltd.com.au) or please contact:

**Rob Kirtlan**  
**Executive Chairman**  
**Tel: +61 (8) 9381 1177**

**Peter Rolley**  
**Executive Director and Chief Geologist**

### *Competent Person Statement*

*The information in this report that relates to Exploration Results and Exploration Targets is based on information compiled by Mr Peter Rolley, a Competent Person who is a Member of the Australian Institute of Geoscientists (MAIG). Mr Rolley has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken 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 an Executive Director and shareholder of RMG Ltd. Mr Rolley consents to the inclusion of the information in this report 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", "forecast", "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 undertaken or completed will be consistent with these forward looking statements.*