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Companies Announcements Office
Australian Securities Exchange

COPPER EXPLORATION TARGET ESTABLISHED IN CHILE

Highlights

- 🌟 Exploration Target¹ on the Porvenir ground of 30-50 million tonnes at 0.9-1.4% Cu, 8-11g/t Ag
- 🌟 The Exploration Target is based on previous exploration drill results and a robust geological interpretation
- 🌟 Compilation of the surface mapping, drilling, and surface geochemistry confirms strike extensive continuity of the copper mineralisation
- 🌟 RMG plans confirmatory drilling to endeavour to upgrade a portion of the Exploration Target to Indicated Resource as quickly as possible
- 🌟 Initial metallurgical test work is also planned to commence next quarter

RMG Limited (ASX:RMG) ("RMG" or "the Company") is pleased to announce that it has established an Exploration Target of 30-50 million tonnes at 0.9-1.4% Cu, 8-11g/t Ag along the main copper zones within the Porvenir concessions at Tuina in northern Chile.

The Exploration Target is based on RMG's geologic interpretation of the previous drilling (2004-2008) along the San José, Dinko and San Martin Fault zones. The geologic interpretation has then been extrapolated beyond the limit of the drilling along the San José, Dinko, and San Martin Fault zones for the distance shown to be mineralised by the surficial geological mapping and sampling.

¹ An Exploration Target is conceptual in nature and there has been insufficient exploration to estimate a Mineral Resource and it is uncertain if further exploration will result in the estimation of a Mineral Resource.

RMG Executive Director, Peter Rolley said “We believe the previous drilling results have demonstrated the strong continuity of the wide zones of manto-style copper-silver mineralisation along the major Fault zones and thereby justify the development of an Exploration Target to be drill tested.”

“In addition, our geologists have identified strong chalcocite and bornite copper mineralisation leading us to believe that the copper recovery and copper concentrate grades from the sulphide zones will be very positive features of the economics of the project. Metallurgical test work utilising the historic drill core is scheduled to commence in the next quarter.”

“The objective of these next two phases of exploration work planned at Tuina is to convert a portion of the Exploration Target to an Indicated Resource, and this work should commence as soon as drill rigs and site clearances are obtained later this year.”

“We are delighted by the opportunity to develop a copper-silver project at Tuina, only 50 kms from established infrastructure and services at the world class Chuquicamata copper mine. We note with excitement that the envisaged copper grade of the project is twice the grade of many struggling large capital cost porphyry copper projects, and this gives us great encouragement that we may be able to rapidly bring the project into production,” Mr Rolley concluded.

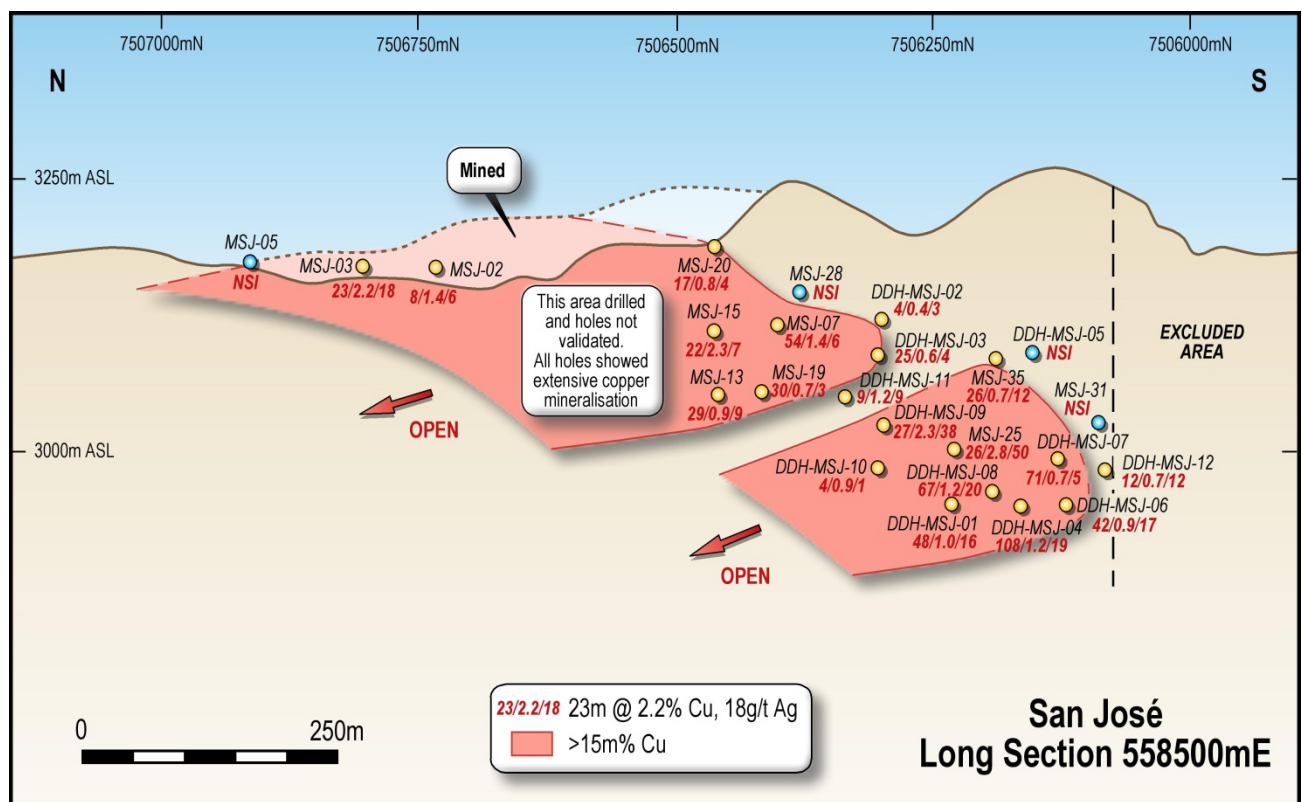


Figure 1 San José long section of interpreted mineralisation

Exploration Target

Geologic interpretation of the geology and metal grades from the 301 previous drill holes has resulted in 3D geologic and copper grade models of the San José and Dinko mineralisation. The validation of the historic drilling on the Porvenir concessions at the Tuina project is ongoing (ASX release 6th September 2013).

Figure 1 shows a longitudinal section through the San José mineralisation with all diamond drill holes and a selection of the RC holes plotted. The contours are derived from all drill holes and metal grades interpolated as 15m%² Cu. The figure indicates that the strike length of the mineralisation is over 850 metres, and the modelling shows that the mineralisation averages 80 metres thick and 75 metres wide. The San José Exploration Target as provided in Table 1 is confined to the area shown in Figure 1. The figure also illustrates that the mineralisation is open along strike to the north along the San José Fault.

The Exploration Target for the Dinko mineralisation as presented in Table 1 has also been developed with 3D geologic and grade models similarly to the San José target.

Figure 2 (from the 29th August ASX release) shows a plan of the Porvenir concessions, where the surface geochemistry, artisanal workings, open pits and drilling indicate that the main Fault zones, San Jose, Dinko, and San Martin extend for over 3,000 metres, 600 metres and 1,400 metres respectively. The Exploration Targets for the extensions shown in Table 1 are derived from the 3D modelled mineralisation at San José, San Martin and Dinko extrapolated along these mineralised strike lengths. The table does not include any potential mineralisation at the Algarrobo, Inmaculada and Yanina areas which have significant copper values at surface and extensive artisanal mining.

Exploration Targets			
	Tonnes (mT)	Cu %	Ag g/t
San José	5-7	0.8 - 1.2	10-12
Dinko	1-2	1.1-1.5	5-10
San Martin	1-3	0.8 - 1.2	5-10
San José North Extension	15-20	0.7 - 1.3	10-12
Dinko South Extension	5-10	1.0-1.5	5-10
San Martin North Extension	2-5	0.7 - 1.3	5-10
San Martin South Extension	1-2	0.7 - 1.3	5-10
TOTAL	30-50 mT	0.9-1.4% Cu	8-11g/t Ag

Table 1 Exploration Targets

² 15m% Cu is where the product of width of intersection in metres and average Cu grade of the intersection in Cu% is > 15

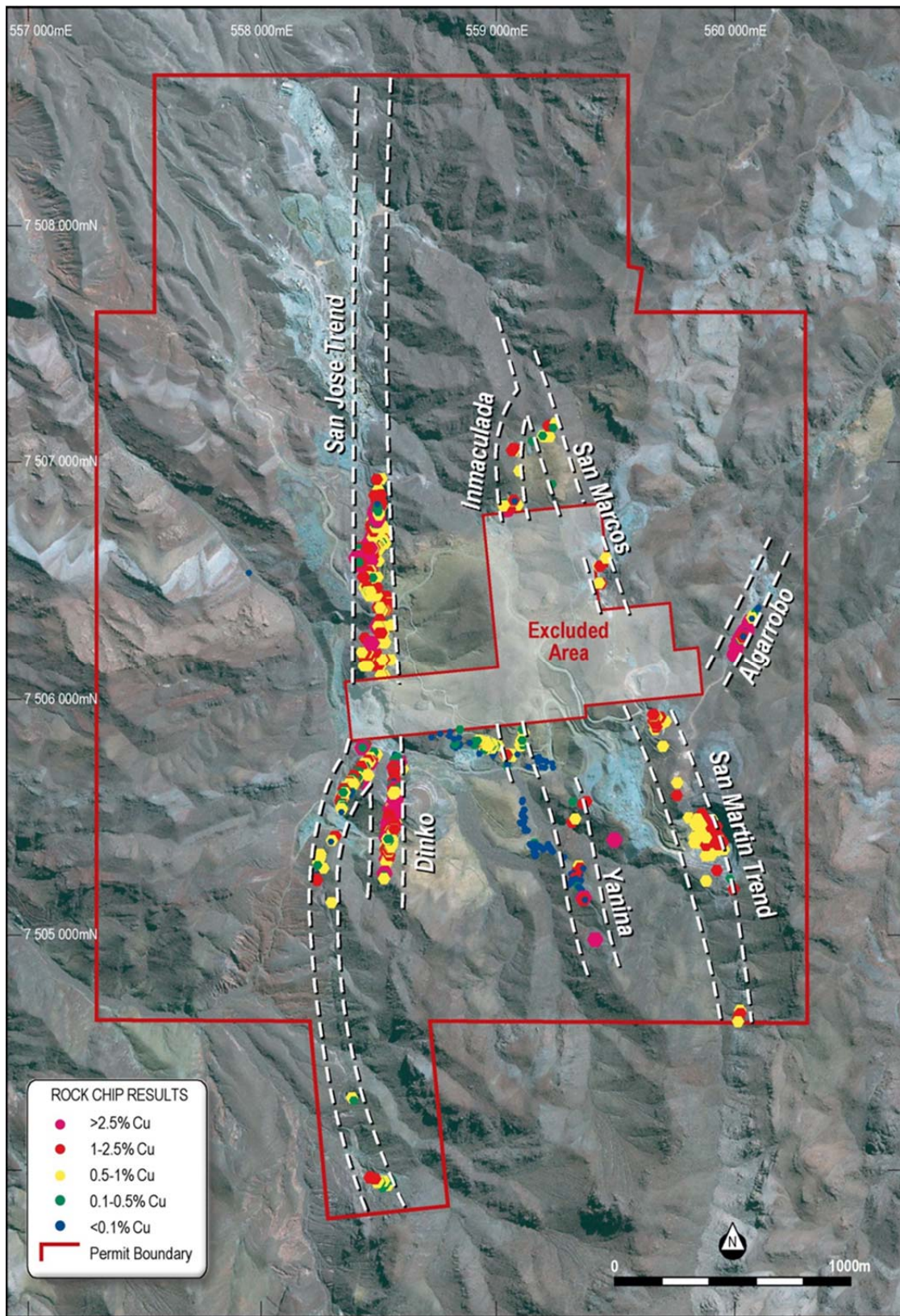


Figure 2 Plan view of copper mineralised Fault zones

Background

As background, RMG reached an option agreement with the Chilean mining company, Porvenir S.C.M., for an option to acquire a 100% interest in its granted mining concessions in the Tuina District in northern Chile (see ASX release 23 August 2013).

There are five copper oxide mines in production on the Porvenir leases including San José, San Martín, Dinko, Algarrobo and San Marcos, with numerous copper oxide and sulphide occurrences across the lease area. The locations of these mine sites are shown in Figure 3.

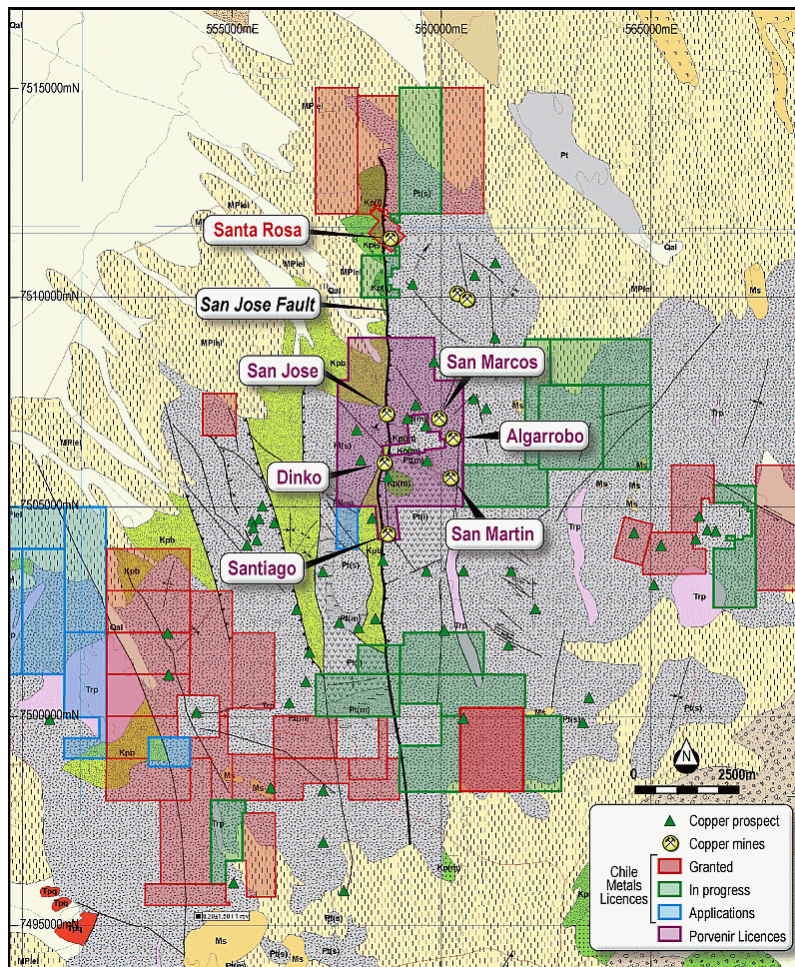



Figure 3 Location of Tuina concessions

RMG released the results on 29 August 2013 of its' review of the extensive rock chip data set received from Porvenir. The significant historic rock chip results confirm the extensive strike length of the copper-silver mineralisation along the San José, San Martín, Algarrobo and Dinko Fault zones all of which have been or continue to be the subject of existing oxide mining operations.

The copper-silver rock chips extracted from the historical data indicate:

-  San José Fault zone is mineralised over 3,000 metres and open to the north

- 🌟 San Martin Fault zone is mineralised over 1,400 metres
- 🌟 Dinko Fault zone is mineralised over 600 metres and open to the south
- 🌟 Algarrobo Fault zone is mineralised over 300 metres and open north-east and south-west

RMG released on 6 September 2013 the results of the first set of 70 historic drill holes that have been validated. The majority of the 301 historic drill holes have been focused on the San José, Dinko and San Martin mining areas and drilled in the period 2004 to 2008. The results of the 70 drill holes released are from the San José and Dinko copper deposits. There are many other percussion drill holes along various Fault zones that are still in the process of being validated.

The best³ drill intersections at San José include:

- 🌟 107.7m @ 1.2%Cu, 19g/t Ag from 243m (DDH-MSJ-04) including
 - 21m @ 2.0%Cu, 38g/t Ag from 328.5m
- 🌟 54m @ 1.4%Cu, 6g/t Ag from 100m (RC hole MSJ-07) including
 - 15m @ 2.9%Cu, 15g/t Ag from 135m
- 🌟 67m @ 1.2%Cu, 20g/t Ag from 241m (DDH-MSJ-08) including
 - 13.8m @ 2.3%Cu, 45g/t Ag from 262.5m
- 🌟 26m @ 2.8%Cu, 50g/t Ag from 257m (RC hole MSJ-25)
- 🌟 27m @ 2.3%Cu, 38g/t Ag from 248m (DDH-MSJ-09)
- 🌟 24m @ 2.4%Cu, 35g/t Ag from 315m (DDH-MSJ-08)
- 🌟 22m @ 2.3%Cu, 7g/t Ag from 138m (RC hole MSJ-15) including
 - 10m @ 3.6%Cu 9g/t Ag from 144m
- 🌟 23m @ 2.2%Cu 18g/t Ag from 1m (RC hole MSJ-03⁴)

The best drill intersections at Dinko include:

- 🌟 33.3m @ 1.9%Cu, 15g/t Ag from 54m (DDH-R-043) including
 - 13.5m @ 3.2%Cu, 29g/t Ag from 64.5m
- 🌟 41m @ 1.5%Cu from 95m (RC hole R-27)
- 🌟 37m @ 1.5%Cu from 68m (RC hole R-41)

³ This list is for intercepts with greater than 50m% copper e.g. better than 50 metres @ 1%Cu or better than 25m @ 2%Cu

⁴ The mineralisation in this drill hole has actually been mined out by tribute miners but is included here to show the continuation of the copper mineralisation to the north along the San José Fault zone

Over 70% of the strike length of the San José Fault zone is yet to be drill tested.

As part of the Due Diligence of the Porvenir assets, RMG recovered a data package of some 53Gb of data in various data formats and file types. The data sets include;

- Rock chips
- Geological mapping points
- Diamond drill holes
- RC percussion drill holes
- Grade control percussion drill holes
- Topographic surfaces
- Open pit designs
- Environmental impact reports for proposed mining schedules

RMG staff are diligently working through the various data sets to confirm their validity and reportability. Further data sets are continuing to be validated.

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

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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", "indicate", "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.