

# ADVANCED BASE METALS EXPLORER IN AUSTRALIA AND CHILE



## TUINA COPPER PROJECT CHILE

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# Disclaimer

## **Competent Person**

The information relating to Geological targets, Exploration Results, Mineral Resources or Ore Reserves is based on information compiled and reviewed by Mr. Peter Rolley, who is a Member of the Australian Institute of Geoscientists. Mr. Rolley is an Executive Director and a shareholder of the company. He has more than 30 years experience, exploring for a variety of deposits throughout the world. This experience is more than adequate to qualify him as a Competent Person for the purposes of the 2004 Australasian Code for Reporting of Mineral Resources and Ore Reserves (JORC Code). Mr. Peter Rolley consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

## **JORC – Exploration Targets**

It is common practice for a company to comment on and discuss its exploration in terms of target size and type. The information relating to exploration targets should not be misunderstood or misconstrued as an estimate of Mineral Resources or Ore Reserves. Hence the terms Resource(s) or Reserve(s) have not been used in this context. The potential quantity and grade is conceptual in nature, since there has been insufficient work completed to define them beyond exploration targets and that it is uncertain if further exploration will result in the determination of a Mineral Resource.

## **General Disclaimer**

This presentation contains forward looking statements. Statements concerning mineral reserves and resources may also be deemed to be forward looking statements in that they involve elements based on specific assumptions. Forward looking statements are not statements of historical fact, and actual events or results may differ materially from those described in the forward looking statements as a result of a variety of risks, uncertainties and other factors. Forward looking statements are based on management's beliefs, opinions and estimates as of the date they are made and no obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or reflect other future developments.

# RMG

## Directors

- **Robert Kirtlan (53)**  
Executive Chairman  
Former Director of Cooper Energy, NGM Resources, MM Mining  
Director Aviva Corporation, Homeland Uranium, Credo Resources
- **Steven Chadwick (59)**  
Non-Executive Director  
Metallurgist and Project Manager  
Former Director of Pacmin Mining Corporation, Northern Gold, NGM Resources, BC Iron  
Director Coventry Resources
- **Mark Stevenson (57)**  
Non-Executive Director  
President and CEO of Holloman Holdings Corp in the oil and gas industry  
Director of Adavale Resources, Terra Nova Minerals
- **Peter Rolley (53)**  
Executive Director and Chief Geologist  
International gold and base metal geologist  
Former Director MM Mining

## Issued Capital (m)

- |   |                   |
|---|-------------------|
| • Ordinary Shares (post GM)   | 2,714             |
| • Options 2c (30/04/2014)   | 390 (Listed RMGO) |
| 2c (01/04/2015)   | 10                |
| 2c (01/04/2017)   | 10                |
| 0.6c (31/08/2016)   | 80                |
| • Cash (Post GM)  | ~\$2.7m           |
| • Share Price (14 May 2013)   | \$0.002           |
| • Market Capitalisation   | ~\$5.5m           |
| • Convertible Notes for \$1m, coupon 5%p.a., redeemable for 2.5% in Sunlander, or shares in RMG (Issued August 2012 with a 2 year term) |                   |

# Summary

Tuina Project has

- 9,603 hectares of granted and pending Mining and Exploration Leases
- Existing mining infrastructure including the opportunity to obtain power and water
- Santa Rosa copper deposit is a walk up sulphide copper drill target on which the oxide copper mineralisation has been mined by an under-capitalised private company
- Walk up drill target is also present at Morro del Inca copper deposit
- Numerous other copper oxide deposits requiring prioritisation for drilling
- The potential to be treating copper oxide ore
- The potential for significant copper sulphide resources to be producing copper concentrate

RMG's Joint Venture Partner

- Has invested in the Chilean mining industry over past 6 years
- Has provided introductions to its well established network of Chilean mining contacts. Thus providing further opportunities for RMG to acquire additional projects in the Tuina District and elsewhere in Chile.

# Tuina Project – Brownfields Copper Exploration

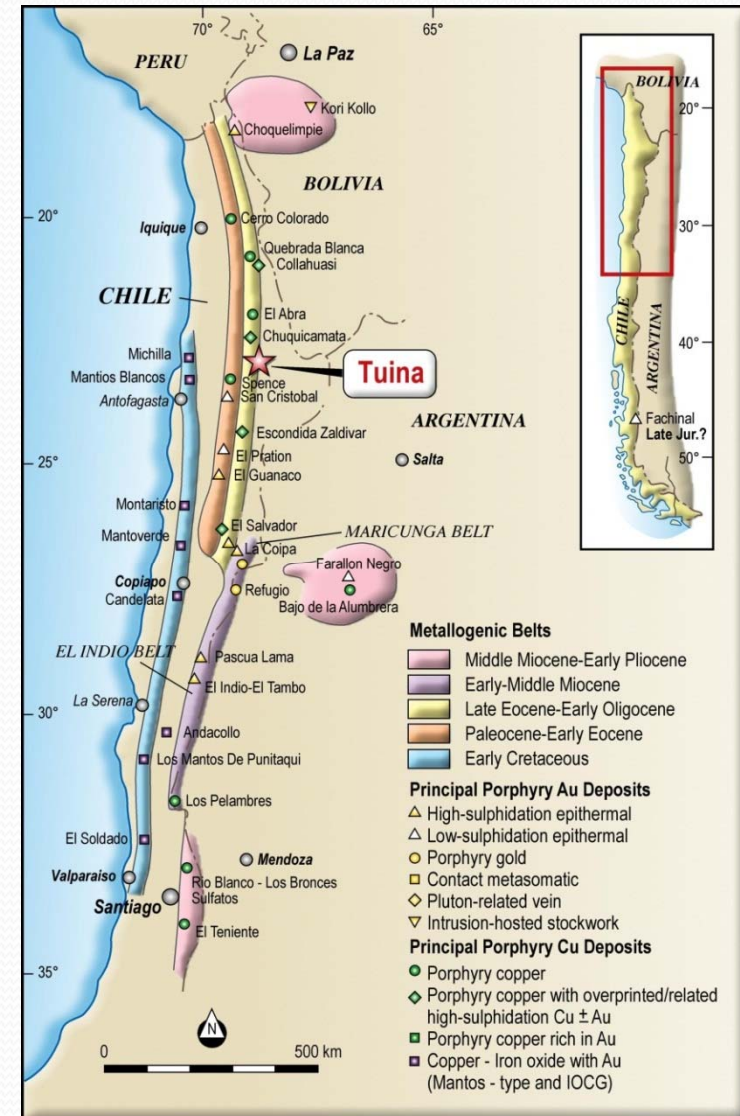
As the world's leading copper producing nation, Chile is famous for its world-class, low-grade, high-tonnage copper deposits.

Chile also possesses massive potential in undeveloped mid-sized, higher-grade, copper deposits.

Chile has consistently been ranked as one of the most politically stable countries in which to invest, contains excellent infrastructure and possesses a mining-educated workforce and services industry.

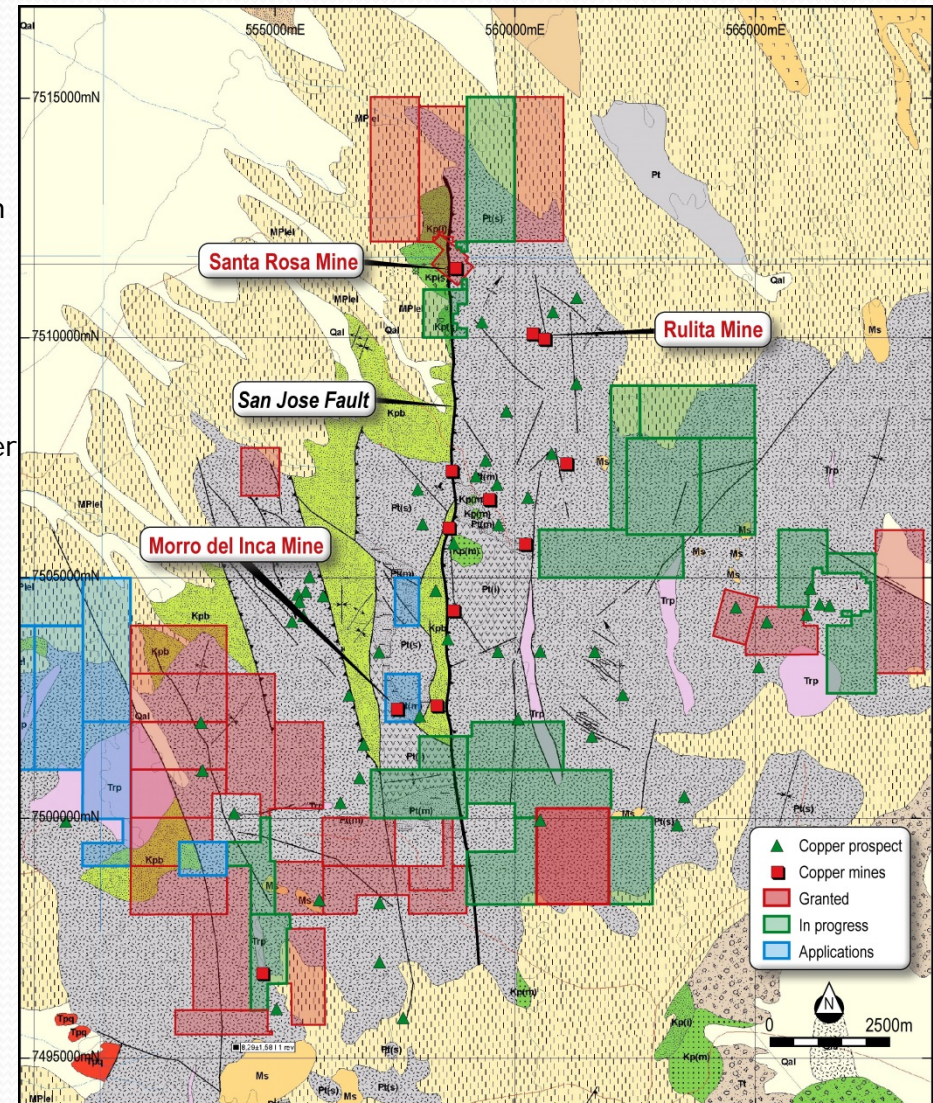
- The Tuina Project is located in northern Chile in proximity to the world class copper mines of;
  - Radomiro Tomic – 7.2Bt @ 0.4%Cu<sup>1</sup>
  - Chuquicamata - 10.5Bt @ 0.6%Cu<sup>2</sup>
  - Sierra Gorda – 1.35Bt @ 0.4%Cu<sup>3</sup>
  - Spence - 285Mt @ 0.9%Cu<sup>4</sup>
- The city of Calama (pop 145,000) is approximately 50 kms from the project area. Calama has all exploration and regional transport services
- The Tuina Project area is accessed by existing roads
- No climatic restriction on exploration or development activities as a result of the very dry climate (35mm rain p.a.)

1,2 – Codelco Annual Report 2010; 3 – KGHM Presentation Dec 2011; 4 – BHPBilliton Annual Report 2011;



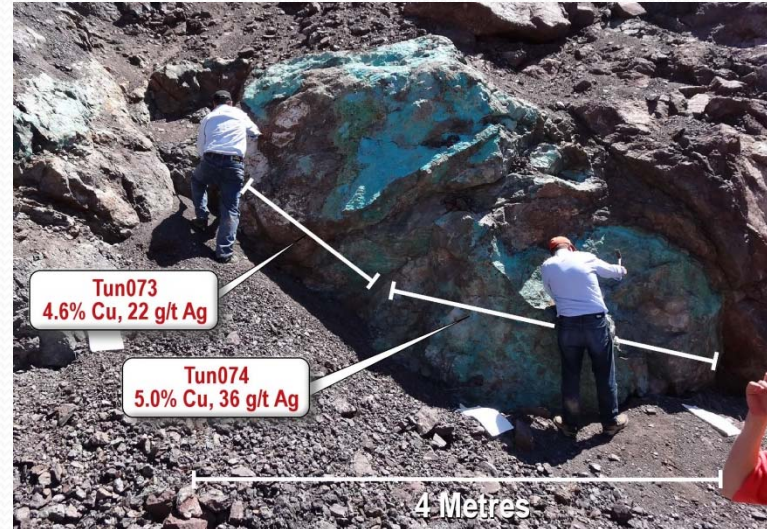
# Tuina District Geology

- The copper mineralisation at Tuina are sulphide replacement bodies hosted within a sequence of andesites and sediments, occurring in proximity to major regional faults.
- The larger copper replacement bodies (Manto copper style) in the Tuina District are over 50m wide<sup>1</sup> 600m in length and around 1-2%Cu grade with silver credits
- The majority of the copper mineralisation is located along regional north to north-west striking faults. The largest copper deposits are located along the San Jose Fault.
- Current copper mines in the district all exploit the oxide copper mineralisation which is treated nearby via acid leach and copper sulphate plant
- There are over 105 known copper occurrences within the Tuina district, of which at least 11 have copper oxides mined by open pit
- The vendor has 100% ownership of a total of 55 licences for 9,603 hectares



# Santa Rosa Permit

- The Santa Rosa mining lease is located on a major copper mineralised fault, the San Jose Fault
- Santa Rosa mineralisation has been open pit mined down to a depth of 45m
- Approximately 1Mt @ 1.7%Cu<sup>4</sup> as oxide ore has been mined and treated by an on-site acid leach plant
- Drilling below the pit indicates the mineralisation extends to depth of unknown width and tenor
- The pit is ~150m long with copper mineralisation extending along strike beyond the pit wall both north and south (Photos)
- The copper mineralisation is ~15m wide in the southern pit wall. The width of the mineralisation mined in the centre of the pit is unrecorded
- Four separate parallel copper lodes were mined in the pit
- Potential for larger tonnage at depth and along strike along the major fault structure



**North End  
wall of Santa  
Rosa pit**



**South End  
wall of Santa  
Rosa pit**

# Copper Sulphide Opportunity

- The principle objective of the Company is to define copper sulphide orebody(s) to support a mid-sized profitable flotation plant
- The numerous copper oxide deposits within the Vendor permits have been mined by smaller, under-capitalised, Chilean companies
- None of these deposits has been drilled to depth to enable a JORC compliant resource estimate of the extent and tenor of the sulphide mineralisation
- The accumulation of a large number of permits by the Vendor presents an opportunity to consolidate the ownership of the copper deposits in the district and to assess the copper sulphide resources below the copper oxide deposits
- *On a neighbouring permit not held by the Vendor, the Rulita deposit is a manto copper deposit and was reported<sup>5</sup> to have a sulphide resource of 3.7Mt @ 2%Cu, 25g/t Ag (Open at depth). The copper concentrates (ore was hauled 150kms to a toll float plant) showed;*
  - *no arsenic or deleterious metals*
  - *high copper and silver recoveries*
  - *Concentrate grades average 32%Cu, 225g/tAg*



**Rulita underground mine  
(not an asset of the vendor)**

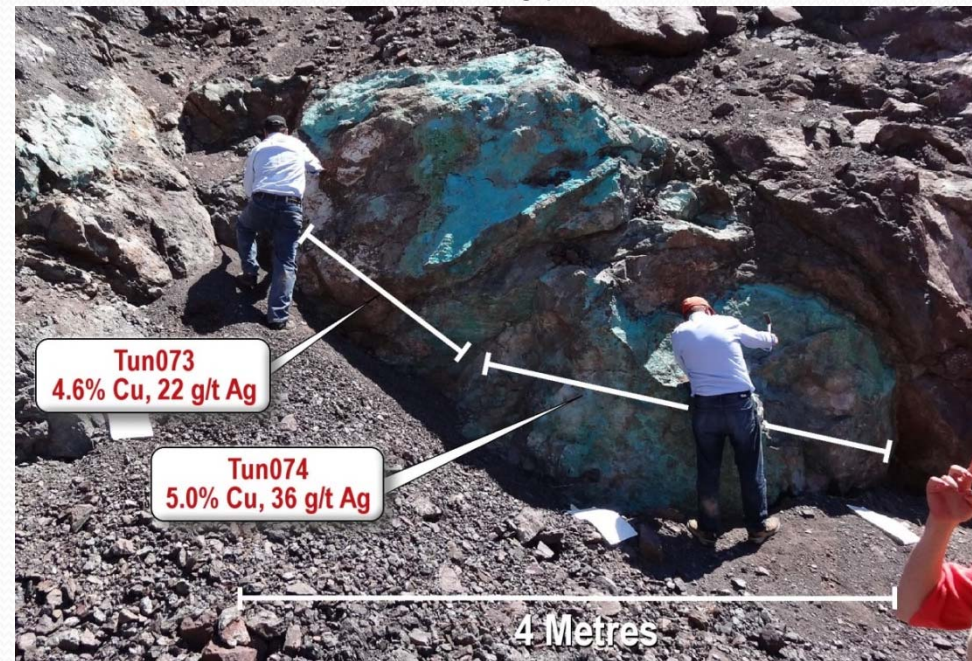
5 Independent consultant report – H. Soza Rulita Mine March 2010;  
Independent consultant report – F.C. Infanta October 2009



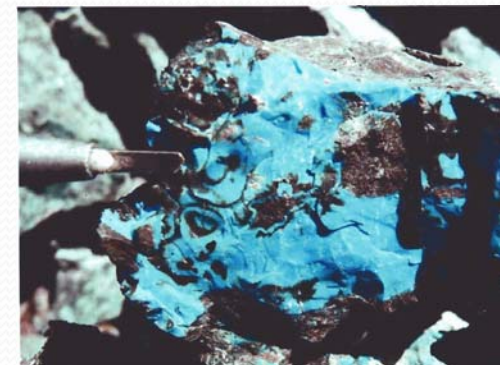
# Copper Oxide Opportunity

- The secondary objective of the Company is to assess the remaining opportunity for copper oxide resources
- There are numerous copper oxide pits in the Tuina area
- The total resource on many of these oxide zones has not been well defined as a result of the under-capitalised ownership (i.e. no drilling, and no major pitwall cut-backs undertaken)
- There is an established copper oxide acid leach plant operating approx 30kms distant. This plant operates as a toll plant.
- An early cash flow opportunity is to drill and develop one or more of the oxide copper resources

Example of oxide copper mineralisation on the vendors mining permits



Example of copper oxides



# Porphyry Exploration Opportunity

- BHP and Codelco, are two of the largest porphyry copper miners in Chile, and both are active in the Atacama area in northern Chile
- BHP and Codelco have both recently acquired exploration licences adjoining the western and southern borders of the Vendors permits at Tuina
- The Tuina district has a very high copper endowment, is under-explored, and is prospective for the discovery of new porphyry copper systems



Chuquicamata porphyry copper mine is not an asset of the vendor or of RMG and is located approx 55kms north-west of the Tuina copper permits

# Earn-In Terms

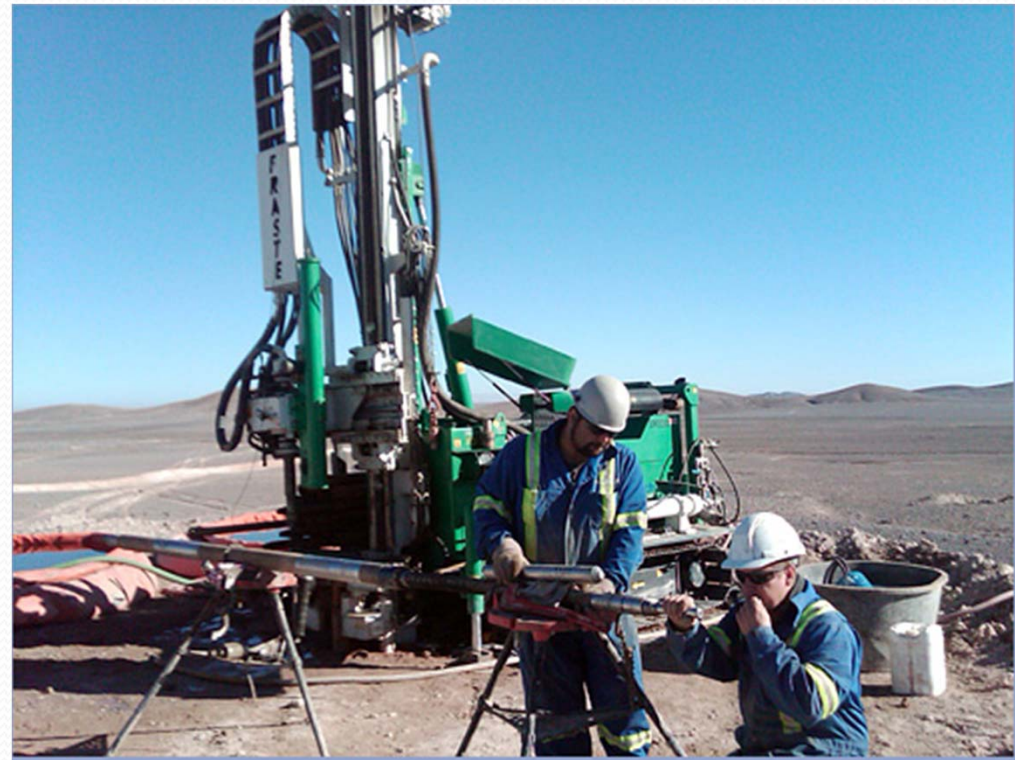
- Issue 100 million shares to the Vendor on executing Binding Agreement
- \$1 million minimum expenditure within 18 months
- \$3 million cumulative expenditure in 3 years to earn 25%
- \$8 million cumulative expenditure in 5 years to earn 51%
- \$15 million cumulative expenditure in 7 years to earn 75%
- Vendor free carried to Preliminary Feasibility Study
  
- No claw backs, no offtake rights
- No monthly, quarterly or annual cash payments to vendors
- The vendors own 100% of the permits

Private water pipe line ~15kms from Tuina with offtake rights to Tuina



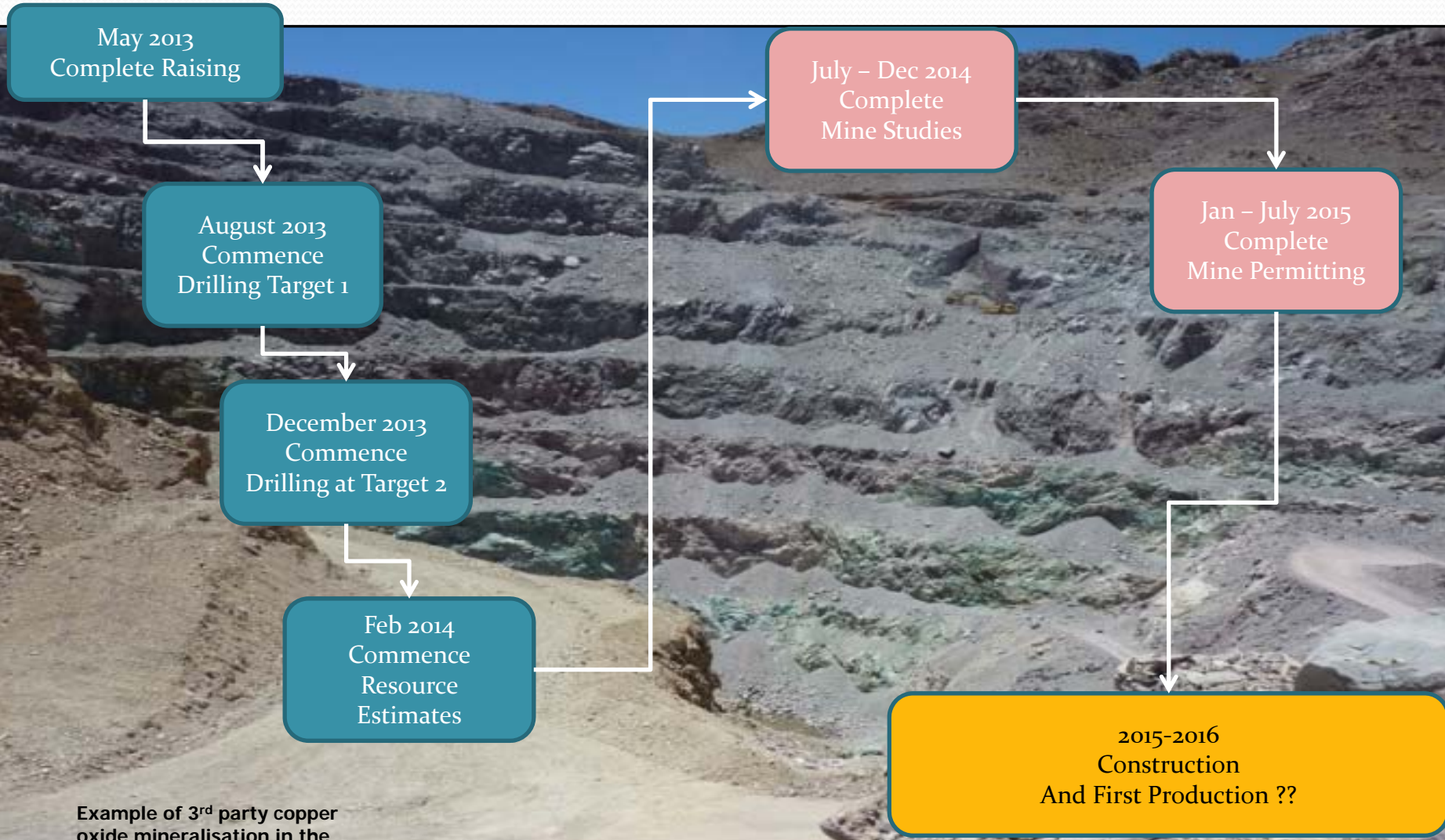
# Proposed Exploration Budget

- Year One
  - Mapping \$100k
  - IP Geophysics \$80k
  - Drilling Target #1 \$450k
  - Drilling Target #2<sup>1</sup> \$450k
  - Admin \$50k
  - TOTAL \$1,130k



1 – to be prioritised from field mapping and IP

# Proposed Exploration Schedule



Example of 3<sup>rd</sup> party copper oxide mineralisation in the Tuina District

# Company Strategy

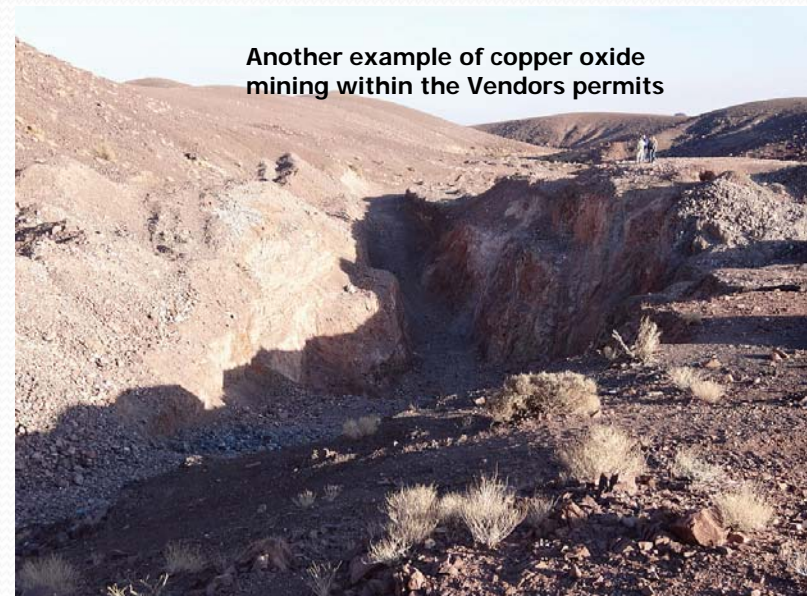
1. Drill the down dip of the Primary Target at Santa Rosa
2. Prioritise and drill the best copper targets on the granted Mining permits
3. Confirm an economic resource and establish a central flotation plant for mining and processing of the sulphide ore
4. Identify and target 3<sup>rd</sup> party land packages in the area for acquisition
5. Explore the potential for copper oxide and for porphyry copper mineralisation

## SUMMARY

- There are over 105 copper occurrences within 15 kms of strike, for which there has only been minor drilling for the sulphide opportunity
- Near term production potential from oxide and sulphide copper mineralisation
- 9603 hectares of granted and pending Mining and exploration Leases,
- Leases all owned 100% by the vendor
- Located in an area with established mining infrastructure
- RMG will immediately commence an aggressive work programme on prioritised copper targets



Example of copper mining on the Morro del Inca mining permit owned by the vendor



Another example of copper oxide mining within the Vendors permits

## Appendix 1 - Chile

Chile is the largest copper producer in the world producing 34% of the world's copper.

It also has the largest reserves of copper in the world (28%), according to the USGS commodity survey for 2011.

This is more than twice the world's second largest copper producer, Peru.

Australia's copper reserves rank third in the world, largely due to Olympic Dam.

The rise in copper prices has made Chile's economy one of the strongest and most robust in Latin America.

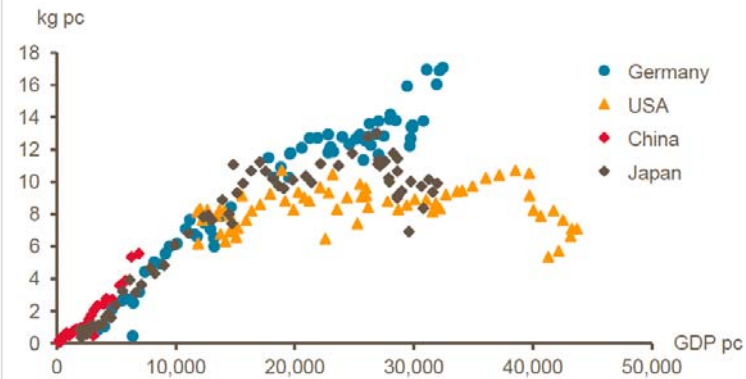
Copper represents over 55% of the country's exports, and around 20% of the country's GDP.

- Standard & Poor's Credit Rating AA- (The same as China)
- In 2010 it became the first South American country to become a full member of the OECD. Brazil is still not a member.
- Is ranked first in South America by World Economic Forum for Global Competitiveness
- Is ranked first in South America for Ease of Doing Business by the World Bank
- Is ranked third (behind Canada and Australia) for mining capital in the world
- No limits on foreign investment
- Financial and legal systems are effective, efficient and stable
- Is ranked ahead of the USA, France, Spain in the International Corruption Index for 2011
- Inflation at 1.5% as at January 2013

## Appendix 2 - Strong Outlook for Copper

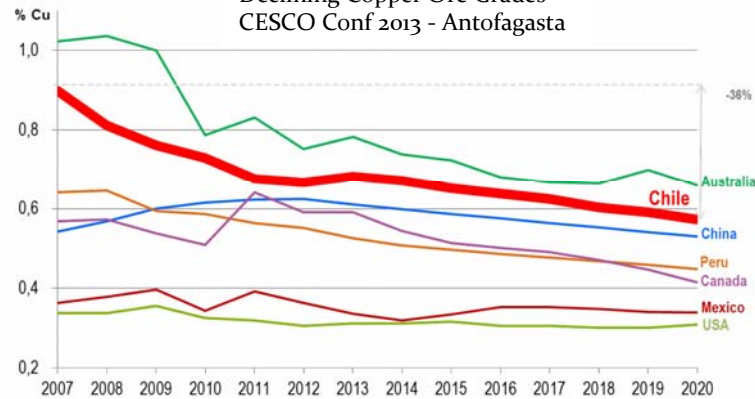
### China has plenty of growth potential

Per capita refined copper consumption (kg)



### Declining Copper Ore Grades

CESCO Conf 2013 - Antofagasta



- Copper is seen as the pick of the base metals in terms of market fundamentals
- Markets to remain in deficit throughout the next few years
- Higher prices are needed to ensure mine expansions and large new greenfields projects are constructed
- Mine grades are decreasing and remain a constraint on increased production
- China has a large shortfall in domestic copper production compared to other metals
- Substantial Chinese demand as a result of continued urbanisation and GDP per capita growth

Average of 10 Banks and Brokers forecasts made since July 2012

	2013	2014	2015	2016	2017
US\$/lb Cu	\$3.71	\$3.50	\$3.29	\$3.13	\$3.05