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## **QUARTERLY REPORT 31 MARCH 2015**

### **SUMMARY**

RMG is continuing to advance its Chilean copper and its Queensland zinc projects. During the quarter, and immediately following, RMG has;

- ✓ Identified a copper porphyry target at La Teca in Chile from its 2015 geophysical survey<sup>1</sup>
- ✓ Shown the copper porphyry target is coincident with previously announced<sup>2</sup> high grade gold and copper rock chips
  - 0.1 to 11g/t Au
  - 0.1 to 3.8% Cu
- ✓ The La Teca gold-copper zone located approximately 50 kms southeast of Chuquicamata, the world's largest porphyry copper open pit mine<sup>3</sup>
- ✓ Continued to advance the final production agreement to process all oxide ore on the Porvenir concessions
- ✓ Continued feasibility and business studies on the exploitation of oxide ores at Tuina, Chile
- ✓ Commenced business studies on the exploitation of the zinc sulphide resources at Kamarga, Queensland

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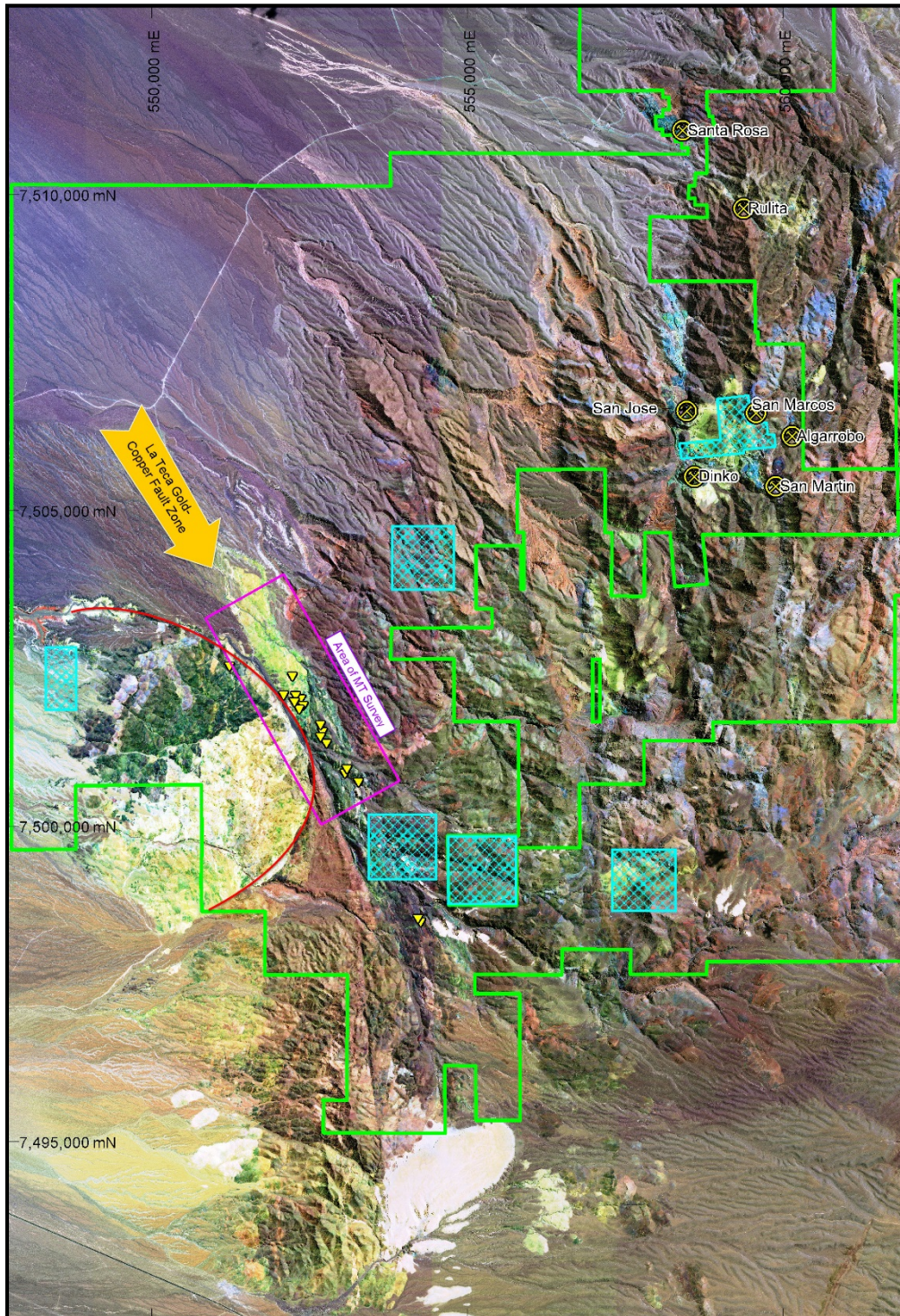
<sup>1</sup> ASX Release 18 March 2015

<sup>2</sup> ASX Release 3 February 2014

<sup>3</sup> [http://www.codelco.com/prontus\\_codelco/site/edic/base/port/chuquicamata.html](http://www.codelco.com/prontus_codelco/site/edic/base/port/chuquicamata.html)

**La Teca – Copper Porphyry Geophysical Target**

The La Teca gold-copper target is an exciting new gold-copper province discovered by RMG geologists. The 5 km long La Teca gold-copper zone is in the south-west area of RMG's Tuina Project (Figure 1) and is owned 100% by RMG.



**Figure 1 Location of La Teca Gold-Copper Fault Zone on WorldView Imagery**

Green = RMG leases; Blue hatch = excluded leases; Yellow triangles = >0.1g/t Au



The zone of elevated gold-copper at La Teca extends for at least 5 kilometres, part of which has been covered by an MT survey and is coincident with the zone of magnetic and MT anomalism.

The MT conductive zone (Figure 2 is a sectional view) identified by the MT survey is coincident with the area previously identified as a zone of high gold, copper, molybdenum and strong silica-chlorite-epidote alteration.

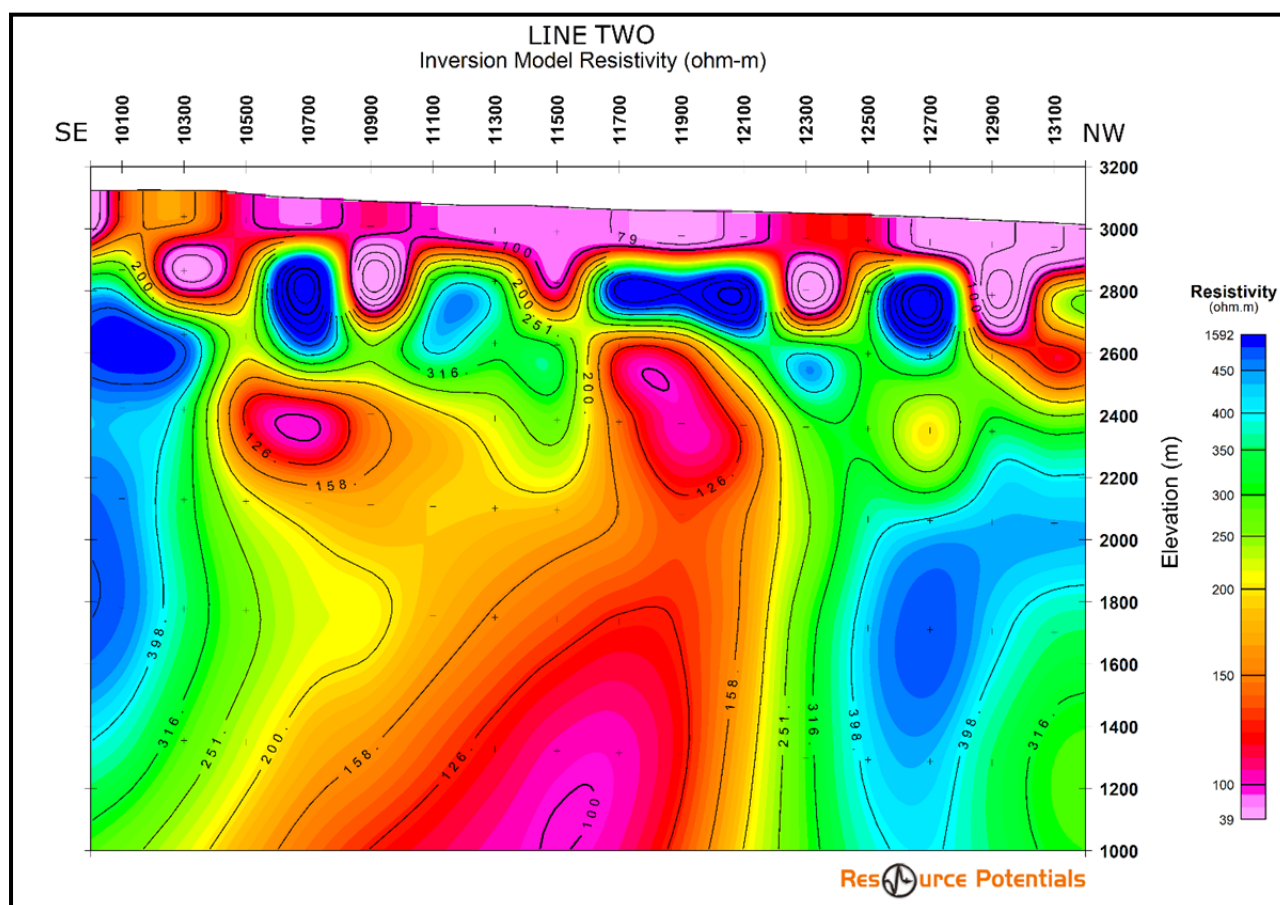


Figure 2 MT Resistivity – Line 2 – 2D Inversion Model

The coincidence of copper, gold, and molybdenum anomalism with potassic alteration, MT conductivity and magnetite destruction are also present at the major porphyry copper mines in northern Chile<sup>4</sup> and may indicate a significant porphyry copper target is present at depth at La Teca.

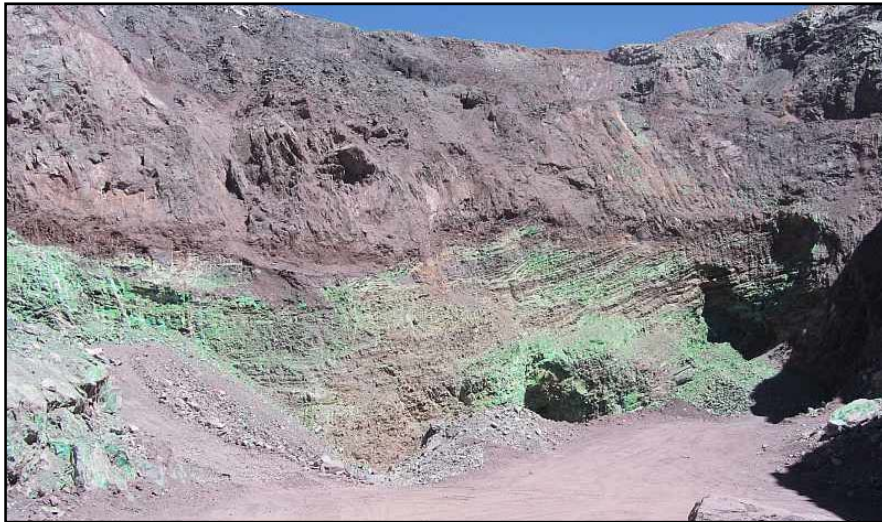
### **Tuina - Copper Oxide Mining**

There are numerous copper oxide pits that have been or are now being mined within the Porvenir and RMG permits. Most of these pits have been, and are being, worked on tribute by small private companies that are significantly under-capitalised. This has resulted in little

<sup>4</sup> Behn et al. 2001. Econ. Geol:96(2), pp239-248

or no drilling, pit-optimisation or planning, and minimal pre-strip expenditure being undertaken. The total resource/reserve on many of these oxide zones has therefore not been well defined.

Figure 3 is one example of an oxide copper pit that has the potential to be expanded.



**Figure 3 San Marcos oxide copper open pit**

In addition, RMG's 2014 drilling results have confirmed the continuation of the copper oxide mineralisation over a significant strike length of 250m open to the north and south, and commencing 3m from surface. The drilling has enhanced the potential for early cash flow opportunities being pursued by the Company at Tuina.

Other copper oxide revenue possibilities are present within the copper residue still within the historically acid-leached dump material. Figure 4 is an example of an abandoned vat leach copper oxide plant located on one of the Company's mining leases at Tuina.

RMG is investigating all opportunities to exploit the potential of the oxide ores on its properties.



**Figure 4 An abandoned copper oxide plant at Tuina**

### Chile – Porvenir Oxide Production Agreement

During the previous quarter<sup>5</sup> RMG announced that a new binding Production Memorandum of Understanding (MOU) to allow the immediate mining and processing of all copper oxide material located within the concession held by Porvenir S.C.M. has been executed. This MOU is progressing to a full Production Agreement.

### Chile – Summary

The Company's Tuina Copper Project (including the La Teca Gold-Copper zone) is located in a region of Chile that is highly endowed with a number of the world's largest porphyry copper mines (Figure 5).

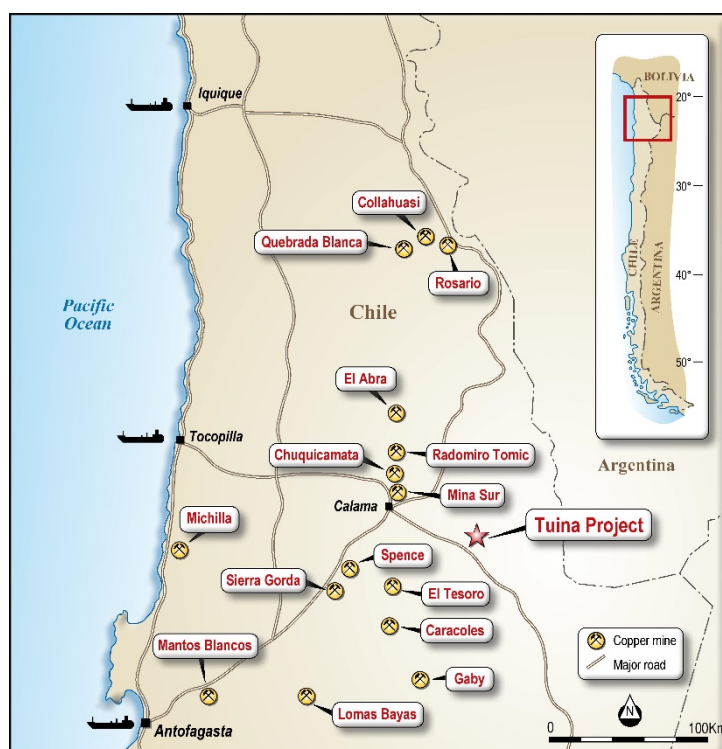


Figure 5 Location of Tuina Copper Project

RMG is working towards generating a near term cash flow from the mining and processing of copper oxides within the copper manto mineralisation, whilst continuing to explore for the large copper endowment of a copper porphyry deposit in this well mineralised district.

<sup>5</sup> ASX Release 9 December 2014

### **Australia – Kamarga Zinc project**

The Kamarga Project is located 20kms southeast of the world class Century Zn-Pb mine in north-west Queensland. Century (owned by MMG) is the world's second largest producer of zinc concentrate and is scheduled to cease open pit production in mid-2015<sup>6</sup>. MMG's replacement zinc production scheduled from the Dugald River project in north-west Queensland has also been delayed.

The Kamarga area has previously shown its outstanding zinc endowment with drill intercepts of 120m @ 2.3% Zn including 7m @ 8.8% Zn and 3m @ 9.1% Zn<sup>7</sup>. The Company now has three new zinc targets ready for drilling including the previously announced JE Zinc Zone with surface zinc results to 15% Zn and 5% Pb which remains the Company's number one exploration priority.

In the past 12 months, the zinc price rose by >28% to over A\$1.20/lb and LME stockpiles of zinc fell by >40%<sup>8</sup>. RBC Capital Markets are forecasting zinc prices to reach US\$3,500/tonne in 2017-2018<sup>9</sup>, and Kamarga is ideally located in an established district of new zinc targets in close proximity to existing infrastructure.

### **Forward Programs**

#### **Chile - Tuina**

In general, RMG will continue to

- assess the opportunity for additional copper oxide resources and copper oxide dumps to generate an early cash flow for low capital cost
- assess the metallurgical test work on the copper oxide mineralisation
- generate new copper oxide and sulphide drill targets from the 2014 drill data
- explore the 5km long La Teca Copper-gold mineralisation with it's high grade gold at surface to 18g/t Au<sup>10</sup>

The Company is also continuing to engage in discussions with other permit holders in Chile with prospective copper, copper-silver and copper-gold targets.

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<sup>6</sup> [http://www.mmg.com/news/19 December 2013/Queensland zinc Strategic update](http://www.mmg.com/news/19%20December%202013/Queensland%20zinc%20Strategic%20update)

<sup>7</sup> ASX release 14 February 2008

<sup>8</sup> 26 August 2014, [http://www.kitcometals.com/charts/zinc\\_historical.html](http://www.kitcometals.com/charts/zinc_historical.html)

<sup>9</sup> Miniung News 22 January 2015

<sup>10</sup> ASX Release 30 January 2014



## Queensland - Kamarga

The Company believes that its exploration activities have confirmed the significant copper and zinc endowment of the Kamarga Project and affirm its commitment to continue to build the resource base with the objective of eventual economic exploitation.

The results from the 2014 field work programmes are being reviewed with the objective of identifying the next set of drill targets and identifying a partner to advance the exploration and development opportunities.

## Corporate and Finance

The Company entered into a revolving credit facility with its two major shareholders, Ridgefield Capital Asset Management LP (Ridgefield) and Tyticus Master Fund Ltd (Tyticus), for an aggregate amount of USD1million. The key terms are as outlined in the ASX Releases of 16 and 27 March 2015. The funds will be used to progress the Company's Chile and Kamarga Projects and for general working capital requirements.

The Company has AUD\$333,000 in cash and bank deposits at the end of the quarter.

Annexure 1 below is a list of the tenements held or under option by the Company in compliance with LR 5.3.3.

Ends

For further information please contact:

Mr Robert Kirtlan or Mr Peter Rolley  
+61 8 9387 6619

*Competent Person statement on the use of previously issued Public Reports*

*The information in this Quarterly Report is extracted from 2014 ASX Releases during the period 1 January 2015 to 31 March 2015. Each of these ASX releases are available for viewing on [www.rmgltd.com.au](http://www.rmgltd.com.au). The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements. The Company confirms that the form and context in which the Competent Person's findings are presented herein have not been materially modified from the original market announcements.*

*Competent Persons Statement for the Exploration Results in this Public Report*

*The information in this report that relates to Exploration Results 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 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the "JORC Code 2012"). Mr Rolley is a shareholder and a consultant to RMG Ltd. Mr Rolley consents to the inclusion in the report of the matters based on his 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.*



ANNEXURE ONE – LR 5.3.3

Country	Name	Holder	RMG Group Interest	Status, or changes
Aust-Qld	Kamarga	Teck	0%, subject to RMG Earn-In	Held for whole Quarter - no change
Aust-Qld	Limestone Ck	Sunlander	0%	Surrendered during Quarter
Aust-Qld	Sandy Ck	Sunlander	100%	Held for whole Quarter - no change
Aust-Qld	Wangunda	Sunlander	100%	
Aust-Qld	Horse Creek	Sunlander	0%, subject to Teck Earn-In	

Country	Name	Holder	RMG Group Interest	Status, or changes
Chile, Region II	UF	Porvenir	RMG's current interest in the title is 0%, but subject to an Option Agreement with Porvenir S.C.M. to earn 100%	Held for whole Quarter - no change
Chile, Region II	Dinko	Porvenir		
Chile, Region II	San Martin	Porvenir		
Chile, Region II	Las Mellizas	Porvenir		
Chile, Region II	Maria de la Luz	Porvenir		
Chile, Region II	Macarena y Ximena	Porvenir		
Chile, Region II	Quenua	Porvenir		
Chile, Region II	San Jose	Porvenir		
Chile, Region II	Tamarugo	Porvenir		
Chile, Region II	Yareta	Porvenir		
Chile, Region II	Chanar	Porvenir		
Chile, Region II	Algarrobo	Porvenir		
Chile, Region II	Maria Gabriela	Porvenir		
Chile, Region II	Codiciada	Porvenir		

Mining Exploration Entity Quarterly Report  
and Appendix 5B

Country	Name	Holder	RMG Group Interest	Status, or changes
Chile, Region II	Enero 1	Minera Tuina	RMG's current interest is 100%	Held for whole Quarter - no change
Chile, Region II	Enero 2	Minera Tuina		
Chile, Region II	Enero 3	Minera Tuina		
Chile, Region II	Enero 4	Minera Tuina		
Chile, Region II	Enero 5	Minera Tuina		
Chile, Region II	Enero 6	Minera Tuina		
Chile, Region II	Enero 7	Minera Tuina		
Chile, Region II	Vicuna	Minera Tuina		
Chile, Region II	Guanaco	Minera Tuina		
Chile, Region II	Santa Rosa	Minera Tuina		
Chile, Region II	La Teca 1	Minera Tuina		
Chile, Region II	La Teca 2	Minera Tuina		
Chile, Region II	La Teca 3	Minera Tuina		
Chile, Region II	La Teca 4	Minera Tuina		
Chile, Region II	La Teca 5	Minera Tuina		
Chile, Region II	La Teca 6	Minera Tuina		
Chile, Region II	Tuina 1	Minera Tuina		
Chile, Region II	Tuina 2	Minera Tuina		
Chile, Region II	Tuina 4	Minera Tuina		
Chile, Region II	Tuina 6	Minera Tuina		
Chile, Region II	Matias 2	Minera Tuina		
Chile, Region II	Esta 1	Minera Tuina		
Chile, Region II	Esta 2	Minera Tuina		
Chile, Region II	Esta Otra 2	Minera Tuina		
Chile, Region II	Ester	Minera Tuina		
Chile, Region II	Tuina 3	Minera Tuina		
Chile, Region II	Rosa Ester	Minera Tuina		
Chile, Region II	Paula	Minera Tuina		
Chile, Region II	Rio Seco 1	Minera Tuina		
Chile, Region II	Rio Seco 2	Minera Tuina		
Chile, Region II	Rio Seco 3	Minera Tuina		
Chile, Region II	Rio Seco 4	Minera Tuina		
Chile, Region II	Barriales 1	Minera Tuina		

## Mining Exploration Entity Quarterly Report and Appendix 5B

Country	Name	Holder	RMG Group Interest	Status, or changes
Chile, Region II	Barrales 2	Minera Tuina	RMG's current interest in the title is 100%	Held for whole Quarter - no change
Chile, Region II	Quimal 1	Minera Tuina		
Chile, Region II	Quimal 2	Minera Tuina		
Chile, Region II	Quimal 3	Minera Tuina		
Chile, Region II	Soren	Minera Tuina		
Chile, Region II	Oliver	Minera Tuina		
Chile, Region II	Noah	Minera Tuina		
Chile, Region II	Agnes	Minera Tuina		
Chile, Region II	Matias 4	Minera Tuina		
Chile, Region II	Molly	Minera Tuina		
Chile, Region II	Lotte	Minera Tuina		
Chile, Region II	Lisa	Minera Tuina		
Chile, Region II	Kenny	Minera Tuina		
Chile, Region II	Julie	Minera Tuina		
Chile, Region II	Greg	Minera Tuina		
Chile, Region II	Hannah	Minera Tuina		
Chile, Region II	Alejandro	Minera Tuina		
Chile, Region II	Camilita	Minera Tuina		
Chile, Region II	La Teca 7	Minera Tuina		
Chile, Region II	Mariana	Minera Tuina		
Chile, Region II	Explora 1	Minera Tuina		
Chile, Region II	Explora 2	Minera Tuina		
Chile, Region II	Explora 3	Minera Tuina		
Chile, Region II	Explora 4	Minera Tuina		
Chile, Region II	Explora 5	Minera Tuina		
Chile, Region II	Explora 6	Minera Tuina		
Chile, Region II	Explora 7	Minera Tuina		
Chile, Region II	Suerte	Minera Tuina		
Chile, Region II	Esta Otra 1	Minera Tuina		
Chile, Region II	Peter	Minera Tuina		
Chile, Region II	Mayo 3	Minera Tuina		
Chile, Region II	Mayo 4	Minera Tuina		
Chile, Region II	Mayo 5	Minera Tuina		
Chile, Region II	Mayo 6	Minera Tuina		
Chile, Region II	Mayo 7	Minera Tuina		
Chile, Region II	Santa Rosa 2	Minera Tuina		
Chile, Region II	Abril 1	Minera Tuina		
Chile, Region II	Abril 2	Minera Tuina		
Chile, Region II	Abril 3	Minera Tuina		
Chile, Region II	Abril 4	Minera Tuina		
Chile, Region II	Abril 5	Minera Tuina		
Chile, Region II	Abril 6	Minera Tuina		



Mining Exploration Entity Quarterly Report  
and Appendix 5B

Country	Name	Holder	RMG Group Interest	Status, or changes
Chile, Region II	Febrero 1	Minera Tuina	RMG's current interest in the title is 100%	Held for whole Quarter - no change
Chile, Region II	Febrero 2	Minera Tuina		
Chile, Region II	Febrero 3	Minera Tuina		
Chile, Region II	Febrero 4	Minera Tuina		
Chile, Region II	Febrero 5	Minera Tuina		
Chile, Region II	Febrero 6	Minera Tuina		
Chile, Region II	Febrero 7	Minera Tuina		
Chile, Region II	Marzo 1	Minera Tuina		
Chile, Region II	Marzo 2	Minera Tuina		
Chile, Region II	Marzo 3	Minera Tuina		
Chile, Region II	Marzo 4	Minera Tuina		
Chile, Region II	Marzo 5	Minera Tuina		
Chile, Region II	Marzo 6	Minera Tuina		
Chile, Region II	Marzo 7	Minera Tuina		
Chile, Region II	Marzo 8	Minera Tuina		
Chile, Region II	Marzo 9	Minera Tuina		
Chile, Region II	Marzo 10	Minera Tuina		
Chile, Region II	Marzo 11	Minera Tuina		
Chile, Region II	Marzo 12	Minera Tuina		
Chile, Region II	Marzo 13	Minera Tuina		
Chile, Region II	Marzo 14	Minera Tuina		
Chile, Region II	Marzo 15	Minera Tuina		
Chile, Region II	Marzo 16	Minera Tuina		
Chile, Region II	Marzo 17	Minera Tuina		
Chile, Region II	Marzo 18	Minera Tuina		
Chile, Region II	Marzo 19	Minera Tuina		
Chile, Region II	Marzo 20	Minera Tuina		
Chile, Region II	Marzo 21	Minera Tuina		
Chile, Region II	Rob	Minera Tuina		
Chile, Region II	Andrew	Minera Tuina		