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31 July 2014

QUARTERLY REPORT 30 JUNE 2014

SUMMARY

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

- ✓ Been advancing the finalisation of a binding agreement with Minera Santa Lucia, a third copper producer at Tuina in northern Chile (the MOU was announced on 23 April 2014), and completing the Due Diligence
- ✓ Agreed in principle to acquire the outstanding 25% of the Tuina Project from its local Joint Venture partner, Chile Metals. This will take RMG's interest to 100% ownership of the Tuina copper project. The finalisation of this transaction is subject to the Company being satisfied with its due diligence enquiries and execution of formal transaction documentation
- ✓ Identified a number of dumps at Tuina containing previously mined copper oxide mineralisation. Some of these dumps have been previously acid leached, however investigations of the leached dumps indicates that significant copper oxide mineralisation remains. The Company is investigating the economics of recovering copper from these dumps.
- ✓ Raised A\$2.8million for exploration activities at Tuina in Chile and for Kamarga in Australia

Chile – Santa Lucia Agreement at Tuina Copper Project

During the Quarter, RMG completed the detailed Due Diligence for the option agreement to acquire 100% of the mining concessions of Minera Santa Lucia Ltda ("Minera Santa Lucia") as forecast in the ASX Release of 23 April 2014. The Due Diligence has not identified any encumbrances or legacy obligations/claims against the concessions. The Binding Agreement is now nearing finalisation. Key points of the new acquisition include:

- Numerous copper occurrences at surface with copper grades to 3.5% Cu, 46g/t Ag

- Removal of the lease boundary impediments for full access to optimally exploit RMG's existing copper mineralisation

Along the San José and Dinko line of manto mineralisation, the acquisition of the Santa Lucia concession is expected to enable the development of a 1,300 metre long zone of mineralisation that may be able to be captured with open pit mining.

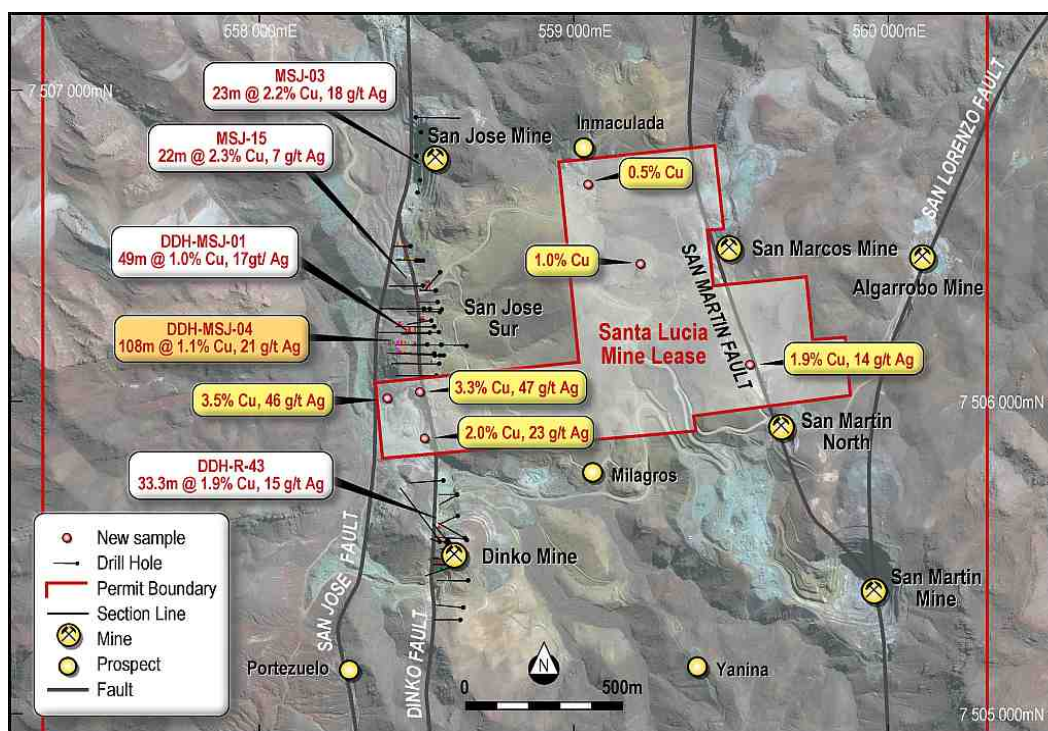


Figure 1 Strategic location of Santa Lucia mining lease to RMG's San Jose and Dinko copper mines

Chile – Chile Metals acquisition at Tuina Copper Project

At the conclusion of the Quarter, RMG announced that it had reached agreement in principle to acquire the outstanding 25% interest in the Tuina Project from its Joint Venture Partner, Chile Metals ("JVP"). This will deliver 100% ownership of the Tuina project to RMG, currently RMG holds 75% in the project.

Under the transaction currently being contemplated, RMG will acquire the remaining 25% interest in the Tuina joint venture, and RMG will also acquire a debt (approximately USD1.7m) owed to Chile Metals by the 3rd party copper producer (Porvenir S.C.M.). In summary, RMG;

- Will issue fully paid ordinary shares to JVP who will then hold approximately 20% of RMG's issued share capital post completion of the capital raising outlined below;
- Will grant a 2% net smelter royalty (NSR) over the permits originally directly introduced by JVP into the joint venture, with the Company having a right to buy back 50% of the NSR for USD10m;

- Will grant a 0.5% NSR over all other permits in the sphere of influence of the original joint venture relating to the Tuina Project;
- Will grant a first right of refusal over the permits introduced directly by JVP into the original joint venture if RMG has not spent in excess of USD15m in total at the Tuina project and withdraws from the project; and
- Will provide the JVP with the right to appoint a representative to the Company's Board.

As a result of the three agreements (Chile Metals, Porvenir, Santa Lucia) and now the acquisition of the Company's JV partner, Chile Metals, the Company is expected to hold a 100% interest in over 170 sq. km of the Tuina district.

Figure 2 shows the extent of the concessions controlled by RMG and the location of the larger copper oxide open pits.

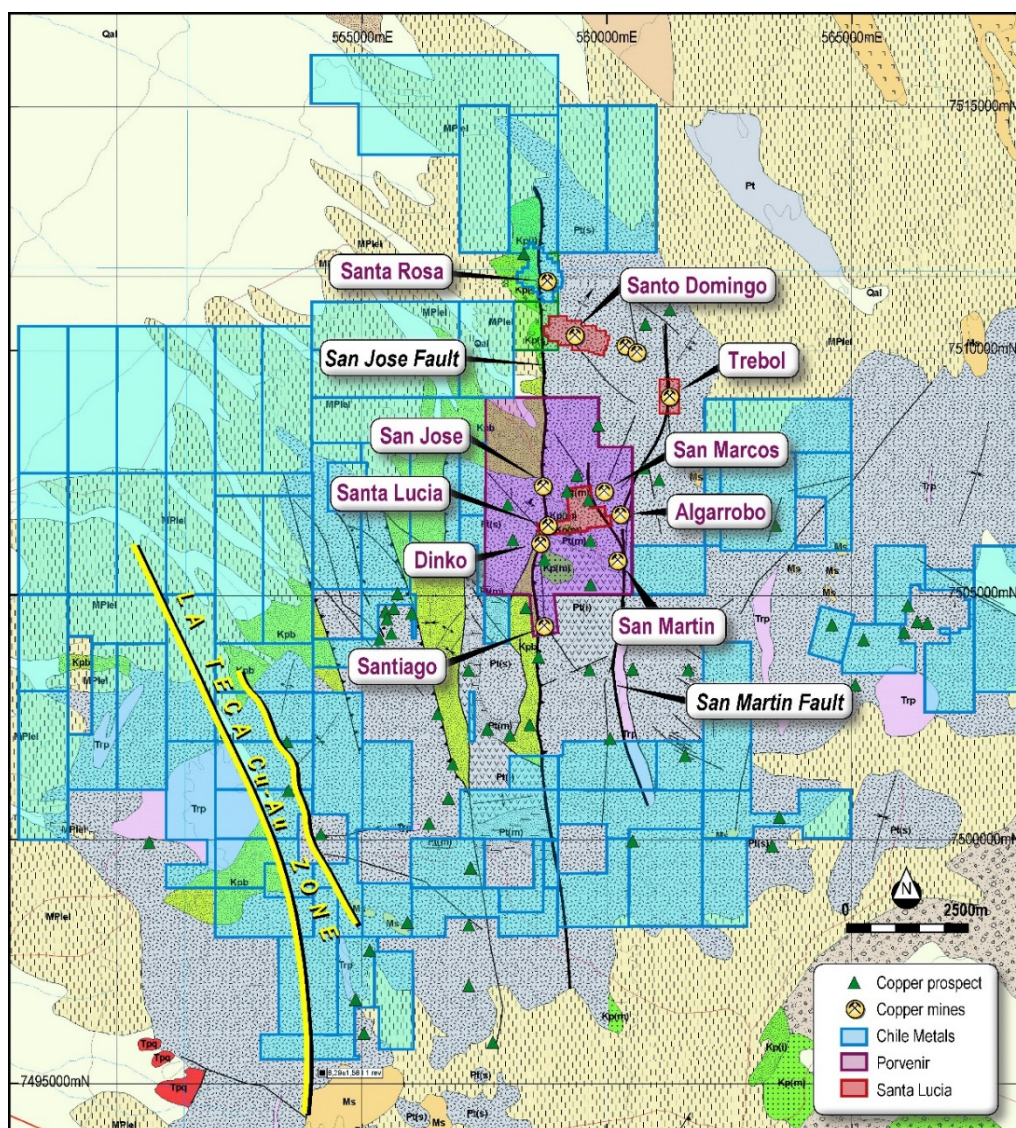


Figure 2 Location of concessions under various agreements to RMG

Tuina - Copper Oxide Mining

There are numerous copper oxide pits that have been or are now being mined within the Porvenir, Minera Santa Lucia and Chile Metals 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 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 to the un-mined oxide copper mineralisation, various operators have mined copper oxide mineralisation and treated it on-site through an acid leach dump or vat.

These dumps still exist and visually contain around 2 million tonnes of leached material. RMG will investigate the copper residue still within the dump material as a source of early cash flow for the Company. Figure 4 is an example of an abandoned vat leach copper oxide plant located on one of the Company's mining leases at Tuina, which will become an asset of the Company in the event that the acquisition of Chile Metals is successful.



Figure 4 An abandoned copper oxide plant at Tuina
The equipment shown is not currently an asset of RMG

Chile - Summary

In general, RMG's objective is to

- assess the opportunity for additional copper oxide resources and copper oxide dumps to generate an early cash flow for low capital cost
- establish a significant copper sulphide flotation plant and thereby capture all sulphide mining in the well mineralised Tuina District

Kamarga Zinc and Copper – Queensland

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-2015¹. MMG's replacement zinc production scheduled from the Dugald River project in north-west Queensland has also been delayed.

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.

Forward Programs

¹ [http://www.mmg.com/news/19 December 2013/Queensland zinc Strategic update](http://www.mmg.com/news/19%20December%202013/Queensland%20zinc%20Strategic%20update)

Chile - Tuina

The Company intends to commence IP geophysics to investigate the mineralised strike length of the San Jose mineralised corridor, and to commence drilling to validate the tenor of the copper mineralisation at San Jose and Santa Lucia.

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

Queensland - Kamarga

It is expected that field work at the Kamarga Project will be undertaken this quarter to further investigate the 2km long JE zinc zone² as a priority target.

Corporate and Finance

On 3 July 2014 RMG Limited announced it had firm commitments for a placement of 1,866,666,667 shares to raise \$2,800,000 before expenses. Proceeds from the issue will be used to advance work on the Tuina copper-silver project located in Chile and to meet its obligations on the Kamarga base metal project in North Queensland.

The Company is to issue 1,866,666,667 shares at \$0.0015 each along with one free attaching option for every 2 shares successfully placed. The options will have a two year term and expire on 1 August 2016 and will be exercisable at \$0.003 (0.3 cents each). The placement will be completed in two stages. RMG issued 366,407,689 new shares on 15 July 2014 at \$0.0015 each raising \$549,611 before costs pursuant to ASX Listing Rule 7.1 (Tranche 1 Securities). The balance of the placement shares and attaching options (Tranche 2 Securities) will be subject to shareholder approval at a general meeting to be held on or about 28 August 2014. The shares will rank equally with all current shares on issue and application for quotation of the shares will be made. The options will be unlisted.

The funding will allow the Company to immediately progress the forward work programs referred to above

RMG will be putting to shareholder vote at the upcoming meeting a resolution to consolidate the capital of the Company on a 1 for 33 basis. Further details of the proposed share consolidation will be set out in the meeting documentation which is expected to be dispatched to shareholders shortly

The Company continues in discussions with potential partners for the Kamarga Project to provide additional funding to advance the project to its next stage of development.

The Company has AUD\$111,631 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

² ASX release 11 October 2012

Competent Person statement on the use of previously issued Public Reports

The information in this Quarterly Report is extracted from 2014 ASX Releases titled "RMG to acquire additional copper mines in Tuina, Chile" dated 23 April 2014 and "Successful capital raising, JV and corporate restructure" dated 3 July 2014. Each of these ASX releases are available for viewing on 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 an Executive Director of 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 30 June 2014	Status, or changes
Aust-Qld	Kamarga	Teck	0%, subject to RMG Earn-In	Held for whole Quarter - no change
Aust-Qld	Limestone Ck	Sunlander	100%	Held for whole Quarter - no change
Aust-Qld	Sandy Ck	Sunlander	100%	Held for whole Quarter - no change
Aust-Qld	Wangunda	Sunlander	100%	Granted during Quarter
Aust-Qld	Horse Creek	Sunlander	0%, subject to Teck Earn-In	Granted during Quarter
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 75%	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		
Chile, Region II	Enero 1	Minera Tuina		
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	Santo Domingo	Santa Lucia		
Chile, Region II	Trebol 1/7	Santa Lucia		
Chile, Region II	Trebol	Santa Lucia		
Chile, Region II	Santa Lucia	Santa Lucia		

Mining Exploration Entity Quarterly Report
and Appendix 5B

Country	Name	Holder	RMG Group Interest 30 June 2014	Status, or changes
Chile, Region II	Vicuma	Minera Tuina	RMG's current interest in the title is 0%, but subject to an Option Agreement from Chile Metals to earn 75%	Held interest for the Quarter, no change
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	Barrales 1	Minera Tuina		
Chile, Region II	Barrales 2	Minera Tuina		
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		

Mining Exploration Entity Quarterly Report
and Appendix 5B

Country	Name	Holder	RMG Group Interest 30 June 2014	Status, or changes
Chile, Region II	Lotte	Minera Tuina	RMG's current interest in the title is 0%, but subject to an Option Agreement with Chile Metals to earn 75%	Held interest for the Quarter, no change
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	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		
Chile, Region II	Febrero 1	Minera Tuina		
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		

Mining Exploration Entity Quarterly Report
and Appendix 5B

Country	Name	Holder	RMG Group Interest 30 June 2014	Status, or changes
Chile, Region II	Marzo 1	Minera Tuina	RMG's current interest in the title is 0%, but subject to an Option Agreement with Chile Metals to earn 75%	Held interest for the Quarter, no change
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		

Appendix 5B

Mining exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10

Name of entity

RMG LIMITED

ABN

51 065 832 377

Quarter ended ("current quarter")

30 June 2014

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (12 months) \$A'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration & evaluation	(226)	(1,400)
(b) development	-	-
(c) production	-	-
(d) administration	(35)	(633)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	1	21
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (Government Grant)	147	147
Net Operating Cash Flows	(113)	(1,865)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	(1)
1.9 Proceeds from sale of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	-	-
Net investing cash flows	-	(1)
1.13 Total operating and investing cash flows (carried forward)	(113)	(1,866)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(113)	(1,866)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings (Conversion of convertible note)	-	-
1.18	Dividends paid	-	-
1.19	Other (costs of funds raised)	-	(15)
	Net financing cash flows	-	(15)
	Net increase (decrease) in cash held	(113)	(1,881)
1.20	Cash at beginning of quarter/year to date	224	1,992
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	111	111

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

	Current quarter \$A'000	
1.23	Aggregate amount of payments to the parties included in item 1.2	11
1.24	Aggregate amount of loans to the parties included in item 1.10	

1.25 Explanation necessary for an understanding of the transactions

1.23 Salaries, directors fees and consultants fees paid to directors

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

Nil

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Nil

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities		
3.2 Credit standby arrangements		

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	(76)
4.2 Development	-
4.3 Production	-
4.4 Administration	(35)
Total	(111)

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	111	224
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	111	224

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed	Please refer to Quarterly Activities report.		

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

6.2 Interests in mining
tenements acquired or
increased

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+ See chapter 19 for defined terms.

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference +securities <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	3,209,384,592	3,209,384,592		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	-	-		
7.5 +Convertible debt securities <i>(description)</i>	-	-		
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options <i>(description and conversion factor)</i>	10,000,000 10,000,000 80,000,000	- - -	<i>Exercise price</i> 2.0 cents 2.0 cents 0.6 cents	<i>Expiry date</i> 01 April 2015 01 April 2017 31 August 2016
7.8 Issued during quarter	-	-	-	-
7.9 Exercised during quarter	-	-	-	-
7.10 Expired during quarter	390,001,000	390,001,000	2.0 cents	30 April 2014
7.11 Debentures <i>(totals only)</i>				
7.12 Unsecured notes <i>(totals only)</i>				

+ See chapter 19 for defined terms.

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does /does not* (*delete one*) give a true and fair view of the matters disclosed.

Sign here: Date: 31 July 2014
(Company secretary)

Print name: Lloyd Flint

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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+ See chapter 19 for defined terms.