



RIMC

Resource Mining Corporation Limited



MARCH QUARTERLY REPORT

Resource Mining Corporation Limited
("RMC")

For the period ended 31st March 2012

HIGHLIGHTS:

- Rights Issue Capital Raising completed
- Warden's Court Hearing for Wowo Gap tenement completed
- CSIRO contracted for Organic Acid Leach tests
- Bulk leach test confirms previous results

Resource Mining Corporation Limited

ABN: 97 008 045 083

702 Murray Street
West Perth WA 6005

Phone: +61 8 9213 9400
Fax: +61 8 9213 9444

Email: rmc@resmin.com.au

ASX Code: RMI

Contacts:

**Warwick Davies – Managing
Director**

Projects:
Wowo Gap: Nickel-Cobalt
Tomkinson Range: Nickel-Copper
St Patricks: Copper-Zinc-Silver-Gold
Capricorn JV: Copper-Gold
Kumarina: Copper-Gold
Cue: Gold

COMPANY OVERVIEW

Resource Mining Corporation Limited (RMC) is a Perth-based specialist mineral exploration company creating wealth from mineral commodities using innovative technical, marketing and financial skills as it explores for economic metal deposits in Australia and Papua New Guinea (PNG).

This quarterly report highlights a number of significant milestones for RMC.

CORPORATE

RMC successfully completed a Capital Raising via a Pro-Rata Renounceable Rights Issue 1:2 at an issue price of \$0.0028 cents per new share. The issue was underwritten by RMC's major shareholder Sinom (Hong Kong) Limited (Sinom).

The Rights Issue raised approximately \$2.4 million (after costs) with the capital raised applied for working capital, continued development of the organic leaching technology with support of a \$250,000 grant from Commercialisation Australia and forecast exploration expenditure on Australian tenements and Wowo Gap in PNG.

The Rights Issue was made in difficult economic times with 28% of shareholders taking up the issue. As a result, Sinom now holds approximately 43% of RMC stock.

RMC had \$2.5 million in cash at the end of the March quarter.

WOWO GAP PROJECT

Warden's Court Hearing

As an essential part of the Wowo Gap tenement renewal process, a Warden's Court hearing was conducted in the villages of Obea and Embessa on 2nd March 2012.

Both Warwick Davies and Stanton Kennedy-Smith (Senior Field Supervisor) from RMC attended these hearings where the local landowner representatives had an opportunity to voice opinions regarding the on-going tenure of EL1165.

The hearings lasted about 2 hours in each location with unanimous support for the RMC Group's continued involvement being expressed at Obea and Embessa.

The Warden will now complete his report of the meetings and submit this to the Mineral Resources Authority (MRA) of PNG. Once reviewed, MRA makes a recommendation in relation to the Mining Advisory Council (MAC), which meets monthly, for final review. The MAC then makes a recommendation to the Mining Minister. The process can take months and in an election year, delays in final approval are highly likely.

Tenement EL 1165 remains in good standing until renewed.

Environmental Studies

Following the resource upgrade released on 12th December 2011, activity at Wowo Gap has been focussed on the completion of Baseline Environmental and Social Mapping Studies.

Environmental baseline (i.e. flora and fauna) surveys have been undertaken and are partially complete. Included in the survey has been a forestry inventory.

These studies are a necessary step to be undertaken prior to the granting of mining leases and prior to development being undertaken.

Social mapping is an essential requirement for future development particularly with respect to customary land ownership. Over the last 5 years, RMC has accumulated considerable data relating to the local societies and is now in the process of collating this information.

Logistics

As logistics form a major portion of the exploration expenses for Wowo Gap and efficient and effective logistics operations will be essential for future development, various logistics experiments have been undertaken to:

- a) Provide local employment;
- b) Establish alternative supply routes in case of weather delays;
- c) Establish a sustainable means of supplying the various camp sites; and
- d) Establish and perform a routine cost effective logistics supply chain.

In the past, helicopters had been used to transport people and equipment to site. Whilst this provided a door-to-door service, helicopters are expensive, cannot operate if cloud ceiling is low and carry a limited cargo load.

Twin engine, short take-off and landing fixed wing aircraft are cheaper to operate, can carry mixed loads of people and cargo and can operate in and above the cloud ceiling. They provide a far more cost effective and reliable logistics service than helicopters.

In co-operation with the local villagers of Embessa, Obea and Taruma, we have established a consistent logistics operation using aircraft and porters to transport goods to site. Heavy equipment is moved by the occasional employment of helicopters.

Considerable work has been carried out to improve the condition of walking tracks to provide most direct and accessible routes to site. Having readily navigable walking trails facilitates the movement of people and equipment in a difficult environment.

Fuel is now regularly sourced from Popondetta where fast ocean going canoes are used to deliver empty 200 litre drums, returning with petrol, diesel and Jet A fuel to our storage centre at Embessa.

ORGANIC ACID LEACHING PROCESS

The following key events occurred during the quarter:

- Contracting of CSIRO to assist with organic leach process.
- Confirmation of leach results by additional metallurgical tests.

Contracting of CSIRO

As more testing is undertaken on the organic acid leaching process to bring the process to commercialisation, RMC has identified a need for specialist advice.

CSIRO have been engaged, under a Consulting Services Agreement, to provide this specialist advice.

Under the terms of the consulting service agreement, CSIRO will assist with matters associated with:

- Scoping an mass balancing of the leach tests under a variety of conditions;
- Test optimisation;
- Acid purification and recovery techniques, etc.

These activities are necessary for the future process development. Commercial laboratories lack the necessary technical expertise.

The initial contract with CSIRO is for a six month period.

Confirmation of leach results

Bulk leach tests confirmed that the leaching of nickel from the limonite confirmed approx. 80% Ni leached within 90 minutes of digestion. This result is consistent with results achieved for limonite to date.

Future test work will concentrate on extraction of metal from solution, acid regeneration and leaching kinetics.

WESTERN AUSTRALIAN PROJECTS

WA project work has been restricted to completion of data compilation from the 2011 field programs, and planning for the 2012 field season. The continued inclement weather experienced across the project areas prevented field work being undertaken.



W J Davies
Managing Director
Dated this 27th day of April 2012

Information in this report relating to ore reserves, mineral resources or mineralisation conforms with the reporting requirements of the "Australian Institute of Geoscientists Code for reporting of Identified Mineral Resources and Ore Reserves" and is based on and accurately reflects information compiled by Mark Hill who is a Competent Person as defined by the CODE and is a Member of the AIG. Mark Hill has consented to the release of the information dealing with these matters in the form in which it is reported.