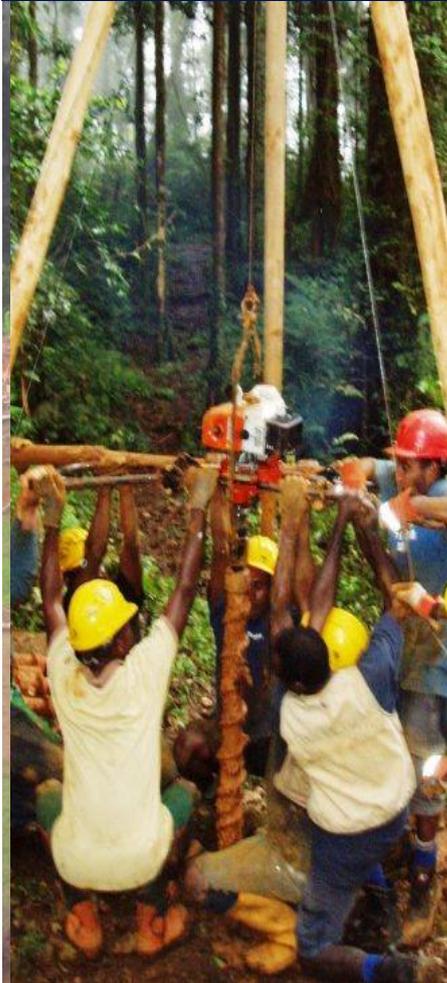




RIMC

Resource Mining Corporation Limited



SEPTEMBER QUARTERLY REPORT

For the period ended 30 September 2016

Resource Mining Corporation Limited ("RMC" or "Company")

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**Warwick Davies – Managing
Director**

Project:
Papua New Guinea
Wowo Gap: Nickel-Cobalt

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

QUARTERLY REPORT

SUMMARY

Corporate Update

The challenges faced by the company since 2015 remain as diverse as ever with little prospect of immediate change likely in the immediate future. The predominant focus remained on preservation of the company's key project tenure and minimisation of cash outflows in these difficult times.

The cost control and operational effectiveness strategies implemented in 2015 have been successfully implemented. Corporate costs have been reduced whilst operational activities have continued at lower cost by implementation of roster changes and 'campaign' approaches to major activities.

The changes to operations have been completed in consultation with local employees with significant input sought from our experienced PNG staff. All aspects of the site operations are proceeding well and efficiently. Implementation of the strategies to both maintain corporate requirements and enable the continuation of site activities and operations continues to ensure both the security and preservation of the Wowo Gap Project Nickel Laterite Project's ("the Project") tangible and intangible assets.

The Management is encouraged by the recent confirmation of the renewal of the Exploration Licence for EL 1165 which confirms that the allocation of operational and exploration related funding will be maintained to meet commitments with the objective of continuing meaningful work that contributes to maintaining the project at a pre-development status.

Off-site project development work continues dictated by funding availability and investor interest, which despite the weak nickel price remains fluid.

Financial

The Company is supported by additional funding from RMC's largest shareholder, Sinom (Hong Kong) Limited, on the same terms and conditions as previous funding. This funding support continues for the period through to the end of March 2017. Funding in general and specifically beyond this point, is part of an on-going process.

Nickel Market

Following the low point of Nickel prices during the month of February 2016 where nickel prices reached a 13 year low (*ref: Investmine Reporting*), the price has rebounded from a combination of improved economic data coming out of the US and mine closures in the Philippines. Philippine mine closures has featured in much of the recent international commentary on Nickel including: *PGI Intelligence 01 August 2016*, *Mitsui Daily Nickel Wrap (21 September 2016)* and *Australian Newspaper 24 September 2016* where commentators have suggested price increases for the metal and potential short fall in the future.

A Glencore representative, (Kenny Ives - Head of Nickel), is reported, (Bloomberg) to have predicted that based on current supply and demand that a shortage of nickel metal of 100,000 tons in 2016 with similar shortages in coming years. Ives is also reported as saying that Philippines exports of nickel ore will continue to decline based on a combination of both mine closures as well as a decline in available resources.

UBS has also been reported as saying, (*Bloomberg 15 August 2016*) that Nickel remains one of its preferred commodities as the combination of Philippines mine closures, increased demand and production deficit takes effect.

The following Table 1 provides a guide to spot Nickel Prices over the past 12 months.



Table 1: 1 Year Nickel Spot Price

Of equal importance is the movement in LME Nickel Metal stocks as the following graph clearly demonstrates.



PAPUA NEW GUINEA

WOWO GAP NICKEL LATERITE PROJECT (“THE PROJECT”) STATUS REPORT

Tenements

Renewal of Exploration Licence EL 1165

Advice was received from the MRA on 14th September 2016 to confirm that the main Wowo Gap Project tenement EL 1165 had been renewed for 2 years from 29th February 2016 until 28 February 2018. The renewal document signed by the Minister for Mining on 6th September 2016, contains no special conditions to be met as part of the renewal. (The previous renewed period from 28 February 2014 to 29 February 2016 required the completion of a Feasibility Study for the development of a DSO project. The Feasibility Study was completed and submitted to the MRA in mid-February 2016).

Exploration Licence EL 1980

EL 1980 (which is adjacent to EL 1165), had a two year term ending 27 September 2016.

As advised in the March Quarterly Report, given the current economic and unsupportive market conditions, a review and assessment of the mineralisation potential of the Project’s tenement portfolio was undertaken with the objective of determining the value of retaining all or part of tenement EL 1980. On completion of the review, it was decided not to apply for renewal of the tenement and subsequently, the MRA was advised that the company would not be seeking to renew the tenement.

Site Activities

The Project site continues to operate primarily with locally based personnel that have been trained over the past several years to undertake the necessary support activities. Activities being undertaken are focussed on the gathering of environmental and other baseline information which will form the basis for future project development approvals.

Site work also includes, maintenance of the site and access routes, airstrips and plant and equipment. This will ensure that the Project is able to return to full operational status with relative ease and continue its exploration activities when market conditions and resource prices return to a sustainable level.

Core and diamond drilling exploration programmes and activities are suspended but access tracks, drill pads and previously cut lines have been upgraded to facilitate future access.

Environmental Monitoring

Routine water quality and stream flow measurements including monitoring continued across a range of static measurement locations continued in an attempt to identify the reliability of a potable water source in variable climatic conditions. All data collected from measurements and monitoring is being compiled to support any background evidence.

Social Engagement

RMC continued to develop and maintain its relationship with the three landowner villages of Obea, Embessa and Taruma by ensuring they provide a regular and transparent information flow and updates on Project and site operations and status.



W J Davies
Managing Director
Dated: 28th October 2016

SCHEDULE OF TENEMENTS AS AT 30 SEPTEMBER 2016

Tenement	Tenement No.	RMC Interest
Wowo Gap	EL1165	100%
Wanigela	EL 2337	100%