



RMC

Resource Mining Corporation Limited



SEPTEMBER QUARTERLY REPORT

Resource Mining Corporation Limited
("RMC")

For the period ended 30th September
2012

- Potential satisfaction of conditions triggering receipt of AUD\$1.35 million final tranche payment under 2008 Argyle Iron Ore tenement sale agreement
- Nickel Price Update
- Wowo Gap Update
- Draft CSIRO Metallurgical Report for Organic Acid Received
- WA Exploration Update

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**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

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 Papua New Guinea ("PNG") and Australia.

QUARTERLY REPORT

CORPORATE

In December 2008, RMC sold its interest in the Argyle Iron Ore tenement to a private company, Kimberley Metals Group ("KMG") for cash payable in three tranches.

The sale process was completed in 2009 with details announced to shareholders on 25 February 2009.

Under the sale agreement, KMG agreed to pay a final tranche of AUD\$1.35 million cash after the shipping of the first 2 million tonnes of iron ore from the Argyle Iron Ore tenement, provided that the average FOB (Free on Board) price achieved for such ore is at least AUD\$90 per dry tonne.

RMC understands the shipping milestone has been reached and has recently written to KMG seeking confirmation of the shipping quantity and access to the relevant information to determine the average selling price.

Receipt of the final tranche of AUD\$1.35 million would cover RMC's future project cash requirements through 2013 into 2014.

Shareholders will be kept informed of progress in this matter.

AUDIT

The final audit was completed during the quarter and the Annual Report released to shareholders via the ASX platform.

Whilst the auditor provided a satisfactory opinion of the Company's financial report, some inefficiencies in the audit process were identified and it has been mutually agreed that the auditor will take the necessary steps to resign and the Company will seek shareholder approval to appoint an alternative auditor at the next Annual General Meeting.

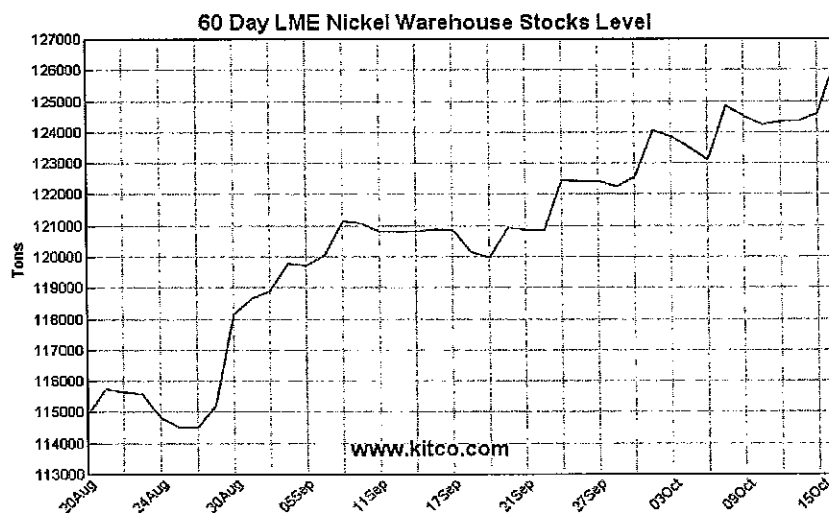
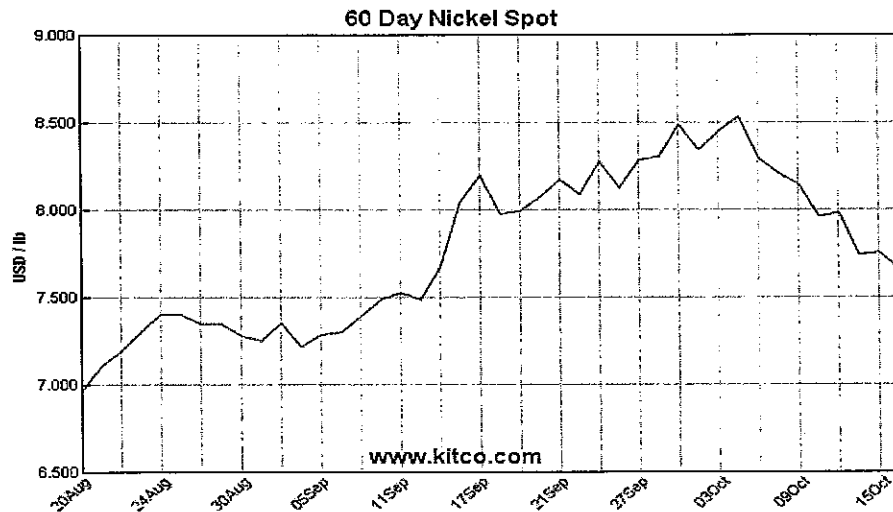
NICKEL MARKET

The world nickel price has continued to fluctuate from a low point at the beginning of the quarter of US\$16,900 per tonne rising dramatically to US\$19,040 per tonne at the end of the quarter.

Unfortunately, the rise was halted at the end of the current quarter with prices in October falling on a daily basis.

Warehouse stocks rose over this period as well placing additional price pressure on the commodity.

The following graphs demonstrate nickel price movement and nickel stocks over the past 60 days.



WOWO GAP PROJECT EL1165 - UPDATE

Hydro Power Potential

Access to electricity is one of the key requirements for any future development at Wowo Gap, and access to cheap, reliable power will be a competitive advantage.

Several months ago, a significant waterfall was noted close to the Wowo Gap deposit and this was identified as having potential to support an environmentally friendly run-of-river hydro power station.

During the quarter, a small team was sent to identify the exact location of the waterfall to undertake observation of water flow, fall distance, headwater source and other general information.

The team successfully located two waterfalls, one with a fall of 50-60 metres, the other with a fall of >200 metres, both within 7km of the Wowo Gap tenement.

Given the close proximity to the Wowo Gap site, it can be assumed that rainfall patterns in the headwaters of the falls will be similar to the Wowo Gap site. RMC has many years of daily rainfall records which will be used in predicting water availability.

Social Mapping

A comprehensive draft report has been received and accepted. An agreed scope of work has been determined with the independent contractor to conclude this important task before the end of 2012. Involvement of all the associated local villagers has been sought with advice to them of the follow-up programs provided in advance. Willing and helpful

participation by the village people affected by the study has been particularly encouraging to the company.

Village Produce

This initiative is developing towards self-sufficiency with considerable interest shown by the Oro Provincial Agriculture Department in the collaborative work between Niugini Nickel and the villages of Embessa and Obea.

With confirmation of renewal of EL1165, both the villagers and RMC can move this project forward with more certainty.

METALLURGICAL TESTING

CSIRO Draft Report – Organic Acid Leaching

A comprehensive report has been received from CSIRO regarding the Organic Acid Leaching. The report summarises the completed work program and highlights two aspects of the organic leaching process that will require further development, namely;

1. Acid recovery; and
2. Metal iron recovery from the leachate.

As a result, the next step in the investigation to Proof of Concept with the organic leach process is to investigate the acid regeneration and iron removal. Several options are available and are under consideration prior to further testing.

WESTERN AUSTRALIAN PROJECTS

Activity for WA tenements was restricted to planning for field trips to Kumarina and St Patricks tenements in the December quarter.

Planned activities will include further soil and vegetation sampling over areas of particular interest and a potential ground electromagnetics survey over the St Patricks tenement.



W J Davies
Managing Director
Dated this 31st day of October 2012