



RIMC

Resource Mining Corporation Limited



DECEMBER QUARTERLY REPORT

For the period ended
31 December 2017

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

ABN: 97 008 045 083

Email: rmc@resmin.com.au

ASX Code: RMI

Contact:

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 Company continued to focus activities on cost control and the main asset of the Wowo Gap Nickel/Cobalt Project (“The Project”). The key objective continues to be the preservation and maintenance of its interest in the wholly owned Wowo Gap Nickel Laterite Project (“the Project”).

The previously advised control measures mentioned regular Quarterly Report updates, have settled into a ‘steady state’ environment with minor savings now being achieved. Site operations continue as planned to ensure both the security and preservation of the Project’s tangible and intangible assets, with the utilisation of village-based enterprises now the ‘normal’ means of providing essential services to the exploration camps.

The Company’s Annual General Meeting was successfully held on 17 November 2017 with all resolutions being passed. (Details released to ASX 17th November 2017).

Off-site project development work continues within constraints of funding availability. Renewed interest in nickel and cobalt resources globally, spurred by the rapidly increasing demand for rechargeable batteries for industrial and automotive applications has encouraged the company to undertake initial research into the metal and chemical requirements of the world’s battery producers to understand where the Project fits relative to forecast future metal demand. This research is on-going and includes review of the Project resource information.

Financial

Funding for the Company’s ongoing operations continues to be provided from RMC’s largest shareholder, Sinom (Hong Kong) Limited. Funds are being provided interest free and are not repayable before 31 December 2018.

Commodity Markets

Both nickel and cobalt prices continued to rise on the London Metal Exchange during the quarter as illustrated in Figure 1 below.

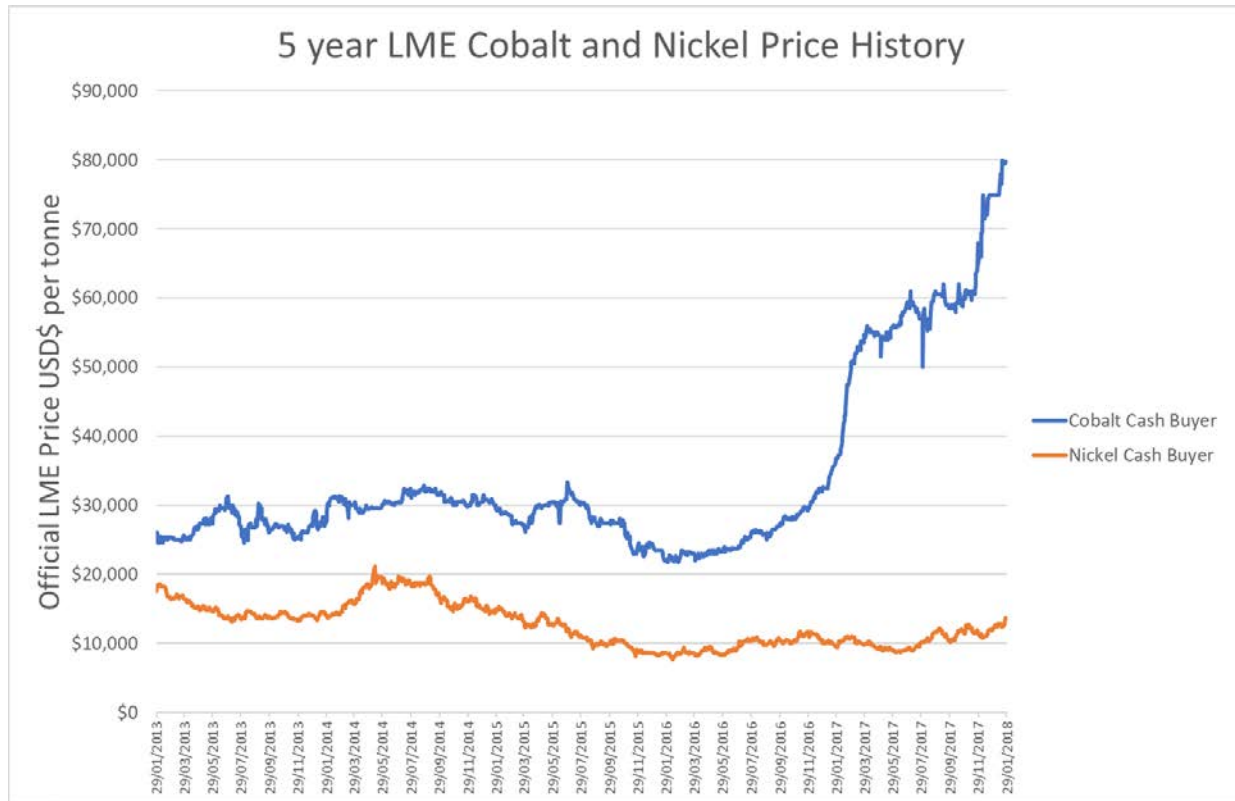


Figure 1: 5 Year Nickel and Cobalt Cash Price History

According to reports in “Scrap Register”, nickel production during the period January to November 2017 was below demand by almost 64,000 tonnes. This compared to a production deficit of 68,200 tonnes in 2016. Demand was driven by traditional users of nickel namely the stainless-steel industry in China as well as improved demand from European producers. Approximately 70% of world nickel consumption is made by the stainless-steel industry.

As reported last quarter, UBS consider that the growth in electric car production could see a major shift in the world’s nickel market after 2020. In their latest report, (December 2017), the UBS analysts predict that sales of electric vehicles will exceed 16.5 million in 2025 up from their earlier prediction of 15.0 million vehicles. Their latest forecast is based on announcements of planned increase investment in charging stations as well as the decreasing costs of the electric vehicle powertrains. Cobalt prices reached USD\$80,000 per tonne since the end of the quarter, a 33% increase in price since October 2017.

W J Davies
 Managing Director
 Dated: 31 January 2018

SCHEDULE OF TENEMENTS AS AT 31 DECEMBER 2017

Tenement	Tenement No.	RMC Interest
Wowo Gap	EL1165	100%