



RIMC

Resource Mining Corporation Limited



MARCH QUARTERLY REPORT

For the period ended 31 March 2017

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 cost control and operational effectiveness strategies continue as a key focus for the Company whilst maintaining activity on site. All costs, particularly administration, remain under strict control. Current working arrangements in Perth and on-site have become routine. The discipline of tight cost control has identified additional area where more savings can be made in Perth. These measures will be implemented during the June Quarter.

Site operations have been interrupted due to seasonal heavy rains. However, operational changes instituted over the past 12 to 18 months has paid significant dividends as personnel have engaged in detailed planning for future activities whilst their movement has been restricted by the adverse weather conditions. The Company is also encouraged by members of the local communities providing regular garden produce deliveries on a coordinated basis.

Logistics issues with provision of food and fuel to the operations have also been subject to review with the processes being modified to ensure efficient operations and, where possible, operate on a 'just-in-time' process. Despite the logistical difficulties of operating in a remote jungle environment, the recent operations changes have been a success and clearly add to the operations knowledge base for future development.

Off-site project development work continues, dictated by funding availability and investor interest, which despite the weak nickel price remains fluid. Site activities and operations continue to ensure both the security and preservation of the Wowo Gap Project Nickel Laterite Project's ("the Project") tangible and intangible assets.

Financial

The Company is supported by additional funding from RMC's largest shareholder, Sinom (Hong Kong) Limited. Funds loaned to date are interest free and not repayable before 31 December 2018. Sinom is continuing to provide funding as required.

Nickel Market

In January 2017, the Indonesian Government has recently announced the temporary lifting of the export ban on low grade nickel ore. As previously reported in RMC's December Quarterly, Industry commentators were suggesting that rather than a blanket lifting of the ban, the action was rather a process to allow the part state-owned Pt Antam to ship a small volume of low grade ore. In a Reuter's report on 13 January 2017, comments were made to suggest that companies that had invested in nickel processing facilities in Indonesia would be granted licences to ship small tonnages to China.

The Chinese Nickel Pig Iron industry is understood to have recently undergone changes where processors who remain in operation have invested in improved technology to reduce costs with much of the industry aligning with the stainless steel industry (stainless steel production accounts for >75% of the world's nickel production). The net result of the changes in the Indonesian Government's partial lifting of the minerals export ban is translated into a confused picture regarding the future of nickel and its forward price.

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

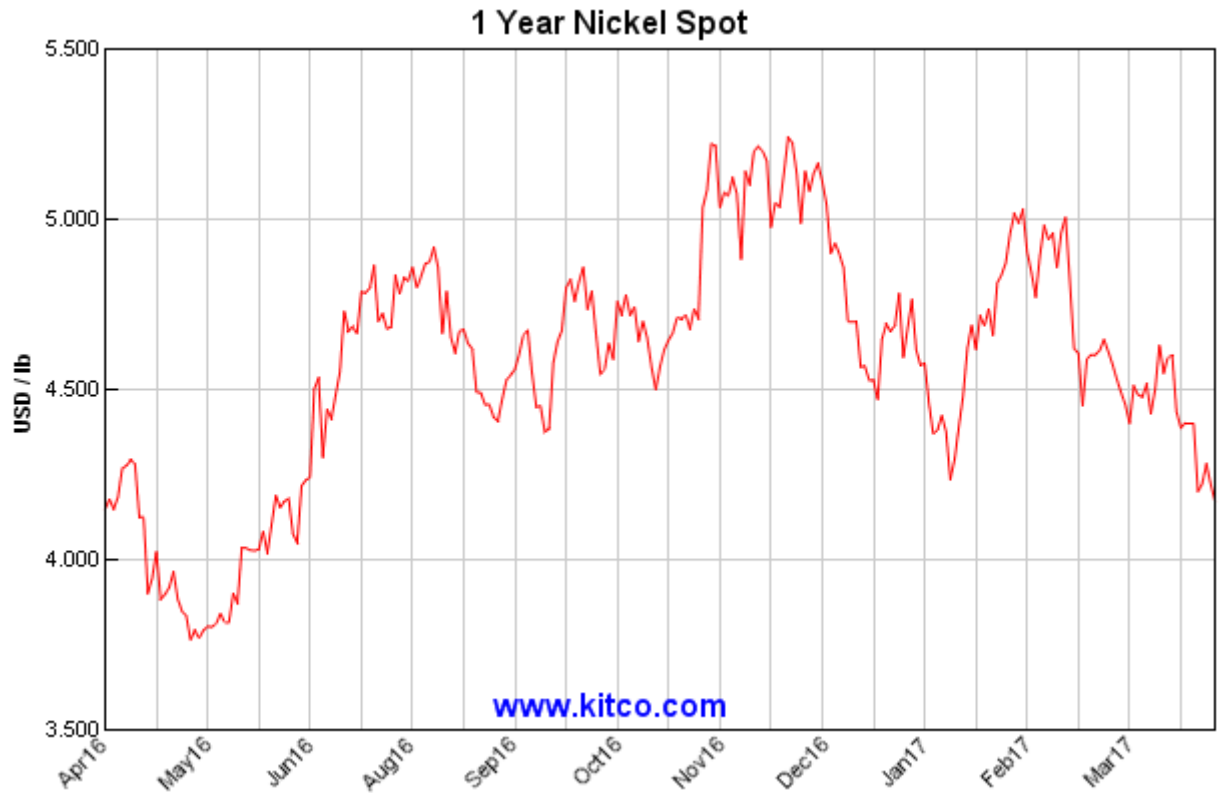


Table 1: 1 Year Nickel Spot Price

The clear trend is downwards.

Table 2 provides a more comprehensive picture of the 5 year nickel price movement.



Table 2: 5 Year Nickel Spot Price

Of equal importance is the movement in LME Nickel Metal stocks as the following graph clearly demonstrates the peaking of physical stocks in May 2015 with a distinct downward trend since that period with a recent upward 'kick' towards the end of the March 2017 Quarter. Refer to Table 3 below.

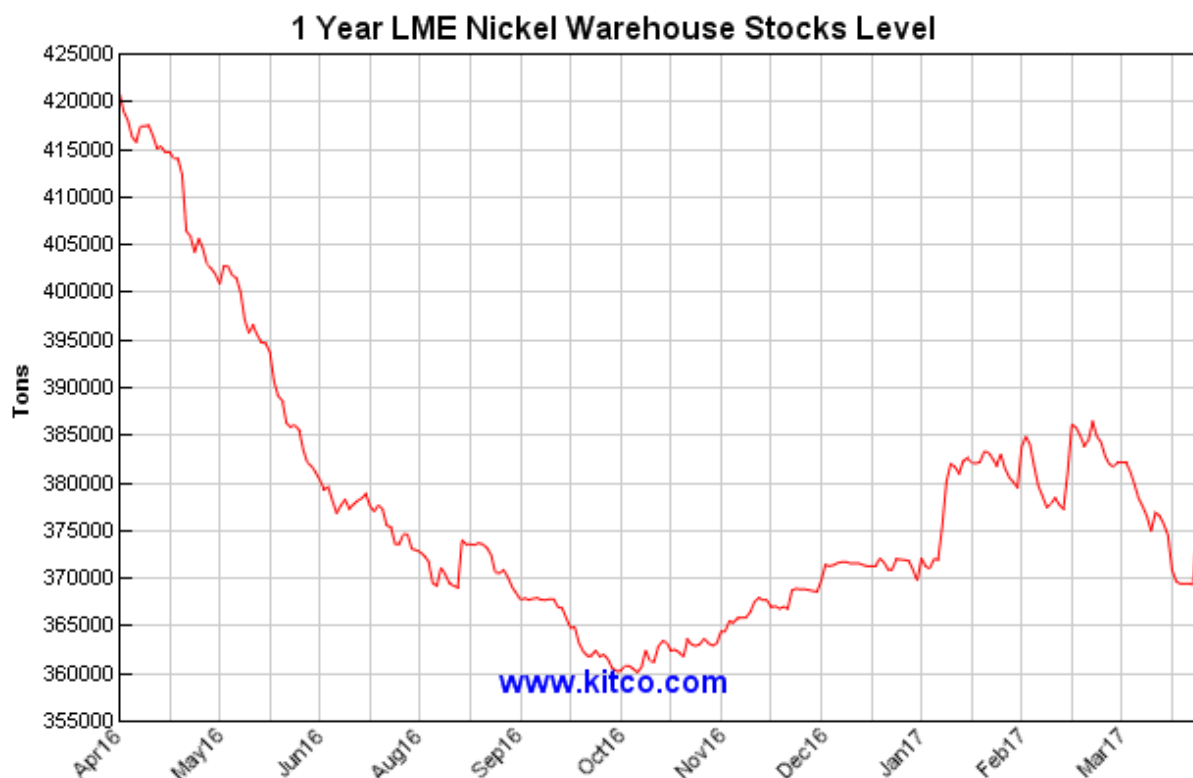


Table 3: 1 Year LME Nickel Warehouse Stocks Level

PAPUA NEW GUINEA

WOWO GAP NICKEL LATERITE PROJECT ("THE PROJECT") STATUS REPORT

Tenements

Exploration Licence EL 1165

This is the main tenement containing the Wowo Gap laterite resource and remains the Company's principal asset and exploration focus. Work activities included in the renewal application continue despite the reduced general site activities.

Exploration Licence EL 2337

The 2 year life of EL 2337 expires in November 2017. Given the limited exploration potential for this tenement, the directors decided to relinquish the tenement.

Site Activities

The Project site continues to operate with 100% locally based personnel. Training, upskilling and multi-skilling continue to be an important component of site activities. Recent events regarding logistics delivery has demonstrated clear benefits as an important fuel delivery was planned, arranged and

delivered by site personnel. This is the first time such an important activity has been fully co-ordinated by local personnel. Further initiatives are planned for the near future to build on this experience.

Site work associated with the routine maintenance of the site and access routes, airstrips and plant and equipment has also been used as a means to facilitate the training program. A positive spin-off of this training has been the development of personnel in use of communication equipment including satellite phones and e-mails. The remote location of the Company's operations restricts communication options.

The communications training played an important part in the successful fuel delivery arrangements. 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.

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 the project and site operations.

As an extension of the social engagement activities, Niugini Nickel (RMC's wholly owned subsidiary) is in the early stages of working with Rotary International on a project sponsored by the Rotary Club of Warrnambool Inc., to provide a community fresh water supply at the village of Embessa. The Company is providing support and advice by way of background information etc. As the project advances, it is likely that the Company will provide additional logistics, communication and other support to Rotary International to facilitate the plans and implementation of their project.



W J Davies
Managing Director
Dated: 27 April 2017

SCHEDULE OF TENEMENTS AS AT 31 MARCH 2017

| Tenement | Tenement No. | RMC Interest |
|-----------------|---------------------|---------------------|
| Wowo Gap | EL1165 | 100% |