



RIMC

Resource Mining Corporation Limited



JUNE 2018 QUARTERLY REPORT

For the period ended
30 June 2018

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/Cobalt Project (“the Project”).

The licence period for EL 1165, the Wowo Gap exploration licence, expired on 28 February 2018. (Exploration licences in Papua and New Guinea have a 2-year life). The Company has completed all the necessary documentation in relation to application for the renewal of EL 1165 and EL 1165 remains in full force and effect whilst the renewal application is being processed.

A key part of the renewal process is for Warden’s Court hearings to be conducted in villages adjacent to EL 1165. These hearings provide an opportunity for local landowners to express their views regarding the licence renewal. Hearings were held on 19th July 2018 in two villages, Embessa and Obea, locations from where most of the local labour is sourced for work on tenement activities.

Both hearings were well attended with between 70 and 80 people present at each. Hearings were conducted in a positive atmosphere where the Warden encouraged the local people to have their say and frankly voice their opinions. Positive support for the Company to retain the exploration licence was received and endorsed at both Embessa and Obea.

The Warden will now prepare his report on the hearing outcome, present this to the Mineral Resources Authority, (MRA) and then to the Mining Advisory Council (MAC), for their review and consideration. The MAC meets every two months to review exploration licence requests. After consideration of the licence renewal application, the MAC makes a recommendation to the Mines Minister regarding the renewal. The Mines Minister has the final decision for all renewal requests.

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 2019.

Commodity Markets

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

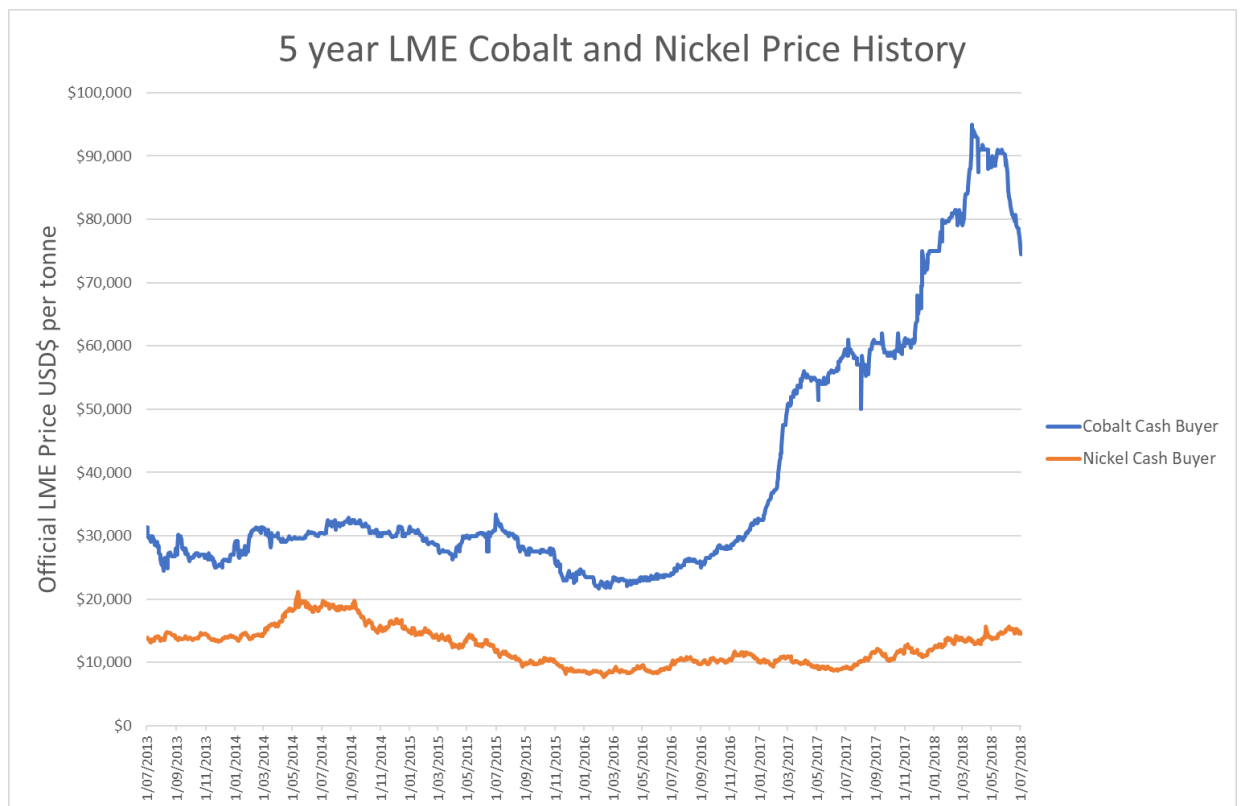


Figure 1 : 5 Year Nickel and Cobalt Cash Price History

Nickel stocks held by the LME have continued to reduce dramatically, particularly in the past 6 months. Figure 2 below provides the clear evidence of the de-stocking rate over the past half year period.

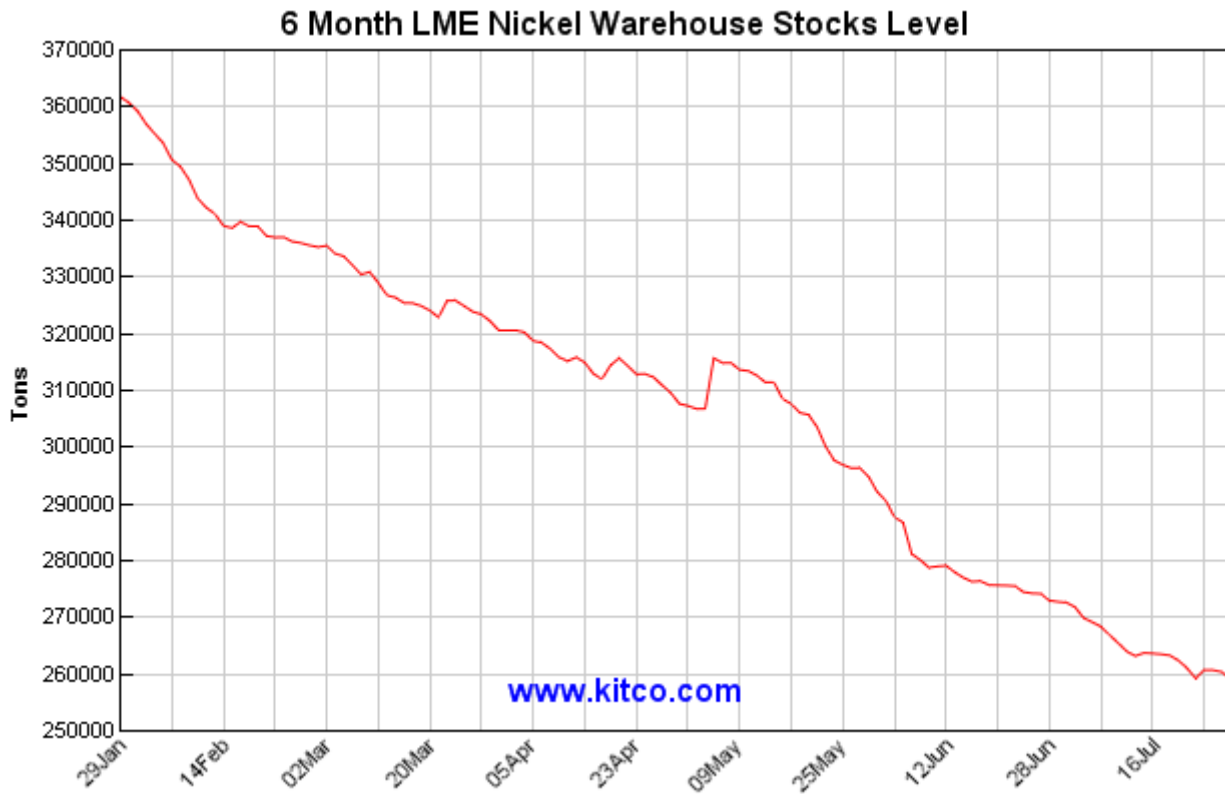


Figure 2 : 6 Month LME Nickel Stocks

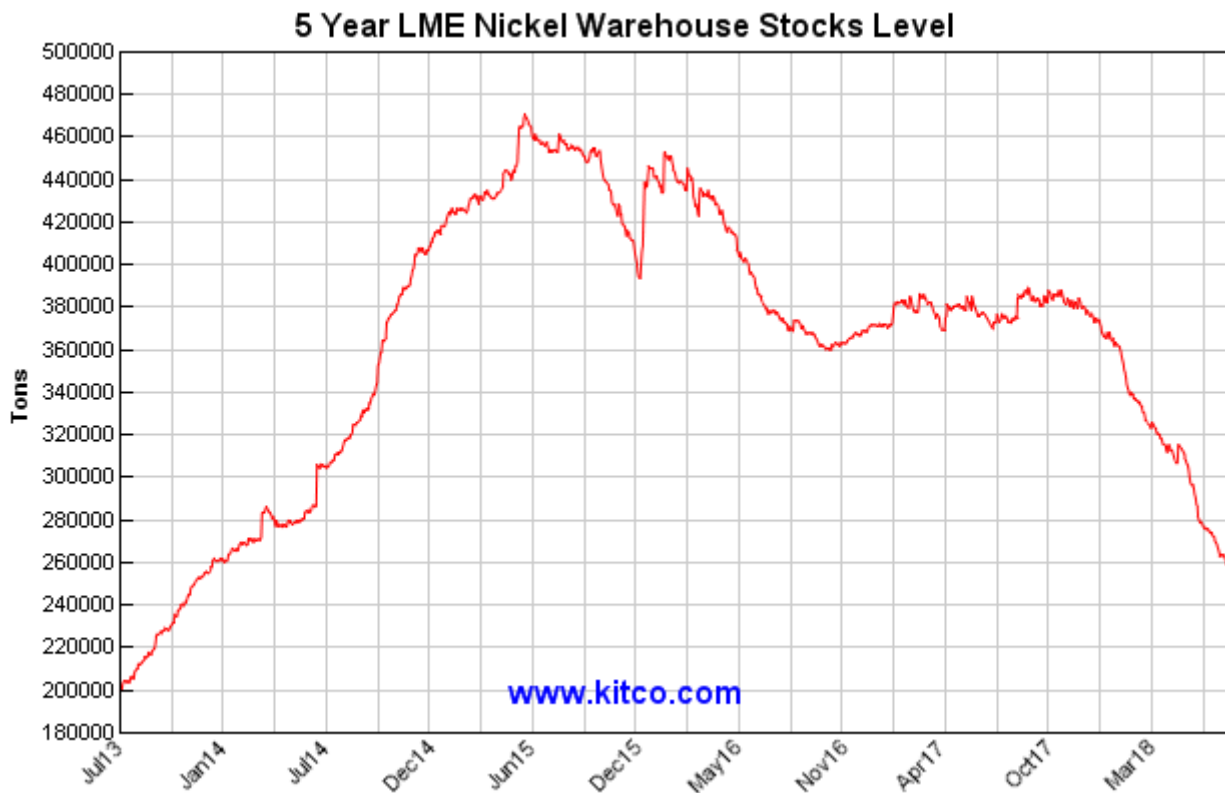


Figure 3 : 5 Year LME Nickel Stocks



Figure 4 : 5 Year Nickel Spot Price

Figure 4 demonstrates the sustained positive upward movement of the nickel price movement over the past 5 years with the steady upward movement since July 2017.

The International Energy Agency (IEA), predicts that there will be 125 million electric vehicles worldwide in 2030. According to the IEA, the world's electric car fleet grew 54% in 2017 to 3.1 million vehicles.

Ken Hoffman of McKinsey and Company, predicts that there will be a change in batteries for electric vehicles which will see a standard chemical mix adopted where future batteries for electric vehicles will need to mirror the performance of the current internal combustion engine. He suggests that the battery standard will be based on nickel chemicals.

Cobalt prices declined during the June quarter from record highs of US\$95,000/ton to US\$75,000/ton at the end of the quarter. Some industry commentators suggest that the fall in cobalt prices is a result of metal sales by speculators.

W J Davies
 Managing Director
 Dated: 30th July 2018

SCHEDULE OF TENEMENTS AS AT 30 JUNE 2018

Tenement	Tenement No.	RMC Interest
Wowo Gap	EL1165	100%