



RIMC

Resource Mining Corporation Limited



JUNE 2021 QUARTERLY REPORT

For the period ended
30 June 2021

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*

Projects:

Papua New Guinea:
Wowo Gap: Nickel-Cobalt

Tanzania:
Kabulwanyele: Nickel-Cobalt

Suite 14, Level 2
210 Bagot Road
Subiaco Western Australia 6008
Phone: 61 8 6494 0025

Resource Mining Corporation Limited ("RMC", "RMI" or the "Company") 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") and Tanzania.

QUARTERLY REPORT

SUMMARY

Corporate Update

The first round of exploration was completed at the recently acquired controlling interest in the Nickel Kabulwanyele Nickel Project (**KNP**) located approximately 45 km south west of Mpanda, the administrative centre for the Katavi Region in Western Tanzania Project in Tanzania. With the controlling interest in the Nickel/Cobalt exploration and development arena and spreads the Company's risk profile from reliance on Papua New Guinea.

RMI's Tanzanian based exploration team recently completed a comprehensive mapping program in conjunction with a systematic soil and rock sampling across the Project area. Pleasingly, the exploration program conducted concurrently, was completed within the allocated budget and timeframe. Based on the initial exploration program results, Eastern Nickel has applied for an additional prospecting licence in the area adjacent to the granted tenements.

At the Wowo Gap Project in PNG, preservation and maintenance of the Company's interest in the wholly owned Nickel/Cobalt Project continues, notwithstanding the challenges presented by COVID-19 including domestic and international travel restrictions.

COVID-19 infection rates in PNG reached the highest level recorded mid may but since then has declined and continues to slowly decline at the end of the June quarter. Official death rates list total deceased at less than 200 but press reports continue to suggest significant under-reporting of infection and death rates. According to official Department of Health statistics, of the approximate 17,500 identified cases to date, approximately 9.4% have been front line health workers.

The Provincial capital of Oro Province, Popondetta was COVID-19 free until May. Latest reports indicate in excess of 150 cases within the town area. This is particularly important for the residents living adjacent to EL 1165 as Popondetta is the main commercial and government centre for the province. Local residents regularly travel to Popondetta and in doing so, increase their exposure to potential infection.

The Company provides logistic and other support to a single community health officer based in Embessa, but other official support is very limited. The Company relies on her regular health reports along with weekly reports from village liaison officers to understand and hopefully detect any signs of potential COVID-19 infection in local villages. There are no local COVID-19 testing facilities.

As previously reported, the exploration licence for EL 1165 expired on 28th February 2020 with an application to renew the licence for a further two-year period being submitted to and accepted by the Mineral Resources Authority (MRA), prior to the expiry date. (Whilst the renewal process is being conducted, EL 1165 remains under the Company's control with the Company responsible for maintaining operational activities and expenditure commitments).

The Company has been advised by the MRA that the delayed Warden's Court Hearing as the first stage in the renewal process for EL 1165 has been rescheduled to 14th September 2021. Included in the advice is a note to advise "that changes in State of Emergency (SoE) regulations are affecting hearing schedules. Therefore, should future SoE regulations alter the hearing schedule, the Company will be informed." On this basis, there remains a possibility that the hearing date may be subject to further amendment.

Financial

Funding for the Company's ongoing operations continues to be provided from Sinom (Hong Kong) Limited (**Sinom**), RMI's largest shareholder and an entity controlled by RMI's Non-Executive Director, Andy Zhang. Funds are being provided interest free and are not repayable before 31 March 2022.

In late 2020, as previously advised, Sinom sold \$4,761,087 of debt due from RMI to a UK AIM-listed company, Corel plc. These loans are unsecured and interest free. \$2,761,087 is repayable at any time on or following 30 September 2021, and \$2,000,000 is repayable at any time on or following 14 January 2022 forthwith on demand.

Wowo Gap Operational Activities – COVID-19 Impacts

The Company's program of COVID-19 awareness continues as a matter of daily operational activity. Recent changes to PNG government State of Emergency regulations now require all passengers on charter flights to be vaccinated against COVID-19. This has restricted the ability and opportunity of local villagers to travel on Company charters where the back-haul leg has an empty aircraft. Exceptions to the vaccination requirements are for medivac flights where equally strict requirements for accompanying medical personnel apply.

Logistics issues arising from the previously advised restrictions in navigating the Musa River, the main transport artery for access for fuel, (diesel, petrol and oils), continued to have a negative impact on site operations. Maintaining strict COVID-19 controls including social distancing whilst relying on porters to move fuel when available, restricted work activity.

When fuel is readily available, people and equipment are regularly ferried by powered canoe over navigable sections of the Musa River or its tributaries reducing the distances porters have to walk. With limited fuel availability, the Company has resorted to using 'man-powered' canoes for equipment and people movement. This has slowed operations whilst continuing to support local employment and enterprise.

The Company sources casual labour from villages adjacent to the Project area, labour being arranged in conjunction with local village leaders. The restrictions of people movement caused by the Musa blockage often means designated workers are caught away from home necessitating changes to work rosters etc. This type of event has a 'knock-on' negative effect and reduces efficiency and interrupts work planning and implementation.

With the Company's satellite communication links, the local villages rely on the Company to pass on COVID-19 information, a service provided to endeavour to keep local communities up to date.

Kabulwanyele Nickel Project:

The Kabulwanyele Nickel Project, (**KNP**), is located near the Western border of Tanzania in an area of known nickel mineralisation. Figure 1 shows the Project location.

Exploration work undertaken during the Quarter was focussed on geological mapping as well as a comprehensive soils sampling program.



Figure 1 - Project location

Mapping

The geological mapping program concentrated in the area where historical exploration had identified the presence of Nickel laterite mineralization. Continuous ferruginous siliceous laterites have been mapped in a hilly area which form three hill grouping. (See Figure 2 and 3 below). Geological interpretation suggests the laterites resulted from the strongly weathered mafic-ultramafic layered intrusion. The three hills extend for a length of 2.0km NW-SW direction with an average width of 0.8km. Maximum thickness of laterization was observed on the upper areas of the hills with laterite horizons thickness ranging between 20 –35m.



Figure 2: Ferruginous Siliceous Laterite



Figure 3: Serpentine Saprolitic Laterite

The mapping program identified additional laterite mineralization outside of the granted exploration tenements. RMI has subsequently filed a new application to cover the newly identified mineralized area. Figure 4 shows the mapped geology, newly applied license area along with the completed soil sampling locations.

Soil sampling

A total of 264 samples were collected systematically from the project area. The samples have been dispatched SGS Mwanza for sample preparation and thereafter will be shipped to SGS South Africa for chemical analysis.

New Prospecting License Application

An application for a new and additional prospecting license has been made to cover the area where laterite mineralization has been identified. (See Figure 4 below for the recent application area). The license application covers an area of 0.27km² and essentially includes the majority of identified laterites outside the granted tenements.

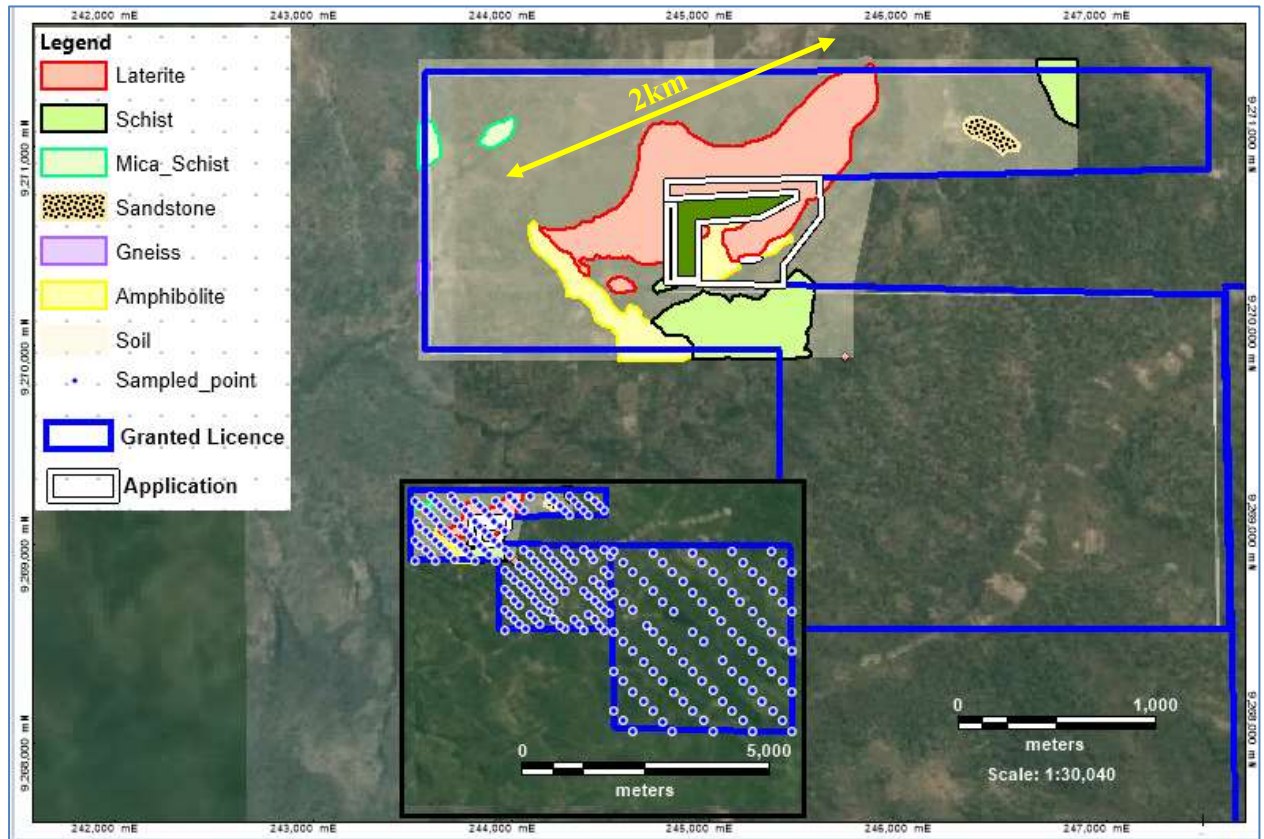


Figure 4. Mapped Area Including, Geology, Soil Sample Locations and New License Application Area

Future Work Programs

After receipt and review of the chemical assay results of the soils sampling program and assuming positive results, the company is planning to conduct an aircore drilling program to test any targets generated from the assay results.

W J Davies
 Managing Director
 Dated: 28th July 2021

Additional ASX Information

- Exploration and evaluation expenditure during the Quarter was \$51,000, including staff costs. Full details of exploration activity during the Quarter are included in this Quarterly Activities Report.
- There were no mining production and development activities during the Quarter.
- Payments to related parties of the Company and their associates during the Quarter were nil. The costs for non-executive director fees and executive directors' consulting remain unpaid.

SCHEDULE OF TENEMENTS AS AT 30 JUNE 2021

Tenement	Location	Tenement No.	RMC Interest
Wowo Gap	Papua New Guinea	EL1165*	100%
Kabulwanyele	Tanzania	PL/11534/2021	75%
Kabulwanyele	Tanzania	PL/11535/2021	75%

* Tenement under renewal.

Authorised for lodgement by Warwick Davies, Managing Director.

For personal use only