



RIMC

Resource Mining Corporation Limited



MARCH 2021 QUARTERLY REPORT

For the period ended
31 March 2021

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

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ASX Code: RMI

Contact:
Warwick Davies – *Managing Director*

Projects:

Papua New Guinea:
Wowo Gap: Nickel-Cobalt

Tanzania:
Kabulwanyele: Nickel-Cobalt

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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

As announced to the market on 9th February 2021, the Company has acquired a controlling interest in a Nickel Project in Tanzania. The key points of the acquisition are:

- The Company has acquired 75% of the issued capital of Eastern Nickel Pty Ltd (**ENPL**);
- ENPL holds 99% of the issued capital of Eastern Nickel Tanzania Limited (**ENT**);
- ENT holds a 100% interest in the Kabulwanyele Nickel Project (**KNP**) located approximately 45 km south west of Mpanda, the administrative centre for the Katavi Region in Western Tanzania
- The KNP comprises 2 x granted Prospecting Licences, PL/16632/2020 and PL/16633/2020, covering approximately 20.5 square kilometres in total.

The controlling interest in the Kabulwanyele Nickel Project provides the Company with an additional interest in the Nickel/Cobalt exploration and development arena and spreads the Company's risk profile from reliance on Papua New Guinea. An initial exploration program commenced in April 2021.

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.

The incidence of rate of COVID-19 infections in PNG has risen dramatically and press reports suggest very significant under-reporting of infection and death rates as it is recognised that the PNG health system cannot cope with the continuing high levels of infection.

With regards direct impact on the Company's exploration site and surrounding villages, the communities rely on one community health worker, (supported by the company), for monitoring of symptoms. There are local no testing facilities. However, there have been cases of infection noted in the regional town of Popondetta the main centre for medical care and the conduct of business. Residents of villages adjacent to the Project are frequent visitors to Popondetta increasing the potential for the introduction of the virus into local villages.

The Company continues a very active program of COVID-19 awareness with active extension of on-site awareness to local villages. Operations continue in a COVID-19 safe manner where recent works plans have been reduced to ensure adequate social distancing, hygiene focus with regular updates to the virus awareness program on site especially since cases of infection have been identified in Popondetta.

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).

A number of dates have been set by the Warden's Court for the statutory renewal hearing on site, but these have been adjourned due to COVID related travel restrictions. The latest tentative date for a hearing is in late May.

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. As at the quarter end, no discussions with Corcel regarding repayment of the debt had occurred. The Company is considering options to extinguish this Corcel debt.

Wowo Gap Operational Activities – COVID-19 Impacts

Dealing with the restrictions of working in a COVID-19 safe environment particularly with respect to physical distancing and limited numbers of people permitted in the exploration camp, has significantly hampered operational activities during the quarter and into the immediate future. The adverse weather conditions reported in the previous report have also continued to adversely impact operations.).

The Musa River is the main transport corridor from Embessa, major population centre adjacent to Wowo Project, to Oro Bay/Popondetta the capital of Oro Province. Exceptionally heavy rains caused flooding of the Musa River and significant changes in its path to the coast. These changes include major erosion of riverbanks, causing the river's path to spread across relatively flat landforms leaving the river wide and very shallow preventing the passage of all craft, including canoes.

With limited navigable water, it is not possible to transport fuel drums from Oro Bay to Embessa where the fuel is transferred to 20 litre containers and ported to site. Whilst the Company has sufficient fuel reserves on site, use is being carefully managed whilst local teams seek to find navigable sections of the river for future transport options.

Fuel management, weather conditions and COVID-19 restrictions all contributed to reduced on-site activity where essential operations only were undertaken. By necessity, camp maintenance, access track repair, routine environmental monitoring and training were the main activities undertaken. With COVID-19 infections being recorded in Popondetta, considerable time was spent conducting 'Awareness Lectures' for the workforce, porters and the occasional travellers who pass through the exploration area.

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.

The normally strict physical distancing and hygiene conditions have become the accepted site operating procedures. Local supervisors are finding that new casual employees are requiring less COVID-19 induction and training as social distancing etc appears to have gained more local acceptance. The awareness campaigns by supervisors and the Village Liaison Officers continue to be a focussed activity.

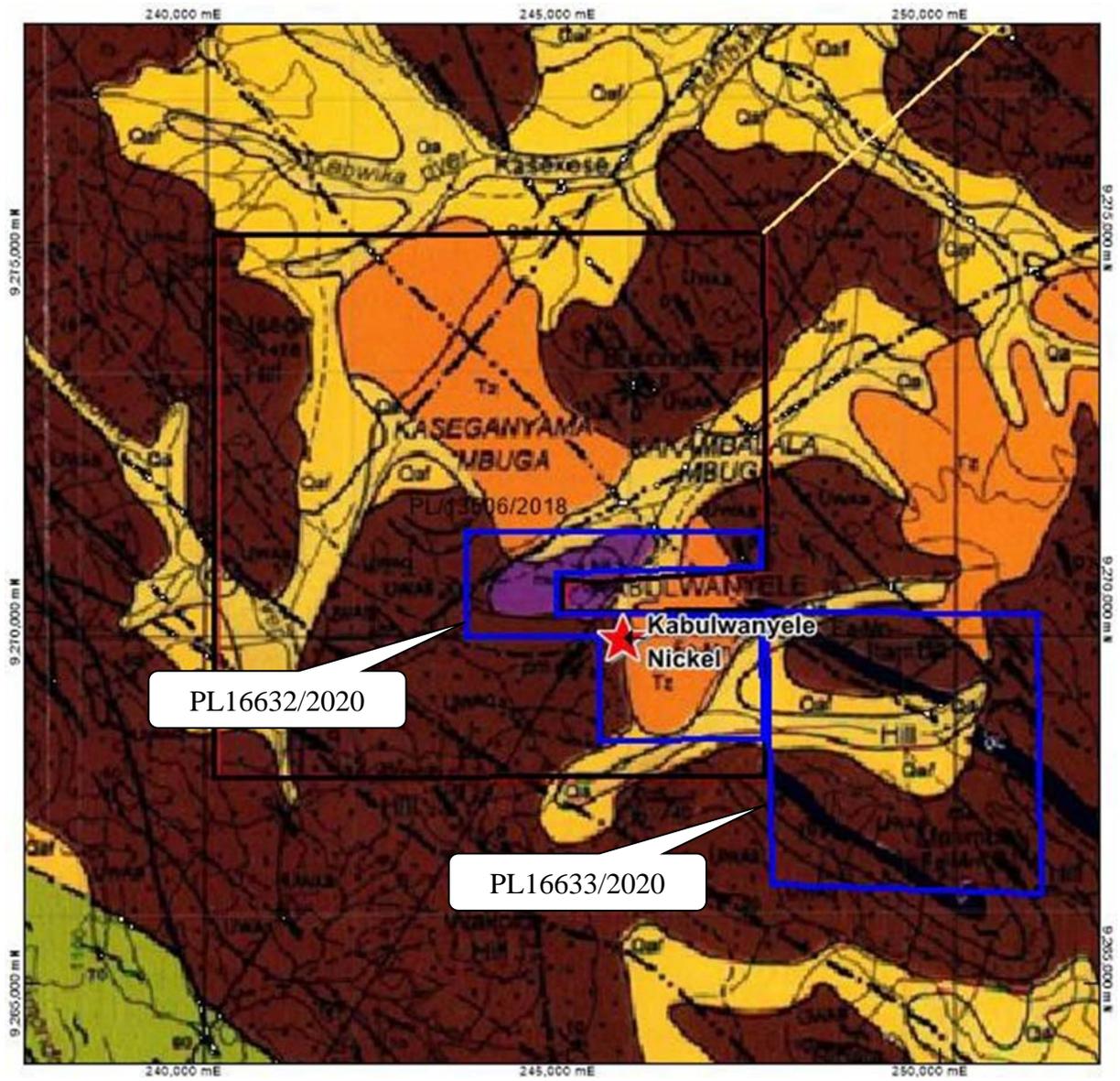
Kabulwanyele Nickel Project:

With the successful acquisition of a controlling interest in the Kabulwanyele Nickel Project, (**KNP**), the Company has added a second Nickel/Cobalt exploration project to its exploration portfolio. KNP is located near the Western border of Tanzania in an area of known nickel mineralisation. Figure 1 shows the Project location.



Figure 1 - Project location

Local geology of the KNP covers part of the Ubendian rock system of lower Proterozoic rocks, comprising mainly of acidic gneisses, granulites, amphibolites and ultramafic rocks. From historical exploration it is apparent that the Laterite hills at Kabulwanyele are prospective for nickel, cobalt and manganese. Figure 2 outlines the regional geology including the location of the KNP.



	Metaultrabasite
	Laterite
	Amphibolite (kyanite-garnet-biotite schist)
	Amphibolite (biotite schist and gneiss), Granulite / Eclogite?
	Alluvium

Figure 2 – KNP surface geology

The KNP area has not been subject to modern exploration, the initial ‘on-ground’ work will involve:

- Locating historical pits dug during colonial regime and resample them.
- Conduct a systematic soil sampling over the area;
- Geological/regolith mapping of the area
- Plan further works such as trenching and pitting.

RMI’s in-country exploration team have completed a deskwork study for the Project and in April 2021 they mobilised to commence field exploration activities in the project area. The programs being executed include systematic soil/rock sampling programs and geological mapping.

The sampling program aims at studying the distribution of nickel and cobalt mineralization in the area of known mineralisation. The sampling program will comprise of a total of 300 samples that will be collected to cut across the known nickel deposit.

Geological mapping will be conducted in the area previously mapped to have nickel laterites including a buffer of 400m from the boundary of the known mineralisation. The main objective of the program will be to delineate the mineralization boundaries, identify more areas of mineralization and to generate drilling targets.

Figure 3 below shows the location of the Kabulwanyeles tenements, nickel deposit and planned systematic sampling program.

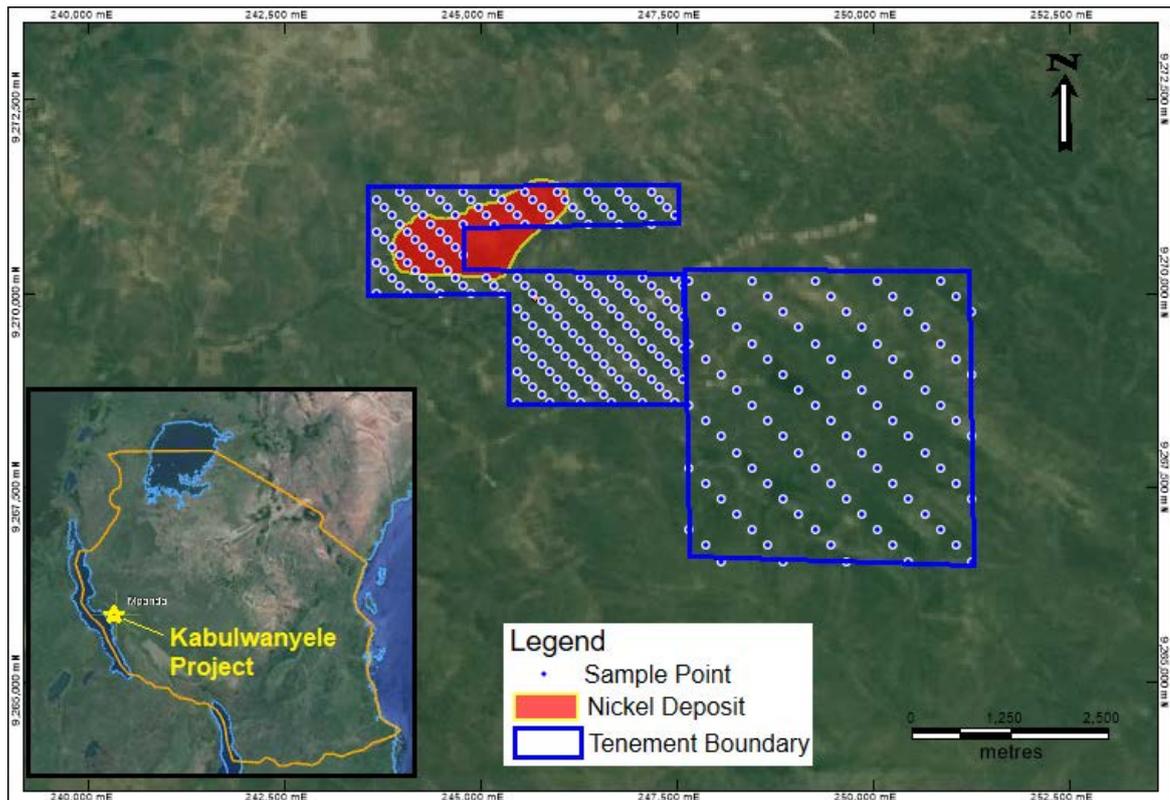


Figure 3 - Kabulwanyeles Nickel Project Location, nickel deposit and sampling program

W J Davies
Managing Director
Dated: 29th April 2021

Additional ASX Information

- Exploration and evaluation expenditure during the Quarter was \$33,000, 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 31 MARCH 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%*

* Acquired during the March 2021 quarter.

** Tenement under renewal.

Authorised for lodgement by Warwick Davies, Managing Director.