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DECEMBER 2016 QUARTERLY REPORT

ANNOUNCEMENT TO THE AUSTRALIAN SECURITIES EXCHANGE

31 JANUARY 2017

Highlights

- RTG Mining Inc. (RTG, "the Company") commenced a 1,500m diamond drilling program during the quarter at the Bunawan Project, following the renewal of Exploration License (EP-000033-14-XIII).
- Ms. Gloria Tan Climaco, a highly respected and successful Philippine business person has agreed to join the Board of Mt. Labo Exploration and Development Corporation ("Mt. Labo") as Chairman and has made a significant investment in the company.
- Mt. Labo has rescinded the previous settlement agreement with its joint venture partner, Galeo Equipment Corporation ("Galeo") due to non-performance by Galeo and has served a notice of termination and arbitration as required.
- Due to the above, Galeo is no longer a shareholder of Mt. Labo and its interest in the joint venture has reduced to a 36% unincorporated joint venture interest.
- A number of new business development opportunities diversifying the Philippine interests are well advanced and continue to progress well.
- The Company expects to receive an estimated **A$77,000** during the next quarter as part of its Research and Development tax claim from the Australian Government. The claims received to date are worth A$319,000.
- Cash and liquid assets as at 31 December were A$15.9M.

MABILO PROJECT

Overview of the Quarter

Acquisition of multi-element assay data was completed during the quarter. The additional data was incorporated into the exploration model to improve vectors to identify porphyries and help with future development of geometallurgical modelling.

Planning and preparation for oxide mining also continued during the quarter. The work mainly focused on Environmental Control Structures i.e. diversion bunds, control dams, detention basins and diversion channels.

Ms Gloria Tan Climaco, a highly respected and successful Philippine business person agreed to join the Board of Mt. Labo Exploration and Development Corporation ("Mt. Labo") during the quarter as Chairman and has made a significant investment in the company.

Mt. Labo has rescinded the previous settlement agreement with its joint venture partner, Galeo due to non-performance by Galeo and has served a notice of termination and arbitration as required. Due to this, Galeo is no longer a shareholder of Mt. Labo and its interest in the joint venture has reduced to a 36% unincorporated joint venture interest. Mt. Labo obviously does not believe arbitration necessarily results in sensible business outcomes and will likely cause a delay to operational activities, but believes it is the only avenue available to it, to protect its interests from the ongoing misconduct of Galeo and its founder.

Project Background

The Mabilo Project is located in Camarines Norte Province, Eastern Luzon, Philippines. It is comprised of one granted Exploration Permit (EP-014-2013-V) of approximately 498 ha; and two Exploration Permit Applications (EXPA-000209-V) covering 498 ha and (EXPA-000188-V) covering 1,991 ha. The Project area is relatively flat and is easily accessed by 15 km of all-weather road from the highway at the nearby town of Labo.

Massive magnetite mineralization containing significant copper and gold grades occurs as replacement bodies together with mineralized garnet skarn and calc-silicate altered rocks within a sequence of hornfels sediments of the Eocene aged Tumbaga Formation. The garnet and magnetite skarn rocks were extensively altered by argillic retrograde alteration and weathering prior to being covered by 25-60 metres of post mineralization Quaternary volcaniclastics (tuff and lahar deposits) of the Mt. Labo Volcanic Complex. The deposits are localized along the margins of a diorite stock which does not outcrop within the Exploration Permit.

The primary copper mineralization (predominantly chalcopyrite with lesser bornite) occurs as disseminated blebs and aggregates interstitial to magnetite grains and in voids within the magnetite. A strong correlation between gold and copper values in the un-weathered magnetite skarn indicates the gold is hosted by the chalcopyrite. A late stage phase of sulphide mineralization (predominantly pyrite) veins locally brecciates the magnetite mineralization.

In places the more shallow upper parts of the magnetite skarn bodies were weathered to form hematite skarn. Copper in the weathered zone was remobilized forming high-grade supergene copper zones (chalcocite and native copper) at the base of the weathering profile. The gold is more variable, remobilized throughout the hematite skarn and is domained within garnet skarn and calc-silicate altered country

rocks in places. The average iron grade of the hematite skarn is consistent with the magnetite skarn.

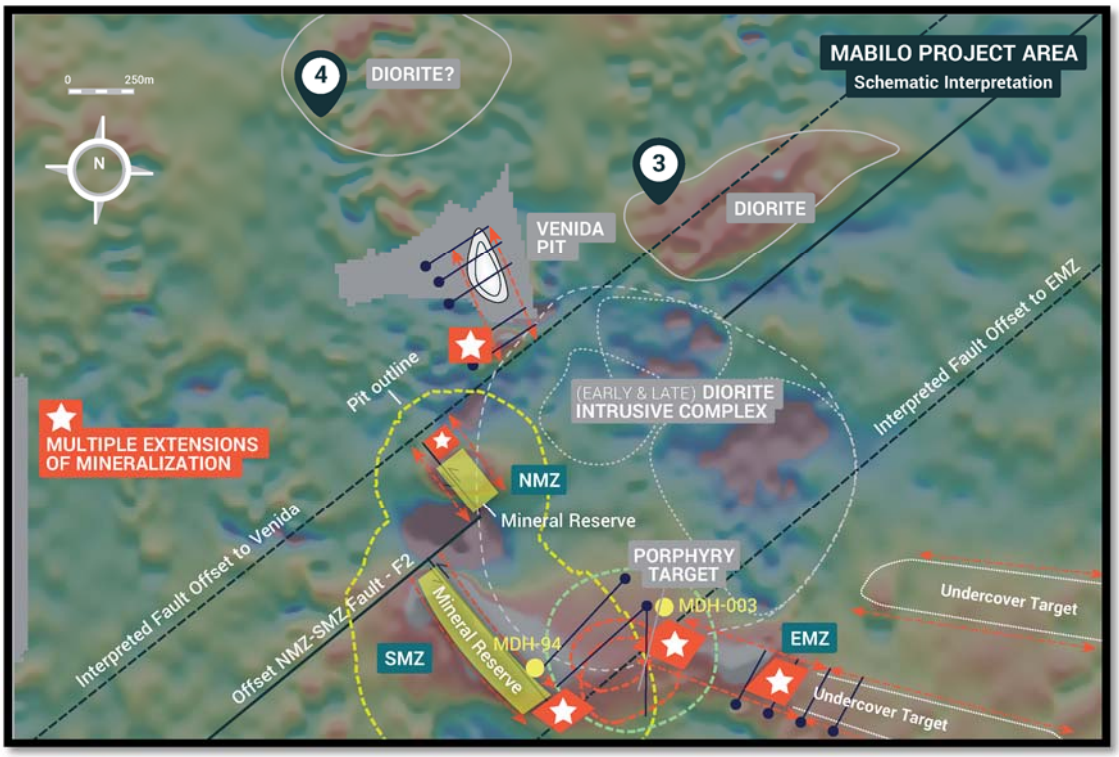

Figure 1- RTP ground magnetic image with modelled South, North and East magnetic bodies, showing exploration upside targets.

Mt. Labo discovered the mineralization in 2012 during a reconnaissance drilling program targeted on magnetic anomalies from a ground magnetic survey conducted by a former explorer. Mt. Labo subsequently conducted a new ground magnetic survey in early 2013, remodelled the data and commenced a second phase of drilling in mid-2013.

Extensive drilling has been undertaken during 2014 and 2015 with significant extensions in known strike beyond the magnetic model in the north and south directions. A total of 69 drill holes totalling 11,231m were used for the maiden Resource estimate (ASX released on the 24th November 2014). An updated Resource estimate (ASX released on the 5th November 2015) was completed using 98 drill holes totalling 18,200.9m. By the end of December 2015, 111 drill holes had been completed at the project. ***The current Resource is open down plunge and along strike.***

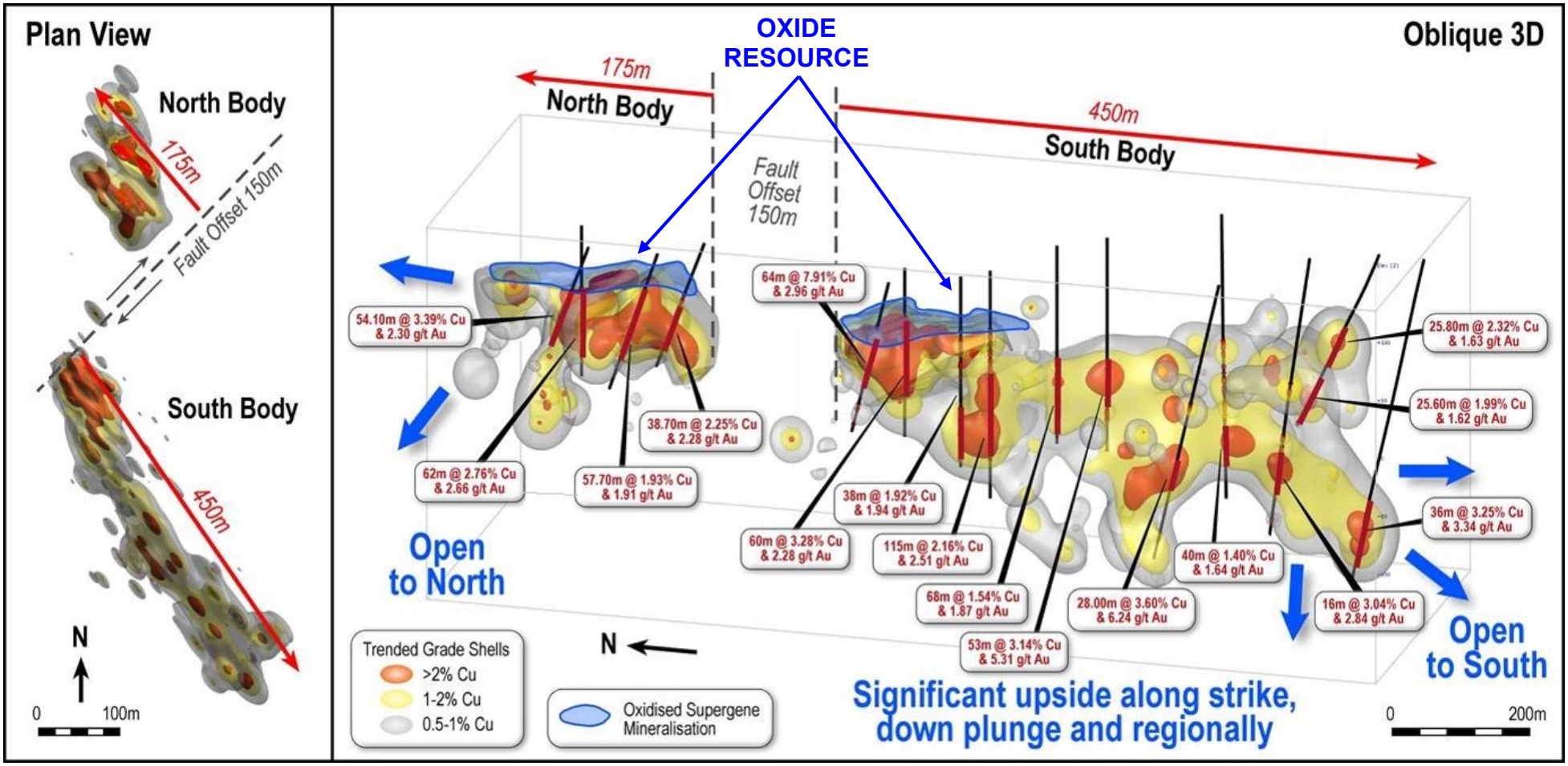

Figure 2- North and Southern Mineralized Zones with intercept highlights - Schematic Oblique view 3D

Feasibility Study ("FS")[1]

The Company announced on March 18, 2016 the results from an independent NI 43-101 compliant FS for 100% of the high grade Mabilo Project in Southeast Luzon, Philippines*. The Mabilo Project is both high grade and low cost, underpinning the robust economics presented in the FS including a 33% IRR after tax at US$5,000/t Cu US$1,200/oz Au prices (43.6% with only a 10% lift in commodity prices) and an equivalent operating cost of US$0.80/lb copper equivalent or US$425/oz gold equivalent for concentrate production at a throughput rate of 1.35mtpa**.

* The FS is based on a treatment rate of 1Mtpa. A treatment rate of 1.35Mtpa was also considered in an upside case. Factored indicative capital and operating cost estimates were developed for a planned throughput of 1.35 Mtpa. The capital cost estimates were derived from first principles for the 1 Mtpa process plant to an accuracy of +/- 15% and then the capital cost estimates were factored with an accuracy of +/- 25% for the 1.35 Mtpa process plant. The operating cost estimates were derived from first principles for the 1Mtpa process plant and then plant costs were factored with an accuracy of +/- 25% for the 1.35Mtpa operating scenario. All costs are in 2015 US dollars.
** The Copper equivalent tonnes and gold equivalent ounces are based on the following formulas –
CuEq = (Cu produced/contained*$5000) + (Au produced/contained*$1200+ (Any Contained Fe metal produced* $50))/$5000
AuEq = (Cu produced/contained*$5000) + (Au produced/contained*$1200+ (Any Contained Fe metal produced* $50))/$1200
[1] The Company confirms that all the material assumptions underpinning the Feasibility Study as announced to the ASX on the 18th of March continue to apply and have not materially changed. A copy of the announcement can be found on the Company's website at www.rtgmining.com.

Mabilo Mineral Reserves

March 2016 Mineral Reserve Estimate
The Probable Reserve represents an **equivalent gold grade for the Reserves of 5.26 g/t*** (before recoveries) **containing 1.32 Moz of equivalent gold** or an **equivalent copper grade of 4.1%*** (before recoveries) **containing 316Kt of equivalent copper**.

Table 1

Probable Mineral Reserve Estimate								
Ore							**Waste**	**Strip Ratio**
Class	**Type**	**Mt**	**Fe %**	**Au g/t**	**Cu %**	**Ag g/t**	**Mt**	
Probable	Gold Cap	0.351	40.1	3.11	0.38	3.26	77.713	10.0
	Supergene	0.104	36.5	2.20	20.7	11.9		
	Oxide Skarn	0.182	43.6	2.52	4.17	19.9		
	Fresh	7.155	45.9	1.97	1.70	8.73		
Total Probable Ore		**7.792**	**45.5**	**2.04**	**1.95**	**8.79**		

*The gold equivalent grade is based on the following formula –
AuEq=((((AuOz$1,200)+(CuMetal*$5,000)+(FeMetal*$50)+ (AgOz*$14)) / $1,200)/Total ore tonnes)*
The copper equivalent grade is based on the following formula –
CuEq=((((AuOz$1,200)+(CuMetal*$5,000)+(FeMetal*$50)+ (AgOz*$14)) / $5,000)/Total ore tonnes)*

The November 2015 Resource estimation provided by CSA classified the Resource for the Mabilo Project as Indicated and Inferred. Only Indicated Mineral Resources as defined in NI 43-101 were used to establish the Probable Mineral Reserves. No Reserves were categorized as Proven.

Mineral Reserves are quoted within specific pit designs based on Indicated Resources only and take into consideration the mining, processing, metallurgical, economic and infrastructure modifying factors.

BUNAWAN PROJECT

The Bunawan Property is located in the east of Mindanao Island in Agusan del Sur Province, approximately 190km north-northeast of Davao and adjacent to the Davao – Surigao highway.

Community development programs and Indigenous People programs continued during the current quarter.

The Company commenced a 1,500m diamond drill program at Bunawan. The program is targeting key areas highlighted in the December 2015 Gradient Array - Induced Polarization (GAIP) and Dipole-Dipole Induced Polarisation (DDIP) programs. Two holes had been completed by the end of the quarter. Core cutting and delivery for assaying had been completed for the first hole. No results had been received by the end of the quarter.

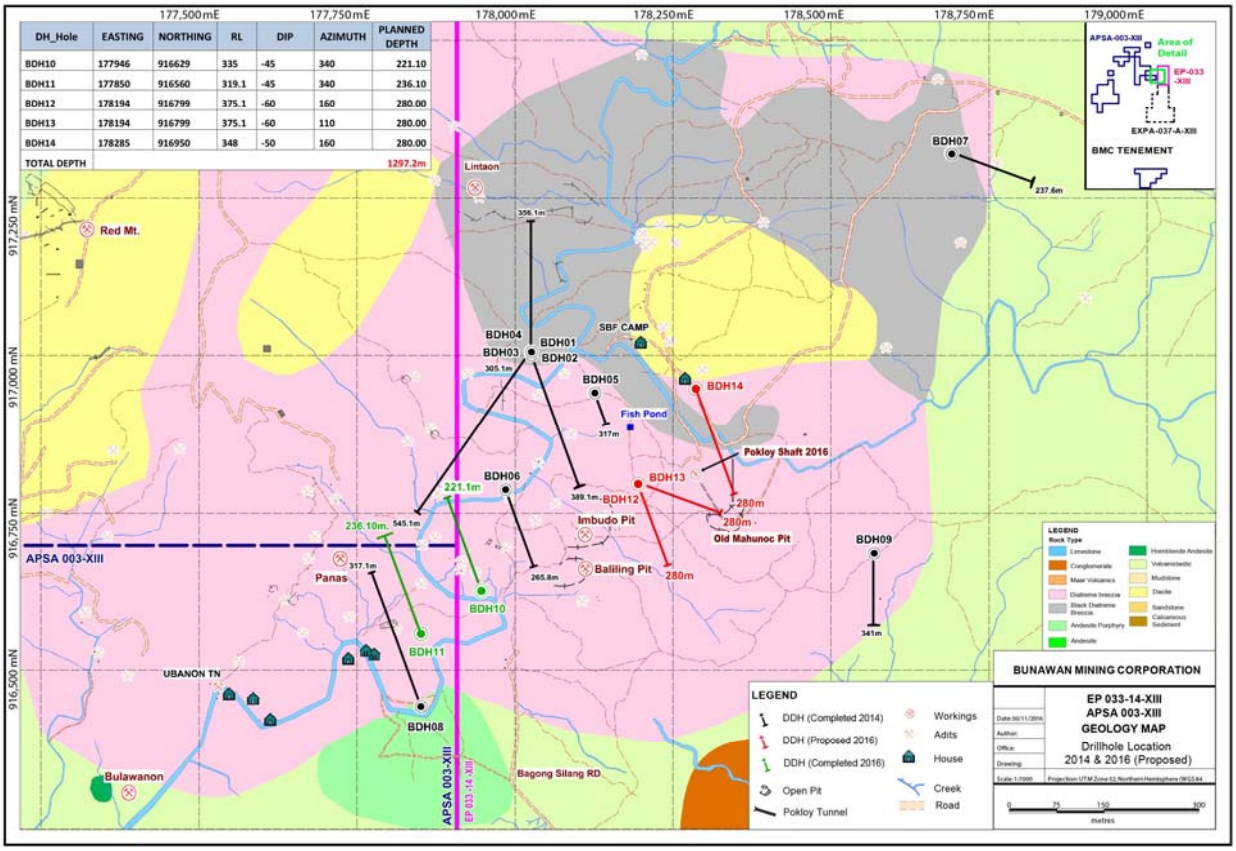

Figure 3 – Bunawan Location of 2nd Stage Diamond Drilling Program

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The Company expects to receive an estimated A$77,000 during the next quarter as part of its Research and Development tax claim from the Australian Government. The claims received to date are worth A$319,000.

The Company is currently following up on a number of new business development opportunities diversifying the Philippine interests which are well advanced and continue to progress well.

Cash and liquid assets as at 31 December were A$15.9M.

ABOUT RTG MINING INC

RTG Mining Inc. is a mining and exploration company listed on the main board of the Toronto Stock Exchange and Australian Securities Exchange. RTG is focused on developing the high grade copper/gold/magnetite Mabilo Project and advancing exploration on the highly prospective Bunawan Project, both in the Philippines, while also identifying major new projects which will allow the Company to move quickly and safely to production.

RTG has an experienced management team (previously responsible for the development of the Masbate Gold Mine in the Philippines through CGA Mining Limited), and has B2Gold as one of its major shareholders in the Company. B2Gold is a member of both the S&P/TSX Global Gold and Global Mining Indices.

ENQUIRIES

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CAUTIONARY NOTE REGARDING FORWARD LOOKING STATEMENTS

This announcement includes certain “forward-looking statements” within the meaning of Canadian securities legislation. Statement regarding interpretation of exploration results, plans for further exploration and accuracy of mineral Resource and mineral Reserve estimates and related assumptions and inherent operating risks, are forward-looking statements. Forward-looking statements involve various risks and uncertainties and are based on certain factors and assumptions. There can be no assurance that such statements will prove to be accurate, and actual results and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from RTG’s expectations include uncertainties related to fluctuations in gold and other commodity prices and currency exchange rates; uncertainties relating to interpretation of drill results and the geology, continuity and grade of mineral deposits; uncertainty of estimates of capital and operating costs, recovery rates, production estimates and estimated economic return; the need for cooperation of government agencies in the development of RTG’s mineral projects; the need to obtain additional financing to develop RTG’s mineral projects; the possibility of delay in development programs or in construction projects and uncertainty of meeting anticipated program milestones for RTG’s mineral projects and other risks and uncertainties disclosed under the heading “Risk Factors” in RTG’s Annual Information Form for the year ended 31 December 2015 filed with the Canadian securities regulatory authorities on the SEDAR website at sedar.com.

QUALIFIED PERSON AND COMPETENT PERSON STATEMENT

The information in this release that relates to exploration results at the Mabilo Project is based upon information prepared by or under the supervision of Robert Ayres BSc (Hons), who is a Qualified Person and a Competent Person. Mr Ayres is a member of the Australian Institute of Geoscientists and a full-time employee of Mt. Labo Exploration and Development Company, a Philippine mining company, and an associate company of RTG Mining Limited. Mr Ayres has sufficient experience that is relevant to the style of mineralization and type of deposit under consideration and to the activity being undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" and to qualify as a "Qualified Person" under National Instrument 43-101 – Standards of Disclosure for Mineral Projects ("NI 43-101"). Mr. Ayres has verified the data disclosed in this release, including sampling, analytical and test data underlying the information contained in the release. Mr. Ayres consents to the inclusion in the release of the matters based on his information in the form and the context in which it appears.

The information in this release that relates to Mineral Resources is based on information prepared by or under the supervision of Mr Aaron Green, who is a Qualified Person and Competent Person. Mr Green is a Member of the Australian Institute of Geoscientists and is employed by CSA Global Pty Ltd, an independent consulting company. Mr Green has sufficient experience that is relevant to the style of mineralization and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" and to qualify as a "Qualified Person" under National Instrument 43-101 – Standards of Disclosure for Mineral Projects ("NI 43-101"). Mr. Green has verified the data disclosed in this release, including sampling, analytical and test data underlying the information contained in the release. Mr Green consents to the inclusion in the release of the matters based on his information in the form and context in which it appears.

The information in this release that relates to Mineral Reserves and Mining is based on information prepared by or under the supervision of Mr Carel Moormann, who is a Qualified Person and Competent Person. Mr Moormann is a Fellow of the AusIMM and is employed by Orelogy Consulting, an independent consulting company. Mr Moormann has sufficient experience that is relevant to the type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" and to qualify as a "Qualified Person" under National Instrument 43-101 – Standards of Disclosure for Mineral Projects ("NI 43-101"). Mr Moormann has verified the data disclosed in this release, including sampling, analytical and test data underlying the information contained in the release. Mr Moormann consents to the inclusion in the release of the matters based on his information in the form and context in which it appears.

The information in this release that relates to Metallurgy and Processing is based on information prepared by or under the supervision of David Gordon, who is a Qualified Person and Competent Person. David Gordon is a Member of the Australasian Institute of Mining and Metallurgy and is employed by Lycopodium Minerals Pty Ltd, an independent consulting company. David Gordon has sufficient experience that is relevant to the type of process under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" and to qualify as a "Qualified Person" under National Instrument 43-101 – Standards of Disclosure for Mineral Projects ("NI 43-101"). David Gordon has verified the data disclosed in this release, including sampling, analytical and test data

underlying the information contained in the release. David Gordon consents to the inclusion in the release of the matters based on his information in the form and context in which it appears.

The information in this release that relates to areas outside of exploration results, Mineral Resources, Mineral Reserves and Metallurgy and Processing is based on information prepared by or under the supervision of Mark Turner, who is a Qualified Person and Competent Person. Mark Turner is a Fellow of the Australasian Institute of Mining and Metallurgy and is employed by RTG Mining Inc, the Company. Mark Turner has sufficient experience that is relevant to the information under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" and to qualify as a "Qualified Person" under National Instrument 43-101 – Standards of Disclosure for Mineral Projects ("NI 43-101"). Mark Turner has verified the data disclosed in this release. Mark Turner consents to the inclusion in the release of the matters based on his information in the form and context in which it appears.

For the ASX Feasibility Study announcement including JORC tables Section 1 to 4 please refer to the RTG Mining website (www.rtgmining.com) and on the ASX, under announcements (www.asx.com.au).

The information in this report relating to Bunawan exploration results, mineral resources or ore Reserves is based on information provided to Mr Robert McLean by RTG Mining Inc. Mr McLean is an independent consultant geologist and is a corporate member of the Australian Institute of Mining and Metallurgy. Mr McLean has the relevant qualifications, experience, competence and independence to qualify as an "Expert" under the definitions provided in the Valmin Code, "Competent Person" as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, and as a "Qualified Person" under National Instruments 43-101 – Standards of Disclosure for Mineral Projects ("NI 43-101"). Mr McLean consents to the inclusion in the report of the matters based on the information he has been provided and the context in which it appears.

Appendix 1: Location of Reported Bunawan Drill Holes

No drilling received during the quarter.

Appendix 2 – Schedule of interests and location of Tenements

Tenement reference	Location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
Application for Mineral Production-Sharing Agreement APSA-V-002	Philippines	RTG's interest is held through its interest in its associate entity, Mt. Labo Exploration and Development Corporation.	40%	40%
MLC MRD 459	Philippines	Approved 1st EP renewal	40%	40%
Exploration Permit ("EP") 014-2013-V	Philippines		40%	40%
EXPA-0000209-V	Philippines		40%	40%
EXPA-000188-V	Philippines		40%	40%
Exploration Permit Application ("EXPA") 118-XI	Philippines	RTG's interest is held through its interest in its associate entity Bunawan Mining Corporation.	40%	40%
APSA-003-XIII	Philippines		40%	40%
EXPA-037A-XIII	Philippines		40%	40%
EP 033-14-XIII	Philippines	Approved 1st EP renewal	40%	40%
EP-001-06-XI	Philippines		40%	40%
EP-01-10-XI	Philippines	RTG's interest is held through its interest in its associate entity Oz Metals Exploration & Development Corporation. (Both EP-02-10-XI and EP-01-10-XI are subject to 2nd Renewal)	40%	40%
EP-02-10-XI	Philippines		40%	40%
EXPA-123-XI	Philippines		40%	40%