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INTRODUCTION OF CORNERSTONE INVESTOR **SIGNIFICANT CAPITAL RAISING**

RMG Limited (**RMG** or the **Company**) is pleased to announce it has entered into a Share Subscription Agreement with Epoch Bliss Limited (**Epoch**).

Under the Share Subscription Agreement, Epoch has agreed to subscribe for 222,222,222 shares at 0.9 cents per share to raise \$2,000,000 before expenses. The funds raised under the Share Subscription Agreement are intended to be used to fund ongoing activities at the Company's Chile property, to review other potential opportunities within the resources sector and for general working capital purposes.

Following completion of the Share Subscription Agreement, Epoch will become the Company's largest shareholder with approximately 52.5% of the Company's issued capital. Epoch is a mining investment company incorporated in the Seychelles that intends to work in close collaboration with the HuaHui Mining Group, a company that has been involved in several gold, copper and iron ore projects in China. Epoch has chosen RMG as its platform to facilitate further investment in the Australian resources market.

Completion of the Share Subscription Agreement is conditional upon, amongst other things, RMG shareholders approving:

- the proposed subscription for the purposes of section 611 item 7 of the Corporations Act 2001 (Cth);
- a proposed restructure of terms of the Company's existing debt facilities with the Company's two largest shareholders, Ridgefield Capital Management Limited and Tyticus Master Trust. Details of the proposed restructure of these facilities are set out below;

and there being no material adverse change occurring in relation to the Company.

Upon completion of the Share Subscription Agreement three representatives from Epoch will join the Company's Board, being:

1. Mr Kinpo Yu (Non-Executive Chair)

Mr Yu has been the Chairman of Huahui Mining Group (**Huahui**), based in Hong Kong, for 16 years. In this role he has developed excellent relationships with local governments in China and commercial and investment banks. Mr Yu has led several M&A transactions.

Over the last 16 years, Huahui acquired several gold, copper and iron ore projects in China and then invested more capital into these projects, converting a number of the projects into production assets. Mr Yu has extensive experience in exploration, construction of processing plants and management of operating mines.

2. Mr Chris Dai (executive director)

Mr Dai obtained a Master of Commerce Degree (advanced) from University of Queensland. He has extensive executive management and accounting experience in Australia and China over the past 10 years. Mr Dai has established and maintained excellent relationships with over 100 large SOEs, private companies and funds in different sectors including mining, oil/gas and agriculture. He has been the China Chief Representative of PCF Capital Group, an independent, corporate advisory firm focused on serving clients in the resources sector.

Mr Dai was previously involved with Shandong Gold, one of the largest gold producers in China; establishing and maintaining strong relationships with many ASX, TSX, and NYSE listed mining corporations, and large legal firms, accounting firms, investment banks and other organisations. He has also managed M&A transactions in the resources sector. He is currently the Investment Director for HuaHui.

3. Dr John Chen (non-executive director)

Dr John Chen (PhD. Min., B.Eng., &Dip.Fin.) graduated in 1984 with a Bachelor Degree in Mining Engineering at the Beijing University of Technology in China. He obtained his PhD degree in mining in 1993 at the University of New South Wales, and Graduate Diploma of Applied Finance and Investment in 2004 at the Securities Institute of Australia.

Dr John Chen is a mining engineer with approximately 30 years of experiences, mainly in the Australian and Chinese resource sectors. His experience includes senior operational and corporate roles at Mount Isa Mines limited and Sino Gold Mining

Limited. He has also been involved in other projects and assignments in Australia, China, Asia Pacific and Canada, covering a range of commodities including precious metals, copper, nickel, lead/zinc and rare earth minerals. The new board will work together to seek out quality investment opportunities for the Company.

RMG directors Mr Rhett Brans and Mr Michael Griffith have agreed to step down as directors of the Company upon completion of the Share Subscription Agreement. Mr Robert Kirtlan will remain on the Board as an Executive Director.

As the transaction would see Epoch acquiring a 52.5% of the Company's issued share capital, the Company has commissioned an Independent Expert Report to opine on whether the transaction is fair and reasonable to RMG shareholders. A notice of meeting (including the Independent Expert's Report) will be sent to shareholders in the coming weeks.

Extension of Loan Facility and Change to Debt Facility Terms

As previously announced to ASX, the Company established revolving credit facilities in March 2015 with two of its major shareholders, Ridgefield Capital Management Limited and Tyticus Master Trust (each a **Facility Providers**) for an aggregate amount of US\$1 million.

To facilitate the Share Subscription Agreement with Epoch, the Facility Providers have agreed to:

- increase the size of the facilities by an aggregate amount of US\$300,000 (resulting in an increase in the Ridgefield facility limit to US\$520,000 and an increase in the Tyticus facility limit to US\$780,000);
- extend the repayment date for both facilities until 30 November 2016;
- Interest is payable on amounts drawn down under the facilities from July 1st 2016 (previously interest was able to be capitalised);
- Advances made under the facilities subsequent to May 1st 2016 for the purpose of funding expenditure on RMG's Chilean property must be repaid from funds received under the Share Subscription Agreement (up to a maximum amount of US\$110,000);
- In the event that RMG does not successfully raise a minimum sum of A\$1.5 million at a minimum subscription price of 1.25 cents (\$0.0125) per share to enable repayment of these facilities by the scheduled repayment date of 30 November 2016, then each of the Facility Providers will have a call option which allows them to convert their outstanding loan amounts into shares in the Company at the same subscription price at which shares are being issued to Epoch under the Share Subscription Agreement (being \$0.009 per share), or alternatively elect to be transferred a proportionate share in RMG's Chilean property in exchange for the deemed repayment of amounts outstanding under the relevant facility.

As set out above, the proposed amendments to the terms of these facilities is subject to the approval of RMG shareholders, which approval will be sought at the same meeting at which RMG shareholders consider the Share Subscription Agreement. Further details regarding the terms of the proposed restructure of these facilities will be provided in the relevant meeting documentation that will be dispatched to shareholders in the coming weeks.

Indicative Timetable (subject to change)

Event	Timing
Independent Expert Report	17 June 2016
Dispatch of Notice of Meeting	21 June 2016
Shareholder Meeting	22 July 2016
Issue of Shares	25 July 2016

End

For further information please contact:

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View of Chuquicamata Mine dumps from RMG’s Tuina property in Chile