Resource Mining Corporation Limited

DECEMBER QUARTERLY REPORT

Resource Mining Corporation Limited ("RMC")

For the period ended 31st December 2010

HIGHLIGHTS:

WOWO GAP PROJECT

- **185 core holes completed by late December**
- **75% of holes intersect high grade material grading above 1% Ni within the Laterite profile**
- **Ni-Co mineralisation intersected along a strike length of 8.5km and remains open to the north and south**
- **Intercepts as high as 1.65% Ni encountered over a 5.2m section**

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Projects:
Wowo Gap: Nickel-Cobalt
Tomkinson Range: Nickel-Copper
St Patricks: Copper-Zinc-Silver-Gold
Capricorn JV: Copper-Gold
Kumarina: Copper-Gold
Cue: Gold

COMPANY OVERVIEW

CORPORATE

General

The primary focus for RMC management and exploration personnel during the December quarter has been the progress and support of the exploration program at Wowo Gap. Progressively, RMC's Perth office has assumed responsibility for the bulk of the PNG based logistics operations. The objectives of transfer of logistics control are:

- Cost and payment control
- Improved operational efficiency
- Relationship development (equipment and service providers)
- Timely delivery of services

In addition, the training of local employees, (skilled and un-skilled) continued. The company objective is to develop a workforce with the required skill base to be able to operate effectively with the minimum of expatriate supervision providing opportunities for our PNG based people. To facilitate this process, RMC continues to provide support in the health services to the local villages supplying the labour to the Project.

In addition to the exploration activity, metallurgical investigations into alternative leaching techniques were carried out. Conventional sulphuric acid digest of the Wowo Gap saprolite ore is not efficient. The metallurgical investigations concentrated on alternative chemical reagents as leaching agents. Preliminary results were encouraging.

WOWO GAP PROJECT

As of late December, 185 drill holes have been completed covering a strike length of 8.5km of the prospective Sivia Breccia geological unit. Mineralisation remains open to the north and south of current drilling.

Assay results of the first 104 holes have been received with 75 holes intersecting mineralisation over 1% Ni which provides encouragement as to the potential of the Sivia Breccia to host significant Ni mineralisation within the laterite profile. The top 30 significant intercepts reported at a lower cut grade of 0.8% Ni are listed below:

WGDH103: 8.4m @ 1.12%Ni, 0.13%Co from 4m
WGDH111: 7.1m @ 1.00%Ni, 0.10%Co from 4m
WGDH112: 7.0m @ 1.26%Ni, 0.10%Co from 2m
WGDH114: 9.7m @ 1.18%Ni, 0.15%Co from 5.6m
WGDH119: 4.5m @ 1.26%Ni, 0.12%Co from 2.0m
WGDH130: 4.9m @ 1.25%Ni, 0.18%Co from 2m
WGDH135: 5.8m @ 1.15%Ni, 0.07%Co from 5.6m
WGDH138: 3.6m @ 1.34%Ni, 0.12%Co from 0.4m
WGDH139: 6.0m @ 1.10%Ni, 0.19%Co from 2m
WGDH148: 7.9m @ 1.58%Ni, 0.13%Co from 2m
WGDH152: 4.3m @ 1.16%Ni, 0.11%Co from 6m
WGDH162: 5.2m @ 1.65%Ni, 0.12%Co from 2m
WGDH171: 5.7m @ 1.08%Ni, 0.14%Co from 3m
WGDH172: 3.4m @ 1.20%Ni, 0.08%Co from 1m
WGDH173: 4.5m @ 1.08%Ni, 0.08%Co from 4m
WGDH174: 5.4m @ 1.17%Ni, 0.13%Co from 3m

WGDH190: 9.2m @ 1.00%Ni, 0.09%Co from 2.4m
WGDH192: 4.6m @ 1.35%Ni, 0.12%Co from 1m
WGDH194: 6.9m @ 1.17%Ni, 0.09%Co from 4m
WGDH196: 8.6m @ 1.37%Ni, 0.10%Co from 1m
WGDH198: 6.3m @ 1.35%Ni, 0.05%Co from 1m
WGDH199: 3.1m @ 1.31%Ni, 0.13%Co from 1m
WGDH200: 3.3m @ 1.35%Ni, 0.08%Co from 1m
WGDH207: 3.2m @ 1.30%Ni, 0.09%Co from 0.8m
WGDH208: 5.5m @ 1.60%Ni, 0.20%Co from 2.4m
WGDH217: 3.0m @ 1.12%Ni, 0.07%Co from 1.0m
WGDH220: 2.3m @ 1.45%Ni, 0.07%Co from Surface
WGDH221: 4.6m @ 1.20%Ni, 0.05%Co from 0.4m
WGDH222: 8.5m @ 1.46%Ni, 0.11%Co from 2.0m
WGDH224: 4.4m @ 1.10%Ni, 0.10%Co from 8.0m

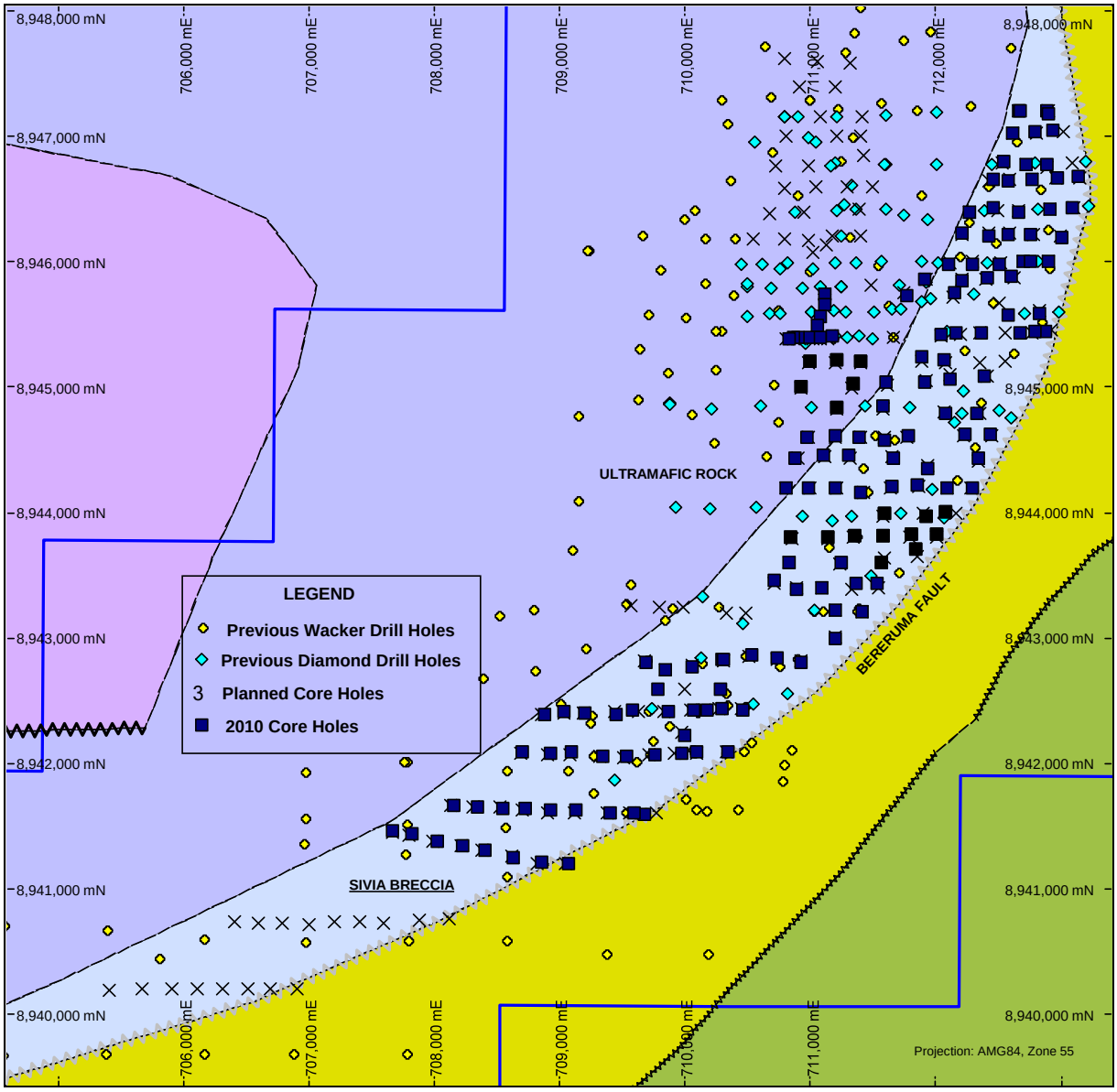

Figure 1: Core Hole Location Map showing the Sivia Breccia and drill hole drilled in 2010.

Table 1: 2010 Core Hole Co-ordinates

Hole_ID	Datum	East	North	RL		Hole_ID	Datum	East	North	RL
WGDH101	AMG84_55	711112	8945740	833		WGDH181	AMG84_55	710808	8944196	872
WGDH102	AMG84_55	711116	8945654	836		WGDH182	AMG84_55	711660	8944431	731
WGDH103	AMG84_55	711083	8945559	852		WGDH183	AMG84_55	711306	8944455	778
WGDH104	AMG84_55	711054	8945489	859		WGDH184	AMG84_55	711103	8944455	820
WGDH105	AMG84_55	711001	8945395	868		WGDH185	AMG84_55	710871	8944430	865
WGDH106	AMG84_55	710902	8945394	885		WGDH186	AMG84_55	711208	8944837	817
WGDH107	AMG84_55	710870	8945393	884		WGDH187	AMG84_55	711341	8945025	785
WGDH108	AMG84_55	710833	8945389	895		WGDH188	AMG84_55	710922	8945001	860
WGDH109	AMG84_55	711076	8945395	864		WGDH189	AMG84_55	711000	8945211	835
WGDH110	AMG84_55	711170	8945408	846		WGDH190	AMG84_55	711207	8945215	820
WGDH111	AMG84_55	711768	8945735	671		WGDH191	AMG84_55	711403	8945212	783
WGDH112	AMG84_55	711905	8945866	614		WGDH192	AMG84_55	710837	8943803	815
WGDH113	AMG84_55	712096	8945980	548		WGDH193	AMG84_55	711139	8943808	759
WGDH114	AMG84_55	712287	8945984	532		WGDH194	AMG84_55	711353	8943814	730
WGDH115	AMG84_55	712500	8945978	505		WGDH195	AMG84_55	711580	8943821	665
WGDH116	AMG84_55	712699	8946003	452		WGDH196	AMG84_55	711801	8943830	626
WGDH117	AMG84_55	712752	8945999	438		WGDH197	AMG84_55	712006	8943833	556
WGDH118	AMG84_55	712900	8946006	421		WGDH198	AMG84_55	712073	8944009	568
WGDH119	AMG84_55	712999	8946195	389		WGDH199	AMG84_55	711917	8943968	616
WGDH120	AMG84_55	712759	8946220	463		WGDH200	AMG84_55	711585	8943998	681
WGDH121	AMG84_55	712574	8946218	456		WGDH201	AMG84_55	711839	8943711	600
WGDH122	AMG84_55	712421	8946208	482		WGDH202	AMG84_55	711567	8943607	641
WGDH123	AMG84_55	712207	8946224	526		WGDH203	AMG84_55	711241	8943607	726
WGDH124	AMG84_55	712265	8946394	496		WGDH204	AMG84_55	710827	8943597	814
WGDH125	AMG84_55	712460	8946433	440		WGDH205	AMG84_55	710706	8943461	762
WGDH126	AMG84_55	712656	8946401	412		WGDH206	AMG84_55	710892	8943390	760
WGDH127	AMG84_55	712913	8946423	362		WGDH207	AMG84_55	711089	8943403	740
WGDH128	AMG84_55	713093	8946433	341		WGDH208	AMG84_55	711360	8943438	662
WGDH129	AMG84_55	713140	8946680	329		WGDH209	AMG84_55	711527	8943433	595
WGDH130	AMG84_55	712965	8946670	380		WGDH210	AMG84_55	711416	8943211	589
WGDH131	AMG84_55	712770	8946655	409		WGDH211	AMG84_55	711196	8943226	635
WGDH132	AMG84_55	712575	8946648	401		WGDH212	AMG84_55	711196	8942991	616
WGDH133	AMG84_55	712452	8946654	438		WGDH213	AMG84_55	710920	8942800	657
WGDH134	AMG84_55	712540	8946795	420		WGDH214	AMG84_55	710734	8942836	703
WGDH135	AMG84_55	712721	8946773	375		WGDH215	AMG84_55	710537	8942863	761
WGDH136	AMG84_55	712881	8946778	371		WGDH216	AMG84_55	710293	8942832	763
WGDH137	AMG84_55	712935	8947054	343		WGDH216a	AMG84_55	710310	8942824	762
WGDH138	AMG84_55	712790	8947034	334		WGDH217	AMG84_55	710055	8942768	839
WGDH139	AMG84_55	712613	8947031	343		WGDH218	AMG84_55	709837	8942742	866
WGDH140	AMG84_55	712655	8947203	342		WGDH219	AMG84_55	709689	8942800	887
WGDH141	AMG84_55	712667	8947203	323		WGDH220	AMG84_55	709778	8942588	847
WGDH142	AMG84_55	712880	8947199	301		WGDH221	AMG84_55	710458	8942425	699
WGDH143	AMG84_55	712893	8947175	309		WGDH222	AMG84_55	710296	8942439	747
WGDH144	AMG84_55	712211	8945853	521		WGDH223	AMG84_55	710170	8942428	774
WGDH145	AMG84_55	712410	8945872	494		WGDH224	AMG84_55	710280	8942594	788
WGDH146	AMG84_55	712606	8945880	486		WGDH225	AMG84_55	710071	8942428	780
WGDH147	AMG84_55	712827	8945586	465		WGDH226	AMG84_55	709870	8942415	786
WGDH148	AMG84_55	712872	8945450	460		WGDH227	AMG84_55	709580	8942424	828
WGDH149	AMG84_55	712789	8945445	442		WGDH228	AMG84_55	709447	8942388	842
WGDH150	AMG84_55	712671	8945438	463		WGDH229	AMG84_55	709202	8942397	920
WGDH151	AMG84_55	712581	8945574	474		WGDH230	AMG84_55	709036	8942408	949
WGDH152	AMG84_55	712143	8945751	545		WGDH231	AMG84_55	708877	8942389	946
WGDH153	AMG84_55	712036	8945416	633		WGDH232	AMG84_55	709998	8942221	791
WGDH154	AMG84_55	712160	8945432	534		WGDH233	AMG84_55	708707	8942090	933
WGDH155	AMG84_55	712359	8945437	515		WGDH234	AMG84_55	708924	8942081	911
WGDH156	AMG84_55	712068	8945220	637		WGDH235	AMG84_55	709097	8942093	887
WGDH157	AMG84_55	712113	8945062	679		WGDH236	AMG84_55	709349	8942055	836
WGDH158	AMG84_55	712385	8945092	558		WGDH237	AMG84_55	709535	8942057	820
WGDH159	AMG84_55	712323	8944796	581		WGDH238	AMG84_55	709754	8942065	833

WGDH160	AMG84_55	711574	8944844	776		WGDH239	AMG84_55	709977	8942086	785
WGDH161	AMG84_55	711605	8945040	754		WGDH240	AMG84_55	710088	8942098	747
WGDH162	AMG84_55	711909	8945044	698		WGDH241	AMG84_55	710340	8942090	659
WGDH163	AMG84_55	711886	8945238	674		WGDH242	AMG84_55	709678	8941599	740
WGDH164	AMG84_55	712074	8944785	647		WGDH243	AMG84_55	709592	8941607	744
WGDH165	AMG84_55	712229	8944622	594		WGDH244	AMG84_55	709399	8941605	774
WGDH166	AMG84_55	712439	8944623	494		WGDH245	AMG84_55	709130	8941623	827
WGDH167	AMG84_55	712344	8944428	510		WGDH246	AMG84_55	708925	8941633	846
WGDH168	AMG84_55	712289	8944198	514		WGDH247	AMG84_55	708724	8941641	850
WGDH169	AMG84_55	712086	8944192	597		WGDH248	AMG84_55	708543	8941643	871
WGDH170	AMG84_55	710971	8944601	860		WGDH249	AMG84_55	708343	8941651	908
WGDH171	AMG84_55	711197	8944607	802		WGDH250	AMG84_55	708159	8941660	926
WGDH172	AMG84_55	711391	8944601	777		WGDH251	AMG84_55	709073	8941205	744
WGDH173	AMG84_55	711587	8944578	761		WGDH252	AMG84_55	708861	8941212	786
WGDH174	AMG84_55	711784	8944618	670		WGDH253	AMG84_55	708636	8941252	805
WGDH175	AMG84_55	711932	8944354	630		WGDH254	AMG84_55	708406	8941310	836
WGDH176	AMG84_55	711851	8944224	662		WGDH255	AMG84_55	708224	8941346	878
WGDH177	AMG84_55	711653	8944206	711		WGDH256	AMG84_55	708030	8941384	900
WGDH178	AMG84_55	711396	8944160	732		WGDH257	AMG84_55	707827	8941434	897
WGDH179	AMG84_55	711192	8944192	794		WGDH258	AMG84_55	707669	8941460	893
WGDH180	AMG84_55	710987	8944198	842						

Results from 54 holes are yet to be received, and should be forthcoming within the next few weeks, however assays received to date support the significance of the Sivia Breccia to host high grade (>1% Ni) mineralisation which provides RMC encouragement to complete the planned 240 hole drill program. As such drilling operations are planned to recommence in late January 2011.

Metallurgy

Feasibility study results demonstrated that conventional sulphuric acid leaching of Wowo Gap high magnesia saprolite was not economically feasible as the magnesia consumes the acid in preference to the nickel and cobalt. The FS proposed to use saprolite as a neutralising agent where approx 20% of the nickel was extracted from the saprolite ore.

In order to improve the nickel recovery from saprolite, RMC instituted test programs to investigate other chemical reagents that might prove more effective in extracting nickel and cobalt from saprolite than sulphuric acid.

A number of laboratory scale tests were undertaken using both limonite and saprolite samples and alternative chemical reagents at a commercial laboratory in Perth.

Early results are encouraging with Ni and Co recoveries in excess of 50% in both the limonite and saprolite samples. Further test work will be conducted in the coming quarter to increase our understanding of the leach kinetics and chemistry.

Local Community Involvement

RMC is active in the local community conducting health services in conjunction with 100 Health Consultants Ltd by attending the villages providing labour to the exploration activity at Wowo Gap. RMC funds these health services 100%, where government supplied medicines is distributed by the Health Extension worker and our Community Relations Officer.

In addition to this support, RMC is utilising local village labour and equipment to facilitate the delivery of fuel to site. Helicopter costs are the single largest operating cost for exploration on the Wowo Gap Project. In order to minimise these costs, RMC has investigated alternative means of transporting heavy equipment, (fuel is the heaviest and most expensive material to deliver to site), to locations where helicopter time can be reduced. In conjunction with two of the local villages, fuel is now being delivered by river and sea to a location close

to the project site. This operation benefits both the villages and RMC as the villages are contracted to deliver and secure the fuel, supporting local employment and providing additional village income.

WESTERN AUSTRALIAN PROJECTS

Tomkinson Range Project

The Tomkinson Range project is located 230km east of Warburton and 1,400km northeast of Perth, close to the WA-SA border. The exploration license application 69/2782 covers an area of 430km^2 over the Michael Hills and the Hinckley layered gabbro intrusions that form part of the Giles Complex, within the Musgrave Complex.

The primarily target is nickel-copper sulphide and PGE mineralisation hosted by the layered gabbroic intrusions similar in style to the Babel and Nebo deposits, also within the Musgrave Complex, and the Sally Malay Deposit in the Halls Creek area of WA.

Recent Geological Survey of WA (GSWA) mapping has identified an ultramafic body on the eastern side of the project. The unit has been interpreted as being the feeder structure to the Michael Hills layered mafic intrusion and is prospective for nickel-copper sulphide mineralisation. This interpretation is supported by historical soil and rock chip geochemistry which shows elevated copper and nickel results over this discrete geological unit.

The project lies within Aboriginal Reserve 17614 and prior to granting, a land access agreement must be signed on behalf of the traditional owners and RMC. A Preliminary Anthropological Assessment has been organised to be conducted within the next quarter to confirm that land access to the primary exploration target is possible. Once the potential for land access to the area has been confirmed, RMC will move forward in finalising the agreement with the traditional owners.

St Patricks Project:

The project is located approximately 50km north of Leonora and 10km east of the Teutonic Bore and Jaguar VMS Cu-Zn-Ag Projects and along strike to the south east of numerous gold mines including the Celtic, Black Cat and Great Western Gold Mines with over 300,000 ounces of gold in resources.

GSWA has previously mapped the area as granite, with overlying surficial alluvial cover material; however the airborne magnetic data suggests the underlying geology is possibly greenstone lithologies (greenstone lithologies are the host rock of the majority of gold and nickel deposits throughout the Eastern Goldfields region of WA).

Field reconnaissance during the quarter has located greenstone rocks at the base of a number of old wells across the project area. The greenstone rocks were found on the mullock piles from around the wells, which were hand-dug around the early 1900's. The estimated depth of the granite – greenstone contact down the wells was 20 – 25 metres. The discovery of the greenstone rocks on the project area supports the interpretation of the airborne magnetic data.

CSIRO conducted hydrogeochemical sampling of the wells and bores within the area as part of the MERIWA project M402 – Hydrogeochemical Mapping of the Northeast Yilgarn Craton, with the results released in 2009. Analysis of these results shows that a number of the wells within the St Patricks Project have elevated mineral chemistry within the water table. One well showed elevated gold and zinc and another has elevated copper, zinc, silver and nickel. This information further supports the potential of the buried greenstone rocks within the project area to host gold and base metal mineralisation.

RMC will utilise the latest advances in biogeochemistry (vegetation geochemistry) techniques in order to 'see through' the cover sequences and define bedrock targets for drilling once the tenements are granted.

Kumarina Project
The tenement lies approximately 200km NE of Meekatharra along the Great Northern Highway, approximately 10km east of the historical Kumarina copper mine within the Proterozoic Collier Basin. Regional soil sampling by the GSWA has located elevated copper and gold values in surface soils that have not been followed up by further exploration.

The heritage agreement has been signed and the tenement can now proceed to grant.

Cue Gold Project:
The project is located approximately 3km east of historical Cue gold mining centre in WA where previous production totalled approximately 250,000 ounces at grades averaging 24g/t gold. The Cue goldfield is an area with over 50 historic workings in more than 20km of outcropping quartz reefs in granite, with individual larger workings having produced up to 50,000 ounces of gold.

The tenement area consists of a 3–4 km wide greenstone sequence which strikes east – west along the NE continuation of the mineralised corridor that hosts the historic Day Dawn gold deposits which have produced around 1.5Moz of gold, located approximately 5km SW of Cue.

Historical exploration data has been collected from public available reports and entered into RMC's database. The tenements are largely covered by recent alluvial and colluvial sediments and past exploration activities are mainly associated with outcropping bedrock towards the western portion of the project area.

The heritage agreements have been signed and we await grant of the tenements.

Capricorn JV

The Project is held by a 50:50 joint venture between Resource Mining Corporation (ASX:RMI) and Ashburton Minerals Ltd (ASX:ATN).

The Capricorn Project covers 680sqkm of tenure of a largely under explored Proterozoic Ashburton Basin in WA's North West. The project lies within the Ashburton basin, covering the Lower Proterozoic sediments of the Capricorn and Ashburton Formations. The region is prospective for gold and base metal mineralisation.

The tenements cover a number of historical stream sediment anomalies with elevated Au, Cu, Pb and Zn geochemistry that have yet to be systematically followed up. The exploration models for this project are Proterozoic Cu Au and base metal mineralisation.

WA: BLACKSTONE RANGE PROJECT
(Redstone Resources Limited (ASX:RDS) Farm In: Redstone earned 90% Interest, RMC has a 10% non-contributing free carried interest)

No further work was completed during the quarter.

W J Davies
Managing Director
Dated this 24th day of January 2011

Information in this report relating to ore reserves, mineral resources or mineralisation conforms with the reporting requirements of the "Australian Institute of Geoscientists Code for reporting of Identified Mineral Resources and Ore Reserves" and is based on and accurately reflects information compiled by Mark Hill who is a Competent Person as defined by the CODE and is a Member of the AIG. Mark Hill has consented to the release of the information dealing with these matters in the form in which it is reported.