



# Corporate Update

5 November 2013



# Strategic Alliance



- RGX announced on 30 October 2013 that it is currently in negotiations to form a strategic alliance with Rio Perdido Copper Ltd (“RPC”).
- RPC has strong Chilean based, experienced management and operational teams and options with third parties to access significant exploration concessions and large scale operating plants as well as smaller, modularised, copper processing plants in Chile.
- Exact form of future alliance between RGX and RPC is being negotiated and is dependent upon a due diligence process - expected to be completed in coming weeks.

# Background



- Alliance opportunity with RPC provides potential to fast track implementation of RGX's Business Strategy.
- This involves “first mover advantage” within Region IV Chile where highly fragmented mineral concession holdings have historically hampered modern systematic exploration and development of otherwise small, stand-alone, typically surficial Copper Oxide, resources which are effectively commercially “stranded”.
- Additionally, most existing artisanal miners have neglected underlying Copper Sulphide deposits.
- Smaller Chilean mining operators are currently experiencing an economic nadir - presenting unparalleled opportunities for third parties to negotiate attractive access or purchase agreements.
- Conversely there is currently little investor appetite for embracing the traditional exploration to production organic growth platforms. Uncertainties of timing, costs and execution risks have made instigation of large stand-alone, in-house resource based, mining operations difficult to publicly fund.
- Acknowledging RGX's current capital structure and ability to access funding, an alliance provides a potential fillip to access “higher shelf” opportunities - both in technical and commercial terms.
- Nature of any formal alliance with RPC will be dependent upon the outcome of current negotiations and the due diligence process that is expected to be completed within the coming weeks.

# Investment Highlights



- RGX just completed a \$300,000 raising from 5708 sophisticated investors via the issue of 15 million new shares at 2 cents each with the assistance of DJ Carmichael Pty Ltd and Sanston Financial Group Limited.
- Funds raised will be used to undertake necessary technical and legal due diligence associated with formation of a possible alliance as well as existing working capital.
- RGX and RPC see significant mutual benefits will emerge from a cooperative alliance.
- At a high level these include a strengthened pipeline of quality opportunities, including possible participation in existing revenue producing mining projects, greater funding options, strengthened negotiating and transaction capacity, strengthened skills set, exposure to greater investor base and economy of scale benefits.

# Execution Strategy



- Targeting IOCG deposits because of higher grades, more predictable geometry, and amenable to cost-effective exploration strategies;
- Seeking grades  $>1\%$  Cu;
- First mover advantage, consolidation of fragmented historical concession holdings typically never subjected to modern geophysical and geological exploration;
- Focused in areas strategically positioned with respect to Region IV with proximity to infrastructure, weather windows and logistics;
- Strategy facilitated by established regional office at Combarbala.

# Potential Benefits

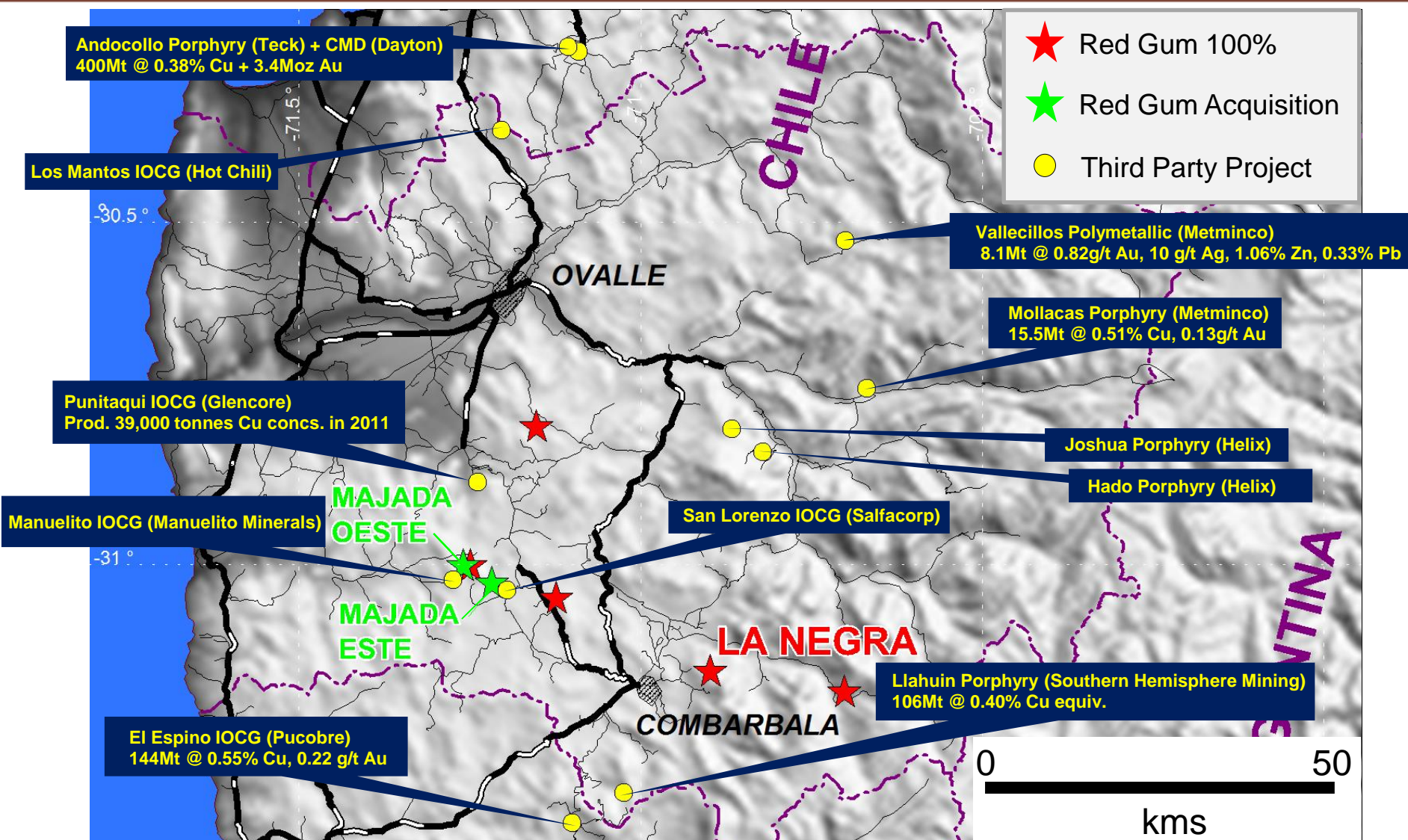


## Potential benefits of RGX -RPC alliance :

- Significant strengthening of acreage position via new acreage access opportunities, largely centred on RGX's existing Combarbala operational base.
- Opportunities for fast-tracking of early revenue through existing large and smaller, modularised scale, mining projects.
- Increased funding optionality particularly involving the introduction of “bankable”, production based, mining projects.
- Expanded investor base via access to RPC's shareholder base and their Chilean networks.
- Expanded skills base via access to RPC's network of mining sector professionals and contacts.



# Region IV

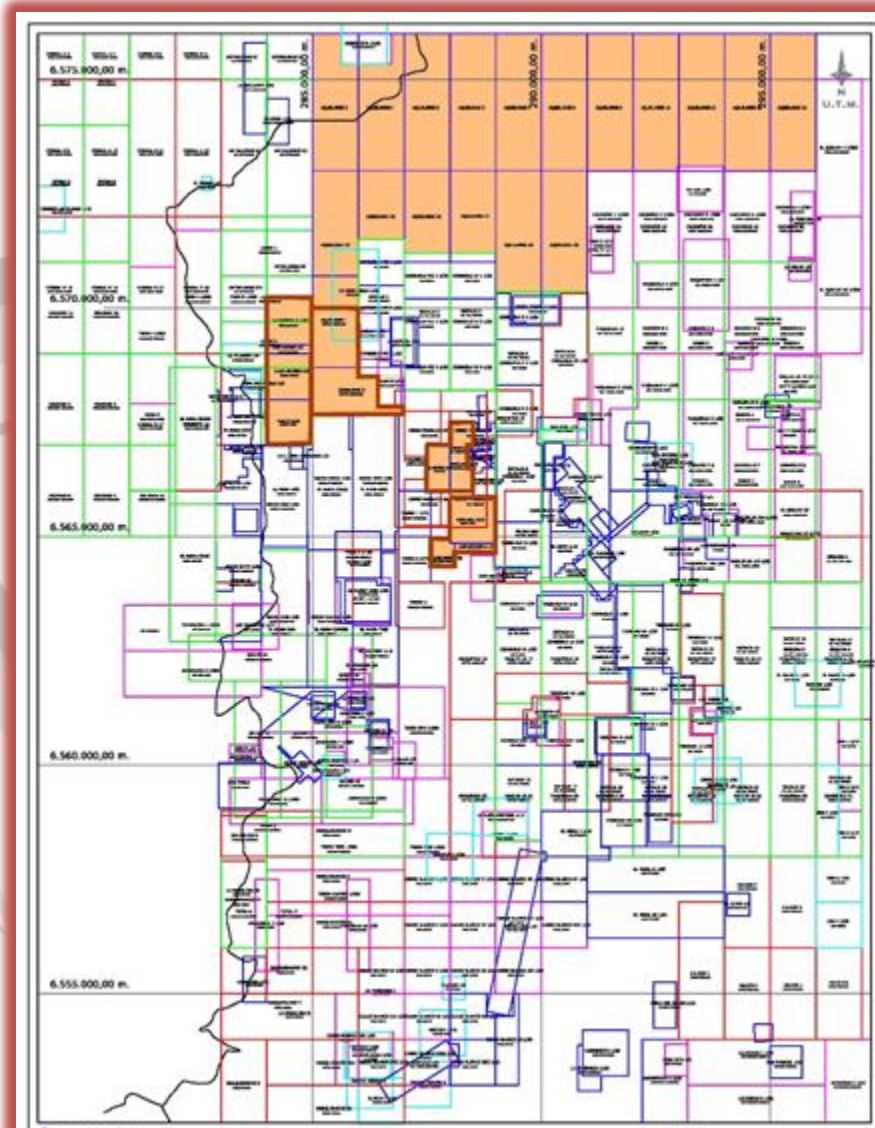




# 1<sup>st</sup> Mover Advantage



Opening old gates to new Opportunities





# RGX Execution Strategy to Date



- Established regional office at Combarbala in Region IV, January 2012.
- Base for admin, operational activities, project geologists, assistants and core shed and storage facilities.
- Venue for regional surveillance, creating local networks for opportunity flow and skills supply.
- Active local community involvement, including employment opportunities, reinforce local networks, trust building and overall corporate credibility.
- Strategy already delivered Majada as a new project and discovery together with neighbouring properties.
- Exploration resulted in RGX making two encouraging new mineralisation discoveries – at Majada and La Negra.

# About RPC



- Rio Perdido Copper Limited is an unlisted Australian incorporated public company.
- RPC is headed by Mr Franco Belli who has more than 20 years' experience in the mining industry including extensive in-country experience in Chile, Peru and Ecuador.
- Extensive transactional history in operating mines and concessions within Latin America.
- Previously involved with the Punataqui mine, located some 15 km north of Red Gum's Majada Project and held by Glencore since 2010.
- Financial sector competence via Mr Belli's prior experience as an analyst and broker including Gresham Securities, Hartley Poynton and Bell Securities.

# Corporate Overview ASX:RGX



## SHARES ON ISSUE:

112 m

Share Price (31/10/13)

0.02¢

Market Cap (AUD)

\$2.2m

Debt

Nil

## KEY SHAREHOLDERS: (21/10/2013)

Directors and Founders	25.0%
Warman Investments Pty Ltd.	5.72%
Tigermoth Investments Ltd	4.84%
Community Training Initiatives Pty Ltd	3.71%
IBT Holdings	3.14%
Makwadi Ventures Pty Ltd	2.37%
MGL Corp Pty Ltd	1.56%
Ivan Brown	1.24%
Washington H Soul Pattinson and Company Limited	1.11%

Top 20 shareholders 60.18%

No of shareholders ~400

## BOARD OF DIRECTORS:

Ray Shaw	Executive Chairman
Jennifer Tobin	Non Executive Director
Torey Marshall	Non Executive Director



# Current Capital Structure



Total Shares and Options on Issue	
Issued Shares (includes 30,425,932 escrowed until 17 January 2014)	112,468,097
Unquoted Options expiring 15 November 2013 exercisable at 7c each.	18,744,690
Quoted Options expiring 1 March 2016 exercisable at 10c each.	61,234,053
Management Options expiring 9 June 2014 exercisable at 25c each.	1,000,000
Broker/Underwriter unquoted options expiring 30 April 2016 exercisable at 15c each.	5,000,000



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