

29 July 2010

Company Announcements Office
ASX Limited

Dear Sir/Madam

RE: ACTIVITIES REPORT FOR THE QUARTER ENDED 30 JUNE 2010

RMG is currently exploring for gold and base metals in the Flinders Range in South Australia.

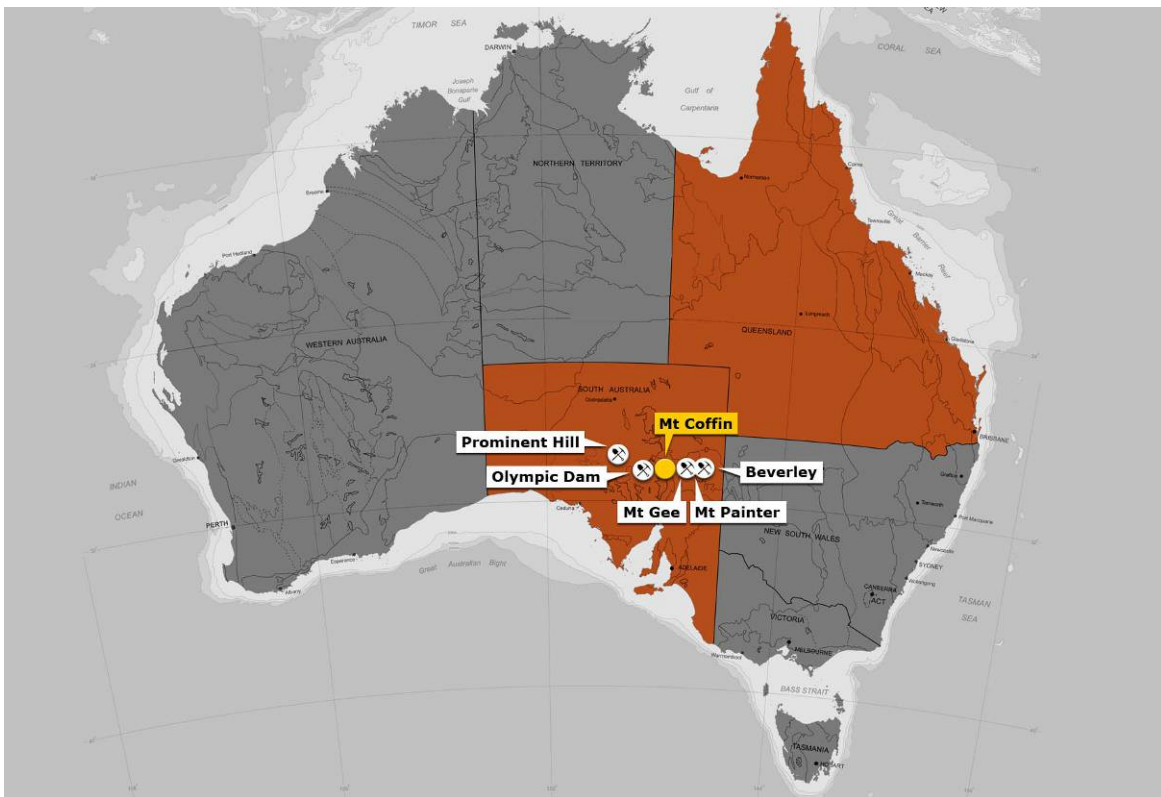


Figure 1: Tenement Locations

SOUTH AUSTRALIA

RMG holds exploration licences 3812 and 3813 over an area of 588 km² East of Copley in South Australia.

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EL 3812: 100% Mt Coffin

Work continues on compiling all existing historical and new data to allow a detailed analysis of the distribution and controls on mineralization. Previous exploration and indications from new work provide sufficient evidence that warrants this detailed analysis.

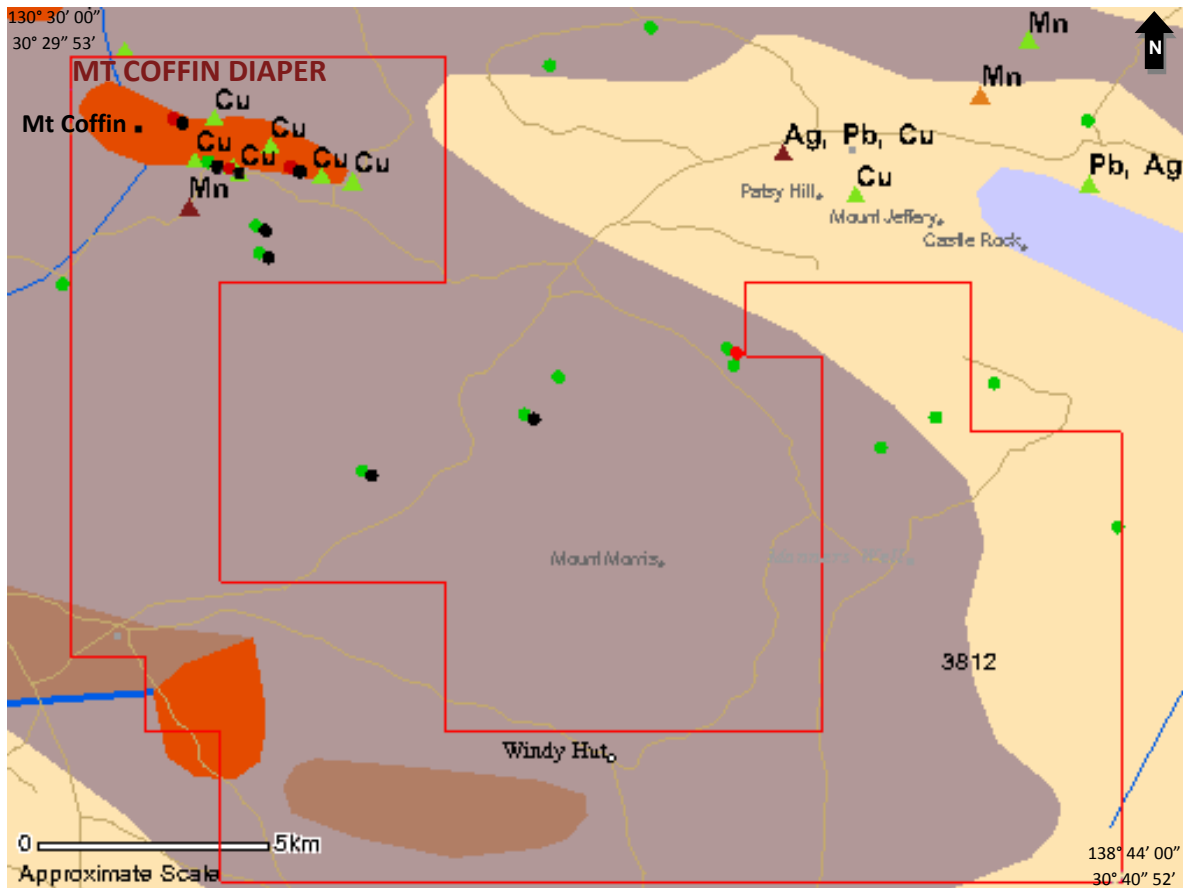


Figure 2: Historic workings and the Mt Coffin Diapir

Historically, significant work was carried out by the South Australian Dept of Mines and by Southern Cross Exploration between 1965 and 1972. Exploration focussed on copper mineralisation outside the diapir despite evidence suggesting the diapiric sediments contain widespread disseminated copper mineralisation.

The Mines Department believed the mineralisation to be epigenetic (hydrothermal induced), hosted within the diapir as disseminated copper sulphides in blocks of dolomitic marble, and outside of the diapir as secondary mineralization as seen in the historic copper workings. The diapir contains rafts of dolomitic marble 1,685 metres in length hosting significant concentrations of copper sulphide minerals. There are also indications the hydrothermal system may also contain gold.

Recent work has shown very high levels of antimony. Antimony is very unusual in an apparently copper dominated mineralised system, and it raises the possibility that there are other elements at greater depths. Antimony is generally regarded as a pathfinder element for gold and it is noteworthy

that alluvial gold was found near the Mt Coffin mines with the largest nugget weighing more than 20 grams.

The compilation and analysis of all pertinent data will facilitate the planning of a suitable exploration program targeting diapir-related mineralisation. This work is expected to be completed during the September 2010 quarter.

EL 3813: 100% Wearing Gorge

A stream sediment sampling program was carried out last quarter and the results are pending.



Figure 3: Typical stream at Wearing Gorge



Figure 4: Sampling at Wearing Gorge

Current exploration at Wearing Gorge is focusing on a north trending zone of historic copper workings and occurrences that extend for a distance of approximately 11km.

Native title heritage clearance is planned with a RAB drilling program to follow.

NEW PROJECTS

The Directors have spent considerable time reviewing projects in Australia and overseas and are continuing to explore all valid opportunities including joint ventures and farmins.

John Risinger

Managing Director
(08) 9467 2049

Competent Persons Statement

The information in this report which relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Allen Maynard, who is a Member of the Australian Institute of Geosciences ("AIG"), a Corporate Member of the Australasian Institute of Mining & Metallurgy ("AusIMM") and independent consultant to the Company. Mr Maynard is the principal of Al Maynard & Associates Pty Ltd and has over 30 years of exploration and mining experience in a variety of mineral deposit styles. Mr Maynard has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Maynard consents to inclusion in the report of the matters based on this information in the form and context in which it appears.

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/10.

Name of entity

RMG LIMITED

ABN

51 065 832 377

Quarter ended ("current quarter")

30 JUNE 2010

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (.12. months) \$A'000
1.1 Receipts from product sales and related debtors	1	5
1.2 Payments for (a) exploration & evaluation (b) development (c) production (d) administration	(45)	(156)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	27	68
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Other – exploration permit recoveries upon relinquishment)	-	39
Net Operating Cash Flows	(59)	(426)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) prospects (b) equity investments (c) other fixed assets		
1.9 Proceeds from sale of: (a) prospects (b) equity investments (c) other fixed assets		
1.10 Loans to other entities		
1.11 Loans repaid by other entities		
1.12 Other (provide details if material)		
Net investing cash flows	-	-
1.13 Total operating and investing cash flows (carried forward)	(59)	(426)

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Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(59)	(426)
Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, etc.		
1.15	Proceeds from sale of forfeited shares		
1.16	Proceeds from borrowings		
1.17	Repayment of borrowings		
1.18	Dividends paid		
1.19	Other (provide details if material)		
	Net financing cash flows	-	-
	Net increase (decrease) in cash held	(59)	(426)
1.20	Cash at beginning of quarter/year to date	1,335	1,702
1.21	Exchange rate adjustments to item 1.20		
1.22	Cash at end of quarter	1,276	1,276

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	39
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Remuneration paid to director for exploration company \$30,000. Director's fees paid \$9,000.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Financing facilities available

Add notes as necessary for an understanding of the position.

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Appendix 5B
Mining exploration entity quarterly report

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	50
4.2 Development	-
4.3 Production	-
4.4 Administration	45
Total	95

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	176	235
5.2 Deposits at call	1,100	1,100
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	1,276	1,335

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1		Interests in mining tenements relinquished, reduced or lapsed		
6.2		Interests in mining tenements acquired or increased		

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Appendix 5B
Mining exploration entity quarterly report

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference securities <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 *Ordinary securities	512,257,365	512,257,365		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
7.5 *Convertible debt securities <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options <i>(description and conversion factor)</i>	8,750,000	-	<i>Exercise price</i> 5.0 cents	<i>Expiry date</i> 30 June 2012
7.8 Issued during quarter				
7.9 Exercised during quarter				
7.10 Expired during quarter	8,750,000	-	2.5 cents	30 June 2010
7.11 Debentures <i>(totals only)</i>				
7.12 Unsecured notes <i>(totals only)</i>				

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Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.

Gary Steinepreis
Director
July 2010

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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