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Companies Announcements Office
Australian Securities Exchange

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Zeehan Lead-Zinc-Silver Project Acquisition

RMG Limited (ASX:RMG) ("the Company") is pleased to advise it has entered into an agreement to acquire 100% of two licenses in the Zeehan district of Tasmania. Zeehan has historically been a major producer of lead, silver and to a lesser extent zinc. The project fits well with the Company's Kamarga Project in Queensland, both being carbonate and/or shale hosted replacement style of deposits and both having previous exploration results. The transaction is conditional upon the transfer being approved by the Minister of the Department of Infrastructure, Energy and Resources and subject to this approval, work programs are anticipated to commence in early 2012.

Highlights

- Extensive lead-zinc-silver mineralisation over 30 prospects along 7 linear kilometres of shear zones
- Surface channel sampling at the Sunshine prospect produced 10m @ 22%Zn
- The 3 deepest drill holes at Sunshine intersected;
 - SUN013 21m @ 5.9%Zn, 0.8%Pb, 11g/t Ag from 16m downhole;
 - SUN027 15m @ 7.1%Zn, 3.4%Pb, 94g/t Ag from 12m downhole; and
 - SUN019 10m @ 2.4%Zn, 4%Pb, 79g/t Ag from 15m downhole.
- Sunshine only drilled to 45m depth and is open at depth and along strike.
- Previous drilling by CRA of an unmapped EM target intersected;
 - 6.5m @ 2.9%Pb, 6.3%Zn, 41g/t Ag from 34m downhole
 - It has never been drilled along strike or down dip
- Many other historical prospects remain to be drill tested
- RMG to purchase 100% unencumbered title, subject to Ministerial approval of title transfer.

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Purchase Agreement

The Company has agreed to purchase 100% unencumbered rights to both EL17/2003 and ML20/2001 from Stonehenge Metals Ltd (Stonehenge) subject to the transfer being approved by the Minister of the Department of Infrastructure, Energy and Resources Tasmania. The purchase price is \$70,000 cash and the issue of 20 million FPO shares in RMG Ltd to Stonehenge to be paid upon the Ministers approval of the transfer. The Minister's approval is anticipated to be in early 2012.

Zeehan Zinc Project

Historically Zeehan has been a significant producer of lead and silver, and lesser zinc, from two mining areas within 10kms of the town site. To 2010, over 197,000 tonnes of lead and 26.7 million ozs of silver¹ have been produced from the two mining areas, Comstock and Zeehan. These two areas are located within 3 kms of the permits acquired by the Company, but are not included in the assets purchased by the Company.

The Company has acquired Exploration Licence 17/2003 within which is located ML 20/2001, also acquired by the Company. There are over 30 historical lead-zinc-silver prospects within the 7sq.km area acquired by the Company (Figure 2). The two tenements have the potential to host;

- Lode style lead-zinc-silver deposits
- Carbonate and/or shale hosted replacement lead-zinc-silver deposits
- Carbonate hosted stannite tin deposits at depth

The mineralisation is hosted by the Neo-Proterozoic Oonah Formation consisting of a sequence of sandstones, shales and carbonates. The mineralisation is preferentially located in the carbonates and shale units. The area is underlain by the Devonian Heemskirk Granite which is the source of the mineralising fluids and the heat engine to mobilise metals into favourable lithological and structural sites.

The tenements are accessible via existing sealed and gravel roads from Zeehan, which provides a logistic base for all exploration activities in the region and is only 3kms from the licence area.

¹ Green G.R. Sundry mineralisation in Tasmania. In Economic Geology of Australia and Papua New Guinea. AusIMM Monograph No 5. 1975. Pp632-636

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Figure 1 Location of Zeehan Zinc Project

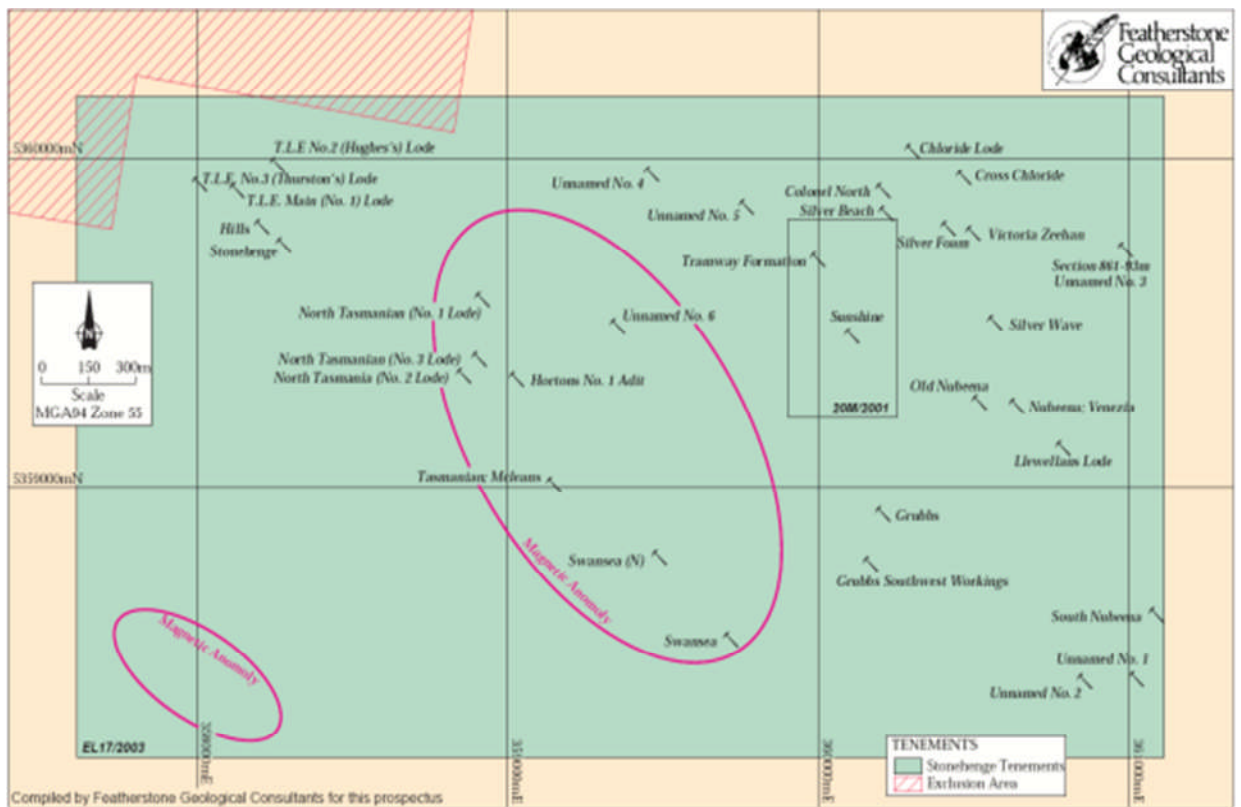


Figure 2 Plan of historical lead-zinc-silver prospects on EL17/2003 and ML20/2001

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Historical Exploration

Previous exploration by Renison Goldfields in 1983-1986, and by CRA–Allegiance JV in 1992-2005 is summarised in Stonehenge Resources’ prospectus of 2006. These groups drilled a total of 12 holes in the licence area as shown in Table 1 with all significant intercepts² shown in Table 2.

Of particular significance to the Company are the results for drill holes TH12 (10m @ 2.5%Zn, 1%Pb, 32g/t Ag) and S31 (6.5m @ 6.3%Zn 2.9%Pb, 41g/t Ag). These results are very near surface and are not on any known lode structure. The mineralisation occurs at the interface between shale and dolomite sequences and may represent stratabound mineralisation. Nearby drill holes had difficulty achieving core recovery through this zone and it remains open along strike and at depth.

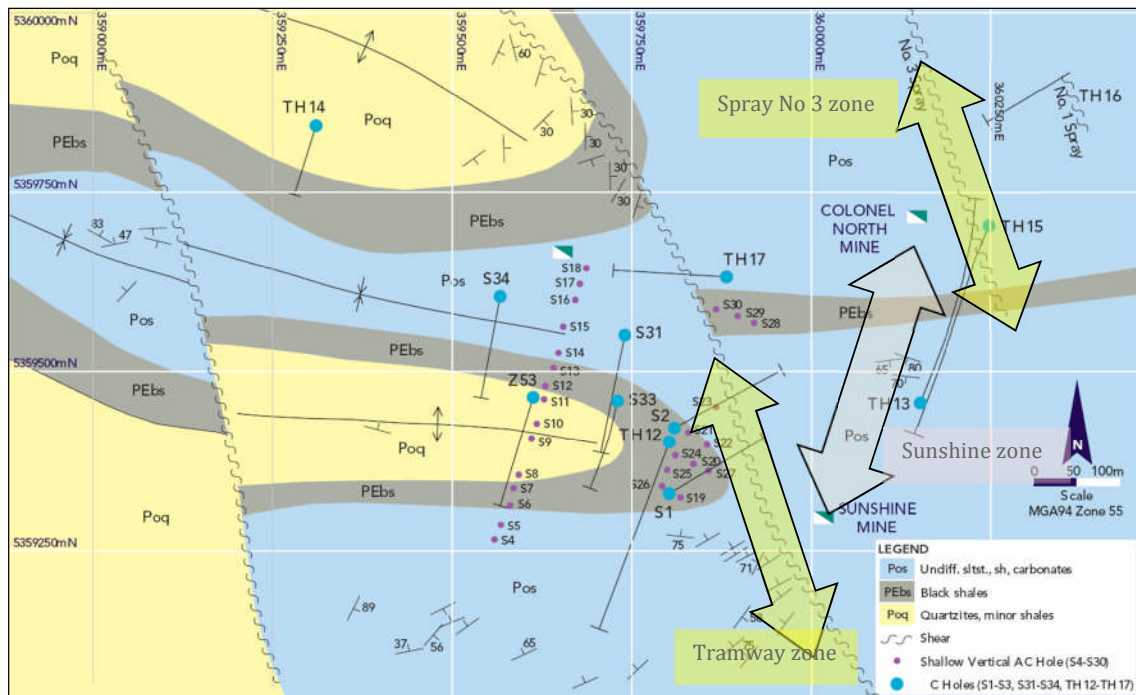


Figure 3 Historical drilling drill hole plan

² All intercepts for >2m > 1% Zn+Pb

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Hole Id	Company	Prospect Target	East	North	Dip	Azimuth	Total Depth
TH12	Renison Goldfields	Black Shale	359911	5359567	-55	199	401.5
TH13	Renison Goldfields	Spray No3	360161	5359613	-46	21	431.2
TH14	Renison Goldfields	Tasmanian	359429	5360024	-55	202	170
TH15	Renison Goldfields	Spray No3	360260	5359878	-60	201	599
TH16	Renison Goldfields	Spray No3	360375	5359900	-60	255	350
TH17	Renison Goldfields	Tramway	359890	5359800	-55	275	300
S1	CRA	Tramway	359912	5359483	-50	61	300
S2	CRA	Tramway	359912	5359568	-45	61	300
S3	CRA	Black Shale	359737	5359633	-45	201	200
S31	CRA	Black Shale	359780	5359600	-50	190	209.5
S33	Allegiance	Black Shale	359847	5359728	-50	192	150.5
S34	Allegiance	Black Shale	359679	5359796	-50	191	245

Table 1 Location of historical drilling

Hole Id	From	To	length	Pb%	Zn%	Ag g/t
TH12	32	42	10	1	2.49	32
TH12	79	82	3	1	10.3	261
TH13	87	148	61	0.9	0.59	29
TH14	no significant intersection					
TH15	no significant intersection					
TH16	no significant intersection					
TH17	no significant intersection					
S1	119.2	121.35	2.15	10.1	7.8	191
S1	150	162.3	12.3	0.4	2.1	<1
S1	223	231.85	8.85	0.4	1.5	<1
S2	100.5	112	11.5	1.1	4.1	10
S2	124	136	12	0.4	1.8	19.5
S3	no significant intersection					
S31	34	40.5	6.5	2.9	6.3	41
S33	no significant intersection - CORE LOSS					
S34	no significant intersection - CORE LOSS					

Table 2 Significant intercepts from historical drilling

Stonehenge Exploration and Drilling

Stonehenge surface sampled a number of the lead-zinc-silver prospects within the lease area. These results are reported in Stonehenge ASX releases dated 26 February 2007 and 29 March 2007 (ASX:SHE). Stonehenge reported a number of high grade lead-zinc-silver assays from grab samples of surface outcrops and prospect dumps.

At the Sunshine prospect, surface channel sampling across the mineralised lode system by Stonehenge returned;

- 10m @ 22%Zn.

Stonehenge drilled two of the lead-zinc-silver prospects, Sunshine and Swansea, with a total of 22 holes (1,259m) and 10 holes (346m) respectively. This drilling was also compromised by very low core recovery and many drill holes were abandoned before reaching the target. Full results are available in Stonehenge's ASX releases of 8 June 2007 and 4 October 2007.

The Sunshine mineralisation strikes NE-SW and is open to the north-east and at depth. The shear zone consists of fault gouge, quartz veins and massive sulphides up to 10 metres true width. In addition to the mineralised fault zone there is a mineralised halo where sphalerite and galena have replaced favourable carbonates in the dolomitic stratigraphy.

From the Company's perspective the most significant results are from;

- SUN013 21m @ 5.9%Zn, 0.8%Pb, 11g/tAg from 16m down hole and,
- SUN027 15m @ 7.1%Zn, 3.4%Pb, 94g/t Ag from 12m down hole, and
- SUN019 10m @ 2.4%Zn, 4%Pb, 79g/t Ag from 15m down hole.

These three holes are all the deepest holes to intersect the Sunshine mineralised system and none of these appear to have been followed up at depth due to poor drilling conditions.

Stonehenge reports that the mineralisation at the Sunshine prospect has only been drilled to 45m depth and remains open at depth and along strike (Stonehenge Quarterly Report 30 September 2007).

The drill holes at Swansea were all less than 52 metres in length and all failed to intersect significant mineralisation. At this stage it is not known if this is due to poor drilling, poor hole location, or geologic uncertainty.

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Summary

The previous work by Renison Goldfields, CRA and Stonehenge has identified a number of high grade lead-zinc-silver mineralised zones. Only one of these zones (Sunshine) has been successfully drilled, and that zone only to 45m vertical depth. All zones are open at depth and along strike.

The drilling at the main mineralised zone at Sunshine included intersections up to;

- 21m @ 5.9%Zn, 0.8%Pb, 11g/t Ag from 16m downhole in SUN013, and includes a higher grade zone of
 - 7m @ 12.8%Zn, 1.6%Pb, 22g/t Ag from 21m down hole

Previous drilling by CRA also identified significant mineralisation in new zones from surface which have not been drilled along strike or down-dip.

The focus of the Company's exploration activities will be to continue to drill the Sunshine zone and in particular to focus on identifying the carbonate replacement zones for wide zones of mineralisation.

Exploration Programme

For its first pass program the Company plans to compile the past exploration data and to commence a field programme in early 2012. This is expected to lead to a drilling programme in March 2012, conditional on obtaining the necessary approvals and contractors.

The expected budget is

- | | |
|----------------------------------|------------------|
| • Data compilation and review | \$35,000 |
| • Site preparation and approvals | \$65,000 |
| • Drilling and field work | <u>\$150,000</u> |
| | \$250,000 |

For further information, visit the website www.rmgltd.com.au or please contact:

Robert Kirtlan
Executive Chairman
Tel: +61 (8) 9381 1177

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Note: Intervals presented are downhole. True widths are unknown. Samples are from NQ diamond drill core, sawn in half, from intervals of varying length, and from 1m sample lengths from RC drill holes. Core recovery averages 60% and is often less than 10%. RC sample recovery is not recorded. Collars have been located by Differential GPS and reported in MGA94 Zone 55S.

Competent Person Statement

The information relating to Exploration Results is based on information compiled and reviewed by Mr. Peter Rolley, who is a Member of the Australasian Institute of Geoscientists. Mr Rolley is self-employed and provides consulting services to RMG Ltd.

Mr. Rolley 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. Rolley consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

Forward Looking Statements

This document may include forward looking statements. Forward looking statements include, but are not necessarily limited to, statements concerning RMG Limited's planned exploration programme and other statements that are not historic facts. When used in this document, the words such as "could", "indicates", "plan", "estimate", "expect", "intend", "may", "potential", "should" and similar expressions are forward looking statements. Such statements involve risks and uncertainties, and no assurances can be provided that actual results or work completed will be consistent with these forward looking statements.