RMC
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RMC PLACEMENT RAISES $2.13 MILLION

Resource Mining Corporation Limited (RMC) has agreed to place 426 million ordinary shares at an issue price of $0.005 per share to Yong Tong Special Steel Company Limited, Sinom (Hong Kong) Limited, Mount Gibson Iron Limited, (ASX code: MGX) and sophisticated investors to raise $2.13 million.

Companies participating in this placement represent a complete cross-section of the Iron Ore Industry from an iron ore mining company, (Mount Gibson Iron Limited), through steel and raw materials trader (Sinom (Hong Kong) Limited), to specialist Chinese steel manufacturer (Yong Tong Special Steels Limited).

The participation by this group of companies in the placement reflects their confidence in the Argyle Iron Ore Project and brings to RMC, a diverse mixture of key industry support. Together with the participation in August by Stemcor Australia Pty Ltd, Societe Generale, and Euroz Securities, these new shareholders provide the company with the necessary backing to proceed quickly with the development of the Argyle Iron Ore Project.

RMC has been fortunate to conclude "In Principle" Iron Ore Sales Off-Take Agreements with parties associated with the share placements. These off-take agreements are subject to the development of the Argyle Iron Ore Project and provide certainty for future product sales.

Mount Gibson Iron Limited, who currently operate a similar project in the Mid West and export iron ore through the Port of Geraldton have indicated a willingness to provide technical and managerial assistance. Societe Generale have indicated a interest in providing financing.

The placement will include a free attaching option exercisable at $0.02 expiring on 30 June 2006 for every share subscribed.

The funds will be used primarily for the purchase of the Argyle Iron Ore Project approved by shareholders on 12 August 2004 (the purchase of 40% for $1,750,000 has now been completed), for a confirmatory drilling program at the Argyle Iron Ore Project and for working capital purposes.

E W Edwards
Managing Director