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SEPTEMBER 2017 QUARTERLY REPORT

ANNOUNCEMENT TO THE AUSTRALIAN SECURITIES EXCHANGE

31 October 2017

Highlights

- RTG Mining Inc. (ASX:RTG, TSX:RTG) (“RTG” or “the Company”) has been nominated as the development partner with the joint venture company of the Special Mining Lease Osikaiyang Landowners Association (“SMLOLA”) and Central Exploration Pty Ltd (“Central”) in their proposal with respect to the redevelopment of the 1.5B tonne Copper-Gold Panguna Project located in the Central Region of the island of Bougainville, within the Autonomous Region of Bougainville, Papua New Guinea (“PNG”).
- Mt. Labo Exploration and Development Corporation (“Mt. Labo”) is continuing with the arbitration proceedings against Galeo Equipment Corporation (“Galeo”) in the Singapore International Arbitration Centre seeking a number of reliefs, including a declaration that the JVA was validly terminated and the compromise agreement was validly rescinded.
- Improvements in commodity prices from the original feasibility study have led to a 90% increase in the NPV of the Mabilo Project.
- General Cimatú was confirmed in the Philippines as the new Secretary of the Department of Environment and Natural Resources (“DENR”), replacing the previous Secretary Ms Gina Lopez. The mining industry has overwhelmingly supported the appointment of Secretary Cimatú, who has been quoted as supporting “responsible mining” in the Philippines.
- On 25 October 2017, Secretary Cimatú announced, as co-chair of the Mining Industry Co-ordinating Council (“MICC”), that a majority of MICC members voted to recommend a change in the policy of the DENR with regard to the ban on open-pit mining and plan before year end to issue a DENR Administrative Order restoring open pit mining operations.
- Mt. Labo has been working with the DENR and Mines and Geosciences Bureau to progress and perfect the permitting process for the Mabilo Project.
- An order was received in the Philippine Courts on actions commenced there by Galeo against Mt. Labo and others that the proceedings were to be referred to Singapore for arbitration, so all current matters have been consolidated in Singapore.
- The Company continues to investigate a number of new business development opportunities diversifying its Philippine interests including the abovementioned opportunity in Bougainville, should the landowners be successful in their current efforts.
- Cash and liquid assets as at 30 September were A\$5.7M.

Overview of the Quarter

RTG has been nominated as the preferred development partner by the SMLOLA in their proposal with respect to the redevelopment of the 1.5B tonne¹ Copper-Gold Panguna Project located in the Central Region of the island of Bougainville, within the Autonomous Region of Bougainville, Papua New Guinea. The proposal being led by the SMLOLA is a landowner initiative and will be subject to the success or otherwise of the SMLOLA in securing a role in the redevelopment of the mine and their minerals. The SMLOLA proposal is also ultimately conditional upon the support of the Autonomous Bougainville Government (“ABG”) and others.

The members of the SMLOLA are the owners of the customary land which is the subject of the old Bougainville Copper Limited (“BCL”) operated Panguna open pit mine area and BCL has been seeking to secure their consent to a renewal of EL1, a 2 year exploration licence that expired in September last year, given the SMLOLA members now own all the minerals in the old Panguna pit. It is also currently awaiting a review by the ABG under the Mining Act. To date, the ABG has expressed support for the return of BCL, however this position is opposed by the leadership of the SMLOLA, the owners of the minerals and is an ongoing process. Mr Phillip Miriori, the Chairman of the SMLOLA, successfully sought and was granted an injunction against the signing of a proposed MOU in relation to BCL. Subsequently Mr Phillip Miriori likewise successfully applied to the Court to mediate in respect of a challenge by the previous Chairman, Mr Lawrence Daveona to his leadership of the SMLOLA, and that mediation is ongoing. The next election of executive for the SMLOLA is not scheduled until December 2018.

At the Mabilo Project, the Company’s activities on site have been further reduced with the ongoing focus on continuing to progress the permitting and local issues given the uncertainty that was created for mining during the term of the previous Secretary of the DENR and the dispute with the joint venture partner of Mt. Labo. We believe the appointment of the new Secretary of the DENR will be constructive and positive for the industry.

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Mt. Labo has commenced arbitration proceedings against Galeo in the Singapore International Arbitration Centre in accordance with the provisions of the JVA and the compromise agreement. In those arbitration proceedings, Mt. Labo seeks a number of reliefs, including a declaration that the JVA was validly terminated and the compromise agreement was validly rescinded. Under the JVA, on termination the innocent party is then given the right to buy out the guilty party at a 10% discount to book value, which for the joint venture is nominal given it was still in the exploration phase of the project. Galeo had commenced a number of actions against Mt. Labo and others in the Philippine Courts which has now been referred for arbitration in Singapore, consolidating all current actions in the Singapore Arbitration process.

¹ Refer to BCL’s JORC 2012 Statement released to ASX on 7 February 2013, available at <http://www.asx.com.au/asxpdf/20130207/pdf/42cx2byq5n5lkg.pdf>. This historical estimate only refers to Indicated Resources. If the SMLOLA proposal is successful, a compliant NI 43-101 report needs to be completed by the Company to upgrade and or verify the historical estimate as a current Mineral Resource.

As we have stated previously, Mt. Labo had hoped to avoid commencing proceedings, but the actions of Galeo to date have left the company with no other option to protect its interests.

MABILO PROJECT

Project Background

The Mabilo Project is located in Camarines Norte Province, Eastern Luzon, Philippines. It is comprised of one granted Exploration Permit (EP-014-2013-V) of approximately 498 ha; and two Exploration Permit Applications (EXPA-000209-V) covering 498 ha and (EXPA-000188-V) covering 1,991 ha. The Mabilo Project area is relatively flat and is easily accessed by 15 km of all-weather road from the highway at the nearby town of Labo.

Massive magnetite mineralisation containing significant copper and gold grades occurs as replacement bodies together with mineralised garnet skarn and calc-silicate altered rocks within a sequence of hornfels sediments of the Eocene aged Tumbaga Formation. The garnet and magnetite skarn rocks were extensively altered by argillic retrograde alteration and weathering prior to being covered by 25-60 metres of post mineralisation Quaternary volcanoclastics (tuff and lahar deposits) of the Mt. Labo Volcanic Complex. The deposits are localised along the margins of a diorite stock which does not outcrop within the Exploration Permit.

The primary copper mineralisation (predominantly chalcopyrite with lesser bornite) occurs as disseminated blebs and aggregates interstitial to magnetite grains and in voids within the magnetite. A strong correlation between gold and copper values in the un-weathered magnetite skarn indicates the gold is hosted by the chalcopyrite. A late stage phase of sulphide mineralisation (predominantly pyrite) veins locally brecciates the magnetite mineralisation.

In places the more shallow upper parts of the magnetite skarn bodies were weathered to form hematite skarn. Copper in the weathered zone was remobilised forming high-grade supergene copper zones (chalcocite and native copper) at the base of the weathering profile. The gold is more variable, remobilised throughout the hematite skarn and is domained within garnet skarn and calc-silicate altered country rocks in places. The average iron grade of the hematite skarn is consistent with the magnetite skarn.

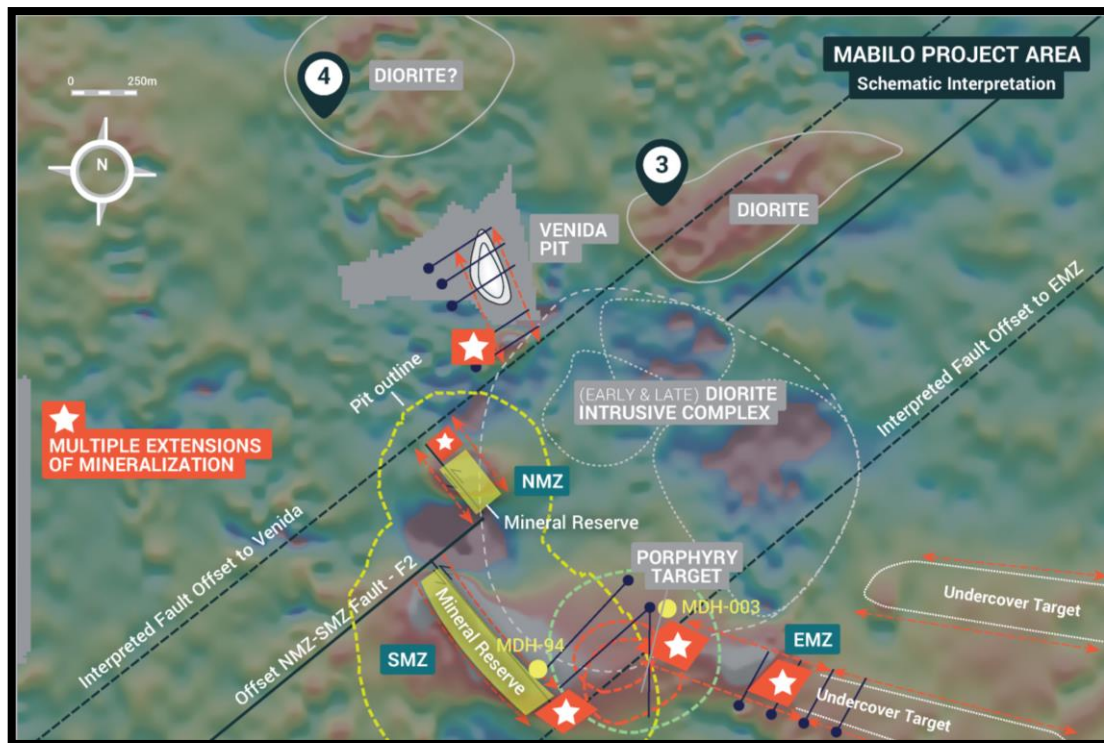


Figure 1 - RTP ground magnetic image with modelled South, North and East magnetic bodies, showing exploration upside targets.

Mt. Labo discovered the mineralisation in 2012 during a reconnaissance drilling program targeted on magnetic anomalies from a ground magnetic survey conducted by a former explorer. Mt. Labo subsequently conducted a new ground magnetic survey in early 2013, remodelled the data and commenced a second phase of drilling in mid-2013.

Extensive drilling has been undertaken during 2014 and 2015 with significant extensions in known strike beyond the magnetic model in the north and south directions. A total of 69 drill holes totalling 11,231m were used for the maiden Resource estimate (ASX released on the 24th November 2014). An updated Resource estimate (ASX released on the 5th November 2015) was completed using 98 drill holes totalling 18,200.9m. By the end of December 2015, 111 drill holes had been completed at the project. ***The current Resource is open down plunge and along strike.***

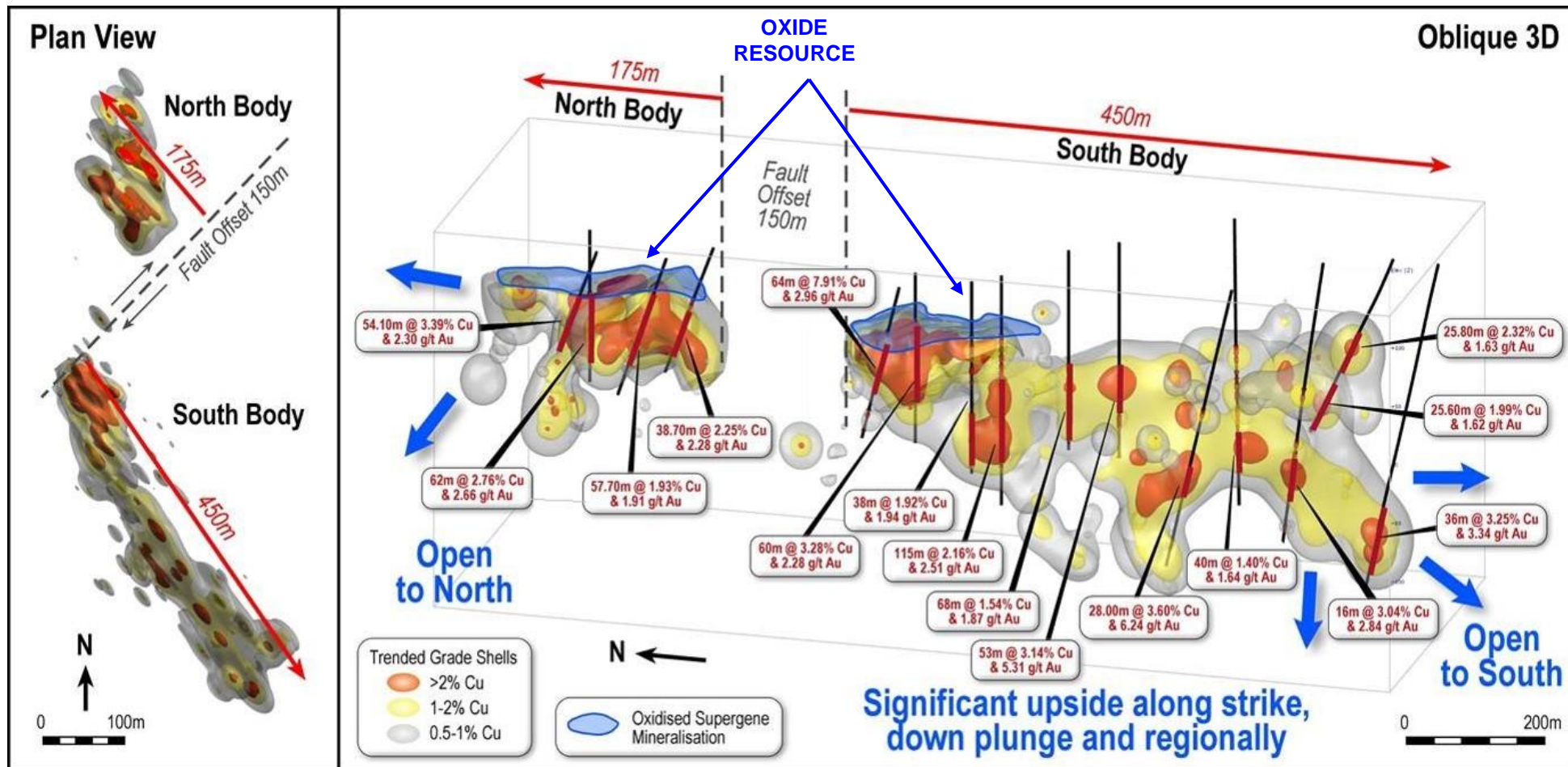


Figure 2 - North and Southern Mineralised Zones with intercept highlights - Schematic Oblique view 3D

Feasibility Study (“FS”)²

The Company announced on March 18, 2016 the results from an independent NI 43-101 compliant FS for 100% of the high grade Mabilo Project in Southeast Luzon, Philippines³. The Mabilo Project is both high grade and low cost, underpinning the robust economics presented in the FS including a 33% IRR after tax at US\$5,000/t Cu US\$1,200/oz Au prices (43.6% with only a 10% lift in commodity prices) and an equivalent operating cost of US\$0.80/lb copper equivalent or US\$425/oz gold equivalent for concentrate production at a throughput rate of 1.35mtpa⁴. Since the preparation of the Feasibility Study, commodity price for both copper and gold have improved materially. On a copper price of US\$6,900/t and a gold price of US\$1270/oz, the net present value of the project has increased by 90%.

Mabilo Mineral Reserves

The March 2016 Probable Reserve estimate represents an **equivalent gold grade for the Reserves of 5.26 g/t⁵** (before recoveries) **containing 1.32 Moz of equivalent gold** or an **equivalent copper grade of 4.1%⁶** (before recoveries) **containing 316Kt of equivalent copper**.

Table 1 - Probable Mineral Reserve Estimate

Ore							Waste	Strip Ratio
Class	Type	Mt	Fe %	Au g/t	Cu %	Ag g/t	Mt	
Probable	Gold Cap	0.351	40.1	3.11	0.38	3.26	77.713	10.0
	Supergene	0.104	36.5	2.20	20.7	11.9		
	Oxide	0.182	43.6	2.52	4.17	19.9		
	Skarn	7.155	45.9	1.97	1.70	8.73		
Total Probable Ore		7.792	45.5	2.04	1.95	8.79		

The November 2015 Resource estimation provided by CSA classified the Resource for the Mabilo Project as Indicated and Inferred. Only Indicated Mineral Resources as defined in NI 43-101 were used to establish the Probable Mineral Reserves. No Reserves were categorized as Proven.

Mineral Reserves are quoted within specific pit designs based on Indicated Resources only and take into consideration the mining, processing, metallurgical, economic and infrastructure modifying factors.

² The Company confirms that all the material assumptions underpinning the Feasibility Study as announced to the ASX on the 18th of March continue to apply and have not materially changed. A copy of the announcement can be found on the Company’s website at www.rtgmining.com.

³ The FS is based on a treatment rate of 1Mtpa. A treatment rate of 1.35Mtpa was also considered in an upside case. Factored indicative capital and operating cost estimates were developed for a planned throughput of 1.35 Mtpa. The capital cost estimates were derived from first principles for the 1 Mtpa process plant to an accuracy of +/- 15% and then the capital cost estimates were factored with an accuracy of +/- 25% for the 1.35 Mtpa process plant. The operating cost estimates were derived from first principles for the 1Mtpa process plant and then plant costs were factored with an accuracy of +/- 25% for the 1.35Mtpa operating scenario. All costs are in 2015 US dollars.

⁴ The Copper equivalent tonnes and gold equivalent ounces are based on the following formulas –

$$\text{CuEq} = (\text{Cu produced/contained} * \$5000) + (\text{Au produced/contained} * \$1200 + (\text{Any Contained Fe metal produced} * \$50)) / \$5000$$

$$\text{AuEq} = (\text{Cu produced/contained} * \$5000) + (\text{Au produced/contained} * \$1200 + (\text{Any Contained Fe metal produced} * \$50)) / \$1200$$

⁵ The gold equivalent grade is based on the following formula –

$$\text{AuEq} = (((\text{AuOz} * \$1,200) + (\text{CuMetal} * \$5,000) + (\text{FeMetal} * \$50) + (\text{AgOz} * \$14)) / \$1,200) / \text{Total ore tonnes}$$

The copper equivalent grade is based on the following formula –

$$\text{CuEq} = (((\text{AuOz} * \$1,200) + (\text{CuMetal} * \$5,000) + (\text{FeMetal} * \$50) + (\text{AgOz} * \$14)) / \$5,000) / \text{Total ore tonnes}$$

BUNAWAN PROJECT

The Bunawan Property is located in the east of Mindanao Island in Agusan del Sur province, approximately 190 km north-northeast of Davao and adjacent to the Davao – Surigao highway.

The Bunawan Project (Figure 5) is centred on a diatreme intrusive complex (Mahunoc diatreme) approximately five km NE of Medusa Mining’s Co-O mine in eastern Mindanao. Historical production at the Co-O Mine has demonstrated a significant high grade gold system and there is active artisanal mining throughout the region which further reinforces the gold potential of the area. A number of the artisanal mining operations occur within and adjacent to the Mahunoc diatreme and the area is highly prospective for the discovery of economic epithermal Au-Ag mineralisation of intermediate sulphidation / carbonate-base metal type.

The ground magnetics and mapping suggest that the southern margin of the diatreme is a relatively flat-lying apron shallowly overlying andesite wall rock and that Au mineralisation in the diatreme within the “mineralised corridor” is derived from veins in the structural zone in the underlying andesite.

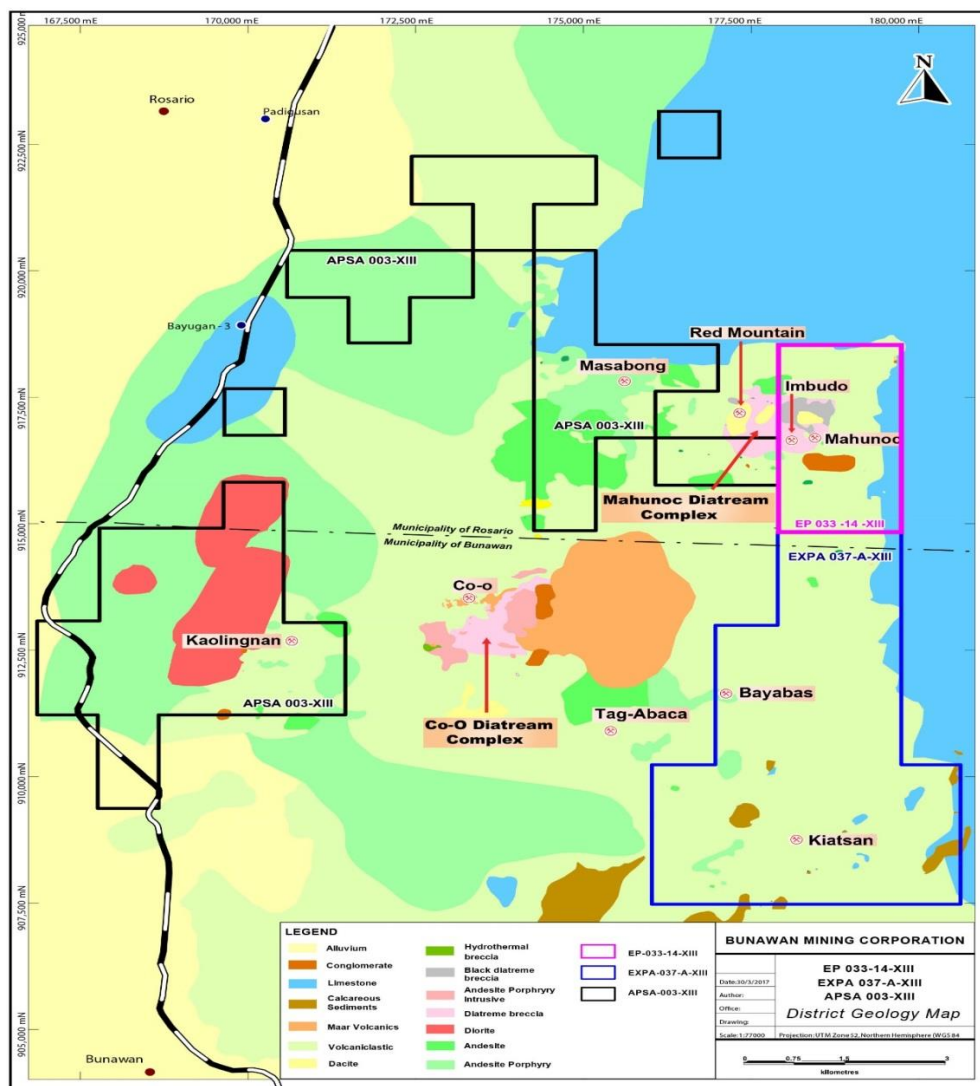


Figure 3 - Bunawan Location Plan with Regional Geology

The results of two drilling programs have confirmed the presence of breccia/epithermal vein systems within and below the diatreme that is similar geologically to the nearby Co-O vein system. The discovery of a favourable mineralised dacite host also adds to the increased mineral potential of the property. Hydrothermal alteration assemblage in the dacite suggests that it may be a component of a high-sulphidation system in the general area. With the various geological conditions identified, the region has the potential to see another major gold discovery.

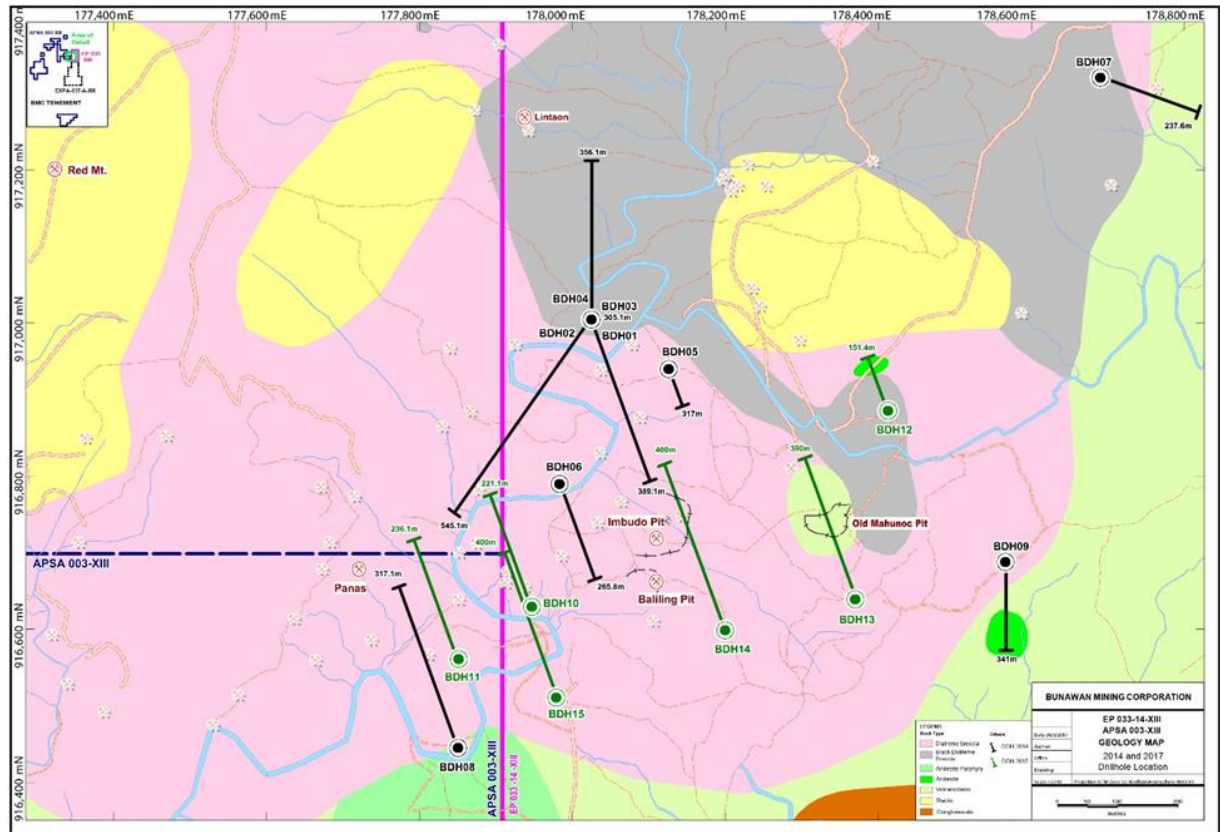


Figure 4 - Geological Map showing locations of completed drill holes and artisanal gold workings.

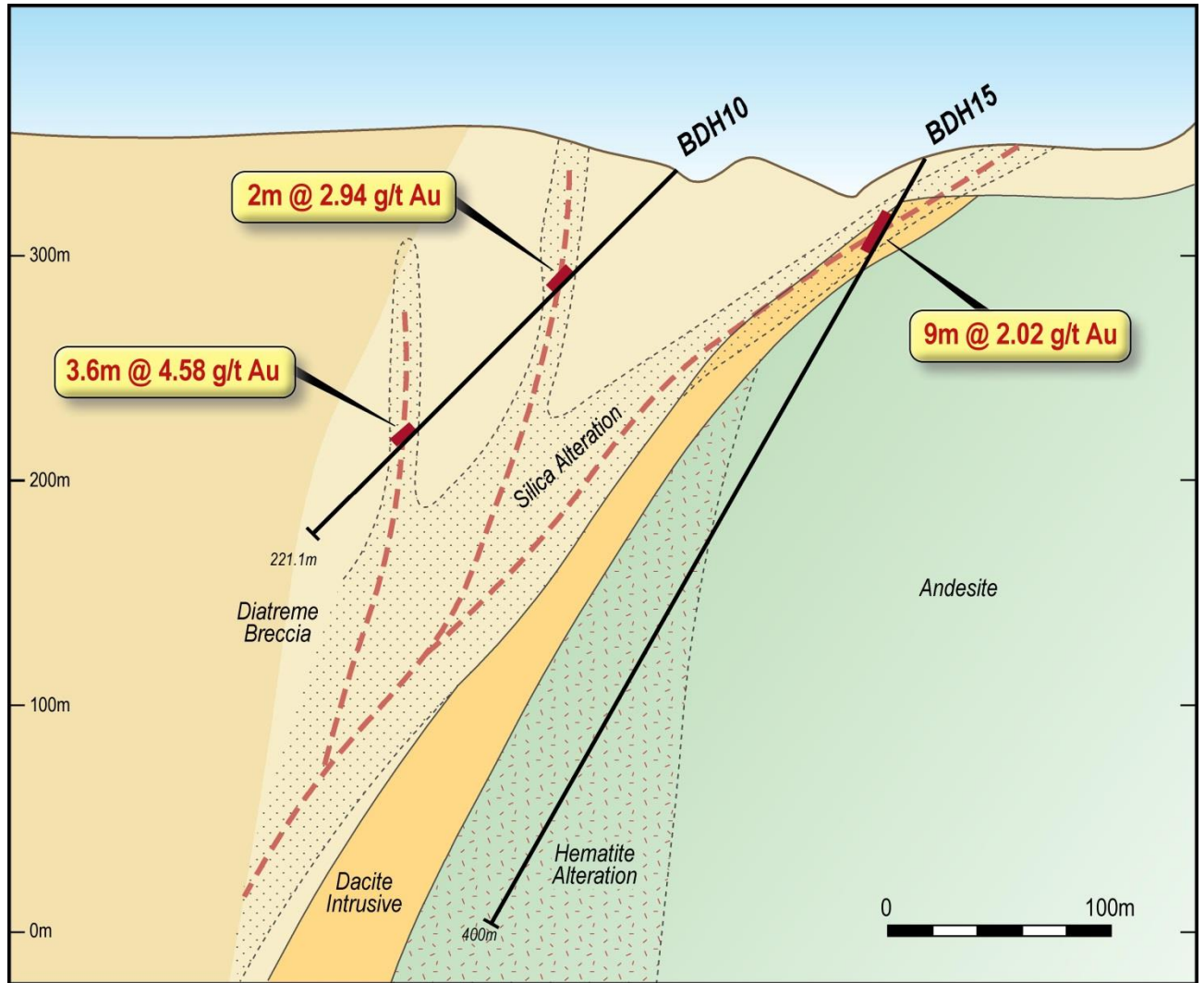


Figure 5 - BDH15 & BDH10 interpretive geological cross-section showing mineralisation on the edge of the diatreme and the mineralised Dacite.

CORPORATE

The Company received A\$82,000 during the quarter as part of its Research and Development tax claim from the Australian Government. The claims received to date are worth approximately A\$400,000.

The Company is currently following up on a number of new business development opportunities diversifying the Philippine interests which are well advanced and continue to progress well.

Cash and liquid assets as at 30 September were A\$5.7M.

ABOUT RTG MINING INC

RTG Mining Inc. is a mining and exploration company listed on the main board of the Toronto Stock Exchange and Australian Securities Exchange Limited. RTG is focused on a proposal with a landowner lead consortium to secure an exploration licence at the high tonnage copper-gold Panguna Project in Bougainville PNG and the high grade copper/gold/magnetite Mabilo Project in the Philippines, while also identifying major new projects which will allow the Company to move quickly and safely to production.

RTG has an experienced management team which has to date developed seven mines in five different countries, including being responsible for the development of the Masbate Gold Mine in the Philippines through CGA Mining Limited, and has B2Gold as one of its major shareholders in the Company. B2Gold is a member of both the S&P/TSX Global Gold and Global Mining Indices.

ENQUIRIES

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CAUTIONARY NOTE REGARDING FORWARD LOOKING STATEMENTS

This announcement includes certain “forward-looking statements” within the meaning of Canadian and applicable securities legislation. Statement regarding interpretation of exploration results, plans for further exploration and accuracy of mineral resource and mineral reserve estimates and related assumptions and inherent operating risks, are forward-looking statements. Forward-looking statements involve various risks and uncertainties and are based on certain factors and assumptions. There can be no assurance that such statements will prove to be accurate, and actual results and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from RTG’s expectations include uncertainties related to fluctuations in gold and other commodity prices and currency exchange rates; uncertainties relating to interpretation of drill results and the geology, continuity and grade of mineral deposits; uncertainty of estimates of capital and operating costs, recovery rates, production estimates and estimated economic return; the need for cooperation of government agencies in the development of RTG’s mineral projects; the need to obtain additional financing to develop RTG’s mineral projects; the possibility of delay in development programs or in construction projects and uncertainty of meeting anticipated program milestones for RTG’s mineral projects and other risks and uncertainties disclosed under the heading “Risk Factors” in RTG’s Annual Information Form for the year ended 31 December 2016 filed with the Canadian securities regulatory authorities on the SEDAR website at sedar.com. The forward-looking statements made in this announcement relate only to events as of the date on which the statements are made. RTG will not release publicly any revisions or updates to these forward-looking statements to reflect events, circumstances or unanticipated events occurring after the date of this announcement except as required by law or by any appropriate regulatory authority.

QUALIFIED PERSON AND COMPETENT PERSON STATEMENT

The information in this release that relates to exploration results at the Mabilo and Bunawan Projects are based upon information prepared by or under the supervision of Robert Ayres BSc (Hons), who is a Qualified Person and a Competent Person. Mr Ayres is a member of the Australian Institute of Geoscientists. Mr Ayres has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves” and to qualify as a “Qualified Person” under National Instrument 43-101 – Standards of Disclosure for Mineral Projects (“NI 43-101”). Mr. Ayres has verified the data disclosed in this release, including sampling, analytical and test data underlying the information contained in the release. Mr. Ayres consents to the inclusion in the release of the matters based on his information in the form and the context in which it appears.

The information in this release that relates to Mineral Resources is based on information prepared by or under the supervision of Mr Aaron Green, who is a Qualified Person and Competent Person. Mr Green is a Member of the Australian Institute of Geoscientists and is employed by CSA Global Pty Ltd, an independent consulting company. Mr Green has sufficient experience that 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 2012 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves” and to qualify as a “Qualified Person” under National Instrument 43-101 – Standards of Disclosure for Mineral Projects (“NI 43-101”). Mr. Green has verified the data disclosed in this release, including sampling, analytical and test data underlying the information contained in the release. Mr Green consents to the inclusion in the release of the matters based on his information in the form and context in which it appears.

The information in this release that relates to Mineral Reserves and Mining is based on information prepared by or under the supervision of Mr Carel Moormann, who is a Qualified Person and Competent Person. Mr Moormann is a Fellow of the AusIMM and is employed by Orelogy Consulting, an independent consulting company. Mr Moormann has sufficient experience that is relevant to the type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves” and to qualify as a “Qualified Person” under National Instrument 43-101 – Standards of Disclosure for Mineral Projects (“NI 43-101”). Mr Moormann has verified the data disclosed in this release, including sampling, analytical and test data underlying the information contained in the release. Mr Moormann consents to the inclusion in the release of the matters based on his information in the form and context in which it appears.

The information in this release that relates to Metallurgy and Processing is based on information prepared by or under the supervision of David Gordon, who is a Qualified Person and Competent Person. David Gordon is a Member of the Australasian Institute of Mining and Metallurgy and is employed by Lycopodium Minerals Pty Ltd, an independent consulting company. David Gordon has sufficient experience that is relevant to the type of process under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves” and to qualify as a “Qualified Person” under National Instrument 43-101 – Standards of Disclosure for Mineral Projects (“NI 43-101”). David Gordon has verified the data disclosed in this release, including sampling, analytical and test data underlying the information contained in the release. David Gordon consents to the inclusion in the release of the matters based on his information in the form and context in which it appears.

The information in this release that relates to areas outside of exploration results, Mineral Resources, Mineral Reserves and Metallurgy and Processing is based on information prepared by or under the supervision of Mark Turner, who is a Qualified Person and Competent Person. Mark Turner is a Fellow of the Australasian Institute of Mining and Metallurgy and is employed by RTG Mining Inc, the Company. Mark Turner has sufficient experience that is relevant to the information under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves” and to qualify as a “Qualified Person” under National Instrument 43-101 – Standards of Disclosure for Mineral Projects (“NI 43-101”). Mark Turner has verified the data disclosed in this release. Mark Turner consents to the inclusion in the release of the matters based on his information in the form and context in which it appears.

The information in this release based on historic and public information on the Panguna Project has been compiled and reviewed by Mark Turner, who is a Qualified Person and Competent Person. Mark Turner is a Fellow of the Australasian Institute of Mining and Metallurgy and is employed by RTG Mining Inc, the Company. Mark Turner has sufficient experience that is relevant to the information under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves” and to qualify as a “Qualified Person” under National Instrument 43-101 – Standards of Disclosure for Mineral Projects (“NI 43-101”). Mark Turner consents to the inclusion in the release of the matters based on his information in the form and context in which it appears.

For the ASX Feasibility Study announcement including JORC tables Section 1 to 4 please refer to the RTG Mining website (www.rtgmining.com) and on the ASX, under announcements (www.asx.com.au).

Appendix 1: Schedule of interests and location of Tenements

Tenement reference	Location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
MPSA-MLC-MRD-459-V	Philippines	<i>Nalesbitan Project</i>	40%	40%
Exploration Permit ("EP") 014-2013-V	Philippines	Approved 1 st EP renewal <i>Mabilo Project</i>	40%	40%
EXPA-000209-V	Philippines	<i>Mabilo Project</i>	40%	40%
EXPA-000188-V	Philippines	<i>Mabilo Project</i>	40%	40%
Exploration Permit Application ("EXPA") 118-XI	Philippines	RTG's interest is held through its interest in its associate entity Bunawan Mining Corporation.	40%	40%
APSA-003-XIII	Philippines		40%	40%
EXPA-037A-XIII	Philippines		40%	40%
EP 033-14-XIII	Philippines	Approved 1st Renewal EP	40%	40%
EP-001-06-XI	Philippines		40%	40%
EP-01-10-XI	Philippines	RTG's interest is held through its interest in its associate entity Oz Metals Exploration & Development Corporation. (Both EP-02-10-XI and EP-01-10-XI are subject to 2 nd Renewal)	40%	40%
EP-02-10-XI	Philippines		40%	40%
EXPA-123-XI	Philippines		40%	40%