



ASX ANNOUNCEMENT
30 July 2020

REDSTONE CAPITAL RAISING OVERSUBSCRIBED FOLLOWING HANTAILS GOLD PROJECT ACQUISITION

HIGHLIGHTS

- Redstone successfully raises \$750,000 (before costs) in a private placement. Commitments received for an oversubscribed private placement at 1.4 cents per share, representing a 6.67% discount to the last closing price.
- Oversubscriptions accepted from professional and sophisticated investors introduced by lead broker to the placement, Barclay Wells Ltd.
- Funds will be used for working capital and to promptly evaluate the recently acquired HanTails Gold Project in the heart of Kalgoorlie, as well as to continue targeted evaluation and exploration on the Company's 100% owned West Musgrave Project.
- The Company now has an attractive portfolio of advanced Western Australian gold and copper assets which are funded to evaluate and develop to the next stage.
- The HanTails Gold Project (RDS: 80%) will be rapidly evaluated for development.
- The high prospectivity of the West Musgrave Project has been validated in the most recent drill and field programme with excellent potential to add to its current JORC compliant copper resource.

Redstone Resources Limited (ASX Code: RDS) ('Redstone' or the 'Company') is very pleased to announce that it has completed a placement of 53,571,429 million fully paid ordinary shares in the Company at \$0.014 per share ("Shares") to raise \$750,000 (before costs) ('Placement').

The Placement received strong support from a number of new sophisticated and professional investors introduced by the lead broker to the offer, Barclay Wells Ltd. The Company would like to also thank all existing shareholders for their continued support. Commitments from investors included the entire Redstone Board, staff and key consultants. Prior shareholder approval will be sought for the issue of directors' shares in the Placement.

Redstone's Chairman, Richard Homsany, said:

"The success of this fundraising is testament to the high quality of Redstone's personnel and projects. We sincerely thank investors, new and existing, for their strong support including the loyalty and confidence shown unanimously by our highly capable Board, staff and key consultants. We welcome new investors and thank Barclay Wells Ltd for their capital raising efforts and lead managing the Placement. We look forward to continuing to deliver results that will benefit our shareholders."



Together with the Company's receipt of the FY2019 Research and Development Incentive of \$215,000 (before costs) in June 2020, the Company is well positioned to rapidly evaluate for potential development of the recently acquired HanTails Gold Project ('HanTails'), and to continue targeted evaluation and exploration on the Company's 100% owned highly prospective West Musgrave Project, which includes the Tollu Copper Vein deposit ('Tollu') (which hoists a JORC compliant copper resource), located in the West Musgrave region, Western Australia ('West Musgrave Project').

As announced on 28 July 2020, Redstone has entered into an agreement to farm-in up to an 80% interest in the privately owned HanTails Project, a large scale gold Tailings Storage Facility ('TSF') located on the historic Hannans South Gold Mill site in Kalgoorlie, Western Australia (see **Figure 1**).

HanTails presents an excellent low cost development stage opportunity for Redstone.

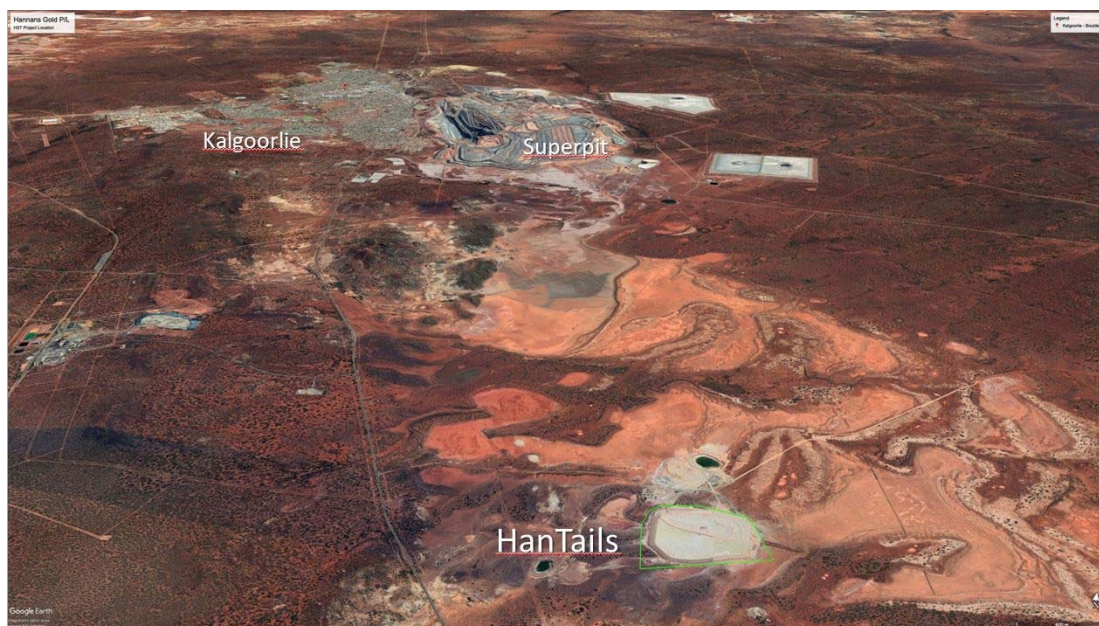


Figure 1 - Location of the HanTails Project TSF 15kms south of Kalgoorlie, Western Australia and 10kms south of the Super Pit.

The Company proposes to undertake a swift air core drilling and sampling programme to establish the average gold grade and approximate gold endowment of the HanTails TSF to JORC 2012 status. A Programme of Work has already been approved with work to commence once the exclusive due diligence period ends and is set to commence in August 2020.

The Company also recently announced positive results following the successful completion and interpretation of the 2019 exploration programme on its West Musgrave Project. These results confirmed the significantly improved prospectivity for copper mineralisation across the project tenure (see **Figure 2**), including the Tollu deposit (ASX announcements 25 June 2020, 6 July 2020 and 15 July 2020) as follows:

- Reverse circulation ('RC') drilling of 3 holes for 662m at the Tollu Copper Vein deposit continued to return significant high grade copper results, including **13m at 3%** at the Forio Prospect (ASX announcement 25 June 2020);
- RC Drill holes TLC172 and TLC173 at the Forio Prospect confirmed continuity, both laterally and to depth, of the thick high grade lens of copper mineralisation previously intersected in 2017 drilling, which included one of the highest grade intersections ever recorded at Tollu, being **1m at 11.9%** copper from 31m downhole (TLC153). (ASX announcement 25 June 2020).



- RC Drilling at the intersection of the vein systems of the Chatsworth Prospect and Eastern Reef Prospect (TLC166) confirmed that mineralisation is not lost at depth beneath historical drillhole TLC045 which intersected a thick lens of mineralisation of **27m at 1.45% Copper** from 232m downhole (TLC045) (ASX announcements 25 June 2020).
- RC Drilling of the EM5 Target, located over 7.2km north east of the Tollu Copper vein deposit, intersected a large igneous intrusion over 400m in diameter and bearing a thick sequence of disseminated copper sulphides. The anomalous copper at EM5 was intersected continuously for 95m (up to 0.06% copper) from 66m downhole (TLC170). The copper mineralisation remains untested in all directions (ASX announcement 6 July 2020).
- TLC170 targeted a magnetic geophysical feature which was accompanied by an electromagnetic anomaly (the EM5 Target). Further magnetic targets are located within Redstone's West Musgrave tenure including a cigar shaped anomaly only 800m south east of the EM5 intrusion and probably related. Two other EM5 'look-a-like' magnetic anomalies have been upgraded to targets for future exploration (see **Figure 2**) (ASX announcement 6 July 2020).
- A project scale mapping programme covering some 135 square kilometres of the West Musgrave Project also identified visible secondary copper mineralisation in quartz veins, as far as 10km away from Tollu, with up to 0.71% Copper being returned in assays from a number of representative rock and vein chip samples and identified four (4) new areas of interest for future exploration, further highlighting the potential for significant additional copper mineralisation outside of Tollu (ASX announcement 15 July 2020).

The Placement funds received will also contribute to further validating the increased prospectivity of Redstone's West Musgrave tenure and its potential to host economic copper mineralisation.

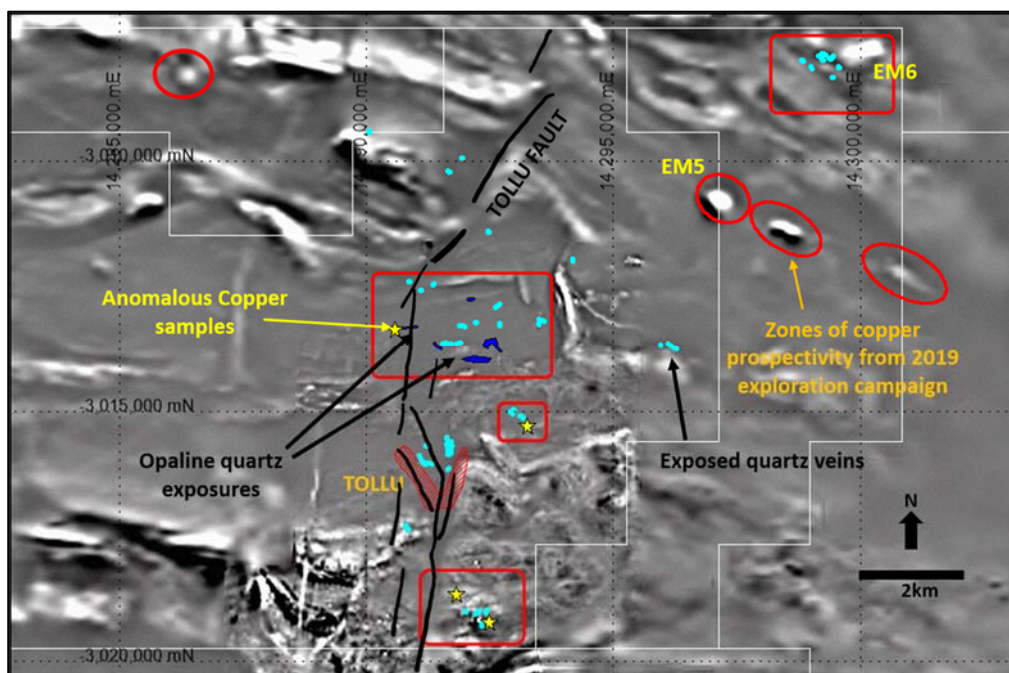


Figure 2 - Location of the anomalous copper samples (yellow stars) and the new Target Areas of prospectivity (red boundaries) identified by the recent exploration campaign (geological mapping and RC drilling). Opaline quartz is mapped in dark blue and quartz vein outcrops are mapped in light blue.



The Placement was made in accordance with the Company's existing LR7.1 and LR7.1A placement capacity and the new Placement shares will rank equally with the existing Redstone shares quoted on ASX.

This Announcement has been approved for release by the Board of Redstone Resources Limited.

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Competent Persons Statement

The information in this document that relates to exploration results was authorised by Dr Greg Shirtliff, who is employed as a Consultant to the company through Zephyr Professional Pty Ltd. Dr Shirtliff is a Member of the Australian Institute of Mining and Metallurgy and has sufficient experience of relevance to the tasks with which he was employed to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Dr Shirtliff consents to the inclusion in the report of matters based on information in the form and context in which it appears.

The Company is not aware of any new information or data that materially affects the information included in the ASX announcements of 25 June 2020, 6 July 2020 and 15 July 2020 included in this release

Forward-Looking Statements

This document may include forward-looking statements. Forward-looking statements include, but are not limited to statements concerning Redstone Resources Limited's (**Redstone**) planned exploration program and other statements that are not historical facts. When used in this document, the words such as "could", "plan", "estimate", "expect", "intend", "may", "potential", "should", and similar expressions are forward-looking statements. Although Redstone believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements.

REDSTONE RESOURCES

Redstone Resources Limited (**ASX: RDS**) is a base and precious metals developer exploring the 100% owned prospective West Musgrave Project, which includes the Tollu Copper deposit, in Western Australia. The West Musgrave Project is located between Cassini Resources' Nebo Babel prospect and Metals-X Wingellina Ni-Co project. Redstone is also actively evaluating the HanTails Gold Project at Kalgoorlie, Western Australia for potential development in future.