RedRiver RESOURCES LIMITED

ACN 100 796 754

ASX Announcement **ASX Code: RVR**

27 October 2020

Quarterly Activities and Cash Flow Report for the period ending 30 September 2020

Quarter Highlights

- Mining and processing activities continue at Red River's Thalanga Operation in Northern QLD; restart activities are progressing at Hillgrove Gold Project in NSW
- Thalanga Operations delivered an outstanding quarter, with quarterly copper concentrate production increasing for the fourth quarter in a row to a new record of 4,073 dry metric tonnes (DMT)
- Zinc concentrate production increased to 7,026 DMT; lead concentrate production increased to 1,947 DMT
- Red River is debt free following repayment of US$6 million working capital facility using cash generated by Thalanga Operations.

Thalanga Operations

- Record quarterly copper concentrate production of 4,073 DMT
- Zinc concentrate production of 7,026 DMT
- Lead concentrate production of 1,947 DMT
- Total Far West UG capital development 973m.

Hillgrove Gold Project

- Hillgrove Gold Project Mineral Resource increased to 5.0Mt @ 4.3 g/t Au & 1.5% Sb (692koz contained Au & 75kt contained Sb)
- Initial drilling program at Eleanora successfully completed and drilling commenced at Curry's Lode target
- Site activities continue to ramp up; development on time and budget for first gold production by year end.

Corporate

- $35.6 million revenue generated from concentrate sales
- $5.6 million invested in capital development, primarily at Far West
- $0.6 million invested in exploration activities at Thalanga and Hillgrove Operations
- C1 cost of US$ (0.10) per pound of payable zinc metal
- C2 cost of US$ 0.23 per pound of payable zinc metal
- C3 cost of US$ 0.49 per pound of payable zinc metal
- Thalanga Operations EBITDA of $13.8 million
- Cash balance of $12.5 million plus financial assets of $12.9 million (cash backed security bonds and deposits) as at 30 September 2020
- Red River debt free - the US$6 million Trafigura Working Capital Facility has been repaid.

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1. SAFETY AND ENVIRONMENTAL PERFORMANCE

1.1. Thalanga Base Metal Operations Safety and Environmental Performance

The site headcount during the period was 155 people. There were 77 full-time Red River Resources employees and an additional 78 contractors working in exploration and mining, with a total of 95,744 hours worked. The Total Recordable Injury Frequency Rate (TRIFR) is 8.61 for year to date. There was one medically treated injury during the quarter, and zero Lost Time Injuries (LTIs).

1.2. Hillgrove Gold Mine Safety and Environmental Performance

The Hillgrove Gold Mines site headcount during the period was five people with 4,131 hours worked. The Total Recordable Injury Frequency Rate (TRIFR) is zero for the full year. There were zero medical treated injuries during the quarter, and zero Lost Time Injuries (LTIs).

1.3. Coronavirus (COVID-19) Update

Red River continues to implement preventative measures to reduce risk to employees and operations at all sites. These preventative measures include increased hygiene practices, restrictions on non-essential travel, social distancing, limiting visitors to site and remote working where possible.

Thalanga and Hillgrove are residential operations and Red River is striving to ensure its workforce and the communities in which it operates are not impacted.

2. THALANGA BASE METAL OPERATION (QUEENSLAND)

Red River's Thalanga Operation is ~65km southwest of Charters Towers and 200km from Townsville in Northern Queensland. Thalanga consists of a 650ktpa capacity processing plant which produces separate copper, lead and zinc concentrates with material precious metal (gold and silver) credits.

The Thalanga Operation is located in the highly prospective Cambro-Ordovician Mt Windsor Volcanic Belt which contains a number of known polymetallic (copper-lead-zinc +/- gold-silver) volcanic hosted massive sulphide (VHMS) deposits and gold deposits.

Red River acquired the Thalanga Operation in 2014 and commenced production from the West 45 deposit in 2017. Production from West 45 ceased in 2020 and ore for the Thalanga Operation is now sourced from the Far West underground mine, with plans to develop the Liontown deposit to extend the operational life of Thalanga.

Figure 1 Mapping and sampling an ore drive face in Far West

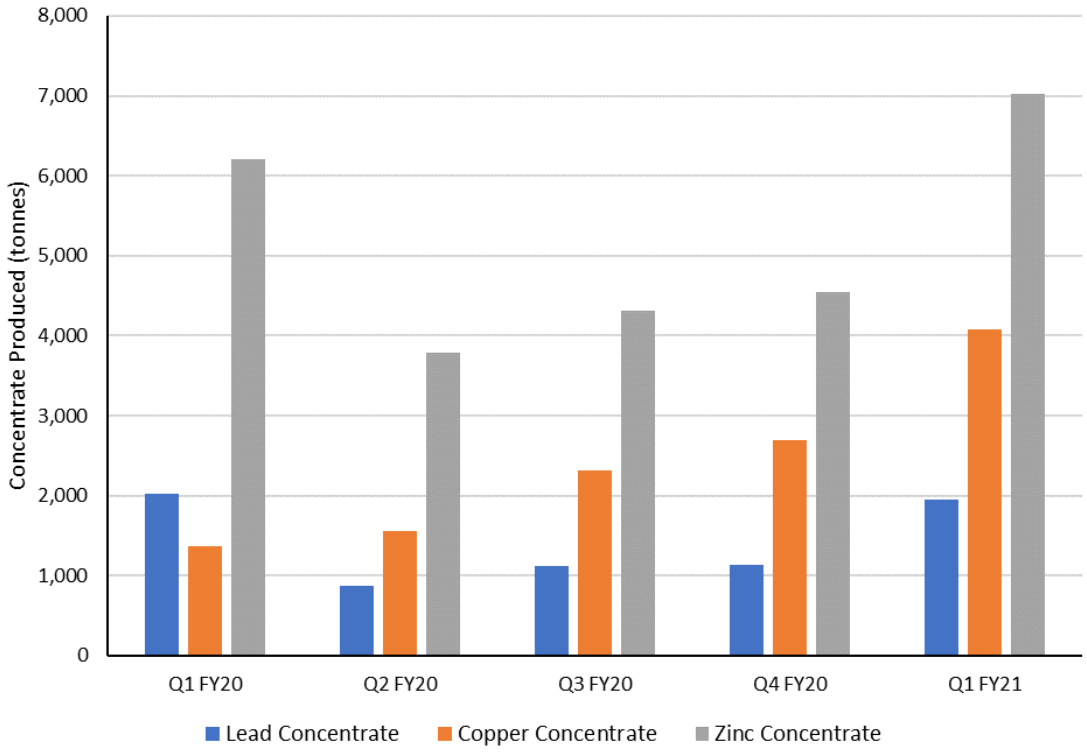
2.1. Operations Update

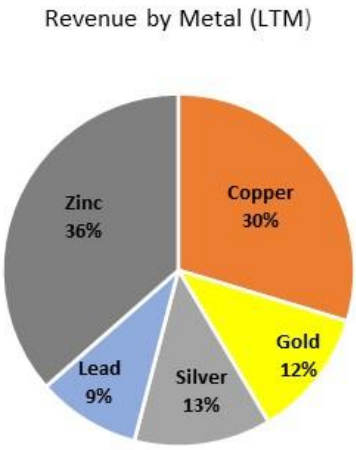
Thalanga Operations mined 99kt @ 1.5% Cu, 1.3% Pb, 4.2% Zn, 0.1 g/t Au & 47 g/t Ag (11.7% Zn Eq.) and processed 103kt of ore grading 1.3% Cu, 1.7% Pb, 4.2% Zn, 0.3 g/t Au & 55 g/t Ag (11.5% Zn Eq.).

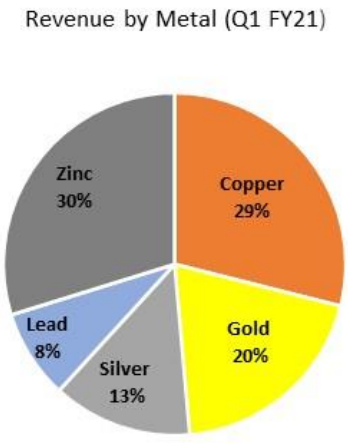
Copper concentrate production increased for the fourth quarter in a row, setting a new quarterly copper concentrate production record of 4,073 DMT. Copper recovery to copper concentrate averaged 81.4% for the period, with an average copper concentrate grade of 26.8% Cu, 1.9 g/t Au and 365 g/t Ag.

Zinc concentrate production increased 55% from Q4 FY20, with 7,026 DMT zinc concentrate produced. Zinc recovery to zinc concentrate averaged 87.3% for the period and a high-quality zinc concentrate grading 53.9% zinc was produced. Lead concentrate production increased 72% from Q4 FY20, with 1,947 DMT lead concentrate produced. Lead recovery to lead concentrate increased to 72.7%, with an average concentrate grade of 64.4% Pb, 5.2 g/t Au & 1,647 g/t Ag produced during the period.

Figure 2 Base metal concentrate production by quarter



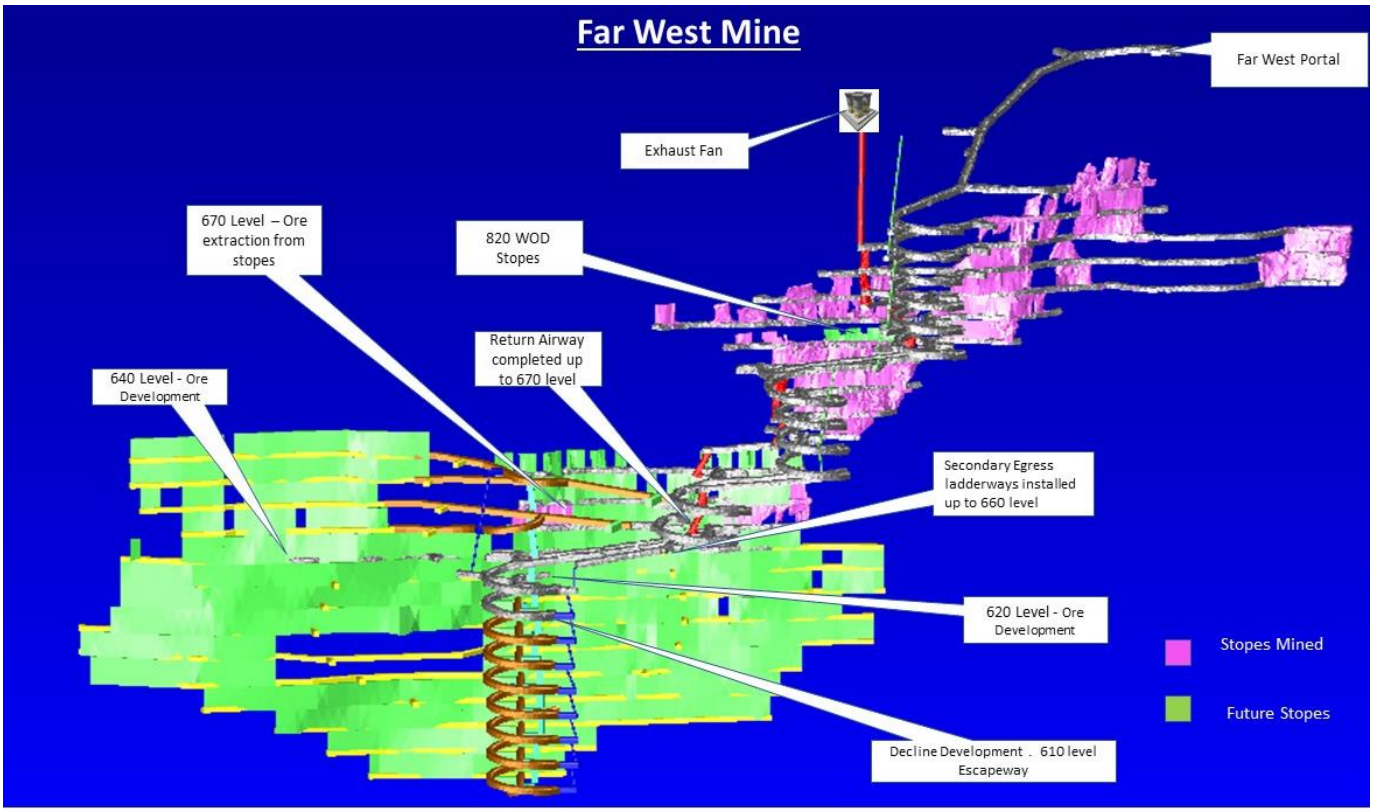




During the quarter, Red River continued to invest in the development of the Far West UG Mine:

- Capital development of 973m for the quarter (523m lateral capital development, 395m of decline development and 56m of vertical capital development)
- Operating Development of 915m
- Total development during the quarter was 1,888m

Figure 3 Far West UG Mine Long Section



2.2. Concentrate Sales & Marketing

Red River sold 6,630 DMT zinc concentrate, 1,953 DMT lead concentrate, 4,233 DMT copper concentrate and 475 DMT gold concentrate during the quarter. Base metal concentrates were delivered under long-term offtake agreements to Trafigura (zinc and lead concentrate) and Glencore (copper concentrate) while gold concentrate was sold on a spot basis to Trafigura.

The Company continued to execute a short-term hedging program over the quotation period (QP) for sales of zinc and lead metal already produced. Typically, between 80 and 90% of the payable zinc and lead metal for each shipment of zinc and lead concentrates was hedged for the period from the issue of the first provisional sales invoice to the final settlement of the sale, which may occur one to three months later. The QP hedges currently in place on the quarter's zinc concentrate sales range between US$0.98 and US$1.13 per pound of payable zinc metal and between US$0.81 and US$0.88 per pound of payable lead metal.

Table 1 Thalanga Operations Summary for the September 2020 Quarter (Q1 FY21)

	Units	Q1 FY20	Q2 FY20	Q3 FY20	Q4 FY20	Q1 FY21	LTM
Total Tonnes Mined	kt	100	60	91	83	99	333
Copper grade	%	0.4	1.0	1.1	1.1	1.5	1.2
Lead grade	%	1.9	1.2	1.3	1.3	1.3	1.3
Zinc grade	%	3.9	3.5	3.5	3.7	4.2	3.8
Gold grade	g/t	0.3	0.2	0.3	0.2	0.1	0.2
Silver grade	g/t	36	38	44	42	47	43
Zinc equivalent grade	%	8.1	9.0	9.4	9.6	11.7	10.1
Ore Processed	kt	99	66	84	82	103	335
Copper grade	%	0.5	0.8	0.8	1.0	1.3	1.0
Lead grade	%	1.8	1.3	1.2	1.3	1.7	1.4
Zinc grade	%	3.6	3.5	3.3	3.4	4.2	3.6
Gold grade	g/t	0.2	0.2	0.2	0.2	0.3	0.2
Silver grade	g/t	38	40	48	44	55	48
Zinc equivalent grade	%	7.9	8.4	8.5	9.2	11.5	9.6
Zinc Concentrate Produced	DMT	6,199	3,781	4,310	4,544	7,026	19,661
Zinc grade	%	52.4	52.5	54.8	54.0	53.9	53.9
Zinc recovery	%	90.3	85.8	85.2	86.4	87.3	86.8
Lead Concentrate Produced	DMT	2,016	876	1,117	1,133	1,947	5,073
Lead grade	%	67.1	56.5	63.9	67.5	64.4	63.6
Copper grade	%	1.8	6.1	2.6	2.1	3.3	3.4
Gold grade	g/t	3.9	4.9	5.4	4.6	5.2	5.1
Silver grade	g/t	892	1,413	1,826	1,747	1,647	1,668
Lead recovery	%	76.0	58.8	68.1	69.7	72.7	68.9
Copper recovery	%	7.9	9.8	4.1	2.8	4.8	5.1
Copper Concentrate Produced	DMT	1,372	1,560	2,310	2,697	4,073	10,640
Copper grade	%	24.5	24.8	25.3	26.5	26.8	26.1
Gold grade	g/t	4.5	2.2	2.9	2.5	1.9	2.3
Silver grade	g/t	818	423	505	367	365	404
Copper recovery	%	71.2	70.8	83.9	84.7	81.4	82.7
Zinc Concentrate Sold	DMT	6,191	4,149	4,452	4,151	6,630	19,382
Lead Concentrate Sold	DMT	2,381	945	1,232	1,003	1,953	5,133
Copper Concentrate Sold	DMT	1,425	1,455	2,623	2,326	4,233	10,637

Table may include rounding errors
475 DMT of gold concentrate was sold in Q1 FY21

2.3. Project Development Activities

Red River continued with mine planning and metallurgical aspects for the Liontown Project, with a focus on developing a combined open pit and underground operation with a conceptual mine life of 10+ years

The Liontown Project has a current Mineral Resource of 4.1Mt @ 0.6% Cu, 1.9% Pb, 5.9% Zn, 1.1 g/t Au & 29 g/t Ag and is located approximately 32km in a direct line from Red River's Thalanga operations and 107km by road. The trucking route by existing road would consist of 21km by unsealed road from Liontown to the junction with the sealed Gregory Development Road, then 86km by sealed road (Gregory Development Road, Flinders Highway, Thalanga Operations Access Road) to Thalanga.

Figure 4 Liontown Project Location

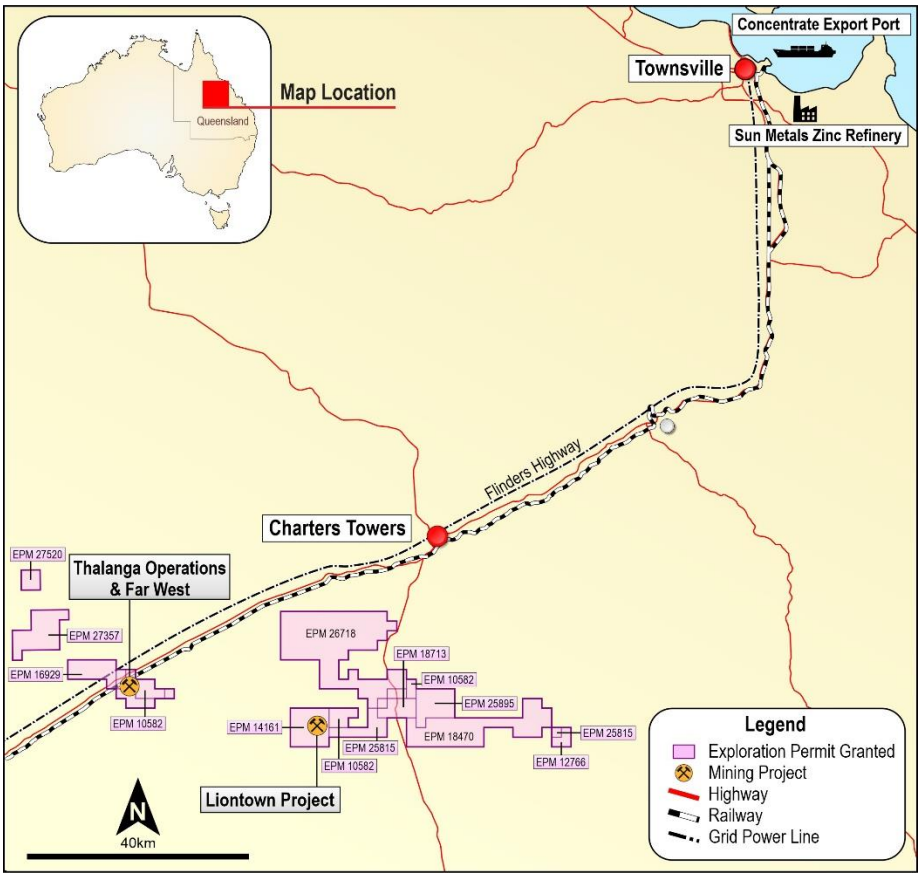


Table 2 Liontown Project Mineral Resource (Fresh Sulphide) (5% Zn Eq. cut-off grade)

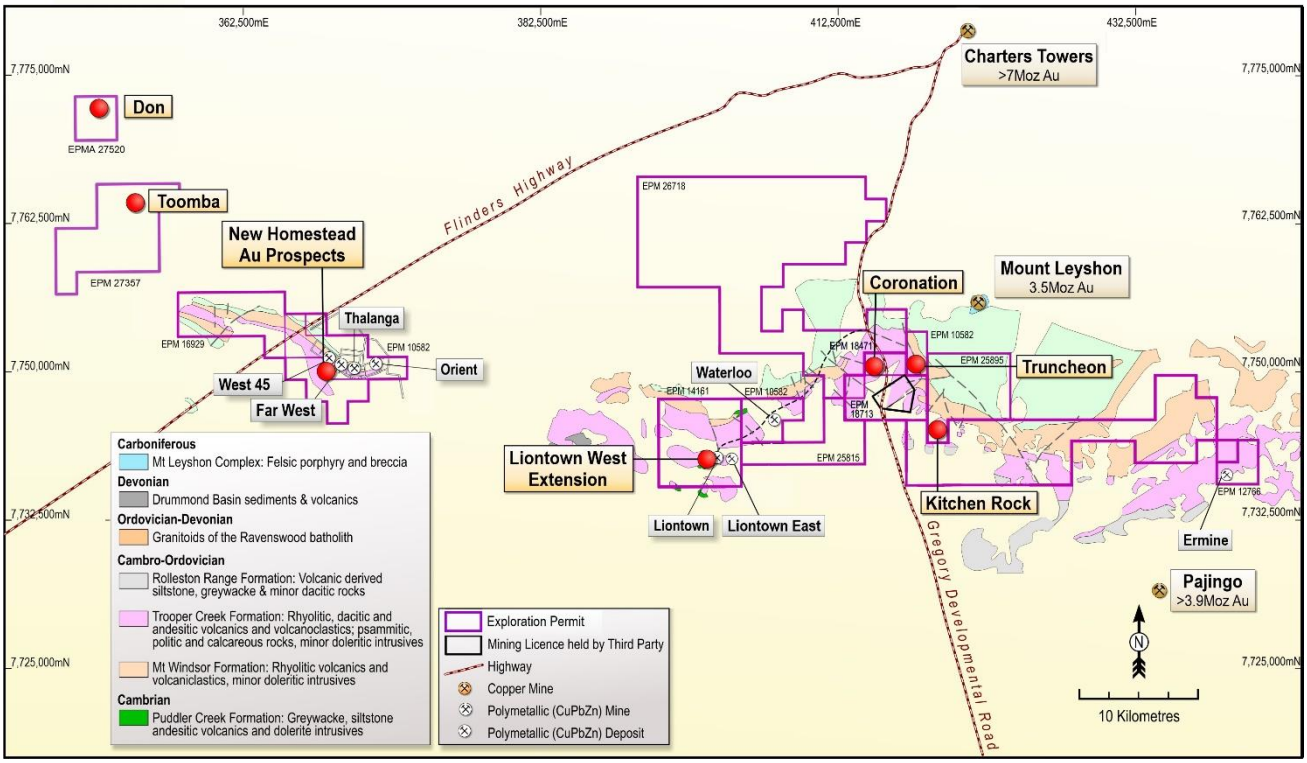
Liontown Project Mineral Resource							
Resource Class	Tonnage (kt)	Copper (%)	Lead (%)	Zinc (%)	Gold (g/t)	Silver (g/t)	Zinc Eq. (%)
Indicated	1,063	0.4	2.0	6.0	1.0	42	12.2
Inferred	3,075	0.7	1.9	5.9	1.2	25	12.9
Total	**4,138**	**0.6**	**1.9**	**5.9**	**1.1**	**29**	**12.7**
Tonnages and grades are rounded. Discrepancies in totals may exist due to rounding. Zinc equivalent (Zn Eq.) has been calculated using the metal prices, recoveries and other assumptions							

2.4. Exploration Activities

Red River holds approximately 640km^2 of exploration tenements in the highly prospective Mt Windsor Volcanic Belt in the Charters Towers Region in Northern Queensland.

During the quarter, Red River carried out an intensive program of mapping and sampling activities at the New Homestead, Toomba and Don gold targets as part of drill target definition activities. Red River expects to commence drilling at these targets within the coming quarter.

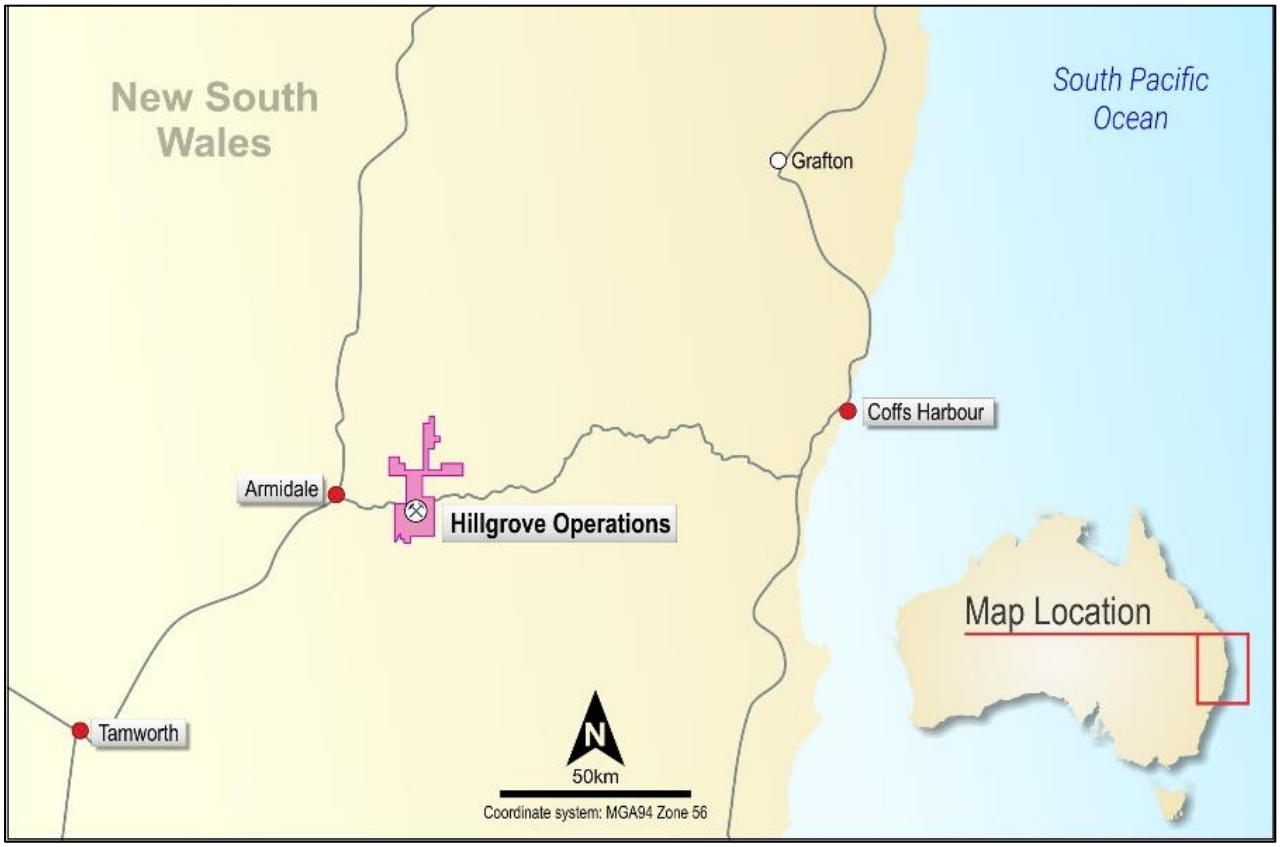
Figure 5 RVR Gold Exploration Targets



3. HILLGROVE GOLD PROJECT (NEW SOUTH WALES)

The Hillgrove Gold Project is about 30km from Armidale in New South Wales. To date, Hillgrove has produced more than 730,000 ounces of gold (in bullion and concentrates), more than 50,000 tonnes of antimony (as metal and in concentrates) plus material amounts of by-product tungsten (in concentrates). The Hillgrove Gold Project has a substantial high-grade JORC 2012 Compliant Mineral Resource of 5.0Mt @ 4.3 g/t Au & 1.5% Sb (6.4 g/t Au Eq.) (692koz gold & 75kt antimony).

Figure 6 Hillgrove Gold Project Location



The Hillgrove site includes a 250ktpa capacity processing plant, comprising a selective flotation circuit (capable of producing antimony-gold and refractory gold concentrates), an antimony leach/EW/refining & casting plant, a gold cyanide leach circuit & gold room plus a pressure oxidation circuit. The site also has a fully HDPE (high-density polyethylene) lined modern tailing storage facility, which was constructed in 2006 and has approximately two years of production storage capacity.

All of Hillgrove's electricity requirements are sourced from a 66kva grid connected power supply from Ergon Energy with 11kva site power reticulation. Water is sourced from storage dams and underground workings.

Hillgrove has all the office facilities required for operations, including an administration office, mining operations offices, maintenance offices, workshops (heavy vehicle, light vehicle and boilermaker's workshops), process plant offices, metallurgical laboratory building, first aid building, stores warehouse and core shed and yard.

Red River will operate Hillgrove Gold Project as a residential site, with the majority of the workforce likely to reside in Armidale.

Figure 7 Hillgrove Gold Project

Figure 8 Hillgrove Gold Project Processing Plant

3.1. Hillgrove Gold Project Stage 1 (Bakers Creek Stockpile) Restart

Site activities at Hillgrove continue to ramp up with restart on track and budget for first gold production by year end. The Stage 1 Restart is based on treating the Bakers Creek Stockpile (225kt @ 2.5 g/t Au) through the Hillgrove Processing Plant to produce gold doré. Production is expected to commence by end CY2020 with an operational life of approximately 12 months.

Gold will be recovered to a gravity gold concentrate and a flotation gold concentrate which will then be leached on site to produce doré, with gold recovery to doré estimated to be 75-80% after ramp up. Stage 1 has an estimated pre-production capital expenditure of approximately $5.0 million.

Focus has been on three areas – permitting, refurbishing and upgrading the processing plant (addition of a gravity circuit and an intensive leach reactor) and servicing and overhauling the mobile equipment that will be required to reclaim the Bakers Creek Stockpile and haul it to the plant for processing.

For more information, refer to Red River's release dated 22 October 2020 "Hillgrove Gold Project Restart Progress".

Figure 9 A40F haul truck undergoing maintenance

3.2. Exploration & Development Activities

Red River made the following material progress on growing the Hillgrove Mineral Resource base during the quarter:

- Hillgrove Gold Project JORC 2012 Mineral Resource increased to 5.0Mt @ 4.3 g/t Au & 1.5% Sb (692koz contained Au & 75kt contained Sb)
- Phase 1 Eleanora Lode drilling program concluded, with 9 diamond drill holes (total 832.5m drilled) completed, targeting unmined gold-rich sections of the Eleanora Lode (refer to RVR ASX release dated 25 September 2020 "Eleanora Drilling returns up to 32.3 g/t Au")
- Drilling commenced at the exciting Curry's Lode target.

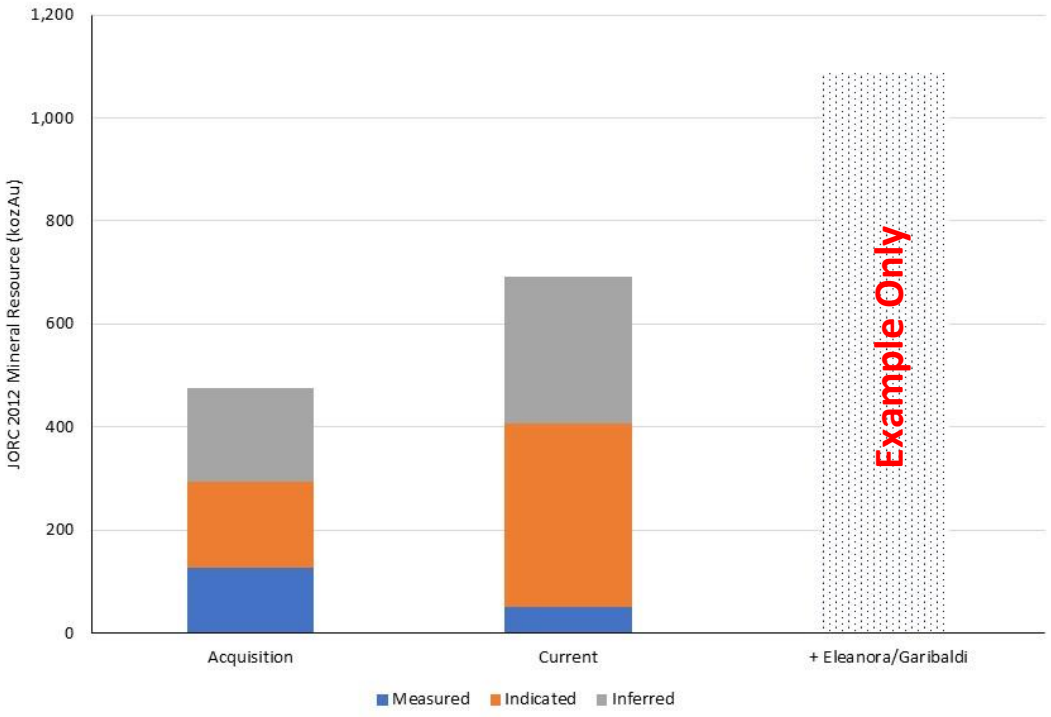
Growing the Hillgrove Mineral Resource Base

Hillgrove Gold Project JORC 2012 Mineral Resource base increased during the quarter to 5.0Mt @ 4.3 g/t Au & 1.5% Sb (692koz contained Au & 75kt contained Sb). Hillgrove also has a substantial remaining JORC 2004 compliant Mineral Resource, which Red River is systematically converting to JORC 2012 compliance.

Table 3 Hillgrove Gold Project Mineral Resource

	Classification	Tonnes	Gold	Antimony	Gold Equivalent (Au Eq.)	Contained Gold	Contained Antimony
		(kt)	(g/t)	(%)	(g/t)	(koz Au)	(kt Sb)
Hillgrove Gold Project	Measured	442	3.6	3.8	9.4	51	17
	Indicated	2,343	4.7	1.6	7.0	355	37
	Inferred	2,255	4.0	1.0	5.3	286	21
	Total	**5,039**	**4.3**	**1.5**	**6.4**	**692**	**75**
Tonnages and grades are rounded. Discrepancies in totals may exist due to rounding. Gold equivalent (Au Eq.) has been calculated using the metal selling prices, recoveries and other assumptions							

Figure 10 Growing the Hillgrove Mineral Resource Base



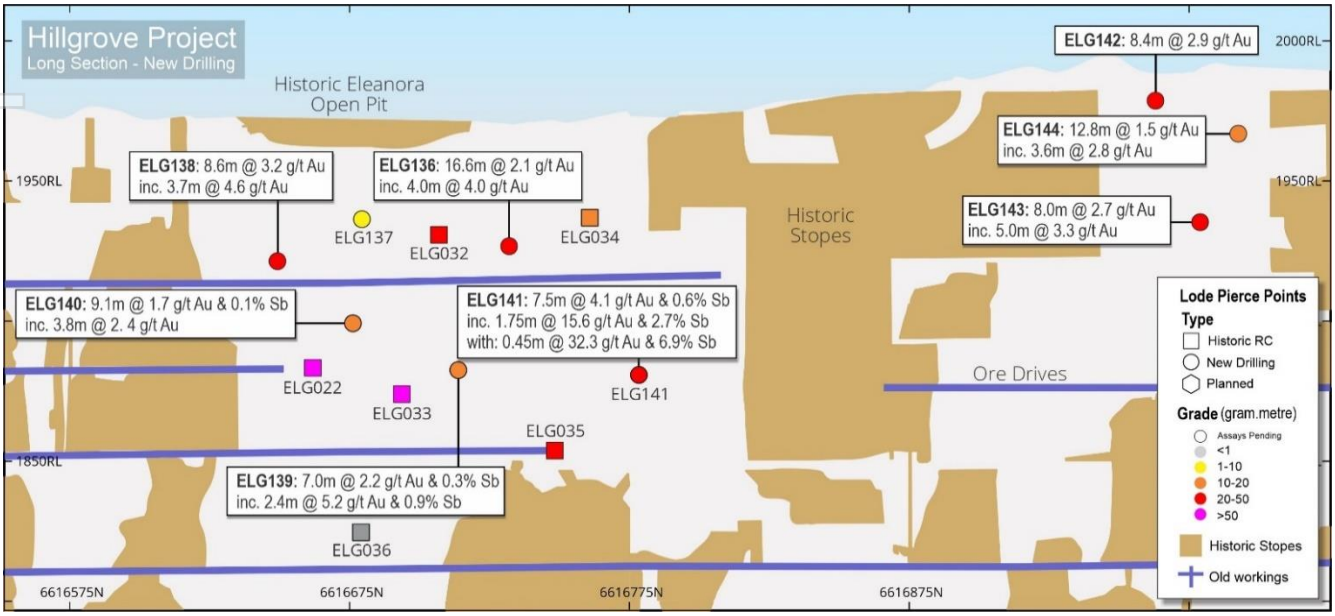
Eleanora Drilling Results

Results received from drilling to date have confirmed the presence of high-grade gold-antimony within the Eleanora vein system and adjacent halos of low to medium-grade gold mineralisation. Some very high-grade intercepts of up to 32.3 g/t gold, including visible gold, demonstrates there is a significant remnant resource which Red River will continue to pursue, given Eleanora is 200m from the Hillgrove processing plant and on a mining lease.

Table 4 Material drill hole assay summary (current drilling), Hillgrove Gold Project

Hole ID	From	To	Down Hole Intersection	True Width Estimate	Au	Sb
	(m)	(m)	(m)	(m)	(g/t)	(%)
ELG136	41.40	58.00	16.60	10.50	2.1	-
inc.	51.00	55.00	4.00	2.50	4.0	-
ELG137	42.00	50.00	8.00	5.50	1.2	-
ELG138	62.40	71.00	8.60	5.90	2.2	-
inc.	63.70	67.40	3.70	2.60	4.6	-
ELG139	119.00	126.00	7.00	4.83	2.2	0.3
inc.	123.60	126.00	2.40	1.66	5.2	0.9
ELG140	88.00	97.10	9.10	6.28	1.7	0.1
inc.	93.30	97.10	3.80	2.62	2.8	-
ELG141	141.00	148.50	7.50	5.18	4.1	0.6
inc.	143.80	145.55	1.75	1.21	15.6	2.7
inc.	144.40	144.85	0.45	0.31	32.3	6.9
ELG142	31.80	40.20	8.40	5.80	2.9	-
ELG143	45.00	53.00	8.00	5.52	2.7	-
inc.	48.00	53.00	5.00	3.45	3.3	-
ELG144	60.00	72.80	12.80	7.17	1.5	-
inc.	65.00	68.60	3.60	2.02	2.8	-

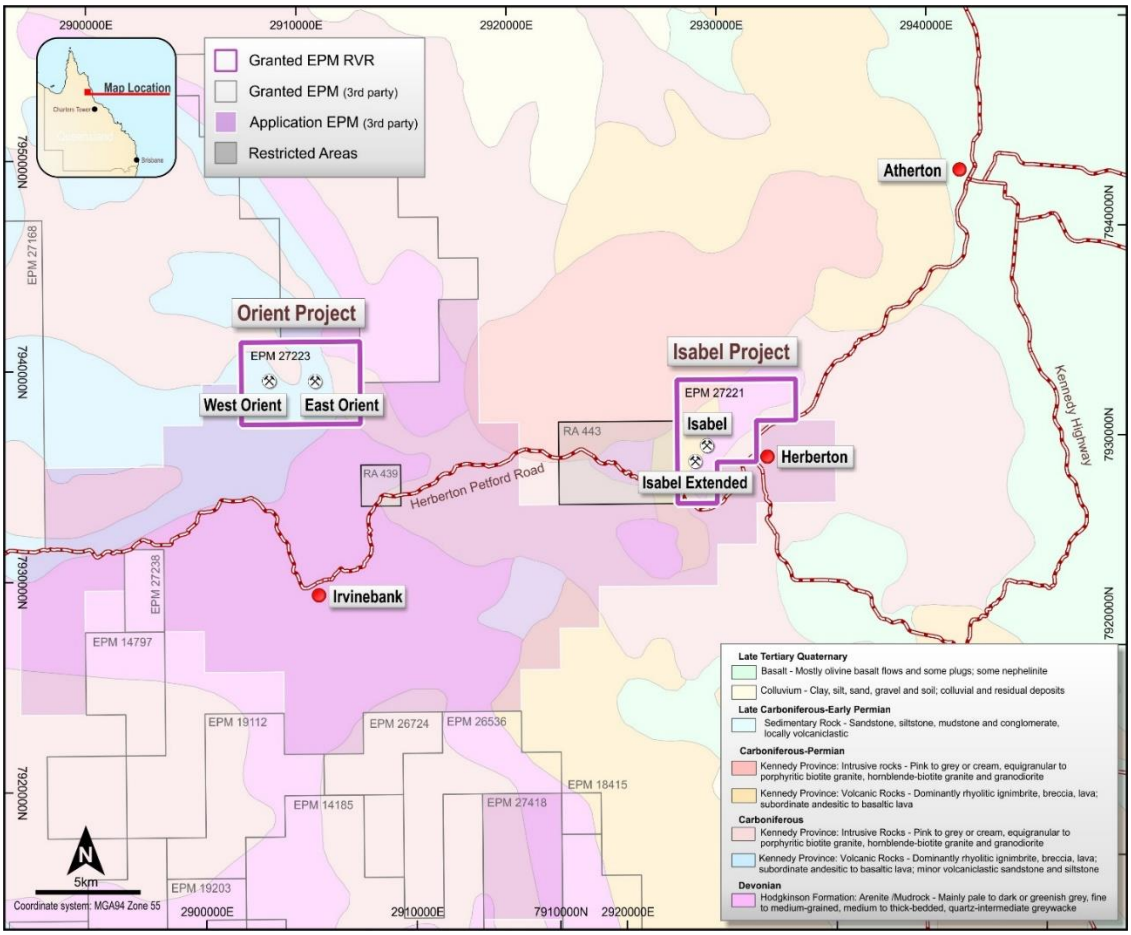
Figure 11 Eleanora Drilling Long Section



4. HERBERTON SILVER-INDIUM PROJECT (QUEENSLAND)

Red River announced the grant of EPM27223 (Orient) and EPM27221 (Isabel), forming the core assets of an exciting Herberton Silver-Indium project in Northern Queensland. The Isabel Project includes the Isabel massive sulphide deposit (copper-lead-zinc-silver-indium) plus the Isabel Extended exploration target. The Orient Project includes the West Orient epithermal deposit (lead-zinc-silver-indium) and East Orient exploration target (refer to RVR ASX release dated 30 July 2020 "Red River secures high-grade polymetallic silver-indium deposits in QLD").

Figure 12 Herberton Silver-Indium Project location



Red River completed reconnaissance sampling at the Isabel and Orient prospects which confirmed the presence of high-grade silver-indium-lead-zinc mineralisation.

- Isabel sampling returned assays up to 1,347 g/t Ag, 5,624 g/t In, 5.7% Cu, 15.4% Pb and 17.3% Zn and 5.2% Sn
- East Orient sampling returned assays up to 1,365 g/t Ag, 444 g/t In, 25.8% Pb and 18.7% Zn and West Orient sampling returned assays up to 1,730 g/t Ag, 356 g/t In, 39.1% Pb and 32.1% Zn

Refer to RVR ASX release dated 10 August 2020 "Red River sampling returns high-grade silver at Orient" and RVR ASX release dated 20 August 2020 "RVR's Isabel silver-indium project returns high-grade assays".

Red River also completed an airborne drone magnetic survey to target extensions to known silver mineralisation at Orient. This was followed up by a more extensive program of mapping and sampling at Orient to defined potential drill targets, with the results to be released shortly.

5. CORPORATE

5.1. Financial Performance

Financial performance of the Thalanga Operation is summarised in the table below.

Table 5 Thalanga Operations Financial Summary and Indicative Cash Costs for the September 2020 Quarter (Q1 FY21) and FY21 YTD (unaudited)

	Units	Q1 FY20	Q2 FY20	Q3 FY20	Q4 FY20	Q1 FY21	FY21 YTD
Revenue	$m	20.9	12.2	14.5	15.6	35.6	35.6
Thalanga Operations EBITDA	$m	3.0	(2.4)	(2.6)	3.5	13.8	13.8
Indicative Cash Costs							
Payable zinc metal produced	Mlb	6.1	3.7	4.4	4.6	7.1	7.1
Indicative C1 Cash Cost	US$/lb payable Zn	0.76	1.13	0.73	0.30	(0.10)	(0.10)
Indicative C2 Cost	US$/lb payable Zn	1.14	1.51	0.99	0.64	0.23	0.23
Indicative C3 Cost	US$/lb payable Zn	1.35	1.74	1.21	0.86	0.49	0.49

All numbers and data are rounded. Discrepancies in totals may exist due to rounding.
Payable metal is derived from concentrate offtake agreements
C1 cash cost includes actual cash costs plus notional costs (concentrate logistics and realisation costs)
C1 cash cost includes credits for copper, lead, gold and silver notionally priced at for the period (Q1 FY21: copper US$2.97/lb, lead US$0.85/lb, gold US$1,912/oz and silver US$24.91/oz)

Revenue during the quarter was $35.6 million, with $10.6 million from sale of zinc in zinc concentrate, $3.0 million from the sale of lead in lead concentrate, $10.3 million from sale of copper in copper concentrate and $11.7 million from sale of payable precious metals (gold and silver) contained in copper and lead concentrates.

The higher than usual closing concentrate stocks at the end of the June quarter were reduced to more typical levels. Additionally, stocks of 475 DMT of gold concentrate carried over from June 2020 realised net revenue of US$1.6 million in early July.

Thalanga Operations quarterly EBITDA (unaudited) was $13.8 million, an increase of $10.3 million over the prior quarter. Compared to the previous quarter:

- Revenue was $20.0 million higher due to higher metal prices ($6.1 million), and higher sales volumes ($13.9 million).
- Sales realisation expenses were $4.2 million higher due to higher sales volumes being partially offset by the impact of the higher A*$:US$* exchange rate and a continued easing in concentrate treatment charges, as compared to the prior quarter.
- Operating costs were $5.5 million higher due to higher production and the cost of concentrates in last quarters higher closing stocks being bought to account as they were sold this quarter.

C1 Cash costs for the period decreased compared to the prior quarter primarily due to higher zinc production and increased by-product credits derived from the higher lead and copper concentrates produced as compared to last quarter. Payable zinc produced increased by 55% quarter on quarter.

Working Capital Facility

The Company repaid US$5.0 million on the working capital facility. The Company is now debt free.

Cash at bank at the end of the quarter was $12.5 million, an increase of $4.4 million as compared to the prior quarter. This was after investing $5.6 million in mine development, (primarily the Far West underground mine), $0.6 million in exploration and repaying $6.9 million on the working capital facility.

5.2. Royalty Update

Red River and its wholly-owned subsidiary, Cromarty Resources Pty Ltd, have filed their defence and cross claim in the proceedings commenced by Thalanga Copper Mines Pty Ltd on 24 February 2019 and continue to defend the proceedings vigorously. Red River will continue to update the market on these proceedings.

CAMERON BODLEY
Company Secretary
Red River Resources Limited

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For further information please visit Red River's website www.redriverresources.com.au or contact us:

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COMPETENT PERSON STATEMENT

Liontown Mineral Resource

The information in this report that relates to the estimation and reporting of the Liontown Mineral Resource is based on and fairly represents, information and supporting documentation compiled by Mr Peter Carolan who is a Member of The Australasian Institute of Mining and Metallurgy and a full-time employee of Red River Resources Ltd.

Mr Carolan has sufficient experience 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'.

Mr Carolan consents to the inclusion in the report of the matters based on the information in the form and context in which it appears. The information in this report that relates to database compilation, geological interpretation and mineralisation wireframing, project parameters and costs and overall supervision and direction of the Liontown Mineral Resource estimation is based on and fairly represents, information and supporting documentation compiled under the overall supervision and direction of Mr Carolan.

Exploration Results (Thalanga)

The information in this report that relates to Exploration Results is based on information compiled by Mr Steven Harper who is a member of The Australasian Institute of Mining and Metallurgy, and a full time employee of Red River Resources Ltd., and who has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activities being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves' (JORC Code).

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

Bakers Creek Stockpile Mineral Resource

The information in this report that relates to the estimation and reporting of the Bakers Creek Stockpile Resource is based on and fairly represents, information and supporting documentation compiled by Mr Mitchell Tarrant who is a Member of The Australasian Institute of Mining and Metallurgy.

Mr Tarrant has sufficient experience 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'.

Mr Tarrant consents to the inclusion in the report of the matters based on the information in the form and context in which it appears. The information in this report that relates to database compilation, geological interpretation and mineralisation wireframing, project parameters and costs and overall supervision and direction of the Bakers Creek Stockpile estimation is based on and fairly represents, information and supporting documentation compiled under the overall supervision and direction of Mr Carolan who is a Member of The Australasian Institute of Mining and Metallurgy and a full-time employee of Red River Resources Ltd.

Syndicate, Blacklode & Sunlight Mineral Resource

The information in this report that relates to the estimation and reporting of the Syndicate, Blacklode & Sunlight Mineral Resource are based on and fairly represents, information and supporting documentation compiled by Mr Peter Carolan who is a Member of The Australasian Institute of Mining and Metallurgy and a full-time employee of Red River Resources Ltd.

Mr Carolan has sufficient experience 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'.

Mr Carolan consents to the inclusion in the report of the matters based on the information in the form and context in which it appears. The information in this report that relates to database compilation, geological interpretation and mineralisation wireframing, project parameters and costs and overall supervision and direction of the Syndicate, Blacklode & Sunlight estimation is based on and fairly represents, information and supporting documentation compiled under the overall supervision and direction of Mr Carolan.

Brackin's Spur & Clark's Gully Mineral Resources

The information in this report that relates to the reporting of the Brackin's Spur & Clark's Gully Mineral Resource Estimate reported in accordance with the JORC 2012 Code is based on and fairly represents, information and supporting documentation compiled by Rodney Webster who is a Member of The Australasian Institute of Mining and Metallurgy and a Member of the Australian Institute of Geoscientists. Mr Webster is independent of Hillgrove Mines Pty Ltd. and an employee of AMC Consultants Pty Ltd. Mr Webster has sufficient experience 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'.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original report and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original report.

Hillgrove Exploration Results

The information in this report that relates to Exploration Results is based on information compiled by Mr Mitchell Tarrant who is a member of The Australasian Institute of Mining and Metallurgy, who has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activities being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves' (JORC Code).

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

Appendix A – Tenement Interests

1. QUEENSLAND

As at 30 September 2020, Red River had an interest in the following exploration permit minerals (EPM) and mining leases (ML) in Queensland.

Table 6 RVR Exploration Permit Minerals (EPM) (Queensland)

Project	Location	Licence	Beneficial Interest
Thalanga Operations	Queensland	EPM 10582	100%
Thalanga Operations	Queensland	EPM 12766	100%
Thalanga Operations	Queensland	EPM 14161	100%
Thalanga Operations	Queensland	EPM 16929	100%
Thalanga Operations	Queensland	EPM 18470	100%
Thalanga Operations	Queensland	EPM 18471	100%
Thalanga Operations	Queensland	EPM 18713	100%
Thalanga Operations	Queensland	EPM 25815	100%
Thalanga Operations	Queensland	EPM 25895	100%
Thalanga Operations	Queensland	EPM 26718	100%
Herberton	Queensland	EPM 27168	100%
Herberton	Queensland	EPM 27221	100%
Herberton	Queensland	EPM 27223	100%
Thalanga Operations	Queensland	EPM 27357	100%
Thalanga Operations	Queensland	EPM 27520	100%

Table 7 RVR Mining Leases (ML) (Queensland)

Project	Location	Licence	Beneficial Interest
Thalanga Operations	Queensland	ML 1392	100%
Thalanga Operations	Queensland	ML 1531	100%
Thalanga Operations	Queensland	ML 10137	100%
Thalanga Operations	Queensland	ML 10185	100%
Thalanga Operations	Queensland	ML 10186	100%
Thalanga Operations	Queensland	ML 10277	100%

2. NEW SOUTH WALES

As at 30 September 2020, Red River had an interest in the following exploration licences (EL), gold leases (GL) mining leases (ML), mining purpose leases (MPL) and private land leases (PLL) in New South Wales (NSW).

Table 8 RVR Exploration Licences (EL) (NSW)

Project	Location	Licence	Beneficial Interest
Hillgrove	NSW	EL 3326	100%
Hillgrove	NSW	EL 5973	100%
Hillgrove	NSW	EL 5997	100%
Hillgrove	NSW	EL 6419	100%
Hillgrove	NSW	EL 5831	100%

Table 9 RVR Mining Leases (ML) (NSW)

Project	Location	Licence	Beneficial Interest
Hillgrove	NSW	ML 205	100%
Hillgrove	NSW	ML 219	100%
Hillgrove	NSW	ML 231	100%
Hillgrove	NSW	ML 391	100%
Hillgrove	NSW	ML 392	100%
Hillgrove	NSW	ML 592	100%
Hillgrove	NSW	ML 600	100%
Hillgrove	NSW	ML 649	100%
Hillgrove	NSW	ML 655	100%
Hillgrove	NSW	ML 714	100%
Hillgrove	NSW	ML 749	100%
Hillgrove	NSW	ML 772	100%
Hillgrove	NSW	ML 810	100%
Hillgrove	NSW	ML 945	100%
Hillgrove	NSW	ML 961	100%
Hillgrove	NSW	ML 972	100%
Hillgrove	NSW	ML 1020	100%
Hillgrove	NSW	ML 1026	100%
Hillgrove	NSW	ML 1100	100%
Hillgrove	NSW	ML 1101	100%
Hillgrove	NSW	ML 1332	100%
Hillgrove	NSW	ML 1440	100%
Hillgrove	NSW	ML 1441	100%
Hillgrove	NSW	ML 1442	100%
Hillgrove	NSW	ML 1598	100%
Hillgrove	NSW	ML 1599	100%
Hillgrove	NSW	ML 1600	100%
Hillgrove	NSW	ML 1601	100%
Hillgrove	NSW	ML 1602	100%
Hillgrove	NSW	ML 1603	100%
Hillgrove	NSW	ML 1604	100%
Hillgrove	NSW	ML 5643	100%
Hillgrove	NSW	ML 6282	100%

Table 10 RVR Gold Leases (GL) (NSW)

Project	Location	Licence	Beneficial Interest
Hillgrove	NSW	GL 3959	100%
Hillgrove	NSW	GL 3980	100%
Hillgrove	NSW	GL 5845	100%

Gold Lease (GL): GLs were a type of mining lease permitted under the *Mining Act 1906* (NSW). They are no longer granted under the *Mining Act 1992* (NSW).

Table 11 RVR Mining Purpose Leases (MPL) (NSW)

Project	Location	Licence	Beneficial Interest
Hillgrove	NSW	MPL 146	100%
Hillgrove	NSW	MPL 220	100%
Hillgrove	NSW	MPL 745	100%
Hillgrove	NSW	MPL 919	100%
Hillgrove	NSW	MPL 1427	100%

Mining Purposes Lease (MPL): MPLs are granted for areas in coal and minerals mining operations such as infrastructure purposes where resource extraction does not take place. Hence, they will appear as 'nil minerals'. MPLs were granted under the 1906 and 1973 Mining Acts. MPLs are no longer granted and leases for mining purposes are now categorised as MLs under the Mining Act 1992 (NSW). The term 'mining purpose(s)' is now referred to as Ancillary Mining Activities

Table 12 RVR Private Land Leases (PLL) (NSW)

Project	Location	Licence	Beneficial Interest
Hillgrove	NSW	PLL 350	100%
Hillgrove	NSW	PLL 416	100%
Hillgrove	NSW	PLL 661	100%
Hillgrove	NSW	PLL 804	100%
Hillgrove	NSW	PLL 1252	100%
Hillgrove	NSW	PLL 3827	100%

Private Lands Lease (PLL): A PLL was a type of Mining Lease to extract minerals or petroleum granted under the 1906, 1918, and 1924 Mining Acts. PLLs are no longer granted

Zinc Equivalent Calculation

The net smelter return zinc equivalent (Zn Eq.) calculation adjusts individual grades for all metals included in the metal equivalent calculation applying the following modifying factors: metallurgical recoveries, payability factors (concentrate treatment charges, refining charges, metal payment terms, net smelter return royalties and logistic costs) and metal prices in generating a zinc equivalent value for copper (Cu), lead (Pb), zinc (Zn), gold (Au) and silver (Ag).

Red River has selected to report on a zinc equivalent basis, as zinc is the metal that contributes the most to the net smelter return zinc equivalent (Zn Eq.) calculation. It is the view of Red River Resources that all the metals used in the Zn Eq. formula are expected to be recovered and sold.

Where:

Metallurgical Recoveries are derived from historical metallurgical recoveries from test work carried out at the Liontown Project (Liontown and Liontown East) and from ongoing metallurgical data generated from operational activities at Thalanga (processing West 45 and Far West). The Liontown Project is related to and of a similar style of mineralisation to the Thalanga Deposit (West 45 and Far West) and it is appropriate to apply similar recoveries. The Metallurgical Recovery for each metal is shown below in Table 1.

Metal Prices and Foreign Exchange assumptions are set as per internal Red River price forecasts and are shown below in Table 1.

Table 1 Metallurgical Recoveries and Metal Prices

Metal	Metallurgical Recoveries	Price
Copper	80%	US$3.00/lb
Lead	70%	US$0.90/lb
Zinc	88%	US$1.00/lb
Gold	65%	US$1,200/oz
Silver	65%	US$17.00/oz
FX Rate: A$0.85:US$1		

Payable Metal Factors are calculated for each metal and make allowance for concentrate treatment charges, transport losses, refining charges, metal payment terms and logistic costs. It is the view of Red River that three separate saleable base metal concentrates will be produced from the Liontown Project. Payable metal factors are detailed below in Table 2.

Table 2 Payable Metal Factors

Metal	Payable Metal Factor
Copper	Copper concentrate treatment charges, copper metal refining charges copper metal payment terms (in copper concentrate), logistic costs and net smelter return royalties
Lead	Lead concentrate treatment charges, lead metal payment terms (in lead concentrate), logistic costs and net smelter return royalties
Zinc	Zinc concentrate treatment charges, zinc metal payment terms (in zinc concentrate), logistic costs and net smelter return royalties
Gold	Gold metal payment terms (in copper and lead concentrates), gold refining charges and net smelter return royalties
Silver	Silver metal payment terms (in copper, lead and zinc concentrates), silver refining charges and net smelter return royalties

The zinc equivalent grade is calculated as per the following formula:

Zn Eq. = (Zn%*1.0) + (Cu%*3.3) + (Pb%*0.9) + (Au ppm*2.0) + (Ag ppm*0.025)

The following metal equivalent factors used in the zinc equivalent grade calculation has been derived from metal price x Metallurgical Recovery x Payable Metal Factor and have then been adjusted relative to zinc (where zinc metal equivalent factor = 1).

Table 3 Metal Equivalent Factors

Metal	Copper	Lead	Zinc	Gold	Silver
Metal Equivalent Factor	3.3	0.9	1.0	2.0	0.025

Gold Equivalent Calculation

Syndicate, Blacklode & Sunlight Mineral Resources

It is Hillgrove Mines Pty Ltd opinion that all the elements included in the metal equivalent calculation have a reasonable potential to be recovered and sold, based on previous mill production and sales. The gold equivalent (Au Eq.) and the cut-off are based on the following:

Metallurgical test work (carried out in 2016 and 2017) and mill production data demonstrate that total gravity & float recoveries of 91% Au and 86% Sb are achievable. The antimony recovery is applicable where Sb head grades are 1% or greater. The majority of the Sunlight Resource contains an antimony grade of less than 0.5% and therefore antimony recovery is not expected from this material.

The Au Eq. value was calculated using a gold price of US$1,234 per oz and an antimony price of US$ 5,650 per tonne where:

- Au Eq. (g/t) = (Au g/t) + (1.424 * Sb %)

Brackin's Spur & Clark's Gully Mineral Resources

It is Hillgrove Mines Pty Ltd opinion that all the elements included in the metal equivalent calculation have a reasonable potential to be recovered and sold, based on previous mill production and sales. The gold equivalent (Au Eq.) and the cut-off are based on the following:

- Metallurgical test work (carried out in 2016 and 2017) and mill production data demonstrates that total gravity/float recoveries of 91% gold (Au) and 86% antimony (Sb) are achievable.
- Net smelter return calculations for the deposits indicate that Au Eq. grades above 4.8 g/t are economic, based on site costs, mill recoveries, off-site transportation and royalty costs.

Au Eq. was calculated based on commodity prices as of 18 July 2017. The individual grades, the assumed commodity prices and metal recoveries, and the Au Eq. formula are as follows:

- Au Eq. (g/t) = (Au g/t * 91%) + (2.0 * Sb % * 86%)
  - Where 2.0 = (US$7,950/100) / (US$1,234/31.1035)
  - Gold price = US$1,234/oz and gold recovery = 91%
- Antimony price = US$7,950/tonne and antimony recovery = 86%

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity	
Red River Resources Limited	
ABN	**Quarter ended ("current quarter")**
35 100 796 754	September 2020

	Consolidated statement of cash flows	**Current quarter $A'000**	**Year to date (3 months) $A'000**
1.	**Cash flows from operating activities**		
1.1	Receipts from customers*	35,907	35,907
1.2	Payments for		
	(a) exploration & evaluation (if expensed)	-	-
	(b) development*	(5,621)	(5,621)
	(c) production*	(9,125)	(9,125)
	(d) staff costs	(2,963)	(2,963)
	(e) administration and corporate costs*	(1,156)	(1,156)
	(f) sales realisation expenses	(4,717)	(4,717)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	30	30
1.5	Interest and other costs of finance paid	(125)	(125)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (GST/BAS)	240	240
1.9	**Net cash from / (used in) operating activities**	**12,470**	**12,470**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	(63)	(63)
	(d) exploration & evaluation (capitalised)*	(604)	(604)
	(e) investments	-	-
	(f) other non-current assets	(13)	(13)

Consolidated statement of cash flows		Current quarter $A'000	Year to date (3 months) $A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (primarily increase in rehabilitation bonds)	-	-
2.6	**Net cash from / (used in) investing activities**	**(680)**	**(680)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(3)	(3)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(6,942)	(6,942)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (repayment of lease liability)*	(444)	(444)
3.10	**Net cash from / (used in) financing activities**	**(7,388)**	**(7,388)**

* Quarter / YTD includes repayment of lease liability (18)/(18); impact of movement in AUD:USD exchange rate on borrowings (426)/(426).

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	8,080	8,080
4.2	Net cash from / (used in) operating activities (item 1.9 above)	12,470	12,470
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(680)	(680)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(7,388)	(7,388)

Consolidated statement of cash flows		Current quarter $A'000	Year to date (3 months) $A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	**Cash and cash equivalents at end of period**	**12,482**	**12,482**

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter $A'000	Previous quarter $A'000
5.1	Bank balances	12,482	8,007
5.2	Call deposits	-	73
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**12,482**	**8,080**

6.	Payments to related parties of the entity and their associates	Current quarter $A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	200
6.2	Aggregate amount of payments to related parties and their associates included in item 2	0

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

Payments are director fees paid to NED and Executive Directors: $159k

Provision of accounting, taxation and corporate secretarial services – Hanson Porter Curzon Pty Ltd: $41k

7.	**Financing facilities** *Note: the term "facility' includes all forms of financing arrangements available to the entity.* *Add notes as necessary for an understanding of the sources of finance available to the entity.*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	30	3
7.3	Other (please specify)	-	-
7.4	**Total financing facilities**	30	3

7.5	**Unused financing facilities available at quarter end**	27
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.	

7.2: This is the company credit card facility with the NAB. Credit cards are automatically direct debited every month thus ensuring no interest is charged.

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (Item 1.9)	12,470
8.2	Capitalised exploration & evaluation (Item 2.1(d))	(604)
8.3	Total relevant outgoings (Item 8.1 + Item 8.2)	11,866
8.4	Cash and cash equivalents at quarter end (Item 4.6)	12,482
8.5	Unused finance facilities available at quarter end (Item 7.5)	27
8.6	Total available funding (Item 8.4 + Item 8.5)	12,509
8.7	**Estimated quarters of funding available (Item 8.6 divided by Item 8.3)**	N/A

8.8 If Item 8.7 is less than 2 quarters, please provide answers to the following questions:

1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer:

2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer:

3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer:

Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

27 October 2020

Date: .....

Mel Palancian

Authorised by: .....
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.

2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".

5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.