



Red River intersects multiple sulphide zones at Liontown East

Highlights:

- **Latest drill hole at the Liontown East discovery, LTED05W1, intersected a broad 16.8m zone hosting massive and semi massive sulphide mineralisation in the first target horizon, comprising:**
 - **6.1m zone of massive sulphide mineralisation from 486.9m to 493.0m down-hole**
 - **9.5m zone of semi massive sulphide mineralisation from 494.2m to 503.7m down-hole**
- **Field observations indicate the massive sulphide mineralisation is sphalerite and galena rich, consistent with the discovery hole at Liontown East (LTED01)**
- **This materially increases confidence in continuity of high-grade mineralisation at Liontown East**
- **Mineralised zones are being cut and sent for priority assay. Assays expected shortly**
- **LTED06 has commenced – targeting a position approximately 50m west of LTED05W1**

Zinc developer Red River Resources Limited (ASX: RVR) (“Red River” or the “Company”) is pleased to advise drill hole LTED05W1 has been completed at the Liontown East target, part of the Thalanga Zinc Project in Queensland, and has intersected multiple zones of massive and semi massive sulphides, including:

- **6.1m of massive sulphide mineralisation from 486.9m to 493.0m down-hole.**
- **9.5m of semi massive sulphides from 494.2m to 503.7m down-hole.**

LTED05W1 was drilled to test the Liontown East IP target, and is located on EPM 14161, approximately 1.5km east of the Liontown Mineral Resource (refer to Figure 5).

LTED05W1 intersected the Liontown East mineralised horizon approximately 50m down dip of LTED01 (7.5m @ 16.0% Zn Eq. inc. 4.3m @ 25.2% Zn Eq.) and 30m up dip of LTED05 (26.0m @ 10.3% Zn Eq. inc. 6.3m @ 25.2% Zn Eq.), materially increasing confidence in the continuity of the high-grade Liontown East mineralisation.

LTED05W1 was also designed to test the deeper footwall EM/MMR target, and intercepted a zone of intense chlorite-sericite alteration and up to 10% disseminated pyrite with minor chalcopyrite from 719.6m to 739.8m depth, highlighting the potential for this position within the footwall to host significant mineralisation either along strike or up-dip.

Drilling of LTED06 has commenced, and is designed to test the Liontown East mineralised horizon approximately 50m west of LTED05W1.

Red River’s Managing Director Mel Palancian commented: *“This is an outstanding result, as it materially increases our confidence in the continuity of the high-grade mineralisation discovered at Liontown East and builds on our recent success with LTED05 (26.0m @ 10.3% Zn Eq. inc. 6.3m @ 25.2% Zn Eq.)*

“Following completion of our A\$30 million capital raising, Red River is fully funded to restart production at Thalanga and pursue exploration activities, including our exciting discovery at Liontown East.

“This result also confirms the exceptional prospectivity of Red River’s ground in the Mt Windsor Belt and represents the first new discovery in the Belt since West 45 and Orient were discovered in 1996/1997.”

Figure 1 Liontown East Cross Section 403750m E (detailed)

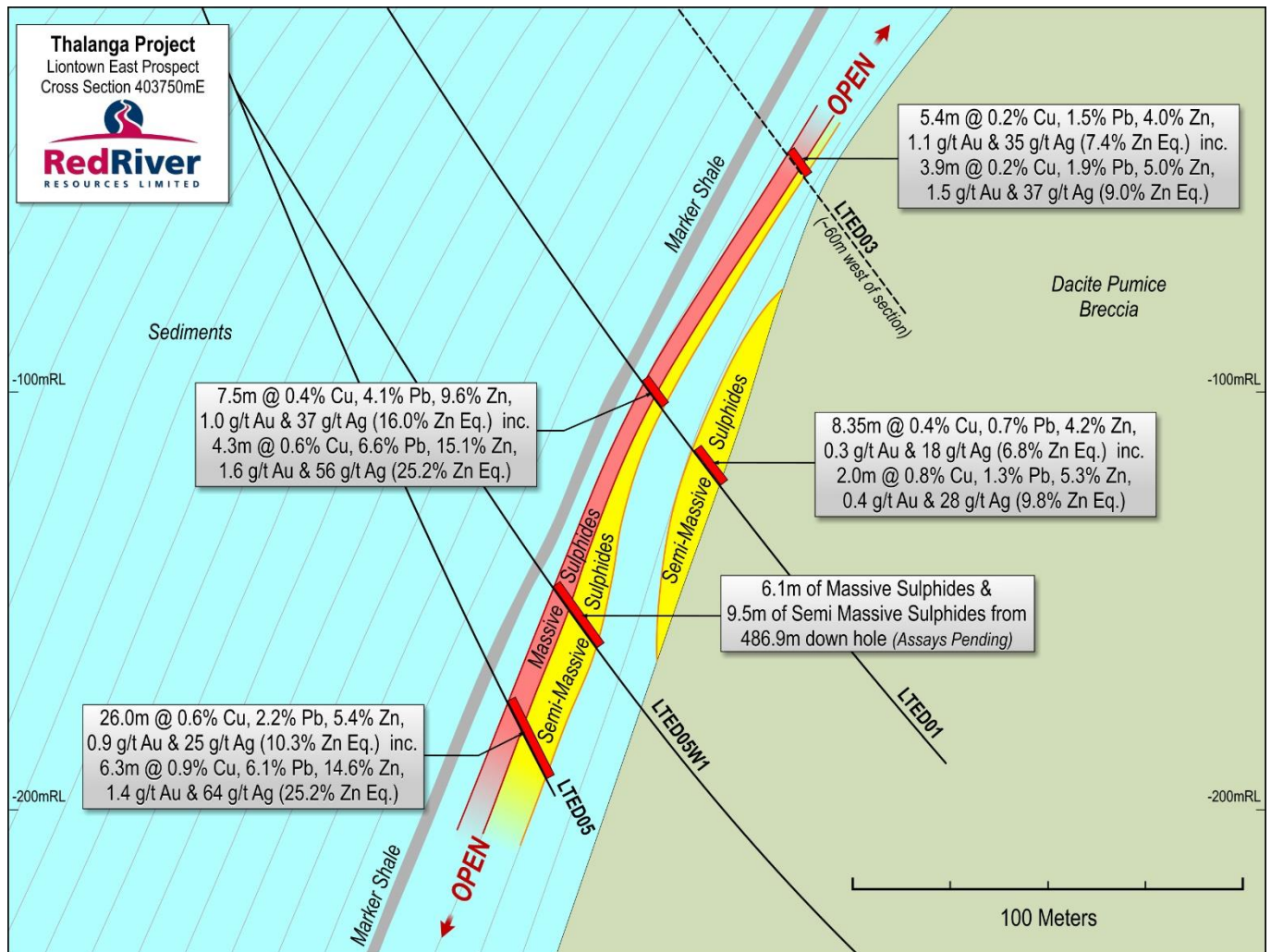


Table 1 Drill hole geological information summary relating to mineralised zones, Liontown East (LTED05W1)

Hole ID	From (m) ⁽¹⁾	To (m) ⁽¹⁾	Interval (m) ⁽¹⁾	Interval Description
LTED05W1	474.60	486.70	12.1	Moderately sericite altered siltstone with minor pyrite
LTED05W1	486.70	486.90	0.2	Strongly sericite altered fault zone within siltstone
LTED05W1	486.90	493.00	6.1	Banded Massive Sulphides (sphalerite, galena, barite and minor chalcopyrite)
LTED05W1	493.00	494.20	1.2	Strongly silica-sericite altered siltstone with minor sphalerite, galena and barite
LTED05W1	494.20	503.70	9.5	Semi Massive Sulphides within strongly silica-sericite altered siltstone (sphalerite, galena, barite and minor chalcopyrite)
LTED05W1	503.70	520.70	17.0	Moderately sericite-silica altered siltstone with common sphalerite-galena stringers
LTED05W1	719.60	739.80	20.2	Strongly chlorite-sericite altered pumice breccia with 10% disseminated pyrite and minor chalcopyrite

(1) Downhole widths reported (True widths expected to be approximately 80% of Downhole widths)

Figure 2 LTED05W1 485.05m to 492.75m down-hole (massive sulphide mineralisation from 486.90m to 492.75m down-hole)



Figure 3 LTED05W1 492.75m to 500.54m down-hole (massive sulphide mineralisation from 492.75m to 493.0m down-hole and semi massive sulphide mineralisation from 494.2m to 495.1m and 496.7m to 500.54m down-hole)

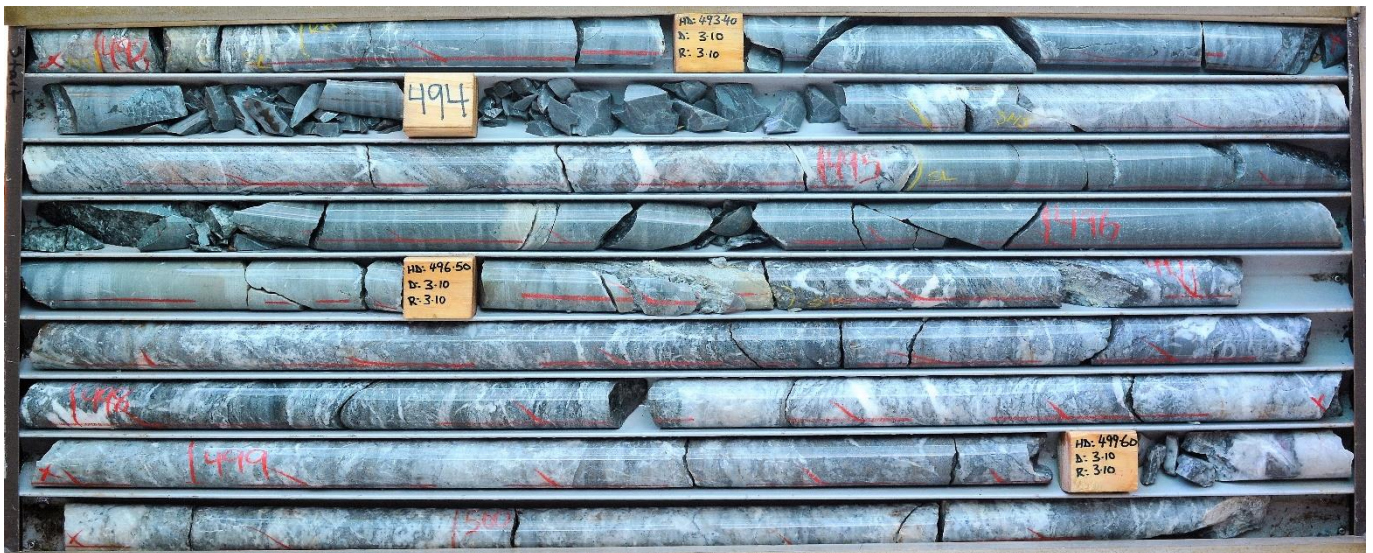


Figure 4 LTED05W1 500.54m to 508.4m down-hole (semi massive sulphide mineralisation from 500.54m to 503.7m down-hole)



Figure 5 Liantown East Cross Section 403750m E

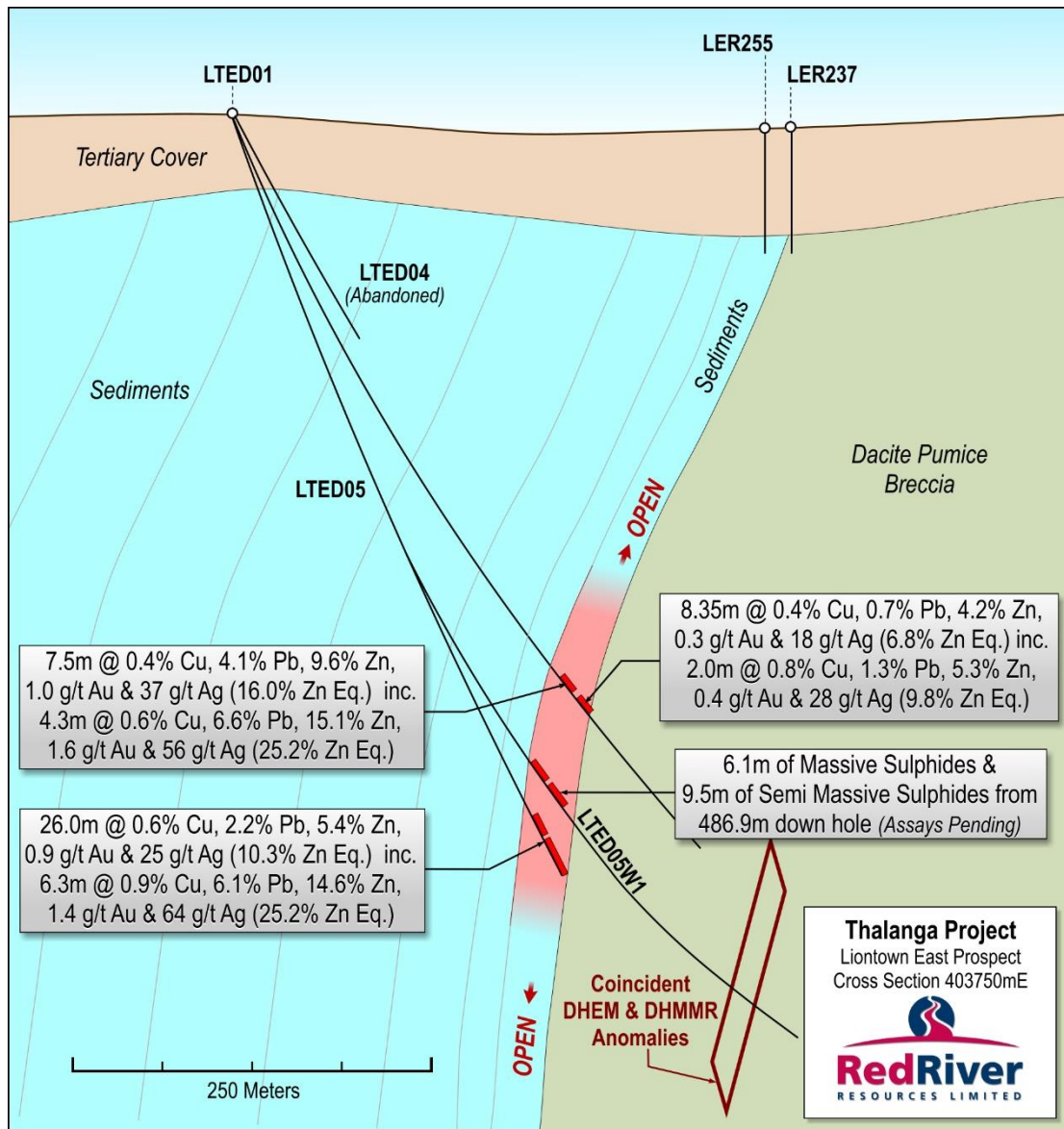
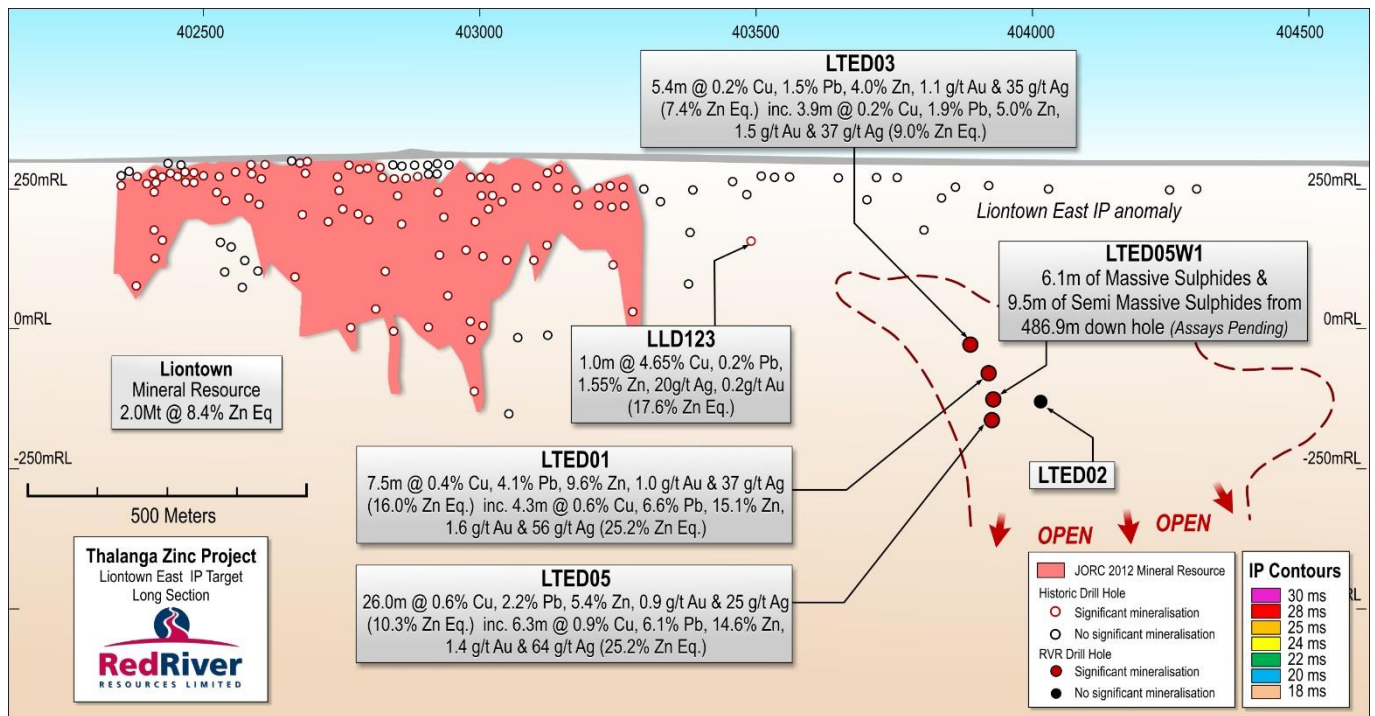


Figure 6 Liontown East Long Section



Drill hole information for drill hole LTED05W1 is provided in Table 2 below

Table 2 Drill hole information summary, Thalanga Zinc Project Liontown East (LTED05W1)

Hole ID	Wedge Depth	Dip	Final Depth	Azi (MGA)	East (MGA)	North (MGA)	RL (MGA)	Lease ID	Hole Status
LTED05W1	317m	-66°	761.6m	5.0°	403783	7742795	8m	EPM 14161	Completed
Hole ID		Dip	Depth	Azi (MGA)	East (MGA)	North (MGA)	RL (MGA)	Lease ID	Hole Status
LTED06		-73°	160.0m ⁽¹⁾	352°	403790	7742680	302m	EPM 14161	Ongoing

(1) As at 10 February 2017

Table 3 Lontown Project Resources (>5% Zn Eq.) (30 May 2015)

Resource Category	Type	Tonnage (kt)	Cu (%)	Pb (%)	Zn (%)	Au (g/t)	Ag (g/t)	Zn Eq. (%)
Indicated	Fresh	334	0.4	1.9	4.6	1.2	20	8.3
	Transition	34	0.5	1.3	4.0	1.4	29	7.6
	Oxide	36	0.7	1.5	4.4	1.7	31	9.0
	Sub Total	403	0.5	1.8	4.6	1.3	21	8.3
Inferred	Fresh	1,586	0.5	1.5	4.6	0.8	28	8.2
	Transition	85	0.7	1.7	5.4	0.4	15	9.4
	Oxide	184	1.0	1.3	4.7	0.8	12	9.3
	Sub Total	1,855	0.5	1.5	4.6	0.8	26	8.4
Total	All	2,258	0.5	1.6	4.6	0.8	25	8.4
Total	Fresh/Trans	2,038	0.5	1.6	4.6	0.8	26	8.3

Tonnages and grades are rounded. Discrepancies in totals may exist due to rounding.

Zinc equivalent (Zn Eq.) has been calculated using the metal selling prices, recoveries and other assumptions contained in Table 3 of this announcement. It is Red River's opinion that all elements included in the metal equivalent calculation have a reasonable potential to be recovered and sold.

Zinc equivalent (Zn Eq.) calculation parameters are listed in Table 4.

The zinc equivalent (Zn Eq.) calculation takes into account recoveries, payability (including transport, smelting and refining charges) and metal prices in generating a zinc equivalent value for copper (Cu), lead (Pb), zinc (Zn), gold (Au) and silver (Ag).

The metallurgical recoveries are derived from historical metallurgical recoveries from test work carried out on Lontown samples and the Thalanga deposit. The Lontown deposit is related to and of a similar style of mineralisation to the Thalanga Operations and it is appropriate to apply similar recoveries. It is Red River's opinion that all elements included in the metal equivalent calculation have a reasonable potential to be recovered and sold.

Table 4 Zinc Equivalent Calculation Factors

Metal	Price	Unit	Recoveries	Zn Eq. Factors
Copper	US\$3.00	US\$/lb	80%	3.3
Lead	US\$0.90	US\$/lb	70%	0.9
Zinc	US\$1.00	US\$/lb	88%	1.0
Gold	US\$1,200	US\$/oz	15%	0.5
Silver	US\$17.00	US\$/oz	65%	0.025

FX Rate: A\$0.85:US\$1

Please refer to ASX release dated 24 June 2015 for further details on the Lontown Mineral Resource. Red River confirms that all material assumptions underpinning the Lontown Mineral Resource in the ASX release dated 24 June 2015 continue to apply and have not materially changed.

Thalanga Zinc Project Background

Red River released a Restart Study (the internal study prepared by Red River to assess the potential restart of the Thalanga Zinc Project) in November 2015, which demonstrated the highly attractive nature of the Project. The Project has a low operating cost, low pre-production capital cost (\$17.2 million), and a short timeline to production (six months).

Annual average production is 21,400 tonnes of zinc, 3,600 tonnes of copper, 5,000 tonnes of lead, 2,000 ounces of gold and 370,000 ounces of silver in concentrate over an initial mine life of five years, and there is outstanding extension potential.

Please refer to ASX release dated 12 November 2015 for further details on the Thalanga Zinc Project Restart Study. Red River confirms that all material assumptions underpinning the production target in the ASX release dated 12 November 2015 continue to apply and have not materially changed.

The Thalanga Zinc Project Restart Study is based on production from three deposits – West 45, Far West and Waterloo. The Thalanga Zinc Project Restart Study is based on low level technical and economic assessments and there is insufficient data to support the estimation of Ore Reserves at Far West and Waterloo, provide assurance of an economic development case at this stage, or provide certainty that the results from the Thalanga Zinc Project Restart Study will be realised. Further, as the production target that forms the basis of the Thalanga Zinc Project Restart Study includes Mineral Resources that are in the Inferred Category and there is a low level of geological confidence associated with Inferred Mineral Resources, there is no certainty that further exploration work will result in the determination of Indicated Mineral Resources or that the production target itself will be realised.

On behalf of the Board,

Mel Palancian
Managing Director
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COMPETENT PERSON STATEMENT

Mineral Resources

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 Stuart Hutchin who is a Member of The Australasian Institute of Mining and Metallurgy, Member of the Australian Institute of Geoscientists and a full time employee of Mining One Consultants Pty Ltd.

Mr Hutchin 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 Hutchin 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 Hutchin.

Exploration Results

The information in this report that relates to Exploration Results is based on information compiled by Mr Tav Bates 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 Bates consents to the inclusion in this report of the matters based on the information in the form and context in which it appears.

JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information. 	<ul style="list-style-type: none"> Sampling is currently being undertaken. Not applicable to this release
Drilling techniques	<ul style="list-style-type: none"> Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc). 	<ul style="list-style-type: none"> Drilling techniques consist of; PCD drilling through the cover sequence HQ diamond core drilling for the first 100-150m of each hole NQ2 diamond core drilling for the remainder of the drill holes. BQ diamond core for wedge holes
Drill sample recovery	<ul style="list-style-type: none"> Method of recording and assessing core and chip sample recoveries and results assessed. Measures taken to maximise sample recovery and ensure representative nature of the samples. Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material. 	<ul style="list-style-type: none"> Sample recovery is measured and recorded by company trained geotechnicians Negligible sample loss has been encountered
Logging	<ul style="list-style-type: none"> Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. The total length and percentage of the relevant intersections logged. 	<ul style="list-style-type: none"> Holes are logged to a level of detail that would support mineral resource estimation. Qualitative logging includes lithology, alteration and textures Quantitative logging includes sulphide and gangue mineral percentages All drill core was photographed All drill holes have been logged in full
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> If core, whether cut or sawn and whether quarter, half or all core taken. If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. For all sample types, the nature, quality and appropriateness of the sample preparation technique. Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. Whether sample sizes are appropriate to the grain size of the material being sampled. 	<ul style="list-style-type: none"> Core will be sawn and half core sent for assay Sample preparation is industry standard and occurred at an independent commercial laboratory Samples will be crushed to sub 6mm, split and pulverised to sub 75µm to produce a representative sub-sample for analysis Laboratory certified standards will be used in each sample batch The sample sizes are considered to be appropriate to correctly represent the mineralisation style.

Criteria	JORC Code explanation	Commentary
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established. 	<ul style="list-style-type: none"> The assay methods employed are considered appropriate for near total digestion Laboratory certified standards will be used in each sample batch
Verification of sampling and assaying	<ul style="list-style-type: none"> The verification of significant intersections by either independent or alternative company personnel. The use of twinned holes. Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. Discuss any adjustment to assay data. 	<ul style="list-style-type: none"> No assay results reported. Not Applicable to this release
Location of data points	<ul style="list-style-type: none"> Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. Specification of the grid system used. Quality and adequacy of topographic control. 	<ul style="list-style-type: none"> Collars surveyed with handheld GPS Down hole surveys conducted with Cameq multi-shot digital camera Coordinate system used is MGA94 Zone 55 Topographic control is based on a detailed 3D Digital Elevation Model
Data spacing and distribution	<ul style="list-style-type: none"> Data spacing for reporting of Exploration Results. Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. Whether sample compositing has been applied. 	<ul style="list-style-type: none"> The visual mineralisation reported within this report relates to the fourth drill hole to intersect the Liontown East target. As such current data spacing is variable
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material. 	<ul style="list-style-type: none"> The drill hole is orientated perpendicular to the perceived strike of the host lithologies The drill hole is designed based on the dip of anomaly to be tested The orientation of the drilling is designed to not bias sampling The orientation of the drill core is determined using a Cameq digital Orientation Tool
Sample security	<ul style="list-style-type: none"> The measures taken to ensure sample security. 	<ul style="list-style-type: none"> Samples will be overseen by company geologists during transport from site to the assay laboratory
Audits or reviews	<ul style="list-style-type: none"> The results of any audits or reviews of sampling techniques and data. 	<ul style="list-style-type: none"> No assay results reported. Not Applicable to this release

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area. 	<ul style="list-style-type: none"> The drilling was conducted on Exploration Permit EPM 14161 EPM 14161 is held by Cromarty Pty Ltd. (a wholly owned subsidiary of Red River Resources) and forms part of Red River's Thalanga Zinc Project Red River engaged Native Title Claimants, the Gudjalla People to conduct cultural clearances of drill pads and access tracks The Exploration Permits are in good standing
Exploration done by other parties	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<ul style="list-style-type: none"> Historic Exploration was carried out by PanContinental Mining and Esso Exploration. This included drilling and geophysics.
Geology	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	<ul style="list-style-type: none"> The exploration model is Volcanic Hosted Massive Sulphide (VHMS) base metal mineralisation The regional geological setting is the Mt Windsor Volcanic Sub-province, consisting of Cambro-Ordovician marine volcanic and volcano-sedimentary sequences
Drill hole Information	<ul style="list-style-type: none"> A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes, including, easting and northing, elevation or RL, dip and azimuth, down hole length, interception depth and hole length. If the exclusion of this information is justified the Competent Person should clearly explain why this is the case. 	<ul style="list-style-type: none"> See Table 2 – Drill Hole Details
Data aggregation methods	<ul style="list-style-type: none"> In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated. Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. The assumptions used for any reporting of metal equivalent values should be clearly stated. 	<ul style="list-style-type: none"> No quantitative exploration results are reported. Not applicable to this report
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known'). 	<ul style="list-style-type: none"> The mineralisation is interpreted to be dipping at approximately 70°. Drill holes have been angled to intercept the mineralisation as close to perpendicular as possible. True width of mineralisation is currently estimated to be approximately 80% of the downhole widths
Diagrams	<ul style="list-style-type: none"> Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plans and sections. 	<ul style="list-style-type: none"> Refer to plans and sections within report
Balanced reporting	<ul style="list-style-type: none"> Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results. 	<ul style="list-style-type: none"> No quantitative exploration results are reported. Not applicable to this release
Other substantive exploration data	<ul style="list-style-type: none"> Other exploration data, if meaningful and material, should be reported. 	<ul style="list-style-type: none"> All meaningful and material data is reported
Further work	<ul style="list-style-type: none"> The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling). 	<ul style="list-style-type: none"> Further drilling is currently in progress