High grade zinc intersections continue at Liontown East

Highlights:

- **Assays received from broad 18.1m zone of massive and semi-massive sulphide mineralisation intersected in LTED05W1 at Liontown East, from 486.9m down-hole**
- **LTED05W1 returned a very high-grade intercept of 6.1m @ 24.4% Zn Eq. from 486.9m down-hole, within a larger intercept of 18.1m @ 11.5% Zn Eq. from 486.9m to 505.0m down-hole**
  - **6.1m @ 24.4% Zn Eq.** (0.7% Cu, 7.0% Pb, 14.1% Zn, 1.0 g/t Au & 51 g/t Ag) from 486.9m down-hole
  - **18.1m @ 11.5% Zn Eq.** (0.3% Cu, 3.1% Pb, 6.8% Zn, 0.6 g/t Au & 22 g/t Ag) from 486.9m down-hole
- **This materially increases confidence in continuity of high-grade mineralisation at Liontown East**
- **The induced polarisation (IP) survey at Liontown is ongoing (approximately 20 line kilometres of the designed 76 line kilometres have been collected and processed to date). The results of this survey will be used in planning additional drill holes to further expand the mineralisation at Liontown East and better understand the greater Liontown VMS System**

Red River Resources Limited (ASX: RVR) ("Red River" or the "Company") is pleased to report high-grade assay results for diamond drill hole LTED05W1 at the Liontown East target, part of the Company's Thalanga Zinc Project ("Project") in Queensland.

LTED05W1 was drilled to test the Liontown East discovery which is located on EPM 14161, approximately 1.2km east of the Liontown Mineral Resource (refer to **Error! Reference source not found.**Figure 3). LTED05W1 intersected a broad zone of massive and semi-massive sulphide mineralisation from 486.9m to 505.0m down-hole. LTED05W1 returned a high-grade intercept of 6.1m @ 24.4% Zn Eq. from 486.9m within a larger intercept of 18.1m @ 11.5% Zn Eq. from 486.9m to 505.0m down-hole.

- **6.1m @ 24.4% Zn Eq.** (0.7% Cu, 7.0% Pb, 14.1% Zn, 1.0 g/t Au & 51 g/t Ag from 486.9m to 493.0m down-hole
- **18.1m @ 11.5% Zn Eq.** (0.3% Cu, 3.1% Pb, 6.8% Zn, 0.6 g/t Au & 21 g/t Ag) from 486.9m to 505.0m down-hole

Red River's Managing Director Mel Palancian commented: "*This is an outstanding result, and reinforces the high grade nature of the Liontown East discovery. The ongoing drilling, coupled with the results of our current IP program are allowing us to develop a better understanding of the material potential of the Liontown System.*

This is an exciting time for Red River, with the fully funded Thalanga Project restart on course to commence production in 2H 2017, and we continue to drill the exceptional high grade Liontown East discovery, with LTED06 in progress."

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

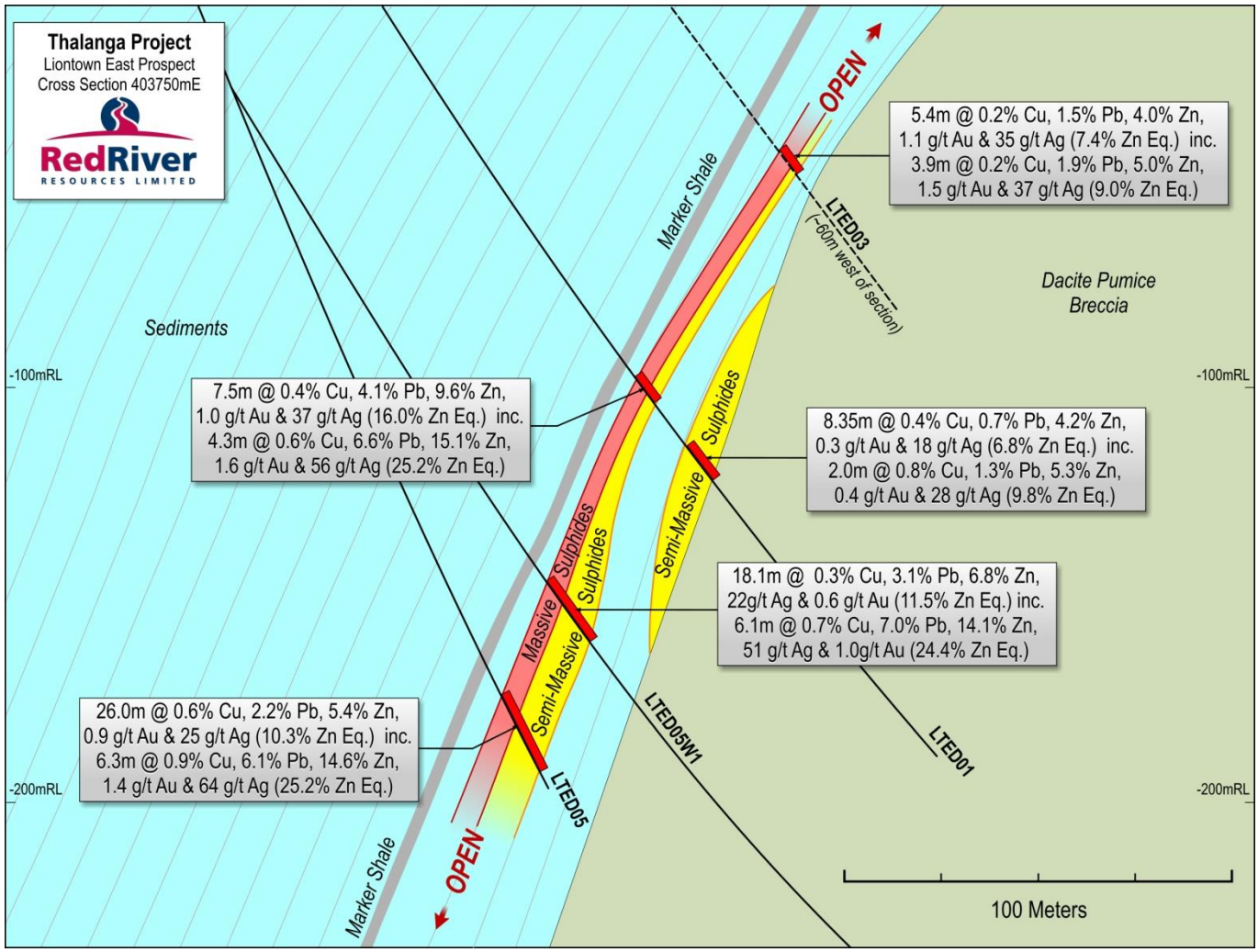

Table 1 Drill hole information summary, Thalanga Zinc Project Liontown East (LTED05W1)

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°	293.0m(1)	352°	403790	7742680	302m	EPM 14161	Ongoing
(1) As at 15 February 2017									

Figure 2 Liontown East Cross Section 403750m E

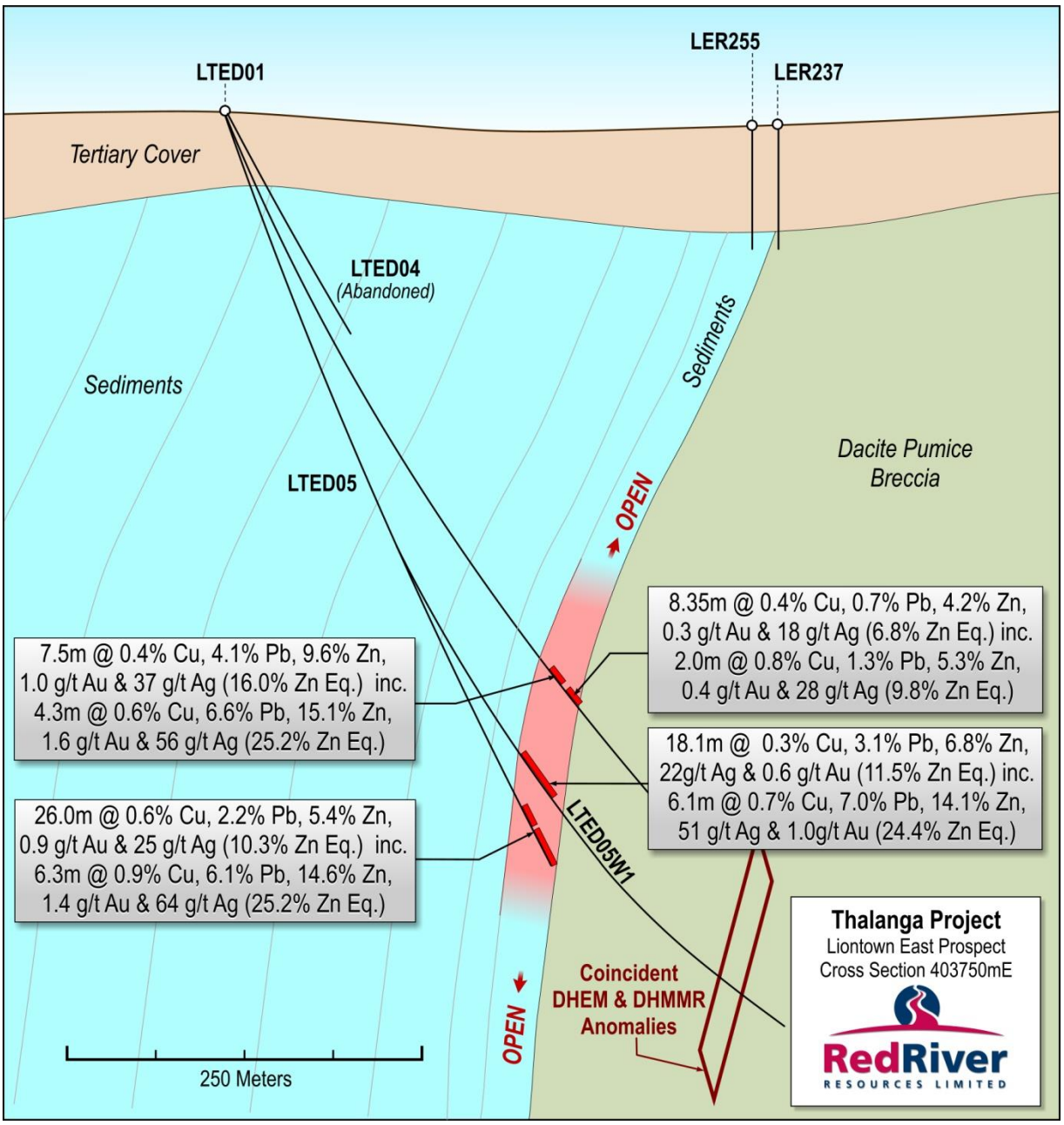

Figure 3 Liontown Project Long Section

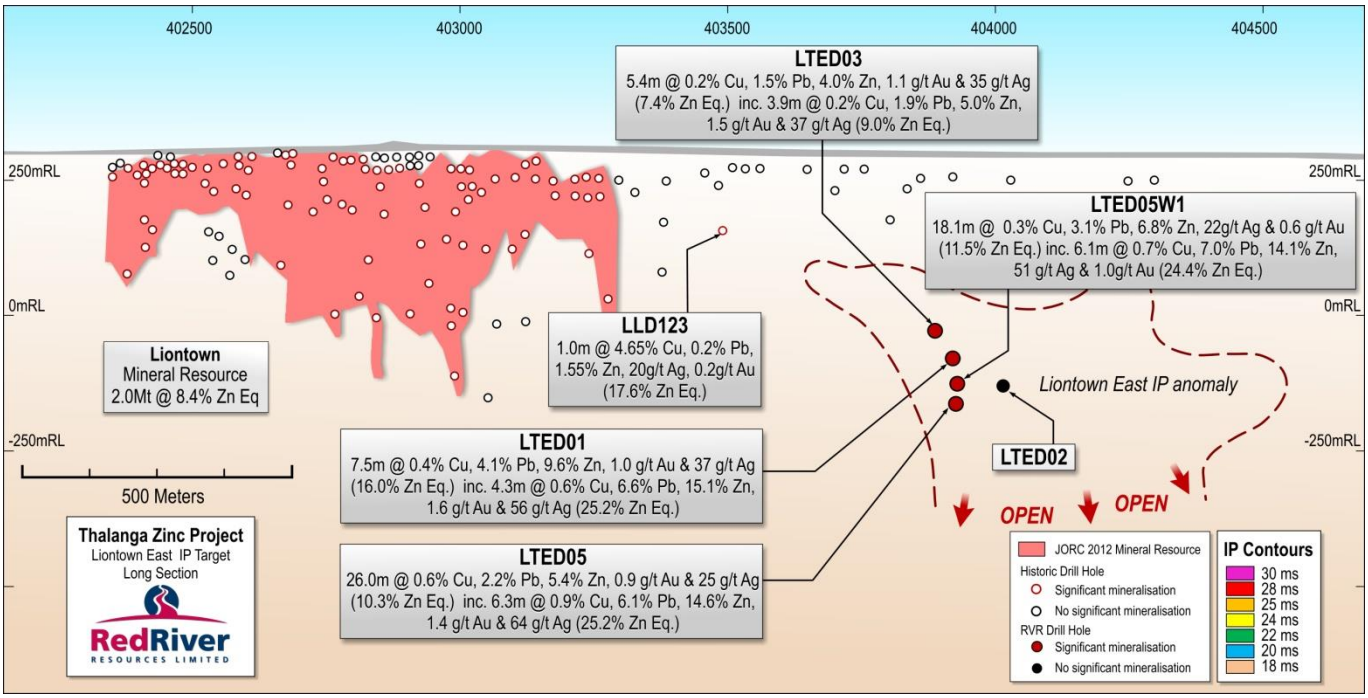

Table 2 Liontown Project Resources (>5% Zn Eq.) (30 May 2015)

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 the Appendix 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.

Red River confirms that all material assumptions underpinning the Liontown 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
Red River Resources Limited

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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 wire framing, 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.

Zinc Equivalent Calculation

The zinc equivalent (Zn Eq.) calculation takes into account metallurgical 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).

Zn equivalent formula utilised is: (Zn%*1.0) + (Cu%*3.3) + (Pb%*0.9) + (Au ppm*0.5) + (Ag ppm*0.025). Metal prices used in the zinc equivalent calculation are: copper (US$ 3.00/lb), lead (US$0.90/lb), zinc (US$1.00/lb), gold (US$1,200/oz) and silver (US$17.00/oz).

The recoveries used in the zinc equivalent calculation are: copper (80%), lead (70%), zinc (88%), gold (15%) and silver (65%). The metallurgical recoveries are derived from historical metallurgical recoveries from test work carried out on Liontown samples and the Thalanga deposit. The Liontown 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 the view of Red River Resources that all the metals within this formula are expected to be recovered and sold.

Table 3 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				

APPENDIX 1

ASSAY DETAILS

Hole ID	From (m)	To (m)	Int (m)	Cu%	Pb%	Zn%	Au g/t	Ag g/t	Zn Eq%
LTED05W1	485.90	486.90	1	0.0	0.0	0.0	0.0	*bdl*	0.1
LTED05W1	486.90	488.00	1.1	0.8	8.4	16.5	0.6	46.2	28.3
LTED05W1	488.00	489.00	1	0.6	5.2	9.6	0.3	40.2	17.6
LTED05W1	489.00	490.00	1	0.9	9.6	15.8	0.3	36.3	28.4
LTED05W1	490.00	491.00	1	0.7	6.5	16.2	1.5	59.4	26.3
LTED05W1	491.00	492.00	1	0.7	8.3	18.0	2.4	63.6	30.4
LTED05W1	492.00	493.00	1	0.4	3.7	8.4	0.9	61.4	14.9
LTED05W1	493.00	494.20	1.2	0.0	0.1	0.3	0.1	4.8	0.7
LTED05W1	494.20	495.10	0.9	0.0	0.8	1.4	0.4	14.7	2.8
LTED05W1	495.10	496.00	0.9	0.0	0.0	0.0	0.0	*bdl*	0.0
LTED05W1	496.00	496.70	0.7	0.2	0.8	1.8	0.1	13.3	3.5
LTED05W1	496.70	498.00	1.3	0.1	0.6	3.1	0.6	6.0	4.5
LTED05W1	498.00	499.00	1	0.0	0.8	2.9	0.9	7.0	4.4
LTED05W1	499.00	500.00	1	0.2	3.0	7.4	0.3	10.6	11.1
LTED05W1	500.00	501.00	1	0.1	0.7	1.9	0.1	2.8	2.9
LTED05W1	501.00	502.00	1	0.3	2.1	4.9	0.3	6.1	8.1
LTED05W1	502.00	503.00	1	0.2	2.4	5.8	1.2	8.5	9.5
LTED05W1	503.00	503.70	0.7	0.1	2.0	5.4	0.2	7.4	7.8
LTED05W1	503.70	505.00	1.3	0.1	1.3	3.1	0.6	4.8	5.0
LTED05W1	505.00	506.00	1	0.0	0.4	1.0	0.1	2.5	1.6
LTED05W1	506.00	507.00	1	0.1	0.5	0.8	0.2	3.4	1.6
LTED05W1	507.00	508.00	1	0.2	0.2	1.0	0.4	5.0	2.4
LTED05W1	508.00	509.00	1	0.1	0.2	0.7	0.2	3.1	1.3
LTED05W1	509.00	510.00	1	0.1	0.5	1.7	0.2	5.1	2.8
LTED05W1	510.00	511.00	1	0.2	0.9	1.8	0.3	11.3	3.6
LTED05W1	511.00	512.00	1	0.1	1.1	1.4	0.2	5.6	2.9
LTED05W1	512.00	513.00	1	0.1	1.5	3.2	0.1	9.4	5.4
LTED05W1	513.00	514.00	1	0.0	0.8	1.4	0.1	4.3	2.4
LTED05W1	514.00	515.00	1	0.0	0.5	0.8	0.1	2.1	1.4
LTED05W1	515.00	516.00	1	0.1	1.2	2.5	0.2	6.8	4.1
LTED05W1	516.00	517.00	1	0.0	0.4	0.9	0.1	2.9	1.5
LTED05W1	517.00	518.00	1	0.0	0.2	0.4	0.1	2.9	0.8
LTED05W1	518.00	519.00	1	0.0	0.4	1.3	0.2	5.7	2.0
LTED05W1	519.00	520.00	1	0.1	0.8	1.3	0.2	41.6	3.5
LTED05W1	520.00	520.70	0.7	0.0	1.6	4.0	0.3	11.7	6.1
LTED05W1	520.70	522.00	1.3	0.0	0.4	0.8	0.1	3.6	1.3
LTED05W1	522.00	523.00	1	0.0	0.3	0.6	0.0	3.5	1.0
LTED05W1	523.00	524.00	1	0.0	0.2	0.3	0.0	1.7	0.6
LTED05W1	524.00	525.00	1	0.0	0.0	0.1	0.0	0.9	0.2

**bdl – below detection limit*

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	• *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.*	• Diamond drilling was used to obtain core samples • Samples consist of half BQ core • Sample intervals were selected by company geologists based on visual mineralisation • Intervals ranged from 0.2 to 1.5m based on geological boundaries • Samples were sawn if half using an onsite core saw and sent to Intertek Genalysis laboratories Townsville. • Samples were crushed to sub 6mm, split and pulverised to sub 75µm in order to produce a representative sub-sample for analysis. • Analysis consisted of a four acid digest and Inductively Coupled Plasma Optical Emission Spectrometry (ICP-OES) for the following elements; Ag, As, Ba, Bi, Ca, Cu, Fe, K, Mg, Mn, Na, Pb, S, Sb, Ti, Zn, & Zr. A selection of samples was also assayed for Au using a 30g Fire Assay technique
Drilling techniques	• *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).*	• Drilling techniques consist of; • PCD drilling through the cover sequence • HQ diamond core drilling for the first 50-100m of each hole • NQ2 diamond core drilling for the remainder of the drill holes. • And occasional BQ daughter wedges.
Drill sample recovery	• *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.*	• Sample recovery is measured and recorded by company trained geotechnicians • negligible sample loss has been recorded
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining*	• Holes are logged to a level of detail that would support mineral resource estimation. • Qualitative logging includes lithology, alteration and textures

Criteria	JORC Code explanation	Commentary
	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.*	• 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	• *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.*	• Core was sawn and half core sent for assay • Sample preparation is industry standard, occurring at an independent commercial laboratory • Samples were crushed to sub 6mm, split and pulverised to sub 75µm in order to produce a representative sub-sample for analysis • Laboratory certified standards were used in each sample batch • The sample sizes are considered to be appropriate to correctly represent the mineralisation style
Quality of assay data and laboratory tests	• *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.*	• The assay methods employed are considered appropriate for near total digestion • Laboratory certified standards were used in each sample batch • Certified standards returned results within an acceptable range
Verification of sampling and assaying	• *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.*	• Laboratory results have been reviewed by Company geologists and laboratory technicians
Location of data points	• *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*	• Collars surveyed with handheld GPS • Down hole surveys conducted with Camteq multi-shot digital camera • Coordinate system used is MGA94 Zone 55 • Topographic control is based on a detailed 3D Digital Elevation Model

Criteria	JORC Code explanation	Commentary
	control.	
Data spacing and distribution	• *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.*	• The current drill spacing is approximately 50-100m • No sample compositing has been applied
Orientation of data in relation to geological structure	• *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.*	• Drill holes are orientated perpendicular to the perceived strike of the host lithologies • Drill holes are drilled at a dip based on logistics and 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 Camteq digital Orientation Tool
Sample security	• *The measures taken to ensure sample security.*	• Samples have been overseen by company geologists during transport from site to Intertek Genalysis laboratories, Townsville.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No audits or reviews have been carried out at this point

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	• *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.*	• 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	• *Acknowledgment and appraisal of exploration by other parties.*	• Historic Exploration was carried out by Esso Exploration & PanContinental Mining. This included drilling and geophysics
Geology	• *Deposit type, geological setting and style of mineralisation.*	• 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	• *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.*	• See Table1 – Drill Hole Details • See Appendix 1 – Assay Details
Data aggregation methods	• *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.*	• Interval length weighted assay results are reported • Significant Intercepts relate to assay results > 5% Zn Equivalent. • Zn equivalent formula utilised is: Zn% + (Cu%*3.3) + (Pb%*0.9) + (Au_{ppm}*0.5) + (Ag_{ppm}*0.025)

Criteria	JORC Code explanation	Commentary
Relationship between mineralisation widths and intercept lengths	• *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').*	• The mineralisation is interpreted to be dipping at approximately 70 degrees, drill holes have been designed to intercept the mineralisation as close to perpendicular as possible. • Down hole intercepts are reported. True widths are likely to be approximately 80% of the down hole widths.
Diagrams	• *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.*	• Refer to plans and sections within report
Balanced reporting	• *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.*	• The accompanying document is considered to represent a balanced report
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported.*	• All meaningful and material data is reported
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).*	• Further Drilling at Liontown East has commenced