

RED RIVER RESOURCES LIMITED

ABN: 35 100 796 754

APPENDIX 4D

FOR THE HALF-YEAR ENDED 31 DECEMBER 2018

RESULTS FOR ANNOUNCEMENT TO THE MARKET:

Reporting Period: Half-year ended 31 December 2018
Previous Corresponding Period: Half-year ended 31 December 2017

<i>Key information (extracted from interim financial report)</i>	Change Up / (Down) %	Half-Year Ended 31 December 2018 \$'000
Revenue and other income from ordinary activities	99.4	35,380
Net profit/(loss) from ordinary activities after tax attributable to members	(141.6)	(2,523)
Net profit/(loss) after tax attributable to members	(141.6)	(2,523)

DIVIDENDS

No dividends have been paid or declared during the current reporting period.

NET TANGIBLE ASSETS PER SHARE

	31 December 2018 cents	31 December 2017 cents
Net tangible assets per share	9.29	11.51

OTHER INFORMATION

Additional information supporting the Appendix 4D disclosure requirements can be found in the Directors' Report, the consolidated financial statements and the notes to the financial statements for the half-year ended 31 December 2018. The information should be read in conjunction with Red River Resources Limited's 2018 Annual Report and the attached Half-Year Report. This report is based on the consolidated financial statements for the half-year ended 31 December 2018 which have been audited by RSM Australia Partners.

On behalf of the Board.

RED RIVER RESOURCES LIMITED



Mr. Brett Fletcher
Chairman
27 February 2019



ACN 100 796 754

**RED RIVER RESOURCES LIMITED
AND CONTROLLED ENTITIES**

ABN: 35 100 796 754

**HALF YEAR REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2018**

Contents

Corporate Directory	2
Directors' Report	3
Auditor's Independence Declaration	15
Consolidated Statement of Profit or Loss and Other Comprehensive Income	16
Consolidated Statement of Financial Position	17
Consolidated Statement of Changes in Equity	18
Consolidated Statement of Cash Flows	19
Notes to the Financial Statements	20
Directors' Declaration	26
Independent Auditor's Review Report	27
Shareholder Information	29

Corporate Directory

Directors

Mr. Brett Fletcher - Non-executive Chairman
Mr. Melkon Palancian - Managing Director
Mr. Donald Garner - Executive Director
Mr. Mark Hanlon - Non-executive Director

Auditors

RSM Australia Partners
Level 21
55 Collins Street
MELBOURNE VIC 3000

Company Secretary

Mr. Cameron Bodley

Legal Advisors

Piper Alderman
Level 16
70 Franklin Street
ADELAIDE SA 5000

Registered Office

Level 6, 350 Collins Street
MELBOURNE VICTORIA 3000

Share Registry

Computershare Investor Services Pty Ltd
2/45 St Georges Terrace
PERTH WA 6000

Principal Place of Business

“Thalanga Mine”
18144 Flinders Highway
CHARTERS TOWERS QUEENSLAND 4820

Website Address

www.redriverresources.com.au

Country of Incorporation

Red River Resources Limited is domiciled and incorporated in Australia

Stock Exchange Listing

Red River Resources Limited is listed on the Australian Securities Exchange (ASX code : RVR)

Directors' Report

Your Directors present their report together with the financial statements of the Group, being Red River Resources Limited (the 'Company' or 'Red River') and its controlled entities, for the financial half year ended 31 December 2018.

Chairman and Directors

The following persons were directors of Red River Resources Limited during the whole of the financial half year and up to the date of this report, unless otherwise stated:

Name	Position
Current directors	
Mr. Brett Fletcher	Non-executive Chairman
Mr. Melkon Palancian	Managing Director
Mr. Donald Garner	Executive Director
Mr. James Black	Non-executive Director (resigned effective 23 August 2018)
Mr. Mark Hanlon	Non-executive Director

Dividends Paid or Declared

No dividends were paid or declared during the half year. No recommendation for payment of dividends has been made.

Principal Activities and Significant Changes in Nature of Activities

The principal activities of the Group during the half year ended 31 December 2018 was the operation and development of the Thalanga Operation and exploration and evaluation of its tenements. There were no significant changes in the nature of activities during the half year.

REVIEW OF OPERATIONS

1. Safety & Environmental Performance

During the period from 1 July 2018 to 31 December 2018, there were no medical treatment injuries (MTI's) or lost time injuries (LTI's) recorded. The Total Recordable Injury Frequency Rate (TRIFR) for Red River Resources for the period was 0.0. Recordable injuries include those that result in any days away from work (Lost Time Injuries), and those where an employee or contractor cannot perform all or any of their normal shift (Restricted Work Day Injuries) plus any injury that requires the services that only a medical practitioner can provide (Medical Treatment Injuries).

No environmental incidents were reported during this period, with the average rainfall well below previous years.

2. Operations Overview

Production continued at the West 45 underground mine, with a half yearly production record set of 187kt @ 0.3% Cu, 2.3% Pb, 5.2% Zn, 0.2 g/t Au and 35 g/t Ag (9.4% Zn Eq.) Thalanga Operations processed 193kt @ 0.4% Cu, 2.4% Pb, 4.7% Zn, 0.2 g/t Au and 38 g/t Ag (9.1% Zn Eq.)

Zinc concentrate production set a new half yearly records, improving by 46% from 2H FY18, with 14,495 DMT zinc concentrate produced. Lead concentrate and copper concentrate production also reached record levels, with lead concentrate production improving 60% from 2H FY18, with 5,754 DMT lead concentrate produced and copper concentrate production improving 36% from 2H FY18 with 1,142 DMT copper concentrate produced.

Directors' Report (continued)

REVIEW OF OPERATIONS (continued)

2. Operations Overview (continued)

Zinc recovery to zinc concentrate was stable and averaged 88.5% for the period, producing a high-quality zinc concentrate grading 56.0% zinc. Lead recovery to lead concentrate was also stable at 80.4%, producing a high-quality lead concentrate grading 64.1% Pb, 3.1 g/t Au & 787 g/t Ag. Copper recovery to copper concentrate continued to improve, with an average recovery of 45.3% during the period to a high-quality copper concentrate grading 28.3% Cu, 5.7 g/t Au and 915 g/t Ag.

Red River awarded an extension of the West 45 Mining Contract to PYBAR Mining Services in July 2018. The original contract was scheduled to expire in January 2019, and the mining contract extension will run for a maximum of 2 years or until cessation of West 45 mine life.

Table 1 Thalanga Operations Production Summary for the six months to 31 December 2018

	Units	H1 FY18	H2 FY18	FY18	H1 FY19	YTD FY19
Ore mined	'000 Tns	99	149	248	187	187
Copper grade	%	0.3	0.3	0.3	0.3	0.3
Lead grade	%	2.5	2.2	2.3	2.3	2.3
Zinc grade	%	5.3	4.5	4.8	5.2	5.2
Gold grade	g/t	0.2	0.2	0.2	0.2	0.2
Silver grade	g/t	53	41	46	35	35
Zinc equivalent ⁽¹⁾	%	10.1	8.7	9.2	9.4	9.4
Ore processed	'000 Tns	96	132	228	193	193
Copper grade	%	0.5	0.4	0.4	0.4	0.4
Lead grade	%	3.0	2.2	2.5	2.4	2.4
Zinc grade	%	5.7	4.7	5.1	4.7	4.7
Gold grade	g/t	0.2	0.2	0.2	0.2	0.2
Silver grade	g/t	49	39	43	38	38
Zinc equivalent ⁽¹⁾	%	11.3	9.1	10.0	9.1	9.1
Zinc conc. produced	DMT⁽²⁾	7,205	9,905	17,109	14,495	14,495
Zinc grade	%	56.3	56.8	56.6	56	56
Zinc recovery	%	74.4	90.7	83.5	88.5	88.5
Lead conc. produced	DMT⁽²⁾	3,332	3,588	6,920	5,754	5,754
Lead grade	%	59.3	61.2	60.3	64.1	64.1
Copper grade	%	4.4	4.3	4.4	3.6	3.6
Gold grade	g/t	4.2	4.0	4.1	3.1	3.1
Silver grade	g/t	961	967	964	787	787
Lead recovery	%	69.1	76	73.1	80.4	80.4
Copper recovery	%	31.6	28.7	30.1	28.8	28.8
Copper conc. produced	DMT⁽²⁾	708	814	1,521	1,142	1,142
Copper grade	%	22.7	27.5	25.3	28.3	28.3
Gold grade	g/t	1.6	2.5	2.1	5.7	5.7
Silver grade	g/t	441	512	479	915	915
Copper recovery	%	34.3	41.4	38.2	45.3	45.3
Zinc conc. sold	DMT⁽²⁾	5,619	10,656	16,275	12,870	12,870
Lead conc. sold	DMT⁽²⁾	2,388	4,072	6,460	5,444	5,444
Copper conc. sold	DMT⁽²⁾	0	852	852	882	882

⁽¹⁾ Zinc equivalent (Zn Eq.) has been calculated using the metal selling prices, recoveries and other assumptions contained in Zinc Equivalent Calculation as part of Mineral Resource and Ore Reserve Statement. It is the Company's opinion that all elements included in the metal equivalent calculation have a reasonable potential to be recovered and sold.

⁽²⁾ Dry metric tonne

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

Directors' Report (continued)

REVIEW OF OPERATIONS (continued)

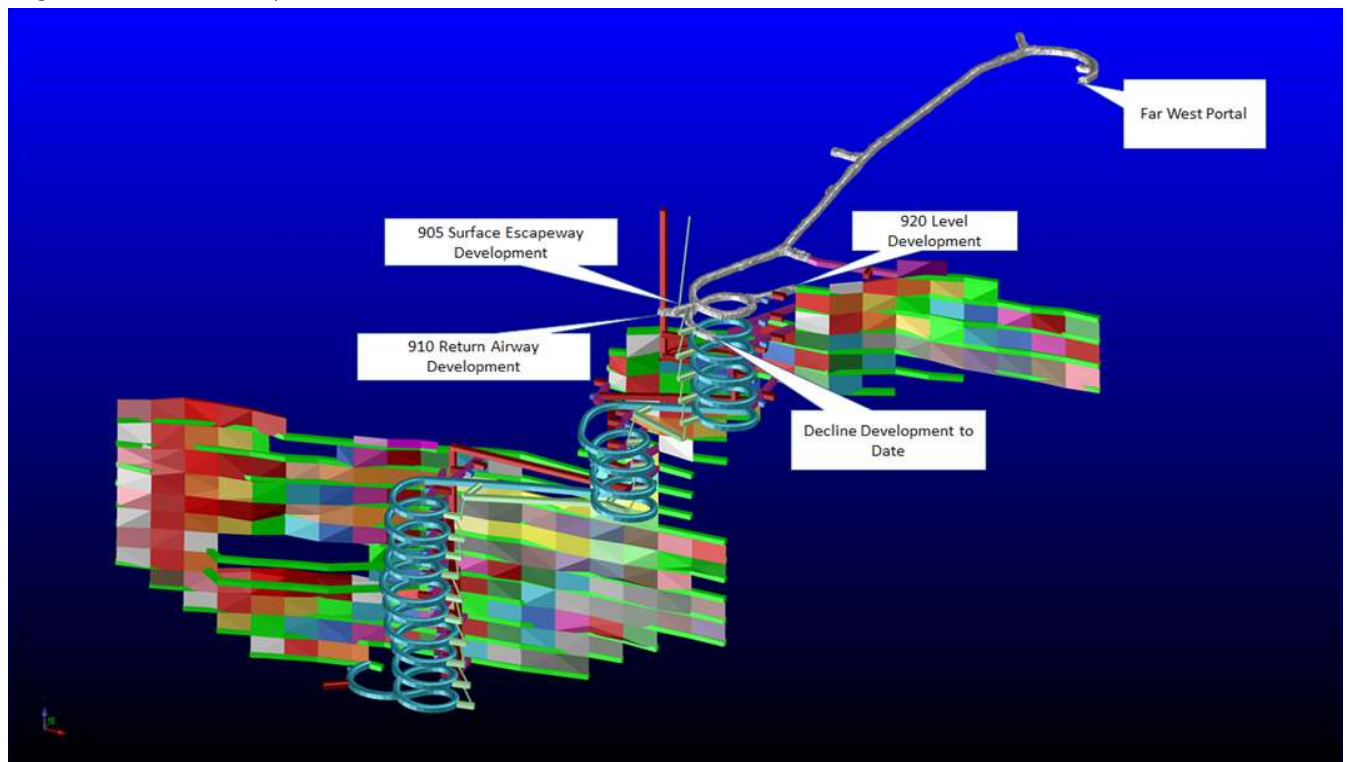
3. Project Development Activities

3.1 Far West Underground Mine Development

The development of the Far West underground mine commenced, with the award of the contract for underground mining at Far West to PYBAR Mining Services, with an initial contract length of seven years.

As at period end, 654m of decline development in total has been completed with the decline currently at 102m vertical depth and past the mid-point between the 920 and 900 levels. The raise-borer was been mobilised to site during the quarter to commence the Far West return air rise and second means of egress with completion and ventilation fan installation expected in the March quarter. First development ore is expected in Q3 FY19 with production from stopes at scheduled to commence in Q1 FY20.

Figure 1 Far West Development



Directors' Report (continued)

REVIEW OF OPERATIONS (continued)

3. Project Development Activities (continued)

3.2 Drilling Activities Summary

During the period, Red River completed 67 drill holes for a total of 8,821m drilled. Drilling activities took place at West 45 (UG & Surface), Far West and Waterloo.

Table 2 Thalanga Operations Development Drilling Summary

Project	Holes Completed	Total Metres Drilled
West 45 Surface	25	1,838
West 45 Underground	17	2,227
Far West	14	1,842
Waterloo	8	2,277
Total	64	8,184

West 45

Forty two drill holes (West 45 Surface & Underground drilling programs) were completed during the period, for a total of 4,065m drilled.

The West 45 surface drilling program focussed on confirming the Mineral Resource above the current development with the aim to increase the West 45 Mineral Resource as well as provide geotechnical data for the potential development of the 996 Level. West 45 underground drilling focussed on completing the resource definition program targeting Lens 4 and 6. The drilling provided confidence to include Lens 6 in mine planning and provide an extended mine life at West 45. The drilling also provided further information on the structural controls of the mineralising system.

Please refer to the ASX release dated 19 November 2018 "Red River hits more high grade at West 45" for further information.

Far West

Fourteen holes were drilled for 1,842m targeting the upper levels of the Far West deposit. Drilling indicated the potential to extend the proposed upper levels of the Far West mine.

Please refer to the ASX release dated 11 December 2018 "Far West Development on Track to Increase Thalanga Production" for further information.

Waterloo Resource Definition and Extension Program

The surface diamond drilling program at Waterloo continued to increase confidence in the resource. Eight holes were drilled for 2,277 metres with results continuing to provide high intersections through the orebody and understanding of the faulting offsetting the lenses. Mine planning is currently underway at Waterloo.

Directors' Report (continued)

REVIEW OF OPERATIONS (continued)

4. Exploration Activities

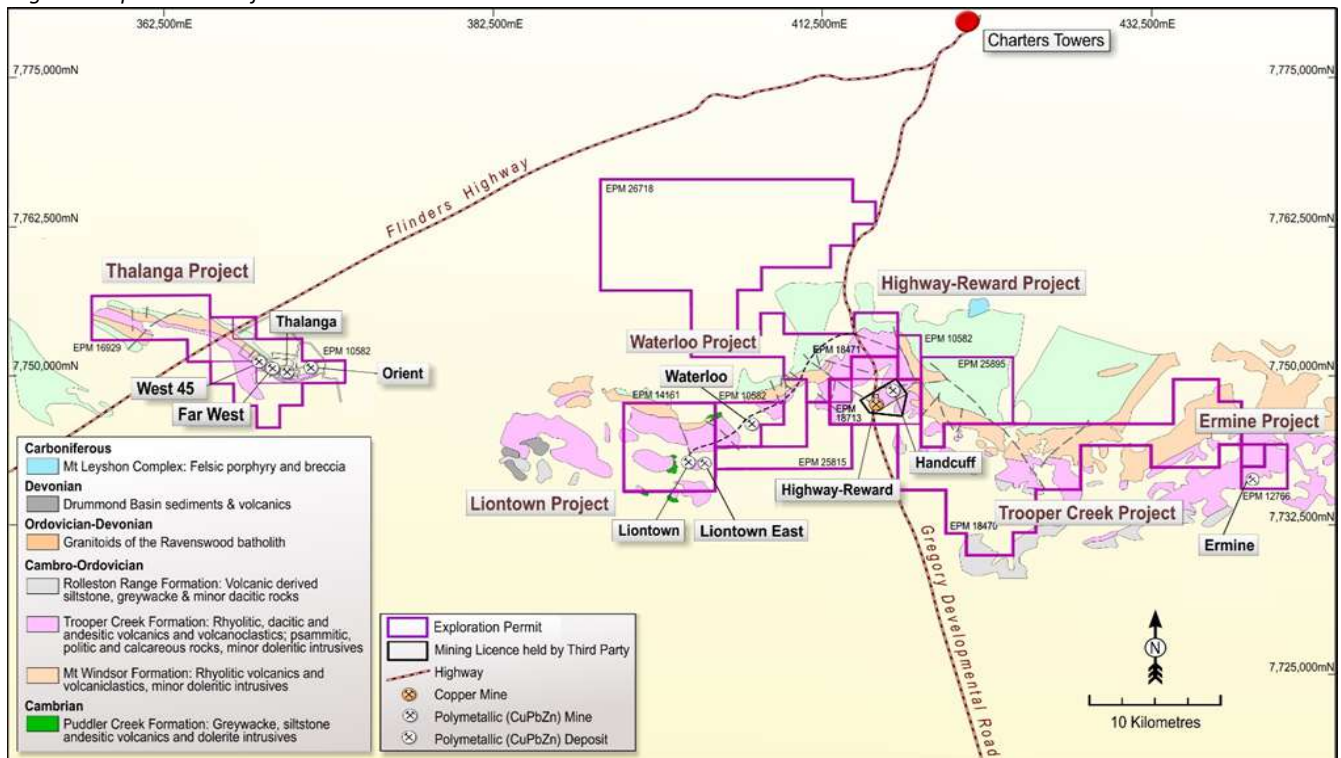
During the period, Red River completed sixteen drill holes for a total of 5,387m drilled at multiple targets across the project area. Highlights for the period were:

- Maiden JORC Mineral Resource of 1.5Mt @ 12.2% Zn Eq. announced for the Liontown East polymetallic massive sulphide deposit;
- Definition of an extensive high sulphidation epithermal system with zones of intense argillic alteration at the Kitchen Rock Hill target; and
- Drill hole ERDD1805 intersected 1.95m of polymetallic massive sulphide mineralisation (1.95m @ 15.5% Zn Eq.) at the Ermine target.

Table 3 Thalanga Operation Exploration Drilling Summary

Project Area	Target	Holes Completed	Total Metres Drilled
Trooper Creek	Ermine	2	647
Liontown	Orion	2	745
Trooper Creek	Kitchen Rock Hill	7	2,660
Liontown	Liontown East	1	373
Thalanga	Thalanga Central	3	638
Thalange	West 45 IP Anomaly	1	324
Total		16	5,387

Figure 2 Exploration Project Location



Directors' Report (continued)

REVIEW OF OPERATIONS (continued)

4. Exploration Activities (continued)

Liontown East

During the period, Red River announced a maiden JORC 2012 Mineral Resource estimate for the Liontown East polymetallic massive sulphide deposit of 1.5 Mt @ 12.2 % Zinc Equivalent.

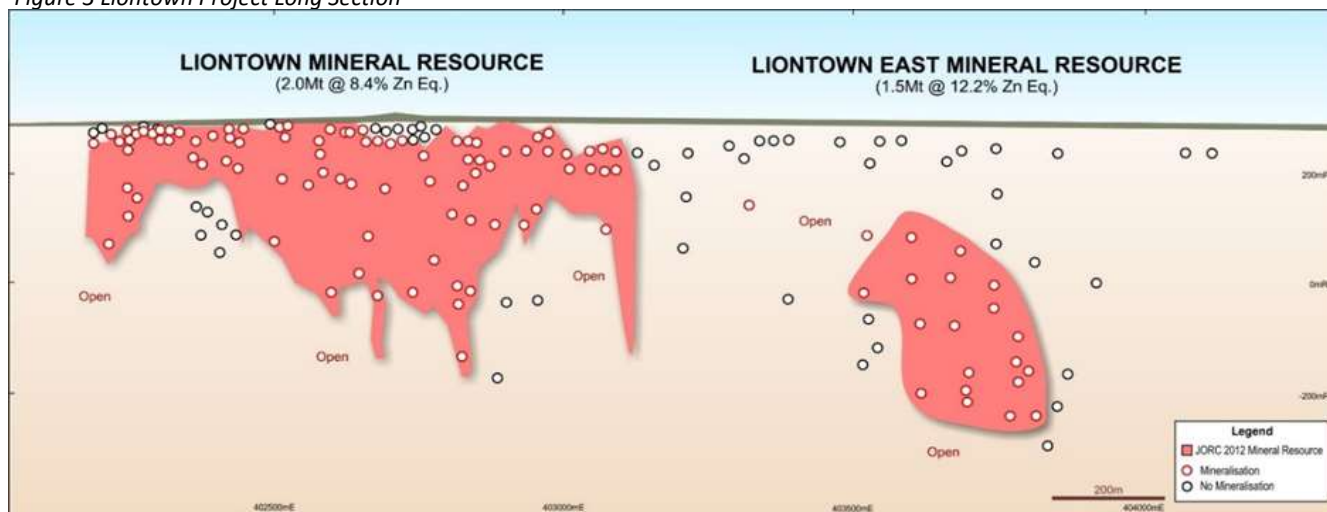
Table 4 Liontown East Mineral Resource (> 5% Zn Eq.)

Resource Class	Tonnage (kt)	Cu %	Pb %	Zn %	Au g/t	Ag g/t	Zn Eq %
Measured	-	-	-	-	-	-	-
Indicated	-	-	-	-	-	-	-
Inferred	1,515	0.5	2.5	7.3	0.7	29	12.2
Total	1,515	0.5	2.5	7.3	0.7	29	12.2

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 Appendices 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.

Figure 3 Liontown Project Long Section



The combined Liontown Project Mineral Resource (Liontown plus Liontown East) now stands at 3.6Mt @ 10.0% Zinc Equivalent.

Directors' Report (continued)

REVIEW OF OPERATIONS (continued)

4. Exploration Activities (continued)

Liontown East (continued)

Table 5 Liontown Project Mineral Resource

Deposit	Resource Class	Tonnage (kt)	Cu %	Pb %	Zn %	Au g/t	Ag g/t	Zn Eq %
Liontown	Measured	-	-	-	-	-	-	-
	Indicated	267	0.5	1.8	4.6	1.3	21	8.3
	Inferred	1,671	0.5	1.5	4.6	0.8	26	8.4
	Subtotal	2,038	0.5	1.6	4.6	0.8	25	8.4
Liontown East	Measured	-	-	-	-	-	-	-
	Indicated	-	-	-	-	-	-	-
	Inferred	1,515	0.5	2.5	7.3	0.7	29	12.2
	Subtotal	1,515	0.5	2.5	7.3	0.7	29	12.2
Combined	Measured	-	-	-	-	-	-	-
	Indicated	267	0.5	1.8	4.6	1.3	21	8.3
	Inferred	3,186	0.5	2.0	5.9	0.7	28	10.2
	Total	3,453	0.5	2.5	5.7	0.8	27	10.0

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

Source: Liontown Deposit JORC 2012 Resource Estimate (ASX Release, 24 June 2015), Maiden Liontown East Mineral Resource (ASX Release, 18 July 2018)

Zinc equivalent (Zn Eq.) has been calculated using the metal selling prices, recoveries and other assumptions contained in the Appendices 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.

Please refer to the ASX release dated 18 July 2018 "Maiden Liontown East Mineral Resource" for further information.

Other exploration activities

During the period, Red River engaged Hyvista to fly an airborne hyperspectral survey covering the majority of RVR's tenement holding (survey area of approximately 660km²) in the Mount Windsor Belt.

High resolution spectral sensing, or hyperspectral surveying, is an advanced remote sensing technique that maps the distribution of surface materials through their spectral signatures. Image data collected with airborne scanners can be processed to map the distribution of the materials of interest (mineral mapping). This information can then be used to formulate district, tenement and deposit scale mineral maps for area selection, target generation or model formulation.

The information generated from the Hyvista survey is being utilised in Red River's target generation activities in the Mount Windsor Belt.

Directors' Report (continued)

REVIEW OF OPERATIONS (continued)

5. Competent Person Statement

Exploration Results

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.

Liontown East Mineral Resource

The information in this report that relates to the estimation and reporting of the Liontown East 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 East Mineral Resource estimation is based on and fairly represents, information and supporting documentation compiled under the overall supervision and direction of Mr Carolan.

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 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.

Directors' Report (continued)

REVIEW OF OPERATIONS (continued)

5. Competent Person Statement (continued)

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 Thalanga, Liontown deposits. Metallurgical recoveries for the West 45 are derived from testwork and actual (production) recoveries. The Thalanga Central and Ermine deposits are related to and of a similar style of mineralisation to the Thalanga Deposit and it is appropriate to apply similar recoveries. The Metallurgical Recovery for each metal is shown below in Table 6.

Metal Prices and Foreign Exchange assumptions are set as per internal Red River price forecasts and are shown below in Table 6.

Table 6 Metallurgical Recoveries and Metal Prices

Metallurgical Recoveries and Metal Prices			West 45, Thalanga Far West, Orient & Liontown Fresh Resource	Waterloo Fresh Resource	Waterloo Transition Resource
Metal	Price	Units	Recoveries	Recoveries	Recoveries
Copper	US\$/lb	US\$3.00	80%	80%	58%
Lead	US\$/lb	US\$0.90	70%	70%	0%
Zinc	US\$/lb	US\$1.00	88%	88%	76%
Gold	US\$/oz	US\$1,200	15%	50%	30%
Silver	US\$/oz	US\$17.00	65%	65%	58%

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 at Thalanga. Payable metal factors are detailed below in Table 7.

Table 7 Payable Metal Factor

Payable Metal Factors	
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

Directors' Report (continued)

REVIEW OF OPERATIONS (continued)

5. Competent Person Statement (continued)

Zinc Equivalent Calculation (continued)

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

$$\text{Zn Eq.} = (\text{Zn\%} * \text{ZnMEF}) + (\text{Cu\%} * \text{CuMEF}) + (\text{Pb\%} * \text{PbMEF}) + (\text{Au ppm} * \text{AuMEF}) + (\text{Ag ppm} * \text{AgMEF})$$

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 8 Metal Equivalent Factor (MEF)

Mineral Resource	Copper (CuMEF)	Lead (Pb MEF)	Zinc (ZnMEF)	Gold (AuMEF)	Silver (AgMEF)
West 45, Thalanga Central and Ermine	3.300	0.900	1.000	0.500	0.025
Liontown and Liontown East	3.300	0.900	1.000	0.500	0.025

REVIEW OF FINANCIAL RESULTS

Profit

The consolidated entity recorded a loss after income tax for the 6 month period to 31 December 2018 of \$2.52 million (December 2017: profit \$6.07 million). The result was impacted by a number of key factors including:

- Revenue from continuing operations amounted to \$34.54 million, compared to \$17.52 million in the previous corresponding period with revenue from the additional concentrate sold during this period being partially offset by lower (AUD) metal prices;
- Sales realisation costs (increased from \$1.83 million at December 2017 to \$7.53 million at December 2018) were impacted by increased concentrate sales tonnage (up 140%); increased treatment charges per tonne of zinc concentrate (period on period increase of USD 110 / tonne); shipping of lead and zinc concentrates and trucking of copper concentrates not having commenced until the second half of FY18, and the impact of a lower exchange rate on USD denominated realisation costs;
- Production costs (excluding movement in ore and concentrate stocks on hand) increased from \$7.56 million at December 2017 to \$19.70 million at December 2018 (refer note 6 of accounts). Additional costs were incurred due to higher production and there being 6 months of operations in the current period compared to 3 months of operations in the period to December 2017. Mining costs were also impacted by the cost of remote bogging, stope filling, drill and blast and operating development required to maintain stope production (which commenced ramping up in the December 2017 period);
- Movement in ore and concentrate stocks on hand resulted in a credit to costs of \$0.62 million, compared to a \$2.99 million credit in the previous corresponding period. The movement in the December 2017 period was larger as this was when ore and concentrate stocks were first brought to account; and
- Depreciation increased from \$3.32 million at December 2017 to \$5.79 million at December 2018 due to the December 2017 period including depreciation from the point operations were deemed to commence in October 2017.

Directors' Report (continued)

REVIEW OF FINANCIAL RESULTS (continued)

Cash Flow

Operating cash flow for the period ended 31 December 2018 decreased by \$10.67 million to \$(0.07) million (31 December 2017: \$10.60 million) with increased sales receipts being offset by increased cash production and sales realisation costs. Additional cash production costs were incurred as a result of higher production and there being 6 months of operations in the current period compared to 3 months of operations in the period to December 2017. Mining cash costs were also impacted by the cost of remote bogging, stope filling, drill and blast and operating development required to maintain stope production (which commenced ramping up in the December 2017 period). Sales realisation cash costs included \$4.11 million for the payment of FY18's annual royalties and were further impacted by increased concentrate sales tonnage (up 140%); increased treatment charges per tonne of zinc concentrate (period on period increase of USD 110 / tonne); shipping of lead and zinc concentrates and trucking of copper concentrates not having commenced until the second half of FY18; and the impact of a lower exchange rate on USD denominated realisation costs.

Cash outflow from investing activities for the period ended 31 December 2018 decreased by \$10.11 million to \$7.79 million (31 December 2017: \$17.90 million) with payments for exploration and evaluation increasing by \$0.87 million and expenditure on property, plant, equipment and mine property and development decreasing by \$10.62 million period on period. The change in expenditure on property, plant, equipment and mine property and development is as a direct result of the change in activities carried out, with the focus during the period to December 2017 being the recommissioning of the Thalanga Operation, including construction of the West 45 mine, and the focus during the current period being the construction of the new Far West Mine at Thalanga.

Cash flow from financing activities for the period ended 31 December 2018 decreased by \$2.67 million to \$0.35 million (31 December 2017: \$3.02 million) primarily due to the exercise of options by employees and shareholders in the prior period.

Cash and cash equivalents decreased in the period ended 31 December 2018 by \$7.50 million with cash and cash equivalent at the end of the period of \$12.68 million (30 June 2018: \$20.18 million) .

END OF FINANCIAL REVIEW

Significant Changes in State of Affairs

There were no significant changes in the state of affairs of the Group that occurred during the half year.

Events Occurring After Balance Date

14 January 2019 - The Company announced record quarterly production for the quarter ended December 2018.

29 January 2019 - The Company released an exploration update in relation to its Ermine project.

31 January 2019 - The Company released its December 2018 Quarterly Activities and Cash Flow Report.

11 February 2019 - The Company announced that the Far West Mine had commenced producing development ore.

25 February 2019 - The Company provided an update on legal proceedings commenced by Thalanga Copper Mines Pty Ltd (TCM) with respect to obligations the Company has to pay a Net Smelter Return royalty to TCM.

Other than the above, no other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in future financial years.

Directors' Report (continued)

Environmental Regulation

So far as the directors are aware, there have been no significant breaches of environmental conditions of the Company's exploration or development licences.

Greenhouse Gas and Energy data reporting requirements

The company is subject to the reporting requirements of both the Energy Efficiency Opportunities Act 2006 and the National Greenhouse and Energy Reporting Act 2007.

The Energy Efficiency Opportunities Act 2006 requires the company to assess its energy usage, including the identification, investigation and evaluation of energy saving opportunities, and to report publicly on the assessments undertaken, including what action the Company intends to take as a result.

The National Greenhouse and Energy Reporting Act 2007 requires the company to report its annual greenhouse gas emissions and energy use.

For the year ended 30 June 2018 the company was below the reported threshold for both legislative reporting requirements therefore is not required to register or report. The company will continue to monitor its registration and reporting requirements however it does not expect to have future reporting requirements.

Proceedings on behalf of the Company

No person has applied for leave of Court under S.237 of the Corporations Act 2001 to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

Auditors' Independence Declaration

A copy of the Auditors Independence Declaration under Section 307C of the Corporations Act 2001 is set out on page 15.

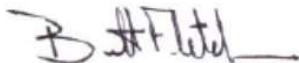
Rounding of Amounts

The company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

This declaration is made in accordance with a resolution of the Board of Directors:

On behalf of the Board

RED RIVER RESOURCES LIMITED



Mr. Brett Fletcher

Non-executive Chairman

27 February 2019
Melbourne, Victoria

RSM Australia Partners

Level 21, 55 Collins Street Melbourne VIC 3000
PO Box 248 Collins Street West VIC 8007

T +61 (0) 3 9286 8000
F +61 (0) 3 9286 8199

www.rsm.com.au

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of Red River Resources Limited and Controlled Entities for the half year ended 31 December 2018, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

A handwritten signature in blue ink that reads "J S Croall".

RSM AUSTRALIA PARTNERS

A larger handwritten signature in blue ink that reads "J S Croall".

J S CROALL
Partner

Dated: 27 February 2019
Melbourne, Victoria

Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the period 1 July 2018 to 31 December 2018

	Note	31 December 2018 \$'000	31 December 2017 \$'000
Revenue from continuing operations			
Revenue		34,542	17,521
Other income		837	218
Total revenue and other income	4.	35,380	17,739
Expenses			
Sales realisation expenses	5.	(7,529)	(1,827)
Employment benefits expense		(5,164)	(3,124)
Production costs	6.	(19,081)	(4,564)
Corporate costs		(665)	(845)
General and administration costs		(318)	(565)
Total expenses		(32,757)	(10,923)
Earnings / (loss) before interest, tax and depreciation		2,622	6,816
Depreciation and amortisation		(5,789)	(3,318)
Impairment - exploration and evaluation costs		-	(402)
Finance costs		(311)	(64)
Profit / (loss) before income tax expense		(3,477)	3,032
Income tax benefit / (expense)		954	3,035
Profit / (loss) after income tax expense for the half-year		(2,523)	6,067
Other comprehensive income			
Other comprehensive income for the half-year, net of tax		-	-
Total comprehensive income for the half-year		(2,523)	6,067
Earnings per share for continuing operations			
Basic (loss) / earnings per share (cents)		(0.52)	1.27
Diluted (loss) / earnings per share (cents)		(0.51)	1.22

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the notes on pages 20 to 25.

Consolidated Statement of Financial Position
For the half year ended 31 December 2018

	Note	31 December 2018 \$'000	30 June 2018 \$'000
Current assets			
Cash and cash equivalents	7.	12,378	20,178
Financial assets at amortised cost	7.	300	-
Trade and other receivables		1,469	1,994
Inventories	8.	4,999	4,190
Other		823	442
Total current assets		19,968	26,804
Non-current assets			
Other		8,468	8,765
Deferred tax		4,123	3,168
Property, plant and equipment		6,664	7,075
Mine property and development	9.	20,016	15,665
Intangibles		274	164
Exploration and evaluation	10.	11,090	11,474
Total non-current assets		50,634	46,311
Total assets		70,602	73,115
Current liabilities			
Trade and other payables		12,083	13,286
Borrowings	11.	468	118
Provisions	12.	1,116	1,224
Total current liabilities		13,666	14,628
Non-current liabilities			
Provisions	12.	7,041	6,258
Total non-current liabilities		7,041	6,258
Total liabilities		20,707	20,886
Net assets		49,895	52,229
Equity			
Issue capital	13.	63,698	63,698
Reserves		5,217	5,027
Accumulated losses		(19,019)	(16,496)
Total equity		49,895	52,229

The above Consolidated Statement of Financial Position should be read in conjunction with the notes on pages 20 to 25.

Consolidated Statement of Changes in Equity

For the half year ended 31 December 2018

31 December 2018	Issued capital \$'000	Reserves \$'000	Accumulated losses \$'000	Total equity \$'000
Balance at 1 July 2018	63,698	5,027	(16,496)	52,229
Profit / (loss) after income tax expense for the half-year	-	-	(2,523)	(2,523)
Other comprehensive income for the half-year, net of tax	-	-	-	-
Total comprehensive income for the half-year	-	-	(2,523)	(2,523)
<i>Transactions with shareholders in their capacities as shareholders</i>				
- Employee share options	-	46	-	46
- Employee performance rights	-	144	-	144
Balance at 31 December 2018	63,698	5,217	(19,019)	49,895
31 December 2017	Issued capital \$'000	Reserves \$'000	Accumulated losses \$'000	Total equity \$'000
Balance at 1 July 2017	60,008	4,463	(16,762)	47,709
Profit / (loss) after income tax expense for the half-year	-	-	6,067	6,067
Other comprehensive income for the half-year, net of tax	-	-	-	-
Total comprehensive income for the half-year	-	-	6,067	6,067
<i>Transactions with shareholders in their capacities as shareholders</i>				
- Issue of shares	2,558	-	-	2,558
- Cost of issue of shares	(25)	-	-	(25)
- Employee share options	-	164	-	164
Balance at 31 December 2017	62,541	4,626	(10,695)	56,472

The above Consolidated Statement of Changes in Equity should be read in conjunction with the notes on pages 20 to 25.

Consolidated Statement of Cash Flows

For the half year ended 31 December 2018

	Note	31 December 2018 \$'000	31 December 2017 \$'000
Cash flows from operating activities			
Receipts from customers		35,689	16,892
Payments to suppliers and employees		(35,867)	(6,433)
Interest received / (paid)		112	143
Net cash from / (used in) operating activities		(66)	10,602
Cash flows from investing activities			
Payment for property, plant and equipment		(321)	(3,503)
Proceeds from release / (payments) in respect of security deposits		297	(177)
Payment for intangibles		(156)	(45)
Payment for mine property and development		(4,250)	(11,690)
Payment for exploration and evaluation		(3,355)	(2,483)
Net cash used in investing activities		(7,785)	(17,898)
Cash flows from financing activities			
Proceeds from exercise of options		-	2,558
Share issue transaction costs		-	(25)
Proceeds from borrowings		668	605
Repayment of borrowings		(318)	(116)
Net cash flows from financing activities		351	3,021
Net increase / (decrease) in cash and cash equivalents		(7,501)	(4,275)
Cash and cash equivalents at the beginning of the financial year		20,178	27,439
Cash and cash equivalents at the end of the period	7.	12,678	23,164

The above Consolidated Statement of Cash Flows should be read in conjunction with the notes on pages 20 to 25.

1. Basis of Preparation of the Half Year Report

Red River Resources Limited is a listed public company limited by shares, incorporated and domiciled in Australia and is a for-profit entity for the purposes of preparing financial statements. The financial statements are for the consolidated entity consisting of Red River Resources Limited (the 'company') and its subsidiaries which together are referred to as the 'consolidated entity'.

The financial statements were approved for issue by the Directors of Red River Resources Limited (Directors) on 27 February 2019.

These general purpose financial statements for the interim half-year reporting period ended 30 June 2018 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2018 and any public announcements made by the company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding half year reporting period, except for the policies stated below.

2. Significant Accounting Policies

A number of new or amended Accounting Standards became applicable for the current reporting period, however, the consolidated entity did not have to change its accounting policies or make retrospective adjustments as a result of adopting these standards. The adoption of these standards did not have any significant impact on financial performance or position of the consolidated entity. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted. The following Accounting Standards and Interpretations have been applied and are most relevant to the consolidated entity:

AASB 9 Financial Instruments and its consequential amendments

The consolidated entity has adopted AASB 9 from 1 July 2018. The standard introduced new classification and measurement models for financial assets, using a single approach to determine whether a financial asset is measured at amortised cost or fair value. The accounting for financial liabilities continues to be classified and measured in accordance with AASB 139, with one exception, being that the portion of a change of fair value relating to the entity's own credit risk is to be presented in other comprehensive income unless it would create an accounting mismatch. Chapter 6 'Hedge Accounting' supersedes the general hedge accounting requirements in AASB 139 and provides a new simpler approach to hedge accounting that is intended to more closely align with risk management activities undertaken by entities when hedging financial and non-financial risks.

AASB 15 Revenue from Contracts with Customers

The consolidated entity has adopted AASB 15 from 1 July 2018. The Standard replaced the previous accounting requirements applicable to revenue with a single, principles-based model that applies to all contracts with customers as well as non-monetary exchanges between entities in the same line of business to facilitate sales to customers and potential customers.

The core principle of the Standard is that an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for the goods or services. To achieve this objective, AASB 15 provides the following five-step process:

1. identify the contract(s) with a customer;
2. identify the performance obligations in the contract(s);
3. determine the transaction price;
4. allocate the transaction price to the performance obligations in the contract(s); and
5. recognise revenue when (or as) the performance obligations are satisfied.

3. Segment Information

The consolidated entity operates in the mineral exploration and development industry in Australia only.

Given the nature of the consolidated entity, its size and current operations, management does not treat any part of the entity as a separate operating segment. Internal financial information used by the company's decision makers is presented on a whole of entity' manner without dissemination to any separately identifiable segments.

Accordingly the financial information reported elsewhere in this financial report is representative of the nature and financial effects of the business activities in which it engages and the economic environments in which it operates.

4. Revenue and Other Income

	31 December 2018 \$'000	31 December 2017 \$'000
Revenue		
Contained zinc metal in concentrate	20,284	10,699
Contained lead metal in concentrate	8,334	4,275
Contained copper metal in concentrate	2,203	761
Contained precious metal in concentrate	3,721	1,787
Total revenue	34,542	17,521
Other income		
Interest income	125	157
Realised and unrealised foreign exchange gain / (loss)	602	-
Diesel rebates	95	62
Government grants	15	-
	837	218
	35,380	17,739

The consolidated entity has disaggregated revenue into the metals contained in the concentrates that we receive payment for from our customers, under our concentrate sales agreements.

5. Sales Realisation Expenses

	Note	31 December 2018 \$'000	31 December 2017 \$'000
Mineral and net smelter return royalty	(a)	2,758	1,273
Land and sea freight		1,760	240
Port and loading charges		116	69
Treatment and refining charges		2,895	244
		7,529	1,827

(a) Mineral and net smelter return royalty

Mineral royalty is payable to the Queensland Government under the *Queensland Mineral Resources Regulation 2013*. A Net Smelter Royalty is payable to Thalanga Copper Mines Pty Ltd under an agreement previous owners of the Thalanga Operation entered into with Thalanga Copper Mine Pty Ltd at the time of purchasing the Thalanga Operation.

6. Production Costs

	31 December 2018 \$'000	31 December 2017 \$'000
Ore mining cost	13,569	4,340
Ore processing cost	5,376	2,321
Shared operating cost	759	894
Movement in ore and concentrate stocks on hand	(623)	(2,991)
	19,081	4,564

7. Cash and Cash Equivalents

	31 December 2018 \$'000	30 June 2018 \$'000
Cash and cash equivalents per Consolidated Statement of Financial Position	12,378	20,178
Financial assets at amortised cost per Consolidated Statement of Financial Position	300	-
Cash and cash equivalents at the end of the period as per Consolidated Statement of Cash Flows	12,678	20,178

Financial assets at amortised cost recorded in the Consolidated Statement of Financial Position is represented by a term deposit that has a maturity of greater than 3 months, that can be terminated on short notice without any risk to the value reported in the statement. The purpose of this term deposit is of a working capital rather than an investment nature.

8. Inventories

	31 December 2018 \$'000	30 June 2018 \$'000
Ore	672	1,773
Zinc, lead and copper concentrate	2,726	1,002
Consumables	1,601	1,415
	4,999	4,190

9. Mine Property and Development

	Mine property in development \$'000	Mine property in production \$'000	Total mine property and development \$'000
Period ending 31 December 2018			
Cost	6,752	26,339	33,091
Accumulated amortisation	-	(13,075)	(13,075)
	6,752	13,264	20,016
Movements			
Balance at 1 July 2018	1,200	14,464	15,665
Transfers - exploration and evaluation	-	3,242	3,242
Additions	5,552	220	5,772
Writeup on adjustment of provision for rehabilitation	-	472	472
Amortisation	-	(5,135)	(5,135)
Balance at 31 December 2018	6,752	13,264	20,016

9. Mine Property and Development (continued)

Year ended 30 June 2018			
Cost	1,200	22,404	23,605
Accumulated amortisation	-	(7,940)	(7,940)
	1,200	14,464	15,665
Movements			
Balance at 1 July 2017	14,208	-	14,208
Transfers	(20,848)	20,848	
Additions	7,840	3,720	11,560
Writedown on adjustment of provision for rehabilitation	-	(2,164)	(2,164)
Amortisation	-	(7,940)	(7,940)
Balance at 30 June 2018	1,200	14,464	15,665

10. Exploration and Evaluation

	31 December 2018 \$'000	30 June 2018 \$'000
Exploration and evaluation at cost	11,785	12,169
Impairment	(695)	(695)
	11,090	11,474
Movements		
Opening balance at 1 July	11,474	5,117
Transfers - mine properties in production	(3,242)	-
Additions	2,859	6,947
Impairments	-	(590)
	11,090	11,474

11. Borrowings

	31 December 2018 \$'000	30 June 2018 \$'000
Insurance Premium Funding	468	118
	468	118

Interest on this facility has been expensed to the consolidated statement of profit and loss and other comprehensive income as incurred.

12. Provisions

		31 December 2018 \$'000	30 June 2018 \$'000
Current	Note		
Provision for employee entitlements		469	304
Provision for rehabilitation and restoration costs	(a)	647	920
		1,116	1,224
Non-current			
Provision for employee entitlements		189	270
Provision for rehabilitation and restoration costs	(a)	6,852	5,988
		7,041	6,258

12. Provisions (continued)

Movements

(a) Movement in provision for rehabilitation and restoration costs for the financial year is set out below:

	31 December 2018 \$'000	30 June 2018 \$'000
Current		
Opening balance at July 1	920	-
Transfer from / (to) non-current provision	(273)	920
Closing balance at end of period	647	920
Non-current		
Opening balance at July 1	5,988	9,072
Transfer to / (from) current provision	273	(920)
Other increase / (decrease) in required provision	472	(2,164)
Interest unwind	118	-
Closing balance at end of period	6,852	5,988

13. Issued Capital

	31 December 2018 \$'000	30 June 2018 \$'000
	Note	
Ordinary share capital - fully paid	(a) 63,698	63,698
	63,698	63,698

(a) Movement in ordinary share capital

	31 December 2018 \$'000	31 December 2018 No.	30 June 2018 \$'000	30 June 2018 No.
<i>Balance at the beginning of the reporting period</i>	63,698	489,932,000	60,008	472,212,553
Issue of shares on the exercise of options	-	-	2,558	17,719,447
Less transaction costs	-	-	(25)	-
Deferred tax benefit on transaction costs	-	-	1,157	-
<i>Balance at the end of the financial year</i>	63,698	489,932,000	63,698	489,932,000

14. Contingent Liability

The consolidated entity's and its wholly owned subsidiary, Cromarty Resources Pty Ltd (Cromarty), have had legal proceedings commenced against them in relation to the payment of royalties with Thalanga Copper Mines Pty Ltd (TCM), a wholly owned subsidiary of Vedanta Resources Limited, following the purported termination of the relevant agreement. TCM has alleged that the consolidated entity is liable for non-payment of royalties and related damages, including loss and damage for the royalties payable prior to the date of termination and in respect of future royalty payments that TCM would have received pursuant to the royalty arrangements with TCM. The consolidated entity is confident that TCM's claim in respect of future royalty payments after the date of termination will be unsuccessful and intends to defend the Claim. Royalties payable prior to the date of termination have been fully accrued in sales realisation expenses in the attached audited Consolidated Statement of Profit or Loss and Other Comprehensive Income and under trade and other payables in the Consolidated Statement of Financial Position. The Company provided an update to the market on these proceedings on the 25th of February 2019.

14. Contingent Liability (continued)

Cromarty Resources Pty Ltd (Cromarty) is currently in discussion with the Queensland Department of Environment and Science (DES) with respect to DES's assessment to increase the financial assurance (FA) required for the Thalanga Operation from \$8,164,800 to \$11,139,756. Cromarty agrees with an increase to \$9,032,117. The remaining \$2,116,000 of the increase relates to the DES financial assessment of historic rehabilitation of cells 2 to 6 of the tailings facility carried out in the early 2000's. The DES had not previously raised any concerns with the nature and suitability of the rehabilitation of these cells and, at the request of DES, Cromarty has submitted additional information on this historic rehabilitation to DES. Cromarty has also submitted a discount application to the DES seeking a discount on the amount of FA required based on the consolidated entity's corporate standing and the steps Cromarty has taken to place waste back underground, rather than into surface waste dumps. Cromarty has requested the DES to complete their assessment of the additional material provided and the discount application prior to finalising the FA requirements.

15. Events Subsequent to Balance Date

14 January 2019 - The Company announced record quarterly production for the quarter ended December 2018.

29 January 2019 - The Company released an exploration update in relation to it's Ermine project.

31 January 2019 - The Company released its December 2018 Quarterly Activities and Cash Flow Report.

11 February 2019 - The Company announced that the Far West Mine had commenced producing development ore.

25 February 2019 - The Company provided an update on legal proceedings commenced by Thalanga Copper Mines Pty Ltd (TCM) with respect to obligations the Company has to pay a Net Smelter Return royalty to TCM.

Other than the above, no other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in future financial years.

Directors' Declaration

In the director's opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 31 December 2018 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the directors

RED RIVER RESOURCES LIMITED



Mr. Brett Fletcher

Non-executive Chairman

27 February 2019
Melbourne, Victoria

RSM Australia Partners

Level 21, 55 Collins Street Melbourne VIC 3000
PO Box 248 Collins Street West VIC 8007

T +61 (0) 3 9286 8000

F +61 (0) 3 9286 8199

www.rsm.com.au

**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF
RED RIVER RESOURCES LIMITED**

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Red River Resources Limited (the 'Company') and its Controlled Entities (the 'Consolidated Entity'), which comprises the consolidated statement of financial position as at 31 December 2018, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

Directors' Responsibility for the Half-Year Financial Report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Company's financial position as at 31 December 2018 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Red River Resources Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Red River Resources Limited would be in the same terms if given to the directors as at the time of this auditor's report.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Red River Resources Limited and Controlled Entities is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the Consolidated Entity's financial position as at 31 December 2018 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.



RSM AUSTRALIA PARTNERS



J S CROALL
Partner

Dated: 27 February 2019
Melbourne, Victoria

Shareholder Information

Top twenty largest Shareholders as at 25 February 2019.

	Number of shares	% of capital held
UBS NOMINEES PTY LTD	29,626,638	6.05%
CITICORP NOMINEES PTY LIMITED	24,110,552	4.92%
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	23,202,412	4.74%
BRISPOT NOMINEES PTY LTD <HOUSE HEAD NOMINEE A/C>	12,349,643	2.52%
CS THIRD NOMINEES PTY LIMITED <HSBC CUST NOM AU LTD 13 A/C>	10,019,798	2.05%
BRAHAM CONSOLIDATED PTY LTD	9,802,963	2.00%
BELL POTTER NOMINEES LTD <BB NOMINEES A/C>	9,801,916	2.00%
MRS NARELLE FAY	8,000,000	1.63%
MR DONALD GARNER	7,609,101	1.55%
BNP PARIBAS NOMS PTY LTD <DRP>	7,430,635	1.52%
CS FOURTH NOMINEES PTY LIMITED <HSBC CUST NOM AU LTD 11 A/C>	6,443,663	1.32%
R J MUFFET PTY LTD <R J MUFFET SUPER FUND A/C>	4,600,000	0.94%
SOUTHERN CROSS CAPITAL PTY LTD	4,550,000	0.93%
ZENITH PACIFIC LIMITED	4,500,000	0.92%
WYMOND INVESTMENTS PTY LTD <DEE WHY SALES P/L S/F A/C>	4,470,786	0.91%
MR DAVID ROTHWELL	4,450,000	0.91%
BRAHAM INVESTMENTS PTY LTD <BRAHAM STAFF SUPER FUND A/C>	4,413,838	0.90%
BPM CAPITAL LIMITED	4,000,000	0.82%
MR ANDREW FAY	4,000,000	0.82%
LODDY PTY LTD <HALL FAMILY SUPER FUND A/C>	3,920,000	0.80%
Total top twenty Shareholders	187,301,945	38.23%
Total other Shareholders	302,630,055	61.77%
Total Shareholders	489,932,000	100.00%