



RVR to restart Hillgrove gold production in 2020

Highlights:

- Red River to use Hillgrove's plant and infrastructure to restart gold production in 2020 and leverage high gold prices
- Results from Bakers Creek Waste Dump demonstrate it is a fast restart opportunity
- Metallurgical testwork on Bakers Creek samples generates positive results
- Gravity concentrate testwork undertaken indicates 60-65% gold recovery
- Flotation concentrate testwork indicates a further 20-25% of gold can be recovered
- Onsite gravity and flotation concentrate leaching to produce gold doré with total gold recovery (of gold contained in the Bakers Creek feed material) of 75-80%
- Review of 137 samples from six Bakers Creek Waste Dump sampling programs since 1982 returns weighted average grade of 2.5 g/t Au
- Bakers Creek Waste Dump Exploration Target of 200,000 – 300,000 tonnes at 2.0 – 3.0 g/t Au.

Base and precious metals producer Red River Resources Limited (ASX: RVR) ("Red River" or "the Company") is pleased to announce positive results from work to restart gold production at its Hillgrove Gold Project in NSW. Metallurgical testwork carried out by Consep and Core Resources has demonstrated the viability of treating Bakers Creek Waste Dump material through the existing Hillgrove Mill with total gold recovery to saleable gold doré produced onsite estimated to be 75-80%.

Red River plans to restart gold production at Hillgrove in 2020 using infrastructure to take advantage of current high gold price. Work has commenced on a conceptual flowsheet, and Red River will keep the market updated on progress.

Red River Managing Director Mel Palancian said, "These results from Hillgrove show we can re-start gold production from existing onsite material. Having only acquired Hillgrove in August 2019, we are pleased that results to date have validated our strategy to expand our operations and we are progressing our plans to restart Hillgrove production before the end of 2020."

The potential quantity and grade of the Exploration Target is conceptual in nature and therefore is an approximation. There has been insufficient exploration to estimate a Mineral Resource and it is uncertain if further exploration will result in the estimation of a Mineral Resource. The Exploration Target has been prepared and reported in accordance with the 2012 edition of the JORC Code.

Metallurgical testwork was carried out by Consep (gravity concentrate) and Core Resources (flotation concentrate and cyanide leach tests) on representative samples derived from a 423kg bulk sample taken from the Bakers Creek Waste Dump in 2019 by Red River (refer to ASX release “Sampling confirms the gold potential at Hillgrove Project”, 12 November 2019).

Consep Gravity Concentrate Testwork

Consep tested Bakers Creek Waste Dump samples using its extended gravity recoverable gold (GRG) test procedure and found samples to contain a high GRG content of 81.1%. The GRG is predominately classed as Coarse. The remaining 18.9% of the gold may be considered non-GRG, which is infeasible to recovery by gravity methods.

Modelling of a suitable gravity circuit by Consep indicates that 60-65% of the gold in the Bakers Creek Waste Dump would be recovered by gravity methods to a gravity gold concentrate. It is estimated that in excess of 95% of the contained gold in the gravity gold concentrate will be recovered by cyanide leaching to gold doré on site.

Gravity Recoverable Gold (GRG) is the portion of gold in an ore that can be feasibly recovered by gravity concentration. Remaining gold, or non-gravity recoverable gold, is the portion which is too fine or inadequately liberated at the finest viable grind size to be recovered by gravity concentration. The GRG value of the ore is expressed as the percentage of the total gold that is recovered by the standardized GRG test. This testing method is widely endorsed in the global gold mining industry.

Core Resources Flotation Concentrate Testwork

Core Resources’ flotation testwork on the Bakers Creek Waste Dump samples generated a gold recovery of 83.9% to a flotation gold concentrate. This concentrate then underwent gold cyanide leaching tests which indicated a gold recovery of 85%.

Conceptual Flowsheet

Highly positive metallurgical testwork outcomes from the Bakers Creek Waste Dump enabled Red River to focus on a conceptual flowsheet to maximise the gold recovery (refer to Figure 1) using existing plant and infrastructure on site.

Using existing infrastructure, it will load and truck material from Bakers Creek Waste Dump 4.2km to the Hillgrove Mill, where it will be crushed and ground. A new gravity gold concentrator (Knelson gravity concentrator or similar) will be installed in the grinding circuit to produce a gravity gold concentrate. It is estimated that approximately 60-65% of gold contained in the feed material will report to the gravity concentrate.

The remaining material produced from the grinding circuit will then be treated through the existing flotation circuit to produce a flotation concentrate. Based on the testwork results, Red River estimates that a further 20-25% of gold contained in the feed material will report to the flotation concentrate.

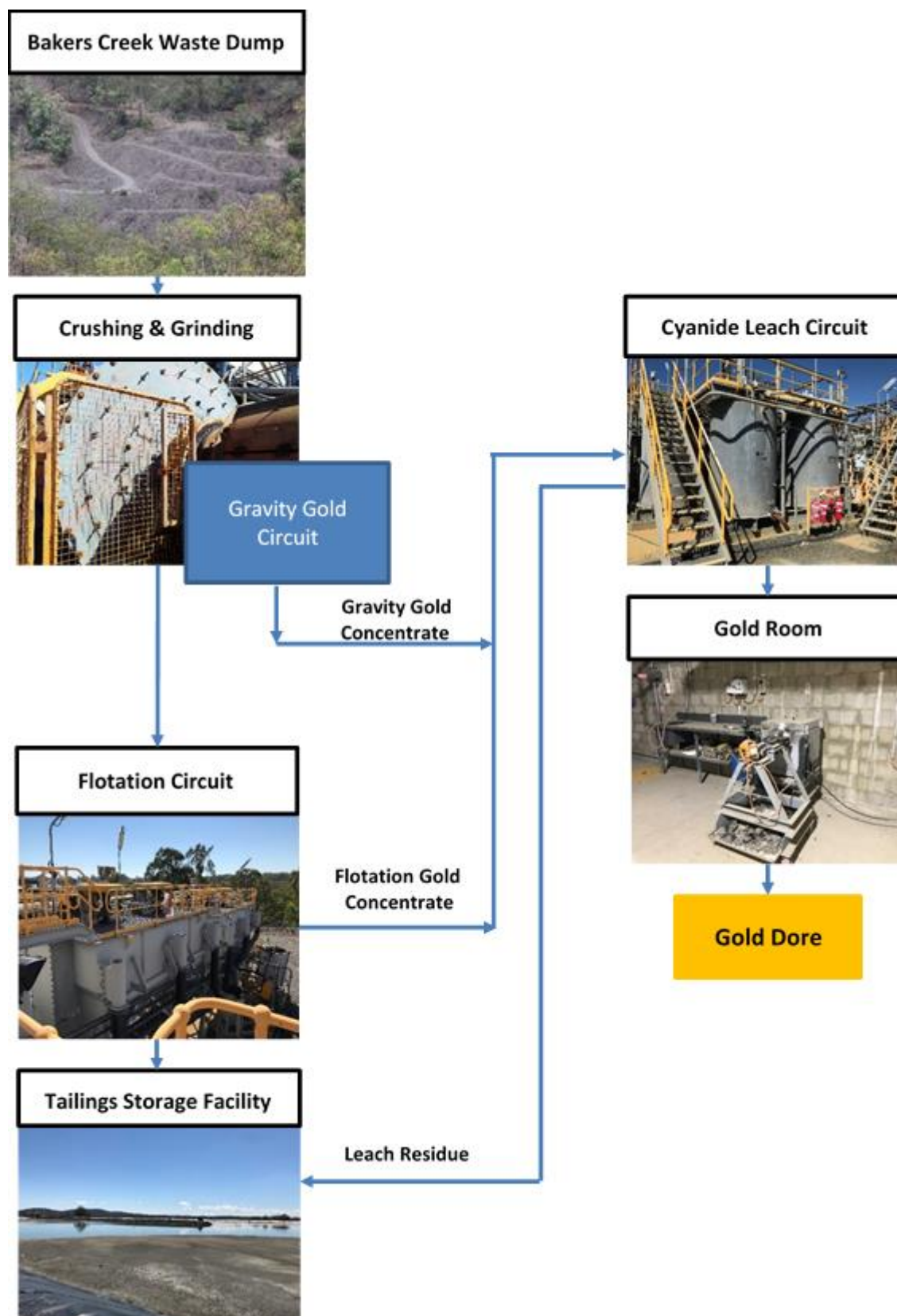
Total gold recovery to the combined gravity and flotation concentrates is estimated to be about 80-90%.

The gravity gold concentrate and flotation gold concentrate will then be leached on site using cyanide to produce saleable gold doré. The total gold recovery (of gold contained in the feed material) to a saleable gold doré is estimated to be 75-80% of the contained gold in the Bakers Creek Waste Dump feed material.

The current gravity circuit in the Hillgrove Mill would require upgrading (XD20 model Knelson Concentrator or similar) to process Bakers Creek material and Red River would add a cyanide destruction circuit to the mill.

Red River is also investigating the potential of an intensive cyanide leach circuit to maximise the gold recovery from the gravity gold concentrate.

Figure 1 Bakers Creek Waste Rock Conceptual Flowsheet



Bakers Creek Waste Dump Historical Sampling Review

The Bakers Creek Waste Dump was created during the mining of the Bakers Creek Mine, which produced 303,900oz gold from 175,980 tonnes of ore at approximately 49 g/t Au during operation from 1877 to 1921 (production recorded up to 1916).

Ore was hand sorted underground and again on surface, with the dump containing material rejected during surface hand sorting. The dump is approximately 105m by 70m and 15-20m deep.

Figure 2 Bakers Creek Waste Rock Dump



The road that cuts the Bakers Creek Waste Dump was constructed by Straits Resources and is the main haul road to the Hillgrove Mill (distance to Hillgrove Mill of 4.2km).

Table 1 Review of Bakers Creek Waste Rock Dump Sampling (post 1982)

Date	Company	Samples Taken	Sample Weight (kg)	Average Grade (Au g/t)*
1982	Greg Karter & Associate Pty Ltd	4	4.0	0.7
1983	Pacific Goldmines NL	14	154.0	5.9
1987	Mt Gipps Ltd	60	1010.0	1.7
2007	Straits Hillgrove Gold	24	64.2	3.5
2018	Hillgrove Mines Pty Ltd	25	79.9	2.5
2019	Hillgrove Mines Pty Ltd	10	422.8	3.0
Total		137	1735	2.5

*Average gold grade is calculated as weighted average grade

For further information on the Bakers Creek Waste Rock Dump Sampling, please refer to the following releases: “Sampling confirms gold potential at Hillgrove Project” (12 November 2019) and “Red River identifies gold potential in Hillgrove waste dump” (4 September 2019).

COMPETENT PERSON STATEMENT

Exploration Results and Exploration Target

The information in this report that relates to Exploration Results is based on information compiled by Mr Mitchell Tarrant who is a member of The Australasian Institute of Mining and Metallurgy, 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 Tarrant consents to the inclusion in this report of the matters based on the information in the form and context in which it appears.

About Red River Resources (ASX: RVR)

RVR is seeking to build a multi-asset operating business focused on base and precious metals with the objective of delivering prosperity through lean and clever resource development.

RVR's foundation asset is the Thalanga Base Metal Operation in Northern Queensland, which was acquired in 2014 and where RVR commenced copper, lead and zinc concentrate production in September 2017.

RVR has recently acquired the high-grade Hillgrove Gold-Antimony Project in New South Wales, which will enable RVR to build a multi-asset operating business focused on base and precious metals.

On behalf of the Board,

Mel Palancian

Managing Director

Red River Resources Limited

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