

23 April 2020

Quarterly Activities and Cash Flow Report for the period ending 31 March 2020

Quarter Highlights

- Mining and processing activities continue at Red River's Thalanga Operation in Northern QLD and restart activities are progressing at its Hillgrove Gold Project in NSW.
- Liontown Mineral Resource increased to 2.6Mt @ 0.7% Cu, 1.6% Pb, 5.1% Zn, 1.4 g/t Au & 30 g/t Ag (12.4% Zn Eq.). The total Liontown Project Mineral Resource (Liontown & Liontown East) increased materially to 4.1Mt @ 0.6% Cu, 1.9% Pb, 5.9% Zn, 1.1 g/t Au & 29 g/t Ag (12.7% Zn Eq.).
- Liontown to be the next (third) deposit developed by RVR at Thalanga – Liontown mining studies and design work underway.
- Randy McMahon appointed General Manager of Thalanga operations. Mr McMahon has 35 years' underground operational and management experience in the global mining industry.
- Red River targeting restart of gold production at Hillgrove Gold Mine in 2020. Karl Spaleck (Operations Manager) will lead Hillgrove restart.
- Maiden JORC Mineral Resource of 225kt @ 2.5 g/t Au for Bakers Creek Stockpile at Hillgrove Gold Mine.

Thalanga Operations

- Record quarterly copper concentrate production of 2,310 DMT
- Zinc concentrate production of 4,310 DMT
- Lead concentrate production of 1,117 DMT
- West 45 mine ceased production due to Ore Reserve depletion and was placed on care & maintenance.

Development Activities

- \$3.7 million invested in capital development, primarily at Far West
- \$0.5 million invested in exploration activities at Thalanga Operations
- Metallurgical testwork for Hillgrove's Bakers Creek gold stockpile demonstrated free gold and simple processing route
- Acquisition of equipment (gravity gold concentrate circuit) for Hillgrove Gold Mine Restart commenced

Corporate

- \$14.5 million revenue generated from concentrate sales
- C1 cost of US\$ 0.73 per pound of payable zinc metal
- C2 cost of US\$ 0.99 per pound of payable zinc metal
- C3 cost of US\$ 1.21 per pound of payable zinc metal
- Thalanga Operations EBITDA of \$(2.6) million
- Cash balance of \$12.7 million plus financial assets of \$12.9 million (cash backed security bond deposits) as at 31 March 2020. An additional \$1.6 million relating to March's sale of copper concentrate was received subsequent to quarter's end
- Red River drew US\$6 million from the Company's US\$10 million working capital facility during the quarter.

1. SAFETY AND ENVIRONMENTAL PERFORMANCE

1.1. Thalanga Base Metal Operations Safety and Environmental Performance

The site headcount during the period was 149 people. There were 62 full-time Red River Resources employees and an additional 87 contractors working in exploration and mining, with a total 92,422 hours worked. The Total Recordable Injury Frequency Rate (TRIFR) is 2.49 for year to date. There was one medical treated injury during the quarter, and zero Lost Time Injuries (LTIs).

The site was well managed during the wet season month and no delays or adverse impacts were experienced.

1.2. Hillgrove Gold Mine Safety and Environmental Performance

The Hillgrove Gold Mines site headcount during the period was five people with 2,108 hours worked. The Total Recordable Injury Frequency Rate (TRIFR) is zero for the year to date. There were zero medical treated injuries during the quarter, and zero Lost Time Injuries (LTIs) year to date.

1.3. Coronavirus (COVID-19) Update

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

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

2. THALANGA BASE METAL OPERATION, QUEENSLAND

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

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

Red River acquired the Thalanga Operation in 2014 and commenced production from the West 45 deposit in 2017, with ore for the Thalanga Operation currently being sourced from the West 45 and Far West underground mines, with plans to develop the Liontown deposit to extend the operational life of Thalanga.

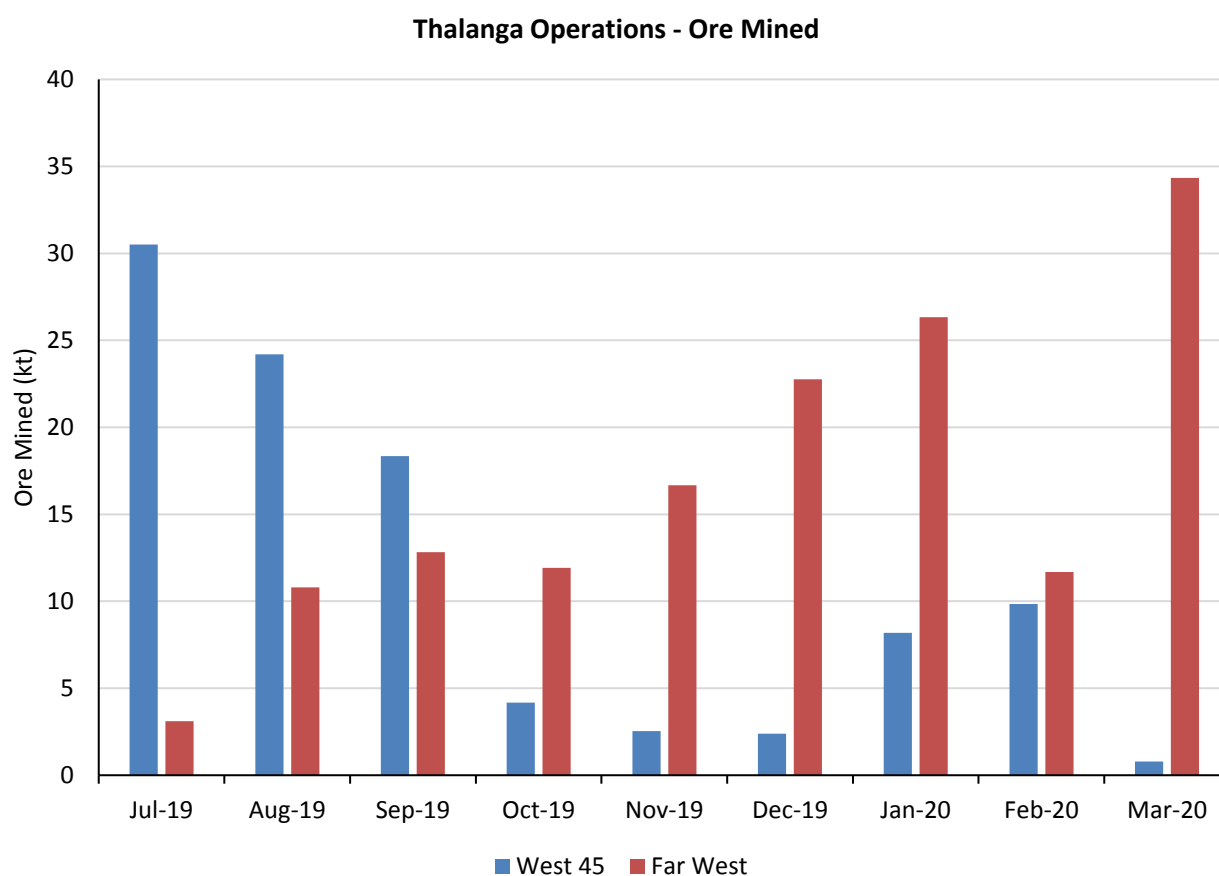
2.1. Operations Update

Thalanga Operations quarterly mine ore production was 91kt @ 1.1% Cu, 1.3% Pb, 3.5% Zn, 0.3 g/t Au & 44 g/t Ag (9.4% Zn Eq.). Thalanga Operations processed 84kt of ore grading 0.8% Cu, 1.2% Pb, 3.3% Zn, 0.2 g/t Au & 48 g/t Ag (8.5% Zn Eq.).

The main ore source for the quarter came from the Far West mine which continued to ramp up in production with the exception of February, where production was impacted by extensions of the ventilation and egress to the lower levels of the mine.

Mining activities at West 45 ceased during the quarter due to Ore Reserve depletion and West 45 was placed into care and maintenance. The grades from the upper levels of West 45 were lower than expected which impacted the overall feed grades.

Figure 1 Thalanga Operations – Ore Mined (by source)



Zinc concentrate production increased from Q2 FY20, with 4,310 DMT zinc concentrate produced. Lead concentrate production rose from Q2 FY20, with 1,117 DMT lead concentrate produced, and copper concentrate production reached a quarterly record, with 2,310 DMT copper concentrate produced.

Zinc recovery to zinc concentrate averaged 85.2% for the period and a high-quality zinc concentrate grading 54.8% zinc was produced. Lead recovery to lead concentrate increased to 68.1%, with an average concentrate grade of 63.9% Pb, 5.4 g/t Au & 1,826 g/t Ag produced during the period.

Copper recovery to copper concentrate increased to 83.9%, with an average copper concentrate grade of 25.3% Cu, 2.9 g/t Au and 505 g/t Ag.

2.2. Concentrate Sales & Marketing

Red River sold 4,452 DMT zinc concentrate, 1,232 DMT lead concentrate and 2,623 DMT copper concentrate during the quarter. All concentrates were delivered under long-term offtake agreements to Trafigura (zinc and lead concentrate) and Glencore (copper concentrate).

The Company continued to execute a short-term hedging program over the quotation period (QP) for sales of zinc and lead metal already produced. Typically, between 80 and 90% of the payable zinc and lead metal for each shipment of zinc and lead concentrates was hedged for the period from the issue of the first provisional sales invoice to the final settlement of the sale, which may occur between one and three months later. The QP hedges currently in place on the quarter's zinc concentrate sales are US\$0.85 and US\$0.91 per pound of payable zinc metal and US\$0.77 per pound of payable lead metal.

Table 1 Thalanga Operations Summary for the March 2020 Quarter (Q3 FY20)

	Units	Q3 FY19	Q4 FY19	Q1 FY20	Q2 FY20	Q3 FY20	FY20 YTD
Total Tonnes Mined	kt	106	90	100	60	91	251
Copper grade	%	0.6	0.5	0.4	1.0	1.1	0.8
Lead grade	%	3.1	2.3	1.9	1.2	1.3	1.5
Zinc grade	%	5.8	5.0	3.9	3.5	3.5	3.7
Gold grade	g/t	0.3	0.2	0.3	0.2	0.3	0.3
Silver grade	g/t	53	43	36	38	44	39
Zinc equivalent grade	%	11.9	9.8	8.1	9.0	9.4	8.9
Ore Processed	kt	109	104	99	66	84	249
Copper grade	%	0.5	0.6	0.5	0.8	0.8	0.7
Lead grade	%	2.9	2.6	1.8	1.3	1.2	1.5
Zinc grade	%	5.5	5.4	3.6	3.5	3.3	3.5
Gold grade	g/t	0.3	0.3	0.2	0.2	0.2	0.2
Silver grade	g/t	55	56	38	40	48	42
Zinc equivalent grade	%	11.4	11.2	7.9	8.4	8.5	8.2
Zinc Concentrate Produced	DMT	8,952	9,057	6,199	3,781	4,310	14,290
Zinc grade	%	59.3	55.4	52.4	52.5	54.8	53.2
Zinc recovery	%	88.6	88.7	90.3	85.8	85.2	87.8
Lead Concentrate Produced	DMT	3,763	3,369	2,016	876	1,117	4,009
Lead grade	%	69.3	64.5	67.1	56.5	63.9	63.9
Copper grade	%	1.6	1.6	1.8	6.1	2.6	3.0
Gold grade	g/t	2.6	2.7	3.9	4.9	5.4	4.5
Silver grade	g/t	831	822	892	1,413	1,826	1,266
Lead recovery	%	81.9	79.7	76.0	58.8	68.1	70.2
Copper recovery	%	10.3	9.0	7.9	9.8	4.1	7.0
Copper Concentrate Produced	DMT	1,694	1,806	1,372	1,560	2,310	5,242
Copper grade	%	25.4	23.8	24.5	24.8	25.3	24.9
Gold grade	g/t	6.7	6.8	4.5	2.2	2.9	3.1
Silver grade	g/t	956	1,116	818	423	505	563
Copper recovery	%	73.5	71.1	71.2	70.8	83.9	77.1
Zinc Concentrate Sold	DMT	9,052	9,902	6,191	4,149	4,452	14,792
Lead Concentrate Sold	DMT	3,758	3,422	2,381	945	1,232	4,559
Copper Concentrate Sold	DMT	2,008	1,927	1,425	1,455	2,623	5,503

Table may include rounding errors

2.3. Project Development Activities

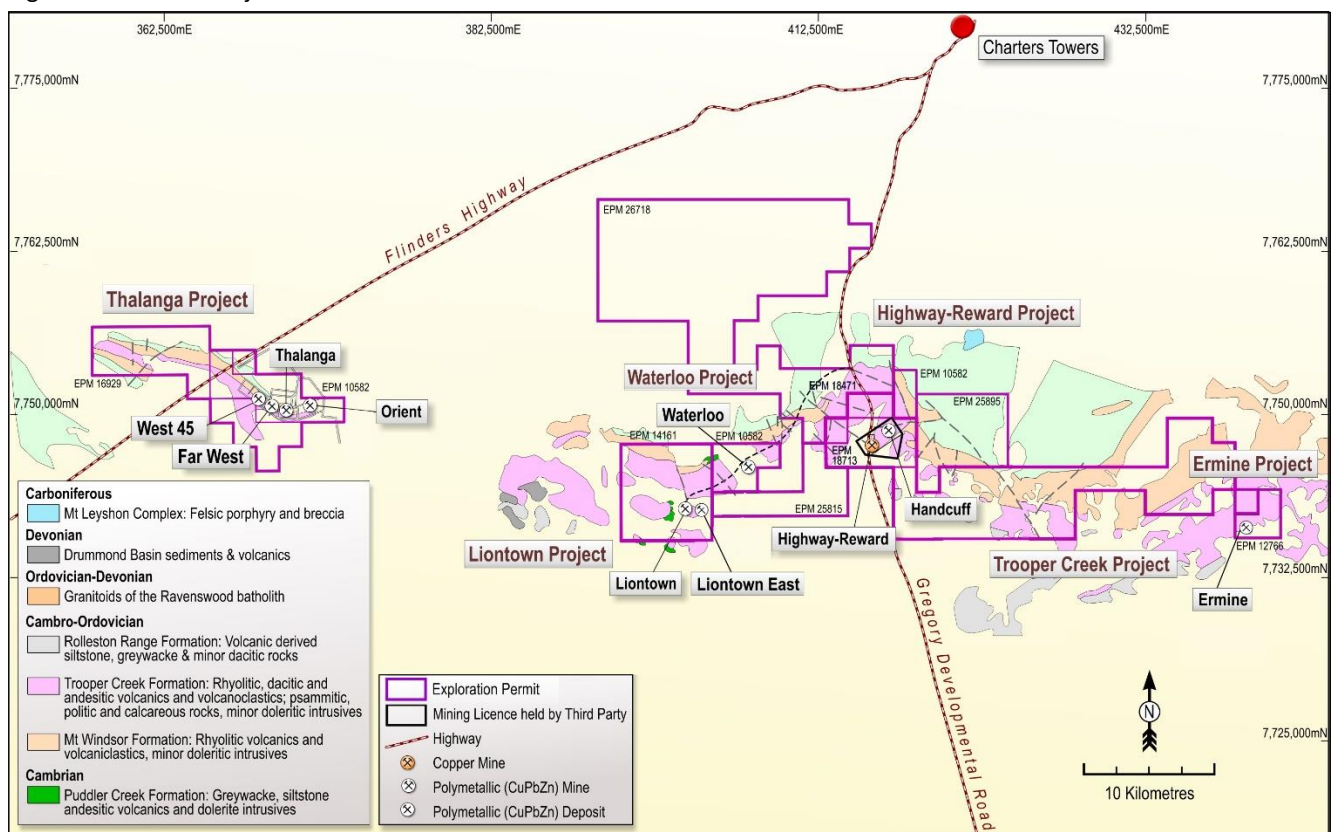
Red River updated the Liontown Mineral Resource following the recently completed drilling program (34 holes drilled in 2019 and 3 holes drilled in 2018) at Liontown, delivering a Liontown Mineral Resource (Fresh Sulphide) for the Liontown Main, New Queen, Western Footwall and Gap Lodes of 2.6 Mt @ 0.7% Cu, 1.6% Pb, 5.1% Zn, 1.4 g/t Au and 30 g/t Ag (12.4% Zn Eq.).

The updated Liontown Mineral Resource (Fresh Sulphide) is a material increase in tonnage and contained metal over the previously announced (2015) Liontown Mineral Resource (Fresh Sulphide). Tonnage increased by 36%, with a 125% increase in contained gold, a 51% increase in contained silver, a 109% increase in contained copper, a 34% increase in contained lead and a 53% increase in contained zinc.

Red River used geological data from the drilling program to more accurately model the various lodes at Liontown. A separate shallow oxide Mineral Resource of 113,000 tonnes @ 1.9 g/t Au & 24 g/t Ag was estimated. Transitional mineralisation was also estimated but not reported (metallurgically complex and not material).

The Liontown Project is part of Red River’s Thalanga Operations and is located approximately 32km in a direct line from Red River’s Thalanga operations and 107km by road. The trucking route by existing road would consist of 21km by unsealed road from Liontown to the junction with the sealed Gregory Development Road, then 86km by sealed road (Gregory Development Road, Flinders Highway, Thalanga Operations Access Road) to Thalanga.

Figure 2 Liontown Project Location



The total Liontown Project Mineral Resource (Liontown & Liontown East) increased materially to 4.1Mt @ 0.6% Cu, 1.9% Pb, 5.9% Zn, 1.1 g/t Au & 29 g/t Ag (12.7% Zn Eq.), with total tonnage increasing by 20%, and contained metals increasing, particularly gold (increase of 75%) and copper (increase of 59%).

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

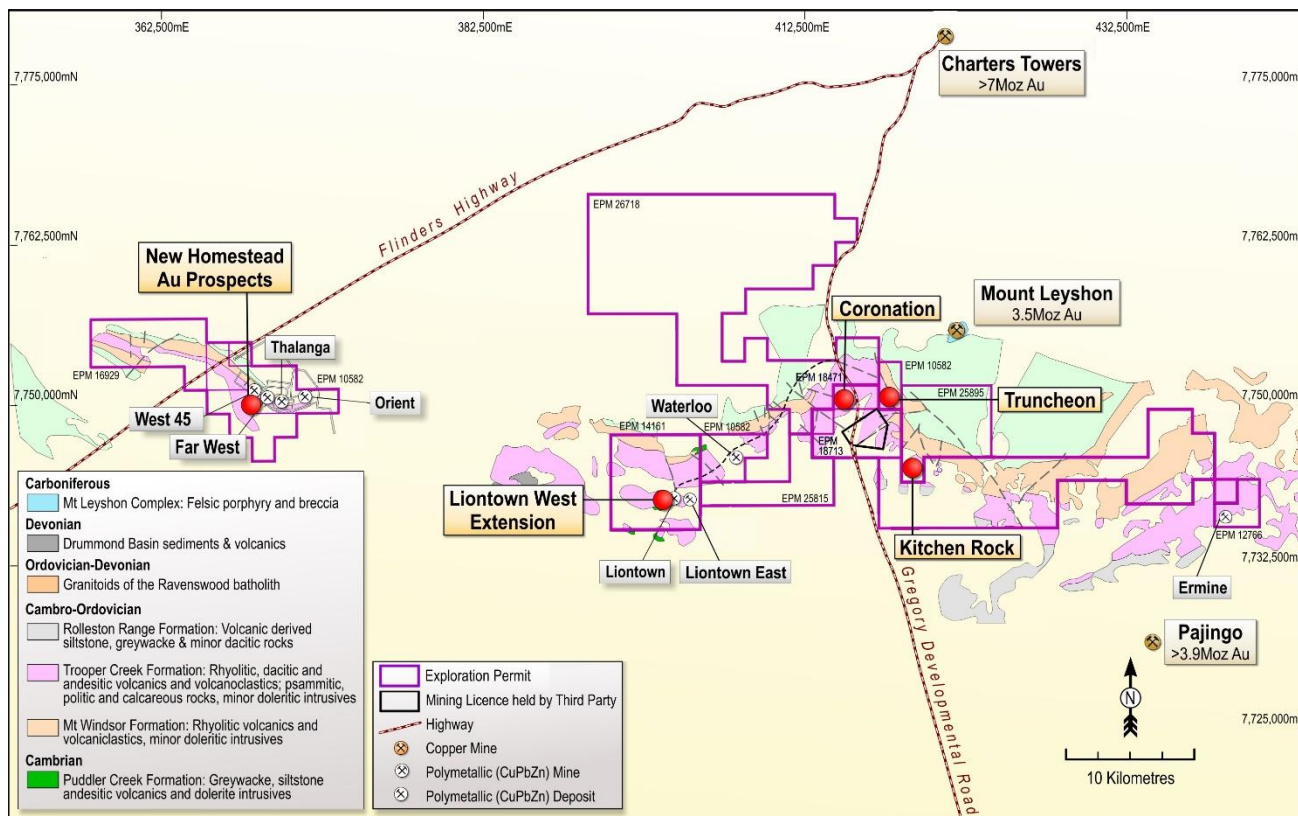
Liontown							
Resource Class	Tonnage (kt)	Copper (%)	Lead (%)	Zinc (%)	Gold (g/t)	Silver (g/t)	Zinc Eq. (%)
Indicated	1,063	0.4	2.0	6.0	1.0	42	12.2
Inferred	1,547	0.9	1.3	4.5	1.6	22	12.5
Total	2,610	0.7	1.6	5.1	1.4	30	12.4
Liontown East							
Resource Class	Tonnage (kt)	Copper (%)	Lead (%)	Zinc (%)	Gold (g/t)	Silver (g/t)	Zinc Eq. (%)
Indicated	-	-	-	-	-	-	-
Inferred	1,528	0.5	2.5	7.3	0.7	28	13.2
Total	1,528	0.5	2.5	7.3	0.7	28	13.2
Liontown Project (2020)							
Resource Class	Tonnage (kt)	Copper (%)	Lead (%)	Zinc (%)	Gold (g/t)	Silver (g/t)	Zinc Eq. (%)
Indicated	1,063	0.4	2.0	6.0	1.0	42	12.2
Inferred	3,075	0.7	1.9	5.9	1.2	25	12.9
Total	4,138	0.6	1.9	5.9	1.1	29	12.7
		Copper (kt)	Lead (kt)	Zinc (kt)	Gold (koz)	Silver (koz)	Zinc Eq. (kt)
Contained Metal		26	79	245	152	3,916	526

Red River plans to develop Liontown as the next (third) mine as part of its Thalanga operations, given the high-grade gold-rich nature of the deposit. It has a pre-existing Mining Lease (ML 10277) at Liontown and this may enable early works to commence to develop the deposit, initially targeting the New Queens Lens. Liontown mine design work and mining studies are proceeding.

2.4. Exploration Activities

Red River holds approximately 580km² of exploration tenements in the highly prospective Mt Windsor Volcanic Belt in the Charters Towers Region on Northern Queensland. The tenement package is highly prospective for both volcanic hosted massive sulphide (VHMS) deposits and gold deposits. As part of the Thalanga Gold Strategy, Red River identified multiple high priority gold exploration targets (Figure 3).

Figure 3 RVR Gold Exploration Targets



Exploration activities (mapping and sampling) commenced at the historic New Homestead workings on the Thalanga Range, 3km northeast the 100%-owned Thalanga Operations. The sampling activities on the historic group of workings at New Homestead (Agnes Howson, Ada, Wild Scotchman and Evening Star) returned gold assays of up to 59.8 g/t Au.

For more information on the New Homestead Gold Prospect exploration activities, please refer to the following RVR ASX release “Gold Potential Revealed at Thalanga” dated 28 January 2020.

Exploration activities continued during the quarter at New Homestead, with a series of costeans being excavated, mapped and sampled.

3. HILLGROVE GOLD MINE, NEW SOUTH WALES

The Hillgrove Gold Mine is located approximately 30km from Armidale in New South Wales. Historic mining activity commenced at the site in 1857 and ceased in 1921 and recommenced in 1969.

Since 2004, previous owners Straits Resources Limited (2004 to 2009) and Bracken Resources Pty Ltd have invested more than \$180 million in underground development, surface infrastructure and processing plant. Bracken acquired Hillgrove from Straits in 2013 for \$33.2 million (plus the replacement of \$3.9 million in environmental bonds provided by Straits). Bracken subsequently invested more than \$40 million in upgrading and recommissioning Hillgrove with production of gold concentrate and antimony-gold concentrate commencing in 2014.

Historical production at Hillgrove exceeds 730,000oz of gold (in concentrate and bullion) and 50,000 tonnes of antimony (in concentrate and metal) plus by-product tungsten.

The Hillgrove Gold Mine was placed on care & maintenance in 2016 due to low prevailing antimony prices. Red River acquired the project in 2019, with five employees currently maintaining it. It plans to restart gold production at Hillgrove in 2020.

Figure 4 Hillgrove Gold Mine showing processing infrastructure and layout



3.1. Hillgrove Gold Mine Restart Strategy

Red River announced a Maiden Inferred Mineral Resource of 225,000 tonnes @ 2.5 g/t Au for Bakers Creek Stockpile at the Hillgrove Gold Mine. Red River intends to restart production from the Bakers Creek Stockpile, which can feed the Hillgrove Mill for 12 months, with a planned transition to full restart of underground mining operations once the stockpile has been treated.

Table 3 Bakers Creek Stockpile Mineral Resource

Resource Class	Tonnage (kt)	Au (g/t)	Contained Au (koz)
Measured	-	-	-
Indicated	-	-	-
Inferred	225	2.5	18
Total	225	2.5	18

Figure 5 Bakers Creek Stockpile



The Bakers Creek Stockpile provides a rapid low capex restart opportunity with low cost gold production (minimal rehandle cost). Metallurgical testwork carried out on representative samples from the Bakers Creek Stockpile generated positive results including:

- Gravity concentrate testwork undertaken indicates 60-65% gold recovery
- Flotation concentrate testwork indicates a further 20-25% of gold can be recovered

Red River plans to utilise the Hillgrove Mill, producing a gravity gold concentrate and a flotation gold concentrate, both of which will then be leached to produce gold doré on site with an estimated total gold recovery (of gold contained in the Bakers Creek feed material) of 75-80%.

The existing Hillgrove Mill gravity gold concentration circuit requires upgrading to enable it to process the Bakers Creek Stockpile. During the quarter, Red River acquired a near new gravity gold concentrator (Knelson Model KC-CD20 Concentrator) and associated screen (Knelson Model KS-SDS28 Screen). This equipment is being shipped to Hillgrove. The upgraded gravity gold concentrator will be an integral part of the Hillgrove Mill going forward, as Red River expects to be able to produce a gravity gold concentrate from underground mining operations.

Figure 6 Knelson Concentrator and Screen acquired by Red River



3.2. Exploration Activities

Red River holds approximately 425km² of tenements surrounding the Hillgrove Gold Mine, containing the entirety of the Hillgrove Mineral Field (which has a known extent of approximately 9km x 6km) and contains more than 200 known gold-antimony +/- tungsten occurrences

Of these known occurrences, 18 have had significant historical mining activity, and six contain either JORC 2012 and/or JORC 2004 compliant Mineral Resources. Hillgrove has a current JORC 2012 compliant Mineral Resource of 2.8Mt @ 5.1 g/t Au and 1.7% Sb (459Koz Au & 48Kt Sb) (refer to Table 4) plus a material JORC 2004 compliant Mineral Resource.

Mineralisation at Hillgrove is hosted by a series of fracture-controlled vein systems and breccias, with a known vertical extent in excess of 1,200m (open at depth) and strike extent in excess of 4km. The upper part of the vein systems are dominated by antimony mineralisation (stibnite) as massive stibnite veins within a broad halo of refractory gold in arsenopyrite transitioning to gold dominated mineralisation (visible free gold in arsenopyrite rich halo surrounding quartz breccia and stibnite veins with visible free gold) at depth.

Table 4 Hillgrove Mineral Resource at a 5g/t Gold Equivalent cut-off

Classification	Tonnes	Gold	Antimony	Gold Equivalent (Au Eq.)	Contained Gold	Contained Antimony
	(kt)	(g/t)	(%)	(g/t)	(Koz Au)	(Kt Sb)
Measured	690	5.8	2.6	9.8	129	18
Indicated	1,100	4.9	1.5	7.0	173	17
Inferred	1,000	5.0	1.1	6.5	161	11
Total	2,800	5.1	1.7	7.5	459	48

Source: AMC Consultants Pty. Ltd. Hillgrove Mineral Resource Estimate (August 2017)
Tonnages and grades are rounded. Discrepancies in totals may exist due to rounding.
Gold equivalent (Au Eq.) has been calculated using the metal selling prices, recoveries and other assumptions contained in the AMC Estimate and included this announcement.

With its acquisition of Hillgrove, Red River gained exclusive access to an extensive and unique historical database (drilling data, underground mapping, sampling and development), representing a material opportunity to target historical mines that have had no modern exploration activity. Red River has commenced a detailed review of the historical database, and this has highlighted multiple opportunities which the Hillgrove team is systematically working through.

During the quarter, sampling was completed on historic fill at the Sunlight Mine. Twenty samples were taken from draw points on the 1700 and 1650 Levels, and returned a weighted average grade of 5.7 g/t Au, 1.8 g/t Ag and 0.5% Sb.

A maximum gold grade of 14.4 g/t Au was returned from sampling in draw point 13 on 1700 Level. The sampling highlights the potential for Sunlight Fill to act as source of feed as Hillgrove transitions from treating Bakers Creek Waste Stockpile to full restart of underground mining operations.

For more information on the Sunlight Fill sampling, please refer to the following RVR ASX release “Sampling at Sunlight adds further potential to Hillgrove Gold Project” dated 19 February 2020.

Subsequent to the end of the quarter, Red River was awarded a grant from the NSW Government (New Frontiers Cooperative Drilling Program – Round 3) to fund an exploration drilling program at the Curry’s Block target.

Figure 7 Hillgrove Project Sunlight Historic Fill Sampling (1700 Level)

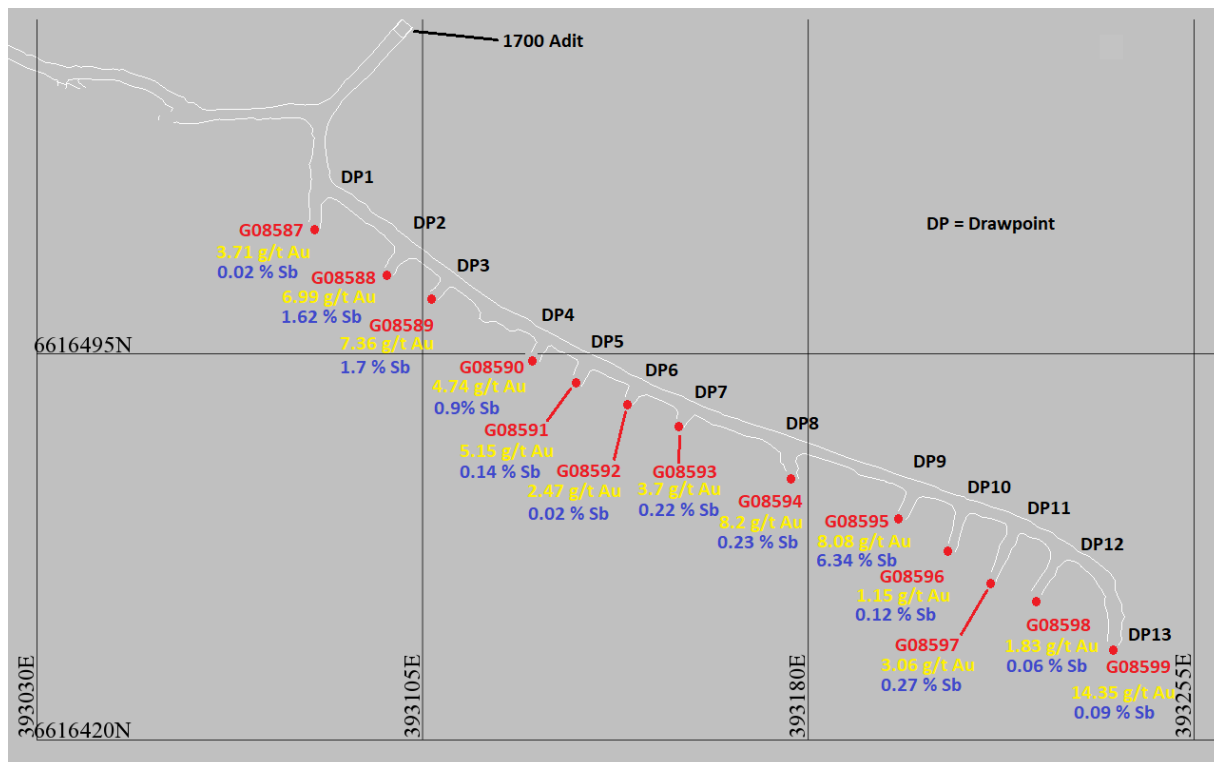


Figure 8 Draw Point 3 (DP3) 1700 Level



4. CORPORATE

4.1. Financial Performance

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

Table 5 Thalanga Operations Financial Summary and Indicative Cash Costs for the March 2020 Quarter (Q3 FY20) and FY20 YTD (unaudited)

	Units	Q3 FY19	Q4 FY19	Q1 FY20	Q2 FY20	Q3 FY20	FY20 YTD
Revenue	\$m	32.6	30.5	20.9	12.2	14.5	47.6
Thalanga Operations EBITDA	\$m	12.5	7.6	3.0	(2.4)	(2.6)	(2.0)
Indicative Cash Costs							
Payable zinc metal produced	Mlb	9.9	9.4	6.1	3.7	4.4	14.2
Indicative C1 Cash Cost	US\$/lb payable Zn	0.14	0.44	0.76	1.13	0.73	0.85
Indicative C2 Cost	US\$/lb payable Zn	0.37	0.68	1.14	1.51	0.99	1.19
Indicative C3 Cost	US\$/lb payable Zn	0.58	0.87	1.35	1.74	1.21	1.41
All numbers and data are rounded. Discrepancies in totals may exist due to rounding. Payable metal is derived from concentrate offtake agreements C1 cash cost includes actual cash costs plus notional costs (concentrate logistics and realisation costs) C1 cash cost includes credits for copper, lead, gold and silver notionally priced at for the period (Q3 FY20: copper US\$2.55/lb, lead US\$0.83/lb, gold US\$1,583/oz and silver US\$16.80/oz)							

Revenue during the quarter was \$14.5 million, with \$6.1 million from sale of zinc concentrate, \$1.4 million from the sale of lead concentrate, \$4.3 million from sale of copper concentrate and \$2.7 million from sale of payable precious metals (gold and silver) contained in copper and lead concentrates.

Thalanga Operations quarterly EBITDA (unaudited) was \$(2.6) million, a decrease of \$0.2 million over the prior quarter. Compared to the previous quarter:

- Revenue was \$2.3 million higher due to higher sales volumes (\$4.9 million), being partially offset by lower realised metal prices (\$2.6 million).
- Sales realisation expenses were \$1.4 million higher due to the higher sales volumes across all concentrates. Concentrate treatment charges trended up slightly but were generally flat, as compared to the prior quarter.
- Operating costs were \$1.2 million higher with increased variable mining and processing costs due to the higher tonnes mined and treated.

C1 Cash costs for the period decreased compared to the prior quarter primarily due to higher by-product credits derived from the additional sales of copper and lead concentrate and a 19% increase in payable zinc metal contained in zinc concentrate.

Working Capital Facility To manage liquidity risk during the COVID-19 pandemic the Company drew down US\$6 million (Funds) from the US\$10 million working capital facility.

Cash at bank at the end of the quarter was \$12.7 million, an increase of \$0.8 million as compared to the prior quarter. This was after investing \$3.7 million in mine development, (primarily the Far West underground mine) and \$0.5 million in exploration and is inclusive of the funds drawn down on the working capital facility (US\$6 million or AU\$9.8 million). \$1.6 million relating to March's sale of copper concentrate was received subsequent to the quarter end and is therefore not included in the above balance.

4.2. Royalty Update

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



CAMERON BODLEY

Company Secretary

Red River Resources Limited

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

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COMPETENT PERSON STATEMENT

Liontown Mineral Resource

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

Mr Carolan has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'.

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

Exploration Results (Thalanga)

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

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

Bakers Creek Stockpile Mineral Resource

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

Mr Tarrant has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'.

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

Hillgrove Mineral Resource

The information in this report that relates to the reporting of the Hillgrove Mineral Resource Estimate reported in accordance with the JORC 2012 Code is based on and fairly represents, information and supporting documentation compiled by Rodney Webster who is a Member of The Australasian Institute of Mining and Metallurgy and a Member of the Australian Institute of Geoscientists. Mr Webster is independent of Hillgrove Mines Pty Ltd. and an employee of AMC Consultants Pty Ltd. Mr Webster has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'.

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

Hillgrove Exploration Results

The information in this report that relates to Exploration Results is based on information compiled by Mr Mitchell Tarrant who is a member of The Australasian Institute of Mining and Metallurgy, 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.

Appendix A – Tenement Interests

1. QUEENSLAND

As at 31 March 2020, Red River had an interest in the following exploration permit minerals (EPM) and mining leases (ML) in Queensland.

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

Project	Location	Licence	Beneficial Interest
Thalanga Operations	Queensland	EPM 10582	100%
Thalanga Operations	Queensland	EPM 12766	100%
Thalanga Operations	Queensland	EPM 14161	100%
Thalanga Operations	Queensland	EPM 16929	100%
Thalanga Operations	Queensland	EPM 18470	100%
Thalanga Operations	Queensland	EPM 18471	100%
Thalanga Operations	Queensland	EPM 18713	100%
Thalanga Operations	Queensland	EPM 25815	100%
Thalanga Operations	Queensland	EPM 25895	100%
Thalanga Operations	Queensland	EPM 26718	100%
Herberton	Queensland	EPM 27223	100%
Herberton	Queensland	EPM27168	100%

Table 7 RVR Mining Leases (ML) (Queensland)

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

2. NEW SOUTH WALES

As at 31 March 2020, Red River had an interest in the following exploration licences (EL), gold leases (GL) mining leases (ML), mining purpose leases (MPL) and private land leases (PLL) in New South Wales (NSW).

Table 8 RVR Exploration Licences (EL) (NSW)

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

Table 9 RVR Mining Leases (ML) (NSW)

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

Table 10 RVR Gold Leases (GL) (NSW)

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

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

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

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

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

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

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

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

Zinc Equivalent Calculation

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

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

Where:

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

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

Table 1 Metallurgical Recoveries and Metal Prices

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

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

Table 2 Payable Metal Factors

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

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

$$\text{Zn Eq.} = (\text{Zn}\% * 1.0) + (\text{Cu}\% * 3.3) + (\text{Pb}\% * 0.9) + (\text{Au ppm} * 2.0) + (\text{Ag ppm} * 0.025)$$

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

Table 3 Metal Equivalent Factors

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

Gold Equivalent Calculation

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

- Metallurgical testwork (carried out in 2016 and 2017) and mill production data demonstrates that total gravity/float recoveries of 91% gold (Au) and 86% antimony (Sb) are achievable.
- Net smelter return calculations for the deposits indicate that Au Eq. grades above 4.8 g/t are economic, based on site costs, mill recoveries, off-site transportation and royalty costs.
- The Sunlight deposit has a particle gold component that is amenable to gravity separation that represents 20% of total gold recovery.

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

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

Antimony price = US\$7,950/tonne and antimony recovery = 86%

Appendix 5B

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

Name of entity

Red River Resources Limited

ABN

35 100 796 754

Quarter ended ("current quarter")

March 2020

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers*	12,826	47,299
1.2 Payments for		
(a) exploration & evaluation (if expensed)	-	-
(b) development*	(3,670)	(9,800)
(c) production*	(9,382)	(28,994)
(d) staff costs	(2,435)	(7,390)
(e) administration and corporate costs*	(626)	(2,621)
(f) sales realisation expenses	(5,228)	(17,958)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	40	253
1.5 Interest and other costs of finance paid	(68)	(250)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (GST/BAS)	351	(964)
1.9 Net cash from / (used in) operating activities	(8,191)	(20,424)

* Year to date includes minor adjustments when finalising December's Half Year Accounts.

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	(88)	(356)
(d) exploration & evaluation (capitalised)*	(457)	(2,236)
(e) investments	-	-
(f) other non-current assets	(24)	(24)

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

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (primarily increase in rehabilitation bonds)	(2)	(89)
2.6	Net cash from / (used in) investing activities	(571)	(2,705)

* Year to date includes minor adjustments when finalising December's Half Year Accounts.

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	(18)
3.5	Proceeds from borrowings	9,818	10,585
3.6	Repayment of borrowings	(230)	(594)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (repayment of lease liability)*	(17)	(51)
3.10	Net cash from / (used in) financing activities	9,570	9,922

* Year to date includes minor adjustments when finalising December's Half Year Accounts.

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	11,903	25,918
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(8,191)	(20,424)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(571)	(2,705)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	9,570	9,922

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

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	
4.6	Cash and cash equivalents at end of period	12,711	12,711

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	12,711	11,903
5.2	Call deposits		
5.3	Bank overdrafts		
5.4	Other (provide details)		
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	12,711	11,903

6. Payments to related parties of the entity and their associates

- 6.1 Aggregate amount of payments to related parties and their associates included in item 1
- 6.2 Aggregate amount of payments to related parties and their associates included in item 2

**Current quarter
\$A'000**

198

0

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

Payments are director fees paid to NED and Executive Directors: \$157k

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

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

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities (USD working capital facility converted at \$0.61115 AUD:USD EOM rate)	16,363	9,818
7.2 Credit standby arrangements	30	0
7.3 Other (please specify)	-	-
7.4 Total financing facilities	16,393	9,818
7.5 Unused financing facilities available at quarter end		6,575
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
7.1 USD10 million working capital facility. Lender: Trafigura Pte Ltd. Interest rate: 5.45%. Secured. Repayment is currently scheduled for 30 th September 2020.		
7.2: This is the company credit card facility with the NAB. Credit cards are automatically direct debited every month thus ensuring no interest is charged.		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (Item 1.9)	(8,191)
8.2 Capitalised exploration & evaluation (Item 2.1(d))	(457)
8.3 Total relevant outgoings (Item 8.1 + Item 8.2)	(8,648)
8.4 Cash and cash equivalents at quarter end (Item 4.6)	12,711
8.5 Unused finance facilities available at quarter end (Item 7.5)	6,575
8.6 Total available funding (Item 8.4 + Item 8.5)	19,286
8.7 Estimated quarters of funding available (Item 8.6 divided by Item 8.3)	2.2
8.8 If Item 8.7 is less than 2 quarters, please provide answers to the following questions:	
1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer:	
2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer:	
3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer:	

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date:

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

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.