



REDSTONE RESOURCES LIMITED
ABN: 42 090 169 154

NOTICE OF ANNUAL GENERAL MEETING
AND
EXPLANATORY MEMORANDUM

For the Annual General Meeting of the Shareholders
of

Redstone Resources Limited

to be held on

Friday 28 November 2014 at 1.00pm (WST) at

Country Women's Association WA (Inc) House

1176 Hay Street

Perth, Western Australia

This Notice of Annual General Meeting and Explanatory Memorandum should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser without delay.

REDSTONE RESOURCES LIMITED
ABN 42 090 169 154
NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting of Redstone Resources Limited will be held at Country Women's Association of WA (Inc) House, 1176 Hay Street, West Perth Western Australia, at 1.00pm WST on Friday, 28 November 2014.

The attached Explanatory Memorandum is provided to supply Shareholders with information to enable them to make an informed decision regarding the resolutions set out in this Notice. The business of the Annual General Meeting affects your shareholding in the Company and your vote is important.

The Explanatory Memorandum is intended to be read in conjunction with, and forms part of, this Notice. Terms and abbreviations used in this Notice are defined in the Glossary contained in the Explanatory Memorandum.

AGENDA

Financial Report

To receive and consider the 2014 Annual Report and the reports of the Directors and the auditor to the Company thereon.

Resolution 1 – Election of Mr Brett Hodgins

To consider and if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That Mr Brett Hodgins, being a Director who retires in accordance with the Constitution, and being willing and eligible for election, is hereby elected as a Director."

Resolution 2 – Election of Mr Clinton Wolf

To consider and if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That Mr Clinton Wolf, being a Director who retires in accordance with the Constitution, and being willing and eligible for election, is hereby elected as a Director."

Resolution 3 – Re-election of Mr Edward van Heemst

To consider and if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That Mr Edward van Heemst, being a Director who retires in accordance with the Constitution, and being willing and eligible for re-election, is hereby re-elected as a Director."

REDSTONE RESOURCES LIMITED
ABN 42 090 169 154
NOTICE OF ANNUAL GENERAL MEETING

Resolution 4 – Re-election of Mr Richard Homsany

To consider and if thought fit, to pass the following as an **ordinary resolution**:

"That Mr Richard Homsany, being a Director who retires in accordance with the Constitution, and being willing and eligible for re-election, is hereby re-elected as a Director."

Resolution 5 – Adoption of the Remuneration Report (Non-Binding)

To consider and if thought fit, to pass, with or without amendment, the following resolution as a non-binding **ordinary resolution**:

"That for the purpose of section 250R(2) of the Corporations Act and for all other purposes, the Company adopt the Remuneration Report."

Note: The vote on this resolution is advisory only and does not bind the Board or the Company.

Voting Prohibition Statement

A vote on this resolution must not be cast (in any capacity) by or on behalf of any of the following persons:

- (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member.

However, a person (the **Voter**) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- (c) the Voter is appointed as a proxy by writing that specifies the way the proxy is to vote on the Resolution; or
- (d) the Voter is the Chair and the appointment of the Chair as proxy:
 - (i) does not specify the way the proxy is to vote on this Resolution; and
 - (ii) expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company, or if the Company is part of a consolidated entity, for the entity.

Resolution 6 – Ratification of Previous Issue of Shares

To consider and if thought fit, to pass the following resolution, with or without amendment, as an **ordinary resolution**:

"That for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders hereby ratify and approve the issue by the Company of 35,000,000 Shares on 17 February 2014 to sophisticated and professional investors at an issue price of \$0.05 per Share, on the terms and conditions and in the manner described in the Explanatory Memorandum."

REDSTONE RESOURCES LIMITED
ABN 42 090 169 154
NOTICE OF ANNUAL GENERAL MEETING

Voting Exclusion Statement

For the purposes of ASX Listing Rule 7.4, the Company will disregard any votes cast on this resolution by any person who participated in the issue and associates of those persons.

However, the Company will not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the Chair as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Resolution 7 – Approval of Issue of Placement Shares – Equity Capital Raising

To consider and if thought fit, to pass the following resolution, with or without amendment, as an **ordinary resolution**:

"That, pursuant to and in accordance with ASX Listing Rule 7.1 and for all other purposes, Shareholders approve the issue and allotment by the Company of up to 100,000,000 Shares by way of private placement, on the terms and conditions and in the manner set out in the Explanatory Memorandum."

Voting Exclusion Statement

For the purposes of ASX Listing Rule 7.1, the Company will disregard any votes cast on this resolution by any person who may participate in the proposed issue and any person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary shares if the resolution is passed, and any associates of those persons.

However, the Company will not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the Chair as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Resolution 8 – Approval of 10% Placement Capacity

To consider and if thought fit, to pass, with or without amendment, the following resolution as a **special resolution**:

"That, for the purpose of ASX Listing Rule 7.1A and for all other purposes, approval is given for the issue of Equity Securities totaling up to 10% of the Shares on issue (at the time of the issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions set out in the Explanatory Memorandum."

REDSTONE RESOURCES LIMITED
ABN 42 090 169 154
NOTICE OF ANNUAL GENERAL MEETING

Voting Exclusion Statement

For the purposes of ASX Listing Rule 7.1A the Company will disregard any votes cast on this resolution by a person who might obtain a benefit (other than a benefit solely in the capacity of a holder of ordinary shares) if the resolution is passed and any associate of such a person.

However, the Company will not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Resolution 9 (Contingent Resolution) – Board Spill Meeting

Condition for Resolution 9 – Resolution 9 will be considered at the Meeting only if at least 25% of the votes cast on Resolution 5 are against the adoption of the Remuneration Report.

If the condition (described above) is satisfied, to consider and if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, subject to and conditional on at least 25% of the votes cast on Resolution 5 being against the adoption of the Remuneration Report:

- (a) a general meeting of the Company to be held within 90 days of the date of this Meeting (the **Spill Meeting**);*
- (b) each of Messrs Richard Homsany, Edward van Heemst, Brett Hodgins and Clinton Wolf*, cease to hold office immediately before the end of the Spill Meeting; and*
- (c) resolutions to appoint persons to offices that will be vacated immediately before the end of the Spill Meeting be put to the vote at the Spill Meeting."*

*This assumes that these directors are either elected or re-elected (as applicable) at this Meeting pursuant to Resolutions 1 to 4.

REDSTONE RESOURCES LIMITED
ABN 42 090 169 154
NOTICE OF ANNUAL GENERAL MEETING

Voting Prohibition Statement

A vote on this resolution must not be cast (in any capacity) by or on behalf of any of the following persons:

- (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member.

However, a person (the **Voter**) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- (c) the Voter is appointed as a proxy by writing that specifies the way the proxy is to vote on the Resolution; or
- (d) the Voter is the Chair and the appointment of the Chair as proxy:
 - (i) does not specify the way the proxy is to vote on this Resolution; and
 - (ii) expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company, or if the Company is part of a consolidated entity, for the entity.

Other Business

To deal with any other business that may be lawfully brought forward.

BY ORDER OF THE BOARD OF DIRECTORS



Miranda Conti
COMPANY SECRETARY
REDSTONE RESOURCES LIMITED
Dated this 23rd day of October 2014

REDSTONE RESOURCES LIMITED
ABN 42 090 169 154
NOTICE OF ANNUAL GENERAL MEETING

Attendance and Voting Eligibility

The Company has determined, in accordance with regulation 7.11.37 of the *Corporations Regulations 2001* (Cth), that the Shares quoted on the ASX at the close of business on 26 November 2014 shall be taken, for the purposes of the Annual General Meeting, to be held by the persons who held them at that time. Accordingly, those persons are entitled to attend and vote (if not excluded) at the Meeting.

Proxies

A Shareholder who is entitled to attend and vote has a right to appoint a proxy to attend and vote instead of the Shareholder. A proxy need not be a Shareholder and can be either an individual or a body corporate. If a Shareholder appoints a body corporate as a proxy that body corporate will need to ensure that it:

- appoints an individual as its corporate representative to exercise its powers at the meeting, in accordance with section 250D of the Corporations Act; and
- provides satisfactory evidence of the appointment of its corporate representative prior to commencement of the Meeting.

If such evidence is not received before the Meeting, then the body corporate (through) its representative will not be permitted to act as proxy.

A Shareholder that is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If no proportion or number is specified, each proxy may exercise half of the Shareholder's votes.

A Proxy Form accompanies this Notice and to be effective the Proxy Form and the power of attorney or other authority (if any) under which it is signed (or a certified copy) must be received by the Company no later than 48 hours before the commencement of the Meeting by:

- delivery to the Redstone Resources Limited registered office, 60 Havelock Street, West Perth WA 6005; or
- facsimile to the Company on facsimile number (08) 9328 2660 (International: + (61 8) 9328 2660);
- post to Redstone Resources Limited, PO Box 8646, Perth Business Centre, Western Australia, 6849; or
- post to Advanced Share Registry, PO Box 1156, Nedlands, WA 6909.

Proxies must be received by the Company no later than 48 hours prior to the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the Meeting.

Proxies given by corporate Shareholders must be executed in accordance with their constitutions, or signed by a duly authorised attorney. A proxy may decide whether to vote on any motion, except where the proxy is required by law or the Constitution to vote, or abstain from voting, in their capacity as proxy.

The **enclosed** Proxy Form provides further details on appointing proxies and lodging Proxy Forms.

REDSTONE RESOURCES LIMITED
ABN 42 090 169 154
NOTICE OF ANNUAL GENERAL MEETING

Proxy Restrictions

Shareholders (who are not a member of the Key Management Personnel details of whose remuneration are included in the Remuneration Report or a Closely Related Party of that member) appointing a proxy for Resolutions 5 and 9 should note the following:

If you appoint a member of the Key Management Personnel as your proxy

If you elect to appoint a member of Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of that member, you must direct the proxy how they are to vote. Undirected proxies granted to these persons will not be included in any vote on Resolutions 5 and 9.

If you appoint the Chair as your proxy

If you elect to appoint the Chair as your proxy, you do not need to direct the Chair how you wish them to exercise your vote on Resolutions 5 and 9, however if you do not direct the Chair how to vote, you acknowledge that the Chair may exercise his or her discretion in exercising your proxy even though Resolutions 5 and 9 are connected directly or indirectly with the remuneration of Key Management Personnel for the Company, or if the Company is part of a consolidated entity, for that entity.

The Chair intends to vote all undirected proxies in favour of Resolution 5 and against Resolution 9.

If you appoint any other person as your proxy

You do not need to direct your proxy how to vote.

REDSTONE RESOURCES LIMITED
ABN 42 090 169 154
EXPLANATORY MEMORANDUM

This Explanatory Memorandum and all attachments are important documents. They should be read carefully.

If you have any questions regarding the matters set out in this Explanatory Memorandum or the preceding Notice, please contact the Company, your stockbroker or other professional adviser.

General Information

This Explanatory Memorandum has been prepared to assist Shareholders to understand the business to be put to Shareholders at the forthcoming Annual General Meeting to be held on 28 November 2014.

The purpose of the Explanatory Memorandum is to provide Shareholders with information that the Board believes to be material to Shareholders in deciding whether or not to approve the above resolutions in the Notice (of which this Explanatory Memorandum forms a part).

AGENDA

Financial Report

The Corporations Act requires:

- the reports of the Directors and auditors; and
- the 2014 Annual Report,

to be laid before the Annual General Meeting. Neither the Corporations Act nor the Constitution requires a vote of Shareholders on the reports or statements. However, Shareholders at the Meeting will be given reasonable opportunity to raise questions or comments.

Reasonable opportunity will also be given to Shareholders at the Meeting to ask the Company's auditor questions relevant to the conduct of the audit, the preparation and content of the auditor's report, the accounting policies adopted by the Company in relation to the preparation of the financial statements and the independence of the auditor in relation to the conduct of the audit.

The Company will not provide a hard copy of the 2014 Annual Report to Shareholders unless specifically requested to do so. The 2014 Annual Report is available on the Company's website at www.redstone.com.au.

Resolutions 1 & 2 – Election of Messrs Brett Hodgins and Clinton Wolf

Rule 8.1(c) of the Constitution requires that any Director appointed by the Board since the last annual general meeting of the Company who is not the Managing Director holds office only until the conclusion of the next annual general meeting of the Company following his or her appointment. Accordingly, any such Director must automatically retire from office at the next annual general meeting of the Company, and being willing and eligible may seek election in accordance with Rule 8.1(i) of the Constitution.

Messrs Brett Hodgins and Clinton Wolf were appointed as Directors since the date of the last annual general meeting of the Company. Under the Constitution they hold office only until this Meeting and, being willing and eligible, offer themselves for election at the Meeting.

The experience and qualifications of, and other information about, Messrs Hodgins and Wolf can be found in the 2014 Annual Report.

REDSTONE RESOURCES LIMITED
ABN 42 090 169 154
EXPLANATORY MEMORANDUM

The Directors (excluding Mr Hodgins) recommend that Shareholders vote in favour of Resolution 1.

The Directors (excluding Mr Wolf) recommend that Shareholders vote in favour of Resolution 2.

Resolutions 3 & 4 – Re-election of Messrs Edward van Heemst and Richard Homsany

Rule 8.1(d) of the Constitution requires that at every annual general meeting of the Company, one third of Directors (after excluding a Director who is the Managing Director or any Director appointed by the Board since the date of the last annual general meeting of the Company), or if this number of Directors is 5 or less, then 2 of the remaining Directors, must retire from office and if eligible seek re-election in accordance with Rule 8.1(i) of the Constitution.

Accordingly, Messrs van Heemst and Homsany retire by rotation and, being willing and eligible, offers themselves for re-election.

The experience and qualifications of, and other information about, Messrs van Heemst and Homsany can be found in the 2014 Annual Report.

The Directors (excluding Mr van Heemst) recommend that Shareholders vote in favour of Resolution 3.

The Directors (excluding Mr Homsany) recommend that Shareholders vote in favour of Resolution 4.

Resolution 5 – Adoption of the Remuneration Report (Non-Binding)

General

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the Board or the Company.

The Remuneration Report sets out the Company's remuneration arrangements for the Directors and senior management of the Company. The Remuneration Report is part of the Directors' report contained in the 2014 Annual Report.

A reasonable opportunity will be provided for discussion of the Remuneration Report at the Annual General Meeting.

Voting consequences

While the vote does not bind the Company or the Directors, there are important consequences if there is a material 'against' vote on this resolution. Changes to the Corporations Act that came into effect on 1 July 2011 introduces what is referred to as the 'two strikes' rule, whereby if at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report in two consecutive annual general meetings, a company will be required to put to its shareholders a resolution proposing the calling of a general meeting to consider the appointment of directors of the company (the **Spill Resolution**) at the second annual general meeting.

At last year's annual general meeting of the Company the resolution in respect of adoption of the 2013 Remuneration Report was not carried on the basis that more than 25% of votes were cast against the resolution on a show of hands. Accordingly, the Company failed to obtain the 75% votes in favour of adoption of the 2013 Remuneration Report and recorded a 'first strike' under the 'two strikes' rule.

REDSTONE RESOURCES LIMITED
ABN 42 090 169 154
EXPLANATORY MEMORANDUM

If (and only if) at least 25% of the votes cast on Resolution 5 at this Meeting are against adopting the Remuneration Report, this will constitute a 'second strike' and Resolution 9 (the **Spill Resolution**) will be put to the Meeting and will be voted on.

The Spill Resolution will be considered as an ordinary resolution and will be passed if more than 50% of the eligible votes cast are in favour of the Spill Resolution. If the Spill Resolution is passed the Company will be required to convene a further general meeting of the Company (**Spill Meeting**) within 90 days of the Annual General Meeting in order to consider the composition of the board.

If less than 25% of the votes cast on Resolution 5 are against adopting the Remuneration Report at the 2014 Annual General Meeting, then there will be no 'second strike' and Resolution 9 will not be put to the Meeting.

It is therefore important that Shareholders vote on Resolution 5.

The Board considers that the Company's remuneration arrangements as set out in the 2014 Remuneration Report are fair, reasonable and appropriate, in line with industry standards and structured in a way that the Company can attract and retain suitably qualified and experienced employees to manage the Company.

The Directors unanimously recommend the Shareholders vote in favour of Resolution 5.

The Chairman of the Meeting intends to vote all undirected proxies in favour of this item of business.

Resolution 6 – Ratification of Previous Issue of Shares

Background

Resolution 6 seeks Shareholder ratification for the issue of 35,000,000 Shares on 17 February 2014, at an issue price of \$0.05 per Share, to sophisticated and professional investors under a private placement. 19,803,061 of the Shares that are the subject of Resolution 6 were issued in accordance with Listing Rule 7.1 while the remaining 15,196,939 Shares that are the subject of Resolution 6 were issued under Listing Rule 7.1A. The sophisticated investors that participated in this placement are not related parties of the Company.

ASX Listing Rule 7.1

ASX Listing Rule 7.1 prohibits a listed company from issuing, or agreeing to issue, equity securities (which include options) that exceed 15% of the total number of ordinary shares on issue in any 12 month period, unless approval is obtained from the holders of the company's ordinary shares. The Company has not exceeded this 15% limit.

ASX Listing Rule 7.1A

ASX Listing Rule 7.1A enables eligible entities to issue equity securities up to 10% of the ordinary shares on issue through placements over a 12 month period after an annual general meeting. This 10% placement capacity is in addition to the Company's 15% limit under ASX Listing Rule 7.1.

An eligible entity for the purposes of ASX Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is an Eligible Entity for the purposes of ASX Listing Rule 7.1A.

REDSTONE RESOURCES LIMITED
ABN 42 090 169 154
EXPLANATORY MEMORANDUM

ASX Listing Rule 7.4

ASX Listing Rule 7.4 provides that where holders of ordinary securities approve a previous issue of equity securities under ASX Listing Rule 7.1 or ASX Listing Rule 7.1A, and provided the previous issue of securities did not breach ASX Listing Rule 7.1 or ASX Listing Rule 7.1A as applicable, those securities shall be deemed to have been issued with Shareholder approval for the purposes of ASX Listing Rule 7.1 or Listing Rule 7.1A.

The effect of such ratification is to restore the company's discretionary power to issue further equity securities up to 15% of the number of ordinary shares on issue under ASX Listing Rule 7.1 and an additional 10% of the number of ordinary shares on issue under ASX Listing Rule 7.1A, if required, at the beginning of the relevant 12 month period without obtaining shareholder approval.

Resolution 6 seeks Shareholder ratification of the prior issue and allotment of these 35,000,000 Shares for the purposes of ASX Listing Rule 7.4, and for all other purposes.

ASX Listing Rule 7.5 Disclosure Requirements

The following information is provided in accordance with ASX Listing Rule 7.5:

- (a) A total of 35,000,000 Shares were issued and allotted.
- (b) The Shares were issued at \$0.05 per Share to raise \$1,750,000.
- (c) The Shares rank equally in all respects with all other ordinary shares in the capital of the Company.
- (d) The Shares were issued to various sophisticated and professional investors, determined at the discretion of the Directors, and who are not related parties of the Company or their associates.
- (e) The funds raised from the Share issue have been and will continue to be used to advance exploration at the Company's flagship Tollu Project in Western Australia and to provide further working capital.

The Directors unanimously recommend that Shareholders vote in favour of Resolution 6 as it allows the Company to ratify the above issue of Shares and retain the flexibility to issue further securities representing up to 15% of the Company's total number of ordinary shares on issue under ASX Listing Rule 7.1 and an additional 10% of the Company's total number of ordinary shares on issue under ASX Listing Rule 7.1A during the next 12 months without seeking Shareholder approval.

REDSTONE RESOURCES LIMITED
ABN 42 090 169 154
EXPLANATORY MEMORANDUM

Resolution 7: Approval of Issue of Placement Shares

ASX Listing Rule 7.1

ASX Listing Rule 7.1 provides, in summary, that a listed company may not issue equity securities in any 12 month period which, when aggregated with the equity securities issued by a company during the previous 12 months, will exceed 15% of the total number of fully paid ordinary shares on issue in the company at the beginning of the 12 month period, except with the prior approval of shareholders.

Resolution 7 seeks Shareholder approval under ASX Listing Rule 7.1 for the issue and allotment of up to 100,000,000 Shares to sophisticated and professional investors under a proposed private placement (**Placement Shares**).

The Directors are seeking approval for this issue of Placement Shares as it will, subject to the passing of Resolution 6, preserve the Company's ability to issue up to 15% of its issued capital in the next 12 months. That is, the Placement Shares will be not be counted as reducing the number of equity securities which the Company can issue without Shareholder approval under the limit imposed by ASX Listing Rule 7.1.

ASX Listing Rule 7.3 Disclosure Requirements

The following information is provided in accordance with ASX Listing Rule 7.3:

- (a) A maximum of 100,000,000 Placement Shares will be issued.
- (b) The Placement Shares may be issued by no later than 3 months after the date of this Meeting (or such later date as may be approved by ASX).
- (c) The issue price of the Placement Shares will be no less than 80% of the VWAP of Shares on the ASX for the 5 Trading Days immediately before the Placement Shares are issued.
- (d) The Placement Shares issued will rank equally in all respects with all other ordinary shares in the capital of the Company.
- (e) The identity of the persons to whom the Placement Shares will be issued and allotted is not yet known, however they will be sophisticated and/or professional investors who are not related parties of the Company or their associates.
- (f) The funds raised from the Placement Share issue will be used to advance exploration at the Company's flagship Tollu Project and its Blackstone Range Project, in Western Australia and to provide further working capital.
- (g) Allotment of the Placement Shares will occur progressively.

The Directors recommend that Shareholders vote in favour of Resolution 7 as it allows the Company greater flexibility to issue further securities representing up to 15% of the total number of Shares on issue in any 12 month period pursuant to Listing Rule 7.1 without Shareholder Approval.

Resolution 8 – Approval of 10% Placement Capacity

Background

ASX Listing Rule 7.1A came into effect on 1 August 2012 and enables an eligible entity to issue Equity Securities up to 10% of its issued share capital over a 12 month period after the eligible

REDSTONE RESOURCES LIMITED
ABN 42 090 169 154

EXPLANATORY MEMORANDUM

entity's annual general meeting (**10% Placement Capacity**). The 10% Placement Capacity is in addition to the entity's 15% placement capacity under Listing Rule 7.1.

An eligible entity for the purposes of ASX Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is an Eligible Entity for the purposes of ASX Listing Rule 7.1A.

If Shareholders approve Resolution 8, the number of Equity Securities the Eligible Entity may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (as set out in the Summary of ASX Listing Rule 7.1A (b) below).

The effect of Resolution 8 will be to allow the Directors to issue Equity Securities under Listing Rule 7.1A during the period up to 12 months after the Meeting without subsequent Shareholder approval and without using the Company's 15% placement capacity under ASX Listing Rule 7.1.

Resolution 8 is a special resolution. Accordingly 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of Resolution 8 for it to be passed.

Summary of ASX Listing Rule 7.1A

(a) Equity Securities

Any Equity Securities issued under the 10% Placement Capacity must be in the same class as an existing quoted class of Equity Securities. At the date of this Notice, the Company has two classes of quoted Equity Securities, being its Shares and listed Options (ASX: RDSO).

(b) Formula for calculating 10% Placement Capacity

Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an Annual General Meeting may issue or agree to issue, during the 12 month period after the date of the Annual General Meeting, a number of Equity Securities calculated in accordance with the following formula:

$$(A \times D) - E$$

Where:

A is the number of shares on issue 12 months before the date of issue or agreement:

- (a) plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;
- (b) plus the number of partly paid shares that became fully paid in the 12 months;
- (c) plus the number of fully paid shares issued in the 12 months with approval of holders of shares under Listing Rules 7.1 and 7.4. This does not include an issue of fully paid ordinary shares under the entity's 15% placement capacity without shareholder approval;
- (d) less the number of fully paid shares cancelled in the 12 months.

Note that A has the same meaning in ASX Listing Rule 7.1 when calculating an entity's 15% placement capacity.

D is 10%

REDSTONE RESOURCES LIMITED
ABN 42 090 169 154
EXPLANATORY MEMORANDUM

- E is the number of Equity Securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of shareholders under Listing Rules 7.1 or 7.4.

Information required by ASX Listing Rule 7.3A

Under ASX Listing Rule 7.3A, the information below is provided in relation to this Resolution 8:

(a) Minimum Price

The minimum price at which the Equity Securities may be issued is 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 ASX trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within 5 ASX trading days of the date in paragraph (a)(i) above, the date on which the Equity Securities are issued.

(b) Date of Issue

The Equity Securities may be issued under the 10% Placement Capacity commencing on the date of the Meeting and expiring on the first to occur of the following:

- (i) 12 months after the date of this Meeting; and
- (ii) the date of approval by Shareholders of any transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of the Company's activities) or 11.2 (disposal of the Company's main undertaking).

or such longer period if allowed by ASX (**10% Placement Capacity Period**).

(c) Risk of economic and voting dilution

Any issue of Equity Securities under the 10% Placement Capacity will dilute the interests of Shareholders who do not receive any Shares under the issue.

If Resolution 8 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 10% Placement Capacity, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in ASX Listing Rule 7.1A(2), on the basis of the current market price of Shares and the current number of Equity Securities on issue as at the date of this Notice assuming the full 10% dilution.

The table also shows the voting dilution impact where the number of Shares on issue (variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 10% Placement Capacity.

REDSTONE RESOURCES LIMITED**ABN 42 090 169 154****EXPLANATORY MEMORANDUM**

Number of Shares on Issue	Dilution			
	Issue Price (per Share)	\$0.022 (50% decrease in issue price)	\$0.045 (Issue price)	\$0.068 (50% increase in issue price)
186,969,390 (Current)	Shares issued	18,696,939	18,696,939	18,696,939
	Funds Raised	\$411,333	\$841,362	\$1,271,392
280,454,085 (50% increase)*	Shares issued	28,045,409	28,045,409	28,045,409
	Funds Raised	\$616,999	\$1,262,043	\$1,907,088
373,938,780 (100% increase)*	Shares issued	37,393,878	37,393,878	37,393,878
	Funds Raised	\$822,665	\$1,682,725	\$2,542,784

*The number of Shares on issue (variable A in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro-rata rights issue or scrip issued under a takeover offer) or that are issued with Shareholder approval under ASX Listing Rule 7.1.

The table above uses the following assumptions:

1. The current Shares on issue are as at the date of the Notice.
2. The issue price set out above is the closing price of the Shares on 16 October 2014 - \$0.045.
3. The Company issues the maximum possible number of Equity Securities under the 10% Placement Capacity hence the voting dilution is shown in each example as 10%.
4. The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own Shareholding depending on their specific circumstances, and if necessary seek advice from their professional advisers.
5. No options of the Company are exercised into Shares before the date of issue of the Equity Securities.
6. The table shows only the effect of issues of Equity Securities under ASX Listing Rule 7.1A, and not dilution under the 15% placement capacity under ASX Listing Rule 7.1, under ASX Listing Rule 7.2, or Shareholder approvals under ASX Listing Rule 7.1.
7. The issue of Equity Securities under the 10% Placement Capacity consists only of Shares. If the issue of Equity Securities includes listed options, it is assumed that those listed options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.

Shareholders should note that there is a risk that:

- (i) the market price for the Equity Securities to be issued may be significantly lower on the issue date than on the date of the Meeting; and
- (ii) the Equity Securities may be issued at a price that is at a discount to the market price for those Equity Securities on the date of issue.

REDSTONE RESOURCES LIMITED
ABN 42 090 169 154
EXPLANATORY MEMORANDUM

Purpose of Issue under 10% Placement Capacity

The Company may issue Equity Securities under the 10% Placement Capacity for the following purposes:

- (i) as cash consideration in which case the Company intends to use funds raised for continued exploration expenditure primarily on the Company's flagship Tollu exploration project and for its other project holdings; or
- (ii) as non-cash consideration for the acquisition of new resources assets and investments, in such circumstances the Company will provide a valuation of the non-cash consideration as required by ASX Listing Rule 7.1A.3.

Allocation under the 10% Placement Capacity

The allottees of the Equity Securities to be issued under the 10% Placement Capacity have not yet been determined. However, the allottees of Equity Securities will be current Shareholders or new investors (or both), but in either case will not be related parties of the Company.

The Company will determine the allottees at the time of the issue under the 10% Placement Capacity, having regard to the following factors:

- (i) the purpose of the issue;
- (ii) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue or other offer where existing Shareholders may participate;
- (iii) the effect of the issue of the Equity Securities on the control of the Company;
- (iv) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
- (v) prevailing market conditions; and
- (vi) advice from corporate, financial and broking advisers (if applicable).

Previous Approval under ASX Listing Rule 7.1A

The Company has previously obtained approval from Shareholders pursuant to ASX Listing Rule 7.1A at its annual general meeting held on 29 November 2013 (**2013 Previous Approval**) and also at its general meeting held on 29 November 2012 (**2012 Previous Approval**).

During the 12 month period preceding the date of the Meeting, being on and from 29 November 2013, the Company has issued 15,196,939 Shares pursuant to the 2013 Previous Approval and has issued a total of 35,000,000 Shares and 1,000,000 listed Options, representing approximately 18.7% of the total diluted number of Equity Securities on issue in the Company on 29 November 2013, which number was 192,226,356.

Further details of the issues of Equity Securities by the Company during the 12 month period preceding the date of the Meeting as required by Listing Rule 7.3A.6 are set out in Schedule 1.

REDSTONE RESOURCES LIMITED
ABN 42 090 169 154
EXPLANATORY MEMORANDUM

Compliance with ASX Listing Rules 7.1A.4 and 3.105A

When the Company issues Equity Securities pursuant to the 10% Placement Capacity, it will give to ASX:

- (i) a list of recipients of the Equity Securities and the number of Equity Securities issued to each (not for release to the market), in accordance with Listing Rule 7.1A.4; and
- (ii) the information required by Listing Rule 3.10.5A for release to the market.

Voting Exclusion

A voting exclusion statement is included in this Notice. As at the date of this Notice, the Company has not invited any existing Shareholder or security holder to participate in an issue of Equity Securities under ASX Listing Rule 7.1A. Therefore, no existing Shareholders will be excluded from voting on Resolution 8.

The Directors consider that the approval of the issue of the 10% Placement Capacity described above is beneficial for the Company as it provides the Company with the flexibility to issue up to the maximum number of securities permitted under ASX Listing Rule 7.1A in the next 12 months (without further Shareholder approval), should it be required. At the date of the Notice, the Company has no plans to use the 10% Placement Capacity should it be approved.

Resolution 9 – Contingent Resolution – Board Spill Meeting Resolution

At the 2013 annual general meeting of the Company, more than 25% of votes validly cast on the resolution concerning the adoption of the 2013 Remuneration Report were cast against that resolution, constituting a first strike for the Company under the executive remuneration laws. Resolution 9 will only be considered and put to a vote at the Meeting if at least 25% of the votes cast on the resolution to adopt the Remuneration Report (Resolution 5) are cast against the resolution with such an against vote constituting a second strike for the Company.

If more than 25% of votes validly cast on Resolution 5 are cast in favour of that resolution, Resolution 9 will not be put to the Meeting.

If put to the Meeting, the Spill Resolution will be considered as an ordinary resolution and will be passed if more than 50% of the eligible votes cast are in favour of the Spill Resolution. Shareholders not attending the Meeting but who wish to vote by a proxy will need to vote for Resolution 9 using the attached Proxy Form, prior to the consideration of Resolution 5 at the Meeting, notwithstanding that Resolution 9 will not be put to Shareholders if less than 25% of votes at the Meeting are cast against Resolution 5.

If Resolution 9 is put to Shareholders and passed, the Company will be required to convene a further general meeting of the Company (**Spill Meeting**) within ninety (90) days of the Annual General Meeting in order to consider the composition of the Board.

If a Spill Meeting is held, immediately before the end of the Spill Meeting, each of the following Directors (**Relevant Directors**), assuming they are either elected or re-elected (as applicable) at this Annual General Meeting, will cease to hold office:

- Mr Richard Homsany;
- Mr Edward van Heemst;
- Mr Brett Hodgins; and
- Mr Clinton Wolf.

REDSTONE RESOURCES LIMITED
ABN 42 090 169 154

EXPLANATORY MEMORANDUM

Each of the Relevant Directors is eligible to seek re-election as a director of the Company at the Spill Meeting. Under the Corporations Act, the Company is required to have a minimum of three directors. The Corporations Act contains a mechanism to ensure that the Company will have at least three directors after the Spill Meeting. If, at the Spill Meeting, a minimum of three directors are not appointed by ordinary resolution, the persons taken to be appointed will be those with the highest percentage of votes favouring their appointment, cast at the Spill Meeting on the resolution for their appointment (even if less than half the votes cast on the resolution were in favour of their appointment).

The provisions of the Corporations Act, ASX Listing Rules and the Constitution relating to meetings of the Company will apply to the Spill Meeting, including the requirement for the Company to provide a notice of meeting setting out the business to be considered at the Spill Meeting.

Shareholders should be aware that the total cost to the Company of holding a Spill Meeting is significant (including printing, mail-out and share registry costs) and that holding a Spill Meeting would cause disruption to the Company and may impact its share price.

The Directors unanimously recommend that Shareholders vote against Resolution 9.

The Chairman of the Company intends to vote all undirected proxies against this item of business.

Enquiries

Shareholders are invited to contact the Company Secretary, Miranda Conti on (08) 9328 2552 if they have any queries in respect of the matters set out in this Notice.

REDSTONE RESOURCES LIMITED
ABN 42 090 169 154
EXPLANATORY MEMORANDUM

GLOSSARY

In this Explanatory Memorandum and Notice of Annual General Meeting:

2013 Annual Report means the annual report of the Company including the reports of the Directors and auditor and the financial statements of the Company for the financial year ended 30 June 2013, which can be downloaded from the Company's website at www.redstone.com.au.

2013 Remuneration Report means that section of the Directors' report contained in the 2013 Annual Report, under the heading 'Remuneration Report', prepared in accordance with Section 300A of the Corporations Act.

2014 Annual Report means the annual report of the Company including the reports of the Directors and auditor and the financial statements of the Company for the financial year ended 30 June 2014, which can be downloaded from the Company's website at www.redstone.com.au.

\$ means Australian dollars.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) and the market operated by it, as the context requires.

ASX Listing Rules or **Listing Rules** means the official listing rules of ASX and any other rules of ASX which are applicable while the Company is admitted to the official list of ASX, each as amended or replaced from time to time except to the extent of any express written waiver by ASX.

Board means the board of Directors.

Business Day means Monday to Friday inclusive, except New Years' Day, Good Friday, Easter Monday, Christmas Day, Boxing Day and any other day that ASX declares is not a business day.

Chair means the chairperson of the Meeting.

Closely Related Party is defined in respect of a member of Key Management Personnel as:

- a spouse or child of the member;
- a child of the member's spouse;
- a dependent of the member or the member's spouse;
- anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealings with the Company;
- a company the member controls; or
- a person prescribed by regulations that may be made for this purpose.

Company or **Redstone** means Redstone Resources Limited (ABN 42 090 169 154).

Constitution means the constitution of the Company.

Corporations Act means the *Corporations Act 2001*(Cth) and any regulations made under it, each as amended from time to time.

Director means a director of the Company.

Eligible Entity means an entity that, at the date of the relevant general meeting:

- a) is not included in the A&P/ASX 300 Index; and
- b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

REDSTONE RESOURCES LIMITED
ABN 42 090 169 154
EXPLANATORY MEMORANDUM

Equity Securities includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an equity security.

Explanatory Memorandum means the explanatory memorandum that accompanies and forms part of the Notice.

Key Management Personnel has the same meaning given in the accounting standards and broadly includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise).

Meeting or Annual General Meeting means the meeting convened by this Notice.

Notice or Notice of Meeting means the notice of Annual General Meeting accompanying this Explanatory Memorandum.

Option means an option to acquire a Share.

Proxy Form means the proxy form attached to the Notice.

Related Body Corporate has the meaning given to that term in the Corporations Act.

Related party has the meaning given to that term in the Corporations Act.

Remuneration Report means that section of the Directors' report contained in the 2014 Annual Report, under the heading 'Remuneration Report', prepared in accordance with Section 300A of the Corporations Act.

Resolution means a resolution contained in the Notice.

Share means an ordinary fully paid share in the capital of the Company.

Shareholder means the holder of a Share.

WST means Western Standard Time, as observed in Perth, Western Australia.

Where a word or phrase is given a defined meaning, another part of speech or other grammatical form in respect of that word or phrase has a corresponding meaning.

REDSTONE RESOURCES LIMITED
ABN 42 090 169 154
EXPLANATORY MEMORANDUM

SCHEDULE 1 – INFORMATION REQUIRED BY LISTING RULE 7.3A.6

Date of Issue	Number of Equity Securities	Class of Securities and summary of terms	Persons to whom the securities were issued	Issue Price of Equity Securities and discount to Market Price ¹ on the trading day prior to the issue	Consideration
17/02/14	35,000,000	Shares (ASX: RDS)	Sophisticated and Professional Investors.	\$0.05 per Share ² 16.7% discount (\$0.01) given the Market Price of the Shares on 14 February 2014 was \$0.06.	Cash consideration of \$1.75 million (before costs). All cash consideration has been spent on exploration of the Company's projects and general corporate and administration expenses of the Company ³ .
17/02/14	1,000,000	Listed Options (ASX: RDSO), each Option being exercisable at \$0.20 per Option any time on or before 28 February 2016.	500,000 Listed Options each to a Consultant and employee of the Company	Listed Options issued for \$0.001 per Option. The Market Price for this class of Equity Security on 14 February 2014 was \$0.01. The exercise price of the Options represents a 333% premium to the last closing price for Shares traded on the ASX on 14 February 2014	Cash consideration of \$1,000. All cash consideration has been spent on exploration of the Company's projects and general corporate and administration expenses of the Company ³ .

Notes:

1. **Market Price** means the closing price on ASX on the day prior to issue of the Equity Securities (excluding special crossings, overnight sales and exchange traded option exercises).
2. Terms set out in this Notice of Annual General Meeting.
3. Expenditure incurred on the Company's projects from 29 November 2013 to the date of the Meeting include exploration on the Tollu Project, including an assaying program, field mapping and rock chip sampling program, aerial survey, geological and geophysical data compilation and review resulting in the identification of five additional projects, and estimation of the Tollu Exploration Target as well for expenses associated with tenement management and access costs required to maintain the Company's Australian tenement holdings. General administration costs primarily relate to wages, office costs, share registry fees, ASX fees, other compliance costs and general working capital.

PROXY FORM

APPOINTMENT OF PROXY
Redstone Resources Limited
ACN 090 169 154 (Company)

ALL CORRESPONDENCE TO:
PO BOX 8646
PERTH BUSINESS CENTRE WA 6849
RETURN FAX: + 61 8 9328 2660

ANNUAL GENERAL MEETING

I/We

of

being a member of Redstone Resources Limited entitled to attend and vote at the Annual General Meeting, hereby

Appoint

Name of proxy

OR

☐

the Chair as your proxy

or failing the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws, as the proxy sees fit, at the Annual General Meeting to be held at Country Women's Association of WA (Inc) House, 1176 Hay Street, West Perth Western Australia, at 1.00pm Western Standard Time on Friday, 28 November 2014, and at any adjournment thereof.

I/we acknowledge that the Chair intends to vote all undirected/available proxies in favour of Resolutions 1 through to 8 (inclusive) and against Resolution 9.

Voting on Business of the Annual General Meeting

		FOR	AGAINST	ABSTAIN
Resolution 1	Election of Mr Brett Hodgins	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Election of Mr Clinton Wolf	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Re-election of Mr Edward van Heemst	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Re-election of Mr Richard Homsany	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Ratification of Previous Issue of Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Approval of Issue of Placement Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8	Approval of 10% Placement Capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 9	Contingent Resolution – Board Spill Meeting	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Please note: If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

Continued overleaf

PROXY FORM

If two proxies are being appointed, the proportion or number of voting rights this proxy represents is _____

Important for Resolutions 5 and 9

Where I/we have appointed the Chair as my/our proxy or the Chair becomes my/our proxy by default, I/we expressly authorise the Chair to exercise my/our proxy in respect of Resolutions 5 and 9 (except where I/we have indicated a different voting intention above) and acknowledge that the Chair may exercise my/our proxy even though Resolutions 5 and 9 are connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

Signature of Member(s): _____

Date: _____

Individual or Member 1

Sole Director/Company Secretary

Member 2

Director

Member 3

Director/Company Secretary

Contact Name: _____ Contact Ph (daytime): _____

Instructions for Completing 'Appointment of Proxy' Form

1. **(Appointing a Proxy):** A Shareholder entitled to attend and vote at an Annual General Meeting is entitled to appoint not more than two proxies to attend and vote on a poll on their behalf. The appointment of a second proxy must be done on a separate copy of the Proxy Form. Where more than one proxy is appointed, such proxy must be allocated a proportion or number of the Shareholder's voting rights. If a Shareholder appoints two proxies and the appointment does not specify this proportion or number, each proxy may exercise half the votes. Fractions will be disregarded. A duly appointed proxy need not be a Shareholder.
2. **(Direction to Vote):** A Shareholder may direct a proxy how to vote by marking one of the boxes opposite each item of business. Where a box is not marked the proxy may vote as they choose subject to the relevant laws. Where more than one box is marked on an item the vote will be invalid on that item.
3. **(Proxy Voting):** Sections 250BB and 250BC of the Corporations Act broadly provide that:
 - if proxy holders vote, they must cast all directed proxies as directed; and
 - any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Further details on these changes are set out below.

Proxy vote if appointment specifies way to vote

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, **if it does:**

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed); and
- if the proxy has 2 or more appointments that specify different ways to vote on the resolution – the proxy must not vote on a show of hands; and
- if the proxy is the Chair – the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- if the proxy is not the Chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

Instructions for Completing 'Appointment of Proxy' Form continued on next page

If a proxy is also a Shareholder, the proxy can cast any votes the proxy holds as a Shareholder in any way that the proxy sees fit.

Transfer of non-Chair proxy to chair in certain circumstances

Section 250BC of the Corporations Act provides that, if:

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of Shareholders; and
- the appointed proxy is not the Chair; and
- at the meeting, a poll is duly demanded on the resolution; and
- either of the following applies:
 - the proxy is not recorded as attending the meeting;
 - the proxy does not vote on the resolution,

the Chair is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

4. **(Signing Instructions):**

- **(Individual):** Where the holding is in one name, the Shareholder must sign.
- **(Joint Holding):** Where the holding is in more than one name, all of the Shareholders should sign.
- **(Power of Attorney):** If you have not already provided the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.
- **(Companies):** Where the company has a sole director who is also the sole company secretary, that person must sign. Where the company (pursuant to Section 204A of the Corporations Act) does not have a company secretary, a sole director can also sign alone. Otherwise, a director jointly with either another director or a company secretary must sign. Please sign in the appropriate place to indicate the office held.

5. **(Attending the Meeting):** Completion of a Proxy Form will not prevent individual Shareholders from attending the Annual General Meeting in person if they wish. Where a member completes and lodges a valid Proxy Form and attends the Annual General Meeting in person, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the Annual General Meeting.

6. **(Return of Proxy Form):** To vote by proxy, please complete and sign the Proxy Form enclosed and either:

- (a) deliver the Proxy Form by hand to the Company's registered office at 60 Havelock Street, West Perth WA 6005;
- (b) send the Proxy Form by post to Redstone Resources Limited, PO Box 8646, Perth Business Centre, Western Australia, 6849;
- (c) send the Proxy Form by facsimile to the Company on facsimile number (08) 9328 2660 (International: + (61 8) 9328 2660); or
- (d) return the Proxy Form using the enclosed Reply Paid envelope,

so that it is received not later than 1.00pm WST on 26 November 2014.

Proxy forms received later than this time will be invalid.