

Quarterly Report for quarter ending 31 March 2021

Red Mountain Mining Limited (the **Company**, **Red Mountain** or **RMX**) is pleased to provide the following report on its activities during the quarter ending 31 March 2021.

OPERATIONAL REVIEW

Mt Maitland Gold and Base Metals Project – 100%

RMX announced that it had begun planning for the second phase of drilling at its 100% owned Mt Maitland Gold and Base Metals Project during the quarter.

In addition, the Company announced the remaining assay results received from the November 2020 drilling program.

On 3 March 2021, RMX advised that an IP Geophysical survey has commenced at its 100% owned Mt Maitland Gold Project. The geophysical survey is being conducted at the Maitland South and Jacia Prospects and is aimed at identifying areas of sulfide accumulation potentially related to higher grade gold and base metal mineralization.

Mt Mansbridge Heavy Rare Earth Project – 100%

Located in the Kimberly region of Western Australia, the project area is approximately 130 kms south east of the township of Halls Creek and consists of three contiguous granted exploration licenses E80/5111, E80/5229 and E80/5413 containing targets prospective for HREE and nickel-cobalt. The tenements lie approximately 40km from Northern Minerals' (ASX: NTU) flagship Browns Range project.

On 4 February 2021, the Company announce the results of the completed assessment of the Radiometric data that was acquired in December 2020 at the company's 100% owned Mt Mansbridge HREE Project. The review highlighted 32 radiometric targets within the ~800km line survey. The targets are analogous to Northern Minerals Ltd.'s (ASX: NTU) unconformity related HREE deposits Dazzler and Iceman. Furthermore, the survey highlighted 'Mt Mansbridge South', a prospect with known xenotime mineralization.

Furthermore, the Deja Vu prospect identifies potential for NI-CU-CO PGE mineralisation at Mt Mansbridge. Historical drilling returned values up to 0.129% Nickel and a broad zone of highly anomalous Cobalt with values up to 0.34% Co within fresh rock.

On 29 March 2021, RMX announced the results of its completed assessment of the historical geochemical database for the Mt Mansbridge HREE-Xenotime Project.

A review identified a 5km long, unconformity related, anomalous area for REE exploration focus – the ‘Vader Anomaly’. The review further highlighted the ‘Killi-Killi’ and ‘Kyro’ unconformity related rare earth anomalies as priority areas for focused exploration. Field exploration is expected to commence in Q2 2021, with the prioritisation of these 3 anomalies.

Koonenberry Gold Project – 100%

The Koonenberry Gold Project covers approximately 657 km², and is located in a geologic setting considered analogous to the prolific Victorian Goldfields located in south-eastern Australia.

The Koonenberry Gold Project adjoins Manhattan Corporation’s (ASX:MHC) Tibooburra Gold Project where Manhattan has recently announced a new high grade gold discovery (see announcement dated 25 June 2020).

During the quarter, the Company advised that land access agreements have been signed and executed by all relevant parties for its 100% owned Koonenberry Gold Project.

Following a review of historical work on its Koonenberry tenure, RMX is announced it was proposing to undertake:

- 1) Initial project reconnaissance and sampling of and around old mine workings to obtain:
 - Confirmation of presence of gold in structural lineaments;
 - Confirm the paragenesis of primary gold occurrence;
 - Potential evidence of structural complexity in line with historic observations.
- 2) Conduct a geophysical survey to locate main structures and possibly jogs (through weathering profile) using passive seismic (N-S main structures and possibly E-W trending structures), as Manhattan Corporation (ASX: MHC) project’s perpendicular Gum Creek kink breaks have potential advantageous influence in any gold deposition.

Mukabe-Kasari Cobalt-Copper Project, DRC – up to 90%

The Board continues to assess the prospectivity of this project in light of the work carried out there during 2020.

Batangas Gold Project, Philippines – Shares and NSR

The Company held over 3.5m shares in London listed Blue Bird Merchant Ventures Limited (LON: BMV). Blue Bird is focused on its near-term production gold project in South Korea. BMV share price as at 31 March 2021 was 3.90 pence.

The Company retains its net smelter royalty over the Philippines located Batangas gold project.

Corporate

During the quarter, the Company announced it had received firm commitments for a \$400,000 placement

from sophisticated and professional investors.

The Company's cash position at the end of the March quarter was \$1.637 million.

New Projects

The Company continues to review and assess opportunities that will add value to its portfolio.

Authorised on behalf of the Board,



Mauro Piccini

Company Secretary

ASX ADDITIONAL INFORMATION

ASX Listing Rule 5.3.1

Exploration and Evaluation during the quarter was \$82,000. The majority of this was spent on the Company's MT Maitland Project.

ASX Listing Rule 5.3.2

There was no substantive mining production and development activities during the quarter.

ASX Listing Rule 5.3.5

Payments to related parties of the entity and their associates:

Payments to Related Parties & their Associates	Amount
Director Fees and Superannuation	\$54,000
Company Secretarial, Registered Office and Financial Management Services	\$43,312

Tenement Table: ASX Listing Rule 5.3.3

Mining tenement interests held at the end of the quarter and their location

PERMIT NAME	PERMIT NUMBER	REGISTERED HOLDER/APPLICANT	AREA IN HECTARES	DATE OF RENEWAL PERIOD EXPIRATION	PERMIT TERM EXPIRY	INTEREST CONTRACTUAL RIGHT /
RM1 – 270, Utah	00197618-197887	RMX USA Inc.	2,266	14-Feb-17	14-Feb-17	100%
Demiko ¹	ZEA 556	Tshiyaz Muneng Costa	340	N/A	N/A	Right to earn up to 90%
Comaki ¹	ZEA 557	Tshiyaz Muneng Costa	340	N/A	N/A	Right to earn up to 90%
Comialu ¹	ZEA 558	Tshiyaz Muneng Costa	425	N/A	N/A	Right to earn up to 90%
Comidel ¹	ZEA 559	Tshiyaz Muneng Costa	340	N/A	N/A	Right to earn up to 90%
KGCM ¹	ZEA 560	Tshiyaz Muneng Costa	425	N/A	N/A	Right to earn up to 90%
Psodema ¹	ZEA 561	Tshiyaz Muneng Costa	340	N/A	N/A	Right to earn up to 90%
CMAL ¹	ZEA 562	Tshiyaz Muneng Costa	340	N/A	N/A	Right to earn up to 90%
Comiko ¹	ZEA 563	Tshiyaz Muneng Costa	340	N/A	N/A	Right to earn up to 90%

Koonenberry	EL8997	Red Mountain Mining	35,400	3-Sept-23	3-Sept-23	100%
Koonenberry	EL9009	Red Mountain Mining	30,300	23-Oct-23	23-Oct-23	100%
Mt Mansbridge	E80/5111	Red Mountain Mining		10-Oct-2023	10-Oct-2023	100%
Mt Mansbridge	E80/5229	Red Mountain Mining		6-Jun-2024	6-Jun-2024	100%
Mt Mansbridge	E80/5413	Red Mountain Mining		28-Jul-2025	28-Jul-2025	100%

*Note: Exploration Permits that have reached permit expiry have been submitted for renewal.

- As announced 21 March 2017, the Company has executed a binding exclusivity and earn-in agreement (**Agreement**) with CoCu Metals Ltd, who controls 100% of the permits ZEA 556 – 563. Pursuant to the revised terms of the Agreement released on 6 September 2017, the Company has the right to earn up to 90% interest in the permits, subject to meeting exploration expenditure commitments.

The mining tenement interests relinquished during the quarter and their location

Nil.

The mining tenement interests acquired during the quarter and their location

Not applicable.

Beneficial percentage interests held in farm-in or farm-out agreements at the end of the quarter

Not applicable.

Beneficial percentage interests in farm-in or farm-out agreements acquired or disposed of during the quarter

Not applicable.

Competent Persons Statement

The information in this announcement that relates to Exploration Results and other technical information complies with the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code) and has been compiled and assessed under the supervision of Mr Mark Major. Mr Major is a Member of the Australasian Institute of Mining and Metallurgy and the Australasian Institute of Geoscientists. He has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the JORC Code. Mr Major consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

Disclaimer

In relying on the above mentioned ASX announcement and pursuant to ASX Listing Rule 5.23.2, the Company confirms that it is not aware of any new information or data that materially affects the information included in the above-mentioned announcement.

Appendix 5B

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

Name of entity

Red Mountain Mining Limited

ABN

40 119 568 106

Quarter ended ("current quarter")

31 March 2021

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	15	15
1.2 Payments for		
(a) exploration & evaluation	(3)	(95)
(b) development	-	-
(c) production	-	-
(d) staff costs	(48)	(194)
(e) administration and corporate costs	(179)	(774)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	1
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(215)	(1,047)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	-
(d) exploration & evaluation	(79)	(797)
(e) investments	-	-
(f) other non-current assets	-	-

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	-	247
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(79)	(550)
3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	760	1,860
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	32
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(49)	(102)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	711	1,790
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,220	1,444
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(215)	(1,047)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(79)	(550)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	711	1,790

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	1,637	1,637

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	1,613	1,196
5.2	Call deposits	24	24
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)	1,637	1,220

6. Payments to related parties of the entity and their associates		Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	(97)
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>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.</i>		
6.1	Director and consulting fees paid to Directors and/or Director related entities	\$54,000
	Financial management and Company secretary fee paid to Director related entity	\$43,312

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.</i>		
<i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end		-
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.		
N/A		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(215)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(79)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(294)
8.4 Cash and cash equivalents at quarter end (item 4.6)	1,637
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	1,637
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	5.57
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 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: N/A	
8.8.2 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: N/A	

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

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: N/A

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

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: 29 April 2021

Authorised by: The Board of Red Mountain Mining Limited
(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.