

REDCASTLE RESOURCES LIMITED

ACN 096 781 716
SUITE 2, LEVEL 1
1 ALTONA STREET
WEST PERTH WA 6005



ASX: RC1

29 April 2022

REDCASTLE RESOURCES LTD MARCH 2022 QUARTERLY ACTIVITIES REPORT

The Board of Redcastle Resources Limited (**RC1** or the **Company**) provides the following report on its activities for the quarter ended 31 March 2022.

Highlights

- **13 RC holes for 799m completed during the quarter, results awaited**
- **Historic data digitization progressing well**
- **Planning underway for additional drilling**

During the quarter, the Company commenced its initial RC drilling program at Redcastle, with a total of 13 holes for 799m completed during the quarter. The collar details for these holes is shown in Table 1 below. Drilling was completed after the end of the quarter.

Table 1 Collar details for holes completed during the quarter.

Hole	MGA E	MGA N	Depth	Azimuth	Dip
RRC069	396271	6792749	60	0	-60
RRC070	396273	6792741	80	0	-60
RRC071	396273	6792733	100	0	-60
RRC072	396274	6792723	120	0	-60
RRC073	396312	6792746	7	0	-60
RRC074	396312	6792742	80	0	-60
RRC075	396312	6792729	100	0	-60
RRC076	396310	6792767	30	0	-60
RRC077	396350	6792770	18	0	-60
RRC078	396349	6792772	24	0	-60
RRC079	396350	6792759	40	0	-60
RRC080	396352	6792751	60	0	-60
RRC081	396352	6792739	80	0	-60
Total			799		

These holes were designed to validate several generations of historic drilling at Redcastle. The holes encountered sheared mafic volcanics, with some zones strongly quartz veined. Occasional narrow

(less than 3m) historic workings were also intersected in a small number of holes. The logging of the holes shows a good correlation with the adjacent historic holes. Assays are awaited.

In addition, the Company continued with the digitization of the historic data. This is well advanced. This will allow a greater understanding of the targets and will greatly assist with future planning at Redcastle.

An auger geochemical soil sampling program has been designed to cover the entire project area with modern day sampling. This method has been very successful throughout the Goldfields, having been pioneered by the CSIRO in the 1990s. This will be the first time this style of complete sampling has ever been carried out on this project. A Goldfields based contractor is preparing to mobilise to site to complete this work under the supervision of the company's geological team.

Work is also underway to plan the next phase of infill and extensional RC drilling.



CORPORATE

During the quarter, the Company completed and lodged a prospectus (**Prospectus**) for:

- a) a non-renounceable entitlement issue of one (1) option to acquire a share (**Option**) for every five (5) fully paid ordinary shares in the capital of the Company held by eligible shareholders at an issue price of \$0.001 per Option to raise up to \$65,657 (**Loyalty Offer**);
- b) the issue of 20,000,000 Options to Xcel Capital Pty Ltd (or its nominees); and
- c) subject to shareholder approval, the issue of 15,000,000 Incentive Options to the Directors (or their nominees).

(together, the **Offers**).

The Loyalty Offer which was designed to acknowledge the support of its shareholders in its recent IPO prospectus was made to all shareholders of the Company named on its register of members at 4:00pm (WST) on 21 February 2022, whose registered address was in Australia.

The Loyalty Offer closed on 3 March 2022 and on 8 March 2022, a total of 51,520,684 options were issued pursuant to the Offer (ASX: RC1O). The remaining shortfall of 14,136,116 options was issued on 23 March 2022. The Director Incentive Options and Xcel Capital Options were issued on 25 March 2022, following receipt of shareholder approval at a General Meeting held 24 March 2022.

In addition, subsequent to the end of the quarter on 5 April 2022, the Company issued 10,000,000 Options (RC1O) to Xcel Capital Pty Ltd under its Listing Rule 7.1 placement capacity pursuant to a corporate advisory mandate.

The updated capital structure of the Company is as follows:

Description	Number
Ordinary Fully Paid Shares	328,284,155
Listed Options (RC1O)	110,656,800
Unlisted Options (exercisable at \$0.091; expiry 4/12/2022)	6,298,113
Unlisted Options (exercisable at \$0.03; expiry 13/12/2025)	42,000,000

Subsequent to the end of the quarter, the Company changed its registered office and principal place of business address to:

**Suite 11, Level 2
23 Railway Road
Subiaco WA 6008**

CASH POSITION

At the end of the quarter, the Company had cash reserves of approximately \$3.99 million. The Appendix 5B report attached to this report contains the Company's cash flow statement for the quarter.

- Ends-

For and on behalf of the Board,



**Sarah Smith
Company Secretary**

This announcement has been approved for release to ASX by the Board of Redcastle Resources Ltd

ASX Listing Rule 5.3.1

Exploration and Evaluation expenditure during the quarter was \$84k. This was spent in the preparation of Tenement Agreements for the Gold Projects.

ASX Listing Rule 5.3.2

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

ASX Listing Rule 5.3.3

The following table sets out the tenement information reported as required by ASX Listing Rule 5.3.3.

The Tenements cover a prospective area (1,088ha) surrounding the locality of the historical Redcastle Mining Centre within the Mt Morgans District of the Mt Margaret Mineral Field of WA approximately 60km east of Leonora and 60km west of Laverton in the North Eastern Goldfields.

Tenement Id	Status	Area (ha)	Expiry Date
M 39/318	Live	106	15/09/2036
P 39/5184	Live	54	15/12/2019
M 39/1140	Pending	54	-
P 39/5307	Live	155	05/02/2022
M39/1155	Pending	155	-
M39/1149	Pending	58	-
P 39/5568	Live	151	17/04/2024
P 39/5573	Live	123	18/04/2024
P 39/5814	Live	197	07/02/2022
P 39/5815	Live	172	07/02/2022
P 39/5858	Live	57	01/07/2022
P 39/6185	Live	15	30/06/2025

1. The mining tenement interests acquired during the quarter and their location

See table above.

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

Not applicable.

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

Not applicable.

ASX Listing Rule 5.3.5

The following table sets out the information as required by ASX Listing Rule 5.3.5 regarding payments to related parties of the entity and their associates:

Related Party	Amount	Description
Directors	\$69,524	Director Fees
Director Related Entities	\$50,490	Consulting Fees
Mirador Corporate	\$26,775	Company Secretarial and Financial Management Fees

ASX Listing Rule 5.3.4

The table below illustrates the expenditure comparison against the 'use of funds table' in the Prospectus dated 21 September 2021.

Use of Funds	Maximum Subscription (\$)	Actual amount spent (\$) in the quarter ended 31 March 2021	Actual amount spent (A\$) year to date
Administrative Costs	1,000,000	184,000	708,000
Wages/Salaries/Contractors	300,000	-	-
Data compilation	70,000	-	-
Geological/Geophysical interpretation	40,000	-	-
Soil Geochemical Survey	100,000	-	-
Follow up RAB/AC drilling	185,000	-	-
Follow up RC drilling	550,000	27,185	27,185
Assays	120,000	-	-
Metallurgical test work	10,000	-	-
Field supplies and support	25,000	-	-
Tenement costs	100,000	16,871	47,871
Equipment and consumables	40,000	-	-
Heritage and Environment	15,000	-	-
Administration costs	25,000	-	-
Rehabilitation costs	50,000	-	-
Additional Project Acquisitions	500,000	-	-
Contingency	91,000	-	-
Unallocated Working Capital	1,231,000	-	-

COMPETENT PERSON

The information in this report that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr. Matthew Sullivan, a Competent Person and consultant of the company who is a Member of The Australasian Institute of Mining and Metallurgy. Mr. Matthew Sullivan 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 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr. Sullivan consents to the inclusion in the report of the matters based on the information compiled by him, in the form and context in which it appears.' The Company is not aware of any new information or data that materially affects the information included in the above

Appendix 5B

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

Name of entity

Redcastle Resources Limited

ABN

57 096 781 716

Quarter ended ("current quarter")

31 March 2022

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		
1.2	Payments for		
	(a) exploration & evaluation	(40)	(71)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	-	-
	(e) administration and corporate costs	(144)	(661)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	-
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	(184)	(732)

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	(44)	(71)
	(e) investments	-	-
	(f) other non-current assets	-	-

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 (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(44)	(71)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	73	4,500
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	-	(270)
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	73	4,303

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	4,147	492
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(184)	(732)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(44)	(71)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	73	4,303

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	3,992	3,992

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	3,992	4,147
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)	3,992	4,147

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	(147)
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
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.		

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

7.	Financing facilities <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>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
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)	(184)
8.2	Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(44)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(228)
8.4	Cash and cash equivalents at quarter end (item 4.6)	3,992
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	3,992
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	18
	<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	

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 2022

Authorised by: The Board of Redcastle Resources 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.