Positive Start to Drilling at Yinnetharra Lithium Project

Highlights

- Visually identified spodumene intercepted in all six (6) diamond drill holes completed to date
- Nine (9) holes remain to be drilled prior to Christmas
- 13 kilometres strike of new lithium targets identified for exploration in 2023

Red Dirt Metals Limited (ASX: RDT) ("**Red Dirt**" or the "**Company**") is pleased to announce an update on drilling at the Yinnetharra Lithium Project ("**Yinnetharra**") in the Gascoyne region of Western Australia. In the first diamond drilling program executed since acquiring 100% of Yinnetharra, Red Dirt has successfully intercepted spodumene in all initial drill holes.

In addition, the Company's exploration team continues to define new target areas to be tested with drilling over the next 12 months.

Commenting on the drilling update Executive Chairman, David Flanagan said:

"It is extremely promising to visually identify extensive spodumene at this stage of our initial program. The visual record has correlated well with historical results, so the exploration team is excited by the early positive indications, especially after only settling the acquisition of Yinnetharra in late September. Of particular interest is hole ***YNRD005 from 88.9 to 172.5 metres*** *downhole showing significant pegmatite thickening at depth."*

"Receiving such highly encouraging signs in such a short period of time is a huge achievement for our team and testament to their exploration skill. We are all eagerly anticipating the first assay results which are due in early 2023."

The Company is highly encouraged by the geology identified in all holes, but no quantitative or qualitative assessment of mineralisation is possible at this stage. Widths reported are downhole width and no estimate of true width is given at this stage. Further no forecast is made of whether this or further drilling will deliver ore grade intercepts, resources or reserves.

Figure 1: *Coarse spodumene drilled by Red Dirt in YNRD005 at 129m.*

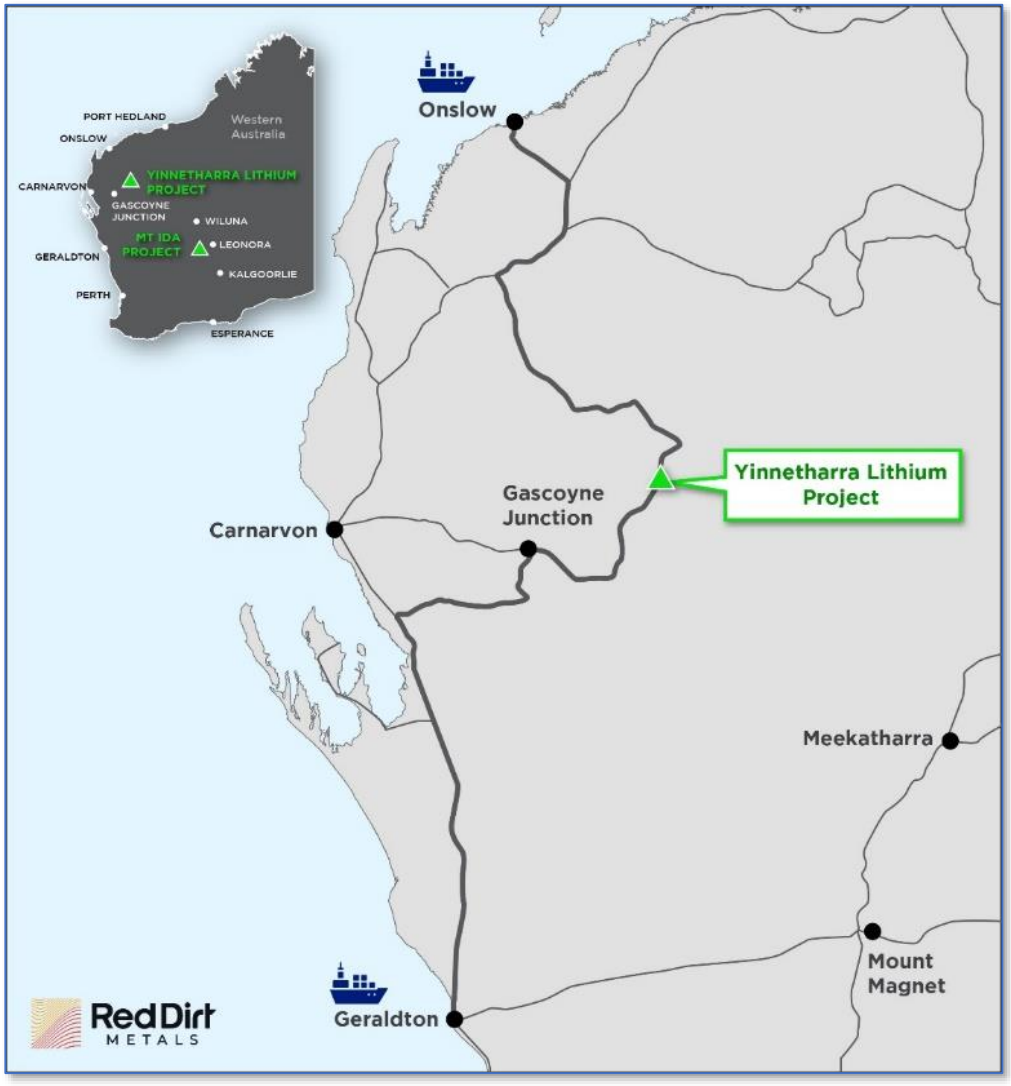

Figure 2: *Regional map showing Yinnetharra in relation to major infrastructure.*

Yinnetharra Project Drilling Update

Within the Yinnetharra Project, a total of 34 RC holes were drilled under previous ownership identifying 15 Lithium Caesium Tantalum (LCT) pegmatites in a prospective area that was collectively named the Malinda Prospect (Figure 3). Please see Table 1 below for significant historical intercepts achieved.

An initial drilling campaign commenced at the Malinda Prospect on the 15th of November. Additional mapping work conducted by the Red Dirt exploration team has since expanded the known LCT pegmatites to 54 LCT pegmatite dykes within the Malinda Prospect area with more expected to be defined. Only 15 of these have been tested by drilling previously and the Red Dirt exploration team will systematically work these. The identified targets are spread across a surface area of 2.8 kilometres by 1.4 kilometres. The width and tenor of previous drilling intercepts combined with recent visual observations of spodumene is highly encouraging.

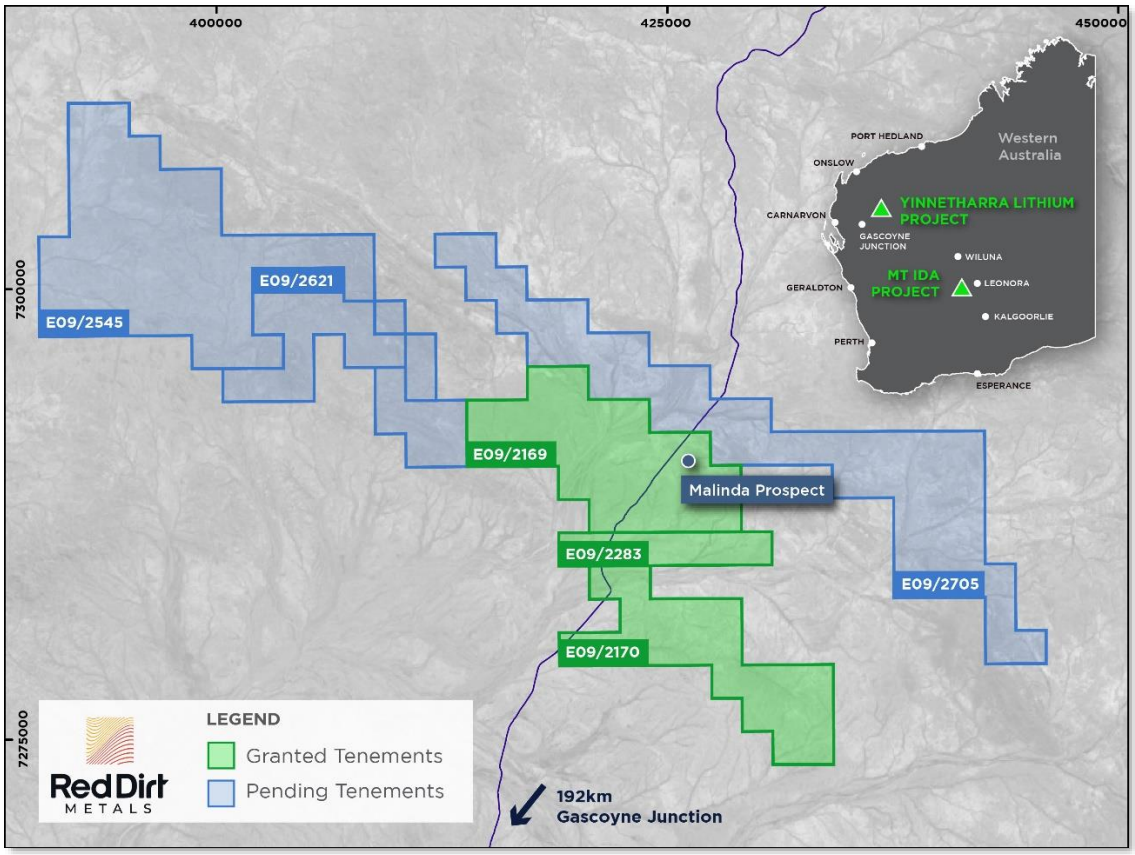

Figure 3: *Yinnetharra Lithium Project Tenements (Malinda Prospect).*

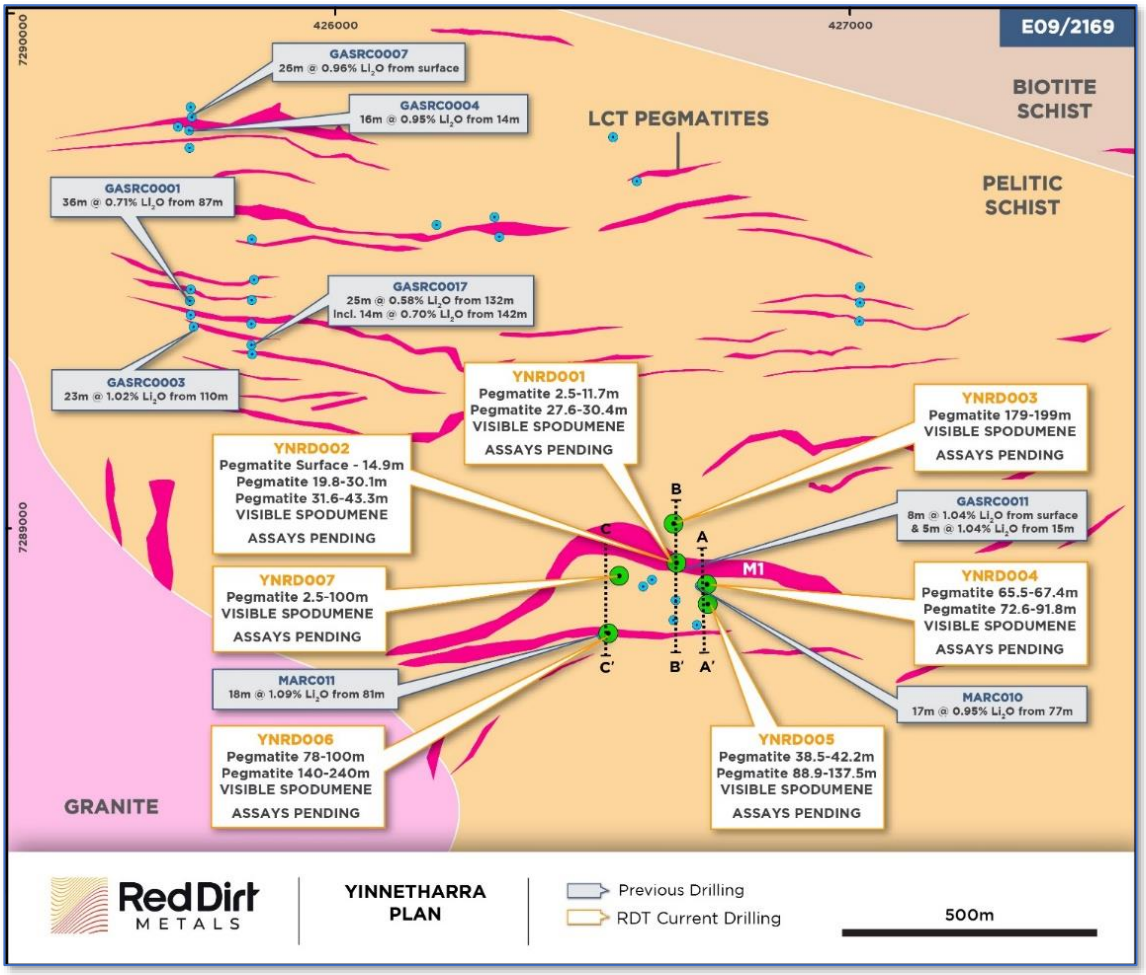

Figure 4: *Plan showing LCT pegmatite map and location of RDT drilling at Malinda.*

As announced on 12 September 2022, a number of significant intercepts were achieved in historical drilling as detailed below in Table 1.

Hole ID		From	To	Width (m)	Li_2O %	Ta_2O_5 ppm
GASRC0001		**87**	**123**	**36**	**0.71**	**57**
GASRC0002		*16*	*23*	*7*	*0.46*	*52*
GASRC0003		105	108	3	0.38	26
	and	***110***	***133***	***23***	***1.02***	***55***
GASRC0004		0	1	1	0.75	76
	and	***14***	***30***	***16***	***0.95***	***142***
GASRC0007		***0***	***26***	***26***	***0.95***	***59***
GASRC0009		106	108	2	1.49	30
	and	121	126	5	0.39	97
GASRC0011		***0***	***8***	***8***	***1.04***	***47***
	and	15	20	5	1.04	67
GASRC0016		117	120	3	1.26	74
GASRC0017		23	24	1	0.63	106
	and	115	118	3	0.8	18
	and	***132***	***157***	***25***	***0.58***	***77***
MARC003		6	12	6	0.52	127
MARC009		97	98	1	0.31	68
	and	105	106	1	0.32	5
MARC010		71	72	1	0.49	24
	and	***77***	***94***	***17***	***0.95***	***54***
MARC011		***81***	***99***	***18***	***1.09***	***41***

Table 1: *Significant historical and recent intervals from the Yinnetharra Lithium Project prior to the six diamond drill holes detailed in this announcement. All intervals are down hole intervals and not true width. Refer to previous Red Dirt announcements for completed Yinnetharra drilling tables.*

Since arriving on site, the team has completed six (6) diamond drill holes for a total of 989.4 metres of a planned total 3,000 metres prior to Christmas. Diamond core provides high quality samples and the opportunity to confirm the mineralogy and the metallurgy of lithium mineralisation.

Positive visual identification of spodumene mineralisation has occurred in all six of the holes completed by the Company so far. As shown in the cross sections below (Figures 5 to 15) many of the deeper diamond holes are providing additional evidence that corroborates the results from the earlier RC drilling results.

While the geology logged from the Company's drill holes is material and highly encouraging, it has not yet been assessed quantitatively or interpreted as to grade or width of mineralisation. Assay results are expected in Q1 2023. Please find geological summaries, sections, plans, core photography below and the JORC Table 1 in the Appendix for a comprehensive explanation.

- ***YNRD001*** twinned historical RC hole GASRC011 which returned 8m @ 1% Li_20 from surface and 5m @ 1% Li_20 from 15m within the M1 pegmatite. YNRD001 intersected pegmatite from ***2.5m to 11.7m*** and ***27.6m to 30.4m*** Spodumene has been observed within pegmatite in the hole, but no quantitative or qualitative assessment of mineralisation is possible at this stage. Widths reported are downhole width and no estimate of true width is given at this stage. Please refer to Figures 4, 5 and 6 for a plan and cross-sectional interpretation of this drill hole and accompanying photos of the core.

- ***YNRD002*** was drilled from the same collar location as YNRD001 at a steeper angle to understand the orientation of the northern contact of the M1 pegmatite. YNRD002 intersected pegmatite from **0m to 14.9m, 19.8m to 30.1m,** and **31.6m to 43.3m**. Spodumene has been observed within pegmatite in the hole, but no quantitative or qualitative assessment of mineralisation is possible at this stage. Widths reported are downhole width and no estimate of true width is given at this stage. Please refer to Figures 4, 5, 7 and 8 for a plan and cross-sectional interpretation of this drill hole and accompanying photos of the core.

- ***YNRD003*** was collared north of YNRD001and002 and drilled to the south to understand the dip of the M1 pegmatite. YNRD003 intersected pegmatite from **179m to 199m** and confirmed a southerly dip to the M1 pegmatite. Spodumene has been observed within pegmatite in the hole, but no quantitative or qualitative assessment of mineralisation is possible at this stage. Widths reported are downhole width and no estimate of true width is given at this stage. Please refer to Figures 4, 5 and 9 for a cross sectional interpretation of this drill hole and accompanying photos of the core.

- ***YNRD004*** was drilled to test between historical RC intercepts in GASRC011 and MARC010 which returned 15m @ 1% Li_20 from 77m. YNRD004 intersected pegmatite from **65.5m to 67.4m** and from **72.6m to 91.8m** and confirmed southerly dip direction for the M1 pegmatite and a south-eastern plunge for Spodumene bearing zone within the M1 pegmatite. Spodumene has been observed within pegmatite in the hole, but no quantitative or qualitative assessment of mineralisation is possible at this stage. Widths reported are downhole width and no estimate of true width is given at this stage. Please refer to Figure 11 for accompanying photos and Figure 10 for an interpreted cross section.

- ***YNRD005*** was drilled to test east along strike and down plunge of MARC010. YNRD005 intersected pegmatite from **38.5m to 42.2m** and **88.9m to 172.5m**, confirmed a south easterly plunge to the spodumene bearing zone within the M1 pegmatite and has demonstrated a significant thickening of the M1 pegmatite at depth. Spodumene has been observed within pegmatite in the hole, but no quantitative or qualitative assessment of mineralisation is possible at this stage. Widths reported are downhole width and no estimate of true width is given at this stage. Please refer to Figures 1, 4, 10, 12 and 13 for a cross sectional interpretation of this drill hole and accompanying photos of the core.

- ***YNRD006*** twinned historical RC hole MARC011in order to understand the attitude of the M1 pegmatite. YNRD006 intersected pegmatite from **80.5m to 97m, 126.4m to 133.2m** and confirms a flat dip for the M1 pegmatite in this area and the ability for the Malinda pegmatites to have significant Li_2O grades at depth below surface samples with low Li assays. Spodumene has been observed within pegmatite in the hole, but no quantitative or qualitative assessment of mineralisation is possible at this stage. Widths reported are downhole width and no estimate of true width is given at this stage. Please refer to Figures 4, 14 and 15 for a cross sectional interpretation of this drill hole and accompanying photos of the core.

Red Dirt is intending to complete a further 9 drill holes prior to Christmas, following which the program will resume after a short break. Please see the plan below showing the location of planned holes in relation to historical drilling and mapped LCT pegmatites.

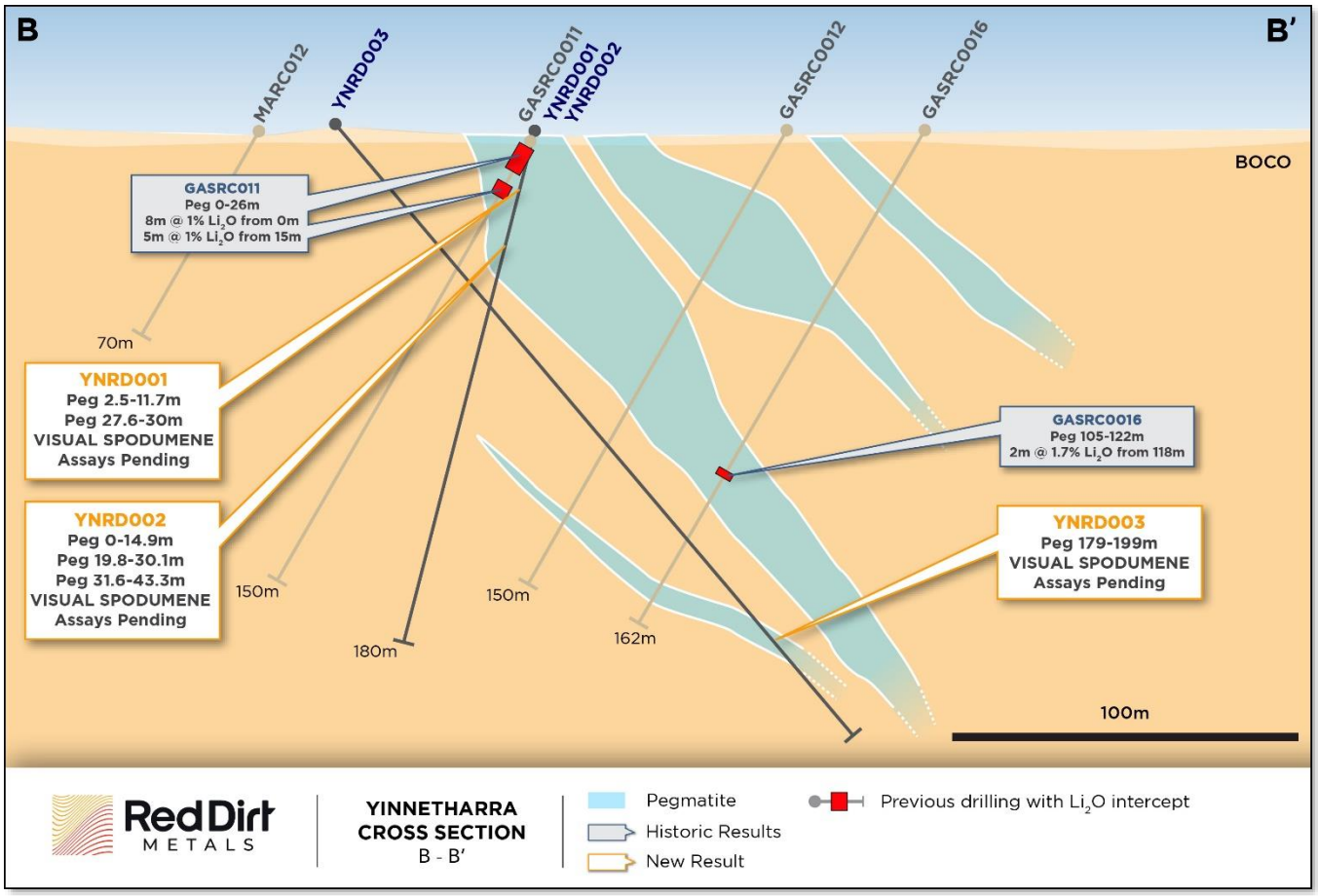

Figure 5: *Cross Section showing YNRD001, YNRD002 YNRD003 and interpreted pegmatites. Please note widths are down hole widths not true widths as there is insufficient data to support true widths at this stage.*

Figure 6: *Photo of YNRD001showing pegmatite intercepts from 2.5m to11.7m and 27.6m to 30.4m.*

Figure 7: *Photo of YNRD002 showing pegmatite (light coloured rocktype) intercepts from 0m to14.9m, 19.8m to 30.1m, and 31.6m to 43.3m.*

Figure 8: *Close up photo showing coarse spodumene with 1-2mm spodumene disseminated throughout in YNRD002 from 28m.*

Figure 9: *Photo of YNRD003 showing pegmatite intercept from 179 to 199m.*

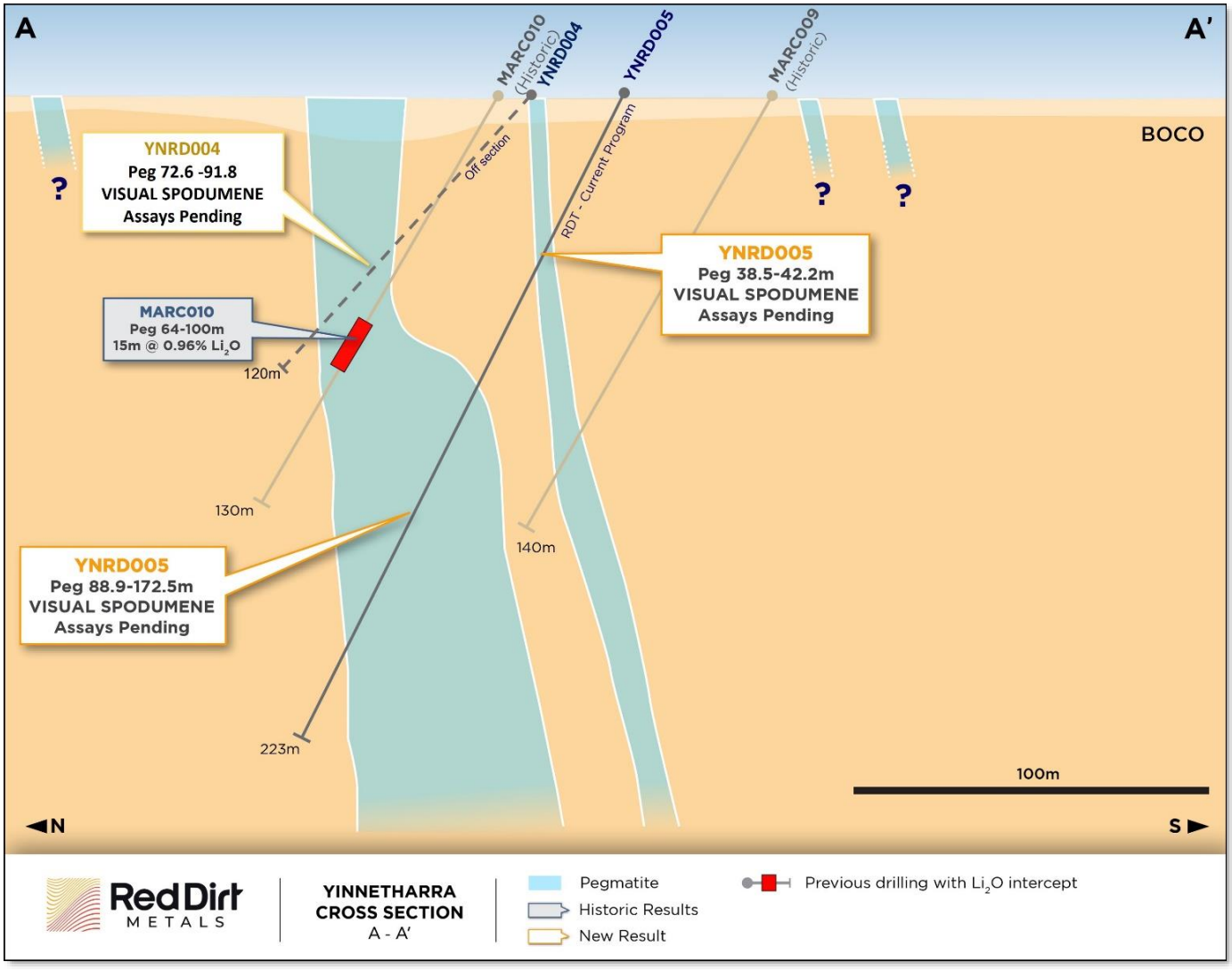

Figure *10:* *Cross Section showing YNRD005 and YNRC004 off section to the West and interpreted pegmatites. Please note widths are down hole widths not true widths as there is insufficient data to support true widths at this stage.*

Figure11: *Photo of YNRD004 showing pegmatite intercept from 72.6 to 91.8m.*

Figure12: *Photos of YNRD005 showing pegmatite intercept from 88.9m to 172.5m.*

Figure 13: *Close up photo of YNRD005 showing coarse spodumene from 126m.*

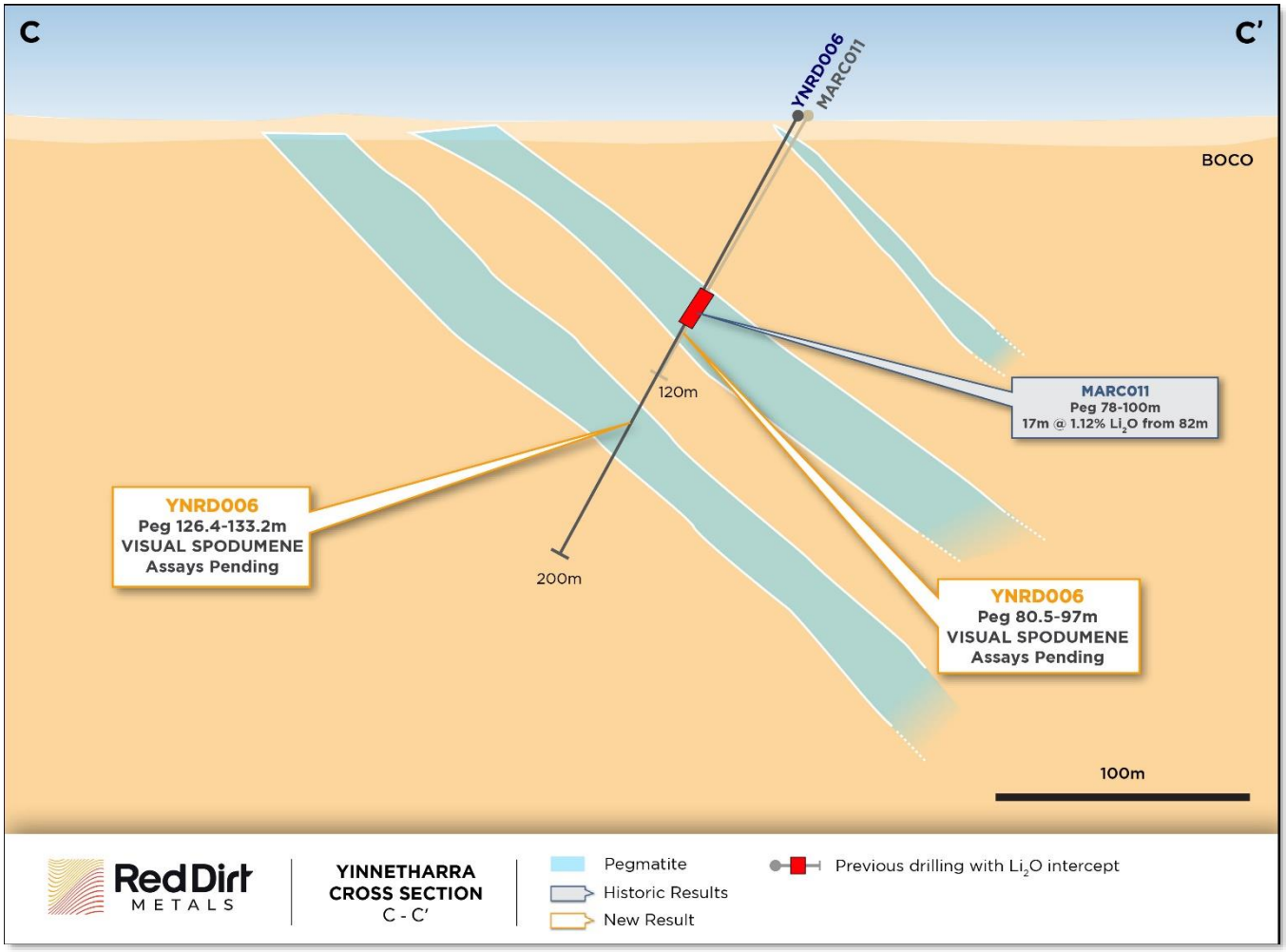

Figure 14: *Cross Section showing YNRD006 and interpreted pegmatites. Please note widths are down hole widths not true widths as there is insufficient data to support true widths at this stage.*

Figure 15: *Photo of YNRD006 showing pegmatite intercept from 126.4 to 133.2.*

Yinnetharra Regional Exploration

While advancing the current diamond drilling programme the Company has continued to compile regional datasets, map pegmatites and visit prospective areas and generate additional targets throughout the project.

Since the completion of the Yinnetharra acquisition in late September 2022, this investigative work has already yielded meaningful results. As shown in Figure 16 below, in addition to the 54 mapped LCT pegmatites at the Malinda Prospect the Company has now defined multiple LCT pegmatite targets in the surrounding area. The target strike length now exceeds 13 km, further illustrating the excellent prospectivity of this ground.

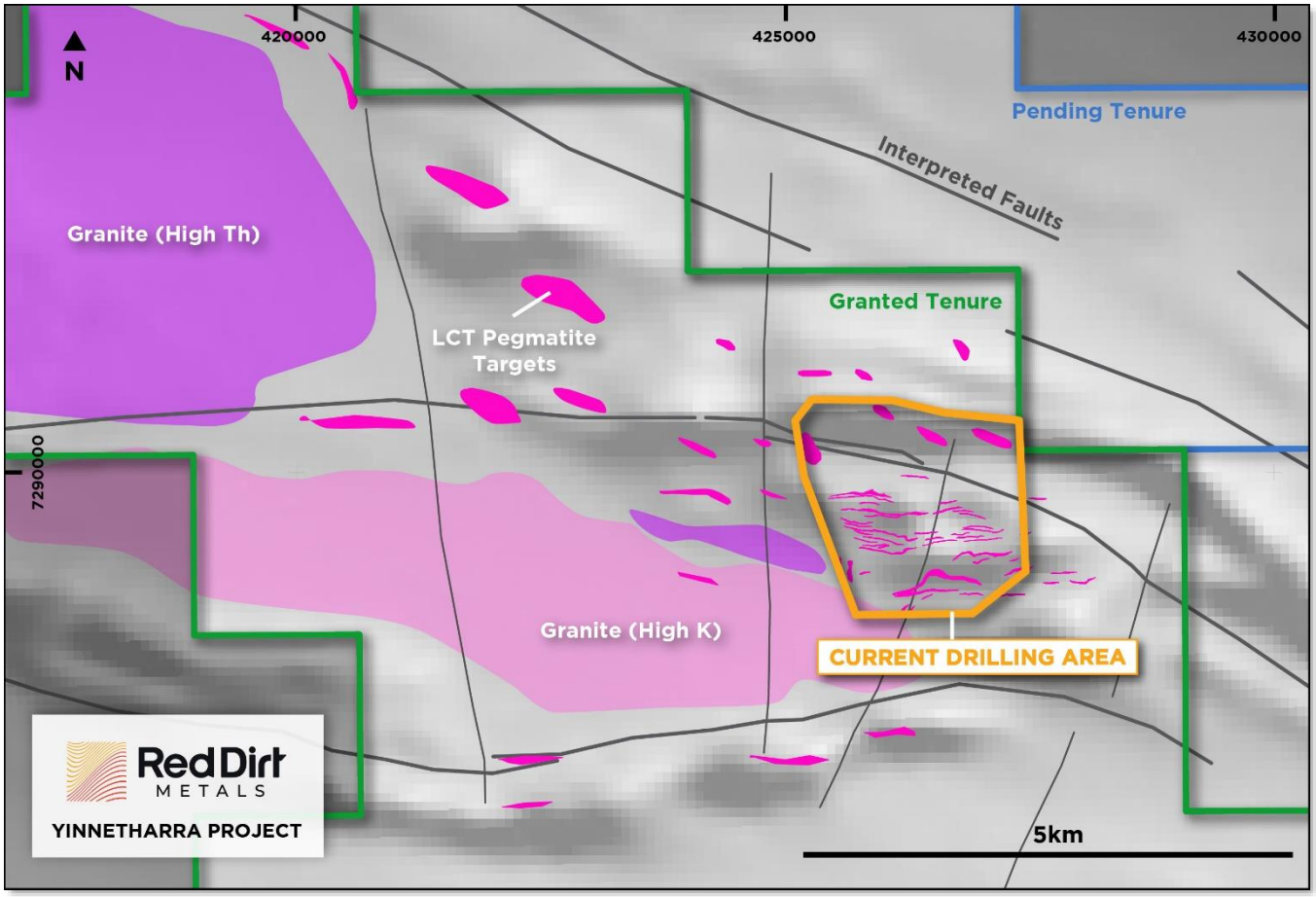

Figure 16: *Regional Prospectivity map.*

Authorised for lodgement by the Board of Red Dirt Metals Limited.

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About Red Dirt Metals

Red Dirt Metals (ASX: RDT) is an exploration and development company focused on bringing the high-quality, lithium-bearing pegmatite deposits located in Western Australia into production. Red Dirt is rapidly advancing its Mt Ida Lithium Project towards production with a well-funded pathway, and the advantage of holding existing Mining Leases and heritage agreements in place. To capitalise on the prevailing buoyant spodumene and lithium pricing, Red Dirt believes that a rapid development pathway will unlock the most value for shareholders.

Beyond the Mt Ida Lithium Project, Red Dirt also holds the highly prospective Yinnetharra Lithium Project. Red Dirt will continue to assess opportunities to increase its lithium portfolio by identifying and potentially adding new potential lithium acquisitions.

Competent Person's Statement

Information in this Announcement that relates to exploration results is based upon work undertaken by Mr. Charles Hughes, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy (AUSIMM). Mr. Hughes has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a 'Competent Person' as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (JORC Code). Mr. Hughes is an employee of Red Dirt Metals Limited and consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.
Refer to www.reddirtmetals.com.au for past ASX announcements.

The information in this announcement that relates to previously reported exploration results has been extracted from the Company's previous ASX announcements including: Yinnetharra Lithium Project Acquisition dated 12 September 2022, accessible at https://reddirtmetals.com.au/investor-dashboard/ and www.asx.com.au. The Company confirms that it is not aware of any new information or data that materially affects the information included in that announcement. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from that announcement.

Disclaimer

The information in this announcement regarding the six diamond drill holes recently completed by the Company is based solely on a visual inspection of the core samples. The core samples are yet to be assayed and analysed. The Company makes no forecast of the grade or width of mineralisation from those drill holes, pending completion of the assay and analysis process.

This release may include forward looking and aspirational statements. These statements are based on Red Dirt management's expectations and beliefs concerning future events as of the time of the release of this announcement. Forward looking and aspirational statements are necessarily subject to risks, uncertainties and other factors, some of which are outside the control of Red Dirt, that could cause actual results to differ materially from such statements. Red Dirt makes no undertaking to subsequently update or revise the forward looking or aspirational statements made in this release to reflect events or circumstances after the date of this release, except as required by applicable laws and the ASX Listing Rules.

Appendix 1 Drill hole table all intervals are down hole intervals

Drill hole ID	Easting (GDA94Z50)	Northing GDA94Z50)	RL	Dip	Azimuth	Max Depth	Peg from (m)	Peg to (m)
YNRD001	426663	7288933	322	62	000	68	2.5	11.7
							27.6	30.3
YNRD002	426663	7288933	322	72	325	119.9	0	14.9
							19.8	30.1
							31.6	43.3
YNRD003	426657	7288991	325	50	180	258.5	179	199
YNRD004	426722	7288891	323	50	310	120	65.5	67.4
							72.6	91.8
YNRD005	426723	7288853	322	62	20	223	38.5	42.2
							88.9	172.5
YNRD006	426531	7288796	322	60	350	200	80.5	97
							126.4	133.2

JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

Criteria	Commentary
Sampling techniques	• Diamond drilling (DD) has been carried out by Red Dirt Metals at the Yinnetharra project • Drill holes have not yet been sampled • Limited historical data has been supplied, reverse circulation (RC) drilling and semi-quantitative XRD analysis have been completed at the project. Historical drilling referenced has been carried out by Segue Resources and Electrostate • Historical sampling of RC drilling has been carried out via a static cone splitter mounted beneath a cyclone return system to produce a representative sample, or via scoop • These methods of sampling are considered to be appropriate for this style of exploration
Drilling techniques	• Diamond drilling is being carried out by DDH1 utilising a Sandvik DE880 truck mounted multipurpose rig and is HQ or NQ diameter • Historical RC drilling was completed using a T450 drill rig with external booster and auxiliary air unit, or unspecified methods utilising a 133mm face sampling bit • It is assumed industry standard drilling methods and equipment were utilised for all drilling
Drill sample recovery	• Diamond core has not yet been processed • Historical RC recoveries were visually estimated on the rig, bulk reject sample from the splitter was retained on site in green bags for use in weighing and calculating drill recoveries at a later date if required • Sample weights were recorded by the laboratory • No bias was thought to exist due to sample recovery
Logging	• Quantitative and qualitative geological logging of drill holes adheres to company policy and includes lithology, mineralogy, alteration, veining and weathering • Diamond core logging records lithology, mineralogy, alteration, weathering, veining, RQD, SG and structural data • All diamond drill holes are photographed in full • A complete quantitative and qualitative logging suite was supplied for historical drilling including lithology, alteration, mineralogy, veining and weathering • No historical chip photography has been supplied • Logging is of a level suitable to support Mineral resource estimates and subsequent mining studies
Sub-sampling techniques and sample preparation	• Drill core has not yet been processed or sampled • Historical RC sampling methods included single metre static cone split from the rig or via scoop from the green bags, field duplicates were inserted at a rate of 1:20 within the pegmatite zones • Historical samples were recorded as being mostly dry • Historical samples were analysed by Nagrom or ALS Laboratories where 3kg samples were crushed and pulverised to 85% passing 75 microns for a sodium peroxide fusion followed by ICP-MS determination for 25 elements. • Semi-Quantitative XRD analysis was historically carried out by Microanalysis Australia using a representative sub-sample that was lightly ground such that 90% was passing 20 µm to eliminate preferred orientation
Quality of assay data and laboratory tests	• The sodium peroxide fusion used for historical assaying is a total digest method • All historical samples are assumed to have been prepared and assayed by industry standard techniques and methods • In the historical data field duplicates, certified reference materials (CRMs) and blanks were inserted into the sampling sequence at a rate of 1:20

Criteria	Commentary
	within the pegmatite zone • Internal standards, duplicates and repeats were carried out by Nagrom and ALS as part of the assay process • No standards were used in the XRD process
Verification of sampling and assaying	• Historical significant intercepts have been reviewed by senior personnel • Some holes in the current diamond program have been designed to twin historical RC drill holes and verify mineralised intercepts • Historical data was recorded in logbooks or spreadsheets before transfer into a geological database
Location of data points	• Drill collars are located using a handheld GPS unit, all holes will be surveyed by third party contractor once the program is complete • GDA94 MGA zone 50 grid coordinate system was used • Downhole surveys were completed by DDH1 using a multishot tool • Historical collars were located using handheld Garmin GPS unit with +/- 5m accuracy • Historical holes were not downhole surveyed, planned collar surveys were provided
Data spacing and distribution	• Drill hole spacing is variable throughout the program area • Spacing is considered appropriate for this style of exploration • Sample composting has not been applied
Orientation of data in relation to geological structure	• Drill holes were orientated to intersect the pegmatite zones as close to perpendicular as possible; drill hole orientation is not considered to have introduced any bias to sampling techniques utilised as true orientation of the pegmatites is yet to be determined
Sample security	• Historical samples were collected, stored, and delivered to the laboratory by company personnel
Audits or reviews	• None carried out

Section 2 Reporting of Exploration Results

Criteria	Commentary
Mineral tenement and land tenure status	• Drilling and sampling activities have been carried on E09/2169 • The tenement is in good standing • There are no heritage issues
Exploration done by other parties	• The area has a long history of multi commodity exploration including base and precious metals, industrial minerals and gemstones stretching back to the 1970s, activities carried out have included geophysics and geochemical sampling, and some drilling • Targeted Li exploration was carried out in 2017 by Segue Resources with follow up drilling completed by Electrostate in July 2022
Geology	• The project lies within the heart of the Proterozoic Gascoyne Province, positioned more broadly within the Capricorn Orogen — a major zone of tectonism formed between the Archean Yilgarn and Pilbara cratons. The Gascoyne Province has itself been divided into several zones each characterised by a distinctive and episodic history of deformation, metamorphism, and granitic magmatism. The project sits along the northern edge of the Mutherbukin zone, along the Ti Tree Syncline. Mutherbukin is dominated by the Thirty-Three supersuite — a belt of plutons comprised primarily of foliated metamonzogranite, monzogranite and granodiorite. Rare-earth pegmatites have been identified and mined on small scales
Drill hole Information	• A list of the drill hole coordinates, orientations and metrics are provided as an appended table

Criteria	Commentary
Data aggregation methods	• No metal equivalents are used • Significant intercepts are calculated with a cut-off grade of 0.3% Li_2O
Relationship between mineralisation widths and intercept lengths	• The pegmatites are interpreted as dipping moderately to steeply toward the south • Further drilling is required to confirm the true orientation of the pegmatites across multiple lines
Diagrams	• Figures have been included in the announcement
Balanced reporting	• All drill collars, and significant intercepts have been reported in the appendix
Other substantive exploration data	• None completed at this time
Further work	• POW's have been submitted to give RDT access to drill 200RC and 100 Diamond holes immediately over the area currently cleared under the existing heritage agreement (work will only be carried out under the guidelines of the heritage agreement and the agreed POW terms).