

Mustang & Lithic Lithium Projects Update, Nevada, USA

HIGHLIGHTS

- Drilling permit for Mustang successfully lodged with the Nevada Bureau of Land Management
- Extensive surface sampling and geological mapping at Mustang have enabled the project's lithology and stratigraphy to be evaluated.
- Phase 1 drilling program for Mustang has been designed targeting the lithiated sediments.
- Advanced discussions in progress for securing local drilling contractor.
- Additional surface sampling and mapping continues at the Lithic Lithium Project for further assessment and evaluation.



Figure 1. Topography and vegetation facing west within the middle of the Mustang Project

Red Mountain Mining Limited (“**RMX**” or the “**Company**”) is pleased to provide an update to its recently acquired prospective Lithium projects based in Nevada, USA.

MUSTANG LITHIUM PROJECT

The Company has found increased geological confidence in its Mustang Lithium Project based on recent samples’ assay grades, onsite mapping and evaluation of the lithology and stratigraphy.

This evaluation work identified numerous drilling targets that will be drill tested in RMX's maiden drilling program. Initial Phase 1 drilling program at Mustang will consist of eight (8) drill holes (refer to below figure 2) drilled to a maximum of 100m in depth that target lithium bearing clay horizons.

Drilling permit for Mustang has been successfully lodged with the Nevada Bureau of Land Management ("BLM"). The review process by the BLM is expected to be completed within four weeks.



Figure 2. RMX's Mustang Project with Phase 1 Proposed Drill Holes



Figure 3: Extents of claystone thickness observed by RMX staff (Picture taken @ 433085E, 4233621N). The shovel handle in foreground marks the lower observed contact, the geologist at the top of the hill, the upper contact, with claystone observed between.

LITHIC LITHIUM PROJECT

Additional mapping and surface sampling at the Lithic Lithium Project will assist RMX with further evaluation of the project’s lithology and stratigraphy, which will provide future drill targets. A drilling program for Lithic will be subsequently designed upon receipt of assay results from surface sampling.

Authorised for and on behalf of the Board,


Mauro Piccini

Company Secretary

Disclaimer

In relying on the above mentioned ASX announcement and pursuant to ASX Listing Rule 5.32.2, 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.

Why Lithium, Why Nevada?

Lithium is considered a critical mineral around the globe as a result of a number of factors playing into importance, including:

- Macroeconomic Factors – Favourable short, medium, and long-term market fundamentals.
- Environmental Factors – Lithium is an indispensable component of electric vehicle batteries and other energy storage solutions required to achieve an electrified and clean energy future.
- Policy Factors – A global policy initiative transitioning to a clean energy future. The United States, in particular Nevada, is a Tier-1 mining jurisdiction due to the following reasons:
- Mining Friendly – Nevada was ranked the top jurisdiction for mining according to the Fraser Institute 2020 annual survey.
- Geological Setting – Nevada hosts the world's largest known lithium deposits including:
 - Defence Production Act – The USA has recently invoked the Defence Production Act in an effort to encourage and secure domestic production of battery materials.
 - Offtake Partners – Close proximity to gigafactories and manufacturers with substantial lithium supply requirements.
 - Security – Nevada enjoys a legal framework characterized by clear laws and reliable enforcement.
 - Policy – In the United States there is bipartisan support and funding for promoting clean energy and fostering clean energy investment.
 - Minimal Outlays – Nevada has no minimum annual expenditure requirements.

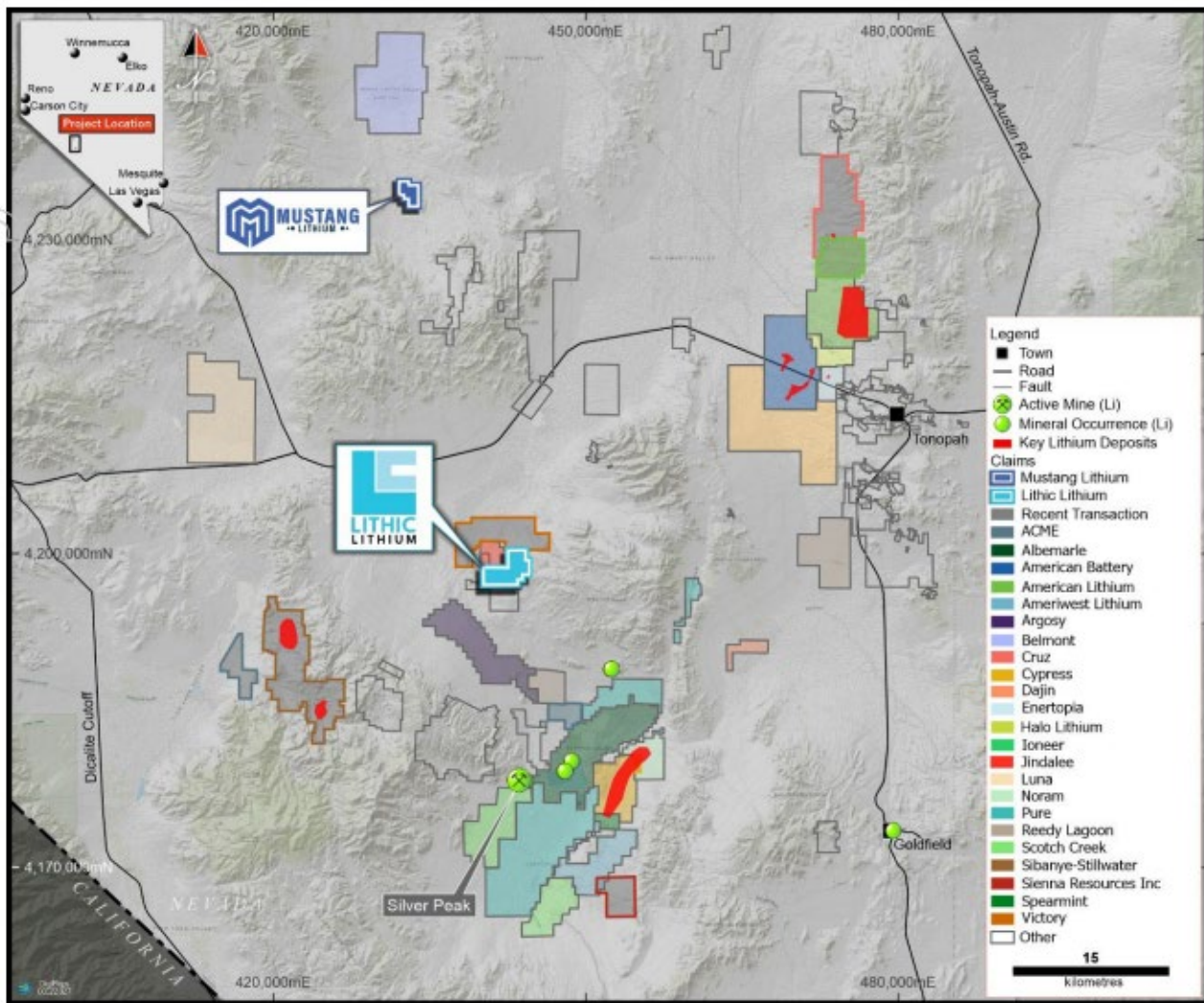


Figure 4. Location map showing RMX's two projects relative to its neighbours in Nevada

Mustang Lithium Project (Nevada, USA)

Mustang is located on the on the south-eastern flank of the hydrologically closed Monte Cristo Valley, 9 km south of Belmont Resources Kibby Lake project, and 40km east of American Lithium's TLC deposit.

The Mustang project comprises 140 claims (1,070 ha) of a generally flay alluvial outwash plane with well exposed fines-dominant sediments and lithic tuffs. The outcrops are finely laminated mudstone beds and volcanic tuff and ash layers. This mixed unit of lacustrine sedimentary beds with minor volcanics is similar to host rocks found at American Lithium's TLC deposit and Cypress' Clayton Valley deposit. This claim area is within a mapped caldera with the Monte Cristo Valley containing a significant area of volcanic rock capable of supplying lithium to the closed basin. Andesite and basalt flows are exposed in all directions within 2-6km of the project in erosional windows through the alluvium.