



ASX ANNOUNCEMENT
1 March 2017

REDSTONE COMPLETES OVERSUBSCRIBED CAPITAL RAISING

- Redstone raises \$430,000 to fund RC drilling on its 100% owned highly prospective Tollu Copper Project in Western Australia
- Oversubscriptions of 45% (approx.) accepted from professional and sophisticated investors introduced by Westar Capital
- Redstone funded to advance and evaluate the continued expansion of the Company's Tollu Copper project

Redstone Resources Limited (ASX Code: RDS) ("**Redstone**" or "**the Company**") is very pleased to announce that it has completed a placement of 53,750,000 million fully paid ordinary shares in the Company at \$0.008 per share ("**Shares**") to raise \$430,000 (before costs) ("**Placement**").

The Placement received strong support from a number of new sophisticated and professional investors introduced by the Lead Manager to the offer, Westar Capital Ltd. The Company would like to thank all shareholders for their continued support.

Together with the Company's recent receipt of a A\$650,000 Research and Development Incentive, the Company is well positioned to undertake further targeted exploration on its 100% owned Tollu Copper Project, located in the West Musgrave region, Western Australia ("**Project**").

In parallel the Company will conduct a review to identify, prioritise and advance a number of priority targets following up on results generated from the 2015 drilling program at the highly prospective Project. This review of geology, drilling and geophysical data over the Project areas seeks to optimise and broaden the scope of the next drilling program. The initial strategy will include follow up RC drilling to further evaluate the potential for sulphide at depth in addition to the oxides already discovered at the Forio Prospect. Previous first pass drilling at Forio identified a mineralised strike over 250m coincident with an historic Induced Polarity (IP) geophysical anomaly and open in all directions.

Significant intersections received in the first pass drilling at Forio included:

- 9m at 2.27% Cu from 27m downhole (TLC130)
- 8m at 2.08% Cu from 17m downhole (TLC131)
- 5m at 1.50% Cu from 19m downhole (TLC132)

Please refer to the ASX announcement of 22 February 2016.



The Forio prospect has displayed limited surface expression however is associated with a coincident geophysical anomaly and remains to be effectively drilled out below 50m. The results at Forio display the widest and strongest copper mineralisation discovered at this depth to date at the Project. Further RC drilling would aim to test veins hosting near surface copper mineralisation on other identified Tollu prospects displaying minimal surface expression analogous to that identified at the Forio Prospect from the most recent drilling campaign (Figure 1).

Following the maiden Mineral Resource for the Tollu Project (Tables 1 and 2 per ASX announcement of 15 June 2016), the Forio discovery highlights the potential to expand the near surface oxide resources and identify additional sulphide targets. Initial sighter metallurgical studies and ore characterisation are also planned to be completed.

Tollu Project Mineral Resource Estimate – June 2016			
Prospect	Tonnes	Cu%	Contained Copper
Chatsworth	798,308	1.6%	12,780
Forio	671,898	1.1%	7,233
Main Reef	850,210	0.7%	5,633
Hamptons	266,576	0.9%	2,436
Eastern Reef	1,309,138	0.8%	10,047
Total	3,896,130	1.0%	38,129

Table 1 Mineral Resource Estimate by Prospect

Tollu Project Mineral Resource Estimate – June 2016				
Resource Classification	Prospect	Tonnes	Cu%	Contained Copper
Indicated	Chatsworth	394,607	1.6%	6,323
	Forio	69,268	1.1%	759
	Sub-Total	463,875	1.5%	7,081
Inferred	Chatsworth	403,701	1.6%	6,458
	Forio	602,630	1.1%	6,474
	Main Reef	850,210	0.7%	5,633
	Hamptons	266,576	0.9%	2,436
	Eastern Reef	1,309,138	0.8%	10,047
	Sub-Total	3,432,255	0.9%	31,048
Total Indicated + Inferred	Chatsworth	798,308	1.6%	12,780
	Forio	671,898	1.1%	7,233
	Main Reef	850,210	0.7%	5,633
	Hamptons	266,576	0.9%	2,436
	Eastern Reef	1,309,138	0.8%	10,047
Total Indicated and Inferred		3,896,130	1.0%	38,129

Table 2 Indicated and Inferred Mineral Resource Estimate by Prospect

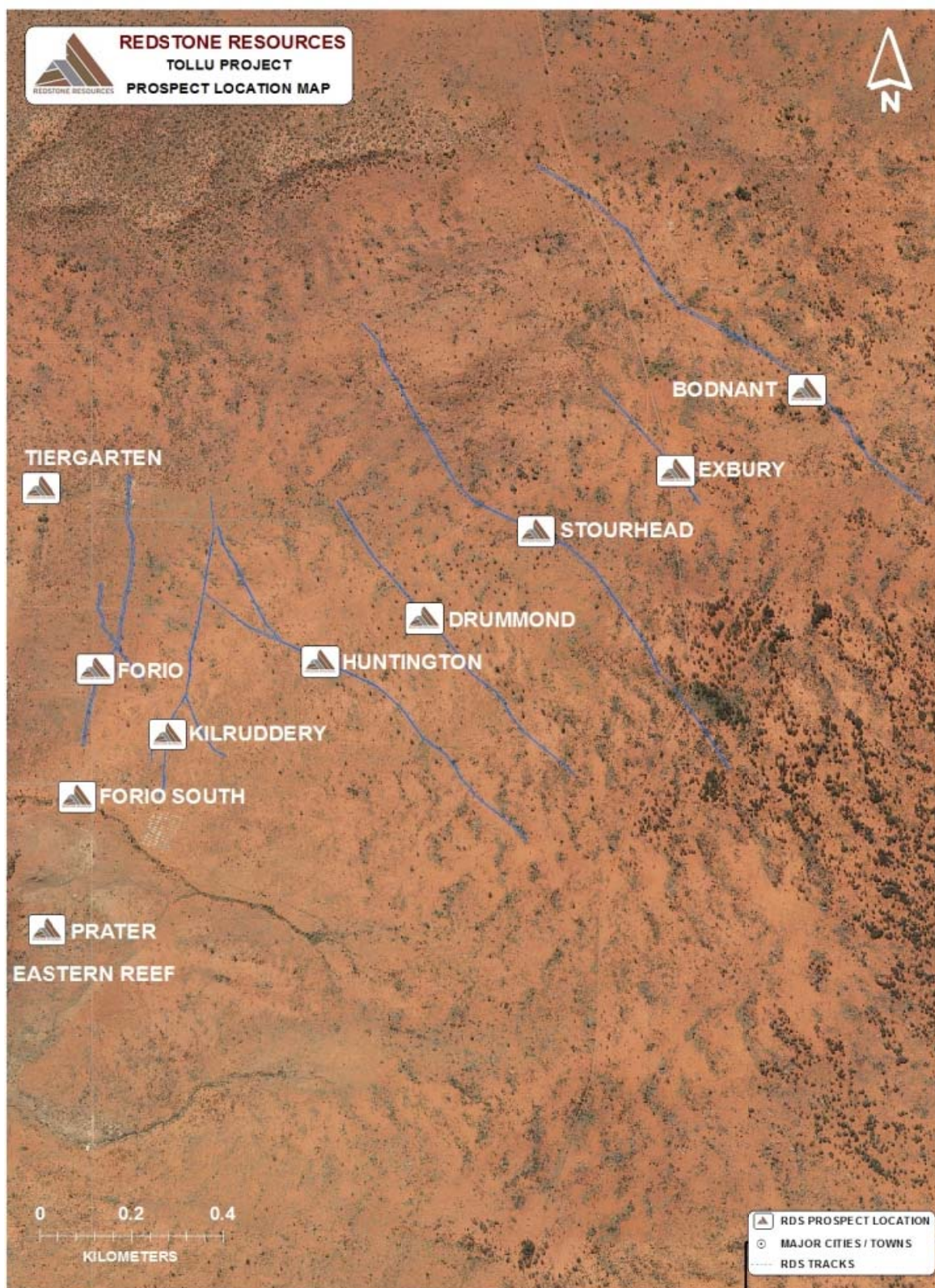


Figure 1 Tollar Prospects to the east of Eastern Reef - Forio analogues

The Placement was made in accordance with the Company's existing placement capacity and the new Placement shares will rank equally with the existing Redstone shares quoted on ASX.



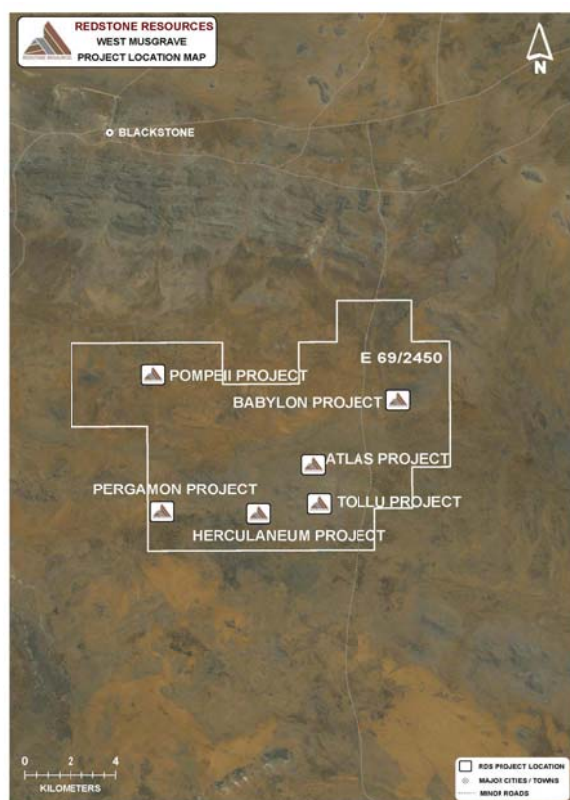
Competent Persons Statement

The information in this report that relates to exploration results, Exploration Targets and Mineral Resources was authorised by Mr Darryl Mapleson, a Principal Geologist and a full time employee of BM Geological Services, who are engaged as consultant geologists to Redstone Resources Limited. Mr Mapleson is a Fellow of the Australian Institute of Mining and Metallurgy. Mr Mapleson has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration to act 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 Mapleson consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

ABOUT REDSTONE RESOURCES

Redstone Resources Limited (ASX: RDS) is a Perth-based company focused on highly prospective copper exploration properties in the West Musgrave region of Western Australia.

Redstone’s 100% owned Tollu Project is located in the southeast portion of the West Musgrave region of Western Australia. The Company has also identified the potential for a number of other projects on the Tollu tenement (E69/2450) in addition to the Tollu Project.



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