



18 May 2017

The Manager  
Company Announcements Office  
Australian Stock Exchange Limited  
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### **PLANS ADVANCED FOR FOLLOW UP DRILLING AT TOLLU PROJECT WEST MUSGRAVE, WESTERN AUSTRALIA**

- **Strategic review of the Company's geology, drilling and geophysical data recently undertaken and completed over the Tollu Project area.**
- **Preparation underway for follow-up drilling at Forio and at other priority targets, following strategic review.**
- **Company funded to complete RC drilling campaign of at least 3,000m planned to commence in June 2017, pending receipt of normal heritage clearances and DMP approvals.**
- **Drilling contractor retained for expected mobilisation in early June.**
- **Airborne electromagnetic (VTEM<sub>max</sub>) survey to identify potential sulphide target, recently completed over the Company's 100% owned Project tenement following outcomes of strategic review.**

Redstone Resources Limited (ASX: RDS) ("**Redstone**" or "**the Company**") is pleased to announce that following receipt of funding and the completion of a strategic review of the Company's geology, drilling and geophysical data, plans are advanced for a systematic follow-up RC drilling program at the Company's 100% owned Tollu Copper Project (the "**Project**").

The planned RC program of at least 3,000m will focus on the Forio Prospect ("**Forio**") and other identified Forio analogues from the 2015 RC drilling program, along with other priority Induced Polarisation (IP) targets identified in the recently completed strategic review. Follow up drilling will also include evaluation of potential sulphide mineralisation below the oxide mineralisation discovered at the Forio Prospect. Previous drilling has identified a mineralised strike over 250m coincident with an historic IP geophysical anomaly open in all directions. The strategic review of existing geophysical data confirmed that the copper mineralisation at the Project has an IP response.



The Forio prospect has 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 Project prospects with minimal surface expression analogous to that identified at the Forio Prospect from the most recent drilling campaign (**Figure 1**).

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 'Outstanding Cu Assay Results Continue at Tollu Project' of 22 February 2016.

A drilling contractor has been retained and will mobilise upon receipt of all necessary regulatory approvals for the drilling campaign, expected to be received by the end of the month. It is anticipated that the drilling will commence in June 2017, promptly after the receipt of the requisite DMP approvals and normal heritage clearances.

In addition to testing for additional hydrothermal copper mineralisation, the Company's near term exploration strategy has been expanded to assess whether the Tollu Project in the West Musgrave Project has the potential to host another large Ni-Cu sulphide deposit such as the nearby Nebo-Babel deposit.

The Company is therefore also pleased to announce that, as part of its recent strategic review, it has recently completed an airborne EM (VTEM<sub>max</sub>) survey over the Project tenement with the objective of identifying potential Ni-Cu sulphides. Preliminary data, acquired on 200m line spacing, is currently being reviewed with final results expected in several weeks.

It is anticipated that results from the VTEM survey will represent a significant step forward in confirming the broader potential of the Project for large-scale Ni-Cu sulphide targets. Any high priority targets would be tested in drilling campaigns subsequent to the June program. Interpretation and targeting of any identified anomalies will commence once final data has been delivered.

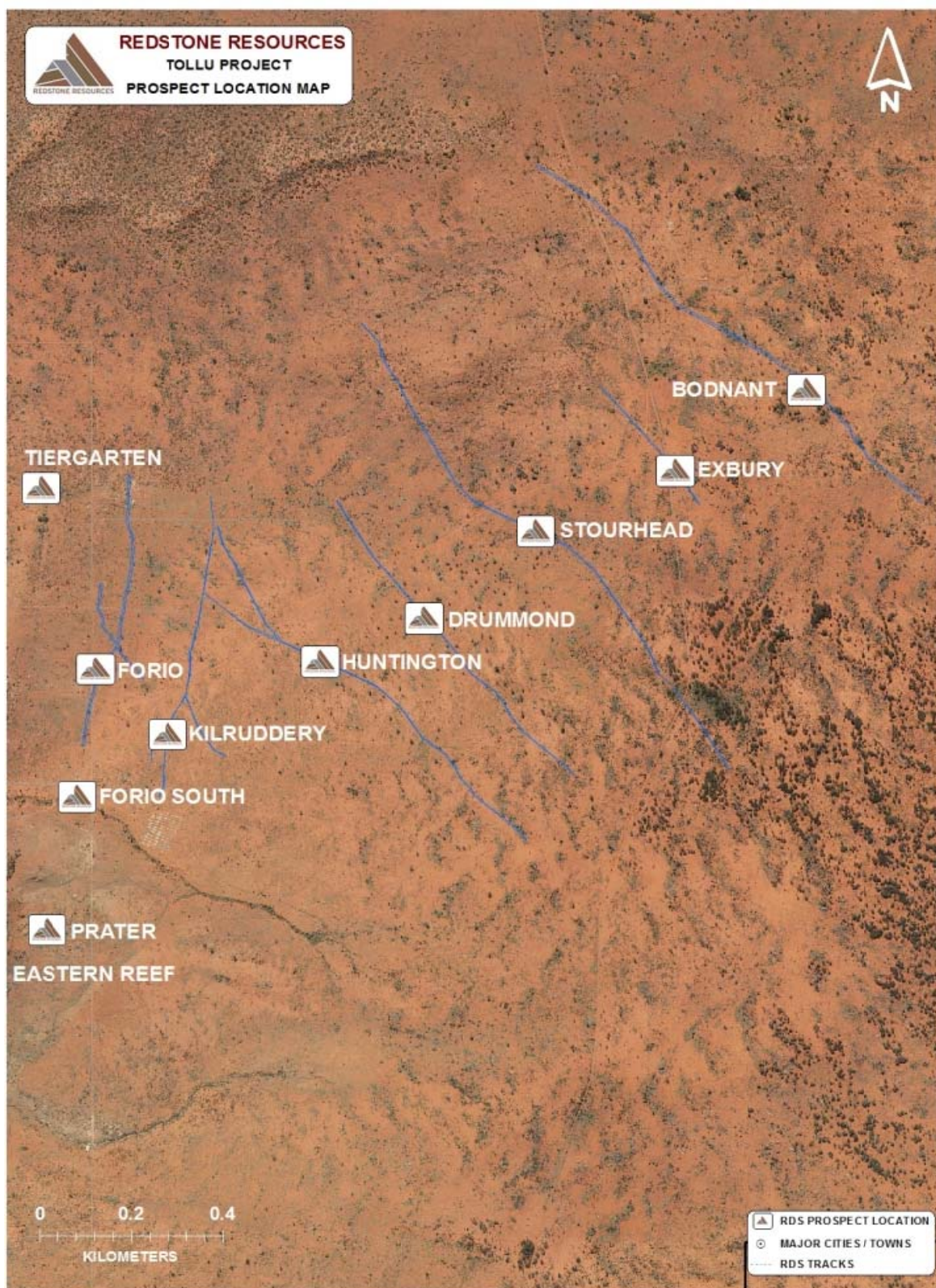


Figure 1 Tollar Prospects to the east of Eastern Reef - Forio analogues





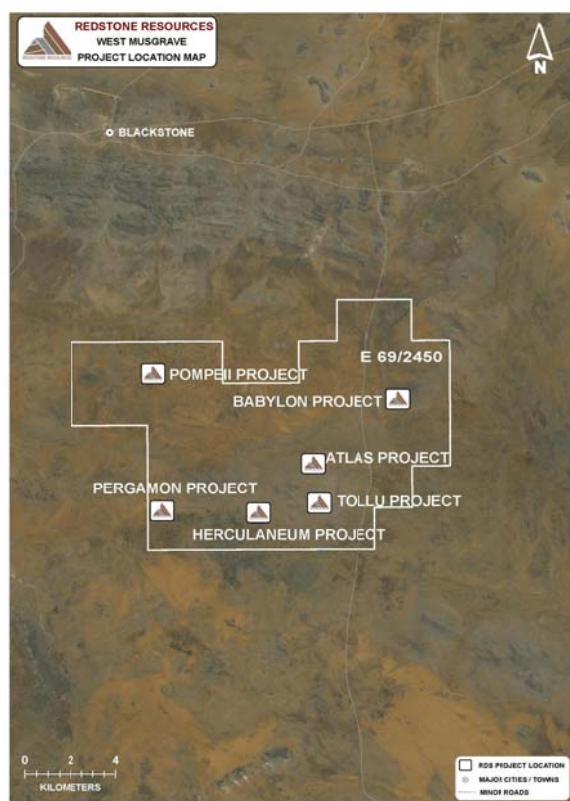
## Competent Persons Statement

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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