
Mukabe-Kasari Cobalt-Copper Project Exploration Update III

- **RMX completes review of the geochemical Copper anomaly at the Mukabe-Kasari Copper Project**
- **Company is planning to extend the soil sampling grid to the Copper anomalies in order to define suitable drilling locations**
- **The copper anomalies were defined over three zones of geochemical sampling**
- **RMX continues to evaluate other investment and JV opportunities within and outside the Central African Copperbelt**

Red Mountain Mining Limited (**the Company, Red Mountain or RMX**) has completed its review of the results of its first pass geochemical sampling program at the Mukabe-Kasari Cobalt-Copper project in the DRC based on results reported at the end January (Announcement 20 January 2018).

The Mukabe-Kasari Cobalt-Copper project area is a greenfields and conceptual exploration play with encouraging initial indications of mineralisation situated in a world class mineral province. The property is located approximately 250 km northwest of Lubumbashi, and about 70 km north of the giant Tenke-Fungerume Copper-Cobalt mine. It comprises 17 artisanal licenses covering approximately 130 km². For further detail on the region and nearby cobalt and copper mines, see the RMX announcement released on 21 March 2017.

The Mukabe-Kasari Cobalt-Copper project was considered prospective because of its multiple showings of copper mineralisation and its proximity to major mining localities. The area occupies the slopes of the Katanga Plateau (Figure 1 and Figure 2). The bed rock consists of sedimentary strata of the Upper Nguba and Lower Kundelungu Formations which are gently folded in the project area and consist of siltstones, sandstones and calcareous siltstones (Figure 2). Secondary copper-cobalt mineralisation (malachite, azurite, chalcocite), occurring as layer-parallel horizons of disseminated secondary (malachite and azurite) and transitional copper (chalcocite, bornite) mineralisation. During the 2017 exploration program copper mineralisation as described above was mapped at several locations in the project area (Announcement 7 December 2017).

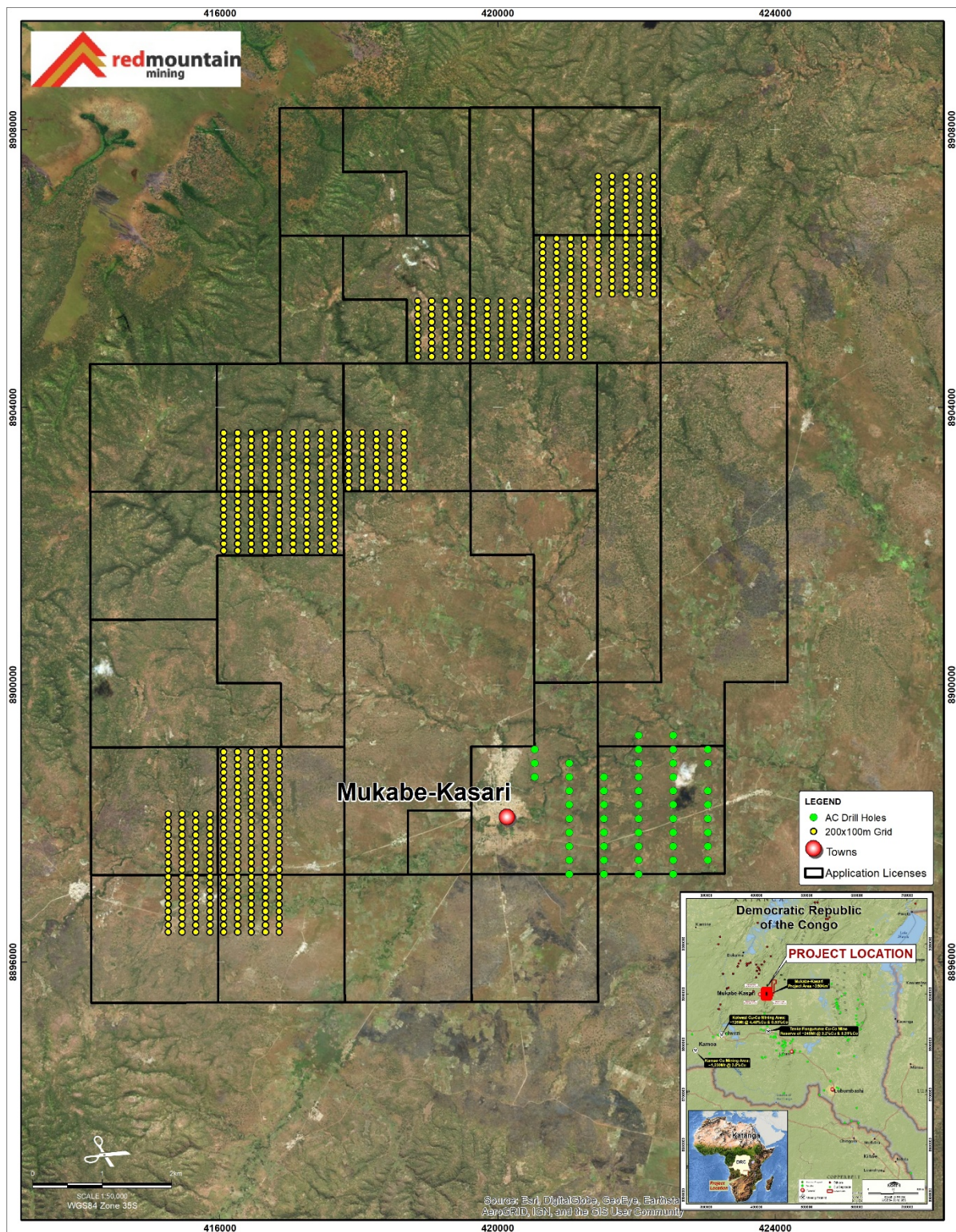


Figure 1: Mukabe-Kasari property location map and extent of surface geochemistry and RAB drilling completed in the 2017 exploration programme (refer announcement 20 January 2018 for results and additional detail).

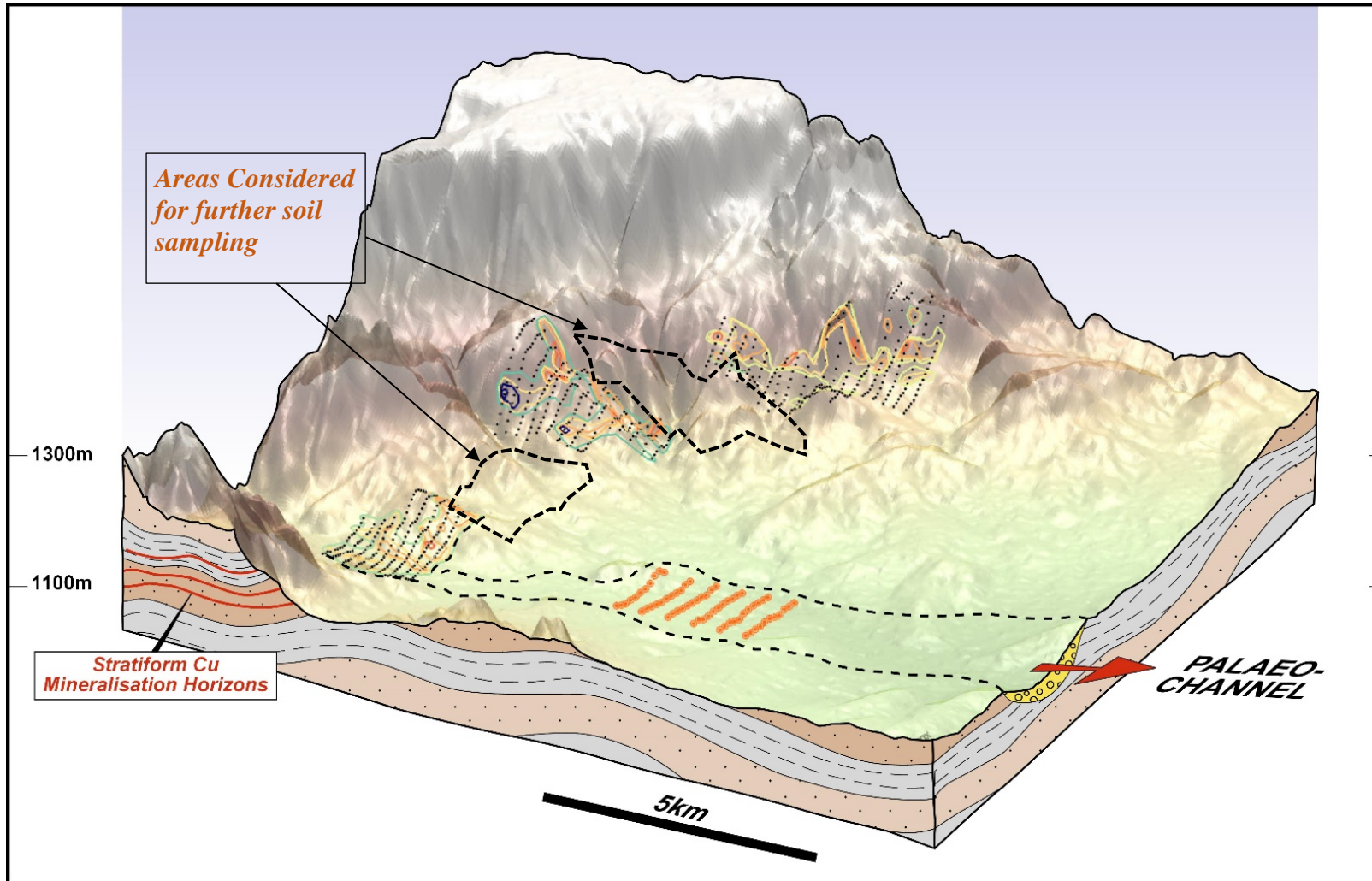


Figure 2: 3D diagrammatic illustration of the geological setting, results of 2017 sampling and target areas for soil sampling extensions. Based on reconnaissance work, the Mukabe-Kasari area is prospective for stratiform copper mineralisation. The diagram represents a 3D view the project area and shows gentle folded strata of the Nguba / Kundelungu Formations that host seams of stratiform copper mineralisation. Contours of anomalous geochemical copper samples are shown as coloured outlines (refer announcement 20 January 2018 for details). (Vertical exaggeration 1:10).

Review of the geochemical results and geological observations strongly suggest that the copper mineralisation occurs as laterally extensive horizons, which may possibly extend for several kilometres along strike if individual occurrences at a similar elevation are connected.

The topography of the project area rises to the northwest (Figure 2), suggesting that anomalies at different elevation in an area of sub-horizontal layering may be related to different stratigraphic layers, indicating there could be multiple layers hosting mineralisation. The spacing, thickness and tenor of these different layers needs to be tested to confirm this hypothesis.

The Company is currently planning a soil and rock chip sampling program in line with previous work program protocols to infill the area between the previous sampling areas to determine continuity of the anomalous horizons and to help constrain the selection of locations for trenching (Figure 2). Should the soil sampling and trenching confirm the presence of discrete mineralised horizons drilling will be required to establish the thickness and lateral extent of any mineralisation, with results of trenching to be used to site RC (reverse circulation) drilling.

The Company's Mukabi-Kasari project remains a conceptual exploration play until a drilling programme is implemented. However, given the recent discoveries on the "fringe" of the Copperbelt and multiple showing similar in nature as the Mukabi-Kasari, the area remains an attractive target for testing.

Through its local, in country contacts the Company is continuously evaluating JV opportunities and in the African Copperbelt, both in and outside the DRC.

For and on behalf of the Board.

Mauro Piccini, Company Secretary

Competent Person Statement

The information in this announcement that relates to Geology and Exploration Results has been compiled and reviewed by Mr Bill Oliver, a consultant to the Company. Mr Oliver is a Member of the Australasian Institute of Mining and Metallurgy and the Australasian Institute of Geoscientists. He 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 (JORC Code). Mr Oliver consents to the inclusion in this announcement of the matters based on the information provided to him in the form and context in which it appears.

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