



8 October 2018

The Manager
 Company Announcements Office
 Australian Stock Exchange Limited
 Level 4, Exchange Centre
 20 Bridge Street
 SYDNEY NSW 2000

**NON RENOUNCEABLE ENTITLEMENT OFFER UPDATE AND
 NOTICE OF SHORTFALL**

Redstone Resources Limited (**ASX Code: RDS**) (**Redstone** or **the Company**) confirms that the Company's non renounceable entitlement offer of one (1) New Share for every three (3) Shares at an issue price of \$0.017 per New Share (**Entitlement Offer**), closed at 5.00pm WST on 3 October 2018. Under the Company's Entitlement Offer, eligible shareholders also receive one (1) free attaching New Listed Option exercisable at \$0.035 on or before 30 April 2021 for every two (2) New Shares issued.

Eligible Shareholders were also invited to apply for New Shares in excess of their entitlement through the Additional New Shares Offer.

The Company is pleased to advise that a total of \$1,451,500 (before costs) has been raised.

The following table sets out the number of New Shares (and free attaching New Listed Options) subscribed for by eligible shareholders under both the Entitlement Offer and Additional New Shares Offer, and the offer shortfall (or amount of under subscriptions).

	No. New Shares	Free attaching New Listed Options	Gross Proceeds (\$)
Total subscriptions available under the Entitlement Offer	126,644,753	63,322,376	2,152,960
Total subscriptions accepted under the Entitlement Offer	64,578,825	32,289,437	1,097,840
Total subscriptions accepted under the Additional New Shares Offer	20,803,660	10,401,830	353,662
Total subscriptions accepted	85,382,485	42,691,267	1,451,502
Shortfall Securities	41,262,218	20,631,109	701,458



The shortfall of 41,262,218 New Shares and 20,631,109 free attaching New Listed Options (“**Shortfall Securities**”) will be dealt with in accordance with the Prospectus dated 31 August 2018 (and Supplementary Prospectus dated 3 September 2018) (the “**Shortfall Offer**”). For investors who would like to participate in the Shortfall Offer they can submit an application at: <http://www.redstone.com.au/shortfall-register/> .

The anticipated date for despatch of holding statements for the New Shares and New Listed Options subscribed for under the Entitlement Offer is 9 October 2018, with normal trading of the New Shares and New Listed Options expected to commence on 10 October 2018.

Funds will be predominantly used for an exploration program and RC drilling of EM (VTEM_{max}) targets on the Company’s 100% owned West Musgrave Project.

The Company wishes to sincerely thank shareholders for their continued support and is encouraged by the subscriptions received under the Entitlement Offer and Additional New Shares Offer.

For further information please contact:

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