RED MOUNTAIN MINING LTD
19 November 2019

HIGH GRADE KAOLIN RESULTS FROM MURRAY PIT AT MT KOKEBY PROJECT, WA

- **Channel sampling confirms high grade insitu aluminum oxide Kaolin at the Murray Project**
- **Average grade of over 34% Al_2O_3 with seven of the nine samples exhibiting greater than 35% Al_2O_3 insitu grade**
- **Results provide platform for potential Kaolin DSO project**
- **Due diligence drilling set to commence in December 2019**

Red Mountain Mining ("RMX" or the "Company") is pleased to announce the results of its due diligence channel sampling undertaken within the Murray pit area of the Mt Kokeby Kaolin project, located in the southern wheatbelt region of Western Australia.

A total of nine samples were taken from five locations within the pit area (Figure 1) and a summary of the results is shown below (see table in Appendix A for full details):

	Element						
	Al_2O_3 %	Fe_2O_3 %	K_2O %	MgO %	SiO_2 %	TiO_2 %	LOI_{1000} %
Sample ID	*0.001*	*0.001*	*0.001*	*0.001*	*0.001*	*0.001*	*0.01*
MPTS 1 #1	**36.480**	1.400	0.405	0.203	46.097	1.360	13.47
MPTS 1 #2	**36.844**	1.307	0.510	0.202	45.479	1.560	13.53
MPTS 2 #3	**37.127**	0.985	0.490	0.162	45.512	1.404	13.57
MPTS 2 #4	**37.070**	1.092	0.536	0.159	45.536	1.560	13.47
MPTS 3 #5	**35.475**	1.096	0.393	0.107	48.417	1.334	12.89
MPTS 3 #6	**29.741**	1.429	0.325	0.130	56.127	1.209	10.74
MPTS 3 #7	**25.119**	1.342	0.184	0.116	62.776	0.942	9.13
MPTS 4 #8	**36.928**	0.818	0.333	0.118	46.914	1.100	13.30
MPTS 5 #9	**36.974**	0.993	0.552	0.156	45.657	1.556	13.53

Director Jeremy King commented:

> *"We are pleased to have exceptional initial results from the pit sampling. Such high grade kaolin in raw form is an excellent start to the due diligence work program and gives grounds for the establishment of a DSO operation at Mt Kokeby. We will now look to strengthen our understanding of the deposit and build support for the historical data which initially attracted us to this project."*

The Company has engaged an independent geological consultant and Independent Metallurgical Operations Pty Ltd ("IMO") to assess the Mt Kokeby Kaolin Ore and its amenability to beneficiation processes for generation of high-grade Alumina products as well as its potential for High Purity Alumina (HPA) as part of its due diligence process.

SAMPLING AND ASSAY

A total of 9 samples were taken from 5 channel locations within the historical pit area for analysis. Sample sites were selected to represent the entire pit area while focusing on areas where insitu material could be obtained freely. Careful examination of the channels after initial excavation and cleaning was undertaken to avoid sampling non-insitu material such as rubble from the pit rehabilitation works or float. Samples were collected over various intervals; ranging from 1m and up to 3m. All details are provided in the attached Table 1 (Appendix A).

Samples were prepared by IMO using standard procedures and head assay analysis using full XRF. Size by Size assay analysis at various size fractions is currently being undertaken.

RESULTS

The assay results exhibit what is considered to be high grade insitu aluminum oxide within the silica matrix, with minor gangue minerals. These results compare favorably with the historical assay results from the drilling undertaken in the 1970's. Refer to Appendix A for the full list of the laboratory results.

DUE DILIGENCE: NEXT STEPS

With the all initial raw assays now received the current samples with undergo the following:

- Quantitative XRD analysis;
- Size by size assay analysis at 9 size fractions.
- Development of a master composite sample (using all nine samples) which will be assayed and undergo a series of attritioner tests to provide information on the ore's amenability to beneficiation processes for the generation of High Purity Alumina.

In addition to this and as part of the due diligence process, a small drilling program will be undertaken once regulatory approvals are received. It is envisaged this work will be undertaken during December 2019 subject to drill rig availability and permitting. The intention is to twin certain areas of the historic drilling that has been conducted at Mt Kokeby.

Site	SampleID	Easting	Northing
MPTS1	MPTS1#1	488970	6429046
	MPTS1#2	488971	6429048
MPTS2	MPTS2#3	488990	6429107
	MPTS2#4	488989	6429105
MPTS3	MPTS3#5	489098	6429258
	MPTS3#6	489094	6429259
	MPTS3#7	489090	6429260
MPTS4	MPTS4#8	489028	6429303
MPTS5	MPTS5#9	489120	6429066

Figure 1: Sample Location map, Murray Pit, Mt Kokeby Kaolin Project.

BACKGROUND

The Mt Kokeby Project is located approximately 99 kms south-east of Perth and consists of one granted exploration license (E70/5205) and one exploration license application (E70/5284) which combined covers a total area of 84 km^2.

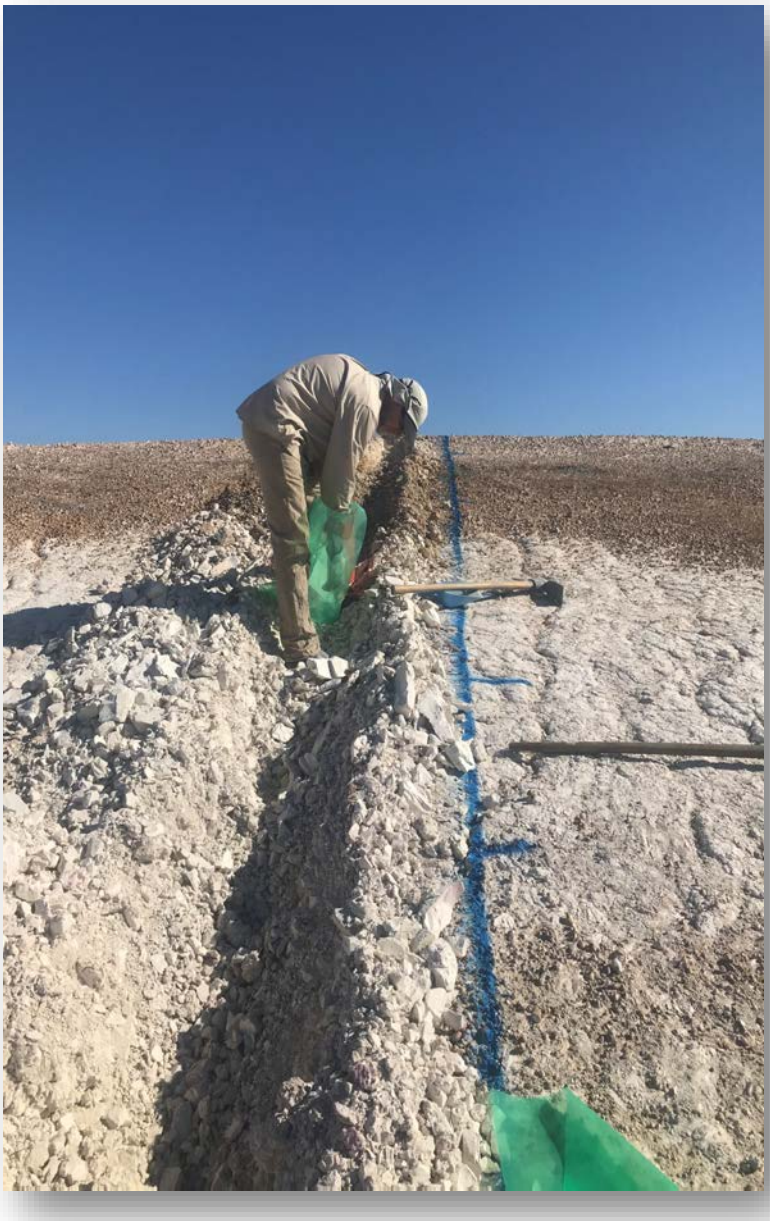
The Mount Kokeby Project area has been subject to kaolin exploration activities since the 1940's. The Murray Deposit which is located on granted tenement E70/5205 was first discovered by King Mountain Mining in 1971. Also, within the immediate tenement area is the Mount Kokeby Deposit, which was historically mined from 1941.

The project area boasts excellent infrastructure and is located within close proximity to rail infrastructure and all-weather roads providing access to container handling at the port of Fremantle and bulk handling at Kwinana (Figure 2). Kwinana is an emerging battery hub with downstream, value added processing being pursued aggressively and supported by all levels of government.

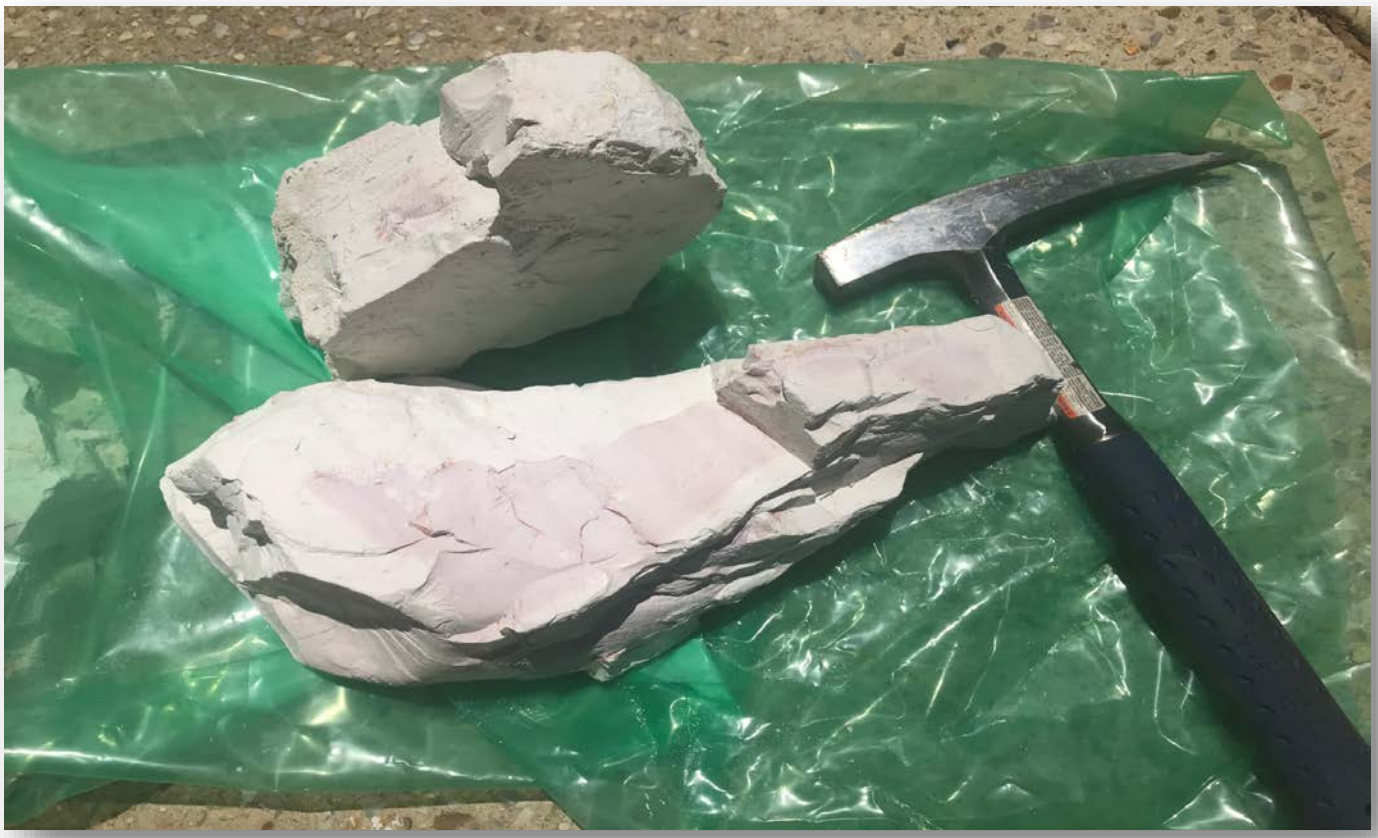
Its strategic location and rail access allow the opportunity to explore both a near term direct shipping ore operation and a longer-term High Purity Alumina operation.

Competent Persons Statement

The information in this announcement that relates to Exploration Results and other technical information complies with the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code) and has been compiled and assessed under the supervision of Mr Mark Major. Mr Major 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 JORC Code. Mr Major consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.



Photograph 1: Sample Location MPTS2#3
(1.5m channel interval)



Photograph 2: Example of the Kaolin sample taken from MPTS5#8 area. This sample was not assayed, but is reflective of the typical outcrop kaolin within the old Murray Pit.

Appendix A
Sample Details and Assay Results

	Sample ID		MPTS 1 #1	MPTS 1 #2	MPTS 2 #3	MPTS 2 #4	MPTS 3 #5	MPTS 3 #6	MPTS 3 #7	MPTS 4 #8	MPTS 5 #9
	GDA94 Zone50	North	6429046	6429048	6429107	6429105	6429258	6429259	6429260	6429303	6429066
		East	488970	488971	488990	488989	489098	489094	489090	489028	489120
	Sample Length		2.5 m	2.5 m	1.5 m	1.5 m	3 m	3 m	3 m	1 m	1 m
Element	Unit	LDL									
Al_2O_3	%	0.001	36.480	36.844	37.127	37.070	35.475	29.741	25.119	36.928	36.974
As_2O_3	%	0.001	<0.001	<0.001	<0.001	<0.001	<0.001	<0.001	<0.001	<0.001	<0.001
BaO	%	0.001	0.018	0.015	0.026	0.023	0.015	0.015	0.013	0.021	0.015
CaO	%	0.001	0.005	0.002	<0.001	<0.001	0.004	0.003	0.004	<0.001	0.002
Cl	%	0.001	0.219	0.217	0.316	0.270	0.080	0.124	0.068	0.144	0.326
CoO	%	0.001	<0.001	<0.001	<0.001	<0.001	<0.001	<0.001	<0.001	<0.001	<0.001
Cr_2O_3	%	0.001	0.012	0.010	0.009	0.009	0.010	0.009	0.008	0.011	0.010
CuO	%	0.001	0.001	<0.001	<0.001	<0.001	<0.001	<0.001	<0.001	<0.001	0.002
Fe_2O_3	%	0.001	1.400	1.307	0.985	1.092	1.096	1.429	1.342	0.818	0.993
K_2O	%	0.001	0.405	0.510	0.490	0.536	0.393	0.325	0.184	0.333	0.552
MgO	%	0.001	0.203	0.202	0.162	0.159	0.107	0.130	0.116	0.118	0.156
MnO	%	0.001	0.007	0.006	0.004	0.004	0.005	0.007	0.002	0.003	0.004
MoO_3	%	0.001	0.002	0.004	0.003	0.002	0.004	0.002	0.001	<0.001	<0.001
Na_2O	%	0.001	0.472	0.456	0.578	0.505	0.228	0.289	0.200	0.285	0.539
Nb_2O_5	%	0.001	0.007	0.006	0.006	0.008	0.003	0.003	0.004	0.004	0.007
NiO	%	0.001	0.004	0.005	0.003	0.003	0.007	0.003	0.003	0.003	0.003
P_2O_5	%	0.001	0.044	0.046	0.051	0.053	0.048	0.036	0.030	0.047	0.046
PbO	%	0.001	0.006	0.005	0.005	0.006	0.005	0.006	0.003	0.005	0.006
Sb_2O_3	%	0.001	<0.001	0.002	0.001	<0.001	<0.001	0.003	0.002	<0.001	0.004
SO_3	%	0.001	0.071	0.074	0.097	0.086	0.044	0.051	0.034	0.044	0.106
SiO_2	%	0.001	46.097	45.479	45.512	45.536	48.417	56.127	62.776	46.914	45.657
SnO_2	%	0.001	0.002	<0.001	<0.001	<0.001	0.002	<0.001	<0.001	0.004	0.001
SrO	%	0.001	0.005	0.004	0.005	0.005	0.005	0.004	0.004	0.005	0.005
Ta_2O_5	%	0.001	0.001	0.002	0.003	<0.001	0.001	0.001	<0.001	<0.001	<0.001
TiO_2	%	0.001	1.360	1.560	1.404	1.560	1.334	1.209	0.942	1.100	1.556
V_2O_5	%	0.001	0.01	0.013	0.009	0.013	0.012	0.011	0.008	0.007	0.009
WO_3	%	0.001	<0.001	<0.001	<0.001	<0.001	<0.001	<0.001	<0.001	<0.001	<0.001
ZnO	%	0.001	0.005	0.004	0.004	0.006	0.005	0.005	0.003	0.005	0.006
ZrO_2	%	0.001	0.05	0.059	0.05	0.057	0.062	0.06	0.057	0.074	0.055
LOI_{1000}	%	0.01	13.47	13.53	13.57	13.47	12.89	10.74	9.13	13.30	13.53
Total	%		100.356	100.362	100.42	100.473	100.252	100.333	100.053	100.173	100.564

Appendix B

The following Tables are provided to ensure compliance with the JORC Code (2012 Edition) requirements for the reporting of Exploration Results at the Mt Kokeby Project.

JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	Commentary
Sampling techniques	• A total of 9 channel samples were taken at 5 site areas within the old open pit area. • Each channel was cleaned and excavated to 30cm below surface prior to sampling. • Samples MTPS1#1, MTPS1#2, were taken along a length of 2.5m channel; MTPS2#3, MTPS2#4 1.5m lengths; MTPS3#5, MTPS3#6 and MTPS3#7 were taken along 3m channel sections while MTPS4#8 and MPTS5#9 were taken within a 1m excavation. • All samples taken were over 10kg and sent to IMO/Metallurgical for sample preparation and analyses.
Drilling techniques	• No Drilling undertaken
Drill sample recovery	• No Drilling undertaken
Logging	• No Drilling undertaken
Sub-sampling techniques and sample preparation	• Samples were dried at 80 degrees Celsius and then split using standard laboratory techniques.
Quality of assay data and laboratory tests	• Samples were sent to the IMO's Metallurgical Laboratory for sample prep and management. • IMO had the samples assayed at Nagrom Laboratories. • A full XRF analysis on a range of elements and kaolin parameters was undertaken. • The QAQC information of the laboratory was used to determine the QAQC of the samples because commercial standards for kaolin are not readily available. • All of the duplicates are within tolerance of the original assay and without bias. • Mr Major reviewed internal QAQC reports and analysis and confirms that all assay data used has passed standard industry quality assurance/quality control procedures.
Verification of sampling and assaying	• No independent verification was undertaken as the results were considered to be reflective of historical assay values. • No adjustment to assay data was undertaken.
Location of data points	• All sample channels have been accurately surveyed using Garmin GPSMAP 64 equipment (+/-5m accuracy) by the geologist on site. • The position of the sample was the middle point of the channel sample location for each sample.
Data spacing and distribution	• Sample sites were selected to represent the entire pit area while focusing on areas where insitu material could be obtained freely. Careful examination of the channels after initial excavation and cleaning was undertaken to avoid sampling non-insitu material such as rubble from the pit rehabilitation works or float to avoid any bias.
Orientation of data in relation to geological structure	• All samples are believed to have been taken within the upper layer of the kaolin bed with the exception of sample MPTS3#6 and MPTS3#7 which were collected below the main bed. • Samples are not considered to be bias.
Sample security	• Samples were collected and transported to the laboratories by Mr. Major.
Audits or reviews	• None completed

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	Commentary
Mineral tenement and land tenure status	• The Mt Kokeby Project consists of one granted exploration license (E70\5205) and one application exploration license (E70\5284) covering an area of 84km2. • The project area is located within freehold land. The traditional owners of the land are the Gnaala Karla Booja People. The Noongar Standard Heritage Agreement and private land access agreement will need to be signed prior to commencing exploration activities. Permits can be obtained to enter which will allow samples to be collected.
Exploration done by other parties	• Please refer to the company's press release dated October 1, 2019 for all relevant historical data. • Exploration of the Murray Deposit was first undertaken by King Mountain Mining N.L who engaged Aminco and Associates Pty Ltd to conduct field investigations.
Geology	• The project area comprises undulating topography with broad valleys and low rising hills which have resulted from the Precambrian granites which outcrop in places to form prominent hills. • The kaolin at the Mt Kokeby area is seen to be overlain by colluvial sands, gravel and sandy soil and is noted by Feldtman (1919) to have formed as a transported lacustrine deposit. GSWA Bulletin 19, p66 states the kaolin of the Murray Deposit to be residual on granite.
Drill hole Information	• No drill holes were drilled as part of this report. • All channel sample details are presented in Appendix A.
Data aggregation methods	• No data aggregation or metal equivalents have been used.
Relationship between mineralisation widths and intercept lengths	• The sample intersections are reported as surface lengths within a pit wall. • The pit walls slope was measured to be between 78 to 82 degrees.
Diagrams	• Maps and appropriate plans are included in this announcement
Balanced reporting	• All results are tabulated in the Appendices and shown on figures in this announcement.
Other substantive exploration data	• Please refer to the company's press release dated October 1, 2019 for all relevant other/ historical exploration data. •
Further work	• Further assay and mineral beneficiation testwork is being undertaken on these samples. • Additional sampling and assay work, from drilling beside numerous historical drill sites will be undertaken once regulatory approvals are obtained.