



19 November 2015

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

Electronic Lodgement

## Drilling Commences at Tollu Project

Redstone Resources Limited (ASX: RDS) ("**Redstone**" or the "**Company**") is pleased to announce that drilling has commenced on the Company's 100% owned Tollu Copper Project (the "**Project**") located in the West Musgrave region of Western Australia.

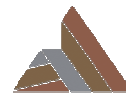
### Highlights:

- ✓ **RC drilling programme commences at 100% owned Tollu Copper Project**
- ✓ **Circa 8,000 metres RC programme to run for approximately 6 weeks**
- ✓ **Campaign includes drilling to target near surface oxide mineralisation**
- ✓ **Potential to significantly expand global exploration target and geological understanding**
- ✓ **Programme expected to deliver maiden (JORC) copper resource for Tollu Project**

### Mobilisation and Drilling Commencement

Redstone has mobilised all necessary equipment and personnel to the Project, and reverse circulation ("**RC**") drilling has now commenced. The RC drilling programme (the "**Programme**") is anticipated to comprise circa 8,000 metres specifically targeting the near-surface oxide potential of the Tollu Project. This Programme will also improve the Company's understanding of the mineralised system and inform future exploration methodologies.

McKay Drilling ("**McKay**") has been contracted to complete the RC programme using a high capacity RC drill rig. McKay's drilling and management team consists of seasoned mining and drilling professionals with many years' experience in the operations management of drilling contracts. McKay has strong experience in the region and the Company has a high level of confidence in their capability.



## Aim of the Programme

The Company has identified a number of prospective targets for drilling at the Tollu Project, with the aim of the Programme being to target near surface hydrothermal copper (oxide and sulphide) mineralisation. The main activity will be concentrated on the known higher-grade zones at the Chatsworth, Main Reef and Eastern Reef prospects within the Tollu Project. The primary purpose will be the validation of the Tollu mineralised system. The delivery of a maiden (JORC) copper resource is an expected outcome, the size of which will depend on the amount of any further funding.

Redstone aims to complete the RC drilling and fieldwork component of the Programme by the end of December 2015 and will release drill assay results as they become available.

## Entitlement Offer and Funding

On 5 November 2015 the Company announced a partially underwritten pro rata non renounceable entitlement offer to raise up to \$1,262,043 (before costs) (the “**Offer**”) to assist in funding the Programme and for working capital.

The Offer has been made on the basis of three (3) new fully paid ordinary shares in the capital of the Company (“**New Shares**”) for every four (4) existing fully paid ordinary shares in the capital of the Company held by eligible Shareholders on 11 November 2015 at an issue price of \$0.009 per New Share. Shareholders will also receive two (2) free attaching options, exercisable at \$0.03 on or before 31 July 2017 (“**New Options**”) for every five (5) New Shares subscribed for and issued under the Offer.

Eligible Shareholders are encouraged to take up their entitlement in addition to applying for Additional New Shares under the Offer.

Dispatch of the Prospectus and personalised Entitlement and Acceptance Form for the Entitlement Offer was made to Eligible Shareholders on 16 November 2015.

Should you have any questions regarding the Offer you may contact the Company Secretary, Ms Miranda Conti, on (08) 9328 2552.



## PROJECT BACKGROUND

### Tollu Project (Redstone 100%)

Redstone's 100% owned Tollu Project is located in the southeast portion of the West Musgrave region of Western Australia (**Figure 1**). The Tollu Project is approximately 20km southeast of the Blackstone Community on Company's 100% owned tenement E69/2450 (**Figure 2**).

The Tollu Project consists of a large swarm of hydrothermal copper-rich quartz veins in a mineralised system covering an area of at least 5 square kilometres. Malachite-rich gossans associated with quartz veins are exposed at surface and form part of a dilatational system between two major structures within the Tollu Fault Zone.

The Tollu Project has a conceptual exploration target (the **"Target"**) in the range of 22-33 million tonnes of mineralisation at a conceptual grade range of 0.9-1.3% copper. The initial focus is on the Chatsworth, Eastern Reef, Main Reef and Dawyck prospects.

The potential quantity and grade of the Target is conceptual in nature. It is important to note that there has been insufficient exploration to estimate a resource and it is uncertain if further exploration will result in the estimation of a Mineral Resource.



Figure 1: West Musgrave location map

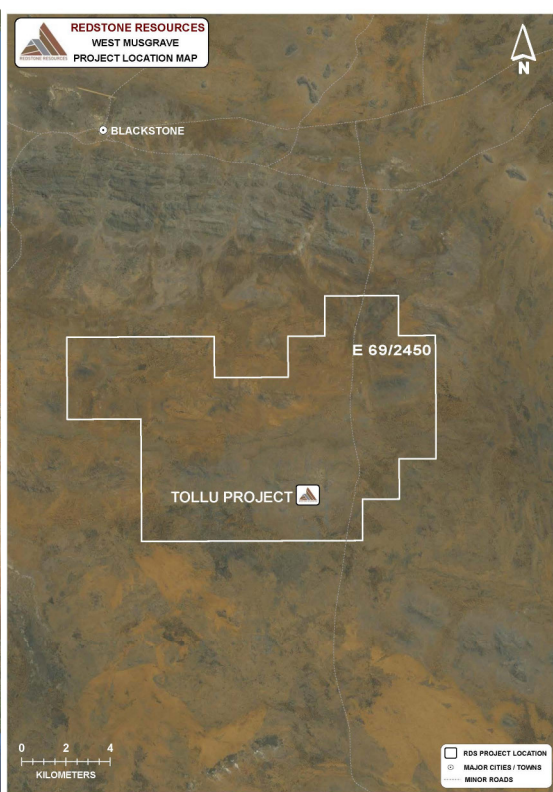


Figure 2: Tollu Project location map

### Competent Persons Statement

The information in this announcement that relates to exploration results 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



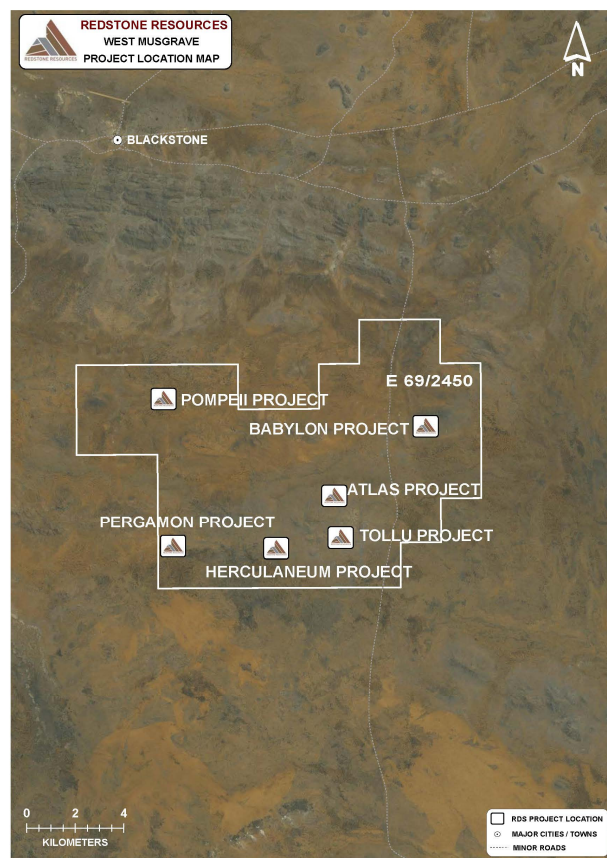
Reserves". Mr Mapleson consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

## 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.



For further information please contact:

Richard Homsany  
Chairman  
Redstone Resources Limited  
+61 8 9328 2552  
[contact@redstone.com.au](mailto:contact@redstone.com.au)

Andrew Rowell /  
Warrick Hazeldine  
Cannings Purple  
+61 8 6314 6304  
[arowell@canningspurple.com.au](mailto:arowell@canningspurple.com.au)