

RDS 2015 AGM PRESENTATION

27 November 2015



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COMPETENT PERSON'S STATEMENT

The information in this presentation that relates to Exploration Targets and 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.

Information included in this presentation is dated 27 November 2015.

Investment Highlights



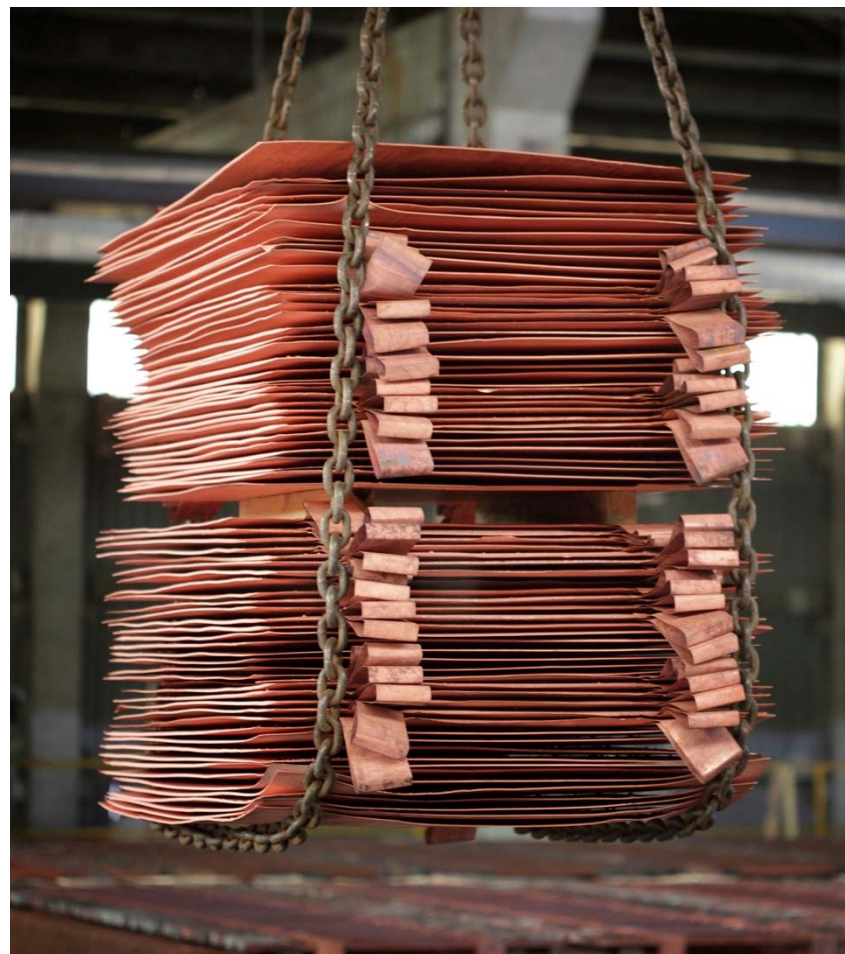
- Redstone's **focus** is copper in the **West Musgrave** region
- Potential large scale, near surface copper project
- Large swarm of hydrothermal copper rich quartz veins in a mineralised system covering an area at least 5km²
- Copper from surface to 379m
- Potential for **early small scale oxide** operation
- Significantly increased Exploration Target estimated for Tollu Project
- Untested regional exploration potential
- Aeromagnetic surveys have multiple large scale anomalous targets
- Huge **exploration upside** with < 5% of property explored
- Five additional projects identified
- **Low cost entry** to a high leverage opportunity
- Excellent relationship with Traditional Owners
- Extensive management and exploration experience

West Musgrave



Copper – A Favoured Commodity

- Demand drivers are real: a key ingredient for the economic development of nations such as China
- China currently accounts for about 40 per cent of global copper consumption. Although growth is slowing, it is now off a much larger base
- Corporate activity suggests Chinese companies are still confident enough in their own economy e.g. GRAM bid for PanAust (ASX:PNA), Baosteel bid for Aquila (ASX:AQA)
- US demand improving as economy rebounds and Europe recovering off a low base

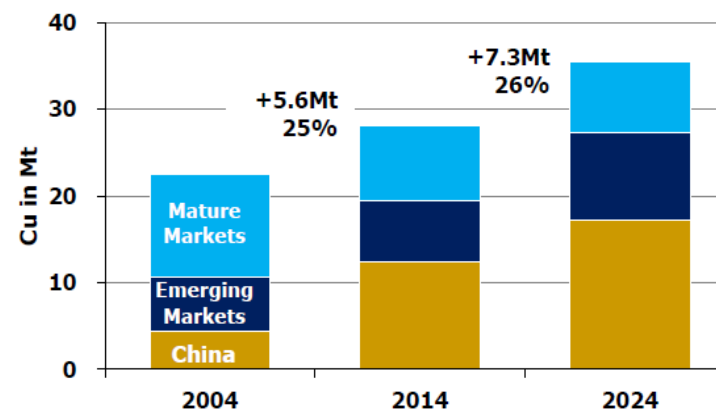


Copper Market Fundamentals

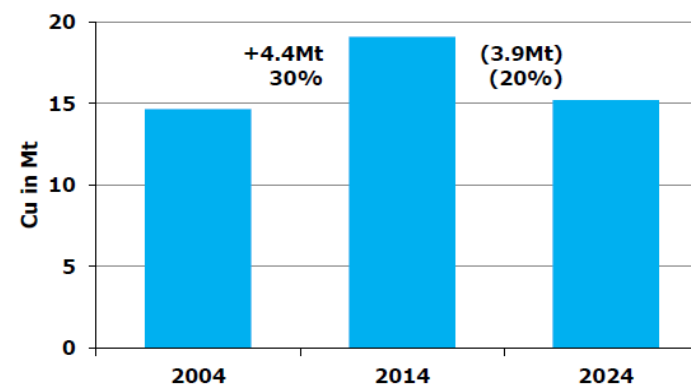


- Long-term copper market fundamentals bode well for timing of Redstone mine development in the West Musgrave
- Assuming 2.3 per cent global growth over next 10 years, annual copper consumption is expected to grow by more than 7.3 million tonnes (26 per cent)*
- Over the same period, annual production from existing mines is expected to decline by 3.9 million tonnes (20 per cent)*
- 11.2 million tonne shortfall will need to be made up by expansions and new projects*

Total Copper Consumption



Base Mine Production (excl. expansions)



*Sources: WoodMackenzie, Freeport-McMoran

Economic Value of Proterozoic Mineral Systems

Think Giant!!



Giant Proterozoic Deposits

Telfer:

- ~30 Moz Au
- ~2 Mt Cu

Olympic Dam:

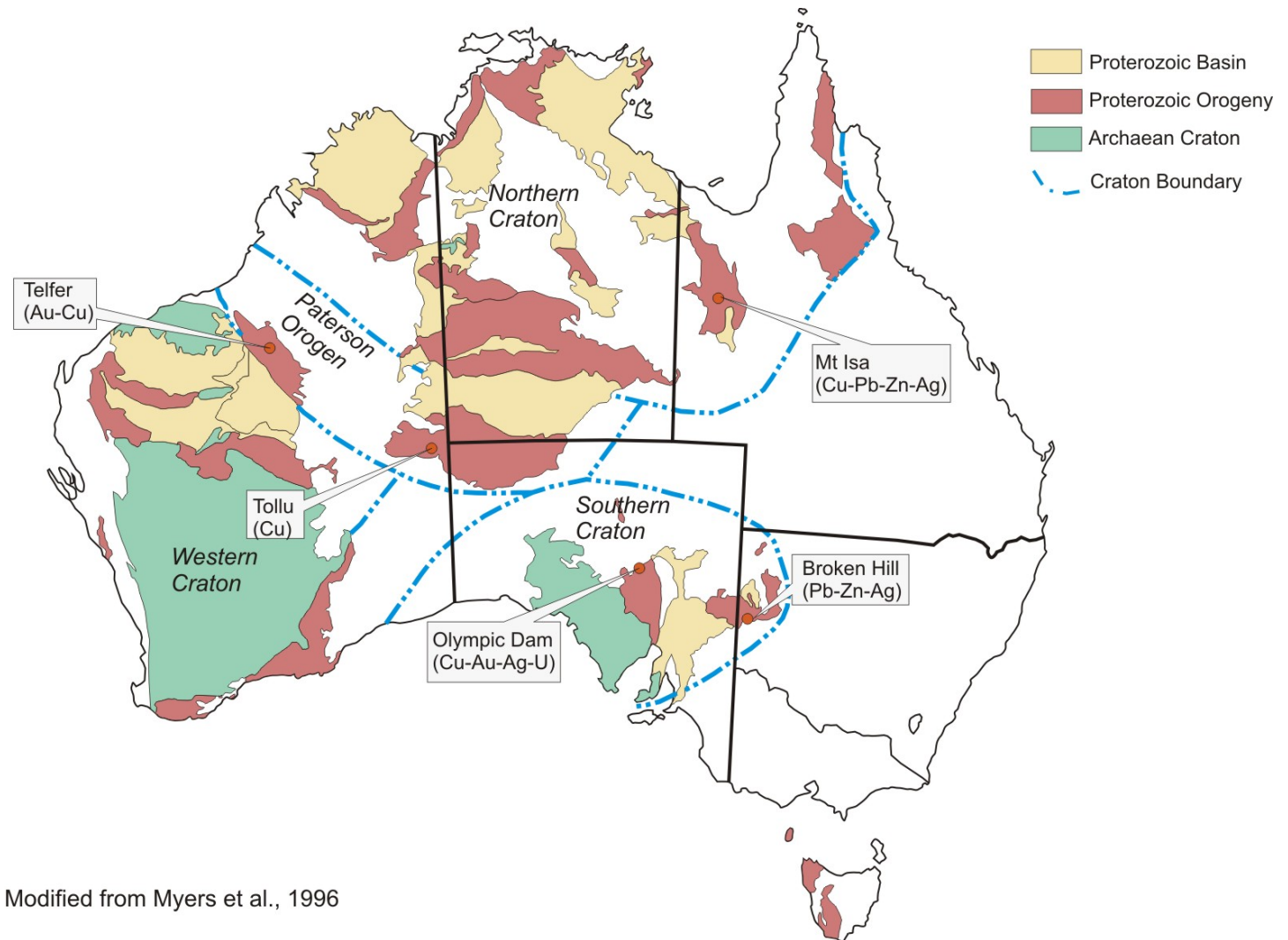
- ~83 Mt Cu
- ~2.6 Mt U
- ~94 Moz Au
- ~450 Moz Ag

Broken Hill:

- ~14 Mt Zn
- ~14 Mt Pb
- ~15,400 Moz Ag

Mt Isa/ George Fisher:

- ~13 Mt Cu
- ~40 Mt Zn
- ~30 Mt Pb
- ~1,600 Moz Ag



Modified from Myers et al., 1996

Company Overview



Capital Structure

- ◆ Issued Shares (ASX:RDS)
 - ◆ 186,969,390
- ◆ Listed Options (ASX:RDSO)
 - ◆ 31,356,966
- ◆ Unlisted Options
 - ◆ 2,000,000
- ◆ Share Price (26 November 2015)
 - ◆ \$0.008
- ◆ Market Capitalisation (26 November 2015)
 - ◆ \$1.5m
- ◆ Cash (30 September 2015)
 - ◆ \$0.5m



Board of Directors and Key Management



Richard Homsany

■ **Chairman**

- ▶ Corporate and commercial lawyer with considerable experience advising public listed resource and energy companies.
- ▶ Mr Homsany has extensive experience in corporate law, including advising public resources and energy companies on corporate governance, finance, capital raisings, takeovers, mergers, acquisitions, joint ventures and divestments. He is also a CPA, Executive Vice President Australia of TSX listed Mega Uranium Ltd and holds various public company board positions.

Brett Hodgins

■ **Technical Director**

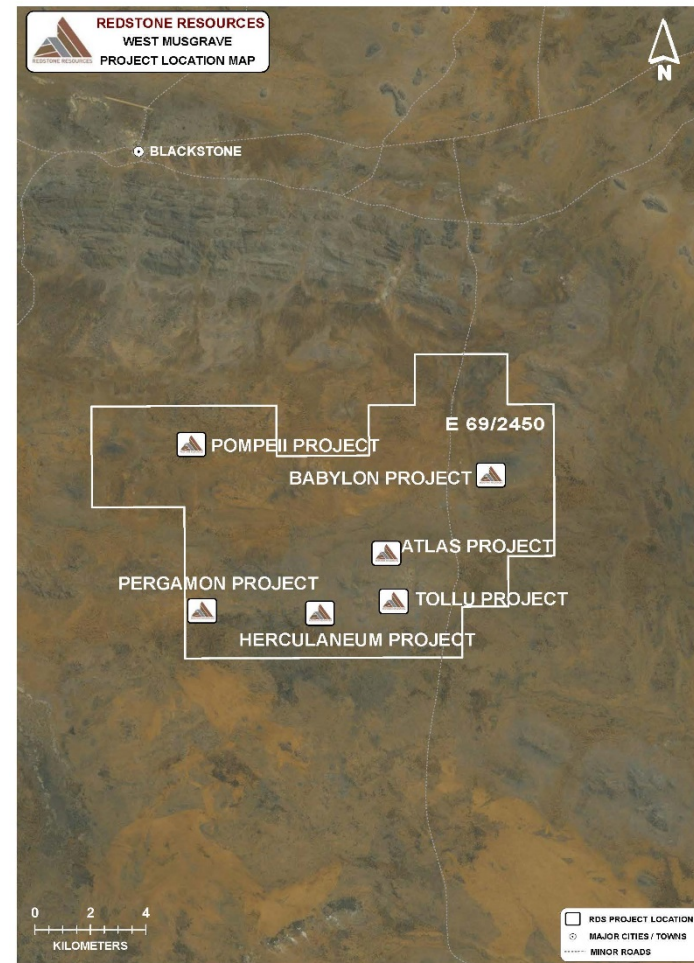
- ▶ Corporate geologist with over 20 years of professional experience in the resources sector primarily focused on exploration and mining operations.
- ▶ Mr Hodgins has extensive experience in exploration, feasibility studies and operations, and has a broad knowledge of the resource sector.

Edward van Heemst

■ **Non Executive Director**

- ▶ Prominent Perth businessman with 40 years experience in the management of a diverse range of activities with large private companies.
- ▶ Mr van Heemst is currently the Managing Director of Vanguard Press and Chairman of Perth Racing. Mr van Heemst has an extensive knowledge of capital markets and established mining industry networks.

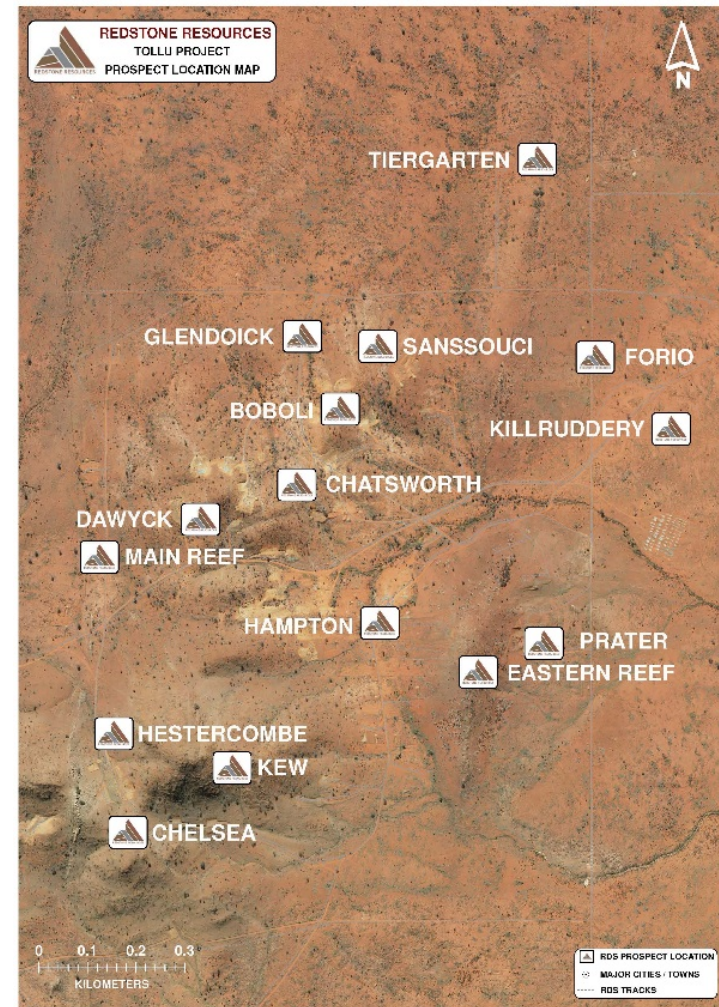
Redstone Resources – Location of Projects



Tollu Project – 16 Prospects



- Redstone's 100% owned Tollu Project is located in the southeast portion of the West Musgrave region of Western Australia
- The Tollu Project is approximately 20km south east of the Blackstone Community on the Company's 100% owned tenement E69/2450
- The Tollu Project consists of a large swarm of hydrothermal copper rich quartz veins in a mineralised system covering an area at least 5km². 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 currently comprises 16 prospects. The initial focus is on:
 - ▶ Chatsworth Prospect
 - ▶ Eastern Reef Prospect
 - ▶ Main Reef Prospect and
 - ▶ Dawyck Prospect



Tollu Project – Exploration Target



■ **Redstone has estimated an Exploration Target to be:**

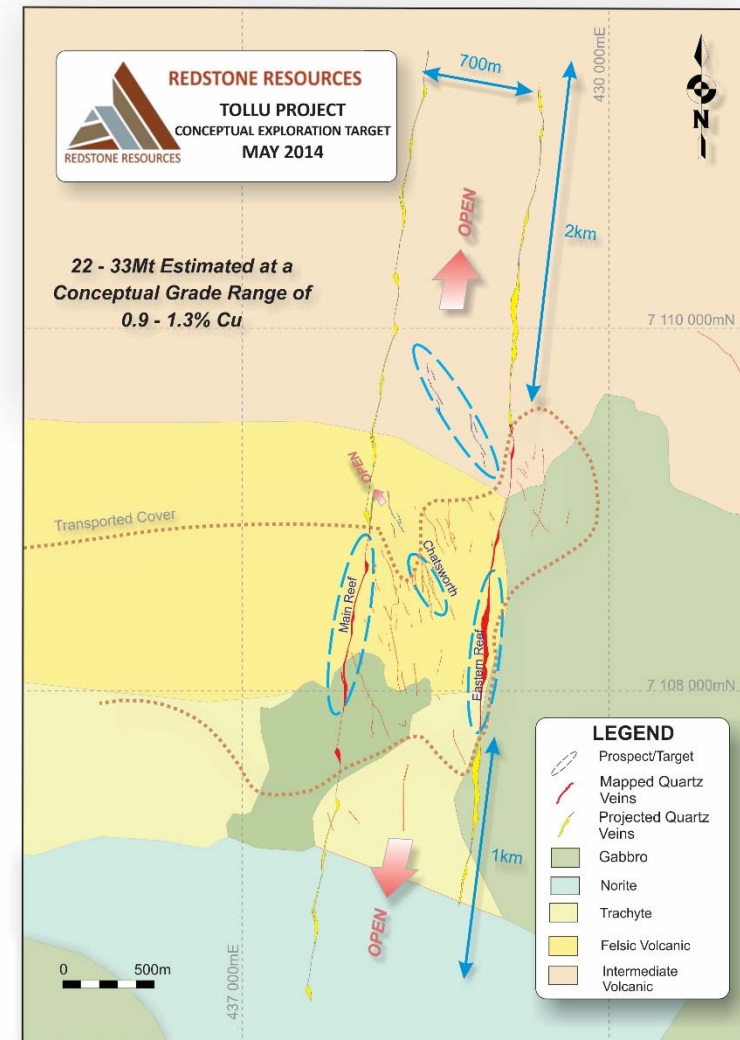
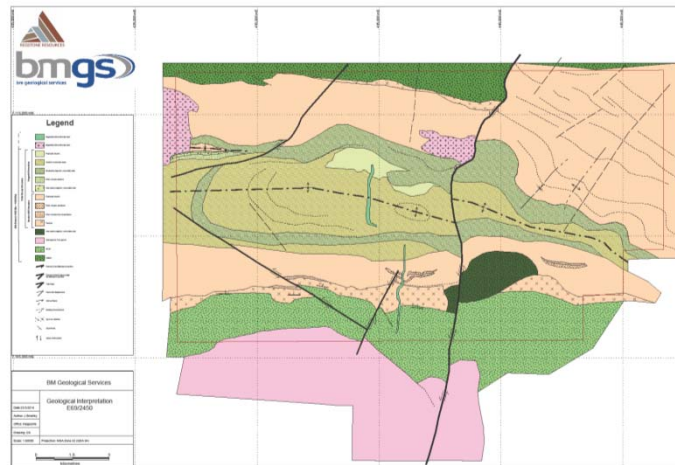
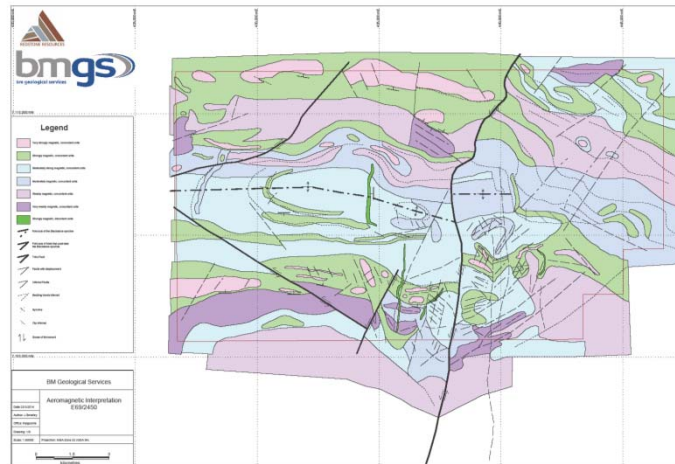
- ▶ 22 to 33 million tonnes of mineralisation at a conceptual grade range of 0.9 - 1.3% Cu, containing 198,000 to 445,000 tonnes of copper
- ▶ This includes an estimate of 4.3 to 6.4 million tonnes of mineralisation at a conceptual grade range of 1.6 - 2.4%, containing 69,000 to 154,000 tonnes of copper on the Chatsworth Prospect

| Prospect | Tonnes Lower | Tonnes Upper | Grade Lower Cu% | Grade Upper Cu% | Contained Copper Lower | Contained Copper Upper |
|--------------|-----------------|-----------------|-----------------------|-----------------------|------------------------------|---------------------------|
| Eastern Reef | 11,67,0000 | 17,500,000 | 0.6% | 1.0% | 75,000 | 168,000 |
| Chatsworth | 4,300,000 | 6,400,000 | 1.6% | 2.4% | 69,000 | 154,000 |
| Main Reef | 5,500,000 | 8,300,000 | 0.8% | 1.2% | 44,000 | 100,000 |
| Dawyck | 200,000 | 310,000 | 2.0% | 3.0% | 4,000 | 9,000 |
| Forio | 240,000 | 360,000 | 1.2% | 1.8% | 3,000 | 6,000 |
| Hampton | 180,000 | 260,000 | 0.8% | 1.2% | 1,000 | 3,000 |
| Boboli | 90,000 | 140,000 | 1.2% | 1.8% | 1,000 | 3,000 |
| Killruddery | 50,000 | 80,000 | 1.2% | 1.8% | 1,000 | 1,000 |
| Tiergarten | 40,000 | 60,000 | 1.2% | 1.8% | 500 | 1,000 |
| | 22,270,000 | 33,410,000 | 0.9% | 1.3% | 198,500 | 445,000 |

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 Mineral Resource and it is uncertain if further exploration will result in the estimation of a Mineral Resource.



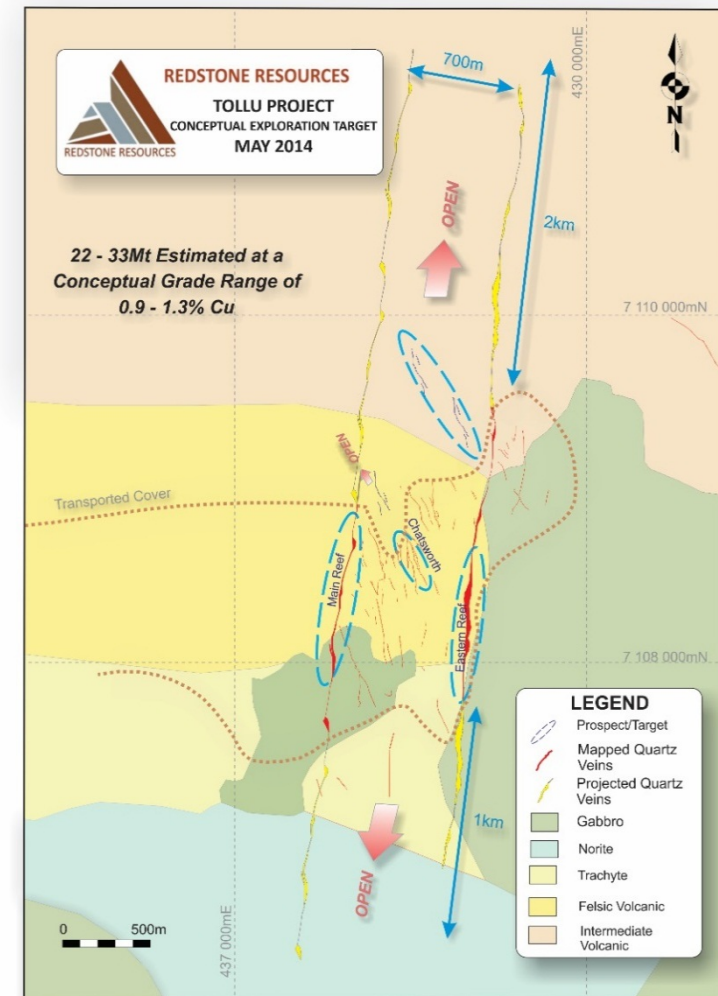
Tollu Project – Exploration Target



Tollu 2015 Drilling Program



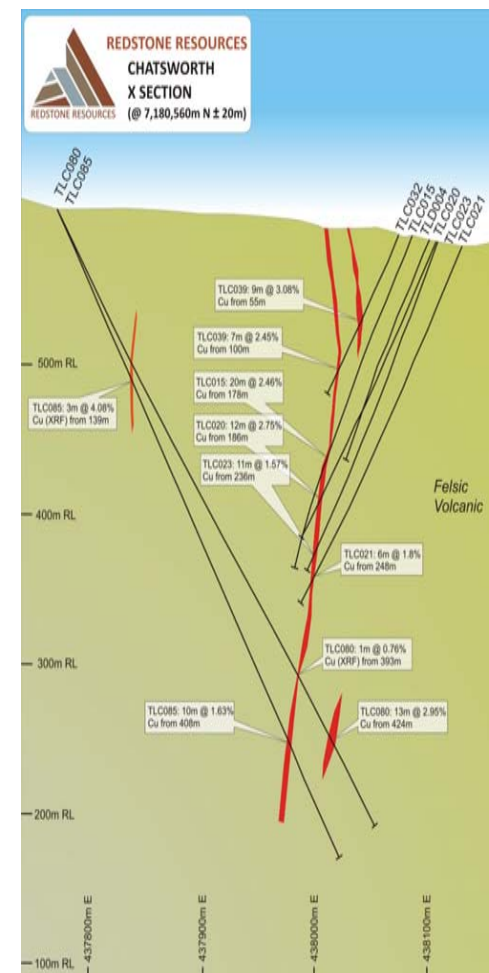
- RC drilling programme continuing at 100% owned Tollu Copper Project
- Circa 8,000 metres RC programme to run for approximately 6 weeks
- Campaign includes drilling to target near surface oxide mineralization
 - ▶ Chatsworth Prospect
 - ▶ Main Reef Prospect
- Potential to significantly expand global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



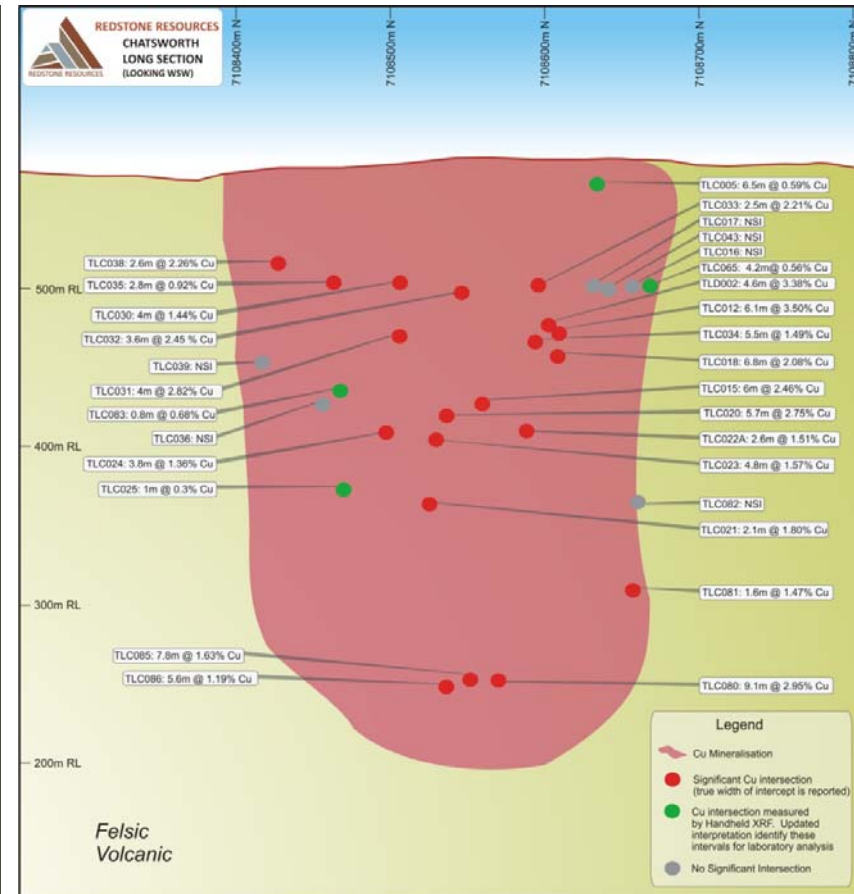
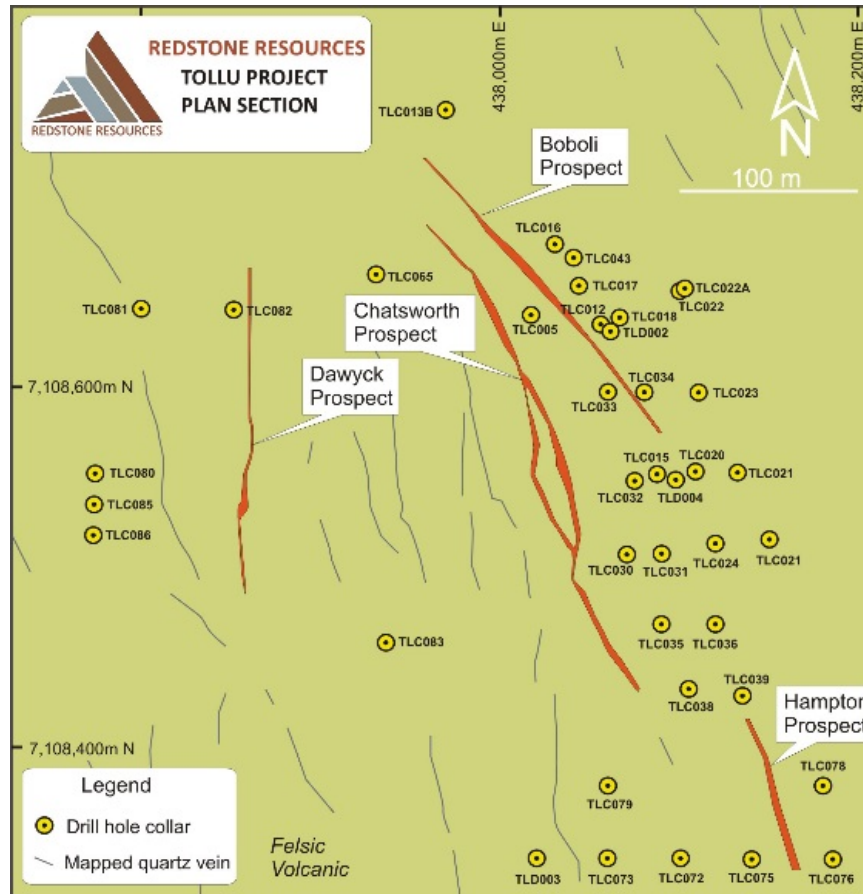
Tollu Project – Chatsworth Prospect – High Grade



| Hole | Prospect | Easting (m) | Northing (m) | RL (m) | Dip (degree) | Azim (degree) | Depth (m) | From (m) | Interval (m) | True Width (m) | Cu (%) |
|--------|------------|-------------|--------------|--------|--------------|---------------|-----------|----------|--------------|----------------|--------|
| TLC015 | Chatsworth | 438087 | 7108554 | 585 | -60 | 266 | 246 | 178 | 20 | 6 | 2.46 |
| TLC020 | | 438109 | 7108556 | 583 | -60 | 266 | 235 | 187 | 12 | 5.7 | 2.75 |
| TLC021 | Chatsworth | 438132 | 7108555 | 580 | -60 | 266 | 271 | 249 | 4 | 2.1 | 1.80 |
| TLC023 | | 438110 | 7108600 | 586 | -60 | 236 | 259 | 209 | 11 | 4.8 | 1.57 |
| TLC024 | Chatsworth | 438120 | 7108515 | 582 | -60 | 260 | 247 | 194 | 4 | 3.8 | 1.36 |
| TLC030 | | 438070 | 7108510 | 584 | -60 | 266 | 127 | 87 | 8 | 4.0 | 1.44 |
| TLC031 | Chatsworth | 438090 | 7108510 | 583 | -60 | 266 | 157 | 126 | 9 | 4.0 | 2.82 |
| TLC032 | | 438075 | 7108550 | 586 | -60 | 260 | 121 | 55 | 9 | 4.2 | 3.08 |
| TLC032 | Chatsworth | 438075 | 7108550 | 586 | -60 | 260 | 121 | 100 | 7 | 3.6 | 2.45 |
| TLC033 | | 438060 | 7108600 | 592 | -60 | 266 | 139 | 100 | 5 | 3.1 | 2.21 |
| TLC034 | Chatsworth | 438080 | 7108600 | 590 | -60 | 266 | 175 | 137 | 13 | 5.5 | 1.49 |
| TLC038 | | 438105 | 7108435 | 580 | -60 | 260 | 200 | 71 | 5 | 2.6 | 2.26 |
| TLC080 | Chatsworth | 437773 | 7108555 | 604 | -60 | 86 | 499 | 424 | 13 | 9.1 | 2.95 |
| TLD002 | | 438061 | 7108635 | 591 | -60 | 240 | 147.4 | 126.9 | 9.62 | 4.6 | 3.38 |

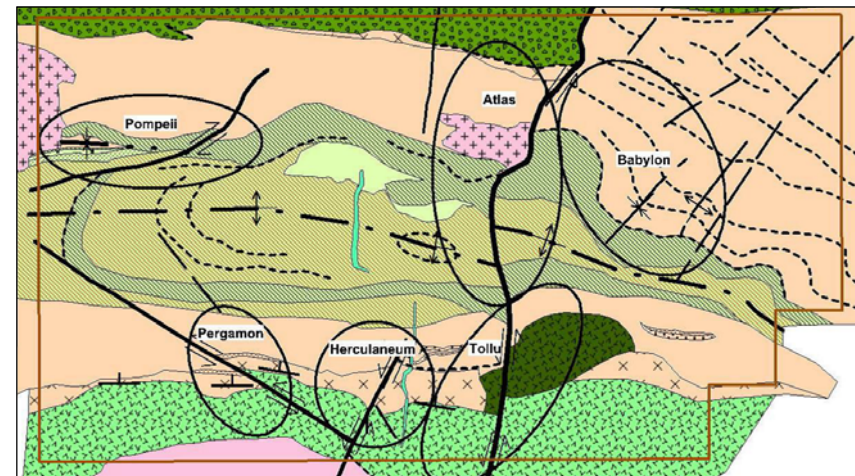
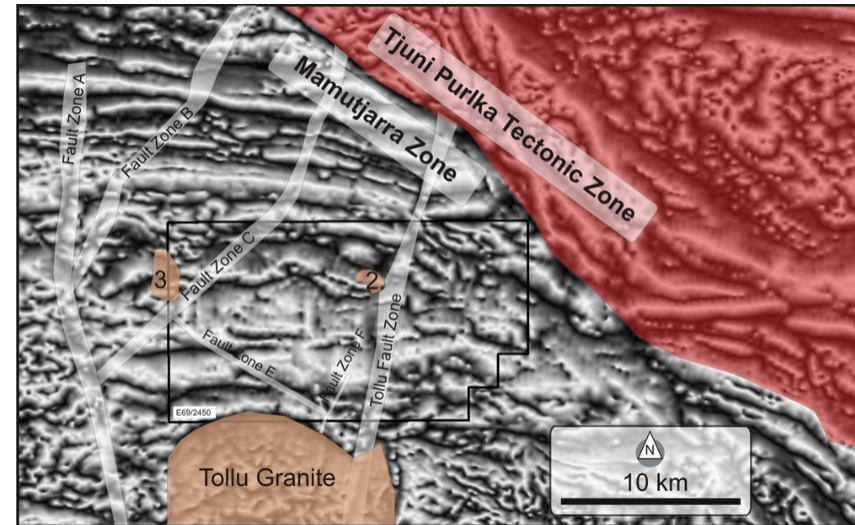


Tollu Project – Chatsworth Prospect - Geology



Five Additional Projects – Building Scale

- Atlas Project
 - ▶ North of Tollu Project
 - ▶ Prospective for IOCG & Mt Isa style deposits
- Babylon Project
 - ▶ Prospective for IOCG & Mt Isa style deposits
- Pompeii Project
 - ▶ Prospective for Mt Isa style deposits
- Pergamon Project
 - ▶ Prospective for Mt Isa style deposits
- Herculaneum Project
 - ▶ Prospective for Mt Isa style deposits



Exploration Strategy

■ Tollu Project

- ◆ Further analysis and interpretation of existing geophysical and geological data
- ◆ Drilling program (to depths of less than 150m) focused in the oxidised zone
- ◆ Delivery of a maiden JORC resource

■ Atlas / Babylon Projects

- ◆ Drilling program
- ◆ Further analysis and interpretation of existing geophysical and geological data
- ◆ Increase mapped area of the new projects
- ◆ Geochemical and rock sampling of new projects
- ◆ Significantly grow Exploration Targets

■ Pompeii / Pergamon / Herculaneum Projects

- ◆ Further analysis and interpretation of existing geophysical and geological data
- ◆ Increase mapped area of the new projects



Tollu Project - Development



■ Conceptual Study

- ▶ Engineering
- ▶ Marketing
- ▶ Metallurgy
- ▶ Geology
- ▶ Infrastructure
- ▶ Ore Transport
- ▶ Financial Evaluation
- ▶ Exploration
 - Regional Geology
 - Stratigraphy
 - Prospect Geology
 - Mineralisation

■ Conceptual Study – Approvals

- ▶ Environment
- ▶ Government approvals

■ Commence negotiations with traditional owners for mining agreement



Next Steps



■ West Musgrave Copper Focus

- ▶ By using low cost, near surface exploration techniques, the objective is to aggressively step-out and extend the region of known shallower mineralisation
- ▶ Build and leverage on existing dataset

■ Key next steps

- ▶ Funding for Stage 2 Exploration Program
- ▶ Recommence exploration work on site
- ▶ Repositioning process for Redstone
- ▶ Market the Redstone story

■ Newsflow from Stage 2 Exploration Program over the next 6 months

- ▶ Drilling results
- ▶ Further technical team appointments
- ▶ Metallurgical results
- ▶ Conceptual Study results
- ▶ Commence long lead items for approvals process
- ▶ Commence Mining Agreement process
- ▶ Maiden JORC Resource

Why Invest ?

■ World class exploration asset

- ▶ Extensive exploration activities completed to date
- ▶ Extremely encouraging recent assay results
- ▶ Outstanding Exploration Target – grade and tonnes
- ▶ Clear strategy to maximize shareholder value
- ▶ Low cost entry
- ▶ ‘1st mover advantage’ in the West Musgrave region
- ▶ Excellent relationship with Traditional Owners
- ▶ Extensive management and exploration experience

