



4 December 2015

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

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## **Tollu Drilling Update**

Redstone Resources Limited (ASX: RDS) (“**Redstone**” or the “**Company**”) is pleased to provide the following update on drilling progress at the Company’s 100% owned Tollu Copper Project (the “**Project**”) located in the West Musgrave region of Western Australia.

### **Highlights:**

- ✓ **Circa 8,000 RC drilling programme commenced on 19 November 2015**
- ✓ **23 holes for 3,035 metres completed to date**
- ✓ **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 the Tollu Project**
- ✓ **Fundraising via an Entitlement Issue to current shareholders is in progress - Closing 7 December 2015**
- ✓ **Site visit by current major investor shareholders and potential institutional investors recently undertaken**

### **Drilling Programme Update**

Reverse circulation (“**RC**”) drilling is progressing to schedule with 23 holes drilled for a total of 3,035 metres completed to date, primarily on the Chatsworth Prospect.

The drilling has consistently intersected quartz veining with strong malachite mineralisation in the near surface holes, and quartz veins with stringer and disseminated sulphides (chalcopyrite/pyrrhotite/pyrite in veins over 5m wide) in the deeper holes.



The RC drilling programme of circa 8,000 metres is on budget and is planned to be completed by the third week of December.

### **Assays and Results**

The first batch of drill samples for assay will arrive at the lab within the fortnight. The Company will be endeavouring to have initial results of these samples analysed and available for release by the end of the month.

The balance of the drill program assays are expected to be analysed by February 2015, following which the delivery of a maiden JORC resource is expected in the March 2016 quarter.

### **Aim of the Drilling Programme**

The Company has identified a number of prospective targets for drilling at the Tollu Project, with the aim of the RC drilling 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.

### **Site Visit**

The Company also recently completed a site visit with current major investor shareholders and potential institutional investors for the purpose of current and future funding objectives. Some photos taken on this site visit and of the drilling are shown on pages 3-4.

### **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 RC drilling 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.

**The Closing Date for the Offer is 5.00pm WST on 7 December 2015.**

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



**Photos taken from recent site visit and drilling of the Chatsworth Prospect**







### **Competent Persons Statement**

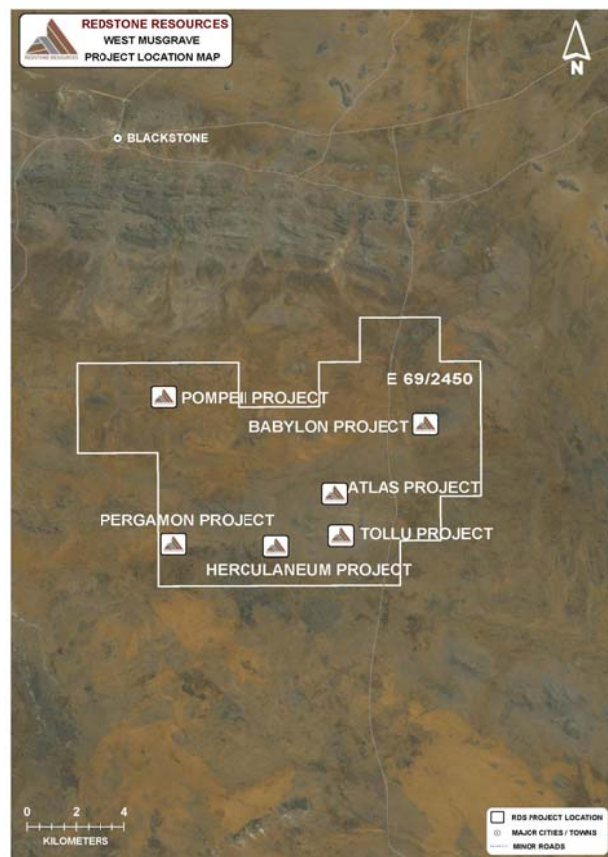
The information in this announcement that relates to exploration results was authorised by Mr Darryl Mapleson, a Principal Geologist and a full time employee of BM Geological Services, who are engaged as consultant geologists to Redstone Resources Limited. Mr Mapleson is a Fellow of the Australian Institute 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)