Mineralisation Continues at Liontown East

Highlights:

- **Assays from third drill hole at Liontown East (LTED03) confirm continuation of mineralisation.**
- **LTED03 intersected massive and semi-massive sulphides mineralisation with 5.4m @ 7.4% Zn Eq. (0.2% Cu, 1.5% Pb, 4.0% Zn, 1.1 g/t Au & 35 g/t Ag) inc. 3.9m @ 9.0% Zn Eq. (0.2% Cu, 1.9% Pb, 5.0% Zn, 1.5 g/t Au & 37 g/t Ag) from 419.6m down hole.**
- **Gap GeoPhysics has completed DHEM and DHMMR survey program at Liontown East. DHEM and DHMMR data modelled by Mitre Geophysics and confirm presence of two targets.**
- **RVR fully funded to aggressively continue Thalanga high impact exploration program.**

Zinc developer Red River Resources Limited (ASX: RVR) ("Red River" or the "Company") advises that the third drill hole at Liontown East (LTED03) has been completed as part of the high impact exploration program at its Thalanga Zinc Project in Queensland.

LTED03 intersected a zone of massive and semi-massive sulphides from 419.6m and returned the following high-grade intercept:

- **5.4m @ 7.4% Zn Eq. (0.2% Cu, 1.5% Pb, 4.0% Zn, 1.1 g/t Au & 35 g/t Ag) inc. 3.9m @ 9.0% Zn Eq. (0.2% Cu, 1.9% Pb, 5.0% Zn, 1.5 g/t Au & 37 g/t Ag)** from 419.6m down hole (down hole width)

Gap GeoPhysics has completed the Down Hole Electromagnetic (DHEM) and Down Hole MagnetoMetric Resistivity (DHMMR) survey program at Liontown East. The data has been modelled by Mitre Geophysics (Mitre) and confirms the presence of two targets, with a response from both DHEM and DMMR surveys.

Work has commenced on drill designs to test the DHEM and DHMMR targets modelled by Mitre.

Red River's Managing Director Mel Palancian commented: *"We have successfully completed the third hole (LTED03) at Liontown and intersected high-grade mineralisation (3.9m @ 9.0% Zn Eq)."*

"In combination with the completion of the downhole DHEM and DHMMR surveys, and the successful modelling completed by Mitre Geophysics, this is starting to give us a better understanding of the size and orientation of the mineralisation at Liontown East."

"We have commenced the design of additional drillholes at Liontown East to target the modelled DHEM and DHMMR anomalies and to start to extend the size of the mineralised zone."

1. LTED03 Update

The third diamond drill hole (LTED03) has been completed at the Liontown East target. LTED03 intersected the target horizon 50m east of, and 65m up dip of LTED01.

LTED03 intersected a zone of massive and semi-massive sulphides from 419.6m to 425.0m down hole. The core was logged and sent for assay, and the assay results are reported in Table 1 below.

Table 1 Drill hole assay summary, Thalanga Zinc Project (Liontown East Project)

Hole ID	From (m)	To (m)	Intersection (m)(1)	Cu (%)	Pb (%)	Zn (%)	Au (g/t)	Ag (g/t)	Zn Eq (%)
LTED01	452.7	460.2	7.5	0.4%	4.1%	9.6%	1.0 g/t	37 g/t	16.0%
inc.	452.7	457.0	4.3	0.6%	6.6%	15.1%	1.6 g/t	56 g/t	25.2%
LTED03	419.6	425.0	5.4	0.2%	1.5%	4.0%	1.1 g/t	35 g/t	7.4%
inc.	419.6	423.5	3.9	0.2%	1.9%	5.0%	1.5 g/t	37 g/t	9.0%
(1) Down hole width									

Figure 1 Liontown East Long Section

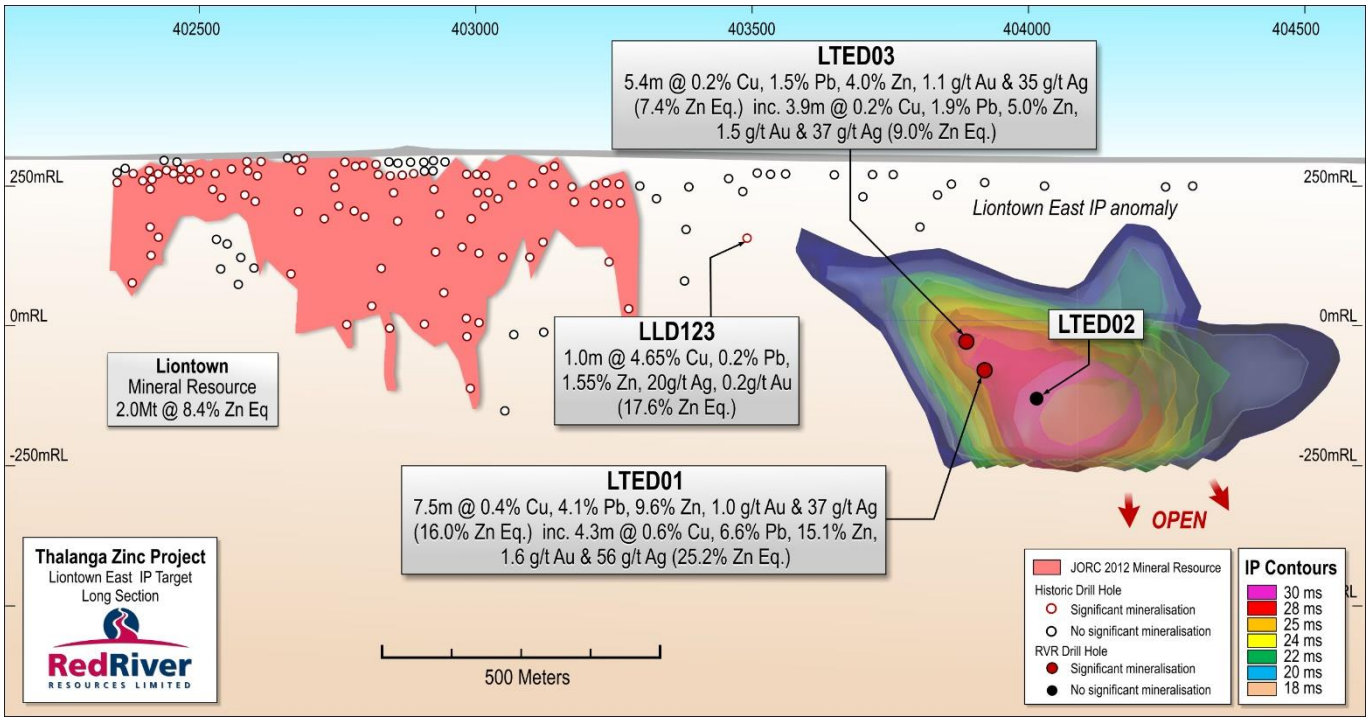
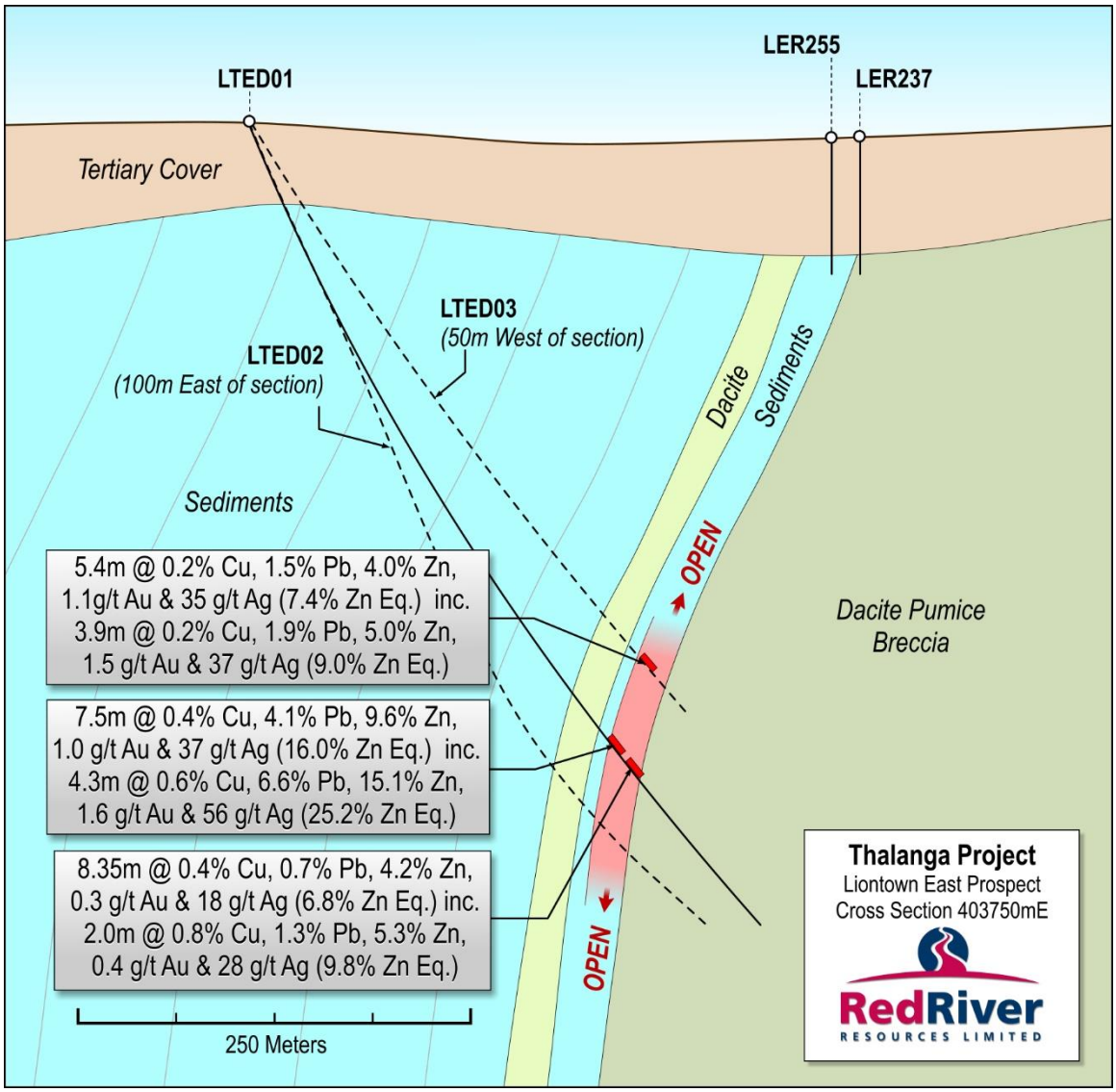


Table 2 Drill hole information summary, Thalanga Zinc Project (Liontown East Project)

Hole ID	Depth	Dip	Azi (MGA)	East (MGA)	North (MGA)	RL (MGA)	Lease ID	Hole Status
LTED01	576m	-65°	0°	403788	7742679	302m	EPM 14161	Completed
LTED02	570m	-65 °	19.6 °	403789	7742678	302m	EPM 14161	Completed
LTED03	472.7m	-57 °	6.5 °	403691	7742678	301m	EPM 14161	Completed

Figure 2 Liontown East Cross Section (403750mE)



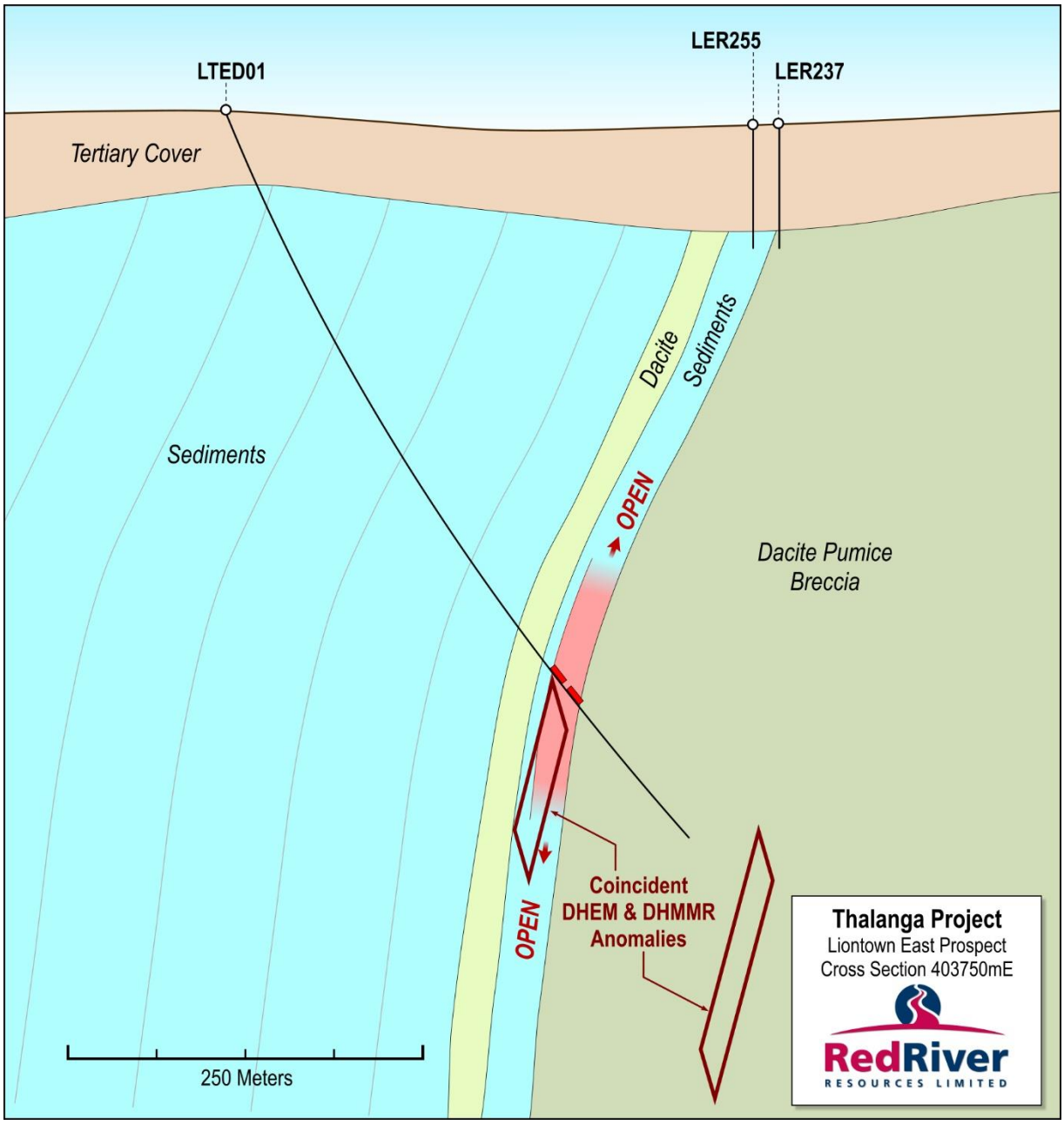
2. Down Hole Electromagnetic (DHEM) and Down Hole MagnetoMetric Resistivity (DHMMR) Survey Program

Gap GeoPhysics has completed a Down Hole Electromagnetic (DHEM) and Down Hole MagnetoMetric Resistivity (DHMMR) survey program at Liontown East. The DHEM technique is ideally suited for detecting conductive massive sulphide mineralisation, in particular copper sulphide-rich bodies. The DHMMR technique is ideally suited for detecting poorly conducting mineralisation such as sphalerite-rich bodies.

Down hole surveys (DHEM and DHMMR) were undertaken at LTED01 and LTED03. The down hole survey planned for LTED02 was unable to be completed due to a failure in the hole related to a fault zone in the upper levels of the hole.

The modelling of the LTED01 and LTED03 surveys by Mitre resulted in two very subtle conductors defined by the DHEM and supported by the DHMMR surveys.

Figure 3 Liontown East Cross Section (403750mE) with anomalies



Thalanga Zinc Project Background

Red River released a Restart Study (the internal study prepared by Red River to assess the potential restart of the Thalanga Zinc Project) in November 2015, which demonstrated the highly attractive nature of the Project. The Project has a low operating cost, low pre-production capital cost ($17.2 million), and a short timeline to production (six months).

Annual average production is 21,400 tonnes of zinc, 3,600 tonnes of copper, 5,000 tonnes of lead, 2,000 ounces of gold and 370,000 ounces of silver in concentrate over an initial mine life of five years, and there is outstanding extension potential.

Please refer to ASX release dated 12 November 2015 for further details on the Thalanga Zinc Project Restart Study. Red River confirms that all material assumptions underpinning the production target in the ASX release dated 12 November 2015 continue to apply and have not materially changed.

The Thalanga Zinc Project Restart Study is based on production from three deposits – West 45, Far West and Waterloo. The Thalanga Zinc Project Restart Study is based on low level technical and economic assessments and there is insufficient data to support the estimation of Ore Reserves at Far West and Waterloo, provide assurance of an economic development case at this stage, or provide certainty that the results from the Thalanga Zinc Project Restart Study will be realised. Further, as the production target that forms the basis of the Thalanga Zinc Project Restart Study includes Mineral Resources that are in the Inferred Category and there is a low level of geological confidence associated with Inferred Mineral Resources, there is no certainty that further exploration work will result in the determination of Indicated Mineral Resources or that the production target itself will be realised.

On behalf of the Board,

Mel Palancian
Managing Director
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COMPETENT PERSON STATEMENT

Exploration Results

The information in this report that relates to Exploration Results is based on information compiled by Mr Tav Bates who is a member of the Australasian Institute of Mining and Metallurgy, and a full time employee of Red River Resources Ltd., and who has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activities being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves' (JORC Code). Mr Bates consents to the inclusion in this report of the matters based on the information in the form and context in which it appears.

APPENDIX 1
ASSAY DETAILS

HoleID	From (m)	To (m)	Int (m)	Cu%	Pb%	Zn%	Au g/t	Ag g/t	ZnEq%
LTED03	417	418	1	0.00	0.00	0.01	*bdl*	*bdl*	0.00
LTED03	418	419	1	0.00	0.00	0.01	0.01	*bdl*	0.00
LTED03	419	419.6	0.6	0.00	0.01	0.01	0.01	1	0.05
LTED03	419.6	421	1.4	0.28	2.45	5.46	2.56	38.5	10.82
LTED03	421	422	1	0.15	2.43	5.23	1.13	64.3	10.08
LTED03	422	423	1	0.02	0.04	0.24	0.09	1.3	0.42
LTED03	423	423.5	0.5	0.49	2.88	12.36	1.86	51.4	18.80
LTED03	423.5	424	0.5	0.02	0.25	0.84	0.3	9.5	1.53
LTED03	424	425	1	0.15	0.77	1.86	0.25	39.1	4.15
LTED03	425	426	1	0.00	0.01	0.03	0.13	0.6	0.12
LTED03	426	427	1	0.00	0.01	0.01	*bdl*	*bdl*	0.00
**bdl – below detection limit*									

JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

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

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	Drilling • Diamond drilling was used to obtain core samples • Samples consist of half NQ2 core • Sample intervals were selected by company geologists based on visual mineralisation • Intervals ranged from 0.2 to 1.5m based on geological boundaries • Samples were sawn if half using an onsite core saw and sent to Intertek Genalysis laboratories Townsville. • Samples were crushed to sub 6mm, split and pulverised to sub 75µm in order to produce a representative sub-sample for analysis. • Analysis consisted of a four acid digest and Inductively Coupled Plasma Optical Emission Spectrometry (ICP-OES) for the following elements; Ag, As, Ba, Bi, Ca, Cu, Fe, K, Mg, Mn, Na, Pb, S, Sb, Ti, Zn, & Zr. A selection of samples was also assayed for Au using a 30g Fire Assay technique Geophysics • Geophysical surveys consisted of Down Hole Electromagnetic (DHEM) and Down Hole MagnetoMetric Resistivity (DHMMR). • The surveys were conducted by geophysical contractor Gap Geophysics. • The geophysical surveys utilised an HPTX70 Transmitter coupled with a DigiAtlantis 24- bit B-field 3 component Probe and Receiver System.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• Drilling techniques consist of; • PCD drilling through the cover sequence • HQ diamond core drilling for the first 50-100m of each hole • NQ2 diamond core drilling for the remainder of the drill holes.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• Sample recovery is measured and recorded by company trained geotechnicians • negligible sample loss has been recorded
Logging	• *Whether core and chip samples have been*	• Holes are logged to a level of detail that would

Criteria	JORC Code explanation	Commentary
	geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	support mineral resource estimation. • Qualitative logging includes lithology, alteration and textures • Quantitative logging includes sulphide and gangue mineral percentages • All drill core was photographed • All drill holes have been logged in full
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• Core was sawn and half core sent for assay • Sample preparation is industry standard, occurring at an independent commercial laboratory • Samples were crushed to sub 6mm, split and pulverised to sub 75µm in order to produce a representative sub-sample for analysis • Laboratory certified standards were used in each sample batch • The sample sizes are considered to be appropriate to correctly represent the mineralisation style
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• The assay methods employed are considered appropriate for near total digestion • Laboratory certified standards were used in each sample batch • Certified standards returned results within an acceptable range •
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• Laboratory results have been reviewed by Company geologists and laboratory technicians •
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole*	• Collars surveyed with handheld GPS • Down hole surveys conducted with Camteq multi-shot digital camera

Criteria	JORC Code explanation	Commentary
	surveys), trenches, mine workings and other locations used in Mineral Resource estimation. • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Coordinate system used is MGA94 Zone 55 • Topographic control is based on a detailed 3D Digital Elevation Model
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• The drilling results reported represent the first drill hole to intersect this target, as such the current drilling density is sparse. • No sample compositing has been applied
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• Drill holes are orientated perpendicular to the perceived strike of the host lithologies • Drill holes are drilled at a dip based on logistics and dip of anomaly to be tested • The orientation of the drilling is designed to not bias sampling • The orientation of the drill core is determined using a Camteq digital Orientation Tool
Sample security	• *The measures taken to ensure sample security.*	• Samples have been overseen by company geologists during transport from site to Intertek Genalysis laboratories, Townsville.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No audits or reviews have been carried out at this point

Section 2 Reporting of Exploration Results

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

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• The drilling was conducted on Exploration Permit EPM 14161 • EPM 14161 is held by Cromarty Pty Ltd. (a wholly owned subsidiary of Red River Resources) and forms part of Red River's Thalanga Zinc Project • Red River engaged Native Title Claimants, the Gudjalla People to conduct cultural clearances of drill pads and access tracks • The Exploration Permits are in good standing
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Historic Exploration was carried out by Esso Exploration & PanContinental Mining. This included drilling and geophysics
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The exploration model is Volcanic Hosted Massive Sulphide (VHMS) base metal mineralisation • The regional geological setting is the Mt Windsor Volcanic Sub-province, consisting of Cambro-Ordovician marine volcanic and volcano-sedimentary sequences
Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes, including, easting and northing, elevation or RL, dip and azimuth, down hole length, interception depth and hole length.* • *If the exclusion of this information is justified the Competent Person should clearly explain why this is the case.*	• See Table1 – Drill Hole Details • See Appendix 1 – Assay Details
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• Interval length weighted assay results are reported • Significant Intercepts relate to assay results > 5% Zn Equivalent. • Zn equivalent formula utilised is: Zn% + (Cu%*3.3) + (Pb%*0.9) + (Au_{ppm}*0.5) + (Ag_{ppm}*0.025)

Criteria	JORC Code explanation	Commentary
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• The mineralisation is interpreted to be steeply dipping drill holes have been angled to intercept the mineralisation as close to perpendicular as possible. • Down hole intercepts are reported. True widths are likely to be approximately 80% of the down hole widths.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plans and sections.*	• Refer to plans and sections within report •
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• The accompanying document is considered to represent a balanced report
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported.*	• All meaningful and material data is reported
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).*	• Further Drilling at Liontown East is planned