



28 June 2016

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

Electronic Lodgement

## **PLANNED FOLLOW UP DRILLING AT TOLLU PROJECT AND EIS DRILLING GRANT AWARDED**

### **Highlights**

- 2015 drilling program success has resulted in:
  - Delineation of maiden JORC resource for Tollu Project.
  - Substantial increase to exploration target
  - Significantly upgraded Forio Prospect and revised priority targets.
- The Forio Prospect at the Tollu Project is significantly upgraded, with recent drilling identifying mineralised strike over 250m.
- Forio remains open in all directions, despite displaying limited surface expression and not yet being effectively drilled out below 50m.
- Results at Forio displayed the widest and strongest copper mineralisation discovered at this depth to date at the Tollu Project.
- Planning underway for follow-up drilling at Forio and at four of the identified Forio analogues, which have been elevated in priority for further testing following a full data review and the 2015 drilling results.
- The proposed RC drilling program at Forio and the further four Forio analogue prospects comprises 53 holes for a total of 8,000m.
- WA Government awards EIS co-funded drilling grant of up to \$200,000 for the Tollu Project.
- EIS grant planned to be used for a single deep diamond drill hole of approximately 1,000m at the Chatsworth Prospect.

### **Follow up RC Drilling at Tollu**

Redstone Resources Limited (**ASX: RDS**) ("**Redstone**" or "**the Company**") is pleased to announce that, further to the ASX announcement of 15 June 2016 and subject to the availability of funding, the Company has planned a systematic follow-up RC drilling program at the Company's 100% owned Tollu Copper Project (the "**Project**"), focusing on the Forio and Forio Deeps Prospect ("**Forio**") and a further four of the identified Forio analogues, namely the Forio South, Stourhead, Exbury and Killruddery Prospects (**Figure 1**).



2



The aim of the planned single deep diamond drill hole of approximately 1,000m at the Chatsworth Prospect is to extend the depth of sulphide mineralisation beyond the 379m level previously identified.

The initial phase of the follow-up RC drilling has been planned to commence later in the third quarter of this year, subject to availability of funding. This program will comprise 53 RC holes for a total of approximately 8,000m.

A Program of Works (POW) and Native Vegetation Clearing Permits are planned to be submitted to the Department of Mines and Petroleum (DMP) for approval.

Redstone's Chairman, Mr Homsany comments:

"We are very pleased and enthused by the recent drilling success and the important milestones achieved, which has highlighted the prospectivity of the broader Tollu Project outside of the areas of previous exploration focus. The discovery made at the previously undrilled Forio Prospect highlights the significant upside potential to rapidly identify further veins hosting near surface copper mineralisation. Despite displaying minimal surface expression, the Forio Prospect has identified a mineralised strike over 250m, which remains open in all directions.

The drilling results at the Forio Prospect disclose the widest and strongest copper mineralisation discovered at this depth to date at Tollu, which is outstanding given Forio has not yet been effectively drilled out below 50m.

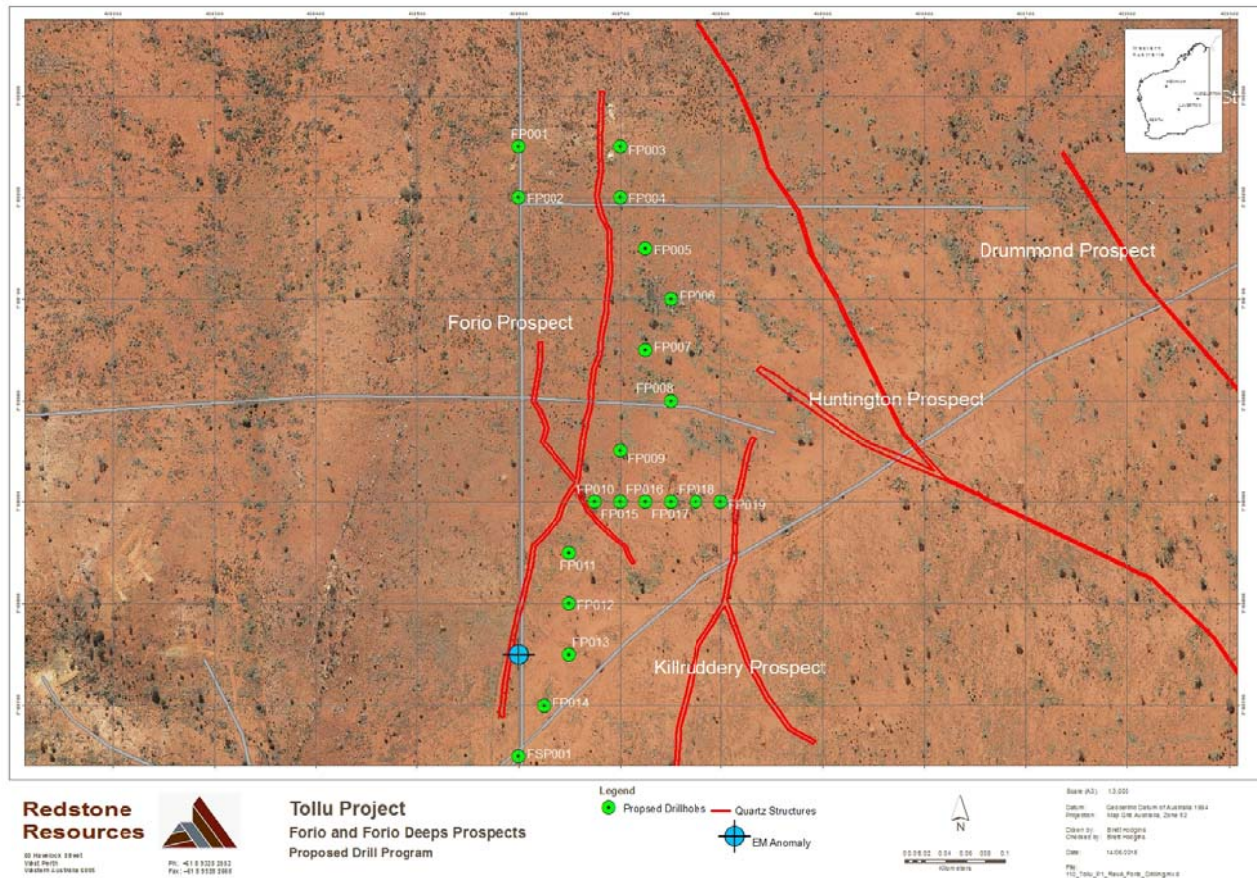
The identification of additional analogues to the Forio Prospect is seen as significant to the increased likelihood of further drilling success in the very near future. There is undoubtedly excellent potential to significantly expand the Company's maiden Mineral Resource with plans for follow up RC drilling of 8,000m to be undertaken at Forio, and a further four of the identified analogous prospects, which have now been elevated in priority for testing based on the results at Forio."

### **Forio and Forio Deeps Prospects (Forio)**

The Forio Prospect is a series of sub vertical hydrothermal bodies exposed at the surface and identified as a priority EM Target. The mineralisation at Forio is also very significant as it is located in a dilational zone to the north west of the Tollu Fault, which is in a different location to the previously discovered mineralisation.

Drilling on the Forio Prospect to date has identified a mineralised strike over 250m open in all directions and as yet has not been effectively drilled out below 50m (**Figure 3**). The most recent drill results disclose the widest and strongest copper mineralisation discovered at this depth to date at Tollu. The aim of the planned follow-up RC drilling at Forio of 19 holes for a total of 3,425m will be to test the prospect below 50m and to potentially extend mineralisation of Forio Deeps to below 250m (**Figure 2**).









## Forio South Prospect

The Forio South Prospect is a series of sub vertical hydrothermal bodies identified from Redstone geophysics data. This Prospect forms part of the dilation system running south of Forio.

The proposed RC drilling program comprises 9 holes for a total 1,575m (**Figure 4**).

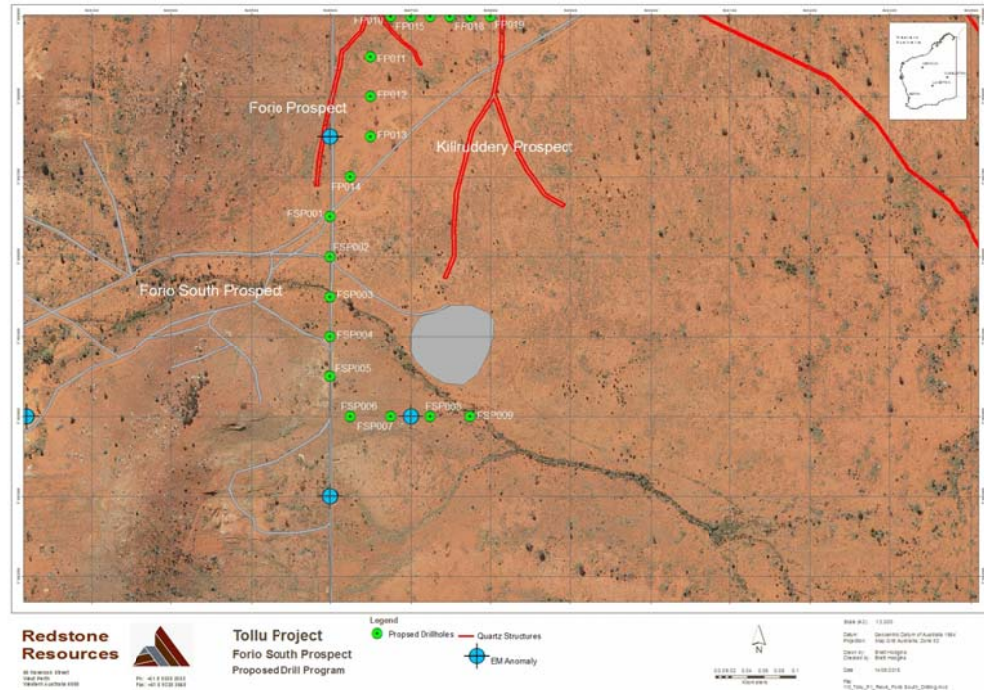


Figure 4 Proposed Drill Hole Locations at Forio South Prospect

## Stourhead Prospect

The Stourhead Prospect is a series of sub vertical hydrothermal bodies exposed at the surface and identified as a priority EM Target. This Prospect forms part of the dilation system running parallel to Forio.

The proposed RC drilling program comprises 10 holes for a total 1,500m (**Figure 5**).

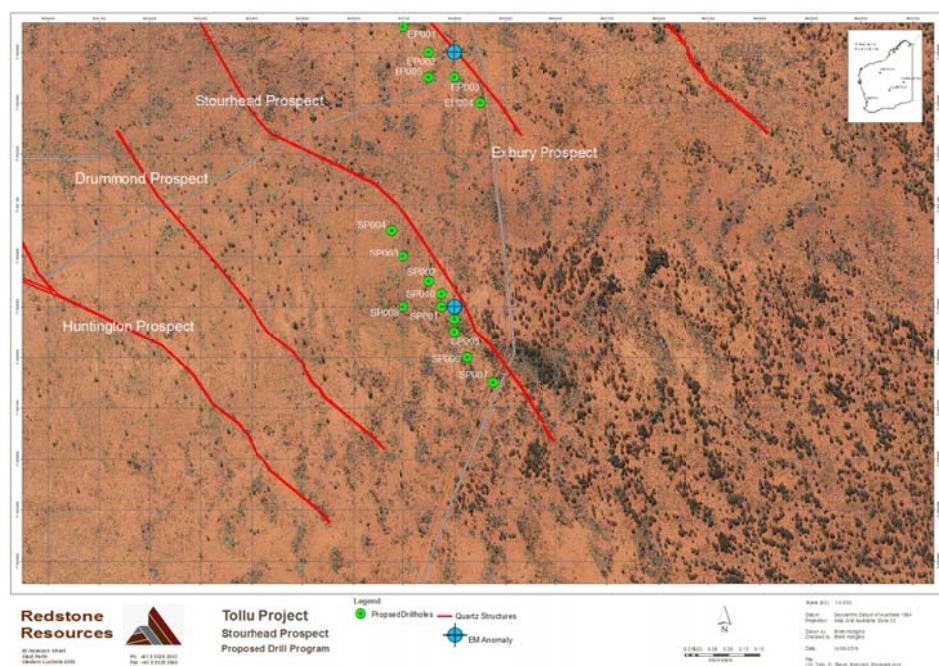


Figure 5 Proposed Drill Hole Locations at Stourhead Prospect





## Exbury Prospect

The Exbury Prospect is a series of sub vertical hydrothermal bodies identified from Redstone geophysics data as a priority EM Target. This Prospect forms part of the dilation system running parallel to Forio.

The proposed RC drilling program comprises 5 holes for a total 700m (**Figure 6**).

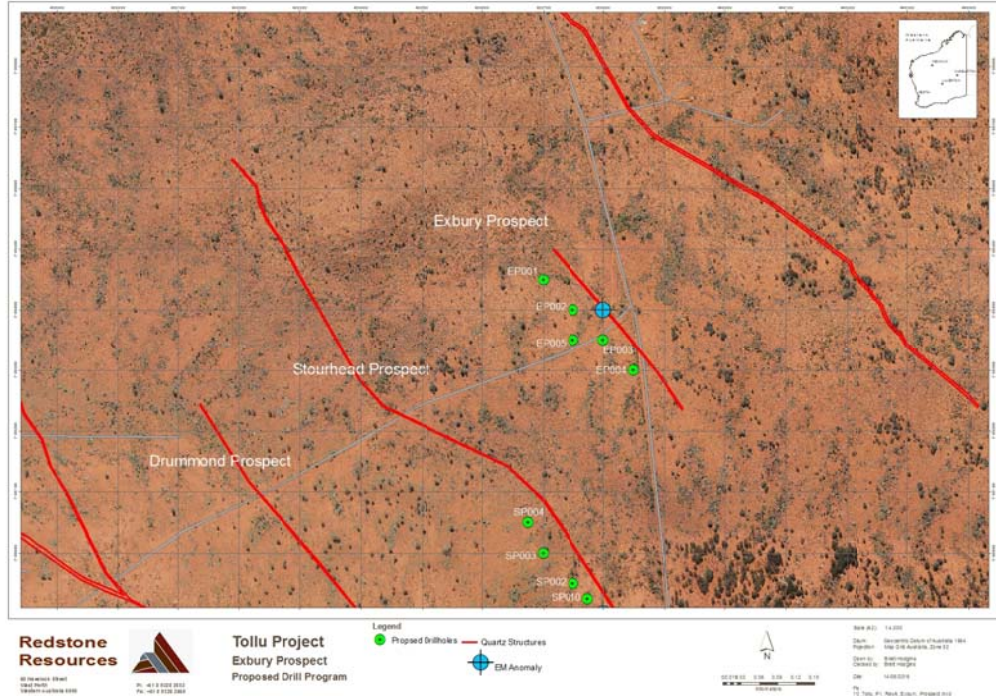


Figure 6 Proposed Drill Hole Locations at Exbury Prospect

## Kilruddery Prospect

The Kilruddery Prospect is a series of sub vertical hydrothermal bodies exposed at the surface. This Prospect forms part of the dilation system running parallel to Forio.

The proposed RC drilling program comprises 10 holes for a total 800m (**Figure 7**).

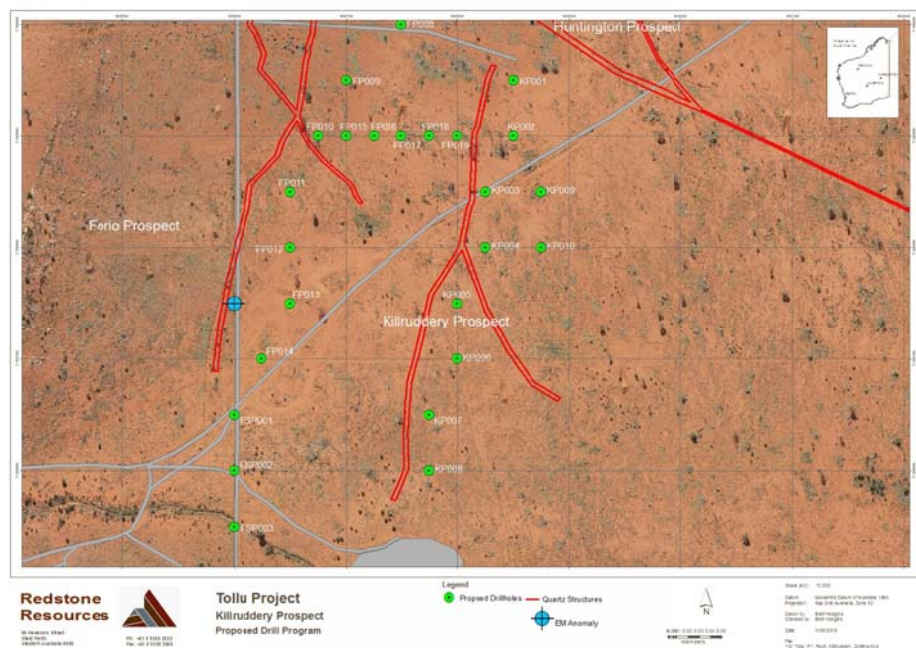


Figure 7 Proposed Drill Hole Locations at Kilruddery Prospect



## Exploration Incentive Scheme Co-funded Drilling Grant

Redstone Resources Limited is also pleased to announce that it has won a West Australian Government Exploration Incentive Scheme (EIS) grant to co-fund drilling at its 100% owned Tollu Project.

Redstone has been awarded funding up to the value of \$200,000 to assist with a single deep drill hole of approximately 1,000m at the Chatsworth Prospect. The deep drill hole has been designed to test the transition of Cu-only hydrothermal mineralisation to a potential primary, magmatic Cu-Ni-(Co) mineralisation at depth and with the potential to considerably increase the copper resource at Tollu.

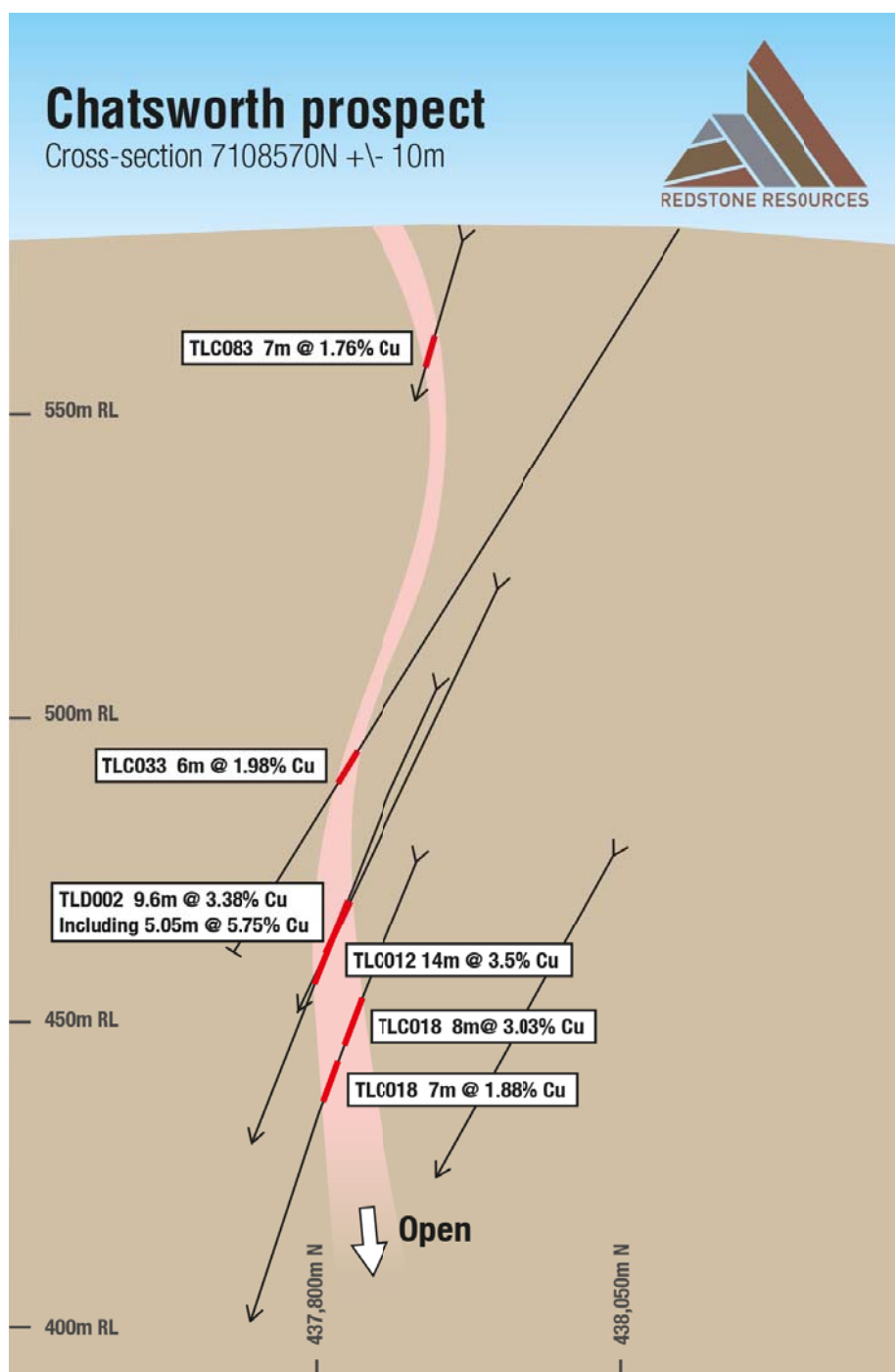


Figure 8 – Chatsworth Cross-section

The Company would like to acknowledge the WA Government's ongoing support for exploration through the EIS initiative.



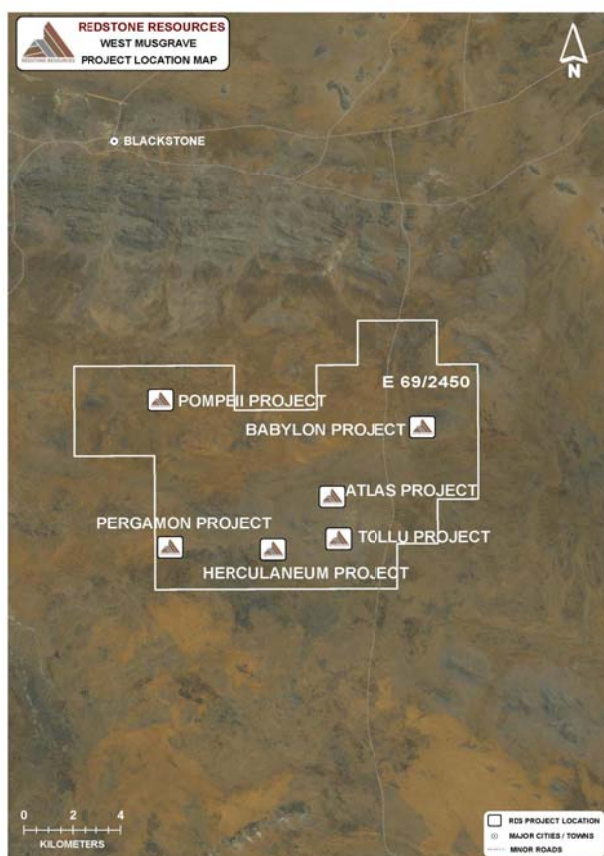
## Competent Persons Statement

The information in this report that relates to exploration results, Exploration Targets and Mineral Resources 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)