red metal limited
ACN 103 367 684

ASX Release
25 March, 2013

ASX Code: RDM

Issued Capital:

144,721,919
Ordinary shares

7,175,000
Unlisted options

Directors:

Rob Rutherford
Managing Director

Russell Barwick
Chairman

Joshua Pitt
Non-executive Director

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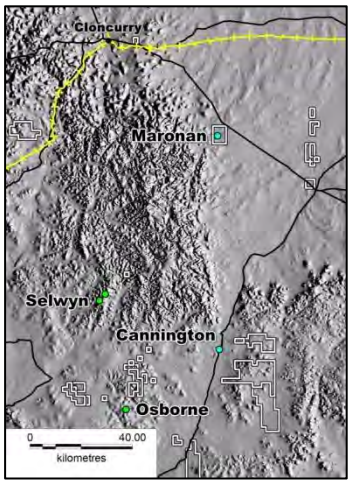


[Figure 1] Project Location

Maronan Silver-Lead Project
Assay Results From MRN12004B

Assaying has revealed multiple lead-silver horizons including seven intervals of strong mineralisation over potentially mineable widths in the upper and lower banded lead sulphide zones. These have a ***combined true width of 21 metres*** (Table 1).

In the upper zone a 2.3 metre ***true width*** interval graded 9.6% lead, 122g/t silver and 0.36g/t gold, a 5.4 metre true width interval graded 7.4% lead, 71g/t silver and 0.10g/t gold while a parallel zone only 7 metres away graded 7.0% lead and 29g/t silver over a 5.7 metre true width interval (Table 1, Figure 3).

Strong mineralisation within the lower banded carbonate-lead sulphide zone graded 5.3 % lead and 62 g/t silver over a true width of 6.1 metres (Table 1, Figure 3). A second parallel zone returned an impressive 16.5% lead and 592g/t silver over a 1.6 metre true width. This very high silver interval is interpreted to correlate with the high silver results in MRN12003B located 155 metres to the south (Figures 5).

MRN12004B is only the second hole to intersect the ***newly discovered*** lead-silver sulphide horizons below the base of oxidation and potential for further wide zones of primary lead and silver mineralisation exists to the north and at depth (Figure 4).

Drill holes MRN12004B and MRN12003B hightlight the good continuity and thickness of the banded carbonate-lead-silver sulphide horizons. The ***number of potential ore horizons and their combined true thickness*** show a general increase towards the north and it is hoped this trend will continue as step-out drilling approaches the northern fold structure (Figure 2).

Drill results are in keeping with Red Metal's geological model which predicts that the multiple lead-silver sulphide horizons in MRN12004B could transition into thicker more massive intervals towards the north or at depth (Figure 6). Structurally thickened and enriched intervals of silver-lead mineralisation occur at the hinge zones to folds within the giant Cannington and Broken Hill deposits and similar potential is inferred to exist at Maronan below the northern fold structure (Figure 2 & 3).

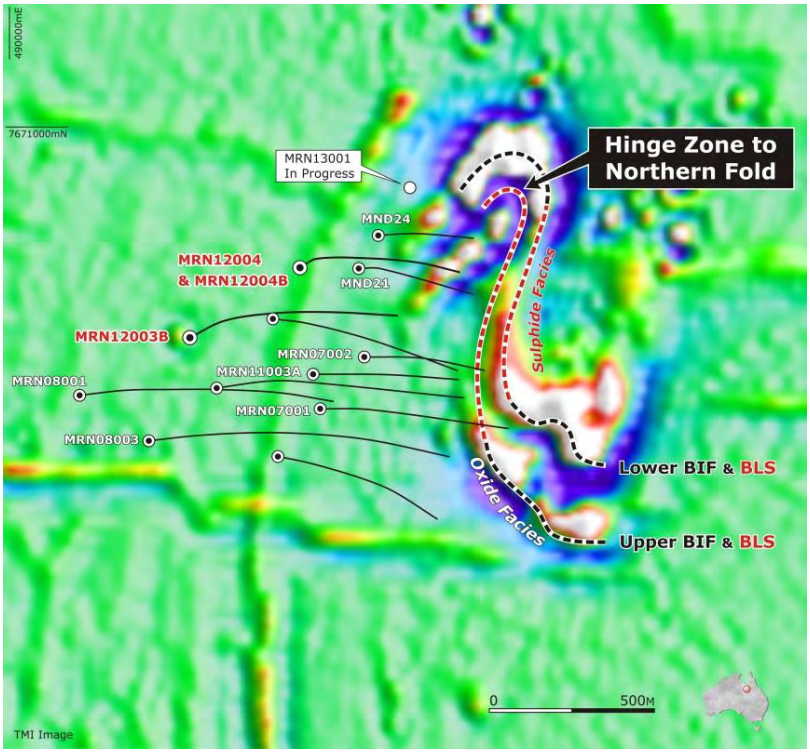
A third vertical dipping stepout-hole is in progress. This hole, designated MRN13001, targets the extension of the banded carbonate-lead sulphide horizons about 200 metres north of the MRN12004B pierce point (Figures 2 & 4). Drilling is currently at 820 metres depth and should take about two weeks to complete.

A detailed gravity survey is also in progress over the northern fold structure (Figure 2) to assist targeting of a fourth proof of concept drill hole.

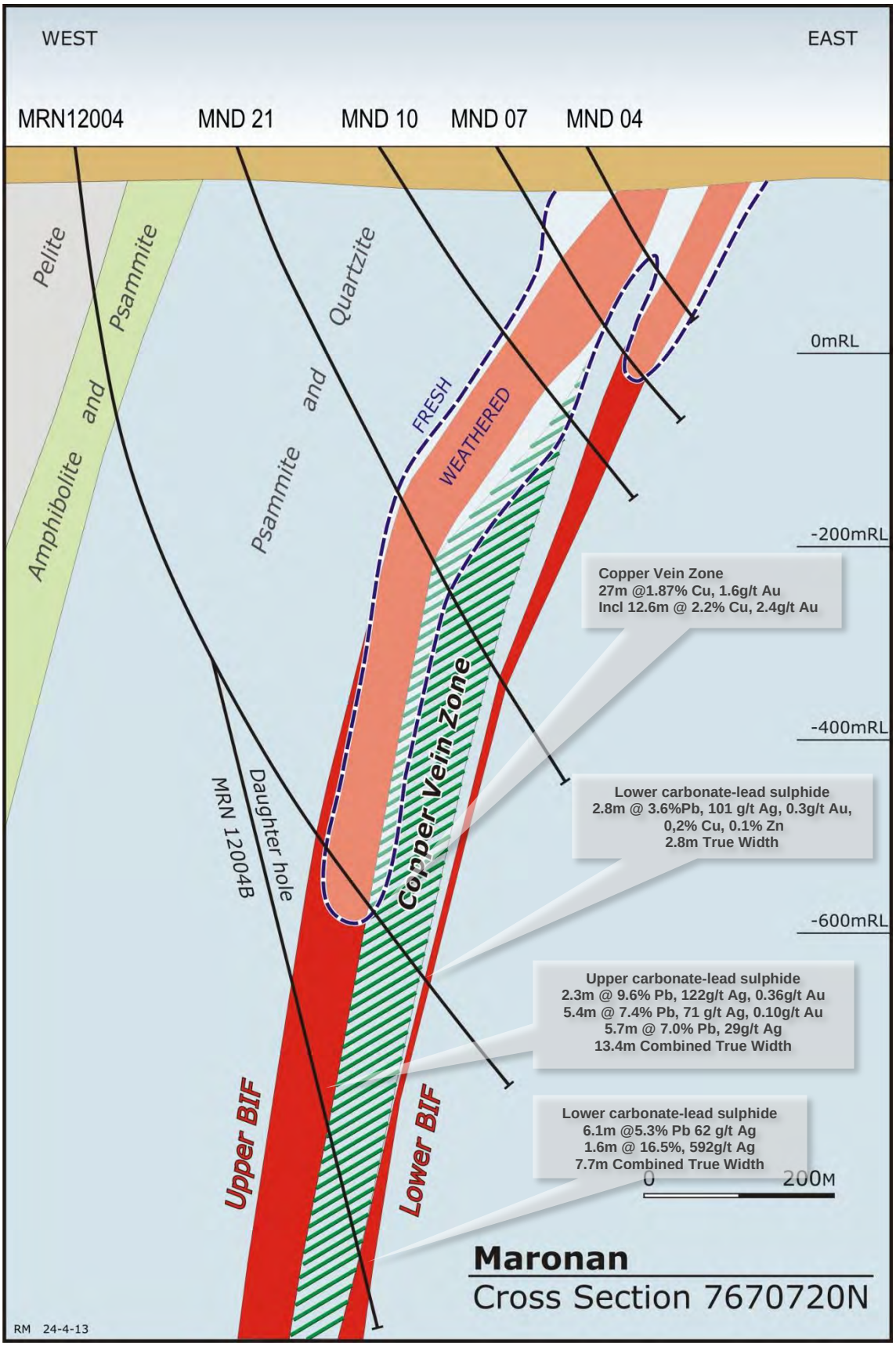
Assay results from the copper veined zone in MRN12004B (Figure 3) are pending.

[Table 1] **Summary of assay results from MRN12004B** for the upper banded lead sulphide (Upper BLS) and lower banded lead sulphide (Lower BLS) zones applying a lower lead cut-off grade of 2.0 weight percentage. ***The lead equivalent estimate is used as an indicative value only***. No metallurgical test work has been undertaken to date however it is the Company's opinion that the lead, silver, copper, zinc and gold has the potential to be recovered. The calculation uses current metal prices (lead $US2016 per tonne, $US23.76 per ounce silver, $US6998 per tonne for copper, $US1861 per tonne zinc and $US1453.6 per ounce gold) and assumes 100% metal recovery for lead, silver, copper zinc and gold. No variations due to mining cost differences are used.

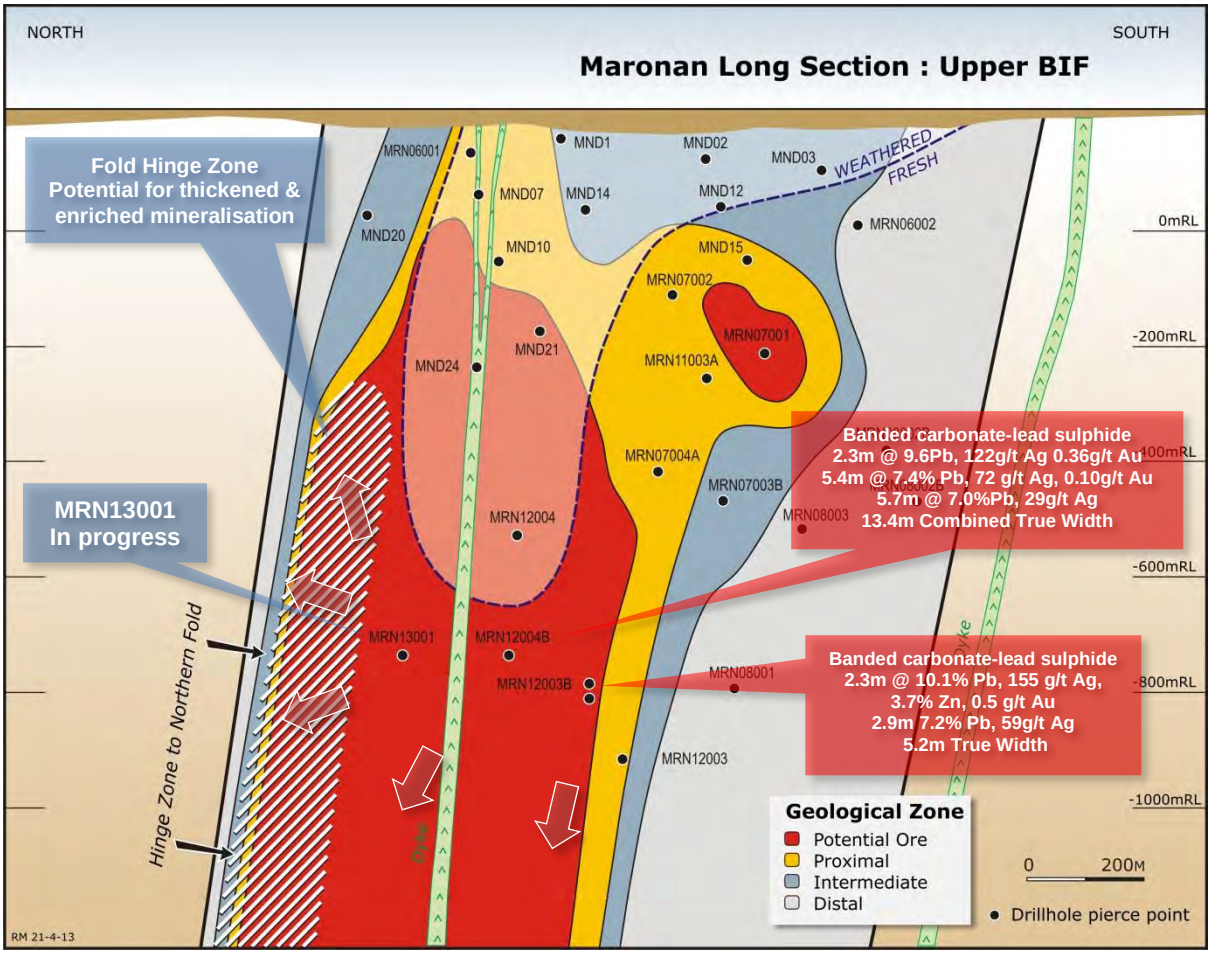
Hole ID	From (m)	Down-hole Intercept (m)	True Width (m)	Lead wt%	Silver g/t	Zinc wt%	Copper wt%	Gold g/t	Estimated Lead Equivalent wt%
MRN12004B									
Upper BLS	887.0	4.2	1.7	4.2	39			0.14	6.0
	912.9	**5.85**	**2.3**	**9.6**	**122**			**0.36**	**15.1**
	932.0	9.2	3.7	2.4	28			0.31	4.2
	957.2	**13.6**	**5.4**	**7.4**	**71**			**0.10**	**10.3**
including	963.1	**7.7**	**3.1**	**10.5**	**87**			**0.11**	**14.1**
	974.5	2.5	1	4.9	43			0.30	7.2
	987.7	**14.3**	**5.7**	**7.0**	**29**				**8.1**
including	993.0	**7.2**	**2.9**	**10.4**	**39**				**11.9**
	1006.7	2.85	1.1	11.3	80			0.12	14.6
Lower BLS	1210	**12.15**	**6.07**	**5.3**	**62**				**7.6**
	1231.75	**3.2**	**1.6**	**16.5**	**592**	**0.3**	**0.1**	**0.29**	**40.2**
Copper Vein Zone	Results	Pending							



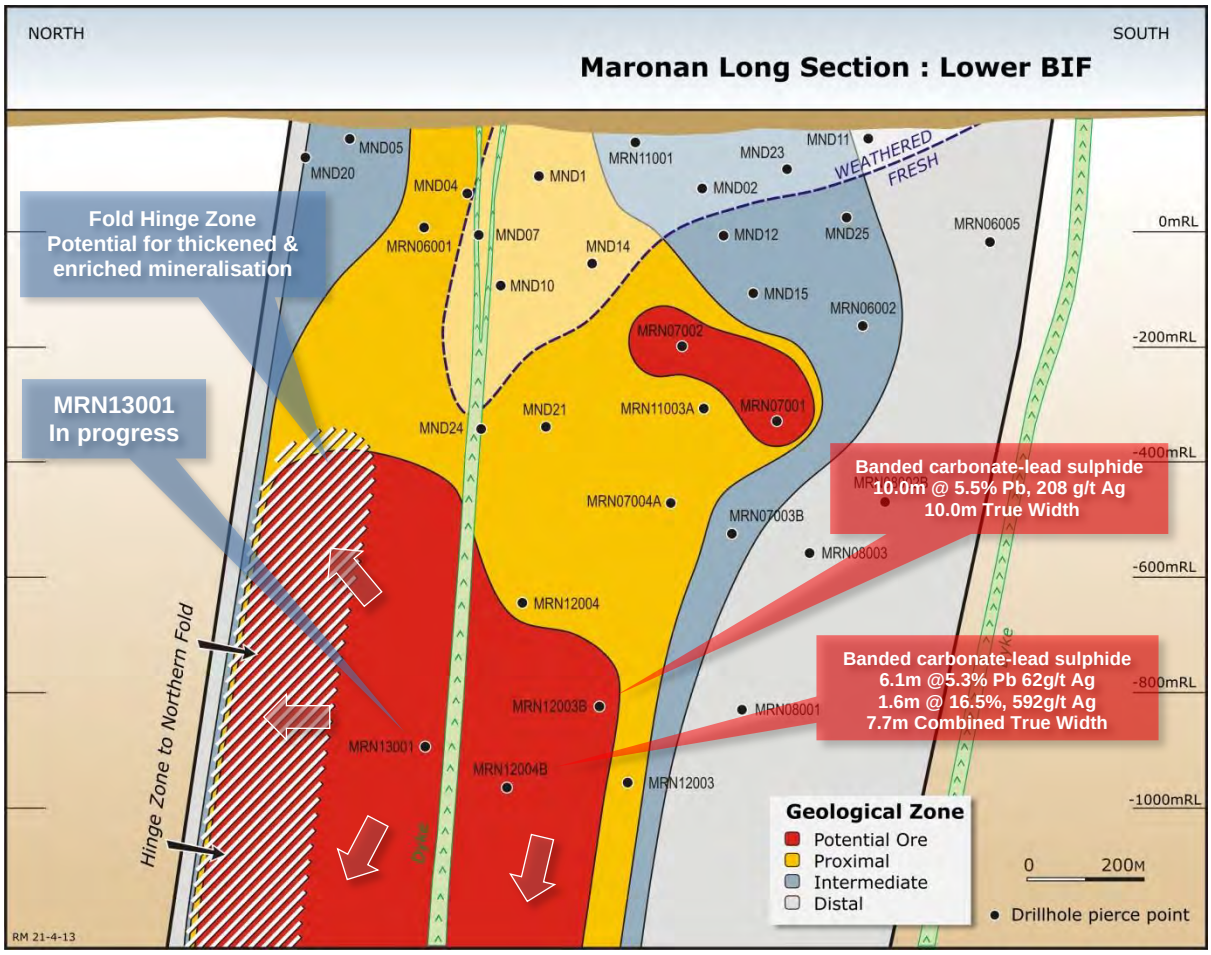
[Figure 2] Maronan Project: Deep drill hole location plan on vertical gradient magnetic image showing all drill holes that pierce the target horizon at depths greater than -200metres RL. Plan shows the surface projection of the lower and upper banded iron and banded lead sulphide formations (Lower BIF/BLS). Note, only MRN12003B and MRN12004B have intersected the recently discovered banded carbonate-lead sulphide horizons. Significant untested potential exists at depth and towards the hinge zone of the northern fold structure.



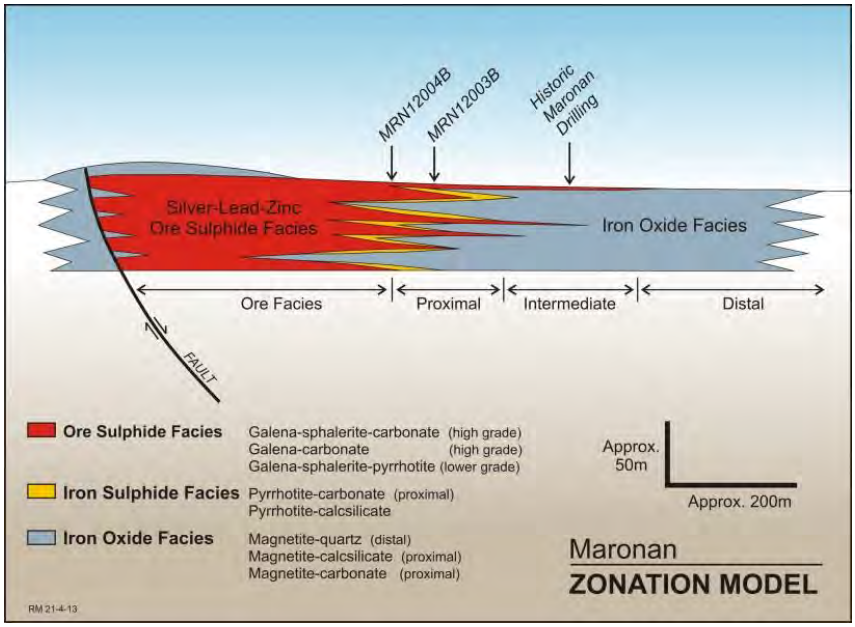
[Figure 3] Maronan Project: Drill cross section with summary geological interpretation showing down-hole intercepts. Note, unless stated otherwise the estimated true width ranges between 75%-85% of the posted down-hole intercept. Assay results are still pending from the copper veins zones in MRN12004B.



[Figure 4] Maronan Project: Longitudinal section viewed facing east for the Upper BIF with the drill hole number posted by the pierce point. Note, only MRN12003B and MRN12004B have intersected the recently discovered banded carbonate-lead sulphide horizons. Red Metal's geological model predicts that the multiple lead-silver sulphide horizons in MRN12004B could transition into thicker intervals towards the north or at depth. The model also predicts potential for structurally thickened and enriched intervals of mineralisation at the hinge zone to the northern fold structure.



[Figure 5] Maronan Project: Longitudinal section viewed facing east for the Lower BIF with the drill hole number posted by the pierce point. Note, only MRN12003B and MRN12004B have intersected the recently discovered banded carbonate-lead sulphide horizons. Red Metal's geological model predicts that the multiple lead-silver sulphide horizons in MRN12004B could transition into thicker intervals towards the north or at depth. The model also predicts potential for structurally thickened and enriched intervals of mineralisation at the hinge zone to the northern fold structure.



[Figure 6] Maronan Project Schematic Zonation Model: Section view showing interpreted geological zonation pattern in the banded iron formation at the time of deposition or venting on the seafloor. Note many of the historic mineralised holes at Maronan are interpreted as part of the intermediate zone while MRN12003B and MRN12004B are interpreted to be a mixed zone more proximal to ore.

For further information concerning Red Metal's operations and plans for the future please refer to the recently updated web site or contact Rob Rutherford, Managing Director at:

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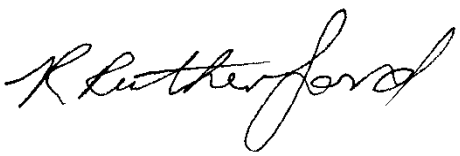
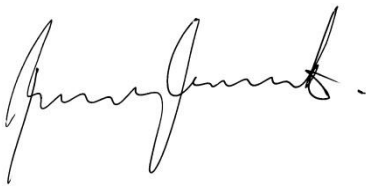
Rob Rutherford
Managing Director



Russell Barwick
Chairman



Background: *Drilling on the Maronan project in late 2011 successfully intersected significant high-grade silver-lead mineralisation of a similar style and tenor to the nearby Cannington deposit - one of the world's largest silver and lead producing operations. This work supported Red Metal's new geological model and encouraged the Company to test a strong off-hole conductor leading to the identification of a thickened zone of high-grade silver and lead mineralisation in MRN12003B. Recent step-out drilling has highlighted the good continuity and thickness of the banded carbonate-lead-silver sulphide horizons and continued success will open the project up to further step-out drilling and potentially resource definition drilling in the year ahead.*

The information in this report that relates to Exploration Results is based on information compiled by Mr Robert Rutherford, who is a member of the Australian Institute of Geoscientists (AIG). Mr Rutherford is the Managing Director of the Company. Mr Rutherford has sufficient experience which is relevant to the style of mineralization under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (the JORC Code). Mr Rutherford consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.