

ASX Release 26 September, 2012

ASX Code: RDM

Issued Capital:

123,327,474
Ordinary shares

6,500,000
Unlisted options

Directors:

Rob Rutherford
Managing Director

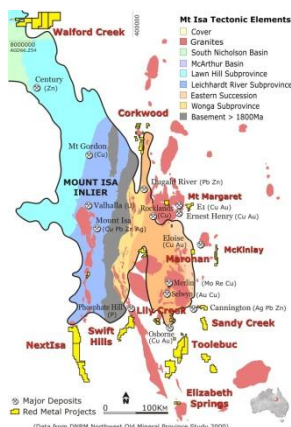
Russell Barwick
Chairman

Joshua Pitt
Non-executive Director

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[Figure 1] Project Location

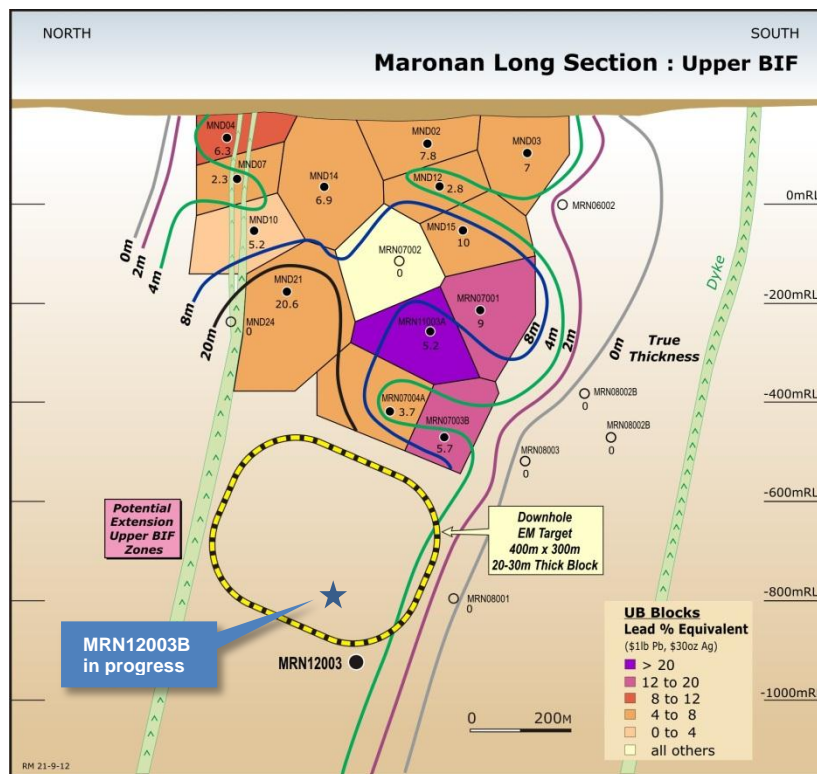
Assay Results From the Primary Hole on the Maronan Silver Lead Project.

Assaying of visible lead sulphide mineralisation from the primary diamond drill hole MRN12003, which steepened and missed the key target, has intersected the 6.45% lead and 35.9 g/t silver over a true width of 5.1 metres within the upper banded iron formation (Upper BIF). This intersection included 13.95% lead, 65.3 g/t silver over a true width of 1.7 metres (Table 1).

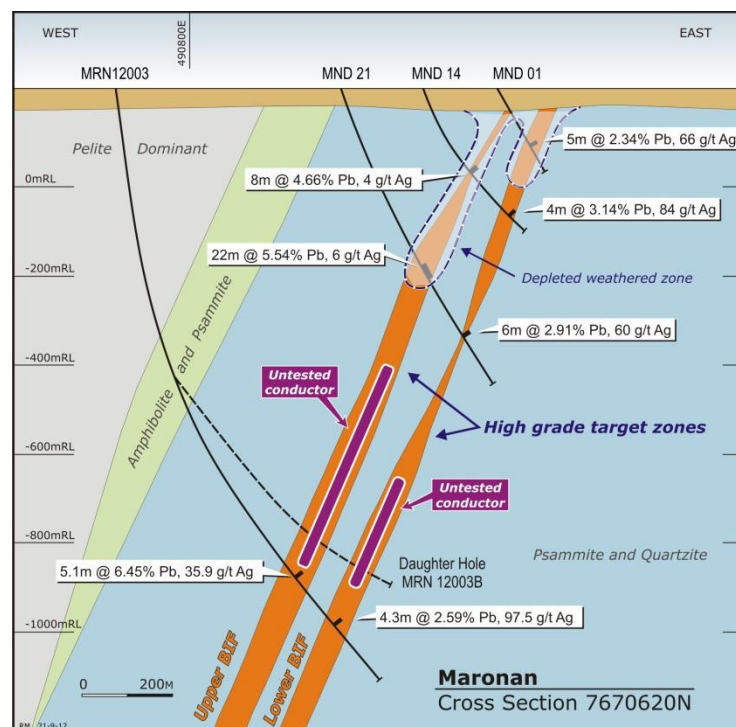
Finely disseminated lead sulphide mineralisation visible within the Lower BIF horizon returned moderate lead levels with strong silver. Maximum assay was 4.32% lead, 322 g/t silver over a true width of 0.7 metres within a broader zone which averages 2.59 % lead, 97.5 g/t silver over a true width of 4.3 metres (Table 1).

The mixture of high-grade and lower grade mineralised zones within the Upper and Lower BIF horizons is in keeping with the current geological model which places the hole on the southern margin of the deposit below the strong off-hole conductive target (Figure 2).

A daughter hole deflected off MRN12003 is now in progress and aims to intersect the strong conductive target horizon about 140 metres above and 50 metres north of the primary hole (Figure 2). The Upper BIF target zone is expected to be intersected at about 1150 metres down hole. The daughter hole, slowed by hard ground conditions for the directional Navi drill, is currently at 685 metres and on schedule for completion in two to three weeks with assays expected within the month thereafter.



[Figure 2] Maronan Project: Longitudinal section viewed facing east for the upper banded iron formation (BIF) with hole number and intercept true thickness posted by each drill hole pierce point. Contours (metres) of the intercept true thickness highlight the shape of the mineralised zone and potential exploration target polygons are coloured by lead equivalent value. Note the steep northerly plunge to the mineralised zone and inferred potential for thicker mineralisation at depth supported by the true thickness of mineralisation in MND21 and down-hole electromagnetic surveying in the deep hole MRN08001 and MRN12003. Hole MND24 intersected a late dyke and failed to intersect the BIF horizons. Note how MRN12003 intersected below the modelled EM target suggesting further potential up-dip above and north of the MRN12003 intercept. Proposed pierce point for MRN12003B shown as blue star.



[Figure 3] Maronan Project: Schematic drill cross section showing 20-30 metre thick modelled conductivity target (purple) possibly related to thickened zones of lead-silver mineralisation with associated pyrrhotite at depth. Note strong conductors remain untested by MRN12003. The daughter hole MRN12003B is currently in progress.

[Table 1] Summary of assay results from current drill program using a lower cut-off grade of 1.0% Lead. Lead equivalent calculated using current prices.

| Hole ID | From (m) | Intercept (m) | Lead wt% | Zinc wt% | Silver g/t | Gold g/t | True Thickness (m) | Lead Equivalent wt% |
|--------------------|----------|---------------|----------|----------|------------|----------|--------------------|---------------------|
| MRN12003 | | | | | | | | |
| Upper BIF | 1244.9 | 6.2 | 6.45 | | 35.9 | | 5.1 | 8.2 |
| including | 1249 | 2.1 | 13.95 | | 65.3 | | 1.7 | 17.1 |
| Upper Other | 1220 | 2 | 1.95 | 3.26 | 29.1 | | 1.6 | 6.4 |
| | 1241 | 1 | 0.60 | | 6.3 | 2.0 | 0.8 | |
| | 1263.5 | 2.5 | 3.58 | | 33.3 | | 2.0 | 5.2 |
| Lower BIF | 1297.6 | 5.25 | 2.59 | | 97.5 | | 4.3 | 7.3 |
| including | 1301 | 1.85 | 2.61 | | 200.4 | | 1.5 | 12.3 |
| or | 1302 | 0.85 | 4.32 | | 322 | | 0.7 | 19.9 |

[Table 2] Drill survey information from current drill program.

| Hole ID | GDA94_E (m) | GDA94_N (m) | Azimuth | Dip | EOH (m) |
|------------------|-------------|-------------|-------------|-----|---------|
| MRN12003 | 490648 | 7670527 | 065 | -80 | 1469.5 |
| MRN12003B | Daughter | hole | in progress | | |

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:

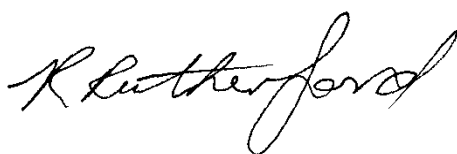
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Rob Rutherford
Managing Director

Russell Barwick
Chairman




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.