



Red River Resources Commences Mining at the Thalanga Zinc Project

Highlights:

- Red River has commenced mining underground ore at the West 45 Mine
- Red River fully funded to restart production at the Thalanga Zinc Project in 2017

Zinc developer Red River Resources Limited (ASX: RVR) (“Red River” or the “Company”) is pleased to announce that it has commenced mining massive sulphide ore from underground at the West 45 mine, part of the Company’s Thalanga Zinc Project in Queensland.

The first truckload of massive sulphide ore has been delivered to the ROM (Run of Mine) pad ready for processing through the Thalanga Mill in Q4 2017.

Thalanga Mill refurbishment is expected to be completed and commissioning activities starting in Q3 2017, with West 45 ramping up to design production levels with stoping commencing in late Q3 2017.

Red River’s Managing Director Mel Palancian commented: “The commencement of ore production from West 45 marks a major step towards the full restart of the Thalanga Zinc Project in Q4 2017.”

Figure 1 West 45 Ore being stockpiled on Thalanga ROM Pad



Figure 2 Development face in West 45 956 East Ore Drive



Figure 3 High grade massive zinc and lead sulphides in face



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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