

29th October 2019

ADDITIONAL GROUND PROSPECTIVE FOR HEAVY RARE EARTHS AT MT MANSBRIDGE

- **New Exploration License E80/5413 at Mt Mansbridge Project area applied for**
- **Additional tenure captures remaining prospective REE host geology and increases the unconformity target strike length to 33km for a total tenement area of 280 km²**
- **Previous work shows the presence of anomalous yttrium and heavy lanthanide element dysprosium.**

Red Mountain Mining (“the Company”) is pleased to advise that it has expanded the Company’s tenure at the Mt Mansbridge Project in the East Kimberly through the application of exploration license E80/5413.

Outcropping geology within the new tenement contains the prospective Archean sedimentary Killi Killi Beds which are unconformably overlain by the younger Proterozoic Gardiner Sandstone. The contact of these sedimentary units is separated by a regional unconformity which now extends over 30 kms at the Mt Mansbridge Project (Figure 1).

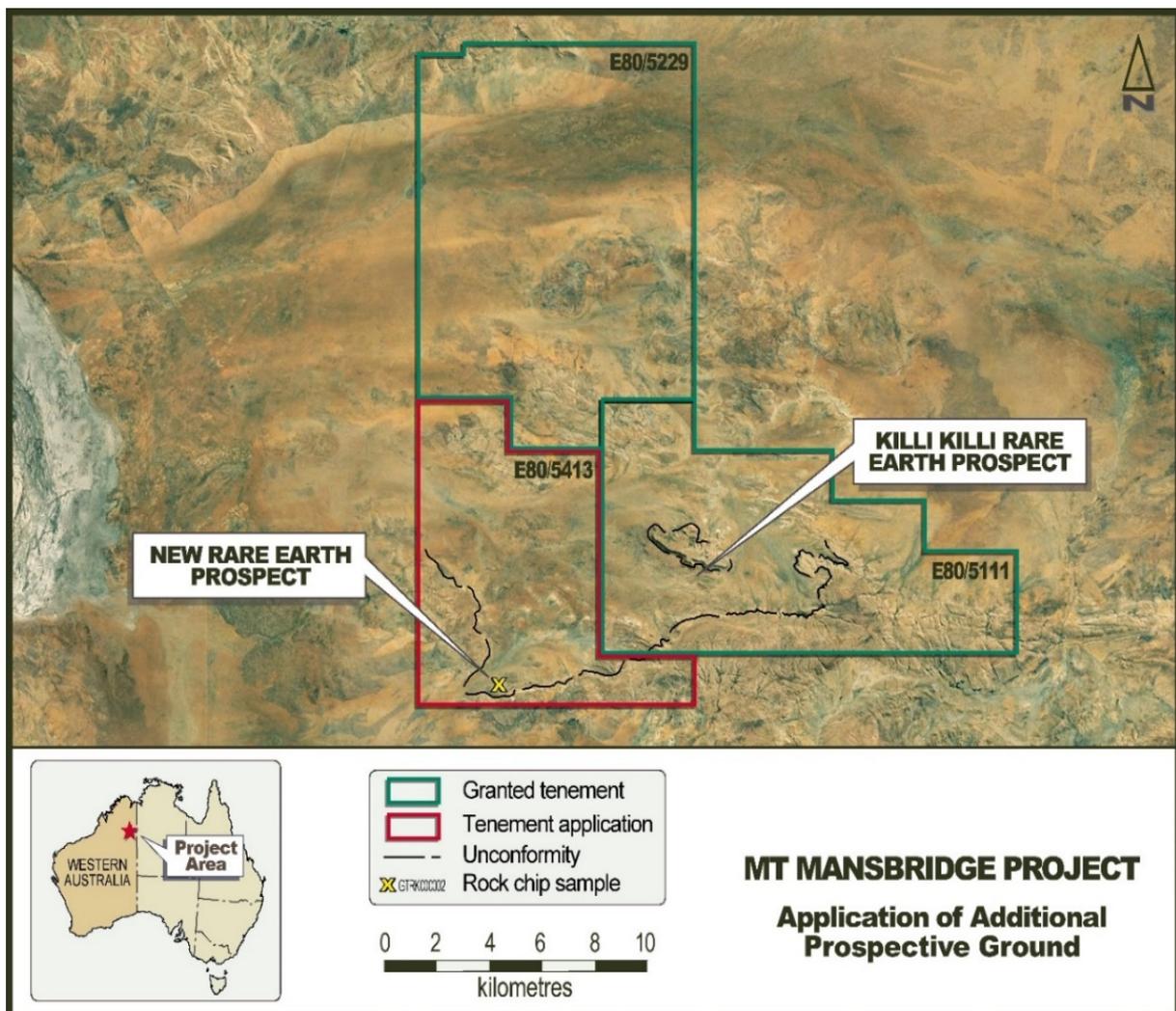


Figure 1: Tenement application E80/5413 with target unconformity and new REE prospect

Previous reconnaissance activities undertaken on tenement E80/5413 by Northern Minerals in 2011 (WAMEX Report A92909) has identified presence of anomalous yttrium and heavy lanthanide element dysprosium within a strongly silicified siltstone unit within the Archean Killi Killi beds. Rock chip sample GTRK000002 was taken from the outcropping unit for geochemical analysis, which returned anomalous Dysprosium value of 222.32 ppm and Yttrium value of 1552 ppm (further assay information in Appendix 1).

This sample was the only sample collected for REE mineralisation with other samples being taken from quartz veins and assayed to test for gold mineralisation.

Rock chip sample GTRK000002 is located approximately 10 kms to the south-west of the Killi Killi REE prospect in close proximity to the regional unconformity. The identification of heavy rare earth elements highlights the REE prospectivity of the Mt Mansbridge Project and the potential for additional targets that warrant further exploration.

Director Jeremy King Commented:

“Having moved quickly to secure 100% of Mt Mansbridge we are delighted to have picked up the additional ground at Mt Mansbridge. In light of recent discussions between the United States and Australia regarding rare earths supply and China’s domination of the heavy rare earths market in particular, we consider that Mt Mansbridge Project has the potential to be a strategic asset, prospective for critical and high value heavy rare earth elements.”

When granted, the new tenement package will increase the Mt Mansbridge Project area to 280 km² and increases the unconformity target strike length to 33km. The Killi Killi Rare Earths project is one of the few Australian rare earth projects prospective for heavy rare earths with known occurrences of xenotime, which hosts the heavy rare earth dysprosium.

The company considers the land package to be of strategic importance and notes recent talks between the United States and Australia regarding supply of rare earths and critical minerals, particularly those used in weapons guidance systems, a key use of dysprosium.

RMX has the right to acquire 100% of the Mt Mansbridge project, which hosts the Killi Killi Rare Earths Prospect. A notice of meeting to approve the transaction is to be dispatched to shareholders in the near term.

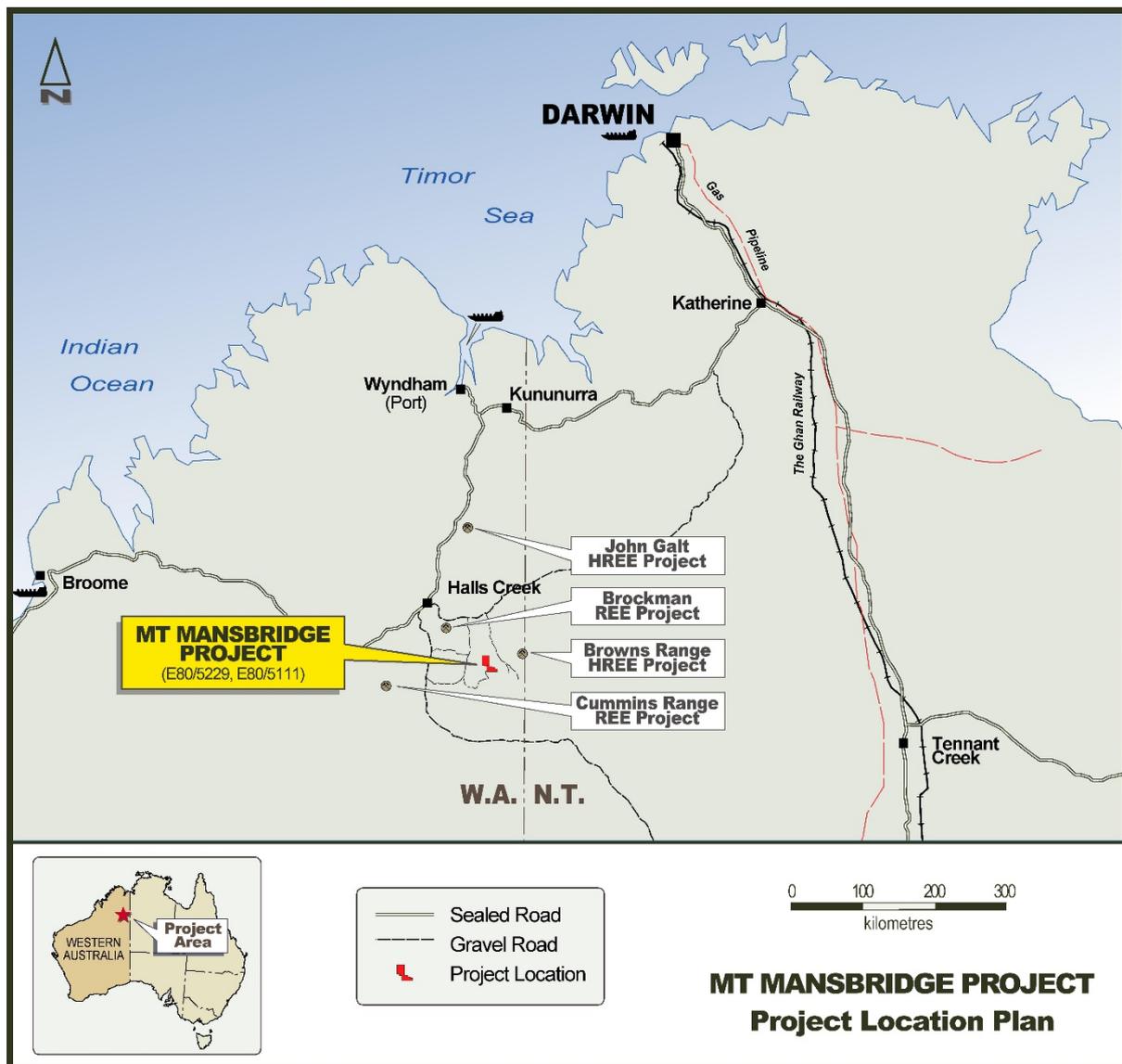
Moving forward, the Company will look to systematically review all available technical information and, coupled with field programs, will rank and prioritise drilling targets.

About the Mt Mansbridge Project

Located in the East Kimberly the Mt Mansbridge Project hosts three targets, the Killi Killi Rare Earths Project, the Déjà vu nickel-copper-cobalt prospect and the Cow Creek prospect.

Previous work at the Killi Killi prospect has delineated an extensive rare earth element anomaly which is coincident with historically reported heavy rare earth element xenotime mineralisation in rock chip samples (refer ASX Announcement 12 August 2019). The REE anomalism is unconformity-related suggesting a similar mineralisation model to unconformity deposits in the East Kimberly region.

Historic drilling at the Déjà vu ultramafic intrusion has intersected high-grade primary cobalt mineralisation in drilling from 70-100m, with mineralisation open at depth and along strike. Déjà vu is also prospective for nickel and copper.



Appendix 1 - Significant Assays from historic rock chip sample GTRK000002

Sample ID	La (ppm)	Ce (ppm)	Pr (ppm)	Nd (ppm)	Sm (ppm)	Eu (ppm)	Gd (ppm)	Tb (ppm)	Dy (ppm)	Y (ppm)
GTRK000002	31.7	51.8	6.83	24.8	8.71	4.11	61.09	24.76	222.32	1551.8

Sample ID	Ho (ppm)	Er (ppm)	Tm (ppm)	Yb (ppm)	Lu (ppm)
GTRK000002	50.23	138.29	17.65	92.47	11.62

Appendix 2 - The following Tables are provided to ensure compliance with the JORC Code (2012 Edition) requirements for the reporting of Exploration Results at tenement E80/5413.

Criteria	JORC Code explanation	Commentary
Sampling techniques	<p><i>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.</i></p> <p><i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i></p> <p><i>Aspects of the determination of mineralisation that are Material to the Public Report.</i></p> <p><i>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.</i></p>	<p>Results from the following exploration activities are presented in this announcement and were carried out by Northern Minerals.</p> <p>1 conventional rock chip geochemical sample.</p>
Drilling techniques	<p><i>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).</i></p>	No drilling results are being discussed.
Drill sample recovery	<p><i>Method of recording and assessing core and chip sample recoveries and results assessed.</i></p> <p><i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i></p> <p><i>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.</i></p>	No drilling results are being discussed.
Logging	<p><i>Whether core and chip samples have been geologically and geotechnically logged to a</i></p>	No drilling results are being discussed.

Criteria	JORC Code explanation	Commentary
	<p><i>level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i></p> <p><i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i></p> <p><i>The total length and percentage of the relevant intersections logged.</i></p>	
Sub-sampling techniques and sample preparation	<p><i>If core, whether cut or sawn and whether quarter, half or all core taken.</i></p> <p><i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i></p> <p><i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i></p> <p><i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i></p> <p><i>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.</i></p> <p><i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i></p>	<p>Standard lab preparation and sub sampling techniques used.</p> <p>Appropriate protocols were used for reconnaissance sampling.</p>
Quality of assay data and laboratory tests	<p><i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i></p> <p><i>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.</i></p> <p><i>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.</i></p>	<p>Conventional rock samples were analysed by Genalysis in Perth (a quality certified laboratory).</p> <p>Sample GTRK000002 was taken from a siliceous/cherty unit and analysed using a 10g four-acid digest ICP-OES/ICP-MS package for 33 elements (analytical code 4A/OE01), plus a lithium borate fusion rare earth package (analytical code FB6/MS33).</p> <p>These assay methods are considered appropriate for the metals being investigated.</p>
Verification of sampling and assaying	<p><i>The verification of significant intersections by either independent or alternative company personnel.</i></p> <p><i>The use of twinned holes.</i></p> <p><i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i></p> <p><i>Discuss any adjustment to assay data.</i></p>	<p>No verification has been completed as only primary data used.</p> <p>Data was compiled directly from laboratory certificates into datasheets compiled by the consultant geologists. Checks against field notes and spatially utilising GIS software were completed.</p>

Criteria	JORC Code explanation	Commentary
Location of data points	<p><i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i></p> <p><i>Specification of the grid system used.</i></p> <p><i>Quality and adequacy of topographic control.</i></p>	<p>All samples are located with a handheld GPS and an accuracy of +/- 5m.</p> <p>Grid used for the sample is MGA94 Zone 52. Topographic control is provided by publicly available data.</p>
Data spacing and distribution	<p><i>Data spacing for reporting of Exploration Results.</i></p> <p><i>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.</i></p> <p><i>Whether sample compositing has been applied.</i></p>	<p>Being one isolated rock chip sample, the data spacing is not applicable.</p>
Orientation of data in relation to geological structure	<p><i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i></p> <p><i>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.</i></p>	<p>Being one isolated rock chip sample, the data spacing is not applicable.</p>
Sample security	<p><i>The measures taken to ensure sample security.</i></p>	<p>All samples were submitted directly to the lab, or to a freight contractor to carry directly to the lab.</p>
Audits or reviews	<p><i>The results of any audits or reviews of sampling techniques and data.</i></p>	<p>None completed to date.</p>

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	<p><i>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.</i></p> <p><i>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.</i></p>	<p>The Mt Mansbridge Project comprises of two contiguous granted exploration licenses E80/5111 and E80/5229 and one application license E80/5413 covering an area of 280km².</p> <p>The tenure is within land where native title has been determined. The traditional owners of the land are the Tjurabalan People.</p> <p>Heritage survey will need to be completed prior to commencing exploration activities.</p>

Criteria	JORC Code explanation	Commentary
Exploration done by other parties	<i>Acknowledgment and appraisal of exploration by other parties.</i>	All data presented within this announcement is of historical nature. Exploration of the Killi Killi prospect was first undertaken by BHP and subsequently followed up by Quantum Resources and Northern Minerals.
Geology	<i>Deposit type, geological setting and style of mineralisation.</i>	The deposit type and main target mineralisation model is of an “unconformity-related” system with deposition of REE.
Drill hole Information	<p><i>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:</i></p> <ul style="list-style-type: none"> ○ <i>easting and northing of the drill hole collar</i> ○ <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i> ○ <i>dip and azimuth of the hole</i> ○ <i>down hole length and interception depth</i> ○ <i>hole length.</i> <p><i>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</i></p>	No drilling results are being discussed.
Data aggregation methods	<p><i>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.</i></p> <p><i>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.</i></p> <p><i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i></p>	No data aggregation or metal equivalents have been used.
Relationship between mineralisation widths and intercept lengths	<p><i>These relationships are particularly important in the reporting of Exploration Results.</i></p> <p><i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i></p> <p><i>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’).</i></p>	No drilling results are being discussed.

Criteria	JORC Code explanation	Commentary
Diagrams	<i>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 plan view of drill hole collar locations and appropriate sectional views.</i>	Maps and appropriate plans are included in this announcement.
Balanced reporting	<i>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.</i>	All results are tabulated in the Appendices and shown on figures in this announcement.
Other substantive exploration data	<i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i>	Other work completed by Northern Minerals during the recognisance programme comprised 12 other rock chip samples being taken from quartz veins and assayed for gold and field geological mapping. Further data collection and validation is still in progress.
Further work	<i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i>	Follow up exploration program is being designed. All relevant diagrams and inferences have been illustrated in this report.