



Announcement Summary

Entity name

REDSTONE RESOURCES LIMITED

Announcement Type

New announcement

Date of this announcement

4/10/2023

The Proposed issue is:

☒ A placement or other type of issue

Total number of +securities proposed to be issued for a placement or other type of issue

ASX +security code	+Security description	Maximum Number of +securities to be issued
RDS	ORDINARY FULLY PAID	70,000,000

Proposed +issue date

5/12/2023

Refer to next page for full details of the announcement

Part 1 - Entity and announcement details

1.1 Name of +Entity

REDSTONE RESOURCES LIMITED

We (the entity named above) give ASX the following information about a proposed issue of +securities and, if ASX agrees to +quote any of the +securities (including any rights) on a +deferred settlement basis, we agree to the matters set out in Appendix 3B of the ASX Listing Rules.

If the +securities are being offered under a +disclosure document or +PDS and are intended to be quoted on ASX, we also apply for quotation of all of the +securities that may be issued under the +disclosure document or +PDS on the terms set out in Appendix 2A of the ASX Listing Rules (on the understanding that once the final number of +securities issued under the +disclosure document or +PDS is known, in accordance with Listing Rule 3.10.3C, we will complete and lodge with ASX an Appendix 2A online form notifying ASX of their issue and applying for their quotation).

1.2 Registered Number Type

ACN

Registration Number

090169154

1.3 ASX issuer code

RDS

1.4 The announcement is☒ New announcement**1.5 Date of this announcement**

4/10/2023

1.6 The Proposed issue is:☒ A placement or other type of issue



Part 7 - Details of proposed placement or other issue

Part 7A - Conditions

7A.1 Do any external approvals need to be obtained or other conditions satisfied before the placement or other type of issue can proceed on an unconditional basis?

☒ Yes

7A.1a Conditions

Approval/Condition	Date for determination	Is the date estimated or actual?	** Approval received/condition met?
+Security holder approval	30/11/2023	<input checked="" type="checkbox"/> Estimated	No

Comments

Part 7B - Issue details

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?

☒ Existing class

Will the proposed issue of this +security include an offer of attaching +securities?

☒ No

Details of +securities proposed to be issued

ASX +security code and description

RDS : ORDINARY FULLY PAID

Number of +securities proposed to be issued

70,000,000

Offer price details

Are the +securities proposed to be issued being issued for a cash consideration?

☒ No



Please describe the consideration being provided for the +securities

In consideration for acquisition of a 50% interest in Canadian Lithium assets, namely the James Bay Lithium Projects in Quebec, Canada and the PAK Lithium Projects in Ontario, Canada pursuant to a joint venture agreement with Galan Lithium Ltd (ASX: GLN) and as detailed in ASX announcement dated 4 October 2023. The consideration component for the PAK Lithium Projects is subject to exercise of three (3) month exclusivity Option. Refer Section 7F.2 for additional information.

Please provide an estimate of the AUD equivalent of the consideration being provided for the +securities

487,225.000000

Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?

☒ Yes

Part 7C - Timetable

7C.1 Proposed +issue date

5/12/2023

Part 7D - Listing Rule requirements

7D.1 Has the entity obtained, or is it obtaining, +security holder approval for the entire issue under listing rule 7.1?

☒ Yes

7D.1a Date of meeting or proposed meeting to approve the issue under listing rule 7.1

30/11/2023

7D.2 Is a party referred to in listing rule 10.11 participating in the proposed issue?

☒ No

7D.3 Will any of the +securities to be issued be +restricted securities for the purposes of the listing rules?

☒ No

7D.4 Will any of the +securities to be issued be subject to +voluntary escrow?

☒ No

Part 7E - Fees and expenses

7E.1 Will there be a lead manager or broker to the proposed issue?

☒ No



7E.2 Is the proposed issue to be underwritten?

☒ No

7E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed issue

Part 7F - Further Information

7F.01 The purpose(s) for which the entity is issuing the securities

Consideration for acquisition of a 50% interest in Canadian Lithium assets pursuant to JV with Galan Lithium Ltd (ASX: GLN). Consideration for the PAK Lithium Projects is subject to exercise of Option. Refer Section 7F.2 for additional information.

7F.1 Will the entity be changing its dividend/distribution policy if the proposed issue proceeds?

☒ No

7F.2 Any other information the entity wishes to provide about the proposed issue

Upon shareholder approval RDS will issue to GLN the lower of (i) 50,000,000 RDS Shares and (ii) that number of RDS Shares equal to CAD500,000 divided by the volume weighted average price (in Canadian dollars) for RDS Shares traded on the ASX for the five trading days prior to the date of such approval; and if a 3 month exclusivity Option for the PAK Lithium Projects is exercised, Redstone will issue to GLN the lower of (i) 20,000,000 RDS Shares and (ii) that number of RDS Shares equal to CAD215,000 divided by the volume weighted average price (in Canadian dollars) for RDS Shares traded on the ASX for the five trading days prior to the date of the Option exercise. Estimated date for issue of RDS Shares upon any exercise of the Option for the PAK Lithium Projects is 4 January 2024.

7F.3 Any on-sale of the +securities proposed to be issued within 12 months of their date of issue will comply with the secondary sale provisions in sections 707(3) and 1012C(6) of the Corporations Act by virtue of:

☒ The publication of a cleansing notice under section 708A(5), 708AA(2)(f), 1012DA(5) or 1012DAA(2)(f)