



ASX ANNOUNCEMENT

1 March 2021

REDSTONE PLACEMENT OF UP TO \$2.6M TO FURTHER ADVANCE WEST MUSGRAVE COPPER PROJECT HEAVILY OVERSUBSCRIBED

HIGHLIGHTS

- Redstone successfully completes an oversubscribed private placement that raised \$2,275,000 (before costs) at an issue price of 1.2c per share, representing a 13.85% discount to the 15 day VWAP.
- The Directors (and/or their nominee(s)) have also reserved the right to place a further \$325,000 (before costs) at 1.2c per share, subject to shareholder approval, to bring the total raising to \$2.6M.
- Applications were accepted and funds received from professional and sophisticated investors introduced by lead broker to the placement, 180 Markets Pty Ltd.
- Funds will be primarily used to continue targeted evaluation and exploration of the Company's 100% owned West Musgrave Project (the Project). Planning for a reverse circulation and exploration programme is currently underway and is anticipated to commence once requisite government approvals and heritage clearances have been granted and drilling resources are available.
- Excellent results from the latest exploration confirmed the improved prospectivity for copper mineralisation across the Project tenure, beyond the Tollu copper vein deposit (Tollu), warranting further evaluation and follow up in this next programme including from drilling at the EM5 Target (ASX announcement 6 July 2020) and targets identified in a project scale mapping and rock chip sampling programme (ASX announcement 15 July 2020).
- The Project has significant potential for further copper mineraliation with these promising walk up drill targets.
- Further evaluation of the broader highly prospective West Musgrave Project has the potential to add to its current JORC compliant Tollu copper resource (3.8 million tonnes at 1% Cu, containing 38,000 tonnes of copper¹), both at Tollu and areas outside of Tollu.
- Global copper price and sentiment is strong, recently hitting a nine and a half year high and currently over 100% above the March 2020 low.



Redstone Resources Limited (ASX Code: RDS) (**'Redstone'** or the **'Company'**) is very pleased to announce that it has undertaken a private placement of up to 216,666,667 million fully paid ordinary shares in the Company at \$0.012 per share (**"Shares"**) to raise up to \$2,600,000 (before costs) (**'Placement'**).

The Placement received strong support from a number of new sophisticated and professional investors introduced by the lead manager to the offer, 180 Markets Pty Ltd. The Placement was heavily oversubscribed with applications and funds totalling \$2,275,000 having been accepted and received. The Directors (and/or their nominee(s)) have also reserved the right to place up to another \$325,000 (before costs) to bring to the total Placement amount to up to \$2.6M, subject to the Company obtaining shareholder approval.

The Placement was made in accordance with the Company's existing LR7.1 and LR7.1A placement capacity. The new Placement shares will rank equally with the existing Redstone shares quoted on ASX.

This Placement funds ensure that the Company will be funded to further advance the increased prospectivity of its 100% owned West Musgrave (the **'Project'**), which includes the Tollu Copper Vein deposit (**'Tollu'**), and its potential to host economic copper mineralisation.

Redstone's Chairman, Richard Homsany, said:

"The success of this fundraising is testament to the high quality of Redstone's West Musgrave Project and personnel. We sincerely thank investors, new and existing, for their strong support. We welcome new shareholders and thank 180 Markets for acting as lead manager to the Placement.

The extent of copper mineralisation discovered outside Tollu together with Tollu's consistent high grade copper intersections provide significant exploration upside. Redstone's West Musgrave Project has shown that its potential copper endowment is not constrained. Prospective walk up drill targets including EM5 'look-alike' magnetic anomalies warrant further exploration. We look forward to the next drill campaign."

Planning is currently underway for an upcoming reverse circulation drilling programme on the Project, which will commence once requisite government approvals and heritage clearances have been granted, and once drilling resources are available.

The proposed programme follows from the excellent results from the Company's most recent exploration campaign, which included reverse circulation drilling at Tollu and the EM5 electromagnetic target and a project scale mapping and rock chip sampling programme, which significantly enhanced existing prospects and established new areas of copper prospectivity on the Project (**Figure 1**) (ASX Announcement 15 February 2021).

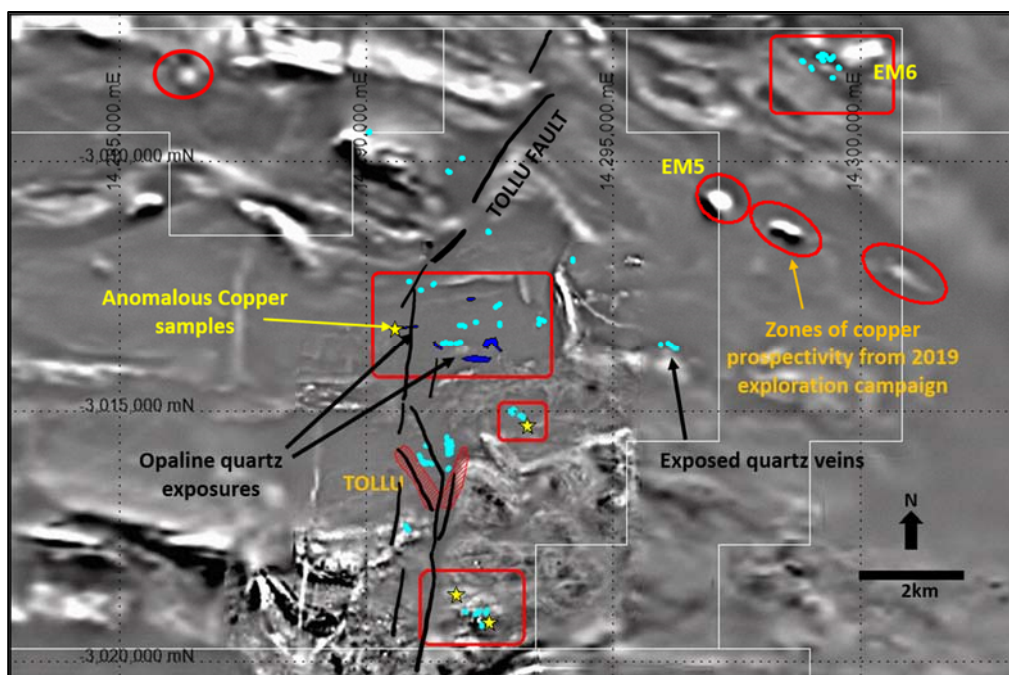


Figure 1 - Location of the anomalous copper samples (yellow stars) and the new Target Areas of prospectivity (red boundaries) identified by the recent exploration campaign (geological mapping and drilling). Opaline quartz is mapped in dark blue and quartz vein outcrops are mapped in light blue.

This Announcement has been approved for release by the Board of Redstone Resources Limited.

For further information please contact:

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1. Initial JORC 2012 resource of 3.8 million tonnes at 1% Cu, containing 38,000 tonnes of copper at the Tollu Copper Vein Project, West Musgrave (ASX Announcement 15 July 2016).

Competent Persons Statement

The information in this document that relates to exploration results was authorised by Dr Greg Shirtliff, who is employed as a Consultant to the company through Zephyr Professional Pty Ltd. Dr Shirtliff is a Member of the Australian Institute of Mining and Metallurgy and has sufficient experience of relevance to the tasks with which he was employed to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Dr Shirtliff consents to the inclusion in the report of matters based on information in the form and context in which it appears.



The information in this report that relates to Mineral Resource for Tollu, West Musgrave Project was authorised by Mr Darryl Mapleson, a Principal Geologist and full time employee of BM Geological Services, engaged as consultant geologists to Redstone Resources Limited. Mr Mapleson is a Fellow of the Australian Institute of Mining and Metallurgy. Mr Mapleson has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration to act as a competent person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Mapleson consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

ASX Listing Rule Information

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements, and in the case of estimates of Mineral Resources, that all material assumptions and technical parameters underpinning the estimates in the original market announcements continue to apply and have not materially changed. The Company confirms that the form and context in which the competent persons findings have not been materially modified from the original announcement referred to in the release.

Forward-Looking Statements

This document may include forward-looking statements. Forward-looking statements include, but are not limited to statements concerning Redstone Resources Limited's (**Redstone**) planned exploration program and other statements that are not historical facts. When used in this document, the words such as "could", "plan", "estimate", "expect", "intend", "may", "potential", "should", and similar expressions are forward-looking statements. Although Redstone believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements.

REDSTONE RESOURCES

Redstone Resources Limited (**ASX: RDS**) is a base and precious metals developer exploring the 100% owned prospective West Musgrave Project, which includes the Tollu Copper deposit, in Western Australia. The West Musgrave Project is located between Cassini Resources' Nebo Babel prospect and Metals-X Wingellina Ni-Co project. Redstone is also actively evaluating the HanTails Gold Project at Kalgoorlie, Western Australia for potential development in future.