



ASX ANNOUNCEMENT

15 February 2021

Planning Commenced for 2021 Copper Exploration Programme at Redstone's West Musgrave Project

HIGHLIGHTS

- Planning and evaluation for a targeted reverse drilling and exploration programme at Redstone's 100% owned West Musgrave Copper Project (the "Project") is currently underway.
- Government approvals have been sought and heritage clearances are planned. Commencement is subject to receipt of all required approvals and availability of drilling resources.
- Further evaluation of the broader highly prospective West Musgrave Project has excellent potential to add to its current JORC compliant Tollu copper resource (3.8 million tonnes at 1% Cu, containing 38,000 tonnes of copper), both at Tollu and areas outside of Tollu.
- Global copper price and sentiment is strong, recently hitting a nine year high and currently 80% above the March 2020 lows. Momentum for decarbonisation through electrification to reduce carbon emissions also requires the expansion of copper supply to meet demand.
- The Project has significant potential for further copper resources with promising walk up drill targets validated for focused and targeted evaluation and exploration.
- Excellent results from the latest exploration confirms the improved prospectivity for copper mineralisation across the Project tenure, beyond 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 anomalous copper at EM5, combined with two other EM5 'look-a-like' magnetic anomalies, have been upgraded to drilling targets for the proposed programme (Figure 1). Limited drilling at EM5 highlights the significant unconstrained copper potential on the Project.
- Furthermore, the most recent drill programme at Tollu continued to return significant high grade copper results, including 13m at 3% at the Forio Prospect (ASX announcement 25 June 2020).

Redstone Resources Limited (ASX: RDS) (Redstone or the Company) is pleased to provide the following update on its planning and evaluation for an upcoming drilling and exploration programme (the Programme) on the Company's 100% owned West Musgrave Copper Project (the Project).



The proposed Programme follows from the excellent results from the Company's most recent exploration campaign, which included reverse circulation (RC) drilling at the Tollu Copper Vein deposit (Tollu), at the EM5 electromagnetic (EM) 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).

"Redstone's consistent and focused exploration activities on Redstone's West Musgrave Project demonstrate that its potential copper endowment is not constrained. In particular, prospective walk up drill targets including EM5 'look-alike' magnetic anomalies warrant further exploration. The Board has enhanced confidence that further exploration can potentially increase the current JORC 2012 compliant copper resource at Tollu, as well as other large scale mineral discoveries in the broader Project tenure. The extent of copper mineralisation discovered outside Tollu combined with consistent high grade copper intersections at Tollu provide excellent exploration opportunities."

Applications for Programmes of Works and Clearing Permits are in progress and required heritage clearances with the traditional owners are planned for site in February 2021. Commencement of the Programme will be subject to availability of drilling resources and additional funding as required.

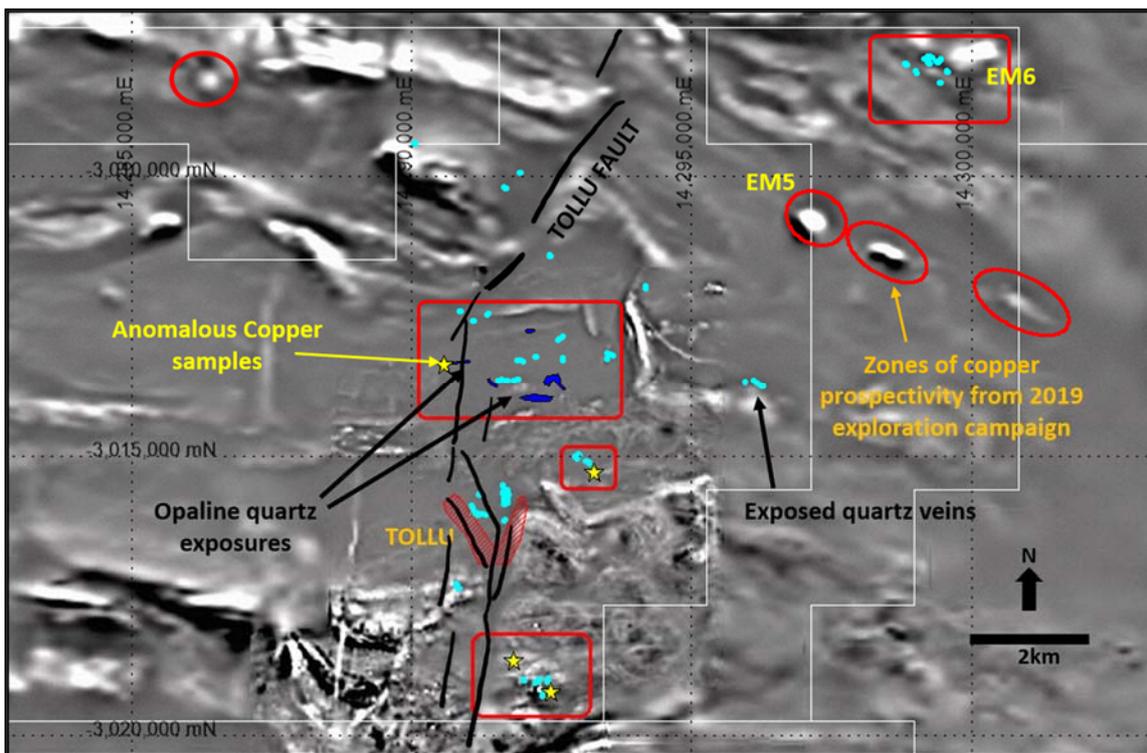


Figure 1 - Location of the anomalous copper samples (yellow stars) and the new Target Areas of prospectivity (red boundaries) identified by the recent exploration campaign (geological mapping and drilling). Opaline quartz is mapped in dark blue and quartz vein outcrops are mapped in light blue.



TARGET EM5 – 7.2KM NORTH EAST OF TOLLU AND SIMILAR MAGNETIC ANOMALIES

The 2021 Programme is proposed to include follow up drilling of EM5, an EM target coincident with a large circular magnetic anomaly located 7.2km north east of Tollu. The drilling at the EM5 Target intersected a large gabbroic intrusion over 400m in diameter bearing a thick sequence of anomalous disseminated copper sulphides, continuous for 95m (up to 0.06% copper) from 66m downhole (TLC170) (**Figure 1**) (ASX announcement 6 July 2020).

Similar magnetic features are located within the Project including a cigar shaped anomaly only 800m S-E of the EM5 Target and which is probably related to the same intrusion at depth. The 95m intersection of disseminated copper mineralisation in the gabbroic intrusion at EM5, proves that the West Musgrave Project is prospective for copper mineralisation in the greater Project area, beyond what is already known at Tollu. It shows that there is potential for magmatic intrusions throughout the Project that may contain economic concentrations of metals themselves or that may have created the hydrothermal conditions necessary for mobilising and concentrating metals in the volcanic sequences they have intruded or at their contacts.

No other exploration has been carried out in the immediate area, which leaves the copper occurrence at EM5 untested in all directions, including at depth. As a result the anomalous copper at EM5, combined with these two other EM5 'look-a-like' magnetic anomalies, have been upgraded to drilling targets for the proposed programme.

ADDITIONAL PROSPECTIVE TARGET AREAS IDENTIFIED OUTSIDE TOLLU

A project scale geological mapping and rock chip sampling programme undertaken in the 2019 exploration campaign covered an area of approximately 135 square kilometres. The mapping focused on a region that encompassed the major Tollu Fault from the southern to northern property boundaries, west to cover the EM1 target area and northeast through EM5 to the EM6 target areas (**Figure 1**). The returned assay results from the rock chip samples along with the observations made in the field highlighted at least four (4) areas of prospectivity for future copper exploration on the Project as shown in Figure 1. The four areas of anomalous copper (ASX Announcement 15 July 2020) include:

- a large 15m long quartz outcrop approximately 2.3km northeast of Tollu, with samples returning up to 0.71% copper.
- An area of exposed opaline quartz lag with up to 0.12% copper and which stretches E-W for approximately 1km some 3.6km north of Tollu and coincident with the Tollu Fault.
- Anomalous copper in samples of gabbro outcropping near quartz veins some 2.5km SSW of Tollu where a large gabbroic body has intruded into and incorporated parts of the overlying rift related volcanic rocks.
- An area with a large NW trending quartz veins in an exposed hill within the EM6 target area that contained visible secondary copper mineralisation (malachite), some 10km N-E of Tollu.



TOLLU COPPER VEIN DEPOSIT

The 2019 drilling continued to show that the Tollu copper vein system is capable of producing thick high grade lenses of copper mineralisation that can be continuous over the short to medium scale, both shallow and at depth (ASX announcement 25 June 2020). Three RC drill holes were drilled at Tollu in 2019, two of these (TLC172 and TLC173) were aimed at testing continuity of mineralisation lenses at the Forio Prospect and the other (TLC166), was aimed at testing for deeper mineralisation below historical drilling at the intersection of the Chatsworth and Eastern Reef Prospects. The significant results from this drilling (ASX announcement 25 June 2020) include:

- **26m @ 1.03% Cu from 277m downhole (TLC166), including:**
 - **2m @ 2.9 % Cu from 281m downhole.**
- **13m @ 3.04% Cu from 56m downhole (TLC172), including:**
 - **8m @ 4.4% from 57m downhole.**
- **11m @ 1.4% Cu from 4m downhole (TLC173), including:**
 - **4m @ 2.7% from 7m downhole.**

Redstone are currently planning to test the Tollu copper mineralisation at greater depth to ascertain if it transitions to a potential primary magmatic Cu-Ni-(Co ± PGE) mineralisation system. In December 2020 the Company was successful in its application for a West Australian Government Exploration Incentive Scheme (EIS) grant (Round 22) to co-fund a deep drill hole of approximately 1,000m for up to \$200,000 at the Chatsworth Prospect, Tollu. This deep hole will also test if the Tollu copper resource also extends to greater depths. The co-funded deep hole is subject to further funding and the availability of a diamond drill rig.

It is important to also note that the results from the recent drilling, along with the results from the 2017 drilling at the Forio Prospect are yet to be included in the Tollu copper resource of **3.8 million tonnes at 1% Cu, containing 38,000 tonnes of copper** (ASX announcement of 15 June 2016).

For further information please contact:

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

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.



Competent Persons Statement

The information in this document that relates to exploration results for the West Musgrave Project 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 is employed to qualify as a Competent Person as defined in the 2012 Edition of the *'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 the 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.