

NEWS RELEASE

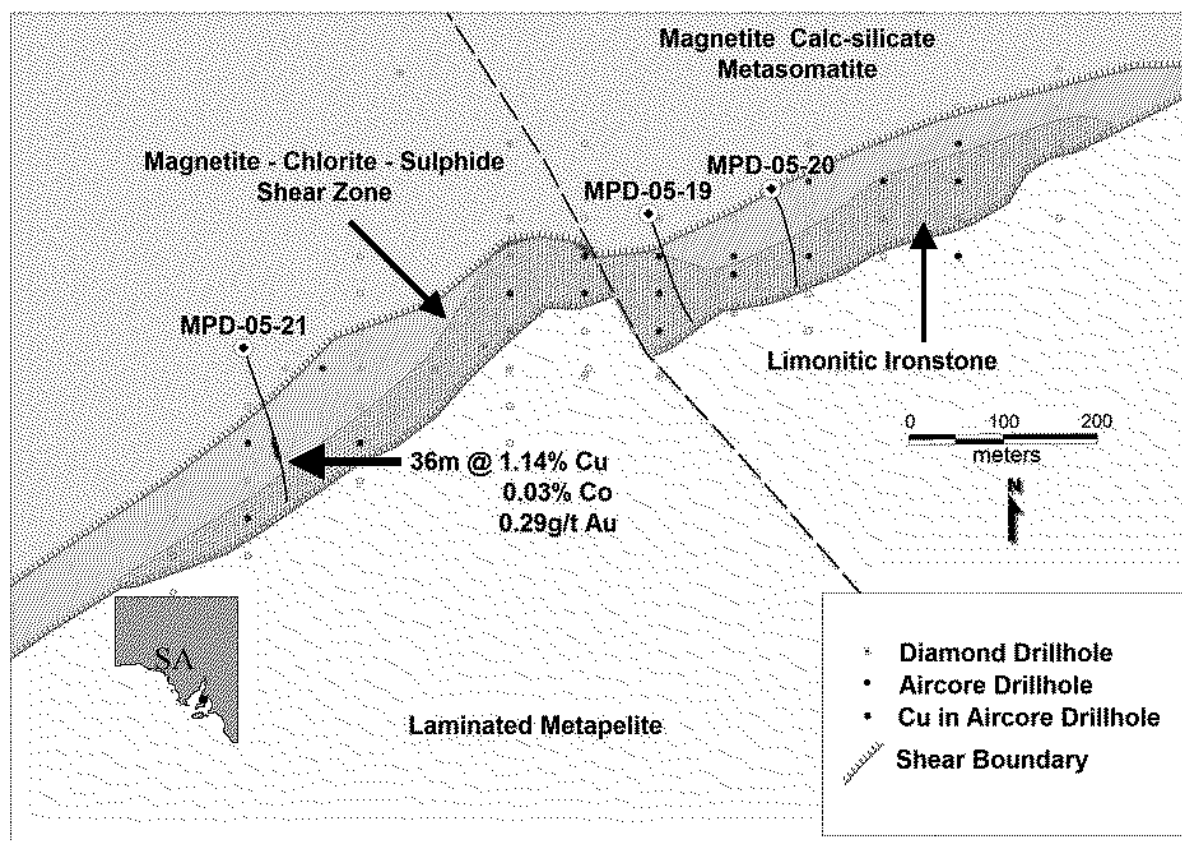
For Immediate Release
28 September, 2005

More positive results from new “Wombat” copper prospect

Moonta Project

Gawler Craton, South Australia

Three diamond core holes completed below the *Wombat* ironstone have all intersected encouraging wide intervals of low grade copper mineralisation within a shear structure (Table 1). In addition, a deep weathered, higher grade intercept of secondary copper sulfide mineralisation comprising 10 metres at 2.45% copper and 0.7g/t gold from 259 metres was intersected in the most western hole, MPD-05-21. This higher grade zone occurs within a 36 metre intercept averaging 1.14% copper and 0.29g/t gold from 239 metres. The large width of the copper mineralised shear zone, the presence of acid soluble secondary copper sulfide minerals and the localised zones of higher copper grade are encouraging. An additional 2,022 metres of shallow aircore drilling along the strike of the copper mineralised structures has been completed recently. Follow-up programs are being assessed and are expected to recommence in December 2005 following the farm harvest season.



[Figure 1] Moonta Project : Wombat prospect - geological interpretation and drill hole location plan. Note location of strong copper intercept in most western hole, MPD-05-21.

[Table 1] Moonta Project : Wombat Prospect – Summary of diamond core assay data. See figure 1 for drill hole locations.

Hole ID	From	To	Interval (m)	Cu %	Au g/t
MPD-05-19	66	122	56	0.12	0.05
Plus	190	258	68	0.24	0.0
MPD-05-20	2	41.4	39.4	0.15	
	112	202	90	0.11	
MPD-05-21	239	275	36	1.14	0.29
Incl	259	269	10	2.45	0.70

The Alliance between Red Metal and Phelps Dodge Australasia Inc. can earn 70% of the project with Red Metal's share being 21%. Adelaide Resources Limited retain a 30% equity.

For further information concerning Red Metal's operations and plans for the future please refer to the web site or contact Rob Rutherford, Managing Director at:

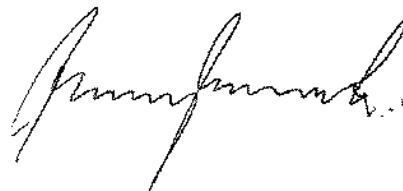
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The Information in this report that relates to Exploration Results is based on information compiled by Robert Rutherford, who is a member of the Australian Institute of Geoscientists (AIG). Robert Rutherford is a director of the Company. Robert Rutherford has sufficient experience which is relevant to the style of mineralisation under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (the JORC Code).