
NEWS RELEASE

For Immediate Release
1 April, 2005

Clarification on the recent announcement “New Acquisition in Northern Curnamona Province”

The previous announcement released on 29 March, 2005, referred to the finalisation of the Mount Yerila joint venture in the Frome region consolidating Red Metal Limited's (Red Metal) strategic tenement position in the metal rich northern Curnamona Province.

It has come to the Board's attention that some shareholders are uncertain of Red Metal's rights to **uranium** mineralisation on the new Mount Yerila joint venture.

For clarification, under the terms of the Mount Yerila Heads of Agreement, Red Metal has the rights to earn 60% of all mineralisation in the basement rocks including copper, gold and **uranium** mineralisation. Red Metal's joint venture partners only retain the exclusive right to sedimentary hosted uranium mineralisation within the younger Tertiary or Mesozoic cover sequences. It is the basement rocks that are prospective for giant Olympic Dam style copper, gold, uranium deposits.

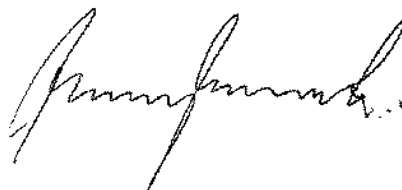
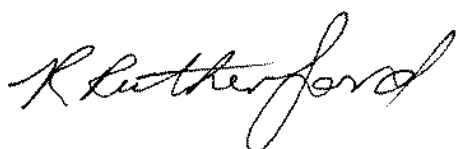
The large gravity anomalies targeted for drilling by Red Metal are sourced from basement rocks inferred from geophysical modelling to be high density, hematite-dominant similar to rocks hosting the giant Olympic Dam deposit. Drilling on *Red Giant, Super Nova and Big Bang* is scheduled to start in April 2005.

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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Red Metal aims to generate shareholder wealth through the discovery of giant copper, copper-gold deposits in Australia. With the strong support from PDAI through the Alliance and an exciting portfolio of drill targets throughout Australia's most productive copper and base metal terrains the Company is well placed to maintain its position as one of the most active and geographically diverse copper exploration companies in Australia.
