

ASX Release 6 March, 2012

ASX Code: RDM

Issued Capital:

112,115,885
Ordinary shares

6,500,000
Unlisted options

Directors:

Rob Rutherford
Managing Director

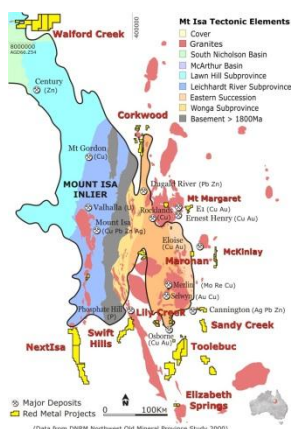
Russell Barwick
Chairman

Joshua Pitt
Non-executive Director

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[Figure 1] Project Location

High-grade Silver-Lead Drill Intercepts on Maronan Project, Northwest Queensland

Drilling on the Maronan silver-lead project has intersected significant high-grade silver-lead mineralisation of a similar style and tenor to the nearby Cannington deposit which is one of the world's largest silver and lead producing operations.

The drilling was designed to test Red Metal's new geological model that predicts a northerly plunge to the mineralisation that is at odds with earlier interpretations. It has confirmed the continuity of the high grade silver-lead mineralisation in both the Lower and Upper BIF horizons.

The results include the highest lead and silver grades intersected on the project to date. Intercepts include 14.5% lead, 371 grams per tonne silver over a true width of 2.58 metres with a nearby parallel zone averaging 11% lead, 245 grams per tonne silver and over a similar width (Table 1).

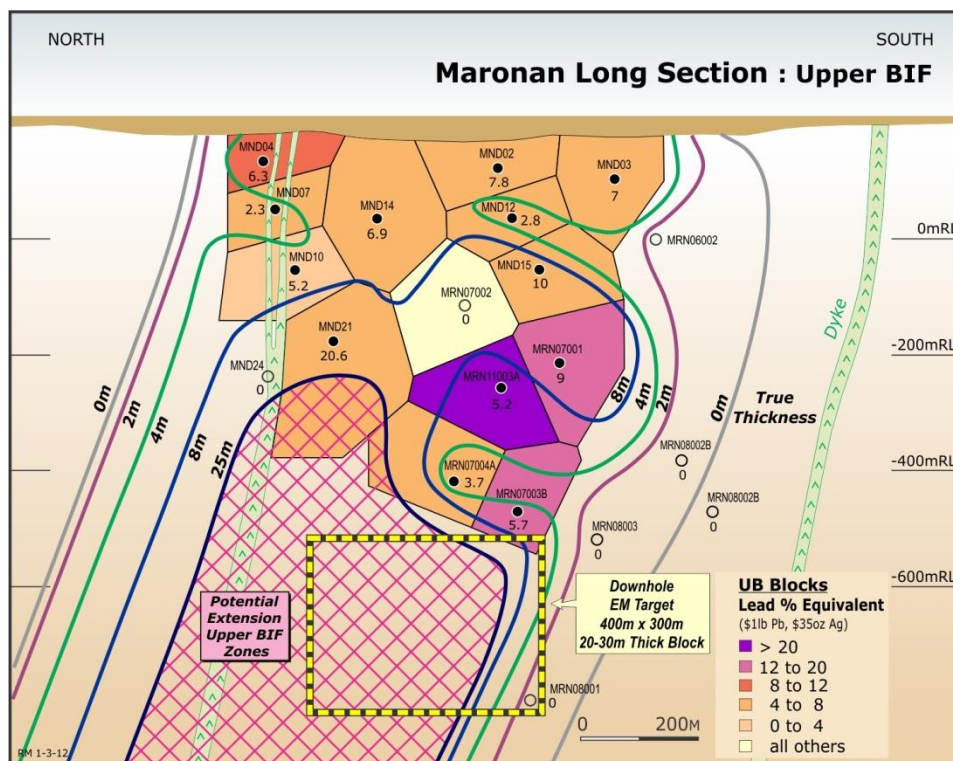
The combined true thickness of the separate high-grade silver-lead intervals in both BIF horizons total over 8 metres. Each zone is considered to be of potentially ore grade and of potential mineable width. The key to the significance of these intersections is whether they can be replicated at depth.

The Company is excited by the strong off-hole conductivity anomaly detected by down-hole geophysical surveying of previous drilling which correlates with the anticipated depth extension of these recent intersections. Also, an earlier drill hole MND21 adds support to this optimism having intersected some 20 metres true width of strong silver-lead mineralisation (Figure 2 and Figure 3).

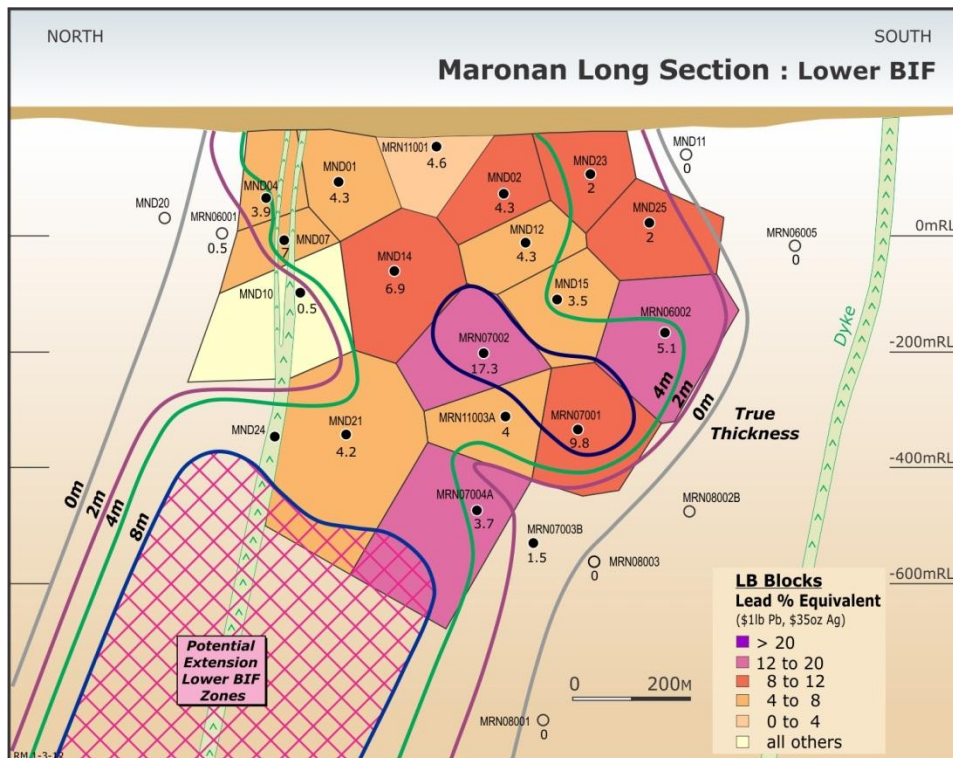
Red Metal will now prepare a follow-up diamond drilling campaign.

[Table 1] Summary of assay results from current drill program using a lower cut-off grade of 1.5% Lead and an upper cut-off grade of 20% Lead.

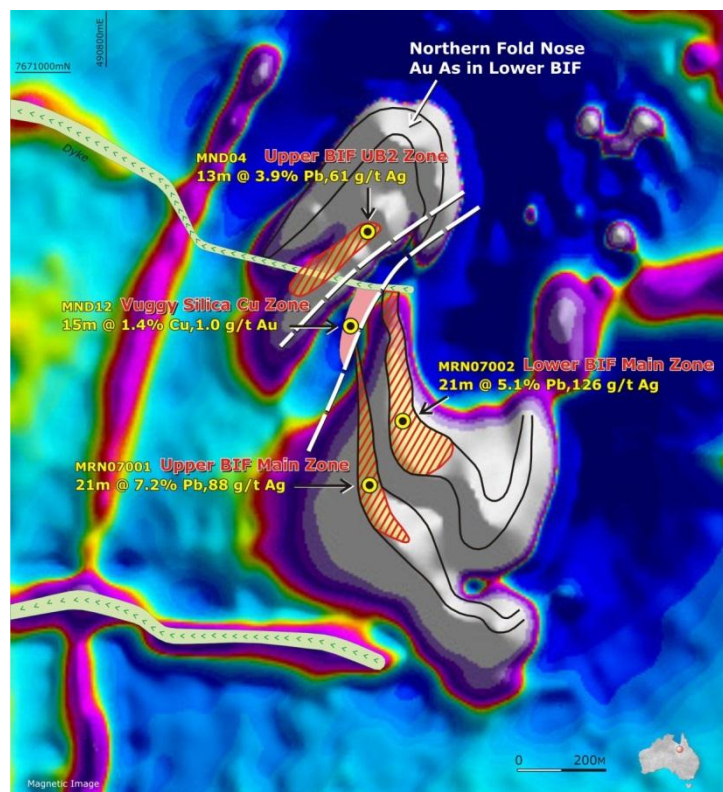
Hole ID	From (m)	Intercept (m)	Lead wt%	Silver g/t	Gold g/t	True Thickness (m)
MRN11003A						
Upper BIF	555.65	2.75	14.5	371	0.2	2.58
	567.50	2.82	1.5	37		2.64
	570.90	2.80	11.0	247	0.1	2.62
Lower BIF	631.70	1.20	4.0	49		1.12
	636.50	3.30	4.2	99		3.09
MRN11001						
Lower BIF	72	5.85	2.9	21		4.65



[Figure 2] Maronan Project: Longitudinal section viewed facing east for the upper banded iron formation (BIF) with hole number and intercept true thickness posted by each drill hole pierce point. Contours (metres) of the intercept true thickness highlight the shape of the mineralised zone and potential exploration target polygons are coloured by lead equivalent value. Note the steep northerly plunge to the mineralised zone and inferred potential for thicker mineralisation at depth supported by the true thickness of mineralisation in MND21 and down hole electromagnetic surveying in the deep hole MRN08001.



[Figure 3] Maronan Project: Longitudinal section viewed facing east for the lower banded iron formation (BIF) with hole number and intercept true thickness posted by each drill hole pierce point. Contours (metres) of the intercept true thickness highlight the shape of the mineralised zone and potential exploration target polygons are coloured by lead equivalent value. Note the steep northerly plunge to the mineralised zone and inferred potential for thicker mineralisation at depth.



[Figure 4] Maronan Project: Magnetic image plan with stylised outline of main geological elements and mineralised zones highlighting some historic intercepts for each zone.

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

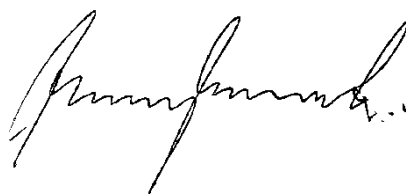
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The information in this report that relates to Exploration Results is based on information compiled by Mr Robert Rutherford, who is a member of the Australian Institute of Geoscientists (AIG). Mr Rutherford is the Managing Director of the Company. Mr Rutherford has sufficient experience which is relevant to the style of mineralization 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). Mr Rutherford consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.
