



31 July 2006

Ms Melissa Grundy
Principal Adviser, Issuers
Australian Stock Exchange
Exchange Plaza,
2 The Esplanade
PERTH WA 6000

Statement of Restricted Securities

Dear Melissa

Detailed below is a statement of restricted securities in relation to Redstone Resources Limited IPO.

	Ordinary Shares	Options
Total number of securities on issue	74,368,860	17,400,000
Securities subject to escrow agreements for a period of 24 months from the date of official quotation of securities	40,483,794	13,300,000
Securities subject to escrow agreements for a period of 12 months from the date of official quotation of securities	-	3,000,000
Securities subject to escrow agreements for a period of 12 months from the date of issue of securities	3,927,066	-
Total unrestricted securities on issue	29,958,000	1,100,000

This can be verified by the schedule provided by Computershare Investor Services Pty Ltd

Yours sincerely

Anthony Ailakis
Managing Director