



Annual General Meeting
27th November, 2008

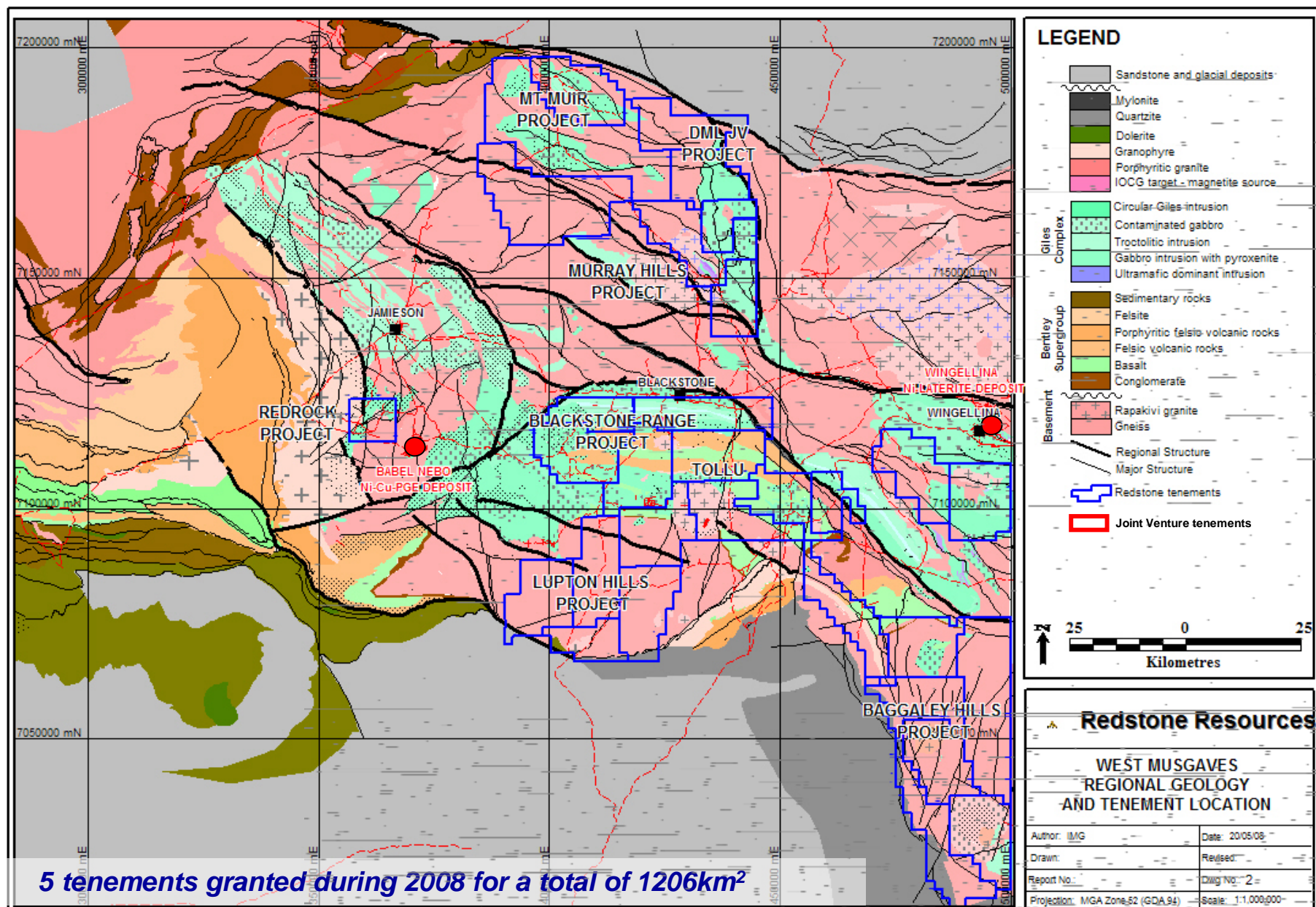
WEST MUSGRAVES PROJECT

World Class Giant Ni-Cu-PGE Deposits and IOCG Deposits

- ***Giles Mafic-Ultramafic Complex***
- ***Triple Point Junction***
- ***Coherent and Large Ground Position***
- ***Lack of Prior Exploration***
- ***Excellent Relations with the Indigenous Owners***



REDSTONE TENEMENT HOLDING (6740km²)



5 tenements granted during 2008 for a total of 1206km²

Redstone Resources

**WEST MUSGAVES
REGIONAL GEOLOGY
AND TENEMENT LOCATION**

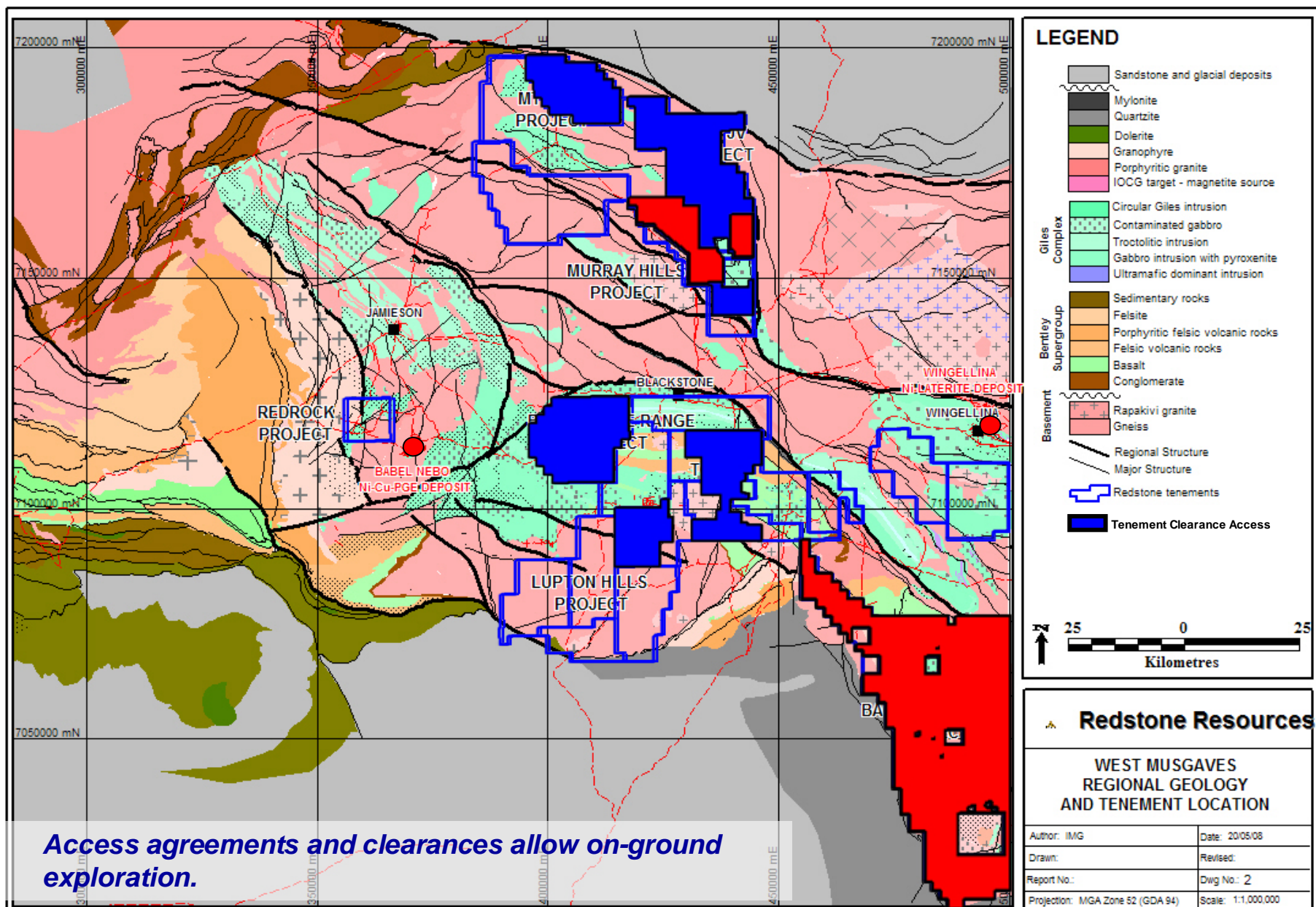
Author: IMG	Date: 20/05/08
Drawn: _____	Revised: _____
Report No.: _____	DWG No.: 2
Projection: MGA Zone 52 (GDA 94)	Scale: 1:1,000,000

WORK PROGRAM COMPLETED IN 2008



- *Access and Clearances over 1700km²*
- *Mapping at Halleys, DML and Antlion prospects*
- *Detailed ground magnetics at Stripeys and El Cortez (400 line km) and heli-supported gravity completed for the Baggaley Project*
- *9000 geochemical sampling collected;*
 - *4340 lag samples,*
 - *4226 soil Niton samples (Stripeys),*
 - *116 XRF rock samples, 247 rock chip samples and 23 petrological samples.*
- *11,700m RAB drilling including:*
 - *118 holes Halleys NW and extended NW*
 - *57 holes Halleys Cu-PGE-Ni*
 - *189 holes DML JV EM/Geochemical targets (including Apollo, Artimus, Dragonfly, El Cortez, Dejavu)*
 - *13 holes Mt Muir Project*
- *500 drill holes rehabilitated*

REDSTONE ACCESS AND CLEARANCES



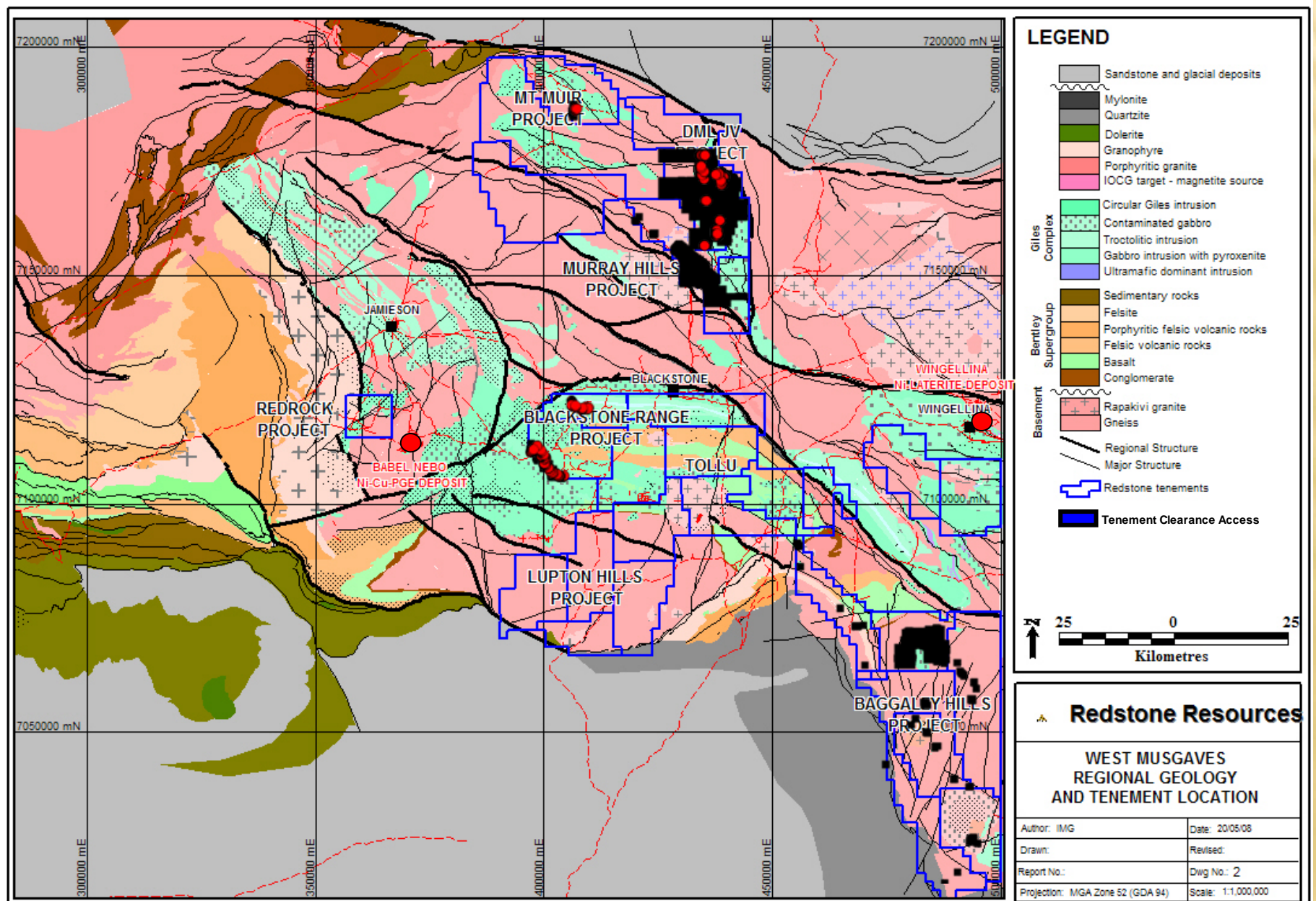
Access agreements and clearances allow on-ground exploration.

Redstone Resources

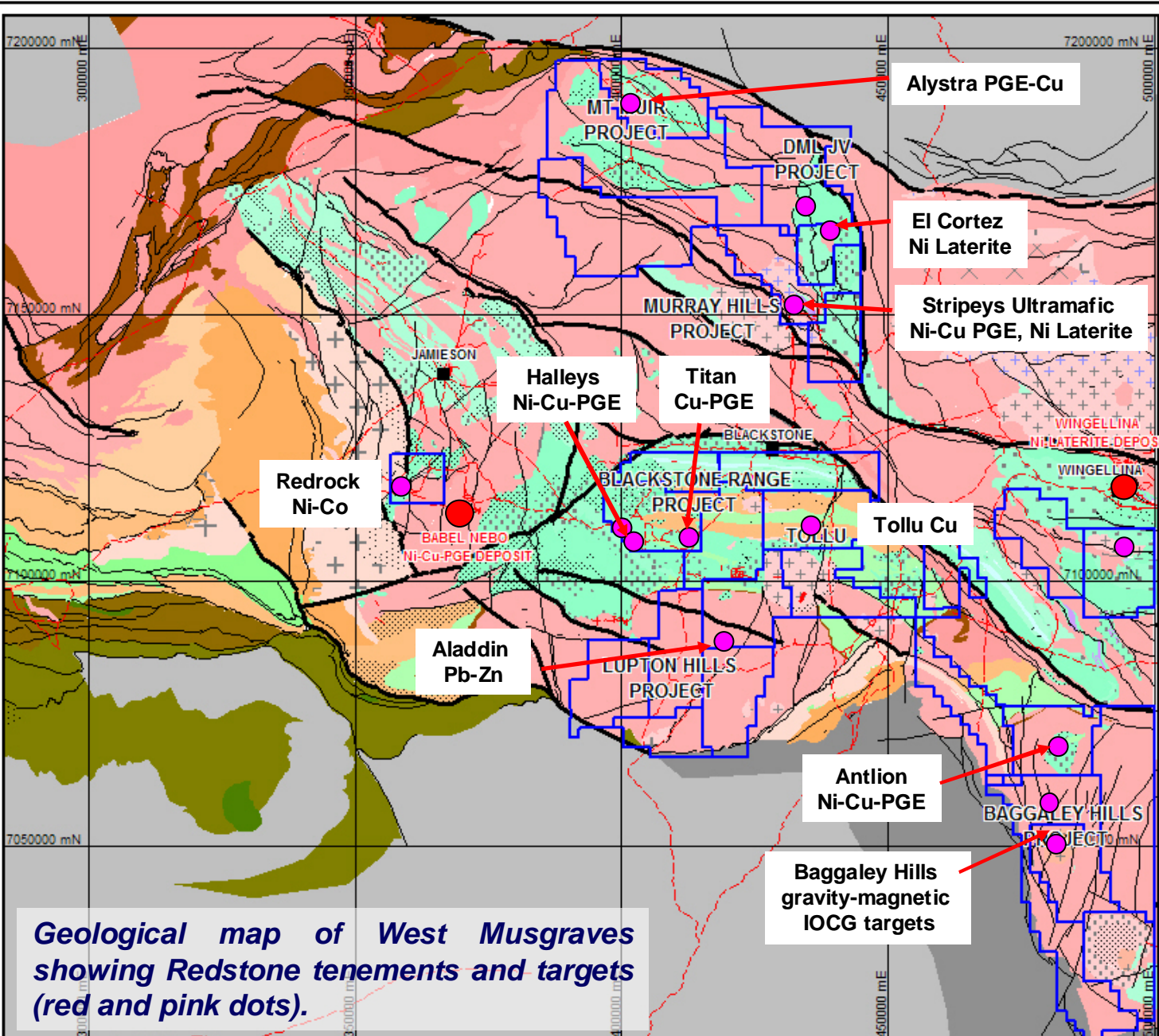
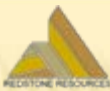
WEST MUSGAVES REGIONAL GEOLOGY AND TENEMENT LOCATION

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2008 GECHEMICAL COVERAGE



RESULTS - PRINCIPAL TARGETS



LEGEND

- Sandstone and glacial deposits
- Mylonite
- Quartzite
- Dolerite
- Granophyre
- Porphyritic granite
- IOCG target - magnetite source
- Giles Complex
 - Circular Giles intrusion
 - Contaminated gabbro
 - Troctolitic intrusion
 - Gabbro intrusion with pyroxenite
 - Ultramafic dominant intrusion
- Bentley Supergroup
 - Sedimentary rocks
 - Felsite
 - Porphyritic felsic volcanic rocks
 - Felsic volcanic rocks
 - Basalt
 - Conglomerate
- Basement
 - Rapakivi granite
 - Gneiss
- Regional Structure
- Major Structure
- Redstone tenements
- Prospect (pink dot)
- Deposit (red dot)

Scale: 0 to 25 Kilometres

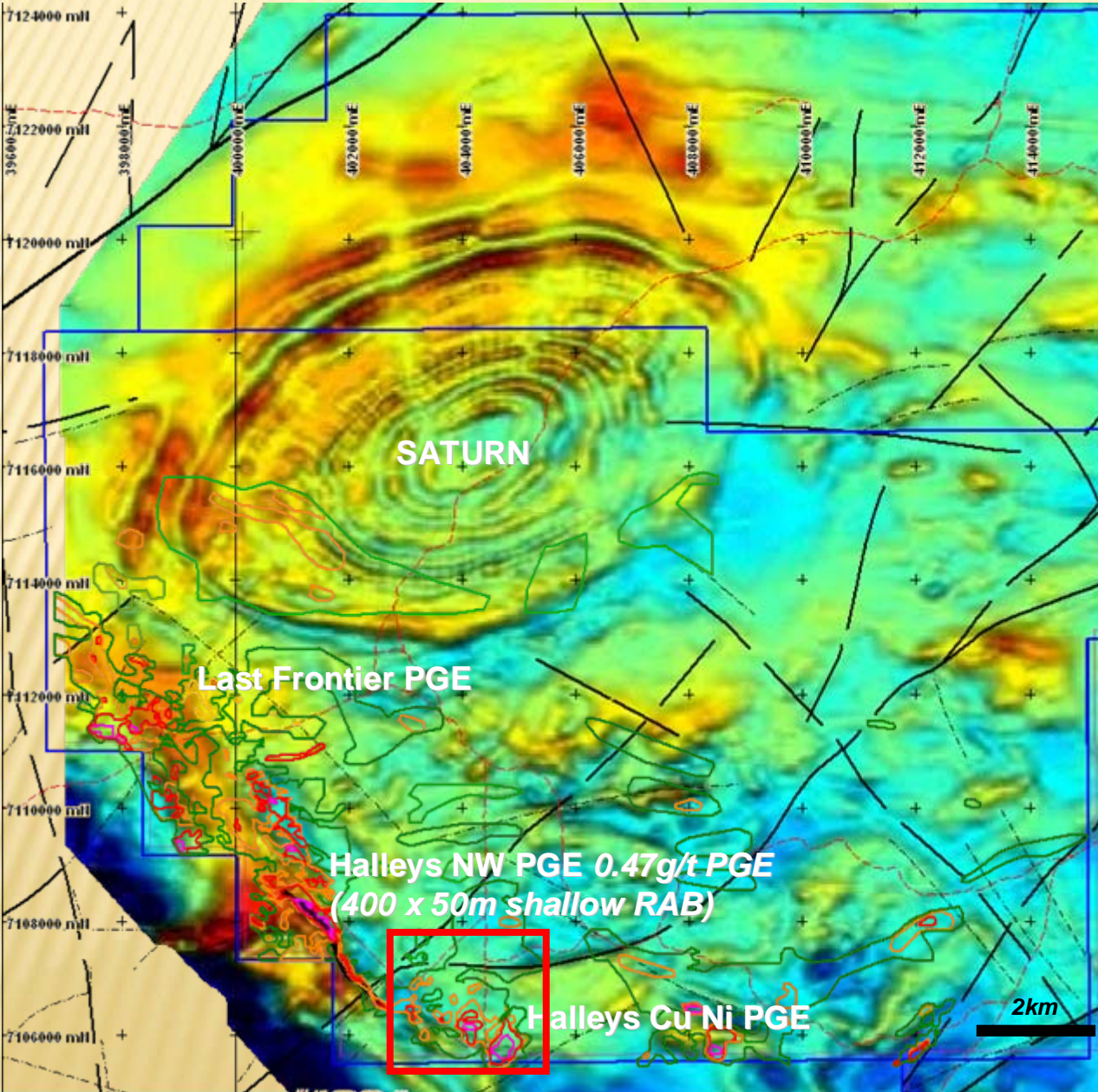
Redstone Resources

WEST MUSGRAVES REGIONAL GEOLOGY AND TENEMENT LOCATION

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Geological map of West Musgraves showing Redstone tenements and targets (red and pink dots).

SATURN LAYERED INTRUSION Ni-Cu-PGE CORRIDOR



Saturn Intrusion similar size and type to McIntosh/Panton Sill (Sally Mallay)

Numerous strong PGE and Ni-Cu-PGE anomalies over 10km strike on SW contact (largely under cover)

A large gossan at Halley's was drilled producing excellent results in shallow RAB RC drill holes

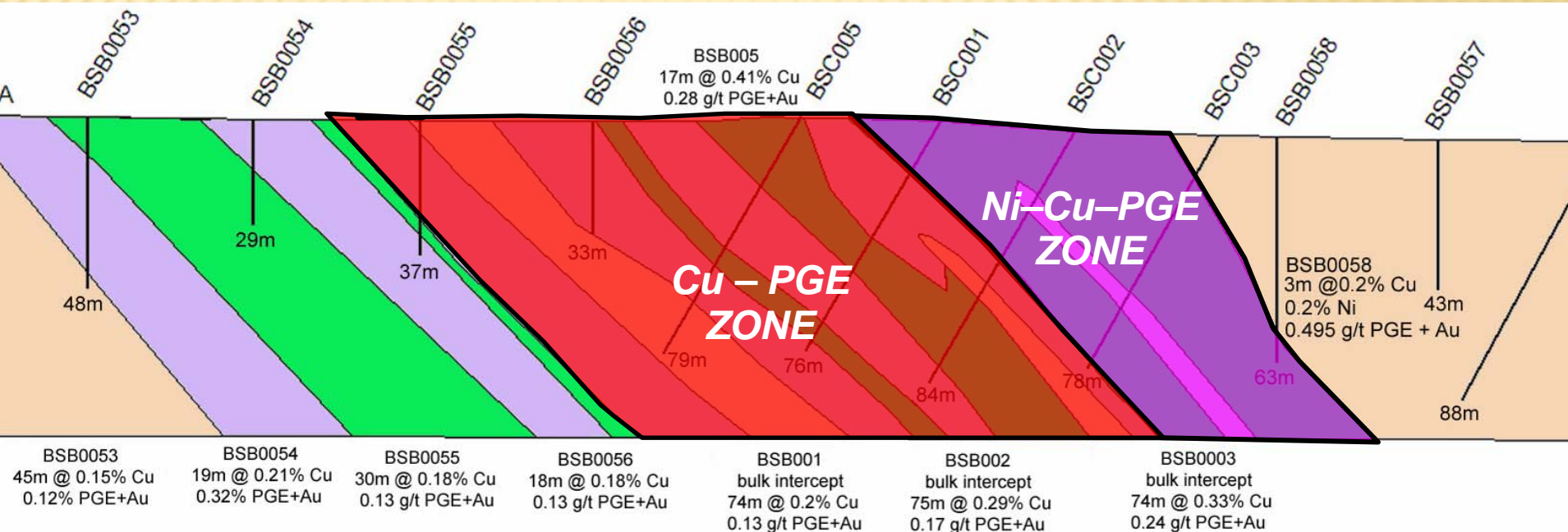
Halley's NW PGE anomaly produced 0.5g/t PGE in regional shallow RAB

HALLEYS RAB DRILL RESULTS - SECTION

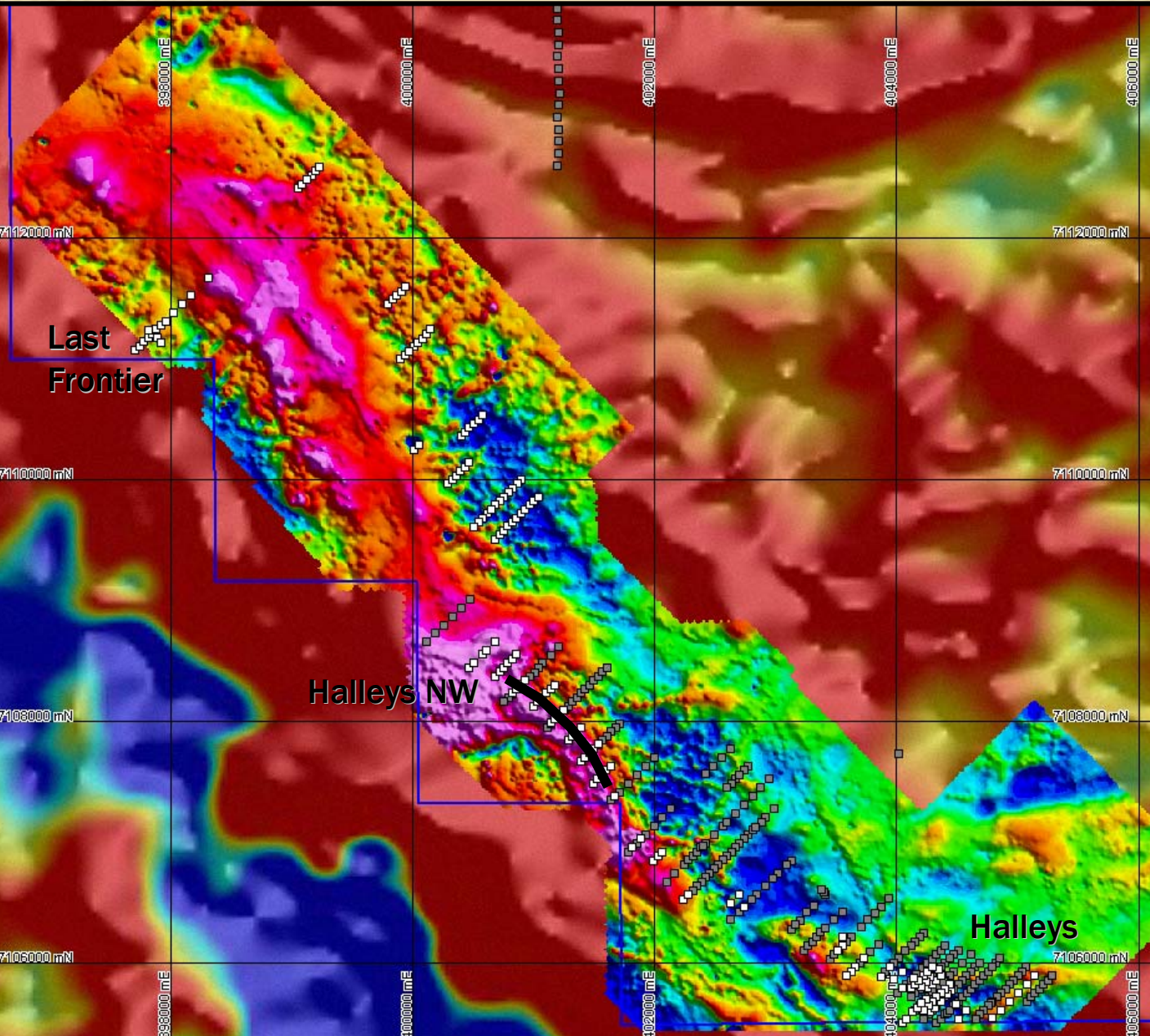


Large thickness of disseminated Cu-Ni-PGE mineralization

- 74m @ 0.33% Cu, 0.08% Ni and 0.24g/t PGE (BSC003) open at depth
- 26m @ 0.44% Cu, 0.08% Ni and 0.39g/t PGE + Au (BSB512)
- 16m @ 0.50% Cu, 0.11% Ni and 0.53g/t PGE + Au (BSB524)
- 19m @ 0.44% Cu, 0.19% Ni and 0.15g/t PGE + Au (BSB536)




HALLEYS NW PGE REEF



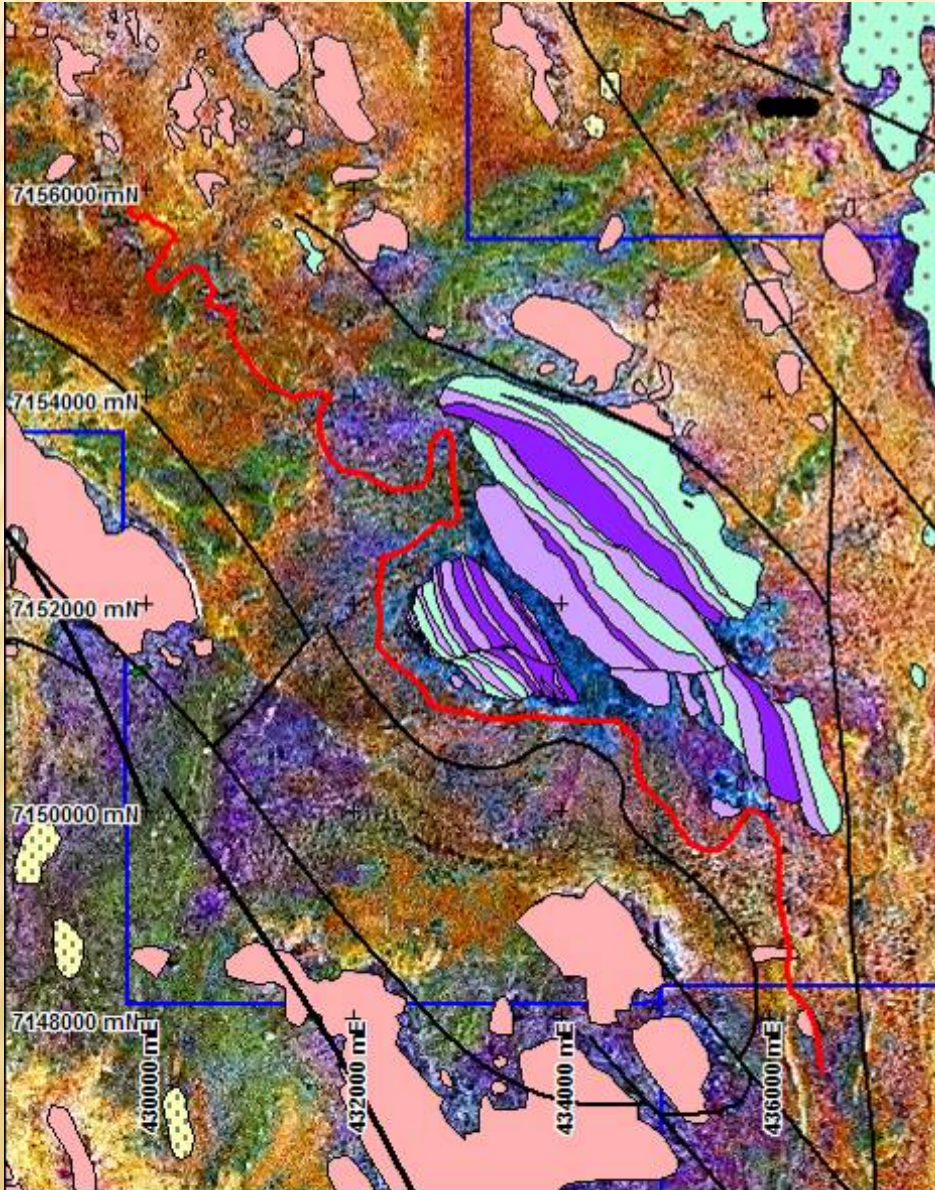
DRILLING

- 2007 Drill program
- 2008 Drill program

PGE REEF

 Pt + Pd + Au

STRIPEYS ULTRAMAFIC LAYERED INTRUSION

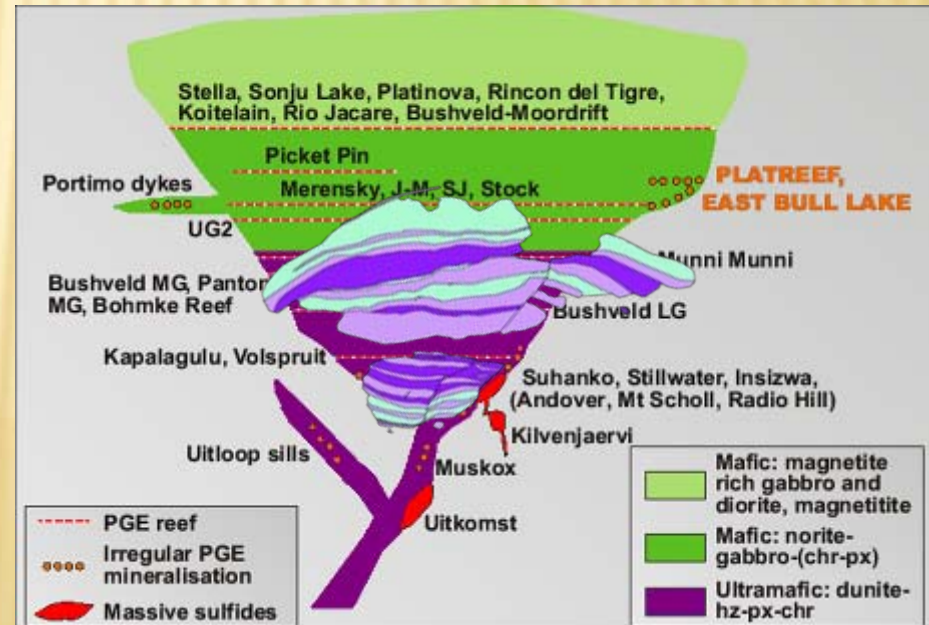


Layered ultramafic intrusion >3.35km thick highly prospective for Ni-Cu-PGE deposits along the basal contact

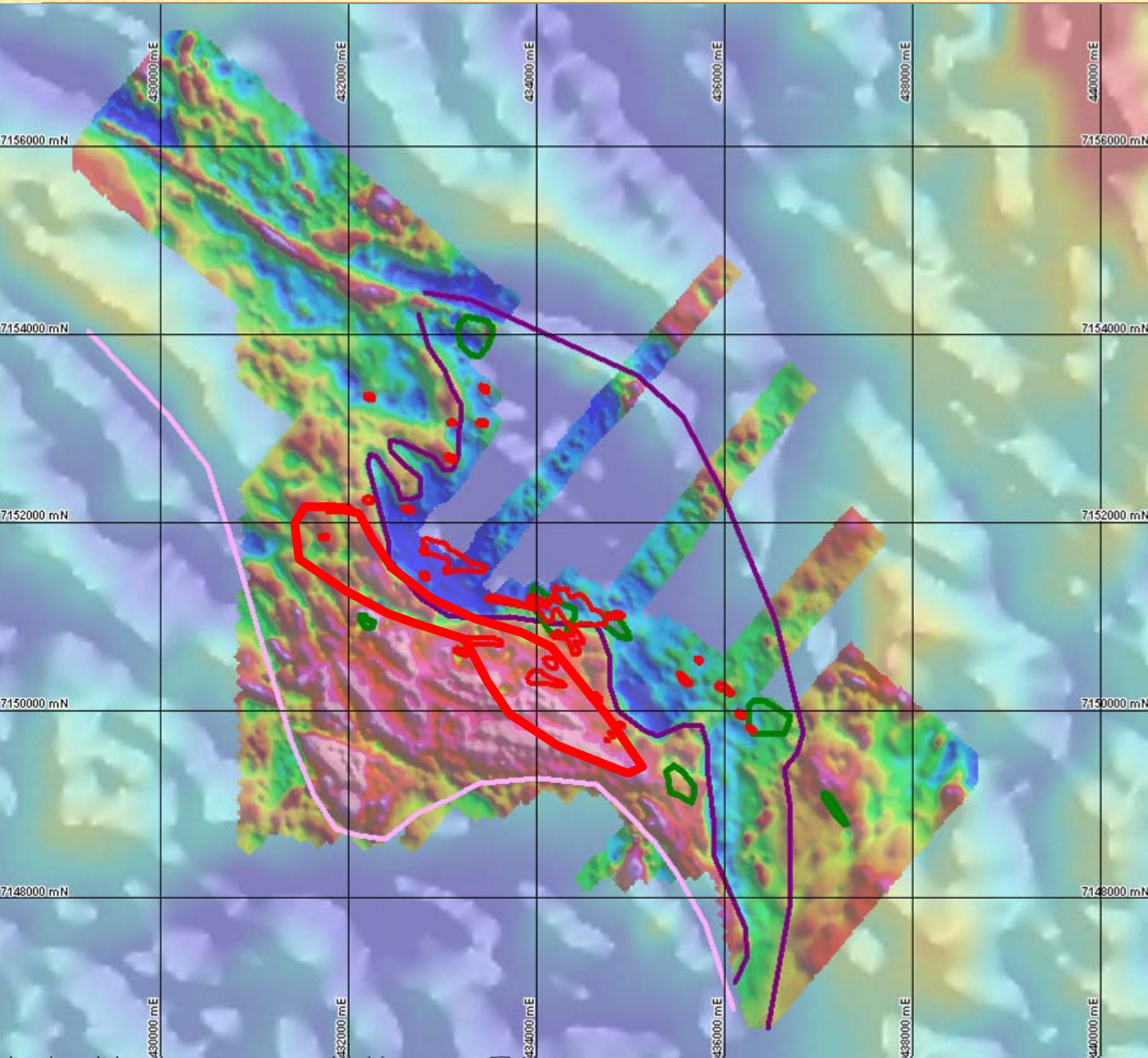
The intrusion is upward flaring conduit with 10km basal contact. Ni mineralisation, with a peak value of 0.89% Ni near the base collected by SWM in the 1960's. Roadside rock chip gave 0.21g/t PGE + Au

PGE trends similar to Merensky Reef and highlight the intrusion as extremely fertile

Exploration commenced July 2008



STRIPEYS ULTRAMAFIC LAYERED INTRUSION



SOIL SAMPLE

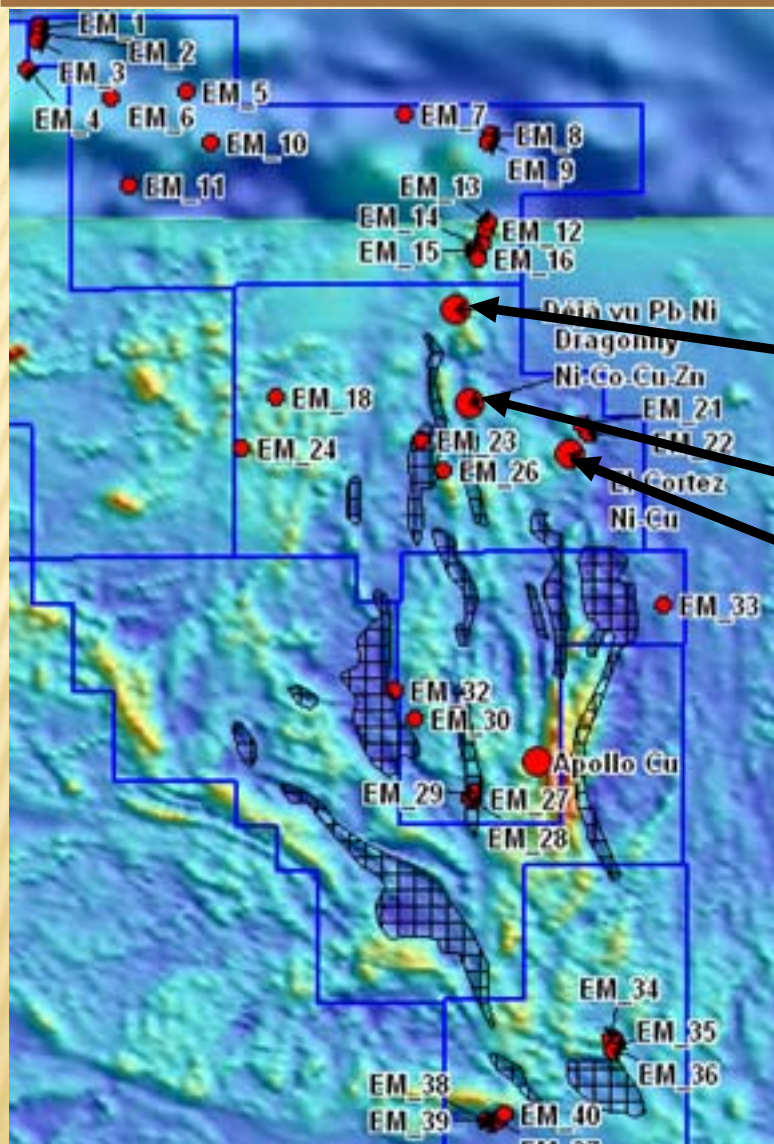
- XRF sample
- Geochemical

ANOMALY

- Ni > 1000 ppm
- Cu > 100 ppm

GEOLOGY SIMPLIFIED

- Ultramafic contact
- Granite contact



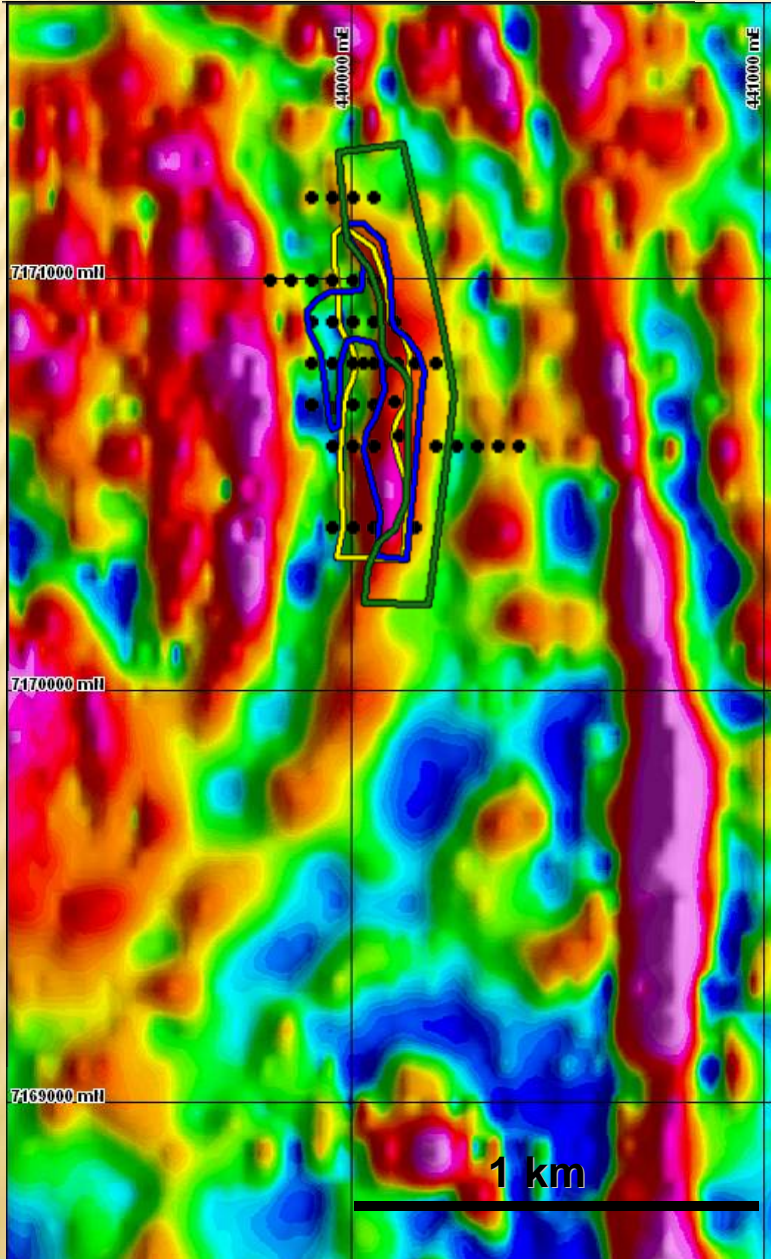
Redstone's assessment of 33 airborne EM anomalies defined by Falconbridge and Discovery Metals highlighted multi-element geochemical anomalies, including:

- *Déjà vu* 734ppm Ni, 167ppm Cu, 537ppm Pb
- *Dragonfly* 2.2% Ni and 2.9% Co
- *El Cortez* 718ppm Ni, 651ppm Cu

(*handheld XRF results)

Figure: DML EM targets, larger red dots are associated with multi-element geochem

EL Cortez RAB drill results



Isolated EM conductor defined by Falconbridge

*Peak DLog values of 718ppm Ni and 651ppm Cu
with 31ppb PGE 1.6km south*

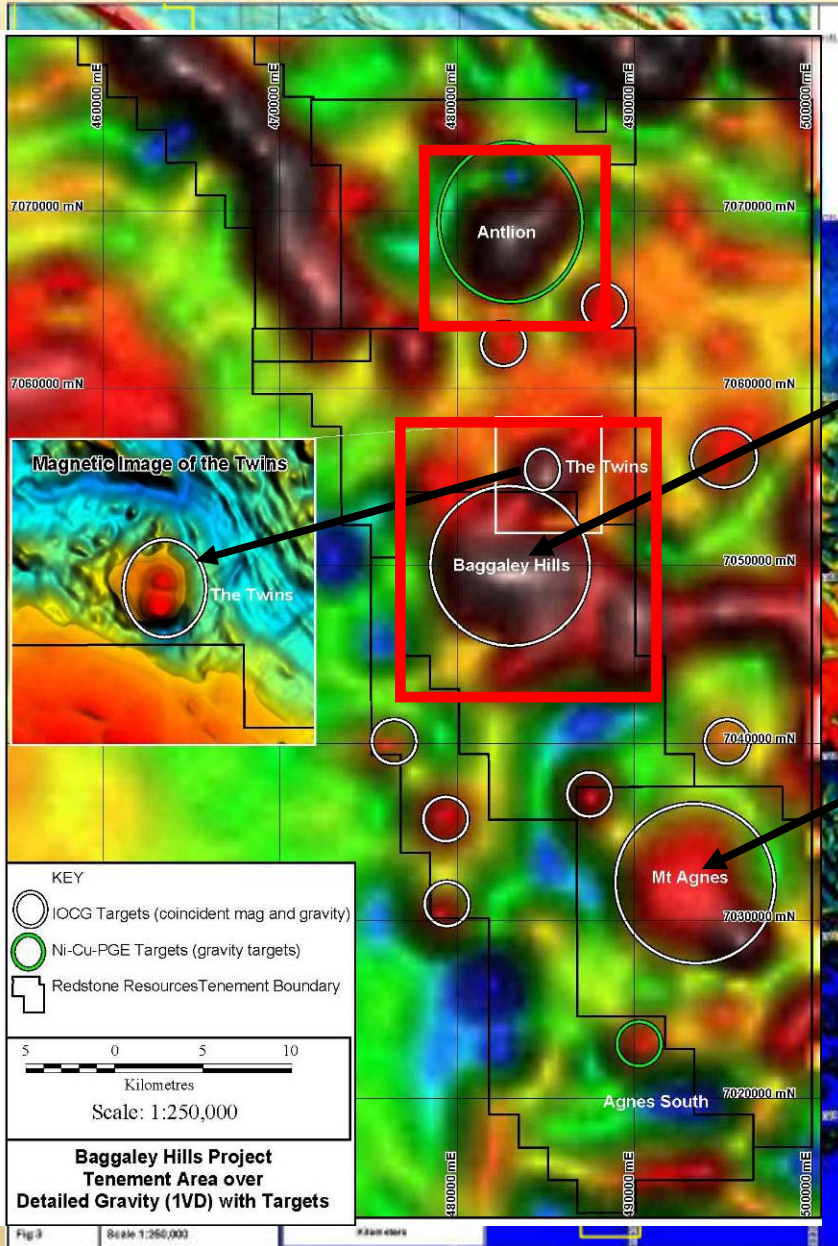
*Peak RAB values of 0.55% Ni, 0.23% Co, 0.37g/t
PGE+Au and 0.05% Cu*

RAB drilling at El Cortez peak intercepts:

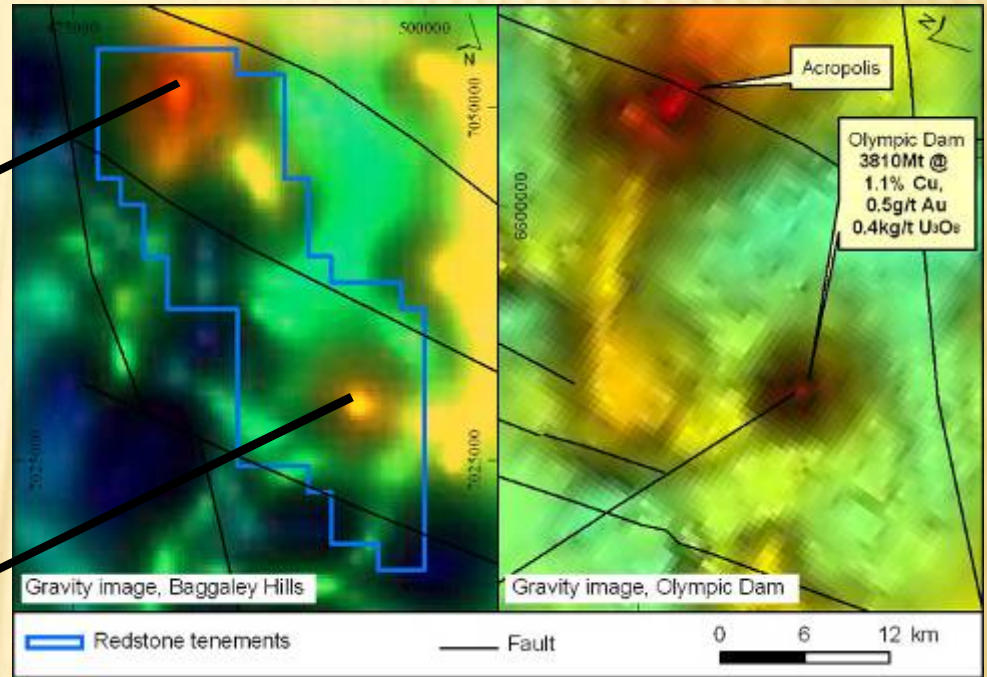
- 4m @ 0.32% Ni and 0.3g/t PGE + Au*
- 7m @ 0.43% Ni and 0.05% Co*

*This anomaly indicated Ni-Cu-PGE sulphide may be
present with supergene weathering*

BAGGALEY HILLS IOCG and Ni-Cu-PGE PROJECT (1668 km²)



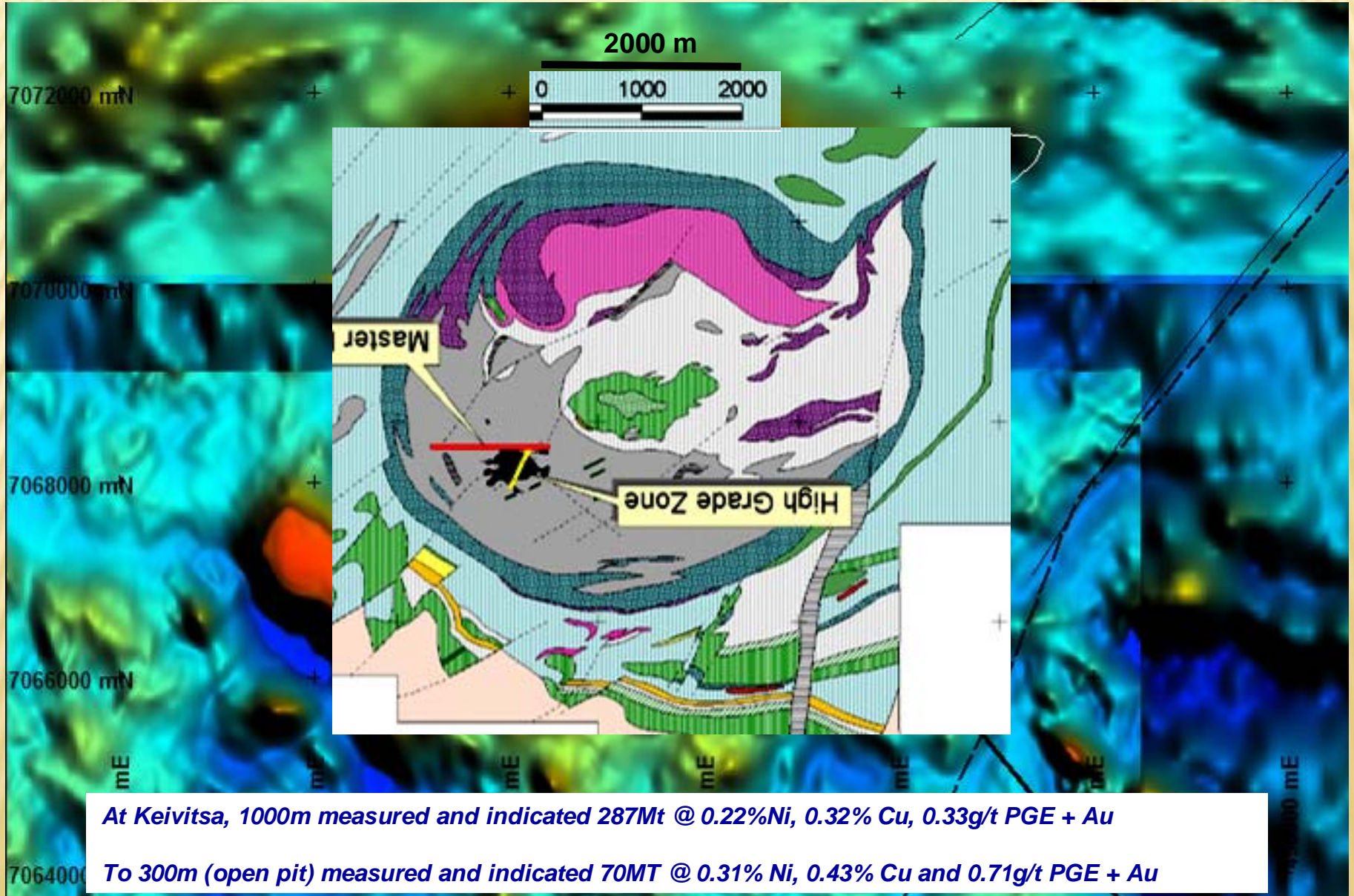
Two coincident gravity and magnetic anomalies define Olympic Dam-style IOCG targets. Modelling by Newmont validates the target



Numerous circular magnetic features are IOCG targets (i.e. the Twins) and many small Giles Complex pipe like intrusions are interpreted from detailed magnetics

No on-ground exploration ever conducted

ANTLION INTRUSION MODEL – COMPARISON WITH KEIVITSA - FINLAND



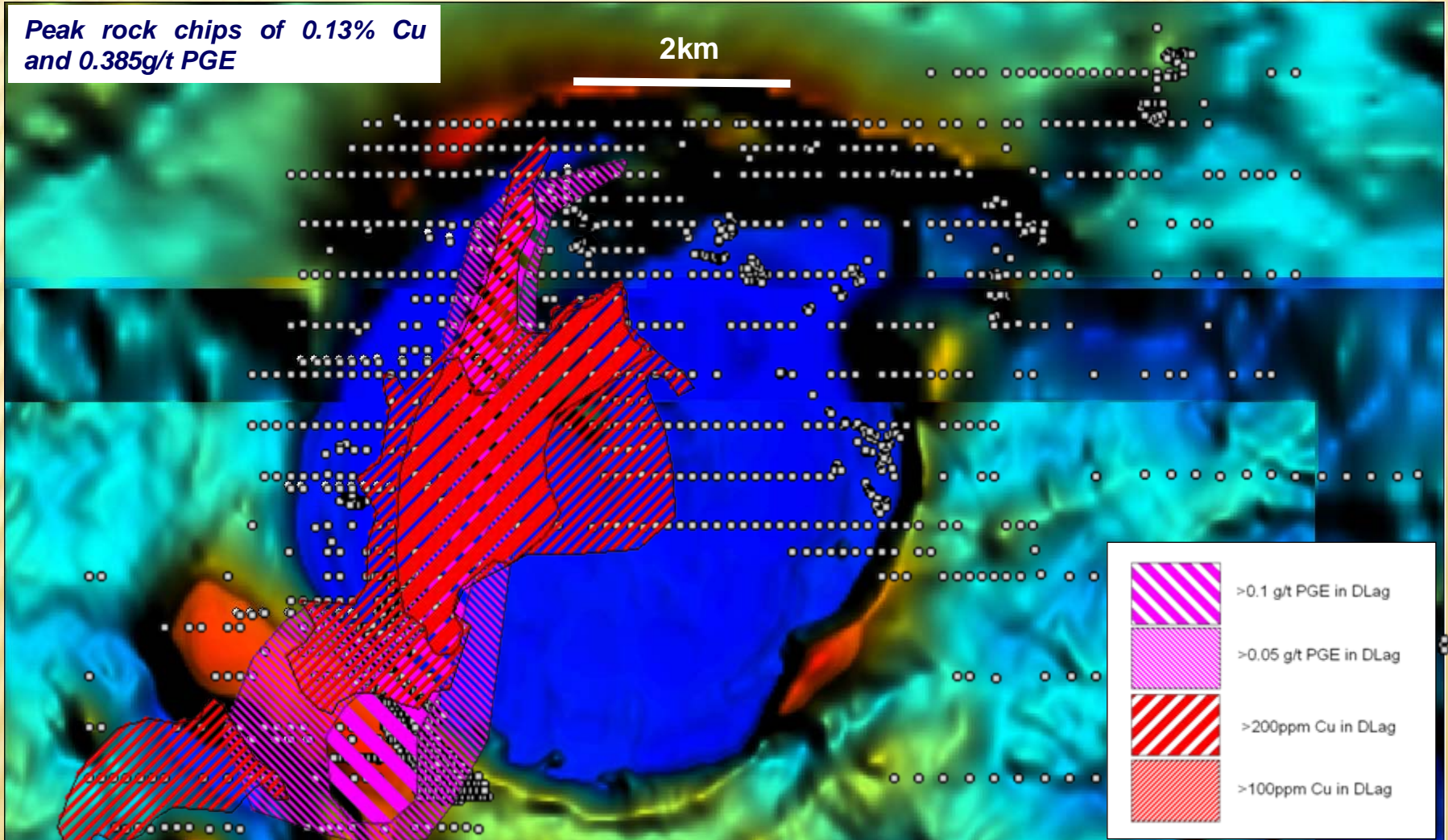
At Keivitsa, 1000m measured and indicated 287Mt @ 0.22%Ni, 0.32% Cu, 0.33g/t PGE + Au

To 300m (open pit) measured and indicated 70MT @ 0.31% Ni, 0.43% Cu and 0.71g/t PGE + Au

ANTLION INTRUSION – Ni-CU-PGE TARGETS

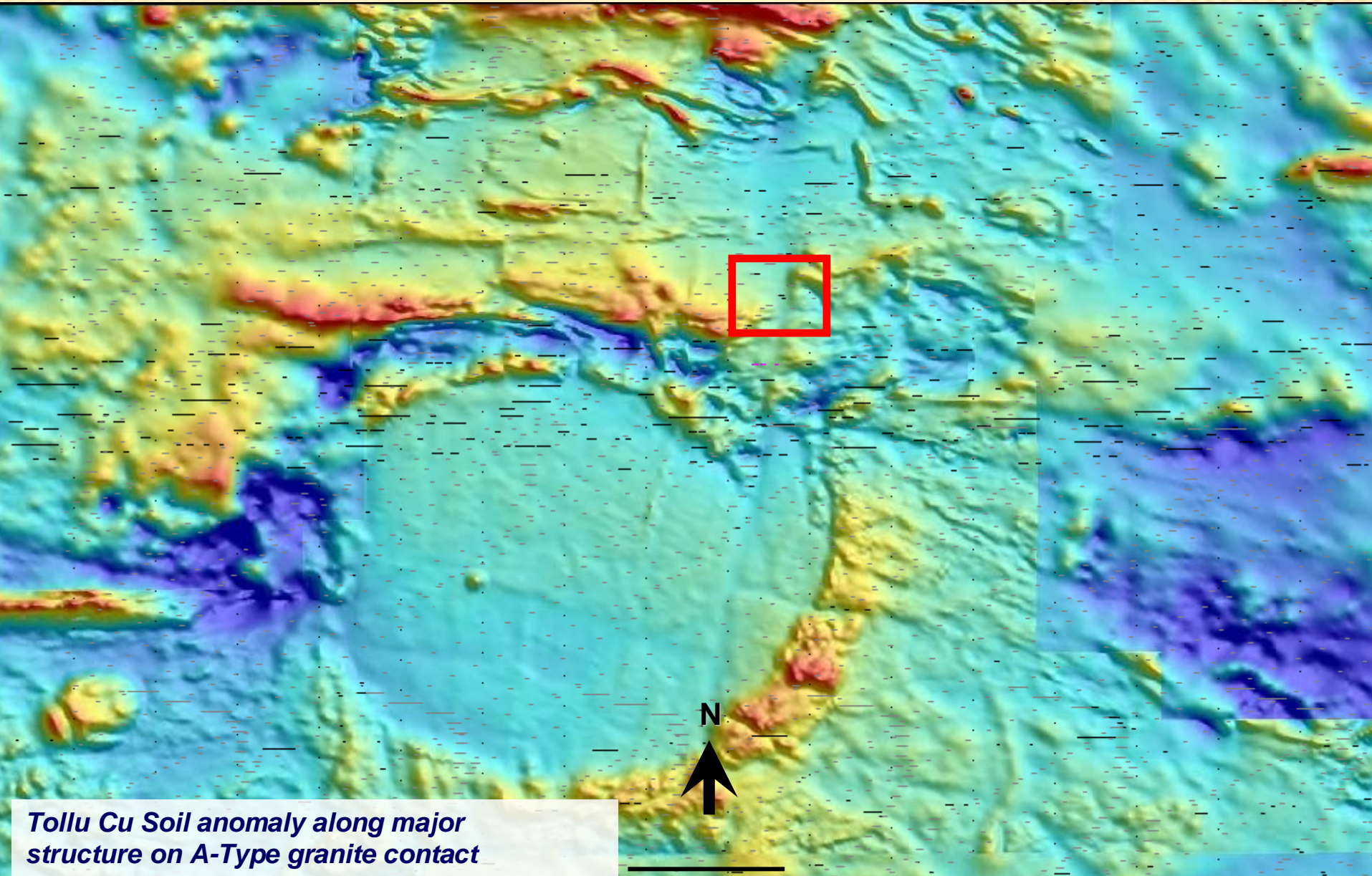
**Peak rock chips of 0.13% Cu
and 0.385g/t PGE**

2km



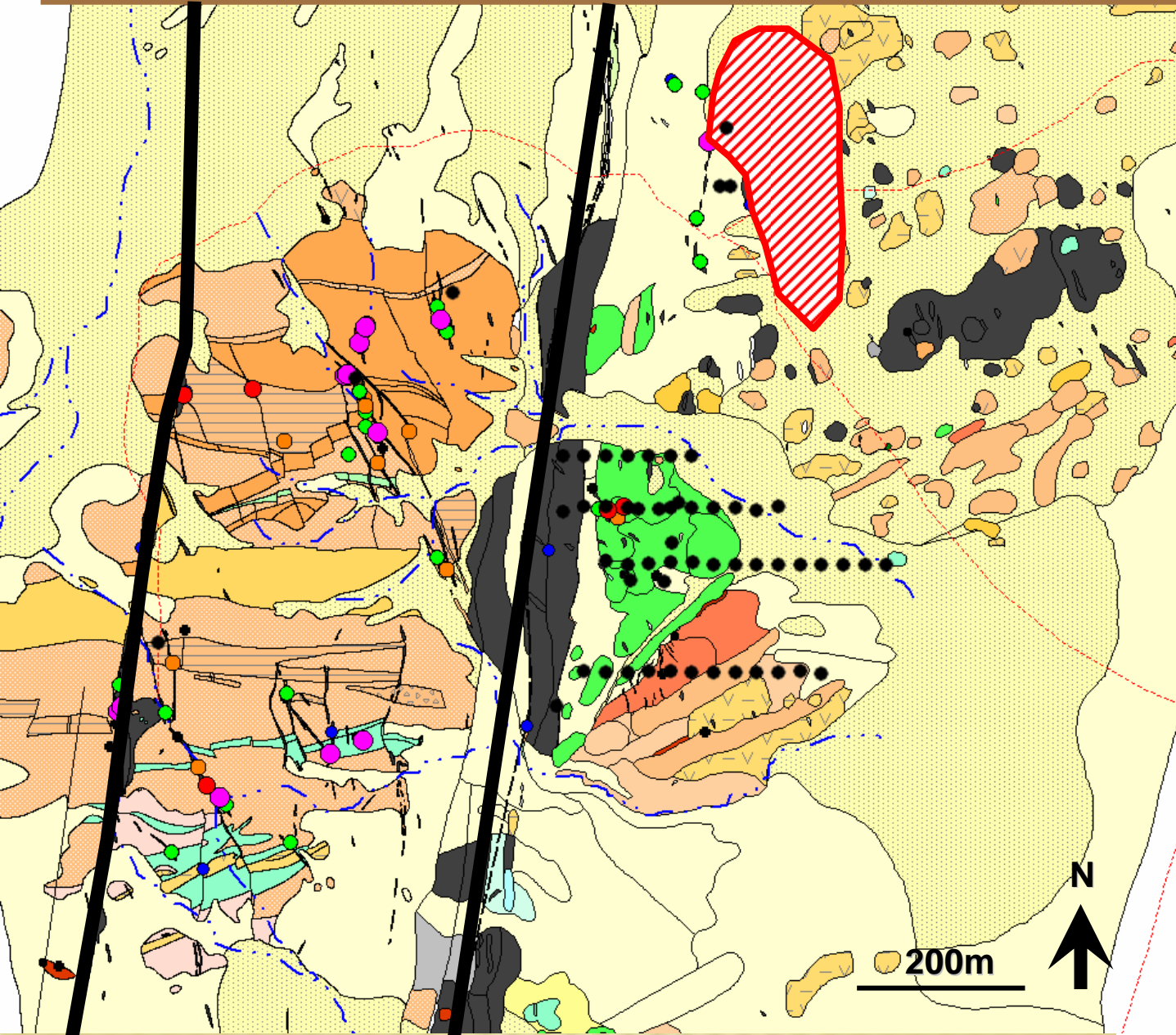
**Aeromagnetic Image (TMI) of the Antlion
Intrusion. >100ppm Cu anomaly over 5km
strike identified during helicopter
reconnaissance sampling in 1 day.**

TOLLU MINING CENTRE CU GEOCHEMISTRY AND STRUCTURAL SETTING



Tollu Cu Soil anomaly along major structure on A-Type granite contact

TOLLU MINING CENTRE - CU ROCK CHIP RESULTS, RAB DRILLING AND EM ANOMALY



Rockchip Cu %

- 20 to 100
- 10 to 20
- 5 to 10
- 1 to 5
- 0.3 to 1
- 0.1 to 0.3
- -10,000 to 0.1

● Drill hole

Peak intercepts:

- 18m @ 0.62% Cu including 5m at 1.2%
- 14m @ 0.29% Cu open at depth
- 35m @ 0.18% Cu open at depth



EM
Anomaly
(untested)

200m



CONCLUSION 2008



- Improved understanding of Halleys, higher grade PGEs, pipe geometry better defined and concentric zoning, more accurate targeting and reduced risk
- Identified drill ready targets at El Cortez (Ni, PGE, Cu, Co)
- Added value to the Baggaley Project through access, clearances and gravity – provide access to 7 excellent IOCG targets
- First pass work extremely encouraging at Antlion with highest surface PGE results in district and large high-order Cu-PGE anomaly
- Enhanced Tollu through sectional plotting and EM interpretation defining diamond drill targets
- Overall enhanced the Prospectivity of the entire Musgrave region and Redstone ground position, attracting the interest of major companies.

WORK REQUIRED



Demonstrated that there is potential to make a major World Class discovery on a number of our projects through ongoing exploration. The work required includes:

- RC/Diamond drilling Halleys Ni-Cu-PGE, Tollu Cu, Antlion, El Cortez, Stripeys and Baggaley IOCG targets
- Access and clearances (helicopter supported) over remaining projects
- Geochemical sampling and mapping at Baggaley Project, Southern Tollu and emerging projects
- Airborne EM over Stripeys, Antlion and emerging targets
- Deep penetrating ground EM over Halleys, El Cortez and other principal targets
- Ground gravity over numerous IOCG targets on Baggaley Hills Project
- Extended ground magnetics or detailed aeromagnetics over DML and El Cortez
- RAB drill Ni Laterite targets, Tollu extensions and numerous emerging targets

Redstone Projects Brazil



Hardrock Phosphate

(source Florida Dept EPA)



Potash KCl.NaCl

(source Potash One Inc)

PROJECT PORTFOLIO - BRAZIL



Redstone Projects:

K – Anebá Potassium Project

P – Apuí Phosphate Project

Fe – Pontal Iron Project

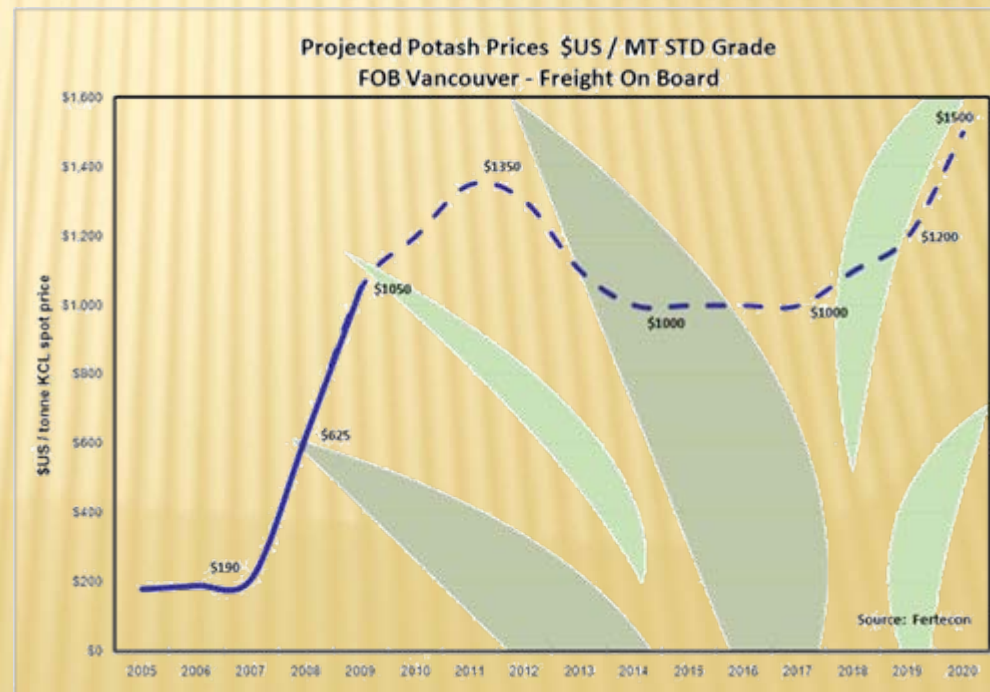
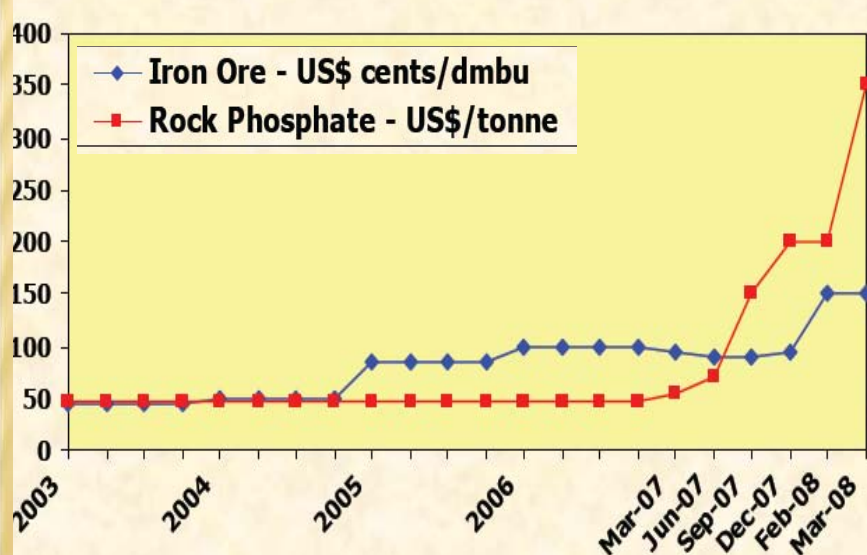
Ni – Pimenteiras Nickel Project

FERTILIZER MARKETS



- Brazil is the second largest importer of K in the world – 5.8 Mt Potassium /year growing at 11%
- Brazil imports U\$1.1B/ year of phosphate materials which has increased 112% from 2006 to 2007
- Fertilizer Minerals have remained relatively unaffected by the recent global financial crisis

**COMPARATIVE PRICE MOVEMENTS
PILBARA HAEMATITE AND
MOROCCAN ROCK PHOSPHATE**



Source: Fertecon

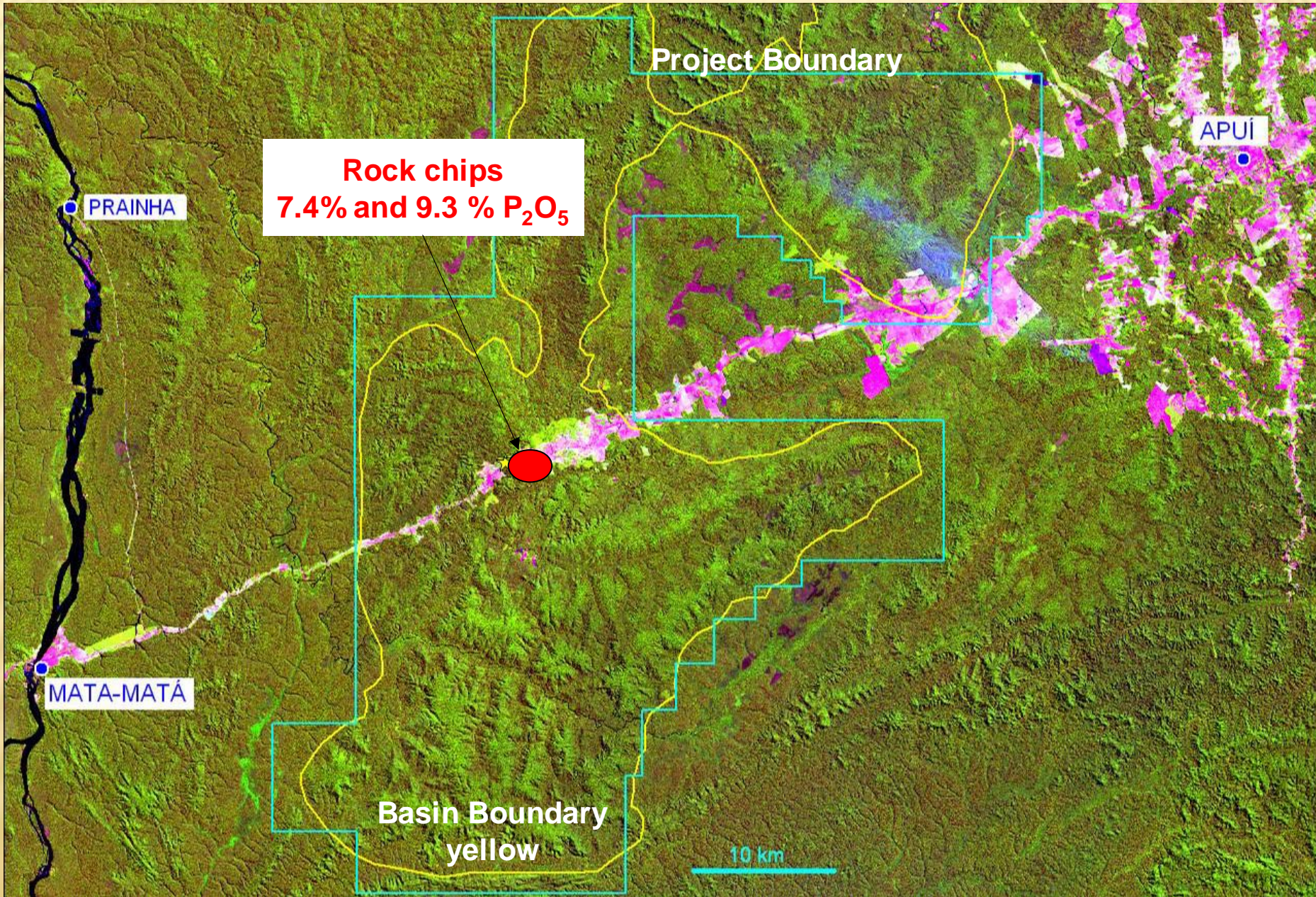
APUÍ PHOSPHORITE PROJECT



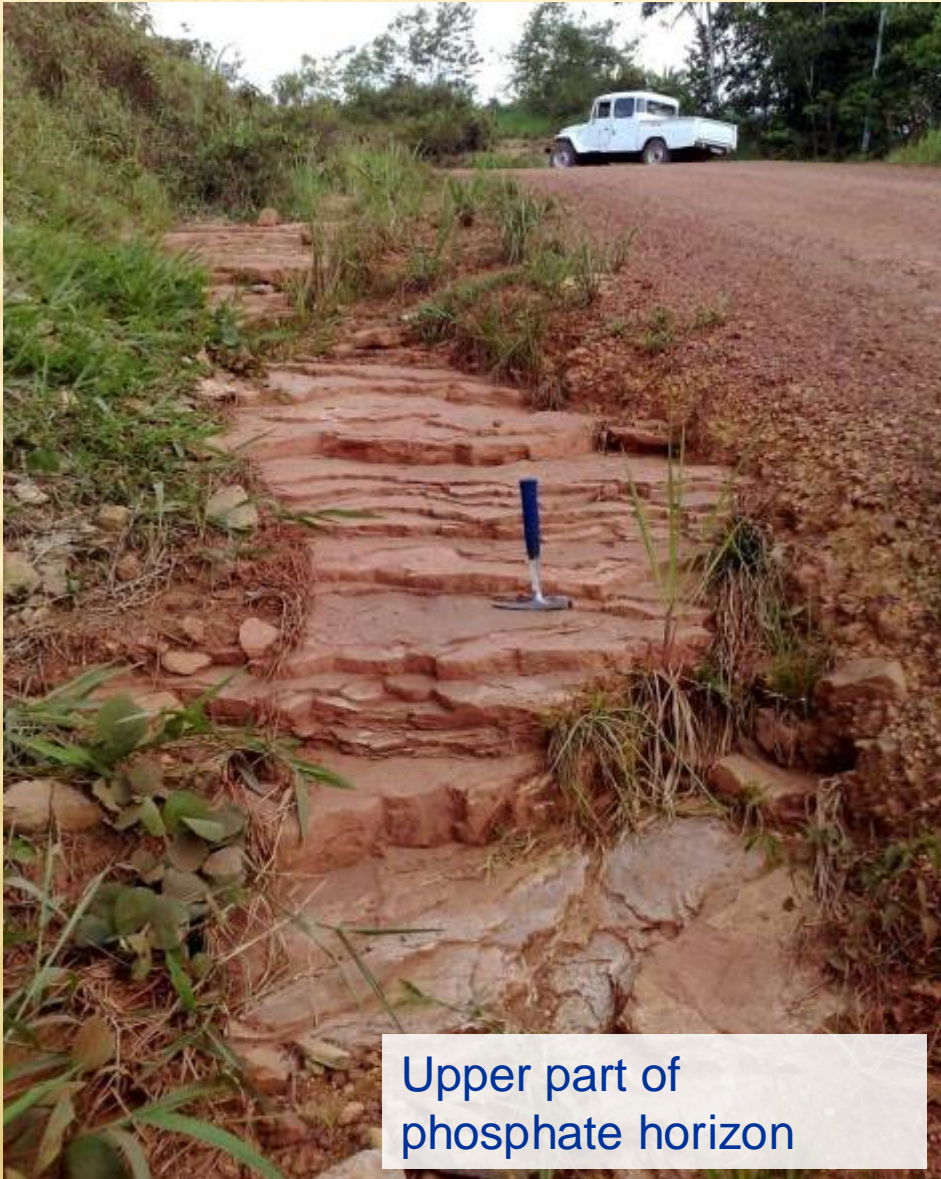
- 18 tenements covering 1770 km² of the entire Jatuarana Sedimentary Basin.
- The Jatuarana Basin was discovered in 1980 and has never been studied again
- The lower sequence of rocks in the Basin contains significant phosphorite and glauconite in Cambrian-Ordovician sediments in flat dipping stratigraphy
- Random surface samples collected in 1980 returned values of up to 9.3% P₂O₅
- The Jatuarana Basin is only 30 km to the west of the main agricultural centre in the Amazon State: Apuí
- The Project is transected by the Trans-Amazon Hwy



APUI PHOSPHATE ROCK CHIP RESULTS



UPPER PART OF PHOSPHATE UNIT



Upper part of phosphate horizon



Weathered occurrence of phosphate – glauconite horizon

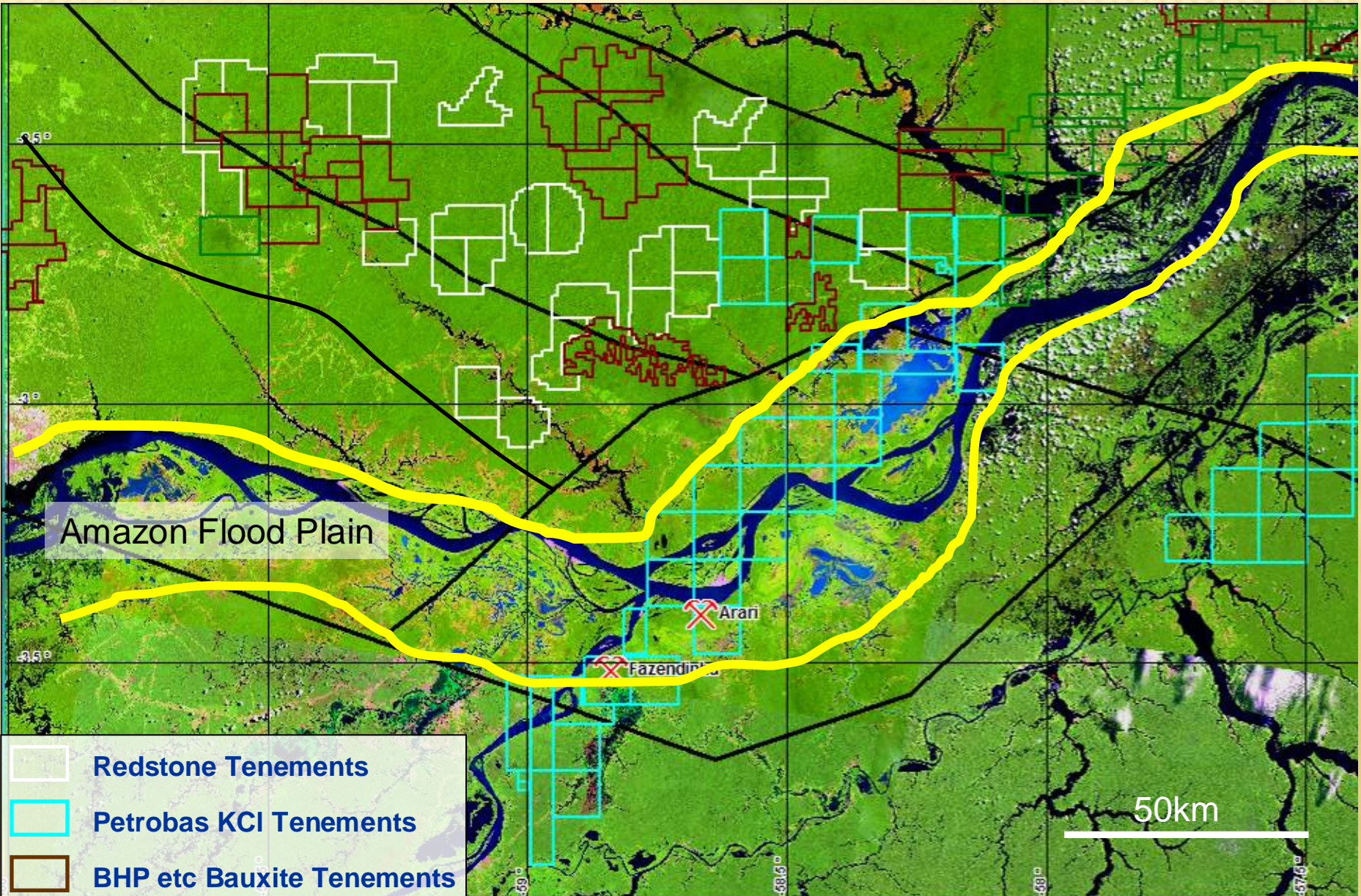
ANEBÁ POTASSIUM PROJECT



- 33 tenements covering 3060 km² over diapiric structures in the Anebá Sub Basin (27 granted)
- 60km from two major K deposits totaling 1.146Bt @ 22.7 KCl (not developed due to location in Amazon River flood plain and depths of 950m to 1050m)
- 60km from the two largest cities and ports of Amazon State (Manaus and Itaquatiara) with access by paved roads rivers, and secondary roads



PROJECT LOCATION



POTASSIUM IN THE AMAZON BASIN



Redstone Potassium Project is located in the Anebá Sub-basin adjacent to the largest Potassium deposits in South America at depths of 950-1050m :

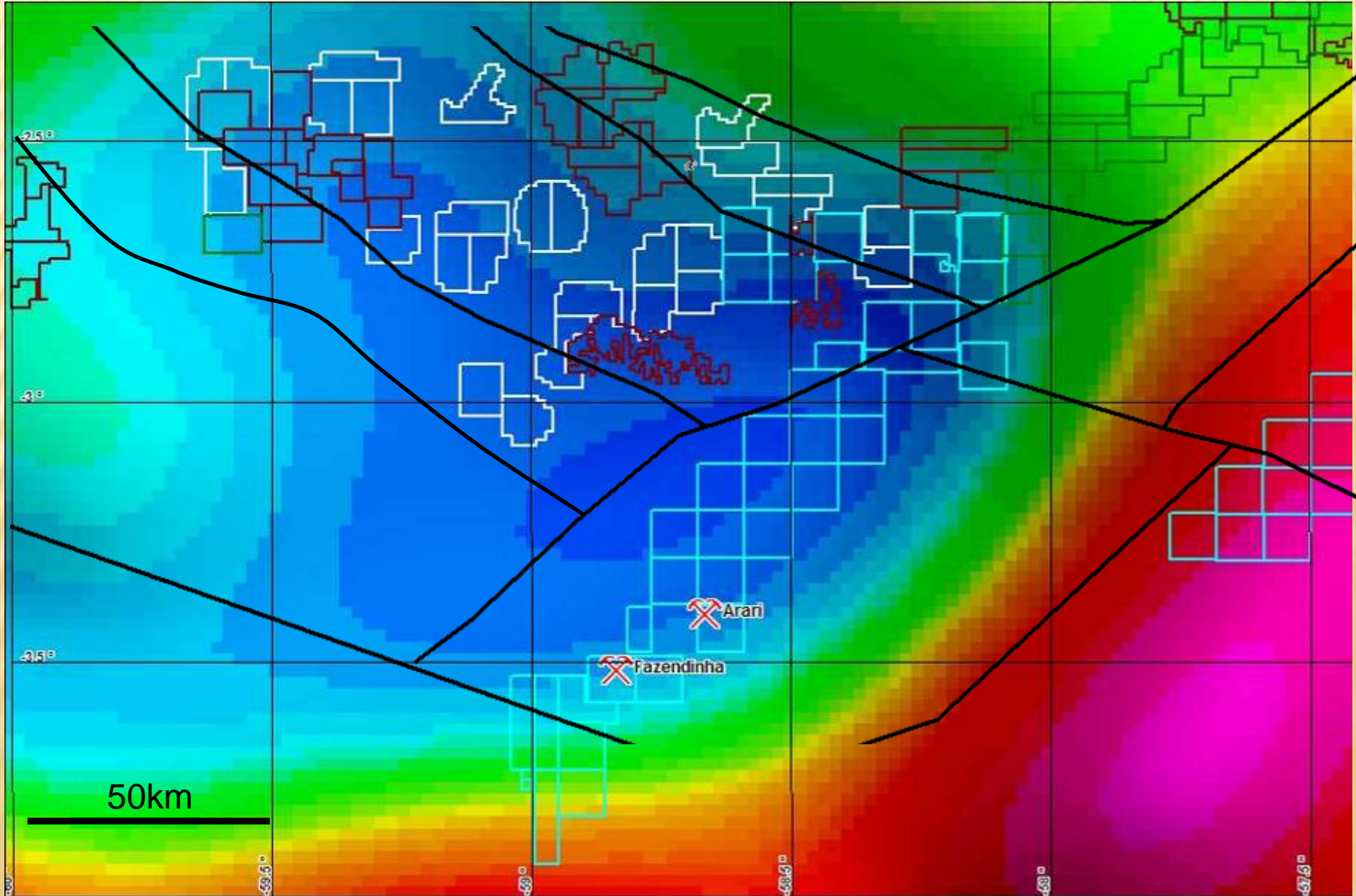
- FAZENDINHA: 520Mt @ 28.8% KCl (61B \$US)
- ARARI: 626Mt @ 17.7% KCl (44B \$US)

These are difficult deposits to exploit due to their depth and location in the Amazon River flood plain.

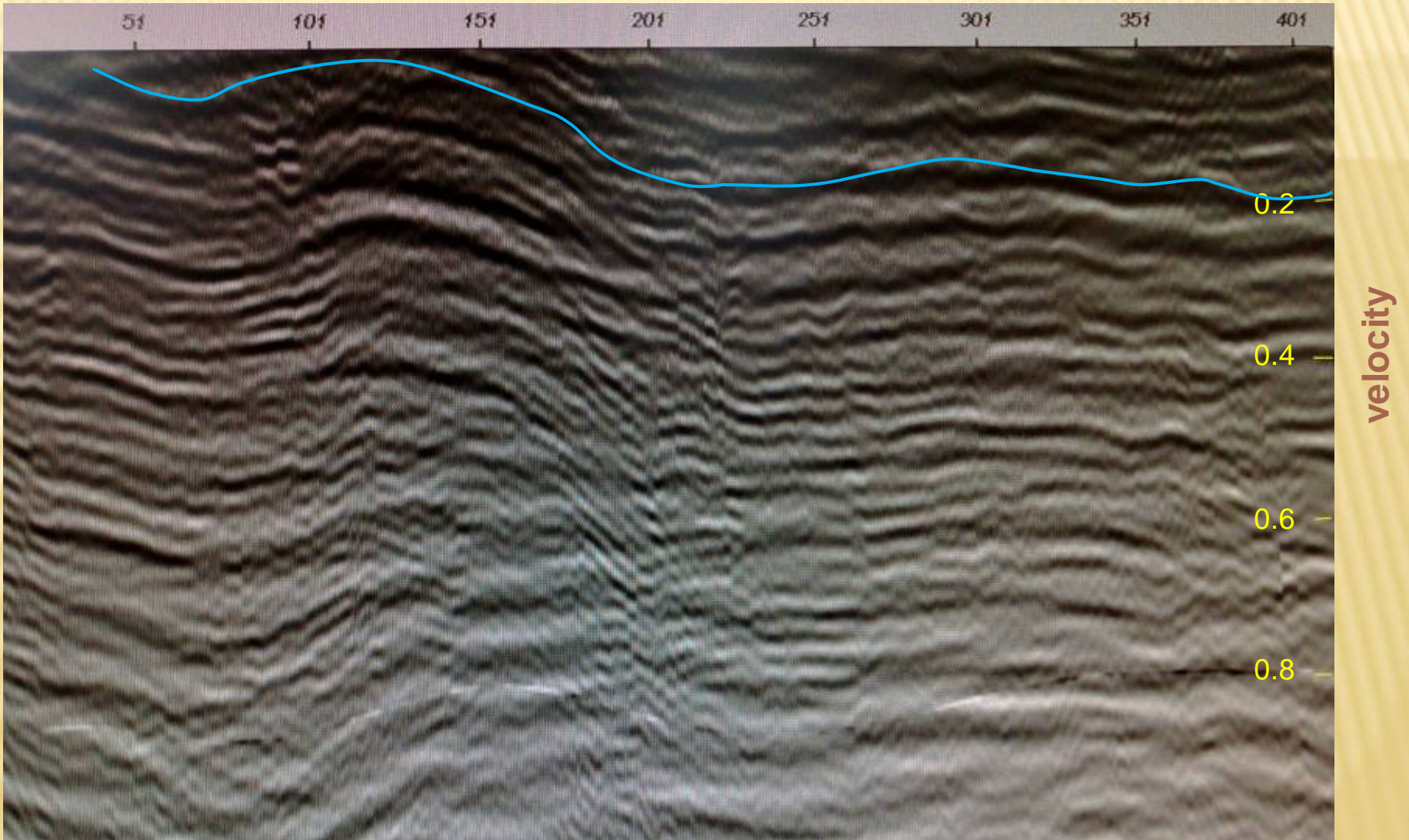
Redstone's Project is targeting the Aneba Sub-Basin:

1. The same stratigraphy that hosts the deposits in a shallower position and the shallower evaporites of the Andira Formation
2. A probable graben structure with thick accumulations of salt, defined by previous drilling on the flanks, magnetics, gravity and seismic.
3. Diapiric structures within this corridor

ANEBA SUB BASIN GRAVITY



EXAMPLE OF DOME STRUCTURE, LINE 0070-0026



Estimated uplift is 250-300 metres

Redstone is committed to high-quality exploration both here in Australia and South America

Our focus has been, and will be, to make a World Class discovery

The risk has been mitigated to a degree by diversification into several commodities

We are trying to reduce the financial risk by actively seeking quality partners to ensure these excellent projects receive the level of funding they require to advance to discovery

