Rule 2.7, 3.10.3, 3.10.4, 3.10.5

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12

Name of entity

Redstone Resources Limited

ABN

42 090 169 154

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

1	+Class of +securities issued or to be issued	Listed Options
2	Number of +securities issued or to be issued (if known) or maximum number which may be issued	9,997,605 Listed Options
3	Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion)	Pro-rata non renounceable option entitlement issue of one (1) Option for every ten (10) Shares held at an issue price of $0.01 per Option and exercisable at $0.20 on or before 28 February 2016.

+ See chapter 19 for defined terms.

4	Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities? If the additional securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	No Listed Options - The fully paid ordinary shares that will be issued upon exercise of the listed options will rank pari passu with the fully paid ordinary shares on issue
5	Issue price or consideration	$0.01/Option
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	Listed Options issued pursuant to the conditionally underwritten pro-rata non-renounceable entitlement issue of one (1) Listed Option for every ten (10) fully paid ordinary shares announced on 22 October 2012. Funds raised are intended to be first applied to the expenses of the offer and then used for ongoing exploration of the Company's existing projects.
6a	Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A? If Yes, complete sections 6b – 6h *in relation to the +securities the subject of this Appendix 3B*, and comply with section 6i	Yes
6b	The date the security holder resolution under rule 7.1A was passed	29 November 2012
6c	Number of +securities issued without security holder approval under rule 7.1	N/A
6d	Number of +securities issued with security holder approval under rule 7.1A	N/A

6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	N/A
6f	Number of securities issued under an exception in rule 7.2	9,997,605
6g	If securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the issue date and both values. Include the source of the VWAP calculation.	N/A
6h	If securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/A
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	Refer Annexure 1
7	Dates of entering +securities into uncertificated holdings or despatch of certificates	6 December 2012

		Number	+Class
8	Number and +class of all +securities quoted on ASX (*including* the securities in section 2 if applicable)	143,569,390	Ordinary Shares (RDS)
		9,997,605	Options exercisable at $0.20 any time on or before 28 February 2016 (RDSO)

+ See chapter 19 for defined terms.

		Number	+Class
9	Number and +class of all +securities not quoted on ASX (*including* the securities in section 2 if applicable)	300,000 Unquoted Options (RDSAA)	$0.75 Options exercisable 12 months from 20 February 2008 and expiring 20 February 2013.
		1,500,000 Unquoted Options (RDSAK)	$0.25 Options exercisable any time on or before 30 November 2014.
		500,000 Unquoted Options (RDSAK)	$0.30 Options exercisable any time on or before 30 November 2014.
		500,000 Unquoted Options (RDSAK)	$0.35 Options exercisable any time on or before 30 November 2014.
		3,750,000 Unquoted Options (RDSAO)	$0.50 Options exercisable any time on or before 19 October 2013.
		650,000 Unquoted Options (RDSAQ)	$0.50 Options exercisable any time on or before 4 November 2013.
		500,000 Unquoted Options (RDSAC)	$0.50 Options exercisable any time on or before 1 December 2013.
		1,100,000 Unquoted Options (RDSAY)	$0.50 Options exercisable any time on or before 24 February 2014
		750,000 Unquoted Options (RDSAS)	$0.35 unquoted options exercisable any time on or before 6 July 2015.

		500,000 Unquoted Options (RDSAS)	$0.45 unquoted options exercisable any time on or before 6 July 2015.
		550,000 Unquoted Options (RDSAS)	$0.35 unquoted options exercisable any time on or before 6 July 2015.
		1,000,000 Unquoted Options (RDSAU)	$0.30 unquoted options exercisable any time on or before 21 December 2014.
		1,000,000 Unquoted Options (RDSAB)	$0.30 unquoted options exercisable any time on or before 26 February 2015.
		5,800,013 Options	$0.20 options exercisable any time on or before 28 February 2016.
		2,000,000 Unquoted Options	$0.20 options exercisable any time on or before 4 December 2017.
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	N/A	

Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	No
12	Is the issue renounceable or non-renounceable?	Non-renounceable
13	Ratio in which the +securities will be offered	1 Option for every 10 existing Shares at the record date
14	+Class of +securities to which the offer relates	Listed Option
15	+Record date to determine entitlements	14 November 2012

+ See chapter 19 for defined terms.

16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	N/A
17	Policy for deciding entitlements in relation to fractions	Rounded down
18	Names of countries in which the entity has +security holders who will not be sent new issue documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	Any country outside Australia and New Zealand
19	Closing date for receipt of acceptances or renunciations	29 November 2012
20	Names of any underwriters	Argonaut Capital Limited
21	Amount of any underwriting fee or commission	2.5% of the maximum amount of shortfall to be raised of $43,593.34 ($1,089.83)
22	Names of any brokers to the issue	N/A
23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders	N/A
25	If the issue is contingent on +security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	15 November 2012
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	7 November 2012

+ See chapter 19 for defined terms.

28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A
30	How do +security holders sell their entitlements *in full* through a broker?	N/A
31	How do +security holders sell *part* of their entitlements through a broker and accept for the balance?	
32	How do +security holders dispose of their entitlements (except by sale through a broker)?	N/A
33	+Despatch date	7 December 2012

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities
(*tick one*)

(a) ✓ Securities described in Part 1 – 9,997,605 Options

(b) ☐ All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 ✓ If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders – Refer Annexure 2

36 ✓ If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories – Refer Annexure 2

+ See chapter 19 for defined terms.

1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 ☐ A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

38	Number of securities for which +quotation is sought	
39	Class of +securities for which quotation is sought	
40	Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities? If the additional securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	
41	Reason for request for quotation now Example: In the case of restricted securities, end of restriction period (if issued upon conversion of another security, clearly identify that other security)	

		Number	+Class
42	Number and +class of all +securities quoted on ASX (*including* the securities in clause 38)		

+ See chapter 19 for defined terms.

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.

- There is no reason why those +securities should not be granted +quotation.

- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

  Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.

- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here: .... Date: 6 December 2012
(Company secretary)

Print name: Miranda Conti

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for +eligible entities

Introduced 01/08/12

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate "A", the base figure from which the placement capacity is calculated	
Insert number of fully paid ordinary securities on issue 12 months before date of issue or agreement to issue	129,969,390
Add the following:	
• Number of fully paid ordinary securities issued in that 12 month period under an exception in rule 7.2	Nil
• Number of fully paid ordinary securities issued in that 12 month period with shareholder approval	13,600,000
• Number of partly paid ordinary securities that became fully paid in that 12 month period	Nil
Note: • *Include only ordinary securities here – other classes of equity securities cannot be added* • *Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed* • *It may be useful to set out issues of securities on different dates as separate line items*	
Subtract the number of fully paid ordinary securities cancelled during that 12 month period	Nil
"A"	143,569,390

Step 2: Calculate 15% of "A"	
"B"	0.15 *[Note: this value cannot be changed]*
Multiply "A" by 0.15	21,535,408
Step 3: Calculate "C", the amount of placement capacity under rule 7.1 that has already been used	
Insert number of equity securities issued or agreed to be issued in that 12 month period *not counting* those issued: • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 *Note:* • *This applies to equity securities, unless specifically excluded – not just ordinary securities* • *Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed* • *It may be useful to set out issues of securities on different dates as separate line items*	Nil
"C"	Nil
Step 4: Subtract "C" from ["A" x "B"] to calculate remaining placement capacity under rule 7.1	
"A" x 0.15 *Note: number must be same as shown in Step 2*	21,535,408
Subtract "C" *Note: number must be same as shown in Step 3*	Nil
Total ["A" x 0.15] – "C"	21,535,408 *[Note: this is the remaining placement capacity under rule 7.1]*

+ See chapter 19 for defined terms.

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate "A", the base figure from which the placement capacity is calculated	
"A" *Note: number must be same as shown in Step 1 of Part 1*	143,569,390
Step 2: Calculate 10% of "A"	
"D"	0.10 *Note: this value cannot be changed*
Multiply "A" by 0.10	
Step 3: Calculate "E", the amount of placement capacity under rule 7.1A that has already been used	
Insert number of equity securities issued or agreed to be issued in that 12 month period under rule 7.1A *Notes:* • *This applies to equity securities – not just ordinary securities* • *Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed* • *Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained* • *It may be useful to set out issues of securities on different dates as separate line items*	Nil
"E"	Nil

Step 4: Subtract "E" from ["A" x "D"] to calculate remaining placement capacity under rule 7.1A	
"A" x 0.10 *Note: number must be same as shown in Step 2*	14,356,939
Subtract "E" *Note: number must be same as shown in Step 3*	Nil
Total ["A" x 0.10] – "E"	*14,356,939* *Note: this is the remaining placement capacity under rule 7.1A*

+ See chapter 19 for defined terms.

Appendix 3B – Annexure 2

Section 35 of Appendix 3B

REDSTONE RESOURCES LIMITED
Top Listing - Grouped

Rank	Name	Units	% of Units
1	SAMARKAND HOLDING PTY LTD <SAMARKAND A/C>	987,575	9.88
2	EASTERN PROSPECTING PTY LTD <EASTERN PROSPECTING A/C>	987,575	9.88
3	BULLRUN INVESTMENTS PTY LTD <BULLRUN ACCOUNT>	972,575	9.73
4	MR EDWARD VAN HEEMST + MRS MARILYN ELAINE VAN HEEMST <LYNWARD SUPER FUND A/C>	850,000	8.5
5	LANARK RESOURCES PTY LTD <LANARK HOLDINGS A/C>	589,575	5.9
6	GREYHOUND INVESTMENTS PTY LTD <GREYHOUND INVESTMENTS A/C>	278,200	2.78
7	MUSCODA HOLDINGS PTY LTD	270,273	2.7
8	ACEDAY INVESTMENTS PTY LTD <THE HOFMANN SUPER FUND A/C>	160,000	1.6
9	TROYWARD PTY LTD	155,000	1.55
10	POSSUM INVESTORS PTY LTD <THE POSSUM A/C>	150,000	1.5
11	**GROUP # 889252**	**138,681**	**1.39**
.	ARGONAUT EQUITY PARTNERS PTY LIMITED	138,681	1.39
12	**GROUP # 889121**	**138,400**	**1.38**
.	AFM PERSEUS FUND LIMITED	138,400	1.38
13	HS SUPERANNUATION PTY LTD <HS SUPERANNUATION FUND A/C>	126,408	1.26
14	MR THOMAS MILENTIS	118,000	1.18
15	MR CHEE NAM LIEW + MRS LEE CHIN LIEW <LIEW FAMILY SUPER FUND A/C>	114,590	1.15
16	MR LINDSAY JOHN ARCHER + MRS DALE BEVERLEY ARCHER <ARCHER SUPER FUND A/C>	103,000	1.03
17	MIDALU PTY LTD <SUPER FUND A/C>	91,133	0.91
18	ALL STATES SECRETARIAT PTY LTD <ALL STATES SECRETARIAT S/F A/C>	79,448	0.79
19	MS MIRANDA CONTI + MR ANTON CONTI <THE M & A CONTI FAMILY A/C>	79,333	0.79
20	HOWLAND ROSE HOLDINGS PTY LTD <HOWLAND ROSE FAMILY A/C>	78,055	0.78

Totals: Top 20 holders of RDSO 28022016/$0.20	**6,467,821**	**64.69**
Total Remaining Holders Balance	**3,529,784**	**35.31**
Total Holders Balance	**9,997,605**	**100**

Appendix 3B – Annexure 2

Section 36 of Appendix 3B

	Holders of Ordinary Shares	Number of Ordinary Shares	%
1 - 5,000	101	59,319	0.59
1,001 - 5,000	153	449,259	4.49
5,001-10,000	65	469,567	4.70
10,001 -100,000	106	2,879,608	28.80
100,001 and over	16	6,139,852	61.41
TOTALS	441	9,997,605	100.00