REDSTONE RESOURCES

ASX ANNOUNCEMENT
25 June 2020

Excellent High Grade Copper Results including 13m at 3% continue at Tollu, West Musgrave

HIGHLIGHTS

- **Assays from 3 drill holes for a total of 662m at the Tollu Copper Vein Project return significant high grade copper results, including 13m at 3% at the Forio Prospect;**

- **The significant copper intercepts include*:**
  - **26m @ 1.03% Cu from 277m downhole (TLC166), including:**
    - **2m @ 2.9 % Cu from 281m downhole.**
  - **13m @ 3.04% Cu from 56m downhole (TLC172), including:**
    - **8m @ 4.4% from 57m downhole.**
  - **11m @ 1.4% Cu from 4m downhole (TLC173), including:**
    - **4m @ 2.7% from 7m downhole.**

- **Drill holes TLC172 and TLC173 at Forio Prospect confirm continuity, both laterally and to depth, of the thick high grade lens of copper mineralisation previously intersected in 2017 drilling, which included one of the highest grade intersections ever recorded at Tollu, being 1m at 11.9% copper from 31m downhole (TLC153).**

- **Drilling at the intersection of the vein systems of the Chatsworth Prospect and Eastern Reef Prospect (TLC166) confirms mineralisation is not lost at depth beneath historical drillhole TLC045 which intersected a thick lens of mineralisation of 27m at 1.45% Copper from 232m downhole (TLC045).**

- **These drilling results validate the prospectivity of Redstone's tenure and its potential to host economic copper mineralisation.**

- **Copper sentiment returning strongly following global lockdown lows in March, arising from potential COVID-19 related mine production issues.**

*A table of drill collar locations is presented in **Appendix 1** and a table of significant results has been included in **Appendix 2**. The JORC Table 1 for these results can be found in **Appendix 3**.

Redstone Resources Limited (**ASX: RDS**) (**Redstone** or the **Company**) is pleased to announce the final assay results from its recent reverse circulation (RC) drilling at the Tollu Copper Vein Project (**Tollu**), at the Company's 100% owned West Musgrave Project (the **Project**).

A total of three RC drill holes for 662m was completed on Tollu. Two drill holes, TLC172 and TLC173, were aimed at testing continuity of mineralisation lenses previously intersected in the 2017 drilling of the Forio Prospect (ASX announcement of 31 October 2017). Another drill hole, TLC166, was aimed at testing for deeper mineralisation below historical drilling at the intersection of the Chatsworth and Eastern Reef Prospects (**Figure 1**). The significant assay results for these drill holes is summarised above.

Redstone Chairman, Richard Homsany, commenting on the results said:

> *"We are very pleased to report further excellent high grade copper results at Tollu. All Tollu drilling campaigns have returned high grade copper and the availability of further funding is required to unlock the value of Redstone's West Musgrave tenure. Redstone has proven short to medium scale continuity, both laterally and to depth, of the thick high grade lens of copper mineralisation intersected at the Forio Prospect. In addition the Company has shown that very thick mineralisation discovered at the intersection of the Chatsworth and Eastern Reef vein systems is not lost at depth as was previously thought.*
>
> *These results validate the prospectivity of Redstone's tenure to host potential economic copper mineralisation. There is confidence that further high grade lenses at Tollu could be discovered with further drilling. Redstone will consider and evaluate what next steps are available to it at Tollu."*

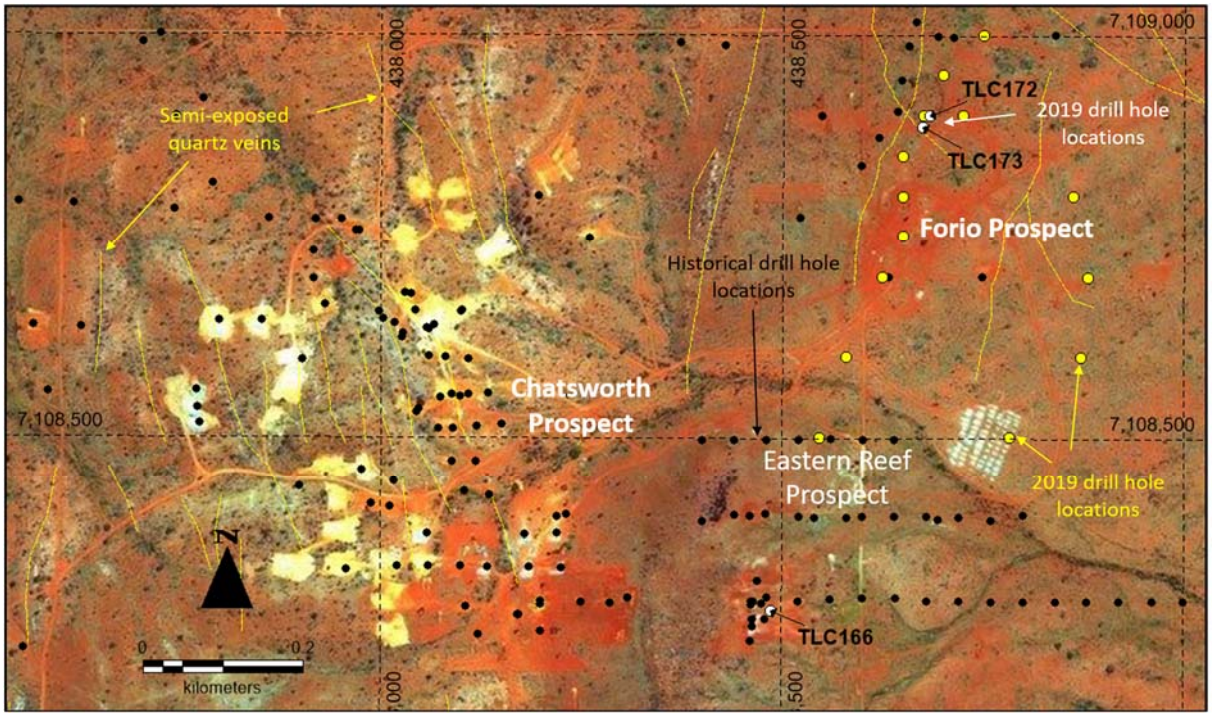

Figure 1 – Tollu Drill Hole Location Map

FORIO PROSPECT MINERALISATION

RC drill holes TLC172 and TLC173 have proven short to medium scale continuity, both laterally and to depth, of the thick high grade lens of copper mineralisation intersected at the Forio Prospect in 2017 (**Figure 2**). In the 2017 drilling TLC153 intersected 14m at 3.2% copper from only 27m downhole from the surface. This included one of the highest grade intersections ever recorded at Tollu, being 1m at 11.9% copper from 31m downhole. Sub-cropping oxide copper mineralisation (malachite) was observed at the surface.

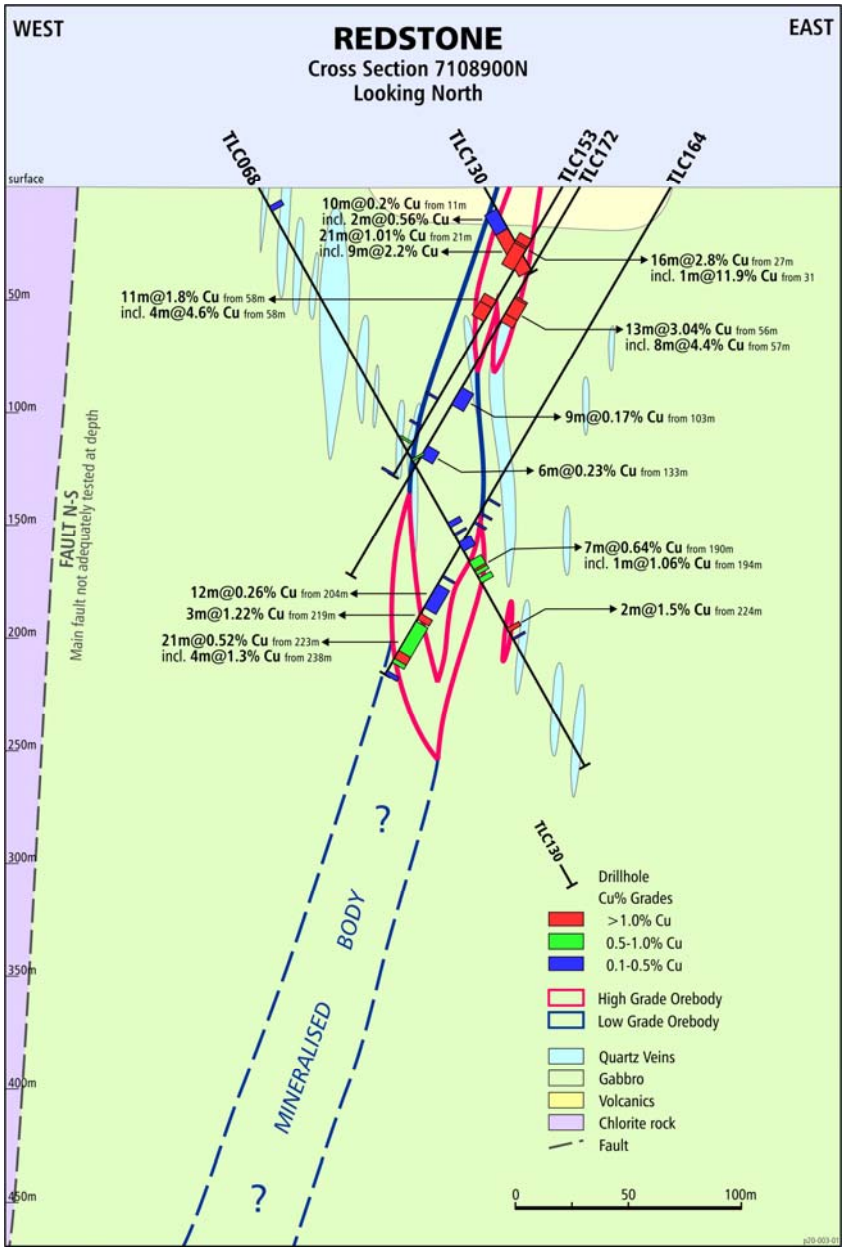

Figure 2 – East-West cross-section (looking north) through the Forio Prospect vein system showing the short and medium scale continuity of the high grade copper mineralisation lens proven by TLC153 and the recently drilled TLC172. Note that the projection of a question marked potential mineralised body at depth in this cross-section is not suggesting that there is, rather that more lenses could exist where drilling has not tested.

The recently drilled TLC172 aimed to test this high grade copper mineralisation lens for depth continuity, some 14-15m beneath the 2017 Forio Prospect intersection (**Figure 2**). TLC 173 aimed to test the high grade lens for lateral continuity, by drilling along the strike of the structure some 15m to the south of the 2017 intersection. The 2019 drill holes show that the lens continues at depth with similar thickness and grade with 13m at 3.04% copper from 57m downhole and laterally to the south, very close to the surface, with 11m at 1.4% copper from 4m downhole, inclusive of 4m at 2.7% copper from 7m downhole (**Figure 2**).

CHATSWORTH AND EASTERN REEF PROSPECT MINERALISATION

RC drill hole TLC166 has proven that very thick mineralisation discovered at the intersection of the vein systems of the Chatsworth Prospect and Eastern Reef Prospect (**Figure 1**) is not lost at depth as was previously thought from historical drilling. TLC166 was aimed to test beneath historical drilling which showed that a thick lens of mineralisation intersected in TLC045 (27m at 1.45% Copper from 232m downhole (refer to JORC Table 1 of ASX announcement of 15 June, 2016) had not continued in TLC055, which was drilled approximately 70m beneath TLC045 vertically. TLC166 is positioned some 30m beneath TLC055 and 100m beneath TLC045 vertically and 10-12m to the south of both drill holes. It intersected 26m at 1.03% copper from 277m downhole, proving that the thick lens intersected in TLC045 re-emerges at depth or continues but is possibly oriented in a way that did not allow TLC055 to intersect it.

The recently completed 2019 drilling has continued to show that the Tollu copper vein system is capable of producing thick high grade lenses of copper mineralisation that can be continuous over the short to medium scale. It is important to also note that the results from the recent drilling, along with the results from the 2017 drilling at the Forio Prospect have yet to be included in the Tollu maiden resource (ASX announcement of 15 June, 2016).

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This Announcement has been approved for release by the Board of Redstone Resources Limited.

Competent Persons Statement

The information in this document that relates to exploration results was authorised by Dr Greg Shirtliff, who is employed as a Consultant to the company through Zephyr Professional Pty Ltd. Dr Shirtliff is a Member of the Australian Institute of Mining and Metallurgy and has sufficient experience of relevance to the tasks with which he was employed to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Dr Shirtliff consents to the inclusion in the report of matters based on information in the form and context in which it appears.

Forward-Looking Statements

This document may include forward-looking statements. Forward-looking statements include, but are not limited to statements concerning Redstone Resources Limited's (**Redstone**) planned exploration program and other statements that are not historical facts. When used in this document, the words such as "could", "plan", "estimate", "expect", "intend", "may", "potential", "should", and similar expressions are forward-looking statements. Although Redstone believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements.

REDSTONE RESOURCES

Redstone Resources Limited (**ASX: RDS**) 100% owned Tollu Copper Vein Project (**Tollu**), part of the Company's broader West Musgrave Project (the **Project**), is located in the southeast portion of the prospective West Musgrave region of Western Australia. The Project is located central to the Cassini Resources Nebo Babel prospect to the West and the Metals X Ltd Wingellina Ni-Co project to the East.

In 2017 the Company completed a detailed ground-up review of the project geology incorporating the historic geological, geochemical and geophysical dataset. This review identified the suitability of the electromagnetic (EM) geophysical method for identifying potential targets. The EM surveys (airborne and ground) have delineated a large thick disseminated sulphide rich volcanoclastic (ASX announcement 27 April 2018) and several targets to the north and south of Tollu.

Appendix 1: Drill Collar Details

Actual Hole ID	Easting	Northing	Method	Azimuth	Dip	Final Depth
TLC166	438486	7108286	GPS	270	60	336
TLC172	438682	7108901	GPS	270	60	200
TLC173	438674	7108887	GPS	270	60	126

Drill collar locations are in GDA94 Zone 52 from hand held GPS. Azimuth and Dip are in degrees. Final depths are in metres downhole.

Appendix 2: Table of Significant Intervals

Hole ID	From (m)	To (m)	Interval (m)	Cu (%)	Cut-off (%)	Dilution
TLC166	206	208	2	0.62	0.1	None
TLC166	277	303	26	1.03	0.1	None
TLC166	281	283	2	2.9	2	None
TLC172	56	69	13	3.04	0.25	None
TLC172	57	65	8	4.4	1	None
TLC172	57	59	2	5.5	5	None
TLC172	61	63	2	6	5	None
TLC172	82	85	3	1.8	1	None
TLC172	103	109	6	0.2	0.1	None
TLC173	4	15	11	1.4	0.5	None
TLC173	7	11	4	2.7	1	None

Appendix3: JORC Table 1

JORC Code, 2012 Edition – Table 1 report Tollu Project

Section 1 Sampling Techniques & Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature & quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity & the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.*	• Geochemical samples were taken from drill chips produced by a reverse circulation (RC) drill rig. Samples were split from the sample stream every metre as governed by metre marks on the drill string, by a cone splitter approximating between 7-13% of the full metre of sample. The dust box was used to control the flow of chips to the cone splitter. • Duplicates were taken every metre from the alternate sample opening on the cone splitter. This gave flexibility to where field duplicates were introduced into the geochemical sampling stream to the lab and allowed for compositing at any depth or interval. • On a regular basis both sample and duplicate were weighed with a simple hook based hand held scale to check for representivity of both the metre sampled and the duplicate. This weight was not recorded, rather used as an in-filed measure to alert drillers of issues with the cone splitter and drilling. • Samples were collected in calico bags – each bag weighed approximately 1-3kg. • In areas of targeted copper veins 1m RC chip samples were selected for laboratory analysis using a calibrated (using calibration discs and standardised compressed powders) hand-held XRF to discriminate high copper (Cu) values. HHXRF Cu value cut-offs used to select samples for laboratory based geochemical analysis was 0.1% and in most cases, the 1m sample either side of that value was also selected. In some drill holes the entire holes was sampled; where so outside the mineralised zones were composited into 4m composites. • A small (1-2 teaspoon sized) representative sample was kept of each metre for record purposes.

Criteria	JORC Code explanation	Commentary
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) & details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented & if so, by what method, etc.).*	• Reverse Circulation drilling was used to obtain 1m samples for the purpose of geological logging and geochemistry. Compositing was performed for some geochemical samples (see elsewhere in this table) • RC sampling completed using a 5.5" diameter drill bit with a face sampling hammer. RC drilling rigs were equipped with a booster compressor.
Drill sample recovery	• *Method of recording & assessing core & chip sample recoveries & results assessed.* • *Measures taken to maximise sample recovery & ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery & grade & whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• RC Drillers were advised by geologists of the ground conditions expected for each hole and instructed to adopt an RC drilling strategy to maximize sample recovery, minimize contamination and maintain required spatial position. • Sample recovery is approximated by assuming volume and rock densities for each metre of the drill hole and back referencing to this for individual metres coming from the cone splitter. • Actual metal grades are not detailed in the ASX release. No correlation was observed between the amount of sample passing through the cone splitter and the geology or amount of sulphides observed.
Logging	• *Whether core & chip samples have been geologically & geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies & metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.* • *The total length & percentage of the relevant intersections logged.*	• All drilling in this ASX release is by reverse circulation (RC). RC holes are geologically logged on a 1m interval basis. Where no sample is returned due to voids or lost sample, it is logged and recorded as such. The weathering profile is logged with no washing/sieving as well as washed/sieving to identify the transition into fresh rock and to identify unweathered quartz veins. In fresh rock all RC chips are logged by washing/sieving. • Geological logging is qualitative and quantitative in nature. • Visual estimations of sulphides and geological interpretations are based on examination of drill chips from a reverse circulation (RC) drill rig using a hand lens during drilling operations. Chips are washed and sieved prior to logging. • It should be noted that whilst % mineral proportions are based on standards as set out by JORC, they are estimation only and can be subjective to individual geologists to some degree.

Criteria	JORC Code explanation	Commentary
		• Details of the sulphides, type, nature of occurrence and general % proportion estimation are found within the text of the release.
Sub-sampling techniques & sample preparation	• *If core, whether cut or sawn & whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc.& whether sampled wet or dry.* • *For all sample types, the nature, quality & appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• Geochemical samples were taken from drill chips produced by a reverse circulation (RC) drill rig. All sampling techniques are described above. The nature and quality of the sampling technique was considered appropriate for the drilling technique applied and for the geochemical analysis sought. • As described above a cone splitter was used to split samples from the RC sample stream. The cone splitter was levelled prior to drilling and this level was checked at regular intervals throughout the drilling of each drill hole to ensure representivity of sample. • A field duplicate was taken for every metre sampled and both duplicate and original sample were weighed in the field using a hook based hand held scale to check for sample representivity. • Filed duplicates were introduced into the geochemical sample submission at approximately 1 in 20 samples or 5% of the sample stream. • Quartz sand blanks were introduced into the sample stream at 1 in 20 or 5%. • The laboratory introduced copper standards for samples from the area of copper veins (TLC holes) at the rate of 1 in 20 or 5% or at smaller intervals. • At the lab, samples were crushed to a nominal 2mm using a jaw crusher before being split using a rotary splitter into 400-700g samples for pulverising. • Samples were pulverised to a nominal >90% passing 75 micron for which a 100g sample was then selected for analysis. A spatula was used to sample from the pulverised sample for digestion. • Bureau Veritas Laboratories in Perth use their own internal standards and blanks as well as flushing and cleaning methods accredited by international standards. • Sample sizes and splits are considered appropriate to the grain size of the material being sampled as according to the Gi standard formulas.

Criteria	JORC Code explanation	Commentary
Quality of assay data & laboratory tests	• *The nature, quality & appropriateness of the assaying & laboratory procedures used & whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make & model, reading times, calibrations factors applied & their derivation, etc.* • *Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) & whether acceptable levels of accuracy (i.e. lack of bias) & precision have been established.*	• Geochemical analyses performed consisted of a four acid digestion and/or peroxide fusion before Inductively Coupled Plasma Mass Spectrometer (ICPMS) or Inductively Coupled Plasma Atomic Emission Spectrometer (ICPAES). This technique is considered a total analysis. • As described above the HHXRF used to determine which samples were selected for analysis in the area of the copper veins was calibrated using calibration discs and standardised compressed powders at the start of every day and approximately every hour when analysing. • All standards, blanks and filed duplicates are described above. • The total error for copper (Cu) concentrations as measured by field duplicates for the samples represented by this ASX release passed the average mean difference of ± 20%. This is considered within expectations for geochemical sampling of RC drilling and shows no significant bias towards the positive or negative.
Verification of sampling & assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical & electronic) protocols.* • *Discuss any adjustment to assay data.*	• Verification of significant intersections as shown by the results of geochemical analyses has been made via Zephyr Professional Pty Ltd employees and Redstone employees internally. • There has been no dedicated twinned holes in this drilling program. Drill holes were drilled proximal to historical drill holes at Tollu to test for short and medium scale continuity of ore lenses within the Tollu stated JORC 2012 compliant resource. Holes were too far away from the historical holes to be considered ‘twins’ • All geological and geochemical data has been checked by both Redstone employees and Zephyr directors. All geological and drilling data has been entered into a Redstone Access database. The geochemistry is currently being analysed but will also eventually be included in the Access database.

Criteria	JORC Code explanation	Commentary
Location of data points	• *Accuracy & quality of surveys used to locate drill holes (collar & down-hole surveys), trenches, mine workings & other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality & adequacy of topographic control.*	• Apart from the current exploration drill holes all drill hole collars referenced in this ASX release have been surveyed for easting, northing & elevation using an RTK GPS system which was left to calibrate for 1.5 hours prior to recording survey data for each project location. The accuracy according to the GPS unit averaged approximately 10cm for all recordings (north, south and elevations). Data was collected in MGA94 Zone 52 & AHD. Current drill holes were positioned by handheld GPS.
Data spacing & distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing & distribution is sufficient to establish the degree of geological & grade continuity appropriate for the Mineral Resource & Ore Reserve estimation procedure(s)&classifications applied.* • *Whether sample compositing has been applied.*	• Drilling has been for exploration only, spacing varies between targets.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures & the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation & the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed & reported if material.*	• Drill angle details are given in the text of the release and in the table in the release. Orientation is according to the exploration target (see text of release for further details).
Sample security	• *The measures taken to ensure sample security.*	• All geochemical samples were selected by geologists in the field and sent directly to the laboratory from the field in a single vehicle, packaged in bulker bags. Results of geochemical analysis were sent directly to the designated Redstone geologist for entering into the Access database and for analysis.
Audits or reviews	• *The results of any audits or reviews of sampling techniques & data.*	• Not applicable

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement & land tenure status	• *Type, reference name/number, location & ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park & environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• The Tollu project is located within E69/2450 (Western Australia). This exploration license is held by Redstone Resources Ltd. • The tenement is in good standing & no known impediments exist.
Exploration done by other parties	• *Acknowledgment & appraisal of exploration by other parties.*	• There has been limited recent exploration undertaken by other parties at Tollu.
Geology	• *Deposit type, geological setting & style of mineralisation.*	• The genetic origin is currently under review and part of a research project.
Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* o *Easting & northing of the drill hole collar* o *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* o *dip & azimuth of the hole* o *down hole length & interception depth* o *hole length.* • *If the exclusion of this information is justified on the basis that the information is not Material & this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	• See the table in the release.

Criteria	JORC Code explanation	Commentary
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades)&cut-off grades are usually Material & should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results & longer lengths of low grade results, the procedure used for such aggregation should be stated & some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• Compositing has been described above. The technique for compositing used entailed the lab crushing every metre to a nominal 2mm crushed grain size before splitting off a 400-700g, sample using a rotary splitter, of each metre for compositing. The lab then proceeded to composite the 400-700g samples.
Relationship between mineralisation widths & intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known & only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').*	• No true widths have been stated in this ASX release, just downhole intercept lengths.
Diagrams	• *Appropriate maps & sections (with scales)&tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations & appropriate sectional views.*	• See ASX release
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low & high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• Only observations are reported, see data details above for further information
Other substantive exploration data	• *Other exploration data, if meaningful & material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size&method of treatment; metallurgical test results; bulk density, groundwater, geotechnical & rock characteristics; potential deleterious or contaminating substances.*	• No other exploration data collected is considered material to this announcement.
Further work	• *The nature & scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).*	• The details of the nature of future work are currently being assessed.

Criteria	JORC Code explanation	Commentary
	• *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations & future drilling areas, provided this information is not commercially sensitive.*	

Section 3 Estimation & Reporting of Mineral Resources

NOT APPLICABLE