



ASX ANNOUNCEMENT

RED MOUNTAIN MINING LTD (ASX:RMX)

28 April 2017

Quarterly Activities and Cashflow Report for quarter ending 31 March 2017

Mokabe-Kasiri Project

As announced on 21 March 2017, the Company entered into a binding exclusivity and earn-in agreement with CoCu Metals Ltd (**CoCu**) which controls 100% of the Mokabe-Kasiri Cobalt-Copper project (**Mokabe Cobalt-Copper Project**) in the Katanga Province of the Democratic Republic of Congo, Africa (**Agreement**). Under the Agreement, RMX has an exclusivity period of 6 weeks in order to conduct initial due diligence on the Mokabe Cobalt-Copper Project, including the tenure and technical due diligence.

Following the results of the initial due diligence RMX, solely at its election, has the option to proceed to earn-in into the project by way of incurring expenditure on the Mokabe Cobalt-Copper Project as follows:

Phase	Exploration Expenditure	CoCu Interest	RMX Interest
Commencement Date	Nil	100%	0%
First Earn-In	A\$250,000	80%	20%
Second Earn-In	A\$250,000	65%	35%
Third Earn-In	A\$500,000	49%	51%
Fourth Earn-In	A\$1.5m	34%	66%
Fifth Earn-In	A\$3.0m	20%	80% ¹

1 Upon RMX earning an 80% interest in the Project, the joint venture will be a customary pro rata contributing arrangement, provided that CoCu has the right to put its remaining 20% interest to the Company for A\$3.5m and a 1% NSR over the Project.

All expenditures incurred during the initial due diligence period shall count against the first earn-in phase requirement (should RMX elect to proceed). RMX is required to pay a \$50,000 non-refundable fee on execution of the Term Sheet. In the event RMX elects to earn-in to the Project, subject to having available placement capacity, RMX has agreed to issue 7.5m fully paid ordinary shares to CoCu and advisors or their nominees upon execution of formal acquisition agreements.

Red Valley Project

On 27 March 2017, the Company announced that its Salt Lake City based drilling contractor, Grimshaw Drilling, is currently mobilising the designated rig to the Company's Red Valley Lithium Brines Project in western Utah, USA. The Company is conducting a 3 x 1,000 foot well programme to test its Red Valley Lithium Brines Project for commercial levels of Lithium enriched brine.

Post the end of the quarter, on 12 April 2017, the Company advised that drilling at the Red Valley Lithium Brines Project had commenced. The Company is conducting a 3 x 1,000 feet well program at Red Valley, testing for commercial levels of Lithium enrichment in local brines across the 6,000 acre Project area.

The campaign is anticipated to be a circa 25 day drill program. Precise timing is dependent on weather, and quality of access to the other two drill locations. Conditions continue to improve however Utah has experienced an unusually high rainfall and late snowfall which has impacted some areas in terms of access for heavy equipment.

Batangas Gold Project

The Company retains its leverage to the Philippines based Batangas Gold project by way of its 1% NSR production royalty.

Business Development

The Board continues to identify and review additional opportunities in the gold, energy metals and base metals space and will provide updates as and when required in this respect.

Corporate

As announced on 14 March 2017, the Company raised \$1.75m (before costs) through the issue of 23,306,983 and 34,648,306 fully paid shares at an issue price of \$0.029 and \$0.031 per share, respectively.

During the quarter 6,020,000 RMXOG options were exercised. In addition, 2.5m unlisted options were exercised at \$0.02 each.

Post the end of the period, on 12 April 2017, the Company issued 25,000,000 Listed Options exercisable at \$0.018 on or before 12 December 2019 (RMXOH Options) as part consideration for capital raising and corporate advisory services.

As announced 31 March 2017, the Company's registered office and principal place of business changed to:

Suite 5
62 Ord Street
West Perth WA 6005

All other contact details remained the same.

For more details about Red Mountain Mining Ltd see <http://www.redmm.com.au/>

Tenement Table: ASX Listing Rule 5.3.3

Mining tenement interests held at the end of the quarter and their location

PERMIT NAME	PERMIT NUMBER	REGISTERED HOLDER/APPLICANT	AREA IN HECTARES	DATE OF RENEWAL PERIOD EXPIRATION	PERMIT TERM EXPIRY	INTEREST / CONTRACTUAL RIGHT
A1 – 10 , Utah	00197818-955 00197956-957	Amazona Enterprises	80.9	31-Aug-17	31-Aug-17	Contractual right to acquire 100%
W1 -10 , Utah	00197960-197967 00198117-198118	William Feyerabend	80.9	31-Aug-17	31-Aug-17	Contractual right to acquire 100%
RM1 – 270, Utah	00197618-197887	RMX USA Inc.	2,266	14-Feb-17	14-Feb-17	100%
Demiko ¹	ZEA 556	Tshiyaz Muneng Costa	340	N/A	N/A	Right to earn up to 80%
Comaki ¹	ZEA 557	Tshiyaz Muneng Costa	340	N/A	N/A	Right to earn up to 80%
Comialu ¹	ZEA 558	Tshiyaz Muneng Costa	425	N/A	N/A	Right to earn up to 80%
Comidel ¹	ZEA 559	Tshiyaz Muneng Costa	340	N/A	N/A	Right to earn up to 80%
KGCM ¹	ZEA 560	Tshiyaz Muneng Costa	425	N/A	N/A	Right to earn up to 80%
Psodema ¹	ZEA 561	Tshiyaz Muneng Costa	340	N/A	N/A	Right to earn up to 80%
CMAL ¹	ZEA 562	Tshiyaz Muneng Costa	340	N/A	N/A	Right to earn up to 80%
Comiko ¹	ZEA 563	Tshiyaz Muneng Costa	340	N/A	N/A	Right to earn up to 80%

*Note: Exploration Permits that have reached permit expiry have been submitted for renewal.

- As announced 21 March 2017, the Company has executed a binding exclusivity and earn-in agreement (**Agreement**) with CoCu Metals Ltd, who controls 100% of the permits ZEA 556 – 563. Pursuant to the terms of the Agreement, the Company has the right to earn up to 80% interest in the permits, subject to meeting exploration expenditure commitments.

The mining tenement interests relinquished during the quarter and their location

Nil.

The mining tenement interests acquired during the quarter and their location

The following tenement interests were acquired during the quarter.

ZEA 556 – 563, refer to Note 1 above.

Beneficial percentage interests held in farm-in or farm-out agreements at the end of the quarter

Not applicable

Beneficial percentage interests in farm-in or farm-out agreements acquired or disposed of during the quarter

Not applicable.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

RED MOUNTAIN MINING LIMITED

ABN

40 119 568 106

Quarter ended ("current quarter")

31 March 2017

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	5	1
1.2	Payments for		
	(a) exploration & evaluation	(281)	(536)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	-	-
	(e) administration and corporate costs	(339)	(1,070)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	12	24
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Research and development refunds	-	-
1.8	Other (New business)	(50)	(130)
1.9	Net cash from / (used in) operating activities	(653)	(1,711)

2.	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	-	-

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	1,638	3,608
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	143	143
3.4	Transaction costs related to issues of shares, convertible notes or options	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (Monies from shares allotted from prior quarter)	(2)	-
3.10	Net cash from / (used in) financing activities	1,779	3,751

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,668	757
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(653)	(1,711)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	1,779	3,751
4.5	Effect of movement in exchange rates on cash held	(1)	(4)
4.6	Cash and cash equivalents at end of period	2,793	2,793

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	2,768	1,643
5.2 Call deposits	25	25
5.3 Bank overdrafts	-	-
5.4 Other (details)	-	-
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	2,793	1,668

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

Current quarter \$A'000
31
-

1.2(e) Includes gross salaries and fees to directors.

7. Payments to related entities of the entity and their associates

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

Current quarter \$A'000
-
-

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

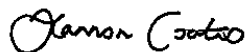
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9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	100
9.2 Development	-
9.3 Production	-
9.4 Staff costs	-
9.5 Administration and corporate costs	150
9.6 Other (provide details if material)	-
9.7 Total estimated cash outflows	250

10. Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced				
10.2 Interests in mining tenements and petroleum tenements acquired or increased	ZEA 556 ZEA 557 ZEA 558 ZEA 559 ZEA 560 ZEA 561 ZEA 562 ZEA 563 Located in the DRC	Right to earn up to 80% interest	0%	Right to earn up to 80% interest

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.



Sign here:
(Company secretary)

Date: 28 April 2017

Print name: Shannon Coates

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.