



ASX : RMX
Company Directors
Jeremy King
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Company Secretary
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RED MOUNTAIN MINING LTD
4 July 2017

COMPANY UPDATE

Red Valley Lithium Brines Project

Red Mountain Mining Ltd (ASX:RMX) advises that it has received laboratory results from drilling operations at its Red Valley Lithium Brines Project in western Utah, USA.

While anomalous levels of Lithium were present in brine samples for a reasonable portion of both hole 1 and hole 2, the Board has concluded that there was insufficient Lithium enrichment present in order to justify continued work at Red Valley. The Company will therefore not be proceeding with hole 3, and nor will it proceed with its joint venture in respect of the Red Valley Lithium Brines Project, and no consideration payments shall be made.

Director, Jeremy King, commented:

"Results at Red Valley are disappointing. Anomalous Lithium was present but not in quantities required for commercial operations. In addition, it was not clear that the reservoir characteristics necessary for a Clayton Valley style, Lithium brines operation are in place at Red Valley. We were always chasing a significant, conventional Lithium brines operation, and consequently we have no choice but to cease work."

It should be noted that analysis of a small number of samples from hole 1 have yet to be received and the Company expects to receive these results in the next 3 to 4 business days. However, the Company does not expect these results to differ materially from those already received.

The Company notes that the cost of the operation at Red Valley has been broadly in line with budget.

Mokabe-Kasari Cobalt-Copper Project

The Company advises that its technical advisor on the Mokabe-Kasari Cobalt-Copper Project in the Lualaba Province, Democratic Republic of Congo (DRC), CSA Global, has recently conducted a site visit. Ground work due diligence has been completed, including verification and fresh sampling. The Company expects to be able to report on such results in the near term. As a result of the site visit, CSA has begun work on designing a detailed ground-work programme. To allow for results and analysis, the Company has been granted an extension of exclusivity over the project.

-Ends-

For and on behalf of the Board.
Shannon Coates, Company Secretary