



ASX ANNOUNCEMENT

10 May 2023

Expansion of Attwood Lake Lithium Project, Ontario, Canada Capital Raising Update

HIGHLIGHTS

- Redstone expands the Attwood Lake Area Lithium Project (Attwood Lake or the Project) by 33% to 7,393 hectares.
- On 4 May 2023 Redstone announced that it had entered into an exclusive Option agreement to acquire a 100% interest in the Attwood Lake properties in northwestern Ontario, Canada, which are highly prospective for lithium (Li) and rare elements pegmatite hosted mineralisation.
- Redstone has since expanded the Project 33% from the original two claim groups, Witchwood and Greenside, comprising 3,026 hectares (7 claims) and 2,546 hectares (6 claims) respectively, by staking an additional 1,821 hectares (4 claims) to merge the two original claim groups to comprise a single contiguous Project tenure of 7,393 hectares (refer Figure 1).
- Attwood Lake is located ~ 170km northwest of Nakina, in northwestern Ontario with good all-weather road, current and near-future logging road access in a region that boasts several advanced lithium projects.
- Numerous deposits that host significant lithium oxide (Li₂O) that have already been delineated in the region (Figure 2), include:
 - Seymour Lake Lithium Deposit and Root Lake-McCombe Lithium Deposit owned by Green Technology Metals (ASX: GT1);
 - Deposits owned by Rock Tech Lithium and Infinite Ore in the Georgia Lake pegmatite field;
 - Separation Rapids Lithium deposit owned by Avalon Advanced Materials Inc.; and
 - PAK and Sparks deposits owned by Frontier Lithium.
- The structural complexity of the Attwood Lake area with numerous synclines and fault patterns in association with a subprovince terrane boundary provides excellent pathways and fracture systems for parental melts and deposition of pegmatite bodies.
- Planning underway for Phase 1 exploration program to commence as soon as practicable.
- The Attwood Lake Project acquisition complements the Company's existing 100% owned West Musgrave copper-nickel project, and its strategy to increase exposure to the growing global battery minerals and explore for minerals that are regarded as critical and in high demand.
- The Company has accepted oversubscriptions of \$30,000 for a total Capital Raising of \$1.28M. Additionally, the Board has, in consultation with the Lead Manager, resolved to re-price the 1:3 free attaching option pertaining to the Placement from \$0.04 to \$0.025.



Redstone Resources Limited (ASX: RDS) (**Redstone** or the **Company**) is pleased to announce that it has acquired an additional 1,821 hectares comprising 4 claims, expanding the original tenure of its Attwood Lake Area Lithium Project (**Attwood Lake** or the **Project**) by 33% to 7,393 hectares.

On 4 May 2023 the Company announced that it had entered into an exclusive Option agreement to acquire a 100% legal and beneficial interest in the Attwood Lake Properties, which are considered highly prospective for Li and/or rare element pegmatites. The Project is located in northwestern Ontario, Canada where numerous lithium deposits and advanced lithium projects have documented to host significant resources of Li_2O .

The Attwood Lake Project, which originally consisted of two claim groups, namely the Witchwood and Greenside Lithium properties comprising 3,026 hectares (7 claims) and 2,546 hectares (6 claims) respectively has now been expanded by 1,821 hectares to merge the two original group claims and expand the Project by 33% to comprise a single contiguous Project tenure of 7,393 hectares (17 claims) (**Figure 1**). The further 4 unpatented mining claims were included in the Option Agreement for an additional payment of C\$4,500 to the vendors.

The Attwood Lake properties are located approximately 170km northwest of Nakina, Ontario. Access to the Project properties can be made by good all-weather road as well as current and near-future logging road access.

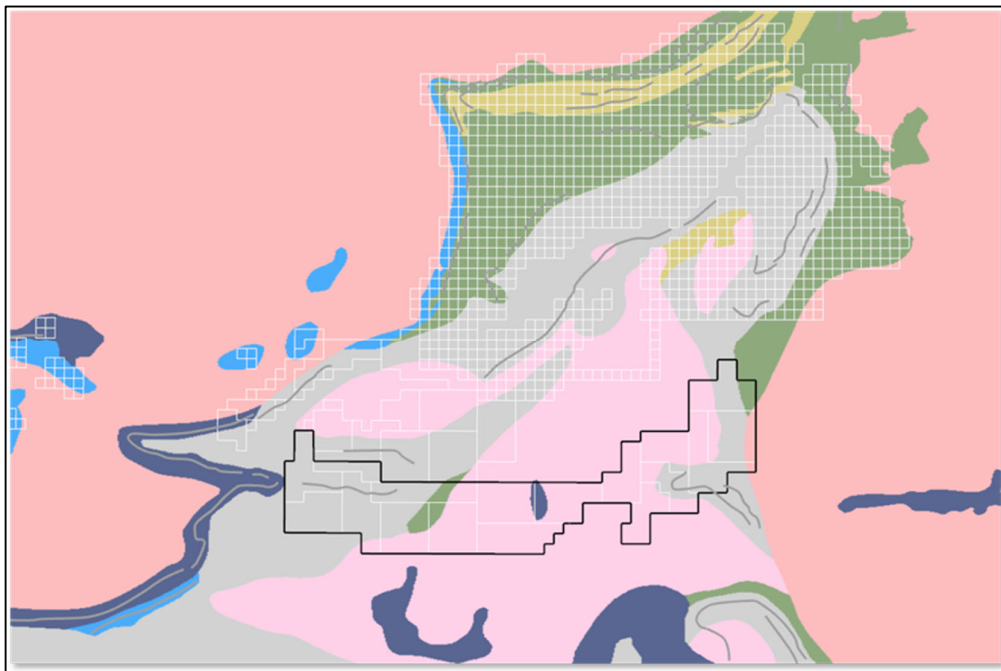


Figure 1: The expanded Attwood Lake Lithium Project Tenure in Nakina, Ontario in Canada.



REGIONAL GEOLOGY

The Project is hosted within the English River Subprovince in northwestern Ontario. The English River Subprovince is an 800 km long by 35– 190 km wide Neoproterozoic metasedimentary belt. Two intrusive suites predominate the English River Subprovince. The first is a suite of diorite–tonalite–granodiorite that has been dated at ca. 2698 Ma. The second intrusive suite is a peraluminous granite suite that has been dated at ca. 2691 Ma. These intrusions are related to the migmatization of the metasedimentary rocks and range from in situ leucosome to large peraluminous two-mica or cordierite–biotite granite intrusions (Breaks 1991)².

The location of Attwood Lake is geologically significant in that the Project properties straddle or are located within 5km north of the Uchi-English River terrane boundary. Numerous Li-deposits/projects of northwestern Ontario are located within 20km of this same terrane boundary. Terrane boundaries represent deep seated sutures that divide accreted Archean terranes and likely acted as conduits for fertile peraluminous granites and therefore have an integral relationship between lithium deposits and structure (Breaks et al., 2003)¹ (Figure 2).

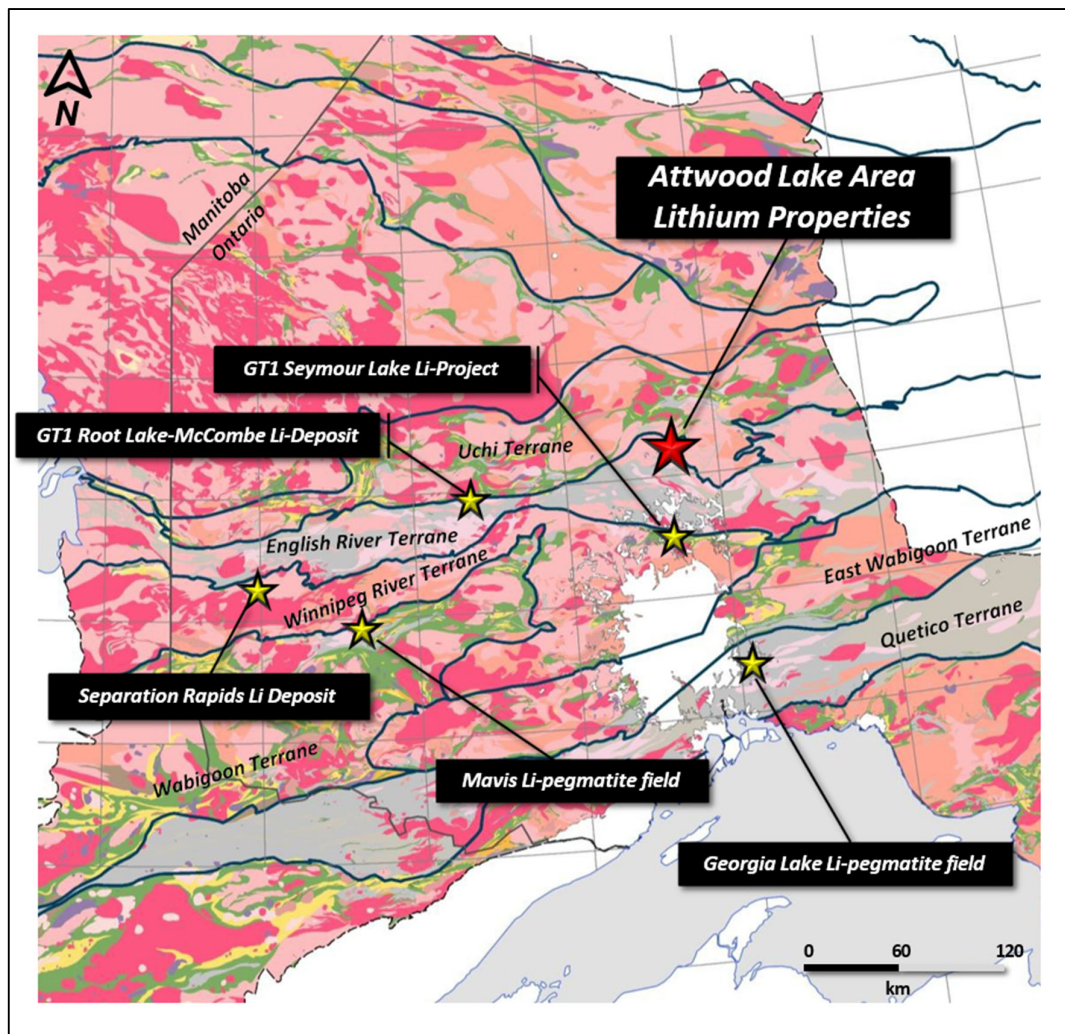


Figure 2: Location of the Attwood Lake Lithium Properties and proximity to other northwestern Ontario Li-Deposits/Projects, including GT1's Seymour Lake Li-Deposit and GT1's Root-Lake McCombe Lithium Deposit. The Attwood Properties are located within 5km north of the Uchi-English River terrane boundary.



The Project properties are hosted within a folded sequence of gneissic metasediments and greenstone that contain muscovite-bearing granitic rocks (including a peraluminous S-type fertile granite in contact with the metasediments). The metasediments make excellent exo-contact hosts for fractionating parental fertile granites that could potentially yield fluids to create Li- and REE-bearing pegmatites (Breaks et al., 2003)¹. The Project is located proximal to a subprovince boundary with numerous structural faults and synforms as mapped by the OGS, that could provide excellent conduits and pathways for parental melts and late stage pegmatite forming fluids (**Figure 3**).

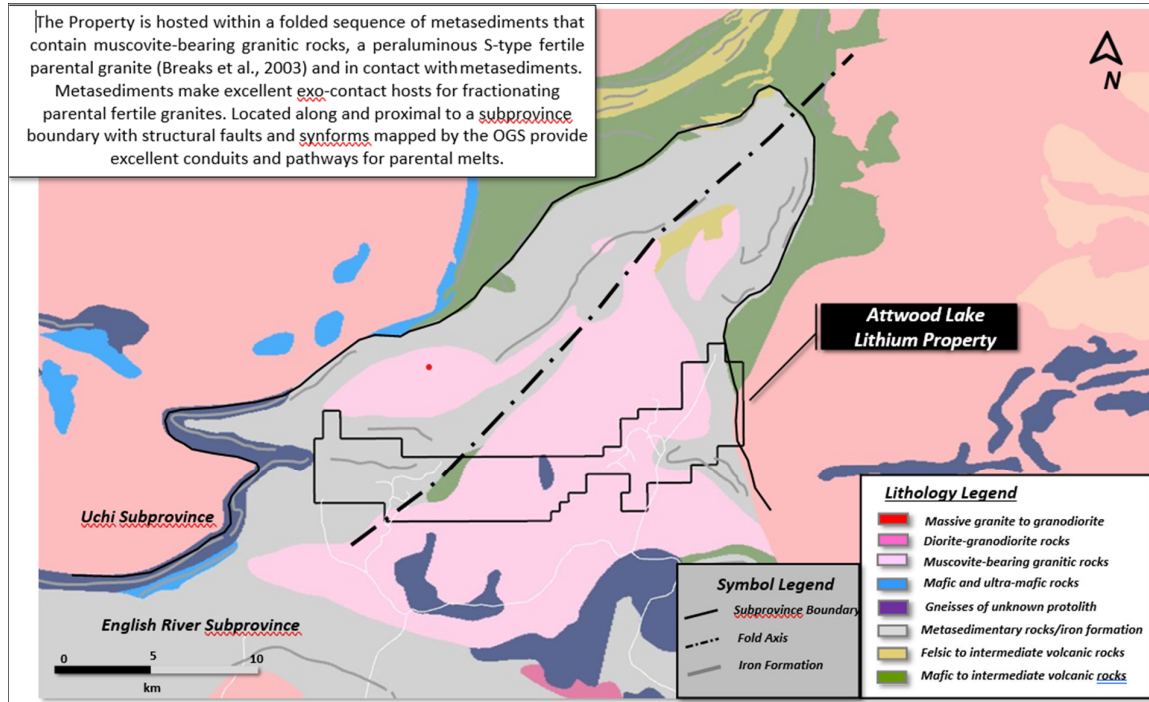


Figure 3: Regional structural features of the Attwood Properties.

Reconnaissance mapping undertaken by the OGS in 2016 (M3800), mostly along lakeshores, have identified numerous muscovite-bearing pegmatites in the Attwood Lake area. These pegmatites occur in metasediments and along the peraluminous granite contacts suggesting fractionation of the parental plutons (**Figure 4**). A compilation of assessment reports has also yielded a number of pegmatites identified in historical drilling near to the Attwood Lake Properties. All of these occurrences indicate that there is a strong likelihood for the discovery of pegmatites on the Attwood Lake Property and potentially the discovery of Li and REEs.

NORTHWESTERN ONTARIO LITHIUM DEPOSITS AND MINING DISTRICT

Northwest Ontario has a long mining history with mining suppliers and contractors regionally available. Planning and development of further mining and processing of lithium projects by companies operating in the region demonstrates the significance and prospectivity of this area.

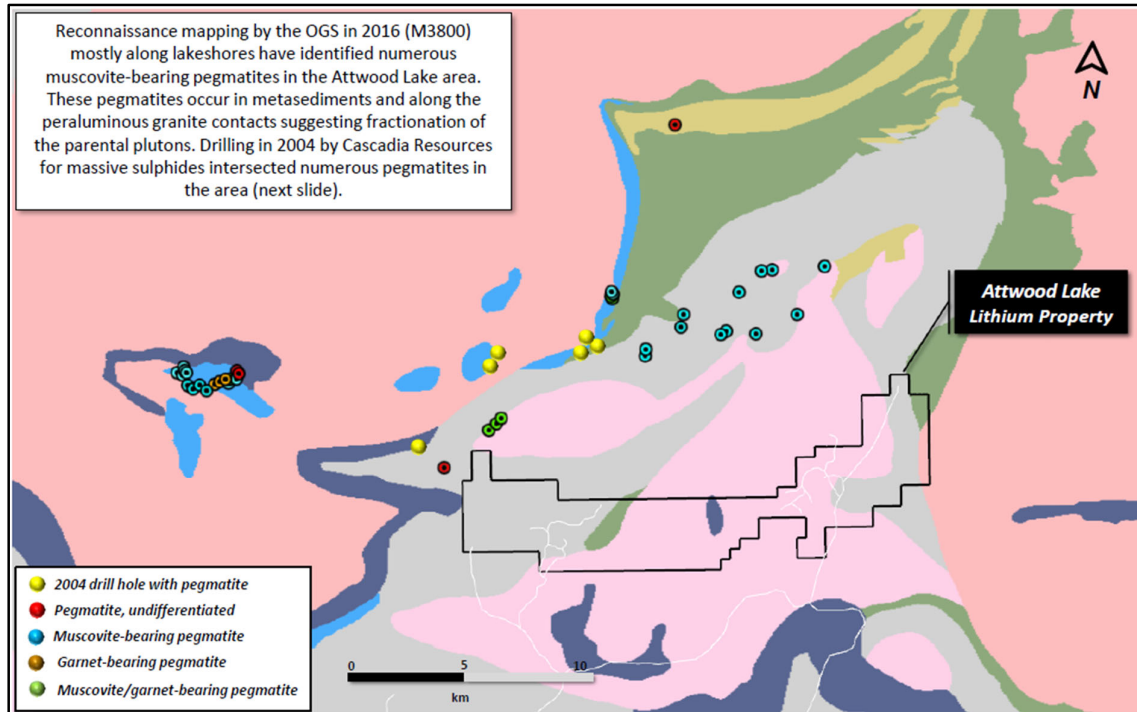


Figure 4: Pegmatites of Attwood Lake Area

Some of the significant Li deposits already delineated in the northwestern Ontario region proximal to the Project include GT1's Seymour Lake Lithium Deposit (**Seymour**) situated approximately 75km's south of the Project and the Root-Lake McCombe Lithium Deposit (**Root**), situated approximately 215km west of the Project (**Figure 2**).

Seymour has an existing Mineral Resource estimate of 9.9 Mt @ 1.04% Li₂O (comprised of 5.2 Mt at 1.29% Li₂O Indicated and 4.7 Mt at 0.76% Li₂O Inferred (refer **GT1 ASX Announcement of 23 June 2022**)³ at their North and South Aubry Deposit areas. In April 2023 GT1 also announced a maiden mineral resource for the Root Project, at the advanced McCombe deposit area with an estimate of 4.5 million tonnes at 1.01 per cent lithium and 110 parts per million (ppm) Ta₂O₅ (inferred) (refer **GT1 ASX Announcement of 19 April 2023**)⁴. The Root Deposit has supplemented GT1's total mineral resources to 14.4Mt (refer **GT1 ASX Announcement of 19 April 2023**)⁴.

Other significant Li deposits in the region include the Georgia Lake Li deposit owned by Rock Tech Lithium, located 160km north of the Thunder Bay Mining District, Infinite Ore's Jackpot Lithium Project, both of which are located in the Georgia Lake pegmatite field area, and also the Separation Rapids Lithium deposit owned by Avalon Advanced Materials (**Figure 2**).



CAPITAL RAISING UPDATE AND OPTION RE-PRICING

On 4 May 2023 Redstone Resources Ltd (ASX: RDS) (**Redstone** or the **Company**) advised that it would issue 125,000,000 million fully paid ordinary shares in the Company at \$0.010 per share (**Shares**) with a 1:3 free attaching unlisted \$0.04 option exercisable on or before 31 December 2025 (**Options**), to raise \$1.25M (before costs) (the **Placement**).

The Company now advises that it has accepted an oversubscription to the Placement of \$30,000 for a total amount to be raised of \$1.28M, resulting in the issue of an additional 3,000,000 Shares at \$0.010 per Share and 1,000,000 Options.

Additionally, the Board of Directors, in consultation with the lead manager, GBA Capital Pty Ltd (**GBA**), has taken the decision to re-price the Options included in the Placement from \$0.04 to \$0.025. The Options will remain exercisable on or before the expiry of 31 December 2025. There is no change to the number of securities to be issued pursuant to the Placement as a result of the Option re-pricing.

The Shares, including Shares to be issued to the Lead Manager, will be issued under the Company's existing placement capacity under ASX Listing Rule 7.1A (73,683,239) and ASX Listing Rule 7.1 (30,816,761). The Shares to be issued under the Placement (excluding those to the Directors of the Company) is now expected to occur on 12 May 2023 and will rank equally with the Company's existing fully paid ordinary shares.

The Directors of the Company have committed to participate up to \$250,000 in the Placement. Director participation in the Placement will be subject to, inter alia, shareholder approval under ASX Listing Rule 10.11.

The Company will seek shareholder approval for the issue of the 42,666,667 \$0.025 free attaching Placement Options, 1,500,000 \$0.025 Lead Manager Options and Placement Shares to be issued to the Directors.

Proceeds from the Placement will be used to undertake initial exploration activities on the recently acquired Attwood Lake Project in Ontario, Canada, for the West Musgrave Project and for general working capital purposes.

The Company advises that other than the information contained in this announcement, there is no other information that the Company deems to be material that requires disclosure under Listing Rule 3.1 at this time.

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

For personal use only



For further information please contact:

Richard Homsany	Miranda Conti
Chairman	Company Secretary
Redstone Resources Limited	Redstone Resources Limited
+61 8 9328 2552	+61 8 9328 2552
contact@redstone.com.au	contact@redstone.com.au

References

- 1 **Breaks, F.W., Selway, J.B. and Tindle, A.G. 2003.** Fertile peraluminous granites and related rare-element mineralization in pegmatites, Superior Province, northwest and northeast Ontario: Operation Treasure hunt; Ontario Geological Survey, Open File Report 6099, 179p.
- 2 **Breaks, F.W. 1991.** English River subprovince. In Geology of Ontario. Special Vol. 4, Part 1. Edited by P.C. Thurston, H.R. Williams, R.H. Sutcliffe and G.M. Stott. Ontario Geological Survey, pp. 239–277.
- 3 Green Technology Metals (ASX:GT1) ASX Announcement 23 June 2022 – INTERIM SEYMOUR MINERAL RESOURCE DOUBLES TO 9.9MT.
- 4 Green Technology Metals (ASX:GT1) ASX Announcement 19 April 2023 - GT1 MINERAL RESOURCES INCREASED TO 14.4MT.

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**) is a base and precious metals developer exploring its 100% owned prospective West Musgrave Project, which includes the Tollu Copper deposit, in Western Australia. The West Musgrave Project is located between BHP's Nebo Babel Deposit and Nico Resources' Wingellina Ni-Co project. Redstone continues to evaluate the HanTails Gold Project at Kalgoorlie, Western Australia for potential development in the future. Redstone has recently entered into an option agreement to acquire the Attwood Lake Area Lithium Project located in northwestern Ontario, Canada.

For personal use only