

## ANNOUNCEMENT

24 SEPTEMBER 2024

### DRILLING UPDATE: SYBELLA, GIDYEA & LAWN HILL SHARE PURCHASE PLAN TO RAISE \$2.0 Million

The Board of Red Metal Limited is pleased to announce that multiple drill programs are planned to commence in Northwest Queensland over the next month. These programs will test two standout base metal targets on the separate Gidyea and Lawn Hill projects and complete infill resource definition on our Sybella rare earth oxide discovery.

In addition, the Company will offer eligible shareholders the opportunity to participate under a Share Purchase Plan (SPP) targeting to raise \$2.0 million (before costs).

#### HIGHLIGHTS:

The SPP allows Red Metal's existing shareholders to purchase **discounted shares at \$0.10** per share in advance of three very promising drill programs.

Proceeds from the SPP and the Company's existing funds will be used for:

- Infill resource definition drilling and further metallurgical test work on our **Sybella rare earths** discovery to enable the fast tracking of mining studies and the initiation of discussions with potential end users (Figure 2).
- Drilling at the **Gidyea** project to test a standout regional gravity anomaly for a large **copper and gold** breccia system in a setting similar to that of the nearby Ernest Henry copper and gold mine (Figures 3 and 4 ) and;
- Drilling at the **Lawn Hill** project targeting a key stratigraphic gravity target on the Bluebush prospect which offers scope for a giant Century style **silver-lead-zinc** deposit (Figure 5).

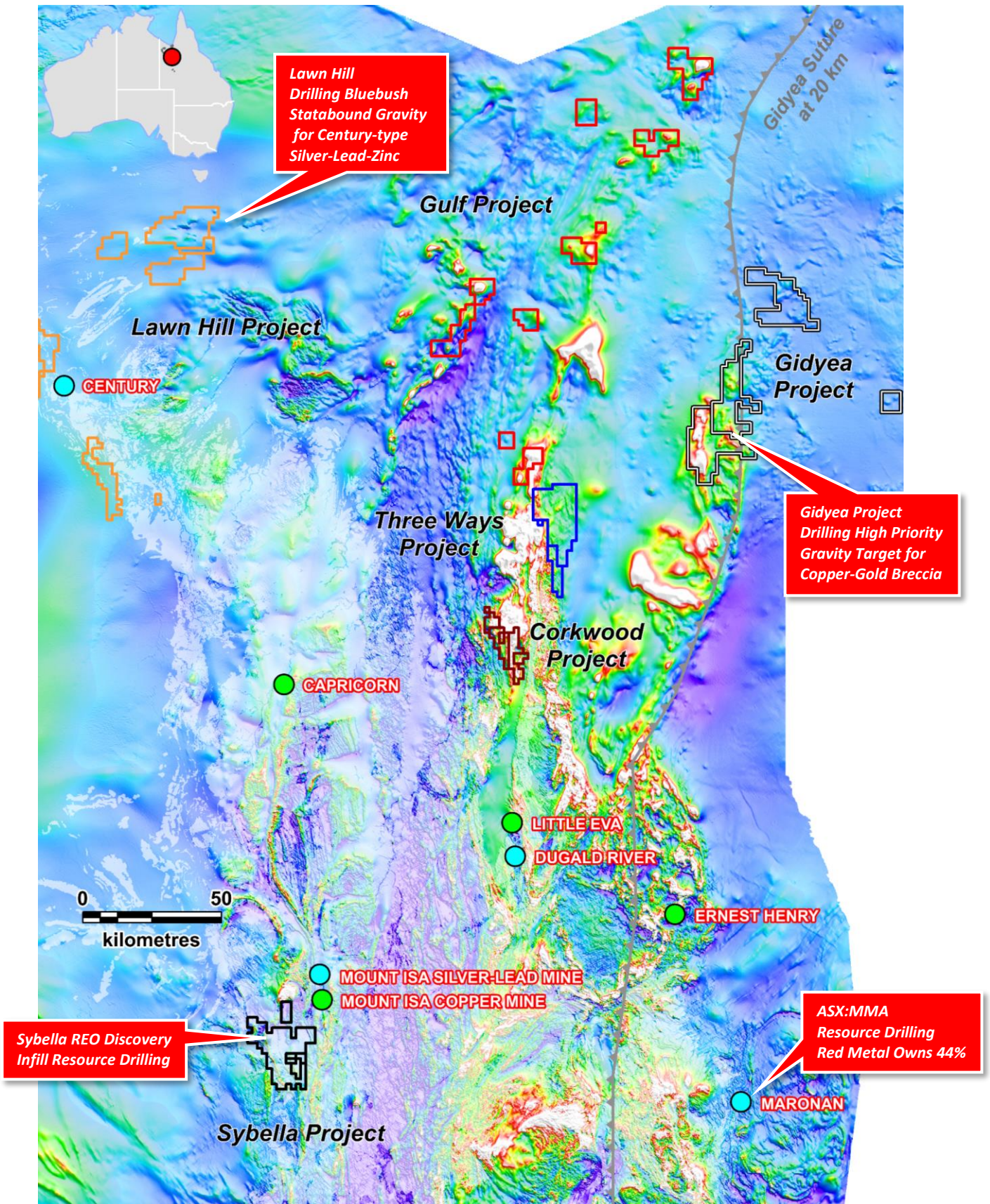
Red Metal is also benefiting from the rapid advancement of the drill out at our the Maronan silver-lead project through our 44% ownership of Maronan Metals Ltd (ASX: MMA).

Diamond core drilling at Gidyea is scheduled to commence by the 26 September 2024 then move to Lawn Hill in October. Infill air core drilling at Sybella is on schedule to start in early October. The Gidyea and Lawn Hill programs are supported by \$390,000 of additional funding from the Queensland Government's collaborative exploration grants.

#### Managing Director Rob Rutherford said:

*“We're thrilled about the upcoming drilling programs on these three exceptional projects, any one of which has the potential to significantly transform Red Metal. We're also delighted to offer our loyal existing shareholders a discounted share purchase opportunity before this intense period of drilling activity begins, as they continue to be our strongest supporters.”*

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[Figure 1] Red Metal Northwest Queensland project locations on total magnetic intensity image highlighting regional copper (green dots) and silver-lead-zinc (blue dot) deposits and the interpreted projection of the Gidyea Suture at 20 kilometres below surface. Regions of exposed or outcropping geology highlighted as white translucent areas. Red Metal projects include Gidyea (grey), Lawn Hill (orange), Sybella (black), Three Ways (dark blue), Gulf (red), and Corkwood (brown).



### Share Purchase Plan Details

The Company will offer shareholders who were registered holders of fully paid ordinary shares in the capital of the Company at 7.00pm (AEST) on 23 September 2024 (Record Date) with a registered address in Australia or New Zealand (Eligible Shareholders) the ability to participate in the SPP and subscribe for shares at an issue price of \$0.10 per share (SPP Shares), targeting a raising of \$2.0 million (before costs).

The SPP offer period will open on Monday, 7 October 2024 and is expected to close at 5.00pm (AEST) on Friday, 18 October 2024 (unless extended or closed earlier at the discretion of the Company).

As the SPP is not underwritten, the SPP may raise more or less than \$2.0 million. If applications for the SPP total more than \$2.0 million, the Company may decide in its absolute discretion to accept applications (in whole or in part) that result in the SPP raising more than \$2.0 million.

The terms and conditions of the SPP will be set out in an SPP offer booklet for the SPP Shares (SPP Booklet) to be lodged with ASX on Friday, 4 October 2024. Participation in the SPP is optional. Eligible Shareholders seeking to participate in the SPP should carefully read the SPP Booklet.

The SPP Shares will rank pari passu with existing ordinary shares from the date of issue.

### Use of Funds

Proceeds from the SPP and the Company’s existing funds will be used for:

- Infill resource definition drilling and further metallurgical test work on our Sybella rare earths discovery (Figure 2);
- Drilling at the Gidyea project to test a standout regional gravity anomaly for a large copper and gold breccia system (Figures 3 and 4);
- Drilling at the Lawn Hill project targeting a six-kilometre long, stratigraphic, gravity target on the Bluebush prospect which offers scope for a giant Century style silver-lead-zinc deposit (Figure 5) and;
- General working capital.

### Timeline of Key Events

Event	Date
Record Date for Share Purchase Plan	7.00pm (AEST) Monday, 23 September 2024
Announcement of Share Purchase Plan and Lodgement of Appendix 3B	Tuesday, 24 September 2024
Dispatch Share Purchase Plan documentation to shareholders and release booklet on the ASX platform	Friday, 4 October 2024
Opening date for Share Purchase Plan	Monday, 7 October 2024
Closing date for Share Purchase Plan	Friday, 18 October 2024
Announcement of result of Share Purchase Plan	Before noon (AEST) Wednesday 23 October 2024

This timetable is indicative only and subject to change. The commencement of trading and quotation of Shares under the SPP is subject to confirmation by the ASX. Subject to the requirements of the Corporations Act, the ASX Listing Rules and other applicable rules, Red Metal reserves the right to amend this timetable at any time, including extending the period for the SPP or accepting late applications, either generally or in particular cases, without notice. Accordingly, shareholders are encouraged to submit application forms as early as possible. All times are Australian Eastern Standard Time.

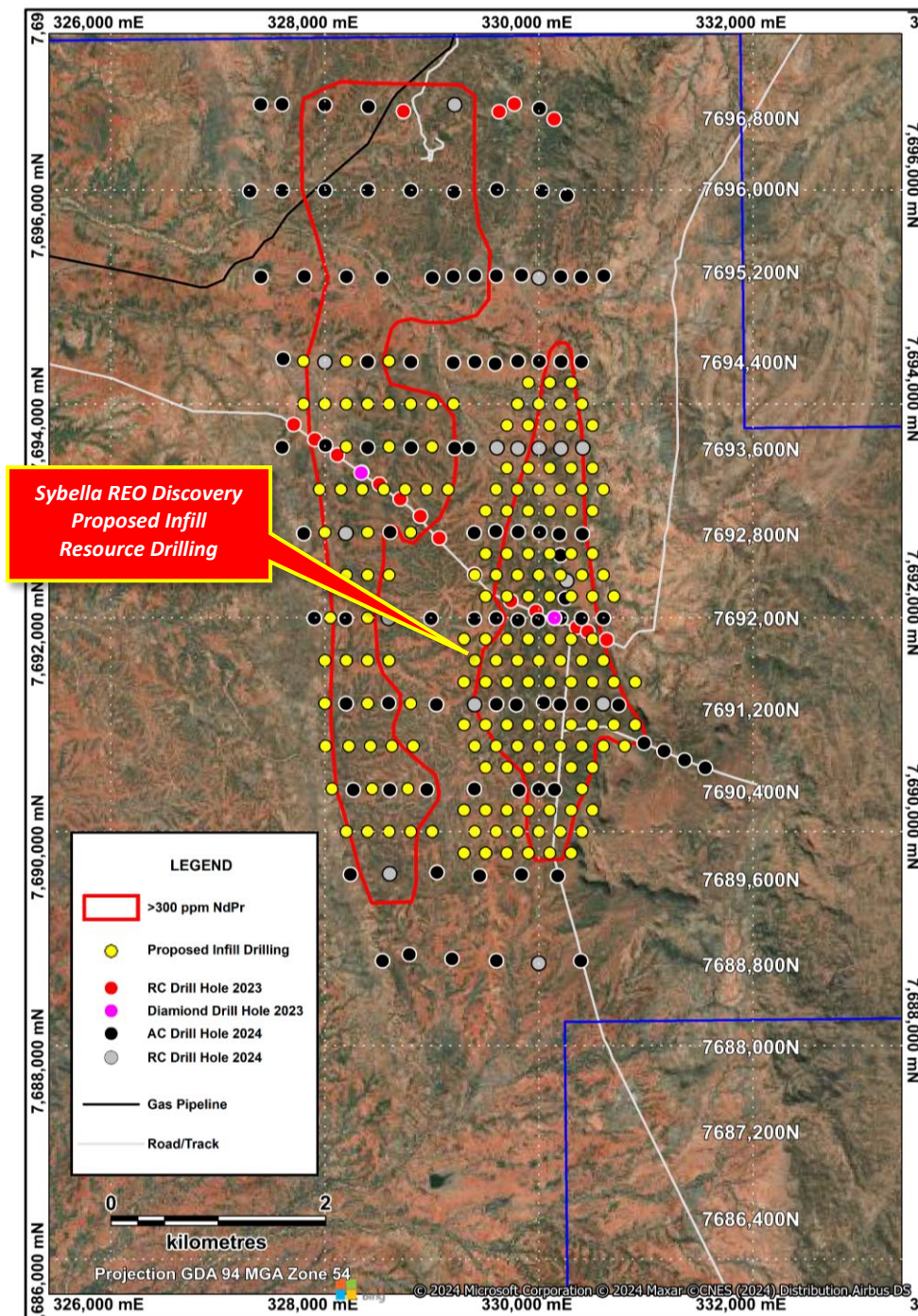
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**Pending Drill Programs**

*Sybella REO Discovery*

Work to date continues to underline the vast size and grade potential of Sybella and has identified low-cost metallurgical options for both the fresh and weathered granite ore types. This work has boosted our confidence that a low-capital cost, low-operating cost, heap leach option is potentially viable for Sybella justifying accelerated field programs and further metallurgical test work. The proposed infill resource definition drilling (Figure 2) will increase the Sybella resource confidence enabling more precise mining studies and targeted metallurgical work which will facilitate discussions with potential end users.

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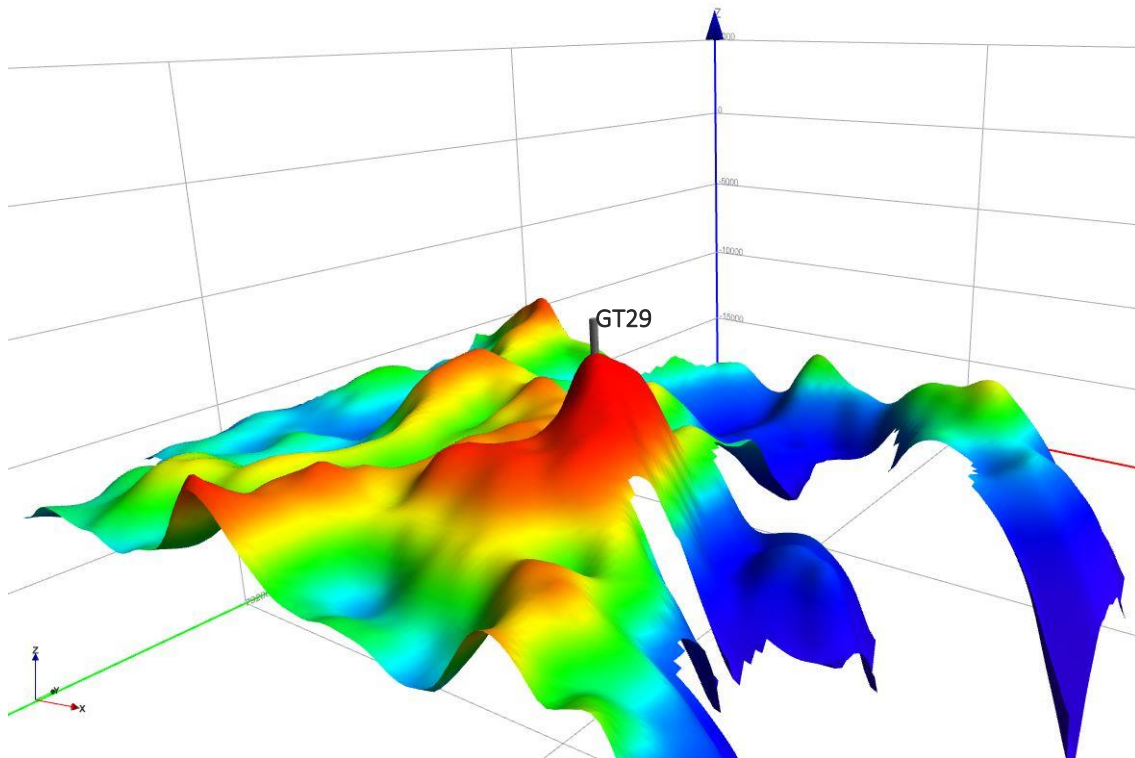
[Figure 2] Sybella Project: Red Metal drill hole locations on satellite imagery showing proposed infill drilling (yellow dots) set to begin October 2024.

Gidyea Copper-Gold Breccia

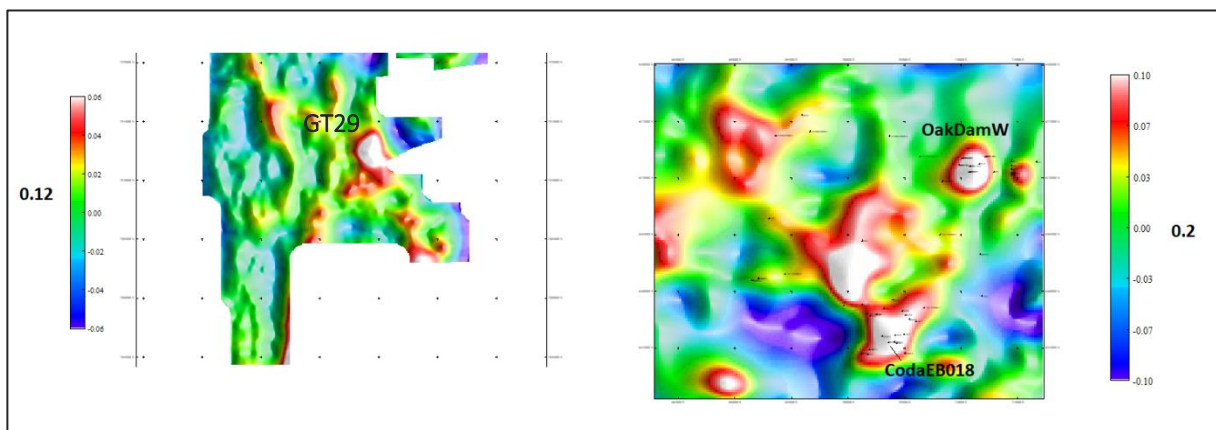
The Gidyea project targets the under explored extension of the Cloncurry terrain offering scope for the discovery of large Iron-Oxide Copper-Gold (IOCG) breccia systems in a similar setting to that of the nearby Ernest Henry copper and gold mine (Figure 1).

Large IOCG mineral systems are often associated with iron alteration (as iron oxides, iron silicates or iron sulphides) which can be detected at surface as regionally significant bulls-eye gravity anomalies - with Olympic Dam, Carrapateena, Oak Dam (Figure 4) and Ernest Henry being good examples. Extensive gravity surveying by Red Metal on our Gidyea project has highlighted a standout 3.2 milli-gal gravity target (GT29) which has the potential to be a large IOCG breccia (Figures 3 and 4).

This “must drill” copper-gold breccia concept has been awarded \$240,000 of funding support under the Queensland Government’s collaborative drilling initiative. Drilling is set to commence on the 26 September 2024.



[Figure 3] Gidyea Project: Regional scale residual gravity image from Red Metal’s surveying presented as a 3D oblique topographic view facing northwest. Proposed vertical drill hole on GT29.



[Figure 4] Comparison of residual gravity signatures for Gidyea target GT29 (left) with Oak Dam West (right).

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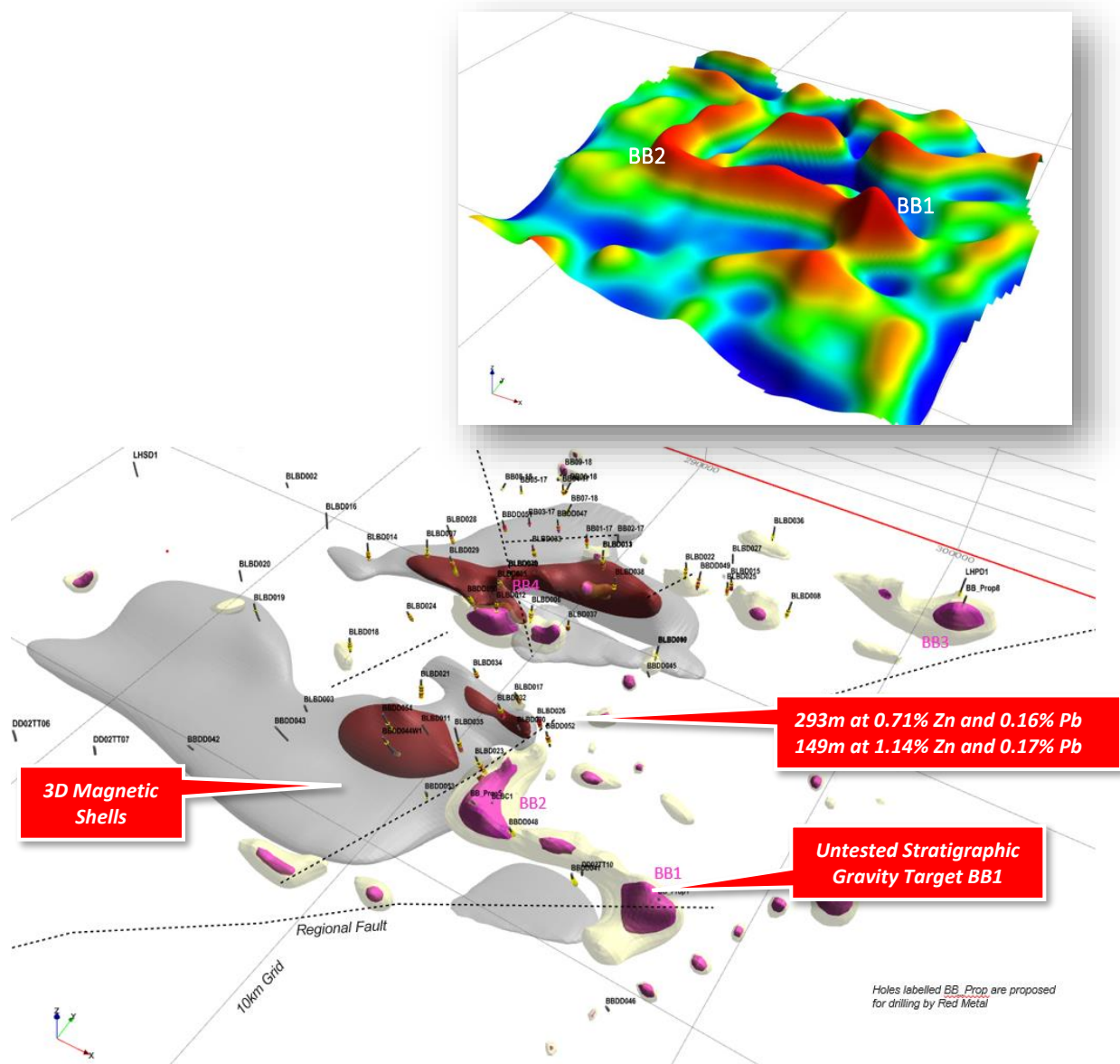
Lawn Hill Stratabound Silver-Lead-Zinc

Regional stratigraphy that surrounds every giant sediment-host silver-lead-zinc deposit such as McArthur River, Mount Isa and Century shows elevated levels of lead and zinc increasing towards the deposit.

Red Metal’s Bluebush prospect occurs within key McArthur River equivalent stratigraphy and contains over 88 historic drill holes, over a 15 by 13 kilometre area, with 40 of these holes returning wide intercepts of low-grade zinc and lead (Figure 5). Red Metal interpret this setting to be typical of a proximal halo surrounding a giant stratabound silver-lead-zinc deposit that has yet to be discovered.

A new high resolution gravity survey by Red Metal identified a high-priority, stratigraphic, gravity target along trend and adjacent to historic mineralised drilling on the Bluebush prospect (Figure 5). The 2.1 milli-gal BB1-BB2 gravity target is about 4.6 kilometres long, strata-parallel, and offers scope for a giant Century style silver-lead-zinc deposit. Drilling on the BB1 target site has been awarded \$150,000 of funding support under the Queensland Government’s collaborative drilling initiative.


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[Figure 5] Lawn Hill Project, Bluebush Prospect: Oblique 3D view facing northwest showing historic drilling and high gravity shells (pink-yellow) and high-magnetic shells (brown-grey) from 3D modelling and four previously untested, high-priority, geophysical targets labelled BB1, BB2, BB3 and BB4. Inset above is a residual gravity image as oblique 3D terrain view using new, high-resolution data, highlighting BB1 to BB2 high-gravity, strata-parallel trend.

This announcement was authorised by the Board of Red Metal. For further information concerning Red Metal's operations and plans for the future please refer to the recently updated web site or contact Rob Rutherford, Managing Director at:

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www.redmetal.com.au



Rob Rutherford  
Managing Director



Russell Barwick  
Chairman

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### Competent Persons Statement

The information in this report that relates to Exploration Results is based on and fairly represents information and supporting documentation compiled by Mr Robert Rutherford, who is a member of the Australian Institute of Geoscientists (AIG). Mr Rutherford is the Managing Director of the Company. Mr Rutherford has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (the JORC Code). Mr Rutherford consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.