

ASX Code: RDM

Red Metal Limited is a minerals exploration company focused on the exploration, evaluation and development of Australian copper-gold and basemetal deposits.

Issued Capital:

245,591,743
Ordinary shares

11,025,000
Unlisted options

Directors:

Rob Rutherford
Managing Director

Russell Barwick
Chairman

Joshua Pitt
Non-executive Director

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ASX ANNOUNCEMENT
9 SEPTEMBER 2020

MOUNT SKIPPER: FOLLOW-UP DRILLING COMPLETED

The follow-up diamond core drill hole designed to test a regional magnetic anomaly was terminated at 1193.5 metres after intersecting a 153 metre interval of hydrothermal alteration and veining containing weak iron sulphide mineralisation and traces of copper sulphide mineralisation.

The wide interval of hydrothermal alteration from 712 metres to 865 metres is associated with calcsilicate-carbonate-quartz veining and strong silicification, ablation and calcsilicate alteration of the wall rocks (Figures 1a and 1b). The sulphides (0.5-2 volume %) occur as vein fill and wall rock disseminations in meta-sedimentary host rocks. A separate 3.5 metre interval of silica-biotite-chalcopyrite mineralisation (Figure 1c) and a single narrow 0.7 metre interval of coarse-grained, hydrothermal magnetite near the end of hole suggest a possible magnetite association with some of the copper mineralisation. No economically significant intervals of copper mineralisation or lead-zinc mineralisation are visible.

Host rocks surrounding the hydrothermal sulphide zone comprise coarse spotted sillimanite-biotite-quartz-garnet-feldspar gneiss and quartz-biotite granofels after metamorphosed sedimentary rock types which contain fine magnetite with the biotite. These rock types are weakly magnetic but less magnetic than predicted from geophysical models.

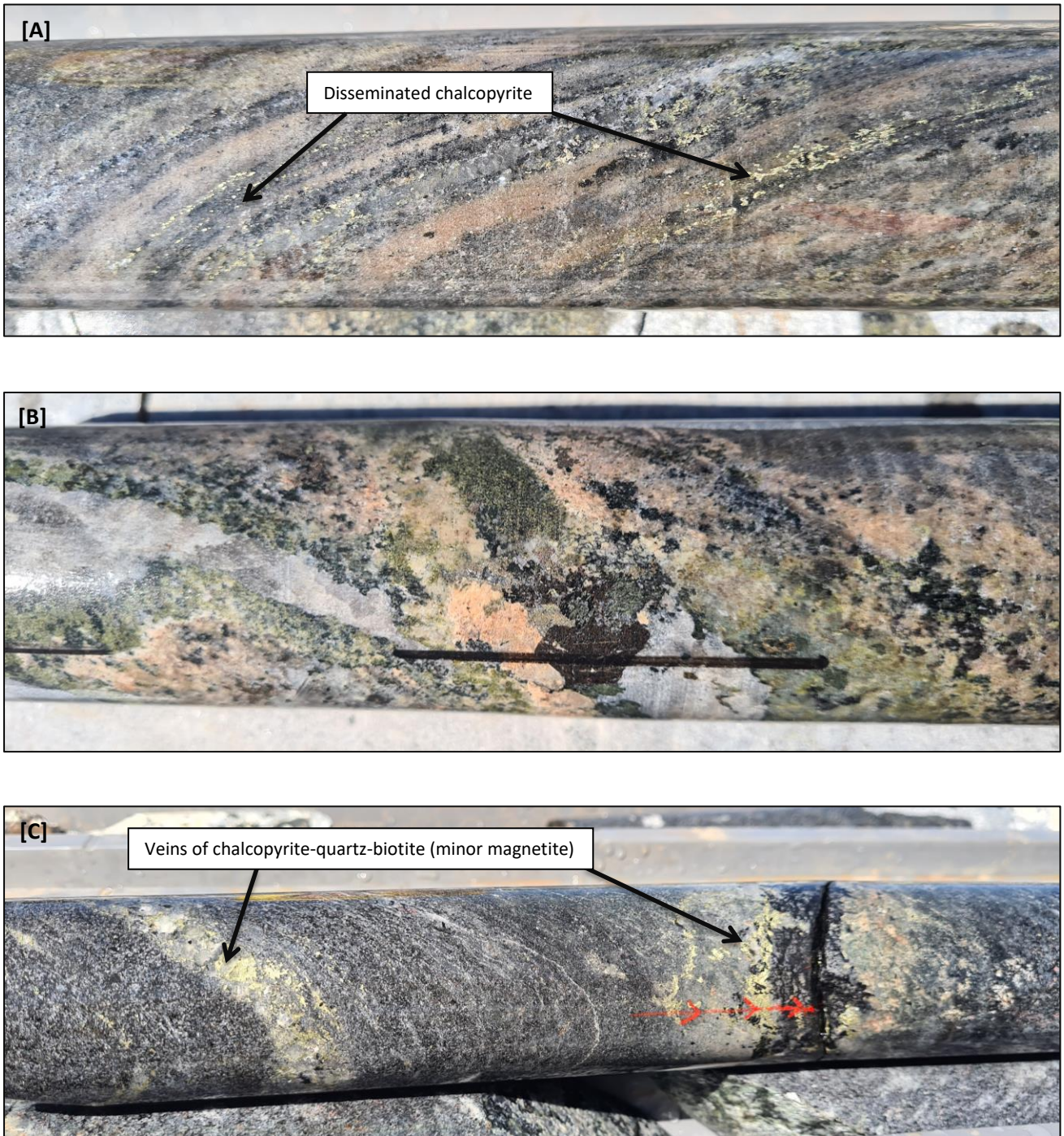
Down-hole electromagnetic surveying was attempted but had to be abandoned due to the high in-hole temperatures affecting the survey equipment.

A deep penetrating ground electromagnetic survey technique (SQUID EM) is planned over the target in about 2 months and it is hoped this technique will help locate zones of strong copper sulphide mineralisation within the broader magnetic anomaly.

Detailed petrology and magnetic remanence tests will be conducted on the core to validate the magnetic source to the anomaly and help constrain future magnetic models. Assays for base metals, gold and other trace elements are pending.

The drill rig has now mobilised to the Company's Three Ways project (Figure 2) to start a 2400m metre proof of concept drill program testing three separate, high conductance magnetotelluric (MT) anomalies.

The Mount Skipper and Three Ways programs are funded by OZ Minerals (ASX:OZL) under the terms of the Greenfields Discovery Alliance.



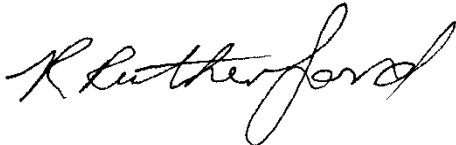
[Figure 1] Mount Skipper Project: (a) Silica-albite-biotite-calcisilicate-chalcopyrite-pyrrhotite-magnetite mineralisation, (b) quartz-carbonate-hedenbergite-epidote-garnet-chalcopyrite-pyrrhotite metasomatic vein zone, (c) chalcopyrite-quartz-biotite-magnetite veins towards the end of hole.




[Figure 2] Northwest Queensland and Northern Territory: Major deposits and Red Metal tenement locations.

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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Rob Rutherford
Managing Director



Russell Barwick
Chairman

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.