

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:

212,258,409
Ordinary shares

6,700,000
Unlisted options

Directors:

Rob Rutherford
Managing Director

Russell Barwick
Chairman

Joshua Pitt
Non-executive Director

RED METAL LIMITED

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MARCH 2019 QUARTERLY REPORT

30 April 2019

HIGHLIGHTS

Punt Hill/Pernatty Lagoon JV, SA, Copper-Gold

- Assays from the first hole into the PH1 target (DD18PTH001) returned 244 metre averaging 0.26% copper including 35 metres @ 0.6% copper and 10.8 metres @ 1.0% copper .
- DD18PTH001 interpreted as a near-miss hole.

Greenfields Discovery Alliance with OZ Minerals

- Six project option and earn-in agreement executed.
- Field programs to start next quarter.
- Preparations underway for expanded gravity surveying on the **Nullarbor** project, extensive magneto-telluric surveying on **Three Ways** and **Lawn Hill** projects and drilling on **Mount Skipper**.

Yarrie, WA, Copper-Gold-Cobalt

- Rio Tinto announced a significant new copper and gold discovery at Winu.
- Geophysical targets on Yarrie comparable with the response observed over Winu.

GREENFIELDS DISCOVERY ALLIANCE WITH OZ MINERALS

Copper-Gold & Zinc-Lead-Silver (OZ Minerals Option to Earn 51%)

On 30 January 2019 Red Metal announced the execution of a significant, multi-project option and joint venture agreement with OZ Minerals aimed at fast-tracking the search for greenfield discoveries on the Company's highly sought after Australian base metal exploration portfolio.

The new "Greenfields Discovery Alliance" agreement provides OZ Minerals with a two year option to fund a series of mutually agreed, proof-of-concept work programs on Red Metal's exciting **Yarrie, Nullarbor, Gulf, Three Ways, Lawn Hill** and **Mount Skipper** projects (Red Metal ASX announcement lodged 30 January 2019).

Key benefits for Red Metal include:

- **Sustained exploration funding** with a minimum expenditure commitment totaling \$8.05 million over two years across six early stage projects;
- **Flexible earn-in terms** that give Red Metal the right of election to contribute at 49% or not contribute and be diluted to a 30% interest at completion of a positive decision to mine;
- **Sufficient earn-in expenditure amounts** to clearly outline any potential ore discoveries before Red Metal must elect whether or not to contribute;
- **The opportunity to add new projects** on broadly similar terms into the future; and
- **Cash payments** of \$300,000 for each of the six nominated projects, totaling \$1.8 million. Red Metal is also eligible to receive an additional payment of \$500,000 for any successful project that OZ Minerals ultimately selects for joint venture earn-in.

Preparations for expanded gravity surveying on the Nullarbor project, extensive magneto-telluric surveying on the Three Ways and Lawn Hill projects and drilling on Mount Skipper were initiated this quarter. Field based programs are expected to start next quarter. Work programs on the exciting Yarrie project are pending granting of the tenements which is expected in 2019.

Summaries of the six projects within the Greenfields Discovery Alliance can be found in the following operations review.

GAWLER CRATON - SA

Interest in the Gawler Craton's Olympic Domain remains high following BHP's announcement last quarter of a world class copper and gold drill intercept on their historic Oak Dam West prospect. The hematite breccia intercept comprised 438m at 3.0% copper, 0.6g/t gold, 6g/t silver including 180m at 6.1% copper, 0.9g/t gold, 13g/t silver. This spectacular result re-enforces the fertility of the Olympic Domain and opportunity for other large high-grade discoveries.

Punt Hill and Pernatty Lagoon Joint Venture: Copper-Gold-Zinc (OZ Minerals Earning 70%)

Assaying of core from OZ Minerals' maiden drill program at Punt Hill returned a wide interval of anomalous copper mineralisation from the first hole into the PH1 target located just 42 kilometers south of their large Carrapateena copper and gold development .

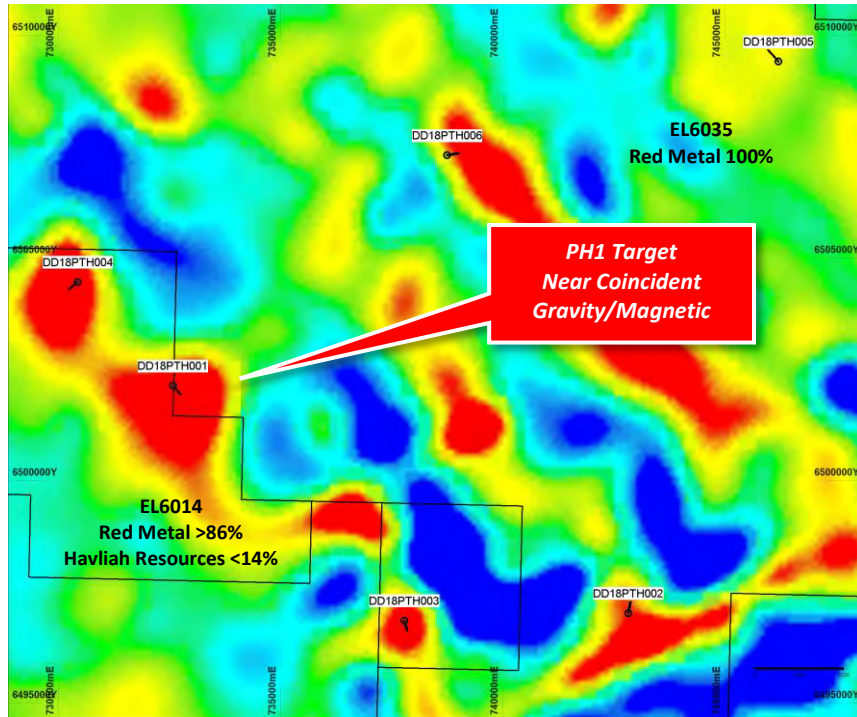
PH1 is a near coincident gravity and weak magnetic target that straddles the boundary between the separate Punt Hill and Pernatty Lagoon joint venture areas (Figure 1, also refer to Red Metal ASX announcement dated 21 December 2017).

Drill hole DD18PTH001 was directed towards the high-gravity portion of the anomaly and intersected meta-sediments overprinted by dense, prograde-garnet alteration towards the end of hole that appears to explain the gravity response. A wide 244 metre interval of anomalous copper mineralisation averaging 0.26% copper was detected throughout the meta-sedimentary rocks with some of the better zones returning 35.0 metres @ 0.6% copper from 841metres, including 10.8 metres @ 1.0% copper from 841 metres (refer to Red Metal ASX announcement dated 11 April 2019).

The copper mineralisation, located within the Punt Hill joint venture area, occurs as wide spaced chalcopyrite ± bornite veins with associated magnetite ± hematite and more intense retrograde chlorite, K-feldspar and siderite alteration.

The wide interval of anomalous copper mineralisation, proximal magnetite-chlorite alteration minerals and subsequent geophysical modelling suggest DD18PTH001 may be indicative of a near-miss hole (Figure 2).

The use of deep penetrating electrical geophysical methods to prioritize the untested magnetic targets within the Punt Hill and Pernatty Lagoon joint venture areas are being evaluated.



[Figure 1] Punt Hill EL 6035 and Pernatty Lagoon EL6014: Residual gravity image showing 2018 drill hole locations (right).

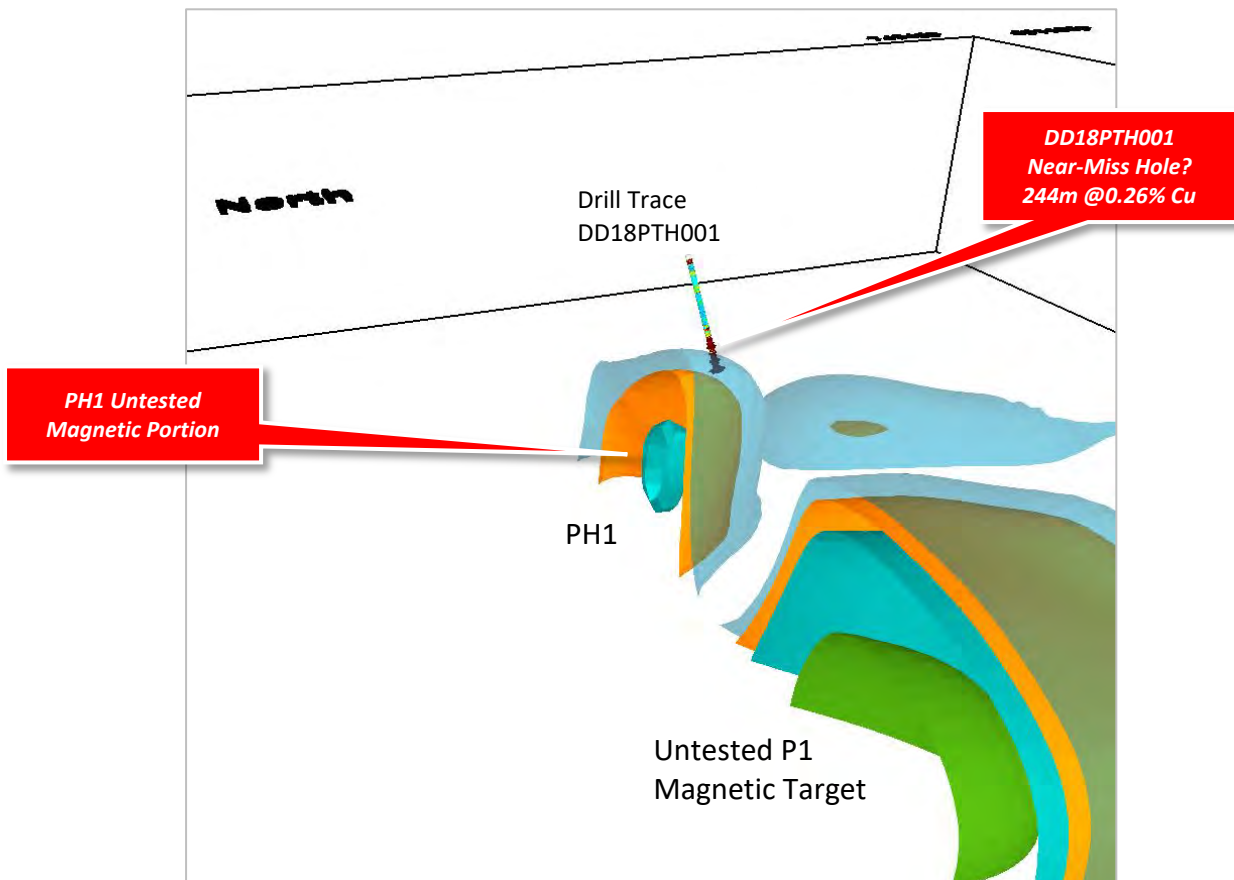
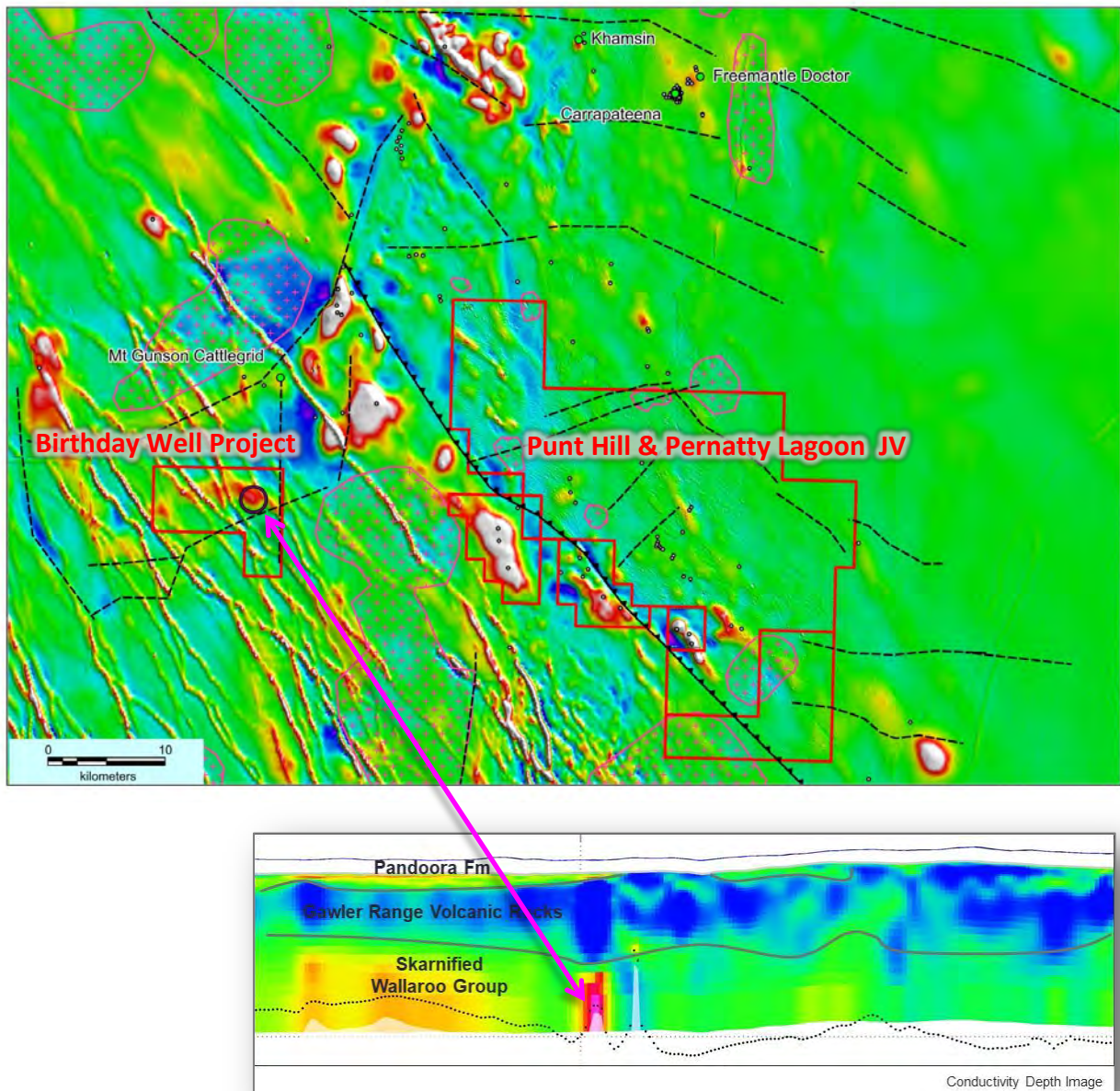


Figure 2] Punt Hill: Three dimensional view facing southeast of magnetic model showing magnetic susceptibility shells. Model highlights stronger magnetic material, possibly associated with better copper mineralisation, located a little further north of the DD18PTH001 drill trace. The untested, stronger magnetic target P1 is also highlighted.

Birthday Well Project: Copper-Gold-Zinc (Red Metal 100%)

This new project covers a standout, deep sourced, conductivity anomaly evident in a wide spaced, airborne electromagnetic survey flown by the Geological Survey of South Australia (Figure 3). The conductivity anomaly appears coincident with a low-amplitude magnetic target and remains untested by past exploration. Red Metal is targeting high-grade Iron Sulphide Copper and Gold (ISCG) deposit types associated with highly conductive but weakly magnetic pyrrhotite. Ground electromagnetic surveying will be used to validate the airborne anomaly this field season.



[Figure 3] Birthday Well Project: Total magnetic image (top) showing the location of the Birthday Well airborne electromagnetic (AEM) conductor (black circle) in relation to the Punt Hill and Pernatty Lagoon tenements and the Carrapateena and Mount Gunson copper deposits. Conductivity depth image from wide spaced AEM data (bottom image) highlights the possible deep sourced conductor. Note its coincidence with a low-amplitude magnetic anomaly. Ground validation is required. Interpreted granite bodies shown as pink stippled polygons. Pre-competitive AEM data was flown by the Geological Survey of South Australia and Geoscience Australia.

MOUNT ISA INLIER - QLD

Maronan Project: Silver-Lead & Copper-Gold (Red Metal 100%)

Maronan is a large, moderate-grade Cannington or Broken Hill-type lead and silver deposit partly overprinted by a separate copper and gold deposit (Figure 4). Red Metal recognizes vectors within the deposit that support the concept for a large, higher grade silver-lead-zinc and copper-gold system at depth below the existing Maronan resource.

This quarter saw renewed interest from third parties keen to review details on the resource and preliminary mine study (refer to ASX announcements dated 11 April 2015 and 8 March 2016).

Mount Skipper Project: Lead-Zinc-Silver (OZ Minerals Option to Earn 51%)

A conduct and compensation agreement was executed with the landowner this quarter. Heritage surveys in preparation for drilling are planned for early June 2019.

The key target in this project is a Cannington geophysical look-alike called "Mount Skipper" located 90 kilometres south of the Cannington mine under 400-500 metres of younger sedimentary cover (Figure 4).

South32's large Cannington lead-zinc-silver mine and Red Metal's Maronan lead-silver deposit were both discovered by drilling standout bullseye magnetic targets located within geophysically subdued clastic sequences known as the Mount Norna Quartzite. Red Metal has used regional magnetic and gravity data sets to search for analogous targets in covered terrains south of the Cannington deposit as a priority. The Mount Skipper target resulted from this approach and is proposed to be drill tested during the 2019 field season.

The Mount Skipper target is included in the recently executed Greenfields Discovery Alliance between Red Metal and OZ Minerals Limited with a minimum of \$450,000 committed towards a proof of concept drill hole this field season (refer to Red Metal ASX announcement lodged 30 January 2019).

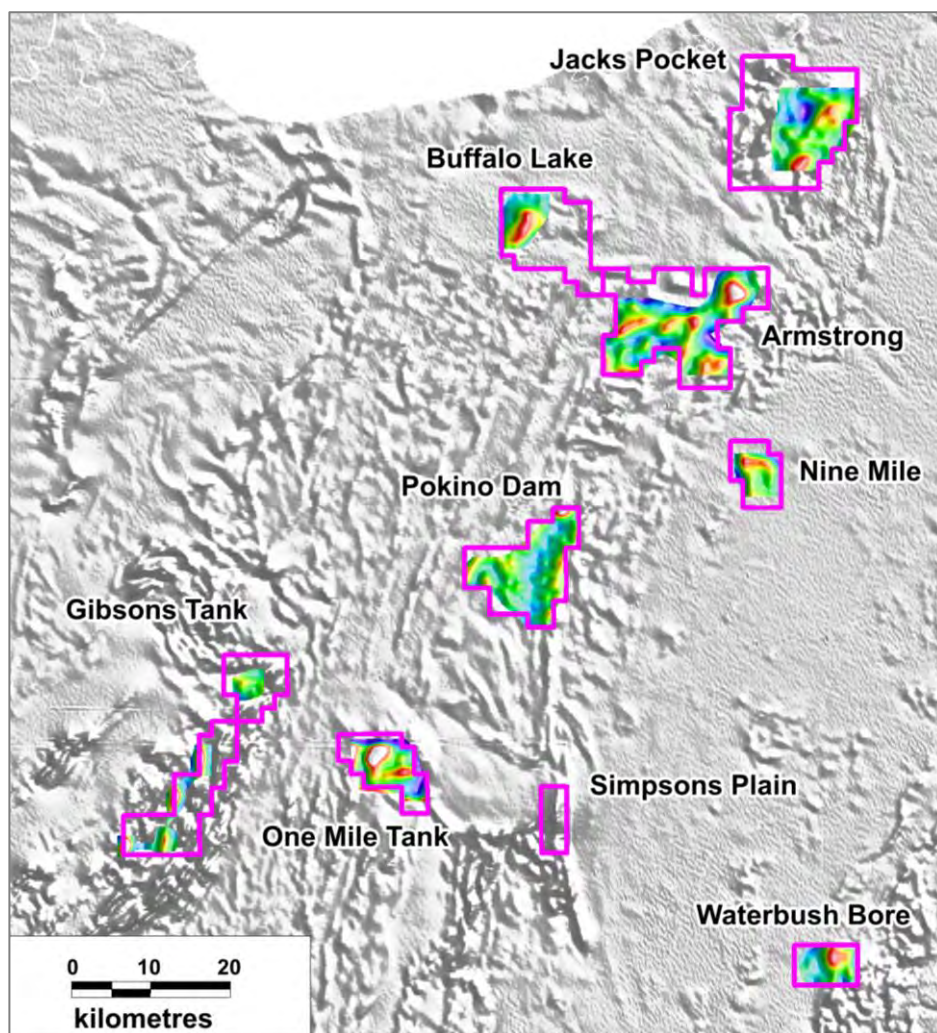


[Figure 4] Northwest Queensland and Northern Territory: Major deposits and Red Metal's tenement locations.

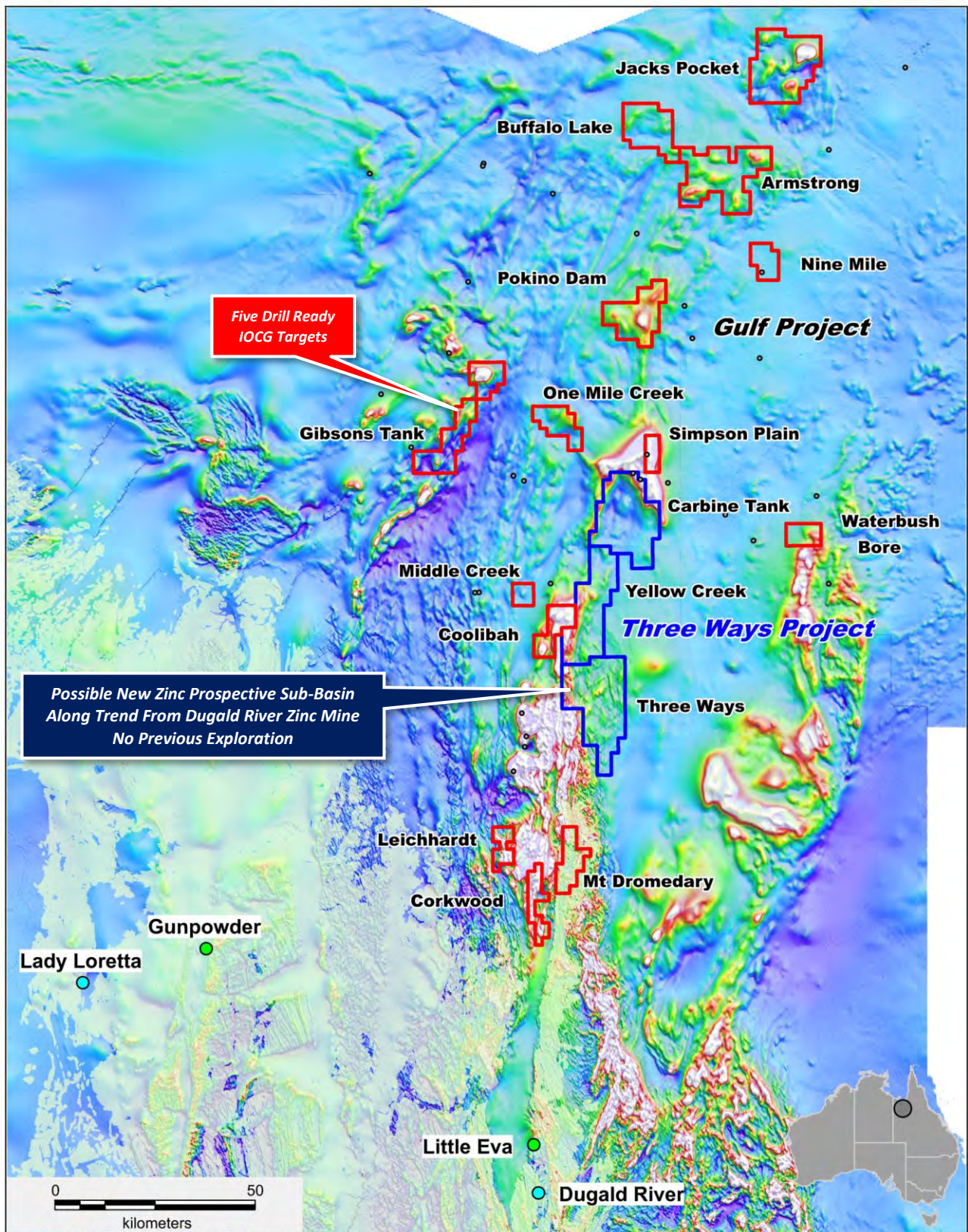
Gulf Project: Copper-Gold (OZ Minerals Option to Earn 51%)

The Gulf project incorporates multiple exploration tenements over several standout geophysical anomalies in an under explored extension to the Cloncurry terrain which offers scope for large Iron Oxide Copper-Gold (IOCG) breccia systems (Figures 4 and 6). It is included in the recently executed Greenfields Discovery Alliance between Red Metal and OZ Minerals with a minimum of \$1.4 million committed towards proof of concept exploration programs over the next two years (refer to Red Metal ASX announcement lodged on 30 January 2019).

Infill gravity surveys have been completed over ten of the Gulf tenements. Recent modeling of this new data has identified several combined magnetic and gravity targets as priority for proof of concept drill testing under the new alliance (Figure 5). A proposal to drill two of the Gibson's Tank targets was awarded funding support of up to \$100,000 under the Queensland Governments collaborative drilling initiative.



[Figure 5] Gulf Projects: Greyscale derivative magnetic image overlain by vertical gradient gravity images (colour) derived from Red Metal's most recent gravity surveying.



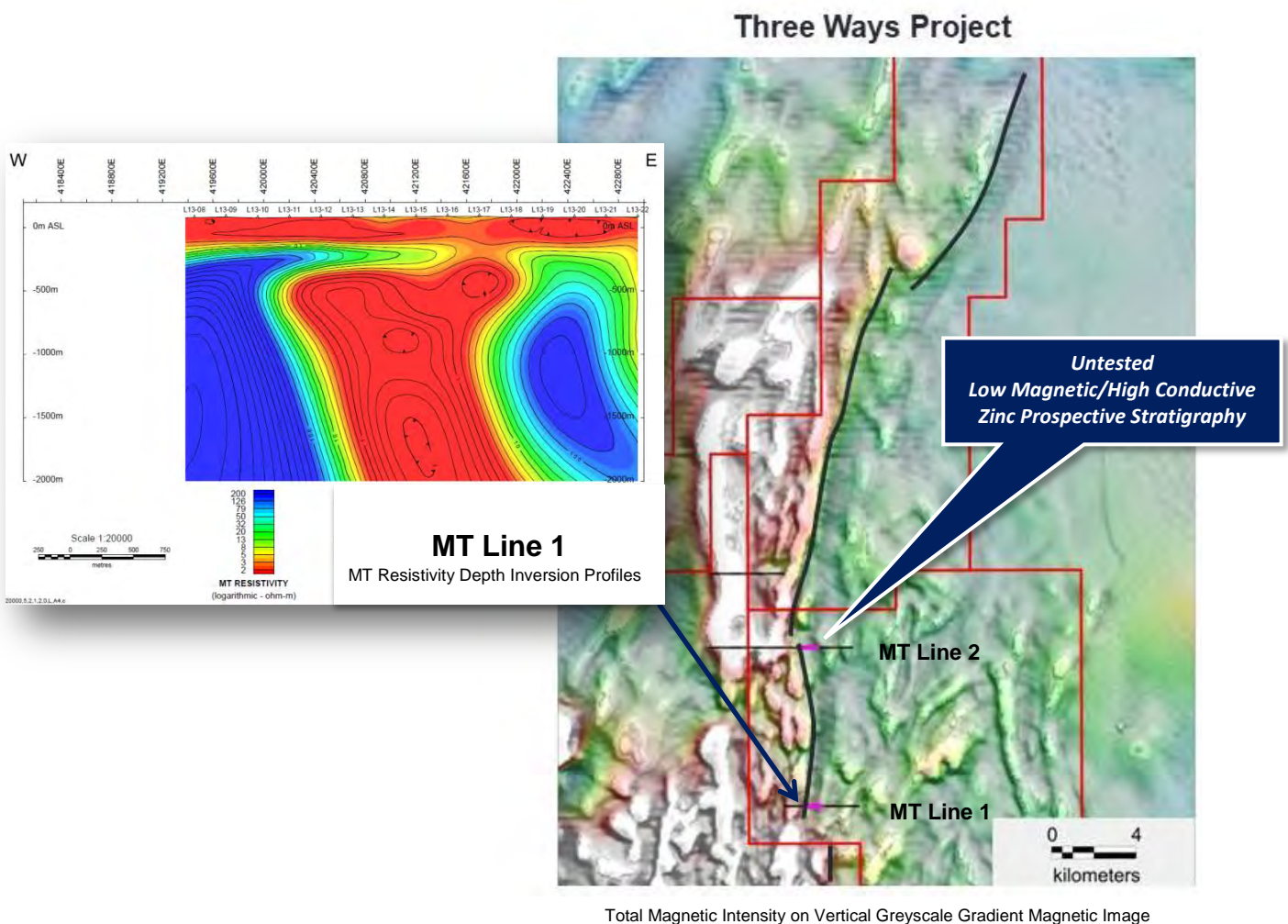
[Figure 6] Three Ways Project, Gulf Project, Leichardt Project, Corkwood Project and Mount Dromedary North Project: Total magnetic intensity image highlighting regionally project locations and historic basement drill holes with some basement depths labelled. Regions of exposed or outcropping geology highlighted as white translucent areas.

Three Ways Project: Zinc-Lead-Silver, Copper-Gold (Greenfields Discovery Alliance)

Preparations for an expanded magneto-telluric (MT) survey to map and prioritize highly conductive, zinc prospective zones within the newly interpreted Three Ways sub-basin are underway. This innovative use of MT surveying is expected to begin next quarter.

The Three Ways tenements enclose an entire sub-basin with no previous drill history located some 130 kilometres along trend from the recently commissioned Dugald River zinc-lead-silver mine (Figures 4 and 6). Zinc prospective host sequences in sub-basins such as these are highly conductive and often associated with a low magnetic response - making them detectable with combined electromagnetic and magnetic geophysical techniques. Historic MT surveying across the interpreted Three Ways sub-basin has mapped thick conductive sequences which remain to be drill tested for the first time (Figure 7).

The Three Ways project is included in the recently executed Greenfields Discovery Alliance between Red Metal and OZ Minerals with a minimum of \$1.5 million committed towards proof of concept exploration programs over the next two years (refer to Red Metal ASX announcement lodged on 30 January 2019). A proposal to drill two holes into the conductive zinc prospective stratigraphy has been awarded funding support of up to \$150,000 under the Queensland Governments collaborative drilling initiative.



[Figure 7] Three Ways Zinc Project: Magnetic imagery (right) showing magneto-telluric survey (MT) lines (fine black lines) and zones of low resistivity (high conductivity) in pink. MT resistivity depth inversion profile (left) highlights a steep east dipping conductor (low resistor) in red which Red Metal speculates may be prospective for stratiform zinc mineralisation.

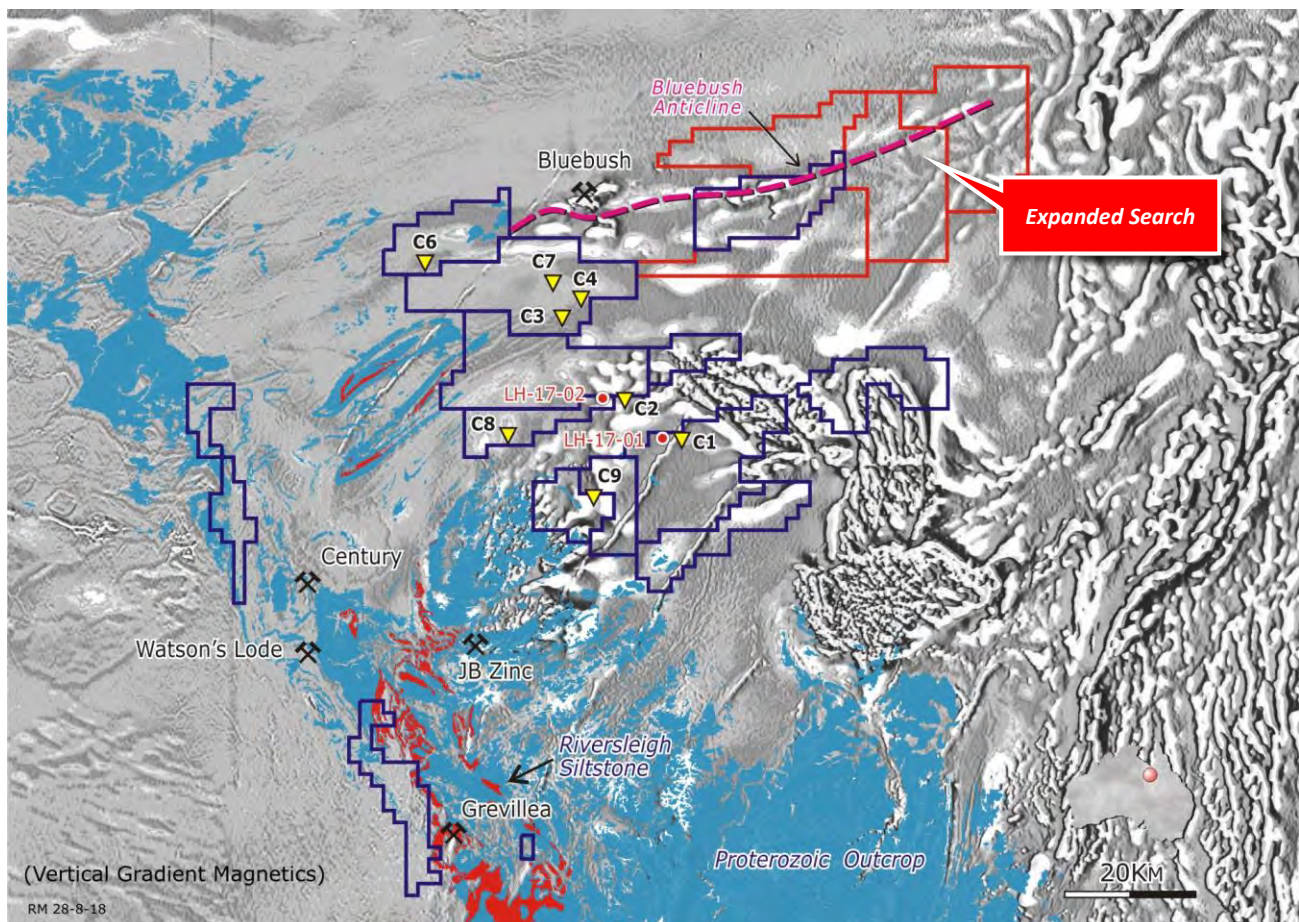
Lawn Hill Project: Zinc-Lead-Silver, Copper (OZ Minerals Option to Earn 51%)

This exciting project targets a range of new zinc deposit styles in the vicinity of the giant Century zinc-lead-silver deposit (Figures 4 and 8).

The Lawn Hill project is included in the recently executed Greenfields Discovery Alliance between Red Metal and OZ Minerals Limited with a minimum of \$1.5 million committed towards proof of concept exploration programs over the next two years (refer to Red Metal ASX announcement lodged on 30 January 2019).

The Century deposit is a structurally controlled, replacement style zinc-lead-silver deposit. Red Metal is focusing on advanced geological models that predict that the immediate region should also host stratiform controlled deposits of potentially similar size. This style of deposit occurs further afield in the Northern Territory and includes the giant McArthur River and the new Teena deposits. Red Metal is also hoping to define significant replacement deposits as occur at Century or, vein and breccia hosted styles.

Red Metal speculates the existence of thick, highly conductive, zinc prospective sequences about the eastern closure to the regional Bluebush Anticline structure (Figure 10). With funding from OZ Minerals, the Company proposes to utilise deep penetrating, magneto-telluric (MT) surveying to prioritize zinc targets for drill testing. Notifications in preparation for ground surveying were lodged this quarter.



[Figure 8] Lawn Hill Project: Tenement locations on greyscale vertical gradient magnetic imagery overlain by outcropping Proterozoic geology (blue), highlighting the exposed, stratiform zinc prospective, Riversleigh Siltstone (red) with major zinc mines and prospects. The Bluebush stratiform zinc prospect occurs on the western closure to the regional Bluebush Anticline. Red Metal has expanded its search towards the under explored eastern closure of the Bluebush Anticline.

Emu Creek Joint Venture: Copper-Gold, Zinc (Chinova Resources Earning 70%)

Last quarter joint venture partner Chinova Resources Limited completed an aircore and diamond core program over a new zinc target concept on the Sandy Creek tenement located 26 kilometres south of the Osborne copper and gold mine. Although wide intervals of disseminated iron sulphide were observed in the diamond core no significant zinc mineralisation was encountered. Further work during the 2019 field season is being assessed.

PATERSON PROVINCE - WA

During the quarter Rio Tinto announced details on their “Winu” discovery highlighting a potentially large tonnage copper and gold deposit under shallow cover that remains open at depth and along strike. While further to the south Greatland Gold announced a \$91.8 million joint venture deal with Newcrest Mining on its high-grade “Havieron” discovery. Red Metal has secured a significant land position in this highly sought after province and has identified a number of targets for ground follow-up once the titles are granted.

Yarrie Projects: Copper-Cobalt, Copper-Gold (OZ Minerals Option to Earn 51%)

Yarrie comprises five new exploration license applications covering almost 2,000 square kilometres. It has seen little past exploration but is well located along trend from Metal X Limited’s Nifty copper mine and Rio Tinto’s new Winu copper and gold discovery (Figure 9).

The Yarrie project is included in the recently executed Greenfields Discovery Alliance between Red Metal and OZ Minerals with a minimum of \$2.5 million committed towards proof of concept exploration programs over the next two years (refer to Red Metal ASX announcement lodged 30 January 2019).

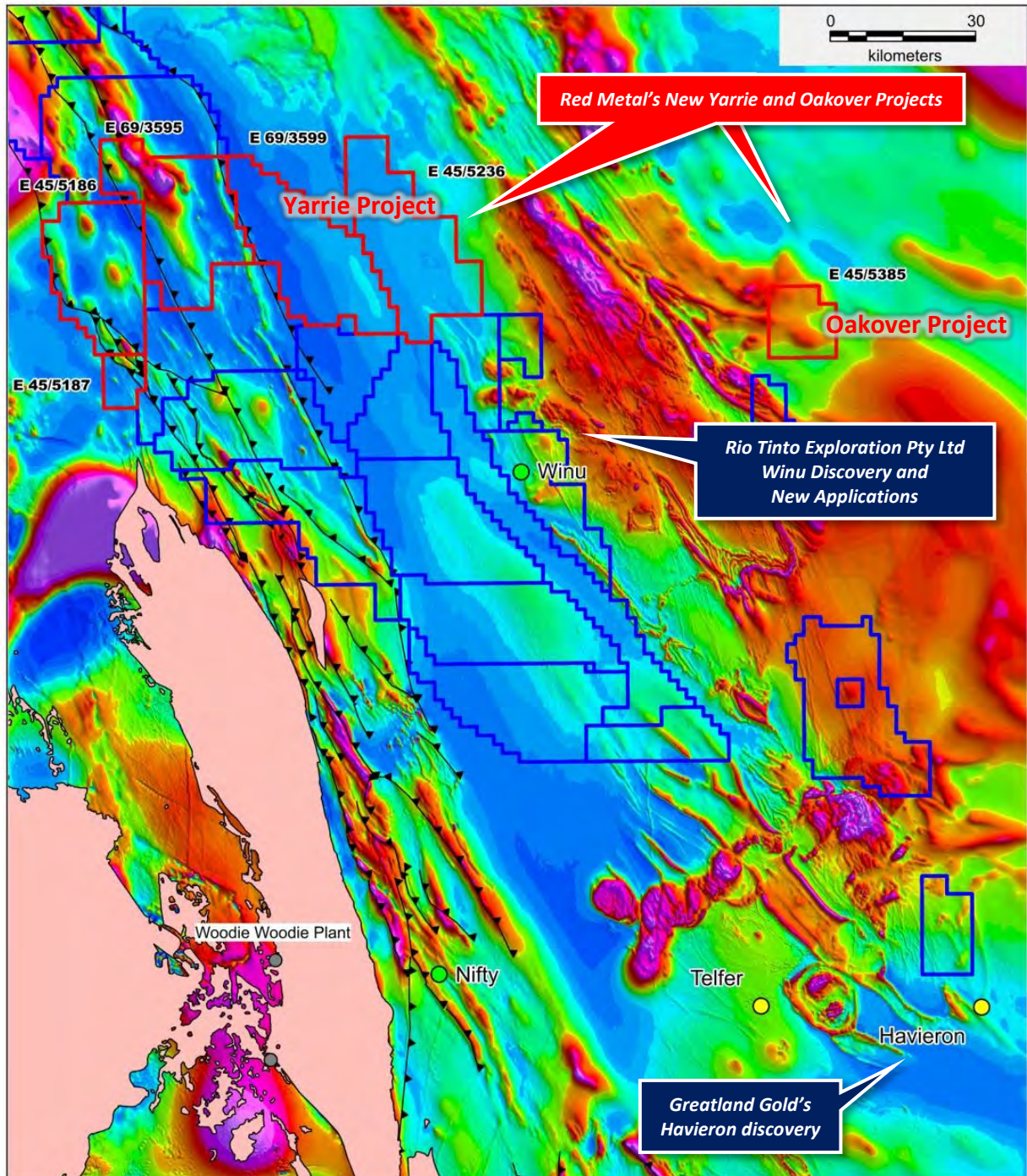
Combining recently released Falcon airborne gravity imagery with vertical gradient magnetic imagery has allowed Red Metal to highlight Rio Tinto’s Winu discovery as a low-amplitude, bullseye magnetic target along a high-gravity ridge (Figure 10). Two very similar low-amplitude magnetic bullseye targets along the same high-gravity trend are evident in Red Metals tenement application further to the north northwest (Figure 10).

Furthermore, new magnetic imagery mapping the northwest extension of the Nifty trend has enabled Red Metal to interpret a series of dome-shaped antiform structures located below 200 to 500 metres of younger sedimentary cover (Figure 11). These potential dome-shaped features are considered by Red Metal to be highly prospective for giant sedimentary-hosted copper-cobalt deposits as occur elsewhere in the province at Nifty with over 176 million tonnes grading 1.3% copper and Maroochydore with 48.6 million tonnes grading 1.0% copper. Global examples of sedimentary-hosted copper-cobalt deposits include the structure controlled Mount Isa deposit with over 225 million tonnes grading 3.3% copper and more stratabound Kamo-Kabula deposit with over 1.03 billion tonnes grading 3.17% copper recently discovered by Ivanhoe Mines in the Democratic Republic of Congo.

Future exploration funded by OZ Minerals under the Greenfields Discovery Alliance will utilize modern, deep penetrating, ground electromagnetic surveying methods to map prospective stratigraphy and rank the dome-shaped structures and magnetic bullseye targets for drill testing.

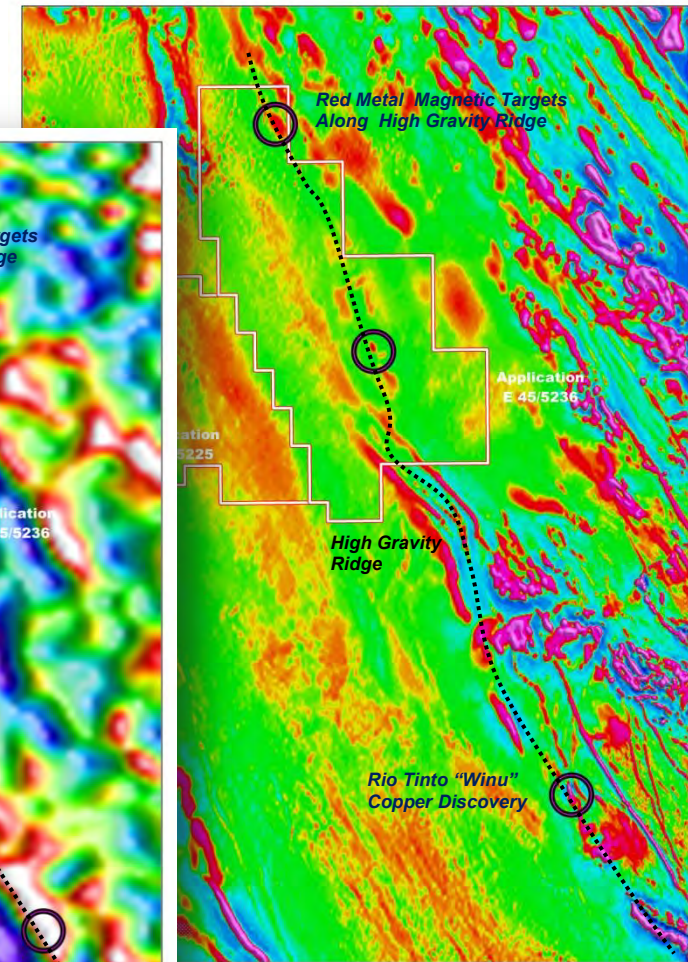
Oakover Project: Copper-Gold (Red Metal 100%)

This new project targets a regional gravity feature located only 60 kilometres northeast of the Winu discovery (Figure 9) and seeks new copper and gold mineralisation styles similar to Winu and Havieron. Red Metal is proposing to use infill gravity and electromagnetic surveying to define potential drill targets.

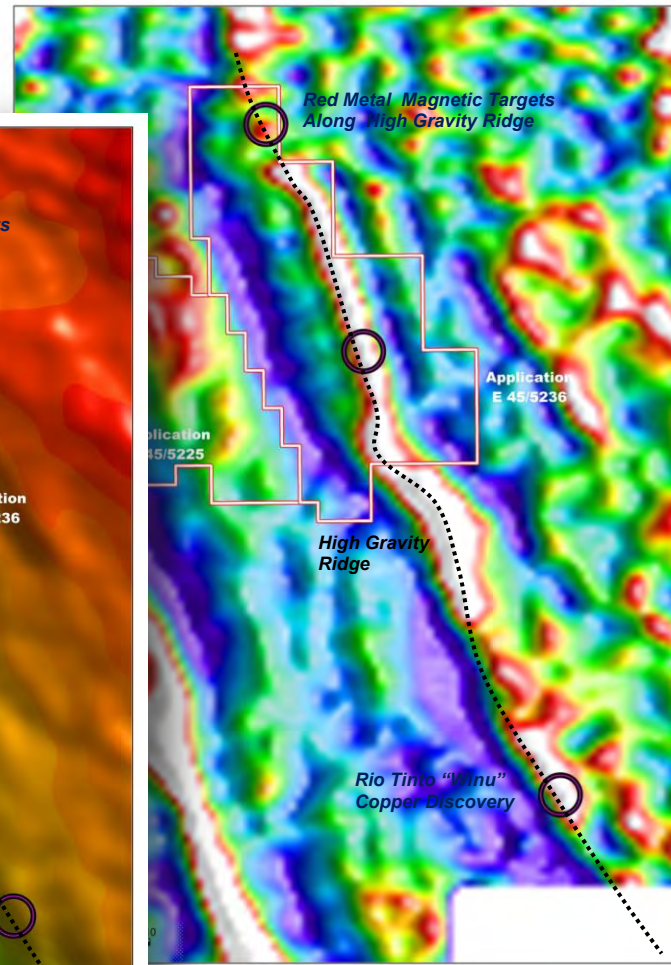


[Figure 9] Paterson Province Yarrie and Oakover Projects: Magnetic imagery with Nifty Mine, Telfer Mine, Haverion prospect, Winu prospects and Red Metal's Yarrie and new Oakover tenement applications (red line) and Rio Tinto Exploration Pty Limited's new applications (blue line). Note the exposed basement terrain of older Archaean rocks (buff coloured polygon). New data sets from the Geological Survey of Westerns Australia and Geoscience Australia greatly assisted Red Metal's new interpretation.

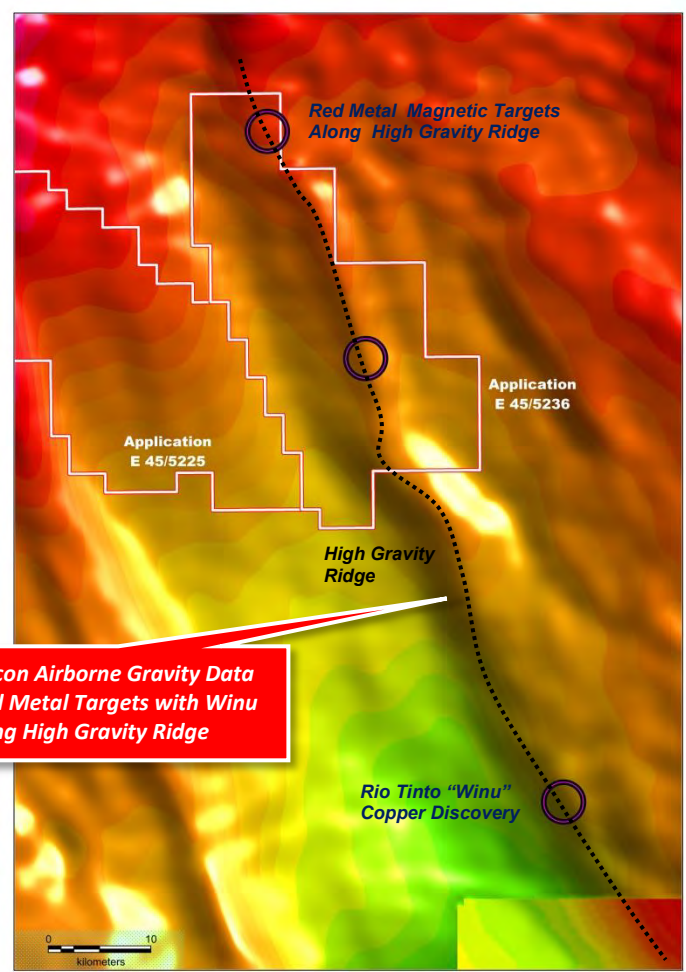
[Figure 10] Yarrie Project: New Flacon airborne gravity imagery (left and middle) highlighting high gravity ridge. Vertical gradient magnetic imagery (right) highlights a magnetic feature associated with the location of the Rio Tinto copper discovery called "Winu" sited along the high gravity ridge. Note two intriguing bullseye magnetic features on Red Metal's new tenement application E45/5236 along trend to the north northwest. Falcon data was flown by the Geological Survey of Western Australia and Geoscience Australia.



1VD Magnetic Imagery

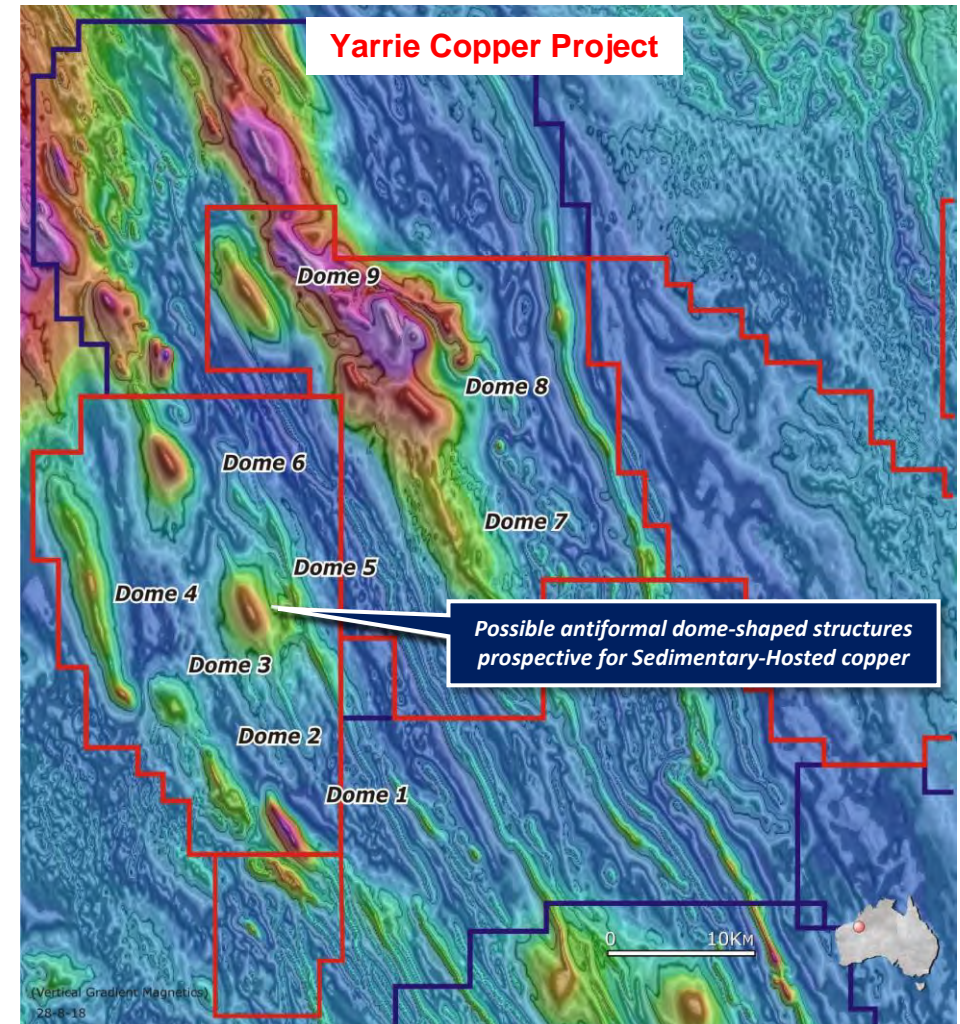
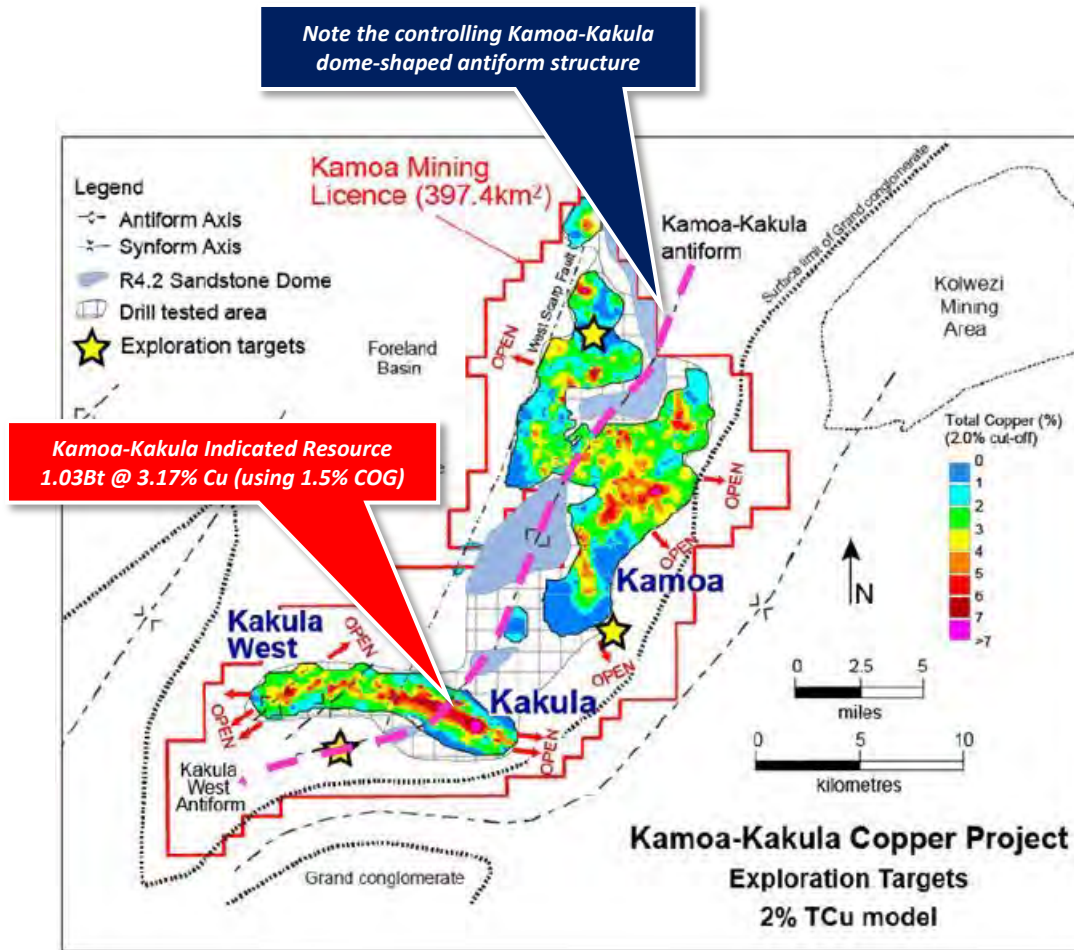


Falcon Gravity Vertical Gradient Imagery



Preliminary Falcon Gravity Imagery

New Falcon Airborne Gravity Data Links Red Metal Targets with Winu Along High Gravity Ridge



[Figure 11] Yarrie Project: Vertical gradient magnetic imagery showing interpreted dome-shaped antiform structures on the Yarrie project, Paterson Province, Western Australia (Right). Published map of the Kamo-Kakula deposit, Democratic Republic of Congo (left) highlighting the controlling Kamo-Kakula antiform. Red Metal interpret antiform-like structures on Yarrie that may offer exploration potential for Sedimentary-Hosted copper-cobalt mineralisation including Kamo-Kakula deposit types – these new target concepts remain to be evaluated.

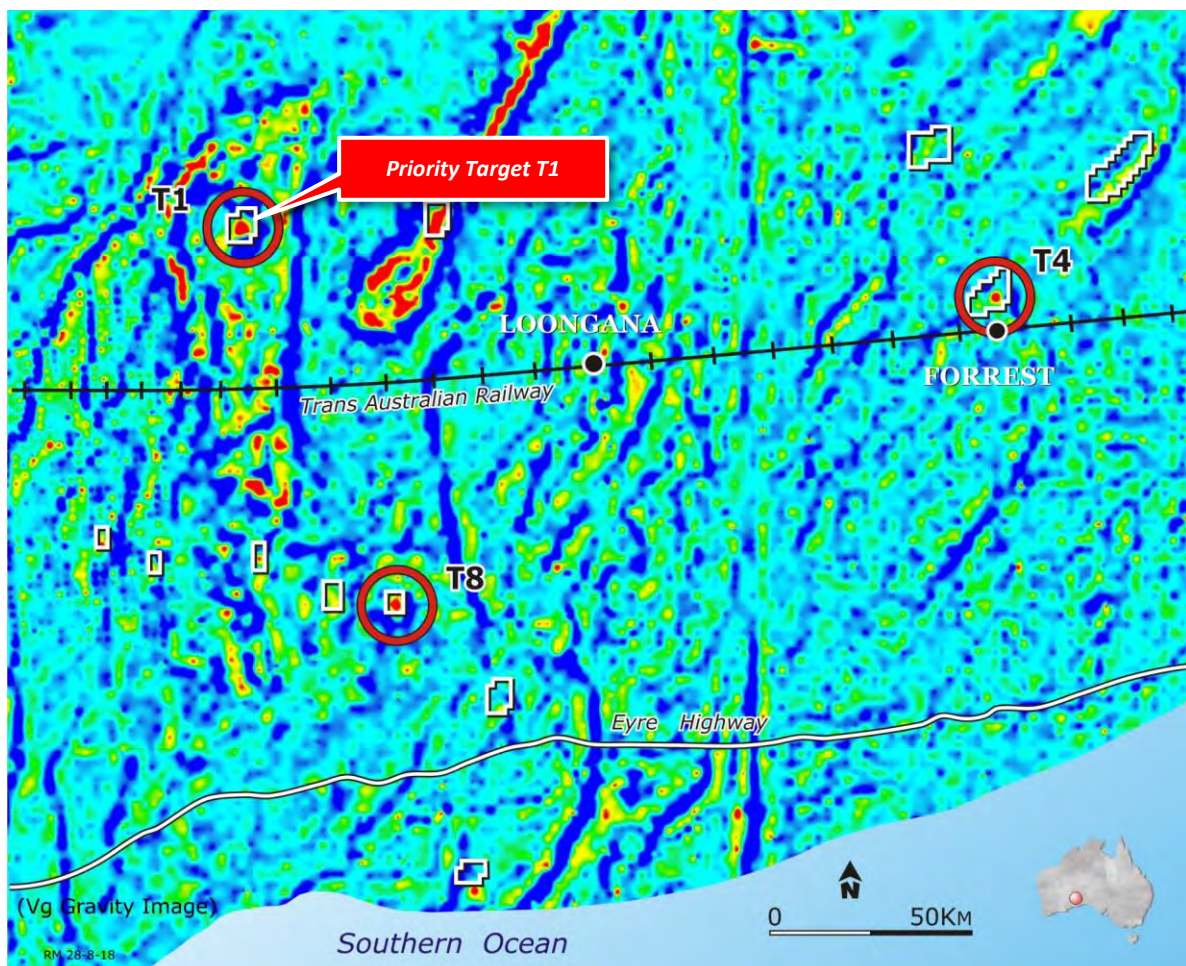
COOMPANA AND MADURA PROVINCES - WA

Nullarbor Projects: Copper-Gold, Copper-Nickel (OZ Minerals Option to Earn 51%)

Notifications in preparation for gravity surveying over fourteen separate target areas were finalized this quarter. Surveying is expected to commence in May 2019.

Red Metal has secured a number of key geophysical targets following the release of new geophysical and basement rock data by the Geological Survey of Western Australia (GSWA) and Geoscience Australia (GA) outlining what could be exciting new copper provinces under the Nullarbor Plain of Western Australia (Figure 12).

The Nullarbor project is included in the recently executed Greenfields Discovery Alliance between Red Metal and OZ Minerals with a minimum of \$700,000 committed towards proof of concept exploration programs this year (refer to Red Metal ASX announcement lodged on 30 January 2019). In addition, Red Metal was successfully awarded three separate Exploration Incentive Scheme (EIS) grants from the Western Australian Government to drill test targets T1, T4 and T8. The grants provide funding of up to \$526,000.



[Figure 12] Red Metal Nullarbor Projects: Vertical gradient gravity colour image showing main tenements and existing drill-hole locations. Drill holes that intersected basement rocks are labelled with the depth to basement (metres). Note the standout T1, T4 and T8 targets (circled red). Recent research by GSWA and GA highlight potential for new copper provinces under the Nullarbor Plain of Western Australia.

TENNANT CREEK PROVINCE - NT

Tennant Creek Project: Gold-Copper-Bismuth (Red Metal 100%)

Three percussion drill holes testing two magnetic targets, each with supporting copper and bismuth soil geochemistry, were completed last quarter. Although hydrothermal magnetite and chlorite-talc alteration were logged only minor visible copper mineralisation was intersected. Assays revealed weak copper, bismuth and insignificant gold values which have down-graded these prospects.

OTHER PROJECTS

Red Metal's other projects are briefly summarised below in Table 1.

[Table 1] Red Metal Limited: other projects.

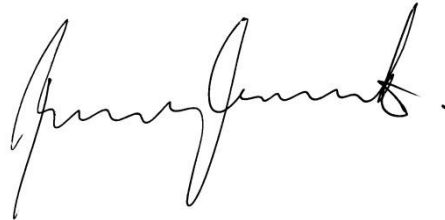
Project	Description	Status
QUEENSLAND		
<u>Corkwood & Leichhardt</u> <i>Cu-Au</i>	Magnetite-biotite altered porphyritic intermediate volcanic rock types comparable to the halo alteration that surrounds the Ernest Henry deposit. Known copper-gold mineralised breccia. New IOCG targeting concepts being tested.	Drill ready
<u>Mt Dromedary North</u> <i>Graphite</i>	Covers northward extension of the large Mount Dromedary graphite trend defined from airborne electromagnetic imagery.	Drill ready, seeking third party funding.
SOUTH AUSTRALIA		
<u>Barton</u> <i>Zircon, Titanium & Au</i>	Large tonnage, low-grade heavy mineral sand deposit discovered in Eucla Basin near Iluka's Ambrosia zircon mine. Gold potential in underlying basement shear zones remains untested.	Scope for higher grade of HM identified. Seeking third party funding.
<u>Callabonna JV</u> <i>Cu-Au</i>	Red Metal has recognized the potential for large Iron-Oxide Copper and Gold deposits (IOCG) along the northern margin to the Curnamona Province. Several large magnetic and gravity targets remain to be tested for their copper potential.	Ranking with electro-magnetic surveying.
NORTHERN TERRITORY		
<u>Mallapunyah</u> <i>Pb-Zn-Ag & CuAgCo</i>	Application on Aboriginal Land located within the McArthur Basin targeting zinc-lead-silver deposits similar to the giant McArthur River and Century mines as well as sedimentary-hosted styles of copper mineralisation. Recent success on the Teena project by Teck has highlighted the potential for additional deposits within this fertile terrain	Joint venture with MMG Establishing access agreement

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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Fax +61 (0)2 9281-5747
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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.

ADDENDUM TO MARCH 2019 QUARTERLY ACTIVITIES REPORT

Granted exploration tenements held are as follows:

Project	Tenement Reference	Company Interest %	Comment
Maronan	EPM 13368	100	
Corkwood	EPMs 13380, 26032, 26125	100	
Lawn Hill	EPMs 25902, 25904, 25905, 25907, 25912, 25985, 26116, 26157, 26293, 26402, 26406, 26407, 26820, 26821, 26822, 26943, 26947	100	Refer note 1.
Gulf	EPM's 26434, 26436, 26654, 26655, 26656, 26657, 26671, 26672, 26673, 26674, 26675, 26819	100	Refer note 1.
Mount Skipper	EPM 19232	100	Refer note 1.
Chinova JV	EPMs 15385, 16251	100	Refer note 2.
Barton	EL 5888	100	
Callabonna JV	EL 5360, 6204	51	Refer note 3.
Pernatty Lagoon JV	EL 6014	87.4	Refer note 4.
Punt Hill JV	EL 6035	100	Refer note 5.
South Gap	EL 5996	100	
Birthday Well	EL6289	100	
Tennant Creek	EL 24009	100	
Irindina	EL27266	100	
Nullarbor	ELs 3428, 3429, 3430, 3432, 3433, 3434, 3436, 34347, 3438, 3439, 3441	100	Refer note 1.

Notes:

- 1. Greenfields Discovery Alliance Agreement between Red Metal (diluting to 49%) and OZ Minerals Limited (earning 51%). No change in interest during the quarter.*
- 2. Joint venture between Red Metal (diluting to 30%) and Chinova Resources (Osborne) Pty Ltd (earning 70%). No change in interest during the quarter.*
- 3. Joint venture between Red Metal (51% earning 70%) and PlatSearch NL now Variscan Mines Limited (49% diluting to 30%). No change in interest during the quarter.*
- 4. Joint venture between Red Metal (87.39%) and Havilah Resources NL (12.61%). Joint venture between Red Metal (diluting) and OZ Exploration Pty Ltd (earning 70% from Red Metal). No change in interest during the quarter.*
- 5. Joint venture between Red Metal (diluting to 30%) and OZ Exploration Pty Ltd (earning 70%). No change in interest during the quarter.*

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 METAL LIMITED

ABN

34 103 367 684

Quarter ended ("current quarter")

31 MARCH 2019

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		
1.2 Payments for		
(a) exploration & evaluation	(271)	(1,088)
(b) development		
(c) production		
(d) staff costs	(86)	(435)
(e) administration and corporate costs	(52)	(253)
1.3 Dividends received (see note 3)		
1.4 Interest received	5	27
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Research and development refunds		
1.8 Other (provide details if material)		
Other – Government grant	-	-
Other – R+D tax refund	-	-
1.9 Net cash from / (used in) operating activities	(404)	(1,749)
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)		

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
(c) investments		
(d) other non-current assets		
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		
3.2 Proceeds from issue of convertible notes		
3.3 Proceeds from exercise of share options	-	99
3.4 Transaction costs related to issues of shares, convertible notes or options	-	(2)
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 (provide details if material)		
3.10 Net cash from / (used in) financing activities	-	97

4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	728	1,976
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(404)	(1,749)
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)	-	97

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	324	324

Note: In January 2019 the Company entered into the Greenfields Discovery Alliance agreement which provides OZ Minerals Limited (OZ Minerals) with a two year option to fund a series of mutually agreed, proof-of-concept work programs on six of Red Metal's projects. In addition to this project funding, under the terms of the agreement OZ Minerals will make cash payments to Red Metal of \$300,000 for each of the six nominated projects. Payments in relation to two projects (that are under application) are dependent upon satisfactory conditions of grant. Red Metal expects to receive \$1,200,000 during the June 2019 quarter.

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	124	228
5.2 Call deposits	200	500
5.3 Bank overdrafts		
5.4 Other (provide details)		
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	324	728

6. Payments to directors of the entity and their associates

	Current quarter \$A'000
6.1 Aggregate amount of payments to these parties included in item 1.2	78
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	

Directors remuneration

7. Payments to related entities of the entity and their associates	Current quarter \$A'000
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	

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.		

9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	50
9.2 Development	
9.3 Production	
9.4 Staff costs	125
9.5 Administration and corporate costs	75
9.6 Other (provide details if material)	
9.7 Total estimated cash outflows	250

Mining exploration entity and oil and gas exploration entity quarterly report

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	EPM25871 (Qld)	Granted tenement	100	-
10.2	Interests in mining tenements and petroleum tenements acquired or increased	EPMS 26819, 26943, 26947 (Qld)	Granted tenements	-	100

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: April 2019

Print name: Patrick Flint

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.