

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

10,375,000
Unlisted options

Directors:

Rob Rutherford
Managing Director

Russell Barwick
Chairman

Joshua Pitt
Non-executive Director

RED METAL LIMITED

Level 15
323 Castlereagh Street
Sydney NSW 2000

Ph: +61 2 9281 1805
Fax: +61 2 9281 5747

info@redmetal.com.au
www.redmetal.com.au

JUNE 2019 QUARTERLY REPORT
29 July 2019

HIGHLIGHTS

Mount Skipper, QLD, Zinc-Lead-Silver

- Proof of concept drill test in progress

Three Ways, QLD, Zinc-Lead-Silver & Copper

- Extensive magneto-telluric survey underway
- Preliminary results expected next quarter

Nullarbor, WA, Copper-Gold

- Multiple gravity surveys completed
- Several standout anomalies identified
- Expanded tenement holding secured
- Preparations for proof of concept drilling in 2019 underway

GREENFIELDS DISCOVERY ALLIANCE WITH OZ MINERALS

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

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).

This quarter saw initiation of field activities on the Nullarbor, Mount Skipper and Three Ways projects and the receipt by Red Metal of the relevant cash payments totaling \$900,000. Summaries of activities and plans for the six projects within the Greenfields Discovery Alliance can be found in the following operations review.

MOUNT ISA INLIER - QLD

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

The Maronan lead-silver and copper-gold project is an emerging large base and precious metal deposit in the world class Carpentaria Province which hosts several Tier 1 lead-zinc-silver mines and a number of significant copper-cobalt and copper-gold mines (Figure 2).

Maronan has JORC 2012 compliant Inferred Resources of **30.8Mt @ 6.5% lead with 106g/t silver** (using a 3% lead cut-off grade) plus **11Mt @ 1.6% copper with 0.8g/t gold** (using a 1.0% copper cut-off grade). Refer to Red Metal ASX announcement lodged 27 October 2015 for details on the resource.

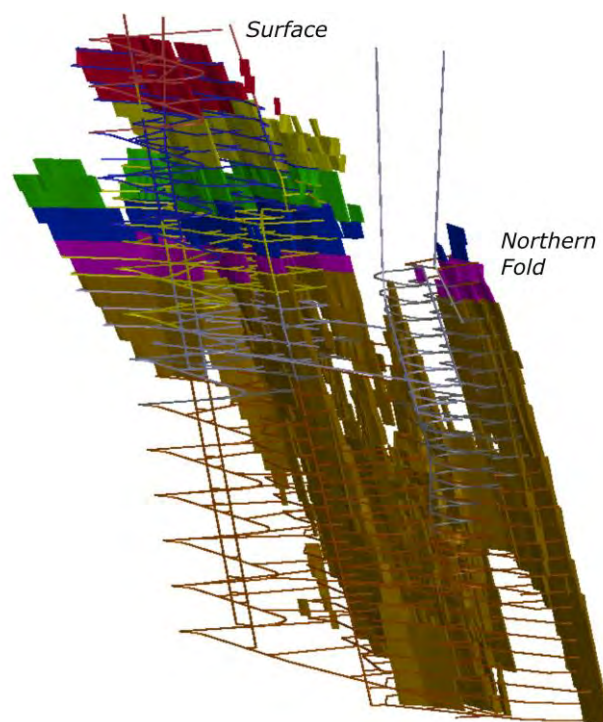
The lead and silver mineralisation is soft, coarse grained and where metallurgically tested returned recoveries of between 92-96% for the lead and 91-94% for the silver (refer Red Metal ASX announcements lodged 29 July 2015 and 8 March 2016). Applying current commodity prices and exchange rates to the 2016 preliminary mine scoping study for Maronan has shown that the resource grade of 6.5% lead with 106g/t silver is equivalent to a lead grade of 10.2%. This is **equivalent to a copper grade of about 3.4%**.

The deposit comprises multiple ore horizons with steep dipping planar geometry’s (Figure 1) and excellent hangingwall and footwall ground conditions. Sulphide mineralisation comes to within about 90 metres of surface.

In addition, Red Metal recognizes vectors within the deposit that support the concept for a large, higher grade Cannington style silver-lead-zinc deposit and enriched copper-gold system at depth below the existing resources.

A positive return in sentiment towards base metals or a potential re-rating of the silver price in keeping with the current high gold price should renew market interest in this exciting advanced project.

[Figure 1] Maronan Project: 3D oblique view of mine development model.

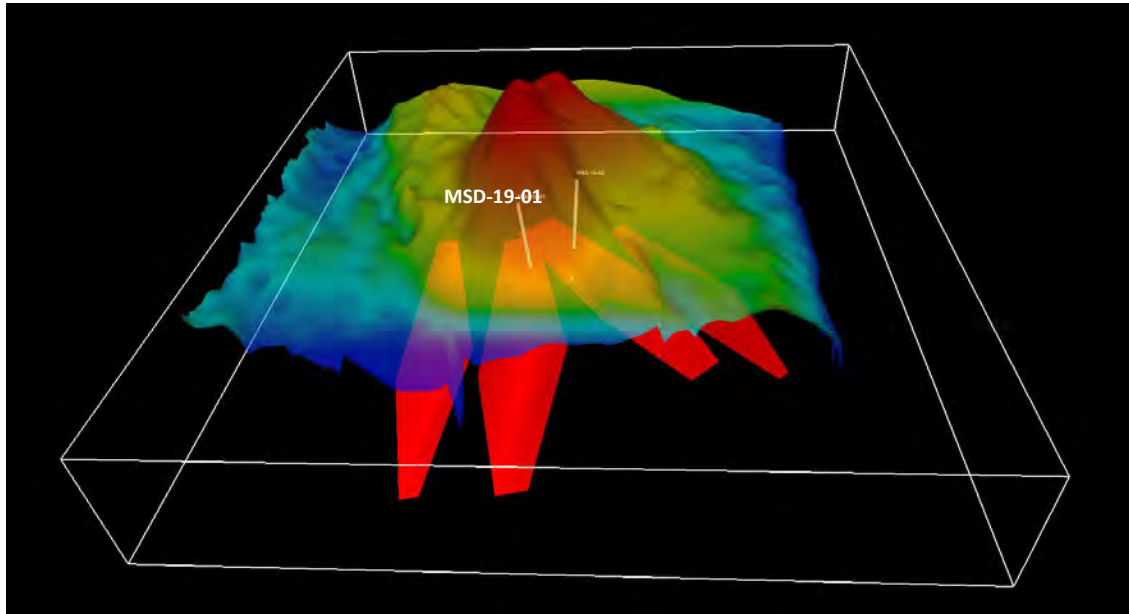




[Figure 2] Northwest Queensland and Northern Territory: Major deposits and Red Metal's tenement locations.

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

Diamond core drilling is underway testing the bulls-eye magnetic target on the Mount Skipper project located 90 kilometres south of the Cannington mine (Figure 2 and Figure 3). The initial proof of concept program consists of one hole to about 900 metres depth and is funded by OZ Minerals Limited under the terms of Greenfields Discovery Alliance (Red Metal ASX announcement lodged 30 January 2019).

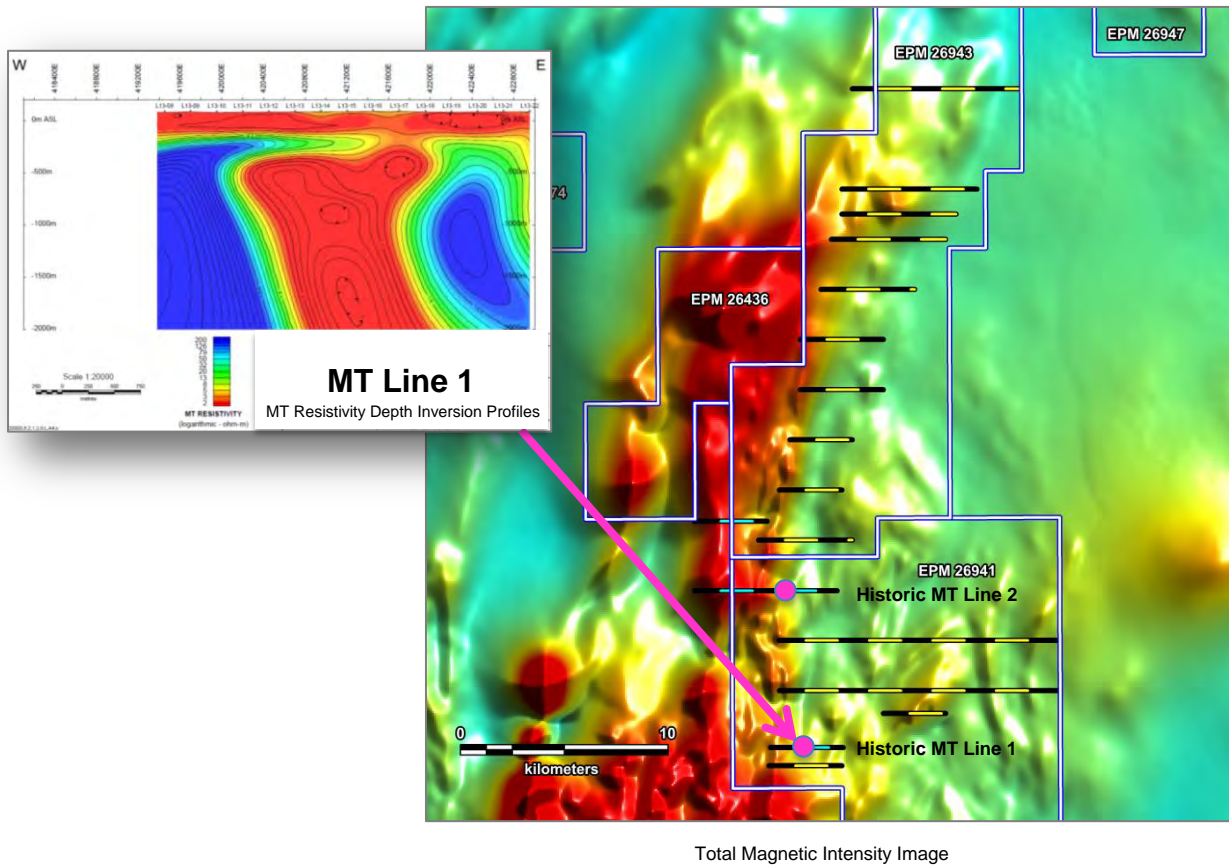


[Figure 3] Mount Skipper Project: North facing three dimensional view of the bulls-eye magnetic target underlain by the modelled bodies (red polygons).

Three Ways Project: Zinc-Lead-Silver & Copper-Cobalt (Greenfields Discovery Alliance)

An innovative magneto-telluric (MT) survey designed to map and prioritize highly conductive, zinc and copper prospective stratigraphy within the newly interpreted Three Ways sub-basin was recently initiated (Figure 4). Surveying is expected to take 2 months to complete. Preliminary results are anticipated 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 2, 4 and 5). 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 4). These conductive and potentially pyritic formations are also the preferred host rocks for structure controlled Sediment-Hosted copper-cobalt deposit types with the large, high-grade Mount Isa copper mine being a good example.

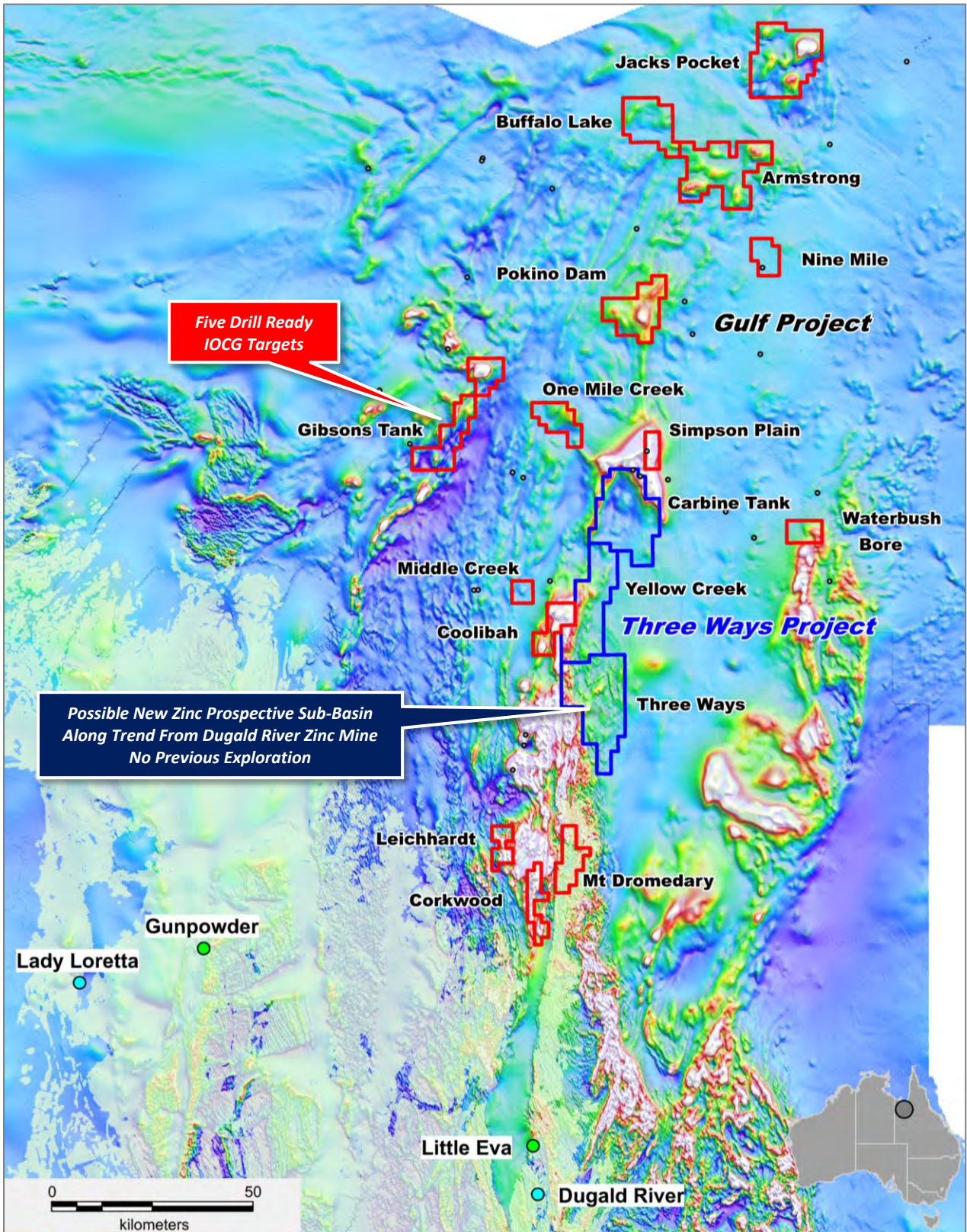


[Figure 4] Three Ways Zinc Project: Total magnetic imagery (right) showing planned magneto-telluric survey (MT) lines (yellow/black lines) and the two historic MT lines (light blue/black) with the thick zones of high conductance shown as pink dots. MT resistivity depth inversion profile (left) highlights a steep east dipping conductor (low resistor) in red which Red Metal speculates may be prospective for Mount Isa styles of stratiform zinc or Sediment-Hosted copper mineralisation.

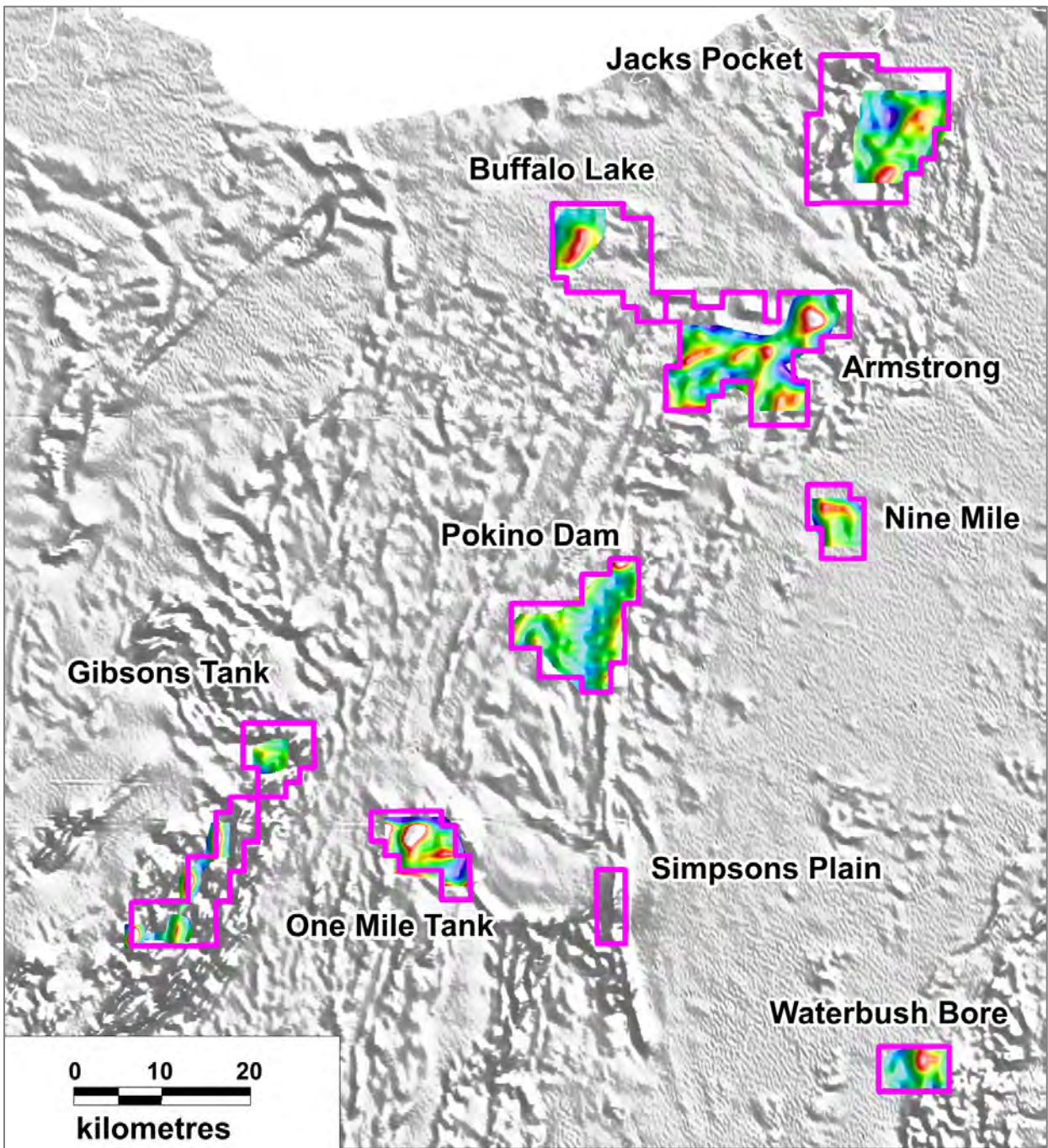
Gulf Project: Copper-Gold (OZ Minerals Option to Earn 51%)

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 2 and 5).

Infill gravity surveys have been completed over ten of the Gulf tenements. Recent modelling 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 6). Additional gravity surveying is proposed in preparation for extensive drill tests during the 2020 field season.



[Figure 5] Three Ways Project, Gulf Project, Leichardt Project, Corkwood Project and Mount Dromedary North Project: Total magnetic intensity image highlighting regional project locations and historic basement drill holes. Regions of exposed or outcropping geology highlighted as white translucent areas.

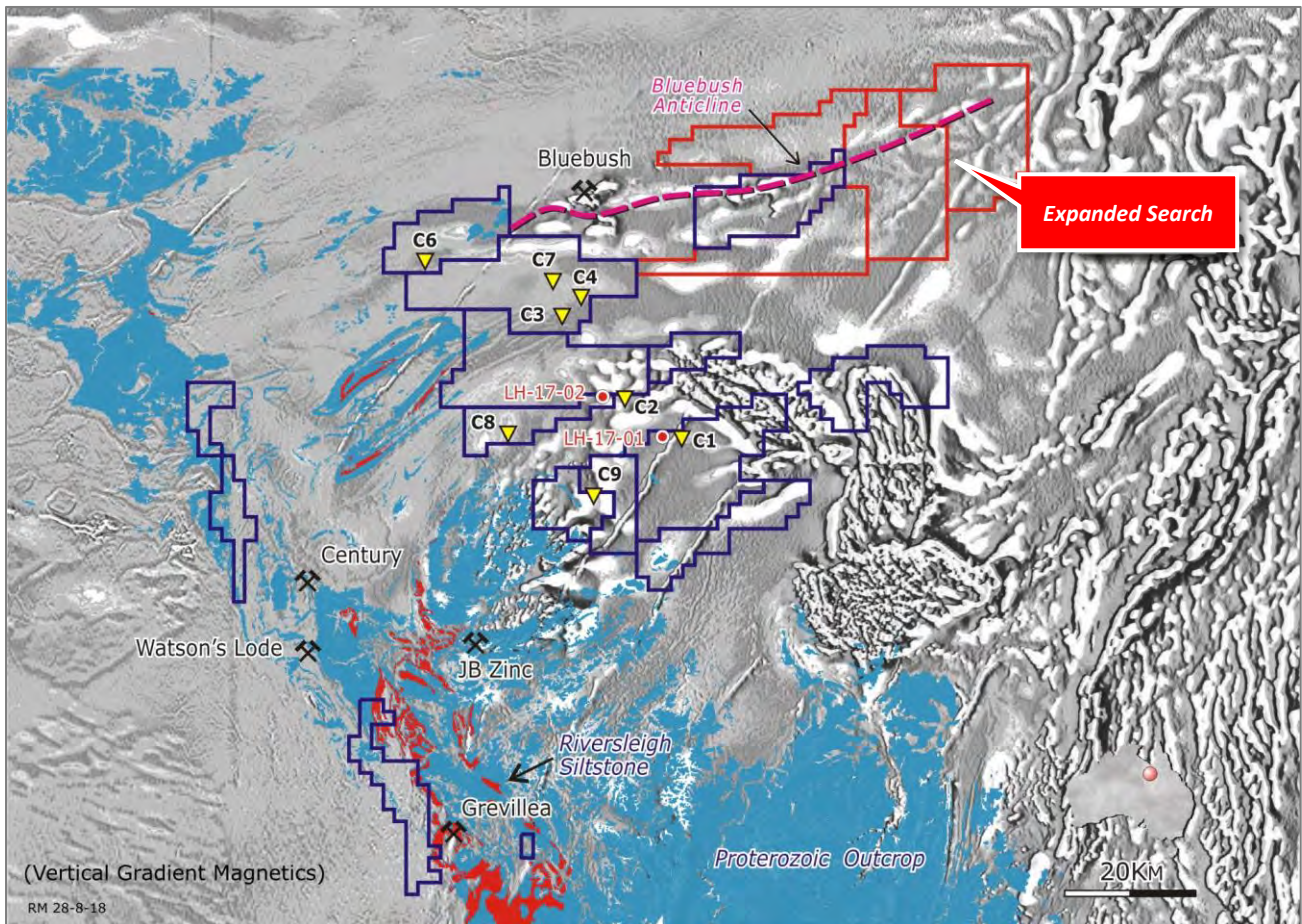


[Figure 6] Gulf Projects: Greyscale derivative magnetic image overlain by vertical gradient gravity images (colour) derived from Red Metal's most recent infill gravity surveying.

Lawn Hill Project: Zinc-Lead-Silver & Copper-Cobalt (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 2 and 7).

With funding from OZ Minerals, the Company proposes to utilise deep penetrating, magneto-telluric (MT) surveying to map prospective stratigraphy and traps sites for proof of concept drill testing. Preparations for ground surveying are underway.



[Figure 7] 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.

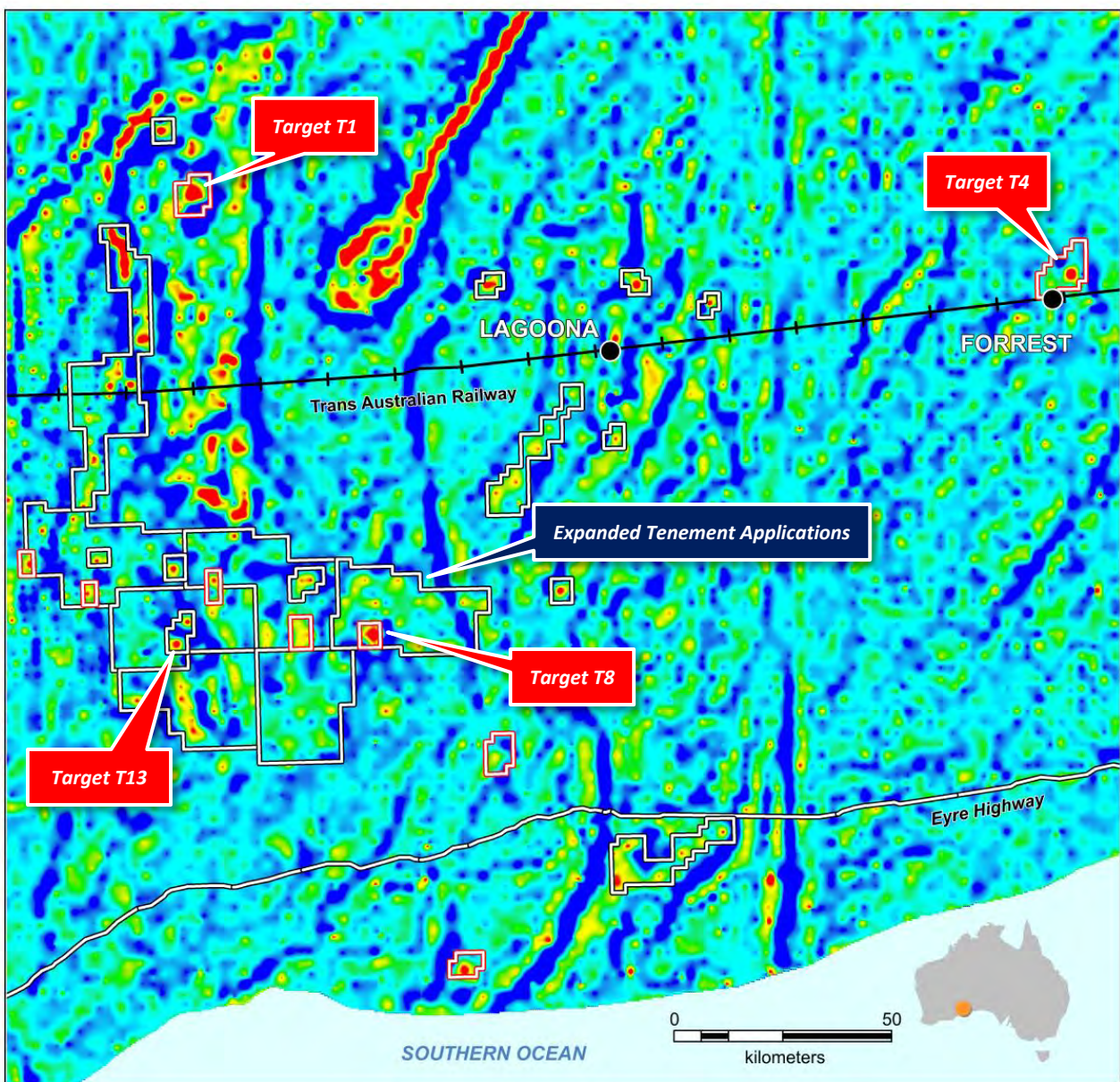
COOMPANA AND MADURA PROVINCES - WA

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

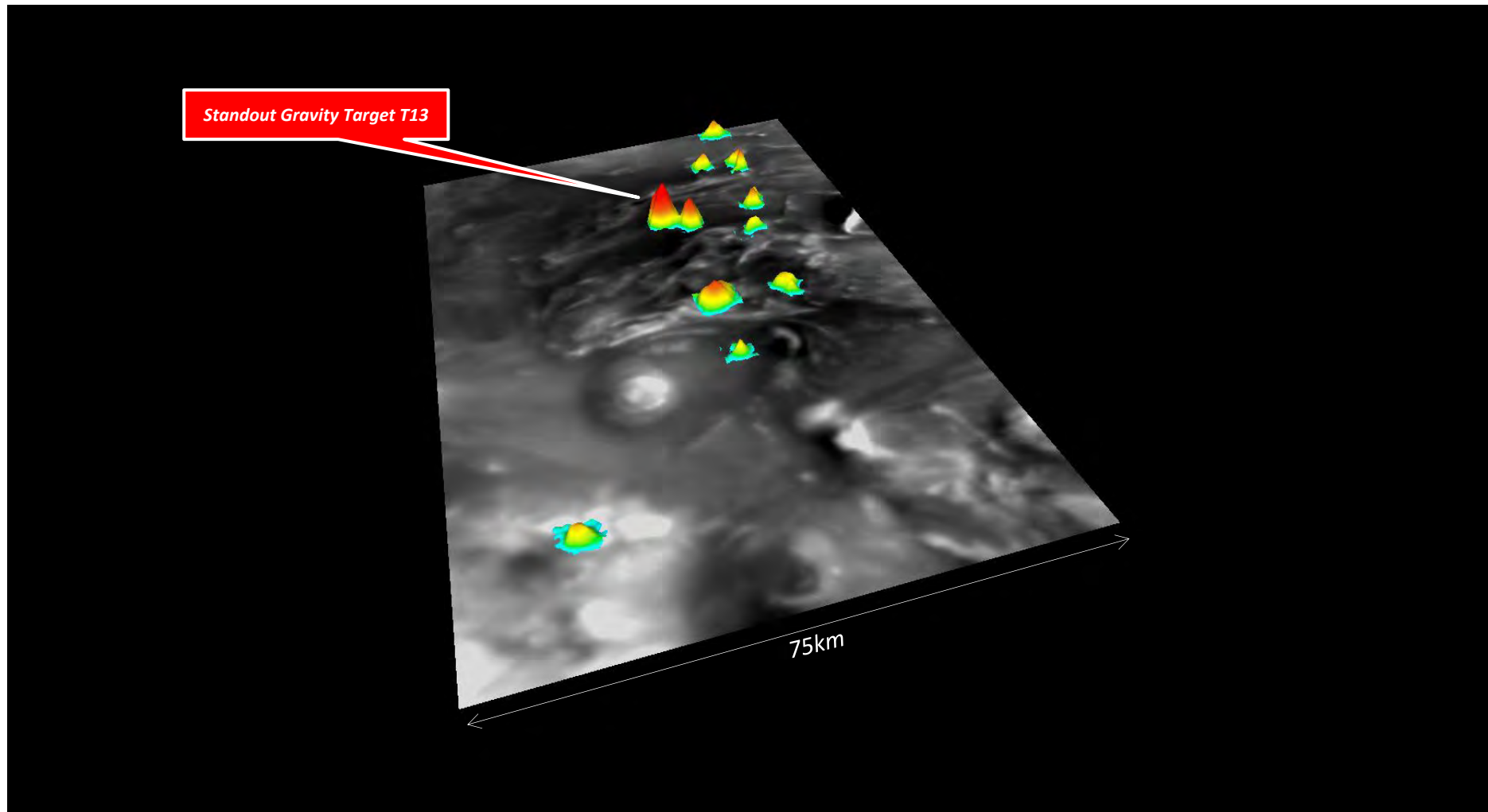
Higher resolution infill gravity surveys on fourteen target areas were finalized this quarter. Several gravity and combined gravity and magnetic targets were identified for follow-up proof of concept drill holes with notable standouts being T1, T4, T8 and T13 (Figures 8 and 9).

The successful use of infill gravity surveying as a first pass targeting tool (Figure 9) has encouraged Red Metal and OZ Minerals to expand the alliances tenement holding in these under explored frontier copper provinces (Figure 8).

Preparations for proof of concept drill tests in the second half of 2019 are underway.



[Figure 8] Red Metal Nullarbor Projects: Vertical gradient gravity colour image showing Red Metal granted tenements (white/red) and new applications (white/black).



[Figure 9] Red Metal Nullarbor Projects: Oblique three dimensional view facing west showing greyscale total magnetic imagery overlain by gravity relief image derived from Red Metal's recently collected data. Note the standout gravity anomaly at T13 (red peaks).

PATERSON PROVINCE - WA

This quarter Rio Tinto announced further 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. 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.

Red Metal continued to progress the new tenement applications towards grant this quarter.

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. The area 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 10).

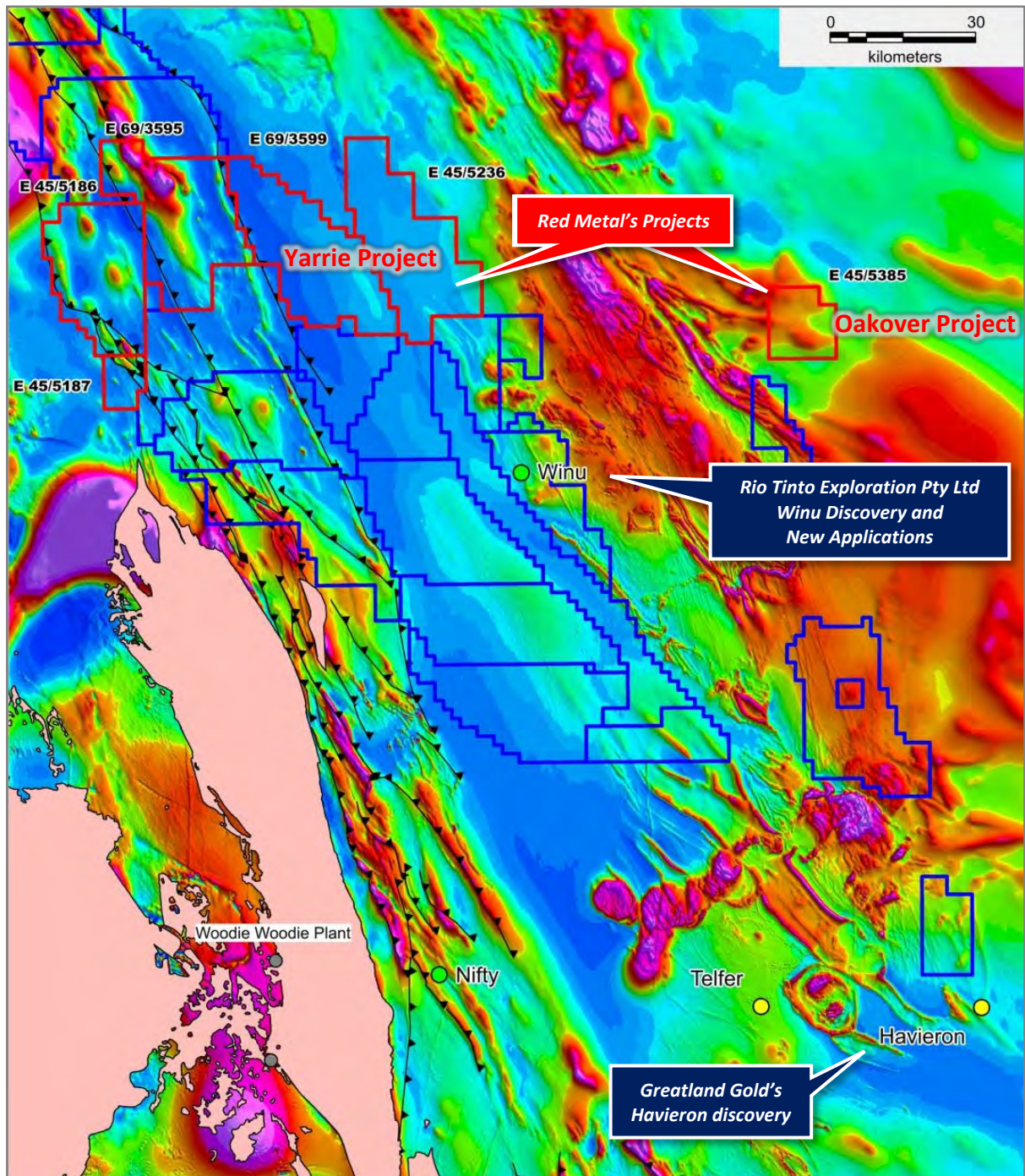
Combining recently released Falcon airborne gravity imagery with vertical gradient magnetic imagery has allowed Red Metal to highlight Rio Tinto’s Winu discovery as a low-amplitude, bullseye magnetic target along a high-gravity ridge (Figure 11). Two very similar low-amplitude magnetic bullseye targets 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 12). 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.

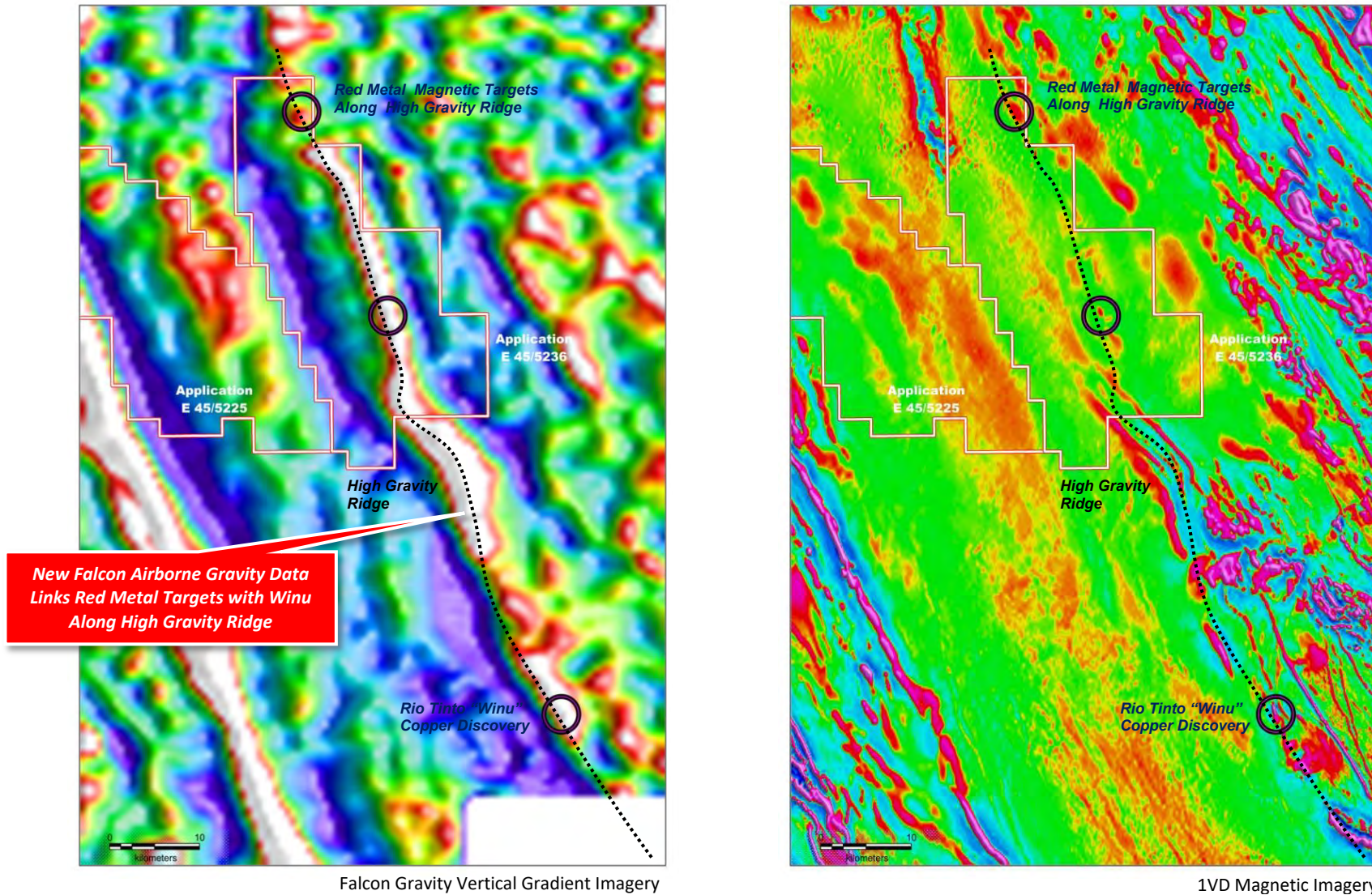
Future exploration funded by OZ Minerals under the Greenfields Discovery Alliance will utilize modern, deep penetrating, ground electromagnetic surveying methods to map prospective stratigraphy and rank the dome-shaped structures and magnetic bullseye targets for drill testing.

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

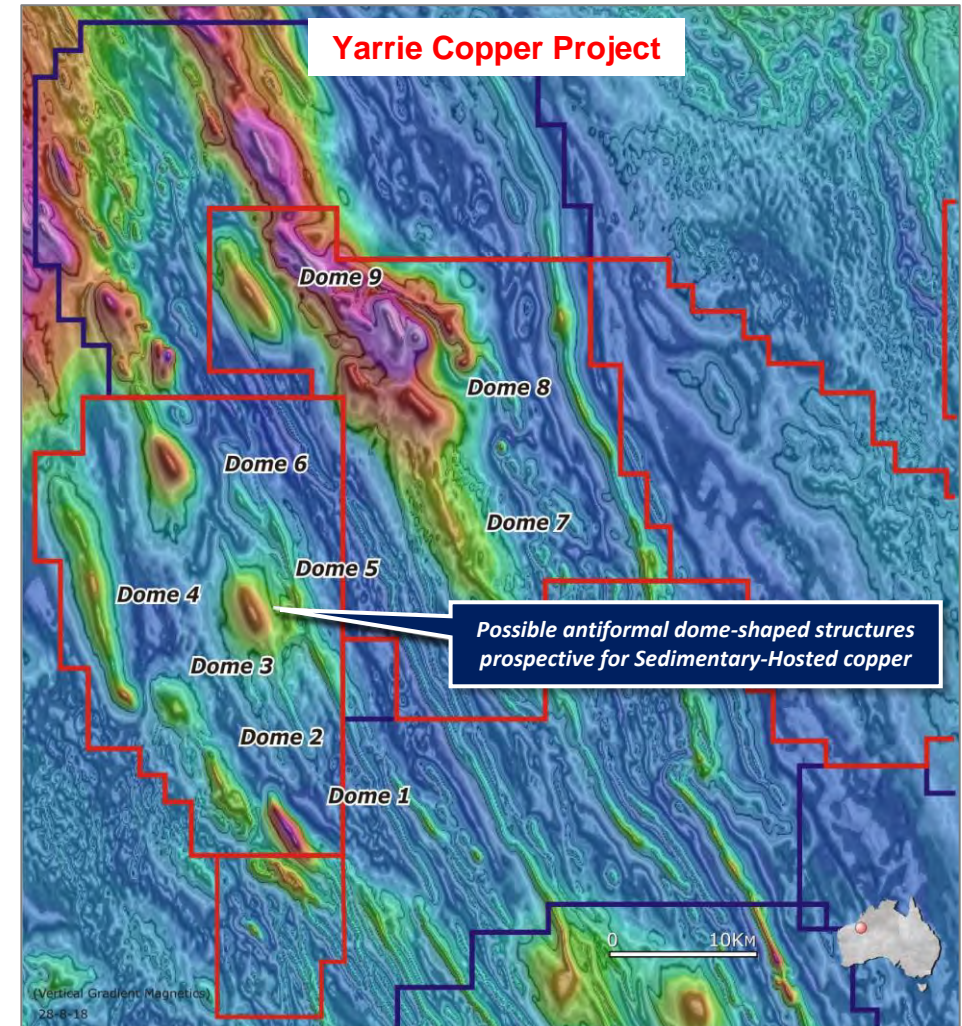
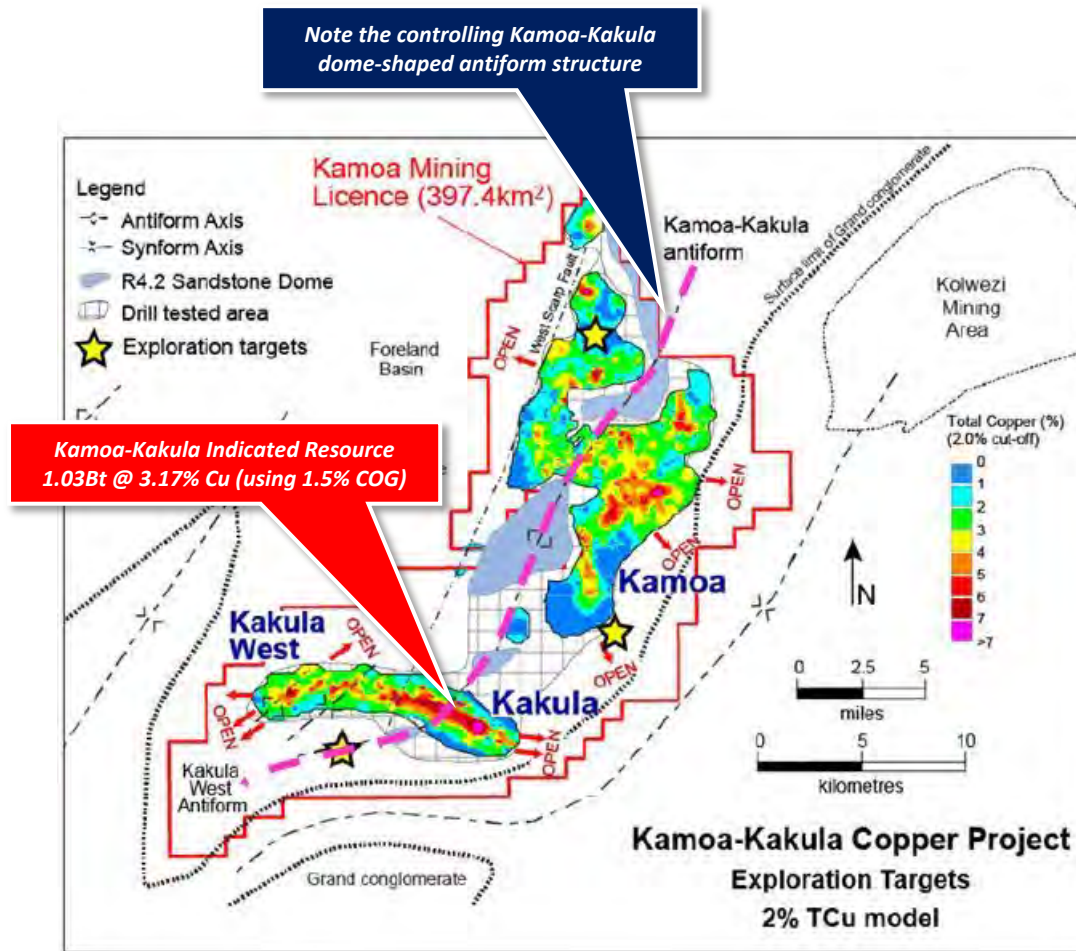
This new project targets a regional gravity feature located only 60 kilometres northeast of the Winu discovery (Figure 10) and seeks new copper and gold mineralisation styles similar to Winu and Havieron. Red Metal is proposing to use infill gravity and electromagnetic surveying to define potential drill targets.



[Figure 10] 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).



[Figure 11] Yarrie Project: New Falcon airborne gravity imagery (left) 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.



[Figure 12] 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.

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 .

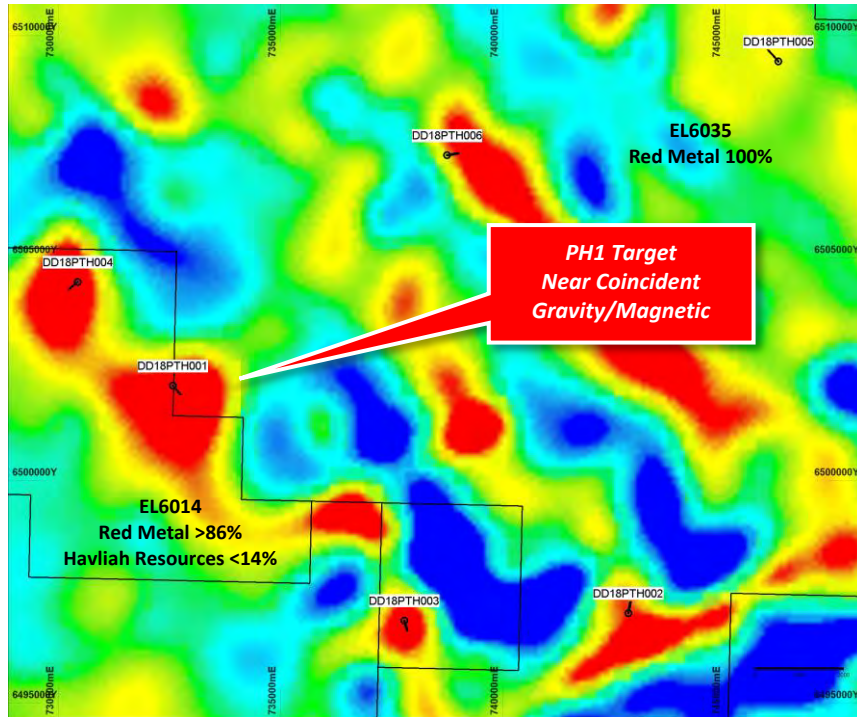
PH1 is a near coincident gravity and weak magnetic target that straddles the boundary between the separate Punt Hill and Pernatty Lagoon joint venture areas (Figure 13, also refer to Red Metal ASX announcement lodged 21 December 2017).

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 one 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).

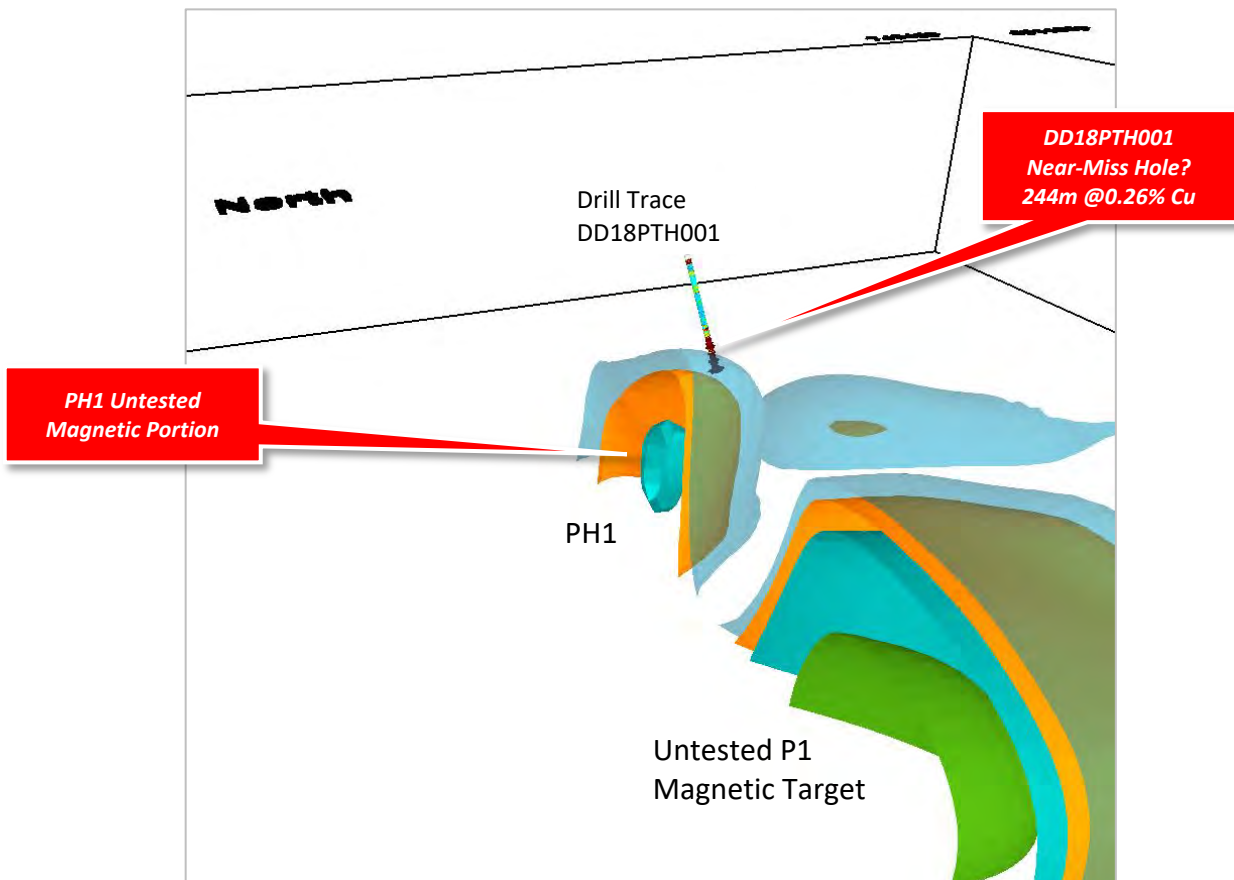
The copper mineralisation, located within the Punt Hill joint venture area, occurs as wide spaced chalcopyrite ± bornite veins with associated magnetite ± hematite and more intense retrograde chlorite, K-feldspar and siderite alteration.

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 14).

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.



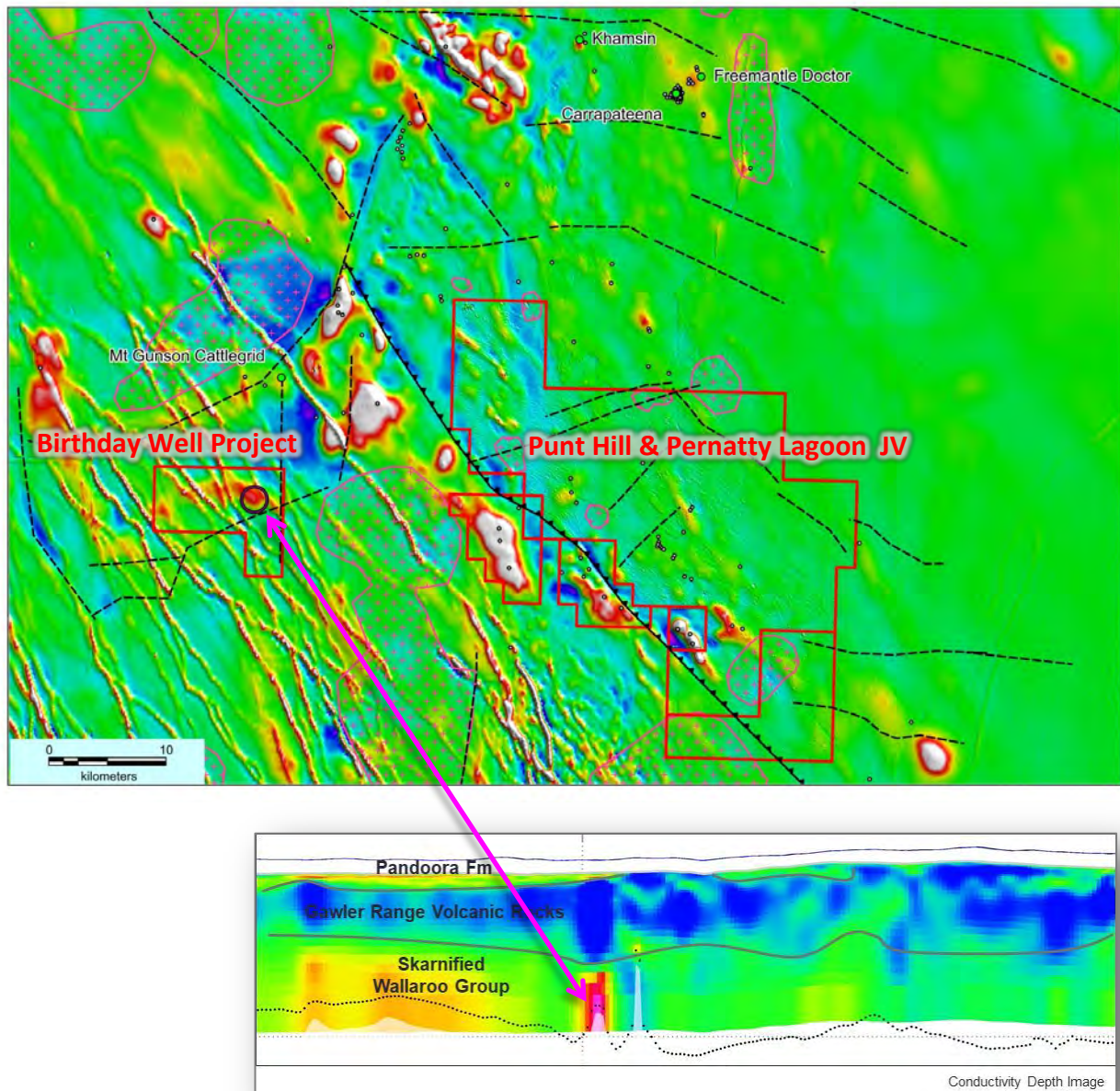
[Figure 13] Punt Hill EL 6035 and Pernatty Lagoon EL6014: Residual gravity image showing 2018 drill hole locations (right).



[Figure 14] 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 15). 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 15] 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.

OTHER PROJECTS

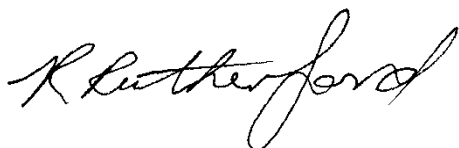
Some of Red Metal's other projects are briefly summarised below in Table 1.

[Table 1] Red Metal Limited: other projects.

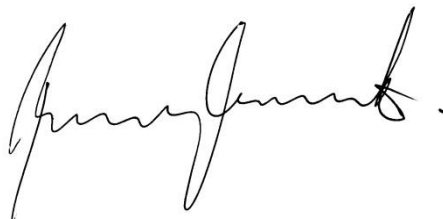
Project	Description	Status
QUEENSLAND		
<u>Emu Creek JV</u> <i>Cu-Au & Pb-Zn-Ag</i>	Joint venture partner Chinova Resources Pty Ltd is seeking IOCG copper-gold and Cannington style lead-zinc-silver within trucking distance of the Osborne Mine	Ongoing prospect evaluation
<u>Corkwood & Leichhardt</u> <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:

Phone +61 (0)2 9281-1805
 Fax +61 (0)2 9281-5747
 www.redmetal.com.au



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.

The information in this report that relates to Exploration Results and estimates of Mineral Resources for the Maronan Project was previously reported by the Company in compliance with JORC 2012 in various market releases with the last one being dated 27 September 2018. The Company confirms that it is not aware of any new information or data that materially affects the information included in those earlier market announcements and, in the case of the estimate of Mineral Resources all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed.

The lead equivalent values were determined by Red Metal using the 2016 Preliminary Mine Scoping Study determined by AMDAD. Mine modelling are based on the following parameters

- *Current metal prices of \$US2000 per tonne lead, \$US16.50 per ounce silver, \$US5984 per tonne copper,.*
- *Processing recoveries provided by the CORE Group were 95% for lead and 93% for silver, based on initial metallurgical test results*
- *Conceptual realisation costs, covering concentrate transport, smelting, refining, deductions, insurance and royalty, provided by Red Metal, equating to A\$8.32/10kg lead, A\$0.054/g silver, A\$15.44/10kg copper, and A\$2.10/g gold, using an exchange rate of US\$0.7/A\$*
- *Net recovered values of A\$19.97/10kg lead, A\$0.62/g silver, A\$60.50/10kg copper, and A\$38.62/g*
- *Lead equivalent multipliers of 0.0348 for silver,*
- *The lead equivalent percentage value is calculated as follows: lead equivalent% = lead% + (silver ppm x 0.0348)*
The copper equivalent percentage value is calculated as follows copper equivalent % = lead equivalent% x 2000/5894

These values will vary depending on metal prices assumed, and when metallurgical test work is completed for copper and gold, and further test work is completed for lead and silver. It is Red Metal's opinion that all the elements included in the metal equivalents calculation have a reasonable potential to be recovered and sold.

ADDENDUM TO JUNE 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, 26819, 26820, 26821, 26822	100	Refer note 1.
Gulf	EPM's 26434, 26436, 26654, 26655, 26656, 26657, 26672, 26674, 26675,	100	Refer note 1.
Three Ways	EPM's 26941, 26943, 26947		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	Project terminated	0	
Irindina	EL27266	100	
Nullarbor	ELs 3429, 3430, 3432, 3433, 3434, 3436, 3437, 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")

30 JUNE 2019

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers		
1.2 Payments for		
(a) exploration & evaluation	(132)	(1,220)
(b) development		
(c) production		
(d) staff costs	(123)	(558)
(e) administration and corporate costs	(45)	(298)
1.3 Dividends received (see note 3)		
1.4 Interest received	1	28
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)		
Reimbursable JV expenditure	(258)	(258)
JV expenditure reimbursed	190	190
Government grant	30	30
Other	29	29
1.9 Net cash from / (used in) operating activities	(308)	(2,057)

Mining exploration entity and oil and gas exploration entity quarterly report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
2.	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)		
	(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) JV option fees received	900	900
2.6	Net cash from / (used in) investing activities	900	900

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	324	1,976
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(308)	(2,057)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.3	Net cash from / (used in) investing activities (item 2.6 above)	900	900
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	97
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	916	916

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. 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. Red Metal received \$900,000 in the June 2019 quarter in relation to three projects, and expects to receive further payments (in relation to two projects) of \$300,000 per project later this year and in early 2020. Payment in relation to one project (that is under application) is dependent upon satisfactory conditions of grant.

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	916	124
5.2	Call deposits		200
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)	916	324

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	84
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	EL 24009 (Tennant Creek)	Granted tenement	100	-
10.2	Interests in mining tenements and petroleum tenements acquired or increased	-	-	-	-

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: July 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.