

## SEPTEMBER 2023 QUARTERLY REPORT

### 31 OCTOBER 2023

#### HIGHLIGHTS

##### RED METAL FUNDED PROJECTS

###### **Sybella, QLD, Rare Earth Elements**

- Drill assays reveal innovative new REO discovery.
- Metallurgical test work on percussion drill chips in progress.

###### **Gidyea, QLD, Copper-Gold**

- Drill test on standout Ernest Henry style magnetic target GT19 has begun.
- Visual results expected over the next month.

###### **Pardoo, WA, Gold and Lithium**

- Target generation work defines Hemi-style gold and lithium-pegmatite targets.
- Preparations for drilling during 2024 field season are underway.

##### ALLIANCE WITH BHP

###### **Yarrie, WA, Copper-Gold-Cobalt**

- Heritage surveying in preparation for drilling completed.
- Drilling planned for early in 2024 field season.

###### **Gulf, QLD, Copper-Gold and Lawn Hill, QLD, Zinc-Lead-Silver**

- Infill gravity surveys over key targets in progress.

##### CORPORATE

###### **Capital Raising**

- Capital raising comprising a placement and a rights issue for up to \$4.5 million announced to fund Red Metal 100% projects.

###### **Maronan Metals Investment**

- More wide intercepts of high tenor silver and lead mineralisation reported.
- Compilation work towards a revised resource and mining study is progressing.

**OUR NEW DISCOVERY**

**RED METAL FUNDED PROJECTS**

**The Sybella Project: Rare Earth Elements Mount Isa Inlier QLD**

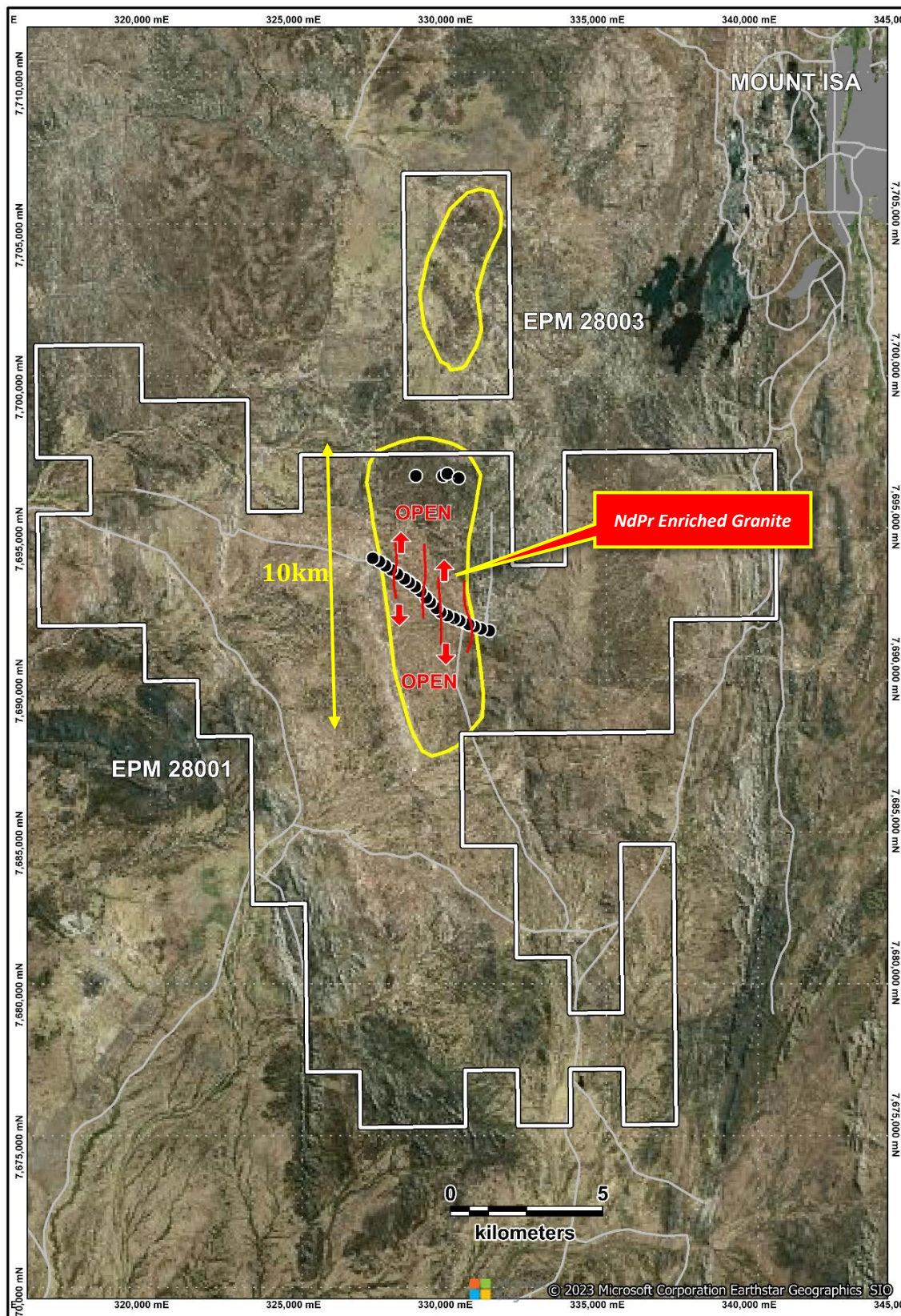
Red Metal announced the exciting new Sybella rare earth oxide (REO) discovery just 20 kilometres southwest of Mount Isa in Northwest Queensland on 21 August 2023. Percussion drill chip samples from the recent drilling have been lodged with rare earth processing experts ANSTO Minerals and the Queensland-based Core Group for metallurgical test work (refer ASX: RDM announcement dated 20 October 2023).

Red Metal’s drill results show consistent grades of REOs down-hole and over wide intervals highlighting the vast tonnage potential of this new discovery. Two mineralised zones each about 1000 metres wide remain open at depth and along strike north and south (Figure 2). Importantly, the key REO minerals appear to be the soluble fluoro-carbonate minerals bastnasite and synchysite that should be recoverable by the application of a weak acid solution. Red Metal believe this REO discovery is a new deposit style and potentially a “world first”.

Future work will include bench-scale metallurgical tests and more drill profiles along the 10 kilometre strike of the REO-enriched granite intrusion (Figure 2). This work will seek an effective process for REO extraction and provide a more certain indication of the size and grade potential of this exciting new REO discovery. Preparations to drill two metallurgical core holes at representative sites along the Boundary Fence traverse are underway.



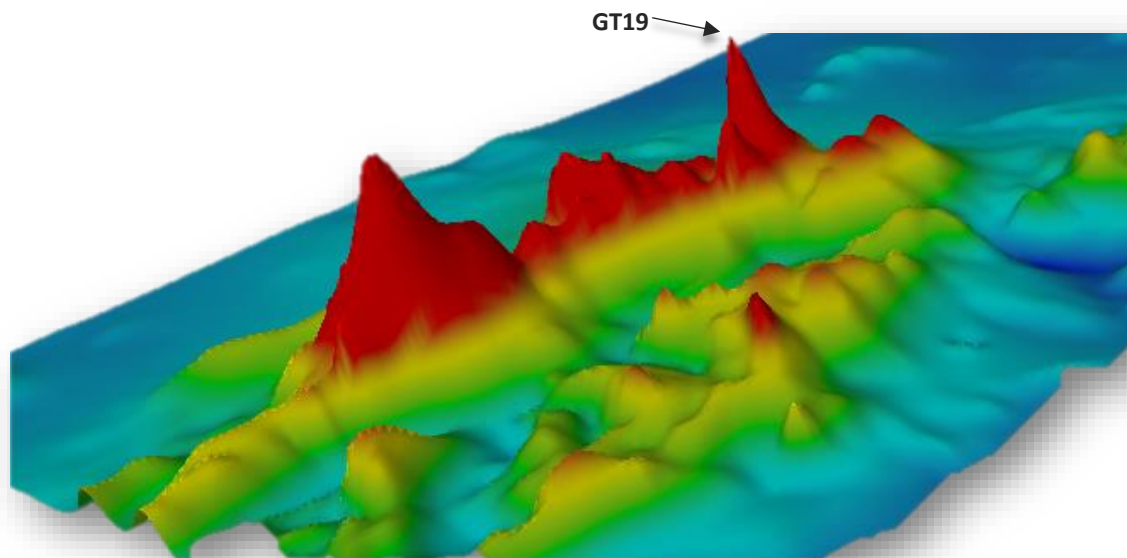
[Figure 1] Sybella Project: Percussion drilling with exposure of the REO enriched granite in the fore ground



[Figure 2] Sybella Project: Red Metal 2023 percussion drill hole locations (black dots) on satellite imagery. Note the interpreted extent of the REO enriched granite (yellow line) and wide zones of >300 ppm NdPr (red).

## The Gidyea Project: Copper-Gold Mount Isa Inlier QLD

A proof-of-concept drill test on standout magnetic target GT19 is underway on the Gidyea project in Northwest Queensland (Figure 3).



[Figure 3] 3D oblique view of total magnetic image highlighting regional significance of the GT19 target.

The Gidyea project targets several standout magnetic anomalies which Red Metal views as an under explored extension of the Cloncurry terrain offering scope for the discovery of large Iron Oxide Copper-Gold (IOCG) breccia systems (Figure 7).

Target GT19 shares a similar geophysical setting on both a prospect and crustal-scale with the large Ernest Henry IOCG deposit located 185 kilometres to the south (Figure 7). Like Ernest Henry, GT19 is a standout, cross-cutting magnetic target within an interpreted felsic volcanic sequence and is situated within the structural hanging wall to the crustal-scale Carpentaria Conductivity Anomaly and Gidyea Suture (refer ASX: RDM announcement dated 24 October 2023).

Two dimensional and three dimensional UBC modelling of magnetic data over GT19 has defined a steep northwest plunging pipe-shaped body with a surface footprint measuring approximately 1.3 kilometres by 850 metres. Modelling of both the magnetic and passive seismic measurements estimate a depth to basement of about 551 metres below surface.

Drilling is supported by a \$275,000 grant from the Queensland Geological Survey. Visual results are expected during November.

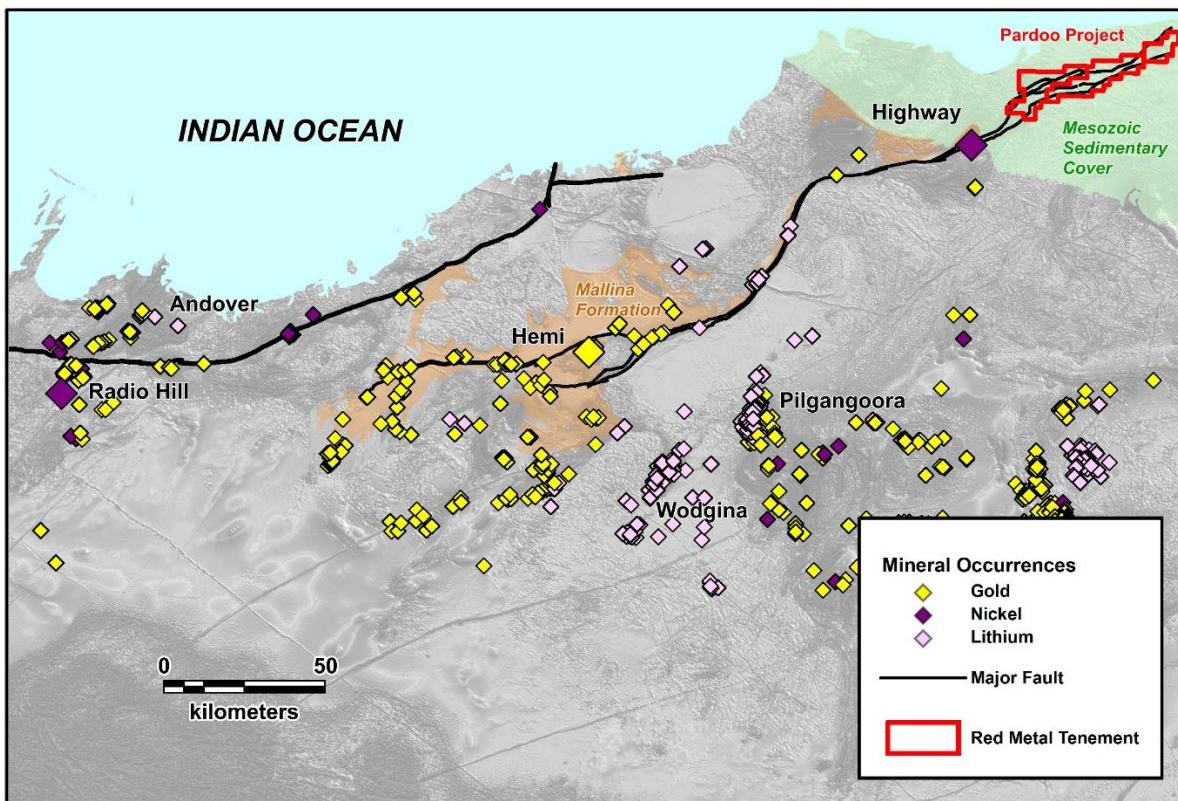
**The Pardoo Project: Gold, Nickel-Copper and Lithium Pilbara Craton WA**

The Pardoo project is situated within the highly sought after western Pilbara Craton where the De Grey Mining’s giant Hemi discovery (251 Mt @ 1.3 g/t gold for 10.6 million oz) and Azure Minerals’ exciting Andover lithium-pegmatite discoveries (209 metres at 1.4% Li<sub>2</sub>O) have captured market attention.

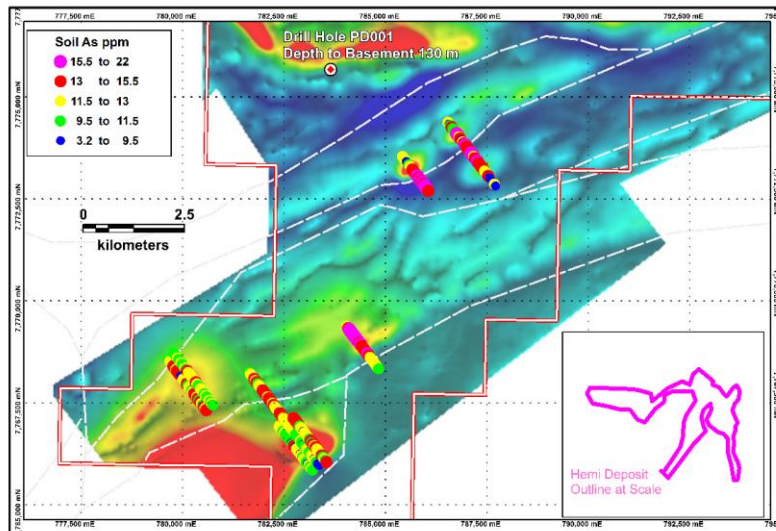
Pardoo incorporates the covered extension of the Hemi structural corridor under about 50-150 metres of younger sedimentary cover (Figure 4). The project takes in several discrete bullseye magnetic targets offering potential for Hemi-style intrusion-related gold mineralisation, as well as disseminated magmatic nickel and copper sulphides, and pegmatite-associated lithium.

Trial lines of ultra-fine fraction soil sampling collected over key magnetic targets highlight low level but anomalous arsenic, antimony, bismuth, molybdenum, tungsten, tin, tellurium, silver, zinc and mercury in soils above and adjacent to some magnetic targets. Wide zones of anomalous tin and tantalum were also detected on two soil lines that warrant drill testing for lithium-bearing pegmatites (Figure 5).

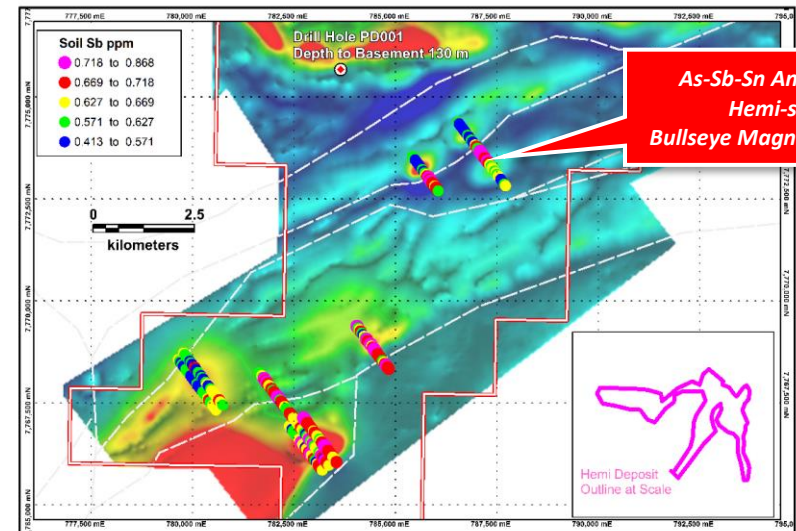
Preparations for proof-of-concept drilling in 2024 are underway.



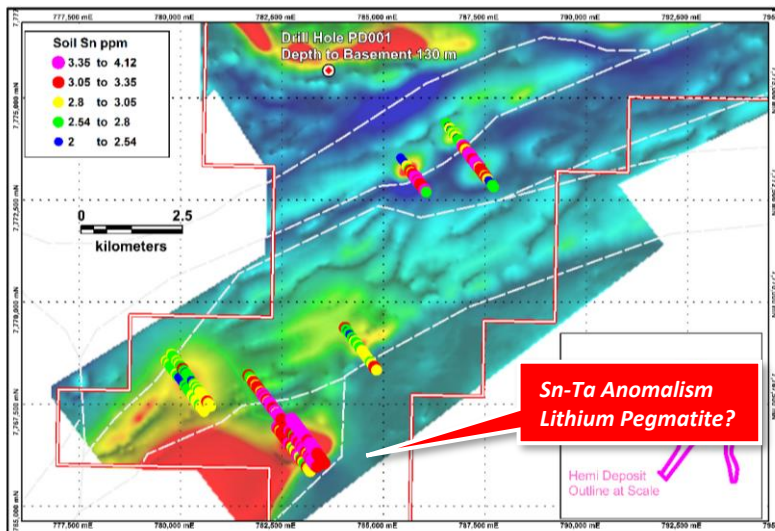
[Figure 4] Pardoo Project Location: highlighting the Hemi structural corridor, Mallina Formation rocks, and location of the large Hemi gold deposit, Andover lithium discovery and nearby Highway Ni-Cu-Co deposit.



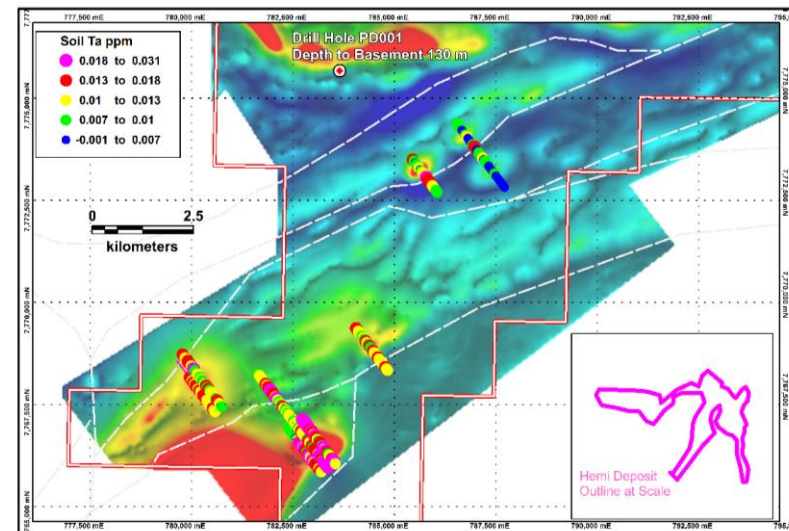
Arsenic



Antimony



Tin



Tantalum

[Figure 5] Pardo Project: Total magnetic intensity image highlighting bullseye magnetic targets indicative of magnetic intrusions or alteration overlain by thematic ultra-fine fraction soils results for arsenic and antimony (top row) and tin and tantalum (bottom row).

### The Corkwood Project: Copper-Gold, Mount Isa Inlier QLD

Corkwood is situated about 100 kilometres northwest of Evolution’s large Ernest Henry copper-gold mine and about 60 kilometres north of the advanced Little Eva copper-gold deposit (Figure 7). Historic exploration drilling over the Corkwood project has identified favourable porphyritic volcanic host rocks, alteration, trace-element geochemistry and low-grade copper and gold mineralisation typical of that observed in the halo surrounding the large Ernest Henry breccia deposit.

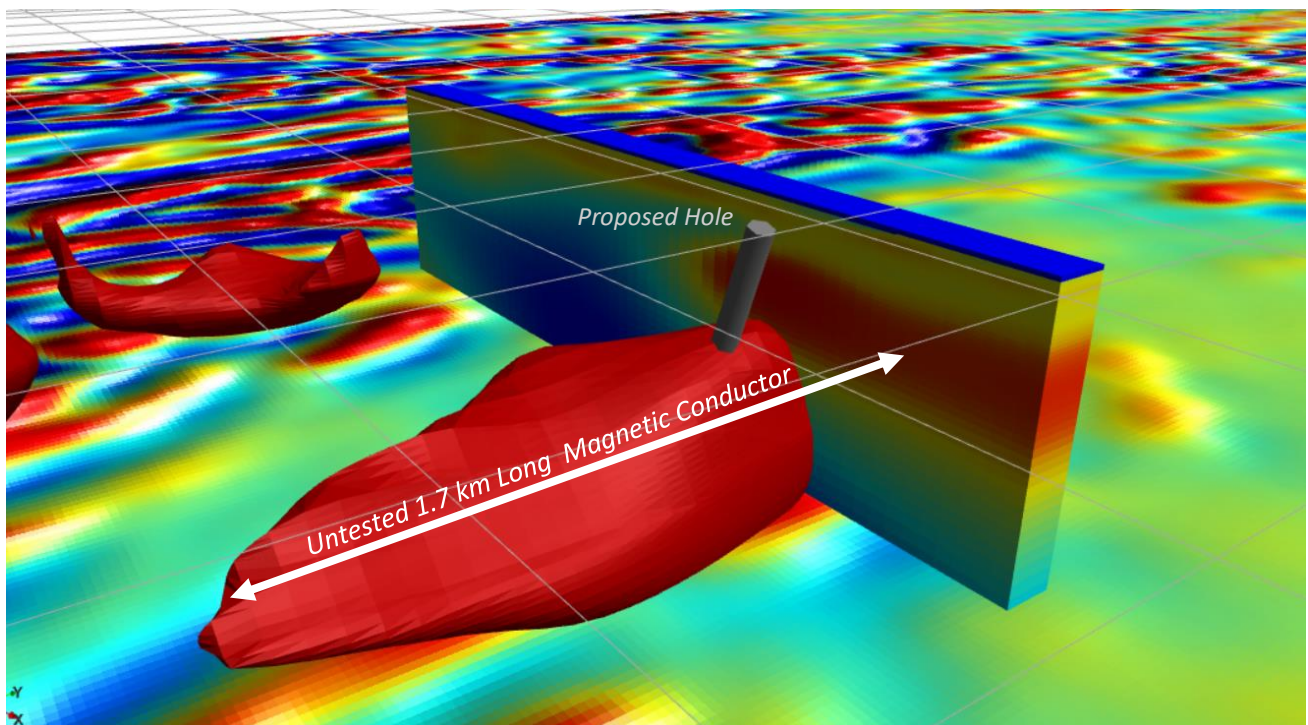
At the Jimmy’s Creek prospect, the porphyritic volcanic units are brecciated and host wide zones of low-grade copper, gold and silver mineralisation: a good indicator of the potential for these styles of deposits elsewhere in the district. Better intercepts include 211 metres at 0.33% copper with 0.16 g/t gold and 153 metres at 0.41% copper with 0.1 g/t gold plus 10 g/t silver which included 32 metres at 1.16% copper with 0.3 g/t gold (refer Red Metal ASX announcement dated 21 March 2011).

Advanced geophysical modelling by Red Metal has led to the recognition of several untested geophysical targets located adjacent to historic drill holes with encouraging near-miss geology and geochemistry.

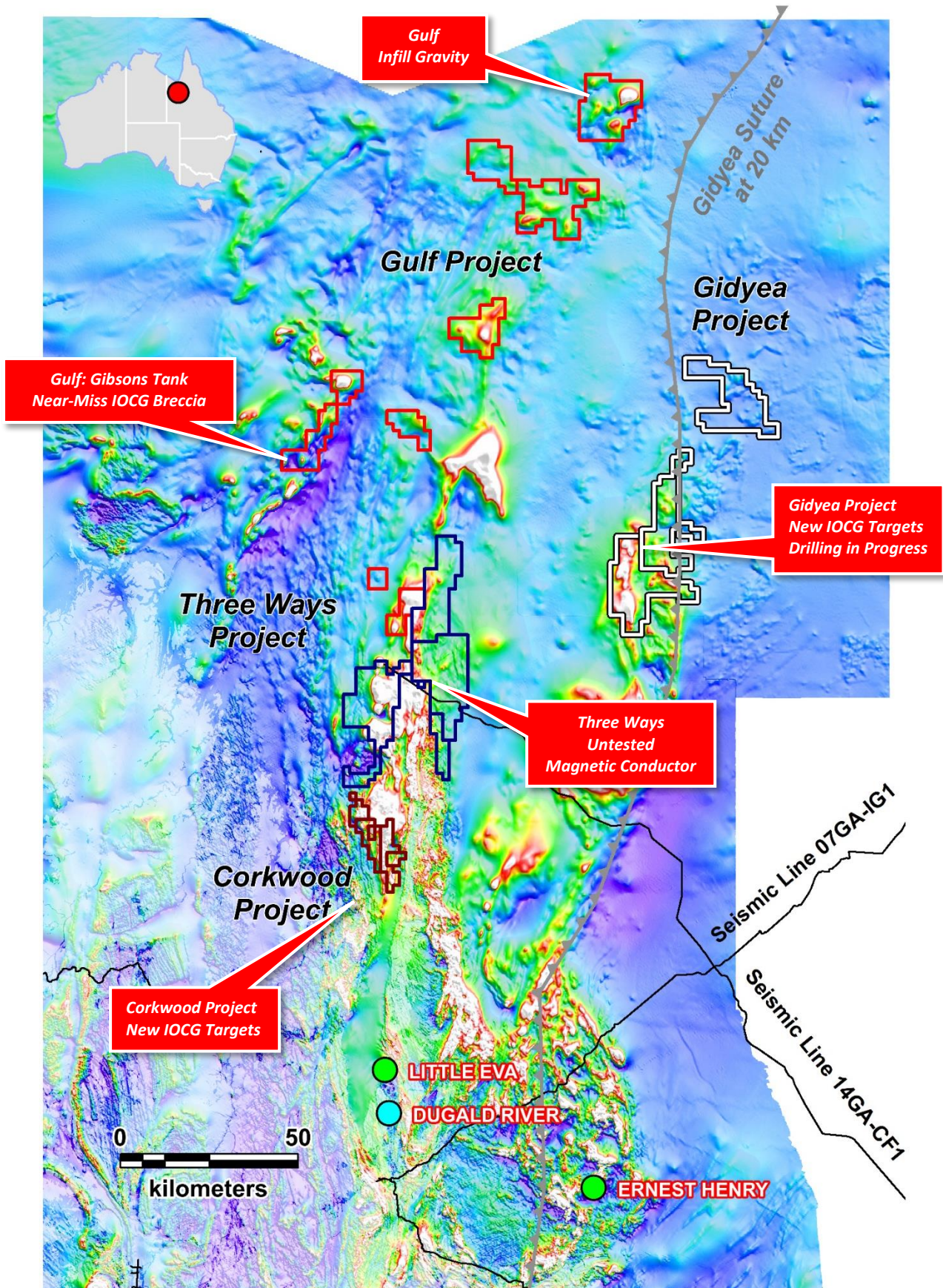
### The Three Ways Project: Copper-Cobalt-Gold, Mount Isa Inlier QLD

This project is located in covered terrain 130 kilometres along trend from the Dugald River zinc-lead-silver mine (Figure 7) and offers potential for large, structure-controlled, copper deposits similar to the giant Mount Isa copper deposit.

Recent Red Metal exploration on Three Ways discovered previously unrecognised sequences of heavily sulphidic and graphitic metasediments which are preferred host rocks for the Mount Isa style of copper mineralisation. Red Metal are now planning a follow-up program directed towards more structure-controlled anomalies visible as discrete, highly conductive, magnetic targets (Figure 6). Land access negotiations ahead of drilling is underway.



[Figure 6] Three Ways Project: 3D oblique view facing northwest showing a 1.7 kilometre magnetic target (red body) and the magneto-telluric section highlighting this target’s high conductance. Note the proposed drill hole trace (grey).



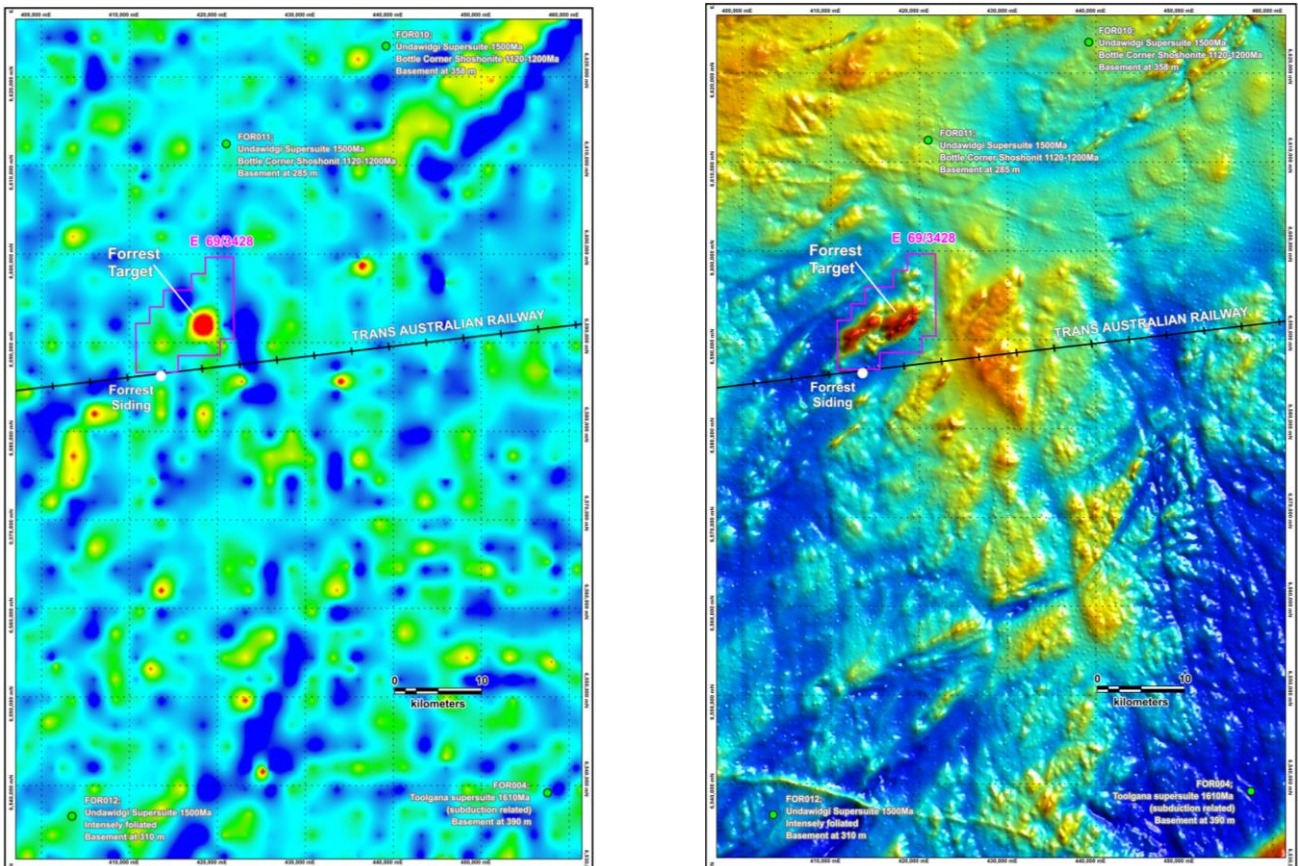
[Figure 7] Three Ways (dark blue), Gulf (red), Gidyea (white) and Corkwood (brown) Projects: Total magnetic intensity image highlighting regional project locations and the interpreted projection of the Gidyea Suture at 20 kilometres below surface. Regions of exposed or outcropping geology highlighted as white translucent areas.



### The Nullarbor Project: Copper-Nickel or Niobium-REE Madura/Coompana Provinces WA

Red Metal was awarded a \$200,000 drilling grant under the Western Australian Government’s 2024 Exploration Incentive Scheme towards testing a regionally significant gravity and magnetic target at Forrest on the Nullarbor Plain region of Western Australia (Figure 8). This standout anomaly offers potential for copper or nickel sulphide mineralisation or carbonatite-hosted niobium and rare earth element mineralisation. The target is situated below about 280 metres of younger sedimentary cover and is well located adjacent to the Trans Australian rail line and an active airstrip at Forrest Siding.

A site visit in preparation for drilling during the 2024 field was undertaken this quarter.



[Figure 8] Nullarbor Project: Regional vertical gradient gravity image (left) and total magnetic image (right) showing the regional significance of the Forrest target and the nearest historic drill holes.

**GREENFIELDS DISCOVERY ALLIANCE WITH BHP**

Alliance partner BHP has maintained a strong budget commitment for the giant copper opportunities identified at the Yarrie project but has recently elected to withdraw from the Gulf and Lawn Hill projects.

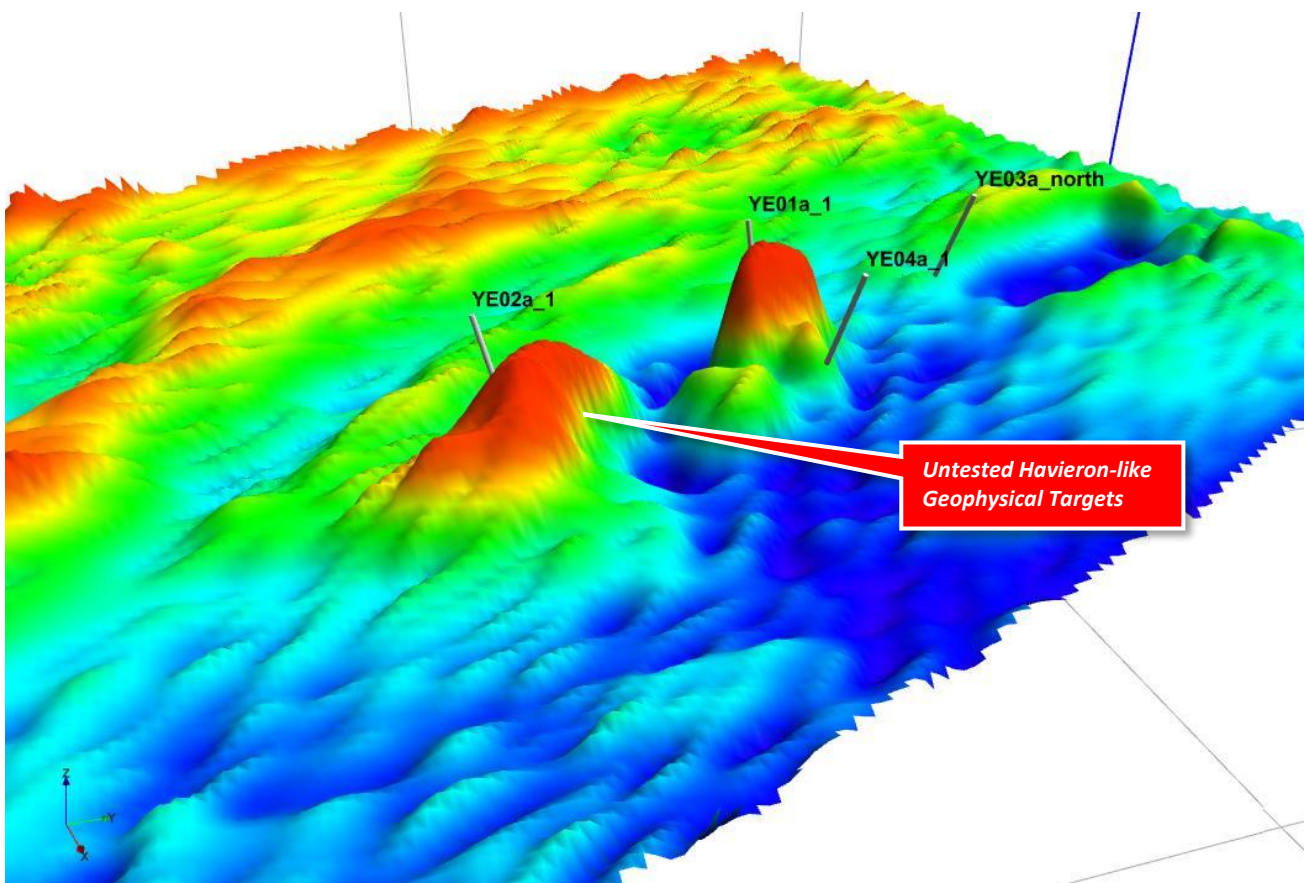
**The Yarrie Project: Copper-Cobalt & Copper-Gold Paterson Province WA**

The Paterson Province, which is home to the tier one Telfer gold mine and large Nifty copper mine, has come into renewed prominence with several new discoveries including those at Winu by Rio Tinto, at Havieron by Newcrest and at Minyari by Antipa Minerals (Figure 10).

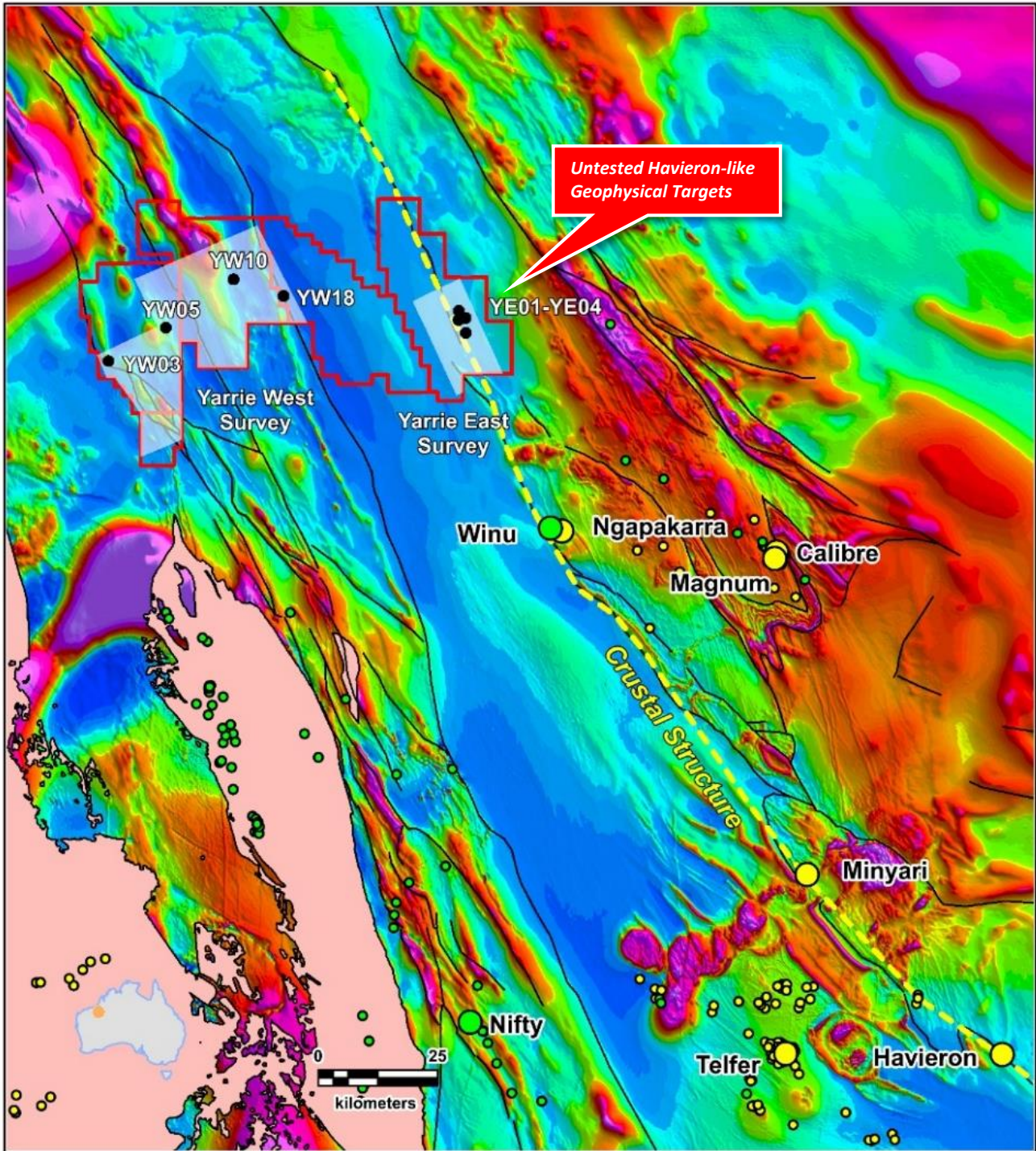
Advanced processing of airborne electromagnetic and magnetic data flown by the Alliance has enabled the interpretation of eight high-priority geophysical targets for potential proof-of-concept drilling. Heritage surveying in preparation for drilling was finalised this quarter with five targets cleared for drilling and three pending follow-up heritage work.

In addition, Red Metal was successful in being awarded two separate grants totalling \$390,000 under the Western Australian Government’s Exploration Incentive Scheme for drill tests on targets YE02 and YW10 (Figure 9). Pending budget approval, drilling and additional heritage surveying is planned to commence early in the 2024 field season.

In keeping with the Alliance agreement, expenditure shortfall on the Lawn Hill project has been added to the expenditure commitment at Yarrie bringing this total to approximately \$3.3 million.



[Figure 9] Yarrie Project: 3D oblique view of total magnetic image showing planned drill hole traces and highlighting the regional significance of the Havieron-like magnetic targets YE01 and YE02.



[Figure 10] Paterson Province Yarrie Project: Magnetic imagery overlain by the recently flown airborne electromagnetic and magnetic survey areas (frosted white) showing the Nifty mine, Telfer mine, new Winu and Havieron discoveries and Red Metal's Yarrie tenements (red line). Priority geophysical targets are labelled YE01-YE04 on the Yarrie East survey and YW03, YW06, YW10, YW18 on the Yarrie West survey. The Yarrie East targets are interpreted by Red Metal to occur along the same crustal scale structure (dashed yellow line) as the Havieron, Minyari, Winu and Ngapakarra deposits. Copper-cobalt or copper-gold major deposits and occurrences (green circles); gold or gold-copper major deposits and occurrences (yellow circles). Note the exposed basement terrain of older Archaean rocks (buff coloured polygon).

**The Gulf Project: Copper-Gold Mount Isa Inlier QLD**

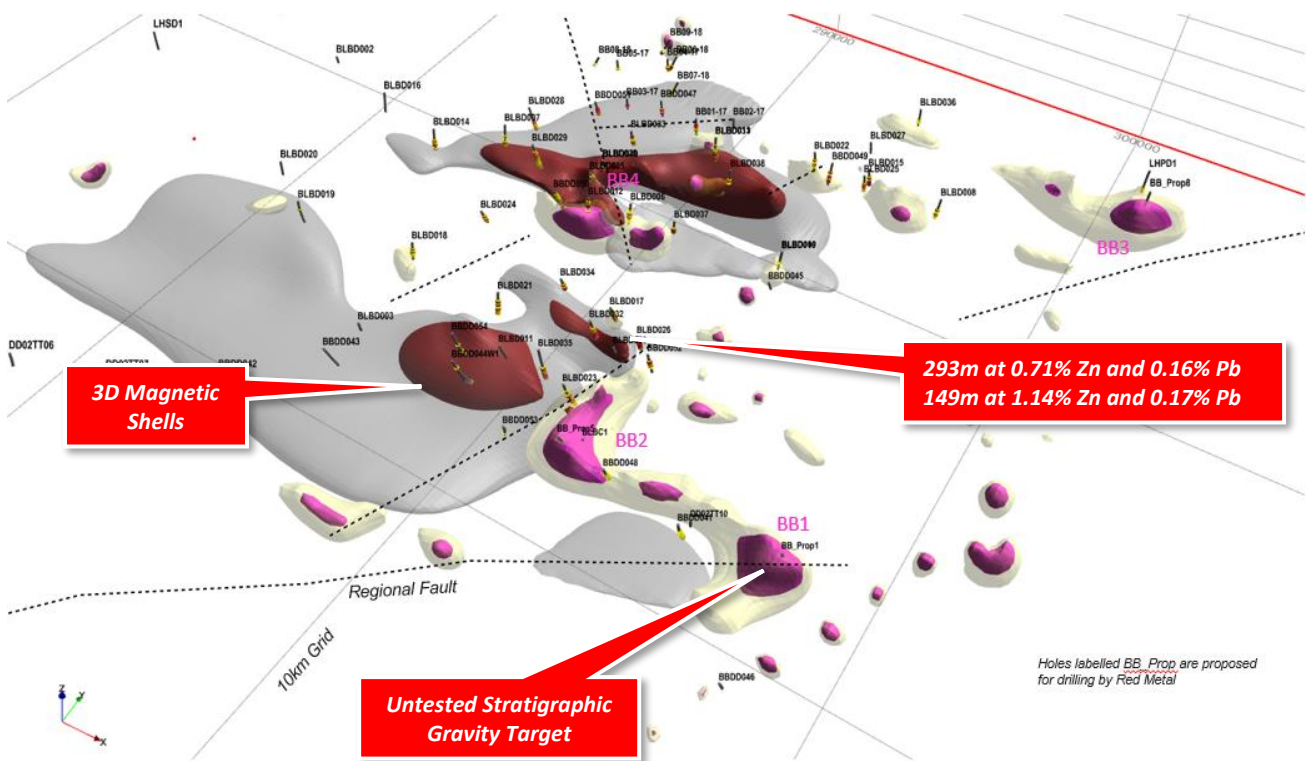
The Gulf project is targeting large Iron Oxide Copper-Gold (IOCG) breccia systems capable of hosting significant copper-gold mineralisation within an underexplored extension of the Cloncurry terrain.

Proof-of-concept drill tests on four standout gravity and magnetic targets on the Gibson’s Tank tenement were completed last season with two targets interpreted to be typical of a proximal Iron IOCG setting. The host rock, alteration mineralogy and geochemistry intersected at GT7 and GT6 compare favourably with that surrounding the large Ernest Henry copper and gold deposit located 200 kilometres to the south, and are a priority for future drilling. Infill gravity surveying, funded by BHP, over other standout Gulf gravity and magnetic targets is underway.

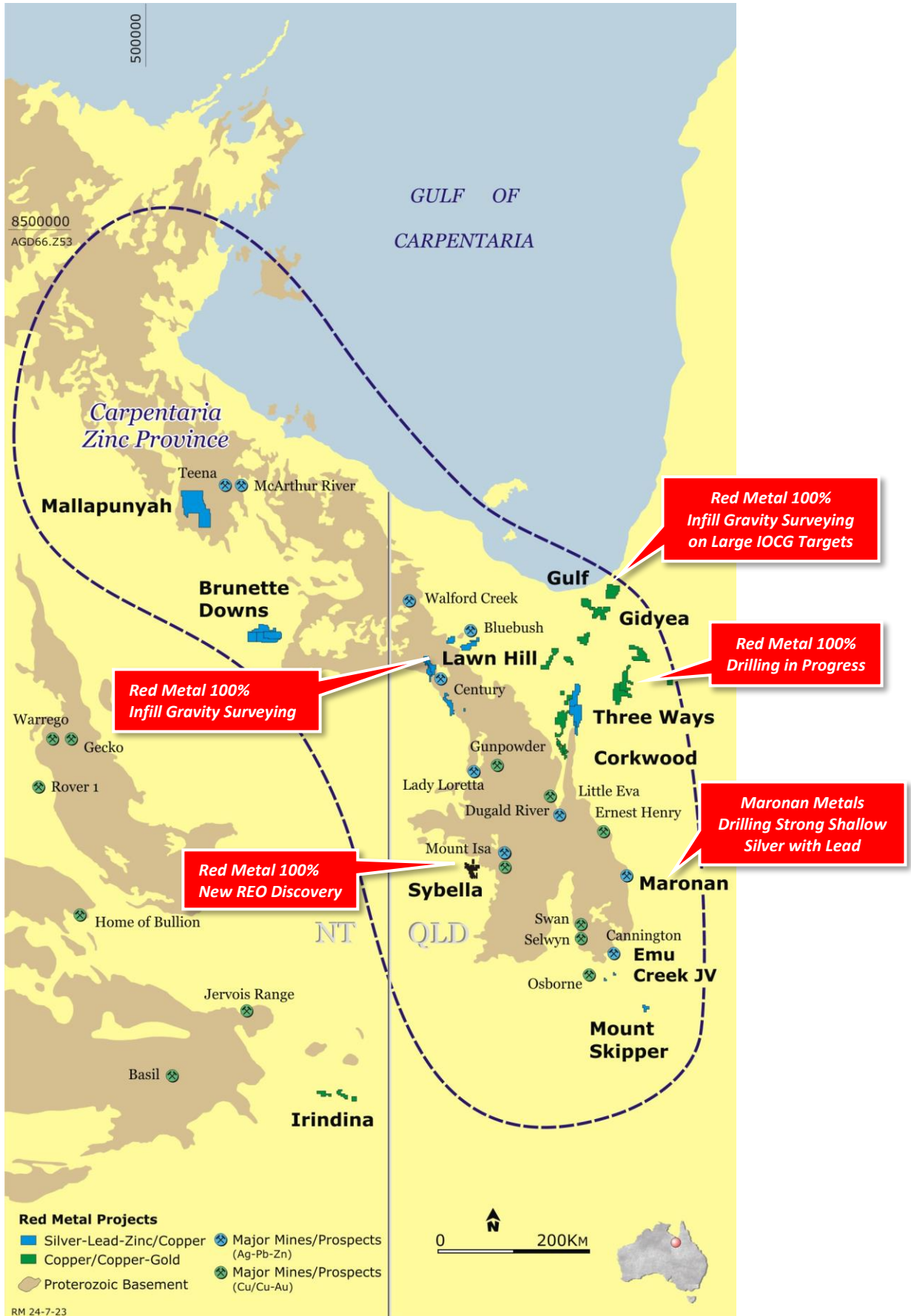
**The Lawn Hill Project: Zinc-Lead-Silver & Copper-Cobalt Mount Isa Inlier QLD**

This regional project targets a range of zinc and possibly copper deposit styles in the vicinity of the giant Century zinc-lead-silver deposit (Figure 12).

Advanced geophysical modelling and a new interpretation of historic geological data on the Bluebush tenement has outlined four high-priority geophysical targets, BB1 to BB4, considered prospective for giant stratabound zinc and possibly breccia hosted zinc and copper mineralisation (Figure 11). Infill gravity surveying, funded by BHP, over these key targets is in progress.



[Figure 11] 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 the four previously untested, high-priority, geophysical targets labelled BB1, BB2, BB3 and BB4



[Figure 12] Northwest Queensland and Northern Territory: Major deposits and Red Metal tenement locations.

## 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
<b>QUEENSLAND</b>		
<u>Emu Creek JV</u> <i>Cu-Au &amp; Pb-Zn-Ag</i>	Joint venture partner Chinova Resources Pty Ltd is seeking Iron Oxide Copper-Gold and Cannington style lead-zinc-silver within trucking distance of the Osborne Mine (Figure 12).	Ongoing prospect evaluation
<b>SOUTH AUSTRALIA</b>		
<u>Pernatty Lagoon JV</u> <i>Cu-Au</i>	These projects are located 30 kilometres south of BHP’s large Carrapateena copper-gold deposit and target magnetic skarn style deposits where the regional IOCG mineral systems invade carbonate host rock types  Several untested magnetic targets, some adjacent to potential near-miss drill holes, have been identified for step-out drilling.	Geophysical modelling and land access preparations for possible drilling are progressing.
<u>Callabonna JV</u> <i>Cu-Au</i>	Red Metal has long recognised the potential for large Iron Oxide Copper-Gold deposits along the northern margin to the Curnamona Province and several large magnetic and gravity targets in remote sand dune covered terrain remain to be tested for their copper-gold potential. Advanced three-dimensional processing and modelling of gravity and magnetic data together with new passive seismic data has prioritised several possible breccia targets for drill testing.	Heritage surveys in preparation for potential drilling are planned.
<b>NORTHERN TERRITORY</b>		
<u>Mallapunyah</u> <i>Pb-Zn-Ag &amp; Cu-Ag-Co</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 (Figure 12).	Land access meeting planned
<u>Irindina</u> <i>Ni-Cu-Co</i>	This project is centred on a standout magnetic target considered prospective for magmatic nickel-copper sulphide mineralisation (Figure 12).	Ground-based gravity and electromagnetic survey
<u>Brunette Downs</u> <i>Cu-Ag-Co and Pb-Zn-Ag</i>	Recent interpretation of seismic line 19GA-B1 by Geoscience Australia and the Northern Territory Geological Survey (NTGS) has mapped base metal prospective, Isa Superbasin sediments adjacent to regionally significant basin margin faults – a key setting for giant copper and zinc deposits in both the Mount Isa and McArthur River regions. Red Metal are targeting these middle Proterozoic sequences for giant sediment-hosted copper-cobalt and zinc-lead-silver deposits (Figure 12).	Trial magnetotelluric survey lines planned pending heritage survey.

## CORPORATE

### Capital Raising

On 15 September 2023 Red Metal announced a capital raising via a proposed placement of securities (Placement) and pro rata non-renounceable rights issue (Rights Issue) to raise up to approximately \$4.5 million (together, the Capital Raising). The Shares pursuant to the Capital Raising will be issued at a price of \$0.085 per Share. Subscribers also receive one free attaching option with an exercise price of \$0.13 and an expiry date of 25 October 2025 for every two Shares applied for.

Funds raised from the Capital Raising will be allocated to develop and conduct drill testing on the Company's projects (including the Sybella project, Pardoo project, Gidyea project, Nullarbor project and other existing and new projects), as well as the Company's working capital and expenses of the Capital Raising.

The Placement was completed on 25 September 2023 with the allotment of 17,647,060 Shares at an issue price of \$0.085 per Share to raise \$1.5 million (before costs). A total of 8,823,528 attaching options were also issued. The Shares were placed to sophisticated and professional investors.

The Rights Issue was conducted on the basis of one Share for every seven Shares held by eligible shareholders. The Rights Issue closed on 27 October 2023 (Closing Date) and the results of the issue will be announced on 1 November 2023 in accordance with the timetable.

Any Entitlement not taken up pursuant to the Entitlement Offer forms the Shortfall Offer (Shortfall Securities). The Company together with the lead manager for the Capital Raising (Veritas Securities) may arrange placement of Shortfall Securities for up to three months following the Closing Date. Non-Executive Director Mr Joshua Pitt, in addition to subscribing for his full entitlement under the Rights Issue, has agreed, subject to Shareholder approval to be sought at the Company's upcoming Annual General Meeting, to participate in the Shortfall Offer up to an amount of \$240,000.

### Maronan Metals Investment

Red Metal's 50% owned subsidiary Maronan Metals Limited (ASX: MMA) had another successful quarter building confidence in the near surface Starter Zone with several wide intercepts of high tenor silver and lead mineralisation reported on each of the Western and Eastern Horizons.

Significant intercepts reported from the Eastern Horizons include:

- 21.1m @ 5.0% lead, 195g/t silver (329g/t Silver Equivalent) (MRN23013), including
  - 6.1m @ 6.9% lead, 517g/t silver (685g/t Silver Equivalent)
- 5.1m @ 6.9% lead, 121g/t silver (316g/t Silver Equivalent) (MRN23011)
- 10.0m @ 4.5% lead, 112g/t silver (237g/t Silver Equivalent) (MRN23012)

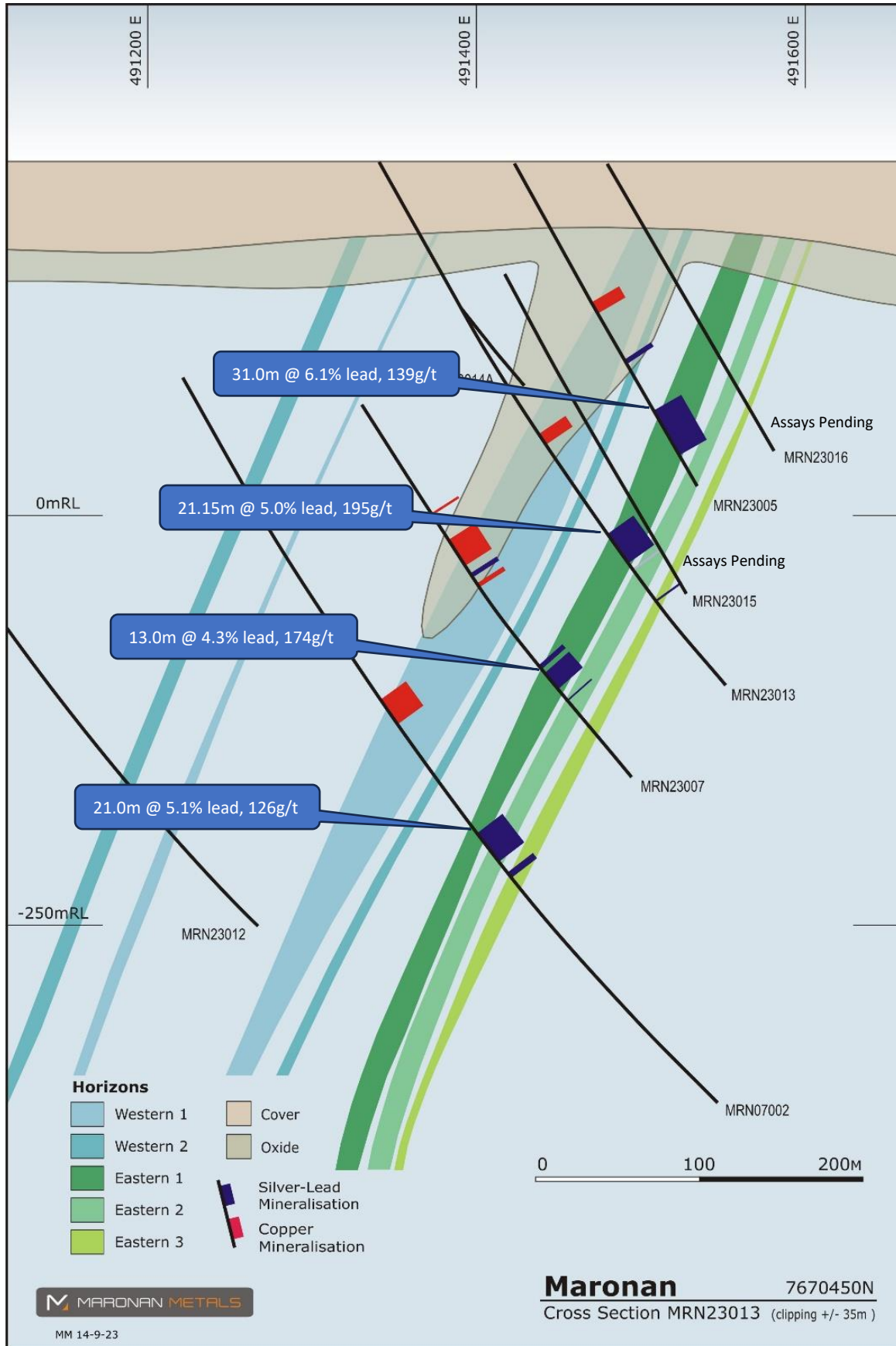
Assays from the strong visible lead sulphide mineralisation interpreted at Western Horizons in MRN23008 returned:

- 5.8m @ 8.4% lead, 231g/t silver, 0.9% zinc (463g/t Silver Equivalent)
- 11.8m @ 5.9% lead, 69g/t silver, 1.2% zinc (239g/t Silver Equivalent)

Drilling continues to demonstrate the strong geological and grade continuity of the separate Western and Eastern Horizons re-enforcing its resource and near-term development potential (Figure 13). Assay results are pending from several recently completed holes and compilation work towards a revised resource and mining study is in progress.

The 18-month drilling phase of the exploration program outlined at IPO has been successfully completed within budget which is a credit to MMA's experienced management and technical team.

More detailed information on MMA's activities can be found on their web site [www.maronanmetals.com.au](http://www.maronanmetals.com.au)



[Figure 13] Cross section, showing results for MRN23013 highlighting strong geological and grade continuity of the Eastern Horizons within the shallow Starter Zone. Note assays are pending for MRN23015 and MRN23016.



## ADDENDUM TO SEPTEMBER 2023 QUARTERLY ACTIVITIES REPORT

### ASX Additional Information

1. ASX Listing Rule 5.3.1: Exploration and Evaluation Payments (excluding staff costs and expenditure incurred by the Alliance) during the Quarter for the Red Metal Group was \$2,441,000 including \$418,000 by Red Metal Limited and \$2,023,000 for 50% owned subsidiary Maronan Metals Limited. Full details of exploration activity during the Quarter are set out in this report.
2. ASX Listing Rule 5.3.2: There were no substantive mining production and development activities during the Quarter.
3. ASX Listing Rule 5.3.5: Payments to related parties of the Company and their associates during the Quarter \$89,000: These payments relate to non-executive director's fees and the managing director's salary.

**Table 1 – Granted exploration tenements held at the end of the Quarter are as follows:**

Project	Tenement Reference	Interest %	Comment
Yarrie	Els 45/5185, 45/5186, 45/5187, 45/5225, 45/5236	100	Refer note 1
Corkwood	EPMs 13380, 26032, 27472, 27665, 27808	100	
Lawn Hill	EPMs 25902, 25905, 25985, 26157, 27179, 27224	100	
Gulf	EPMs 26434, 26436, 26654, 26655, 26656, 26657, 26672, 26674	100	
Gidyea	EPMs 27308, 27309, 27567, 27568	100	
Three Ways	EPMs 26941, 26943, 27371, 27803		
Mount Skipper	EPM 19232	100	
Emu Creek JV	EPM 15385	100	Refer note 2.
Sybella	EPMs 28001, 28003	100	
Callabonna JV	EL 6204, 6318	51	Refer note 3.
Pernatty Lagoon JV	EL 6014	90	Refer note 4.
Punt Hill	EL 6035	100	
Irindina	EL 27266	100	
Nullarbor	Els 69/3428, 69/3433, 69/3436, 69/3437, 69/3441, 69/3596	100	
Pardoo	EL 45/5698, 45/5699	100	
Brunette Downs	Els 32708, 32709, 32710, 32714	100	
Maronan	EPM 13368	100	Refer note 5

*Notes:*

1. Greenfields Discovery Alliance Agreement between Red Metal (diluting to 49%) and BHP (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 Variscan Mines Limited (49% diluting to 30%). No change in interest during the quarter.
4. Joint venture between Red Metal (90%) and Havilah Resources NL (10%). No change of interest during the quarter.
5. Tenement held by Maronan Metals Limited, a 50% owned subsidiary of Red Metal Limited.

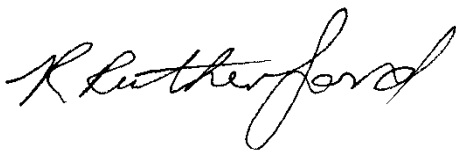
**Table 2 – Exploration tenements acquired or disposed of during the quarter are as follows:**

Project	Tenement Reference	Status	Comment
Gidyea	EPM 26569	Relinquished	

This announcement was authorized 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:

Phone +61 (0)2 9281-1805

[www.redmetal.com.au](http://www.redmetal.com.au)



Rob Rutherford  
Managing Director



Russell Barwick  
Chairman

**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.

## Appendix 5B

### Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

RED METAL LIMITED

ABN

34 103 367 684

Quarter ended ("current quarter")

30 September 2023

<b>Consolidated statement of cash flows - comprising cash flows of Red Metal Limited (parent) and Maronan Metals Limited (50% owned subsidiary)</b>	<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers		
1.2 Payments for		
(a) exploration & evaluation	(2,441)	(2,441)
(b) development		
(c) production		
(d) staff costs	(341)	(341)
(e) administration and corporate costs	(281)	(281)
1.3 Dividends received (see note 3)		
1.4 Interest received	19	19
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Government grants and tax incentives		
1.8 Other (provide details if material)		
Project management and consulting fees received	95	95
Other income	8	8
GST Net	(101)	(101)
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(3,042)</b>	<b>(3,042)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities		
(b) tenements		
(c) property, plant and equipment		

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

<b>Consolidated statement of cash flows - comprising cash flows of Red Metal Limited (parent) and Maronan Metals Limited (50% owned subsidiary)</b>	<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
(d) exploration & evaluation		
(e) investments		
(f) other non-current assets		
2.2 Proceeds from the disposal of:		
(a) entities		
(b) tenements		
(c) property, plant and equipment		
(d) investments		
(e) 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)		
Advances to Alliance	(235)	(235)
Reimbursements from Alliance	221	221
Bonds recovered	10	10
<b>2.6 Net cash from / (used in) investing activities</b>	<b>(4)</b>	<b>(4)</b>
<b>3. Cash flows from financing activities</b>		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)	1,500	1,500
3.2 Proceeds from issue of convertible debt securities		
3.3 Proceeds from exercise of options		
3.4 Transaction costs related to issues of equity securities or convertible debt securities		
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 (Costs of share issue)	(94)	(94)
<b>3.10 Net cash from / (used in) financing activities</b>	<b>1,406</b>	<b>1,406</b>

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

<b>Consolidated statement of cash flows - comprising cash flows of Red Metal Limited (parent) and Maronan Metals Limited (50% owned subsidiary)</b>		<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	6,648	6,648
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(3,042)	(3,042)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(4)	(4)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	1,406	1,406
4.5	Effect of movement in exchange rates on cash held	-	-
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>5,008</b>	<b>5,008</b>

The total Red Metal Group cash and cash equivalents at 30 September 2023 of \$5.01 million comprises cash and cash equivalents of (i) Red Metal Limited (parent) of \$1.42 million; and (ii) Maronan Metals Limited (50% owned subsidiary) of \$3.59 million. Net cash used in operating activities of \$3.04 million comprises (i) Red Metal Limited (parent) \$0.70 million; and (ii) Maronan Metals Limited (50% owned subsidiary) of \$2.34 million.

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	5,008	6,648
5.2	Call deposits		
5.3	Bank overdrafts		
5.4	Other (provide details)		
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>5,008</b>	<b>6,648</b>

<b>6.</b>	<b>Payments to related parties of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1	Aggregate amount of payments to related parties and their associates included in item 1	89
6.2	Aggregate amount of payments to related parties and their associates included in item 2	
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

<b>7. Financing facilities</b>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 <b>Total financing facilities</b>	-	-
7.5 <b>Unused financing facilities available at quarter end</b>		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

<b>8. Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (item 1.9)	(3,042)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(3,042)
8.4 Cash and cash equivalents at quarter end (item 4.6)	5,008
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	5,008
8.7 <b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	1.65
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: At 30 September 2023 Red Metal Limited (parent entity) had cash and cash equivalents of \$1.42 million and net cash used in operating activities for the quarter was \$0.70 million. Red Metal expects that it will continue to have the current level of net operating cash flows for the time being. For discussion of cash flows for Maronan Metals Limited (ASX:MMA), refer to that company's September 2023 quarterly report.	

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: On 15 September 2023 Red Metal Limited (parent entity) announced a capital raising via a proposed placement of securities (completed 25 September 2023) and pro rata non-renounceable rights issue (closed 27 October 2023).

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: Red Metal Limited (parent entity) expects to be able to continue its operations and to meet its business objectives based on its existing cash reserves and additional funding secured pursuant to the rights issue.

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

## 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.

Date: 31 October 2023

Authorised by the Board of Directors

## Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow 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 cash flow 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.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.