



ASX ANNOUNCEMENT

10 July 2023

Redstone Secures Option to Acquire Radisson East and Sakami Lithium Projects in World Class James Bay Lithium District, Québec

HIGHLIGHTS

- **Redstone secures exclusive option to acquire 100% of the Radisson East and Sakami Lithium Projects located in the prolific James Bay Lithium District, Québec (See Figures 1 and 2) located near:**
 - Patriot Battery Metals Inc. (ASX:PMT, TSXV:PMET) Corvette Project (~170km east)
 - Winsome Resources Ltd (ASX:WR1) Cancet Project (100km east)
 - Q2 Metals Corp (TSXV: QTWO) Mia Lithium Property (~40km southwest)
- **The Projects have a combined area of 90km² and cover more than 50km of highly prospective greenstone belt with coincident Li-in-lake anomalism and are host to several known pegmatite occurrences and outcrops (See Figures 3 to 5).**
- **Greenstone belts are known to host spodumene-bearing pegmatites throughout the James Bay region and are the key host geology at each high grade lithium project nearby including Corvette, Cancet and Q2's Mia Lithium Project (See Figure 1).**
- **Inaugural field program planned for current summer (Canadian) field season and will test and confirm several of the targets for their potential to contain lithium mineralisation.**
- **This acquisition further complements Redstone's portfolio of battery mineral projects at Attwood Lake Lithium Project, Ontario, and West Musgrave Copper Project, Western Australia, all situated within Tier 1 mining jurisdictions.**
- **Acquiring the Projects is part of Redstone's strategy to increase its battery minerals exposure and explore for commodities with growing demand.**
- **The Projects are located in the world-class James Bay Lithium Province, host to several advanced lithium projects and new lithium discoveries in Canada (See Figure 6).**



Redstone Resources Ltd (**Redstone** or the **Company**) is pleased to announce that it has entered into an exclusive option agreement to acquire 100% of the Radisson East and Sakami Lithium Projects (collectively the “**Projects**”). The Projects are located in the world-class and prolific James Bay Lithium District, host to several advanced lithium projects and new lithium discoveries in Québec, Canada.

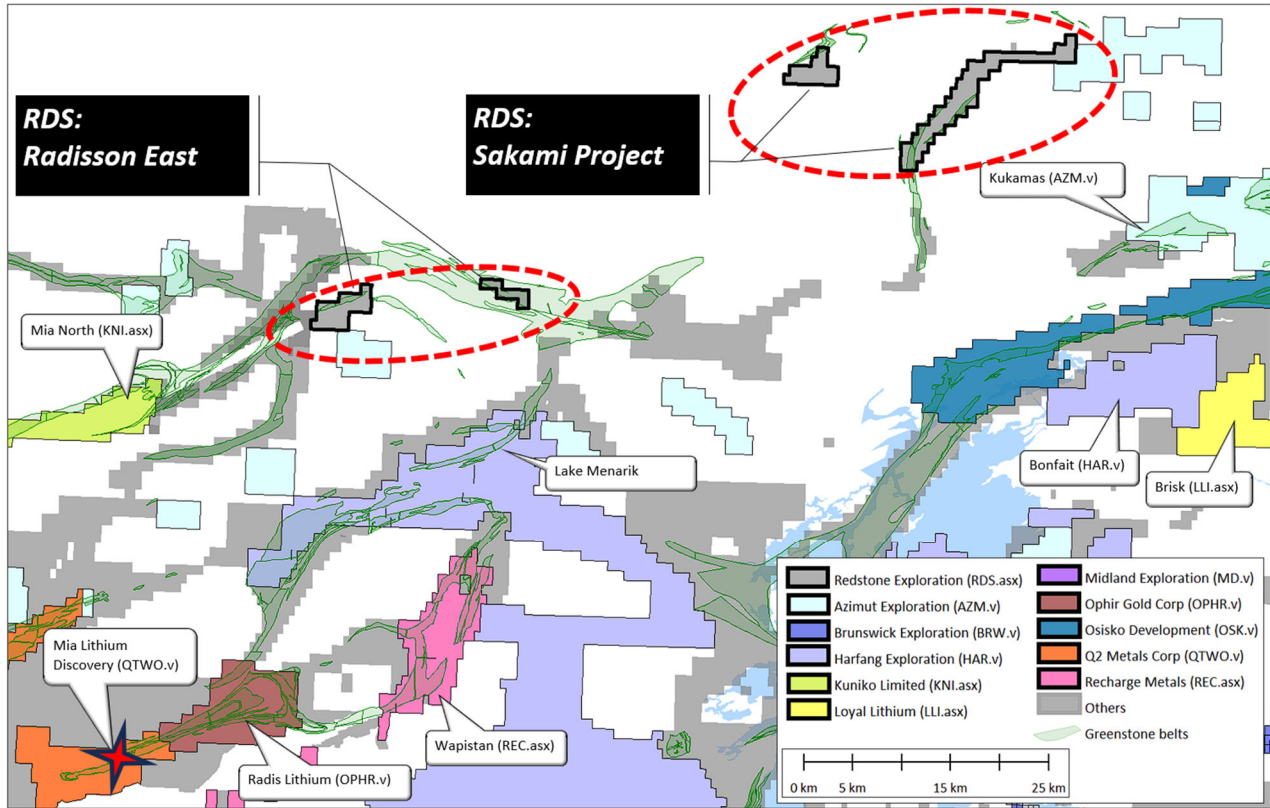


Figure 1 – Location of Radisson East and Sakami Lithium Projects relative to other nearby major lithium explorers.

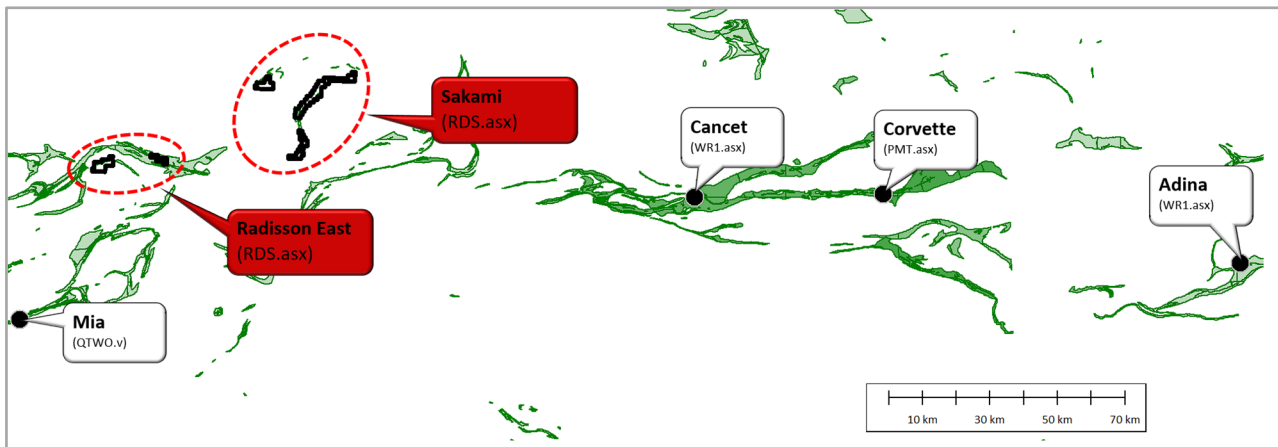


Figure 2 – Regional location of Radisson East and Sakami Lithium Projects relative to other nearby major lithium explorers. Major greenstone belts mapped in green.

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Commenting on the Agreement, Redstone Chairman Mr Richard Homsany said:

“We are pleased to add these highly prospective lithium Projects to our portfolio and take a significant position within the prolific James Bay Lithium district in Québec, Canada, a Tier 1 mining jurisdiction.

The Projects cover over 50km of greenstone belt strike length, which is geology that is known to host spodumene-bearing pegmatites throughout the world class James Bay Lithium district. Greenstone belts are the key host geology at each high-grade lithium project nearby including Corvette, Cancet and the Mia Lithium Project.

This acquisition, in addition to the Attwood Lake Lithium Project in Ontario and the Company’s 100% owned West Musgrave Copper Project in Western Australia, positions Redstone well to explore for minerals that will be in growing demand for the battery supply chain.”

Radisson East Lithium Project Overview

The Radisson East Lithium Project (**Radisson East**) comprises two claim packages covering 43 individual mineral claims totaling 21.9km² located in the James Bay Region of west-central, Québec.

Radisson East was identified due to its prospective nature for hosting hard-rock, pegmatite-hosted lithium mineralisation with appropriate indicator-mineralogy for hosting spodumene-bearing pegmatites, within favourable host-rocks. In particular, Radisson East sits along the east Duncan Range, and covers geology described as east-west trending interbedded volcanic and sedimentary strata of pre-Cambrian age. The Project is less than 300m from a major Provincial highway and is in close proximity to power providing ideal access during planned field programs.

Radisson East shares its western border with Québec focused Azimut Exploration Inc. (TSXV: AZM) and Century Duncan Mining.

Sakami Lithium Project Overview

The Sakami Lithium Project (**Sakami**) comprises three claim packages covering 134 individual mineral claims totaling 67.8km²) located in the James Bay Region of west-central, Québec.

Sakami was identified due to the extensive prolific greenstone belts it covered which are coincident with a belt of strongly elevated Li-in-lake anomalism with the majority of samples proximal to Sakami returning >95% percentile for the entire over 500,000 provincial sediment sampling database. Publicly available provincial data indicate the presence of coarse grained pegmatites within the project area.

Provincial 1st derivative (DV1) magnetic products made available to the public highlight the presence of a significant north to northeast trending magnetic feature (believed to be representative of greenstones) which runs through the center of the project with a circular feature, interpreted as a possible intrusion, located near to the northeastern project border. Sakami shares its northeastern border with Québec focused Azimut Exploration Inc. (TSXV: AZM) which is also focused on lithium exploration within the prolific James Bay lithium district.

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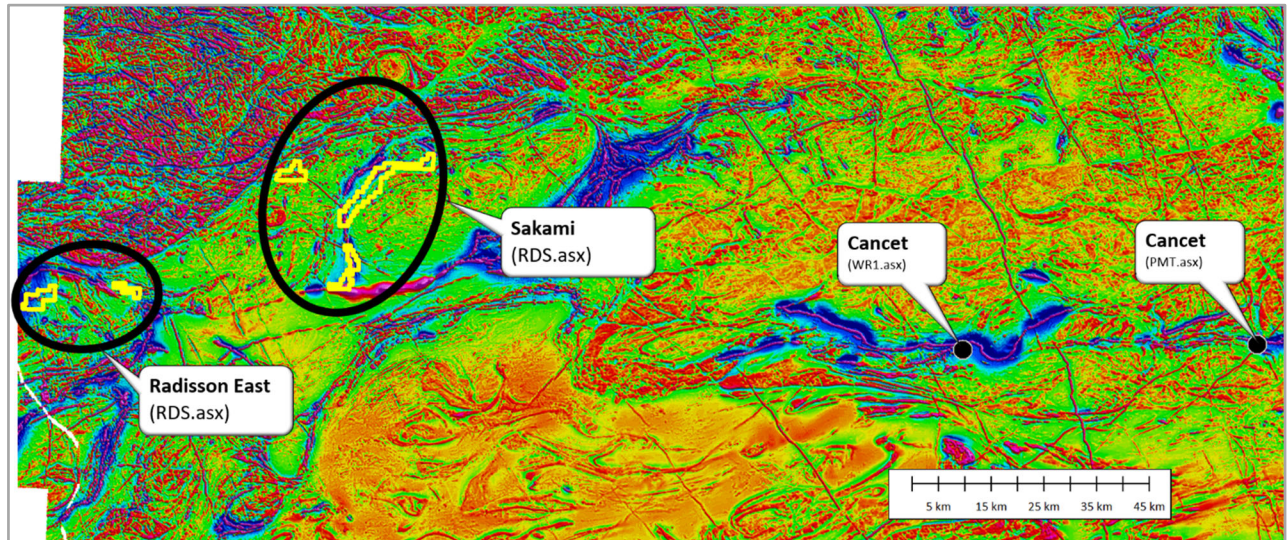


Figure 3 – Location of Sakami and Radisson East with DV1 provincial magnetics in the background. Major discoveries have been focused along magnetic low (dark blue/purple) features.

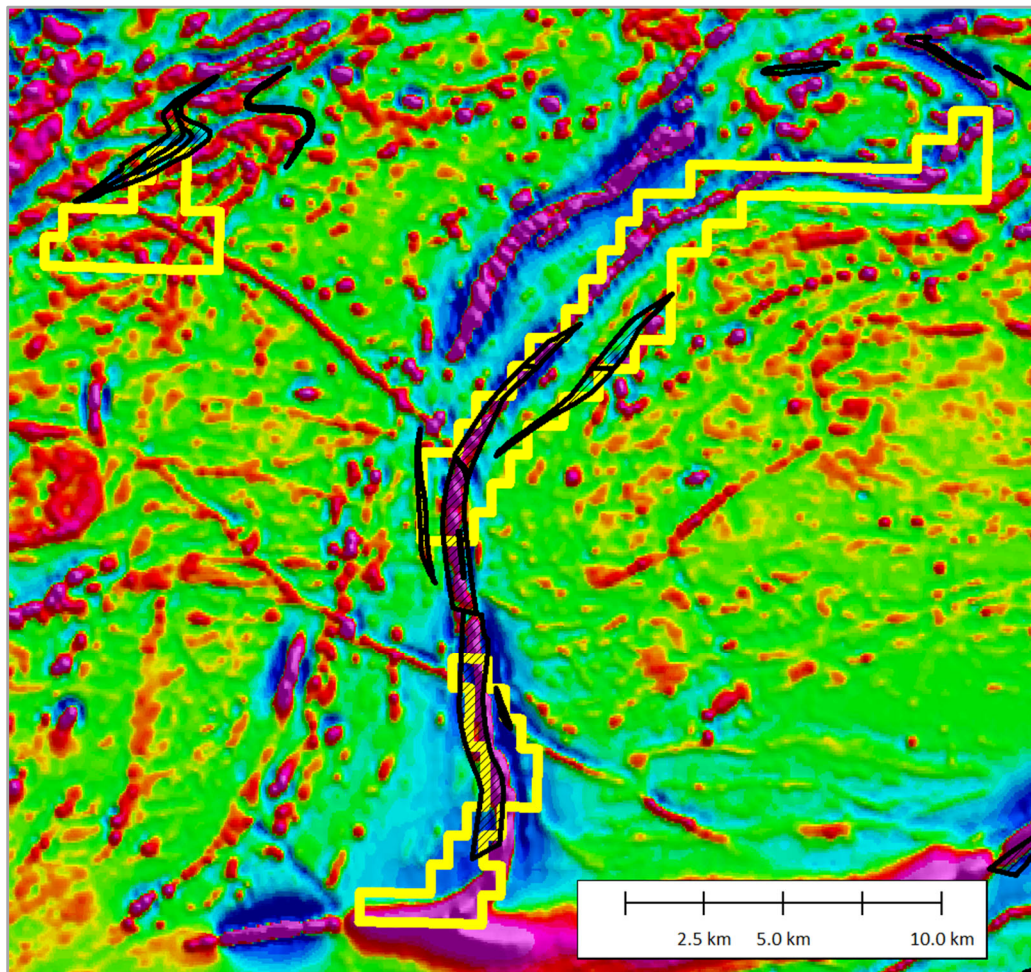


Figure 4 – Location of Sakami (yellow boxes) with DV1 provincial magnetics in the background. Major discoveries have been focused along magnetic low (dark blue/purple) features. Dark hashed features represent mapped greenstone belts.

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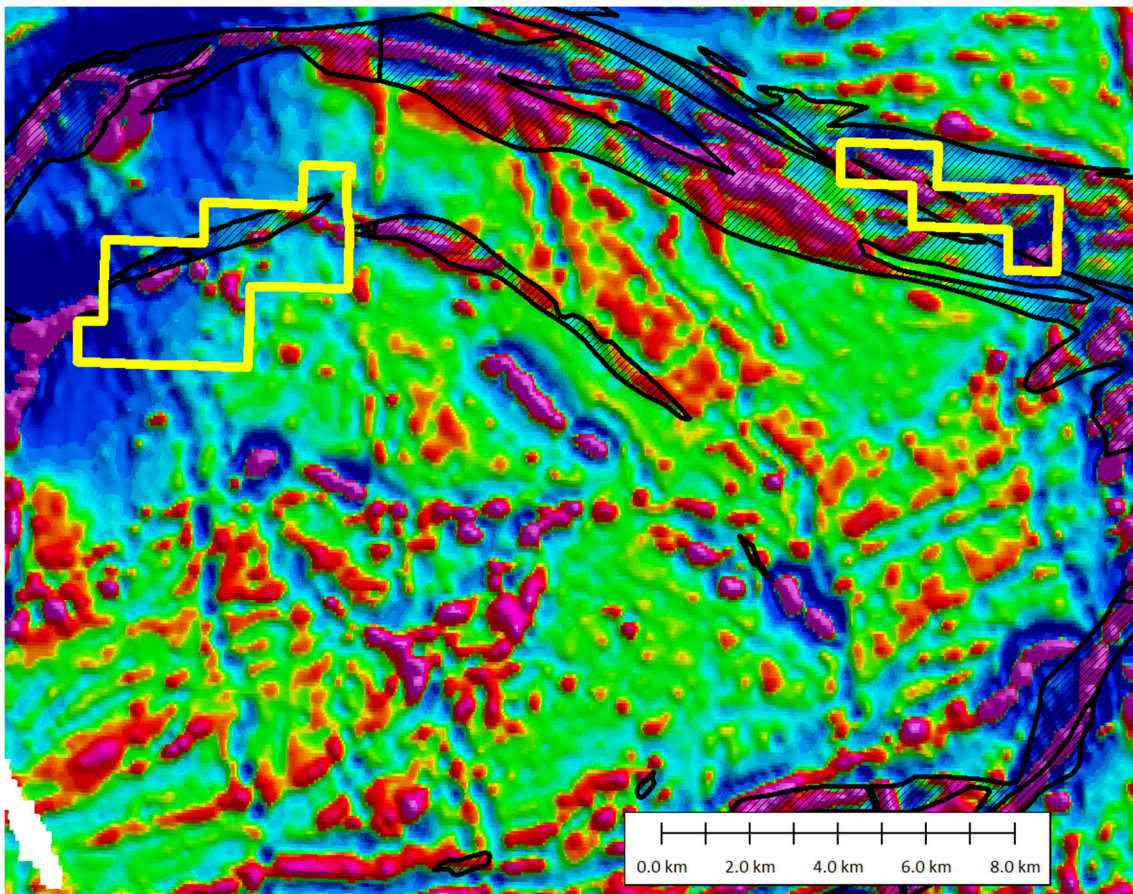


Figure 5 – Location of Raddison East (yellow boxes) with DV1 provincial magnetics in the background. Major discoveries have been focused along magnetic low (dark blue/purple) features. Dark hashed features represent mapped greenstone belts.

Inaugural Exploration Program

The Projects are known to host several pegmatite outcrops, but no lithium-focused work has been conducted to date, and thus no lithium-bearing occurrences have yet been noted. Multiple target areas have been identified based on the aforementioned targeting criteria and confirmed using aerial imagery. In addition to the indicator mineralogy, the Project is located along trend of the Cancet Project (Winsome Resources Ltd (ASX:WR1)) and Corvette (Patriot Battery Metals Inc.(TSXV:PMET)).

An inaugural field program is to be conducted with the aim to test and confirm several of the targets for their potential to contain lithium.

Overview of the James Bay Lithium District, Québec

Québec is a highly attractive investment destination for lithium production due to its supportive resource development sector, access to skilled labour and its proximity to the emerging European and North American electric vehicle markets. Importantly, Canada has free trade agreements with the United States and the European Union. The James Bay Lithium District is home to a number of world-class Lithium Projects, including:



- Allkem Limited (ASX:AKE)
- Sayona Mining Limited (ASX:SYA)
- Patriot Battery Metals Inc. (TSXV:PMET)
- Critical Elements Lithium Corporation (TSXV:CRE)
- Winsome Resource Limited (ASX:WR1)

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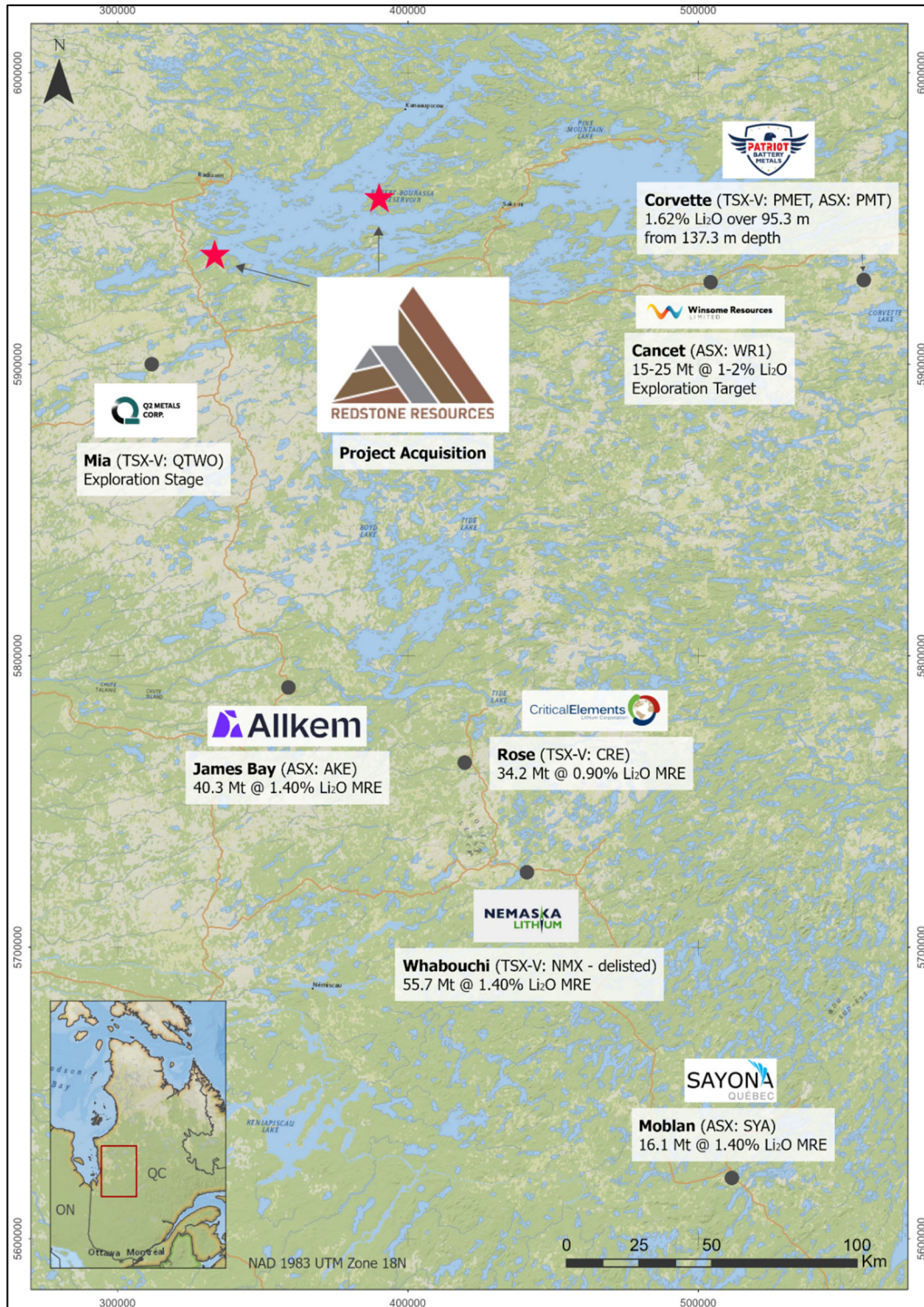


Figure 6 – James Bay Lithium Projects¹. The Mineral Resource Estimates (MRE) listed below are a combination of Indicated, Measured and Inferred.



¹James Bay Lithium Projects:

- James Bay - 40.3Mt @ 1.4% Li₂O Mineral Resource Estimate operated by Allkem Ltd (ASX: AKE) (Refer to Allkem Ltd ASX Announcement dated 21 December 2021);
- Cancet - 15-25Mt @ 1-2% Li₂O Exploration Target, operated by Winsome Resources Ltd (ASX: WR1) (Refer to Winsome Resources Ltd ASX Presentation dated 29 June 2022);
- Whabouchi - 55.7Mt @ 1.4% Li₂O Mineral Resource Estimate, operated by Nemaska Lithium Inc (TSX-V: NMX - delisted) (Refer to Nemaska Lithium NI 43-101 dated 31 May 2019);
- Rose - 34.2Mt @ 0.9% Li₂O Mineral Resource Estimate, operated by Critical Elements Lithium Corp (TSX-V: CRE) (Refer to Critical Elements' TSX-V Presentation dated 9 June 2023);
- Moblan - 16.1Mt @ 1.4% Li₂O Mineral Resource Estimate, operated by Sayona Mining Ltd (ASX: SYA): 60%/SOQUEM Inc: 40% (Refer to Sayona Mining's ASX Presentation dated 27 May 2022);
- Patriot Battery Metals' (TSX-V: PMET, ASX: PMT) Corvette Project – 1.62% Li₂O over 95.3m from 137.3m depth (Refer to Patriot Battery Metals' TSX Announcement dated 14 June 2023); and
- Q2 Metals Corp. (TSX-V: QTWO) Mia Lithium Project – Exploration Stage.

Redstone is not aware of any new information or data that materially affects the information in the said announcements.

The Québec Government is committed to reducing its carbon emissions and building accessibility and availability of battery metals. The Government released a 'Plan for the Development of Critical and Strategic Minerals (2020-2025)' which includes lithium and details commitments to share financial risk, as well as infrastructure improvements for projects in northern Québec.

KEY ACQUISITION TERMS

The Company has executed an agreement (**Agreement**) with Oliver Friesen (the **Optionor**), for an option to acquire a 100% undivided legal and beneficial interest in 177 unpatented mining claims which are filed with the Ministère des Ressources Naturelles et des Forêts (the **MENR**); situated within the Province of Québec (the **Project**).

The material terms of the Agreement include:

- Upon signing the Agreement, 25,000,000 fully paid ordinary shares in the capital of the Company (**Shares**) to be issued to the Optionor and other named persons (the **Holder**s) (being the **Initial Payment**). The Optionor will also enter into, and must procure each of the other Holders to enter into, an escrow agreement in respect of at least 50% of the Shares comprising the Initial Payment for a period of six (6) months from the date of issue of the Escrowed Shares.



- On the date that is 45 days from the date of signing the Agreement, a cash payment of A\$75,000 (the **Second Payment**).
- On the 1st anniversary of the date of signing the Agreement, A\$250,000 worth of Shares based on the 5 day VWAP Share price preceding the 1st anniversary of the date of signing this Agreement;
- On the 2nd anniversary of the date of signing the Agreement an additional A\$250,000 worth of Shares based on the 5 day VWAP Share price preceding the 2nd anniversary of the date of signing this Agreement.

The exercise of the option is subject to customary terms and conditions.

If the Agreement is terminated by the Company then, except for the Initial Payment and the Second Payment, the Company will not have any obligation to incur any additional Share issues to the Optionor and Holders pursuant to the Agreement. Upon completion of the total payments above, Redstone will acquire a 100% ownership interest in the Project, when 100% legal and beneficial interest in the Project tenements will be transferred to Redstone.

The Company advises that other than the information contained in this announcement, there is no other information that the Company deems to be material that requires disclosure under Listing Rule 3.1 at this time.

This Announcement has been approved for release by the Board of Redstone Resources Limited.

For further information please contact:

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Cautionary Note

The Company cautions that as per ASX Listing Rule 3.1 and the Compliance Update 04/23, the presence of pegmatite rock does not necessarily indicate the presence of lithium mineralisation. Laboratory chemical assays are required to determine the presence and grade of mineralisation.

Forward-Looking Statements

This document may include forward-looking statements. Forward-looking statements include, but are not limited to statements concerning Redstone Resources Limited's (**Redstone**) planned exploration program and other statements that are not historical facts. When used in this document, the words such as "could", "plan", "estimate", "expect", "intend", "may", "potential", "should", and similar expressions are forward-looking statements. Although Redstone believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements.

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REDSTONE RESOURCES

Redstone Resources Limited (**ASX: RDS**) is a base and precious metals developer exploring its 100% owned prospective West Musgrave Project, which includes the Tollu Copper deposit, in Western Australia. The West Musgrave Project is located between BHP's Nebo Babel Deposit and Nico Resources' Wingellina Ni-Co project. Redstone is also evaluating the HanTails Gold Project at Kalgoorlie, Western Australia for potential development in the future. Redstone has recently entered into an option agreement to acquire the Attwood Lake Lithium Project located in northwestern Ontario, Canada over which it has completed a Phase 1 exploration program.

Competent Person Statement

The information in this document that relates to Redstone exploration results from 2017 to date was authorised by Michael Dufresne, M.Sc., P.Geol, P.Geo., who is engaged as a Consultant to the company. Mr. Dufresne is a Member of the Alberta, British Columbia, Northwest Territories – Nunavut and New Brunswick Engineering and Geoscientist Professional Associations and has sufficient experience of relevance to the style of mineralisation and type of deposit under consideration and to the tasks with which he was employed to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr. Dufresne consents to the inclusion in the report of matters based on information in the form and context in which it appears.

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