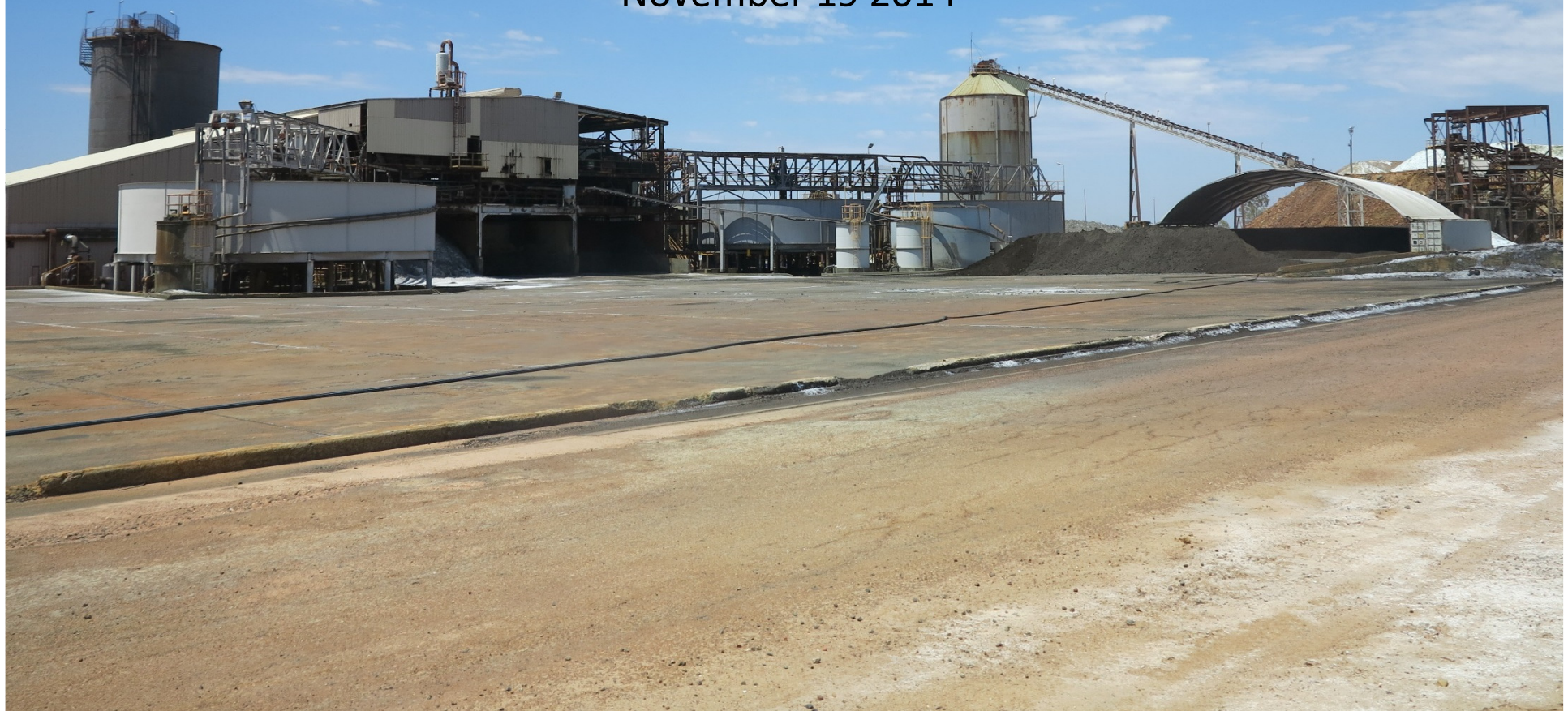


# **Red River Resources (ASX:RVR) Targeting Zinc Production in 2015**

November 19 2014



# Disclaimer



## **Competent Person's Statement:**

The information in this presentation to which this statement is attached that relates to Mineral Resources is based on information reviewed by Mr Stuart Hutchin, who is a Member of The Australasian Institute of Mining and Metallurgy and a Member of the Australian Institute of Geoscientists. Mr Hutchin has sufficient experience in the style of mineralisation and types of deposit under consideration and to the activity he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Hutchin 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 pertaining to the West 45, Orient, Liontown and Waterloo Mineral Resources were extracted from the Kagara Limited Annual Report 2011. This report is available to view at [www.asx.com.au](http://www.asx.com.au). The information for all four Mineral Resources was first disclosed by Kagara Limited under the JORC Code 2004. The estimates were conducted by Kagara.

All Mineral Resource estimates were prepared and first disclosed under the JORC Code 2004. This information has not been update since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported. Work is currently being undertaken by the Company to bring each of the Mineral Resources into line with the JORC Code 2012.

## **Forward Looking Statement:**

This presentation contains forward looking statements that are subject to risk factors associated with the mining and resources industry. It is believed that the expectations reflected in these statements are reasonable, but they may be affected by a range of variables which could cause actual results or trends to differ materially, including but not limited to: price fluctuations, actual demand, currency fluctuations, geotechnical factors, drilling and exploration results, gas commercialisation, development progress, operating results, engineering estimates, reserve estimates, loss of market, industry competition, environmental risks, physical risks, legislative, fiscal and regulatory developments, economic and financial markets conditions in various countries, approvals and cost estimates.

# Red River Resources – Corporate Snapshot



## Red River Resources (ASX:RVR)

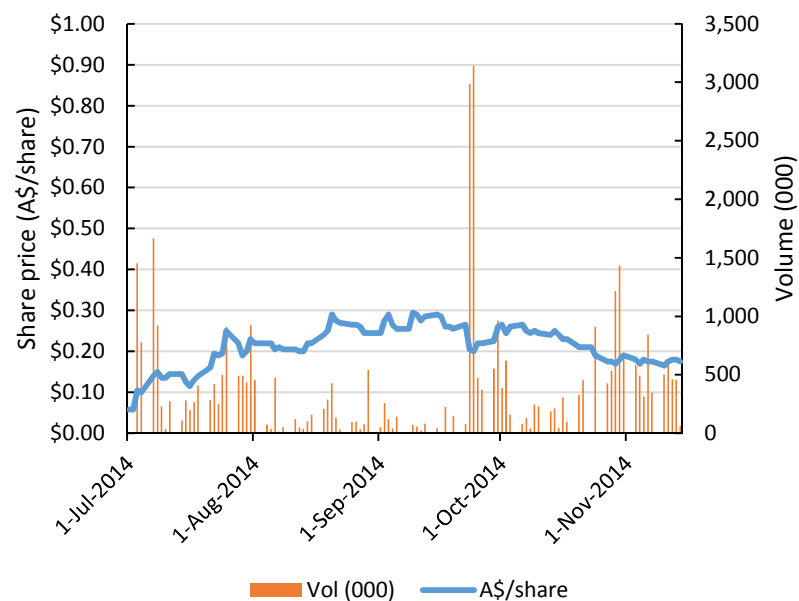
|                                  |               |
|----------------------------------|---------------|
| Shares on Issue <sup>1</sup>     | 173.4m        |
| Options <sup>1</sup>             | 25.4m         |
| Current share price <sup>2</sup> | A\$0.18/share |
| Market cap                       | A\$31.2m      |
| Cash <sup>3</sup>                | \$3.8m        |

(1) As at 30 Oct 2014; (2) As at 17 Nov 2014; (3) Pro forma cash balance

## Major Shareholders

|                                   |       |
|-----------------------------------|-------|
| Board & Management                | 8.1%  |
| Institutions                      | 9.3%  |
| Sophisticated & Private Investors | 82.6% |
| Top 20 consolidated including B&M | 51.2% |

RVR share price performance post Thalanga transaction announcement<sup>(1)</sup>



(1) From 1 July 2014

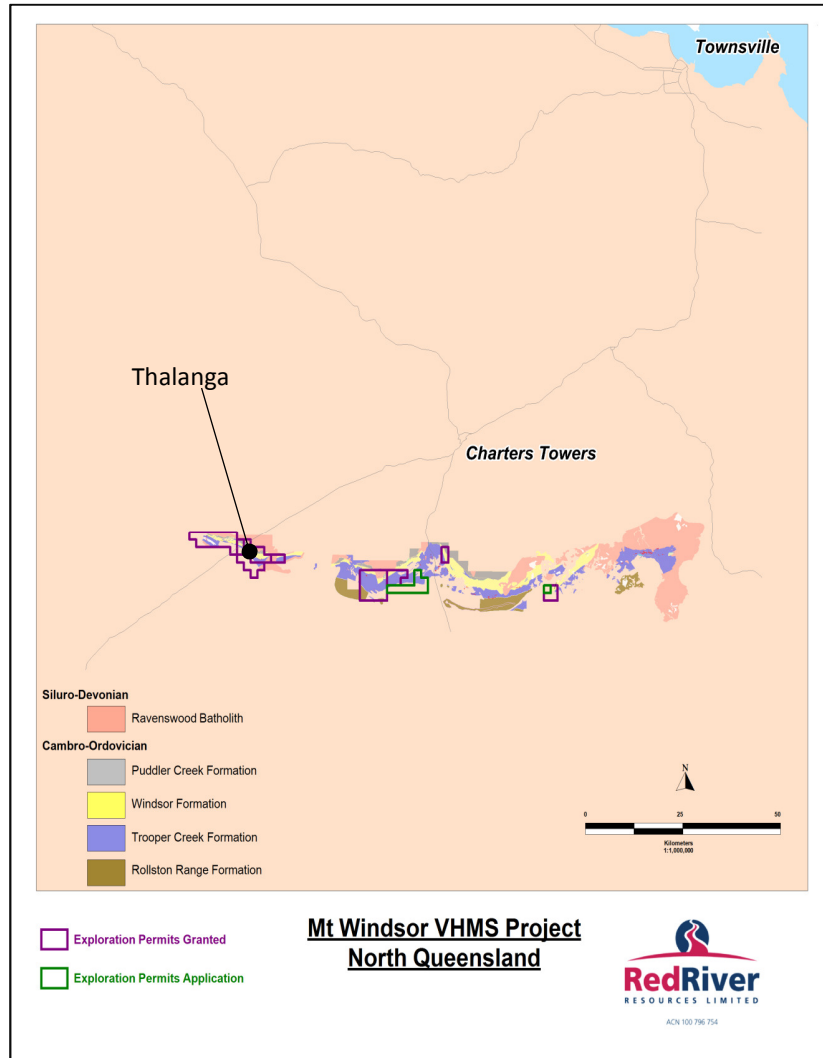
## Board & Senior Management

- Recent appointments of Mel Palancian and Karl Spaleck gives Red River one of the most experienced technical teams in Australia
- Seeking to further strengthen Board and senior management team going forward

| Board                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                       |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------|
| <b>Donald Garner</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | <b>Managing Director</b>                              |
| <ul style="list-style-type: none"> <li>• Geologist with over 15 years experience in the mining industry and metals &amp; mining corporate finance</li> </ul>                                                                                                                                                                                                                                                                                                                         |                                                       |
| <b>Mel Palancian</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | <b>Chief Operational Officer</b>                      |
| <ul style="list-style-type: none"> <li>• Engineer with over 20 years experience in the mining industry</li> <li>• Prior to joining Red River was the DGM at Newcrest's Gosowong operations (Indonesia)</li> <li>• He previously held a number of senior management positions at MMG (GM Technical Services), OZ Minerals (Manager Dugald River Development) and Zinifex (Principal Adviser Mining)</li> </ul>                                                                        |                                                       |
| <b>Cameron Bodley</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <b>Company Secretary &amp; Non Executive Director</b> |
| <ul style="list-style-type: none"> <li>• Chartered accountant with over 15 years experience in professional practice and industry</li> </ul>                                                                                                                                                                                                                                                                                                                                         |                                                       |
| <b>Paul Hart</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | <b>Non Executive Director</b>                         |
| <ul style="list-style-type: none"> <li>• Investment professional with background in investor relations and capital raising with over 20 years experience in the Australian stock market</li> </ul>                                                                                                                                                                                                                                                                                   |                                                       |
| Senior Management                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                       |
| <b>Karl Spaleck</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | <b>GM Operations</b>                                  |
| <ul style="list-style-type: none"> <li>• Metallurgist with over 20 years experience in the mining &amp; metallurgy industry</li> <li>• Prior to joining Red River was the General Manager for 2 ½ years at Newcrest's Lihir operations (PNG)</li> <li>• He previously spent 6 years at MMG's Century zinc mine (global #3) in Queensland, where he held a range of senior positions including Concentrate Manager Operations, Deputy GM and culminating as GM for 2 years</li> </ul> |                                                       |



# Thalanga Operations



| Thalanga Operations                     |                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|-----------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Thalanga Processing Plant</b>        | <ul style="list-style-type: none"> <li>• Located 60km SW of Charters Towers in Central QLD</li> <li>• 600 ktpa polymetallic (Cu, Pb &amp; Zn) processing facility</li> <li>• Currently on active care &amp; maintenance</li> <li>• Tailings storage facility with sufficient capacity for 5yrs + operation</li> <li>• Site offices, workshops, and change facilities</li> </ul>                                                           |
| <b>JORC 2004 Resource<sup>(1)</sup></b> | <ul style="list-style-type: none"> <li>• Total JORC Resource of 3.8Mt @ 0.9% Cu, 2.4% Pb, 8.2% Zn, 0.6g/t Au &amp; 41g/t Ag</li> </ul>                                                                                                                                                                                                                                                                                                    |
| <b>Infrastructure Advantage</b>         | <ul style="list-style-type: none"> <li>• Grid power (66KV connection)</li> <li>• All weather sealed road access</li> <li>• Residential workforce (sourced from Charters Towers)</li> <li>• 200km by sealed road to concentrate export port facility and zinc smelter (Sun Metals) in Townsville</li> </ul>                                                                                                                                |
| <b>Environment</b>                      | <ul style="list-style-type: none"> <li>• Includes A\$9m environmental bond</li> </ul>                                                                                                                                                                                                                                                                                                                                                     |
| <b>Exploration Upside</b>               | <ul style="list-style-type: none"> <li>• Located in highly prospective Mt Windsor Belt</li> <li>• Multiple known polymetallic massive sulphide deposits – Belt currently underexplored</li> <li>• Ownership of the sole base metal processing plant in the Belt has significant strategic value</li> <li>• Enables Red River to monetise any economic discoveries made in the Belt and/or within trucking distance of Thalanga</li> </ul> |

(1) Refer to Notes at end of presentation

## Right Time, Right Assets, Right Commodity

- Target production restart at end CY2015 – take full advantage of any benefit flowing to zinc price from Century closure in 3Q 2015
- Red River would be only ‘pure play’ zinc producer listed on ASX at end of CY2015

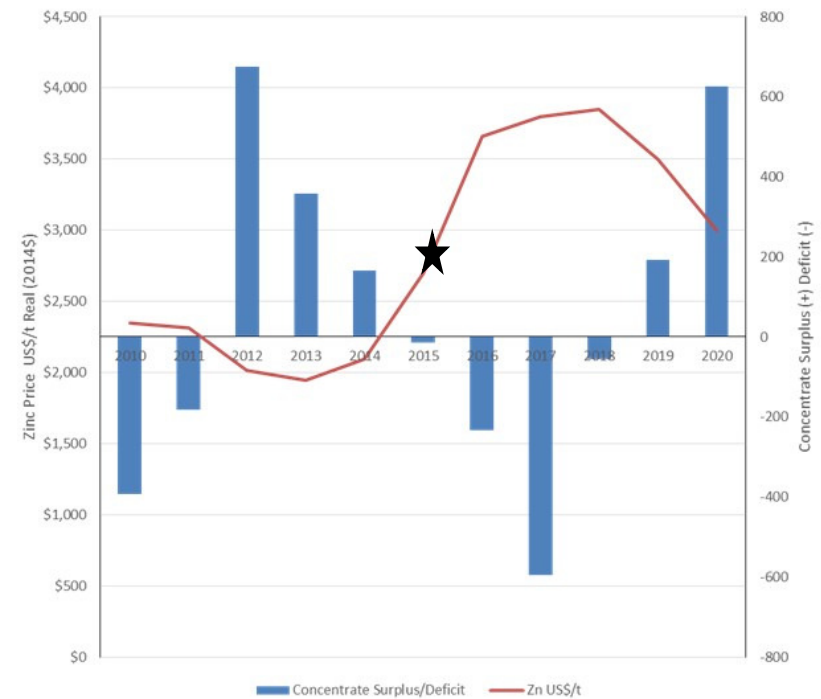
### Thalanga Operations



West 45

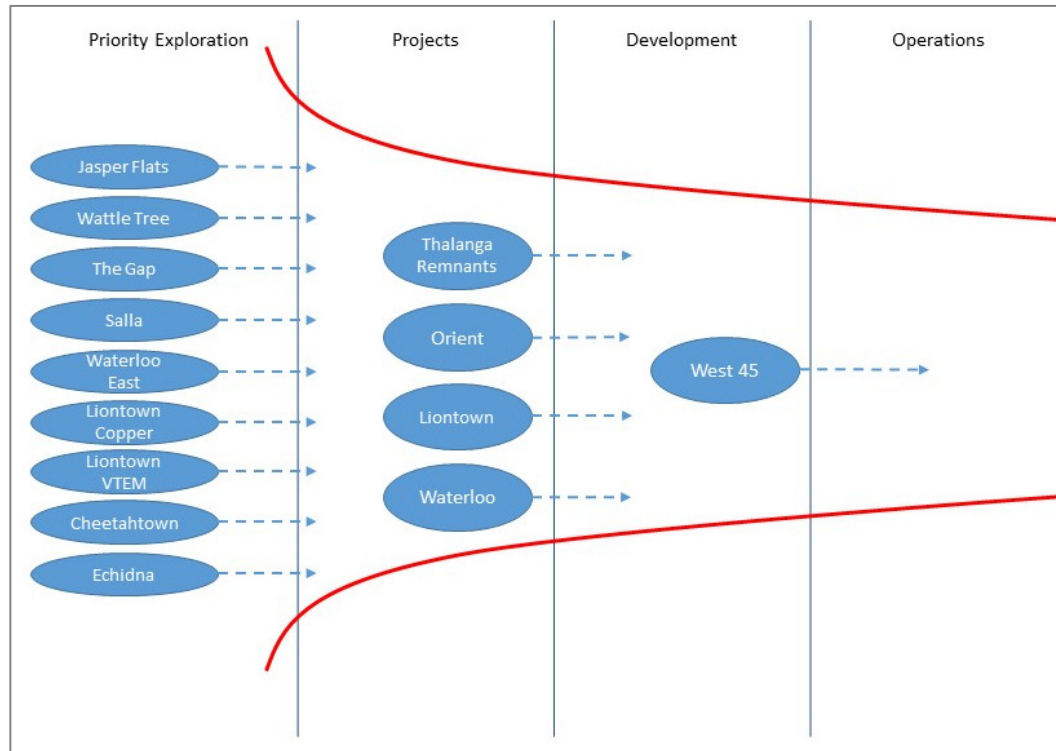


Restart end CY 2015



Source: Nyrstar, Wood Mackenzie

# Project Pipeline



## Restart Study

- Complete restart study by Q1 2015
- Capex, opex and production schedule
- Thalanga Operations / West 45

## Project Pipeline Optimisation

- Convert current resource base into production
- Rank projects - identify next feed source for Thalanga
- Conversion to JORC 2012 Resources commenced

## Exploration

- Increase tonnes at current projects
- Advance priority projects through to resource definition
- Indentify and progress new targets

Table 1 Thalanga Operations JORC (2004) Resource<sup>(1)</sup>

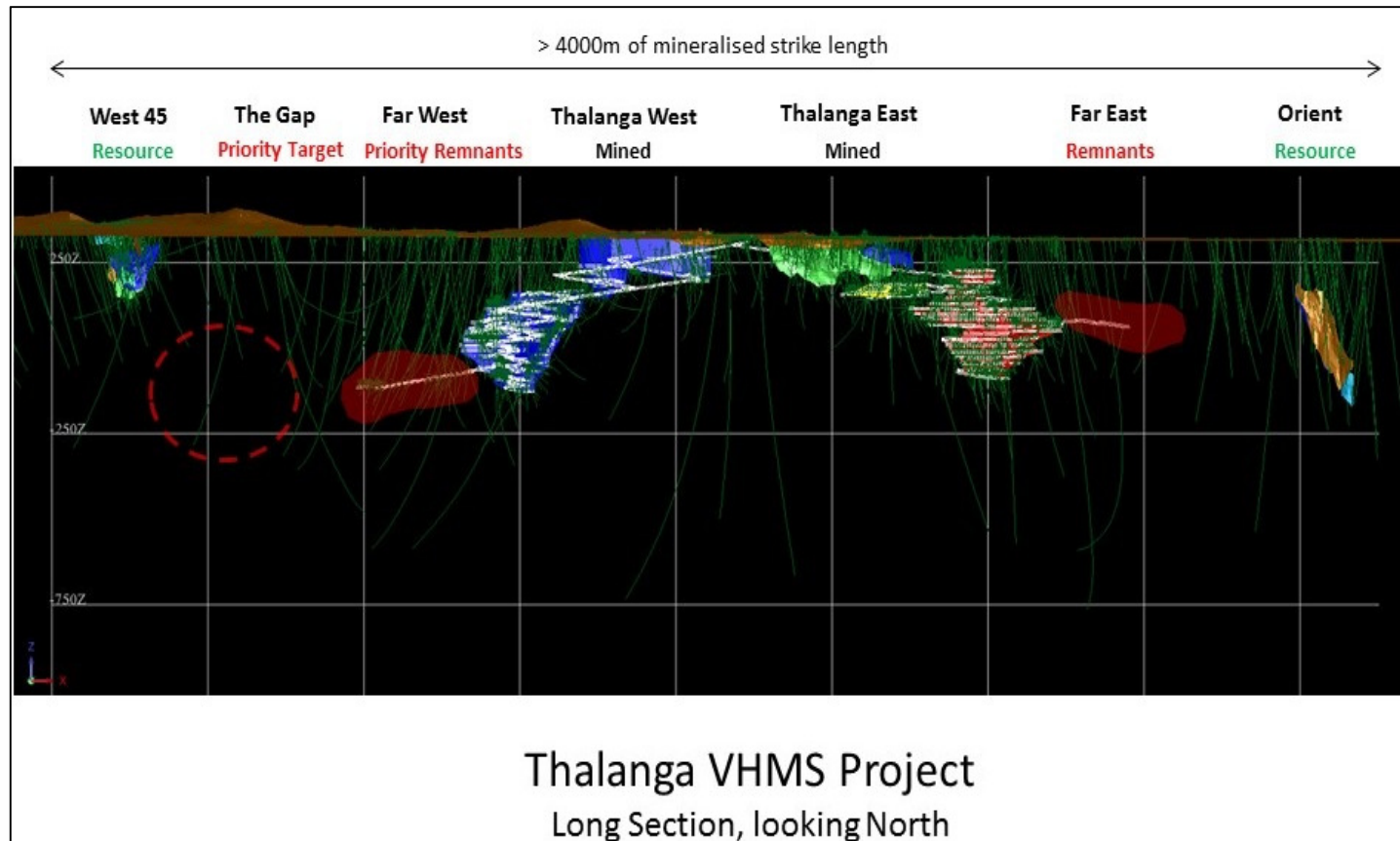
| Project      | Tonnes (kt) <sup>(2)</sup> | Copper (%)  | Lead (%)    | Zinc (%)    | Gold (g/t) | Silver (g/t) |
|--------------|----------------------------|-------------|-------------|-------------|------------|--------------|
| West 45      | 591                        | 0.6%        | 3.5%        | 8.3%        | 0.3        | 69           |
| Orient       | 539                        | 0.9%        | 1.8%        | 8.0%        | 0.2        | 44           |
| Lontown      | 1,850                      | 0.6%        | 2.4%        | 7.5%        | 0.5        | 28           |
| Waterloo     | 707                        | 1.9%        | 1.6%        | 11.0%       | 1.0        | 50           |
| <b>Total</b> | <b>3,687</b>               | <b>0.9%</b> | <b>2.3%</b> | <b>8.4%</b> | <b>0.5</b> | <b>41</b>    |

(1) Refer to Competent Persons Statement at end of release

(2) Total JORC (2004) Resource (Indicated plus Inferred)

# Thalanga Remnants

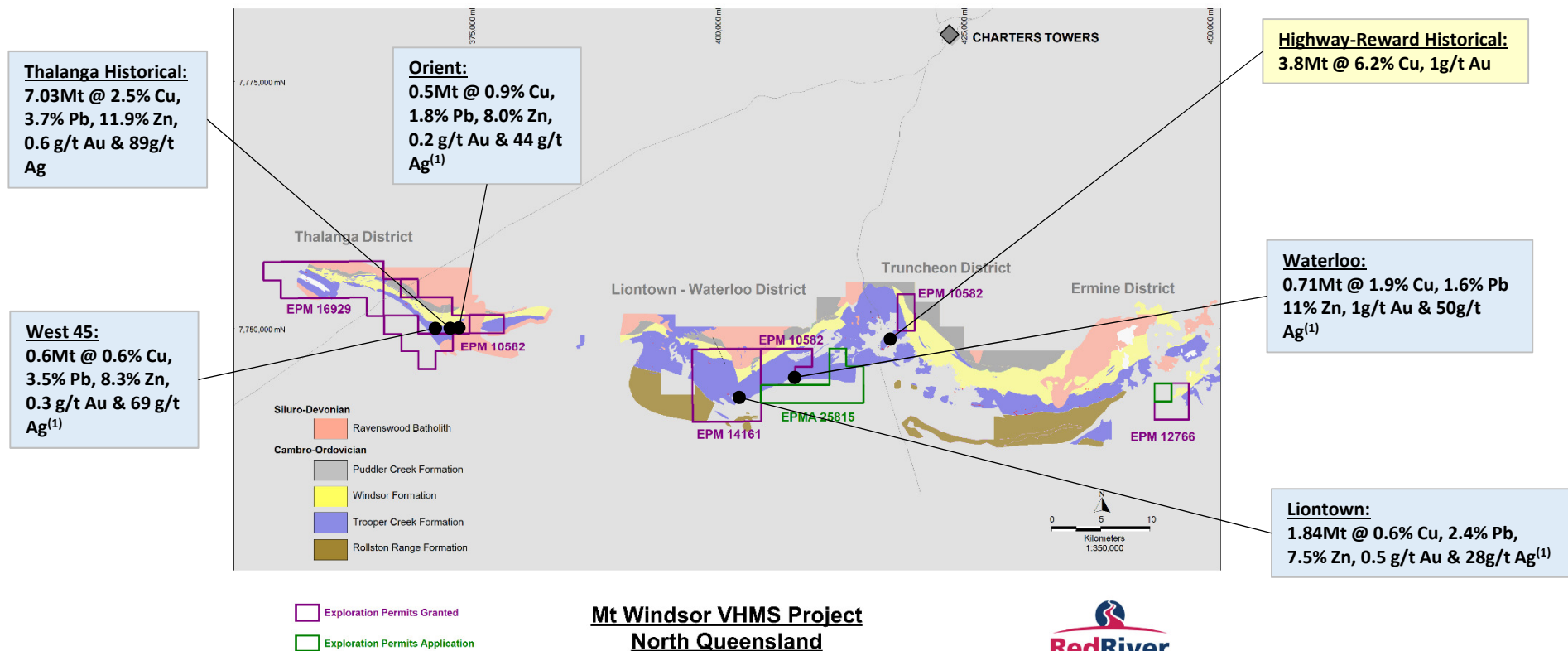
- UG mining activity ceased at Thalanga in 1997 – significant non JORC resource remains in Remnants
- Unable to access historic UG workings (used to dispose of tailings)
- Concept study commencing on accessing Far West remnants via a ~2,000m 1: 7 gradient decline from base of proposed West 45 development - Mining One working to generate JORC 2012 Resource for Remnants
- Will also allow access to 'The Gap' target area – and establish drill platforms to test for down dip extensions of mineralised system





# Exploration Strategy

- Red River controls multiple projects (Thalanga, Lontown, Waterloo, Truncheon and Ermine) in the western limb of the Mt Windsor Belt
- Mt Windsor Belt comprises of a Cambrian to early Ordovician volcano-sedimentary terrane forming an east-west belt extending for 165km in an east west direction south of Charters Towers
- Multiple VHMS (volcanic hosted massive sulphide) deposits have been discovered in the Belt, with the most recent discovery being Waterloo in 1987
- Exploration strategy is driven by need to define more tonnes to extend life of Thalanga operations



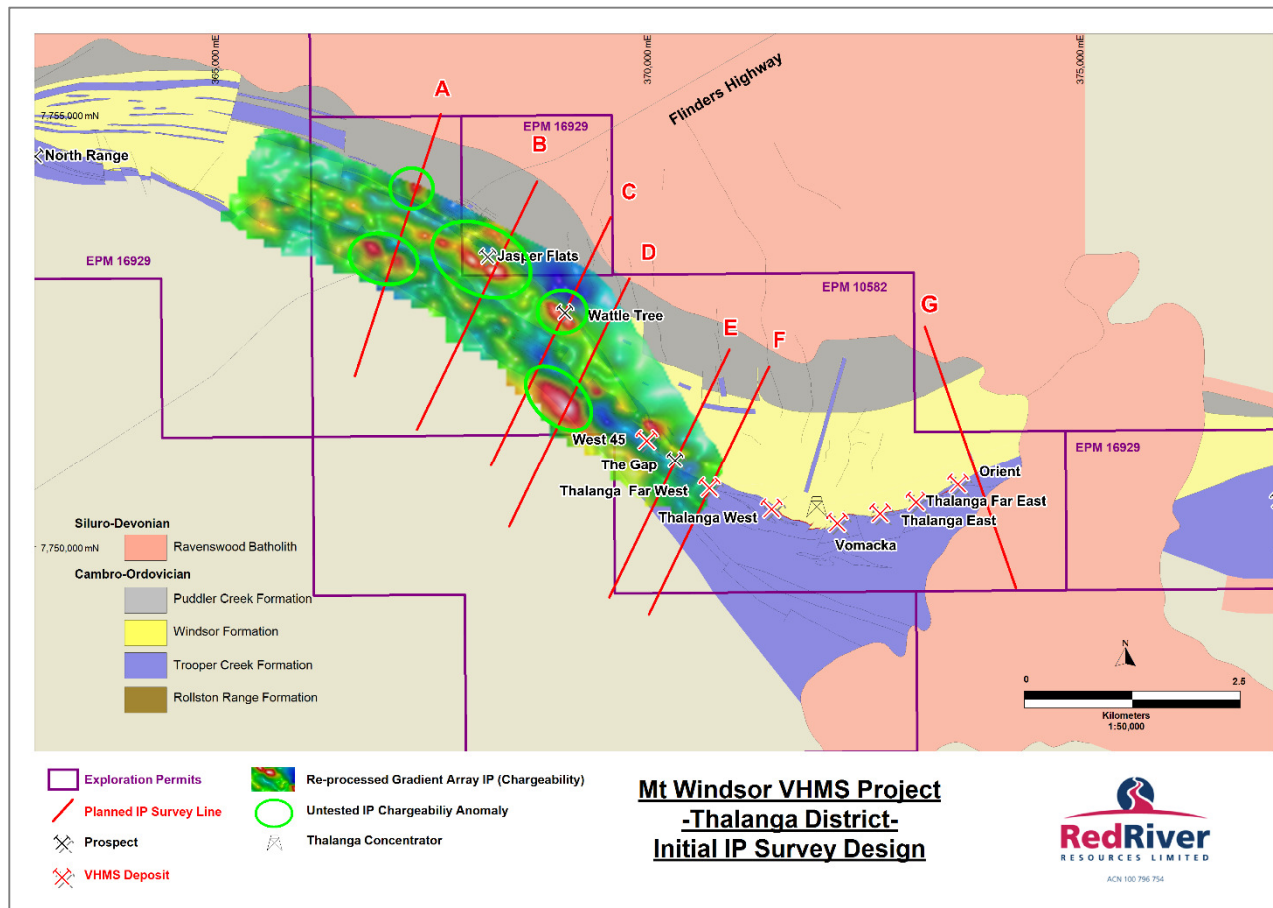
(1) Refer to Notes at end of presentation

## Exploration & Development Activities – Progress to Date

|                                                          |                                                                                                                                                                                                                                                                                                        |
|----------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Review of and remodelling of historical databases</b> | <ul style="list-style-type: none"> <li>• Red River working with Mining One consultants on database review</li> <li>• Input into JORC 2012 resource conversion process</li> <li>• Current focus on Thalanga Remnants</li> </ul>                                                                         |
| <b>Reprocessing of historical geophysical data</b>       | <ul style="list-style-type: none"> <li>• Engaged geophysical consultant to reprocess historical data</li> <li>• Excellent results – confirmed historical targets and defined new targets</li> <li>• Process ongoing</li> </ul>                                                                         |
| <b>Initial IP Survey</b>                                 | <ul style="list-style-type: none"> <li>• Planned to commence survey at start December</li> <li>• Survey preparation work has commenced</li> <li>• Utilising high power transmitter (50Kva)</li> <li>• Enable survey testing for chargeable bodies and conductors up to depths of up to 500m</li> </ul> |
| <b>EPM Applications</b>                                  | <ul style="list-style-type: none"> <li>• Application lodged - EPMA 25815</li> <li>• Contiguous with Waterloo and Ermine projects</li> </ul>                                                                                                                                                            |
| <b>Applications for grant funding submitted</b>          | <ul style="list-style-type: none"> <li>• Number of applications lodged under QLD Gov CDI (Collaborative Drilling Initiative)</li> <li>• Grant funding to test new exploration concepts – meet up to half the direct drilling costs to a maximum of \$150,000 for an approved project</li> </ul>        |

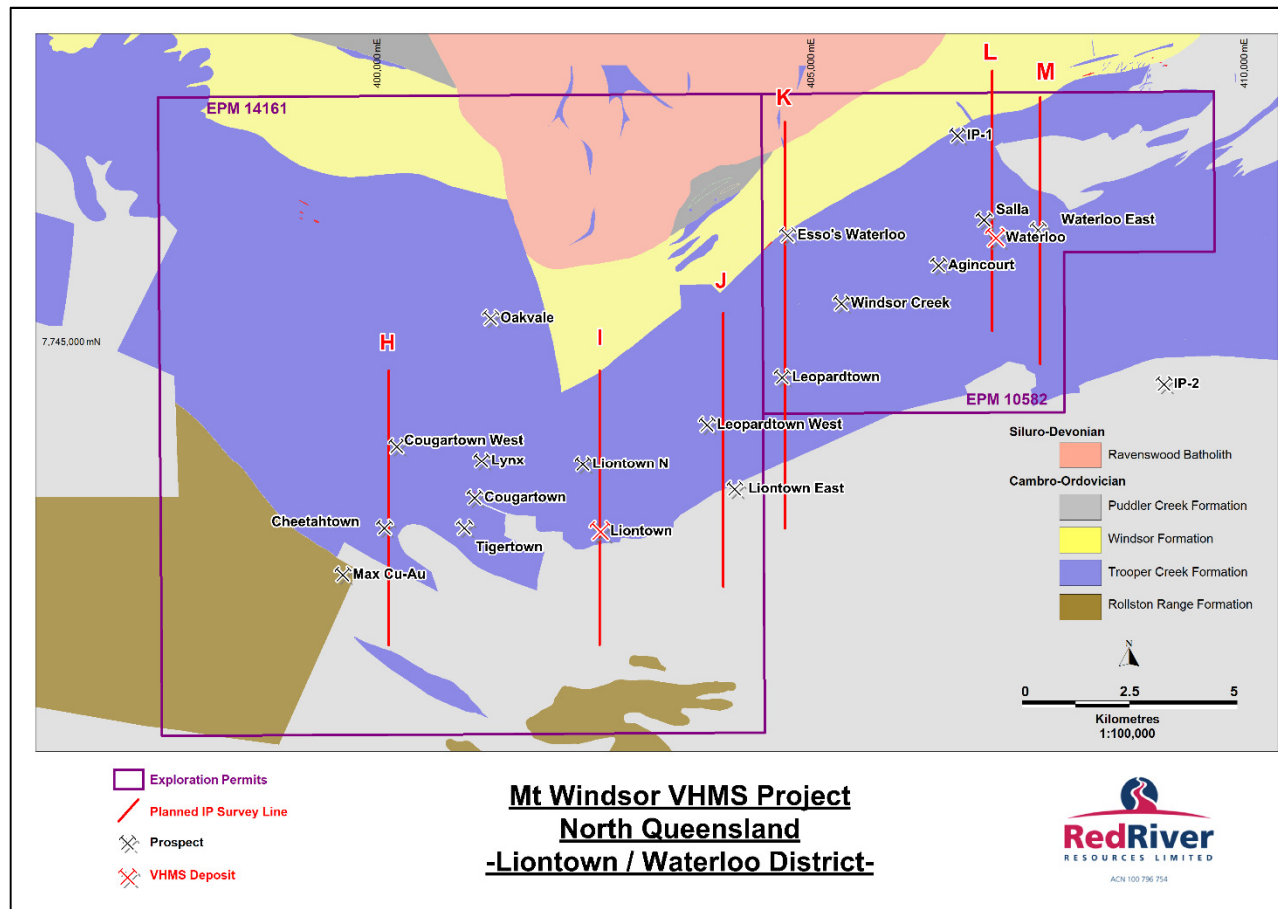
# Proposed IP Survey – Thalanga Range

- Reprocessing of historical geophysical data has confirmed the presence of multiple untested targets along strike from Thalanga in same stratigraphic position as known mineralisation
- Coincident geophysical and geochemical anomalies present at multiple targets
- IP survey planned to test and confirm thickness/orientation of conductors to better plan follow up drilling scheduled for early 2015



# Proposed IP Survey – Liontown and Waterloo

- Reprocessing of historical geophysical data has commenced
- Line clearance for IP survey has commenced
- IP survey planned to test and confirm thickness/orientation of known mineralisation and test priority targets to better plan follow up drilling scheduled for early 2015





## Summary

|                               |                                                                                                                                                                                                                                                                                                                                                                                       |
|-------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Thalanga Acquisition</b>   | <ul style="list-style-type: none"> <li>• Red River took control of Thalanga Operations at end October 2014</li> <li>• Completed A\$5m cash payment to administrators</li> <li>• Deferred A\$1.5m payment – 3 months after the commencement of commercial production</li> </ul>                                                                                                        |
| <b>Management Team</b>        | <ul style="list-style-type: none"> <li>• Appointed management team with unrivalled depth of experience in Australian zinc projects</li> <li>• Mel Palancian (COO) – Broken Hill, Western Metals, Zinifex, OZ Minerals &amp; MMG – Head of Technical Services for MMG</li> <li>• Karl Spaleck (GM Operations) – Zinifex, OZ Minerals &amp; MMG - ex GM of Century Zinc Mine</li> </ul> |
| <b>Restart Study</b>          | <ul style="list-style-type: none"> <li>• Restart study commenced – target completion Q1 2015</li> <li>• Capital and operating costs plus production schedule for Thalanga Operations / West 45</li> </ul>                                                                                                                                                                             |
| <b>Timeline to Production</b> | <ul style="list-style-type: none"> <li>• Targeting production restart in Q4 2015 – take advantage of positive impact on zinc price of closure of Century (#3 global zinc mine) in Q3 2015</li> <li>• Red River will be only pure play zinc producer listed on ASX at end 2015</li> </ul>                                                                                              |
| <b>Project Pipeline</b>       | <ul style="list-style-type: none"> <li>• Project pipeline optimisation study commenced</li> <li>• Identify post West 45 production source from current projects</li> <li>• Convert project pipeline into mine life</li> </ul>                                                                                                                                                         |
| <b>Exploration Strategy</b>   | <ul style="list-style-type: none"> <li>• Exploration &amp; development activities restarted</li> <li>• Reprocessing of historical geophysical data underway – initial results outstanding</li> <li>• IP survey planned for December</li> <li>• Rolling out exploration strategy in Belt</li> </ul>                                                                                    |

## Contact Details

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