Exceptionally High Grade Channel Sampling Results at West 45

Highlights:

- **Dewatering of West 45 underground development successfully completed**
- **Channel sampling program completed in West 45 – exceptionally high grade (up to 79.8% ZnEq)**
- **Notable results include:**
  - **West 45 956E ore drive – average exposed orebody width of 2.6m with an average grade of 16.4% Zn, 12.3% Pb, 1.3% Cu, 270 g/t Ag & 1.0g/t Au (38.6% ZnEq)**
  - **Channel 4 returned 3m @ 22.1% Zn, 18.0% Pb, 1.6% Cu, 406 g/t Ag & 1.43g/t Au (53.9% ZnEq)**
  - **Includes 1m @ 32.0% Zn, 29.7% Pb, 0.7% Cu, 757g/t Ag & 1.26g/t Au (79.8% ZnEq)**
- **Geotechnical evaluation of existing development confirms limited rehabilitation requirements**
- **High-impact exploration programme about to commence near West 45**

Red River Resources Limited (ASX:RVR) ("Red River" or the "Company") is pleased to announce that it has completed the dewatering of the West 45 underground development, part of the Company's Thalanga Zinc Project ("Project") in Queensland.

Dewatering of the underground development at West 45 has allowed Red River access to complete a geotechnical evaluation program of the existing development and conduct a channel sampling program.

1. West 45 Overview

West 45 is a high-grade ore body that Red River will target to restart production at Thalanga. The ore body is located 1.7km west of the Thalanga processing plant and ~1.4km by unsealed road from the portal to the run of mine ("ROM") ore pad. The box cut for the portal was commenced in August 2011 by the former owner (Kagara Limited) and underground development commenced in September 2011. Underground operations ceased in March 2012 when Kagara was placed into administration.

The decline was developed 552m (at a 1:7 gradient) down to its current position at the 941RL, approximately 100m below surface. A cross-cut into the top of the orebody was developed and 48m of ore development completed (956 Level). Kagara extracted and processed 2,835t of ore through the Thalanga plant prior to operations ceasing. The box cut and portal collar have been mined and supported to a high standard. No serious defects are evident, and ground conditions are considered to be good. The water level in the decline was ~200m from the portal just below Stockpile 1 when Red River acquired the Project.

2. Channel Sampling Program Results

A program of channel sampling was carried out in the backs of West 45 956 Level East ore drive (refer to Figure 1). The channel sampling has demonstrated some exceptionally high grade material, and hence the attractive nature of the West 45 orebody.

Table 1 West 45 956E Selected Ore Drive Channel Sampling Results

	Sample	From (m)	To (m)	Thickness (m)	Cu %	Pb %	Zn %	Ag g/t	Au g/t	Zn Eq %
Channel 1	956E_002	1.0	2.0	1.0	3.6	1.6	2.0	85	0.32	17.4
	956E_003	2.0	3.0	1.0	2.7	14.0	19.0	311	0.80	48.2
	956E_004	3.0	4.0	1.0	1.1	11.7	17.4	227	0.98	37.1
		1.0	4.0	3.0	2.4	9.1	12.8	208	0.70	34.2
Channel 2	956E_007	2.0	3.0	1.0	0.7	0.6	1.0	27	0.07	4.4
	956E_008	3.0	4.0	1.0	1.4	8.6	13.1	232	0.72	31.2
	Average	2.0	4.0	2.0	1.0	4.6	7.1	130	0.40	17.8
Channel 3	956E_010	1.0	2.0	1.0	2.9	15.1	19.2	472	1.05	54.1
	956E_011	2.0	3.0	1.0	1.7	9.8	13.1	226	1.58	33.0
	956E_012	3.0	4.0	1.0	0.6	13.9	18.6	269	0.41	39.8
	Average	**1.0**	**4.0**	**3.0**	**1.7**	**12.9**	**17.0**	**322**	**1.01**	**42.3**
Channel 4	956E_013	0.0	1.0	1.0	3.6	9.4	13.5	227	1.96	39.4
	956E_014	1.0	2.0	1.0	0.7	14.8	20.9	233	1.07	42.4
	956E_015	2.0	3.0	1.0	0.7	29.7	32.0	757	1.26	79.8
	Average	**0.0**	**3.0**	**3.0**	**1.6**	**18.0**	**22.1**	**406**	**1.43**	**53.9**
Channel 5	956E_017	0.0	1.0	1.0	0.6	14.6	18.9	325	1.57	42.0
	956E_018	1.0	2.0	1.0	0.8	15.0	21.6	353	1.75	46.6
	956E_019	2.0	3.0	1.0	0.6	12.2	19.0	232	1.12	37.9
	Average	**0.0**	**3.0**	**3.0**	**0.7**	**13.9**	**19.8**	**303**	**1.48**	**42.2**
Channel 6	956E_022	1.0	2.0	1.0	1.2	8.0	9.4	137	0.24	24.0
	956E_023	2.0	3.0	1.0	0.2	17.3	16.1	208	0.65	37.6
	Average	1.0	3.0	2.0	0.7	12.7	16.1	173	0.45	30.8
Channel 7	956E_027	2.0	3.0	1.0	0.2	9.6	18.1	102	0.60	30.0
	956E_028	3.0	4.0	1.0	0.8	15.3	22.7	433	1.48	49.9
	Average	2.0	4.0	2.0	0.5	12.5	20.4	268	1.04	40.0
All Channels	**Average**		**2.6**		**1.3**	**12.3**	**16.4**	**270**	**0.98**	**38.6**

Zinc Equivalent values are reported. The Zinc Equivalent formula applied is: Zn% + (0.9*Pb%) + (3.3*Cu%) + (0.025*Ag g/t)

Red River's Managing Director Mel Palancian commented: "*Kagara spent over $7m developing the decline and ore drives at West 45. This work puts Red River approximately 20 months ahead of where we would be if we were starting from scratch. Combined with the exceptional assay results from the sampling in West 45, this confirms the incredible opportunity that we acquired from the administrators for only $6.5 million*."

Figure 1 West 45 UG Channel Sampling Locations

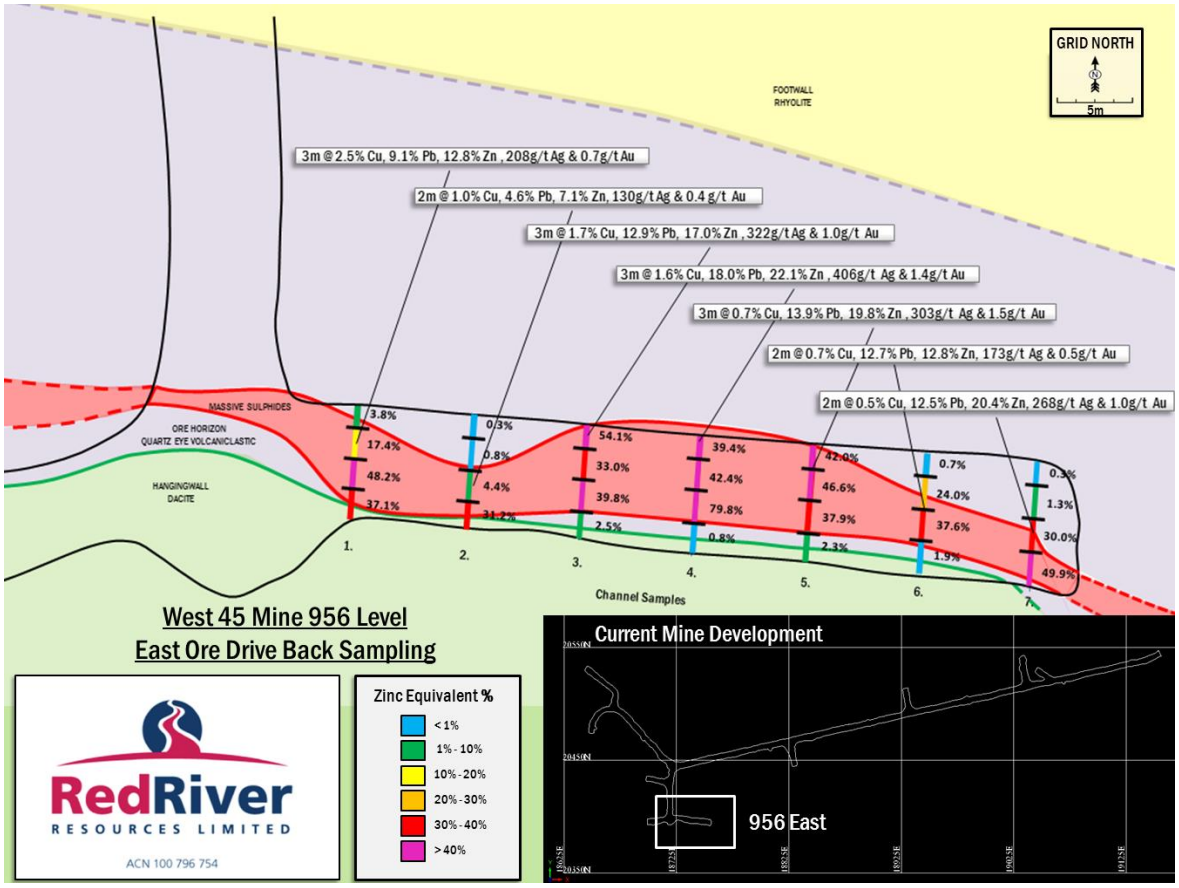

Figure 2 West 45 UG Channel Sampling Locations (looking down 956 Level)

3. Dewatering

The dewatering of the West 45 UG development has been completed. The water inflow into the existing development is low and currently estimated to be 0.3/litres per second.

4. Geotechnical Evaluation Program

Independent rockbolt testing program was undertaken by Splitset Mining Systems Pty Ltd throughout the underground workings on a representative sample of rock bolts randomly selected within the West 45 UG development (decline and ore drives). All the rockbolts tested achieved or exceeded design capacities. This program confirmed that the ground support previously installed during 2011 and 2012 is in good condition.

Red River previously estimated that the rehabilitation requirements for the existing West 45 development to be approximately A$600,000. As a result of the dewatering and rockbolt evaluation program, this estimate has been reduced to approximately A$50,000.

On behalf of the Board,

Mel Palancian
Managing Director
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COMPETENT PERSON STATEMENT

Exploration Results

The information in this report that relates to Exploration Results is based on information compiled by Mr Tav Bates who is a member of the Australasian Institute of Mining and Metallurgy, and a full time employee of Red River Resources Ltd., and who has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activities being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves' (JORC Code). Mr Bates consents to the inclusion in this report of the matters based on the information in the form and context in which it appears.

JORC CODE, 2012 EDITION – TABLE 1

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• This report presents the results of channel sampling. • Channel sampling was conducted across the backs of the 956 level, East ore drive, within the West 45 underground mine. • A total of seven, four metre long channel samples spaced at five metre intervals along the drive were completed resulting in twenty eight individual one metre intervals being assayed.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• This report does not present drilling results
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• This report does not present drilling results
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or*	• This report does not present drilling results • Channel sample rock types were logged by company geologists

Criteria	JORC Code explanation	Commentary
	quantitative in nature. Core (or costean, channel, etc) photography. • *The total length and percentage of the relevant intersections logged.*	
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• Samples consisted of seven, four metre long channel samples across the backs of the 956 level, east ore drive, spaced at five metre intervals within the West 45 underground mine. • Individual one metre samples were assayed • Average sample size was 1.5kgs • Quality control procedures included the insertion of certified standards and blanks into the sample stream • Sample sizes are appropriate for the grainsize of the material
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• The assay laboratory utilised was SGS Townsville • Assay techniques were Multi – Acid Digest with ICP finish for Cu, Pb, Zn and Ag and 30gm Fire Assay for Au. • Quality control procedures included the insertion of certified standards and blanks into the sample stream
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• Samples that produced significant results were inspected by company geologists and confirmed to contain high proportions of base metal sulphides • Assay data has been transcribed from original laboratory reports
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• The location of the channel samples was recorded using high detail underground survey data.

Criteria	JORC Code explanation	Commentary
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• The channel samples were spaced at 5m intervals along the 956 East ore drive • This report does not present any Mineral Resource or Ore Reserve Estimation • No sample compositing has been applied
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• The channel samples were developed perpendicular to the strike of mineralisation • The orientation of the channel samples is designed to not bias sampling
Sample security	• *The measures taken to ensure sample security.*	• Samples were secured and delivered to the assay lab by Red River staff
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No audits or reviews of sampling techniques have been conducted

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• The channel sampling was conducted on ML 1531 • ML 1531 forms part of Red River's 100% owned Thalanga Zinc Project • No Native Title exists within ML 1531
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Historic Exploration at West 45 was conducted by RGC and Kagara Ltd. This included geochemistry, geophysics, drilling and underground development.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The West 45 deposit is classified as Volcanic Hosted Massive Sulphide (VHMS) base metal mineralisation • The regional geological setting is the Mt Windsor Volcanic Sub-province, consisting of Cambro-Ordovician marine volcanic and volcano-sedimentary sequences
Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes, including, easting and northing, elevation or RL, dip and azimuth, down hole length, interception depth and hole length.* • *If the exclusion of this information is justified the Competent Person should clearly explain why this is the case.*	• See Figure 1 for the location of the channel samples • See Appendix 1 for complete channel sample assay results
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• Interval length weighted assay results are reported • Significant Intercepts are chosen by assay intervals > 1% Zn or 1% Pb or 0.5% Cu • Zinc Equivalent values are reported. The Zinc Equivalent formula applied is: **Zn% + (0.9*Pb%) + (3.3*Cu%) + (0.025*Ag g/t)**

Criteria	JORC Code explanation	Commentary
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• The significant intervals reported represent true widths
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plans and sections.*	• Refer to plans and sections within report
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• All holes channel sample results are reported
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported.*	• All meaningful and material data is reported
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).*	• Refer to text within the report

Appendix 1.
Channel Sample Results

Channel	Sample No.	From_m	To_m	Cu_pct	Pb_pct	Zn_pct	Ag_gt	Au_gt	ZnEq_pct
1	956E_001	0	1	0.08	0.46	0.82	94	0.24	3.8
1	956E_002	1	2	3.60	1.58	1.95	85	0.32	17.4
1	956E_003	2	3	2.67	14.00	19.00	311	0.8	48.2
1	956E_004	3	4	1.07	11.70	17.40	227	0.98	37.1
2	956E_005	0	1	0.01	0.05	0.19	bdl	0.01	0.3
2	956E_006	1	2	0.03	0.09	0.51	bdl	bdl	0.7
2	956E_007	2	3	0.65	0.64	1.00	27	0.07	4.4
2	956E_008	3	4	1.38	8.61	13.10	232	0.72	31.2
3	956E_009	0	1	2.88	15.10	19.20	472	1.05	54.1
3	956E_010	1	2	1.65	9.80	13.10	226	1.58	33.0
3	956E_011	2	3	0.58	13.90	18.60	269	0.41	39.8
3	956E_012	3	4	0.04	0.76	1.29	16	0.05	2.5
4	956E_013	0	1	3.57	9.43	13.50	227	1.96	39.4
4	956E_014	1	2	0.70	14.80	20.90	233	1.07	42.4
4	956E_015	2	3	0.66	29.70	32.00	757	1.26	79.8
4	956E_016	3	4	0.03	0.26	0.29	7	0.03	0.8
5	956E_017	0	1	0.55	14.60	18.90	325	1.57	42.0
5	956E_018	1	2	0.82	15.00	21.60	353	1.75	46.6
5	956E_019	2	3	0.64	12.20	19.00	232	1.12	37.9
5	956E_020	3	4	0.08	0.68	1.14	14	0.06	2.3
6	956E_021	0	1	0.01	0.06	0.51	4	0.04	0.7
6	956E_022	1	2	1.20	8.03	9.40	137	0.24	24.0
6	956E_023	2	3	0.23	17.30	16.10	208	0.65	37.6
6	956E_024	3	4	0.05	0.63	0.93	10	0.05	1.9
7	956E_025	0	1	0.00	0.03	0.17	bdl	0.02	0.2
7	956E_026	1	2	0.03	0.11	0.43	26	0.11	1.3
7	956E_027	2	3	0.21	9.64	18.10	102	0.6	30.0
7	956E_028	3	4	0.80	15.30	22.70	433	1.48	49.9

**bdl – below detection level*