



## Chairman's Message

It is my pleasure to welcome you to Red River Resources Annual General Meeting for 2015.

This past year has witnessed the start of the transformation of Red River Resources into a mid-tier mining company.

The year commenced with our announcement that Red River had signed a binding exclusivity agreement with the liquidators of Kagara Ltd to acquire the Thalanga Zinc Project, located 60km east of Charters Towers in Central Queensland. This acquisition marked the start of the delivery of our previously announced strategy to acquire and develop a portfolio of operational assets which will generate superior financial returns within a 3 to 5 year timeline.

After taking control of the Thalanga Zinc Project in October 2014, we have completed a number of major steps on the road to restarting production, and we have completed a high quality Project Restart Study, highlighting the exceptional technical and financial viability of the Project, and also the relatively short timeline required to bring the Project back into production.

We have now embarked on discussions with a number of potential sources of financing for the Project, including a number of concentrate offtake partners and mining contractors. We look forward to advancing these discussions and putting in place the financing required to restart production at the Project.

As you are now all aware the company successfully raised \$3.9 M in November in a well-supported placement. This capital injection has placed Red River in a strong financial position moving into 2016.

Red River intends to use the proceeds of the Placement to continue to add value to the Project in areas including:

- The commencement of a high impact exploration program across the Company's Thalanga Zinc Project, including the drill testing of a number of exciting targets, such as Truncheon and Liontown East;
- Converting the Far West Exploration Target into a JORC Resource;
- Completing mining study work associated with any additional JORC Resources defined at Far West and the existing JORC Resource at Liontown; and
- General working capital purposes.

In order to allow existing shareholders to participate on the same terms as the Placement, the Company has announced a Share Purchase Plan. A number of Red River Directors also plan to participate in the Placement (subject to shareholder approval).

Throughout the year, the Company has also focused its attention in creating a dynamic new management team and reinvigorating the Board to support the transition to operational mining while continuing to explore and advance future development opportunities. Direct



communication and support from our shareholder base has been critical in delivering these outcomes.

Despite the currently depressed market the outlook for zinc is still very positive as supply is continuing to diminish, with mines including MMG's Century mine in Queensland scheduled to close imminently. We are keen to take advantage of this opportunity by bringing Thalanga back into production as soon as possible, whilst working hard to add further to our resource base through the exploration of high priority targets and drilling our known deposits.

I would like to take this opportunity to thank our staff and management, our supportive shareholders and my fellow Board members for their contributions over the past 12 months. I believe 2016 will be a very formative and exciting year for Red River and I look forward to sharing the journey with you.

**Brett Fletcher**

**Chairman**