



Red River Commences Drilling at Truncheon

Highlights:

- **Drilling has commenced at Red River's high priority Truncheon target**
- **Truncheon is located 3km NE of the historic high-grade copper mine at Highway Reward**
- **Initial two holes planned to test coincidental gravity / induced polarisation / geochemical target**
- **Drilling part of ongoing high impact exploration program at Red River's Thalanga Zinc Project**
- **Drilling part-funded under Round 9 of the Queensland Government's Future Resources Program – Collaborative Drilling Initiative (CDI)**

Red River Resources Limited (ASX: RVR) ("Red River" or the "Company") is pleased to advise it has commenced an initial two-hole diamond drilling program at the high-priority Truncheon target, as part of the Company's ongoing high impact exploration strategy at the Thalanga Zinc Project ("Project") in Queensland. The Truncheon target is located on EPM 10582, approximately 3km NE of the historic Highway Reward copper mine (refer to Figure 1).

In 2015, Red River undertook reprocessing of historical geophysical data (gravity and induced polarisation chargeability) within the Truncheon project area that indicated that the Truncheon prospect anomaly (combined gravity, induced polarisation chargeability and geochemistry) is of similar size and scale to the historical anomaly at the Highway Reward deposit (refer to Figure 2).

Highway Reward was an exceptional deposit, which was mined from 1998 to 2005 with total production of 3.8Mt @ 6.2% Cu & 1g/t Au⁽¹⁾ from open-pit and underground mining operations. The ore produced from Highway Reward was trucked to and processed through the Thalanga Mill (approx. 110km by sealed road), now owned by Red River. The Highway Reward mining leases, which are held by a third party, also host the Handcuff deposit which has a historical non-JORC compliant resource of 1Mt @ 0.4% Cu, 0.2% Pb and 7.4% Zn⁽²⁾.

Red River received a \$75,000 grant under Round 9 of the Queensland Government's Future Resources Program – Collaborative Drilling Initiative. This will help fund drilling of the two holes at Truncheon to a depth of 500m. The planned drilling at Truncheon will fulfil the grant requirements.

Red River's Managing Director Mel Palancian commented: *"We are pleased to have commenced drilling at Truncheon, which marks the culmination of more than 12 months of work, from the initial reprocessing of the historical geophysical data which identified the target, through the drill design and obtaining the necessary landholder permissions and Cultural Heritage Clearance. We look forward to assessing results from the program as they come to hand."*

¹ Grange Resources Limited (ASX:GRR) public disclosure

² Hutton L. and Withnall I. (2007) Depositional systems, crustal structure and mineralisation in the Thalanga Province, North Queensland, pp 79-86 Mineral Exploration in the Tasmanides, AIG Bulletin 46

Figure 1 Location of Truncheon prospect, central Queensland.

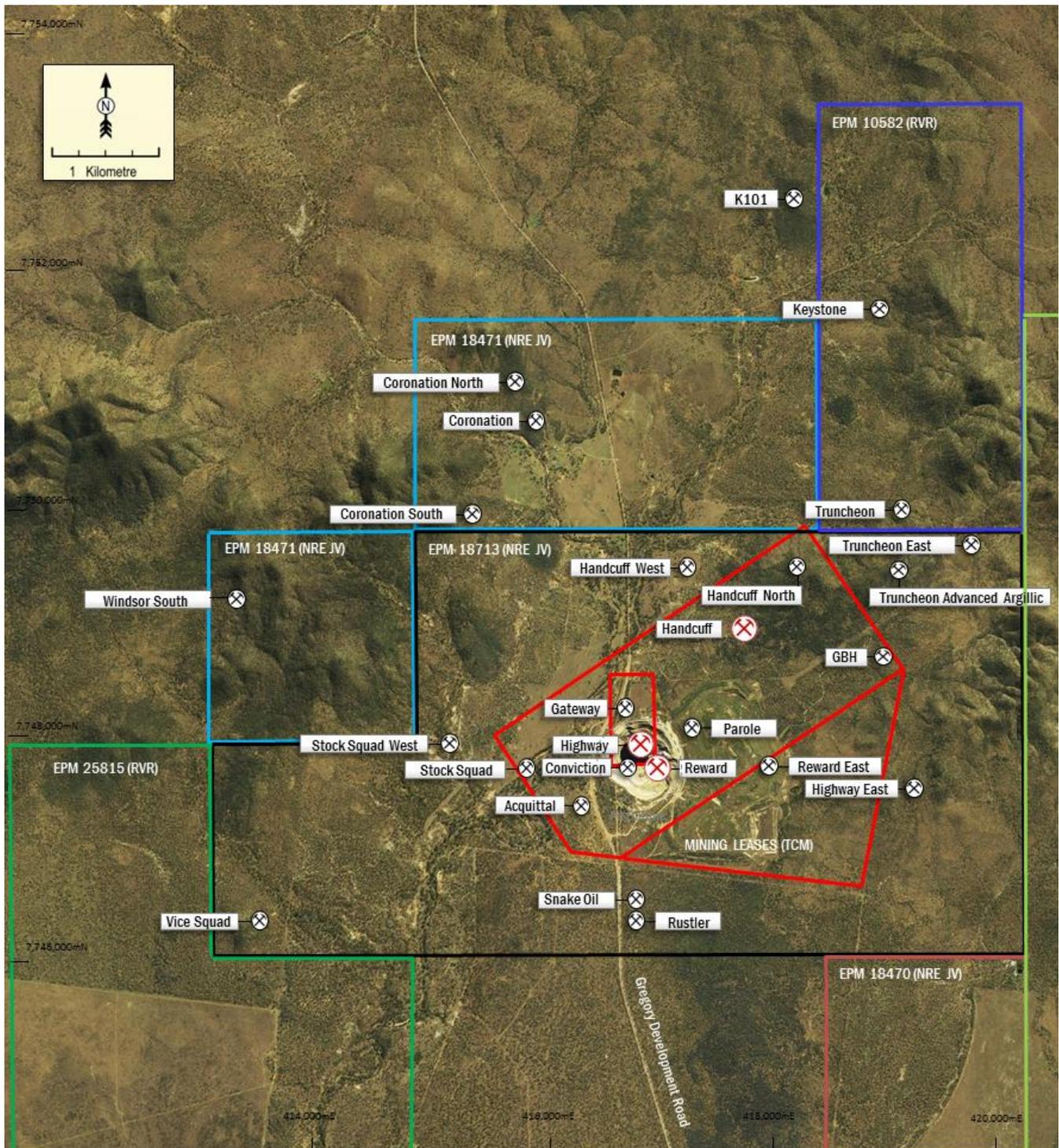


Figure 2 Oblique View, looking NNW – 3D Gravity Inversion and historic dipole-dipole IP chargeability pseudo sections, Highway Reward and Truncheon anomalies

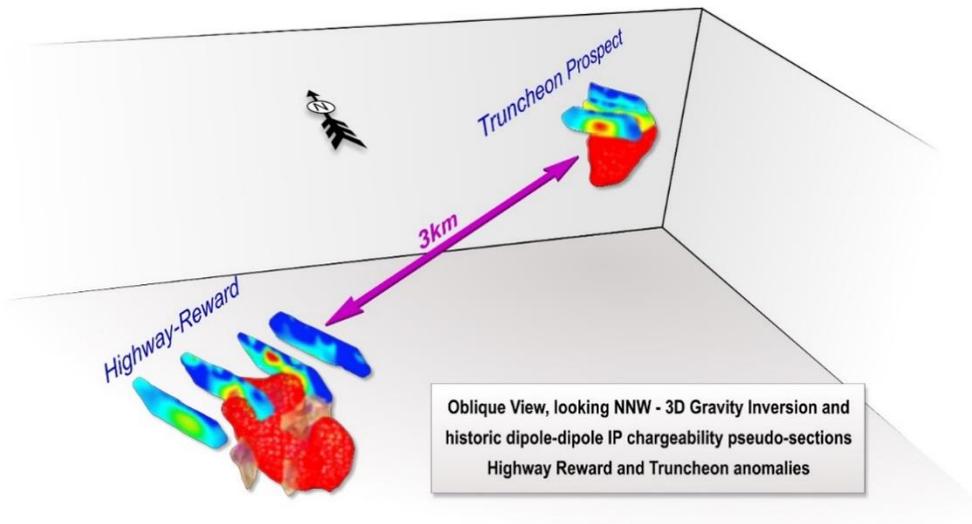


Figure 3 Truncheon Prospect Plan View

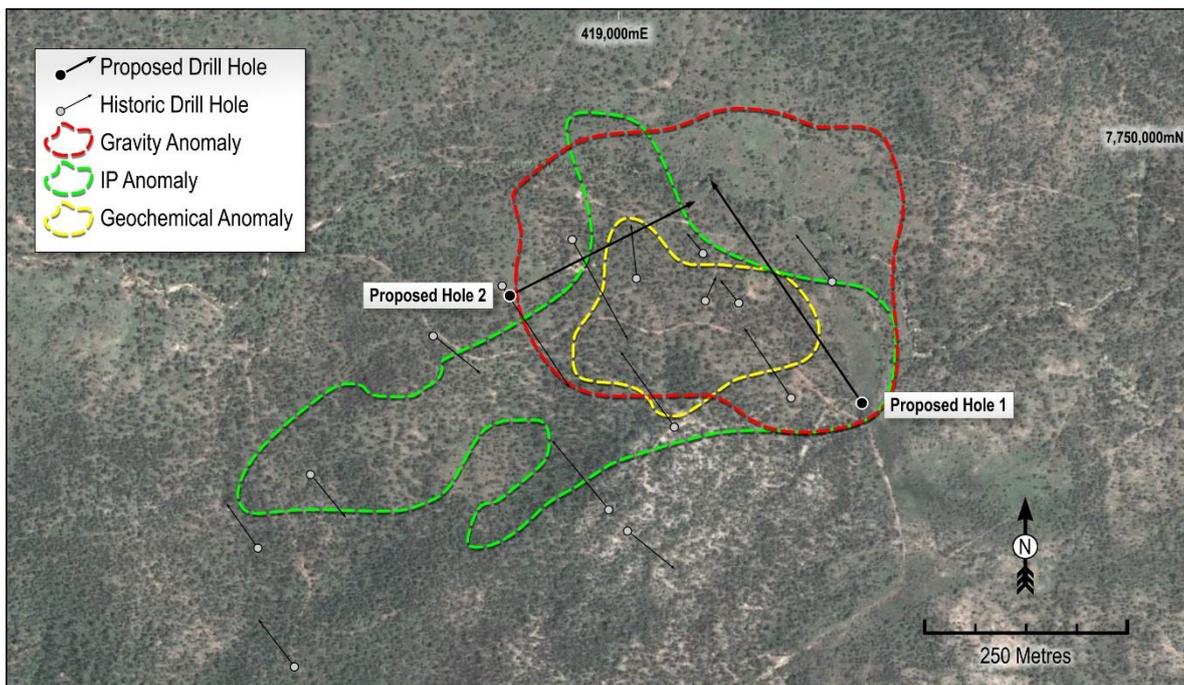


Figure 4 Diamond drill rig at Truncheon (TR01)



Drill hole information for TR01 and TR02 is provided below in Table 1.

Table 1 Drill hole information summary, Thalanga Zinc Project (Truncheon)

Hole ID	Depth	Dip	Azi (MGA)	East (MGA)	North (MGA)	RL (MGA)	Lease ID	Hole Status
TR01	500m	-66°	327.5°	419305	7749683	376	EPM 18713	Commenced
TR02	500m	-68°	55.8°	418853	7749820	367	EPM 10582	Planned

Thalanga Zinc Project Background

Red River released a Restart Study (the internal study prepared by Red River to assess the potential restart of the Thalanga Zinc Project) in October 2015, which demonstrated the highly attractive nature of the Project. The Project has a low operating cost, low pre-production capital cost (\$17.2 million), and a short timeline to production (six months).

Annual average production is 21,400 tonnes of zinc, 3,600 tonnes of copper, 5,000 tonnes of lead, 2,000 ounces of gold and 370,000 ounces of silver in concentrate, over the initial mine life of five years, with outstanding potential to extend the initial mine life.

On behalf of the Board,

Mel Palancian
Managing Director
Red River Resources Limited

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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.