

RED RIVER RESOURCES LIMITED

ABN: 35 100 796 754

APPENDIX 4D

FOR THE HALF-YEAR ENDED 31 DECEMBER 2016

RESULTS FOR ANNOUNCEMENT TO THE MARKET:

The Directors of Red River Resources Limited are pleased to announce the results of the Company for the half-year ended 31 December 2016.

<i>Key information (extracted from interim financial report)</i>	Change (down) / Up %	Half-Year Ended 31 December 2016 \$
Revenue and other income from ordinary activities	(24.1)	245,334
Net (loss)/profit from ordinary activities after tax attributable to members	(224.5)	(1,078,069)
Net (loss)/profit after tax attributable to members	(224.5)	(1,078,069)

During the half-year, Red River continued to build on the work completed in the 2016 financial year by announcing two capital raisings, the first on 20 July 2016 that it had received commitments to raise \$8.9m (before costs) in a heavily oversubscribed Placement.

The second was announced on 2 December 2016 where it announced it had commitments to raise \$30.0m (before costs) by issuing 162.1m new ordinary shares at 18.5 cents per share to leading institutional and sophisticated investors of Hartleys Limited. The Placement was completed in two tranches, 76.1m shares on 12 December 2016 with a further 86m shares subject to shareholder approval. Subsequent to the end of the half-year, at the EGM held on 6 January 2017 shareholders passed all resolutions including approval for the issue and allotment of the remaining tranche 2 shares. The funds raised will fully fund the restart of the Thalanga Zinc Project as well as providing a strong working capital balance.

Red River continued with its exploration program by commencing an Infill drilling program at Far West and initiated drilling at Liontown East. Exceptionally high grade assay results were recorded at both Far West and Liontown East, per the ASX announcement on 14 December 2016 and ASX announcement on 4 August 2016 respectively, reported during the half.

Capitalising on the success of the Placements and strong drilling results, the Company commenced the refurbishment of the Thalanga Processing Plant.

DIVIDENDS

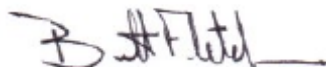
No dividends have been paid or declared during the current financial period.

NET TANGIBLE ASSETS PER SHARE

	31 December 2016	31 December 2015
Net tangible assets per share	8.83 cents	5.50 cents

On behalf of the Board.

RED RIVER RESOURCES LIMITED



Mr. Brett Fletcher
Chairman

10 March 2017

**RED RIVER RESOURCES LIMITED
AND CONTROLLED ENTITIES**

ABN: 35 100 796 754

**HALF-YEAR FINANCIAL REPORT
31 DECEMBER 2016**

**RED RIVER RESOURCES LIMITED
AND CONTROLLED ENTITIES
ABN: 35 100 796 754**

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Directors' report (continued)

Proceeds from this raising were used to continue the high impact exploration program, commence the infill drilling program at Far West and also to commence refurbishment work at the Thalanga Plant.

In early December, Red River took advantage of the increasing investor interest in the resources sector, and zinc in particular, to raise an additional \$30 million through a two tranche placement.

On 2 December 2016, Red River announced to the ASX that it had received commitments to raise \$30 million (before costs) through a two tranche placement, for a total of 162.1 million new shares at a price of \$0.185 per share to sophisticated investors through Hartleys Limited. The first tranche, comprising of approximately 76.1 million shares was settled in early December 2016, and the balance of the placement was settled with shareholder approval subsequent to the end of the period in early January 2017.

The proceeds of the raising, combined with Red River's existing cash balances, allowed the Company to commence the full restart of the Thalanga Zinc Project at the end of the period, with the estimated capital expenditure required to achieve first concentrate production of \$17.2 million.

The \$30 million capital raising also triggered the payment of the outstanding deferred cash acquisition payment to Kagara Ltd (in Liquidation) of \$1.5 million. With the completion of this payment (22 December 2016), Red River has clear title to 100% of the Thalanga Zinc Project, which is fully unencumbered with no further outstanding acquisition payments to be made.

The high impact exploration program continued during the period and delivered the outstanding Liantown East discovery. During the period, four holes (LTED01 to LTED03 and LTED05) were successfully completed at the Liantown East discovery for a total of 2,312m drilled.

Table 1. Drill hole information summary, Thalanga Zinc Project (Liantown East)

Hole ID	Depth	Dip	Azi (MGA)	East (MGA)	North (MGA)	RL (MGA)	Lease ID	Hole Status
LTED01	576.0m	-65°	0.0°	403788	7742679	302m	EPM 14161	Completed
LTED02	570.0m	-65°	19.6°	403789	7742678	302m	EPM 14161	Completed
LTED03	472.7m	-57°	6.5°	403691	7742678	301m	EPM 14161	Completed
LTED04	162.75m	-60°	3.3°	403790	7742679	302m	EPM 14161	Abandoned
LTED05	530.7m	-68°	3.3°	403788	7742679	302m	EPM 14161	Completed

Table 2. Drill hole assay summary, Thalanga Zinc Project (Liantown East Project)

Hole ID	From (m)	To (m)	Intersection (m) ¹	Cu (%)	Pb (%)	Zn (%)	Au (g/t)	Ag (g/t)
LTED01	452.70	460.20	7.50	0.4%	4.1%	9.6%	1.0 g/t	37 g/t
inc.	452.70	457.00	4.30	0.6%	6.6%	15.1%	1.6 g/t	56 g/t
LTED03	419.60	425.00	5.40	0.2%	1.5%	4.0%	1.1 g/t	35 g/t
inc.	419.60	423.50	3.90	0.2%	1.9%	5.00%	1.5 g/t	37 g/t
LTED04	-	-	-	<i>Abandoned due to excessive deviation</i>				
LTED05	504.70	530.70	26.00	0.6%	2.2%	5.4%	0.9 g/t	25 g/t
inc.	504.70	511.00	6.30	0.9%	6.1%	14.6%	1.4 g/t	64 g/t

(1) Downhole Width

The Company also commenced the Far West resource infill and extension drilling program. During the period, Red River completed a total of 20 holes for a total of 5,847.4m drilled.

Refer to Table 3 for further details.

**RED RIVER RESOURCES LIMITED
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Directors' report (continued)

Table 3. Drill hole information summary, Thalanga Zinc Project (Far West Infill)

Hole ID	Depth	Dip	Azi (MGA)	East (MGA)	North (MGA)	RL (MGA)	Lease ID	Hole Status
TH678	89.1	-59°	206°	371243	7750620	331m	ML 1392	Completed
TH679	170.1	-57°	223°	371209	7750668	331m	ML 1392	Completed
TH680	181.8	-66°	183°	371122	7750710	332m	ML 1392	Completed
TH681	243.7	-72°	211°	371122	7750710	332m	ML 1392	Completed
TH682	212.2	-62°	235°	371122	7750710	332m	ML 1392	Completed
TH683	301.0	-56°	209°	371096	7750813	334m	ML 1392	Completed
TH684	387.6	-67°	211°	371096	7750813	334m	ML 1392	Completed
TH685	336.0	-67°	187°	371096	7750813	334m	ML 1392	Completed
TH686	326.0	-63°	178°	371096	7750813	334m	ML 1392	Completed
TH687	320.2	-76°	190°	370948	7750824	334m	ML 1531	Completed
TH688	311.0	-66°	195°	371041	7750822	355m	ML 1531	Completed
TH689	287.3	-70°	204°	370948	7758024	334m	ML 1531	Completed
TH690	346.5	-70°	207°	371041	7750822	335m	ML 1531	Completed
TH691	380.3	-76°	217°	370948	7750824	334m	ML 1531	Completed
TH692 ¹	26.2	-76°	217°	370948	7750824	334m	ML 1531	Abandoned
TH693	392.3	-76°	217°	370948	7750824	334m	ML 1531	Completed
TH694	222.0	-76°	220°	371122	7750710	332m	ML 1392	Completed
TH695	269.5	-70°	187°	371041	7750822	336m	ML 1392	Completed
TH696	338.3	-51°	226°	370948	7750824	339m	ML 1531	Completed
TH697	200.0	-67°	230°	371122	7750710	332m	ML 1392	Completed
TH698	506.3	-63°	33°	370602	7750620	340m	ML 1531	Completed

(1) TH692 was abandoned due to excessive deviation

Table 4. Drill hole assay summary, Thalanga Zinc Project (Far West Infill)

Hole ID	From (m)	To (m)	Intersection (m) ¹	Cu (%)	Pb (%)	Zn (%)	Au (g/t)	Ag (g/t)		
TH678	68.30	71.10	2.80	1.7%	3.2%	11.5%	0.3 g/t	65 g/t		
TH679	145.40	152.10	6.70	1.2%	3.7%	8.6%	0.4 g/t	88 g/t		
TH680	161.80	163.45	1.65	4.5%	2.1%	3.4%	0.5 g/t	61 g/t		
TH681	207.00	213.60	6.60	2.4%	5.8%	12.50%	0.6 g/t	113 g/t		
TH681	224.90	228.30	3.40	4.0%	3.3%	9.60%	1.1 g/t	137 g/t		
TH683	273.00	277.00	4.00	0.3%	1.1%	4.10%	0.1 g/t	13.5 g/t		
and	287.90	293.40	5.50	0.7%	2.1%	5.60%	0.6 g/t	69 g/t		
TH684	346.00	359.40	13.40	1.9%	1.3%	2.80%	0.2 g/t	55 g/t		
inc.	355.00	359.40	4.40	3.3%	2.3%	3.70%	0.4 g/t	79 g/t		
TH685	314.45	316.30	1.85	1.4%	1.6%	5.30%	0.2 g/t	36 g/t		
TH686	296.00	300.60	4.60	2.1%	0.8%	3.30%	0.2 g/t	41 g/t		
TH687	-	-	-	<i>No significant intercepts</i>						
TH688	-	-	-	<i>No significant intercepts</i>						
TH689	-	-	-	<i>No significant intercepts</i>						
TH690	316.00	317.15	1.15	2.7%	1.4%	9.70%	0.4 g/t	59 g/t		
TH691	331.05	332.75	1.70	1.3%	5.5%	13.90%	0.7 g/t	136 g/t		
TH692	-	-	-	<i>Abandoned due to excessive deviation</i>						
TH693	339.10	341.80	2.70	3.1%	3.2%	7.70%	0.4 g/t	167 g/t		
TH694	188.80	190.85	2.05	7.6%	3.8%	9.30%	1.2 g/t	161 g/t		

(1) Downhole width

Assay results for TH695 to TH698 were received subsequent to the period end.

RED RIVER RESOURCES LIMITED
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Directors' report (continued)

Operating Results

The consolidated loss of the Group after providing for income tax is \$1,078,069 (2015: loss of \$865,957).

Financial Position

The net assets of the consolidated Group have increased from \$11,665,018 at 30 June 2016 to \$33,776,699 during the half-year ended 31 December 2016.

Significant Changes in State of Affairs

During the course of the half-year ended 31 December 2016, there were no significant changes in the State of Affairs of the Company.

Dividends Paid or Declared

No dividends were paid or declared during the half-year.

Events Occuring After Balance Date

On 6 January 2017, the Company held an Extraordinary General Meeting of Shareholders where all resolutions put to shareholders were passed.

On 12 January 2017, the Company released high-grade Zinc results from the Thalanga Far West infill program.

On 16 January 2017, the Company issued 86,062,162 ordinary shares at \$0.185 per share raising \$19.9m (before costs), subsequent to shareholders approving a resolution at the EGM held on 6 January 2017

On 13 February 2017, the Company took a material step towards the restart of production at Thalanga by awarding the underground mining contract for West 45 to PYBAR Mining Services.

On 10 March 2017 the Board of Directors signed the Half-Year Financial Report for the period ended 31 December 2016.

Other than the above, no other events have occurred after balance date.

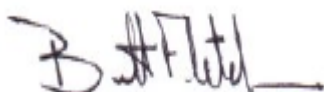
Auditors' Independence Declaration

A copy of the Auditors Independence Declaration under Section 307C of the Corporations Act 2001 is set out on page 6 for the half-year ended 31 December 2016.

This declaration is made in accordance with a resolution of the Board of Directors:

On behalf of the Board.

RED RIVER RESOURCES LIMITED



Mr. Brett Fletcher
Chairman

10 March 2017

**RED RIVER RESOURCES LIMITED
AND CONTROLLED ENTITIES
ABN: 35 100 796 754**

Auditor's independence declaration



Level 1, Lincoln House, 4 Ventnor Avenue, West Perth WA 6005
P.O. Box 8716, Perth Business Centre WA 6849
Phone 9486 7094 www.rothsayresources.com.au

The Directors
Red River Resources Ltd
Level 6, 350 Collins St
Melbourne VIC 3000

Dear Sirs

In accordance with Section 307C of the Corporations Act 2001 (the "Act") I hereby declare that to the best of my knowledge and belief there have been:

- i) no contraventions of the auditor independence requirements of the Act in relation to the audit review of the 31 December 2016 interim financial statements; and
- ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Graham Swan FCA (Lead auditor)

Rothsay Auditing

Dated 10th March 2017



Chartered Accountants

Liability Limited by the Accountants Scheme, approved under the Professional Standards Act 1994 (NSW).

RED RIVER RESOURCES LIMITED
AND CONTROLLED ENTITIES
ABN: 35 100 796 754

Consolidated statement of profit or loss and other comprehensive income
For the half-year ended 31 December 2016

	Note	Consolidated 31 December 2016 \$	31 December 2015 \$
Revenue from continuing operations			
Revenue		145,740	34,344
Other income		99,594	288,692
Total revenue and other income		245,334	323,036
Expenses			
Employment costs	4.	(522,413)	(177,123)
Occupancy costs		(16,419)	(22,743)
Corporate costs		(351,406)	(807,797)
General and administration costs		(433,126)	(181,330)
Exploration costs written off		(39)	-
Total expenses		(1,323,403)	(1,188,993)
Loss before income tax		(1,078,069)	(865,957)
Income tax (expense) / benefit		-	-
Loss after income tax		(1,078,069)	(865,957)
Other comprehensive income			
<i>Items that may be reclassified to profit or loss</i>		-	-
Other comprehensive income for the year		-	-
Total comprehensive income for the year		(1,078,069)	(865,957)
Earnings per share			
From continuing operations:			
Basic (Loss) / earnings per share (cents)		(0.37)	(0.29)
Diluted (Loss) / earnings per share (cents)		(0.37)	(0.29)

The above Consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the notes on pages 11 to 19.

RED RIVER RESOURCES LIMITED
AND CONTROLLED ENTITIES
ABN: 35 100 796 754

Consolidated statement of financial position
For the half-year ended 31 December 2016

		Consolidated	
		31 December	30 June
		2016	2016
	Note	\$	\$
Current assets			
Cash and cash equivalents	5.	20,887,446	2,493,896
Trade and other receivables	6.	351,225	36,874
Other assets	7.	106,029	48,215
Total current assets		21,344,700	2,578,985
Non-current assets			
Other assets	7.	9,457,342	9,454,931
Property, plant and equipment	8.	9,575,868	8,865,431
Intangibles	9.	8,949	11,186
Exploration assets	10.	2,997,720	1,604,220
Total non-current assets		22,039,879	19,935,768
Total assets		43,384,579	22,514,753
Current liabilities			
Trade and other payables	11.	496,429	251,953
Provisions	12.	44,316	30,647
Deferred purchase consideration	13.	-	1,500,000
Total current liabilities		540,745	1,782,600
Non-current liabilities			
Rehabilitation liabilities	14.	9,067,135	9,067,135
Total non-current liabilities		9,067,135	9,067,135
Total liabilities		9,607,880	10,849,735
Net assets		33,776,699	11,665,018
Equity			
Issued capital	15.	44,542,624	21,620,466
Reserves	16.	4,462,921	4,195,329
Accumulated losses		(15,228,846)	(14,150,777)
Total equity		33,776,699	11,665,018

The above Consolidated statement of financial position should be read in conjunction with the notes on pages 11 to 19.

**RED RIVER RESOURCES LIMITED
AND CONTROLLED ENTITIES
ABN: 35 100 796 754**

**Consolidated statement of changes in equity
For the half-year ended 31 December 2016**

31 December 2016	Note	Issued capital \$	Reserves \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2016		21,620,466	4,195,329	(14,150,777)	11,665,018
Losses for the half-year		-	-	(1,078,069)	(1,078,069)
Other comprehensive income		-	-	-	-
Total comprehensive income for the half-year		-	-	(1,078,069)	(1,078,069)
<i>Transactions with shareholders in their capacities as shareholders</i>					
- Issue of shares	15.	24,420,825	-	-	24,420,825
- Cost of issue of shares	15.	(1,498,667)	-	-	(1,498,667)
- Issue of options	16.	-	267,592	-	267,592
- Cost of issue of options	16.	-	-	-	-
Total transactions with shareholders in their capacities as shareholders		22,922,158	267,592	-	23,189,750
Balance at 31 December 2016		44,542,624	4,462,921	(15,228,846)	33,776,699
31 December 2015		Issued capital \$	Reserves \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2015		17,414,493	4,127,020	(12,623,523)	8,917,990
Losses for the half-year		-	-	(865,957)	(865,957)
Other comprehensive income		-	-	-	-
Total comprehensive income for the half-year		-	-	(865,957)	(865,957)
<i>Transactions with shareholders in their capacities as shareholders</i>					
- Issue of shares		4,168,489	-	-	4,168,489
- Cost of issue of shares		(342,290)	-	-	(342,290)
- Issue of options		-	70,629	-	70,629
- Cost of issue of options		-	(2,320)	-	(2,320)
Total transactions with shareholders in their capacities as shareholders		3,826,199	68,309	-	3,894,508
Balance at 31 December 2015		21,240,692	4,195,329	(13,489,480)	11,946,541

The above Consolidated statement of changes in equity should be read in conjunction with the notes on pages 11 to 19.

RED RIVER RESOURCES LIMITED
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Consolidated statement of cash flows

For the half-year ended 31 December 2016

	Note	Consolidated 31 December 2016 \$	31 December 2015 \$
Cash flows from operating activities			
Cash receipts in the course of operations		109,553	339,561
Cash payments in the course of operations		(1,349,800)	(1,485,263)
Interest received		145,740	14,344
Interest expense		(1,396)	-
Net cash from/(used in) operating activities		(1,095,903)	(1,131,358)
Cash flows from investing activities			
Payment for property, plant and equipment		(59,419)	-
Payment for security deposits		(2,411)	(9,069,634)
Payment for intangibles		-	-
Payment for mine assets		(1,500,000)	9,067,135
Payment for mine expenses (capitalised)		(700,345)	(559,618)
Payment for exploration expenses (capitalised)		(1,170,530)	(368,532)
Net cash (used in) investing activities		(3,432,705)	(930,649)
Cash flows from financing activities			
Proceeds from issue of shares		23,062,500	4,025,989
Proceeds from exercise of options		1,358,325	5,000
Capital raising costs		(1,498,667)	(273,981)
Net cash flows from financing activities		22,922,158	3,757,008
Net increase in cash and cash equivalents		18,393,550	1,695,001
Cash, deposits and cash equivalents at the beginning of the period		2,493,896	1,678,166
Cash and cash equivalents at the end of the period	5.	20,887,446	3,373,167

The above Consolidated statement of cash flows should be read in conjunction with the notes on pages 11 to 19.

RED RIVER RESOURCES LIMITED
AND CONTROLLED ENTITIES
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Notes to the financial statements

For the half-year ended 31 December 2016

1. Reporting entity

Red River Resources Limited ('Red River' or the 'Company') is a Company domiciled in Australia and a for-profit purpose of preparing financial statements. The consolidated half-year financial statements and notes represent those of Red River Resources Limited and controlled entities (the 'consolidated Group' or 'Group').

The separate half-year financial statements of the parent entity, Red River Resources Limited, have not been presented within this half-year financial report as permitted by the Corporations Act 2001.

2. Statement of Significant Accounting Policies

These general purpose financial statements for the interim half-year reporting period ended 31 December 2016 have been prepared in accordance with Australian Accounting Standards AASB 134 'Interim Financial Reporting' and the Corporations Act 2001.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2016 and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

3. Going Concern

The Group made a net loss of \$1.1m for the half-year ended 31 December 2016 and, as of that date, the Group's assets exceeded its liabilities by \$33.8m.

The Directors believe that the Company will be able to pay its debts as and when they fall due, and as such is still a going concern. The Company has \$20.88m in cash on hand at 31 December 2016 and a further \$0.35m in receivables and \$0.54m in current liabilities.

The Directors have reached the conclusion that based on all available facts and information currently available, there are reasonable grounds to believe that the Group will be able to pay its debts and is a going concern.

In reaching this conclusion the Directors have had regard to, amongst other things, the following:

- The Company's ability to raise further capital, if and when required;
- The cash proceeds from the exercise of outstanding options into ordinary shares;
- Trade payables, which include amounts payable to Directors and their related entities, are able to be managed to assist with the timing of cash payments; and
- The recommencement of mining from the Company's current known resources and the processing and sale of ore via the Thalanga mill.

The half-year financial report does not include any adjustments to the amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue as a going concern.

**RED RIVER RESOURCES LIMITED
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Notes to the financial statements

For the half-year ended 31 December 2016

4. Employment costs

	Note	Consolidated	
		31 December 2016	31 December 2015
		\$	\$
Cash salary and fees (Note 4 (a))		154,607	117,941
Retirement benefits		73,882	52,999
Share based payments - Options	16.	267,592	-
Other employment costs		26,332	6,183
		522,413	177,123

(a) Cash salary and fees

During the course of the half-year, a further \$636,766 in salary was incurred and capitalised to Exploration and Evaluation and Mine Development costs on the balance sheet.

5. Cash and cash equivalents

	Consolidated	
	31 December 2016	30 June 2016
	\$	\$
Current		
Cash at bank and on hand	11,151,858	269,581
Cash at call	9,735,588	2,224,315
	20,887,446	2,493,896

6. Trade and other receivables

	Consolidated	
	31 December 2016	30 June 2016
	\$	\$
Current		
GST receivable	347,009	35,402
Other debtors	4,216	1,472
	351,225	36,874

7. Other assets

	Consolidated	
	31 December 2016	30 June 2016
	\$	\$
Current		
Prepayments	104,509	46,695
Security deposits (Note 7 (a))	1,520	1,520
	106,029	48,215

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Notes to the financial statements

For the half-year ended 31 December 2016

7. Other assets (continued)

	Note	Consolidated	
		31 December 2016 \$	30 June 2016 \$
Non-current			
Security deposits (Note 7 (b))		385,597	385,296
Rehabilitation bonds (Note 7 (c))		9,071,745	9,069,635
		9,457,342	9,454,931

(a) Security deposits

The Company has leased a residential property in Charters Towers as part of the Thalanga mine site redevelopment.

(b) Security deposits

Cash backed security deposits of \$55,000 have been paid to Ergon Energy Ltd for capital equipment used on the Thalanga site as well as \$300,000 to Thalanga Copper Mines Pty Ltd as part of a royalty agreement related to concentrate produced from various tenements and mining leases. A further \$30,000 is used as security for a credit facility.

(c) Rehabilitation bonds

Cash deposits which are being used as security against the rehabilitation liabilities associated with the Company's tenements.

8. Property, plant and equipment

	Consolidated	
	31 December 2016 \$	30 June 2016 \$
Plant and equipment at cost	74,846	19,228
Accumulated depreciation	(10,045)	(6,852)
	64,801	12,376
Motor vehicles at cost	3,800	-
Accumulated depreciation	-	-
	3,800	-
Mine properties at cost (Note 8 (a))	9,507,267	8,853,055
Accumulated depreciation	-	-
	9,507,267	8,853,055
Total property, plant and equipment	9,575,868	8,865,431

**RED RIVER RESOURCES LIMITED
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Notes to the financial statements

For the half-year ended 31 December 2016

8. Property, plant and equipment (continued)

	Note	Consolidated	
		31 December 2016 \$	30 June 2016 \$
(a) Mine properties at cost			
At beginning of period		8,853,055	7,850,251
Acquisitions		-	-
Capitalised costs		654,212	1,002,804
Depreciation		-	-
		9,507,267	8,853,055

9. Intangibles

		Consolidated	
		31 December 2016 \$	30 June 2016 \$
Website development costs		22,680	20,640
Accumulated amortisation		(13,731)	(9,454)
	(a)	8,949	11,186
Total intangibles		8,949	11,186
(a) Website development costs			
At beginning of period		11,186	18,610
Acquisitions		-	-
Amortisation		(2,237)	(7,424)
		8,949	11,186

10. Exploration and evaluation assets

		Consolidated	
		31 December 2016 \$	30 June 2016 \$
Exploration and evaluation assets at cost		2,997,720	1,604,220
Accumulated amortisation		-	-
		2,997,720	1,604,220

11. Trade and other payables

		Consolidated	
		31 December 2016 \$	30 June 2016 \$
Current			
Trade and other payables		344,251	137,047
Accruals		73,632	114,906
Shareholder funds		78,546	-
		496,429	251,953

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12. Provisions

	Consolidated	
	31 December 2016 \$	30 June 2016 \$
Current		
Employee entitlements	44,316	30,647
	44,316	30,647

13. Deferred purchase consideration

	Consolidated	
	31 December 2016 \$	30 June 2016 \$
Current		
Deferred purchase consideration (Note 13 (a))	-	1,500,000
	-	1,500,000

(a) Deferred purchase consideration

In accordance with the Exclusivity Agreement executed with Kagara Limited (in liquidation) on 3 July 2014 and the subsequent Sale Agreement and further Amendments executed initially on 12 September 2014, as part of the purchase consideration for the Thalanga Assets, Red River was required to pay a deferred cash payment of \$1.5m, on the earlier of, 14 days after the completion of a Fundraising of no less than \$10m or payable three months after the commencement of commercial production from the Thalanga Assets. Subsequent to the capital raising on 12 December 2016, the Company made the deferred cash payment of \$1.5m on 22 December 2016.

14. Rehabilitation liabilities

	Consolidated	
	31 December 2016 \$	30 June 2016 \$
Non-current		
Rehabilitation liability (Note 14 (a))	9,067,135	9,067,135
	9,067,135	9,067,135

(a) Rehabilitation liability

In accordance with the Exclusivity Agreement executed with Kagara Limited (in liquidation) on 3 July 2014 and the subsequent Sale Agreement executed on 12 September 2014, as part of the purchase consideration for the Thalanga Assets, Red River assumed the rehabilitation liabilities associated with the various tenements acquired. As at 31 December 2016 the tenements have been transferred into the name of Cromarty Resources Pty Ltd, a 100% owned subsidiary of Red River.

15. Issued capital

	Consolidated	
	31 December 2016 \$	30 June 2016 \$
Issued capital	44,542,624	21,620,466
	44,542,624	21,620,466

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15. Issued capital (continued)

Movements in ordinary issued capital

	31 December 2016 \$	31 December 2016 No.	30 June 2016 \$	30 June 2016 No.
At the beginning of the reporting period	21,620,466	221,183,938	17,414,493	177,885,550
Shares issued - Exercise of options 29-Sep-15	-	-	5,000	50,000
Shares issued - Placement 29-Sep-15	-	-	25,000	156,250
Shares issued - Exercise of options 09-Nov-15	-	-	3,743,988	35,657,030
Shares issued - Placement 13-Nov-15	-	-	112,500	939,855
Shares issued - Placement/SPP 23-Dec-15	-	-	282,001	2,685,729
Shares issued - Exercise of options 03-May-16	-	-	75,000	750,000
Shares issued - Exercise of options 10-Jun-16	-	-	1,428	9,524
Shares issued - Exercise of options 17-Jun-16	-	-	305,000	3,050,000
Shares issued - Placement 28-Jul-16	6,635,519	55,295,985	-	-
Shares issued - Exercise of options 05-Aug-16	125,000	1,000,000	-	-
Shares issued - Exercise of options 15-Aug-16	320,625	2,137,500	-	-
Shares issued - Exercise of options 17-Aug-16	275,000	2,500,000	-	-
Shares issued - Exercise of options 23-Aug-16	25,714	171,429	-	-
Shares issued - Exercise of options 26-Aug-16	22,500	150,000	-	-
Shares issued - Exercise of options 02-Sep-16	107,925	719,500	-	-
Shares issued - Placement 07-Sep-16	2,361,482	19,679,015	-	-
Shares issued - Exercise of options 22-Sep-16	129,289	1,195,262	-	-
Shares issued - Exercise of options 05-Oct-16	20,000	200,000	-	-
Shares issued - Exercise of options 04-Nov-16	44,250	295,000	-	-
Shares issued - Exercise of options 25-Nov-16	50,021	333,476	-	-
Shares issued - Placement 12-Dec-16	14,078,500	76,100,000	-	-
Shares issued - Exercise of options 30-Dec-16	225,000	1,500,000	-	-
Cost of capital	(1,498,667)	-	(343,944)	-
At the end of the reporting period	44,542,624	382,461,105	21,620,466	221,183,938

On 28 July 2016, Red River issued 55,295,985 ordinary shares at \$0.12 per share to raise \$6.6m (before costs).

On 12 December 2016 Red River issued 76,100,000 ordinary shares at \$0.185 per share to raise \$14.1m (before costs). Subsequent to balance date, a further 86,062,162 ordinary shares were allotted at the same price raising an additional \$19.9m (before costs), following shareholders approving a resolution at the EGM held on 6 January 2017.

During the half-year, several option holders elected to exercise their options and convert into ordinary shares.

16. Reserve

	Consolidated	
	31 December 2016 \$	30 June 2016 \$
Option reserve	4,462,921	4,195,329
	4,462,921	4,195,329

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For the half-year ended 31 December 2016

16. Reserve (continued)

Movements in options reserve

		31 December 2016 \$	31 December 2016 No.	30 June 2016 \$	30 June 2016 No.
At the beginning of the reporting period		4,195,329	37,361,854	4,127,020	22,538,639
Options issued - Broker	16-Dec-15	-	-	70,629	6,000,000
Options issued - Placement	16-Dec-15	-	-	-	18,497,563
Options issued - SPP	10-Feb-16	-	-	-	673,815
Options converted	29-Sep-15	-	-	-	(50,000)
Options lapsed - Placement/Dir S2	31-Dec-15	-	-	-	(6,488,639)
Options converted	10-Feb-16	-	-	-	(750,000)
Options converted	03-May-16	-	-	-	(9,524)
Options converted	10-Jun-16	-	-	-	(3,050,000)
Options converted	05-Aug-16	-	(1,000,000)	-	-
Options converted	15-Aug-16	-	(2,137,500)	-	-
Options converted	17-Aug-16	-	(2,500,000)	-	-
Options converted	23-Aug-16	-	(171,429)	-	-
Options converted	26-Aug-16	-	(150,000)	-	-
Options converted	02-Sep-16	-	(719,500)	-	-
Options converted	22-Sep-16	-	(1,195,262)	-	-
Options issued - KSpaleck	23-Sep-16	72,765	750,000	-	-
Options converted	05-Oct-16	-	(200,000)	-	-
Options lapsed - GM Incentive	17-Oct-16	-	(1,000,000)	-	-
Options converted	04-Nov-16	-	(295,000)	-	-
Options converted	25-Nov-16	-	(333,476)	-	-
Options lapsed - Dir S4	10-Dec-16	-	(1,000,000)	-	-
Options issued - MPalancian	12-Dec-16	194,827	1,500,000	-	-
Options converted	30-Dec-16	-	(1,500,000)	-	-
Options lapsed - Dir S3	31-Dec-16	-	(3,000,000)	-	-
Cost of capital		-	-	(2,320)	-
		267,592	(12,952,167)	68,309	14,823,215
At the end of the reporting period		4,462,921	24,409,687	4,195,329	37,361,854

On 27 October 2016, Red River held its AGM where shareholders voted in favour of a series of resolutions, including Resolutions, 4 and 5 to issue options to Mr. Karl Spaleck and Mr. Mel Palancian.

During the half-year 76,191 SPP, 3,700,000 Broker, 4,925,976 Placement and 1,500,000 Director Series 3 Options were exercised. 1,000,000 GM Incentive Options, 1,000,000 Director Series 4 Options and 3,000,000 Director Series 3 options lapsed during the half year.

Details of the calculation for each of the options issued during the period are as follows:

Option series	KSpaleck	MPalancian
Exercise price	\$0.12	\$0.12
Expiry	30-Jun-19	30-Jun-19
Share price at grant	\$0.16	\$0.20
Expected volatility	84.04%	86.13%
Risk free interest rate	3.50%	3.50%

RED RIVER RESOURCES LIMITED
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Notes to the financial statements

For the half-year ended 31 December 2016

17. Reconciliation of Operating Loss after tax to net cash used in operating activities

	Consolidated	
	31 December 2016	31 December 2015
	\$	\$
Operating Loss after Income Tax	(1,078,069)	(865,957)
Adjustments to reconcile loss after income tax to net operating cash flows.		
Depreciation, Amortisation and Impairment	5,430	5,860
Share based payments expensed	267,592	137,500
Changes in Assets and Liabilities		
(Decrease)/increase in payables	67,639	(157,315)
(Decrease)/increase in provisions	13,670	(1,557)
(Increase)/decrease in prepayments	(57,814)	(85,272)
(Increase)/decrease in receivables	(314,351)	(164,617)
Net cash used in operating activities	(1,095,903)	(1,131,358)

(a) Reconciliation of Cash

Cash at bank and on hand	11,151,858	277,000
Cash at call	9,735,588	3,096,167
	20,887,446	3,373,167

(b) Financing Facilities Available

Total facilities at reporting date

Bank guarantee facilities	9,048,602	9,048,602
Credit facilities	30,000	30,000
	9,078,602	9,078,602

Facilities used at reporting date

Bank guarantee facilities	9,048,602	9,048,602
Credit facilities	-	-
	9,048,602	9,048,602

Facilities unused at reporting date

Bank guarantee facilities	-	-
Credit facilities	30,000	30,000
	30,000	30,000

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Notes to the financial statements

For the half-year ended 31 December 2016

18. Events subsequent to balance date

On 6 January 2017, the Company held an Extraordinary General Meeting of Shareholders where all resolutions put to shareholders were passed.

On 12 January 2017, the Company released high-grade Zinc results from the Thalanga Far West infill program.

On 16 January 2017, the Company issued 86,062,162 ordinary shares at \$0.185 per share raising \$19.9m (before costs), subsequent to shareholders approving a resolution at the EGM held on 6 January 2017

On 13 February 2017, the Company took a material step towards the restart of production at Thalanga by awarding the underground mining contract for West 45 to PYBAR Mining Services.

On 10 March 2017 the Board of Directors signed the Half-Year Financial Report for the period ended 31 December 2016.

Other than the above, no other events have occurred after balance date.

RED RIVER RESOURCES LIMITED
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Directors' declaration

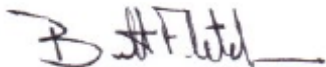
The directors of Red River Resources Limited ('the Company') declare that:

1. the financial statements and notes set out on pages 7 to 19 are in accordance with the Corporations Act 2001, including:
 - a) complying with the Accounting Standards AASB 134 Interim Financial Reporting, and
 - b) giving a true and fair view of the consolidated entity's financial position at 31 December 2016 and of its performance for the half year ended on that date.
2. in the Directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors:

On behalf of the Board.

RED RIVER RESOURCES LIMITED



Mr. Brett Fletcher
Chairman

10 March 2017

**RED RIVER RESOURCES LIMITED
AND CONTROLLED ENTITIES
ABN: 35 100 796 754**

Independent auditors' review report



Level 1, Lincoln House, 4 Ventnor Avenue, West Perth WA 6005
P.O. Box 8716, Perth Business Centre WA 6849
Phone 9486 7094 www.rothsayresources.com.au

Independent Review Report to the Members of Red River Resources Limited

The financial report and directors' responsibility

The interim consolidated financial report comprises the statement of financial position, statement of comprehensive income, statement of changes in equity, cashflow statement, accompanying notes to the financial statements, and the directors' declaration for Red River Resources Limited for the half-year ended 31 December 2016.

The Company's directors are responsible for the preparation and fair presentation of the consolidated financial report in accordance with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Review approach

We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of an Interim Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the interim consolidated financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated financial position as at 31 December 2016 and the performance for the half year ended on that date; and complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As auditor of Red River Resources Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of an interim financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly we do not express an audit opinion.

Independence

In conducting our review we have complied with the independence requirements of the *Corporations Act 2001*.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the interim consolidated financial report of Red River Resources Limited is not in accordance with the *Corporations Act 2001*, including:

- giving a true and fair view of the consolidated financial position as at 31 December 2016 and of the performance for the half-year ended on that date; and
- complying with Australian Accounting Standard AASB134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Rothsay Auditing

Graham Swan FCA
Partner

Dated 10th March 2017



Chartered Accountants

Liability Limited by the Accountants Scheme, approved under the Professional Standards Act 1994 (NSW).