



September Quarter Production Update

Red River Resources Limited (ASX: RVR) (“Red River” or the “Company”) is pleased to report continued improvement in operating performance from its Thalanga Operations during the September quarter.

- Record quarterly tonnes of ore mined (90kt) and ore processed (98kt)
- Record quarterly zinc concentrate production of 6,800 tonnes, an increase of 1,323 tonnes (+24%) from June quarter
- Quarterly lead concentrate production of 2,747 tonnes, an increase of 682 tonnes (+33%) from June quarter

Continued improvements drove a record quarterly production of 90kt ore mined at West 45 and 98kt ore processed at Thalanga Operations, resulting in record quarterly zinc concentrate production of 6,800 tonnes.

Table 1 Thalanga Operations Summary for the September 2018 Quarter (Q1 FY19)

	Units	Q1 FY18	Q2 FY18	Q3 FY18	Q4 FY18	Q1 FY19	YTD FY19
Ore Mined	kt	32	67	65	84	90	90
Copper grade	%	0.3	0.3	0.4	0.3	0.3	0.3
Lead grade	%	2.3	2.5	2.5	1.9	2.2	2.2
Zinc grade	%	4.5	5.7	4.8	4.3	5.0	5.0
Gold grade	g/t	0.2	0.3	0.2	0.2	0.2	0.2
Silver grade	g/t	42	59	43	30	31	31
Zinc equivalent grade	%	8.9	10.7	9.4	8.1	8.8	8.8
Ore Processed	kt	17	79	62	70	98	98
Copper grade	%	0.5	0.5	0.4	0.4	0.3	0.3
Lead grade	%	2.1	3.2	2.1	2.2	2.2	2.2
Zinc grade	%	3.5	6.2	4.7	4.7	4.3	4.3
Gold grade	g/t	0.1	0.2	0.2	0.2	0.1	0.1
Silver grade	g/t	37	52	37	40	30	30
Zinc equivalent grade	%	8.0	12.0	9.0	9.1	8.2	8.2
Zinc Concentrate Produced	DMT	807	6,398	4,428	5,477	6,800	6,800
Zinc grade	%	46.6	57.6	57.9	56.0	55.0	55.0
Zinc recovery	%	64.6	75.6	86.5	88.0	89.2	89.2
Lead Concentrate Produced	DMT	473	2,859	1,523	2,065	2,747	2,747
Lead grade	%	43.5	61.9	65.1	58.2	62.2	62.2
Copper grade	%	6.3	4.0	4.6	4.5	4.3	4.3
Gold grade	g/t	2.8	4.4	4.1	3.9	3.6	3.6
Silver grade	g/t	858	978	944	984	787	787
Lead recovery	%	58.9	70.5	73.5	77.3	80.1	80.1
Copper recovery	%	35.8	29.4	26.1	34.2	36.0	36.0
Copper Concentrate Produced	DMT	153	555	484	330	417	417
Copper grade	%	12.7	25.5	27.1	28.2	27.9	27.9
Gold grade	g/t	1.2	1.7	2.3	2.8	2.3	2.3
Silver grade	g/t	454	438	494	540	225	225
Copper recovery	%	23.3	36.6	50.6	34.3	35.1	35.1

Red River's Managing Director Mel Palancian commented: *"Great to see the site team continue to improve production from both the mine and the processing plant and, we are looking forward to continued increases in concentrate production in the December quarter."*

The Company will release the full September 2018 Quarterly Report before the end of October 2018.

About Red River Resources (ASX: RVR)

RVR is a leading ASX base metal producer, with its key asset being the high quality Thalanga Operation in Northern Queensland. RVR commenced copper, lead and zinc concentrate production at the Thalanga Operation in September 2017 and RVR is focused on maximising returns from the Operation by increasing plant throughput and extending mine life through increasing Mineral Resources and Ore Reserves at deposits currently in the mine plan (West 45, Far West and Waterloo), by potentially converting Mineral Resources into Ore Reserves at Liontown and Orient and by continuing to aggressively explore our growing pipeline of high quality targets within the surrounding area.

On behalf of the Board,

Mel Palancian
Managing Director
Red River Resources Limited

For further information, please visit Red River's website or contact:

Mel Palancian
Managing Director
mpalancian@redriverresources.com.au
D: +61 3 9095 7775

Nathan Ryan
NWR Communications
nathan.ryan@nwrcommunications.com.au
M: +61 420 582 887

Zinc Equivalent Calculation

The net smelter return zinc equivalent (Zn Eq.) calculation adjusts individual grades for all metals included in the metal equivalent calculation applying the following modifying factors: metallurgical recoveries, payability factors (concentrate treatment charges, refining charges, metal payment terms, net smelter return royalties and logistic costs) and metal prices in generating a zinc equivalent value for copper (Cu), lead (Pb), zinc (Zn), gold (Au) and silver (Ag).

Red River has selected to report on a zinc equivalent basis, as zinc is the metal that contributes the most to the net smelter return zinc equivalent (Zn Eq.) calculation. It is the view of Red River Resources that all the metals used in the Zn Eq. formula are expected to be recovered and sold.

Where:

Metallurgical Recoveries are derived from historical metallurgical recoveries from test work carried out the West 45 deposit. The Metallurgical Recovery for each metal is shown below in Table 1.

Metal Prices and Foreign Exchange assumptions are set as per internal Red River price forecasts and are shown below in Table 1.

Table 1 Metallurgical Recoveries and Metal Prices

Metal	Metallurgical Recoveries	Price
Copper	80%	US\$3.00/lb
Lead	70%	US\$0.90/lb
Zinc	88%	US\$1.00/lb
Gold	15%	US\$1,200/oz
Silver	65%	US\$17.00/oz
FX Rate: A\$0.85:US\$1		

Payable Metal Factors are calculated for each metal and make allowance for concentrate treatment charges, transport losses, refining charges, metal payment terms and logistic costs. It is the view of Red River that three separate saleable base metal concentrates will be produced at Thalanga. Payable metal factors are detailed below in Table 2.

Table 2 Payable Metal Factors

Metal	Payable Metal Factor
Copper	Copper concentrate treatment charges, copper metal refining charges copper metal payment terms (in copper concentrate), logistic costs and net smelter return royalties
Lead	Lead concentrate treatment charges, lead metal payment terms (in lead concentrate), logistic costs and net smelter return royalties
Zinc	Zinc concentrate treatment charges, zinc metal payment terms (in zinc concentrate), logistic costs and net smelter return royalties
Gold	Gold metal payment terms (in copper and lead concentrates), gold refining charges and net smelter return royalties
Silver	Silver metal payment terms (in copper, lead and zinc concentrates), silver refining charges and net smelter return royalties

The zinc equivalent grade is calculated as per the following formula:

$$\text{Zn Eq.} = (\text{Zn}\% \times 1.0) + (\text{Cu}\% \times 3.3) + (\text{Pb}\% \times 0.9) + (\text{Au ppm} \times 0.5) + (\text{Ag ppm} \times 0.025)$$

The following metal equivalent factors used in the zinc equivalent grade calculation has been derived from metal price x Metallurgical Recovery x Payable Metal Factor and have then been adjusted relative to zinc (where zinc metal equivalent factor = 1).

Table 3 Metal Equivalent Factors

Metal	Copper	Lead	Zinc	Gold	Silver
Metal Equivalent Factor	3.3	0.9	1.0	0.5	0.025