



June 2020 Quarterly Production Update – Record Copper Production

Red River Resources Limited (ASX: RVR) is pleased to report the operating performance from its Thalanga Operation in Northern Queensland for the quarter ended 30 June 2020 (Q4 FY20).

Mine production and mill throughput were stable during the quarter and the Company produced 4,310 tonnes of high-quality zinc concentrate and 1,133 tonnes of high-quality lead concentrate. An increase in copper grade of ore milled (to 1.0% Cu) and a record copper recovery to copper concentrate of 84.7% resulted in a record quarterly production of 2,697 tonnes of high-quality copper concentrate.

Red River also processed a parcel of historical gold-rich tailings from RVR's Liontown Project during the quarter and produced approximately 600 tonnes of gold concentrate containing 1,300oz of gold on an unreconciled basis.

Quarterly Highlights:

- **Thalanga Operations mine produced 83kt @ 9.6% Zn Eq. (Q3 FY20: 91kt @ 9.4% Zn Eq.)**
 - **Thalanga Operations ore processed 82kt @ 9.2% Zn Eq. (Q3 FY20: 84kt @ 8.5% Zn Eq.)**
 - **Zinc concentrate production of 4,544 tonnes (Q3 FY20: 4,310 tonnes)**
 - **Lead concentrate production of 1,133 tonnes (Q3 FY20: 1,117 tonnes)**
 - **Record copper concentrate production of 2,697 tonnes (Q3 FY20: 2,310 tonnes)**
 - **Thalanga Operations also processed 13kt of historical tailings from RVR's Liontown Project, producing 600 tonnes of gold concentrate containing 1,300oz of gold (on an unreconciled basis)**
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Table 1 Thalanga Operations Summary for the June 2020 Quarter (Q4 FY20)

	Units	Q4 FY19	Q1 FY20	Q2 FY20	Q3 FY20*	Q4 FY20	FY20
Total Tonnes Mined	kt	90	100	60	91	83	334
Copper grade	%	0.5	0.4	1.0	1.1	1.1	0.9
Lead grade	%	2.3	1.9	1.2	1.3	1.3	1.5
Zinc grade	%	5.0	3.9	3.5	3.5	3.7	3.7
Gold grade	g/t	0.2	0.3	0.2	0.3	0.2	0.3
Silver grade	g/t	43	36	38	44	42	40.0
Zinc equivalent grade	%	9.8	8.1	9.0	9.4	9.6	9.0
Ore Processed	kt	104	99	66	84	82	331
Copper grade	%	0.6	0.5	0.8	0.8	1.0	0.8
Lead grade	%	2.6	1.8	1.3	1.2	1.3	1.4
Zinc grade	%	5.4	3.6	3.5	3.3	3.4	3.5
Gold grade	g/t	0.3	0.2	0.2	0.2	0.2	0.2
Silver grade	g/t	56	38	40	48	44	42.4
Zinc equivalent grade	%	11.2	7.9	8.4	8.5	9.2	8.5
Zinc Concentrate Produced	DMT	9,057	6,199	3,781	4,310	4,544	18,834
Zinc grade	%	55.4	52.4	52.5	54.8	54.0	53.4
Zinc recovery	%	88.7	90.3	85.8	85.2	86.4	87.3
Lead Concentrate Produced	DMT	3,369	2,016	876	1,117	1,133	5,142
Lead grade	%	64.5	67.1	56.5	63.9	67.5	64.7
Copper grade	%	1.6	1.8	6.1	2.6	2.1	2.8
Gold grade	g/t	2.7	3.9	4.9	5.4	4.6	4.6
Silver grade	g/t	822	892	1,413	1,826	1,747	1,372
Lead recovery	%	79.7	76.0	58.8	68.1	69.7	70.0
Copper recovery	%	9.0	7.9	9.8	4.1	2.8	6.3
Copper Concentrate Produced	DMT	1,806	1,372	1,560	2,310	2,697	7,939
Copper grade	%	23.8	24.5	24.8	25.3	26.5	25.5
Gold grade	g/t	6.8	4.5	2.2	2.9	2.5	2.9
Silver grade	g/t	1,116	818	423	505	367	496
Copper recovery	%	71.1	71.2	70.8	83.9	84.7	79.4

**An additional 13kt of historic gold tailings were processed in Q3 FY20 producing 600 tonnes of gold concentrate containing 1,300koz Au (on an unreconciled basis)*
Table may include rounding errors

On behalf of the Board,

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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 at the West 45 and Far West deposits. 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:

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

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