



Red River breaks Thalanga copper production record by 51%

Quarterly Highlights:

- Thalanga achieves 51% increase on June 2020 Q record copper concentrate production, with 4,073 tonnes produced (Q4 FY20: 2,697 tonnes)
- Thalanga produces 7,026 tonnes zinc concentrate, up 55% q-on-q (Q4 FY20: 4,544 tonnes)
- Thalanga produces 1,947 tonnes lead concentrate, up 72% q-on-q (Q4 FY20: 1,133 tonnes)
- Thalanga Operations ore mined 99kt @ 11.7% Zn Eq. (Q4 FY20: 83kt @ 9.6% Zn Eq.)
- Thalanga Operations ore processed 103kt @ 11.5% Zn Eq. (Q4 FY20: 82kt @ 9.2% Zn Eq.)
- Red River is debt free following repayment of US\$6M working capital facility.

Red River Resources Limited (ASX: RVR) is pleased to report record quarterly copper production from its Thalanga Operation in Northern Queensland for the quarter ended 30 September 2020 (Q1 FY21), up 51% on the copper production record it set last quarter.

With stable mine production and mill throughput during Q1, the Company produced 4,073 tonnes of copper concentrate, up from 2,696 tonnes Q4 FY20, setting a new quarterly production record. Thalanga also produced 7,026 tonnes of high-quality zinc concentrate and 1,947 tonnes of high-quality lead concentrate.

Figure 1 Thalanga Operations Concentrate Production

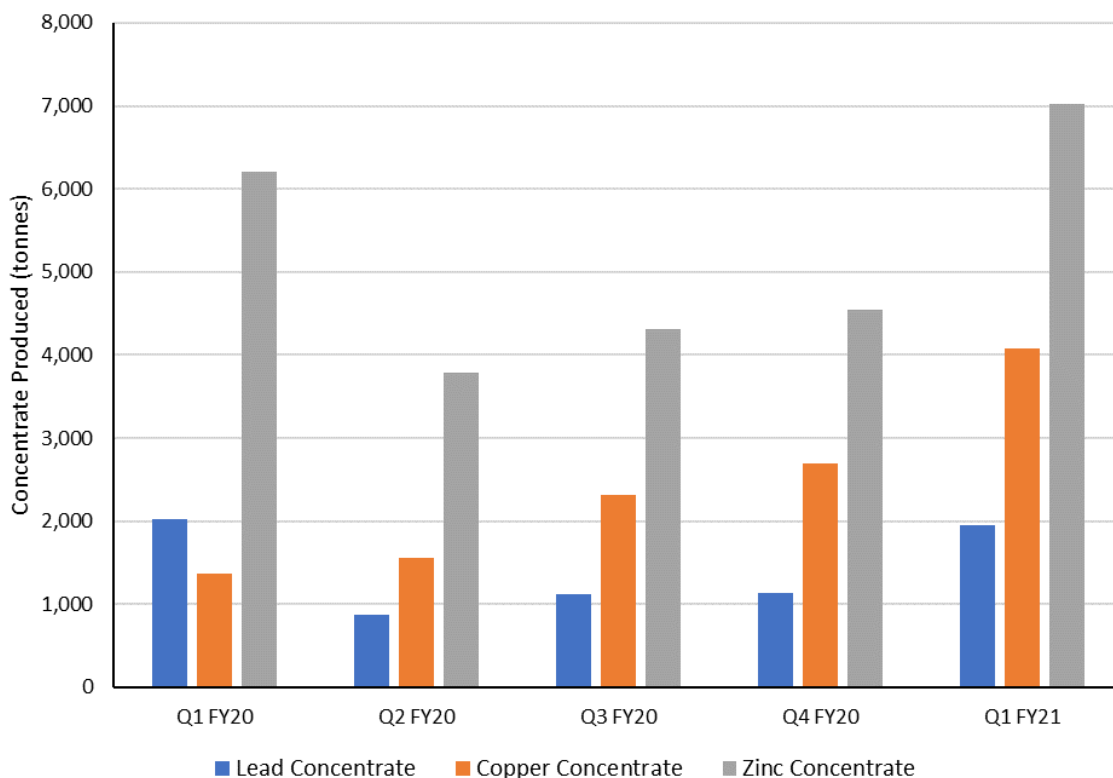


Table 1 Thalanga Operations Summary for Q1 FY2021 (Quarter ended 30 September 2020)

	Units	Q1 FY20	Q2 FY20	Q3 FY20	Q4 FY20	Q1 FY21	LTM
Total Tonnes Mined	kt	100	60	91	83	99	333
Copper grade	%	0.4	1.0	1.1	1.1	1.5	1.2
Lead grade	%	1.9	1.2	1.3	1.3	1.3	1.3
Zinc grade	%	3.9	3.5	3.5	3.7	4.2	3.8
Gold grade	g/t	0.3	0.2	0.3	0.2	0.1	0.2
Silver grade	g/t	36	38	44	42	47	43
Zinc equivalent grade	%	8.1	9.0	9.4	9.6	11.7	10.1
Ore Processed	kt	99	66	84	82	103	335
Copper grade	%	0.5	0.8	0.8	1.0	1.3	1.0
Lead grade	%	1.8	1.3	1.2	1.3	1.7	1.4
Zinc grade	%	3.6	3.5	3.3	3.4	4.2	3.6
Gold grade	g/t	0.2	0.2	0.2	0.2	0.3	0.2
Silver grade	g/t	38	40	48	44	55	48
Zinc equivalent grade	%	7.9	8.4	8.5	9.2	11.5	9.6
Zinc Concentrate Produced	DMT	6,199	3,781	4,310	4,544	7,026	19,661
Zinc grade	%	52.4	52.5	54.8	54.0	53.9	53.9
Zinc recovery	%	90.3	85.8	85.2	86.4	87.3	86.8
Lead Concentrate Produced	DMT	2,016	876	1,117	1,133	1,947	5,073
Lead grade	%	67.1	56.5	63.9	67.5	64.4	63.6
Copper grade	%	1.8	6.1	2.6	2.1	3.3	3.4
Gold grade	g/t	3.9	4.9	5.4	4.6	5.2	5.1
Silver grade	g/t	892	1,413	1,826	1,747	1,647	1,668
Lead recovery	%	76.0	58.8	68.1	69.7	72.7	68.9
Copper recovery	%	7.9	9.8	4.1	2.8	4.8	5.1
Copper Concentrate Produced	DMT	1,372	1,560	2,310	2,697	4,073	10,640
Copper grade	%	24.5	24.8	25.3	26.5	26.8	26.1
Gold grade	g/t	4.5	2.2	2.9	2.5	1.9	2.3
Silver grade	g/t	818	423	505	367	365	404
Copper recovery	%	71.2	70.8	83.9	84.7	81.4	82.7

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