



ASX Announcement

7 June 2021

ASX Code: RVR

Royalty Update

Base and precious metals producer Red River Resources Limited (ASX: RVR) ("**Red River**" or "**the Company**") provides an update on legal proceedings against its wholly-owned subsidiary Cromarty Resources Pty Ltd (**Cromarty**) and Red River, relating to the payment of royalties (**Proceedings**). Thalanga Copper Mines Pty Ltd (**TCM**), a wholly-owned subsidiary of Vedanta Resources Limited, commenced the Proceedings in 2019 (see ASX Announcement 25 February 2019).

The Proceedings relate to the obligation for Red River to pay royalties to TCM at its Thalanga Operations in northern Queensland, which it inherited when it acquired the project in 2014.

Red River has received judgement in the Proceedings and the initial estimated range is approximately \$15 to \$20 million in total for unpaid and future royalties. The final amount payable within the initial estimate and the timing of the payments has yet to be determined.

Prior to these Proceedings, the royalties had no cap on the time period or dollar amounts that would have had to be paid by the Company from Thalanga. Once determined, a final amount for these royalties can crystallise and Red River will have no ongoing royalty obligations to TCM.

Red River is reviewing the judgement with its lawyers to assess its options and reserves its rights.

Management continues to focus on the commercial ramp up of Hillgrove, further optimising operations at Thalanga and increasing mineral resources inventories at both operations.

Red River will provide further updates to the market in due course.

Address: Level 6, 350 Collins Street, Melbourne, VIC, 3000, Australia

T: +61 3 9017 5380 F: +61 3 9670 5942 E: info@redriverresources.com.au

www.redriverresources.com.au

About Red River Resources (ASX: RVR)

RVR is building a multi-asset operating business focused on base and precious metals with the objective of delivering prosperity through lean and clever resource development. RVR's foundation asset is the Thalanga Base Metal Operation in Northern Queensland, which was acquired in 2014 and where RVR commenced copper, lead and zinc concentrate production in September 2017. RVR has commenced production at the high-grade Hillgrove Gold Operation in New South Wales which was acquired in 2019. The Hillgrove Operation is a key part of RVR's strategy to build a multi-asset operating business focused on base and precious metals.

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 9017 5380

Nathan Ryan

NWR Communications

nathan.ryan@nwrcommunications.com.au

M: +61 420 582 887