



ABN: 97 008 045 083

702 Murray Street, West Perth  
Western Australia 6005  
Phone: 61 8 9213 9400  
Fax: 61 8 9213 9444  
Email: [rmc@resmin.com.au](mailto:rmc@resmin.com.au)  
Website: [www.resmin.com.au](http://www.resmin.com.au)

8 March 2010

The Companies Announcements Office  
Australian Securities Exchange Limited  
4 Floor, 20 Bridge Street  
SYDNEY NSW 2000

**Blackstone Range/Michael Hills Area Joint Venture.**  
**(Redstone Resources Limited (ASX:RDS) Farm In: Redstone earned 90% interest, RMC has a 10% non-contributing free carried interest)**

Attached is an announcement which advises that Redstone Resources Limited plans to commence a Reverse Circulation (RC) drilling programme of the Halleys Cu-PGE-Ni prospect during the next fortnight.

Yours faithfully

A handwritten signature in black ink, appearing to read 'J Hill', is written over a light grey rectangular background.

J Hill  
Company Secretary



REDSTONE RESOURCES LTD  
ABN 42 090 169 154

(ASX CODE: RDS)

5 March 2010

## WEST MUSGRAVE EXPLORATION UPDATE

Redstone Resources Limited (Redstone or the Company) is pleased to announce its plans for its West Musgraves Projects.

**Blackstone Range Farmin/Joint Venture, Halleys Project (E69/2108 and E69/2109) (Farmin with Resource Mining Corporation Ltd (ASX: RMI) Redstone earning 90%)**

A Reverse Circulation (RC) drilling programme of the Halleys Cu-PGE-Ni prospect is scheduled to commence during the next fortnight. The programme will consist of 4 holes to a depth of 300m and will be focussed on testing the thick intercepts of disseminated Cu-PGE-Ni sulphide mineralisation identified by the Company during two previous shallow drilling programmes.

The objective of the drilling is to also test a large EM anomaly which was identified from a ground electromagnetic (EM) survey conducted by the company. The EM anomaly occurs from the identified mineralisation to the northwest (*see figure 3 below*).

The drilling will follow the potential for economic mineralisation at depth testing the down-dip down-plunge position at the Halleys prospect.

RMI has elected to retain a free carried joint venture interest of 10% until Redstone completes a feasibility study.

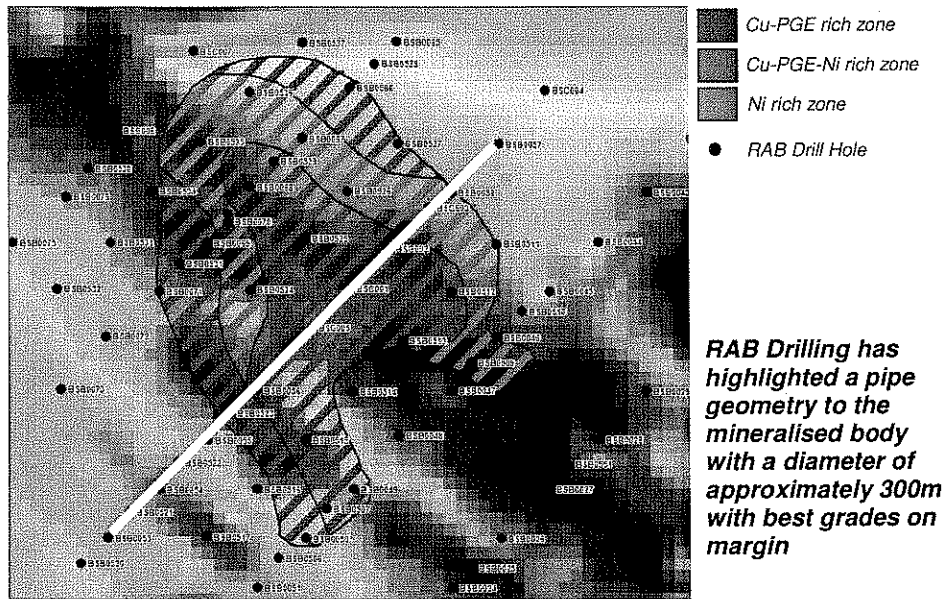
### **Halleys Background**

The Halleys target was first drilled with RAB and shallow RC in 2007. At this time a 100+m thick mineralised zone was defined which yielded a peak intercept of 74m of 0.33% Cu and 0.24g/t PGE+Au including 20m @ 0.56% Cu, 0.14% Ni and 0.32g/t PGE+Au (from 16m). Significantly, RAB results from the bottom of one hole (BSB0058) intersected higher grade nickel and PGE's, demonstrating the potential for higher grade mineralisation at depth.

A second round of drilling was conducted in April 2008. This second round of shallow vertical RAB drilling was undertaken to determine the limits of the pipe-like body and to clearly define the geometry of the mineralised system in preparation for deeper drilling. The drilling has established that disseminated sulphides with significant copper-PGE grades occur in an ovoid shaped pipe 300m x 230m in size.

For personal use only

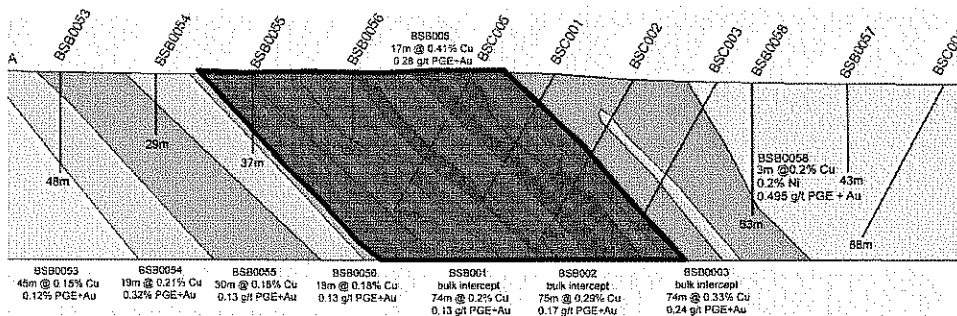
The results of the two shallow drilling programmes have confirmed that disseminated sulphides with significant copper-PGE grades occur in an ovoid shaped pipe 300m x 230m in size and that massive volumes of sulphide are present in the Halleys prospect. The drilling to date has also confirmed the potential for deeper economic mineralisation to be discovered.



**Figure 1. Halleys Cu-PGE-Ni pipe-like body over TMI magnetic image**

Large thickness of disseminated Cu-Ni-PGE sulphide mineralisation

- 74m @ 0.33% Cu, 0.08% Ni and 0.24g/t PGE (BSC003) open at depth
- 26m @ 0.44% Cu, 0.08% Ni and 0.39g/t PGE + Au (BSB512)
- 16m @ 0.50% Cu, 0.11% Ni and 0.53g/t PGE + Au (BSB524)
- 19m @ 0.44% Cu, 0.19% Ni and 0.15g/t PGE + Au (BSB536)



**Figure 2. RAB Drill Section (see Figure 1)**

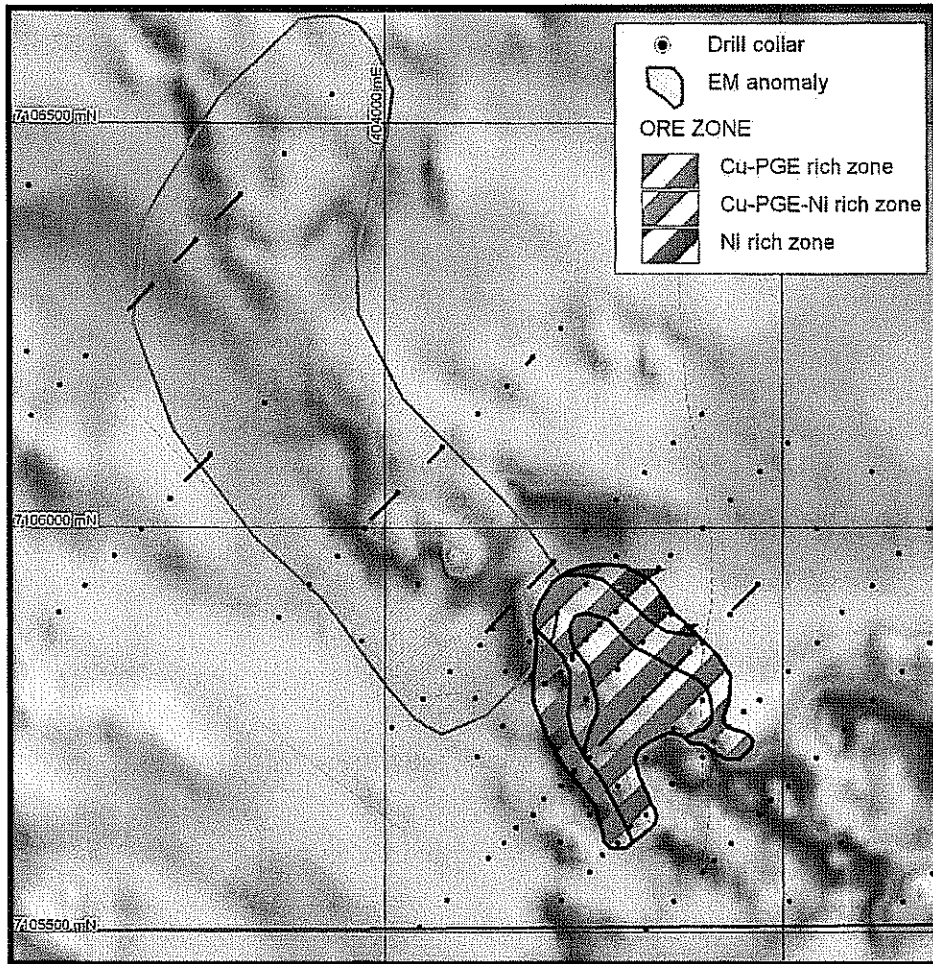


Figure 3. Halley's Cu-PGE-Ni pipe-like body over TMI Magnetic Image. The EM anomaly trends to the NW along strike.

**Baggaley Hills Farmin/Joint Venture (E69/2053, E69/2054, E69/2330, E69/2331, E69/1521 and E69/2200) (HJH Nominees Pty Ltd earning 80%)**

A close spaced gravity and magnetic survey was recently completed over the Antlion PGE-Cu-Ni prospect and over several IOCG targets. The programme was designed to clearly define the coincident gravity and magnetic targets which were identified from earlier regional surveys (see ASX announcement 3 October 2008).

All data has now been received from the survey contractors and is currently being interpreted. It is anticipated that modelling and interpretation of the data will be completed within the next two weeks and that IOCG targets will be defined for drilling.

**Murray Range Farmin Agreement (E69/1640, E69/1642, E69/1662 and E69/1663) (Redstone earning 75% from Discovery Metals Limited – ASX: DML)**

Redstone and Discovery Metals Limited (ASX: DML) have agreed not to continue with this project and terminate the joint venture between the parties.

**SECTION 708A(5)(e) NOTICE**

On 26 February 2010, following shareholder approval at the Annual General Meeting of the Company held on 30 November 2009 and pursuant to the Baggaley Hills farmin agreement, Redstone issued and allotted 2,500,000 fully paid ordinary shares at \$0.10 per to HJH Nominees Pty Ltd to raise gross proceeds of \$250,000.

The Company gives notice under section 708A(5)(e) of the *Corporations Act 2001* (Cth) (**Act**) that:

1. the Shares were issued without disclosure to the investor under Part 6D.2 of the Act;
2. as at the date of this notice the Company has complied with:
  - (a) the provisions of Chapter 2M of the Act as they apply to the Company; and
  - (b) section 674 of the Act; and
3. as at the date of this notice, apart from the below information, there is no "excluded information" as that term is defined in sections 708A(7) and 708(8) of the Act.

Additional information on Redstone Resources is available on the Company's website at [www.redstone.com.au](http://www.redstone.com.au)

**Investor Enquiries:**

Telephone: +61 8 9328 2552  
Facsimile: +61 8 9328 2660  
Email: [contact@redstone.com.au](mailto:contact@redstone.com.au)  
Website: [www.redstone.com.au](http://www.redstone.com.au)  
Address: PO Box 8646, Perth Business Centre WA 6849

**ATTRIBUTION**

The information in this report that relates to exploration results is based on information compiled by Mr Peter Burger, a member of the Australasian Institute of Mining and Metallurgy. Mr Burger has sufficient experience relevant to the style of mineralisation under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves'. Mr Burger consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

For personal use only