

EL 27407

ANNUAL & FINAL REPORT

for period ending

January 15, 2015

1:250,000 map sheets: SF53-15 Illogwa Creek

Licensee: Red Metal Limited

G. McKay

Red Metal Limited

5 February 2015

TENEMENT REPORT INDEX

| | |
|--------------------|---|
| HOLDER / OPERATOR: | Red Metal Limited |
| TENEMENT: | EL 27407 |
| PROJECT: | Atula Creek |
| REPORTING PERIOD: | January 18, 2014 to January 15, 2015 |
| AUTHOR: | G. McKay |
| LATITUDE: | 135° 56' to 136° 05' |
| LONGITUDE: | -23° 05' to -23° 20' |
| 1:250,000 SHEET: | SF53-15 Illogwa Creek |
| 1:100,000 SHEET: | Brahma 6051 / Plenty Downs 6151 |
| MINERAL PROVINCE: | Eastern Arunta Province (Irindina Province) |
| COMMODITIES: | Base metals |
| KEYWORDS: | Regional review, aeromagnetic data review |

COPYRIGHT

This report is the copyright of Red Metal Limited and is submitted under the NT *Minerals Act 2010*. Red Metal Limited authorises the NT Department of Mines and Energy to copy and distribute the report.

Table of Contents

| | |
|--|----------|
| SUMMARY..... | 1 |
| 1.0 INTRODUCTION..... | 2 |
| 2.0 LOCATION AND LAND USE | 2 |
| 3.0 TENEMENT STATUS | 3 |
| 4.0 TENEMENT GEOLOGY | 3 |
| 5.0 HISTORICAL EXPLORATION..... | 3 |
| 5.0 CURRENT EXPLORATION PROGRAM | 3 |
| 6.0 CONCLUSIONS..... | 3 |
| 7.0 References/Bibliography..... | 4 |

List of Tables

| | |
|----------------------------------|---|
| TABLE 1 - TENEMENT DETAILS | 3 |
|----------------------------------|---|

List of Figures

| | | |
|----------|-------------------------------------|---|
| Figure 1 | Location EL 27407 | 2 |
| Figure 2 | Regional magnetic image - TMI. | 5 |
| Figure 3 | Regional geology..... | 5 |

List of Digital Files

EL27407_2015_AS.pdf (This report)

SUMMARY

EL 27407 was acquired to investigate airborne magnetic anomalies within the Neoproterozoic Eastern Arunta Province (Irindina Province), considered to have potential for copper-nickel mineralisation in a continuation of the new style of pyrrhotite copper-cobalt mineralisation discovered in the region by Mithril Resources.

The work carried out on EL 27407 during the fourth year of tenure included a review of existing data.

Red Metal Limited considers further work could be warranted in the area perhaps utilizing airborne VTEM surveying. A joint venture partner was sought without success so it was decided to surrender the licence.

1.0 INTRODUCTION

This report summarises exploration activities undertaken over Exploration Licence 27407 for the fifth year of tenure to January 15, 2015.

2.0 LOCATION AND LAND USE

EL 27407 is located 180 km east of Alice Springs, east of the Harts Ranges, 20km south of the Plenty Highway (Figure 1). Access is via unsealed roads and tracks within a pastoral lease. The tenement area has low relief, with sparse vegetation.

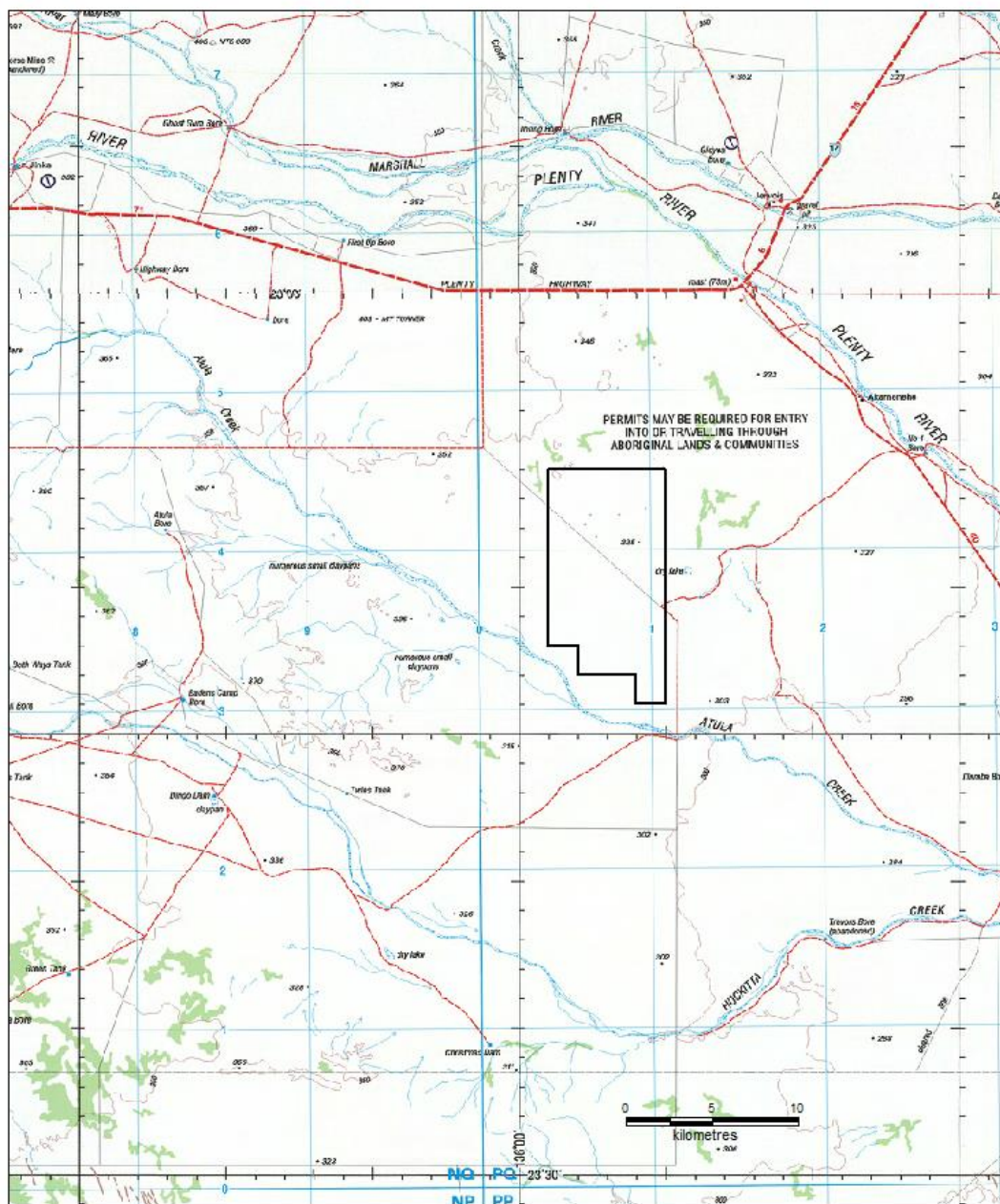


Figure 1: Tenement location

3.0 TENEMENT STATUS

EL 27407 was granted to Red Metal Limited over 14 blocks on January 18, 2010 for a period of six years. The tenement area has been progressively reduced. The licence was surrendered on January 15, 2015.

Details of EL 27407 are shown in Table 1. Location of the tenement is shown in Figure 1.

Table 1 - Tenement Details

| TENEMENT | HOLDER | GRANTED | SURRENDERED | BLOCKS |
|----------|-------------------|--------------|--------------|--------|
| EL 27407 | Red Metal Limited | Jan 18, 2010 | Jan 15, 2015 | 28 |

4.0 TENEMENT GEOLOGY

The tenement is located in the Neoproterozoic Eastern Arunta province (Irindina Province) with shallow Quaternary cover sediments.

The area was considered by Red Metal to have potential to host intrusive-style copper-nickel mineralisation.

5.0 HISTORICAL EXPLORATION

Previous companies which attempted exploration within the vicinity of EL 27407 include:

| Licence | Years | Company | Target | Summary |
|---------|-------------|---------------|-----------------------|---|
| 7179 | Dec90-Jan02 | BHP Minerals | Base metals | Soil & stream sed sampling, SIROTEM on mag anomalies, RC drilling mag anomalies |
| 8861 | Nov94-Dec95 | Poseidon Gold | Ultramafic PGM & gold | RAB drilling on previous BHP anomalies |

6.0 CURRENT EXPLORATION PROGRAM

The work carried out on EL 27407 during the fifth year of tenure included a review of regional geology and existing geophysical data.

7.0 CONCLUSIONS

EL 27407 was acquired to investigate the potential for intrusive-related copper-nickel mineralisation in a continuation of the new style of pyrrhotite copper-cobalt mineralisation discovered in the region by Mithril Resources. Red Metal Limited considers further work could be warranted in the area perhaps utilizing airborne VTEM surveying. A joint venture partner was sought without success so it was decided to surrender the licence.

8.0 References/Bibliography

Illogwa Creek SF/53-15 geological series map 1:250 000, Shaw, D.R., Senior, B.R., Offe, L.A., Stirzaker, J.F., Walton, D.G., Apps, H.E., Freeman, M.J., 1985, 2nd edition., Bureau of Mineral Resources, Australia & Geological Survey of NT.

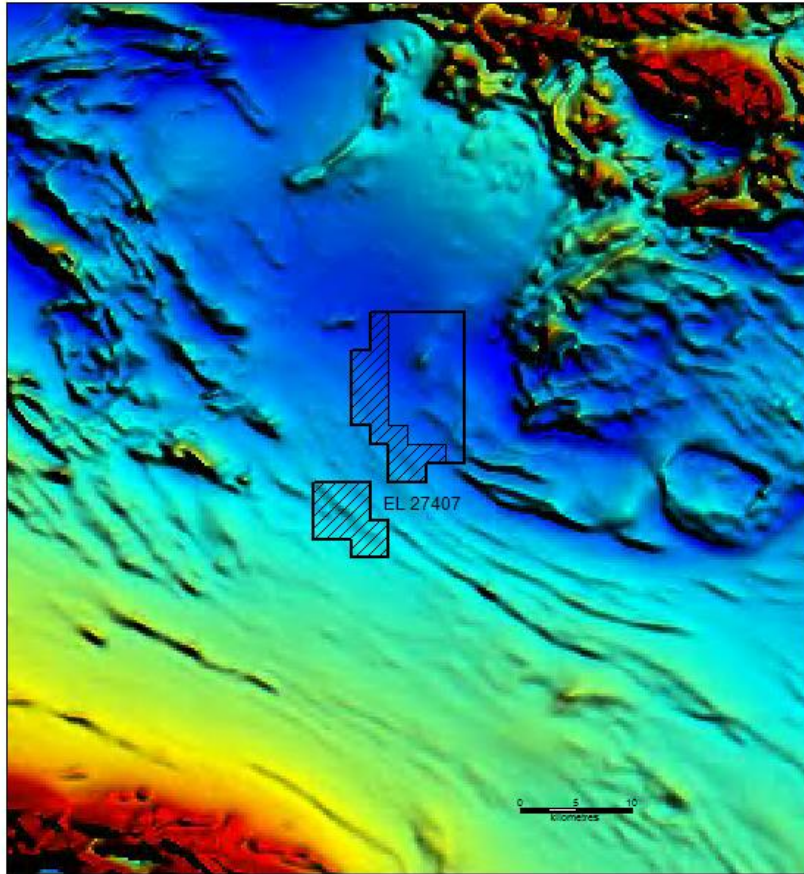


Figure 2: regional magnetic image – TMI

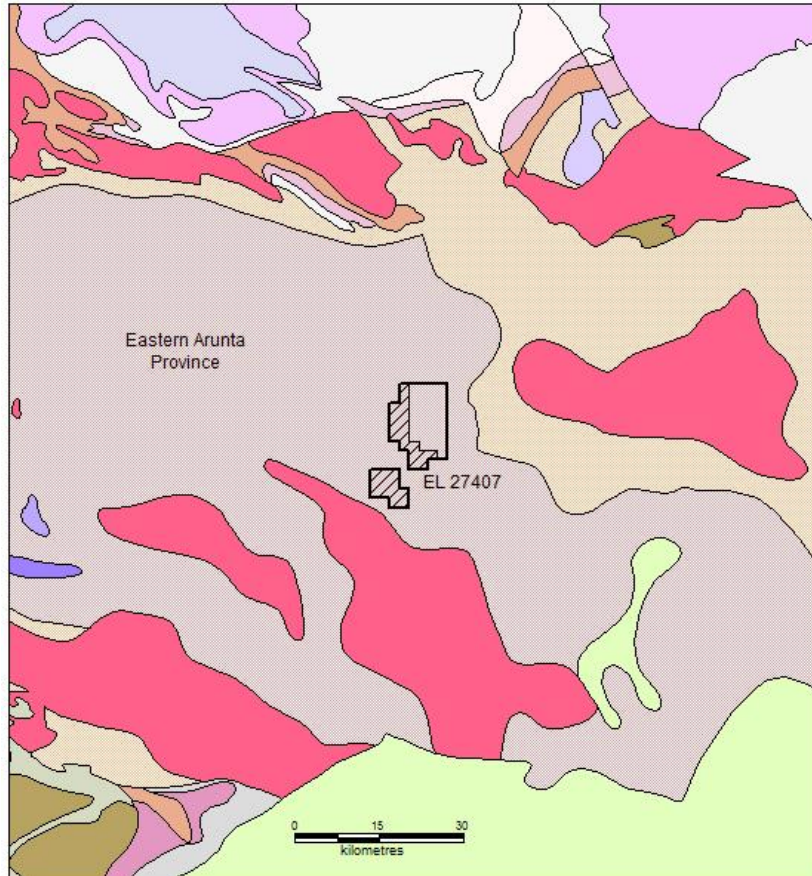


Figure 3: regional geology