16 December 2021

Red Fox completes Geophysical modelling/review at Ernest Henry West

Red Fox is pleased to announce that it has completed a geophysical modelling exercise and review of the Ernest Henry West Project in the Cloncurry district of northwest Queensland.

The review has identified high priority target areas in the Ernest Henry West EPM 26010.

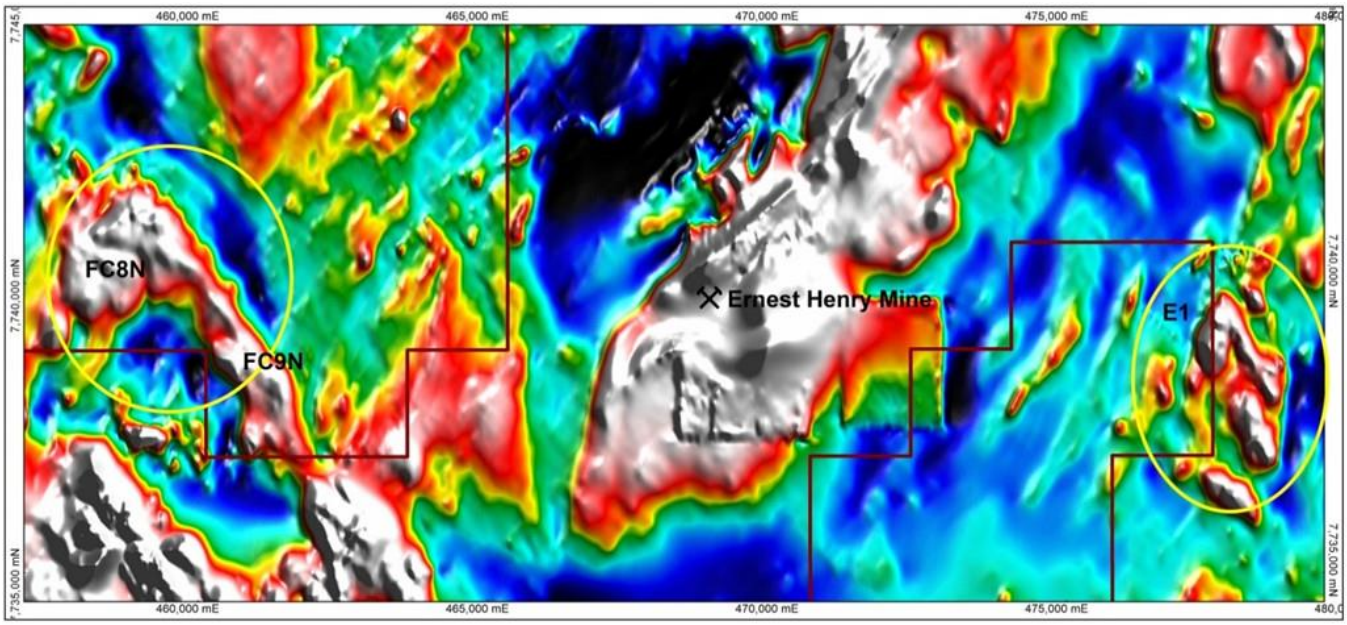

Figure 1: Ernest Henry West ((LHS) comparison to E1 area (RHS) - background aeromagnetics RTP.

Key points from the review are:

- **Direct comparisons can be made between the Ernest Henry West area and the E1 Group of deposits**
- **Historical geophysical data (magnetics and gravity) was modelled in 3D and combined with detailed structural interpretation by Red Fox**
- **Both Ernest Henry West (FC8N and FC9N) and the E1 deposits show comparable magnetic responses**
- **Both are located on an interpreted faulted and folded nose setting**
- **Previous drilling at the FC8N setting was not deep enough to intersect the modelled magnetic body so there has been no effective drill test of the faulted/folded nose**
- **At FC9N, previous drilling of a single hole was abandoned in cover rocks due to drilling conditions so there has been no effective drill test at FC9N**
- **Red Fox is planning to drill test the two prospect areas in the new year**

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Direct comparisons can be made between the Ernest Henry West area and the E1 deposits. The E1 deposits have some similarities to the IOCG style deposits of the Selwyn District and also of recent discoveries such as Jericho and Artemis in the Soldiers Cap area. The E1 Group has been partly mined by Glencore Ernest Henry operations and is reported as containing **48.1 Mt @ 0.72% Cu, 0.21 g/t Au** (Sustainable Minerals Institute 2019, Chapter 12).

Both Ernest Henry West and the E1 deposits show comparable magnetic responses. Figure 1 shows aeromagnetics (Reduced to Pole - RTP) with Ernest Henry West (FC8N and FC9N prospects) on the western side and the E1 areas on the eastern side, circled. Both areas show a similar pattern of complex folded iron rich sediments truncated on the north-western side by major structures.

Figure 2 shows detail of the aeromagnetic signature of the E1 deposits (SMI 2019). This shows the deposits are located on the edge or within the main magnetic responses and appear to occur on fold noses and flexures, at or adjacent to structural intersections/offsets.

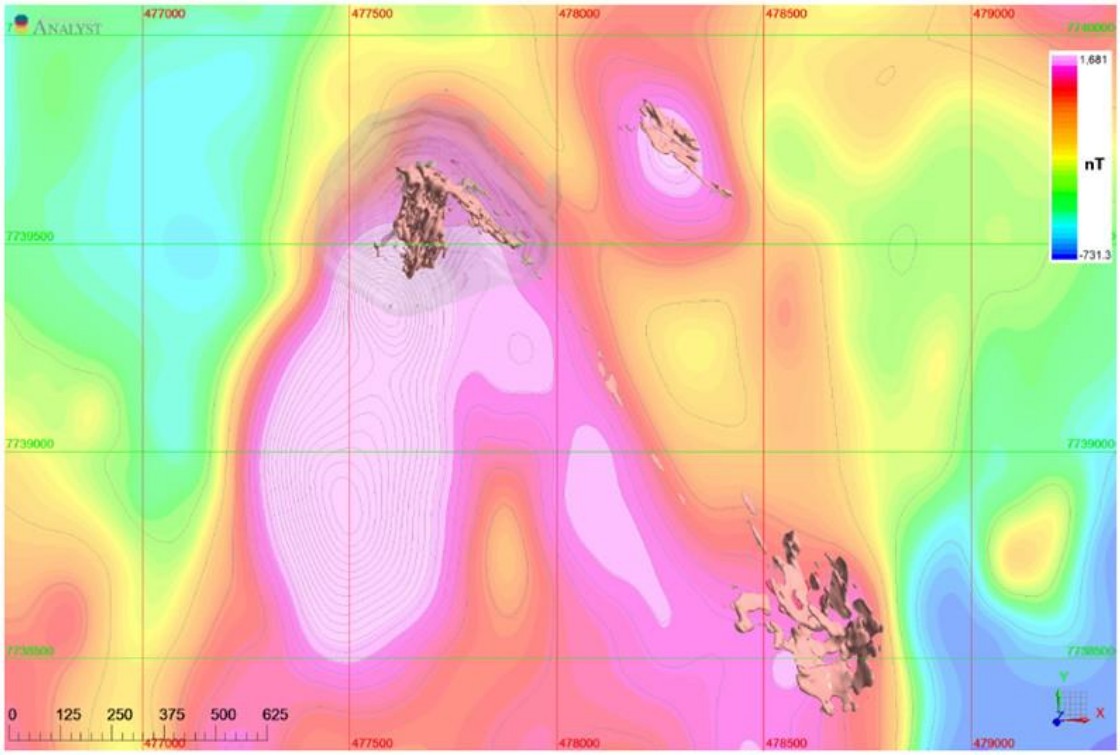

Figure 2: RTP aeromagnetics (post mining) over E1 deposits showing 0.5% Cu grade shells, E1N, E1E and E1S (from SMI 2019).

Red Fox has drawn the comparison between the setting at E1 Group and the FC8-9 area of Ernest Henry West EPM (see Figure1).

Red Fox has engaged GeoDiscovery Group to carry out 3D magnetic and density inversion modelling over the Ernest Henry West EPM and in particular over the FC8N prospect where more detailed magnetic and gravity data had been collected by WMC and Xstrata. This modelling has been married with a detailed structural interpretation previously carried out by Red Fox over the Ernest Henry area (see Figure 3).

The principal structure running through Ernest Henry West is a northwest trending structure which passes immediately north of two WMC identified prospects, FC8N and FC9N. This FC8-9 structure has a major effect on the Williams Supersuite intrusives in the northern part of the EPM and has enhanced magnetic effects adjacent to it in the FC8N and FC9N areas.

These **magnetic features bear a remarkable similarity with the E1 Group setting with the FC8N area interpreted as a faulted and folded nose** within a sequence of variably magnetic meta-sediments and meta-volcanics.

Further east the **FC9N area shows a strong flexure in the magnetic stratigraphy similar to that at E1 South** (see Figure 2).

A review of the previous exploration in the area (work done by WMC and Xstrata) shows that there are four previous drill holes in the area targeting IOCG style base metal mineralisation within the Proterozoic basement. Three of these were aimed to test magnetic features at FC8N and FC9N (the other hole testing a different magnetic effect and setting some 5km north-east of FC9N).

FC8N Prospect

Two historical drill holes targeted IOCG style base metals (within the basement) at the FC8N area: Both holes, MFC98055RC and MFC00114D intersected variable magnetite alteration with elevated copper and gold (to 278ppm Cu and 74ppb Au). In particular, hole MFC00114D intersected moderate hydrothermal brecciation as well as magnetite alteration at the bottom of the hole.

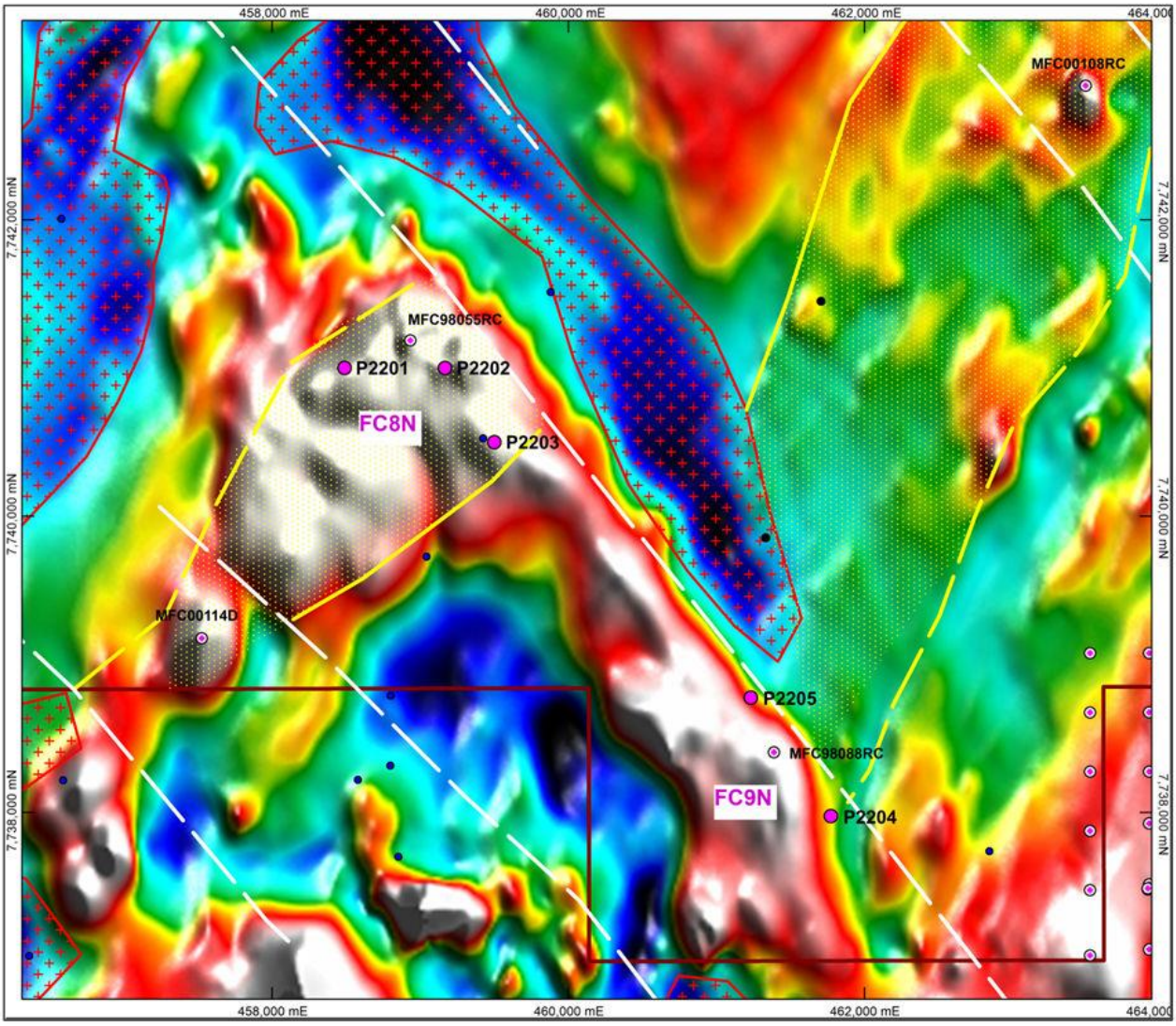

Figure 3: FC8N and FC9N area showing proposed drill holes (over aeromagnetics, RTP)

The magnetic inversion modelling carried out for Red Fox has shown that MFC00114D is the only hole that intersecting the magnetic model (magnetic susceptibility iso-surface 0.3 – see Figure 4). This hole was drilled on a truncated anomaly on the southwest flank of the FC8N structure. The hole only penetrating the magnetic shell at about 110m to the end of hole at 140m. At 110m, Fe contents increased from 3-4% Fe to 10-15% Fe and Sulphur also shows a marked increase confirming that the iso-surface used is an appropriate guide.

Previous hole MFC98055RC was drilled to test the nose of the FC8N structure. However, no magnetic modelling was carried out by Xstrata and this hole was not drilled deep enough to intersect the magnetic model iso-surface. Therefore, **there has been no effective drill test of the faulted/folded nose at FC8N**.

FC9N Prospect

Only one historical drill hole targeted base metals (within the basement) in the FC9N area however it failed to reach basement (MFC98088RC) being abandoned due to poor drilling conditions at 30m. The FC9N area shows a distinctive flexure in the magnetic stratigraphy which lies adjacent to a zone of elevated chargeability (MIMDAS data by Minotaur). This feature is analogous to the setting of the E1 South deposit (see Figure 2).

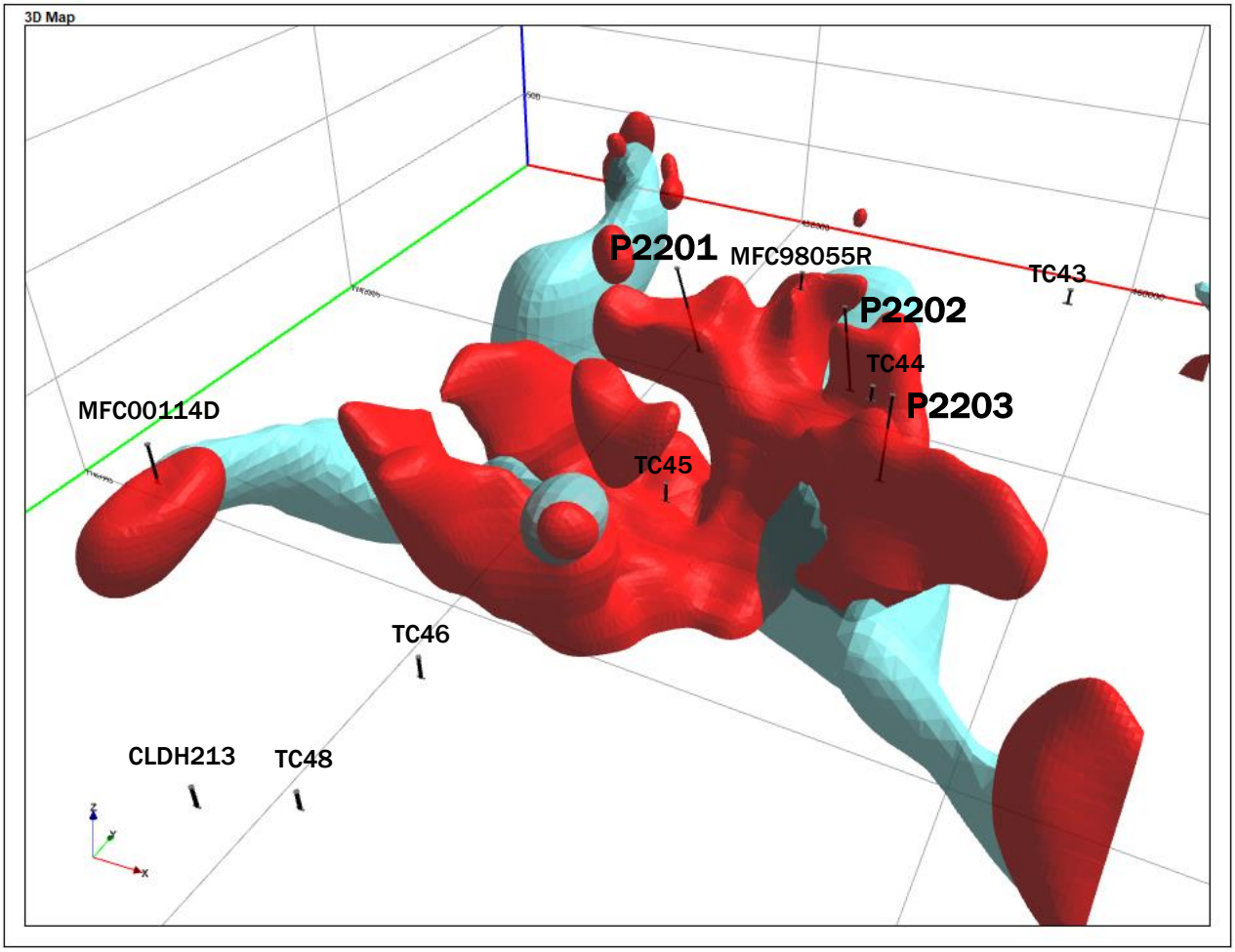

Figure 4: Geophysical model of FC8N, 3D view showing magnetic shells (red – magnetic susceptibility 0.3 iso-surface) and gravity shells (blue – density 0.127 iso-surface), oblique view looking north-west – showing previous drilling and Red Fox designed proposed holes P2201, P2202 and P2203.

Red Fox has designed a series of drill holes to effectively test the two prospect areas:

- **FC8N Target - mineralisation associated with moderate magnetite alteration with elevated copper and gold values in past drilling within an area of complexly faulted and folded metavolcanics and metasediments including probable black shales – proposed holes P2201, P2202, P2203**.
- **FC9N Target - Structural associated sulphide dominant targets adjacent to enhanced magnetic bodies – proposed holes P2204 and P2205.**

Red Fox proposes to drill these targets when the area becomes accessible in 2022.

About Red Fox Resources

Red Fox Resources is a private mineral exploration company and project generator that was founded on a strategy to acquire **high-quality, advanced exploration targets** with the potential to rapidly add value. It is focused on exploration for large copper, gold and zinc deposits, with seven wholly owned, granted tenements located in the highly mineralised Georgetown and Cloncurry districts of north Queensland. The company holds three EPMs in the Ernest Henry area targeting IOCG style copper/gold deposits and four EPMs in the Selwyn district targeting IOCG and Pb-Zn-Ag deposits. Further information about the company and its projects is available at:- http://www.redfoxresources.net.au/

Competent Persons Statement – Exploration Results: The information in this document that relates to Exploration Results is based on and fairly represents information and supporting documentation compiled by Mr Douglas Young, a Competent Person who is a Fellow of The Australian Institute of Geoscientists and a Registered Professional Geoscientist (RPGeo – Mineral Exploration). Mr Young is Chairman of the Board of Directors, is an employee of Red Fox Resources Pty Ltd and is a substantial shareholder of the Company.

Mr Young has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Young consents to the inclusion in the report of the matters based on this information and the Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the earlier announcements, all of which are available to view on www.redfoxresources.net.au.

APPENDIX 1

JORC Code, 2012 Edition – Table 1 **16 December 2021**

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases, more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.*	• No new information
Drilling techniques	• *Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or*	• No new information

Criteria	JORC Code explanation	Commentary
	standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).	
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• No new information
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• No new information
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• No new information
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.*	• No new information

Criteria	JORC Code explanation	Commentary
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• No new information
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Magnetic and Density Inversion modelling was carried out by GeoDiscovery Group using Geosoft Voxi inversion code with topography incorporated. • Modelling was carried out over the entire EPM 26010 and a more detailed FCN8 region (approx. 3.5x4km). • Magnetic data used in modelling of the entire EPM derived from the GSQ Cloncurry North aeromagnetic survey (survey 1377 - 2018), 100m line spacings at nominal flight height of 50m. • Magnetic modelling of the Detailed FC8N area derived from the MIM Constantine Magnetic compilation survey (survey AGSS954 – 2002) 50m line spacing and 20m nominal flight height (CR 39318_14). Note this survey was preferred in modelling to WMC ground magnetic survey (CR 25891 and CR 42734) as it had a more detailed line spacing and therefore allowed for a higher resolution 3D model of the region of interest. • Density modelling of the entire EPM derived from WMC ground gravity surveys (CR 39318_12) nominal station spacing 500m. • Density Modelling of the Detailed FC8N area derived from WMC ground gravity surveys (CR 39318_12) nominal station spacing 100m, line spacing 400m.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• Regional magnetic data was modelled using a 60m voxel (XY) and 30m cell size (Z). • Regional density data was modelled using 100m voxel (XY) and 50m cell size (Z). • Detailed magnetic data was modelled using a 20m voxel (XY) and 10m cell size (Z). • Detailed density data was modelled using a 50m voxel (XY) and 25m cell size (Z).

Criteria	JORC Code explanation	Commentary
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• The general strike of the prospective stratigraphy varies in the gridded zone between northwest and northeast. Lines at 090° are adequate to detect features with those strike values.
Sample security	• *The measures taken to ensure sample security.*	• No new information
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• Audit and review of the final magnetic and gravity data are yet to be completed

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• Exploration Permit for Minerals (EPM) 26010 "Ernest Henry West" held 100% by Red Fox Resources Pty Ltd. Granted as 41 sub-blocks on 10 November 2016 for a period of 5 years to Findex Pty Ltd. The EPM and Environmental Authority (EA0001049) were transferred to Red Fox Resources Pty Ltd on 7 January 2019. • Application for renewal of the EPM has been submitted. • The EPM area is partly covered by Native Title claim application QUD007/2011, determined QCD2005/579, held by the Kalkadoon People #4. • The EPM area is partly covered by Native Title claim application QUD009/2015, held by the Mitakoodi People #5. • Red Fox Resources has entered into Ancillary Agreements with both the Kalkadoon and Mitakoodi People in relation to EPM 26010.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• A total of fourteen EPMs have previously been held over portions of EPM 26010. • Extensive geophysical surveys have been carried out, mostly by WMC/MIM/Xstrata under EPMs 8648 and 11466, and also later by Minotaur.

Criteria	JORC Code explanation	Commentary
		• The bulk of the previous drilling was completed by Chevron and MTA in the 1970s and targeted roll-front Uranium in the overlying Gilbert River Formation, prior to the discovery of Ernest Henry. Little information on the basement lithologies was reported. • WMC's work (EPM 8648 and 11466) included ion leach soil sampling, IP, MIMDAS, airborne and ground magnetics, gravity, and drilling over a series of targets (predominantly magnetic targets). • Further IP and MIMDAS surveys were completed by WMC/MIM/ Xstrata initially over magnetic targets, and later on a more regional basis. Very little discussion of these surveys is provided in the open-file relinquishment reports. • Minotaur reprocessed the available data in 2013 and have included pseudo-sections and inversion models in the annual report (Minotaur, 2014). A series of chargeability anomalies were identified and initially recommended for follow-up, although this was not ultimately completed. Minotaur also completed two ground EM lines, again over magnetic targets. These failed to identify any late-time conductors. • Detailed ground magnetic and gravity surveys were completed over the FC8 target by WMC. Again, very little discussion of these results is provided in the relinquishment reports and no modelling was carried out. The drilling (MFC98055RC in particular) does not appear to have tested either the strongest magnetic or gravity anomalies. • Only six holes have been drilled within the EPM 26010 that targeted base metals / Proterozoic mineralization (excluding the drill-out area in the far southeast of the tenement). • Four of those drill holes were in the southern part of the EPM including 2 holes at FC8N and 1 hole at FC9N (see Table 2 below). The other hole is located approx. 5km north of FC9N and is targeting a discrete magnetic anomaly on a different structural setting.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The geology of EPM 26010 consists of mid-Proterozoic basement overlain by 20m to approx. 80m of Mesozoic and

Criteria	JORC Code explanation	Commentary
		Cainozoic sediments of the Eromanga and Carpentaria basins. Red Fox is targeting copper-gold mineralization within the Proterozoic basement, which is part of the Eastern Succession of the Mount Isa block. • Basement does not outcrop within the tenement, however it likely consists of a mix of the Mount Fort Constantine Volcanics (1746 ± 9Ma) that host Ernest Henry, and the Corella Formation (max 1770 ± 6 Ma). Previous drilling has intersected felsic volcanics with interbedded pelitic sediments (calcareous to graphitic), mafic volcanics, dolerite, and gabbro. These units are folded, extensively faulted, and have been intruded by numerous plutons and stock related to the Naraku Batholith / Malakoff Granite (1505 ± 5 Ma). The intrusions form part of the Williams Supersuite, which is thought to be a major driver of mineralization within the region. • The largest nearby deposit is Ernest Henry, where copper and gold mineralization occurs within a matrix supported magnetite-carbonate-sulphide breccia. Prior to mining, the resource consisted of 166Mt @ 1.1% Cu and 0.54 g/t Au (Ryan, 1998). Other significant deposits include the E1 group at 48.1 Mt @ 0.72% Cu, 0.21 g/t Au and the Monakoff group at 3.3 Mt @ 1.35% Cu, 0.44 g/t Au (Exco, 2010 and SMI 2019).
Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* ○ *easting and northing of the drill hole collar* ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* ○ *dip and azimuth of the hole* ○ *down hole length and interception depth* ○ *hole length.* • *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	• Refer Table 2 below for previous drill hole details for drilling in the FC8N and FC9N areas.

Criteria	JORC Code explanation	Commentary
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• The reported average intersections may be length weighted with assayed intervals of various lengths. • MIMEX RC percussion holes were sampled and assayed on 2m intervals. • MIMEX Diamond holes were sampled on irregular intervals based on lithology and alteration generally 1m or 2m intervals. • No indication in CR 39318 is given of which laboratory was used by MIMEX for analysis however CR 42734 reports their use of ALS in Townsville using method PM219 for gold and IC587 and XRF1 for Ag, As, Ba, Co, Cu, Fe, K, Mg, Mn, Mo, Ni, P, Pb, S, Zn assays in other holes drilled during the same period. • Metal equivalence in not used in this report.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• Results are reported as down hole length (in generally vertical drill holes). True widths are not known as there is insufficient information on the attitude of the geological units in the area.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• See body of report for drill hole location map (Figure 3)
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• Exploration Results reported are representative of all assay results.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• No other significant exploration work was carried out
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).*	• Proposed drilling as discussed in the text.

Criteria	JORC Code explanation	Commentary
	• *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	

Table 2: Previous Drill Holes – FC8N and FC9N Prospects targeting base metals in Proterozoic basement

Hole ID	Company	MGAE	MGAN	Prospect	Dip	Azim	Depth (m)	Reference	Comments
MFC98055RC	MIMEX/1998	458933	7741186	FC8N	-90	000	72	CR 39318	No significant intersection reported, the hole intersected metavolcanics and metasediments with weak magnetite alteration and trace to 0.5% pyrite. No significant copper or gold was reported (maximum 243ppm Cu).
MFC98088RC	MIMEX/1998	461388	7738406	FC9N	-90	000	30	CR 39318	The hole was terminated at 30m within Mesozoic black siltstone and was not re-drilled.
MFC00114D	MIMEX/2000	457523	7739176	FC8N	-90	000	150	CR 39318	No significant intersection reported, the hole intersected a moderately hydrothermally brecciated felsic volcanic with magnetite alteration.