

ACN 103 367 684



ASX Code: RDM

Red Metal Limited is a minerals exploration company focused on the exploration, evaluation and development of Australian copper-gold and basemetal deposits.

Issued Capital:

245,591,743
Ordinary shares

19,225,000
Unlisted options

Directors:

Rob Rutherford
Managing Director

Russell Barwick
Chairman

Joshua Pitt
Non-executive Director

RED METAL LIMITED

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ASX ANNOUNCEMENT

24 FEBRUARY 2022

**LETTER TO SHAREHOLDERS - MARONAN METALS
LIMITED PRIORITY OFFER**

Red Metal Limited (ASX: RDM, **Red Metal** or the **Company**) is pleased to advise that the attached letter regarding the Maronan Metals Priority Offer has been despatched to eligible Red Metal shareholders.

This announcement was authorised by the Board of Red Metal.

For further information concerning Red Metal's operations and plans for the future please refer to the recently updated web site or contact Rob Rutherford, Managing Director at:

Phone +61 (0)2 9281-1805
www.redmetal.com.au

A handwritten signature in black ink, appearing to read "R. Rutherford".

Rob Rutherford
Managing Director

23 February, 2022

Dear Red Metal Shareholder,

MARONAN METALS LIMITED SPIN OUT AND IPO UPDATE

Red Metal Limited (ASX: RDM) (**Red Metal or the Company**) is pleased to provide an update on the proposed spin-out and listing of its wholly owned subsidiary, Maronan Metals Limited (**MMA**), on the Australian Securities Exchange (**ASX**) by way of an initial public offering.

Spin-out

In March 2021, the Company announced its intention to undertake a non-standard partial spin out (**Spin-Out**) and initial public offering of MMA. MMA holds a 100% legal and beneficial interest in the Maronan lead-silver copper-gold project. The Spin-Out was approved by Red Metal shareholders at a general meeting held on 25 January 2022. Red Metal will retain a significant shareholding in MMA and is not planning an in-specie distribution of its MMA shareholding in the near term.

MMA IPO and Priority Offer to Red Metal Shareholders

MMA lodged its IPO prospectus with the Australian Securities & Investments Commission on 21 February 2022 (**Prospectus**). The Prospectus contains an offer of 60,000,000 Shares at an issue price of \$0.20 per Share together with one free attaching Primary Option (the terms of which are set out in the Prospectus) for every three Shares subscribed for and issued, to raise \$12,000,000 (**MMA Offer**). Oversubscriptions may be accepted for up to a further 15,000,000 Shares at an issue price of \$0.20 per Share, together with one free attaching Primary Option for every three Shares subscribed for and issued, to raise up to a further \$3,000,000. Veritas Securities Limited is acting as Lead Manager of the MMA Offer.

MMA is offering Red Metal shareholders in Australia that held shares in Red Metal at 5:00pm (AEST) on 22 February 2022 (**Record Date**) (**Eligible Shareholders**) priority to subscribe for Shares under the MMA Offer (**Priority Offer**). Eligible Shareholders will also have an entitlement to bonus options under a bonus offer on the terms set out in the Prospectus.

Under the Priority Offer, Eligible Shareholders will have priority in respect of the first \$5,000,000 (25,000,000 Shares) to be raised under the MMA Offer. The allocation of Shares under the Priority Offer will be subject to a minimum investment of \$2,000 and will be made pro rata to Eligible Shareholders' shareholdings in Red Metal on the Record Date and thereafter at the discretion of MMA. If MMA receives applications from Eligible Shareholders for more than 25,000,000 Shares, MMA intends to treat such additional applications under the Priority Offer as being made under the Public Offer.

Priority Application Form

The Priority Offer opens on **1 March 2022**. Subject to the important notice at the end of this letter, as an Eligible Shareholder, you are entitled to submit a Priority Application Form to participate in the Priority Offer. You may obtain a copy of the Prospectus and apply online by going to the internet address below and entering your unique Priority Offer access code:

Internet Address:	https://investor.automic.com.au/#/ipo/maronanmetalspriority
Your unique Priority Offer access code:	<<Unique Priority Access Code>>

You may also request a hard copy of the Prospectus by contacting the Company on +61 2 9281 1805.

In order to participate in the Priority Offer, Eligible Shareholders should follow the instructions set out in the Priority Offer Application Form. The closing date for the Priority Offer is **15 March 2022**. MMA reserves the right to extend the Priority Offer closing date or close the Priority Offer early without notice.

Before deciding whether to invest in MMA, investors should read the Prospectus in its entirety and consider the risk factors set out in Section 7 of the Prospectus.

Yours faithfully

Patrick Flint
Company Secretary

Email: info@redmetal.com.au

This release has been authorised for release by the board of Red Metal Limited.

IMPORTANT NOTICE REGARDING ELECTRONIC PROSPECTUS

As stated in the letter above a copy the prospectus can be downloaded from <https://investor.automic.com.au/#/ipo/maronanmetalspriority>. If you are accessing the electronic version of the prospectus for the purpose of making an investment in MMA, you must be an Australian resident and must only access the prospectus from within Australia.

The Corporations Act prohibits any person passing onto another person the Priority Application Form unless it is attached to a hard copy of the prospectus or it accompanies the complete and unaltered version of the prospectus. You may obtain a hard copy of the prospectus free of charge by contacting MMA.

MMA reserves the right not to accept a Priority Application Form from a person if it has reason to believe that when that person was given access to the electronic Priority Application Form, it was not provided together with the electronic prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

Other than as otherwise stated in the prospectus, no document or information included on MMA's website is incorporated by reference into the prospectus.