



ABN: 42 090 169 154

NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY MEMORANDUM

For the Annual General Meeting of the Shareholders
of

Redstone Resources Limited

to be held on

Thursday 27 November 2008 at 9.30am (WDT) at

Stirling Room

Crowne Plaza Perth

54 Terrace Road

East Perth, Western Australia

This Notice of Annual General Meeting and Explanatory Memorandum should be read in its entirety. If shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser without delay.

REDSTONE RESOURCES LIMITED
ABN 42 090 169 154
NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting (**AGM**) of Redstone Resources Limited (**the Company**) will be held at the Stirling Room, Crowne Plaza Perth, 54 Terrace Road, East Perth Western Australia, at 9.30am Western Daylight Time on Thursday, 27 November 2008.

The attached Explanatory Memorandum is provided to supply Shareholders with information to enable them to make an informed decision regarding the resolutions set out in this Notice.

The Explanatory Memorandum is intended to be read in conjunction with and forms part of this Notice. Terms and abbreviations used in this Notice are defined in the Glossary.

AGENDA

GENERAL BUSINESS

Financial Report

To receive and consider the financial report of the Company and the reports of the Directors and auditors to the Company for the year ended 30 June 2008.

Retirement by Rotation and Re-election

Resolution 1 – Re-election of Mr Anthony Alexander Ailakis

To consider and if thought fit, to pass the following as an ordinary resolution:

“That Mr Anthony Alexander Ailakis, being a Director who retires by rotation pursuant to the Constitution, and being eligible for re-election, is re-elected as a Director.”

Resolution 2 – Re-election of Mr Juan Carlos Olivero

To consider and if thought fit, to pass the following as an ordinary resolution:

“That Mr Juan Carlos Olivero, being a Director of the Company who retires by rotation pursuant to the Constitution, and being eligible for re-election, is re-elected as a Director.”

Election of Directors

Resolution 3 – Election of Mr Richard Homsany

To consider and if thought fit, to pass the following as an ordinary resolution:

“That Mr Richard Homsany, being a Director who retires pursuant to the Constitution, and having offered himself for election and being eligible for election, is hereby elected as a Director.”

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Remuneration Report

Resolution 4 – Adoption of the Remuneration Report (Non- Binding)

To consider and if thought fit, to pass the following as an ordinary resolution:

“That for the purposes of section 250R(2) of the Corporations Act and for all other purposes the remuneration report as contained in the Annual Report of the Company for the year ended 30 June 2008 be adopted.”

This resolution shall be determined as if it were an ordinary resolution, albeit advisory only. Under section 250R(3) of the Corporations Act the vote on Resolution 4 does not bind the Directors or the Company.

Other Business

To deal with any other business that may be brought forward in accordance with the Constitution and the Corporations Act.

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EXPLANATORY MEMORANDUM

Shareholders are referred to the Explanatory Memorandum accompanying and forming part of this Notice of Meeting.

Voting and Proxies

Voting Entitlements

The Company has determined, in accordance with regulation 7.11.37 of the Corporations Regulations 2001 (Cth), that the Shares quoted on the Australian Stock Exchange Limited at the end of day on 25 November 2008 shall be taken, for the purposes of the Annual General Meeting, to be held by the persons who held them at that time. Accordingly, those persons are entitled to attend and vote (if not excluded) at the Meeting.

Proxies

A Shareholder who is entitled to attend and vote has a right to appoint a proxy to attend and vote instead of the Shareholder. A proxy need not be a Shareholder and can be either an individual or a body corporate. If a Shareholder appoints a body corporate as a proxy that body corporate will need to ensure that it:

- appoints an individual as its corporate representative to exercise its powers at the meeting, in accordance with section 250D of the Corporations Act 2001 (Cth); and
- provides satisfactory evidence of the appointment of its corporate representative prior to commencement of the meeting.

If such evidence is not received before the meeting, then the body corporate (through) its representative will not be permitted to act as proxy.

A member that is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If no proportion or number is specified, each proxy may exercise half of the Shareholder's votes.

A proxy form accompanies this Notice and to be effective the proxy form and the power of attorney or other authority (if any) under which it is signed (or a certified copy) must be received by the Company no later than 48 hours before the commencement of the Meeting, at:

- Redstone Resources Limited registered office, Suite 3 110-116 East Parade, East Perth WA 6004; or
- post the proxy form to the Share Registry: Computershare Investor Services Pty Ltd, GPO Box 242, Melbourne VIC 3001; or
- by facsimile to the Share Registry on facsimile number 1800 783 447 (International + (61 3) 9473 2555).

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Proxies must be received by the Company no later than 48 hours prior to the commencement of the Meeting. Any proxy form received after that time will not be valid for the Meeting.

Proxies given by corporate shareholders must be executed in accordance with their constitutions, or signed by a duly authorised attorney. A proxy may decide whether to vote on any motion, except where the proxy is required by law or the Constitution to vote, or abstain from voting, in their capacity as proxy.

If a proxy is directed how to vote on an item of business, the proxy may vote on that item only in accordance with that direction. If a proxy is not directed how to vote on an item of business, a proxy may vote as he or she thinks fit. If a Shareholder appoints a proxy and does not specify how the chairperson is to vote on an item of business, the chairperson will vote, as proxy for that shareholder, in favour of that item on a poll.

BY ORDER OF THE BOARD



Miranda Conti
COMPANY SECRETARY
REDSTONE RESOURCES LIMITED

Dated this 23rd day of October 2008

REDSTONE RESOURCES LIMITED
ABN 42 090 169 154

EXPLANATORY MEMORANDUM

This Explanatory Memorandum and all attachments are important documents. They should be read carefully.

If you have any questions regarding the matters set out in this Explanatory Memorandum or the preceding Notice, please contact the Company, your stockbroker or other professional advisor.

General Information

This Explanatory Memorandum has been prepared to assist Shareholders to understand the business to be put to Shareholders at the forthcoming Annual General Meeting to be held on 27 November 2008.

The purpose of the Explanatory Memorandum is to provide Shareholders with information that the Board believes to be material to Shareholders in deciding whether or not to approve the above resolutions in the Notice (of which this Explanatory Memorandum forms a part).

ORDINARY BUSINESS

Annual Financial Report

The Corporations Act requires:

- the reports of the Directors and auditors; and
- the annual financial report, including the financial statements of the Company for the year ended 30 June 2008,

to be laid before the Annual General Meeting. Neither the Corporations Act nor the Constitution requires a vote of Shareholders on the reports or statements. However, Shareholders will be given ample opportunity to raise questions or comments on the management of the Company.

The financial report for consideration at the meeting will be the full financial report. Unless a Shareholder instructs otherwise, each Shareholder is sent or provided access to the financial report. Any Shareholder wishing to receive a copy of the full financial report should contact the Company and a copy will be forwarded without delay.

Also, a reasonable opportunity will be given to members as a whole at the meeting to ask the Company's auditor questions relevant to the conduct of the audit, the preparation and content of the auditor's report, the accounting policies adopted by the Company in relation to the preparation of the financial statements and the independence of the auditor in relation to the conduct of the audit.

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EXPLANATORY MEMORANDUM

Retirement by Rotation and Re-election

Rule 8.1(d) of the Constitution requires that at every AGM, one third of Directors (after excluding a Director who is the managing Director or any Director appointed by the Board since the date of the last annual general meeting), or if this number of Directors is 5 or less, then 2 of the remaining Directors, must retire from office and if eligible seek re-election in accordance with Rule 8.1(i) of the Constitution.

Accordingly, Mr Anthony Alexander Ailakis and Mr Juan Carlos Olivero retire by rotation and offer themselves for re-election.

Resolution 1 – Re-election of Mr Anthony Alexander Ailakis

The experience, qualifications and other information about Mr Ailakis can be found in the Company's 2008 Annual Report:

The Directors (excluding Mr Ailakis) recommend that Shareholders vote in favour of Resolution 1.

Resolution 2 - Re-election of Mr Juan Carlos Olivero

The experience, qualifications and other information about Mr Olivero can be found in the Company's 2008 Annual Report.

The Directors (excluding Mr Olivero) recommend that Shareholders vote in favour of Resolution 2.

Election of Directors

Rule 8.1(c) of the Constitution requires that any Director appointed by the Board, (since the last annual general meeting), who is not the Managing Director, holds office only until the conclusion of the next AGM following his or her appointment. Accordingly, any such Director must automatically retire from office at the next annual general meeting, and being eligible may seek election in accordance with Rule 8.1(i) of the Constitution.

Resolution 3 - Election of Mr Richard Homsany

Mr Richard Homsany was appointed as a non-executive Director since the date of the last annual general meeting of the Company. Under the Constitution he holds office only until this Meeting and therefore offers himself for election.

The experience, qualifications and other information about Mr Homsany can be found in the Company's 2008 Annual Report.

The Directors (excluding Mr Homsany) recommend that Shareholders vote in favour of Resolution 3.

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Resolution 4 - Adoption of the Remuneration Report (Non-Binding)

As required by section 250R of the Corporations Act, a resolution that the remuneration report for the year ended 30 June 2008 be adopted is put to vote.

The remuneration report is set out on pages 15 to 20 of the Annual Report of the Company. The vote on this item is advisory only and does not bind the Directors or the Company, however the Company will take the outcome into consideration when reviewing remuneration practices and policies. There will be reasonable opportunity for Shareholders to comment on and ask questions about the remuneration report.

The Directors recommend that Shareholders vote in favour of Resolution 4.

Enquiries

Shareholders are invited to contact the Company Secretary, Miranda Conti on +61 8 9328 2552 if they have any queries in respect of the matters set out in these documents.

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EXPLANATORY MEMORANDUM

GLOSSARY

Annual Report means the 2008 annual report of the Company

ASX means Australian Stock Exchange Limited (ACN 008 624 691).

Board means the board of directors of the Company duly appointed in accordance with the Constitution of the Company.

Company means Redstone Resources Limited (ABN 42 090 169 154).

Constitution means the constitution of the Company.

Corporations Act means the Corporations Act 2001 (Cth).

Director means a director of the Company.

Explanatory Memorandum means the explanatory memorandum that accompanies and forms part of the Notice

Listing Rules means the official listing rules of ASX.

Meeting or **Annual General Meeting** means the meeting convened by this Notice.

Notice or **Notice of Meeting** means the notice of annual general meeting accompanying this Memorandum.

Resolution means a resolution contained in the Notice.

Share means an ordinary fully paid share in the capital of the Company.

Shareholder means the holder of a Share.

WDT means Western Daylight Time.

000001 000 RDS
MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Lodge your vote:



By Mail:

Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For all enquiries call:

(within Australia) 1300 850 505
(outside Australia) +61 3 9415 4000

Proxy Form

For your vote to be effective it must be received by 9.30am (WDT) Tuesday 25 November 2008

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote as they choose. If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Signing Instructions

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.computershare.com.

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

Turn over to complete the form →

 View the annual report: www.redstone.com.au	Update your securityholding, 24 hours a day, 7 days a week: www.investorcentre.com
<input checked="" type="checkbox"/> Access the annual report	<input checked="" type="checkbox"/> Review your securityholding <input checked="" type="checkbox"/> Update your securityholding Your secure access information is: SRN/HIN: I9999999999  PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

MR SAM SAMPLE
 FLAT 123
 123 SAMPLE STREET
 THE SAMPLE HILL
 SAMPLE ESTATE
 SAMPLEVILLE VIC 3030

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



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I ND

Proxy Form

Please mark to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Redstone Resources Limited hereby appoint

the Chairman of the meeting OR

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the Annual General Meeting of Redstone Resources Limited to be held at the Stirling Room, Crowne Plaza Perth, 54 Terrace Road, Perth, Western Australia on Thursday, 27 November 2008 at 9.30am (WDT) and at any adjournment of that meeting.

STEP 2 Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

		For	Against	Abstain
Resolution 1	Re-election of Mr Anthony Alexander Ailakis	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of Mr Juan Carlos Olivero	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Election of Mr Richard Homsany	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Adoption of the Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name _____

Contact Daytime Telephone _____

Date ____/____/____