



22 September 2009

Company Announcements Office
Australian Stock Exchange Limited
20 Bridge Street
SYDNEY NSW 2000

REDSTONE UNDERTAKES \$1.1 MILLION PLACEMENT

Redstone Resources Limited (ASX: RDS) is pleased to announce that it is undertaking a capital raising of approximately \$1.1 million by a placement of securities with sophisticated and private investors.

These investors will subscribe for ordinary fully paid shares in Redstone at \$0.09 per share together with one free option for every two shares applied for. These options will be exercisable at \$0.25 cents per share on or before 30 November 2012.

Of the placement securities, 3,575,000 shares for a total \$321,750 will be issued and allotted initially following finalisation of the placement, whilst the balance of the shares and all free attaching options will be issued and allotted if shareholder approval is obtained at a general meeting of the Company to be convened as soon as reasonably practicable.

The placement will enable Redstone to progress exploration and commence a drilling program on certain of the Company's West Musgrave projects and provide further working capital.

Final details of the placement will be announced once all investor applications and funds have been received.

Yours sincerely

Anthony Ailakis
Director

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