REDSTONE RESOURCES

ASX ANNOUNCEMENT

TOLLU COPPER NICKEL PROJECT
SIGNIFICANT DRILLING RESULTS

22 September 2011

The Directors of Redstone Resources Limited (ASX: RDS) are pleased to provide an update on the Reverse Circular (RC) drilling programme at the company's wholly owned Tollu Copper Nickel project.

As announced on 1 September 2011, drilling recommenced on the 2,500m outcropping Eastern Zone at Tollu to evaluate the significant intersections of 3m@5% Cu at 248m reported from drill hole TLC 42 (see ASX announcement 29/03/11).

To date three drill holes have been completed:

RC HOLE	CO-ORDS	AZIMUTH	HOLE DEPTH	MIN ZONE	INTERSECTION
TLC 45	438461E 7108297N	270°	401m	254m to 280 m	27m
TLC 52	438465E 7108280N	270°	319m	274m to 293 m	20m
TLC 54	438438E 7108260N	270°	325m	277m to 293m	17m

These holes have confirmed the earlier discovery in TLC 42, with thick zones of visible copper mineralisation being observed. Subject to the important reservations below, significant copper sulphide intersections of approximately 27m, 20m and 17m have been intersected. High water flow rates have resulted in high copper sulphide loss from some sections of the mineralised zones which is visibly observed as a "black emulsion". This makes a proper evaluation of this data difficult however, what is significant is that these intersections, when subject to dry nitron XRF, have given significant indicated copper values over the sections set out in the table above.

In summary, Redstone can report highly encouraging results from Eastern Zone holes TLC 45, TLC 52 and TLC 54 which, on present evidence, we believe to be highly significant. The present RC programme will continue elsewhere on the project area and a diamond drilling programme will be commenced at the first opportunity (expected within four to six weeks) to permit a definitive evaluation of these data. The potential strike of the Eastern Zone of 2,500m, together with the implied good grade intersections of 17m to 27m, materially enhances the prospectivity of Tollu.

Additionally, the predicted presence of a gabbro body under the volcanic rocks (Tollu Group) is confirmed by drill hole TLC 45, which intersected gabbro from 370m depth. This is significant because the source of the hydrothermal copper sulphide mineralisation at Tollu is considered to be a primary magmatic gabbro-related Cu-Ni sulphide sulphide.

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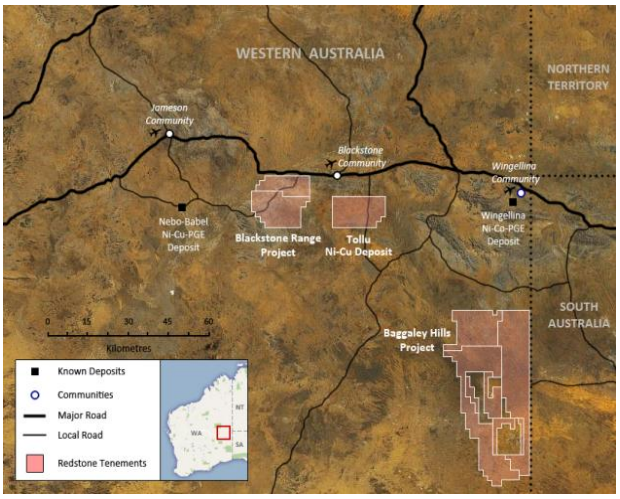
TOLLU COPPER NICKEL PROJECT (E69/2450)

The Tollu Project is located in the southeast portion of the West Musgrave region of WA approximately 20km south east of the Blackstone Community (Figures 1 and 2). The project plays host to a giant swarm of hydrothermal copper rich veins in a mineralised system covering an area of at least 6km^2 forming part of a dilation system between two major shears. Copper mineralisation exposed at the surface comprises malachite, tenorite and azurite.



Figures 1 and 2: Location of the Tollu Copper Nickel Project

The swarm of mineralised hydrothermal veins has been interpreted as a distal part of a giant Voisey's Bay style magmatic Cu-Ni-(Co) system. Key indicators present at Tollu indicating a Voisey's Bay style mafic primary source for mineralisation are:

- the extent and volume of remobilised copper sulphides
- hydrothermal (not magmatic) copper sulphide mineralisation
- significant association with Co

At the Tollu Copper Nickel Project Redstone is targeting a large deposit in the hydrothermal zones with an average Cu grade >2%. The previous two drilling programmes have encountered numerous copper strikes (>3%) within the Central Zone.

A second magmatic Cu-Ni (Co) sulphide target has been identified at the Eastern Zone, where drillhole TLC-042 has established sulphide mineralisation at depth (3m @ 5 % Cu from 248m, open EOH) and is the first to contain nickel and cobalt sulphides. Typically magmatic Cu-Ni-(Co) sulphide deposits are large to giant sized deposits often in excess of 100M tonnes of ore.

About Redstone

Redstone Resources Ltd is a Perth Based exploration company with a portfolio of highly prospective mineral exploration properties in the West Musgrave region of WA and Brazil.

Redstone is a diversified explorer focused on nickel and copper in Western Australia. Further information on Redstone can be found on the company's website at www.redstone.com.au.

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ATTRIBUTION

The information in this report relates to exploration results is based on information compiled by Dr Joao Orestes Santos, a part-time employee of Redstone Resources Limited. Dr Santos is a member of the Australian Instituted of Geoscientists and has sufficient experience relevant to the style of mineralisation under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves'. Dr Santos consents to the inclusion in the report of the matter based on his information in the form and context in which it appears.