

Red Metal Acquires 5300-Hectare Veta Negra Property, III Region Chile

THUNDER BAY, ON, July 6, 2011 /PRNewswire/ - Red Metal Resources Ltd. (OTCBB:RMES), a mineral exploration company with copper-gold assets in Chile, today announced that it has signed an agreement to purchase the Veta Negra Property located in III Region Atacama, Chile.

The Veta Negra Property is 5,300 hectares (13,097 acres) in size consisting of eighteen exploration claims. Red Metal acquired a 100% interest in the eighteen exploration claims and concurrently signed an option agreement to purchase 100% of two mining claims totaling 44 hectares (108 acres) underlying the exploration claims.

The Veta Negra Property is located 3 kilometres west of Red Metal's Mateo Project and approximately 45 minutes from the city of Vallenar, with major road access, power and water supply close by. The property lies in the Cretaceous Cerrillos Formation composed of andesites, conglomerates and arenites. Red Metal's geologists have reviewed the property and identified three mineralized mantos hosted in andesites on the property. One manto can be traced on surface for approximately 2 kilometres, a second manto for approximately 1 kilometre, and a third manto for approximately 500 metres.

Veta Negra Property Highlights

The Veta Negra Property lies in the Cretaceous Cerrillos Formation, an epiclastic and volcanoclastic sequence of fluvial conglomerates and sandstones of volcanic origin and freshwater limestones all overlain by volcanic breccias and lava flows. The mineralized mantos identified on surface are of variable widths averaging six metres with significant iron oxide, silica, epidote, chlorite and tourmaline alteration with copper mineralization comprised of chrysocolla, a copper oxide. Channel sampling results from Red Metal's evaluation of the property include:

SAMPLE	Cu %	Length of Sample (m)
201191	1.34	3
201190	1.36	3
260307	1.37	2
201193	1.62	3
201192	1.87	3

Terms of Veta Negra Property Purchase and Option Agreement

Red Metal purchased 100% of eighteen exploration claims on the Veta Negra Property for a one-time payment of US\$3,500 and the transfer of four generative concessions that do not meet our exploration criteria.

Red Metal has an option to acquire 100% of the two mining claims by making four payments totaling US\$104,000: US\$14,000 upon signing, US\$10,000 on August 15th, 2011, US\$20,000 on February 15th, 2012 and US\$60,000 on February 15th, 2013. The property has a 1.5% net smelter royalty that can be purchased for US\$250,000 at any time.

Caitlin Jeffs, P.Geol., president of Red Metal, stated, "The addition of Veta Negra gives Red Metal its fourth highly prospective exploration project in the Candelaria IOCG belt. We believe that we have assembled one of the most attractive, best-positioned exploration packages in the belt and we look forward to advancing our projects."

Michael Thompson, P. Geol., vice president of exploration for Red Metal, the project's qualified person as defined in NI 43-101, has reviewed and approved the contents of this news release.

About Red Metal Resources Ltd.

Red Metal Resources is a mineral exploration company focused on aggressive growth through acquiring, exploring and developing copper-gold assets in Chile. Our projects are located in the prolific Candelaria iron oxide copper-gold (IOCG) belt of Chile's coastal Cordillera, host to Freeport-McMoRan's Candelaria Mine and Anglo American's Mantoverde Mine. Red Metal is a fully reporting US public company quoted on the OTCBB under the symbol RMES. For more information, visit www.redmetalresources.com.

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