

Red Canyon Provides Exploration Update on its Scrapper Springs Copper Project, Nevada USA

Vancouver, British Columbia, January 16, 2025: Red Canyon Resources Ltd. (CSE: REDC | OTCQB: REDRF) (the "Company" or "Red Canyon") is pleased to provide an exploration update on its Scrapper Springs copper project in northern Nevada (the "Project"), outlining exploration results and new insights from last year's activities. The Company is focused on impactful, value-add exploration to make discoveries of copper and copper-gold deposits in established mineral belts in North America.

Company Highlights:

- The Company's 100% owned Scrapper Springs copper project in northern Nevada hosts a 4 x 4 km alteration footprint comparable in scope to some of the world's largest copper deposits.
- In Q4/2024 the Company expanded its geophysical understanding of Scrapper Springs by completing additional deep penetrating IP geophysical lines, a gravity survey, and magnetic inversion studies. This expanded program of geophysics has greatly improved our understanding of the potential of the Scrapper Springs system at depth and generated high-priority drill targets.
- Internal and independent third-party targeting studies have identified new, important observations and reiterate that Scrapper Springs has the potential to host a Tier 1 copper porphyry system. Volumetrically significant hypogene alunite and pyrophyllite alteration together with late zunyite alteration in high-temperature feeders indicate potential for the system at Scrapper Springs to host an upgraded potassic core (>1% Cu), as seen at the Resolution deposit in Arizona and the Oyu Tolgi mine in Mongolia.
- Historic drilling at Scrapper Springs largely targeted near surface gold related systems. The only deep drill hole on property, collared 1.5 km from Red Canyon's primary target area, intersected 0.17% copper near the end of the drill hole. This drill intercept is interpreted to be associated with a porphyry driven hydrothermal feeder, adding confidence to the porphyry potential at Scrapper Springs.
- The Company controls a portfolio of eight 100%-owned¹, copper and copper – gold projects.

Wendell Zerb, the Chairman and CEO of the Company, states: *"The Tier 1 copper potential at Scrapper Springs puts it into a rare class of high-profile copper porphyry targets. While our previous work at Scrapper Springs suggested good potential to target a large porphyry system to depth, new geophysics combined with third party targeting studies have vastly improved our confidence at Scrapper Springs. Furthermore, geological evidence that Scrapper Springs exhibits characteristics that suggest the possibility for an upgraded copper core, adds encouragement to the potential. Finally, the infrastructure at Scrapper Springs is excellent, adding considerable margin upside should an economic copper system be discovered. Scrapper Springs is now considered drill ready with multiple excellent drill targets in one of the world's largest untested hydrothermal alteration systems"*.

Project Overview:

The Company holds a portfolio of eight 100% owned¹ projects in British Columbia, Nevada, and Utah. High priority projects are Kendal in west central British Columbia and Scrapper Springs in northeast Nevada. For more information on the Company's newly identified Kendal copper-moly porphyry discovery in west central British Columbia, see Red Canyon press releases dated November 4, 2024 and January 13, 2025.



Figure 1: Location map of Red Canyon's 100% owned¹ copper and copper-gold projects.

Scrapper Springs Project:

Scrapper Springs is in northern Nevada approximately 125 km from the cities of Winnemucca and Elko. The Project is 100% owned, subject to a 2% net smelter return royalty and consists of 190 unpatented mining claims, spanning 1,589 hectares. The approximate 4 x 4 km alteration footprint surrounding the Scrapper Springs target is comparable in scope to some of the world's largest copper deposits. Access is considered excellent with maintained paved and packed gravel year-round road access.

Previous operators at Scraper Springs mostly targeted shallow, high-grade gold systems or Carlin-related gold systems. A reinterpretation of the alteration and geology at the Project by Red Canyon and third-party consultants suggests high-temperature, low-pH clays and Eocene-aged intrusions at Scraper Springs could be associated with a deeper, large-scale copper system.

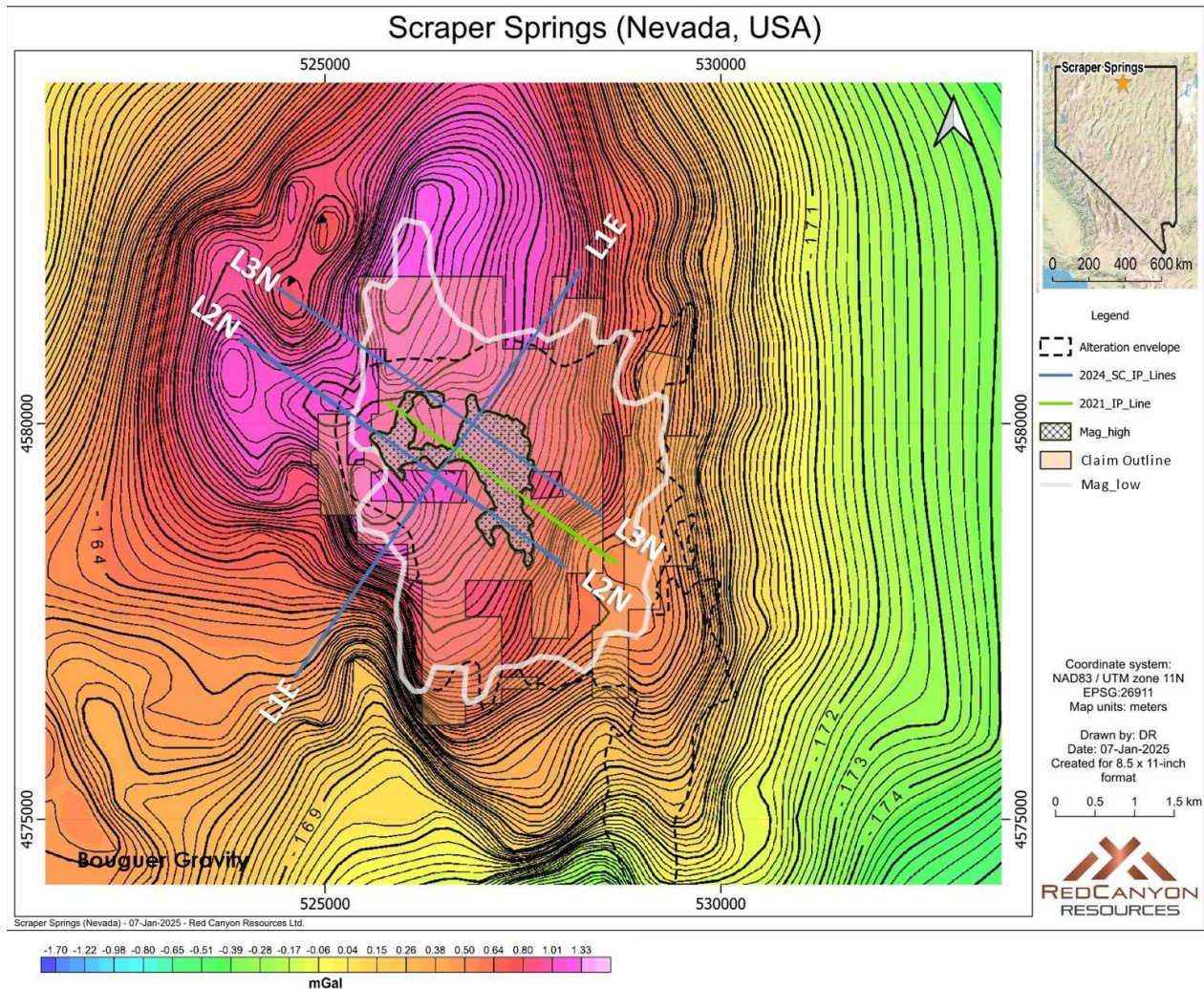


Figure 2: Scraper Springs plan view with new 2024 IP lines, magnetics, overlying 2024 Bouguer gravity high.

In 2022, Red Canyon completed a single line deep IP survey at the Project, which outlined a significant, chargeable zone near the limit of the survey penetration depth not previously drill tested. One historical drill hole approximately 1.5 km east of this chargeability target intersected propylitic alteration and anomalous copper mineralization with values of 0.17% copper over 10.7 metres. This zone is interpreted to be a distal skarn mineralization driven by a porphyry related hydrothermal feeder.

2024 Geophysics

In Q4/2024, Zonge International, Inc. completed three additional Induced Polarization (IP) and Resistivity survey lines at the Scraper Springs project. This survey was to follow up the single IP line completed by Red Canyon in 2021 (Figure 2). The 2024 Time-Domain survey used a dipole-dipole array configuration with an a-spacing of 300 m on three lines for a total of 7.2 line-kilometres

of electrode coverage. A two-dimensional inversion was completed to produce a section representative of an image of the electrical properties of the subsurface. The program identified an expanded zone of chargeability identified in 2021 with increased depth resolution, as well as several new centres of high chargeability (Figure 3). Several features identified represent chargeability highs corresponding with conductive zones (low resistivity).

Scraper Springs L3N IP Geophysics

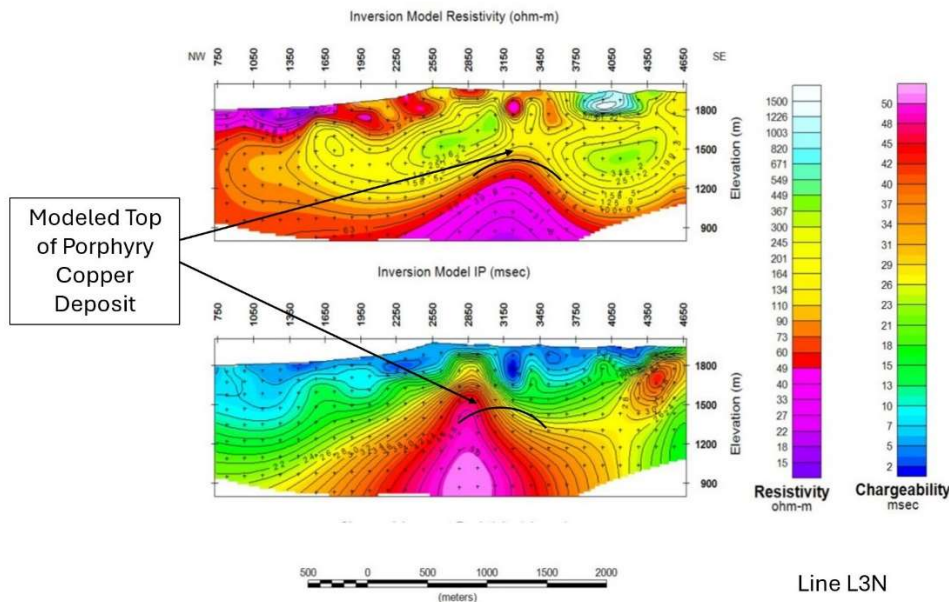


Figure 3: Scraper Springs 2024 Expanded IP Geophysics Line L3N with Inversion Model Resistivity and IP Chargeability

Based on geological and alteration mapping, the Company believes the Scraper Springs area is underlain by a large intrusive complex with causative intrusions responsible for the large 4 by 4 km hydrothermal alteration cell seen at surface. The alteration footprint is characterized by widespread distribution of an advanced argillic alteration mineral assemblage that indicates formation from hot, acidic and oxidized fluids. High temperature minerals such as pyrophyllite and zunyite in steep structures, as well as abundant dickite and alunite, indicate that the current erosional surface is close to the base of the lithocap. This further suggests a possible porphyry system remains intact and at moderate depths (Figure 4).

In Q3/2024, Magee Geophysical Services LLC conducted a detailed gravity geophysical survey covering the Scraper Springs area (Figure 2). The survey included 429 new stations spaced 200 m apart. The central area of Scraper Springs is represented by a 10 by 5 km north – south trending gravity high. This high is interpreted to represent a deep, intrusive complex likely associated with causative intrusions responsible for the large hydrothermal alteration footprint at Scraper Springs.

In 2024, the Company also engaged Fathom Geophysics (“Fathom”) to conduct a Magnetic Vector Inversion study on the Scraper Springs 2005 ground magnetics survey data. Fathom work identified that the moderate magnetic high (Figure 2), central at Scraper and associated with the North and South intrusive stocks, appears to coalesce at depth suggesting a larger, intrusive body continues to depth.

New Targeting Studies

The Company, together with independent consulting geologist Dr. Mike Sepp, undertook a review of Scrapper Springs geophysics, geological and alteration mapping, geochemistry and hyperspectral work. In particular, Dr. Sepp is considered an expert in high temperature minerals (zunite and pyrophyllite) associated with porphyry systems.

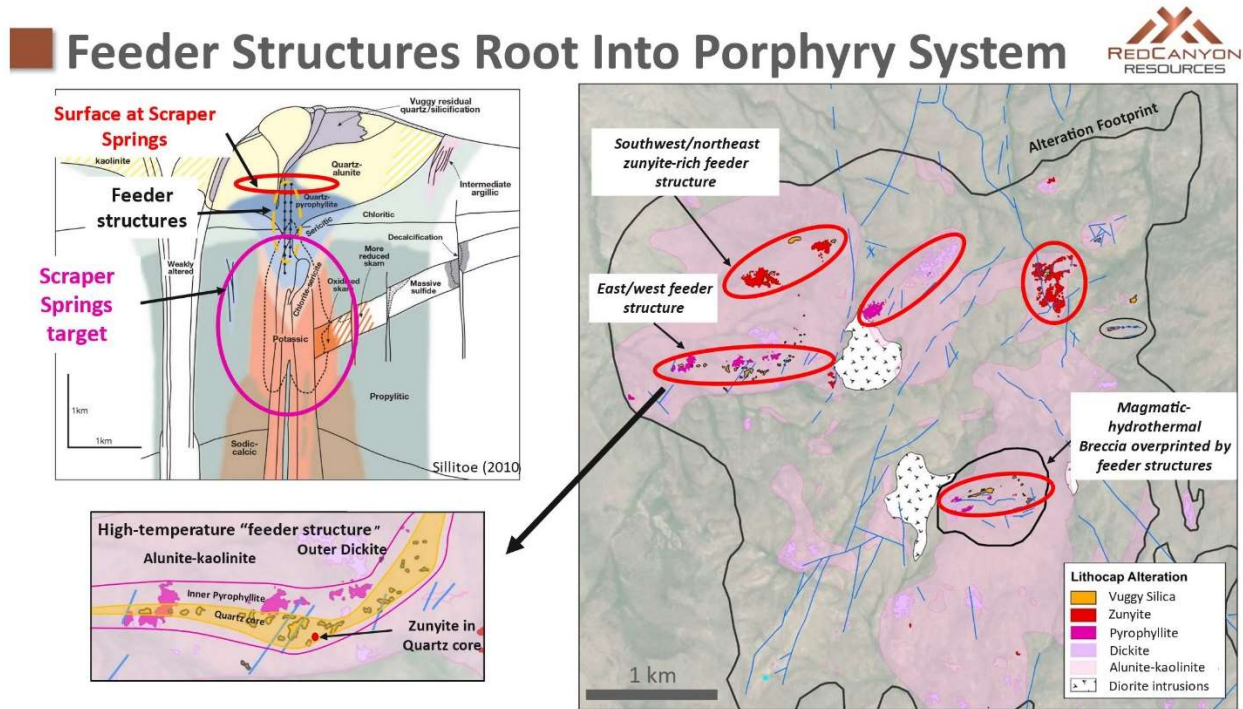


Figure 4: Scrapper Springs modeling, high temperature feeder structure interpretation and interpretation of Scrapper Springs Porphyry targeting to depth.

The following are some important conclusions developed previously and as part of Dr. Sepp's review work:

- Scrapper Springs has a Tier-one size alteration cell (4 x 4 km) analogous to world's largest porphyry deposits.
- Favorable project magnetics with a large property scale magnetic low (hydrothermal alteration) and associate bullseye magnetic high (Figure 2).
- New IP geophysics outline a series of large anomalies (chargeable and conductive zones) that underlie the favorable deep lithocap alteration (Figures 2 and 3).
- The large footprint of Alunite alteration at Scrapper Springs likely indicates strongly oxidized magmas, which are important to develop porphyry systems worldwide (Figure 4).
- North and South stock diorite intrusions at Scrapper Springs are the same age as Bingham Canyon in Utah (38 Ma) (Figure 4).
- Strong high temperature zunite alteration indicates high chlorine magmatic fluids favorable to porphyry formation (Figure 4).
- Late zunite alteration in high-temperature feeders indicate potential for an upgraded potassic core (>1% Cu), as seen at the Resolution deposit in Arizona and the Oyu Tolgi mine in Mongolia (Figure 4).

- Surface alteration and indicator geochemistry model the system at base of the lithocap, suggesting high preservation potential of system while also suggesting reasonable exploration target depths (Figures 3 and 4).
- Reprocessing of hyperspectral SWIR data discovered the presence of mixed muscovite and pyrophyllite in high-temperature feeder structures, characteristic of the lithocap-porphyry transition at: Yerington-USA, Pebble-USA, KSM-Canada, Oyu Tolgoi-MNG, Far Southeast-Lepanto-PHL, El Salvador-CHL, Los Helados-CHL, Valeriano-CHL (orange oval Figure 4).
- One historical deep drill hole approximately 1.5 km east of the current target area intersected propylitic alteration and anomalous copper mineralization with values of 0.17% copper over 10.7m. This drill intercept possibly represents a hydrothermal exoskarn zone interpreted to be associated with an adjacent copper porphyry system.

The Company views Scrapper Springs as an important, high-profile copper project with excellent discovery potential. Scrapper Springs is drill ready and the Company is currently working through project and finance planning, and budgeting for 2025.

Corporate Strategy:

Red Canyon is focused on exploring for copper and copper-gold related mineral systems within mining friendly jurisdictions in North America, with a particular focus on British Columbia and the Western United States. The Company is specifically targeting new or underexplored areas within established, premier copper districts.

The Red Canyon team has sourced and advanced its portfolio of 100% owned¹ projects over the last four years using leading-edge geoscience to generate new exploration concepts. The Company is largely focused on exploring for and acquiring new projects. Projects are either acquired by staking claims on open ground, or through options with third parties, on terms that allow the Company to acquire a 100% project interest.

Red Canyon's plan is to drill test priority projects with a goal of bringing targets to a decision point as quickly and cost-effectively as possible. The Company also intends to advance earlier stage projects to a drill decision by executing geologic, geochemical, and geophysical programs. Red Canyon is executing a corporate strategy of seeking out strategic alliances and will evaluate opportunities to joint venture, option or sell projects to qualified partners to maximize its exposure to exploration success.

Additional information on the Company's projects can be found on the Company's website www.redcanyonresources.com. Further projects are in development and details will be disclosed as information comes available.

¹ Red Canyon holds three projects subject to option agreements under which the Company may earn 100% interest in the projects.

About Red Canyon Resources:

Red Canyon Resources Ltd. (CSE: REDC) is a technically-driven, discovery-focused mineral exploration company focused on exploring North America's top copper jurisdictions. The Company's core goal is to make impactful copper discoveries to benefit all stakeholders. Red Canyon has a portfolio of 100% owned copper and copper-gold porphyry exploration projects. The Company's technical team consists of experienced geoscientists with diverse capital market, junior and major mining company backgrounds and a track record of success.

For more information, please visit the Company's website at www.redcanyonresources.com.

Red Canyon is part of the NewQuest Capital group which is a discovery-driven investment company that builds value through the incubation and financing of mineral projects and companies. Further information about NewQuest can be found on the company website at www.nqcapitalgroup.com.

On Behalf of the Board of Directors

Wendell Zerb
Chairman and Chief Executive Officer
+1 (604) 681-9100
wzerb@redcanyonresources.com

For further information, please contact:

Brennan Zerb
Investor Relations Manager
+1 (778) 867-5016
bzerb@redcanyonresources.com

Qualified Person:

The technical information contained in this update has been reviewed and approved by Wendell Zerb, P. Geol, a “Qualified Person” (“QP”) as defined in National Instrument 43-101 – Standards of Disclosure for Mineral Projects.

Forward-Looking Statements:

This news release includes certain forward-looking statements and forward-looking information (collectively, “forward-looking statements”) within the meaning of applicable Canadian securities legislation. All statements, other than statements of historical fact, included herein including, without limitation, statements regarding future capital expenditures, exploration activities and the specifications, targets, results, analyses, interpretations, benefits, costs and timing of them, and the anticipated business plans and timing of future activities of the Company, are forward-looking statements. Although the Company believes that such statements are reasonable, it can give no assurance that such expectations will prove to be correct. Often, but not always, forward looking information can be identified by words such as “pro forma”, “plans”, “expects”, “may”, “should”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates”, “believes”, “potential” or variations of such words including negative variations thereof, and phrases that refer to certain actions, events or results that may, could, would, might or will occur or be taken or achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to differ materially from any future results, performance or achievements expressed or implied by the forward-looking statements. Such risks and other factors include, among others, risks related to the anticipated business plans and timing of future activities of the Company, including the Company’s exploration plans and the proposed expenditures for exploration work thereon, the ability of the Company to obtain sufficient financing to fund its business activities and plans, the ability of the Company to obtain the required permits, changes in laws, regulations and policies affecting mining operations, the Company’s limited operating history, currency fluctuations, title disputes or claims, environmental issues and liabilities, as well as those factors discussed under the heading “Risk Factors” in the Company’s prospectus dated October 12, 2023 and other filings of the Company with the Canadian Securities Authorities, copies of which can be found under the Company’s profile on the SEDAR website at www.sedar.com.

Readers are cautioned not to place undue reliance on forward-looking statements. The Company undertakes no obligation to update any of the forward-looking statements, except as otherwise required by law.