

# Red Metal Resources Converts \$1.15 Million of Debt Into Equity

**THUNDER BAY, ONTARIO--(Marketwire - Jan. 13, 2010) - Red Metal Resources Ltd. (PINK SHEETS:RMES)**, a resource company focused on growth through acquiring, exploring and developing copper-gold assets in Chile, today announced an agreement with the Company's major debt holders to convert USD\$1,152,518 of debt to restricted Red Metal common stock at a price of \$0.30 per share. As full payment for debt, Red Metal will issue an aggregate 3,841,727 restricted shares of common stock as full payment of the debt.

This debt-for-equity agreement eliminates a substantial majority of debt from Red Metal's balance sheet. Following the issuance of the shares for debt there will be 9,426,301 total shares outstanding.

Debt holders who converted their debt into RMES shares include Fladgate Exploration Consulting Corporation, a company controlled by Red Metal's President and VP Exploration and Da Costa Management Corp., a company owned by Red Metal's CFO.

Caitlin Jeffs, P.Geo., President of Red Metal, stated, "This conversion of debt into equity reflects management's confidence in Red Metal's projects and its belief in the potential upside benefit for equity holders."

## **About Red Metal Resources Ltd.**

Red Metal is a Thunder Bay-based resource company focused on growth through acquiring, exploring and developing copper-gold assets in Chile. For more information, visit [www.redmetalresources.com](http://www.redmetalresources.com).

This press release contains forward-looking statements. The actual results could differ materially from a conclusion, forecast or projection in the forward-looking information. Certain material factors or assumptions were applied in drawing a conclusion or making a forecast or projection as reflected in the forward-looking information.