

SECURITIES & EXCHANGE COMMISSION EDGAR FILING

RED METAL RESOURCES, LTD.

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

May 27, 2014

Date of Report (Date of earliest event reported)

RED METAL RESOURCES LTD.

(Exact name of registrant as specified in its charter)

NEVADA

(State or other jurisdiction
of incorporation)

000-52055

(Commission File
Number)

20-2138504

(IRS Employer Identification No.)

**195 Park Avenue
Thunder Bay
Ontario, Canada**

(Address of principal executive offices)

P7B 1B9

(Zip Code)

1 (807) 345-5380

Registrant's telephone number, including area code

NOT APPLICABLE

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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ITEM 1.01 ENTRY INTO A MATERIAL DEFINITIVE AGREEMENT

On May 27, 2014, Minera Polymet Limitada (“Polymet”), a Chilean subsidiary of Red Metal Resources Ltd. (the “Company”), entered into a Memorandum of Understanding (“MOU”) with David Marcus Mitchell (the “Vendor”).

The MOU will serve to confirm Polymet’s intention to acquire option to earn 100% interest in two mining concessions contiguous to Polymet’s Farellon Property and declaring the Vendor’s interest in granting such option and subsequently transferring the mining concessions. For a detailed list of the concessions please refer to the MOU filed as an attachment to this Form 8-K.

Polymet may acquire 100% of the mining concessions by paying a total of US\$300,000 in a mixture of shares of Red Metal Resources Ltd. and cash over four years. The stock price shall be determined based on the 30 day trading average price. The vendor will retain a 1.5% NSR on the two claims and Polymet will have the right to purchase 100% of the NSR for a one-time payment of US\$1,500,000 any time after acquiring 100% of the property.

The payment schedule for the option agreement is as follows:

	Payment of Price US\$
Upon execution of Option Agreement (“Execution date”)	50,000
12 months after Execution date	50,000
24 months after Execution date	50,000
36 months after Execution date	50,000
48 months after Execution date	100,000
Total	300,000

All of the above payments shall be made only if Polymet wishes to keep the Option Agreement in force and finally to exercise the option to purchase.

The foregoing description of the Memorandum of Understanding does not purport to be complete and is qualified in its entirety by reference to the complete text of the MOU attached as Exhibit 10.1 hereto. A copy of the Company’s news release regarding the Memorandum of Understanding is attached as Exhibit 99.1 hereto.

ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS

Exhibit Number	Description of Exhibit
10.1	Memorandum of Understanding between Minera Polymet Limitada and David Marcus Mitchell
99.1	News Release dated May 27, 2014

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, hereunto duly authorized.

RED METAL RESOURCES LTD.

Date: June 3, 2014

By: /s/ Caitlin Jeffs

Name: Caitlin Jeffs

Title: Chief Executive Officer and President

MEMORANDUM OF UNDERSTANDING

BETWEEN

Minera Polymet Limitada

AND

David Marcus Mitchell

MINERA POLYMET LIMITADA, a mining company, hereinafter also “Polymet” or the “Beneficiary” and on the other, **DAVID MARCUS MITCHELL**, Canadian, businessman hereinafter also the “Proprietor” and all the aforementioned jointly referred to as the “Parties” and individually as a “Party”, have agreed upon the following Memorandum of Understanding (the “MOU”):

WHEREAS,

- i. The Proprietor is the sole and current owner of the mining concessions EXETER 1 AL 54, located in Cerro Pan de azúcar Province of Huasco, Third Region, Chile and QUINA 1 AL 56, located in Mineral de Carrizal Alto, Province of Huasco, Third Region, Chile. The listing of all and each of the mining concessions is attached hereto as Annex A. For this instrument’s purposes, all rights and mining concessions listed under said Annex, are referred to as the “Mining Concessions”;
- ii. Polymet intends to acquire the Mining Concessions through the execution of a mining option purchase agreement (the “Option Agreement”), declaring the Proprietor its interest in granting such option and subsequently transferring said Mining Concessions, all of the foregoing in the terms and conditions set forth herein.

THE PARTIES AGREE THAT,

1. MINING PROPERTY.

Polymet intends, through the execution of the Option Agreement and subsequent exercise of the option contained therein, to acquire 100% of the Mining Concession, including, with no additional cost whatsoever, all rights existing over superficial lands, water rights and any other right that is necessary for the development of projects in the Mining Concessions, that are directly or indirectly owned by the Proprietor.

2. PAYMENT SCHEDULE.

2.1 In order to maintain the option to purchase valid and finally to acquire the Mining Concessions, Polymet shall pay the Proprietor the equivalent total amount of 300,000 USD in a mixture of shares and dollars in the following installments:

- a) The amount of 50,000 USD together or the equivalent in common shares of Red Metal Resources upon execution of the Option Agreement;



- b) The amount of 50,000 USD together or the equivalent in common shares of Red Metal Resources within the term of 12 months counted as of the date of execution of the Option Agreement;
- c) The amount of 50,000 USD together or the equivalent in common shares of Red Metal Resources within the term of 24 months counted as of the date of execution of the Option Agreement;
- d) The amount of 50,000 USD together or the equivalent in common shares of Red Metal Resources within the term of 36 months counted as of the date of execution of the Option Agreement;
- e) The amount of 100,000 USD within the term of 48 months counted as of the date of execution of the Option Agreement.

The Parties hereby agree that all payments indicated above will be a condition precedent to the exercise of the option to be granted under the Option Agreement. All the aforementioned payments will be facultative for Polymet and shall be made only if it wishes the Option Agreement to remain in force and finally to exercise the option to purchase contained therein.

2.2 The option to purchase shall be exercised within 4 years counted as of the execution of the Option Agreement.

2.3 The Beneficiary is entitled to exercise the option to purchase the Mining Concessions in advance, through the payment of the outstanding amounts by the time of such exercise, as established in the payment schedule indicated in 2.1 above.

2.4 Payments a, b, c, and d listed in 2.1 above can be made in equivalent amounts of Red Metal Resources Ltd. common shares listed on the Over the Counter Bulletin Board in the US. Share price will be calculated using a 30 day trading average price.

3. NSR.

3.1 Upon the exercise of the option and once the commercial production of the Mining Concession has begun, the Beneficiary shall pay the Proprietor a net smelter return royalty ("NSR") of 1.5 % of what the Beneficiary receives for the selling of concentrates, dore metal, bullion and other products obtained from the recovery of fine contents of gold, copper and cobalt – after applicable and common discounts - derived from the minerals extracted as a result of the exploitation of the Mining Concessions.

3.2 At any time after the exercise of the option Polymet may acquire 100% of the NSR in exchange for a one-time \$1,500,000 USD payment.

3.3 The Proprietor shall grant the Beneficiary a preemptive right to acquire the NSR. The procedure for the exercise of such preemptive right will be established in the Option Agreement.

3.4 No mining activity shall take place until the full option agreement has been completed and all \$300,000 USD payments of shares and cash have been made.

3.5 Finally, the Parties hereby agree that they will waive the resolatory action that may derive from the NSR in the Option Agreement.

4. DUE DILIGENCE AND OPTION AGREEMENT.

5.1 Polymet will carry out a legal review of all Mining Concessions' titles and others related to the Mining Concessions and the Proprietor, as well as the performance of a technical review of the geological information and further background information existing in connection with the same. Such review will be made in a maximum term of [60] days counted as of this date, hereinafter the "Due Diligence Period".

5.2 The Proprietor shall provide all available information in order to proceed with the aforementioned review of all corporate aspects of the Proprietor and the Mining Concessions.

5.3 At any time during the Due Diligence Period and before it has expired, the Beneficiary shall communicate to the Proprietor - in writing and through any means - its intention of continuing with the acquisition of the Mining Concessions. If the Beneficiary has not expressed its intentions in the aforementioned manner once the Due Diligence Period has expired, it shall be understood that it will not proceed with the acquisition and consequently the Proprietor will be entitled to commercialize the Mining Concessions in the terms it deems convenient.

5.4 Should the intention of continuing with the transaction be expressed, the Parties shall execute the Option Agreement in the terms set forth in Article 169 of the Mining Code and other applicable regulations. The Option Agreement shall contain the terms and conditions established herein as well as any other provision or clause commonly used in this type of agreements.

5.5 The parties hereby express that it is their intention that all provisions in this MOU relating to the terms and conditions in which the Option Agreement is to be executed are to be considered binding.

5. EXCLUSIVITY.

6.1 As the study of a probable acquisition of the Mining Concessions by the Beneficiary implies the investment of time and resources by the latter, it is required that during the Due Diligence Period and until the execution of the Option Agreement, the Proprietor refrains from negotiating, whether directly or indirectly, any sort of agreement for selling, leasing or of any other kind with third parties, not being authorized to supply information or to make sales offers to third parties, unless previously authorized by the Beneficiary in writing.

The Proprietor undertakes to immediately inform the Beneficiary of any offer it may receive regarding the Mining Concessions, whatever maybe the conditions or means in which it has been formulated.

6.2 Any agreement directly or indirectly achieved, regarding the Mining Concessions during the Due Diligence Period and until the execution of the Option Agreement, will force the Proprietor to compensate the Beneficiary for all costs and expenses incurred in the due diligence process, including all legal and consultant fees.

In addition to the foregoing and should the Proprietor reach an agreement with a third party regarding the Mining Concessions in the term between the formal communication given by the Beneficiary in order to execute the Option Agreement and the execution of said document, the Proprietor expressly undertakes to pay and/or recognize in favor of the Beneficiary, as a compensation for the termination of this MOU, the amount of [100,000] USD.

6. PROHIBITION.

In the Option Agreement, the Proprietor shall voluntarily undertake not to execute any act or agreement regarding the Mining Concessions and the ores and substances contained within the limits of the same. These prohibitions shall remain in force during the validity of the Option Agreement.

7. CONFIDENTIALITY.

The Parties hereby agree that the execution of the present MOU as well as the terms and conditions contained herein are considered to be confidential information and therefore undertake not to disclose any such information without the prior written consent of the other Party, except for (i) the disclosure made to their employees, directors, officers, agents or consultants on a need to know basis or (ii) as required by applicable securities laws and authorities..

8. GENERAL CONDITIONS.

9.1 Mining Concessions' Protection.

The Beneficiary shall be responsible for properly and timely paying the corresponding fees of the Mining Concessions patents during the validity of the Option Agreement, starting with and including payments due on June 30th, 2014.

Likewise, the Proprietor undertakes to watch over and protect the Mining Concessions and defend them from third parties, being such costs entirely borne by the Proprietor.

9.2 Assignment.

Polymet may execute the Option Agreement, directly or through any related company.

9.3 Expenses.

Each Party shall be responsible for its own expenses incurred or as a consequence of the matters and operations referenced herein.

9.4 Previous Communications.

This instrument supersedes all previous offers and communications between the Parties.

9.5 Applicable Law.

This instrument shall be governed by the laws of the Republic of Chile.

9.6 Domicile.

For all legal purposes deriving from this instrument, the Parties establish their domicile in the city and borough of Santiago.

9.7 Arbitration.

Any difficulty or controversy arising among the parties to the MOU regarding the application, interpretation, duration, validity or execution of the contract, or for any other reason, shall be submitted to arbitration pursuant to the Rules of Arbitration Procedure of the Santiago Arbitration and Mediation Center in effect at the time of its initiation.

The parties confer an irrevocable special power of attorney upon the Santiago Chamber of Commerce so that it may, at the written request of any of the parties, appoint an arbitrator from among the members of the arbitration corps of the Santiago Arbitration and Mediation Center, who will be empowered to act as arbitrator-at-law with regard to the substance of the dispute and as ex aequo et bono with regard to the procedure.

There shall be no remedy against the arbitrator's resolutions. The arbitrator is especially empowered to resolve any matter relating to his/her competence and/or jurisdiction.

Legal Capacities

The legal capacity of Mr. Kevin Mitchell to act on behalf of MINERA POLYMET LIMITADA, is evidenced in Notary Ricardo Olivares Pizarro in July 17th 2007.

The legal capacity of [] to act on behalf of DAVID MARCUS MITCHELL is evidenced in [].

In witness whereof, the Parties sign This MOU in two identical copies.

/s/ David Marcus Mitchell

DAVID MARCUS MITCHELL

/s/ Kevin Mitchell

[KEVIN MITCHELL]
P.P. MINERA POLYMET LIMITADA

Red Metal Resources Announces Agreement to Acquire Further Claims for Farellon Property

THUNDER BAY, ON and VALLENAR, CHILE, May 27th, 2014 – Red Metal Resources Ltd. (OTCQB:RMES), a mineral exploration company with copper-gold assets in Chile, is pleased to announce that its Chilean subsidiary, Minera Polymet Limitada, (“Polymet”) has signed a memorandum of understanding to acquire the option to earn 100% interest in two mining concessions contiguous to our Farellon Property. The two claims total 486 hectares and will add a further approximately 5 kilometres of strike length of veins along the same trend as the previously drilled vein zone on our Farellon Property.

Polymet may acquire 100% of the mining concessions by paying a total of US\$300,000 in a mixture of shares and cash over four years. The vendor will retain a 1.5% NSR on the two claims and Polymet will have the right to purchase 100% of the NSR for a one-time payment of US\$1,500,000 at any time after acquiring 100% of the property.

The payment schedule for the option agreement is as follows:

1. The amount of 50,000 USD together or the equivalent in common shares of Red Metal Resources upon execution of the Option Agreement;
2. The amount of 50,000 USD together or the equivalent in common shares of Red Metal Resources within the term of 12 months counted as of the date of execution of the Option Agreement;
3. The amount of 50,000 USD together or the equivalent in common shares of Red Metal Resources within the term of 24 months counted as of the date of execution of the Option Agreement;
4. The amount of 50,000 USD together or the equivalent in common shares of Red Metal Resources within the term of 36 months counted as of the date of execution of the Option Agreement;
5. The amount of 100,000 USD within the term of 48 months counted as of the date of execution of the Option Agreement.

The Farellon property presently consists of seven mining and exploration concessions totaling 1,053 hectares, the new property will consist of nine mining and exploration concessions totaling 1,539 in the Carrizal Alto mining district located approximately 75 kilometers northwest of the city of Vallenar, 150 kilometers south of Copiapo and 20 kilometers west of the Pan American Highway. The property is easily accessible year round by dirt roads that crisscross the property and is located close to power, water and a major urban centre, Copiapo, with a readily available mining workforce

Caitlin Jeffs, P.Geo., President & CEO of Red Metal stated, “We are very excited to be adding this key piece of ground to our Farellon Project and believe the potential of the property is equal to the previously explored ground on the Farellon Property .”

Caitlin Jeffs, P. Geo., President & CEO of 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 OTCQB under the symbol RMES. For more information, visit www.redmetalresources.com.

Except for the statements of historical fact, the information contained herein is of a forward-looking nature. Such forward-looking information involves known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievement of the company to be materially different from any future results, performance or achievements expressed or implied by statements containing forward-looking information. Accordingly, you should not place undue reliance on statements containing forward looking information. The U.S. Securities and Exchange Commission permits mining companies, in their filings with the SEC, to disclose only those mineral deposits that a company can economically and legally extract or produce. We may use certain terms in our press releases, such as "measured," "indicated," and "inferred" resources, which the SEC guidelines generally prohibit companies from including in their filings with the SEC. Investors are urged to consider closely the disclosure in our Form 10-K, which may be obtained from us, or from the SEC website.

Contact:

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