



R3D Resources Limited | ACN: 111 398 040 | ASX: R3D

169 Blues Point Road, McMahons Point NSW 2060 Australia | Tel: +61 2 9392 8032

28 October 2021

Further Sulphide Intersection in RDD003 and Newcrest Bulimba Agreement Update

R3D Resources Limited (**R3D** or the **Company**), a significant copper-gold explorer and developer in the Chillagoe Region in North Queensland, advises that it has completed its third diamond hole on the Tartana mining leases with a total depth of 450.8 metres (m).

As advised on 21 October 2021, RDD003 had intersected intensely veined and brecciated/stockwork sandstone with semi-massive to disseminated mixed sulphides (5-10% including chalcopyrite, pyrite) throughout a 60 m zone between 126 m - 187 m downhole. At the time of reporting the hole was at 240 m although the last 20 m of the hole intersected a highly altered arkose, with 2-5% sulphides throughout with the sulphide content increasing towards the end of drilling at that time.

With a final depth of 450.9 m summary logging has now been completed for RDD003 with the following significant sulphide intercepts:

- 98.8 m to 315.7 m (216 m downhole): 3% – 15% (average 7%) visually estimated sulphide content in intensely veined and brecciated/stockwork sandstone with semi-massive to disseminated mixed sulphides
- 369.3 m to 434.8 m (65.5 m downhole): average 4% visually estimated sulphides in similarly veined and brecciated/stockwork sandstone

Core is being cut for assaying.



Figure 1 Chalcopyrite and pyrite veining in altered arkose at approximately 291.5 m in RDD 003.

The Company's geologists consider that the mineralisation in RDD003 (and RDD002) is interrelated with the deeper mineralisation in the open pit. This is considered credible due to the extensiveness of the IP anomalies and that historical drilling has generally been too shallow.

Newcrest Mining and R3D Agree to Amend Bulimba Agreement

Newcrest and R3D have amended the Bulimba agreement to allow for the deferral of the Helitem survey over the eastern Bulimba tenements until 1H 2022.

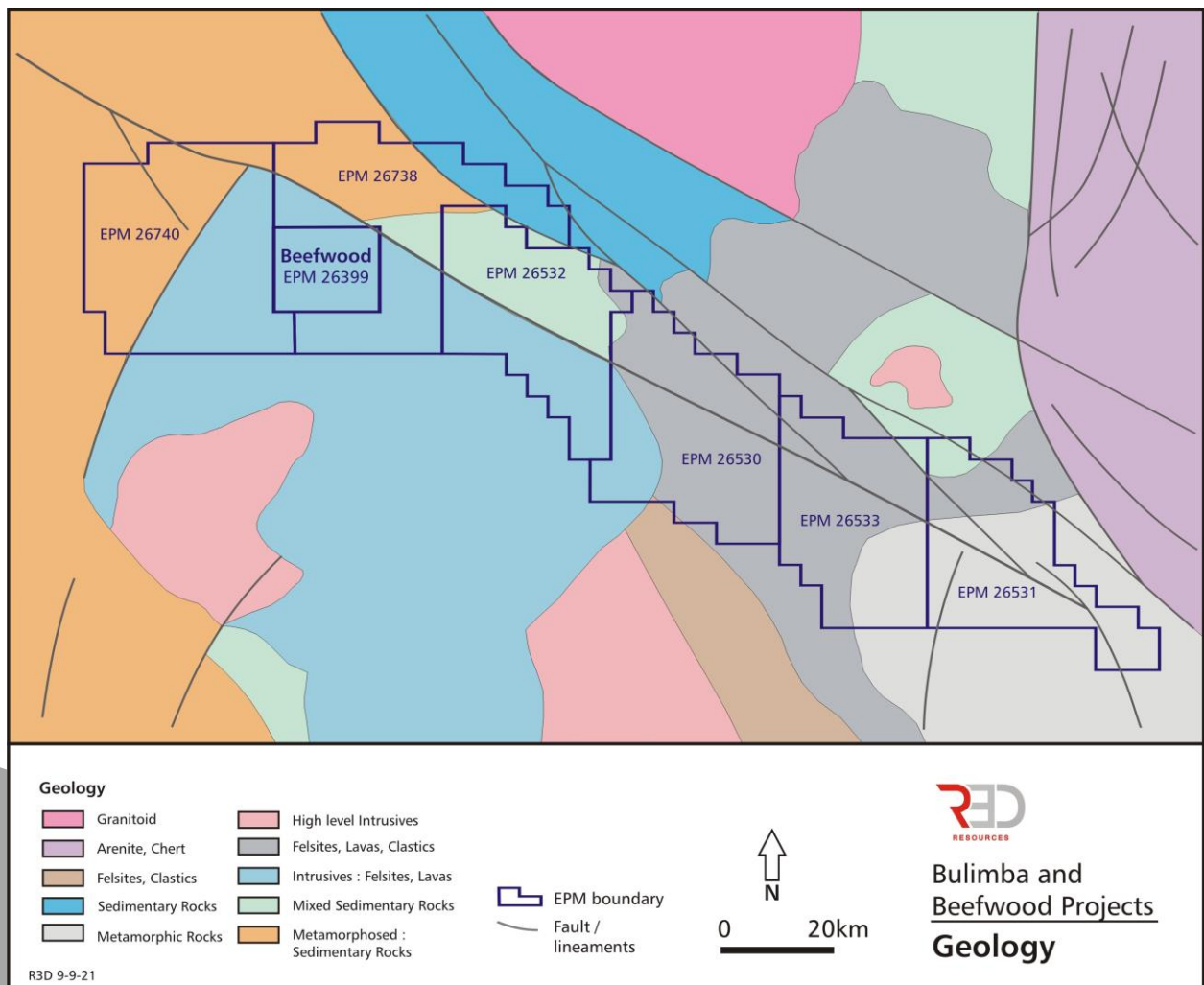
The Bulimba agreement covers six EPMS west of the Tartana mining leases and is subject to the Bulimba agreement where:

1. R3D agrees to spend a minimum of \$335,000 on exploration on the tenements to meet minimum expenditure commitments required for the Department of Resources
2. At the completion of this expenditure, Newcrest Mining will transfer the tenement to R3D Resources at no cost
3. If R3D discovers more than 1M oz Au Equivalent (Eq), Newcrest may elect to “claw back” 75% of the project by spending three times R3D Resources’ expenditure to-date
4. Alternatively, Newcrest may earn a 1.5 % to 2% NSR on future production by R3D with the rate depending on whether the head grade is above or below 1g/t Au Eq.

Under the original agreement the expenditure commitments were to be met by the 21 November 2021. However due to increased demand for low frequency Helitem surveys in WA, R3D was not able to commission a survey covering the tenements until 1H CY2022.

R3D conducted a Falcon Gravity/Magnetic aerial survey over the western tenements including its separate Beefwood project in July/August 2021 and which has met the required expenditure for EPM 26740 and 26738.

In respect of EPMS 26532, 26530, 26533 and 26531, Newcrest requested and has been granted the deferral of expenditure commitments for the 2021 year until 2022 by the Queensland Department of Resources.





Meanwhile new targets emerging from the Falcon Gravity/Magnetic survey are currently being assessed and planning is underway for follow up exploration. The Company expects to outline these targets in early November.

For further information

Stephen Bartrop
Managing Director

R3D Resources Limited

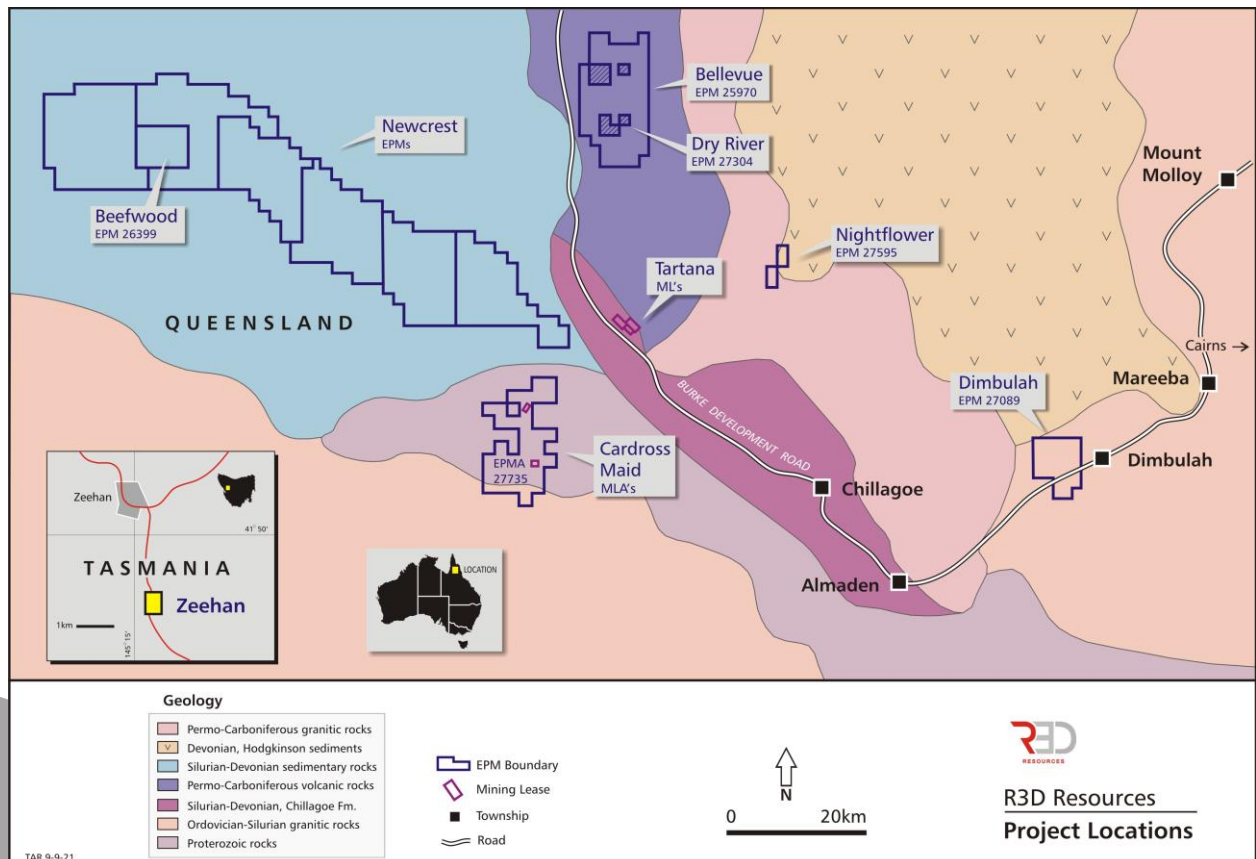
M: + 61 408486163

P: + 61 2 9392 8032

This announcement has been approved by the Board of R3D Resources Limited.

About R3D Resources

In July 2021 R3D Resources Limited acquired Tartana Resources Limited, a significant copper-gold explorer and developer in the Chillagoe Region in North Queensland. The Company owns several projects of varying maturity, with the most advanced being the Tartana mining leases which contain an existing heap leach – solvent extraction – crystallisation plant. Work has commenced to restart this plant to provide future cash flow through the sale of copper sulphate. In Tasmania, Tartana has secured permitting to excavate and screen for export low-grade zinc furnace slag/matte from its Zeehan stockpiles in Western Tasmania and is shipping zinc slag to South Korea. These two projects have the potential to generate a cash flow to underpin the Company’s extensive exploration activities in the Chillagoe region and which are also outlined in its Prospectus dated 26 May 2021.





Qualifying statement

The information in this Report that relates to Exploration Information is based on information compiled by Mr Tom Saunders who is a Member of AusIMM.

Mr Tom Saunders is the Technical Exploration Manager of R3D Resources. He has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the JORC Code. Mr Tom Saunders is a full-time employee of R3D Resources and consents to the inclusion in this announcement of the Exploration Information in the form and context in which it appears.

Disclaimer Regarding Forward Looking Statements

This ASX announcement contains various forward-looking statements. All statements, other than statements of historical fact, are forward-looking statements. Forward-looking statements are inherently subject to uncertainties in that they may be affected by a variety of known and unknown risks, variables and factors which could cause actual values or results, performance or achievements to differ materially from the expectations described in such forward-looking statements.

R3D Resources does not give any assurance that the anticipated results, performance or achievements.

Drill Hole Information

Drillhole	Type	Collar Co-ordinates			Dip	Azimuth	Hole length	Core size
		X	Y	RL				
RDD001	Diamond	208450	8126105	233	-75	202	522.9	HQ to 111.6m NQ to end of hole
RDD002	Diamond	2089444	8125770	241	-67	203	693.8	HQ to 50.6m NQ to end of hole
RDD003	Diamond	2089444	8125770	241	-60	38	450.9	HQ to 74.6m NQ to end of hole

Notes:

Drilling commenced 21st September 2021 and was completed on 25 October 2021.

Co-ordinates are 2020 datum and true north

Historical drillhole information available at www.r3dresources.com.au

JORC Code, 2012 Edition

Section 1 Sampling Techniques and Data

Criteria	Commentary
<i>Sampling techniques</i>	<ul style="list-style-type: none"> • Half core sampling (not yet started)
<i>Drilling techniques</i>	<ul style="list-style-type: none"> • HQ75 Diamond Core utilizing a UDR650 Drill Rig
<i>Drill sample recovery</i>	<ul style="list-style-type: none"> • Initial recoveries are exceeding 99%
<i>Logging</i>	<ul style="list-style-type: none"> • Preliminary logging has been completed for normal drill coring control. Drilling is currently ongoing but expected to be completed within the week. Detailed geological and structural logging commenced 19/10/2021
<i>Sub-sampling techniques and sample preparation</i>	<ul style="list-style-type: none"> • All core has been washed and cleaned of drill mud and polymers.
<i>Quality of assay data and laboratory tests</i>	<ul style="list-style-type: none"> • No samples dispatched as yet. Contract with laboratory in place to complete ore grade base metal assays. Gold and trace elements to be test by a low level ICP with follow up Fire Assay gold on all samples grading greater than 0.1 ppm Au.
<i>Verification of sampling and assaying</i>	<ul style="list-style-type: none"> • No repeat assays or laboratory assays undertaken. • R3D currently has external gold and copper porphyry standards on site as well as internal field duplicates. • These are planned to be inserted at a rate of each 20th sample (5%). • Repeat and other QAQC steps will be based on assay results.
<i>Location of data points</i>	<ul style="list-style-type: none"> • Handheld GPS reading 10+ satellites with a nominal accuracy of 3m was used for initial location of all collars. • R3D has just completed a drone LIDAR over the whole of the four mining leases. This will enable to improve accuracy of the collar location down to 40mm. R3D are awaiting the final LIDAR results which are in final compilation and correlation phase.
<i>Data spacing and distribution</i>	<ul style="list-style-type: none"> • Sampling is currently planned to be on one metre intervals over all mineralised zones. Unmineralised zone will be sampled at longer intervals but not exceeding three metres. • All three holes are testing IP anomalies and geology previously untested in all previous drilling and mining operations
<i>Orientation of data in relation to geological structure</i>	<ul style="list-style-type: none"> • The drilling was designed to test the three highest IP anomalies at Tartana. These are separate to the lower intensity IP that captures the exploration target and copper intersections at the copper mine location.

Criteria	Commentary
	<ul style="list-style-type: none"> Holes one and two are broadly at 75-90 degrees to the structural trends of the copper mineralisation. Hole three, testing the main Valentino shear, is at right angles to the main shear orientation. However, the holes are designed to test complex shear zoned so final orientations will be determined by the detailed logging.
<i>Sample security</i>	<ul style="list-style-type: none"> Security is in place at the mine site and a reliable transport agent has been engaged to transport the samples to the laboratory in Townsville.
<i>Audits or reviews</i>	<ul style="list-style-type: none"> N/A at this orientation phase.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	Commentary
<i>Mineral tenement and land tenure status</i>	<ul style="list-style-type: none"> ML's 4819, 4820, 5312 and 20489 wholly owned by Tartana Resources Limited.
<i>Exploration done by other parties</i>	<ul style="list-style-type: none"> Numerous mining operations and exploration programs. Refer to Independent Geologists Report in 2021 prospectus. The high level IP anomalies and the geological zones tested have not been drilled before.
<i>Geology</i>	<ul style="list-style-type: none"> Sheared clastic sediments of the Chillagoe Formation intruded by high level stocks and acid porphyries with complex quartz carbonate veining. R3D recognize that Tartana is a porphyry copper system but also believe that it is part of a larger mineralising cluster within a 35 sq km area extending out of the mining lease footprint.
<i>Drill hole Information</i>	<ul style="list-style-type: none"> Drilling has been completed by a Townsville based drilling contractor with a high level of competence and industry recognition. Other than the collar casing installation, all drilling was diamond core on HQ (75mm) core with recovery rates exceeding 99% (where recoveries have been completed). Downhole surveys are completed at a maximum interval of 30m downhole spacing with spacing in hole one at closer spacing as part of the testing of hole direction and mineralisation. The core is oriented for geological structural analysis both at core recovery runs but also at the survey points. Several zones of broken core have been encountered so orientation results will be affected in those areas.

Criteria	Commentary
<i>Data aggregation methods</i>	<ul style="list-style-type: none"> N/A at this stage
<i>Relationship between mineralisation widths and intercept lengths</i>	<ul style="list-style-type: none"> R3D is planning to sample all mineralised zones (as defined by as a minimum of 1% total sulphide and/or shearing and alteration) at one metre intervals. Non mineralised sections (as defined by the detailed geological and structural logging will be completed at a longer interval but will not exceed three metres.
<i>Diagrams</i>	<ul style="list-style-type: none"> See main body of report.
<i>Balanced reporting</i>	<ul style="list-style-type: none"> Not applicable at this early phase
<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> Refer to Independent Geologists Report in the 2021 Prospectus
<i>Further work</i>	<ul style="list-style-type: none"> Planning is underway to undertake infill drilling on both the Supergene Inferred Resource and also the copper exploration target as detailed in the Prospectus. COVID and border restrictions have made availability of both suitable drill rigs and technical staff in 2021 especially leading up to the wet season.