



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

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23 November 2021

**Positive Progress at Bellevue and Tartana Projects  
Major Gravity and Magnetic Anomalies identified at the Bellevue Project  
Tartana Copper-Gold Discovery update**

**Highlights**

R3D Resources Limited (R3D or the Company) continues to make progress in executing its exploration and development strategy.

- **The generation of three key shallow targets at Bellevue. The targets have been generated from the interpretation of Falcon Gravity and Magnetics Survey, with previously unrecognised gravity highs adjacent to historical mines and prospects.**
- **Application for additional tenure to the south of the OK Mines covering the continuation of the geophysical anomalies and geological structures identified by the Company's remodeling of the OK mine area. The remodeling has changed the interpretation of the mine from a VHMS to a potential larger scale mineralising system associated with haematitic alteration.**
- **The dispatching of 373 priority samples prepared from the recent Tartana drilling, including the discovery hole RDD003 (intersected 216.9 metres containing visually estimated 3% to 15% total sulphide content (average 7%), as advised to the ASX on 29 October 2021).**
- **Appointment of Mr Tom Saunders as Manager – Technical Services. Tom will manage the drilling programmes designed to upgrade Tartana copper mineralisation to JORC 2012 resource status.**

R3D, a significant copper-gold explorer and developer in the Chillagoe Region in Far North Queensland, provides the following update on its Bellevue Copper Project following the analysis and interpretation of recently-acquired Falcon Gravity/Magnetic survey data and an increase in the Company's tenure associated with the project.

**Bellevue Project Update**

The Bellevue and Dry River exploration projects (EPMs 27304 and 25970) are located approximately 60 kilometres (km) north of Chillagoe, approximately 20km north of the Tartana mine site. The tenements cover 25km of the prospective OK member stratigraphy which contains at least 11 copper/gold prospects including the historic OK mines.

As reported in R3D's Quarterly Report (released 29 July 2021), the Company commissioned Xcalibur/CGG Aviation Pty Ltd to fly a Falcon Gravity and Magnetic Survey over the Bellevue/Dry River tenements. The 716-line kilometres was originally flown at a 400 metre (m) spacing. However, following a positive assessment of the initial data from this survey, R3D commissioned an infill programme to reduce the line spacing to 200m spacing in the southern and western parts of the tenements. The additional infill totalled 377km.

After data processing was completed by Xcalibur, Geodiscovery Pty Ltd was engaged to provide an independent review of potential targets to supplement R3D's inhouse geological expertise. A strong structural fabric exists within the tenement, including NE and NW structural trends. At the OK Copper mine there is a strong magnetic anomaly, although there are numerous other magnetic anomalies across the tenements. However, the region surrounding OK Mine appears to have undergone magnetite destruction, which is potentially linked to cross faulting and/or intrusions highlighting a strong principle structural control on mineralisation. Importantly, there is also an associated higher density (gravity) anomaly and the combination of gravity anomalies with the unique magnetic signatures potentially stemming from the impact of cross faulting has led to the prioritisation of several targets.

R3D has prioritised three targets out of a dozen or so identified through the geophysical review and these are:

- Windmill and Bellevue copper prospect area;
- OK Copper Mine area; and
- Area Z3.

The targets have nearby 'gravity highs' and a level of cross faulting within magnetically-anomalous zones. They also have mineralisation at surface or near surface and, as in the case of the first two targets, were historical mining operations.

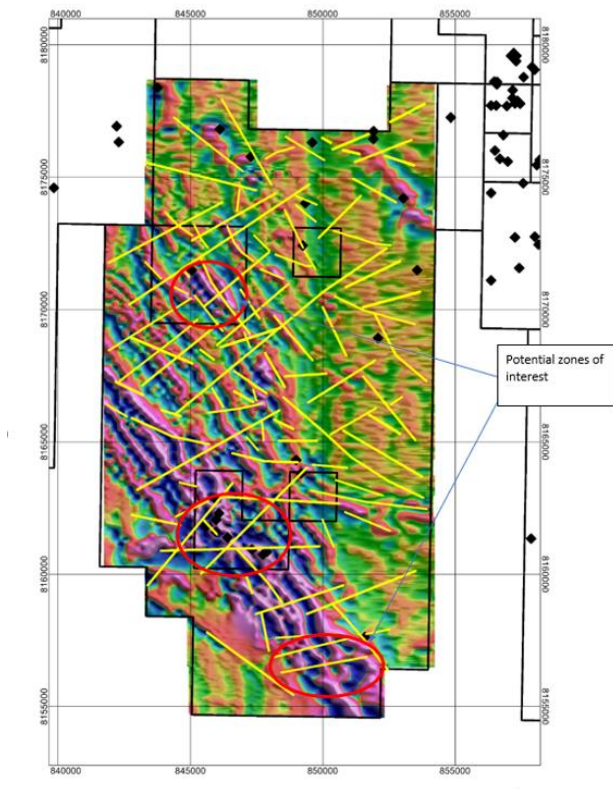
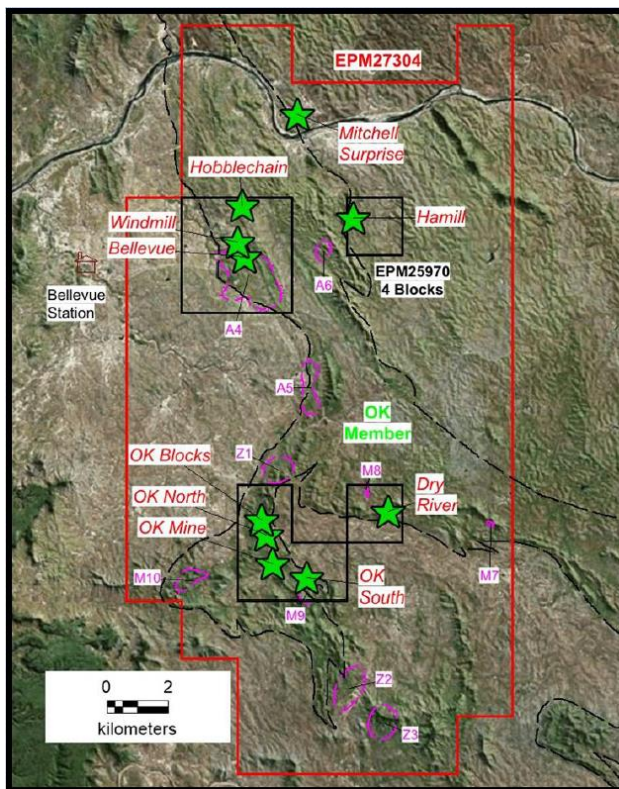


Figure 1a Bellevue and Dry River Tenements with historical prospects.

Figure 1b Bouguer Gravity Image with a Tilt Derivative applied to enhance discrete responses and trends. The data, in particular the vertical derivative and tilt derivative of the magnetics and gravity, also delineates a distinctive structural framework.

Figure 2a below is both a representative view of 3D gravity and magnetic models, with 3D shells of lower density (blue) and high density (yellow), high magnetic susceptibility shells shown in pink. A significant proportion of the high magnetic susceptibility shells are likely to reflect andesitic basalt.

The second part of Figure 2 (2b) highlights the gravity high near the OK mines as the yellow shape. The Company believes that the gravity highs, such as this one, represents exciting untested exploration targets, with mineralisation associated with these targets appearing at surface and which has been exploited by the historical mining operations. Importantly, R3D believes it is the first company to have successfully consolidated all the five OK mine lease areas since the mining operations closed in 1942 and which are now part of R3D's own EPM 25970.

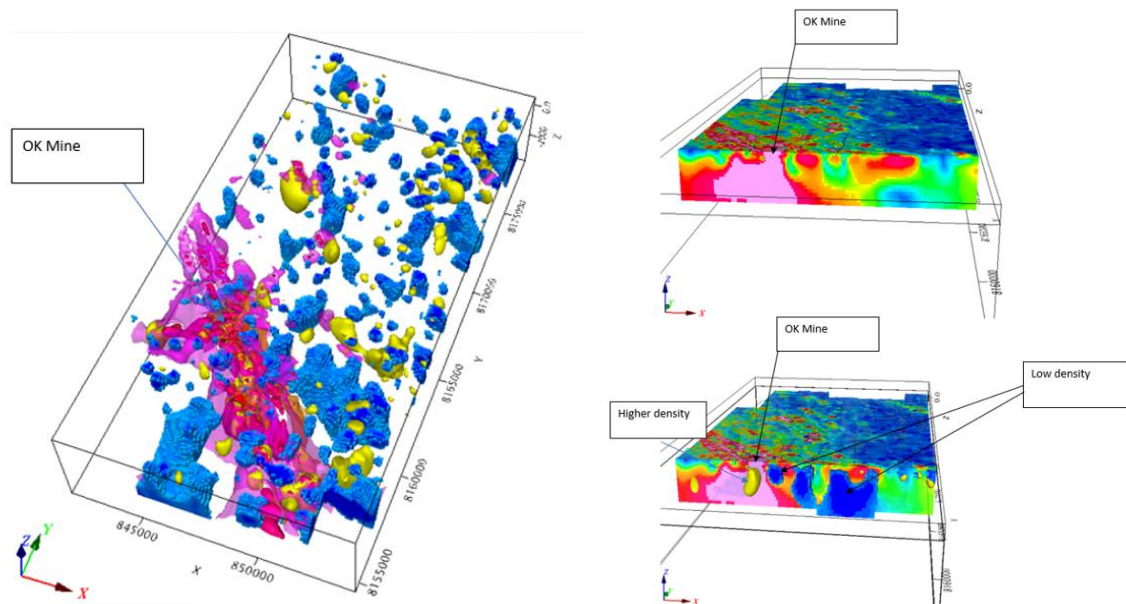


Figure 2a displays isosurface (shells) from the 3D modelling of gravity data. The blue isosurface reflects modelled lower density regions that may reflect granitic intrusions and/or thicker packages of sediments. Yellow regions are higher density shells, which are likely to generally reflect denser lithology, rather than directly mapping mineralisation. Areas of higher magnetic response are shown in warmed colours.

Figure 2b – The historic OK Mine appears to be associated with a higher density signature.

Further north in the Windmill and Bellevue copper prospect area surface sampling by Mother Lode Pty Ltd (a 100% subsidiary of R3D) returned haematite-bearing rubble from Windmill, which assayed 19.4 g/t Au and 0.21% Cu. The gravity high associated with the Windmill, Bellevue and Hobblechain prospects is evident in Figure 2a (yellow gravity high to the north of the OK mine) and, similarly, R3D is interpreting that the gravity high may represent the main orebody while the mineralisation at surface is only a peripheral expression of this main orebody.

### **New EPM Application 28126 – OK South**

The continuation of the lithologies and magnetic signatures to the southeast of the Bellevue/Dry River tenement has led R3D to apply for further tenure with the lodgment of EPM application 28126. This application covers 61 subblocks and covers some prospects, with historical rock chip samples grading up to 3.38 g/t Au and 60 g/t Ag.

As evident in Figure 3, the application extends R3D's tenement position in the region with both the Tartana mining leases and the Nightflower silver project nearby.



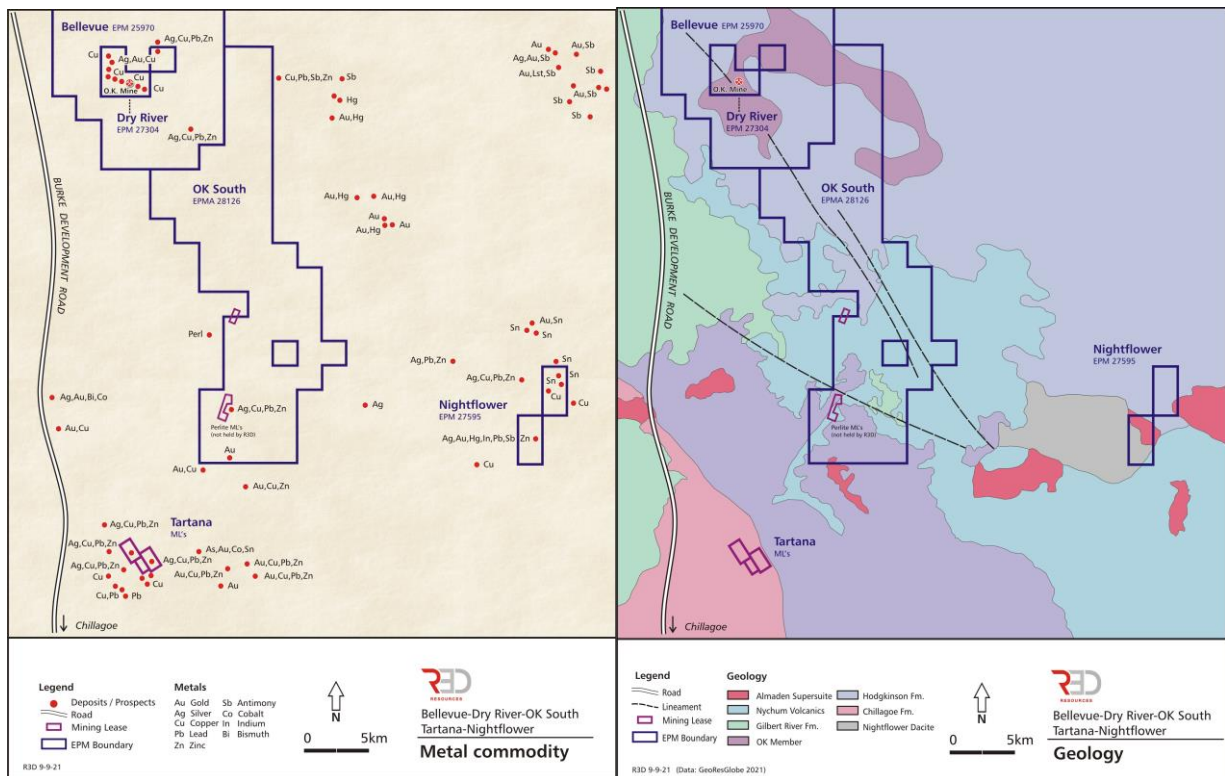


Figure 3 – Outline of the OK South EPM application (EPMA 28126)

### Tartana Drillhole Samples, including RDD003 discovery hole

Last week R3D dispatched 373 half core samples to SGS (Townsville) for assay from the recent exploration drilling on the Tartana mining leases. The recent samples include priority mineralised samples from the discovery drillhole RDD003. This hole intersected broad zones of sulphide mineralisation (pyrite and chalcopyrite), with the following sulphide estimations (see ASX announcement dated 29 October 2021):

- a 216.9m downhole intersection from 98.8m containing visually estimated 3% to 15% visually estimated total sulphide content (average 7%); and
- a second 65.5m downhole intersection from 369.3m containing a visually estimated average 4% total sulphide.

The delay in sample submission has been due to the detailed core logging that has been undertaken to provide confidence in the trend of the mineralised zones and their potential linkage with mineralisation in the open pit. A geological model outlining this relationship and a revision of the previously-reported SRK Consulting exploration targets is being finalised.

### Appointment of Mr Tom Saunders – Manager Technical Services

R3D is pleased to announce that Tom Saunders has formally accepted the role of Manager – Technical Services and will be instrumental in overseeing the exploration activities of the Company going forward in the Chillagoe region. Tom has extensive experience in senior positions managing projects in Queensland and overseas. His roles include Chief Geologist and Exploration Manager of several companies, as well as Director for Mining Native Title and several mining compliance positions within the Queensland Government.

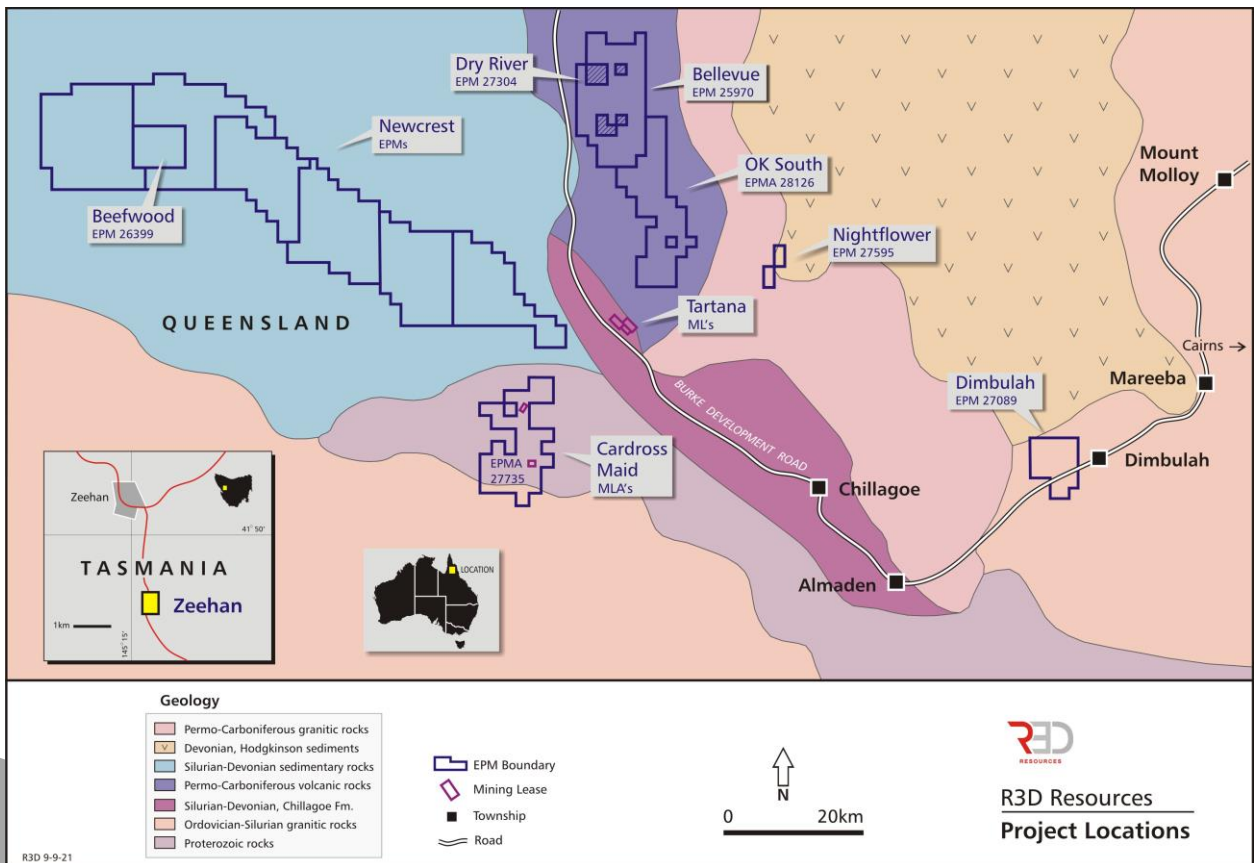
**Stephen Bartrop**  
 Managing Director  
**R3D Resources Limited**

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

**About R3D Resources Limited**

In July 2021 R3D Resources Limited acquired Tartana Resources Limited, a significant copper-gold explorer and developer in the Chillagoe Region in Far 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.



### Competent Person's Statement

The information in this announcement that relates to Exploration Results is based on information compiled by Mr Wayne (Tom) Saunders who is a Fellow of the Australasian Institute of Mining and Metallurgy (AusIMM), and a Member of the Australian Institute of Geologists (AIG). Mr Saunders has sufficient experience that is relevant to the styles of mineralisation and types of deposit under consideration, and to the activity that is being undertaken to qualify as a Competent Person, as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.' Mr Saunders is an employee of R3D Resources Limited, and consents to the inclusion in this report of the matters based on his 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 that could cause actual values or results, and performance or achievements to differ materially from the expectations described in such forward-looking statements. R3D does not give any assurance that the anticipated results, performance or achievements expressed or implied in those forward-looking statements will be achieved.

## JORC Code, 2012 Edition

### Section 1 Sampling Techniques and Data

Criteria	Commentary
<i>Sampling techniques</i>	<ul style="list-style-type: none"> <li>Falcon Aerial Geophysical – Magnetics and Gravity</li> <li>Grab sample of gossan at Windmill prospect (SN 102506)</li> </ul>
<i>Drilling techniques</i>	<ul style="list-style-type: none"> <li>No drilling undertaken – outside of Tartana Exploration Programme as detailed in previous ASX releases on 21 and 28 October 2021</li> </ul>
<i>Drill sample recovery</i>	<ul style="list-style-type: none"> <li>No drilling undertaken</li> </ul>
<i>Logging</i>	<ul style="list-style-type: none"> <li>No drilling undertaken</li> </ul>
<i>Sub-sampling techniques and sample preparation</i>	<ul style="list-style-type: none"> <li>No drilling undertaken</li> </ul>
<i>Quality of assay data and laboratory tests</i>	<ul style="list-style-type: none"> <li>All Tartana drill samples will be assayed by SGS Townsville (NATA registered) using ore grade base metal and fire assay gold and silver methods</li> <li>Windmill grab sample assayed by Intertek Genalysis Laboratory Services in Townsville</li> </ul>
<i>Verification of sampling and assaying</i>	<ul style="list-style-type: none"> <li>Controlled high accuracy GPS systems operational in plane. All survey and geophysical specifications included at end of release (below).</li> <li>Geochemical data used for the OK South EPM application sourced from GSQ open data portal – geochemical block compilation of open file past exploration records</li> <li>Previous rock chips at Windmill and Bellevue have returned similar values (open file reports)</li> </ul>

Criteria	Commentary
<i>Location of data points</i>	<ul style="list-style-type: none"> <li>1,093 line km NS lines. Initial spacing of lines at 400m with infill at 200m.</li> <li>Windmill grab sample: 8172448N 204747E Hand Held GPS.</li> </ul>
<i>Data spacing and distribution</i>	<ul style="list-style-type: none"> <li>Continuous readings along line</li> </ul>
<i>Orientation of data in relation to geological structure</i>	<ul style="list-style-type: none"> <li>Most geological and geophysical structures within the flight areas range from NNW to N so nominally at right angles to 45 degrees of expected geology or mineralisation</li> </ul>
<i>Sample security</i>	<ul style="list-style-type: none"> <li>Tartana drill core will be transported from a secure core area to the Townsville laboratory with Chain of Command protocols in place</li> <li>Grab sample delivered to Intertek Genalysis Laboratory Services in Townsville</li> </ul>
<i>Audits or reviews</i>	<ul style="list-style-type: none"> <li>Xcalibur reviewed all raw and processed data before delivery to R3D</li> <li>Geodiscovery Pty Ltd undertook a review of the data before reprocessing and interpretation</li> <li>R3D technical staff and contractors have undertaken a first pass review of the geophysical data in relation to known surface geology and mineralisation</li> </ul>

## 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"> <li>EPM 25970 – Granted to Mother Lode Pty Ltd</li> <li>EPM 27304 – Granted to Mother Lode Pty Ltd</li> <li>EPMA 28126 – Application to Mother Lode Pty Ltd</li> <li>Mother Lode Pty Ltd is a wholly-owned subsidiary of R3D Resources Limited</li> </ul>
<i>Exploration done by other parties</i>	<ul style="list-style-type: none"> <li>The Bellevue EPMs – past data is detailed in the SRK Independent Geologists Report in the R3D May 2021 Prospectus</li> <li>Open file company reports (CR) are available for all exploration permits in Queensland. However, the EPM application area was based on the extensions of the matching geological and geophysical trends enhanced by the Falcon programme.</li> <li>Open file geochemical data has been compiled by the GSQ and is released in sets of blocks (25 sub-blocks)</li> <li>Gold and silver values sourced from CR 18768 Cyprus – contained in the geochemical block compilation</li> </ul>
<i>Geology</i>	<ul style="list-style-type: none"> <li>Geology of the granted EPMs and EPM application ranges from sediments of the Hodgkinson Basin through to intrusives and extrusives of the Nychum Volcanics in an area of structural complexity. R3D is specifically targeting large scale porphyry copper and intrusive related gold systems associated with large scale alteration and mineralisation. Gravity highs and magnetic highs and lows (magnetic destruction) commonly highlight this style of mineralisation.</li> </ul>
<i>Drill hole Information</i>	<ul style="list-style-type: none"> <li>No drilling undertaken</li> </ul>
<i>Data aggregation methods</i>	<ul style="list-style-type: none"> <li>N/A</li> </ul>

Criteria	Commentary
<i>Relationship between mineralisation widths and intercept lengths</i>	<ul style="list-style-type: none"> <li>N/A</li> </ul>
<i>Diagrams</i>	<ul style="list-style-type: none"> <li>See body of ASX release for location and current interpretation</li> </ul>
<i>Balanced reporting</i>	<ul style="list-style-type: none"> <li>The accompanying document is a balanced report. The geophysical data capture and interpretation are state of the art.</li> </ul>
<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> <li>All meaningful information has been reported</li> <li>As R3D has concentrated on the new geophysical data – past exploration geology has not yet been fully acquired or processed</li> </ul>
<i>Further work</i>	<ul style="list-style-type: none"> <li>Geological and Geochemical verification of the shallow geophysical anomalies within the granted EPM's is planned for the 2022 field season</li> <li>Exploration in the application, once granted, will be influenced by the 2022 results</li> </ul>

## References

Queensland Government Open File Geophysical Data – aerial magnetics and thorium radiometrics and ground gravity data. Ground Gravity reprocessed by an R3D consultant, but the data is at a lower resolution to the Falcon.

Geological Survey of Queensland (GSQ) Open Data Portal – Geochemistry-Open File Compilation sets by Blocks of soil, stream and rock chip data and drill holes. Specifically, TOWN blocks 508, 509, 580, 581, 653, 724 and 725.

Open file reports of past exploration CR 1910, 9658, 11598, 11899, 18768 and 12492.

GSQ 1:100,000 Geological and structural mapping – Bellevue Sheet

Prospect	Company	Sample_ID	Latitude	Longitude	Au	Ag	Pb	EPM	CR
CYNY	CYP	16567	16.8395	144.3187698	3.38	37	7410	4531	18768
CYNY	CYP	16569	16.8393	144.3206959	2.27	38	4820	4531	18768
CYNY	CYP	16568	16.8394	144.3198879	0.94	22	7430	4531	18768

Extracted from rock chip data – TOWN block 724

## Falcon Survey and Geophysical Specifications

### Survey

Flight Line Spacing	400m initial and 200m infill
Flight Line Direction	000 degrees
Tie Line Spacing	NA
Tie Line Direction	NA
Minimum Line Length	11.2km
Flying Height <b>(DEPENDENT ON RISK ASSESSMENT / TERRAIN)</b>	80m
<b>NOTE: FLIGHT SPECIFICATIONS ARE SUBJECT TO RECON FLIGHT AND FINAL ONSITE SAFETY ANALYSIS</b>	



### Laser Scanner – for terrain corrections

Description	Specification
Manufacturer/Model	Riegl LMS-Q140i-80 (or equivalent)
Sampling rate	276 samples per line, 20 scans per second
Range	Up to 350m (depending on target reflectivity)
Accuracy	+/- 2.5cm (+/- 10cm worst case)
The laser scanner scans perpendicular to the flight path +/- 40 degrees from vertical.	

### Airborne Magnetometer

Description	Specification
Manufacturer/Model	Scintrex / CS-3 cesium vapor (or equivalent)
Resolution	0.01 nT
Operating Range	15,000 – 105,000 nT
Sampling Rate	10 Hz

### Base Station Magnetometer

A Proton Precession or Cesium Vapor magnetometer ground station for diurnal corrections with a 0.01nT resolution, cycle at 1-second intervals. The base station magnetometer will be run during flying hours to monitor the diurnal field.

### Fluxgate Magnetometer

One three-axis fluxgate magnetometer with each sensing axis oriented at approximately 90 degrees to the other two and each with a sensitivity of 1 nT or better sampled at the same rate as the aircraft TMI sensor.

### GPS Positioning/Navigation Equipment

Description	Specification
Manufacturer/Model	NOVATEL OEMV-3G 14 Channel (or equivalent)
Resolution	0.00001 degrees
Accuracy	0.6-1.8m
Sampling Rate	1 Hz