



5 April 2022

R3D Resources Capital Raising of up to \$3.3 million

Strategy to become self-funded exploration company

Highlights:

- R3D Resources has secured commitments for \$1 million by way of private placement at \$0.10, being an approximate 14% discount to the 5-day VWAP;
- 1 for 5 Rights Issue to be offered to eligible existing shareholders on terms equivalent to the private placement to raise up to \$2.3 million;
- Combined target raising of \$3.3 million through Placement and Rights Issue;
- Directors to subscribe for their full entitlement under the rights issue;
- Rights Issue Record Date of Thursday 14 April 2022; and
- Drilling to resume in two weeks on specific exploration targets.

R3D Resources Limited (ASX:R3D) (the **Company**) is pleased to announce that it is conducting a capital raising, targeting to raise \$3.3 million including a \$1 million private placement (the **Placement**) and a 1 for 5 rights issue to eligible shareholders (the **Rights Issue**).

R3D Managing Director, Steve Bartrop commented:

"We are making significant progress on the refurbishment of our Copper Sulphate plant with initial production still expected to commence production in 1H FY2023. The Company has decided to take advantage of the current market sentiment created by potential supply disruptions with the Ukraine conflict to seek additional funding to accelerate the time frame to production.

"The Board has also been conscious of minimising dilution to existing shareholders and will provide eligible shareholders with the opportunity to participate in a 1 for 5 rights issue at the placement price. All directors intend to take up their full entitlement under this Rights Issue.

"The funding will also be directed at exciting exploration drilling which is commencing in the next two weeks on the Tartana mine site and the commissioning of a Helitem geophysical survey over the Bulimba project mid-year.

"We believe this is a turning point for the Company going forward as the forecast robust cash flows from copper sulphate sales are expected to more than meet the Company's exploration activities in the future and deliver on our strategy of becoming a self-funding explorer."

R3D Resources Limited (ASX: R3D)

ACN: 111 398 040

r3dresources.com.au

The Placement will be conducted under the Company's existing placement capacity available under ASX Listing Rules 7.1 and 7.1A, which will result in the issue of 10,000,000 fully paid ordinary shares (**Shares**) raising \$1 million (before costs), with settlement of the Placement detailed in the Indicative Timetable.

The Rights Issue will be a non-renounceable pro rata offer to eligible investors the opportunity to acquire one (1) new Share for every five (5) Shares held as at the record date at the same price as the Placement, being \$0.10 per Share. The Company is seeking to raise a total of \$2.3 million (before costs) from the Rights Issue with any shortfall not taken up to be placed to third parties or existing shareholders who submit an application to participate in any shortfall offer. The Rights Issue will not be underwritten. The non-renounceable nature of the offer means that a shareholder's right to subscribe for Shares in the Rights Issue is not transferable or tradeable. Further details of the Rights Issue will be provided to shareholders on the release of the Rights Issue Prospectus, which will include the details of the offer as well as the application forms eligible shareholders will need to complete to participate in the offer.

The pricing of the Placement and Rights Issue represents an approximate 14% discount to the 5-day VWAP or a 9% discount to the last traded price.

The Company expects to issue a Prospectus pursuant to section 713 of the *Corporations Act 2001* (Cth) to conduct the Rights Issue. The Prospectus will also include a cleansing offer for the purpose of section 708AA(11) of the *Corporations Act 2001* (Cth) to allow for on-sale of the Shares issued in the Placement.

The Company provides an indicative timetable of the capital raising below which is subject to change without notice:

Date	Event
Tuesday, 5 April 2022	Announcement of Placement and Rights Issue
Monday, 11 April 2022	Lodgement of Rights Issue and Cleansing Prospectus and Appendix 3B with ASX
Monday, 11 April 2022	Partial Settlement of Placement (\$500,000)
Wednesday, 13 April 2022	Ex Date
Thursday, 14 April 2022	Record Date of Rights Issue
Wednesday, 20 April 2022	Rights Issue Offer Documents Dispatch to Shareholders
Wednesday, 20 April 2022	Rights Issue Offer Open
Monday, 9 May 2022	Last day for R3D to extend Rights Issue Offer
Thursday, 12 May 2022	Rights Issue Offer Close
Friday, 13 May 2022	R3D Securities Quoted on Deferred Settlement Basis by ASX
Tuesday, 17 May 2022	Rights Issue Final Results Announcement and Placement of Shortfall
Thursday, 19 May 2022	Partial Settlement of Placement (\$500,000)
Thursday, 19 May 2022	Holding Statements to be Dispatched to Rights Issue Participants
Thursday, 19 May 2022	Lodgement of Appendix 2A with ASX applying for quotation of the Shares

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

Further Information:

Stephen Bartrop

Managing Director

R3D Resources Limited

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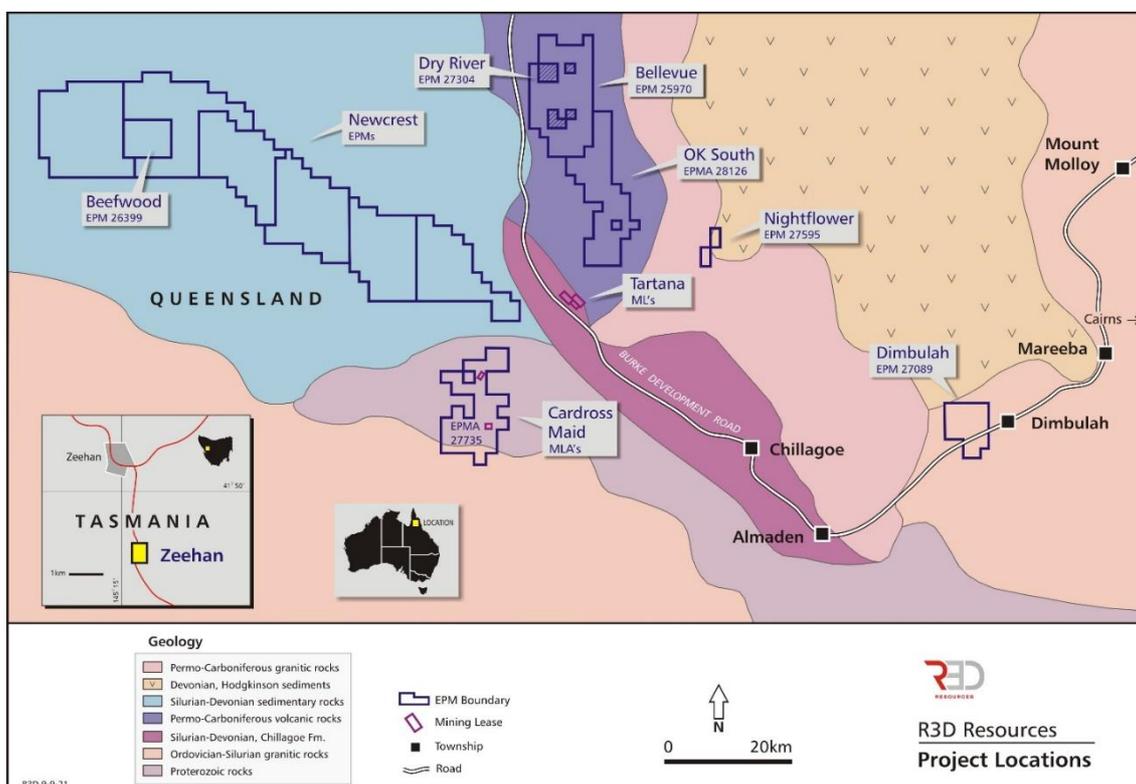
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About R3D Resources Limited

R3D Resources is a significant copper-gold explorer and developer in the Chillagoe Region in Far North Queensland. R3D 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 has been shipping zinc slag to South Korea. The next stage in this project requires Stage 2 permitting to crush the slag and access the northern stockpile. These two projects have the potential to generate a strong cash flow to underpin the R3D’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.