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Exploration Drilling Testing Tartana Copper and Zinc Targets

- **Drilling scheduled to commence early July to test key copper and zinc targets on the Tartana mining leases.**
- **Geological modelling of sulphide copper mineralisation identifies an important new target copper target to be tested.**
- **Drilling also testing depth extensions to Queen Grade zinc mineralisation.**

R3D Resources Limited (ASX:**R3D**) (the Company), a significant copper-gold explorer and developer in the Chillagoe Region in Far North Queensland, is pleased to announce that it has scheduled further exploration drilling on the Tartana mining leases to test important copper and zinc targets.

The copper target has recently been identified from historical IP and Resistivity anomalies, surface mineralisation trends and historical drilling data including the Company's recent scout drilling programme completed in 2H CY2021. The copper target is located west of the open pit mineralisation and is interpreted to represent 'Mungana style' copper porphyry mineralisation with associated zinc skarns emanating north and south of the copper target. One of these zinc skarns may incorporate the Queen Grade zinc project lying north of the copper target and which itself is a zinc target requiring drilling to test for depth extensions.

The Queen grade zinc project has previous drilling intersections including TDH 15 which intersected 33 metres at 12% Zn and remains open at depth. Recent mapping has also indicated that the surface gossans are more extensive than previously mapped and with areas having true widths up to 15 metres in some areas at surface.

R3D Managing Director Stephen Bartrop advises: *"We have an exciting exploration programme with potential to extend existing zinc mineralisation as well as discover new copper porphyry mineralisation on the Tartana mining leases. Recent mapping at Queen Grade zinc project has indicated that the surface gossans are more extensive than first envisaged and the previous drilling, while exhibiting some highly encouraging results, has not been systematic in defining the orebody. Meanwhile work is continuing the refurbishment of the copper sulphate plant with a current focus on upgrading the electrical distribution system."*

New Porphyry Copper Target

Geological analysis and interpretation have continued on the Tartana mining leases following the three-hole 1,668 metre scout drilling programme completed late in 2021 (see ASX Announcement dated 28 January 2022).

The three diamond drillholes RDD001, RDD002 and RDD003, in this programme tested IP targets east of the open pit mineralisation and while they intersected extensive sulphide mineralisation, the intersections were generally low grade. Longer intersections included RDD002 with 92 metres at 0.16% from 298 metres and RDD003 with 119 metres at 0.17% Cu from 127 metres. There were also numerous narrow higher grades zones including 1 metre at 4.54% Cu from 20 metres depth in RDD003 but generally higher grades zones were 1 – 9 metres in width grading 0.5% - 1.0% Cu (see 25 January 2022 announcement).

The results of this earlier drilling have directed the Company to investigate the IP anomaly which occurs west of the open pit mineralisation and is in proximity to the zinc skarns of Queen Grade on the Tartana mining leases and the King Vol zinc mine and Monte Video zinc prospect on the neighbouring tenements.

Figure 1 outlines the location of the Tartana mining lease and the various prospects on our leases as well as the neighbouring leases. It also highlights the new copper target which is along strike from both the Queen Grade zinc project to the north and Monte Video zinc prospect to the south (Monte Video is not on the Tartana leases).

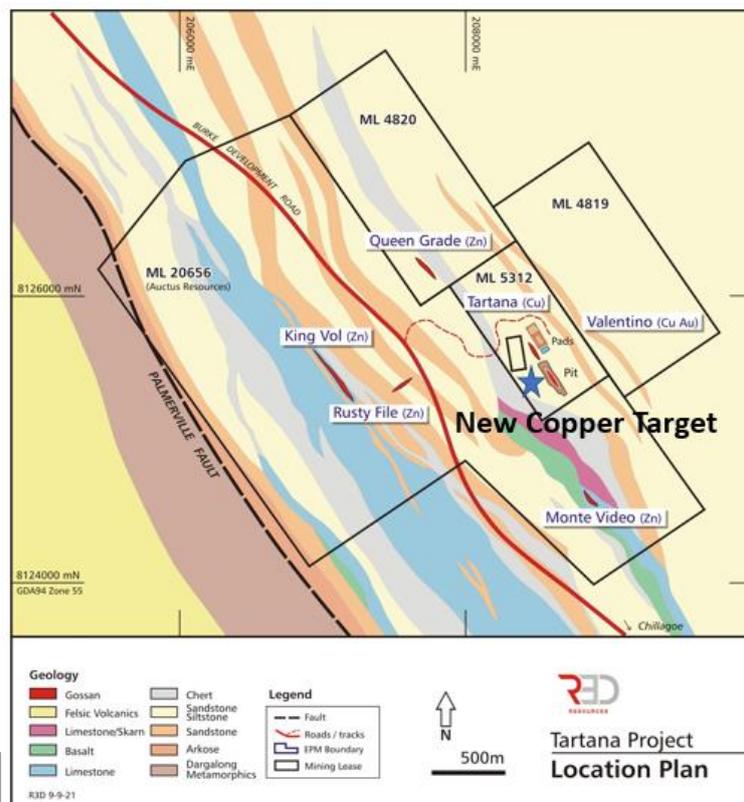


Figure 1. Tartana mining leases, the various prospects on the Tartana mining leases and neighbouring leases and the location of the new copper target. Note the New Copper Target is along strike from both Queen Grade and Monte Video zinc skarns. Note Monte Video or King Vol projects are not on the Tartana mining leases.

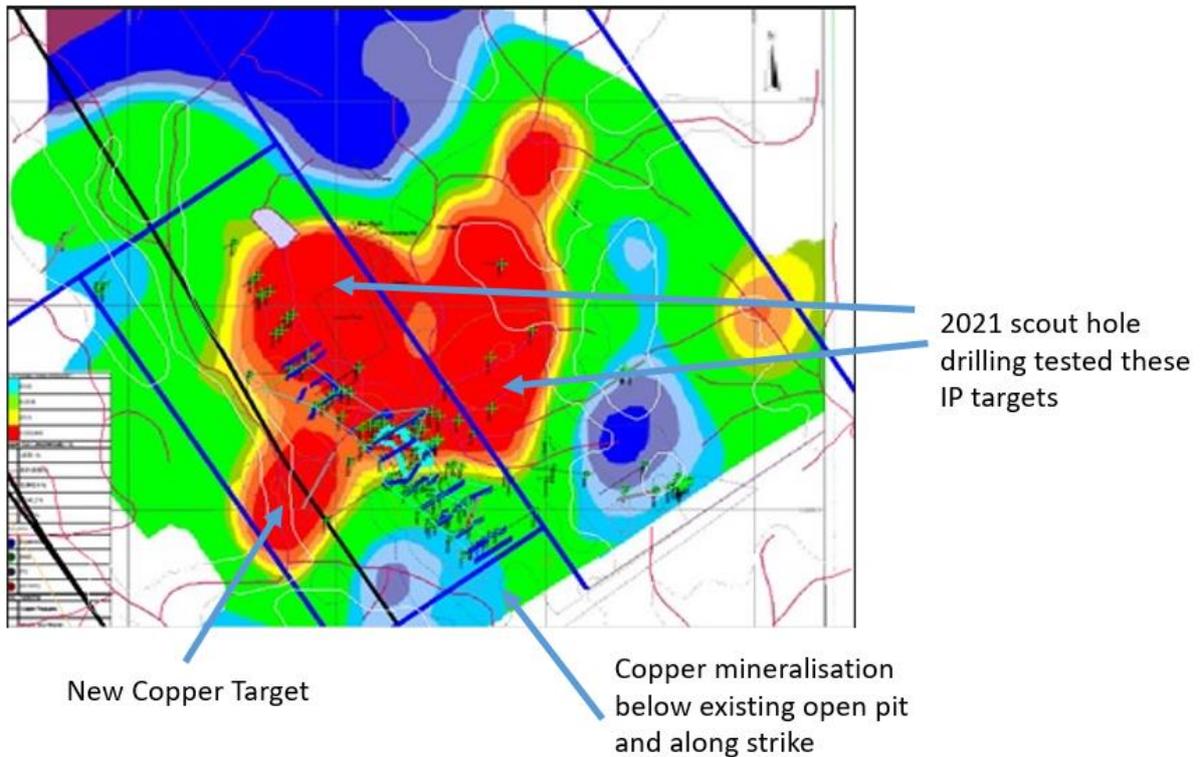


Figure 2. The New Copper Target in relation to the IP anomaly across the Tartana mining leases. The 2021 drilling programmed focused on IP anomalies east of the mineralisation in the open pit whereas the New Copper Target is to the west of the open pit mineralisation and potentially coincides with the northeast trending structural trend.

The proximity of the New Copper Target to zinc skarns may have similarities to the Mungana copper porphyry which is approximately 25 km southeast of Tartana and also within the Chillagoe formation in proximity to the Palmerville Fault. As described by Nethery (2015) the Mungana porphyry has associated zinc skarn mineralisation extending along strike from the porphyry while the porphyry itself appears partially structurally controlled with cross faulting (see Figure 3).

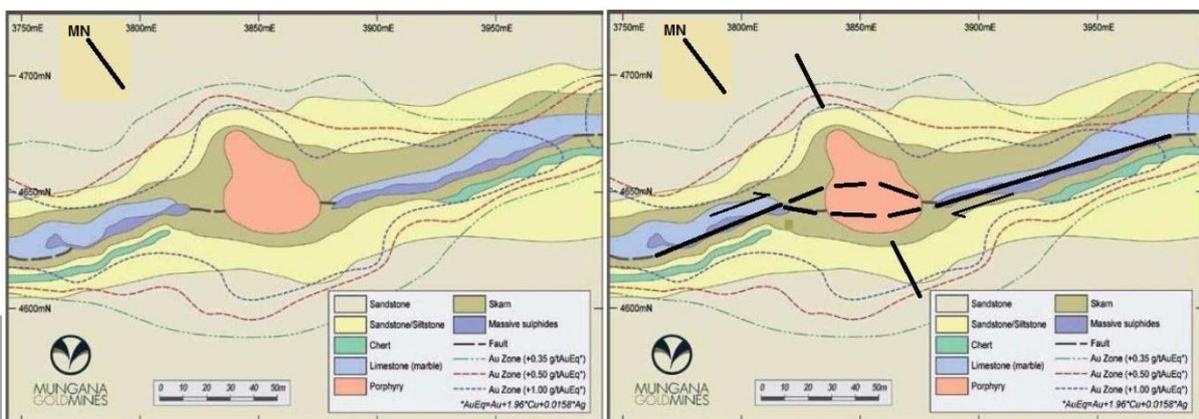


Figure 3. Mungana copper/gold porphyry model with zinc skarns (blue) emanating from the central porphyry (pink). From Nethery, J. 2015 Chillagoe District Mineralisation – A Tectonic Model. SMEG. Mines & Winds 2015

The proposed drillhole path is plotted in cross-section in Figure 4 and intersects the IP anomaly at around 150 metres depth.

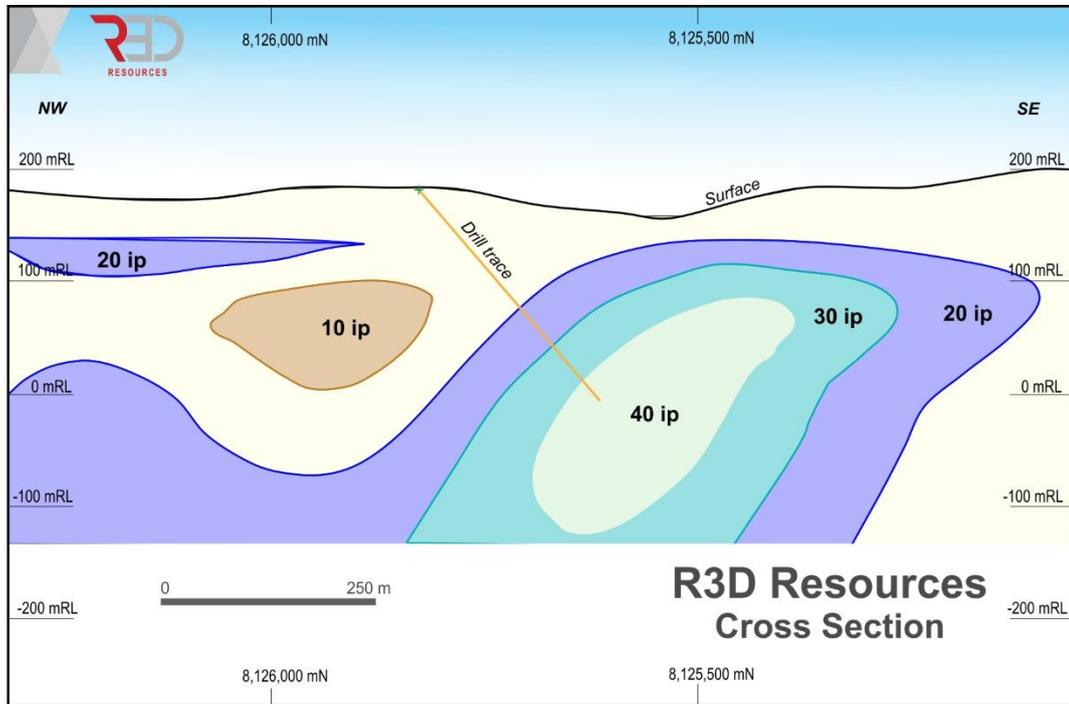


Figure 4. Proposed drillhole path and IP anomaly isopachs in cross-section.

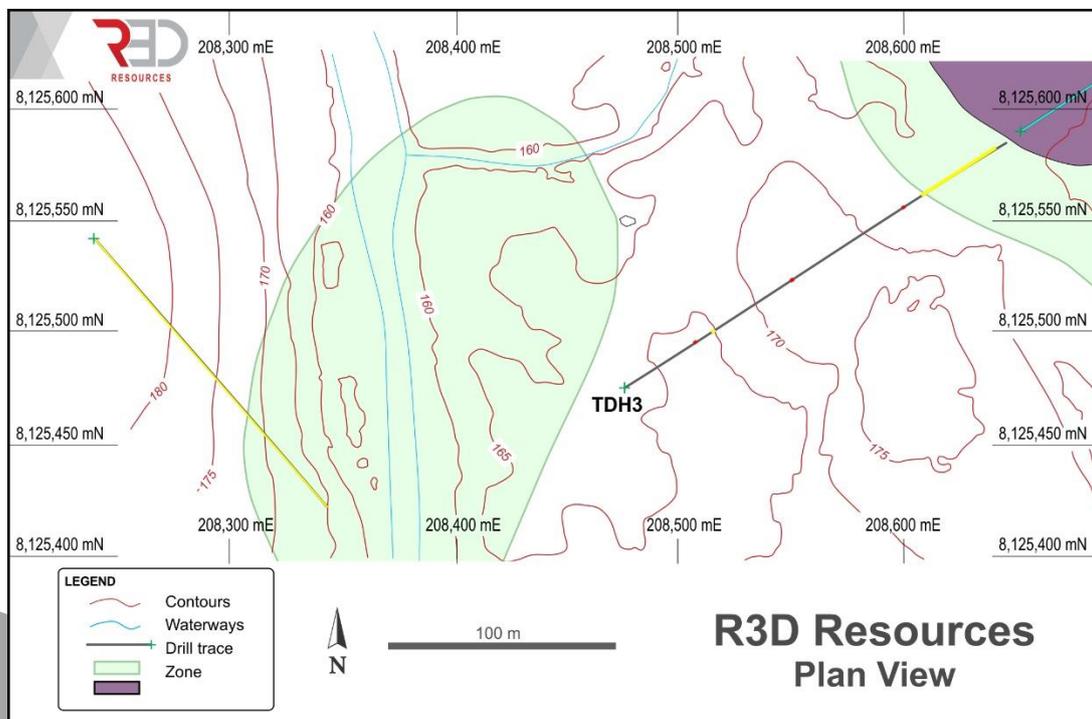


Figure 5. Proposed drillhole path and IP anomaly in plan view.

Queen Grade Zinc Project

The Queen Grade Zinc Project is evident on surface as a discontinuous gossan with a strike length of over 300 metres although the presence of sulphide gossans is evident over a kilometre of strike length and it is possible that both the Queen Grade and Monte Video zinc prospects occur on the same stratigraphic horizon. A ridge is defined by a chert-dominated hanging wall. Recent mapping in the vicinity of the Queen Grade gossan has indicated potential mineralisation up to 15 metres true width.

Historical drilling has defined a steeply dipping orebody although the drilling has not been systematic and some holes have missed the target. The drilling has tested the orebody to a depth of only 150 metres in comparison to the nearby King Vol zinc orebody which extends for over 900 metres depth based extensive drilling. The Monte Video zinc mineralisation to the south remains open at depth and has been drilled to a depth of approximately 250 metres depth and remains open at depth.

Previous drilling has return highly encouraging intersections including:

- TDH 15: 33 metres at 12 % Zn
- TDH 22: 6 metres at 12.8% Zn
- NARC17: 60 metres at 3.7% Zn including 14 metres at 7.7% Zn

A key focus of the drillholes currently being planned will be to demonstrate that Queen Grade zinc mineralisation is likely to extend to far greater depths than the 130 metres currently drilled as well as testing mineralisation widths. The drilling will also twin previous drilling with the potential to report JORC 2012 maiden resource based on both historical and new drillholes.

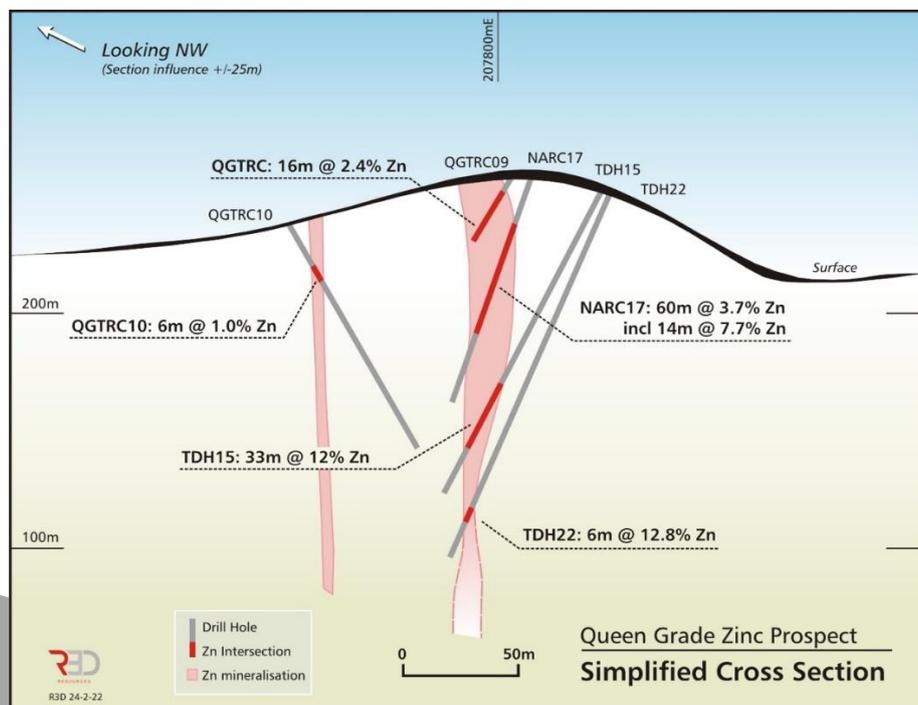


Figure 5 – Simplified cross section through the Queen Grade Zinc Project. For JORC 2012 Code section 1 and 2 tables, see Appendix A of the Independent Geologist's Report contained in the Prospectus dated 26 May 2021, available at www.r3dresources.com.au.



A Queen Grade zinc JORC 2012 resource may be attractive given that Aurora Metals Limited is now mining King Vol zinc ore and has restarted the Mungana Processing Plant. R3D has already completed Flotation testwork (on a composite sample from Drill hole TDH 22). Independent consultant, Core Resources Pty Ltd reports high zinc recoveries of >98% to a concentrate grading 42% zinc from its initial rougher flotation testwork. The sample tested was from a 5-metre section of TDH 22 assaying 16.1% Zn, 0.25% Cu and 0.57% Pb.

Flotation kinetics were fast with recoveries achieved in two minutes in the laboratory tests at a primary grind of 80% passing 75 microns. Work is ongoing with regrinding and cleaning testwork along with analysis of zinc concentrates for any impurity elements.

Overall, the proposed exploration drilling programme has the potential to have a significant impact on shareholder value by upgrading the Queen Grade zinc project as well testing a New Copper Target. Meanwhile, copper sulphate plant refurbishment is progressing with the civil works for the acid storage now completed and a new acid tank has been ordered. Electric works on the control panel for the generators is expected to take another two weeks to complete prior to installation.

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

Further Information:

Stephen Bartrop
Managing Director

R3D Resources Limited

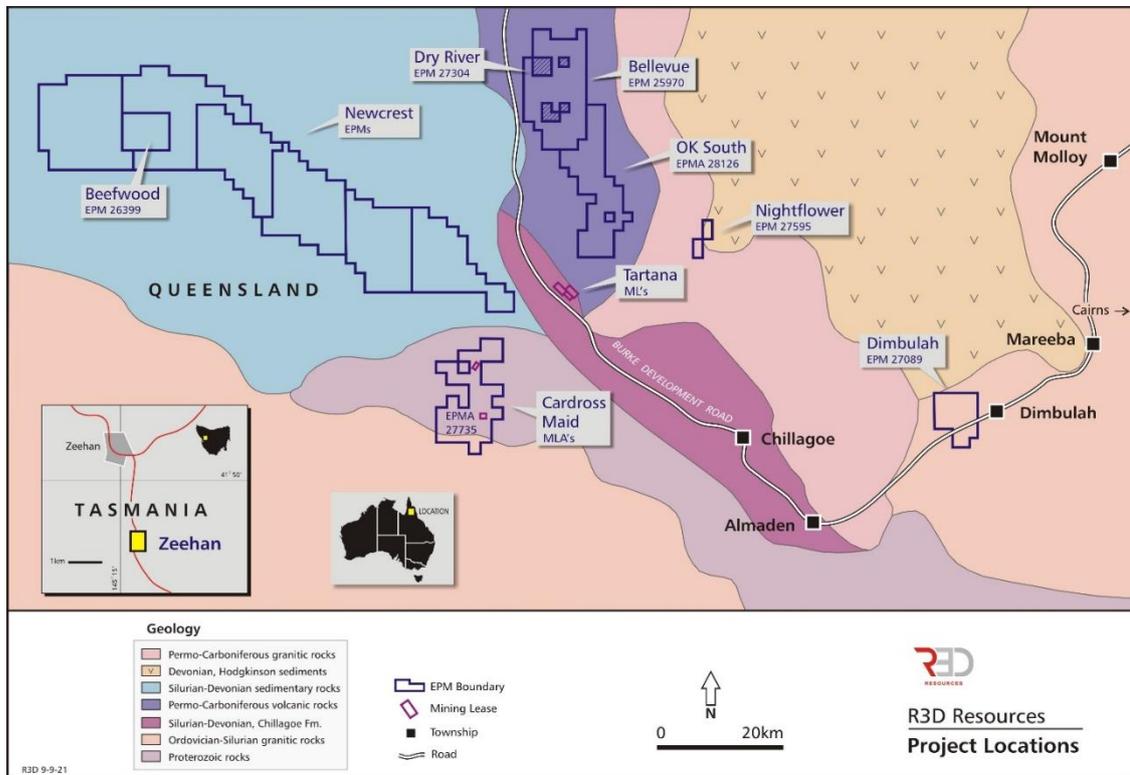
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About R3D Resources Limited

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. 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 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 and Exploration Target is based on information compiled by Mr Wayne (Tom) Saunders and Mr Geoff Reed. Mr Saunders is a Fellow of the Australasian Institute of Mining and Metallurgy (AusIMM), and a Member of the Australian Institute of Geologists (AIG). Mr Reed is Member of the Australian Institute of mining and Metallurgy (AusIMM (CP)), and a Member of the Australian Institute of Geologists (AIG). Both Mr Saunders and Mr Reed have sufficient experience that is relevant to the styles of mineralisation and types of deposit under consideration, and to the activity that is being undertaking 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. Mr Reed is a consultant to 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.