

PROSPECTUS

For a pro-rata non-renounceable entitlement issue of one (1) Share for every five (5) Shares held by those Shareholders registered at the Record Date at an issue price of \$0.10 per Share to raise up to \$2,309,913 (based on the number of Shares on issue as at the date of this Prospectus) (Entitlement Offer), as well as a Placement of \$1,000,000 via the issue of 10,000,000 Shares at an issue price of \$0.10 per Share (Placement), (together, the Offer).

This Prospectus is a transaction specific prospectus issued in accordance with section 713 of the Corporations Act. The Prospectus will include a cleansing offer for the purposes of section 708A(11) of the Corporations Act to remove any trading restrictions on the sale of Shares issued in the Placement.

IMPORTANT NOTICE

This document is important and should be read in its entirety. If, after reading this Prospectus, you have any questions about the Securities being offered under this Prospectus, or any other matter, then you should consult your professional advisers without delay.

The Securities offered by this Prospectus should be considered as highly speculative.

IMPORTANT NOTICE

This Prospectus is dated 19 April 2022 and was lodged with ASIC on that date. ASIC, ASX and their respective officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No Securities may be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

No person is authorised to give information or to make any representation in connection with this Prospectus, which is not contained in this Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with this Prospectus.

It is important that investors read this Prospectus in its entirety and seek professional advice where necessary. The Securities offered by this Prospectus should be considered as highly speculative.

Applications for Securities offered pursuant to this Prospectus can only be made by an original Entitlement and Acceptance Form or Shortfall Application Form.

This Prospectus is a transaction specific prospectus for an offer of continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus, and is only required to contain information in relation to the effect of the issue of securities on a company and the rights attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

Representations contained in this Prospectus are made taking into account that the Company is a disclosing entity for the purposes of the Corporations Act, and certain matters are publicly available information or may reasonably be expected to be known to investors and professional advisers whom prospective investors may consult.

No Investment Advice

The information contained in this Prospectus is not financial product advice or investment advice and does not take into account your financial or investment objectives,

financial situation or particular needs (including financial or taxation issues). You should seek professional advice from your accountant, financial adviser, stockbroker, lawyer or other professional adviser before deciding to subscribe for Securities under this Prospectus to determine whether or not it meets your objectives, financial situation and needs.

Forward-Looking Statements

This Prospectus contains forward-looking statements that are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects' or 'intends' and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are expected to take place.

Such forward-looking statements are not guarantees of future performance, and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and the Company's management.

The Company cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Prospectus will actually occur, and investors are cautioned not to place undue reliance on these forward-looking statements.

The Company has no intention to update or revise forward-looking statements or to publish prospective financial information in the future, regardless of whether or not new information, future events or any other factors affect the information contained in this Prospectus, except where required by law.

These forward-looking statements are subject to various risk factors that could cause the Company's actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 5.

Overseas Shareholders

This Offer does not, and is not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus.

For further information on overseas Shareholders please refer to Section 2.10.

Continuous Disclosure Obligations

The Company is a "disclosing entity" (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market that a reasonable person would expect to have a material effect on the price or the value of the Securities.

This Prospectus is intended to be read in conjunction with the publicly-available information in relation to the Company that has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX, as applicable from time-to-time, throughout the three months before the issue of this Prospectus, which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX. Please refer to Section 6.2 for further details.

Electronic Prospectus

A copy of this Prospectus can be downloaded from the website of the Company at: www.r3dresources.com.au or by emailing the Company at: admin@r3dresources.com.au.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

Company Website

No documents or other information available on the Company's website is incorporated into this Prospectus by reference.

Financial Forecasts

The Directors have considered the matters set out in ASIC Regulatory Guide 170 and believe that they do not have a reasonable basis to forecast future earnings on the basis that the operations of the Company are inherently uncertain. Accordingly, any forecast or projection information would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection.

Clearing House Electronic Sub-Register System (CHES) and Issuer Sponsorship

The Company will apply to participate in CHES, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHES will be issuer sponsored by the Company.

Electronic sub-registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with statements (similar to a bank account statement) that set out the number of Securities issued to them under this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHES and issuer sponsorship.

Electronic sub-registers also mean ownership of securities can be transferred without having to rely upon paper documentation. Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

Photographs and Diagrams

Photographs used in this Prospectus that do not have descriptions are for illustration only and should not be interpreted to mean that any person shown endorses the Prospectus or its contents, or that the assets shown in them are owned by the Company. Diagrams used in this Prospectus are illustrative only and may not be drawn to scale.

Definitions and Time

Unless the contrary intention appears or the context otherwise requires, words and phrases contained in this Prospectus have the same meaning and interpretation as given in the Corporations Act and capitalised terms have the meaning given in the Glossary in Section 8.

All references to time in this Prospectus are references to Australian Eastern Standard Time (EST).

Privacy Statement

If you complete an Application Form, you will be providing personal information to the Company. The Company collects, holds and will use that information to assess your application, to service your needs as a Shareholder, and to facilitate distribution payments and corporate communications to you as a Shareholder.

The information may also be used from time-to-time and disclosed to persons inspecting the register, including bidders for your securities in the context of takeovers, regulatory bodies including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the share registry.

You can access, correct and update the personal information that R3D holds about you. If you wish to do so, please contact the share registry at the relevant contact number set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation, including the Privacy Act 1988 (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules. You should note that if you do not provide the information required on the application for Securities, the Company may not be able to accept or process your application.

Enquiries

If you are in any doubt as to how to deal with any of the matters raised in this Prospectus, you should consult with your broker, or legal, financial or other professional adviser without delay. Should you have any questions about the Offer or how to accept the Offer please call the Company Secretary on +61 2 9392 8032.

CORPORATE DIRECTORY

Directors

Richard Ash (Non-Executive Chairman)
Stephen Bartrop (Managing Director)
Bruce Hills (Executive Director)
Robert Waring (Non-Executive Director)
Michael Thimbeck (Non-Executive Director)

Share Registry *

Computershare Investor Services
GPO Box 2975
Melbourne VIC 3001
Telephone: +61 1300 850 505

Company Secretary

Robert Waring

Auditor *

BDJ Partners
Level 8
124 Walker Street
North Sydney
NSW 2060

ASX Code

R3D

Registered Office

169 Blues Point Road
McMahons Point
NSW 2060 Australia

Email: admin@r3dresources.com.au
Website: r3dresources.com.au

Legal Advisers

Sparke Helmore Lawyers
Level 29
25 Martin Place
Sydney NSW 2000

* These entities are included for information purposes only. They have not been involved in the preparation of this Prospectus and have not consented to being named in this Prospectus.

COVER: View of Tartana process ponds and plant from heap leach pad (March 2022)



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

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

19 April 2022

Dear Shareholder

The Board of Directors is pleased to offer to all eligible R3D Resources Limited (R3D or the Company) shareholders the opportunity to participate in a **one-for-five** non-renounceable Entitlement Offer of New Shares at an Issue price of \$0.10 per Share to raise up to \$2.3 million. Eligible Shareholders are Shareholders registered at **5:00pm EST on Tuesday, 26 April 2022**.

This fundraising provides flexibility at a time when the Company is advancing its Copper Sulphate Project into production. This should create a sustainable cash flow to finance R3D's exploration activities in the Chillagoe region.

A sustainable cash flow would form the cornerstone of the Company's corporate strategy and differentiates R3D from most other junior resource companies, which often seek continual funding to finance their exploration.

The Company's exploration targets are not only highly prospective, but are also of a size that can create significant Shareholder value should exploration prove successful.

The Entitlement Offer is being carried out in conjunction with a \$1 million placement, which is also at \$0.10 per share (as announced to ASX on 5 April 2022). R3D is seeking to raise \$3.3 million via the combined Placement and Entitlement Offer. The Directors intend to take up their full entitlements and place any unsubscribed Shares, as detailed in the Prospectus.

The funds raised under the Offer will be used to finalise the refurbishment of the Copper Sulphate Plant, and complete resource upgrade drilling and some selected brownfield and greenfield exploration, as detailed below.

Copper Sulphate Market

The Company's plant at Tartana will produce copper sulphate, a reagent that is used as an activator in the flotation of base metal ores in mineral processing. The consumption of copper sulphate is related to the volume of mineral processing in the market, with the larger consumers being the base metal mines in north-west Queensland and the Northern Territory, for example McArthur River, Mount Isa and Dugald River.

The majority of copper sulphate used in northern Australia is imported, with approximately 15% to 20% of the world's supply derived from Russia. The current situation in Europe has created significant uncertainty on the supply side.

Copper sulphate pricing is based on the London Metal Exchange (LME) copper price, plus a premium.

Use of Funds

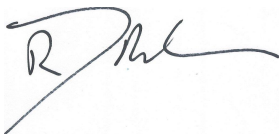
As mentioned above, the funds raised under the Offer will be prioritised to finance the refurbishment of the Copper Sulphate Plant. Accordingly, if there is a lower entitlement take-up, most funds will be allocated to the plant refurbishment and associated resource definition drilling. With a full Entitlement Offer take-up and a completed Placement, R3D will embark on several exploration programmes that have the potential to create Shareholder value.

Use of Funds	50% Rights Take-Up	100% Rights Take-Up
Plant Refurbishment and Resource Definition / Upgrading		
Complete Copper Sulphate Plant refurbishment, first reagent fills and working capital	\$1,415,000	\$1,415,000
Supergene and oxide copper drilling at Tartana to upgrade and extend existing resources	\$180,000	\$180,000
Cardross Oxide Copper Resource estimation to JORC 2012 standards	\$35,000	\$35,000
<u>Total Plant</u>	<u>\$1,630,000</u>	<u>\$1,630,000</u>
Exploration		
Queen Grade Zinc Project drilling to extend and upgrade mineralisation to JORC 2012 standards	-	\$160,000
Tartana deeper copper drilling and upgrade mineralisation to JORC 2012 standards	-	\$225,000
Bulimba / Beefwood Geophysical Helitem Survey	-	\$450,000
Beefwood / Bellevue reconnaissance drilling to test exploration targets	-	\$222,272
<u>Total Exploration</u>	<u>Nil</u>	<u>\$1,057,272</u>
Administration / Other		
Working capital and administration	\$400,361	\$498,181
Estimated costs of issue	\$124,460	\$124,460
<u>Total Administration / Other</u>	<u>\$524,821</u>	<u>\$622,641</u>
Total Proceeds	\$2,154,821	\$3,309,913

As the Company has previously advised ASX, R3D has been in discussion with copper sulphate offtake parties and these parties may provide additional finance once the estimated copper sulphate production ramp-up rate has been provided to them.

We continue to be excited by the opportunities within the Company's portfolio and the value they may realise for our shareholders, and we thank you for your continued support.

Yours sincerely



Richard Ash
Chairman



Stephen Bartrop
Managing Director

TABLE OF CONTENTS

1.	KEY OFFER INFORMATION.....	8
2.	DETAILS OF THE ENTITLEMENT OFFER	12
3.	PURPOSE AND EFFECT OF THE OFFER.....	17
4.	RIGHTS AND LIABILITIES ATTACHING TO SHARES	29
5.	RISK FACTORS.....	31
6.	ADDITIONAL INFORMATION	40
7.	DIRECTORS' AUTHORISATION.....	45
8.	GLOSSARY.....	46

1. □ KEY OFFER INFORMATION

1.1 □ Timetable

Partial Settlement of Placement (\$500,000)	Tue, 12 April 2022
Lodgement of Prospectus with ASIC	Tue, 19 April 2022
Lodgement of Prospectus and Appendix 3B with ASX	Tue, 19 April 2022
“Ex” date	Fri, 22 April 2022
Record Date for determining Entitlements	Tue, 26 April 2022
Offer Opening Date, Prospectus sent out to Shareholders and Company announces this has been completed	Fri, 29 April 2022
Last day to extend the Closing Date	Mon, 16 May 2022
Closing Date as at 5:00pm EST *	Thu, 19 May 2022
Securities quoted on a deferred settlement basis	Fri, 20 May 2022
Partial Settlement of Placement (\$500,000)	Mon, 23 May 2022
Rights Issue Final Results Announcement and Placement of Shortfall	Thu, 26 May 2022
Lodgement of Appendix 2A with ASX applying for quotation of the Shares issued under the Offer *	Thu, 26 May 2022
Holding Statements to be Dispatched to Rights Issue Participants	Fri, 27 May 2022

* The Directors may extend the Closing Date by giving at least three Business Days' notice to ASX prior to the Closing Date. Accordingly, the date the Shares are expected to commence trading on ASX may vary.

1.2 □ Key Statistics of the Offer

	Full Subscription (\$3,309,913)¹
Offer Price per Share	\$0.10
Entitlement Ratio (based on existing Shares)	1:5
Shares currently on issue ¹	115,495,630
Shares to be issued under the Entitlement Offer	23,099,126
Gross proceeds of the issue of Shares under the Entitlement Offer	\$2,309,913
Shares on issue following completion of the Entitlement Offer	138,594,756
Balance of Shares to be issued under the Placement	5,000,000
Shares on issue following completion of the Offer	143,594,756

Notes:

1. Includes 5,000,000 Shares, which were issued under the Placement at \$0.10 per share on 12 April 2022 (\$500,000).
2. Refer to Section 4.1 for the terms of the Shares.

1.3 **Background to the Offer**

As announced on 5 April 2022, immediately prior to the Entitlement Offer, the Company agreed to a Placement of new Shares to raise \$1,000,000. R3D proposes to raise an additional \$2,309,913 under a non-renounceable entitlement offer.

Placement

The Company received a firm commitment from parties introduced by R3D's corporate advisor, Reign Advisory, to raise \$1,000,000 via the issue of 10,000,000 Shares at an issue price of \$0.10 per Share (**Placement Shares**). Further details in respect of the Placement are set out in the ASX announcements released by the Company on 5 and 6 April 2022.

As announced to ASX on 5 April 2022, R3D has agreed to issue 10,000,000 Shares at an issue price of \$0.10 per Share (the same price as the Entitlement Offer) to sophisticated and professional investors to raise approximately \$1 million (before costs) (Placement). The Placement Shares are to be issued in two tranches, with the first tranche issued on 12 April 2022 (\$500,000) and the second tranche is expected to be issued on 23 May 2022 (\$500,000) pursuant to the Company's available placement capacity under ASX Listing Rules 7.1 and 7.1A. As the second tranche is dated after the Record Date for the Entitlement Offer, participants of the second tranche of the Placement will not be able to participate in the Entitlement Offer in respect of the New Shares they receive under the Placement. For the avoidance of doubt, the participants of the first tranche of the Placement are entitled to participate in the Entitlement Offer in respect of the New Shares they receive under the Placement as those Shares were issued prior to the Record Date. All proceeds from the Placement will be used in accordance with Section 3.1.

Generally, section 707(3) of the Corporations Act requires that a prospectus is issued in order for a person to whom securities were issued without disclosure under Part 6D of the Corporations Act to on-sell those securities within 12 months after the date of their issue. Section 708A(5) of the Corporations Act provides an exception to section 707(3) where an entity issues a 'cleansing' notice under section 708A(5). However, R3D has been suspended from trading on ASX for more than five days in the last 12 months and, as a result, is precluded from issuing a 'cleansing' notice in accordance with section 708A(5) of the Corporations Act.

Section 708A(11) of the Corporations Act provides another exemption from this general requirement where:

- (a) the relevant securities are in a class of securities of the company that are already quoted on ASX;
- (b) a prospectus is lodged with ASIC either:
 - (i) on or after the day on which the relevant securities were issued, but before the day on which the sale offer is made; or
 - (ii) before the day on which the relevant securities are issued and offers of securities that have been made under the prospectus are still open for acceptance on the day on which the relevant securities were issued; and
- (c) the prospectus is for an offer of securities issued by the company that are in the same class of securities as the relevant securities.

A secondary purpose of this Prospectus is to meet the requirements of section 708A(11) of the Corporations Act, so that any trading restrictions on New Shares issued pursuant to the Placement or to Yaputri Pte Ltd (Yaputri) (as described in section 3.4) are removed. Therefore, this Prospectus will cleanse the first tranche of the Placement along with any new Shares issued to Yaputri.

Entitlement Offer

The Entitlement Offer is being made as a pro-rata non-renounceable entitlement offer of one Share for every five Shares held by Eligible Shareholders registered at the Record Date at an issue price of \$0.10 per Share to raise up to \$2,309,913.

Further details in respect of the Entitlement Offer are set out in Section 3.

1.4 □ Directors' Interests in Securities

The relevant interest of each of the Directors in the Securities, as at the date of this Prospectus, together with their respective Entitlement, is set out in the table below:

Director	Shares ¹	Options ²	Entitlement (Shares)	Entitlement (\$)
Mr Richard Ash	0	1,500,000	0	0
Dr Stephen Bartrop	8,018,873	6,425,777	1,603,775	160,378
Mr Bruce Hills	2,726,497	2,545,301	545,300	54,530
Mr Michael Thimbeck	1,000,000	1,200,000	200,000	20,000
Mr Robert Waring	1,961,000	843,203	392,200	39,220

Notes:

1. Details of the registered holders of the above Shares and Options beneficially owned by Directors and their related parties are set out in Appendices 3X and 3Y released to ASX.
2. All Options are unquoted, have an exercise price of \$0.40 each and expire if not exercised by 14 July 2026.

The Board recommends all Shareholders take up their Entitlements. All Directors entitled to participate in the Entitlement Offer intend to take up their respective Entitlement in full.

1.5 □ Details of Substantial Holders

Based on available information as at the date of this Prospectus, those parties that (together with their associates) have a relevant interest in 5% or more of the Shares on issue are set out below:

Shareholder	Shares	%
SciDev Ltd	13,589,935	11.77%
Duncan John Hardie	11,218,897	9.71%
Stephen Bartrop	8,018,873	6.94%

If Duncan John Hardie (Hardie) and Stephen Bartrop (Bartrop) take up their Entitlements, and all other Entitlements are either accepted or any Shortfall is placed, there will be no change to the substantial holders on completion of the Entitlement Offer, other than the dilution incurred by SciDev Ltd (ASX:SDV), as it has indicated that it will not take up its Entitlement. The effect on the control of the Company in the event that Shareholders do not participate in the Entitlement Offer is further described in Section 1.6 below.

1.6 □ Effect of the Entitlement Offer on Control and Voting Power in the Company

The potential effect the Entitlement Offer will have on the control of each of Hardie and Bartrop, and the consequences of that effect will depend on a number of factors, including the number of new Shares taken up by Eligible Shareholders and the issue of new Shares under the Shortfall Offer. It is noted that Hardie and Bartrop are not associates. Bartrop has indicated that he will take up his full Entitlement. Hardie has not indicated whether or not he will take up his Entitlement. SciDev has indicated that it will not take up its Entitlement. The potential increase to the voting power of each of Hardie and Bartrop is set out in the table below.

Event	Hardie		Bartrop	
	Shares	Voting Power ¹	Shares	Voting Power
As at the Record Date ¹	11,218,897	9.71%	8,018,873	6.94%
Completion of the Entitlement Offer:				
100% participation	13,462,676	9.38%	9,622,648	6.70%
75% participation	12,901,732	8.98%	9,221,704	6.42%
50% participation	12,340,787	8.59%	8,820,760	6.14%
25% participation	11,779,842	8.20%	8,419,817	5.86%
0% participation	11,218,897	7.81%	8,018,873	5.58%

Note:

- This is based on a share capital of 115,495,630 Shares as at the date of the Prospectus and assumes no other Shares are issued, including on exercise of Options.

Notwithstanding the potential increase in voting power of Hardie and Bartrop, R3D believes that Hardie and Bartrop will not have sufficient Shares to have the ability to make any significant changes to the current business plan or management of the Company, and have not at this time indicated that they wish to make significant changes. Bartrop, being a Director of R3D, cannot acquire any of the Shortfall shares without Shareholder approval. These present intentions may change as new information becomes available, as circumstances change or in the light of all material information at the relevant time.

As set out in Section 2.7, on the basis of the allocation policy, no person will acquire, through participation in the Shortfall Offer:

- a holding of Shares of; or
- an increase in their holding to,

an amount greater than 19.9% of all the Shares on issue on completion of the Entitlement Offer.

1.7 Potential Dilution on Non-Participating Shareholders

In addition to potential control impacts set out in Section 1.6, Shareholders should note that if they do not participate in the Entitlement Offer, their holdings are likely to be diluted by approximately 16.7% (as compared to their holdings and the number of Shares on issue as at the date of this Prospectus). Shareholders' holdings will be diluted by approximately an additional 3.6% (as compared to their holdings and number of Shares on issue as at the date of this Prospectus) by the tranche 2 Placement of \$500,000.

For illustrative purposes, the table below shows how the dilution may impact the holdings of Shareholders:

Holder	Holding as at Record date	% at Record Date	Entitlements under Offer	Holdings if Offer not taken Up	% post-Offer
Shareholder 1	10,000,000	8.66%	2,000,000	10,000,000	6.96%
Shareholder 2	5,000,000	4.33%	1,000,000	5,000,000	3.48%
Shareholder 3	1,500,000	1.30%	300,000	1,500,000	1.04%
Shareholder 4	400,000	0.35%	80,000	400,000	0.28%
Shareholder 5	50,000	0.04%	10,000	50,000	0.03%

Notes:

- This is based on a share capital of 115,495,630 Shares as at the date of the Prospectus and assumes no other Shares are issued, including on exercise of Options.
- The dilutionary effect shown in the table is the maximum percentage on the assumption that those Entitlements not accepted by Eligible Shareholders are placed under the Shortfall Offer. In the event all Entitlements are not accepted and some or all of the resulting Shortfall is not subsequently placed, the dilution effect for each Shareholder not accepting their Entitlement would be a lesser percentage.

2. □ DETAILS OF THE ENTITLEMENT OFFER

2.1 □ The Entitlement Offer

The Entitlement Offer is being made as a pro-rata non-renounceable entitlement issue of one new Share for every five Shares held by Shareholders registered at the Record Date at an issue price of \$0.10 per Share.

Based on the capital structure of the Company at the date of this Prospectus, (and assuming Shares are issued prior to the Record Date, including on exercise or conversion of securities on issue) approximately 23,099,126 Shares may be issued under the Entitlement Offer to raise up to \$2,309,913.

As at the date of this Prospectus, the Company has 37,331,395 Options on issue, with all but 1,666,650 of which may be exercised prior to the Record Date if Option holders wish to participate in the Entitlement Offer. Please refer to Section 3.3 for information on the exercise price and expiry date of the Options on issue.

Ranking of Shares

All the Shares offered under this Prospectus (including the Placement Shares) will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 4.1 for further information regarding the rights and liabilities attaching to the Shares.

Withdrawal of Entitlement Offer

The Board reserves the right to withdraw all or part of the Entitlement Offer at any time before the issue of Shares, in which case the Company will refund application monies without payment of interest.

No Cooling Off Rights

Cooling off rights do not apply to an investment in Shares. You cannot withdraw your application or payment once it has been accepted, except as allowed by law.

Renunciation and Trading

Entitlements are non-renounceable and will not be tradeable on ASX or otherwise transferrable. Shareholders who do not take up their Entitlements (if any) in full will not receive any value in respect of the Entitlements they do not take up, and their percentage shareholding in the Company will be reduced following the issue of new Shares.

The purpose of the Entitlement Offer and the intended use of funds raised are set out in Section 3.

2.2 □ Eligible Shareholders

This Prospectus contains an offer of Shares to Eligible Shareholders. Eligible Shareholders are those holders of Shares who:

- (a) are registered as holders of Shares on the Register on the Record Date;
- (b) have registered addresses in Australia or New Zealand; and
- (c) are not shareholders in any other country other than Australia or New Zealand and are not acting for the account or benefit of parties in any other country other than Australia or New Zealand.

Shareholders that are not Eligible Shareholders are Ineligible Shareholders.

2.3 What Eligible Shareholders may do

The number of Securities to which Eligible Shareholders are entitled is shown on the personalised Entitlement and Acceptance Form, which can be accessed at www.computershare.com.au/Investor-Login. Eligible Shareholders may choose any of the options set out in the table below.

Option	Key Considerations	For more information
Take up all of your Entitlement	<p>(a) Should you wish to accept all of your Entitlement, then your application for Securities under this Prospectus must be made by following the instructions on the personalised Entitlement and Acceptance Form, which can be accessed at www.computershare.com.au/Investor-Login. Please read the instructions carefully.</p> <p>(b) Payment can be made by the methods set out in Section 2.4. As set out in Section 2.4, if you pay by BPAY®, you do not need to return the Entitlement and Acceptance Form.</p>	Sections 2.4 and 2.5.
Take up all of your Entitlement and also apply for Shortfall Securities	<p>(a) Should you wish to accept all of your Entitlement and apply for Shortfall Securities, then your application for your Entitlement and additional Shortfall Securities under this Prospectus must be made by following the instructions on your personalised Entitlement and Acceptance Form, which can be accessed at www.computershare.com.au/Investor-Login. Please read the instructions carefully.</p> <p>(b) Payment can be made by the methods set out in Section 2.4. Payment should be made for your Entitlement and the amount of the Shortfall for which you are applying.</p> <p>(c) If you apply for Shortfall Securities beyond your Entitlement you are deemed to have accepted your Entitlement in full. You should note that the allocation of Shortfall Securities is at the Company's absolute discretion, as per the allocation policy set out in Section 2.7. Accordingly, your application for additional Shortfall Securities may be scaled-back.</p> <p>(d) The Company's decision on the number of Shortfall Securities to be allocated to you will be final.</p>	Sections 2.4, 2.5 and 2.7.
Take up a proportion of your Entitlement and allow the balance to lapse	<p>(a) If you wish to take up only part of your Entitlement and allow the balance to lapse, your application must be made by completing the personalised Entitlement and Acceptance Form, which can be accessed at www.computershare.com.au/Investor-Login for the number of Securities you wish to take up and making a payment using the methods set out in Section 2.4 below. As set out in Section 2.4, if you pay by BPAY®, you do not need to return the Entitlement and Acceptance Form.</p>	Sections 2.4 and 2.5.
Allow all or part of your Entitlement to lapse	<p>(a) If you do not wish to accept any part of your Entitlement, you are not obliged to do anything. If you do not take up your Entitlement by the Closing Date, the Entitlement Offer to you will lapse.</p>	

The Entitlement Offer is non-renounceable. Accordingly, a Shareholder may not sell or transfer all or part of their Entitlement.

2.4 □ Payment Options

(a) By BPAY®

For payment by BPAY®, please follow the instructions on the Entitlement and Acceptance Form. You can only make a payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions. Please note that, should you choose to pay by BPAY®:

- (i) you do not need to submit the Entitlement and Acceptance Form, but are taken to have made the declarations on that Entitlement and Acceptance Form;
- (ii) if you do not pay for your Entitlement in full, you are deemed to have taken up your Entitlement in respect of such whole number of Shares that is covered in full by your application monies; and
- (iii) if you pay more than is required to subscribe for your Entitlement, you will be taken to have applied for Shortfall Securities (if any) under the Shortfall Offer, to the extent of the excess.

You should be aware that your own financial institution may implement earlier cut-off times with regard to electronic payment and you should therefore take this into consideration when making your payment. **It is your responsibility to ensure that funds submitted through BPAY® are received by 5:00pm (EST) on the Closing Date. The Company shall not be responsible for any delay in the receipt of the BPAY® payment.**

Guidance where you have more than one CRN (Shareholding of Shares)

If you have more than one shareholding of Shares and consequently receive more than one Entitlement and Acceptance Form, when taking up your Entitlement in respect of one of those Shareholdings only use the CRN specific to that Shareholding as set out in the applicable Entitlement and Acceptance Form. **Do not use the same CRN for more than one of your Shareholdings.** This can result in your application monies being applied to your Entitlement in respect of only one of your Shareholdings (with the result that any application in respect of your remaining Shareholdings will not be valid).

(b) By Electronic Funds Transfer (Overseas Applicants)

For payment by Electronic Funds Transfer (EFT) for overseas Eligible Shareholders, please follow the instructions on the Entitlement and Acceptance Form. You can only make a payment via EFT if you are the holder of an account that supports EFT transactions to an Australian bank account. Please note that, should you choose to pay by EFT:

- (i) you will need to submit the Entitlement and Acceptance Form;
- (ii) if you do not pay for your Entitlement in full, you are deemed to have taken up your Entitlement in respect of such whole number of Shares that is covered in full by your application monies; and
- (iii) if you pay more than is required to subscribe for your Entitlement, you will be taken to have applied for Shortfall Securities (if any) under the Shortfall Offer, to the extent of the excess.

2.5 □ Implications of an Acceptance

Returning a completed Entitlement and Acceptance Form or paying any application monies by BPAY® or EFT will be taken to constitute a representation by you that:

- (a) you have received a copy of this Prospectus, and the accompanying Entitlement and Acceptance Form, and read them both in their entirety;

- (b) you acknowledge that once the Entitlement and Acceptance Form is returned, or a BPAY® or EFT payment instruction is given in relation to any application monies, the application may not be varied or withdrawn except as required by law.

2.6 Minimum Subscription

There is no minimum subscription.

2.7 Shortfall Offer

Any Entitlement not taken up pursuant to the Entitlement Offer will form the Shortfall Offer (**Shortfall Securities**). The Shortfall Offer is a separate offer made pursuant to this Prospectus and will remain open for up to three months following the Closing Date. The issue price for each Share to be issued under the Shortfall Offer shall be \$0.10, being the price at which Shares have been offered under the Entitlement Offer.

If you do not wish to take up any part of your Entitlement you are not required to take any action. That part of your Entitlement not taken up will form part of the Shortfall Offer and potentially be allocated to other Eligible Shareholders or other third parties as part of the Shortfall Offer. The Shortfall Offer will only be available where there is a Shortfall between applications received from Eligible Shareholders and the number of Shares proposed to be issued under the Entitlement Offer.

Eligible Shareholders who wish to subscribe for Securities above their Entitlement are invited to apply for Shortfall Securities under the Shortfall Offer by completing the appropriate section on their Entitlement and Acceptance Form or by making payment for such Shortfall Securities in accordance with Section 2.4.

The Board presently intends to allocate Shortfall Securities as follows:

- (a) to Eligible Shareholders who apply for an excess of their full Entitlement, so long as the issue of Shortfall Securities to that Eligible Shareholder would not take their voting power to in excess of 19.99%; and then
- (b) to other parties identified by the Directors, which may include parties who are not currently Shareholders.

Depending on the level of demand for Shortfall Securities, the Company may also engage with brokers in order to seek to place the Shortfall Securities.

No Shares will be issued to a party under the Shortfall Offer if the effect would be to increase that party's voting power in the Company to an amount greater than 19.99%.

The Company reserves the right to issue an Eligible Shareholder a lesser number of Shortfall Securities than applied for or no Shortfall Securities at all. If the number of Shortfall Securities applied for by Eligible Shareholders exceeds the total Shortfall, the Shortfall Securities will be allocated among applying Eligible Shareholders proportionate to their existing holdings.

All decisions regarding the allocation of Shortfall Securities will be made by the Directors, and will be final and binding on all applicants under the Shortfall Offer; as such there is no guarantee that any Shortfall Securities applied for will be issued to Eligible Shareholders.

The Company will have no liability to any applicant who receives less than the number of Shortfall Securities they applied for under the Shortfall Offer. If the Company scales back any applications for Shortfall Securities under the Shortfall Offer any application monies will be returned (without interest) as soon as practicable.

2.8 ASX Listing

Application for Official Quotation of the Shares offered pursuant to this Prospectus will be made in accordance with the timetable set out at Section 1. If ASX does

not grant Official Quotation of the Shares offered pursuant to this Prospectus before the expiration of three months after the date of issue of the Prospectus (or such period as varied by ASIC), the Company will not issue any Shares and will repay all application monies for the Shares within the time prescribed under the Corporations Act, without interest.

The fact that ASX may grant Official Quotation to the Shares is not to be taken in any way as an indication of the merits of the Company or the Shares now offered for subscription.

2.9 **Issue of Shares**

Shares issued pursuant to the Entitlement Offer will be issued in accordance with the ASX Listing Rules and the Timetable set out in Section 1.

Shares issued pursuant to the Shortfall Offer will be issued on a progressive basis. Where the number of Shares issued is less than the number applied for, or where no issue is made, surplus application monies will be refunded without any interest to the applicant as soon as practicable after the closing date of the Shortfall Offer.

Pending the issue of the Shares or payment of refunds pursuant to this Prospectus, all application monies in the Entitlement Offer will be held by the Company in trust for the applicants in a separate bank account as required by the Corporations Act. The Company, however, will be entitled to retain all interest that accrues on the bank account and each applicant waives the right to claim interest.

Holding Statements for Shares issued under the Entitlement Offer will be mailed as soon as practicable after the issue of Shares and for Shortfall Securities issued under the Shortfall Offer as soon as practicable after their issue.

2.10 **Overseas Shareholders**

This Prospectus does not constitute an offer of new Shares in any jurisdiction in which it would be unlawful. In particular, this Prospectus may not be distributed to any person, and the new Shares may not be offered or sold, in any country outside Australia except to the extent permitted below. For the avoidance of doubt, the Company is not extending the Entitlement Offer to ineligible Shareholders, including Shareholders outside Australia or New Zealand, having regard to the cost of complying with legal and regulatory requirements outside Australia or New Zealand, the number of ineligible Shareholders and other considerations.

New Zealand

The Securities are not being offered to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the transitional provisions of the Financial Markets Conduct Act 2013 (New Zealand) and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2021 (New Zealand).

This Prospectus has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority. This document is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

3. □ PURPOSE AND EFFECT OF THE OFFER

3.1 □ Purpose of the Offer

The purpose of this Entitlement Offer is to raise up to \$2,309,913 and to raise \$1,000,000 in the Placement, before costs.

On completion of the Entitlement Offer and the Placement, and taking into account existing cash reserves, the Board believes the Company will have sufficient working capital to achieve its stated objectives. R3D's primary focus is the development of the Tartana Copper Sulphate Project and the exploration of its licences in Far North Queensland.

Use of Funds

The funds raised under the Offer will be used to complete the refurbishment of the Copper Sulphate Plant, as well as to complete resource upgrade drilling, and some selected brownfield and greenfield exploration.

The table below details the proposed use of funds in the Offer, with priority placed on the plant refurbishment, and the associated activities to commence copper sulphate production and establish a cash flow business.

	50% Rights Take Up	100% Rights Take Up
Plant Refurbishment and Resource Definition / Upgrading		
Complete Copper Sulphate Plant refurbishment, first reagent fills and working capital	\$1,415,000	\$1,415,000
Supergene and oxide copper drilling at Tartana to upgrade and extend existing resources	\$180,000	\$180,000
Cardross Oxide Copper Resource estimation to JORC 2012 standards	\$35,000	\$35,000
<u>Total Plant</u>	<u>\$1,630,000</u>	<u>\$1,630,000</u>
Exploration		
Queen Grade Zinc Project drilling to extend and upgrade mineralisation to JORC 2012 standards	-	\$160,000
Tartana deeper copper drilling and upgrade mineralisation to JORC 2012 standards	-	\$225,000
Bulimba / Beefwood Geophysical Helitem Survey	-	\$450,000
Beefwood / Bellevue reconnaissance drilling to test exploration targets	-	\$222,272
<u>Total Exploration</u>	<u>Nil</u>	<u>\$1,057,272</u>
Administration / Other		
Working capital and administration	\$400,361	\$498,181
Estimated costs of issue	\$124,460	\$124,460
<u>Total Administration / Other</u>	<u>\$524,821</u>	<u>\$622,641</u>
Total Proceeds	\$2,154,821	\$3,309,913

If the Company does not achieve a 100% take up in the Entitlement Offer, it will prioritise its work on the plant refurbishment and R3D will review timing of its exploration programme.

Copper Sulphate Market

Copper sulphate is used as an activator for sphalerite (ZnS) and pyrite (FeS₂) in the flotation of base metal ores in mineral processing. Copper sulphate consumption is related to mineral processing rates, with the larger consumers represented by the base mines in north-west Queensland and the Northern Territory. Most copper sulphate is imported into Northern Australia and with 15% to 20% of the world's supply coming from Russia, the current situation in Europe is creating uncertainty in supplies for many industries. This may bode well for the placement of R3D's future production.

Copper sulphate pricing is based on the LME copper price, plus a premium. As copper sulphate comprises approximately 25% copper, the price of one tonne of

copper sulphate is approximately 25% of one tonne of copper priced on the LME plus a premium. This provides leverage to the copper price, which is an important commodity in the electric vehicle / renewable green energy revolution that is gaining momentum in the world today.

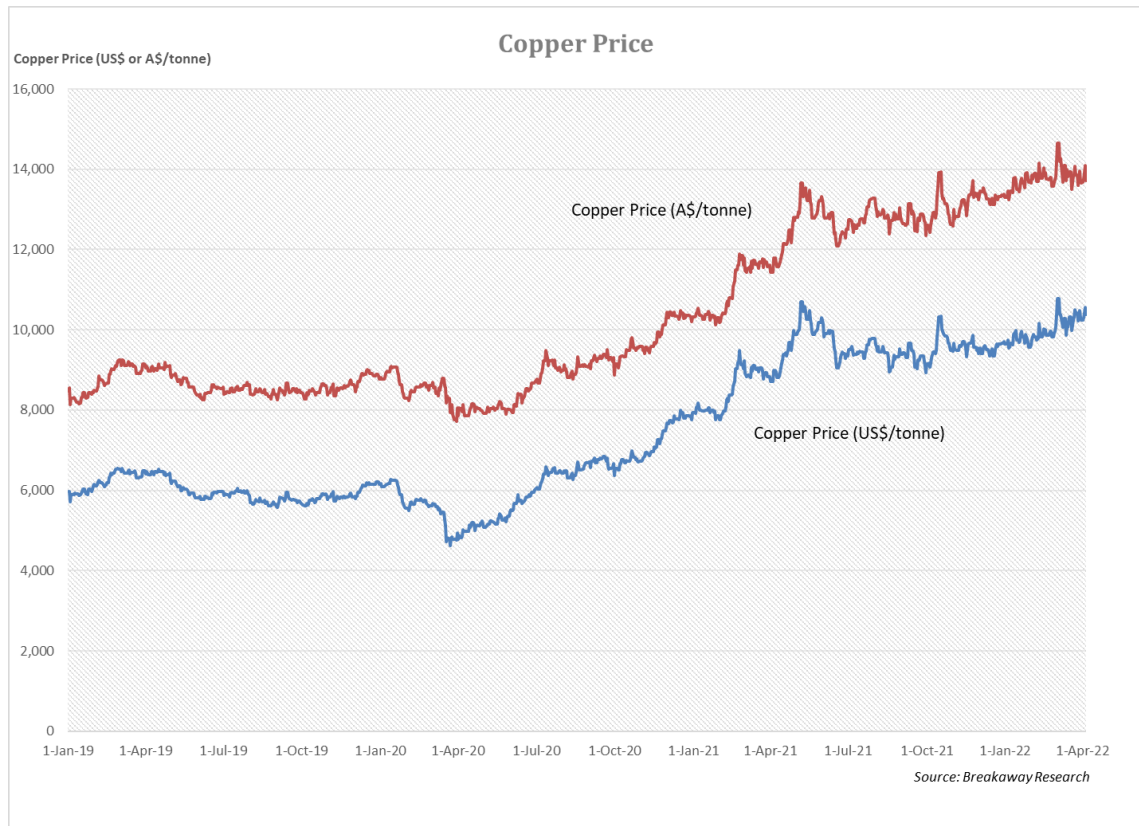


Figure 1 – Copper Price

Copper Sulphate Plant Refurbishment

The Copper Sulphate Plant on R3D's Tartana mining leases comprises a heap leach – solvent extraction – crystallisation plant, which operated for a decade before being placed on care and maintenance in 2014. The process flowsheet at Tartana is relatively simple and is similar to the typical SX-EW process, which electrowins cathode copper as a final product, whereas the Tartana process crystallises copper sulphate as the final product. The benefits of crystallising copper sulphate instead of electrowinning copper cathode are the lower operating and capital costs whilst still receiving the LME copper price for the contained copper, and a premium for R3D's product.

A simplified process flowsheet is outlined below. Key components are:

- the storage of copper in solution in the Pregnant Leach Solution (PLS) pond ready for extraction;
- the extraction and upgrading of the copper grade in solution using organic solvent extraction;
- the crystallisation of copper sulphate crystal by chilling the solution; and
- drying and bagging the copper sulphate for sale.

The plant has been on care and maintenance since 2014, but many components remain functional and in reasonable condition, with the environmental approvals in place. At the completion of the refurbishment programme, the Company will notify the relevant authorities of the transition from care and maintenance to resuming operations.

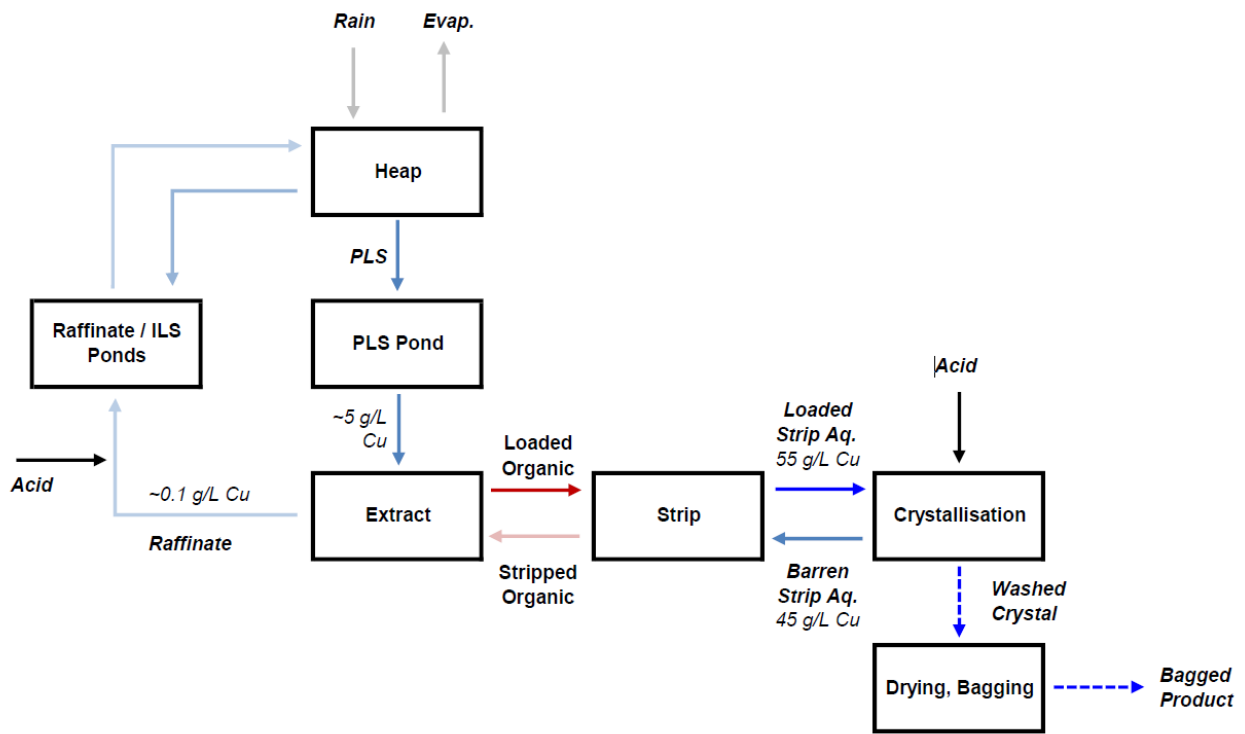



Figure 2 – Simplified circuit for copper sulphate production.



Figure 3 – 3(a) PLS ponds containing residual copper, 3(b) Metallurgical and electrical team on site with R3D personnel, and 3(c) Sampling the heap leach material to upgrade the resource status and conduct further metallurgical test work.

The Company reported to ASX the preliminary scoping study parameters on 28 January 2022 and these are outlined in Figure 4. These parameters remain in line with R3D's forecasts. The Scoping Study referred to in this report is based on low-level technical and economic assessments, and is insufficient to support the estimation of Ore Reserves or to provide assurance of an economic development case at this stage, or to provide certainty that the conclusions of the Scoping Study will be realised.



Project Parameters	
Production Rate	6,000 - 7,000 tpa
Pre-production time	6 months
Refurbishment capex excluding working capital	\$1.21 million
Working capital	\$205,000
Indicative copper sulphate price (based on US\$9,741/t Cu price)*	\$3,513 A\$ per tonne
Preliminary copper sulphate production costs excluding copper sourcing	\$854 A\$ per tonne

* the price of copper sulphate is based on the LME copper price plus a premium

Figure 4 – Initial scoping study parameters for the refurbishment of the solvent extraction – crystallisation plant.

The work completed includes the finalisation of detailed flow sheets, component listings and electrical drawings to facilitate the refurbishment over the next few

months. The plant appears in reasonable order, with some civil repair work required, as well as upgrading the electrical control panels to meet current safety standards. The Company has now identified that some tank and pipe replacements will be required, although most tanks remain in good operational order.

R3D has identified two stages to commence copper sulphate production as detailed below.

Stage 1. Re-commencing leaching of the existing heaps to increase the copper grade in the PLS pond to provide a readily available copper inventory for future crystallisation of copper sulphate. Specific work will involve:

- civil works to restore concrete bunds;
- upgrading the control panel for the generators;
- securing a sulphuric acid tank and acid supplies; and
- turning over the heaps to reduce historical 'channeling' with the irrigation.

As the copper grade increases in the PLS pond the Company will commence the **Stage 2** process involving the following key items:

- upgrade of electrical circuitry and control boards;
- installation and commissioning of the dryer;
- refurbishment of the centrifuge;
- hiring a chiller for the crystallisation of the copper sulphate;
- miscellaneous pipework and replacement of some tanks;
- miscellaneous engineering work, including upgrading safety rails; and
- ordering of reagents.

With funding from the Placement and Entitlement Offer, first production remains on track for the second half of 2022.

Copper Sources

The Company has identified further sources of copper units for the solvent extraction – crystallisation plant that can support its future production (see Figure 5). R3D believes its traditional sources (existing copper in ponds / heaps, supergene resources and exploration targets) can provide a base supply for production over the next few years. However, the plant also provides the opportunity to process other copper feedstocks.

The plant is equipped with a hopper / ball mill feed system and tank leaching that can provide additional copper to the PLS pond. This provides options for treating other copper containing materials that may range from scrap copper, copper sulphide complexes, as well as materials such as tech components, including circuit boards. The combination of a base supply of copper from traditional sources supplemented with potentially cheap and lucrative other copper sources may enhance the profitability of the business. It may also provide a recycling route for copper and other metals in waste tech components.

Copper sources

Copper already contained in ponds

Copper contained in heaps on the pad (inferred resource)

Supergene copper mineralisation within open pit (inferred resource)

Oxide copper exploration targets north and east of the open pit

Supergene exploration target at Valentino

Cardross oxide mineralisation on the Cardross mining lease application

OK Mines and other oxide ore on the Bellevue/Dry River project

Third party ore suppliers e.g. Ark Mines agreement

Alternative copper feedstocks including E-waste

Figure 5 – Potential copper sources to supply copper for copper sulphate production.

Proposed Exploration Activities

As advised to ASX on 8 March 2022, the Company has been finalising its 2022 exploration programme, which focuses on the following priority targets:

- Tartana Queen Grade Zinc Project, where previous drilling intersected 33 metres (m) at 12% Zn and remains open at depth. This is at a time when R3D's neighbour has restarted production from the King Vol mine and the Mungana processing plant.
- The OK Mine Copper target on the Company's Bellevue Project leases. Previous drilling intersected 24.4 m at 2.05% Cu and 0.59% Zn in the OK Mine Project within a massive sulphide lens open at depth. This also coincides with a large gravity anomaly and potentially associated haematitic breccia alteration.
- The Beefwood / Bulimba Projects' geophysical anomaly, defined by a gravity anomaly, a surrounding magnetite destruction zone and surface sampling return up to 272 g/t Au.

The capital raising may provide R3D with an ability to embark on these activities at the same time as refurbishing the Copper Sulphate Plant. Details of each project are outlined below.

Queen Grade Zinc Project

The Queen Grade Zinc Project covers a separate zone of zinc-rich skarn mineralisation that outcrops as discontinuous gossan with a strike of over 300 m on a chert-dominated ridge. It is located north-west of the open pit and is within the Tartana mining leases.

Previous drilling has return highly encouraging intersections including:

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

These intersections are encouraging, while the mineralisation also has potential for significant depth extensions, as demonstrated by the depth of mineralisation at the nearby King Vol mine (mineralisation at King Vol extends to around 900 m depth).

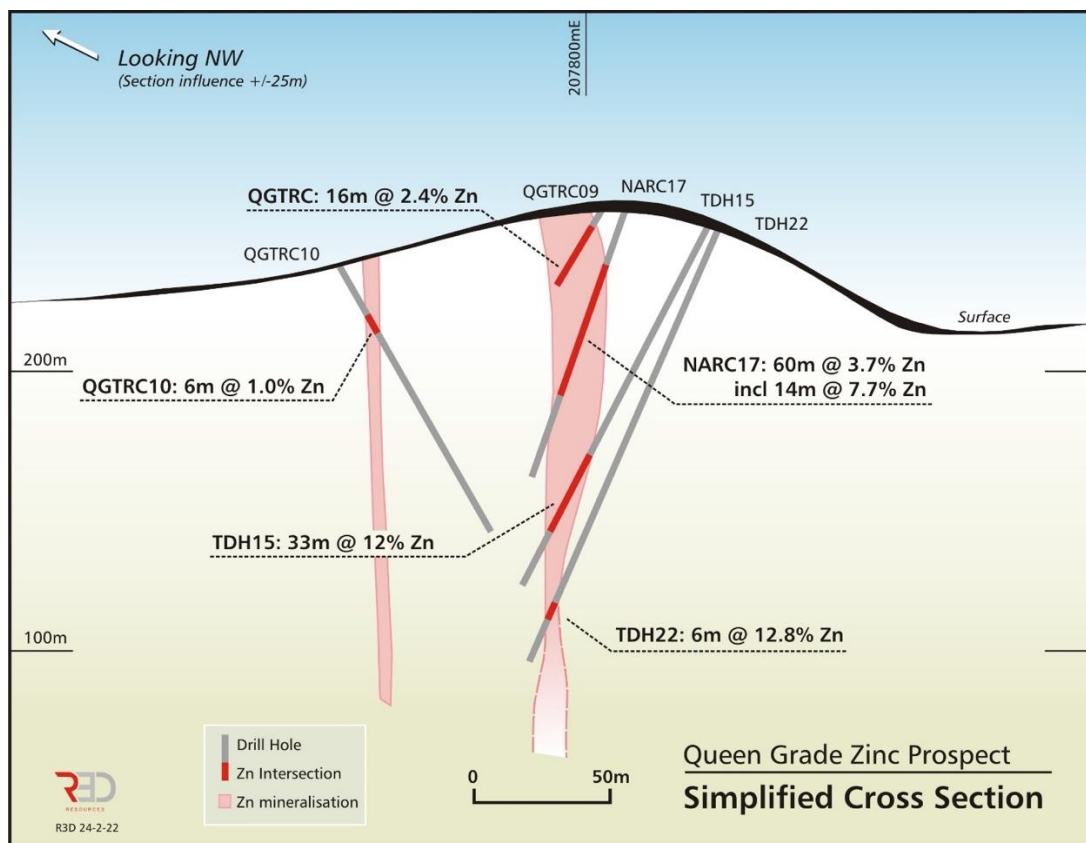


Figure 6 – Simplified cross section through the Queen Grade Zinc Project. For JORC 2012 Code section 1 and 2 tables, see Appendix A of the Independent Geologist's Report contained in the prospectus dated 26 May 2021, available at www.r3dresources.com.au.

As detailed in the 26 May 2021 prospectus, a JORC 2012 compliant open pit conceptual Exploration Target for Queen Grade has been estimated to a depth of only 100 m below the oxide zone. The Company's proposed drilling has the potential to verify previous drilling to enable the reporting of a JORC 2012 resource, but also potentially increase the down dip extent of the mineralisation.

Queen Grade Zinc Open Pit Exploration Target*	Tonnage		Zinc Grade		Contained Zinc	
	Low (Mt)	High (Mt)	Low	High	Low (t)	High (t)
	0.3	3.0	4%	10%	11,000	290,000

*The potential quantity and grade is conceptual in nature, and there has been insufficient exploration to estimate a Mineral Resource and it is uncertain if further exploration will result in the estimation of a Mineral Resource. Tables 1 & 2 JORC 2012 are available in Appendix A of the Independent Geologist's Report (Appendix C).

Figure 7 – Queen Grade Exploration Target.

The Company has completed flotation test work (on a composite sample from Drill hole TDH 22). Independent consulting metallurgists have reported high zinc recoveries of >98% to a concentrate grading 42% zinc from its initial rougher flotation test work. The sample tested was from a 5 m section of Hole 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 test work along with analysis of zinc concentrates for any impurity elements.

The Directors believe that the Queen Grade Zinc Project represents a high-quality brownfield target with scope for delineating significant zinc mineralisation on R3D's granted mining leases.

OK Mine Copper Target, Bellevue Exploration Project (EPMs 27304 and 25970)

The OK Mine was discovered in 1901 by prospector John Munro who named the site OK, reputedly after an empty OK jam tin. Mineralisation occurs along a 2 km folded and faulted basalt – chert horizon identified at surface by Cu-oxide enriched gossans, and includes the OK North, main OK Mine and OK South prospects.

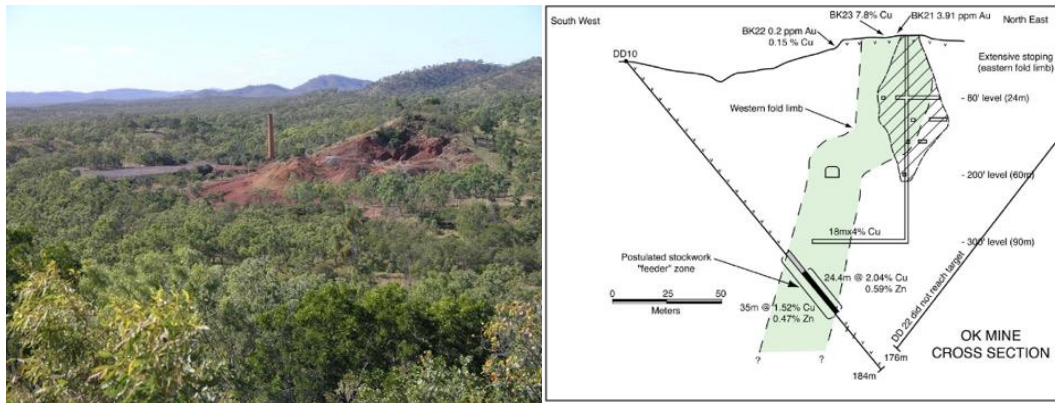


Figure 8 – 8(a) Historic OK Mine site, including copper smelter chimney and slag heap, and 8(b) OK Mine cross section. See R3D Prospectus dated 26 May 2021 for further information.

Historical mining at the main OK Mine involved an open cut mine into the hillside followed by underground development to approximately 60 m below surface. The orebody is reported to be copper rich carbonate ore due to supergene enrichment near the surface, with grades around 20% Cu and grades decreasing to between 4% and 7% Cu below the 45 m level (Mines Department; Queensland Government Mining Journal; Jack, 1907). The primary ore consisting of a stockwork zone of pyrite, chalcopyrite and sphalerite within both siliceous and chloritic basalt, and is found between the chert limbs of a steeply plunging approximate 80° syncline.

The OK Mine mineralisation has been previously interpreted as being volcanic massive sulphide style mineralisation associated with the OK Member of the Hodgkinson Formation. However, R3D believes that this mineralisation may be epigenetic rather than representing the remobilisation of mineralisation deposited on a seafloor.

Evidence of an epigenetic origin includes the extensive haematitic breccia alteration, which could indicate that mineralisation may have affinities with iron oxide copper gold (IOCG) deposits. Another line of evidence is reflected in the geophysics and R3D flew a Falcon gravity / magnetic survey last year (see ASX announcement of 30 July 2021). The Company commissioned a review of the geophysical data by its geophysical consultants, who identified several areas of high gravity and potential magnetite destruction zones in proximity to the OK group of mines. These gravity 'highs' could correspond to mineralisation associated with haematitic breccias.

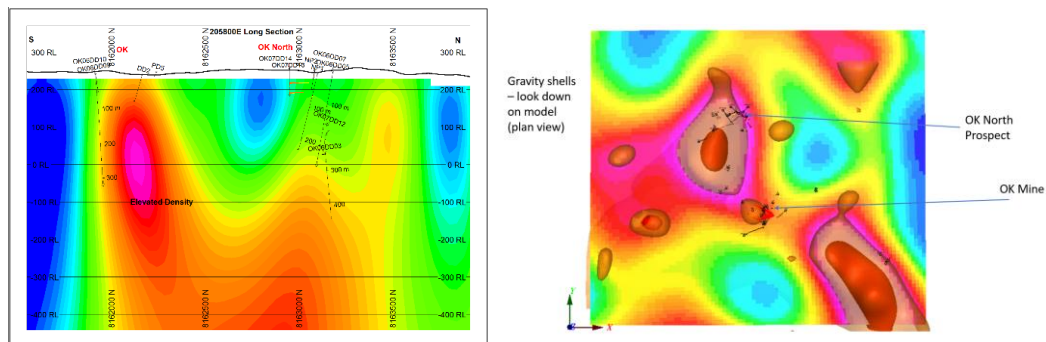


Figure 9 – Areas of elevated density in proximity to the OK mineralisation. 9(a) Long Section. 9(b) Plan View. Note: the OK Mine and OK North prospect are approximately 1 km apart.

The Falcon Survey has also identified an east dipping structure, which may be a felsic dyke or mylonite. This structure appears to cross cut the complex stratigraphy evident at surface and may also be the source of mineralising fluids that have deposited along the basalt contact.

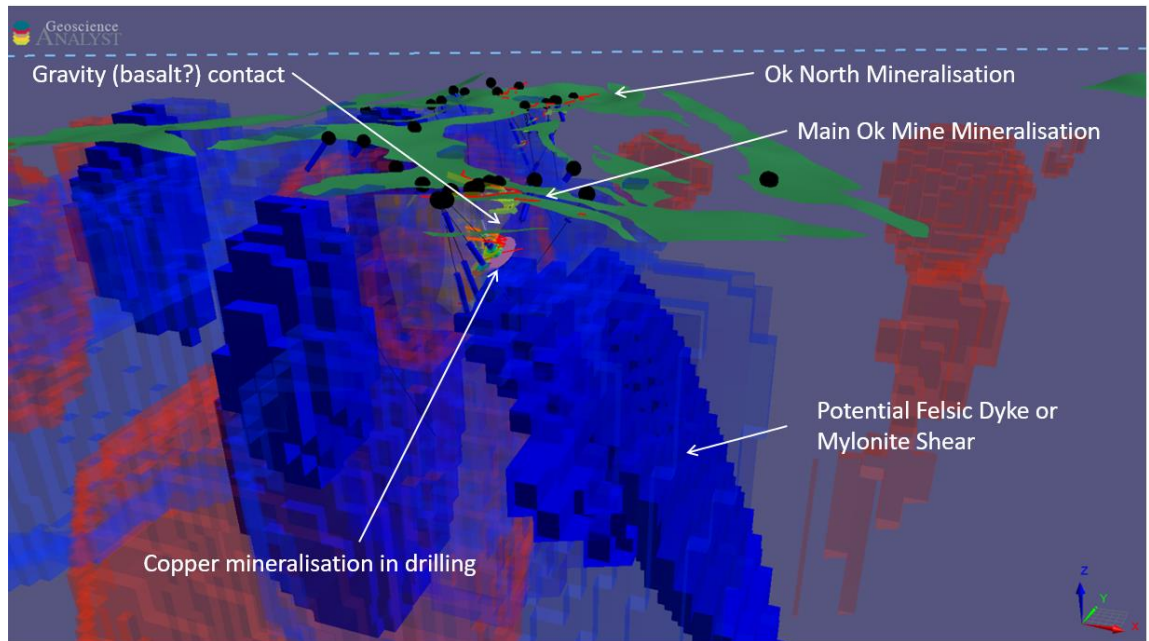


Figure 10 – Potential east dipping felsic dyke or mylonite shear, which intersects the basalt contact near surface and which may be a source of the mineralising fluids. Note: The OK Mine and OK North prospect are approximately 1 km apart.

R3D is planning exploration drilling to test both targets.

Beefwood / Bulimba Projects

The Beefwood / Bulimba Projects cover more than 1,250 km² of prospective tenements west of the Tartana mining leases. The area has been previously considered difficult to explore due to the depth of overlying cover, but with the discovery of recent outcropping basement, this suggests that this impediment may not be valid.

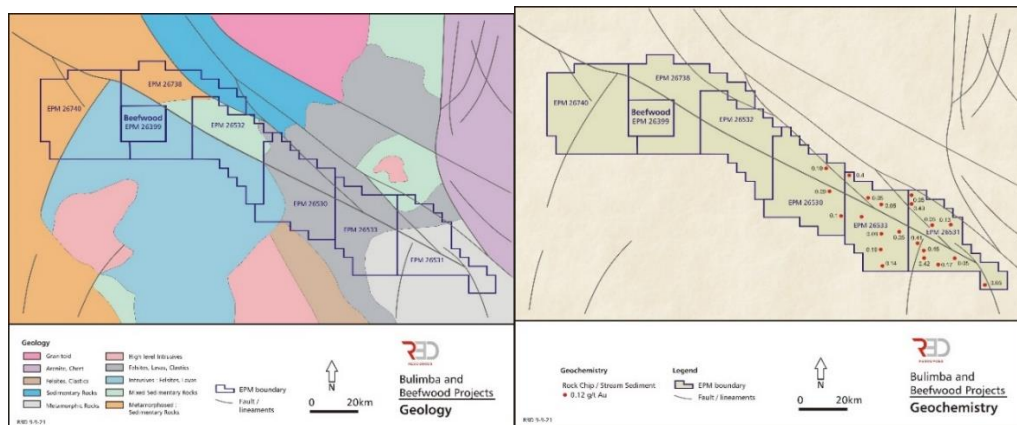


Figure 11 – Beefwood / Bulimba (11a) Geology and (11b) Geochemistry.

R3D flew a Falcon Gravity / Magnetic survey in 2021 covering the Beefwood and adjacent Bulimba tenements, as reported to ASX on 3 August 2021. The Falcon survey has identified several key exploration targets, which potentially represent intrusion related gold systems (IRGS). These are large-scale targets, as outlined in Figure 12.

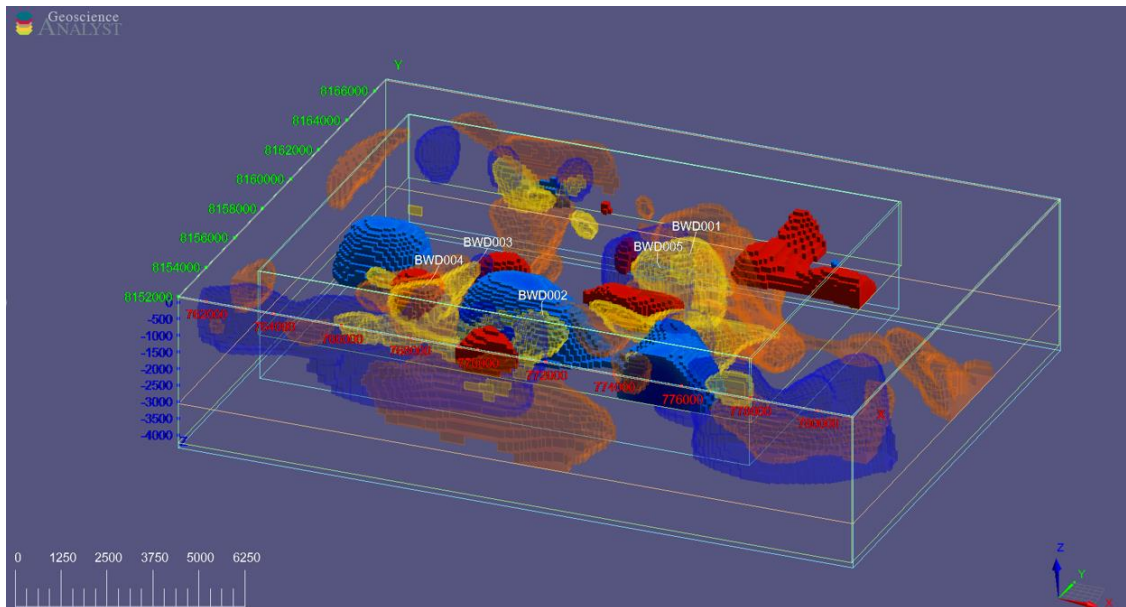


Figure 12 – Drill targets on the Beefwood Project.

Figure 13 outlines an interpreted cross section through the Beefwood Project showing targets and potential drill paths to test these targets.

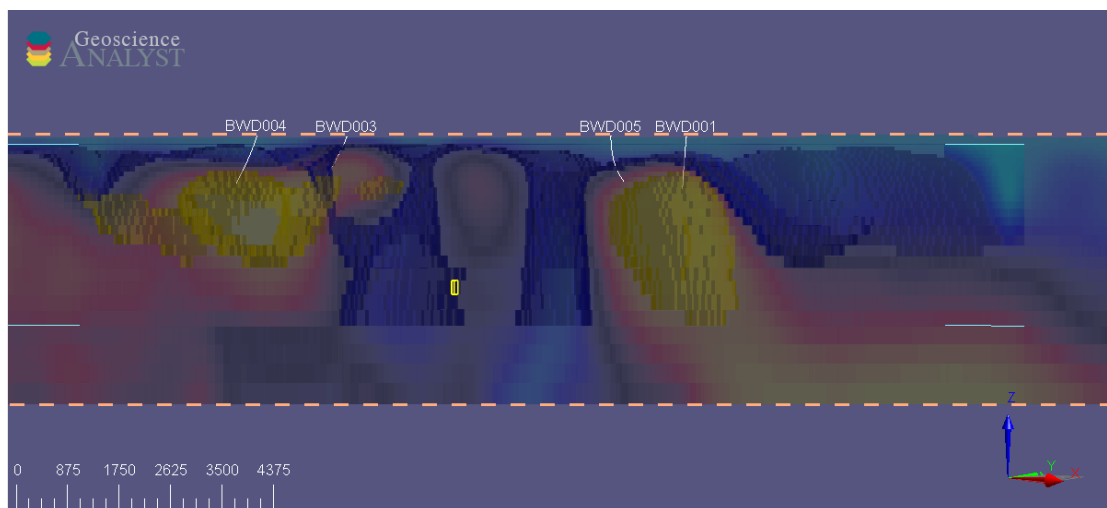


Figure 13 – Interpreted Beefwood cross section showing targets and potential drill paths

The Company is planning a Helitem survey to cover parts of the Bulimba Project area and potentially also cover parts of the Beefwood Project to identify conductors that may be associated with the previously-identified targets from the Falcon survey. This is expected to be conducted mid-2022. However, some of the targets are considered 'drill ready' and these may be tested earlier.

It is noted that the Company's budgets and forecasts will be subject to modification on an ongoing basis depending on the results achieved from its activities and operations.

The Use of Funds table at the start of Section 3.1 is a statement of current intentions as of the date of this Prospectus. As with any budget, intervening events (including exploration success or failure) and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way funds are applied on this basis.

The Board has been cautious to only raise sufficient funds so as to undertake critical exploration programmes designed to advance the potential development of the

Tartana Copper Sulphate Project and to complete limited exploration at its other projects. R3D may need to raise significantly more funds to complete essential studies in support of pre-feasibility level studies or specific environmental or regulatory approval documents if exploration is successful.

The Board is also of the opinion that the control effect of the Entitlement Offer does not exceed what is reasonably necessary given the Company's financial position and its need for funds. The size of the Entitlement Offer is, in the opinion of the Board, consistent with, and does not exceed, the Company's funding requirement, and is necessary in order to support the information and data requirements of its proposed work plan.

Competent Person's Statement

The information in this Prospectus 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, and consents to the inclusion in this Prospectus of the matters based on his information in the form and context in which it appears.

3.2 Effect of the Offer

The principal effect of the Offer, assuming all Entitlements are accepted, and no Shares are issued on exercise or conversion of other Securities on issue prior to the Record Date, will be to:

- (a) increase the cash reserves by \$3,309,913 (before deducting the estimated expenses of the Entitlement Offer and Placement) immediately after completion of the Offer (being \$2,309,913 from the Entitlement Offer and \$1,000,000 from the Placement); and
- (b) increase the number of Shares on issue from 115,495,630 Shares as at the date of this Prospectus to 143,594,756 Shares, which includes the 5,000,000 Placement of Shares scheduled to be issued on 23 May 2022.

3.3 Effect on Capital Structure

The effect of the Entitlement Offer on the capital structure of the Company, assuming all Entitlements are accepted and no Shares are issued on exercise or conversion of other Securities on issue prior to the Record Date, is set out below.

Shares

	Number
Shares currently on issue	115,495,630
Shares offered pursuant to the Entitlement Offer	23,099,126
Shares offered pursuant to the Placement tranche 2	5,000,000
Total Shares on issue after completion of the Offer	143,594,756

Options

	Number
Options currently on issue, being unquoted Options exercisable at \$0.40 each on or before 14 July 2026	37,331,395
Total Options on issue after completion of the Offer	37,331,395

The capital structure on a fully-diluted basis as at the date of this Prospectus would be 152,827,025 Shares and on completion of the Offer (assuming that all Entitlements are accepted and that, prior to the Record Date, no Shares are issued on exercise or conversion of other Securities on issue) would be 180,926,151 Shares, and cash reserves would increase by \$14,932,558 as a result of the exercise price of the Options being paid to R3D. If these 37,331,395 options are exercised the Company would have additional cash reserves of \$14,932,558.

The number of Shares and Options on issue that are subject to ASX-imposed escrow restrictions until 21 July 2023 are 27,621,237 Shares and 15,024,252 Options, and 1,925,000 Shares are subject to voluntary escrow, which ends on 3 August 2022. The 5,000,000 Placement Shares issued on 12 April 2022 are subject to voluntary escrow, which ends when they are cleansed by this Prospectus.

3.4 Pro-Forma Balance Sheet

The audit-reviewed balance sheet as at 31 December 2021 and the unaudited pro-forma balance sheet as at 31 December 2021, shown below, have been prepared on the basis of the accounting policies normally adopted by R3D, and reflect the changes to its financial position.

The pro-forma balance sheet has been prepared assuming that all Entitlements are accepted and that no Shares are issued on exercise or conversion of other Securities on issue prior to the Record Date, and including expenses of the Offer.

The pro-forma balance sheet has been prepared to provide investors with information on the assets and liabilities of the Company, and pro-forma assets and liabilities of R3D as noted below. The historical and pro-forma financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements.

	AUDITOR REVIEWED 31 December 2021	Placement Shares to be issued 1	Entitlement Issue 2	PROFORMA Full Subscription
	\$	\$	\$	\$
CURRENT ASSETS				
Cash	1,340,948	1,000,000	2,185,913	4,526,401
Trade and other receivables	411,764			411,764
Inventory	296,000			296,000
Other current assets	742,908			742,908
TOTAL CURRENT ASSETS	2,791,620			5,977,073
NON-CURRENT ASSETS				
Property, plant and equipment	2,885,357			2,885,357
Exploration and evaluation	3,103,319			3,103,310
Right-of-use assets	121,801			121,801
Other non-current assets	849,599			849,599
TOTAL NON-CURRENT ASSETS	6,960,076			6,960,076
TOTAL ASSETS	9,751,696	1,000,000	2,185,913	12,937,149
CURRENT LIABILITIES				
Trade and other payables	1,489,143			1,489,143
Borrowings	508,142			508,142
Provisions	219,578			219,578
Contract liabilities	156,913			156,913
Lease liability	55,795			55,795
TOTAL CURRENT LIABILITIES	2,429,571			2,429,571
NON-CURRENT LIABILITIES				
Lease liability	76,364			76,364
Provisions	1,087,286			1,087,286
TOTAL NON-CURRENT LIABILITIES	1,163,650			1,163,650
TOTAL LIABILITIES	3,593,221			3,593,221
NET ASSETS	6,158,475	1,000,000	2,185,913	9,343,928
EQUITY				
Share capital	17,303,711	1,000,000	2,185,453	20,489,164
Reserve	92,337			92,337
Accumulated losses	(11,237,573)			(11,237,573)
TOTAL EQUITY	6,158,475	1,000,000	2,185,913	9,343,928

Notes:

1. Pro-Forma balance sheet includes adjustment to reflect \$1,000,000 to increase Cash and Share Capital equity resulting from the 12 April and 23 May 2022 Placements, each of \$500,000.
2. Pro-Forma balance sheet includes adjustment to reflect \$2,309,913 to increase Cash and Share Capital equity resulting from 100% acceptance of the Entitlement Offer after deducting the expenses of the Offer (\$124,460). Refer to section 6.7 Expenses of the Offer.
3. As noted in R3D's Half Year Report for the period ended 31 December 2021, the Company has applied for a revised Environmental Rehabilitation Cost (ERC) decision based on the third-party estimates, which has increased the financial assurance to \$922,856. To meet this liability R3D is increasing the Term Deposit held against an environmental guarantee provided by the bank for the Company's obligation under the increased financial assurance required by \$326,456. The impact on the audit reviewed balance sheet as at 31 December 2021 is a decrease in cash of \$326,456 and an increase in other non-current assets of the same amount.
4. On 11 April 2022 the loan agreement with Yaputri Pte Ltd (Yaputri) was varied to change the repayment date to 28 February 2023 and remove the repayment clauses allowing the issue of Convertible Notes by R3D in substitution of the loan agreement and requiring repayment when receipt by the Company of funds in the amount of not less than \$1,000,000 raised through the issue of Shares. The varied agreement also contains a clause requiring R3D to pay a variation fee to Yaputri of \$50,000 and issue 500,000 Shares to a nominee of Yaputri.

4. □ RIGHTS AND LIABILITIES ATTACHING TO SHARES

4.1 □ Rights and Liabilities attaching to Shares

The following is a summary of the more significant rights and liabilities attaching to the Shares being offered pursuant to this Prospectus. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

Full details of the rights and liabilities attaching to Shares are set out in the Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

(a) **General Meetings**

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

Shareholders may requisition meetings in accordance with section 249D of the Corporations Act and the Constitution of the Company.

(b) **Voting Rights**

Subject to any rights or restrictions for the time being attached to any class or classes of shares, at general meetings of Shareholders or classes of Shareholders:

- (i) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (ii) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- (iii) on a poll, every person present who is a Shareholder, or a proxy, attorney or representative of a Shareholder, shall, in respect of each fully paid Share held by the Shareholder, or in respect of which the Shareholder is appointed a proxy, attorney or representative, have one vote for each Share held, but in respect of partly paid shares shall have such number of votes as bears the same proportion to the total of such Shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

(c) **Dividend Rights**

Subject to the rights of any preference Shareholders and to the rights of the holders of any Shares created or raised under any special arrangement as to dividends, the Directors may from time-to-time declare a dividend to be paid to the Shareholders entitled to the dividend, which shall be payable on all Shares according to the proportion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such Shares.

Directors may from time-to-time pay to the Shareholders any interim dividends as they may determine. No dividend shall carry interest as against the Company. The Directors may set aside out of the profits of R3D any amounts that they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.

Subject to the ASX Listing Rules and the Corporations Act, R3D may, by resolution of the Directors, implement a dividend reinvestment plan on such terms and conditions as the Directors think fit, and which provides for any

dividend that the Directors may declare from time-to-time payable on Shares that are participating Shares in the dividend reinvestment plan, less any amount that the Company shall, either pursuant to the Constitution or any law be entitled or obliged to retain, be applied by R3D to the payment of the subscription price of Shares.

(d) **Winding-Up**

If the Company is wound up, the liquidator may, with the authority of a special resolution, divide among the Shareholders in kind the whole or any part of the property of R3D, and may for that purpose set such value as they consider fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.

The liquidator may, with the authority of a special resolution, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any Shares or other Securities in respect of which there is any liability.

(e) **Shareholder Liability**

As the Shares issued will be fully paid ordinary shares, they will not be subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

(f) **Transfer of Shares**

Generally, shares in the Company are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act and the ASX Listing Rules.

(g) **Future Increase in Capital**

The issue of any new Shares is under the control of the Directors of the Company. Subject to restrictions on the issue or grant of securities contained in the ASX Listing Rules, the Constitution and the Corporations Act (and without affecting any special right previously conferred on the holder of an existing Share or class of Shares), the Directors may issue Shares as they shall, in their absolute discretion, determine.

(h) **Variation of Rights**

Under section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders, vary or abrogate the rights attaching to Shares. If at any time the share capital is divided into different classes of Shares, the rights attached to any class (unless otherwise provided by the terms of issue of the Shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of three quarters of the issued Shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the Shares of that class.

(i) **Alteration of Constitution**

In accordance with the Corporations Act, the Constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at the general meeting. In addition, at least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

5. RISK FACTORS

5.1 Introduction

The Shares offered under this Prospectus should be considered as highly speculative and risky. Shareholders should be aware that there is no guarantee that they will receive a return on their Shares or receive their capital back should they choose to take up their entitlement.

Before determining whether or not to invest in the Company you should ensure that you have a sufficient understanding of the risks described in Section 5 of this Prospectus, and all the other information set out in this Prospectus, and consider whether or not an investment in R3D is suitable for you, taking into account your objectives, financial situation and needs.

If you do not understand any matters contained in this Prospectus or have any queries about whether or not to invest in the Company, you should consult your accountant, financial adviser, stockbroker, lawyer or other professional adviser.

The Directors strongly recommend that prospective investors consider the risk factors set out in Section 5, together with all other information contained in this Prospectus.

The future performance of R3D and the value of the Securities may be influenced by a range of factors, many of which are largely beyond the control of the Company and the Directors. The key risks associated with R3D's business, the industry in which it operates and general risks applicable to all investments in listed securities and financial markets generally are described below.

The risks factors set out in Section 5 of this Prospectus, or other risk factors not specifically referred to, may have a materially adverse impact on the performance of R3D and the value of the Shares. Section 5 is not intended to provide an exhaustive list of the risk factors to which the Company is exposed.

5.2 Company Specific

Risk Category	Risk
Potential for dilution	<p>Upon implementation of the Offer, assuming that all Entitlements are accepted and that no other Shares are issued on exercise or conversion of Options prior to the Record Date, the number of shares in the Company will increase from 115,495,630 Shares currently on issue to 143,594,756 Shares and the number of Options in the Company will remain unchanged. This means that immediately after the Offer each Share will represent a significantly lower proportion of the ownership of R3D.</p> <p>It is not possible to predict what the value of the Company and its Shares will be following the completion of the Offer being implemented, and the Directors do not make any representation as to such matters.</p> <p>The last trading price of Shares on ASX prior to the Prospectus being lodged of \$0.115 is not a reliable indicator as to the potential trading price of Shares after finalisation of the Offer.</p>

Risk Category	Risk
Control risk	<p>SciDev, Hardie and Bartrop are currently the largest shareholders of the Company, and have relevant interests of approximately 11.77%, 9.71% and 6.94% of the Shares respectively. SciDev has indicated that it does not intend to take up its Entitlement. Hardie has not indicated whether or not he intends to take up his Entitlement. Bartrop has indicated that he intends to take up his full Entitlement.</p> <p>Assuming each of Hardie and Bartrop take up their full Entitlements, no other Shareholders (other than Directors) accept their Entitlements and there is no participation in the Shortfall, and the Placement tranche 2 of \$500,000 is finalised, the voting power of each of Hardie and Bartrop in R3D could be 10.73% and 7.67% respectively. This significant interest means that these Shareholders may be in a similar position to potentially influence the financial decisions of the Company, and their interests may not align with those of all other Shareholders.</p>
Going Concern	<p>R3D's financial report for the half year ended 31 December 2021 (Financial Report) included a note on the financial condition of the Company and the possible existence of a material uncertainty about R3D's ability to continue as a going concern.</p> <p>The financial report was prepared on the going concern basis, which assumes that the Group will be able to realise its assets and discharge its liabilities in the normal course of business. The Group incurred a net loss after tax for the half year ended 31 December 2021 of \$4,828,965 (31 December 2020: \$801,151) and experienced net cash outflows from operating activities of \$1,777,085 (31 December 2020: \$171,611). At 31 December 2021, the Group had net current assets of \$6,158,475 (30 June 2021: net current assets of \$3,751,257).</p> <p>The financial report noted that additional funding either through the issue of further Shares, or debt or convertible notes, or the sale of assets, or a combination of these steps will be required for the Group to meet its minimum administrative and overhead expenses, restart the Copper Sulphate Plant and to actively explore its mineral properties. The Directors are also aware that the Group can reduce certain project expenditures in order to maintain cash at appropriate levels.</p> <p>The financial report also noted that Directors had reviewed the business outlook, and the assets and liabilities of the Group, and are of the opinion that the use of the going concern basis of accounting was appropriate. Directors were of the opinion that the Group will have adequate resources to continue to be able to meet its obligations as and when they fall due. For this reason, they continue to adopt the going concern basis in preparing the Half Year Financial Report.</p> <p>If all of these fundraising options are unsuccessful, this may indicate that there is a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern. A cash flow forecast has been produced by the Group (unaudited) that demonstrates that if certain outcomes are achieved then the Group will be in a cash flow positive position for the foreseeable future.</p> <p>Notwithstanding the 'going concern' emphasis of matter included in the Financial Report, the Directors believe that, upon the successful completion of the Offer, the Company will have sufficient funds to adequately meet R3D's current exploration commitments and short-term working capital requirements. However, it is possible that further funding will be required to meet the medium to long-term working capital costs of the Company.</p> <p>In the event that the Offer is not completed successfully there is significant uncertainty as to whether or not R3D can continue as a going concern, which is likely to have a material adverse effect on the Company's activities.</p>

Risk Category	Risk
<p>Additional requirements for capital</p>	<p>R3D's capital requirements depend on numerous factors. Depending on the Company's ability to generate income from its operations, R3D may require further financing in addition to amounts raised under the Entitlement Offer. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and scale back its exploration programmes as the case may be. There is, however, no guarantee that R3D will be able to secure any additional funding or be able to secure funding on terms favourable to the Company.</p>
<p>Zeehan Low Grade Furnace Slag / Matte Shipments</p>	<p>R3D has an agreement with a trading house to sell shipments of low-grade furnace slag / matte. Two risks have the potential to impact future shipments:</p> <ul style="list-style-type: none"> • The impact of COVID-19 and the conflict in Ukraine has significantly increased shipping costs. • The Company has applied for a Stage 2 permit to allow access to the northern stockpile at Zeehan in north-west Tasmania. The permit application is currently being assessed by the Tasmanian Environment Protection Authority. <p>Due to these uncertainties, the carrying value of the slag / matte in the audit-reviewed financial statements as at 31 December 2021 was reduced to \$120,000.</p>
<p>Copper Sulphate Plant re-start – operational risks</p>	<p>R3D's strategy to re-start the Copper Sulphate Plant will expose the Company to a number of risks:</p> <ul style="list-style-type: none"> • failure to locate or identify sufficient copper sources; • technical difficulties in commissioning and operating the plant; • mechanical failure or plant breakdown; • unanticipated metallurgical problems; • failure to secure a market for the product produced; • adverse weather conditions, industrial and environmental accidents, or industrial disputes; and • unexpected supply constraints, shortages or increases in the costs of consumables, spare parts, plant and equipment particularly as a result of issues caused by COVID-19 and the conflict in Ukraine. <p>No assurances can be given that R3D will achieve commercial viability through the re-start of the plant. In addition, the Company has increased its financial assurance for the project by an additional \$326,456 to \$922,856, which represents an amount of an application for a revised ERC. This revised ERC compares to an earlier ERC estimated by Department of the Environment and Science (DES) of \$1,591,504, and which was invoiced to R3D on 26 February 2021. DES has recently advised that it proposes to transition the existing site-specific Environmental Authority (EA) held by the Company into a Progressive Rehabilitation Closure Planning (PRCP) framework. There remains uncertainty over the process, timing and implications for future environmental approvals. In addition, water testing in two water monitoring bores has exceeded EA approval limits for several years. While it is uncertain what is causing the anomalous results, R3D believes that the water monitoring bores have been placed in mineralised areas in the stratigraphy.</p>

Risk Category	Risk
<p>Exploration risks</p>	<p>No assurance can be given that exploration will be successful or that a commercial mining operation will eventuate. The ultimate success and financial viability of the Company depends on the discovery and delineation of economically-recoverable ore reserves, design and construction of efficient mining and processing facilities, and competent operational and managerial performance.</p> <p>There is no assurance that exploration and development of the mineral interests held by R3D (which are all at an exploration stage), or any other projects that may be acquired by the Company in the future, will result in the discovery of an economic deposit. Even if an apparently viable deposit is identified, there is no guarantee that it can be profitably exploited.</p> <p>Development of a commercial mining operation is also dependent on R3D's ability to obtain necessary governmental and other regulatory approvals.</p>
<p>Acquisition and Divestment of projects</p>	<p>The Company has, to-date, and will continue to actively pursue and assess, other new business opportunities. This may involve the divestment of non-core assets, the acquisition of other projects or assets, or other new business opportunities, such as joint ventures, farm-ins or direct equity participation.</p> <p>The acquisition of projects or other assets (whether completed or not) may require the payment of monies (as a deposit and / or exclusivity fee) after only limited due diligence and prior to the completion of comprehensive due diligence. There can be no guarantee that any proposed acquisition will be completed or successful. If the proposed acquisition is not completed, monies already advanced may not be recoverable, which may have a material adverse effect on R3D.</p> <p>If a non-core asset is divested or an acquisition is completed, the Directors will need to reassess, at that time, the funding allocated to current projects and new projects or assets, which may result in the Company reallocating funds from other projects and / or the raising of additional capital (if available). Furthermore, notwithstanding that an acquisition may proceed upon the completion of due diligence, the usual risks associated with new project / business activities will remain.</p> <p>Furthermore, if a new investment or acquisition by R3D is completed, ASX may require the Company to seek Shareholder approval, and to meet the admission requirements under Chapters 1 and 2 of the ASX Listing Rules as if R3D were a new listing. There would be costs associated in re-complying with the admission requirements. The Company may be required to incur these costs in any event, were it to proceed to seek to acquire a new project that is considered to result in a significant change to the nature or scale of its existing operations.</p> <p>If a new investment or acquisition is not completed, then R3D may not be in a position to comply with the ongoing ASX Listing Rules, which includes, but is not limited to, maintaining a sufficient level of operations and financial position. Given the nature of resource exploration, this may also occur if the Company abandons and / or relinquishes a project that is no longer considered viable. Any divestment of non-core assets, or new project or business acquisition may change the risk profile of the Company, particularly if any new project acquired is located in another jurisdiction, involving a new commodity and / or changes to R3D's capital / funding requirements. Should the Company propose or complete a divestment of non-core assets, or the acquisition of a new project or business activity, investors should re-assess their investment in R3D in light of the Company's changed circumstances.</p>

Risk Category	Risk
<p>Project and Joint Venture risks</p>	<p>R3D is subject to the risk that changes in the status of any of the Company's joint ventures may adversely affect the operations and performance of R3D.</p> <p>There is also a risk of financial failure or default under the joint venture arrangements by a participant in any joint venture to which the Company is, or may become, a party. Any withdrawal by a joint venture party or any issues with their ability to perform the obligations due under the joint venture arrangements could have a material adverse impact on the financial position of R3D. There is also the risk of disputes arising with the Company's joint venture partners, the resolution of which could lead to delays in R3D's proposed development activities or financial loss.</p>
<p>Estimation of Mineral Resources and Ore Reserves</p>	<p>Mineral resource and reserve estimates are necessarily imprecise, and involve subjective judgements regarding the presence and grade of mineralisation, and the ability to economically extract and process the mineralisation, including future copper, zinc, gold and silver prices, operating costs, transport costs, capital expenditures and other costs.</p> <p>Fluctuations in the price of minerals, results of additional drilling, metallurgical testing and the evaluation of mine plans subsequent to the date of any mineral resource or reserve estimate may require revision of such estimate. Any material reductions in estimates of mineral resources or reserves, could have a material adverse effect on the Company's financial position.</p> <p>Investors should not assume that resource estimates are capable of being directly reclassified as reserves under the JORC code. The inclusion of resource estimates should not be regarded as representation that these amounts can be economically exploited and investors are cautioned not to place reliance on resource estimates.</p>
<p>Exploration success</p>	<p>R3D's tenements are at various stages of exploration, and potential investors should understand that mineral exploration and development are high-risk undertakings.</p> <p>There can be no assurance that exploration of the Company's tenements, or any other licences that may be acquired in the future, will result in the discovery of an economic ore deposit. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited.</p>
<p>Tenement applications and licence renewal</p>	<p>R3D cannot guarantee additional applications for tenements made by the Company will ultimately be granted, in whole or in part. Further, R3D cannot guarantee that renewals of valid tenements will be granted on a timely basis or at all.</p>
<p>Third party risk</p>	<p>The Company has a number of key contractual relationships with outside parties. If these relationships break down and the third-party agreements are terminated, there is a risk that R3D may not be able to find a satisfactory replacement. Further, the future operations of the Company will require involvement of third parties. With respect to these persons and despite applying best practice in terms of pre-contracting due diligence, R3D is unable to completely avoid the risk of:</p> <ul style="list-style-type: none"> (a) financial failure or default by a participant in any agreement to which the Company may become a party; and / or (b) insolvency, default on performance, or delivery by any operators, contractors or service providers. <p>There is also a risk that where R3D has engaged a contractor, the contract between the contractor and the Company may terminate for reasons outside of the control of R3D. This may then result in the termination of the contract between the Company and the contractor, and impact R3D's position, performance and reputation.</p>

5.3 Industry Specific

Risk Category	Risk
<p>Environmental</p>	<p>The operations and proposed activities of the Company are subject to State and Federal laws, and regulations concerning the environment. As with most exploration projects and mining operations, R3D's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. It is the Company's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws.</p> <p>Mining operations have inherent risks and liabilities associated with safety and damage to the environment, and the disposal of waste products occurring as a result of mineral exploration and production. The occurrence of any such safety or environmental incident could delay production or increase production costs. Events, such as unpredictable rainfall or bushfires, may impact on R3D's ongoing compliance with environmental legislation, regulations and licences. Significant liabilities could be imposed on the Company for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous operations or non-compliance with environmental laws or regulations.</p> <p>The disposal of mining and process waste, and mine water discharge are under constant legislative scrutiny and regulation. There is a risk that environmental laws and regulations become more onerous making R3D's operations more expensive.</p> <p>Approvals are required for land clearing and for ground-disturbing activities. Delays in obtaining such approvals can result in the delay to anticipated exploration programmes or mining activities.</p>
<p>Mine development</p>	<p>Possible future development of a mining operation at any of the Company's projects is dependent on a number of factors, including, but not limited to, the acquisition and / or delineation of economically recoverable mineralisation, favourable geological conditions, receiving the necessary approvals from all relevant authorities and parties, seasonal weather patterns, unanticipated technical and operational difficulties encountered in extraction and production activities, mechanical failure of operating plant and equipment, shortages or increases in the price of consumables, spare parts and plant and equipment, cost overruns, access to the required level of funding and contracting risk from third parties providing essential services.</p> <p>If R3D commences production, its operations may be disrupted by a variety of risks and hazards that are beyond its control, including environmental hazards, industrial accidents, technical failures, labour disputes, unusual or unexpected rock formations, flooding and extended interruptions due to inclement or hazardous weather conditions and fires, explosions or accidents. No assurance can be given that the Company will achieve commercial viability through the development or mining of its projects and treatment of ore.</p>
<p>Native title and Aboriginal Heritage</p>	<p>In relation to tenements that R3D has an interest in or will in the future acquire such an interest, there may be areas over which legitimate common law native title rights of indigenous people exist. If native title rights do exist, the ability of the Company to gain access to tenements (through obtaining consent of any relevant landowner) or to progress from the exploration phase to the development and mining phases of operations may be adversely affected.</p>

Risk Category	Risk
Climate risk	<p>There are a number of climate-related factors that may affect the operations and proposed activities of R3D. The climate change risks particularly attributable to the Company include:</p> <p>(a) the emergence of new or expanded regulations associated with the transitioning to a lower-carbon economy and market changes related to climate change mitigation. R3D may be impacted by changes to local or international compliance regulations related to climate change mitigation efforts, or by specific taxation or penalties for carbon emissions or environmental damage. These examples sit amongst an array of possible restraints on industry that may further impact the Company and its profitability. While R3D will endeavour to manage these risks and limit any consequential impacts, there can be no guarantee that the Company will not be impacted by these occurrences; and</p> <p>(b) climate change may cause certain physical and environmental risks that cannot be predicted by R3D, including events such as increased severity of weather patterns and incidence of extreme weather events, and longer-term physical risks, such as shifting climate patterns. All these risks associated with climate change may significantly change the industry in which the Company operates.</p>
Access	<p>R3D's access to the tenements may be affected by landholder and pastoralist approvals, native title rights and / or the terms of native title agreements. While the Company intends to do those things necessary to minimise these risks, it cannot guarantee that the access it has to tenements in which it has an interest will remain unfettered in the future.</p>
Commodity price risk	<p>Changes in commodity prices of base and precious metals, which in the past have fluctuated widely, will affect the profitability of R3D's operations and its financial condition in the future, if and when the Company enters production. R3D's revenues, profitability and viability would depend on the market price of base and precious metals produced from the Company's projects. The market prices of base and precious metals is set in the world market, and is affected by numerous industry factors beyond R3D's control, including the demand, expectations with respect to the rate of inflation, interest rates, currency exchange rates, the demand for base and precious metals and industrial products containing metals, base and precious metals production levels, inventories, cost of substitutes, changes in global or regional investment or consumption patterns, and sales by central banks and other holders, speculators and procedures of base and precious metals in response to any of the above factors, and global, regional political and economic factors.</p> <p>Should the Company eventually enter a production phase, a decline in the market price of base and precious metals below R3D's production costs for any sustained period would have a material adverse impact on the profit, cash flow and results of operations of the Company's projects and anticipated future operations. Such a decline could also have a material adverse impact on the ability of R3D to finance the exploration and development of its existing and future mineral projects. A decline in the market price of base and precious metals may also require the Company to write-down its material reserves, which would have a material adverse effect on the value of R3D's securities. Further, if future revenue from any future base and precious metal sales decline, the Company may experience liquidity difficulties. R3D will also have to assess the economic impact of any sustained lower prices on recoverability and, therefore, on cut-off grades and the level of any future mineral reserves and resources.</p>

5.4 □ General Risks

Risk Category	Risk
<p>Coronavirus</p>	<p>The impact of the coronavirus pandemic (COVID-19) is ongoing.</p> <p>The Company's Share price may be adversely affected in the short to medium term by the economic uncertainty caused by COVID-19. Further, any governmental or industry measures taken in response to COVID-19 (such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be implemented) may impact R3D's operations, and are likely to be beyond the control of the Company. R3D confirms that it has not been materially affected by the COVID-19 pandemic to-date.</p> <p>In compliance with its continuous disclosure obligations, the Company will continue to update the market in regard to the impact of COVID-19 on R3D. If any of these impacts appear material prior to the close of the Offer, the Company will notify investors under a supplementary prospectus.</p>
<p>International Conflict</p>	<p>The current evolving conflict between Ukraine and Russia is impacting global economic markets. The nature and extent of the effect of the conflict in Ukraine on the performance of R3D remains unknown. The Company's Share price may be adversely affected in the short to medium term by the economic uncertainty caused by the Ukraine conflict.</p> <p>The Directors are continuing to closely monitor the potential secondary and tertiary macroeconomic impacts of the unfolding events, including the changing pricing of commodity and energy markets, and the potential of cyber activity impacting governments and businesses. Further, any governmental or industry measures taken in response to the Ukraine conflict, including limitations on travel and changes to import / export restrictions and arrangements involving Russia, may adversely impact R3D's operations, and are likely to be beyond the control of the Company. R3D is monitoring the situation closely and considers the impact of the Ukraine conflict on the Company's business and financial performance to, at this stage, be limited. However, the situation is continually evolving and the consequences are therefore inevitably uncertain.</p>
<p>Economic</p>	<p>General economic conditions, movements in interest, and inflation rates and currency exchange rates may have an adverse effect on R3D's exploration activities, as well as on its ability to fund those activities.</p>
<p>Market conditions</p>	<p>Share market conditions may affect the value of the Company's quoted securities regardless of R3D's operating performance. Share market conditions are affected by many factors, such as:</p> <ul style="list-style-type: none"> (a) general economic outlook; (b) introduction of tax reform or other new legislation; (c) interest rates and inflation rates; (d) changes in investor sentiment toward particular market sectors; (e) the demand for, and supply of, capital; and (f) terrorism or other hostilities. <p>The market price of securities can fall as well as rise, and may be subject to varied and unpredictable influences on the market for equities in general and resource exploration stocks in particular. Neither the Company nor the Directors warrant the future performance of R3D or any return on an investment in the Company.</p> <p>In addition, the extent of the effects of COVID-19 is at this stage uncertain and continuing to evolve. The COVID-19 pandemic is having, and is expected to continue to have, a significant influence on the volatility of equity markets generally, and may continue to impact and influence the value of R3D's quoted securities.</p>

Risk Category	Risk
Force majeure	The Company, now or in the future, may be adversely affected by risks outside the control of R3D, including labour unrest, civil disorder, war, subversive activities or sabotage, extreme weather conditions, fires, floods, explosions or other catastrophes, epidemics or quarantine restrictions.
Litigation risks	The Company is exposed to possible litigation risks, including intellectual property claims, contractual disputes, occupational health and safety claims, and employee claims. Further, R3D may be involved in disputes with other parties in the future, or regulatory investigations by ASIC or other regulators that may result in litigation and / or claims. Any such claim or dispute, if proven, may impact adversely on the Company's operations, financial performance and financial position. R3D is not currently engaged in any litigation.
Dividends	Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors, and will depend on the financial condition of R3D, future capital requirements and general business, and other factors considered relevant by the Directors. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.
Taxation	The acquisition and disposal of Shares will have tax consequences, which will differ depending on the individual financial affairs of each investor. All prospective investors in R3D are urged to obtain independent financial advice about the consequences of acquiring Shares from a taxation viewpoint and generally. To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability or responsibility with respect to the taxation consequences of subscribing for Shares under this Prospectus.
Reliance on key personnel	The responsibility of overseeing the day-to-day operations and the strategic management of R3D depends substantially on its senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment.

5.5 **Speculative Investment**

The risk factors described above, and other risks factors not specifically referred to, may have a materially adverse impact on the performance of R3D and the value of the Shares.

Prospective investors should consider that an investment in the Company is highly speculative.

There is no guarantee that the Shares offered under this Prospectus will provide a return on capital, payment of dividends or increases in the market value of those Shares.

Before deciding whether or not to subscribe for Shares under this Prospectus you should read this Prospectus in its entirety, and consider all factors, taking into account your objectives, financial situation and needs.

6. ADDITIONAL INFORMATION

6.1 □ **Litigation**

As at the date of this Prospectus, R3D is not involved in any legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against the Company.

On 15 December 2021 R3D received a notice from ASIC issued under section 30 of the *Australian Securities and Investments Commission Act 2001* (Notice), requiring the Company to produce certain books to ASIC. These books were indicated to relate to ensuring compliance with sections 1041E and 1041F of the *Corporations Act* in connection with the promotion, offer and sale of securities for the period from 1 December 2020 to 30 September 2021 (with a shorter period indicated for certain information requests). R3D responded to the Notice by providing all requested information on or before 15 February 2022 (being the deadline provided by ASIC). The Notice stated that it should not be construed as an indication by ASIC that a contravention of the law has occurred, nor should it be considered a reflection on any person or entity. There has been no further follow up from ASIC or any other person in relation to the Notice or the material provided by the Company in response to it.

6.2 □ **Continuous Disclosure Obligations**

As set out in the Important Notice section of this Prospectus, R3D is a disclosing entity for the purposes of section 713 of the *Corporations Act*. Accordingly, information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

The Company, as a disclosing entity under the *Corporations Act* states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with ASIC in relation to R3D (not being documents referred to in section 1274(2)(a) of the *Corporations Act*) may be obtained from, or inspected at, the offices of ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:
 - (i) the annual financial report most recently lodged by the Company with ASIC;
 - (ii) any half-year financial report lodged by R3D with ASIC after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with ASIC; and
 - (iii) any continuous disclosure documents given by the Company to ASX in accordance with the ASX Listing Rules, as referred to in section 674(1) of the *Corporations Act* after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with ASIC.

Copies of all documents lodged with ASIC in relation to R3D can be inspected at the registered office of the Company during normal office hours.

Details of documents lodged by R3D with ASX since the date of lodgement of the Company's latest annual financial report and before the lodgement of this Prospectus with ASIC are set out in the table below.

Date	Description of Announcement
01/11/2021	Corporate Governance Statement and Appendix 4G
03/11/2021	Release of Restricted Securities from Escrow
23/11/2021	Progress at Bellevue and Tartana Projects
13/12/2021	Seven Priority Targets at the Bulimba Project
20/12/2021	Date of Annual General Meeting
29/12/2021	Notice of Annual General Meeting / Proxy Form
28/01/2022	Copper Assays and Copper Sulphate Plant Scoping Study
31/01/2022	Quarterly Activities / Appendix 5B Cash Flow Reports
31/01/2022	Chairman's and Managing Director's Addresses to Shareholders
31/01/2022	Results of Annual General Meeting
03/02/2022	R3D Wins Tender for Prospective Au and Cu Tenement
07/02/2022	Change of Director's Interest Notice – SB
16/02/2022	Copper Oxide MoU with Ark Mines
16/02/2022	AHK: Ark Signs MoU with R3D for Copper Ore Sales
01/03/2022	Notification regarding unquoted securities
08/03/2022	Exploration to Accelerate after Wet Season
16/03/2022	Half Year Report
23/03/2022	Copper Sulphate Plant Achieves Significant Progress
05/04/2022	Capital Raising of up to \$3.3 million
06/04/2022	Appendix 3B – Proposed Issue of Securities
12/04/2022	Appendix 2A – Application for Quotation of Securities
12/04/2022	Completion of Tranche 1 Placement of \$500,000

ASX maintains files containing publicly-available information for all listed companies. R3D's file is available for inspection at ASX during normal office hours.

The announcements are also available through the Company's website:
<https://r3dresources.com.au/investor-centre/asx-announcements/>.

6.3 □ Market Price of Shares

R3D is a disclosing entity for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX.

The highest, lowest and last market sale prices of the Shares on ASX during the three months immediately preceding the date of lodgement of this Prospectus with ASIC and the respective dates of those sales were:

	(\$)	Dates
Highest	\$0.14	17 January 2022
Lowest	\$0.10	27 January 2022 and 28 February 2022
Last	\$0.115	19 April 2022

6.4 **Interests of Directors**

Other than as set out in this Prospectus, no Director or proposed director holds, or has held within the two years preceding lodgement of this Prospectus with ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) any property acquired or proposed to be acquired by R3D in connection with:
 - (i) its formation or promotion; or
 - (ii) the Offer; or
- (c) the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to a Director or proposed director:

- (d) as an inducement to become, or to qualify as, a Director; or
- (e) for services provided in connection with:
 - (i) the formation or promotion of the Company; or
 - (i) the Offer.

Security Holdings

The relevant interest of each of the Directors in the Securities as at the date of this Prospectus, together with their respective Entitlement, is set out in Section 1.4.

Remuneration

The remuneration of an Executive Director is decided by the Board, without the affected Executive Director participating in that decision-making process. The total maximum remuneration of Non-Executive Directors is initially set by the Constitution and subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of Non-Executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to R3D of the respective contributions by each Non-Executive Director. The current amount has been set at an amount not to exceed \$400,000 per annum.

A Director may be paid fees or other amounts (i.e. non-cash performance incentives, such as Options, subject to any necessary Shareholder approval) as the other Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director. In addition, Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors.

The following table shows the total (and proposed) annual remuneration paid to the current Executive and Non-Executive Directors, as disclosed in the Company's 2020 and 2021 Annual Reports.

Director	Proposed Remuneration for FY ending 30 June 2022 ⁷	FY ended 30 June 2021	FY ended 30 June 2020
Mr Richard Ash ¹	\$50,000	-	-
Dr Stephen Bartrop ²	\$272,000	\$249,935	\$249,980
Mr Bruce Hills ³	\$115,200 ⁶	\$193,345	\$102,785
Mr Michael Thirnbeck ⁴	\$30,000	-	-
Mr Robert Waring ⁵	\$95,075 ⁶	\$24,937	\$27,056

Notes:

1. Comprising of \$50,000 (inclusive of superannuation) for services as the Non-Executive Chairman. Non-Executive Directors may be assigned specific duties from time-to-time, which will be remunerated on the basis of the rate of \$1,500 + GST per day. On 31 January 2022 R3D's shareholders approved the grant to Mr Ash of 1,500,000 Options with an exercise price of \$0.40 that expire, if not exercised, by 14 July 2026 (expiry date). The fair value of the Options granted to Mr Ash at the date they were granted using the Black and Scholes valuation method was \$303.
2. Comprising of a services contract with Troppo Resources Pty Ltd for the services of Dr Bartrop as the Managing Director, with an annual fee of \$272,000 + GST.
3. Comprising of a services contract with Bruce Hills Pty Ltd for the services of Mr Hills as an Executive Director. The fee is \$1,500 + GST per diem.
4. Comprising of \$30,000 (inclusive of superannuation) for services as a Non-Executive Director. Non-Executive Directors may be assigned specific duties from time-to-time, which will be remunerated on the basis of the rate of \$1,500 + GST per day. On 31 January 2022 the Company's shareholders approved the grant to Mr Thirnbeck of 1,000,000 Options with an exercise price of \$0.40 that expire, if not exercised, by 14 July 2026 (expiry date). The fair value of the Options granted to Mr Thirnbeck at the date they were granted using the Black and Scholes valuation method was \$202.
5. Comprising of a services contract with Warinco Services Pty Limited for the services of Mr Waring as a Non-Executive Director and as the Company Secretary. The fee is \$2,000 + GST per diem.
6. Figures shown are for the period ended 31 December 2021. Messrs Hills and Waring are paid on a per diem basis, as disclosed above. It is not possible to make an accurate determination of proposed remuneration for the period ending 30 June 2022.
7. The proposed remuneration for the 2021-22 financial year, as set out in the table above, does not include any share-based payments.

6.5 Interests of Experts and Advisers

Other than as set out below or elsewhere in this Prospectus, no:

- (a) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;
- (b) promoter of R3D; or
- (c) underwriter (but not a sub-underwriter) to the issue or a financial services licensee named in this Prospectus as a financial services licensee involved in the issue,

holds, or has held within the two years preceding lodgement of this Prospectus with ASIC, any interest in:

- (d) the formation or promotion of the Company;
- (e) any property acquired or proposed to be acquired by R3D in connection with:
 - (i) its formation or promotion; or
 - (ii) the Offer; or
- (f) the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of these persons for services provided in connection with:

- (g) the formation or promotion of the Company; or
- (h) the Offer.

Sparke Helmore Lawyers has acted as the solicitors to R3D in relation to the Offer. The Company estimates it will pay Sparke Helmore \$15,000 (excluding GST and disbursements) for these services. During the 24 months preceding the lodgement of this Prospectus with ASIC, Sparke Helmore Lawyers has been paid fees totaling \$46,087 (excluding GST and disbursements) for legal services provided to R3D.

Reign Advisory is acting as the corporate advisor to the Company in relation to the Offer. R3D estimates it will pay Reign Advisory \$14,850 (excluding GST and disbursements) for these services and an additional fee of 6% of any amount raised in the Placement or a shortfall placement as part of the Entitlement Offer where the amount is raised from parties introduced by Reign Advisory. During the 24 months preceding lodgement of this Prospectus with ASIC, Reign Advisory has not been paid any fees and has not provided any services to the Company.

BDJ Partners has received \$190,500 (excluding GST) in fees from R3D for audit and other services provided to the Company during the 24 months preceding lodgement of this Prospectus with ASIC.

6.6 □ Consents

Chapter 6D of the Corporations Act imposes a liability regime on R3D (as the offeror of the securities), the Directors, the persons named in the Prospectus with their consent as Proposed Directors, any underwriters, persons named in the Prospectus with their consent having made a statement in the Prospectus and persons involved in a contravention in relation to the Prospectus, with regard to misleading and deceptive statements made in the Prospectus. Although the Company bears primary responsibility for the Prospectus, the other parties involved in the preparation of the Prospectus can also be responsible for certain statements made in it.

Each of the parties referred to in this Section:

- (a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this Section;
- (b) in light of the above, only to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section; and
- (c) has not withdrawn its consent prior to the lodgement of this Prospectus with ASIC.

Sparke Helmore Lawyers has given its written consent to being named as the solicitors to the Company in this Prospectus. Sparke Helmore Lawyers has not withdrawn its consent prior to the lodgement of this Prospectus with ASIC.

Reign Advisory has given its written consent to being named as the Corporate Advisor in connection with the Offer in this Prospectus. Reign Advisory has not withdrawn its consent prior to the lodgement of this Prospectus with ASIC.

BDJ Partners has given its written consent to being named as the auditor to the Company in this Prospectus and the inclusion of the reviewed balance sheet of the Company in Section 3.4. BDJ Partners has not withdrawn its consent prior to the lodgement of this Prospectus with ASIC.

6.7 Expenses of the Offer

In the event that all Entitlements are accepted, the total expenses of the Offer (excluding GST) are estimated to be as set out in the table below:

	\$
ASIC fees	3,206
ASX fees	11,338
Legal fees	15,000
Share registry, printing and distribution	20,066
Broker and Corporate Advisor Fees – Note 1	74,850
Total	124,460

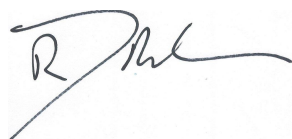
Note 1:

Includes an amount of \$60,000 for Reign Advisory as Corporate Advisor for the capital raising, for which it will receive success fees at 6% for the Placement of \$1,000,000. The amount of the Broker and Corporate Advisor fees to place the Shortfall to the Entitlement Offer to parties other than Shareholders, and parties introduced by the Company, will be unknown until the amount of the Shortfall is determined.

7. DIRECTORS' AUTHORISATION

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with ASIC.



Richard Ash
 Non-Executive Chairman
 For and on behalf of
R3D Resources Limited

8. □ GLOSSARY

\$ means the lawful currency of the Commonwealth of Australia.

Application Form means an Entitlement and Acceptance Form or Shortfall Application Form as the context requires.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by it as the context requires.

ASX Listing Rules means the listing rules of ASX.

ASX Settlement Operating Rules means the settlement rules of the securities clearing house that operates CHES.

Board means the board of Directors unless the context indicates otherwise.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day and any other day that ASX declares is not a business day.

Closing Date means the date specified in the timetable set out at Section 1 (unless extended).

Company means R3D Resources Limited (ACN 111 398 040).

Constitution means the constitution of the Company as at the date of this Prospectus.

Corporations Act means the *Corporations Act 2001* (Cth).

CRN means Customer Reference Number in relation to BPAY®.

Directors means the directors of the Company as at the date of this Prospectus.

Eligible Shareholder means a Shareholder in accordance with Section 2.2 as at the Record Date.

Entitlement means the entitlement of a Shareholder who is eligible to participate in the Offer.

Entitlement and Acceptance Form means the entitlement and acceptance form either attached to or accompanying this Prospectus.

Entitlement Offer means the non-renounceable entitlement issue the subject of this Prospectus.

EST means Eastern Standard Time as observed in Sydney, New South Wales.

Offer means the Entitlement Offer and the Placement.

Official Quotation means official quotation on ASX.

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Placement means the issue of 10,000,000 Shares at an issue price of \$0.10 per Share to sophisticated and professional investors to raise \$1,000,000.

Prospectus means this prospectus.

Record Date means the date specified in the timetable set out at Section 1.

Section means a section of this Prospectus.

Securities means Shares and / or Options as the context requires.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of a Share.

Shortfall means the Securities not applied for under the Offer (if any).

Shortfall Application Form means the Shortfall Offer application form either attached to or accompanying this Prospectus.

Shortfall Offer means the offer of the Shortfall Securities on the terms and conditions set out in Section 2.7.

Shortfall Securities means those Shares not applied for under the Offer (if any) and offered pursuant to the Shortfall Offer.



RESOURCES

R3D RESOURCES LIMITED
ABN 53 111 398 040

For all enquiries:

Phone:
 R3D Resources Limited +61 2 9392 8032

Web:
 <https://r3d2022nrri.thereachagency.com>



R3D
MR SAM SAMPLE
123 SAMPLE STREET
SAMPLETOWN VIC 3000

Make your payment:

See below for details of the Offer and how to make your payment

Renounceable Rights Issue — Entitlement and Acceptance Form

Your payment must be received by 5:00pm (AEST) Thursday, 19 May 2022

This is an important document that requires your immediate attention. It can only be used in relation to the shareholding represented by the details printed on this Form. If you are in doubt about how to deal with this form, please contact your financial or other professional adviser.

Details of the shareholding and entitlements for this Offer are shown on this Form. Please check the details provided and update your address via www.investorcentre.com if any of the details are incorrect.

If you have a CHESS sponsored holding, please contact your Controlling Participant to notify a change of address.

Details of your Entitlement

Existing shares entitled to participate as at 26 April 2022:

4,000

Entitlement to New Shares on a 1 for 5 basis:

800

Amount payable on full acceptance at \$0.10 per New Share:

\$80.00

Make Your BPAY Payment by 5:00pm (AEST) Thursday, 19 May 2022

You can apply to accept either all or part of your Entitlement. Enter the details below and retain for your records. You do not need to return this Form when making payment by BPAY. By making your payment you confirm that you agree to all of the terms and conditions as detailed in the Prospectus dated 19 April 2022.

Neither Computershare Investor Services Pty Limited (CIS) nor R3D Resources Limited accepts any responsibility for loss incurred through incorrectly completed BPAY payments. It is the responsibility of the applicant to ensure that funds submitted through BPAY are received by this time. Eligible Shareholders should use the customer reference number shown on this Form when making a BPAY payment.

Biller Code: 377739
Ref No: 1234 5678 9123 4567 89

Entitlement taken up:

Number of additional New Shares applied for:

Amount Paid at \$0.10 per New Share:

A\$

Date Payment was made:

/ /

Contact your financial institution to make your payment from your cheque or savings account.

Privacy Notice

The personal information you provide on this form is collected by CIS, as registrar for the securities issuers (the **issuer**), for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. In addition, the issuer may authorise us on their behalf to send you marketing material or include such material in a corporate communication. You may elect not to receive marketing material by contacting CIS using the details provided above or emailing privacy@computershare.com.au. We may be required to collect your personal information under the Corporations Act 2001 (Cth) and ASX Settlement Operating Rules. We may disclose your personal information to our related bodies corporate and to other individuals or companies who assist us in supplying our services or who perform functions on our behalf, to the issuer for whom we maintain securities registers or to third parties upon direction by the issuer where related to the issuers administration of your securityholding, or as otherwise required or authorised by law. Some of these recipients may be located outside Australia, including in the following countries: Canada, India, New Zealand, the Philippines, the United Kingdom and the United States of America. For further details, including how to access and correct your personal information, and information on our privacy complaints handling procedure, please contact our Privacy Officer at privacy@computershare.com.au or see our Privacy Policy at www.computershare.com/au/privacy-policies.