



ASX RELEASE (4 JANUARY 2023)

Drilling Intersects 77m @ 0.62% Copper Mineralisation

Highlights:

- Significant downhole intercepts of primary copper mineralisation below the open pit including **77 m @ 0.62% Cu**;
- Primary copper sulphide mineralisation also intercepted in drilling north of the open pit including **12m @ 0.84% Cu & 19 m @ 0.62% Cu**;
- Separate potential northern copper oxide zones with down hole intercepts up to **12 m @ 0.35% Cu** from surface with further assays pending;
- Estimation of primary open pit copper resource in progress in coming weeks to approximately 100 m depth as well as with the shallow northern oxide mineralisation;
- Last remaining key plant refurbishment items scheduled to arrive on site this week including new control panel and new acid tanks with commissioning expected to commence in late January;

R3D Resources Limited (ASX: **R3D**) (the **Company**), is pleased to announce it has commenced receiving assays from the recent RC drilling programme which targeted northern oxide mineralisation. The programme also included the drilling of three 'resource' holes below the open pit to enable the estimation of an inferred resource to approximately 100 metres depth below the 10,827 copper tonne resource reported to the ASX on the 21 September 2022.

Open Pit Primary Copper (chalcopyrite) Mineralisation

In April/May 2022 the Company completed a 28-hole (1,620m) RC drilling campaign in the northern end of the Tartana open pit with the initial assay results announced to the ASX on the 30 August 2022. This announcement noted that individual 1 metre sample assays graded up to 5.21% Cu and 94 g/t Ag (32 – 33 m depth in TR082) while the overall best interval was 39 m at 0.71% Cu from 21 m to 60 m (TR063) and 13 m at 1.71 % Cu from 43 m – 56 m depth. Most of the mineralisation was found to be primary (chalcopyrite) mineralisation.

Bluespoint Mining Services Pty Ltd (BMS) subsequently completed a Mineral Resource Estimation (MRE) based on the results of the shallow drilling programme as well as incorporating historical data for shallow portions of the primary copper mineralisation (up to 40 m in thickness) below the open pit. At a 0.2% Cu cut-off grade, the total inferred and indicated resource was estimated at 1.93 Mt @ 0.56% Cu for 10,827 tonnes of contained copper (See ASX Announcement dated 21 September 2022).

The overall drilling and resource estimation supported the interpretation that there is a large, moderate grade mineralised copper system below and to the north of the historical shallow open pit.

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Accordingly, the Company decided to drill three 100 m – 150 m RC strategically located holes and in combination with historical data, would enable the estimation of the copper resource to approximately 100 m depth. The results from this drilling are outlined in Table 1 below.

Drillhole (RC)	From (m)	To (m)	Interval (m)	Average Copper Grade	Comments
TRC098	0	14	14	0.13%	Potential backfill
	14	91	77	0.62%	
	31	53	22	0.83%	
	14	17	3	1.01%	
TRC099	0	150	150	0.38%	
	58	79	21	0.76%	
	138	149	11	0.65%	
TRC101	0	100	100	0.22%	
	67	80	13	0.59%	

Table 1. Primary copper drilling below the Tartana open pit. *See Drillhole details and JORC tables at the end of this report.*

Drillhole TRC098 has been drilled towards the northern end of the of the Tartana open pit and where historical records report the highest levels of copper mineralisation (See Figure 1). Further north, the mineralisation may be offset and form part of the northern oxide mineralisation which includes primary copper sulphide mineralisation at depth.

Drillhole TRC101 was drilled in the southern part of the pit and was orientated to drill southwest from the northeastern side of the pit. While the drilling intersected broad copper mineralisation, it may not have intersected copper mineralisation in the western portion of the open pit.

Northern Oxide and Primary Copper Mineralisation

Assays from RC drilling to-date has returned the intersections to the north of the Tartana open pit (see Figure 1.) Shallower intersections potentially represent oxide copper zones although metallurgical testwork has not yet been carried out. Encouragingly there are also some notable deeper copper intersections which potentially represent primary copper mineralisation extending north of the open pit.

Drillhole (RC)	From (m)	To (m)	Interval (m)	Average Copper Grade	Comments
TRC088	0	15	15	0.28%	Potential Oxide
	23	35	12	0.68%	
	29	35	6	0.99%	
	49	57	8	0.35%	
TRC090	52	59	7	0.31%	
TRC091	34	60	26	0.28%	
	44	50	6	0.44%	
TRC092	0	12	12	0.35%	Potential Oxide
	41	53	12	0.84%	
	41	60	19	0.62%	
TRC093	26	30	4	0.80%	

TRC093	42	49	7	0.53%
TRC096	28	39	11	0.53%

Table 2. Northern oxide drilling results from assays received to-date.

While assays are still pending for the remaining holes, it is encouraging that copper mineralisation appears continuous north of the open pit.



Figure 1. Collar locations for the northern oxide copper zone and the primary (chalcopyrite) copper drilling in the open pit.

Results from the northern oxide drilling were encouraging with several potential shallow oxide mineralised intersections as well as some deeper transition and primary copper mineralised zones.

Copper Sulphate Plant Refurbishment Update

Refurbishment of the copper sulphate plant is resuming this week after the Xmas-New Year break. Key items including the control panel and new acid tanks are scheduled to arrive on site this week. The control panel was expected to be delivered in the first week of December and the delay in its arrival has potentially pushed the commissioning out by 3-4 weeks and is now expected to commence late January. The Company will provide a market update later in January.

R3D Managing Director Stephen Bartrop commented:

“The drilling results highlight the potential for a significant primary copper resource below and to the north of the existing open pit with part of this potential to be realised in the updated primary copper resource estimation. Ore sorting technology may also play a part in supporting development opportunities.

Meanwhile the initial drill results from the northern oxide zone indicate potential for shallow copper oxide mineralisation that may be suitable for copper sulphate production and we await the pending assays.

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

Further Information:

Stephen Bartrop

Managing Director

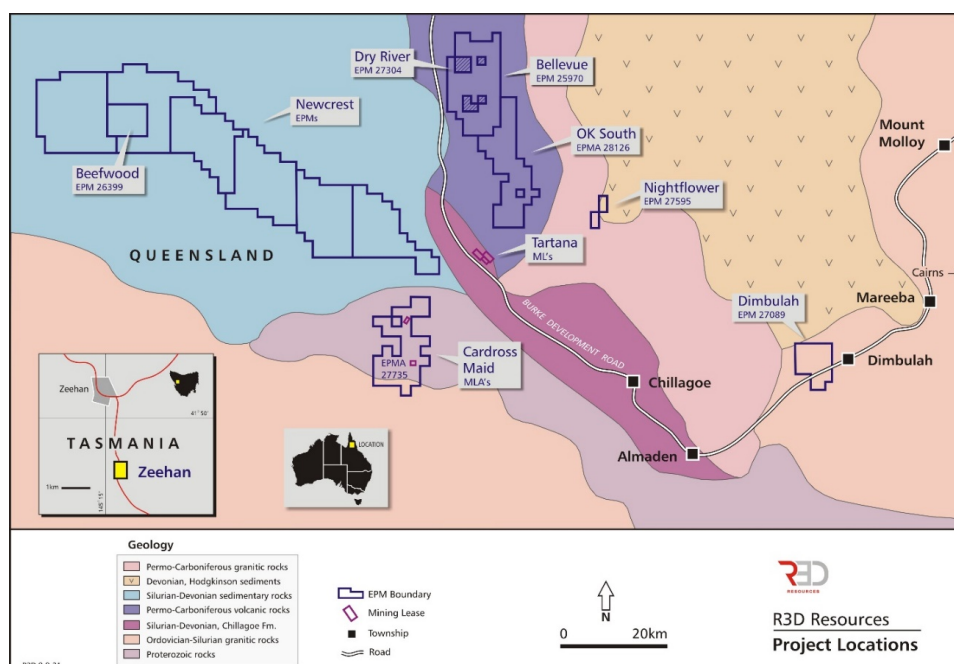
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About R3D Resources Limited

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



Competent Person's Statement

The information in this announcement that relates to Exploration Results is based on information compiled by Dr Stephen Bartrop who is a Fellow of the Australian Institute of Geologists (AIG) and a Member of Australasian Institute of Mining and Metallurgy (AusIMM). Dr Bartrop 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.' Dr Bartrop is an employee of R3D Resources Limited, and consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

Disclaimer Regarding Forward Looking Statements

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

R3D Resources does not give any assurance that the anticipated results, performance or achievements expressed or implied in those forward-looking statements will be achieved.

Table 1. *Drillhole data*

Area	Planned Hole ID	Actual Hole ID	Drill Order	Bearing (Mag)	dip	Depth (m)	Final East	Final North	GPS Elev
Oxide North	TRC089	TRC089	3	50	-55	60	208442	8125807	255
Oxide North	TRC090	TRC092	6	50	-55	60	208490	8125710	255
Oxide North	TRC091	TRC093	7	50	-55	60	208473	8125692	245
Oxide North	TRC092	TRC096	10	50	-55	60	208458	8125745	244
Oxide North	TRC093	TRC097	11	50	-55	60	208645	8125811	230
Oxide North	TRC094	TRC088	2	50	-55	60	208431	8125795	255
Oxide North	TRC095	TRC091	5	50	-55	60	208415	8125778	254
Oxide North	TRC096	TRC095	9	50	-55	60	208369.54	8125740.22	229
Oxide North	TRC097	TRC087	1	50	-55	60	208434	8125888	230
Oxide North	TRC098	TRC090	4	50	-55	60	208384	8125816	256
Oxide North	TRC099	<i>no access</i>		50	-55				
Oxide North	TRC100	TRC094	8	50	-55	60	208344	8125774	229
Heap Leach	TRC101	<i>no access</i>		50	-55				
East Pit	TRC102	TRC101	15	230	-55	100	208834	8125481	264
under fill	TRC103	TRC099	13	60	-60	150	208666	8125565	245
under fill	TRC104	TRC098	12	50	-60	102	208643	8125636	244
ROM pad	(new)	TRC100	14	70	-55	48	208349	8125882	256
Cu pond	(new)	TRC102	16	288	-55	60	208703	8125796	262
Under Camp	(new)	TRC103	17	165	-55	60	208571	8126391	271
Junk Pile	(new)	TRC104	18	185	-55	54	208283	8126163	251
Junk Dam	(new)	TRC105	19	25	-55	60	208289	8126164	251

JORC Code, 2012 Edition

Section 1 Sampling Techniques and Data

Criteria	Commentary
Sampling techniques	<ul style="list-style-type: none"> • RC – riffle splits Majestic • Diamond – ¼ core cut – Outokumpu. ¼ to ½ core CEC – diamond core was used in the total Majestic inferred resource but only for zonal trends in the supergene model. • Rock chip – channel – Majestic • R3D 2022 Program – RC splits
Drilling techniques	<ul style="list-style-type: none"> • 5.5in RC and Diamond Core • R3D 2022 Program – RC utilizing truck mounted Drill Rig and Compressor
Drill sample recovery	<ul style="list-style-type: none"> • Exceeds 98% through supergene zone. • 86% RC total excluding 0-2 m when establishing a 2m casing in every hole. • All samples were 3-5 kg. • R3D 2022 Program – RC recoveries exceed 95% in bedrock, except where cavities from undocumented underground workings, whilst more variable in overlying fill material from 60=95%
Logging	<ul style="list-style-type: none"> • Detailed logging • The geology of all previous holes was standardized to the Majestic methodology which also matched the detailed geological mapping. • R3D 2022 Program – logging has been completed for normal drill control
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> • Analabs Townsville: <ul style="list-style-type: none"> ○ Dry, Fine Pulverise – GP032 ○ Cu by GA145 – Mixed Acid Ore Grade AAS. ○ Co, As, Ag by Ga140 - where applicable ○ Au by GG308 – 30g Fire assay fusion AAS finish. ○ Specific Gravity – OM 605 Air Pycnometer ○ R3D 2022 Program - All chips have been washed and cleaned of drill mud and polymers prior to logging, photographing and storing.
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> • Analabs Townsville – standard methods for copper ore grade assay • Metallurgical samples – Cu by ICP587 • R3D 2022 Program – RC samples were dispatched to SGS Laboratories in Townsville and tested for copper, silver, and gold when silver assayed > 10ppm. • Contract with laboratory in place to complete ore grade base metal assays.
Verification of sampling and assaying	<ul style="list-style-type: none"> • Internal duplicate samples (98%+ correlation) • Check sampling during metallurgical testing. Composite metallurgical feed grade sampling matches 95% RC assaying • R3D 2022 Program – No repeat assays or laboratory assays undertaken to date. R3D currently has external base metal standards on site. These were inserted at a rate of each 20th sample (5%) in the RC sampling. Repeat and other QAQC steps will be based on assay results.
Location of data points	<ul style="list-style-type: none"> • Fully surveyed theodolite which was tied into mining and topographic features. • Later differential GPS controls completed on some of the Solomon Copper infill drilling. • R3D 2022 Program – Handheld GPS reading 10+ satellites with a nominal accuracy of 5m was used for initial location of collar. R3D has completed a drone LIDAR over the whole of the four mining leases. This will enable to improve accuracy of the collar location down to DGPS quality. A Public Survey Mark (PSM) is located between Tartana and King Vol for survey control.
Data spacing and distribution	<ul style="list-style-type: none"> • 50m lines 12.5 – 25m along lines. • R3D 2022 Program – Sampling was completed at 1m intervals for the RC chips

Criteria	Commentary
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> • Right angles to prevailing geological strike • Holes drilled angled 45-65. Average 60% true width • R3D 2022 Program – The drilling was designed to test the steeply dipping copper zones at right angles to the surface strike.
Sample security	<ul style="list-style-type: none"> • Onsite supervision at all times • Delivered to laboratory designated secure transport. • R3D 2022 Program – Security is in place at the mine site and a reliable transport agent has been engaged to transport the samples to the laboratory in Townsville.
Audits or reviews	<ul style="list-style-type: none"> • Multiple audits conducted by Majestic staff as well as Solomon Copper both before and after commencement of mining. • Tartana completed traverses across the supergene exposures in the northern and central portions of the Tartana Flats pit. • R3D 2022 Program – Auditing of previous drilling and surface geology and geochemistry is currently underway to validate such that R3D further elevate the Tartana sulphide mineralisation and oxide and supergene JORC resources.

Section 2 Reporting of Exploration Results

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

Criteria	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> • Four granted Mining Leases at Tartana - ML4819, 4820, 5312, and 20489.
Exploration done by other parties – drilling only	<ul style="list-style-type: none"> • CEC – diamond drilling results used in the deeper majestic primary resource calculations • Outokumpu – Deep diamond drilling Tartana Flats and partly Tartana Hill • Dominion – limited to Queen Grade zinc – not in the Majestic Resource Statement • Adam – Drilling at Queen Grade only • Aztec – resampling and relogging at Queen Grade only • Solomon Copper – RC and diamond completed on Tartana Hill. Postdate Majestic drilling. Shallow RC results match the majestic shallow RC results – however survey control and check assays were not completed.
Geology	<ul style="list-style-type: none"> • Porphyry copper intruded into structurally deformed sediment. • Within the Tartana Hill resource area – structural complexity was low. • Mineralising intrusive currently exposed in the southern pit area. • Weathered oxide copper – red ochre, limited malachite and azurite
Drill hole Information	<ul style="list-style-type: none"> • 5.5in RC completed by Majestic and Solomon Copper. • All samples were collected ex cyclone and riffle split on site. • Later metallurgical samples were resplit before larger samples were collected for check assay and test work. • Majestic RC drilling completed by Drilltorque Townsville is one campaign with no issues. • NQ4 completed by Outokumpu • BQ to NQ by CEC. • Downhole surveys only completed by Outokumpu that demonstrated a consistent lift down hole. Corrections were applied to all CEC diamond hole traces but not to the Majestic RC holes due to their shallow depths. Application of the lift correction fixed major issues in the older non JORC CEC Ore Reserves and brought all Tartana Hill intersections into the one zone.

Criteria	Commentary
Data aggregation methods	<ul style="list-style-type: none"> • R3D 2022 Program – RC drilling by AED contractors • Completed on a range of cut off grades. • Minimum intersection taken as four metres. • Intersections in the collar of each hole were individually evaluated to exclude soil, dump and scree contamination or pad fill. • R3D 2022 Program – Drill intervals were determined for zones averaging >5,000 ppm copper
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> • Average 60% of true width. • R3D 2022 Program – R3D sampled all mineralized zones (as defined by as a minimum of 1% total sulphide and/or shearing). Non mineralised sections (as defined by hte geological chip inspection) will be completed only where they abut mineralized zones.
Diagrams	<ul style="list-style-type: none"> • Full maps, plans, cross sections • R3D 2022 Program – see main body of report
Balanced reporting	<ul style="list-style-type: none"> • Yes. Multiple reports by multiple companies and independent geologists.
Other substantive exploration data	<ul style="list-style-type: none"> • Past mine data. • All above companies completed additional exploration and development including geological mapping, geochemistry, surveying, geophysics and shallow to deep open hole percussion drilling. This drilling is excluded from any calculations due to poor recoveries. • Tartana Hill and Tartana Flats mineralisation 9estensions to the north of the Hills open cut) are also well defined by detailed IP geophysics. • Clutha also completed early drill and exploration – drill collars were not able to be located so has been excluded from the database.
Further work	<ul style="list-style-type: none"> • R3D 2022 Program – Incorporate this RC drill assay data into upgraded resource estimates at Tartana pit.

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