

3D Resources Initiates Strategic Review to Target Near Term Production at Adelong Gold Project

Highlights

- Strategic review commenced for the Adelong Gold Project;
- Review team to focus on:
 - Commercial options for re-starting operations at Challenger and Currajong,
 - Drilling program at Donkey Hill,
 - Resource upgrade,

3D Resources Limited (ASX: DDD) (“3D Resources” or the “Company”) is pleased to announce that, following a recent site visit by management, the Company has initiated a strategic review of the Adelong Gold Project (“Adelong”) targeting near term gold production.

Background

On 15 May 2020, 3D Resources took control and ownership of the Adelong Gold Project, located in southern NSW, on terms outlined in the Company’s ASX release of 31 January 2020. The acquisition included:

- an existing JORC Resource;
- exploration license (70km²), one mining lease (1.5km²) and 16 mineral claims (leases);
- environmental bonds secured by cash accounts;
- 17 freehold properties with all mining and processing plant equipment on site;
- operating development consents, feasibility studies, government approvals; and
- significant database of exploration data from over 36,000 metres of drilling

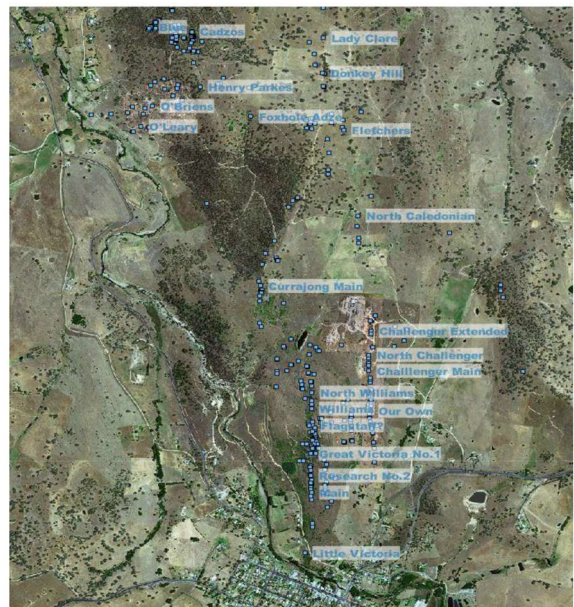
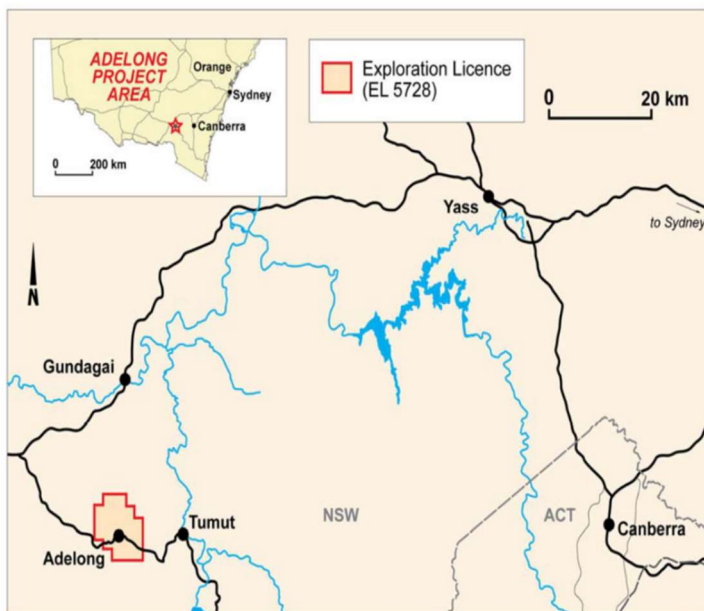


Figure 1 – Location Map

Strategic Review

The Company is undertaking a strategic review of Adelong with a focus on scoping a near term cash flow project designed to support exploration work, development activities, a drilling program at the Donkey Hill deposits and an

upgrading of the resource. The review will determine commercial options for the Challenger Mine and Currajong operations, with the results of the strategic review expected to be released shortly.

Review Team

The Company has appointed a review team consisting of experienced mining personnel to assess commercial options in re-starting operations. The team will operate under the supervision of the Company's Managing Director and Senior Geologist, Mr Peter Mitchell.

The review team will comprise of:

- Mr Rod Gray, Mine Manager - an experienced mining engineer and certificated mine manager who has worked on the Adelong project for some time
- Mr Rod Elvish, Metallurgist – experienced with the former owner and has a detailed understanding of the operations. Mr Elvish will examine different options to improve performance and efficiencies.
- Mr Colin Dell, Geologist - detailed understanding of the underground mining conditions and regional exploration potential.

The Company has held initial discussions with engineering groups with considerable experience in gold processing plants in this region which can assist on the plant design and cost forecasting.

Resource Upgrade

The Company is targeting an upgrade of the resources at Adelong, with initial consideration of:

- the mine plan at Challenger incorporated considerable waste which opens an opportunity for a resource re-assessment of the current deposit to JORC standards; and
- drilling of outlying deposits that were never brought to a resource category which could lead to a more comprehensive resource assessment

A dedicated resource specialist familiar with the project will be appointed to complete this work.

Drilling

The terms of an access agreement have been finalised with the landowner to allow drilling to take place at the Donkey Hill deposits and a draft drilling contract received from the preferred driller for finalisation. A detailed review of possible drill sites is being finalised based on an initial program of 1,000 metres of RC and diamond drilling. If a work plan can be approved in time, a portion of this drilling program may be allocated to Currajong where the Company would like to upgrade the resources at this site in preparation for completing a mine plan for developing this deposit.

The Chairman of 3D Resources, Mr Ian Hastings, commented,

"The Company is quickly moving ahead with a focused plan to re-commence operations and further define the resource at the Adelong Gold Project.

We believe Adelong has enormous potential and we look forward to the outcome of the strategic review shortly that will demonstrate the strength of our project."

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