

IPO OF COSMO NEWBERY GOLD PROJECT

HIGHLIGHTS

- **Company to seek shareholder approval to IPO Cosmo Newbery gold project**
- **Mandate executed to manage and underwrite proposed Cosmo IPO**
- **Proposed IPO to raise circa \$4.5 million**
- **Proposed in specie distribution of Cosmo shares to existing shareholders**

3D Resources Limited (ASX: DDD) (“3D Resources” or the “Company”) is pleased to announce its intention to seek shareholder approval for an initial public offering (“IPO”) of its wholly owned subsidiary, Cosmo Gold Pty Ltd (“Cosmo Gold”) that holds all of its interests in the Cosmo Newbery gold project. Cosmo Gold proposes to undertake this IPO and seek admission to ASX (“Cosmo IPO”). The Company will convene a meeting of shareholders to approve the proposed Cosmo IPO subject to obtaining any regulatory approvals required. A successful Cosmo IPO would allow Cosmo Gold to fund the Cosmo Newbery gold project separately and enable the Company to focus on its short term goal of recommencing production at the Adelong Goldfield in Southern New South Wales.

PROPOSED TRANSACTION TERMS

The Company has mandated RM Corporate Finance Pty Ltd (AFSL 315235) to act as Lead Manager and Underwriter of the Cosmo IPO. Under the terms of the mandate it is currently expected that Cosmo Gold would complete a preliminary seed raising (subject to all necessary approvals including shareholder approval), the proceeds from which a cash payment of \$250,000 would be made to the Company as part consideration for the Cosmo Newbery assets that were held by 3D Resources via its ownership of Cosmo Gold. It is proposed that the Cosmo IPO will be an underwritten IPO of not less than \$4 million with the Company retaining an interest of not less than 30% in Cosmo Gold on a fully diluted, fully funded basis. It is then proposed that the Company would undertake an in-specie distribution of Cosmo Gold shares to 3D Resources’ shareholders, at a level to be determined.

Further announcements will be made in due course as the Company obtains preliminary approvals, develops its plans and proposals and executes transaction documentation.

The Cosmo IPO will therefore result in two distinct companies:

- 3D Resources, with its existing Board and management team focussed on production at the Adelong Gold Project; and
- Cosmo Gold, with the Cosmo Newbery gold project assets as a gold exploration focussed company.

As noted above, the Company will seek shareholder approval under ASX Listing Rule 11.4 in respect of the Cosmo IPO and for the in-specie distribution.

COSMO NEWBERY GOLD PROJECT

Cosmo Newbery is one of the few remaining underexplored greenstone belts in Western Australia with the Company holding the major part of this greenstone belt under granted exploration licences, applications and options, in its wholly owned subsidiary Cosmo Gold. The majority of the licences at Cosmo Newbery are located on an Aboriginal Reserve which is subject to special access requirements and the Company has maintained its tenement position whilst negotiating access. Delays were incurred due to disputes between the claimants and in September 2019 the Federal Court ratified an agreement between the Yilka claimant group and the Sullivan

Edwards claimant group which facilitated the forming of a body corporate to administer the Aboriginal Reserve on which the Company's Cosmo Newbery exploration licences are located. The absence of such a body had prevented the Company from finalising an access agreement to progress exploration.

In late May 2020 the Company received a final draft access agreement and since that time the Company has been in discussions and negotiations with the claimant body corporate to finalise access. It is expected that process will be completed in the near future.

The Cosmo Newbery greenstone belt is largely unexplored but has exciting potential. In this regard:

- The greenstone belt contains gold mineralisation and has historically had some small scale high grade gold mining in a portion of the greenstone belt that is exposed (noting that a large part of the greenstone belt lies under wind-blown sand cover and so is largely unexplored).
- Its location between the Laverton Greenstone belt to the west which has historically produced over 20 million ounces of gold, and the Dorothy Hill Greenstone belt to the east that hosts the 6 million ounce Gruyere Deposit that is currently being brought into production by Gold Road, makes this area prime ground for gold exploration.
- Some early geochemical soil sampling carried out over an area just north of the Cosmo Newbery settlement, where the greenstone is partially exposed, generated a series of 10ppb and 20ppb gold anomalies in soils over a zone 5km long and more than 500m wide.

The Sefton Fault which forms the western boundary of the Cosmo Newbery greenstone belt is a major structure that has been traced for over 130km and as with many gold deposits in the Yilgarn, it is these major shears/structures that have the potential to host significant gold mineralisation.

In order to better define this potential and to prepare for gaining access to the ground, the company commissioned Southern Geoscience Consultants ("SGC") to undertake an interpretation of newly acquired Airborne Magnetic Survey of the Cosmo Newbery licences. This work highlighted the strong similarity in geology between the Cosmo Newbery area and Dorothy Hill Greenstone that hosts the Gruyere deposit. SGC showed the similarities in granite /greenstone morphologies, greenstone belt size/volume and composition. Structural styles are also comparable. Even the position of the geochemical anomalies and historical gold mining at Cosmo Newbery fits into a similar pattern to that of the Dorothy Hill Shear shown on the map of the Gruyere deposit. In presenting SGC's views they provided a map of the two areas at the same scale (Figure 1):

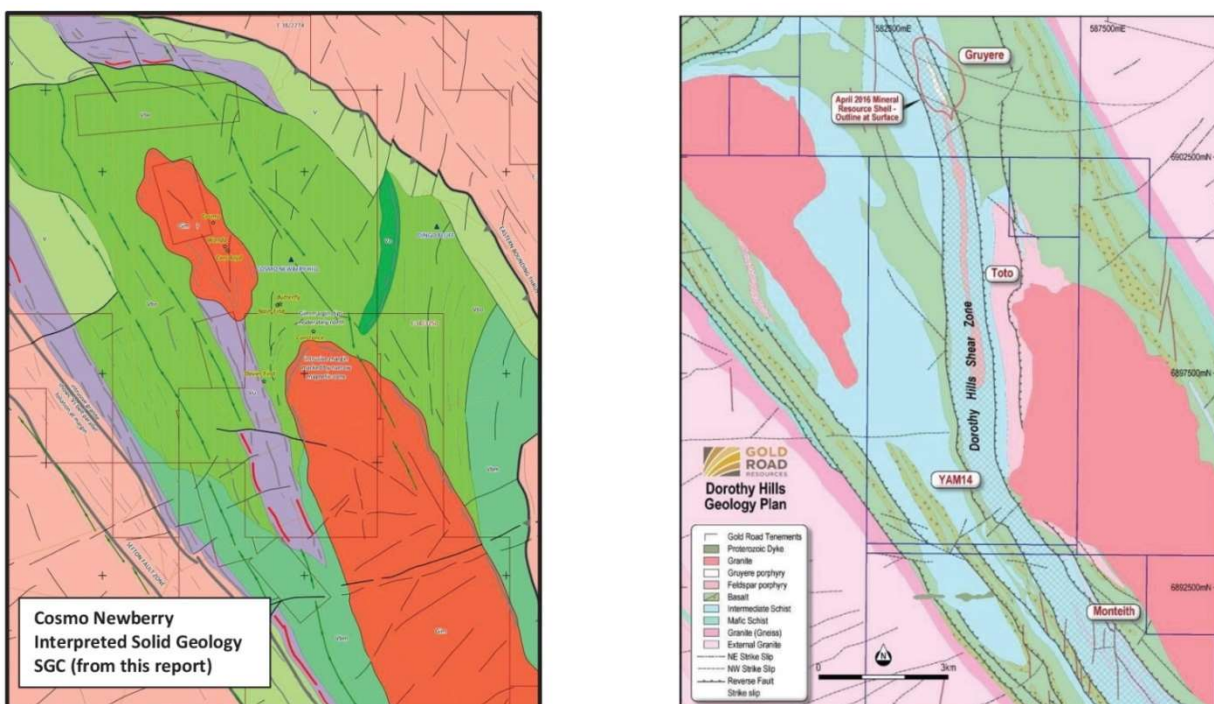


Figure 1: SGC comparison of the geology of Cosmo Newbery (left) with that of the Dorothy Hills Greenstone with location of Gruyere (right)

SGC has also defined a series of targets for exploration. These targets are typical structural and geological controls that elsewhere in the Western Australian Yilgarn have hosted gold mineralisation/deposits.

COSMO GOLD ASSETS

The Company holds an interest in nine licences comprising its Cosmo Gold project, through its wholly owned subsidiary Cosmo Gold or by way of option over an ungranted licence.

Cosmo Gold directly holds:

- 100% of Licences E38/2627, E38/2774 and E38/2851; and
- 75% of Licence E38/2274 (transfers pending).

Cosmo Gold has also:

- applied for Licences E38/3456, E38/3457 and E38/3525 (all pending);
- acquired E38/3249 (transfer pending); and
- entered into an option to acquire E38/3250.

PROCESS AND TIMETABLE

Full details and timing for the proposed Cosmo IPO are currently being finalised and will be set out in a Notice of Meeting which is anticipated to be sent to 3D Resources' shareholders in September 2020.

The shareholder meeting is anticipated to be held in October 2020, with completion of the proposed Cosmo IPO expected in December 2020.

Further updates will be provided as soon as practicable.

-ENDS-

Released with the authority of the board.

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Competent Persons Statement

Information in this "ASX Announcement" relating to Exploration Results and geological data has been compiled by Mr. Peter Mitchell who is a Member of the Australian Institute of Mining and Metallurgy and is Managing Director of 3D Resources Ltd.

He has sufficient experience that is relevant to the types of deposits being explored for and qualifies as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (JORC Code 2012 Edition). Peter Mitchell has consented to the release of the announcement.