



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

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

29 April 2022

Company Announcements Office
Australian Securities Exchange

Non-Renounceable Entitlement Offer – Letters Dispatched

The R3D Resources Limited (R3D or the Company) one-for-five non-renounceable entitlement offer of new shares at an issue price of \$0.10 per share to raise approximately \$2.3 million opened today for applications. Eligible shareholders are those R3D shareholders registered with the Company's Share Registrar on the Record Date, being Tuesday, 26 April 2022. As detailed in the Prospectus dated 19 April 2022, the fundraising is taking place to help fund the advancement of R3D's Copper Sulphate Project into production in order to achieve a sustainable cash flow to finance the Company's exploration activities in the Chillagoe region of far north Queensland. The offer is scheduled to close on 19 May 2022.

Attached are two letters that were dispatched on 29 April 2022 in relation to the entitlement offer, which was announced by R3D on 5 April 2022, being:

- the letter to shareholders of the Company who have registered addresses within Australia and New Zealand informing them that they will be eligible to participate in the offer (Eligible Shareholders); and
- the letter to shareholders of R3D who have registered addresses outside Australia and New Zealand informing them that they will be ineligible to participate in the offer (Ineligible Shareholders).

For those shareholders of the Company who have elected to receive documents electronically, the email broadcast was dispatched to them at 4:00pm AEST today.

This announcement was authorised by the Company Secretary.

R3D Resources Limited

Robert J Waring
Company Secretary



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

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

R3D

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

SRN/HIN: SRN WITHHELD

29 April 2022

Dear Shareholder

Pro-Rata Non-Renounceable Entitlement Offer

As announced to ASX on 5 April 2022, R3D Resources Limited (**ASX:R3D**) (**the Company**) is undertaking a pro-rata non-renounceable entitlement offer of one new fully paid ordinary share (**New Share**) for every five fully paid ordinary shares (**Shares**) held by eligible shareholders on the Record Date. The issue price is \$0.10 per New Share to raise up to \$2,309,913 (**Entitlement Offer**).

The Company lodged a prospectus for the Entitlement Offer (**Prospectus**) with ASIC and ASX on 19 April 2022. An electronic copy of the Prospectus, along with information with respect to applying for your entitlement under the Entitlement Offer, is available at <https://r3d2022nrri.thereachagency.com> from 29 April 2022. If you wish to access the online application system, you will need to provide your Securityholder Reference Number (SRN) or Holder Identification Number (HIN) and postcode, and follow the instructions provided, including making your payment by BPAY®.

If you are unable to access <https://r3d2022nrri.thereachagency.com>, then you can obtain a copy of the Prospectus, and the Entitlement and Acceptance Form, by telephoning R3D on 02 9392 8032, and the Company will mail a hard copy of the Prospectus, and the Entitlement and Acceptance Form, to you free of charge.

The Entitlement Offer is being made to all shareholders of R3D (**Shareholders**) named on its register of members at 5:00pm AEST on Tuesday, 26 April 2022, whose registered addresses are in Australia or New Zealand. The Entitlement Offer is not underwritten. However, the Company is offering existing Shareholders the ability to subscribe for a shortfall allocation as part of oversubscription applications. R3D will have the ability to place any shortfall for up to three months following the Closing Date.

The Company proposes to use the proceeds of the Entitlement Offer, along with the funds raised as part of its \$1,000,000 placement, to fund the refurbishment of its Copper Sulphate Plant, as well as to complete resource upgrade drilling, and for some selected brownfield and greenfield exploration, for the costs of the capital raising, and for ongoing working capital. For further information on the use of funds please refer to section 3.1 of the Prospectus.

Following completion of the Entitlement Offer, if fully subscribed, R3D will have issued

approximately 23,099,126 New Shares resulting in the total number of Shares on issue being approximately 143,594,756 Shares (including the placement of 10,000,000 Shares, also issued at \$0.10 per share to raise \$1,000,000). New Shares will rank equally with all fully paid ordinary shares in the capital of the Company already on issue.

For the purposes of calculating each Eligible Shareholder's entitlement, fractional entitlements will be rounded up to the nearest whole number.

Actions Required of Eligible Shareholders

The number of New Shares to which Eligible Shareholders are entitled (your Entitlement) is shown on the Entitlement and Acceptance Form that accompanies the Prospectus, which you can access by entering your personal details (including your SRN or HIN, and postcode) at the following link: <https://r3d2022nrri.thereachagency.com> from 29 April 2022.

As an Eligible Shareholder, you may:

- accept your full Entitlement;
- accept your full Entitlement and apply for addition Shortfall Shares; or
- accept part of your Entitlement; or

if you do not wish to accept all or part of your Entitlement, you are not obliged to do anything.

Further information in respect of these alternatives is set out in section 2.3 of the Prospectus.

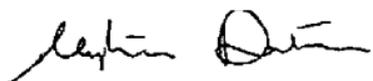
Key Dates for the Entitlement Offer

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.

If you have any queries concerning the Entitlement Offer or the action you are required to take to subscribe for New Shares please contact your financial adviser or Stephen on 0408 486 163.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Stephen Bartrop'.

Stephen Bartrop
Managing Director



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

169 Blues Point Road, McMahon's Point, NSW 2060 Australia | T +61 2 9392 8032

R3D

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

SRN/HIN: SRN WITHHELD

29 April 2022

Dear Shareholder

Pro-Rata Entitlement Offer Ineligible Shareholder Letter

On 5 April 2022, R3D Resources Limited (ASX:R3D) (**the Company**) announced to ASX that it intended to undertake a pro-rata, non-renounceable rights issue of one new fully paid ordinary share (**New Share**) for every five fully paid ordinary shares in the Company (**Shares**) held by eligible existing shareholders at the Record Date at an issue price of \$0.10 per New Share to raise up to approximately \$2.3 million (**Rights Issue**), as well as a placement of \$1 million via the issue of 10,000,000 shares at an issue price of \$0.10 per share (**Placement**), (together, the **Offer**).

The Company intends to raise up to \$2.3 million before costs, through the issue of up to 23,099,126 New Shares at an issue price of \$0.10 per New Share. The main purpose of the Rights Issue is to bring the Copper Sulphate Plant to production and create a sustainable cash flow and to finance the Company's exploration activities in the Chillagoe region.

The Offer is made pursuant to a transaction-specific prospectus issued in accordance with section 713 of the *Corporations Act 2001* (Cth). The Offer is not underwritten. The Offer is made to eligible shareholders, being shareholders of the Company registered on the Company's share register at the Record Date (i.e. as at 5.00pm AEST 26 April 2022), and residing in Australia and New Zealand (**Eligible Shareholders**).

As the Offer is non-renounceable, entitlements under the Offer cannot be sold, traded on the ASX or on any other exchange, nor can they be privately transferred. Documents relating to the Offer were lodged with ASX on 19 April 2022 and will be dispatched to Eligible Shareholders on 29 April 2022.

Ineligible Shareholders

The Company is of the view that it is unreasonable to extend the Offer to its shareholders with registered addresses outside Australia or New Zealand, having regard to:

- (a) the small number of the Company's shareholders with registered addresses outside Australia and New Zealand;
- (b) the number and value of the New Shares that would be offered to ineligible shareholders of the Company; and
- (c) the cost of complying with the legal requirements and requirements of the regulatory authorities, in the respective overseas jurisdictions.

Accordingly, shareholders of the Company who do not have a registered address in Australia or New Zealand are not eligible to participate in the Offer.

Unfortunately, according to the Company's records, you do not satisfy the eligibility criteria for an Eligible Shareholder. Accordingly, the Company wishes to advise you that it will not be extending the Offer to you, and you will not be able to subscribe for New Shares under the Offer.

You are not required to do anything in response to this letter.

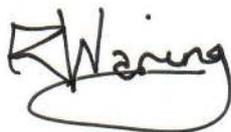
Enquiries

If you have any questions regarding the non-renounceable pro-rata Rights Issue, please contact the Company on +61 2 9392 8032.

Thank you for your ongoing support of the Company.

Yours sincerely

R3D Resources Limited

A handwritten signature in black ink, appearing to read 'R J Waring', with a large, stylized flourish underneath.

Robert J Waring
Company Secretary