



ASX RELEASE (16 NOVEMBER 2023)

Rights Issue Prospectus

R3D Resources Limited (ASX: **R3D**) (the **Company**), provides the attached Prospectus in relation to the Rights Issue announced on 9 November 2023.

The Company will provide further information on how to participate in the Rights Issue in due course in accordance with the indicative timetable last updated and released on 15 November 2023.

ENDS

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

Further Information:

Stephen Bartrop

Managing Director

R3D Resources Limited

M: + 61 408 486 163

P: + 61 2 9392 8032

R3D RESOURCES LIMITED

ACN 111 398 040

to be renamed Tartana Minerals Limited
(subject to shareholder approval)

PROSPECTUS

This Prospectus is being issued for:

- (a) a non-renounceable pro-rata offer to Eligible Shareholders on the basis of 1 New Share for every 5 existing Shares held on the Record Date at an issue price of \$0.05 per New Share, together with 1 New Option for every 2 New Share subscribed for and issued (**Entitlement Offer**); and
- (b) an offer of up to 4,360,000 Placement Options to Placement Participants, on the basis of 1 Placement Option for every 2 Placement Shares subscribed for and issued under the Placement (**Placement Options Offer**),

(together, the **Offers**).

The Offers close at 5.00pm (AEDT) on 15 December 2023 (Closing Date). The Company reserves the right, subject to the Corporations Act and Listing Rules, to extend or shorten the Closing Date for any or all of the Offers.

THIS IS AN IMPORTANT DOCUMENT AND REQUIRES YOUR IMMEDIATE ATTENTION. IT SHOULD BE READ IN ITS ENTIRETY.

IF YOU ARE IN DOUBT ABOUT WHAT TO DO, YOU SHOULD CONSULT YOUR PROFESSIONAL ADVISER WITHOUT DELAY.

THE NEW SECURITIES OFFERED IN CONNECTION WITH THIS PROSPECTUS ARE OF A SPECULATIVE NATURE.

Important information

General

This Prospectus is issued by R3D Resources Limited (ACN 111 398 040) (**Company**) for the purposes of Chapter 6D of the Corporations Act. This Prospectus is dated 16 November 2023 (**Prospectus Date**) and was lodged with the ASIC on that date with the consent of all Directors. Neither ASIC nor ASX nor their respective officers take any responsibility for the contents of this Prospectus.

No New Securities will be issued on the basis of this Prospectus any later than 13 months after the date of this Prospectus (being the expiry date of this Prospectus).

Application will be made to the ASX within seven days after the Prospectus Date for quotation of the New Securities the subject of this Prospectus. The New Securities offered by this Prospectus should be considered speculative. Please refer to Section 4 for details relating to investment risks.

A copy of this Prospectus is available for inspection at the registered office of the Company at 169 Blues Point Road, McMahons Point, NSW 2060 Australia, during normal business hours. The Prospectus will also be made available in electronic form. Persons having received a copy of this Prospectus in its electronic form may obtain an additional paper copy of this Prospectus (free of charge) from the Company's registered office by contacting the Company. The Offers contemplated by this Prospectus is only available in electronic form to persons receiving an electronic version of this Prospectus within Australia.

The Company will also provide copies of other documents on request free of charge (see Section 5.5).

This Prospectus is a "transaction specific" prospectus for offers 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, amongst other things, 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.

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

No investment advice

The information in this Prospectus is not financial product advice and does not take into account your investment objectives, financial situation or particular needs. It is important that you read this Prospectus in its entirety and seek professional advice where necessary.

This document is important and should be read in its entirety before deciding to participate in the Offers.

Before making any investment in the Company, each Applicant should consider whether such an investment is appropriate to his/her particular needs, and considering their individual risk profile for speculative investments, investment objectives and individual financial circumstances. Each Applicant should consult his/her stockbroker, solicitor, accountant or other professional adviser without delay.

Disclosing entity

As a disclosing entity, the Company has issued this Prospectus in accordance with section 713 of the Corporations Act applicable to prospectuses for an offer to acquire securities and an offer of options to acquire securities which are quoted enhanced disclosure securities and the securities are in a class of securities that were quoted enhanced disclosure securities at all times in the three months before the issue of this Prospectus.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to the ASX and does not include all 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 about whether to invest.

Having taken such precautions and having made such enquiries as are reasonable, the Company believes that it has complied with the

requirements of the ASX as applicable to disclosing entities from time to time, and which require the Company to notify ASIC of information available to the stock market conducted by the ASX, throughout the three months before the issue of this Prospectus.

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.

Overseas Shareholders

The Offers constituted by this Prospectus in electronic form is only available to persons receiving an electronic version of this Prospectus and accompanying Application Form within Australia.

No action has been taken to permit the offer of New Securities under this Prospectus in any jurisdiction other than Australia.

Subject to the provisions outlined in Section 1.15, residents in New Zealand are eligible to participate in the Offers. The distribution of this Prospectus in jurisdictions outside of Australia may be restricted by law and persons who come into possession of this Prospectus outside of Australia should observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. This Prospectus does not constitute an offer of New Securities in any jurisdiction where, or to any person to whom, it would be unlawful to issue this Prospectus.

Target Market Determination

In accordance with the design and distribution obligations under the Corporations Act, the Company has determined the target market for the offer of the Quoted Options under this Prospectus. The Company will only make available the Offers to those investors who fall within the target market determination (**TMD**) as set out on the Company's website (<https://www.r3dresources.com.au/investor-centre/investor-welcome>).

By making an application under this Prospectus, you warrant that you have read and understood the TMD and that you fall within the target market set out in the TMD.

Forward-looking statements

This Prospectus includes forward looking statements that have been based on current expectations about future acts, events and circumstances. These forward looking statements are, however, subject to risks,

uncertainties and assumptions that could cause those acts, events and circumstances to differ materially from the expectations described in the forward looking statements. The Directors cannot and do 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 Directors have no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus, except where required by law.

Definitions, time and currency

Definitions of certain terms used in this Prospectus are contained in Section 7.

All references to currency are to Australian dollars and all references to time are to the time in Sydney, New South Wales, unless otherwise indicated.

Expenditures disclosed in this Prospectus are recognised exclusive of the amount of goods and services tax, unless otherwise disclosed.

Corporate directory

Directors

Jihad Malaeb	Non-Executive Chairman
Stephen Bartrop	Managing Director
Bruce Hills	Executive Director
Michael Thirnbeck	Non-Executive Director

Share Registry*

Computershare Investor Services Pty Ltd
452 Johnston Street
Abbotsford Victoria 3067 Australia

Tel (within Aus): 1300 555 159

Tel (outside Aus): +61 (3) 9415 4062

Company Secretary

Sonny Didugu

Legal Adviser

Hamilton Locke
Level 42, Australia Square
264 George Street
Sydney NSW 2000

Registered Office

169 Blues Point Road
McMahons Point
NSW 2060 Australia

Tel: +61 2 9392 8032

Email: R3D@reignadvisory.com

Website: www.r3dresources.com.au

Auditor*

BDJ
Level 8, 124 Walker Street
North Sydney NSW 2060 Australia

ASX Code: R3D

(to be ASX:TAT, subject to shareholder approval at 2023 AGM)

Offer Website

www.computersharecas.com.au/r3dnrri

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

Proposed timetable for the Offers

Event	Date
Announcement of the Placement and Entitlement Offer	Thursday, 9 November 2023
Lodgement of Prospectus with ASIC Lodgement of Prospectus, announcement of Offers and lodgement of Appendix 3B with ASX	Thursday, 16 November 2023
Anticipated issue of Placement Shares (excluding related parties)	Friday, 17 November 2023
Ex date	Monday, 20 November 2023
Record Date for determining Entitlements under the Entitlement Offer (7:00pm AEDT)	Tuesday, 21 November 2023
Prospectus and Application Forms despatched to Eligible Shareholders and Company announces that this has occurred Opening Date of Offers	Friday, 24 November 2023
Last day to extend Closing Date of Entitlement Offer	Tuesday, 12 December 2023
Closing Date of Offers (5:00pm AEDT)	Friday, 15 December 2023
New Shares issued under the Entitlement Offer (which in this Timetable includes the Top Up Facility), and (subject to ASX approval) New Options attaching to those New Shares, quoted on a deferred settlement basis	Monday, 18 December 2023
Announcement of results of Entitlement Offer	Friday, 22 December 2023
Anticipated date for issue of the New Securities under the Entitlement Offer Company lodges an Appendix 2A with ASX applying for quotation of the New Securities issued under the Entitlement Offer	Friday, 22 December 2023
Anticipated date for commencement of New Shares issued under the Entitlement Offer, and (subject to ASX approval) New Options attaching to those New Shares trading on a normal settlement basis	Wednesday, 27 December 2023
General Meeting of Shareholders	Anticipated January or February 2024
Anticipated date for issue of Placement Shares (related parties) and Placement Options	On or shortly after the date of the General Meeting

Note: The above dates are indicative only and may change without notice. The Company reserves the right to vary any and all of the above dates without notice, subject to the Corporations Act, Listing Rules and other applicable laws. In particular, the Company reserves the right to vary the Opening Date and the Closing Date without prior notice, which may have a consequential effect on the other dates. The Company also reserves the right not to proceed with the Offers at any time before the issue of New Securities.

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Letter from the Chairman

Dear Shareholder

On behalf of your Directors, I am pleased to invite you to participate in this non-renounceable pro-rata 1 for 5 entitlement offer at an issue price of \$0.05 per New Share to raise approximately \$1.52 million (before costs), together with 1 New Option for every 2 New Shares subscribed for and issued under the Entitlement Offer.

The Entitlement Offer is part of a capital raising announced in early November which included a Placement of \$0.43 million (the **Placement**), of which your directors have committed to subscribing for \$0.225 million (subject to shareholder approval to be sought at an upcoming general meeting (the **General Meeting**)). Through this Prospectus we now offer eligible shareholders to participate on the same terms as your directors and the other Placement participants.

Eligible Shareholders who participate in the Entitlement Offer will also receive 1 Option for every 2 Shares subscribed for under the Entitlement Offer with each Option exercisable at \$0.10 expiring 31 December 2025. The Company will seek to have these Options quoted on ASX following their issue, subject to ASX approval and meeting of any quotation conditions.

Proceeds from the Entitlement Offer and the Placement will be principally applied towards supporting the production ramp up at R3D's Tartana Copper Sulphate production plant, general working capital and the costs of the Offers and Placement.

Name Change to Tartana Minerals Limited (ASX:TAT)

I also note that at the upcoming Annual General Meeting, your directors are seeking shareholder approval for the renaming of the Company to Tartana Minerals Limited, which if approved will see the Company's shares traded on ASX as ASX:TAT (and any Options quoted as ASX:TATO).

Your directors consider that now is the right time for a change of the Company's name to better reflect its operational focus on the Tartana mining leases and the broader exploration portfolio the Company holds within the Chillagoe region, including:

- The Tartana Copper Sulphate Plant: A recently commissioned Copper Sulphate Pentahydrate production plant for which the Company has secured a 100% offtake partner, Kanins International. Now in commercial operation and expecting to be cash flow positive on an operational basis for the December quarter.
- Tartana Copper/Gold: A significant resource totalling 45,000 tonnes of contained Copper at 0.45% using a 0.2% Cu cut-off grade reported in early 2023. Preliminary ore sorting testwork indicates potential for approximate 100% upgrade to Copper grade. Mineralisation remains open at depth with further drilling targeted for 2024.
- Queen Grade Zinc: A resource of 39,000 tonne contained Zinc at 5.29% Zn using a 0.5% Zn cut-off grade with potential Ag and Pb credits not included reported in early 2023. Mineralisation remains open at depth and similar in style to the nearby King Vol orebody which extends to depths exceeding 500m.
- Mountain Maid Gold: A resource of 415,000 oz Gold at 0.34 g/t Au using a 0.2g/t Au cut-off grade including an oxidised zone of 37,300 koz at 0.35g/t Au at or near surface, reported in early 2023. Mineralisation remains open in several directions.
- Nightflower Silver: A recently acquired Silver project with an exploration target across Northern section of the project of 2.7 million tonnes @ 134g/t Ag eq for 17 million oz Ag eq contained to 5.3 million tonnes @ 193 g/t Ag eq for 23 million oz Ag eq contained.
- Zeehan Zinc: A Zinc slag project where the Company has been exporting Zinc slag offshore on recently improved margins. As the Zinc is now largely depleted the Company is exploring the sale of the project or the development of a new project extracting precious and base metals including Gold from tailings on site. The Company announced in July 2023 that it was finalising

negotiations towards the sale of the project, however these negotiations are yet to complete as terms and deal structure are being reviewed in the context of an increased Gold price.

- Other exploration assets: The Company also owns a number of additional exploration assets including Beefwood, Bellevue, and Cardross.

Further Details on the Capital Raising

In order to provide Eligible Shareholders with the ability to participate in the Company's capital raising activities, the Company is offering Eligible Shareholders pursuant to this Prospectus an opportunity to subscribe for New Shares and New Options on the same terms as the Placement. The Entitlement Offer is non-renounceable and therefore your Entitlements will not be tradeable on the ASX or otherwise transferable.

Eligible Shareholders that have fully subscribed for their Entitlements under the Entitlement Offer are able to subscribe for Top Up Securities under the Top Up Facility.

This Prospectus includes a separate offer of Placement Options to participants in the Placement, on the basis of 1 Placement Option for every 2 Placement Share subscribed for and issued under the Placement.

How to apply

Refer to Section 2 for details of how to participate in the Offers. **The Offers are scheduled to close at 5:00pm (AEDT) on 15 December 2023.** If you decide to take this opportunity to increase your investment in the Company please ensure that, before the Closing Date, you have paid your Application Monies, via BPAY® pursuant to the instructions in the Application Form, or if you are based outside of Australia and unable to pay using BPAY®, your Application Monies are sent by direct transfer and received in cleared funds by the Closing Date.

Risks and additional information

The Prospectus includes further details of the Offers and the effect of the Offers on the Company, and a statement of the risks associated with investing in the Company. This document is an important document and should be read in its entirety. If you have any questions in relation to the Prospectus or the Offers, you should consult your suitably qualified professional adviser without delay.

On behalf of the Board, I look forward to your continued support and on updating you on the Company's progress.

Yours sincerely



Jihad Malaeb
Non-Executive Chairman
R3D Resources Limited

The Company confirms that in respect of the Tartana MRE dated 9 February 2023, the Queen Grade MRE dated 14 February 2023, the Mountain Maid MRE dated 20 February 2023, and the Nightflower Exploration Target released on 2 June 2022 and updated on 6 June 2022, that it is not aware of any new information or data which materially affects the information included in the relevant market announcement, and in relation to estimates of mineral resources or ore reserves and exploration targets, all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed.

In respect of the Exploration Target for the Nightflower Project released on 2 June 2022 and updated on 6 June 2022 the Company further notes that 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.

Investment overview

This Section is intended to highlight key information for potential investors. It is an overview only and is not intended to replace the Prospectus. Potential investors should read the Prospectus in full before deciding to invest in New Securities.

Key information	Further information
<p>Transaction specific prospectus</p> <p>This Prospectus is a transaction specific prospectus for offers to acquire 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. In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.</p>	-
<p>What are the Offers being made under this Prospectus?</p> <p>This Prospectus is being issued for:</p> <ul style="list-style-type: none"> (a) a non-renounceable pro-rata offer to Eligible Shareholders on the basis of 1 New Share for every 5 existing Shares held on the Record Date at an issue price of \$0.05 per New Share, together with 1 New Option for every 2 New Shares subscribed for and issued (Entitlement Offer); and (b) an offer of up to 4,360,000 Placement Options to Placement Participants, on the basis of 1 Placement Option for every 2 Placement Shares subscribed for and issued under the Placement (Placement Options Offer), <p>(together, the Offers).</p> <p>Eligible Shareholders that have fully subscribed for their Entitlements under the Entitlement Offer are able to subscribe for Top Up Securities under the Top Up Facility. See Sections 1.2(c) and 1.3 regarding the allocation of Top Up Securities.</p>	Sections 1.1 and 1.2
<p>What is the purpose of this Prospectus</p> <p>The purpose of the Offers is to:</p> <ul style="list-style-type: none"> (a) provide Eligible Shareholders with the opportunity to take up New Shares and New Options proportional to their shareholding and to mitigate the effect of dilution; (b) make the offer of Placement Options under the Placement Options Offer; (c) ensure that the on-sale of the Shares issued on conversion of the Placement Options and the New Options do not breach section 707(3) of the Corporations Act; and (d) provide the Company with additional funds to be attributed in accordance with the use of funds set out in Section 1.5 below. 	Section 1.4
<p>Who is an Eligible Shareholder?</p> <p>Eligible Shareholders are those Shareholders who:</p> <ul style="list-style-type: none"> (a) are registered as the holder of Shares in the Company as at 7:00pm (AEDT); (b) have a registered address in Australia or New Zealand as noted on the Company's share register, or are a Shareholder that the Company has otherwise determined is eligible to participate in the Entitlement Offer; and (c) are eligible under all applicable securities laws to receive an offer under the Entitlement Offer. 	Section 1.2

Key information	Further information																				
<p>What is the intended use of funds?</p> <p>The proceeds from the Entitlement Offer and Placement are intended to be applied towards:</p> <p>(a) supporting the production ramp up at R3D's Tartana Copper Sulphate production plant;</p> <p>(b) general working capital; and</p> <p>(c) the costs of the Offers and Placement.</p>	Section 1.5																				
<p>What is the effect of the Offers?</p> <p><i>Capital structure</i></p> <p>The effect of the Offers on the capital structure is set out below (assuming the Offers are fully subscribed, the Placement has completed and no other Shares are issued prior to the Record Date):</p> <table border="1" data-bbox="202 784 1235 1193"> <thead> <tr> <th></th> <th>Shares</th> <th>Options</th> <th>Convertible Notes</th> </tr> </thead> <tbody> <tr> <td>Existing Securities on issue</td> <td>148,151,578</td> <td>37,356,740</td> <td>501,000</td> </tr> <tr> <td>Securities to be issued under the Placement</td> <td>8,720,000</td> <td>4,360,000</td> <td>Nil</td> </tr> <tr> <td>Securities to be issued under the Entitlement Offer</td> <td>30,474,316</td> <td>15,237,158</td> <td>Nil</td> </tr> <tr> <td>TOTAL</td> <td>187,345,894</td> <td>56,928,553</td> <td>501,001</td> </tr> </tbody> </table> <p>The table above assumes that:</p> <ul style="list-style-type: none"> the Placement is completed; all Offers are fully subscribed; Shareholder approval is obtained at the General Meeting for the issue of the Placement Options and the related party participation in the Placement; and no other securities are issued, including Shares on conversion or exercise of the existing Options or Convertible Notes. <p><i>Potential dilution</i></p> <p>Shareholders should note that if they do not participate in the Entitlement Offer, their holdings will be diluted. Examples of how the dilution may impact Shareholders are set out in Section 3.4.</p> <p><i>Pro forma balance sheet</i></p> <p>The indicative pro-forma balance sheet showing the effect of the Offers and the Placement is in Section 3.5.</p>		Shares	Options	Convertible Notes	Existing Securities on issue	148,151,578	37,356,740	501,000	Securities to be issued under the Placement	8,720,000	4,360,000	Nil	Securities to be issued under the Entitlement Offer	30,474,316	15,237,158	Nil	TOTAL	187,345,894	56,928,553	501,001	Sections 3.1, 3.4 and 3.5
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<p>Control of the Company</p> <p>The Company is of the view that the Offers will not affect the control (as defined by section 50AA of the Corporations Act) of the Company.</p> <p>No investor or existing Shareholder will have a voting power greater than 20% as a result of the completion of the Offers and the Placement.</p>	Section 3.3																				

Key information				Further information																																									
<p>Substantial Shareholders</p> <p>Based on available information as at the Prospectus Date and to the extent known by the Company, those persons which together with their associates have a voting power in 5% or more of the Shares on issue are set out below:</p> <table border="1"> <thead> <tr> <th rowspan="2">Substantial Shareholder</th> <th rowspan="2">Shares</th> <th rowspan="2">Voting power¹</th> <th colspan="2">Entitlement</th> </tr> <tr> <th>New Shares</th> <th>New Options</th> </tr> </thead> <tbody> <tr> <td>Scidev Ltd</td> <td>13,589,935</td> <td>9.17%</td> <td>2,717,987</td> <td>1,358,994</td> </tr> <tr> <td>Duncan John Hardie</td> <td>11,218,897</td> <td>7.57%</td> <td>2,243,780</td> <td>1,121,890</td> </tr> <tr> <td>Stephen Bartrop</td> <td>10,932,650</td> <td>7.39%</td> <td>2,186,530</td> <td>1,093,265</td> </tr> </tbody> </table> <p>Note:</p> <p>1. Assumes 148,151,578 Shares on issue at the Prospectus Date and that no other Shares are issued prior to the Record Date.</p>				Substantial Shareholder	Shares	Voting power ¹	Entitlement		New Shares	New Options	Scidev Ltd	13,589,935	9.17%	2,717,987	1,358,994	Duncan John Hardie	11,218,897	7.57%	2,243,780	1,121,890	Stephen Bartrop	10,932,650	7.39%	2,186,530	1,093,265	Section 3.2																			
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<p>Directors' interests and Entitlements</p> <p>The relevant interest of each of the Directors as at the Prospectus Date, together with their respective Entitlements, is as follows:</p> <table border="1"> <thead> <tr> <th rowspan="2">Director</th> <th rowspan="2">Shares</th> <th rowspan="2">Voting power¹</th> <th colspan="2">Entitlement</th> <th colspan="2">Placement²</th> </tr> <tr> <th>New Shares</th> <th>New Options</th> <th>New Shares</th> <th>New Options</th> </tr> </thead> <tbody> <tr> <td>Jihad Malaeb</td> <td>5,843,801</td> <td>3.97%</td> <td>1,176,515</td> <td>588,257</td> <td>1,500,000</td> <td>750,000</td> </tr> <tr> <td>Stephen Bartrop</td> <td>10,932,650</td> <td>7.39%</td> <td>2,190,530</td> <td>1,095,265</td> <td>1,500,000</td> <td>750,000</td> </tr> <tr> <td>Bruce Hills</td> <td>3,474,837</td> <td>2.35%</td> <td>694,967</td> <td>347,483</td> <td>1,000,000</td> <td>500,000</td> </tr> <tr> <td>Michael Thirnbeck</td> <td>1,737,560</td> <td>1.17%</td> <td>347,512</td> <td>173,756</td> <td>500,000</td> <td>250,000</td> </tr> </tbody> </table> <p>Notes:</p> <p>1. Assumes 148,151,578 Shares on issue at the Prospectus Date and that no other Shares are issued prior to the Record Date.</p> <p>2. Director participation in the Placement is subject to Shareholder approval at the General Meeting, and comprises \$75,000 from each of Jihad Malaeb and Stephen Bartrop, \$50,000 from Bruce Hills, and \$25,000 from Michael Thirnbeck (or each of their respective nominees).</p>				Director	Shares	Voting power ¹	Entitlement		Placement ²		New Shares	New Options	New Shares	New Options	Jihad Malaeb	5,843,801	3.97%	1,176,515	588,257	1,500,000	750,000	Stephen Bartrop	10,932,650	7.39%	2,190,530	1,095,265	1,500,000	750,000	Bruce Hills	3,474,837	2.35%	694,967	347,483	1,000,000	500,000	Michael Thirnbeck	1,737,560	1.17%	347,512	173,756	500,000	250,000	Section 5.9		
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<p>What are the risks of a further investment in the Company?</p> <p>Potential investors should be aware that subscribing for New Securities in the Company involves a number of risks. The key risk factors of which investors should be aware are set out in Section 4, including (but not limited to) risks in respect of:</p> <p>(a) Going concern: The Financial Report for the year ended 30 June 2023 included a note on the financial condition of the Company and the possible existence of a material uncertainty as to its ability to continue as a going concern. In the event</p>				Section 4																																									

Key information	Further information
<p>that the Offer is not completed successfully there is significant uncertainty as to whether or not the Company can continue as a going concern, which is likely to have a material adverse effect on the Company's activities and the value of its Shares.</p> <p>(b) Copper Sulphate plant operation risks: Revenues expected from the Company's Copper Sulphate Plant are critical to the future operation of the Company as the Company's primary source of future income. Copper Sulphate production involves a number of operational and technical risks, including mechanical failures, technical difficulties, and unexpected supply constraints in input materials including acid and reagents.</p> <p>(c) Additional capital requirements: The Company will require further financing in the future, in addition to amounts raised pursuant to the Placement and Entitlement Offer. It is also possible further capital may be required at an earlier stage if any risks, including those described in this Section 4 materialise. Any additional equity financing may be dilutive to Shareholders, may be undertaken at lower prices than the then market price (or Offer Price) or may involve restrictive covenants which limit the Company's operations and business strategy.</p> <p>Debt financing, if available, may involve restrictions on financing and operating activities or the registering of security interests over the Company's assets. Although the Directors believe that additional capital can be obtained, no assurances can be made that appropriate capital or funding, if and when needed, will be available on terms favourable to the Company or at all. The Company may undertake additional offerings of Securities in the future. The increase in the number of Shares issued and outstanding and the possibility of sales of such Shares may have a depressive effect on the price of Shares. In addition, as a result of the offering of such additional Shares, the voting power of the Company's existing Shareholders will be diluted.</p> <p>(d) Exploration and operating risks: The current and future operations of the Company, including exploration, appraisal, development, and possible production activities may be affected by a range of exploration and operating factors such as geological conditions, weather, scarcity of equipment and alterations to budgets.</p> <p>(e) Title and grant: The renewal of tenements upon expiry of their current term and the granting of applications for exploration licences, exploration permits, or mining leases is subject to ministerial approval. Non-approval or a delay in the approval process could have a negative impact on exploration or mining conducted by the Company as well as the Share price of the Company.</p> <p>(f) Environmental risk: 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 the Company'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 noncompliance with environmental laws or regulation.</p>	
<p>Forward looking statements</p> <p>This Prospectus contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.</p> <p>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 considered reasonable.</p> <p>Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors,</p>	-

Key information	Further information
<p>many of which are beyond the control of the Company, the Directors and the management.</p> <p>The Directors cannot and do 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.</p> <p>The Directors have no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus, except where required by law.</p> <p>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 4.</p>	

1. Details of the Offers

1.1 Background

On 9 November 2023, the Company announced a capital raising comprising a placement and a non-renounceable pro-rata entitlement offer to Eligible Shareholders to raise up to \$1.96 million (before costs).

(a) Placement

Pursuant to the Placement, the Company has secured binding commitments to raise approximately \$436,000 (before costs) via a placement of 8,720,000 Shares (**Placement Shares**) at an issue price of \$0.05 per Placement Share. Subject to Shareholder approval, Placement Participants will also receive 1 free attaching quoted Option (**Placement Options**) for every 2 Placement Shares subscribed for and issued (**Placement**).

Directors have given written commitments to participate in the Placement for up to \$225,000 as set out below. The issue of Placement Shares and Placement Options to each of the Directors is subject to Shareholder approval.

Director	Placement (\$)	Placement Shares	Placement Options
Jihad Malaeb	75,000	1,500,000	750,000
Stephen Bartrop	75,000	1,500,000	750,000
Bruce Hills	50,000	1,000,000	500,000
Michael Thirnbeck	25,000	500,000	250,000

The Company intends to seek Shareholder approval for the issue of the Placement Options and the directors participation in the Placement at a general meeting which is anticipated to be held in January or February 2024 (**General Meeting**).

(b) Entitlement Offer

In order to provide Eligible Shareholders (defined below) with the ability to participate in the Company's capital raising activities, the Company is offering Eligible Shareholders an opportunity to participate in a 1 for 5 non-renounceable pro-rata entitlement offer of new Shares (**New Shares**) at an issue price of \$0.05 per New Share (**Offer Price**) to raise up to approximately \$1.52 million (before costs), together with 1 new free attaching quoted Option (**New Options**) for every 2 New Shares subscribed for and issued (**Entitlement Offer**).

Placement Participants (other than the Directors who, subject to Shareholder approval, will receive their Placement Shares after the Record Date) are entitled to participate in the Entitlement Offer.

1.2 The Offers

(a) Placement Options Offer

(i) Under the Placement Options Offer, the Company is offering up to approximately 4,360,000 Placement Options each exercisable at \$0.10 each and expiring on 31 December 2025. The Placement Options are otherwise subject to the terms and conditions set out in Section 5.2.

- (ii) The Placement Options Offer is an offer of 1 Placement Option for every 2 Placement Shares subscribed for and issued under the Placement.
- (iii) Only Placement Participants (including the Directors specified above) who participated in the Placement and were issued or (subject to Shareholder approval) will be issued Placement Shares are eligible to participate in the Placement Options Offer.
- (iv) Based on the number of Placement Shares agreed to be issued under the Placement, up to approximately 4,360,000 Placement Options may be issued under the Placement Options Offer. No funds will be raised from the issue of the Placement Options under this Prospectus.
- (v) The issue of the Placement Options under the Placement Offer is subject to the prior receipt of Shareholder approval at the General Meeting. If Shareholder approval is not obtained at the General Meeting for the issue of the Placement Options, then the Placement Options Offer will not proceed.
- (vi) Shares issued on exercise of the Placement Options will rank equally in all respects with the Company's Shares on issue at the Prospectus Date. Please refer to Section 5.1 for further information regarding the rights and liabilities attaching to the Shares.
- (vii) The Placement Options Offer is not open to the general public.

(b) **Entitlement Offer**

- (i) The Entitlement Offer is open to Eligible Shareholders only.
- (ii) Under the Entitlement Offer, Eligible Shareholders will have the opportunity to subscribe for New Shares in the Company on the basis of 1 New Share for every 5 existing Shares held on the Record Date (**Entitlement**). Any Entitlements not taken up in full pursuant to the Entitlement Offer will form the Top Up Securities and be offered for subscription under the Top Up Facility (see Section 1.2(c)).
- (iii) Fractional Entitlements will be rounded up to the nearest whole number.
- (iv) The options available to Eligible Shareholders in respect to the Entitlement Offer is detailed in Section 2 below.
- (v) Eligible Shareholders are Shareholders on the Record Date who:
 - (A) are registered as the holder of Shares in the Company as at 7:00pm (AEDT);
 - (B) have a registered address in Australia or New Zealand as noted on the Company's share register, or are a Shareholder that the Company has otherwise determined is eligible to participate in the Entitlement Offer; and;
 - (C) are eligible under all applicable securities laws to receive an offer under the Entitlement Offer.
- (vi) All Shareholders who do not satisfy the criteria to be Eligible Shareholders, are Ineligible Shareholders. Ineligible Shareholders are not entitled to participate in the Entitlement Offer, unless the Company otherwise determines.
- (vii) The restrictions upon eligibility to participate in the Entitlement Offer arise because the Company has determined, pursuant to section 9A(3)(a) of the Corporations Act, that it would be unreasonable to extend the Entitlement Offer to Ineligible Shareholders. This decision has been made after taking into account the number of non-resident Shareholders in Australia and New Zealand on the

Company's share register, the relatively small number and value of New Securities to which those Shareholders would otherwise be entitled and the potential costs of complying with legal and regulatory requirements in the jurisdictions in which the Ineligible Shareholders are located in relation to the Entitlement Offer.

- (viii) The number of New Securities to which an Ineligible Shareholder would be entitled under the Entitlement Offer will not be issued to such Shareholder and, instead, will form the Top Up Securities.
- (ix) The Company, in its absolute discretion, may extend the Entitlement Offer to any Shareholder if it is satisfied that the Entitlement Offer may be made to the Shareholder in compliance with all applicable laws. The Company, in its absolute discretion, reserves the right to determine whether a Shareholder is an Eligible Shareholder or an Ineligible Shareholder. To the maximum extent permitted by law, the Company disclaims all liability in respect of such determination.

(c) **Top Up Facility**

- (i) The Entitlement Offer also includes a Top Up Facility, which entitles Eligible Shareholders who have applied for their Entitlement in full to apply for Top Up Securities, subject at all times to the Directors' discretion to scale back applications for Top Up Securities under the Top Up Facility and otherwise in accordance with the allocation policy set out in Section 1.3.
- (ii) Eligible Shareholders wishing to apply for Top Up Securities under the Top Up Facility must consider whether or not the issue of the Top Up Securities applied for would breach the Corporations Act, the Listing Rules or any other relevant regulation or law having regard to their own circumstances and should seek professional advice where necessary.
- (iii) Any Entitlements not taken up pursuant to the Entitlement Offer will be offered for subscription under the Top Up Facility.
- (iv) Any Top Up Securities will be limited to the extent there are sufficient New Securities from Eligible Shareholders who do not take up their Entitlements in full or from the Entitlements of Ineligible Shareholders.
- (v) The Directors reserve the right to allocate Top Up Securities at their sole discretion, and otherwise in accordance with the allocation policy in Section 1.3.
- (vi) The Board may elect to cap the number of Top Up Securities that are allotted to Eligible Shareholders under the Top Up Facility.
- (vii) In allocating Top Up Securities, the Directors may have regard to the following (non-exhaustive) factors:
 - (A) the number of New Securities that an Eligible Shareholder is entitled to subscribe for pursuant to its Entitlement relative to the number of Top Up Securities that it has applied for;
 - (B) the total number of Top Up Securities available for subscription under the Top Up Facility;
 - (C) the number of Shares held by an Eligible Shareholder after completion of the Entitlement Offer;
 - (D) identifying any Eligible Shareholders who are potential long term or cornerstone investors of the Company;
 - (E) the timelines of the bid by particular Eligible Shareholders;

- (F) the overall level of demand under the Entitlement Offer; and
 - (G) ensuring an appropriate Shareholder base for the Company going forward.
- (viii) The Board may scale back allocations for Top Up Securities prior to allotting and issuing those Top Up Securities. The Board anticipates that should it receive applications for Top Up Securities in excess of the number of Top Up Securities available for subscription under the Top Up Facility, it will cap or scale back allocations for Top Up Securities on a pro-rata basis having regard to each Eligible Shareholder's holding in Shares as at the Record Date.
- (ix) In any event:
- (A) no Top Up Securities will be issued to an Eligible Shareholder which would, if issued, result in them (together with their associates) increasing their voting power in the Company above 20%; and
 - (B) no Top Up Securities will be issued if their issue would contravene any law.
- (x) There is no guarantee that Eligible Shareholders will receive the number of Top Up Securities applied for. The Company's decision on the number of Top Up Securities to be allocated to an Eligible Shareholder will be final. It is a term of the Top Up Facility that, should the Company scale back Applications for Top Up Securities in accordance with the allocation policy described above, the Eligible Shareholder will be bound to accept such lesser number of Top Up Securities allocated to them.
- (xi) In the event of a scale back, the difference between the Application Monies received, and the number of Top Up Securities allocated to the Eligible Shareholder multiplied by the Offer Price, will be refunded by the Company, without interest, following allotment.
- (xii) The Company may elect to extend the Top Up Facility to certain institutional or professional investors, including those with registered addresses outside of Australia or New Zealand where the Company is satisfied, in its sole discretion, that the offer and sale of the Top Up Securities can be made in compliance with applicable securities laws without any locally compliant prospectus, lodgement or filing.
- (d) **Shortfall Offer**
- (i) Any Shortfall that is remaining after the issue of the Top Up Securities under the Top Up Facility will form the Shortfall Securities. The offer of the Shortfall Securities is a separate offer under this Prospectus (**Shortfall Offer**). The Shortfall Offer will only be extended to parties identified by the Company.
 - (ii) The issue price of New Shares offered under the Shortfall Offer will be \$0.05 each, which is the issue price at which New Shares have been offered to Eligible Shareholders under the Entitlement Offer. New Options will be issued on the basis of 1 New Option for every 2 New Shares subscribed for under the Shortfall Offer, on the same basis as the Entitlement Offer.
 - (iii) An Application Form in relation to the Shortfall Offer will be issued to Investors invited to apply for Shortfall Securities, together with a copy of this Prospectus. The Application Form must be completed in accordance with the instructions set out on the form. Application Forms should be delivered in accordance with the instructions contained in the Application Form.
 - (iv) The Directors reserve the right to issue Shortfall Securities at their absolute discretion within 3 months after the Closing Date of the Entitlement Offer. The Directors will take into consideration the allocation policy described in this

Section. An Application for Shortfall Securities accompanied by payment of Application Monies does not guarantee the allotment of Shortfall Securities.

- (v) No New Securities will be issued to an Applicant under this Prospectus or via the Shortfall Offer if the issue of New Securities would contravene the takeover prohibition in section 606 of the Corporations Act. Similarly, no New Securities will be issued via the Shortfall Offer to any Directors or other related parties of the Company unless prior Shareholder approval is received.

1.3 Allocation policy

The allocation policy adopted by the Company for the Entitlement Offer is as follows:

Step	Allocation	Policy
Step 1	Entitlement Offer	Eligible Shareholders who apply for all or part of their Entitlements pursuant to the Entitlement Offer.
Step 2	Top Up Facility	Subject to the allocation policy detailed in Section 1.2(c), Eligible Shareholders who apply for their Entitlements in full may apply for Top Up Securities.
Step 3	Shortfall Offer	<p>If, following the allocation of Top Up Securities in accordance with Step 3 there remains Shortfall, the Directors reserve the right to place such Shortfall at their discretion during the three month period following the Closing Date, provided that no investor will be entitled to increase their voting power in the Company above 20% through the allocation of Shortfall Securities.</p> <p>In exercising this discretion, the Board will take into consideration a number of factors, including ensuring the Company has an appropriate and optimal Shareholder base, which may be achieved through the introduction of new investors.</p>

1.4 Purpose of the Offers

The purpose of the Offers is to:

- (a) provide Eligible Shareholders with the opportunity to take up New Shares and New Options proportional to their shareholding and to mitigate the effect of dilution;
- (b) make the offer of Placement Options under the Placement Options Offer;
- (c) ensure that the on-sale of the Shares issued on conversion of the Placement Options and the New Options do not breach section 707(3) of the Corporations Act; and
- (d) provide the Company with additional funds to be attributed in accordance with the use of funds set out in Section 1.5 below.

1.5 Use of funds

The following indicative table sets out the proposed use of funds raised under the Entitlement Offer and the Placement:

Proposed use of funds	\$
Supporting the production ramp up at R3D's Tartana Copper Sulphate production plant	988,775
Working capital ¹	927,735
Costs of Offers and Placement ²	43,206
TOTAL	\$1,959,716

Notes:

1. Working capital includes but is not limited to corporate administration and operating costs and may be applied to additional Directors' fees or executive fees, ASX and share registry fees, legal, tax and audit fees, insurance and travel costs.
2. Refer to Section 5.12 for details.
3. The table above does not include any funds raised from the exercise of the Quoted Options. To the extent that Quoted Options are exercised, the funds raised will be applied to working capital.
4. The above table sets out the proposed use of funds raised under the Entitlement Offer and the Placement only. It does not represent the total amount of budgeted expenditure for each line item. A proportion of the total budgeted amount for each line item has been allocated from the funds sought to be raised pursuant to the Entitlement Offer and the Placement.

The above table is a statement of current intentions as at the Prospectus Date. Investors should note that, as with any budget, the allocation of funds set out in the above table may change depending on a number of factors, including market conditions, the development of new opportunities and/or any number of other factors (including the risk factors outlined in Section 4), and actual expenditure levels, may differ significantly from the above estimates.

Assuming the Entitlement Offer is fully subscribed and the Placement has completed, the proceeds will provide the Company with sufficient working capital to carry out its stated objectives in this Prospectus. To the extent that the Entitlement Offer is not fully subscribed, the Directors will need to reassess at that time, the allocation of funds above, and intend to scale back the proposed use of funds by prioritising funds towards costs of the Offers and Placement and then supporting the production ramp up at R3D's Tartana Copper Sulphate production plant. The Company will make this determination having regard to the status of the Copper Sulphate production at that time and any other activities being undertaken by the Company in the ordinary course.

The use of further equity funding may be considered by the Company where it is appropriate to accelerate a specific project or strategy.

1.6 Opening and Closing Dates

As set out in the Timetable, the Offers will open on 24 November 2023 (**Opening Date**) and are anticipated to close at 5:00pm (AEDT) on 15 December 2023 (**Closing Date**).

The Company will accept Application Forms from the Opening Date until 5.00pm (AEDT) on the Closing Date or such other date as the Directors in their absolute discretion shall determine, subject to the requirements of the Listing Rules and the Corporations Act.

The closing date for the Shortfall Offer will be until the end of the 3 month period specified in Section 1.2(d), subject to the Directors' discretion to close that Offer early.

1.7 Minimum subscription

There is no minimum subscription for the Offers.

1.8 Underwriting

The Offers are not underwritten.

1.9 No rights trading

The rights to New Securities under the Entitlement Offer are non-renounceable. Accordingly, there will be no trading of rights on ASX and you may not dispose of your Entitlement to any other party. If you do not take up your Entitlement by the Closing Date, the offer to you will lapse and your Entitlement will form part of the Top Up Securities available under the Top-Up Facility or Shortfall (as applicable).

1.10 Issue Date and dispatch

All New Securities under the Offers are expected to be issued on or before the date specified in the Timetable.

Security holder statements will be dispatched no later than at the end of the calendar month following the issue of the New Securities under the Offers.

It is the responsibility of Applicants to determine their allocation prior to trading in the New Securities. Applicants who deal with New Securities before they receive their holding statements do so at their own risk.

1.11 Application Monies held on trust

All Application Monies received under the Entitlement Offer will be held on trust in a bank account maintained solely for the purpose of depositing Application Monies received pursuant to this Prospectus until the New Securities are issued. All Application Monies will be returned (without interest) if the Entitlement Offer does not proceed or the New Securities are not issued.

1.12 ASX quotation

Application has been or will be made for the official quotation of the New Shares offered by this Prospectus. If permission is not granted by ASX for the official quotation of the New Shares offered by this Prospectus within three months after the date of this Prospectus (or such period as the ASX allows), the Company will repay, as soon as practicable, without interest, all Application Monies received pursuant to this Prospectus.

The Company will apply for quotation of the Quoted Options, subject to compliance with the requirements of ASX and the Listing Rules. However, the Quoted Options to be issued under this Prospectus will only be admitted to Official Quotation by ASX if the conditions for quotation of a new class of securities are satisfied, which include (amongst other things):

- (a) there being a minimum of 100,000 Quoted Options on issue; and
- (b) there being at least 50 holders with a marketable parcel (as defined in the Listing Rules).

If these conditions are not met, the Quoted Options will be issued as unquoted Options.

The fact that ASX may grant Official Quotation of the New Securities is not to be taken in any way as an indication of the merits of the Company or the New Securities offered pursuant to this Prospectus. ASX takes no responsibility for the contents of this Prospectus.

1.13 CHESS

The Company participates in the Clearing House Electronic Sub-register System, known as CHESS. ASX Settlement Pty Limited, a wholly owned subsidiary of ASX, operates CHESS in accordance with the Listing Rules and the ASX Settlement Operating Rules.

Under CHESS, Applicants will not receive a certificate but will receive a statement of their holding of Securities.

If you are broker sponsored, ASX Settlement Pty Limited will send you a CHESS statement.

The CHESS statement will specify the number of New Securities issued under this Prospectus, provide details of your holder identification number, the participant identification number of the sponsor and the terms and conditions applicable to the New Securities.

If you are registered on the Issuer Sponsored sub-register, your statement will be despatched by Computershare Investor Services and will contain the number of New Securities issued to you under this Prospectus and your security holder reference number.

A CHESS statement or Issuer Sponsored statement will routinely be sent to Shareholders at the end of any calendar month during which the balance of their Shareholding changes. Shareholders may request a statement at any other time; however, a charge may be made for additional statements.

1.14 Residents outside Australia

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should observe any such restrictions, including those set forth below. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

This Prospectus, and any accompanying Application Form, does not, and is not intended to, constitute an offer of New Securities in any jurisdiction in which it would, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus or the Securities under the Offers. In particular, this Prospectus, and any accompanying Application Form, may not be distributed to any person, and the Securities may not be offered or sold, in any country outside Australia, except to the extent permitted in Section 1.15.

1.15 Notice to eligible investors in New Zealand

The New 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 New Securities is being made in reliance on the Financial Markets Conduct (Incidental Offers) Exemption Notice 2021. In addition, for Eligible Shareholders who subscribe for New Shares under the Entitlement Offer, the Company will issue New Options for no consideration.

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 under the Financial Markets Conduct Act 2013. This Prospectus 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.

1.16 Notice to nominees and custodians

Nominees with registered addresses in the eligible jurisdictions may also be able to participate in the Offers in respect of some or all of the beneficiaries on whose behalf they hold Shares.

Nominees and custodians should note in particular that the Offers are not available to:

- (a) beneficiaries on whose behalf they hold Shares who would not satisfy the criteria to be eligible to participate in either or both the Placement Options Offer and the Entitlement Offer (as applicable); or
- (b) Shareholders who are not eligible under all applicable securities laws to receive an offer under either or both the Placement Options Offer and the Entitlement Offer.

In particular, persons acting as nominees or custodians for other persons may not take up any New Securities on behalf of, or send any documents relating to the Offers to, any person in any jurisdiction outside Australia.

The Company is not required to determine whether or not any registered holder is acting as a nominee or custodian or the identity or residence of any beneficial owners of Shares.

The Company is not able to advise on foreign laws. For the avoidance of doubt, the Company reserves the right (in its absolute sole discretion) to reduce the number of Securities allocated to investors claiming to be Placement Participants or Eligible Shareholders, if their claims prove to be overstated or they fail to provide information to substantiate their claims.

1.17 Taxation implications

The Directors do not consider it appropriate to give Applicants advice regarding the taxation consequences of subscribing for New Securities under this Prospectus.

The Company, its advisers and its officers do not accept any responsibility or liability for any such taxation consequences to Applicants. As a result, Applicants should consult their professional tax adviser in connection with subscribing for New Securities under this Prospectus.

1.18 Major activities and financial information

A summary of the major activities and financial information relating to the Company, for the financial year ended 30 June 2023, can be found in the Company's Annual Report announced on ASX on 31 October 2023 and, for the half-year ended 31 December 2022, the Half Year Accounts announced on ASX on 16 March 2023.

The Company's continuous disclosure notices (i.e. ASX announcements) since 31 October 2023 are listed in Section 5.5.

Copies of these documents are available free of charge from the Company. The Directors strongly recommend that Applicants review these and all other announcements prior to deciding whether or not to participate in the Offers.

1.19 Privacy

The Company collects information about each Applicant provided on an Application Form for the purposes of processing the Application and, if the Application is successful, to administer the Applicant's shareholding in the Company.

By submitting an Application Form, each Applicant agrees that the Company may use the information provided by an Applicant on the Application Form for the purposes set out in this privacy disclosure statement and may disclose it for those purposes to the Share Registry, the Company's related bodies corporate, agents, contractors and third party service providers, including mailing houses and professional advisers, and to ASX and regulatory authorities.

If you do not provide the information required on the Application Form, the Company may not be able to accept or process your Application.

An Applicant has an entitlement to gain access to, correct and update the information that the Company holds about that person subject to certain exemptions under law. A fee may be charged for access. Access requests must be made in writing to the Company's registered office.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the Privacy Act 1988 (Cth) (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules.

2. Action required by eligible investors

2.1 Action in relation to the Placement Options Offer

The Placement Options Offer is open to Placement Participants only.

Application for Placement Options must be made using the relevant Application Form attached to or made available with a copy of this Prospectus. The Application Form must be completed in accordance with the instructions set out on the form. To the maximum extent permitted by law, the Directors will have discretion over which Applications to accept.

Completed Application Forms must be received by the Company prior to the Closing Date. Application Forms should be delivered in accordance with the instructions contained in the Application Form.

An Application for Placement Options must be for the full amount of Placement Options to which a Placement Participant is entitled to subscribe for under the Placement Options Offer, on the basis of 1 Placement Option for every 2 Placement Shares subscribed for and issued under the Placement. The Company will not accept an Application from a Placement Participant for a lesser number of Placement Options.

No payment is required for the issue of Placement Options to Placement Participants.

2.2 Actions in relation to the Entitlement Offer

The Entitlement Offer is open to Eligible Shareholders only.

Eligible Shareholders may either:

- (a) take up all of their Entitlement (refer to Section 2.3);
- (b) take up all of their Entitlement (refer to Section 2.3) and also apply for Top Up Securities (refer to Section 2.4);
- (c) take up part of their Entitlement (refer to Section 2.5); or
- (d) allow their Entitlement to lapse, if they do not wish to participate in the Entitlement Offer (refer to Section 2.6).

2.3 Eligible Shareholders wishing to accept Entitlement in full

If you wish to take up all of your Entitlement, you are required to make payment via BPAY® if you are an Australian resident, or EFT if you are an Eligible Shareholder resident in a jurisdiction other than Australia. Payment is due by no later than 5:00pm (AEDT) on the Closing Date. Note that when paying by BPAY® or EFT you are not required to submit the Application Form but are taken to make the statements on that form and in this Prospectus. The Prospectus and personalised application detail can be found on the offer website at www.computersharecas.com.au/r3dnrri. New Zealand holders can access their personalised EFT details through the Computershare portal at www.computershare.com.au/investor.

2.4 Eligible Shareholders wishing to participate in the Top Up Facility

If you are an Eligible Shareholder and you wish to apply for New Shares and New Options in excess of your Entitlement, you are required to apply for more New Shares and New Options than the number shown on the Application Form. To do this, make a payment for more than your Entitlement via BPAY® or EFT. The excess will be taken to be an Application for as many Top Up Securities as your Application Monies will pay for in full. Any Top Up Securities applied for pursuant to the Top Up Facility will be issued in accordance with the allocation policy described in Section 1.2(c) and 1.3. Payment is due by no later than 5:00pm (AEDT) on the Closing Date.

Note that when paying by BPAY® or EFT you are not required to submit the Application Form but are taken to make the statements on that form and in this Prospectus.

2.5 Eligible Shareholders wishing to take up only part of their Entitlement

If you only wish to take up part of your Entitlement you are required to make payment via BPAY® if you are an Australian resident, or EFT if you are an Eligible Shareholder resident in a jurisdiction other than Australia. If you wish to take up only part of your Entitlement, payment must be made by following the instructions on the Application Form for the number of New Shares and New Options you wish to take up. If the Company receives an amount that is less than the Offer Price multiplied by your Entitlement, your payment may be treated as an Application for as many New Shares and New Options as your Application Monies will pay for in full.

Payment is due by no later than 5:00pm (AEDT) on the Closing Date. Note that when paying by BPAY® or EFT you are not required to submit the Application Form but are taken to make the statements on that form and in this Prospectus.

2.6 Entitlements not taken up

If you do not wish to accept any of your Entitlement, you are not obliged to do anything. The number of Securities you hold and the rights attached to those Securities will not be affected should you choose not to accept any of your Entitlement.

2.7 Consequences of not accepting all or part of your Entitlement

If you do not accept all or part of your Entitlement in accordance with the instructions set out above, those New Shares and New Options for which you would have otherwise been entitled under the Entitlement Offer (including New Shares and New Options that relate to the portion of your Entitlement that has not been accepted) may be acquired by Eligible Shareholders under the Top Up Facility, and may be placed by the Company under the Shortfall Offer.

By allowing your Entitlement to lapse, you will forgo any exposure to increases or decreases in the value of the New Shares and New Options had you taken up your Entitlement and you will not receive any payment or value for all or that part of your Entitlement. Your interest in the Company will also be diluted.

2.8 How to pay (via BPAY® or EFT)

If you wish to participate in the Entitlement Offer and are resident in Australia, you must make your payment by BPAY®

If you are an Eligible Shareholder and are resident in a jurisdiction other than Australia, your Application may be made through Electronic Funds Transfer (**EFT**) using the payment details in the Application Form. Your personalised application form with EFT details can be accessed through the Computershare portal at www.computershare.com/Investor.

Cash, cheques, bank drafts and money order payments will not be accepted. Receipts for payments will not be issued.

The Company will treat Applicants as applying for as many New Shares and New Options as their Application Monies will pay for in full. If an Eligible Shareholder's payment will pay for more than their full Entitlement, the Company will treat the Eligible Shareholder as applying for their full Entitlement and the excess will be taken to be an Application for Top Up Securities pursuant to the Top Up Facility.

Any Application Monies received from Eligible Shareholders for more than their final allocation will be refunded except for where the amount is less than \$1.00 in which case it will be donated to a charity chosen by the Company. No interest will be paid on any Application Monies received or refunded. Application Monies received from Eligible Shareholders will be held on trust until such time as the New Shares and New Options are issued or the Application Monies are refunded.

To the fullest extent permitted by law, each Eligible Shareholder agrees that any Application Monies paid by them to the Company will not entitle them to any interest against the Company and that any interest earned in respect of Application Monies will belong to the Company. This will be the case, whether or not all or none (if the Entitlement Offer is withdrawn) of the New Shares and New Options applied for by a person are issued to that person.

For payment by BPAY® or EFT, please follow the instructions set out in this Section 2 and on the Application 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 make sure to use the specific Biller Code and unique Reference Number which can be obtained by providing your details when prompted.

If Eligible Shareholders have more than one holding, they must login separately for each holding and use the Reference Number specific to the relevant holding. Alternatively, if Eligible Shareholders have requested an Application Form and have more than one holding, they will receive separate forms for each holding. If Eligible Shareholders do not use the correct Reference Number specific to that holding, or inadvertently use the same Reference Number for more than one of their holdings, their Application will be recorded against the holding associated with Reference Number they use.

You should be aware that your financial institution branch may implement earlier cut-off times with regard to electronic payment and you should therefore take this into consideration when making payment. It is your responsibility to ensure that your BPAY® or EFT payment is received by no later than the relevant date by which funds are required to have been received.

Your BPAY® or EFT application cannot be withdrawn once received, except for in the limited circumstances provided for under the Corporations Act. No cooling off period applies.

2.9 Warranties made on Application

Making a payment via BPAY® or EFT creates a legally binding contract between the Applicant and the Company for the number of New Securities accepted by the Company.

By making a payment via BPAY® or EFT, you will also be deemed to have:

- (a) represented and warranted that you have received a copy of the Prospectus with the Application Form;
- (b) represented and warranted that you are (or the person on whose account you are acting is) a Placement Participant or Eligible Shareholder (as applicable);
- (c) represented and warranted on behalf of yourself or each person on whose account you are acting that the law in your place of residence and/or where you have been given the Prospectus, does not prohibit you from being given the Prospectus;
- (d) agreed to be bound by the terms of the relevant Offer;
- (e) declared that all details and statements outlined in your Application Form are complete and accurate;
- (f) declared that you are over 18 years of age and have full legal capacity and power to perform all your rights and obligations under, the Application Form and as described in this Prospectus;
- (g) acknowledged that once the Company receives any payment of Application Monies via BPAY® or by EFT, you may not withdraw your Application or funds provided except as allowed by law;
- (h) agreed to apply for and be issued up to the number of New Securities (and any additional New Securities) for which you have submitted payment of any Application Monies via BPAY® or by EFT, at the Offer Price;

- (i) authorised the Company and its respective officers or agents, to do anything on your behalf necessary for the New Securities to be issued to you, including correcting as or to act on instructions of the Company's Share Registry upon using the contact details set out in the Application Form;
- (j) acknowledged that the information contained in, or accompanying, the Prospectus is not investment or financial product advice or a recommendation that the New Securities are suitable for you given your investment objectives, financial situation or particular needs;
- (k) acknowledged the statement of risks included in Section 4 of this Prospectus, and that an investment in the New Securities are subject to risk;
- (l) authorised the Company to correct any errors in your Application Form;
- (m) if applicable, acknowledged and agreed that determination of eligibility of investors for the purposes of the Entitlement Offer was determined by reference to a number of matters, including legal and regulatory requirements, logistical and registry constraints and the discretion of the Company, and the Company and its related bodies corporate and affiliates disclaim any duty or liability (including for negligence) in respect of that determination and the exercise of that discretion to the maximum extent permitted by law; and
- (n) acknowledged that the New Securities offered under this Prospectus have not, and will not be, registered under the securities laws in any jurisdictions outside Australia.

2.10 Withdrawal of the Entitlement Offer

Subject to applicable law, the Company reserves the right to withdraw the Entitlement Offer at any time before the issue of New Securities, in which case the Company will refund any Application Monies already received in accordance with the Corporations Act and will do so without interest being payable to applicants.

2.11 Enquiries

Enquiries relating to this Prospectus should be directed to the Company by telephone on +61 2 9392 8032 or email at R3D@reignadvisory.com.

3. Effect of the Offers

3.1 Capital structure on completion of the Offers

Assuming that no further Shares are issued and none of the existing Options are exercised or Performance Rights vest and are converted into Shares prior to the Record Date, the effect of the Offers on the Company's capital structure as at the Prospectus Date is as shown in the following table:

	Shares	Unquoted Options	Quoted Options ¹	Convertible notes
Existing Securities on issue	148,151,578	37,331,395 ²	Nil	501,001 ³
Securities to be issued under the Placement	8,720,000	Nil	4,360,000	Nil
Securities to be issued under the Entitlement Offer ⁴	30,474,316	Nil	15,237,158	Nil
TOTAL^{4,5}	187,345,894	37,331,395	19,597,158	Nil

Notes:

- See Section 5.2 for the terms and conditions of the Quoted Options. ASX quotation of the Quoted Options is conditional upon ASX agreeing to grant Official Quotation of the Quoted Options on ASX by the time required under the Corporations Act (subject to compliance with the requirements of ASX and the Listing Rules for the quotation of a new class of securities). If ASX does not agree to grant quotation, the Quoted Options will be issued as unquoted Options on the same terms..
- Exercisable at \$0.40 each and expiring on 14 July 2026.
- Includes three series of Convertible Notes including: (a) 1 Convertible Note with a Face Value of \$500,000 held by Mr Jihad Malaeb, which is no longer convertible but subject to Shareholder approval at the AGM will be replaced with a new Convertible Note; (b) 500,000 Convertible Notes each with a Face Value of \$1 maturing in March 2025, which subject to Shareholder approval at the AGM will be replaced with 500,000 Convertible Notes maturing in March 2026; (c) 1,000 Convertible Notes each with a Face Value of \$1,000 maturing in January 2024.
- These numbers may vary due to rounding of Entitlements and may increase as a result of the rounding up of Entitlements.
- Assumes that the Offers are fully subscribed and the Placement has completed, and no further Shares are issued and none of the existing Performance Rights vest and are converted into Shares prior to the Record Date.

3.2 Substantial Shareholders

Based on available information as at the Prospectus Date and to the extent known by the Company, those persons which together with their associates have a voting power in 5% or more of the Shares on issue are set out below:

Substantial Shareholder	Shares	Voting power ¹	Entitlement	
			New Shares	New Options
Scidev Ltd	13,589,935	9.17%	2,717,987	1,358,994
Duncan John Hardie	11,218,897	7.57%	2,243,780	1,121,890
Stephen Bartrop	10,932,650	7.39%	2,186,530	1,093,265

Note:

1. Assumes 148,151,578 Shares on issue at the Prospectus Date and that no other Shares are issued prior to the Record Date.

3.3 Effect on control of the Company

The Company is of the view that the Offers will not affect the control (as defined by section 50AA of the Corporations Act) of the Company.

Based on current shareholding and Entitlements of Shareholders (including substantial Shareholders) as at the Prospectus Date, regardless of the amount raised under the Entitlement Offer, no Shareholder will increase their holding, to an amount in excess of 19.9% through applying for their Entitlements.

Further as set out in Sections 1.2(d) and 1.3, on the basis of the allocation policy, no person will acquire, through participation in the Shortfall Offer a holding of Shares of, or increase their holding to, an amount in excess of 19.9% of all the Shares on issue on completion of the Entitlement Offer.

No investor or existing Shareholder will have a voting power greater than 20% as a result of the completion of the Offers and the Placement.

3.4 Potential dilution of non-participating Shareholders

Shareholders should note that if they do not participate in the Offers, their holdings are likely to be diluted (as compared to their holdings and number of Shares on issue as at the Prospectus Date). Examples of how the dilution may impact Shareholders are set out in the table below:

Holder	Holding as at Record Date	% at Record Date ¹	Entitlement to New Shares	% holding if Entitlement taken up ²	% holding if Entitlement not taken up
Shareholder 1	10,000,000	6.75%	2,000,000	6.41%	5.34%
Shareholder 2	5,000,000	3.37%	1,000,000	3.20%	2.67%
Shareholder 3	2,500,000	1.69%	500,000	1.60%	1.33%
Shareholder 4	1,000,000	0.67%	200,000	0.64%	0.53%
Shareholder 5	500,000	0.34%	100,000	0.32%	0.27%

Notes:

1. Assumes 148,151,578 Shares on issue at the Prospectus Date and that no other Shares are issued prior to the Record Date.
2. Assumes the Shareholder does not participate in the Placement.

The dilution effect shown in the table above is the maximum percentage on the assumption that those Entitlements not accepted are subscribed for under the Top Up Facility or the Shortfall Offer. In the event all Entitlements are not accepted and some or all of the resulting Shortfall is not subsequently taken up, the dilution effect for each Shareholder not accepting their Entitlement would be a lesser percentage.

3.5 Pro forma consolidated statement of financial position

To illustrate the effect of the Offers and the Placement on the financial position of the Company, set out below is:

- (a) the audited statement of financial position of the Company as at 30 June 2023 (**Balance Date**);
- (b) the unaudited effects of the Placement and the Offers (assuming the Offers are fully subscribed); and
- (c) the unaudited pro forma statement of financial position of the Company at the Balance Date adjusted to reflect paragraph 3.5(b).

Each has been prepared on the basis of the accounting policies normally adopted by the Company.

The audited balance sheet as at 30 June 2023 and the unaudited pro-forma balance sheet as at 30 June 2023 shown below have been prepared on the basis of the accounting policies normally adopted by the Company and reflect the changes to its financial position.

The pro-forma balance sheet has been prepared assuming all Entitlements are accepted, no Shares are issued including 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 the Company 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.

	AUDITED 30 June 2023	Placement Shares to be issued ¹	Entitlement Issue ²	PROFORMA Full Subscription
	\$	\$	\$	\$
CURRENT ASSETS				
Cash	125,795	436,000	1,480,509	2,042,304
Trade and other receivables	200,463			200,463
Inventory	176,000			176,000
Other current assets	1,164,749			1,164,749
TOTAL CURRENT ASSETS	1,667,007			3,583,516
NON-CURRENT ASSETS				
Property, plant and equipment	4,309,385			4,309,385
Exploration and evaluation	6,284,597			6,284,597
Right-of-use assets	40,600			40,600
Other non-current assets	1,980,649			1,980,649
Financial assets	13,735			13,735
TOTAL NON-CURRENT ASSETS	12,628,966			12,628,966
TOTAL ASSETS	14,295,973	436,000	1,480,509	16,212,482
CURRENT LIABILITIES				
Trade and other payables	2,414,639			2,414,639
Borrowings ^{3,4}	2,047,771			2,047,771
Provisions	201,449			201,449
Contract liabilities	11,652			11,652
Lease liability	46,758			46,758
TOTAL CURRENT LIABILITIES	4,722,269			4,722,269

NON-CURRENT LIABILITIES				
Provisions	2,770,453			2,770,453
TOTAL NON-CURRENT	2,770,453			2,770,453
TOTAL LIABILITIES	7,492,722			7,492,722
NET ASSETS	6,803,251	436,000	1,480,509	8,719,760
EQUITY				
Share capital	20,585,847	436,000	1,480,509	22,502,356
Shares to be issued ⁵	250,154			250,154
Reserves	158,560			158,560
Accumulated losses	(14,191,310)			(14,191,310)
TOTAL EQUITY	6,803,251	436,000	1,480,509	8,719,760

Notes:

1. Pro-Forma balance sheet includes adjustment to reflect \$436,000 to increase Cash and Share Capital equity resulting from the 9 November 2023 Placement.
2. Pro-Forma balance sheet includes adjustment to reflect \$1,480,509 to increase Cash and Share Capital equity resulting from 100% acceptance of the Entitlement Offer after deducting the expenses of the Offer \$43,206. Refer to section 5.12 Expenses of the Offer.
3. The Company notes the following matters which have occurred since the production of the Financial Report for the year ended 30 June 2023 however no adjustments are made in respect of these matters:
 - On 19 October 2023 the company announced that Mr Malaeb had elected to redeem in cash at maturity (31 October 2023) his \$0.5m convertible note. Subject to shareholder and regulatory approval the company will issue Mr Malaeb a new convertible note with an interest rate of 15%, maturity date of 30 November 2024 and fixed conversion price of \$0.10 per share. In the period between the maturity of the existing convertible note and the new convertible note the company will borrow \$0.5m at an interest rate of 15%.
 - On 19 October 2023 the company announced that Yaputri Pte Ltd, the holder of a \$0.5m convertible note maturing on 1 March 2024 had agreed, subject to shareholder and regulatory approval to terminate the existing note and issue a new convertible note with an interest rate of 15%, maturity date of 30 November 2024 and fixed conversion price of \$0.10 per share.
 - On 19 October 2023 the company announced the issue of 2,500,000 shares at \$0.10 per share on the exercise of an option to acquire the Nightflower Silver project as announced on 20 September 2023 and 12 October 2022.

4. Risk factors

Activities in the Company and its controlled entity, as in any business, are subject to risks, which may impact on the Company's future performance. The Company and its controlled entity have implemented appropriate strategies, actions, systems and safeguards for known risks, however, some are outside its control.

The Directors consider that the following summary, which is not exhaustive, represents some of the major risk factors which Shareholders need to be aware of in evaluating the Company's business and risks of increasing your investment in the Company. Shareholders should carefully consider the following factors in addition to the other information presented in this Prospectus.

The principal risks include, but are not limited to, the following:

4.1 Risks specific to the Company

(a) **Going concern**

The Financial Report for the year ended 30 June 2023 included a note on the financial condition of the Company and the possible existence of a material uncertainty as to the Company's ability to continue as a going concern.

The Financial Report was prepared on a going concern basis which assumes that the Company 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 financial year ended 30 June 2023 of \$(1,432,429) (30 June 2022: \$(6,350,273)) and experienced net cash outflows from operating activities of \$(428,109) (30 June 2022: \$(2,298,468)). At 30 June 2023, the Group had net current liabilities of \$(3,055,262) (30 June 2022: net current liabilities of \$55,711).

The Financial Report also noted that the Directors recognise 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.

The Financial Report also disclosed that the Directors have reviewed the business outlook and the assets and liabilities of the Group and were of the opinion that the use of the going concern basis of accounting is 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 Financial Report.

If all of these fundraising options were unsuccessful, this may indicate that there is a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern. 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 the Group'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.

In the event that the Offer is not completed successfully there is significant uncertainty as to whether or not the Company can continue as a going concern, which is likely to have a material adverse effect on the Company's activities and the value of its Shares.

(b) **Copper Sulphate plant operation risks**

The Company has earlier announced that it has entered commercial production at its Copper Sulphate Plant. Revenues expected from the Copper Sulphate Plant are critical

to the future operation of the Company as the Company's primary source of future income.

Early works at the Copper Sulphate plant have been hindered by mechanical failures, technical difficulties in operation of the plant, and unexpected supply constraints in input materials including acid and reagents.

As the Company continues its Copper Sulphate production it may be exposed to a number of further operational risks including but not limited to:

- (i) failure to locate or identify sufficient Copper sources;
- (ii) technical difficulties in commissioning and operating the plant;
- (iii) mechanical failure or plant breakdown;
- (iv) unanticipated metallurgical problems;
- (v) failure to secure a market for the product produced;
- (vi) adverse weather conditions, industrial and environmental accidents, or industrial disputes; and
- (vii) unexpected supply constraints, shortages or increases in the costs of consumables, spare parts, plant and equipment

The Company has taken steps to mitigate against these risks including significant precautionary works at the Copper Sulphate plant, securing a 100% offtake of its production, and assessing its Copper resources. However, there can be no assurance that the Copper Sulphate plant will produce continuous sustainable revenues given the early stage of the Copper Sulphate plant operations and general risks associated with execution of such an operational plan.

(c) **Additional capital requirements**

The Company will require further financing in the future, in addition to amounts raised pursuant to the Placement and Entitlement Offer. It is also possible further capital may be required at an earlier stage if any risks, including those described in this Section 4 materialise. Any additional equity financing may be dilutive to Shareholders, may be undertaken at lower prices than the then market price (or Offer Price) or may involve restrictive covenants which limit the Company's operations and business strategy.

Debt financing, if available, may involve restrictions on financing and operating activities or the registering of security interests over the Company's assets. Although the Directors believe that additional capital can be obtained, no assurances can be made that appropriate capital or funding, if and when needed, will be available on terms favourable to the Company or at all. The Company may undertake additional offerings of Securities in the future. The increase in the number of Shares issued and outstanding and the possibility of sales of such Shares may have a depressive effect on the price of Shares. In addition, as a result of the offering of such additional Shares, the voting power of the Company's existing Shareholders will be diluted.

(d) **New projects and potential acquisitions**

The Company may actively pursue and assess other new business opportunities in the resources sector. These new business opportunities may take the form of direct project acquisitions, joint ventures, farm-ins, acquisition of tenements/permits, and/or direct equity participation.

The acquisition of projects (whether completed or not) may require the payment of monies (as a deposit and/or exclusivity fee) after only limited due diligence or prior to the completion of comprehensive due diligence. There can be no guarantee that any proposed acquisition will be completed or be successful. If the proposed acquisition is not

completed, monies advanced may not be recoverable, which may have a material adverse effect on the Company.

If an acquisition is completed, the Directors will need to reassess at that time, the funding allocated to current projects and new projects, which may result in the Company reallocating funds from other projects and/or raising additional capital (if available). Furthermore, notwithstanding that an acquisition may proceed upon the completion of due diligence, the usual risks associated with the new project/business activities will remain.

(e) **Exploration and operating risks**

The current and future operations of the Company, including exploration, appraisal, development, and possible production activities may be affected by a range of exploration and operating factors, including:

- (i) geological conditions;
- (ii) limitations on activities due to seasonal or adverse weather patterns;
- (iii) alterations to program and budgets;
- (iv) unanticipated operational and technical difficulties encountered in geophysical surveys, drilling, metallurgical laboratory work and production activities;
- (v) mechanical failure of operating plant and equipment, industrial and environmental accidents, acts of terrorism or political or civil unrest and other force majeure events;
- (vi) industrial action, disputation or disruptions;
- (vii) unavailability of transport or drilling equipment to allow access and geological and geophysical investigations;
- (viii) unavailability of suitable laboratory facilities to complete metallurgical testwork investigations;
- (ix) failure of metallurgical testing to determine a commercially viable product;
- (x) shortages or unavailability of manpower or appropriately skilled manpower;
- (xi) unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment;
- (xii) prevention or restriction of access by reason of inability to obtain consents or approvals; and
- (xiii) changes in community expectations, attitudes, NGO or social media campaigns.

(b) **Mine development**

Possible future development of mining operations at 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, cost overruns, access to the required level of funding and contracting risk for third parties providing essential services.

No assurance can be given that any of the Company's projects will achieve commercial viability. The risks associated with the development of a mine will be considered in full as part of the Company's exploration activities and will be managed with ongoing consideration of stakeholder interests.

4.2 Mining industry risks

(a) **Resource risk**

There is inherent uncertainty with mineral resource estimates. In addition, there is no guarantee that inferred mineral resource estimates can successfully be converted to indicated or measured mineral resource estimates to allow potential reserve estimates. There remains risk, regardless of JORC Code or other status, with actual mining performance against any resource or reserve estimate.

(b) **Operating risk**

The operations of the Company may be affected by various factors, including failure to locate or identify mineral deposits, failure to achieve predicted grades in exploration and mining, operational and technical difficulties encountered in mining; difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs; adverse weather conditions, industrial and environmental accidents, industrial disputes and unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment.

No assurances can be given that the Company will achieve commercial viability through the successful exploration and/or mining of its tenement interests. Unless and until the Company is able to realise value from its projects, it is likely to incur ongoing operating losses.

(c) **Metallurgy**

Metal and/or mineral recoveries are dependent upon the metallurgical process, and by its nature contain elements of significant risk such as:

- (i) identifying a metallurgical process through test work to produce a saleable metal and/or concentrate;
- (ii) developing an economic process route to produce a metal and/or concentrate; and
- (iii) changes in mineralogy in the ore deposit can result in inconsistent metal recovery, affecting the economic viability of the project.

(d) **Environmental risks**

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, the Company'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.

Exploration activities and mining operations each 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 the Company'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 noncompliance with environmental laws or regulations.

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 the Company's operations more expensive. 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.

(e) **Grant, tenure and forfeiture of licences**

The Company's tenements are subject to the applicable mining acts and regulations in Queensland and Tasmania, pursuant to which mining and exploration tenements are subject to periodic renewal. The renewal of the term of a granted Tenement is also subject to the discretion of the relevant Minister. There is no guarantee that current or future tenements or future applications for exploration or production tenements will be approved. Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the Tenements comprising the Company's projects. The imposition of new conditions or the inability to meet those conditions may adversely affect the operations, financial position and/or performance of the Company.

Prior to any access or development work on any of its Tenements of the Company must receive licences/permits from appropriate governmental authorities. There is no certainty that the Company (and, where applicable, its subsidiaries) will hold all licences/permits necessary to access, develop or continue operating at any particular Tenement.

The Company considers the likelihood of tenure forfeiture to be low given the laws and regulations governing exploration in Queensland and Tasmania and the ongoing expenditure being budgeted by the Company. However, the consequences of forfeiture or involuntary relinquishment or surrender of a granted Tenement for reasons beyond the control of the Company could be significant.

Similarly, the rights to mining and exploration licences carry with them various obligations which the holder is required to comply with in order to ensure the continued good standing of the licence and, specifically, obligations in regard to minimum expenditure levels and responsibilities in respect of the environment and safety. Failure to observe these requirements could prejudice the right to maintain title to a given area and result in government action to forfeit a licence or licences. There is no guarantee that current or future exploration applications or existing licence renewals will be granted, that they will be granted without undue delay, or that the Company can economically comply with any conditions imposed on any granted exploration licences.

(f) **Native title and Aboriginal heritage**

Access to land for exploration purposes can be adversely affected by land ownership, including private (freehold) land, pastoral lease and native title land or claims under the *Native Title Act 1993* (Cth) (**NTA**) (or similar legislation in the jurisdiction where the Company operates). The effect of the NTA is that existing and new tenements held by the Company may be affected by native title claims and procedures.

There is a risk that a determination could be made that native title exists in relation to land the subject of a tenement held or to be held by the Company which may affect the operation of the Company's business and development activities. In the event that it is determined that native title does exist or a native title claim has been registered, the Company may need to comply with procedures under the NTA in order to carry out its operations or to be granted any additional rights required. Such procedures may take considerable time, involve the negotiation of significant agreements, may involve access rights, and require the payment of compensation to those persons holding or claiming native title in the land the subject of a tenement.

The involvement in the administration and determination of native title issues may have a material adverse impact on the position of the Company in terms of cash flows, financial performance, business development, and the Share price.

(g) **Third party tenure risks**

Under the legislation in Queensland and Tasmania, in addition to Commonwealth legislation, the Company may be required, in respect of exploration or mining activities on the tenements, to recognise the rights of, obtain the consent of, and/or pay compensation to the holders of third-party interests which overlay areas within the Tenements, including, for example, agricultural land.

The Company will continue to be required to negotiate access arrangements and pay compensation to land owners, local authorities, traditional land users and others who may have an interest in the area covered by a Tenement. The Company's ability to resolve access and compensation issues will have an impact on the future success and financial performance of the Company's operations. If the Company is unable to resolve such compensation claims on economic terms, this could have a material adverse effect on the business, results or operations and financial condition of the Company.

Any delays or costs in respect of conflicting third-party rights (for example, in relation to the assignment of any access agreements or the relocation of existing infrastructure on any existing miscellaneous licences that overlap with a tenement), obtaining necessary consents, or compensation obligations, may adversely impact the Company's ability to carry out exploration or mining activities within the affected areas.

(h) **Commodity and currency price risk**

If the Company achieves success leading to mineral production, the revenue it will derive through the sale of commodities may expose the potential income of the Company to commodity price and exchange rate risks. The price of gold, copper, zinc, silver and other minerals fluctuate and are affected by numerous factors beyond the control of the Company, such as industrial and retail supply and demand, exchange rates, inflation rates, changes in global economies, confidence in the global monetary system, forward sales of metals by producers and speculators as well as other global or regional political, social or economic events. Future serious price declines in the market values of gold, copper, zinc, silver, and other minerals could cause the development of, and eventually the commercial production from, the Company's projects and the Company's other properties to be rendered uneconomic. Depending on the prices of commodities, the Company could be forced to discontinue production or development and may lose its interest in, or may be forced to sell, some of its properties. There is no assurance that, even as commercial quantities of gold and base metals are produced, a profitable market will exist for them.

Furthermore, international prices of various commodities are denominated in United States dollars, whereas the income and expenditure of the Company are and will be taken into account in Australian currency, exposing the Company to the fluctuations and volatility of the rate of exchange between the United States dollar and the Australian dollar as determined in international markets.

In addition to adversely affecting any potential future reserve estimates of the Company and its financial condition, declining commodity prices can impact operations by requiring a reassessment of the feasibility of a particular project. Such a reassessment may be the result of a management decision or may be required under financing arrangements related to a particular project. Even if a project is ultimately determined to be economically viable, the need to conduct such a reassessment may cause substantial delays or may interrupt operations until the reassessment can be completed.

(i) **Joint venture and farm-in risk**

The medium to long term plans and strategies of the Company may evolve over time due to review, analysis and assessment of results from its planned exploration activities. This is consistent with other entities conducting mineral exploration similar to the Company. As with most exploration entities, the Company may sell or dispose of its interests in any of its existing and future projects which are no longer of strategic importance to the Company and its objectives. Such a disposal may, for example, take the form of a tenement sale. The Company may also wish to develop its projects or future projects

through joint venture or farm-in arrangements. Any joint ventures or farm-ins entered into by, or interests in joint ventures assigned to, the Company, could be affected by the default of any of the joint venture participants or their failure to act in the best interests of the joint venture, which in either case would likely have an adverse effect on the interests and prospects of the Company. Similarly, in the event that a current or future earn-in participant elected not to continue with a earn-in agreement, then such an action may have an adverse effect on the interests and prospects of the Company.

(j) **Competition risk**

The industry in which the Company is involved is subject to domestic and global competition, including major mineral exploration and production companies. Although the Company will undertake all reasonable due diligence in its business decisions and operations, the Company will have no influence or control over the activities or actions of its competitors, which activities or actions may, positively or negatively, affect the operating and financial performance of the Company's projects and business.

The Company's current and future potential competitors may include entities with greater financial and other resources than the Company which, as a result, may be in a better position to compete for future business opportunities. Many of the Company's competitors not only explore for and produce minerals, but also carry out refining operations and other products on a worldwide basis. There can be no assurance that the Company can compete effectively with these entities.

(k) **Third party contractor risks**

The Company is unable to predict the risk of insolvency or managerial failure by any of the third party contractors used by the Company in any of its activities or the insolvency or other managerial failure by any of the other service providers used by the Company for any activity. The effects of such failures may have an adverse effect on the Company's activities.

(l) **Reliance on key personnel**

The Company is reliant on a number of key personnel and consultants, including members of the Board. The loss of one or more of these key contributors could have an adverse impact on the business of the Company.

(m) **Staffing**

It may be difficult for the Company to attract and retain suitably qualified and experienced people given the current high demand in the industry and relatively small size of the Company, compared with other industry participants.

(n) **Climate change**

There are a number of climate-related factors that may affect the Company's business. Climate change or prolonged periods of adverse weather and climatic conditions (including rising sea levels, floods, hail, drought, water, scarcity, temperature extremes, frosts, earthquakes and pestilences) may have an adverse effect on the Company's ability to access its Projects and therefore the Company's ability to carry out services.

Changes in policy, technological innovation and consumer or investor preferences could adversely impact the Company's business strategy, particularly in the event of a transition (which may occur in unpredictable ways) to a lower-carbon economy.

(o) **Occupational health and safety**

Site safety and occupational health and safety outcomes are a critical element in the reputation of the Company in the resources industry. While the Company has a strong commitment to achieving a safe performance on site a serious site safety incident could impact upon the reputation and financial outcomes for the Company.

Additionally, laws and regulations as well as the requirements of customers may become more complex and stringent or the subject of increasingly strict interpretation and/or enforcement. Failure to comply with applicable regulations or requirements may result in significant liabilities, to suspended operations and increased costs.

Industrial accidents may occur in relation to the performance of the Company's services. Such accidents, particularly where a fatality or serious injury occurs, or a series of such accidents occurs, may have operational and financial implications for the Company which may negatively impact on the financial performance and growth prospects for the Company.

(p) **Insurance**

The Company intends to continue to insure its operations in accordance with industry practice. In certain circumstances, the Company's insurance may not be of a nature or level to provide adequate insurance cover. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of the Company. Insurance against all risks associated with mining exploration and production is not always available and where available the costs can be prohibitive.

(q) **Unforeseen expenses**

The Company's cost estimates and financial forecasts and budgets include appropriate provisions for material risks and uncertainties and are considered to be fit for purpose for the proposed activities of the Company. If risks and uncertainties prove to be greater than expected, or if new currently unforeseen material risks and uncertainties arise, the expenditure proposals of the Company are likely to be adversely affected.

(r) **Information technology risks**

There is a risk that the Company's core systems and technologies could be exposed to damage or interruption from systems failures, computer viruses, cyber-attacks, power or telecommunications providers' failures, fire, natural disasters, terrorist acts, war or human error. Cyber-attacks may include computer hacking, data theft, system disruption or security breaches, and viruses and malware. These situations might include, among others, a breach of sensitive commercial information, loss of Company assets or negative publicity.

4.3 **Risks relevant to the Offers**

(a) **Quotation risk**

The Company will apply for quotation of the Quoted Options subject to compliance with the requirements of ASX and the Listing Rules, however, the Quoted Options will only be admitted to official quotation by ASX if the conditions for quotation of a new class of securities are satisfied (which include, amongst other things, there being a minimum of 100,000 Quoted Options on issue, with at least 50 holders with a marketable parcel (within the meaning of the Listing Rules)).

The Company makes no guarantee that any such application for quotation will be successful and there is a risk that the Company will not be able to satisfy the ASX requirements for quotation. In the event that the Company is unable to satisfy the ASX requirements, the New Options (excluding the Placement Options) will still be issued, but will be unquoted Options and there will be no public market for the Quoted Options. If the Quoted Options are admitted to official quotation by ASX, the price of the Quoted Options is subject to uncertainty and there can be no assurance that an active market for the Quoted Options will develop or continue after the Offers.

(b) **Option risk and dilution**

Options are, by their nature, only of value at times when the exercise price is lower than the price of the underlying Shares. There is no guarantee that the Quoted Options offered under this Prospectus will, at any particular time, have an exercise price which is lower than the price of the Shares. There is a risk that the Quoted Options may expire at a time when they have little or no value.

The Company will issue a large number of Quoted Options under the Entitlement Offer and Placement Options Offer, (assuming that the Offers are fully subscribed). If exercised, the Quoted Options will be converted into Shares, thereby causing substantial dilution to the shareholdings of Shareholders. There is no certainty that Quoted Options, if issued, will be exercised in full, or at all.

4.4 General risks

(a) **Economic risks**

General economic conditions, introduction of tax reform, new legislation, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's business activities and potential exploration and development programs, as well as on its ability to fund those activities.

(b) **Force majeure**

The Company's projects now or in the future may be adversely affected by risks outside the control of the Company, including labour unrest, civil disorder, war, subversive activities or sabotage, fires, floods, explosions or other catastrophes, pandemics or epidemics or quarantine restrictions.

(c) **Infectious diseases**

The Company's share price may be adversely affected by the economic uncertainty caused by COVID-19 or other infectious diseases. Measures to limit the transmission of the virus or other infectious diseases implemented by governments around the world (such as travel bans and quarantining) may adversely impact the Company's operations. It could interrupt the Company carrying out its contractual obligations, cause disruptions to supply chains or interrupt the Company's ability to access capital.

(d) **Market conditions**

Share market conditions may affect the value of the Company's Shares regardless of the Company's operating performance. Share market conditions are affected by many factors such as:

- (i) general economic outlook;
- (ii) introduction of tax reform or other new legislation;
- (iii) interest rates and inflation rates;
- (iv) changes in investor sentiment toward particular market sectors;
- (v) the demand for, and supply of, capital; and
- (vi) terrorism or other hostilities.

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 resources stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return to Shareholders.

(a) **Government and legal risk**

Changes in government, monetary policies, taxation and other laws can have a significant impact on the Company's assets, operations and ultimately the financial performance of the Company and its Shares. Such changes are likely to be beyond the control of the Company and may affect industry profitability as well as the Company's capacity to explore and mine.

The Company is not aware of any reviews or changes that would affect its permits. However, changes in community attitudes on matters such as taxation, competition policy and environmental issues may bring about reviews and possibly changes in government policies. There is a risk that such changes may affect the Company's development plans or its rights and obligations in respect of its permits. Any such government action may also require increased capital or operating expenditures and could prevent or delay certain operations by the Company.

(b) **Taxation**

The acquisition and disposal of Securities will have tax consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Securities from a taxation point of view and generally. To the maximum extent permitted by law, the Company, its officers and each of their respective advisers accept no liability and responsibility with respect to the taxation consequences of applying for Securities under this Prospectus.

(c) **Unforeseen risk**

There may be other risks which the Directors are unaware of at the time of issuing this Prospectus which may impact on the Company, its operations and/or the valuation and performance of its Shares.

4.5 Investment speculative

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the New Securities offered under this Prospectus.

Therefore, the New Securities to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those New Securities.

Potential investors should consider that the investment in the Company is highly speculative and should consult their professional advisers before deciding whether to apply for New Securities pursuant to this Prospectus.

5. Additional information

5.1 Rights and liabilities attaching to Shares

A summary of the rights attaching to Shares in the Company is below. This summary is qualified by the full terms of the Constitution (a full copy of the Constitution is available from the Company on request free of charge) and does not purport to be exhaustive or to constitute a definitive statement of the rights and liabilities of Shareholders. These rights and liabilities can involve complex questions of law arising from an interaction of the Constitution with statutory and common law requirements. For a Shareholder to obtain a definitive assessment of the rights and liabilities which attach to Shares in any specific circumstances, the Shareholder should seek legal advice.

(a) General meeting and notices

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.

Each Shareholder is entitled to receive notice of, and to attend and vote at, general meetings of the Company and to receive all notices, accounts and other documents required to be sent to members under the Constitution, the Corporations Act or the Listing Rules.

(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 him, or in respect of which he 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) Issues of further Shares

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.

(d) 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.

(e) **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 or the Listing Rules.

(f) **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.

(g) **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.

5.2 Terms and conditions of Quoted Options

- (a) **(Entitlement):** Each Quoted Option (**Option**) entitles the holder to subscribe for one Share upon exercise of the Option.
- (b) **(Exercise Price):** The Options have an exercise price of \$0.10 per Option (**Exercise Price**).
- (c) **(Expiry Date):** The Options expire at 5.00pm (Sydney time) on 31 December 2025 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (d) **(Exercise Period):** The Options are exercisable at any time and from time to time on or prior to the Expiry Date.
- (e) **(Quotation of the Options):**
- (i) The Company will apply for quotation of the Options on ASX. However, the Options will only be admitted to official quotation by ASX if the conditions for quotation of a new class of securities are satisfied (which include, amongst other things, there being a minimum of 100,000 Options on issue, with at least 50 holders with a marketable parcel (within the meaning of the ASX Listing Rules)).
 - (ii) If official quotation of the Options is not granted by ASX in accordance with paragraph (e)(i) above, the Options will not be quoted.
- (f) **(Notice of Exercise):** The Options may be exercised by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

The Options held by each holder may be exercised in whole or in part, and if exercised in part, at least 5,000 must be exercised on each occasion.

Any Notice of Exercise of an Option received by the Company will be deemed to be a notice of the exercise of that Option as at the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

- (g) **(Timing of issue of Shares on exercise):** Within 5 Business Days after the Exercise Date the Company will:
- (i) allot and issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
 - (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act; and
 - (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.
- (h) **(Transferability):** The Options are freely transferable from the date of issue, subject to any restriction or escrow arrangements imposed by ASX or under Australian securities laws and paragraph (i) below.
- (i) **(Restrictions on transfer of Shares):** If the Company is required but unable to give ASX a notice under paragraph (g)(ii), or such a notice for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, Shares issued on exercise of Options may not be traded and will be subject to a holding lock until 12 months after their issue unless the Company, at its sole discretion, elects to issue a prospectus pursuant to section 708A(11) of the Corporations Act.
- (j) **(Shares issued on exercise):** Shares issued on exercise of the Options will rank equally with the then Shares of the Company.
- (k) **(Quotation of Shares on exercise):** If admitted to the official list of ASX at the time, application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Options in accordance with the Listing Rules.
- (l) **(Reconstruction of capital):** If at any time the issued capital of the Company is reconstructed, all rights of an Option holder are to be changed in a manner consistent with the Corporations Act and the Listing Rules at the time of the reconstruction.
- (m) **(Participation in new issues):** There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.
- (n) **(Change in exercise price):** There will be no change to the exercise price of the Options or the number of Shares over which the Options are exercisable in the event of the Company making a pro-rata issue of Shares or other securities to the holders of Shares in the Company (other than a bonus issue).
- (o) **(Adjustment for bonus issues of Shares):** If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):
- (i) the number of Shares which must be issued on the exercise of an Option will be increased by the number of Shares which the Option holder would have received if the Option holder had exercised the Option before the record date for the bonus issue; and
 - (ii) no change will be made to the Exercise Price.

5.3 Company is a disclosing entity

The Company is a disclosing entity under the Corporations Act. It is subject to regular reporting and disclosure obligations under both the Corporations Act and the Listing Rules. These obligations require the Company to notify ASX of information about specific events and matters as they arise for the purpose of ASX making the information available to the securities market conducted by ASX. In particular, the Company has an obligation under the Listing Rules (subject to certain limited exceptions), to notify ASX once it is, or becomes aware of information concerning the Company which a reasonable person would expect to have a material effect on the price or value of the Shares.

The Company is also required to prepare and lodge with ASIC yearly and half-yearly financial statements accompanied by a Directors' statement and report, and an audit review or report. Copies of documents lodged with the ASIC in relation to the Company may be obtained from, or inspected at, an ASIC office (see Section 5.5 below). Copies of all documents announced to the ASX can be found at <https://www.r3dresources.com.au/investor-centre/asx-announcements>.

5.4 Dividend Policy

The Directors are not able to say when and if dividends will be paid in the future, as the payment of any dividends will depend on the future profitability, financial position and cash requirements of the Company.

5.5 Copies of documents

Copies of documents lodged by the Company in connection with its reporting and disclosure obligations may be obtained from, or inspected at, an office of ASIC. The Company will provide free of charge to any person who requests it during the period of the Offers a copy of:

- (a) the Annual Report for the period ending 30 June 2023 lodged with ASX on 31 October 2023 (**Annual Financial Report**);
- (b) the Half Yearly Report for the period ending 31 December 2022 lodged with ASX on 16 March 2023; and
- (c) the continuous disclosure notices given by the Company to notify ASX of information relating to the Company during the period from the date of lodgement of the Annual Financial Report lodged with ASX, until the Prospectus Date:

Date lodged	Subject of Announcement
15 November 2023	Update - Proposed issue of securities - R3D
9 November 2023	Reinstatement to Quotation
9 November 2023	Proposed issue of securities - R3D
9 November 2023	Capital Raising and Rights Issue
7 November 2023	Continuation of Voluntary Suspension
3 November 2023	Suspension of Quotation
1 November 2023	Trading Halt
31 October 2023	Corporate Governance Statement and Appendix 4G

The following documents are available for inspection throughout the period of the Offers during normal business hours at the registered office of the Company:

- (a) this Prospectus;
- (b) the Constitution; and
- (c) the consents referred to in Section 0 and the consents provided by the Directors to the issue of this Prospectus.

5.6 Information excluded from continuous disclosure notices

There is no information which has been excluded from a continuous disclosure notice in accordance with the Listing Rules other than as is set out in this Prospectus.

5.7 Determination by ASIC

ASIC has not made a determination which would prevent the Company from relying on section 713 of the Corporations Act in issuing the Shares under this Prospectus.

5.8 Market price of Shares

The highest and lowest closing market sale prices of the Shares on ASX during the 3 months immediately preceding the date of the Prospectus, and the respective dates of those sales were:

Lowest:	\$0.037 on 5 October 2023
Highest:	\$0.06 on 31 October 2023

The latest available market sale price of the Shares on ASX prior to the date of lodgement of this Prospectus with ASIC was \$0.054 per Share on 15 November 2023.

5.9 Interests of Directors

(a) **Information disclosed in this Prospectus**

Other than as set out in this Prospectus, no Director holds or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (i) the formation or promotion of the Company;
- (ii) any property acquired or proposed to be acquired by the Company in connection with its formation or promotion, or the Offers; or
- (iii) the Offers,

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:

- (iv) as an inducement to become, or to qualify as, a Director; or
- (v) for services provided in connection with the formation or promotion of the Company, or the Offers.

(b) **Security holdings**

The relevant interests of each of the Directors in securities of the Company as at the date of this Prospectus is set out below.

Director	Shares	Options	Convertible Notes	Voting power ¹	Entitlement		Placement ⁶	
					New Shares	New Options	Placement Shares	Placement Options
Jihad Malaeb ²	5,882,578	0	1	3.97%	1,176,515	588,257	1,500,000	750,000
Stephen Bartrop ³	10,952,653	6,425,777	0	7.39%	2,190,530	1,095,265	1,500,000	750,000
Bruce Hills ⁴	3,474,837	2,545,808	0	2.35%	694,967	347,483	1,000,000	500,000
Michael Thirnbeck ⁵	1,737,560	1,200,000	0	1.17%	347,512	173,756	500,000	250,000

Notes:

1. Assumes 148,151,578 Shares on issue as at the date of this Prospectus and that no other Shares are issued or existing convertible securities exercised or converted into Shares prior to the Record Date.
2. Mr Malaeb's interests are held as follows:
 - (a) 5,500,000 Shares and 1 Convertible Note (with a face value of \$500,000) held by Mr Jihad Malaeb <Ayoub Malaeb A/C> (of which Mr Malaeb is the registered holder); and
 - (b) 382,578 Shares held directly.
3. Mr Bartrop's interests are held as follows:
 - (a) 2,905,748 Shares and 377,292 unquoted Options held via Troppo Resources Pty Ltd (an entity controlled by Mr Bartrop);
 - (b) 2,115,510 Shares and 125,919 unquoted Options held via Seaside Property Investments Pty Limited (an entity controlled by Mr Bartrop);
 - (c) 5,911,395 Shares and 5,922,566 unquoted Options held by Mr Stephen Bruce Bartrop & Ms Kerry Wendy Chisholm <Fund On The Beach S/F A/C> (of which Mr Bartrop is a joint registered holder and beneficiary of); and
 - (d) 20,000 Shares held directly.
4. Mr Hills' interests are held as follows:
 - (a) 2,133,272 Shares and 1,355,546 Options held via Bruce Hills Pty Ltd <Bruce Hills Super Fund A/C> (an entity which Mr Hills is both a controller and beneficiary of);
 - (b) 1,338,526 Shares and 1,189,755 Options held indirectly by Bruce Hills Pty Ltd <Hills Calugay Family A/C> (an entity which Mr Hills is both a controller and beneficiary of); and
 - (c) 3,039 Shares and 507 Options held directly.
5. Mr Thirnbeck's interests are held directly.
6. Subject to Shareholder approval at the General Meeting.

(c) **Remuneration**

The Constitution of the Company provides that the non-executive directors are entitled to be paid an amount of fees which does not in any year exceed in aggregate the amount last fixed by ordinary resolution, or consist of a commission on or percentage of profits or operating revenue. The aggregate amount of compensation for non-executive directors is currently set at \$400,000. This aggregate amount is to be allocated among the non-executive directors equally, having regard to the proportion of the relevant year for which each director held office, or as otherwise decided by the Board. The remuneration of executive directors is to be fixed by the Board.

The Constitution also provides that:

- (i) if a director, at the request of the Board and for the purposes of the Company, performs extra services or makes special exertions (including being a member on a committee of Directors or the chairperson of Directors or deputy chairperson of

Directors), the Company may pay additional remuneration or provide benefits to that Director as the Directors resolve; and

- (ii) the Company must pay a director (in addition to any remuneration) all reasonable expenses (including travelling and accommodation expenses) incurred by the director in attending meetings of the Company, the Board, or a committee of the Board, on the business of the Company, or in carrying out duties as a director.

The table below sets out the remuneration provided to the Directors of the Company and their associated companies during the last two financial years (**FY**), inclusive of directors fees, consultancy fees, share-based payments, termination payments and superannuation contributions.

FY ended 30 June 2023					
Director	Directors' fees and salary (\$)	Consulting fees (\$)	Super-annuation (\$)	Other long term (\$)	Total (\$)
Jihad Malaeb	182,659	-	-	-	182,659
Stephen Bartrop	231,331	-	-	-	231,331
Bruce Hills	183,255	-	-	-	183,255
Michael Thirnbeck	33,123	-	-	-	33,123
FY ended 30 June 2022					
Director	Directors' fees and salary (\$)	Consulting fees (\$)	Super-annuation (\$)	Other long term (\$)	Total (\$)
Jihad Malaeb	1,792	-	179	-	1,972
Stephen Bartrop	272,500	-	-	-	272,500
Bruce Hills	222,570	-	-	-	222,570
Michael Thirnbeck	61,356	-	-	23,438	84,794

5.10 Related party transactions

Except as disclosed in this Prospectus, there are no related party transactions involved in the Offers.

The Company's policy in respect of related party arrangements is:

- (a) a Director with a material personal interest in a matter is required to give notice to the other Directors before such a matter is considered by the Board; and
- (b) for the Board to consider such a matter, the Director who has a material personal interest is not present while the matter is being considered at the meeting and does not vote on the matter.

5.11 Interests of other persons

Except as disclosed in this Prospectus, no expert, promoter or other person named in this Prospectus as performing a function in a professional, advisory or other capacity:

- (a) has any interest nor has had any interest in the last 2 years prior to the date of this Prospectus in the formation or promotion of the Company, the New Securities offered under this Prospectus or property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the New Securities offered under this Prospectus; or
- (b) has been paid or given or will be paid or given any amount or benefit in connection with the formation or promotion of the Company or the New Securities offered under this Prospectus.

Hamilton Locke will be paid approximately \$15,000 (plus GST) in fees for legal services to the date of this Prospectus in connection with the Offers.

GBA Capital, with whom the Company has an advisory relationship, may be paid fees of up to 6% on funds it raises under any Shortfall.

Computershare Investor Services has been appointed to conduct the Company's share registry functions and to provide administrative services in respect to the processing of Applications received pursuant to this Prospectus and will be paid for these services on standard industry terms and conditions.

5.12 Estimated expenses

The estimated expenses of the Offers (assuming the Entitlement Offer is fully subscribed) are as follows:

Estimated expense	\$
ASIC lodgement fees	3,206
ASX quotation fees	10,000
Legal and preparation expenses	20,000
Printing, mailing and other expenses	10,000
TOTAL	43,206

The above ASX quotation fees are an estimate and relates only to quotation of the Shares issued pursuant to the Offers and not the quotation fees that may be payable to ASX in the event of the Options being quoted.

5.13 Consents

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of Shares under this Prospectus), the Directors and any 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; and
- (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.

BDJ Partners has given its written consent to being named as the Auditor of the Company in this Prospectus, and to the inclusion of the audited financial information of the Company in section 3.5 of the Prospectus, in the form and context in which it is included. BDJ Partners has not withdrawn its consent prior to the lodgment of this Prospectus with the ASIC.

Hamilton Locke Pty Ltd has given its written consent to being named as the Legal Adviser to the Company in this Prospectus. Hamilton Locke Pty Ltd has not withdrawn its consent prior to the lodgment of this Prospectus with the ASIC.

Computershare Investor Services has given its written consent to being named as the share registry to the Company in this Prospectus. Computershare Investor Services has not withdrawn its consent prior to the lodgment of this Prospectus with the ASIC.

5.14 Electronic Prospectus

Pursuant to Regulatory Guide 107, ASIC has exempted compliance with certain provisions of the Corporations Act to allow distribution of an electronic Prospectus on the basis of a paper Prospectus lodged with ASIC and the issue of Securities in response to an electronic application form, subject to compliance with certain provisions. If you have received this Prospectus as an electronic Prospectus please ensure that you have received the entire Prospectus accompanied by the Application Form. If you have not, please email the Company and the Company will send to you, for free, either a hard copy or a further electronic copy of this Prospectus or both.

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.

6. Directors' statement and consent

This Prospectus is authorised by each of the Directors of the Company.

This Prospectus is signed for and on behalf of Company by:



Jihad Malaeb
Non-Executive Chairman
R3D Resources Limited

Dated: 16 November 2023

7. Glossary of terms

These definitions are provided to assist persons in understanding some of the expressions used in this Prospectus.

\$	means Australian dollars.
AEDT	means Australian Eastern Daylight Time, being the time in Sydney, Australia.
Applicant	means a person who submits an Application Form.
Application	means a valid application for New Securities made on an Application Form.
Application Form	means the application form provided by the Company with a copy of this Prospectus pursuant to an Offer.
Application Monies	means the amount of money submitted or made available by an Applicant in connection with an Application.
ASIC	means the Australian Securities and Investments Commission.
ASX	means ASX Limited ACN 008 624 691 and where the context permits the Australian Shares Exchange operated by ASX Limited.
Board	means the Directors meeting as a board.
Business Day	means Monday to Friday inclusive, other than a day that ASX declares is not a business day.
CHESS	means ASX Clearing House Electronic Subregistry System.
Closing Date	means the closing date of an Offer, as specified as the closing date in the Timetable.
Company or R3D	means R3D Resources Limited (ACN 111 398 040), to be renamed Tartana Minerals Limited (subject to shareholder approval).
Constitution	means the constitution of the Company as at the date of this Prospectus.
Convertible Notes	means the convertible notes issued by the Company.
Corporations Act	means <i>Corporations Act 2001</i> (Cth), as amended.
Directors	mean the directors of the Company as at the Prospectus Date.
Eligible Shareholder	means a person who: <ul style="list-style-type: none">(a) is registered as the holder of Shares on the Record Date;(b) has a registered address in Australia or New Zealand, or are a Shareholder that the Company has otherwise determined is eligible to participate in the Entitlement Offer; and(c) are eligible under all applicable securities laws to receive an offer under the Entitlement Offer.

Entitlement	means the number of New Securities which an Eligible Shareholder is entitled to subscribe for under the Entitlement Offer, being 1 New Share for every 5 existing Shares held on the Record Date together with 1 New Option for every 2 New Shares subscribed for and issued.
Entitlement Offer	means the offer under this Prospectus of New Securities to Eligible Shareholders in accordance with their Entitlements.
General Meeting	has the meaning given in Section 1.2(a).
Ineligible Shareholder	means a Shareholder who does not satisfy the criteria of an Eligible Shareholder.
Issuer Sponsored	means Shares issued by an issuer that are held in uncertified form without the holder entering into a sponsorship agreement with a broker or without the holder being admitted as an institutional participant in CHESSE.
Listing Rules	means the listing rules of ASX.
New Options	means the new free attaching quoted Options to be issued pursuant to the Entitlement Offer, Top Up Facility and Shortfall Offer on the terms and conditions in Section 5.2.
New Securities	means, collectively, the New Shares, New Options and Placement Options offered under this Prospectus.
New Shares	means the new Shares to be issued pursuant to the Entitlement Offer, Top Up Facility and Shortfall Offer.
Offers	means the offers under this Prospectus to subscribe for New Securities, namely the Entitlement Offer and the Placement Options Offer.
Offer Price	means \$0.05 per New Share.
Placement	has the meaning given in Section 1.1(a).
Placement Options	means the free attaching quoted Options offered to Placement Participants under the Placement Options Offer, on the terms and conditions in Section 5.2.
Placement Options Offer	means the offer of up to approximately 4,360,000 Placement Options to Placement Participants, on the basis of 1 Placement Option for every 2 Placement Shares subscribed for and issued under the Placement, pursuant to this Prospectus.
Placement Participants	means investors in the Placement who subscribed for and were or will (subject to Shareholder approval) be issued Placement Shares.
Placement Shares	means the up to approximately 8,772,000 Shares offered for subscription under the Placement.
Prospectus	means this prospectus dated 16 November 2023.
Quoted Options	means the Placement Options and the New Options.
Record Date	means the date specified as the record date in the Timetable.

Section	means a section of this Prospectus.
Securities	mean any securities including Shares, Options or Convertible Notes issued or granted by the Company.
Share	means a fully paid ordinary share in the capital of the Company.
Shareholder	means a holder of Shares.
Shortfall	means those New Securities made available for subscription under the Entitlement Offer and for which Applications have not been received or accepted by the Closing Date.
Shortfall Offer	has the meaning given in Section 1.2(d).
Shortfall Securities	means the Shortfall remaining after the allocation of Top-Up Securities applied for an issued under the Top-Up Facility.
Timetable	means the indicative timetable on page iv of this Prospectus.
Top Up Facility	has the meaning given in Section 1.2(c).
Top Up Securities	means those New Securities made available for subscription by Eligible Shareholders in excess of their Entitlement under the Entitlement Offer.