



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

Level 5, 52 Phillip Street, Sydney NSW 2000 Australia | T +61 2 9251 7177 | F +61 2 9251 7500

8 December 2020

Proposed change of activities to copper/gold exploration and development

R3D Global Limited (ASX: R3D) (R3D or Company) advises that the Company proposes to acquire Tartana Resources Limited (**Tartana**), an Australian mineral exploration and development company with copper, zinc and gold assets in north Queensland and western Tasmania (**Acquisition**). These assets include four mining leases covering the Tartana copper mine along with a heap leach – solvent extraction – crystallisation plant. In addition, it includes an extensive exploration tenement position along with two mining lease applications covering the Cardross and Mountain Main copper/gold projects. In western Tasmania, Tartana has already exported two trial 22,000 tonne shipments of Zeehan low grade furnace slag/matte to South Korea and has applied for permits to export further quantities.

The Company has executed an Implementation Deed with Tartana Resources which provides the terms of the Acquisition, which are summarised in Appendix A.

R3D's existing businesses have been dramatically curtailed with the advent of the Covid-19 pandemic and continue to retain an uncertain outlook. Accordingly, the Company's directors have determined that it is in the best interests of the Company that it diversifies its operations through the acquisition of Tartana Resources, providing an alternate business opportunity to benefit the Company's shareholders.

The directors consider the Acquisition to represent a change to the nature and/or scale of activities of the Company.

The Company will seek approval of shareholders in general meeting pursuant to LR 11.1.2 and will re-comply with Chapters 1 and 2 of the Listing Rules as provided in LR 11.1.3.

A full form prospectus will be issued to comply with LR 1.1 Condition 3.

The Company will invite investors to apply for 21,250,000 Shares at an issue price of \$0.20 per Share to raise a minimum of \$4,250,000 with attaching Options on a 1 for 5 basis, exercisable at \$0.40 within 5 years from the date of issue.

At the Company's Annual General Meeting (**AGM**), to be held on 25 January 2021, Shareholders will be asked to consider:

- a 1 for 4 Share Consolidation
- approval of the Acquisition and issue of Securities
- the Change of Name of the Company to R3D Resources Limited
- adopting an Employee Share Option Plan
- change of Auditor

Shareholders and investors should be aware that:

- the transaction requires security holder approval under the Listing Rules and therefore may not proceed if that approval is not forthcoming;
- the Company is also required to re-comply with ASX’s requirements for admission and quotation and therefore the transaction may not proceed if those requirements are not met; and
- ASX has an absolute discretion in deciding whether or not to re-admit the Company to the official list and to quote its securities and therefore the transaction may not proceed if ASX exercises that discretion.

Notwithstanding that R3D securities remain suspended from trading, investors should take account of these uncertainties in deciding whether or not to buy or sell the Company’s securities.

On 2 November 2020, the Company applied for In-Principal advice as to the suitability of R3D for re-admission to the official list of ASX.

The ASX advised on 19 November 2020, that (in part):

“Based solely on the information provided and the facts known as at this time, ASX is not aware of any reasons that would cause R3D not to have a structure and operations suitable for a listed entity for the purposes of Listing Rule 1.1 condition 1 or that would cause ASX to exercise its discretion to refuse re-admission to the official list under Listing Rule 1.19.”

The Company is in compliance with its continuous disclosure obligations under Listing Rule 3.1.

Attached as Appendix A is further information required to be provided at this time by the Listing Rules, further details will be provided in the AGM Notice of Meeting and Explanatory Statement.

ASX takes no responsibility for the contents of this announcement.

For further information, please contact:

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Company Secretary

henry@r3d.com.au

+61 2 9251 7177

ASX release authorised by Chairman, Daniel Yeo.

Appendix A

Information Required	Information
<p>The parties to, and material terms of, the transaction.</p>	<p>R3D Global Limited (R3D) and Tartana Resources Limited (Tartana) executed a Binding Deed of Implementation on 3 December 2020 (Implementation Deed).</p> <p>The material terms and conditions precedent of the Implementation Deed provide:</p> <ol style="list-style-type: none"> 1. R3D and Tartana will do all things necessary or desirable to give effect to the provisions and intentions of the Implementation Deed; 2. ASX granting a waiver of LR 9.1(c) so that the Tartana shareholders who are receiving shares as consideration for the acquisition of their Tartana shares will be treated as seed capitalists and be subject to the application of the cash formula relief using the conversion ratio calculation and to the relevant escrow period for their classification (ASX Waiver); 3. Tartana Shareholders providing fully executed Share Sale Agreement(s) which, when combined, represent the sale of at least 90% of the share capital of Tartana to R3D or such greater percentage required by the ASX in satisfaction of the ASX Waiver; 4. R3D conducting a 1 for 4 consolidation of its Shares; 5. Cancellation of all Tartana Options and the issue of R3D options, exercisable at \$0.40 within 5 years of the date of issue to the Tartana Option holders; 6. R3D Shareholders approving: <ol style="list-style-type: none"> a. the change in nature and scale of its activities; b. the acquisition of Tartana; c. the change of control of R3D by reverse takeover; d. under ASX Rule 7.1 an issue of R3D Shares in excess of 15%; and e. the appointment of Tartana directors to the Board of R3D effective from Completion. 7. Completion of a public offer of a minimum (and maximum) subscription of 21,250,000 FPO shares at 20 cents a share with one 5-year, 40 cent option issued for every 5 shares subscribed for; 8. R3D meeting the requirements of Chapters 1 and 2 of the Listing Rules as if R3D were applying for admission to the official list of the ASX; 9. ASX approving the reinstatement of R3D shares to official quotation; 10. Completion of Due Diligence by R3D and Tartana; 11. Resignation of R3D Officers other than Michael Thirnbeck. <p>The Implementation Deed contains such other terms and conditions considered standard for an agreement of its nature including regulatory compliance, representations and warranties and confidentiality provisions.</p>
<p>Information about the likely effect of the transaction on the entity's consolidated total assets, total equity interests, annual revenue, annual expenditure and annual profit before tax.</p>	<p>See pro-forma balance sheet attached as Appendix B.</p> <p>The Acquisition will have no effect on revenues from R3Ds existing business. Expenditure will increase significantly as shown in the Use of Funds table below but will be funded from the Public Offer.</p>

<p>A capital table showing the issued capital of the entity before and after the transaction and explaining any capital restructure that will be conducted.</p>	<p>R3D proposes to conduct a 1 for 4 consolidation of its shares, resulting in a change in the number of R3D shares from 47,147,058 to 11,786,765.</p> <table border="1" data-bbox="507 443 1433 1668"> <thead> <tr> <th></th> <th style="text-align: right;">Shares¹</th> <th style="text-align: right;">Options¹</th> <th style="text-align: right;">Con Notes</th> </tr> </thead> <tbody> <tr> <td colspan="4">R3D</td> </tr> <tr> <td>Shares currently on issue</td> <td style="text-align: right;">47,147,058</td> <td></td> <td></td> </tr> <tr> <td><u>Sub total pre-consolidation</u></td> <td style="text-align: right;">47,147,058</td> <td></td> <td></td> </tr> <tr> <td>Capital consolidation – 1 for 4.</td> <td style="text-align: right;">11,786,765</td> <td></td> <td></td> </tr> <tr> <td><u>Sub total post-consolidation</u></td> <td style="text-align: right;">11,786,765</td> <td></td> <td></td> </tr> <tr> <td colspan="4"><u>Acquisition of Tartana</u></td> </tr> <tr> <td>Issue of Tartana shares at \$0.125 to raise \$500,000</td> <td style="text-align: right;">4,000,000</td> <td></td> <td></td> </tr> <tr> <td>Vend-in for \$13,425,628 at \$0.2 existing Tartana shares</td> <td style="text-align: right;">67,128,142</td> <td style="text-align: right;">13,425,628</td> <td style="text-align: right;">3,750,000²</td> </tr> <tr> <td>Existing Tartana Options</td> <td></td> <td style="text-align: right;">13,500,000</td> <td></td> </tr> <tr> <td>Issue of R3D shares at \$0.2 to raise \$4,250,000</td> <td style="text-align: right;">21,250,000</td> <td style="text-align: right;">4,250,000</td> <td></td> </tr> <tr> <td colspan="4"><u>At Completion</u></td> </tr> <tr> <td>MMR Mandate post consolidation</td> <td style="text-align: right;">3,000,000</td> <td></td> <td></td> </tr> <tr> <td>Fees on successful re-compliance (MMR)</td> <td></td> <td style="text-align: right;">1,000,000</td> <td></td> </tr> <tr> <td>Success Options Brokers Facilitators</td> <td></td> <td style="text-align: right;">1,000,000</td> <td></td> </tr> <tr> <td>Total R3D Securities at Completion</td> <td style="text-align: right;">107,164,907</td> <td style="text-align: right;">33,175,628</td> <td style="text-align: right;">3,750,000</td> </tr> </tbody> </table> <p>¹ It is proposed that all Tartana Shares and Options will be acquired by R3D with an R3D Share and R3D Option issued in consideration for each Tartana Share and Option.</p> <p>² It is proposed that the Convertible Notes will be converted to shares before or at Completion.</p>		Shares ¹	Options ¹	Con Notes	R3D				Shares currently on issue	47,147,058			<u>Sub total pre-consolidation</u>	47,147,058			Capital consolidation – 1 for 4.	11,786,765			<u>Sub total post-consolidation</u>	11,786,765			<u>Acquisition of Tartana</u>				Issue of Tartana shares at \$0.125 to raise \$500,000	4,000,000			Vend-in for \$13,425,628 at \$0.2 existing Tartana shares	67,128,142	13,425,628	3,750,000 ²	Existing Tartana Options		13,500,000		Issue of R3D shares at \$0.2 to raise \$4,250,000	21,250,000	4,250,000		<u>At Completion</u>				MMR Mandate post consolidation	3,000,000			Fees on successful re-compliance (MMR)		1,000,000		Success Options Brokers Facilitators		1,000,000		Total R3D Securities at Completion	107,164,907	33,175,628	3,750,000
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<p>If in the preceding 6 months the entity or the target has issued any securities, the following information about the issue:</p> <ul style="list-style-type: none"> the nature of the issue (eg placement, pro rata offer, public offer under a prospectus or PDS or offer to professional or sophisticated investors under an information memorandum); the consideration provided for the securities; whether the issue was underwritten and, if so, by whom and the amount of their underwriting fee; and the amount raised by the issue and the purposes for which the funds raised were or will be used. 	<p>R3D</p> <p>R3D has not issued any securities in the preceding 6 months.</p> <p>Tartana</p> <p>Tartana has issued 4,000,000 shares at 12.5 cents per share to raise \$500,000 by way of an offer to investors exempt under s 708 of the Corporation Act 2001 (Cth).</p> <p>The funds were raised to provide working capital to maintain operations and provide funds toward compliance with the Implementation Deed.</p> <p>The offer was not underwritten.</p>														
<p>If the entity or the target is proposing to issue securities prior to the entity's re-admission (whether as part of, or in connection with, the transaction or otherwise), the following information about the issue:</p> <ul style="list-style-type: none"> the nature of the issue (eg placement, pro rata offer, public offer under a prospectus or PDS or offer to professional or sophisticated investors under an information memorandum); the consideration to be provided for the securities <p>any minimum subscription proposed</p> <ul style="list-style-type: none"> whether the issue will be underwritten and, if so, by whom and the amount of 	<p>R3D proposes to issue 21,250,000 Shares at an issue price of \$0.20 per Share to raise a minimum of \$4,250,000 with attaching Options on a 1 for 5 basis, exercisable at \$0.40 within 5 years from the date of issue under a Prospectus.</p> <p>The minimum (and maximum) subscription is \$4,250,000.</p> <p>The offer is not underwritten.</p> <p>The offer is for the purpose of funding the offer and operations of the Company for a period of two years following the offer as follows:</p> <table border="1" data-bbox="715 1603 1216 1944"> <thead> <tr> <th>Allocation of funds</th> <th>\$</th> </tr> </thead> <tbody> <tr> <td>Exploration</td> <td>2,750,000</td> </tr> <tr> <td>Expenses of Offer</td> <td>300,000</td> </tr> <tr> <td>Administration</td> <td>800,000</td> </tr> <tr> <td>General Working capital</td> <td>145,000</td> </tr> <tr> <td>Brokerage</td> <td>255,000</td> </tr> <tr> <td>Totals Funds Applied</td> <td>4,250,000</td> </tr> </tbody> </table>	Allocation of funds	\$	Exploration	2,750,000	Expenses of Offer	300,000	Administration	800,000	General Working capital	145,000	Brokerage	255,000	Totals Funds Applied	4,250,000
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<p>their underwriting fee; and</p> <ul style="list-style-type: none"> the amount proposed to be raised by the issue and the purposes for which the funds raised will be used. 															
<p>Details of any person who will acquire control of, or voting power of 20% or more in, the entity as a result of the transaction.</p>	<p>No person will acquire control of, or voting power of 20% or more in, the entity as a result of the transaction.</p>														
<p>If there are any changes proposed to the entity's board or senior management, details of those changes.</p>	<p>It is proposed that all directors of R3D, other than Michael Thirnbeck will resign and the following directors will be appointed at Completion:</p> <p style="text-align: center;">Dr Steve Bartrop (Executive Chairman) Bruce Hills Robert Waring</p> <p>At Completion, Henry Kinstlinger will resign as company secretary and Veronique Morgan-Smith, the current company secretary of Tartana will be appointed company secretary.</p>														
<p>The timetable for implementing the transaction, including the process and timetable for seeking the approval of security holders to the transaction and for re-complying with ASX's requirements for admission and quotation.</p>	<table border="1" data-bbox="523 1137 1407 1464"> <tr> <td>Dispatch Notice(s) of Meeting(s)</td> <td>Thursday, 24 December 2020</td> </tr> <tr> <td>Lodge prospectus with ASIC</td> <td>Monday, 11 January 2021</td> </tr> <tr> <td>Offer opens</td> <td>Monday, 25 January 2021</td> </tr> <tr> <td>Hold AGM</td> <td>Wednesday, 27 January 2021</td> </tr> <tr> <td>Prospectus closes</td> <td>Wednesday, 24 February 2021</td> </tr> <tr> <td>Allot securities to successful applicants</td> <td>Wednesday, 3 March 2021</td> </tr> <tr> <td>Official quotation by ASX commences</td> <td>Monday, 15 March 2021</td> </tr> </table> <p>These dates are indicative only and subject to change.</p>	Dispatch Notice(s) of Meeting(s)	Thursday, 24 December 2020	Lodge prospectus with ASIC	Monday, 11 January 2021	Offer opens	Monday, 25 January 2021	Hold AGM	Wednesday, 27 January 2021	Prospectus closes	Wednesday, 24 February 2021	Allot securities to successful applicants	Wednesday, 3 March 2021	Official quotation by ASX commences	Monday, 15 March 2021
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<p>A summary of the target's principal activities and the jurisdictions in which it operates.</p>	<p>Tartana Resources has a number of projects with varying exploration maturity levels.</p> <p>Tartana Copper and Zinc Project in north Queensland: Mining Leases ML 20489, ML 4819, ML 4820 and ML 5312 which includes the Tartana Copper Oxide Project, the Queen Grade Zinc Project and two copper sulphide projects which are the Deeper Copper Sulphide Project below the existing open pit as well as the nearby Valentino Copper-Gold-Silver-Cobalt Project. The ML contain heap leach pads and a solvent extraction-crystallisation plant which are being kept on care and maintenance.</p> <p>Zeehan Zinc Slag Project in western Tasmania: Mining Lease 3M/2017 which contains historic smelter slag heaps.</p> <p>In addition, it has two earlier stage exploration properties:</p>														

	<p>Mount Hess Copper-Gold Project in Central Queensland: EPM 18864 and EPM 19252 where historical exploration has identified zones up to 10 metres wide containing elevated copper and gold grades with strike lengths in excess of 200 metres.</p> <p>Amber Creek Molybdenum-Tin-Tungsten Project, north Queensland: EPM 18865 where previous exploration has identified extensive and cross-cutting mineralised veins.</p>
<p>A description of the target's business model, including any key dependencies and key risks.</p>	<p>Tartana was revitalised in September 2017 with the aim of acquiring new projects to create shareholder value through becoming a significant copper and zinc explorer and producer.</p> <p>This resulted in the acquisition of the exploration properties and the Tartana Copper-Zinc Project during the third quarter of 2017, followed by the acquisition of the Zeehan Zinc Slag Project early 2018.</p> <p>The Company has continued to aggregate new projects and has now established a significant tenement position in North Queensland which contain evidence of copper and gold mineralisation. that with further exploration, has potential for Tartana to define copper and/or gold resources.</p> <p>Tartana has also advanced the monetizing of the Zeehan Zinc Slag resource by exporting two trial shipments to South Korea and now is seeking the permitting to export further tonnages.</p> <p>Key Risks</p> <p>Exploration and Development: Tartana holds several projects including early-stage projects.</p> <p>All projects are subject to the risks inherent to exploration including whether exploration will be successful and lead to the identification of ore resources. Other risks including achieving predicted grades in exploration and mining, and risks associated with negative exploration results, including relinquishment (in whole or in part) of tenements, even though a viable mineral deposit may be present, but undiscovered.</p> <p>Some projects are also subject to the risks inherent to the commissioning and operating plant and equipment and satisfactory performance of mining operations (including risks relating to continuity of ore deposit, fluctuations in grades and values of the product being mined, and unforeseen operational and technical problems).</p> <p>Other risks which may affect exploration and mining include native title issues, weather, technical difficulties, environmental management, change of government policies and labour issues. The evolution of the COVID-19 pandemic is also a risk factor for operations.</p> <p>Development and Acquisition Opportunities: The success of Tartana partially depends upon Tartana's ability to identify, secure and develop a portfolio of high-quality projects and strategic industry partnerships.</p>

<p>A copy of the target's accounts, being accounts that would meet the requirements in Listing Rule 1.3.5(b) if the entity were applying for admission to the official list under the assets test on the date of the announcement, or a link to where they can be viewed and downloaded.</p>	<p>The Tartana 2020 Annual is expected to be available in the week ending 11 December 2020 and will be available at https://tartanaresources.com.au/investor-centre/reports/.</p>
<p>Details of any regulatory approvals or waivers required or other material conditions that must be satisfied for the transaction to proceed.</p>	<p>The Company has sought a waiver of LR 9.1(c) so that the Tartana shareholders who are receiving shares as consideration for the acquisition of their Tartana shares will be treated as seed capitalists and be subject to the application of the cash formula relief using the conversion ratio calculation and to the relevant escrow period for their classification (ASX Waiver) and further that the same security holders will be counted towards spread for the re-listing.</p> <p>Tartana will seek ASIC modification of item 7 of section 611 of the Corporations Act to enable Tartana Shareholders to vote on the resolution approving the Acquisition (without relief they would be excluded from voting).</p> <p>Details of the Implementation Deed conditions to be satisfied have been included above.</p>
<p>Details of any fees paid or payable by the entity to any person for finding, arranging or facilitating the transaction.</p>	<p>No fees have or will be paid by the entity to any person for finding, arranging or facilitating the transaction.</p>
<p>Confirmation that the entity has undertaken appropriate enquiries into the assets and liabilities, financial position and performance, profits and losses, and prospects of the target for the board (or, in the case of a listed trust, the responsible entity) of the entity to be satisfied that the transaction is in the interests of the entity and its security holders or, if it hasn't, an explanation of why it hasn't.</p>	<p>Interest in the Company's business was dramatically curtailed with the advent of the Covid-19 pandemic. The Company's directors have determined that it is in the best interests of the Company that it diversifies its operations through the acquisition of Tartana Resources, providing an alternate business opportunity to benefit the Company's shareholders.</p> <p>The board has conducted and continues to do so through its due diligence the matters raised and is satisfied that the acquisition of Tartana is in the interests of its security holders.</p>
<p>The outcome of any applications the entity has made to ASX for in-principle advice or for waivers of, or confirmations under, the Listing Rules.</p>	<p>On 2 November 2020, the Company applied for In-Principal advice as to the suitability of R3D for re-admission to the official list of ASX.</p> <p>The ASX advised on 19 November 2020, that (in part):</p> <p>"Based solely on the information provided and the facts known as at this time, ASX is not aware of any reasons that would cause R3D not to have a structure and operations suitable for a listed entity for the purposes of Listing Rule 1.1 condition 1</p>

	<p>or that would cause ASX to exercise its discretion to refuse re-admission to the official list under Listing Rule 1.19.”</p> <p>The ASX will consider the Company’s application for a waiver of Listing Rule 9.1(c) following the Company’s application for readmission to the Official List.</p>
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Appendix B

R3D Global Ltd

Proforma Balance Sheet	R3D	Tartana	Proposed Transactions	Consolidated Adjustments	Consolidated Proforma
	Audited	Unaudited Mgt			
	30-Jun-20	Accounts	TOTAL		Unaudited
		30-Jun-20			
	\$	\$	\$	\$	\$
ASSETS					
Total Current Assets	203,447	715,200	3,975,000	-	4,893,647
Total Non-Current Assets	144,781	6,560,150	13,425,628	(5,128,372)	15,002,187
Total Assets	348,228	7,275,350	17,400,628	(5,128,372)	19,895,834
LIABILITIES					
Total Current Liabilities	320,609	1,646,978	250,000	-	2,217,587
Total Non-Current Liabilities	35,043	500,000	-	-	535,043
Total Liabilities	355,652	2,146,978	250,000	-	2,752,630
NET ASSETS	(7,424)	5,128,372	17,150,628	(5,128,372)	17,143,204
EQUITY					
Issued capital	62,062,337	5,128,372	17,750,628	(5,128,372)	79,812,965
Accumulated losses	(62,069,461)	-	(600,000)		(62,669,461)
Reserves	(300)	-	-		(300)
Total EQUITY	(7,424)	5,128,372	17,150,628	(5,128,372)	17,143,204