

# Half Year Report



R3D Resources Limited  
(renamed Tartana  
Minerals Limited)  
ABN 53 111 398 040

31 December 2023



**RESOURCES**

**R3D RESOURCES LIMITED**  
**(renamed Tartana Minerals Limited)**

**ABN 53 111 398 040**

**INTERIM FINANCIAL REPORT**  
**FOR THE HALF-YEAR ENDED**  
**31 December 2023**

# R3D RESOURCES LIMITED

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# **R3D RESOURCES LIMITED**

## **DIRECTORS' REPORT**

Your directors submit the consolidated financial report of R3D Resources Limited (the "Company"), comprising the Company and the subsidiaries it controlled at any time during the half-year ended 31 December 2023 (together, "the Group").

### **CHANGE OF COMPANY NAME**

The Company notes that at the 2023 Annual General Meeting, shareholders approved the change of the Company's name from R3D Resources Limited to Tartana Minerals Limited. The Company has subsequently received confirmation from ASIC as to the Company's name being changed to Tartana Minerals Limited on and from 7 December 2023. However, as at the date of this Interim Financial Report for the Half-Year ended 31 December 2023, ASX is yet to confirm a timetable for the Company's name change and corresponding ASX code change. The Company accordingly refers to itself as R3D Resources Limited solely to avoid confusion.

### **DIRECTORS**

The names of the Company's directors in office during the half-year and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

Dr Stephen Bartrop (Managing Director)

Mr Bruce Hills (Executive Director)

Mr Michael Thirnbeck (Non-Executive Director)

Mr Jihad Malaeb (Non-Executive Chairman)

Dr Alistair Lewis (Non-Executive Director) (Appointed 29 February 2024)

### **COMPANY SECRETARY**

Mr Sonny Didugu

### **REVIEW OF OPERATIONS**

The Group's net loss from continuing operations was \$955,865 (2022: \$1,444,079). The net assets of the Group decreased by \$745,265 from \$6,803,251 at 30 June 2023 to \$6,057,986 at 31 December 2023.

#### **Corporate**

As at 31 December 2023 (and the date of this report) there were 152,317,578 shares on issue, 37,331,395 options exercisable at \$0.40 each, a Convertible Note with a face value of \$500,000 maturing 31 October 2024, Convertible Notes with a face value of \$500,000 maturing 1 March 2024 and Convertible Notes with a face value of \$1,000,000 maturing 30 April 2024.

During the period to 31 December 2023, the following key corporate transactions took place:

- Late July 2023 the Company announced the completion of the refurbishment of its solvent extraction-crystallisation plant. An increase in copper assays in the ponds point to an estimated higher copper content capable of supporting higher forecast production prior to commencing heap leaching. Historically the plant produced high quality copper sulphate pentahydrate and is reported to have produced 6,000 to 7,000 tonnes per annum with a plant capacity of around 9,500 tonnes. Two process technicians were hired in the September quarter to support production,
- First commercial production was completed in late October 2023, achieving a production rate of 4 tonnes per day at an initial pXRF assaying indicated 24.4% copper. Kanins, our offtake partner has offered immediate payment terms on production. Copper sulphate is priced by reference to the LME Copper price plus a premium dependent on product quality, with the premium expected to be between \$100 and \$500 per tonne with an indicative \$3,400 per tonne sale price.

## **R3D RESOURCES LIMITED**

### **DIRECTORS' REPORT**

- On 20 September 2023 the Company completed the acquisition of the Nightflower Silver Project. With a previous exploration target of 2.74Mt @ 134 g/t Ag Eq for 17 million oz contained Ag Eq to 5.36 Mt @ 193 g/t Ag Eq for 23 million oz Ag Eq.
- On 19 October 2023 the Company announced that the Chairman had agreed to roll-over the Convertible Note maturing 31 October 2023 into a new Convertible Note for another 12 months. It also announced that Yaputri Pte Ltd had agreed to roll over the Convertible Notes maturing 1 March 2024 for a further 12 months.
- On 9 November 2023 the Company announced a capital raising of \$1.91 million comprising a \$0.43 million placement completed on 9 November 2023 and a \$1.48 million non-renounceable entitlement Rights offer. Participants in both the Placement and the Rights offer will receive 1 option for every share subscribed with an exercise price of \$0.10 per option exercising 31 December 2025.the Rights offer has been extended to 20 March 2024.
- During the December quarter the Company undertook further rectification work on the solvent extraction-crystallisation plant. Production was limited to 22 tonnes of off-spec product as it worked to improve the purity of the product.
- At the 2023 Annual General Meeting the shareholders approved a change in the Company's name to Tartana Minerals Limited (ASX: TAT).
- On 12 December 2023 the Company announced suspension of copper sulphate production due to the potential impact of Cyclone Jasper. Weather events continued to impact production through to 31 December 2023.
- During the half year ended 31 December 2023 the Company exported 19,418 tonnes of low grade furnace slag and earned revenue totaling \$1,350,650. The stockpiles are nearing completion with approximately 10,000 tonnes remaining and the Company is currently assessing the potential for another shipment. On 31 July 2023 the Company reported the sale of the Zeehan Zinc Project subject to confirmation of the metallurgical test work. This sale did not proceed. The Company is pursuing alternative avenues of realizing the value from the gold-silver tailings below zinc stockpiles.

#### **SIGNIFICANT EVENTS AFTER REPORTING DATE**

Since the balance date the following events have occurred:

- The Company recommenced copper sulphate production on 5 January 2024, however poor weather condition since 12 January 2024 have prevented us having the necessary access to the site to supply the required input materials to support production.
- On 13 February 2024 secured an agreement from the Convertible Noteholders with Notes totaling \$1 million and which matured on 27 January 2024, to extend the maturity date of those notes to 30 April 2024
- On 29 February 2024 the Company announced that Dr Alistair Lewis had been appointed as a non-executive director.
- On 15 March 2024 the Company announced it had received \$480,000 through an unsecured loan on ordinary commercial terms. The loan is to be converted to a Convertible Note when formal documentation is formalized. The Company also announced the extension of its Rights offer to 27 March 2024. The Company also announced it was in negotiations with parties to potentially underwrite the Rights offer.

There are no other significant events which have arisen since the end of the period which may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in the future financial period.

#### **AUDITOR'S INDEPENDENCE DECLARATION**

The lead Auditor's Independent declaration under section 307C of the Corporations Act 2001 for the half year ended 31 December 2023 is set out on page 5.

This report is signed in accordance with a resolution of the Board of Directors made pursuant to s. 306 (3) of the Corporations Act 2001.



**Bruce Hills**  
Executive Director

15 March 2024

**Auditor's Independence Declaration under Section 307C of the Corporations Act 2001 to the Directors of Tartana Minerals Limited (formerly R3D Resources Limited) and Controlled Entities**

I declare that, to the best of my knowledge and belief during the half year ended 31 December 2023 there have been:

- a. no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review; and
- b. no contraventions of any applicable code of professional conduct in relation to the review.

BDJ Partners



Gregory W Cliffe  
Partner

14 March 2024

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# R3D RESOURCES LIMITED

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

	Notes	Consolidated Group	
		Half-year 31 Dec 2023	Half-year 31 Dec 2022
		\$	\$
<b>Sales Revenue</b>			
Revenue from contracts with customers	3	1,350,650	3,354,553
Cost of sales		(908,583)	(2,652,538)
Gross Profit		442,067	702,015
Other income	3	46,276	48,445
<b>Expenses</b>			
Finance costs		(212,559)	(45,390)
Administration costs		(165,714)	(158,528)
Consulting fees		(368,037)	(420,234)
Corporate costs		(18,417)	(48,538)
Depreciation and amortisation expense		(57,181)	(64,552)
Employee Expenses		(171,737)	(209,025)
Exploration and development expenses		(327,835)	(1,037,376)
Other expenses		(123,128)	(198,280)
Share based payments		400	(12,618)
<b>Total Expenses</b>		<b>(1,444,208)</b>	<b>(2,194,539)</b>
<b>Loss before income tax</b>		<b>(955,865)</b>	<b>(1,444,079)</b>
Income tax expense		-	-
<b>Loss for the period</b>		<b>(955,865)</b>	<b>(1,444,079)</b>
<b>Other comprehensive income</b>			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Exchange difference on translating foreign operations		-	-
<b>Total comprehensive loss for the period</b>		<b>(955,865)</b>	<b>(1,444,079)</b>
<b>Loss attributable to:</b>			
Owners of the parent		(955,865)	(1,444,079)
<b>Total comprehensive loss attributable to:</b>			
Owners of the parent		(955,865)	(1,444,079)
<b>Loss per share from continuing operations:</b>			
Basic loss per share (cents per share)	16	(0.64)	(1.04)
Diluted loss per share (cents per share)	16	(0.64)	(1.04)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes to the financial statements.

# R3D RESOURCES LIMITED

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2023

		Consolidated Group	
		31 Dec 2023	30 Jun 2023
		\$	\$
	Notes		
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents		82	125,795
Trade and other receivables		325,908	200,463
Inventory	5	247,385	176,000
Other current assets		191,069	1,164,749
<b>TOTAL CURRENT ASSETS</b>		<b>764,444</b>	<b>1,667,007</b>
<b>NON-CURRENT ASSETS</b>			
Property, plant & equipment	6	4,328,003	4,309,385
Exploration & evaluation	7	5,875,725	6,284,597
Right-of-use asset	8	13,533	40,600
Other non-current assets	9	1,980,649	1,980,649
Financial Assets		7,370	13,735
<b>TOTAL NON-CURRENT ASSETS</b>		<b>12,205,280</b>	<b>12,628,966</b>
<b>TOTAL ASSETS</b>		<b>12,969,724</b>	<b>14,295,973</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	10	(2,411,401)	(2,414,639)
Borrowings	13	(2,070,828)	(2,047,771)
Provisions	12	(205,733)	(201,449)
Contract liabilities		-	-
Lease liability	11	(15,827)	(46,758)
Other current liabilities		(17,985)	(11,652)
<b>TOTAL CURRENT LIABILITIES</b>		<b>(4,721,774)</b>	<b>(4,722,269)</b>
<b>NON-CURRENT LIABILITIES</b>			
Lease liability	11	-	-
Provisions	12	(2,189,964)	(2,770,453)
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>(2,189,964)</b>	<b>(2,770,453)</b>
<b>TOTAL LIABILITIES</b>		<b>(6,911,738)</b>	<b>(7,492,722)</b>
<b>NET ASSETS</b>		<b>6,057,986</b>	<b>6,803,251</b>
<b>EQUITY</b>			
Issued capital	14	21,046,847	20,585,847
Shares to be issued	14	154	250,154
Accumulated losses		(15,147,175)	(14,191,310)
Reserves		158,160	158,560
<b>TOTAL EQUITY</b>		<b>6,057,986</b>	<b>6,803,251</b>

The above statement of financial position should be read in conjunction with the accompanying notes to the financial statements.



## R3D RESOURCES LIMITED

### CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

Consolidated Group	Issued Capital	Shares to be issued	Share Based Payment Reserve	Foreign Currency Translation Reserve	Accumulated losses	Total
	\$	\$	\$	\$	\$	\$
<b>Balance as at 1 July 2022</b>	19,056,600	535,250	150,933	-	(14,202,961)	6,983,902
Loss for the period	-	-	-	-	(1,444,079)	(1,444,079)
Other comprehensive income	-	-	-	-	-	-
<b>Total comprehensive loss for the period</b>	-	-	-	-	(1,444,079)	<b>(1,444,079)</b>
Issue of shares	1,284,250	(235,250)	-	-	-	749,000
Shares to be issued	-	475,171	-	-	-	475,171
Cost of shares issued	(67,290)	-	-	-	-	(67,290)
Share-based payments	-	-	12,618	-	-	12,618
<b>Balance as at 31 December 2022</b>	<b>20,273,560</b>	<b>475,171</b>	<b>163,551</b>	-	<b>(14,202,961)</b>	<b>6,709,321</b>
<b>Balance as at 1 July 2023</b>	<b>20,585,847</b>	<b>250,154</b>	<b>158,560</b>	-	<b>(14,191,310)</b>	<b>6,803,251</b>
Loss for the period	-	-	-	-	(955,865)	(955,865)
Other comprehensive income	-	-	-	-	-	-
<b>Total comprehensive loss for the period</b>	-	-	-	-	(955,865)	<b>(955,865)</b>
Issue of shares	461,000	(250,000)	-	-	-	211,000
Share-based payments	-	-	(400)	-	-	(400)
<b>Balance as at 31 December 2023</b>	<b>21,046,847</b>	<b>154</b>	<b>158,160</b>	-	<b>(15,147,175)</b>	<b>6,057,986</b>

The above statement of changes in equity should be read in conjunction with the accompanying notes to the financial statements.

# R3D RESOURCES LIMITED

## CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

Consolidated Group			
	Notes	Half-year 31 Dec 2023 \$	Half-year 31 Dec 2022 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers		2,245,890	3,382,448
Payments to suppliers and employees		(2,071,038)	(3,484,696)
Interest received		2,446	7,910
Interest paid		(168,910)	(31,804)
Cash receipts from other operating activities		-	-
Cash payments from other operating activities		-	-
<b>Net cash provided by (used in) operating activities</b>		<b>8,388</b>	<b>(126,142)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for property, plant & equipment	5	(119,278)	(735,191)
Payments for exploration and evaluation	6	(63,886)	(628,943)
Payments for Security Deposits		(128,001)	(189,200)
<b>Net cash provided by (used in) investing activities</b>		<b>(311,165)</b>	<b>(1,553,334)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds received from issuing capital	10	191,000	662,752
Repayment of borrowings	8	-	(64,148)
Proceeds received from borrowings		33,058	500,000
Share issue costs	10	(802)	(67,290)
Repayment of lease liabilities		(31,395)	(30,600)
<b>Net cash provided by (used in) financing activities</b>		<b>191,861</b>	<b>1,000,714</b>
Net decrease in cash and cash equivalents held		(110,916)	(678,762)
Effect of exchange rate changes on cash		(14,797)	(38,277)
Cash and cash equivalents at beginning of period		125,795	1,153,073
<b>Cash and cash equivalents at end of period</b>		<b>82</b>	<b>436,034</b>

The above statement of cash flows should be read in conjunction with the accompanying notes to the financial statements.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

### Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial report of R3D Resources Limited and its controlled entities (the Group) for the half-year ended 31 December 2023 was authorised for issue in accordance with a resolution of directors on 15 March 2024.

R3D Resources Limited, an explorer and developer of mineral projects, is a company limited by shares, incorporated in Australia, whose shares are listed on the Australian Securities Exchange (ASX).

#### (a) Basis of Preparation

These general purpose financial statements for the interim half-year reporting period ended 31 December 2023 have been prepared in accordance with requirements of the *Corporations Act 2001* and Australian Accounting Standards including AASB 134: Interim Financial Reporting. Compliance with Australian Accounting Standard 134 ensures that the financial statements and notes also comply with International Financial Reporting Standard IAS 134 Interim Financial Reporting.

The half-year financial report should be read in conjunction with the annual financial report of the Group for the year ended 30 June 2023, together with any public announcements made during the half-year.

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the financial statements for the year ended 30 June 2023, except for those as describe in Note 1(c) below.

#### **Principles of Consolidation**

The consolidated financial statements incorporate all of the assets, liabilities and results of the Parent (R3D Resources Limited) and all of the subsidiaries (including any structured entities). Subsidiaries are entities the Parent controls. The Parent controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Equity interests in a subsidiary not attributable, directly or indirectly, to the Group are presented as “non-controlling interests”. The Group initially recognises non-controlling interests that are present ownership interests in subsidiaries and are entitled to a proportionate share of the subsidiary’s net assets on liquidation at either fair value or at the non-controlling interests’ proportionate share of the subsidiary’s net assets. Subsequent to initial recognition, non-controlling interests are attributed their share of profit or loss and each component of other comprehensive income. Non-controlling interests are shown separately within the equity section of the statement of financial position and statement of comprehensive income.

#### (b) Going Concern

The financial report has been prepared on the going concern basis, which assumes that the Group 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 half year ended 31 December 2023 of \$955,865 (31 December 2022: loss of \$1,444,079) and experienced net cash inflows from operating activities of \$8,388 (31 December 2022: net cash outflows of \$126,142). At 31 December 2023, the Group had net current liabilities of \$3,957,330 (30 June 2023: net current liability of \$3,055,262).

The Directors recognise that additional funding through a combination of the operation of the copper sulphate plant and the issue of further shares or debt or convertible notes, will be required for the Group to meet its minimum administrative and overhead expenses 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 Directors have reviewed the business outlook and the assets and liabilities of the Group and are of the opinion that the use of the going concern basis of accounting is appropriate. Directors are 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 Half Year Financial Report.

If any of these fundraising options are 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. A cash flow forecast has been produced by the Group (unaudited) which demonstrates that if certain outcomes are achieved then the Group will be in a cashflow positive position for the foreseeable future.

The Group has been able to demonstrate in previous periods that it has been successful in raising funds when needed. The Directors remain confident that this can again be done when required to support the Group’s continuing abilities.

## **R3D RESOURCES LIMITED**

### **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2023 (Continued)**

#### **(c) New accounting standards and interpretations**

The Group has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

There are no new Accounting Standards or Interpretations that have been published but are not yet mandatory that are expected to have a material impact on the Group.

#### **(d) Significant accounting judgements and key estimates**

The preparation of interim financial reports requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reports amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

In preparing this half-year report, the significant judgements made by management in applying the Group's accounting policies and key sources of estimation uncertainty were the same as those in the Group's 30 June 2023 annual report.

#### **NOTE 2: OPERATING SEGMENTS**

Operating segments that meet the quantitative criteria of AASB 8 are reported separately. However, an operating segment that does not meet the quantitative criteria is still reported separately where information about the segment would be useful to the users of the financial statements.

The Group determines its operating segments by reference to internal reports that are reviewed and used by the Board of Directors (the chief operating decision maker) in assessing performance and in determining the allocation of resources. The Board of Directors currently receive Consolidated Statement of Financial Position and Consolidated Statement of Comprehensive Income information that is prepared in accordance with Australian Accounting Standards.

The Consolidated Statement of Financial Position and Consolidated Statement of Comprehensive Income information received by the Board of Directors does not include any information by segment. The executive team manages each exploration activity of each exploration concession through review and approval of statutory expenditure requirements and other operational information. Based on this criterion, the Group has only one operating segment, being exploration, and the segment operations and results are the same as the Group results.

## R3D RESOURCES LIMITED

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2023 (Continued)

#### NOTE 3: SALES REVENUE AND OTHER INCOME

	31 Dec 2023	31 Dec 2022
	\$	\$
<b>Revenue from contracts with customers</b>		
Sale of low grade furnace slag ore	1,350,650	3,354,553

Revenue from the sale of slag ore is recognized when the goods or services passes to the customer and no further processing is required by the Group.

All revenue is generated from one geographic location for services rendered.

<b>Other income</b>		
Sale – office rental services	18,000	13,000
Interest income	2,451	7,910
Other income	25,825	27,535
	<b>46,276</b>	<b>48,445</b>

#### NOTE 4: CASH AND CASH EQUIVALENTS

	31-Dec-23	30-Jun-23
	\$	\$
Cash at bank and on hand	82	125,795

#### NOTE 5: INVENTORY

	31 Dec 2023	30 Jun 2023
	\$	\$
At cost:	247,385	176,000
	<b>247,385</b>	<b>176,000</b>

## R3D RESOURCES LIMITED

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2023 (Continued)

#### NOTE 6: PROPERTY, PLANT & EQUIPMENT

	31 Dec 2023 \$	30 Jun 2023 \$
Plant and equipment - at cost	2,361,509	2,308,970
Buildings - at fair value	490,000	490,000
Infrastructure & Site Improvements – at fair value	1,801,000	1,801,000
IT & Development costs – at cost	16,527	20,693
Office equipment at cost	48,629	48,271
Vehicles and equipment at cost	85,777	85,777
Accumulated depreciation	(475,539)	(455,326)
	<b>4,328,003</b>	<b>4,309,385</b>
<b><i>Movement in property, plant &amp; equipment</i></b>		
Balance at the beginning of the period, net of accumulated depreciation	4,309,385	3,152,568
Additions	48,732	1,230,381
Depreciation	(30,114)	(73,564)
Balance at end of period, net of accumulated depreciation	<b>4,328,003</b>	<b>4,309,385</b>

#### NOTE 7: EXPLORATION AND EVALUATION

<b><i>Areas of interest in the exploration and evaluation phases</i></b>	31-Dec-23 \$	30-Jun-23 \$
Balance at the beginning of the period	6,284,597	5,249,963
Movement in Rehabilitation Provision	(636,317)	-
Exercise of Beefwood Project <sup>1</sup>	-	192,500
Exercise of option over the Nightflower Project <sup>2</sup>	-	250,000
Expenditure incurred during the period	227,446	1,266,443
Expenditure written off	-	(674,309)
	<b>5,875,725</b>	<b>6,284,597</b>

<sup>1</sup>During the year ended 30 June 2023, the Group gave notice of its intention to exercise its option in order to acquire the Beefwood Project. The Group issued 1,718,750 fully paid shares on 17 March 2023. The number of shares issued was determined with reference to the one-month VWAP prior to its exercise date, being \$0.112 per share. There is an additional \$25,000 payable in administration costs and a 1% NSR royalty on future production from tenement EPM 26399.

<sup>2</sup> On 12 October 2022 the Company announced it had exercised the option over the Nightflower Silver Project. The exercise price was \$250,000 payable in shares at \$0.10 per share. There are also potential additional payments of \$100,000 in shares at a one-month VWAP for every additional 1 million ounces Ag above the base case up to a maximum of \$750,000.

The ultimate recoupment of exploration and evaluation expenditure carried forward is dependent on successful development and commercial exploitation or, alternatively, sale of the respective areas.

## R3D RESOURCES LIMITED

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2023 (Continued)

#### NOTE 8: RIGHT OF USE ASSETS

	31-Dec-23	30-Jun-23
	\$	\$
Balance at the beginning of the period - cost	40,600	94,734
Accumulated depreciation	(27,067)	(54,134)
	<u>13,533</u>	<u>40,600</u>

The initial lease of the Company's office space at McMahons Point, NSW, was for a term of 36 months, with an expiry date of 7 April 2022. At the end of this lease term, there was an option to renew the lease for a further 3 years. The Company extended the lease for a further 2 years under this option to 7 April 2024 and this has recognised as a right-of-use asset and a corresponding lease liability.

#### NOTE 9: OTHER ASSETS

	31-Dec-23	30-Jun-23
	\$	\$
<i>Current</i>		
Accrued revenue	142,367	1,048,671
Prepayments	45,952	113,328
Deposits	2,750	2,750
	<u>191,069</u>	<u>1,164,749</u>
<i>Non-Current</i>		
Rental Bond	22,000	22,000
Security Deposit	208,500	208,500
Term Deposit	912,856	912,856
Surety – Rehabilitation obligations <sup>1</sup>	837,293	837,293
	<u>1,980,649</u>	<u>1,980,649</u>

<sup>1</sup>Tartana resources Limited has a DES approved Financial Assurance of \$1,750,149 obligation in place for the rehabilitation of the Tartana Mine Site. To fulfil this obligation as at 31 December 2023, the Group has a combination of guarantees \$912,856, cash deposited with Queensland Treasury \$396,823 and the remaining balance of \$440,469 is under a payment plan with the Queensland Treasury.

Term Deposit is held against an environmental guarantee provided by the Bank for the Company's obligation under its environmental permit for Tartana Copper assets in Queensland.

#### NOTE 10: TRADE AND OTHER PAYABLES

	31-Dec-23	30-Jun-23
	\$	\$
<i>Unsecured</i>		
Sundry payables and accrued expenses	450,002	584,894
Queensland Government – Surety increase (unpaid balance as per note 9)	-	440,469
Trade Payables (i)	1,961,399	1,389,276
	<u>2,411,401</u>	<u>2,414,639</u>

(i) Trade payables are non-interest bearing and are normally settled on 30 days end of month terms

# R3D RESOURCES LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2023 (Continued)

### NOTE 11: LEASE LIABILITIES

	31-Dec-23	30-Jun-23
	\$	\$
<b>Current</b>		
Lease liabilities	15,827	48,758
<b>Non-current</b>		
Lease liabilities	-	-

### NOTE 12: PROVISIONS

	31-Dec-23	30-Jun-23
	\$	\$
<b>Current</b>		
Employee benefits – annual leave	5,733	1,449
Provision – Rehabilitation (i)	200,000	200,000
	<b>205,733</b>	<b>201,449</b>
<b>Non-current</b>		
Provision – Rehabilitation		
Carrying amount at the beginning of the year	2,762,441	2,377,115
Movement in provision during period	(581,490)	385,326
Carrying amount at the end of the period (ii)	<b>2,180,951</b>	<b>2,762,441</b>
Employee benefits – long service leave	9,013	8,012
	<b>2,189,964</b>	<b>2,770,453</b>

The rehabilitation provision represents:

(i) *Intec Zeehan Residues*

A provision for site rehabilitation of the area previously disturbed during mining activities up to the reporting date, but not yet rehabilitated at the Zeehan Zinc low grade furnace slag/matte project.

(ii) *Tartana Copper*

During the 30 June 2022 year, the Group updated its underlying cost assumptions in its rehabilitation model from \$922,856 to \$1,750,149 based on correspondence with the ERC under the Queensland Financial Provisioning Scheme (FPS) under the Mineral and Energy Resource (Financial Provisioning) Act 2018. The above movement is a result of updates in economic assumptions and the unwinding of the provision over time.

### NOTE 13: FINANCIAL LIABILITIES - BORROWINGS

	31 Dec 2023	30 Jun 2023
	\$	\$
Convertible Notes	2,070,828	2,047,771
	<b>2,070,828</b>	<b>2,047,771</b>



# R3D RESOURCES LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2023 (Continued)

### NOTE 13: FINANCIAL LIABILITIES – BORROWINGS (Continued)

	31-Dec-23	30-Jun-23
	\$	\$
Balance at the beginning of the period, at amortised cost	2,047,771	610,422
Acquired on acquisition	-	-
Loan from Director (J.Malaeb)	-	500,000
Convertible Notes Issued	-	1,000,000
Accrued interest	157,732	(47,123)
Arteva Funding	-	(65,527)
Extinguishment of Yaputri Loan	-	(450,000)
Convertible Notes issued to Yaputri	-	500,000
Conversion of Convertible Notes	-	-
Repayment of Borrowings and interest	(134,675)	-
Balance at end of period, at amortised cost	<b>2,070,828</b>	<b>2,047,771</b>

### NOTE 14: ISSUED CAPITAL

	31-Dec-23	30-Jun-23
	\$	\$
152,317,578 (30 June 2023: 145,651,578) fully paid ordinary shares	21,047,001	20,836,001
<b><i>Movement in share capital</i></b>	<b>Shares</b>	<b>\$</b>
Balance as at 1 July 2022	129,278,584	19,056,600
Shares issued in a placement to directors	3,300,000	330,000
Issue of shares to Yaputri as part of loan extension	500,000	50,000
Shares issued for cash in rights issue	9,042,500	904,250
Shares issued to exercise option over Beefwood Project	1,718,750	192,500
Issue of shares to Yaputri as part of debt refinancing	803,170	52,206
Employee salary package shares issued	183,398	-
Shares issued as payment to a consultant in lieu of cash remuneration	825,176	67,581
Cost of share issues	-	(67,290)
<b>Balance as at 30 June 2023</b>	<b>145,651,578</b>	<b>20,585,847</b>
Shares to be issued	-	250,154
<b>Total</b>	<b>145,651,578</b>	<b>20,836,001</b>
Shares issued for the exercise of option over Nightflower Silver Project (1)	2,500,000	250,000
Shares issued for cash in placement to unrelated third parties	4,220,000	211,000
<b>Balance as at 31 December 2023</b>	<b>152,371,578</b>	<b>21,046,847</b>
Shares to be issued	-	154
<b>Total</b>	<b>152,371,578</b>	<b>21,047,001</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2023 (Continued)**

**NOTE 15: OPTIONS ISSUED**

	31-Dec-23	31-Dec-23	30-Jun-23	30-Jun-23
	Options	\$	Options	\$
37,331,395 (30 June 2023: 37,356,740) options	-	158,160	-	158,560
<hr/>				
	31-Dec-23	31-Dec-23	30-Jun-23	30-Jun-23
	Options	\$	Options	\$
<b>Movement in options</b>				
Balance at 1 July 2023	37,356,740	158,560	37,356,740	150,933
Expensed during the period	(25,345)	-	-	-
Share based payment expense <sup>1</sup>	-	(400)	-	7,627
<b>Balance as at 31 December 2023</b>	<b>37,331,395</b>	<b>158,160</b>	<b>37,356,740</b>	<b>158,560</b>

<sup>1</sup> On 31 January 2022, the R3D shareholders approved the proposed issue of 1,500,000 and 1,000,000 options to Mr Richard Ash and Mr Michael Thirnbeck respectively. These options were issued on 28 February 2022. The options are not listed and have an exercise price of \$0.40 and expire if not exercised by 14 July 2026. Mr Richard Ash subsequently resigned as a Non-Executive Director of R3D.

\$400 (30 June 2023: \$7,627 expense ) was reversed through the Statement of Profit or Loss and Other Comprehensive Income in relation to the ESOP options during the period ended 31 December 2023, in order to true-up the amount of options which ultimately vested to Mr Michael Thirnbeck during the period.

**NOTE 16: EARNINGS PER SHARE**

	31 Dec 2023	31 Dec 2022
	\$	\$
<b>The following reflects the income and share data used in the calculation of basic and diluted earnings per share:</b>		
Net loss	(955,865)	(1,444,079)
Weighted average number of ordinary shares used in calculating basic earnings per share	147,663,491	138,144,458
Effect of dilutive securities: Share options <sup>1</sup>	-	-
Basic and diluted earnings per share (in cents)	<u>(0.64)</u>	<u>(1.04)</u>

<sup>1</sup> Share options are not dilutive as their inclusion would give rise to a reduced loss per share.

The above weighted average number of shares incorporates an adjustment to the calculation to incorporate the effects of bonus elements (if any) in relation to rights issues in the current and previous financial year.

*Conversion, calls, subscriptions or issues after 31 December 2023*

There have been no other options issued, conversions to, calls of, or subscriptions for ordinary shares since the reporting date and before the completion of this interim financial report.

**NOTE 17: COMMITMENTS AND CONTINGENT LIABILITIES**

In order to maintain the Company's tenements in good standing with the various mines departments, the Company will be required to incur exploration expenditure under the terms of each licence. These commitments are not binding as exploration tenements can be reduced or relinquished at any time. Management has estimated expenditure to meet these commitments as detailed below:

	31 Dec 2023	30 Jun 2023
	\$	\$
Payable not later than one year	742,200	397,600
Payable later than one year but not later than two years	580,600	368,100
	<u>1,322,800</u>	<u>765,700</u>

Other than the matter noted above, the Group has no other contingent liabilities as at 31 December 2023.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2023 (Continued)**

**NOTE 18: SIGNIFICANT EVENTS AFTER REPORTING DATE**

Since the balance date the following events have occurred:

- The Company recommenced copper sulphate production on 5 January 2024, however poor weather condition since 12 January 2024 have prevented us having the necessary access to the site to supply the required input materials to support production.
- On 13 February 2024 secured an agreement from the Convertible Noteholders with Notes totaling \$1million and which matured on 27 January 2024, to extend the maturity date of those notes to 30 April 2024
- On 13 February 2024 the Company announced an extension of the offer period for the rights issue to 20 March 2024.
- On 29 February 2024 the Company announced that Dr Alistair Lewis had been appointed as a non-executive director.
- On 15 March 2024 the Company announced it had received \$480,000 through an unsecured loan on ordinary commercial terms. The loan is to be converted to a Convertible Note when formal documentation is formalized. The Company also announced the extension of its Rights offer to 27 March 2024. The Company also announced it was in negotiations with parties to potentially underwrite the Rights offer.

There are no other significant events which have arisen since the end of the period which may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in the future financial period.

# R3D RESOURCES LIMITED

## DIRECTORS' DECLARATION

In the opinion of the directors:

- (a) the financial statements and notes are in accordance with the *Corporations Act 2001*, including:
  - i. giving a true and fair view of the Group's financial position as at 31 December 2023 and of its performance for the half-year ended on that date; and
  - ii. complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*; and
- (b) there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors made pursuant to s.303(5) of the *Corporations Act 2001*.

On behalf of the Directors



**Bruce Hills**  
Executive Director

15 March 2024



## Independent Auditor's Review Report

To the members of Tartana Minerals Limited (formerly R3D Resources Limited)

### Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Tartana Minerals Limited and controlled entities (the consolidated entity), which comprises the consolidated statement of financial position as at 31 December 2023, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes comprising material accounting policy information and other explanatory information, and the directors' declaration.

### Directors' Responsibility for the Half-Year Financial Report

The directors of Tartana Minerals Limited (the company) are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the company's financial position as at 31 December 2023 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting and the Corporations Regulations 2001*. As the auditor of the consolidated entity, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all material matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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Standards Legislation.  
Please refer to the  
website for our  
standard terms of  
engagement.

## Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the company, would be in the same terms if given to the directors as at the time of this auditor's report.

## Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Tartana Minerals Limited is not in accordance with the *Corporations Act 2001* including:

- a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2023 and of its performance for the half-year ended on that date; and
- b) complying with Accounting Standard AASB 134 *Interim Financial Reporting and Corporations Regulations 2001*.

## Material Uncertainty Related to Going Concern

We draw attention to Note 1(b) "Going concern" which states that the directors recognise that additional funding will be required to meet the consolidated entity's minimum administrative and overhead expenses and to actively explore its mineral properties. Should any of the funding options be unsuccessful, it would indicate a material uncertainty which may cast doubt about the consolidated entity's ability to continue as a going concern and the consolidated entity's ability to pay its debts as and when they fall due. Our conclusion is not modified in respect of this matter.

BDJ Partners



.....  
Gregory W Cliffe  
Partner

Dated 15 March 2024

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## Share Registry

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Level 3, 60 Carrington Street, Sydney, NSW 2000  
Phone: +61 02 8234 5000

## Securities Exchange Listing

Shares are listed on the Australian Securities Exchange (ASX Code: R3D, to be changed to TAT)

## Board Directors

Jihad Malaeb  
Non-Executive Chairman

Stephen Bartrop  
Managing Director

Bruce Hills  
Executive Director

Michael Thirnbeck  
Non-Executive Director

Alistair Lewis  
Non-Executive Director

## Company Secretary

Sonny Didugu

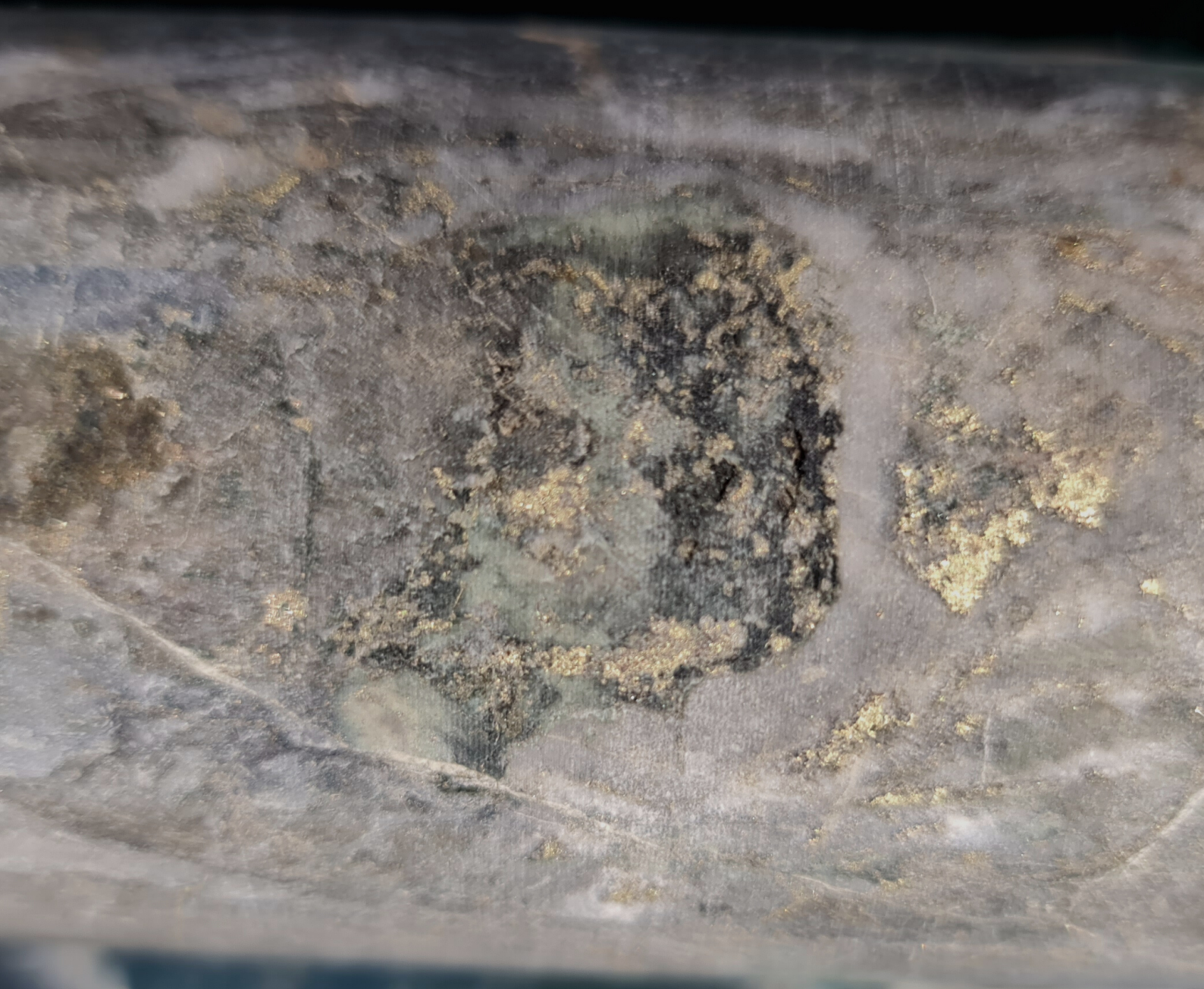
## Auditor

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





RESOURCES



R3D Resources Limited  
(renamed  
Tartana Minerals Limited)  
ABN 53 111 398 040