



ASX RELEASE (21 OCTOBER 2022)

## Encouraging Zinc Intersection and Commencement of Drilling

### Highlights:

- R3D has commenced drilling the Tartana northern oxide zone
- Copper sulphate strategy refined to utilise regional deposits
- Excellent Queen Grade zinc intersection of 12 m at 10.7 % zinc
- Primary (chalcopyrite) resource in the pit being expanded to 100 metres depth

R3D Resources Limited (ASX: R3D) (**R3D** or the **Company**), a significant copper-gold explorer and developer in the Chillagoe Region in Far North Queensland, is pleased to announce that it has commenced a drilling programme designed to cover the northern oxide copper zone and extend the primary (chalcopyrite) mineralisation below the existing in pit resource.

Elsewhere assays from drilling TDH24 at Queen Grade Zinc Project returned the following highly encouraging intersection:

- 12 m at 10.7% Zn, 7.5g/t Ag, 0.15% Cu including individual one metre intersections up to 25.5% Zn

As reported on the 11 July 2022 (see ASX announcement of same date) TDH 24 had intersected approximately 6 m of massive sulphide dominated by sphalerite (zinc sulphide) followed by a further 6 m of semi-massive and banded sulphides from 160.7 m to 172.6 m. True width is estimated 9.0 metres.

In addition, the Company has commenced a 1340 m RC campaign at Tartana with the following objectives:

- Drill the northern oxide copper zone to establish additional heap leach resources
- Deeper drilling of the copper mineralisation in the open pit to extend the recently announced copper resource to a 100 m depth

Oxide copper mineralisation has been intersected in historical drilling north of the existing open pit and potentially represents mineralisation that may be leached for future copper sulphate production. Recent leach testwork on the open pit resource announced on the 21 September 2022 has indicated low leaching recoveries and that the ore predominately comprises primary (chalcopyrite) mineralisation. With this development the Company has decided to conduct drilling which will extend this resource to approximately 100 m depth and review the cut-off grade in line with copper grades associated with conventional sulphide processing. Samples of the mineralisation have also been dispatched to Tomra for testing with ore sorting techniques.

R3D Managing Director Stephen Bartrop commented:

“As exploration advances, the opportunities on the Tartana mining leases are increasing, particularly in relation to primary zinc and copper mineralisation and the current drilling programme is likely to expand our copper resources. Meanwhile staged commissioning plans are being developed for the copper sulphate plant with key items on order, being repaired or installed including the dryer which is being installed next week.”

#### Queen Grade Zinc Project

The Queen Grade zinc skarn mineralisation outcrops on a ridge west of the copper mineralisation and is within the Tartana mining leases. In July 2022 the Company commenced a drilling programme to test depth extensions to the zinc skarn mineralisation defined by historical drilling. This mineralisation has similarities to the King Vol zinc mineralisation which is 800 m further west and owned by Aurora Metals Limited.

As reported to the ASX on the 11 July 2022 the first drillhole TDH 24 intersected approximately 6 m of massive sulphide dominated by sphalerite (zinc sulphide) and which was followed by a further 6 m of semi-massive and banded sulphides from 160.7 m to 172.6 m. True width is estimated 9.0 metres.

Drillhole TDH24 assays have now been returned and indicate the following highly encouraging intersection:

- 12 m at 10.7% Zn, 7.5g/t Ag, 0.15% Cu including individual one metre intersections up to 25.5% Zn

As presented in Figure 1 this intersection is around 30 metres below historical drilling and highlights that the mineralisation is widening and continuous at depth.

Further drilling is pending assays and the Company will develop orebody model with a detailed plans and sections when it has received the assays associated with the Queen Grade drilling. JORC tables were presented in the announcement dated 11 July 2022.

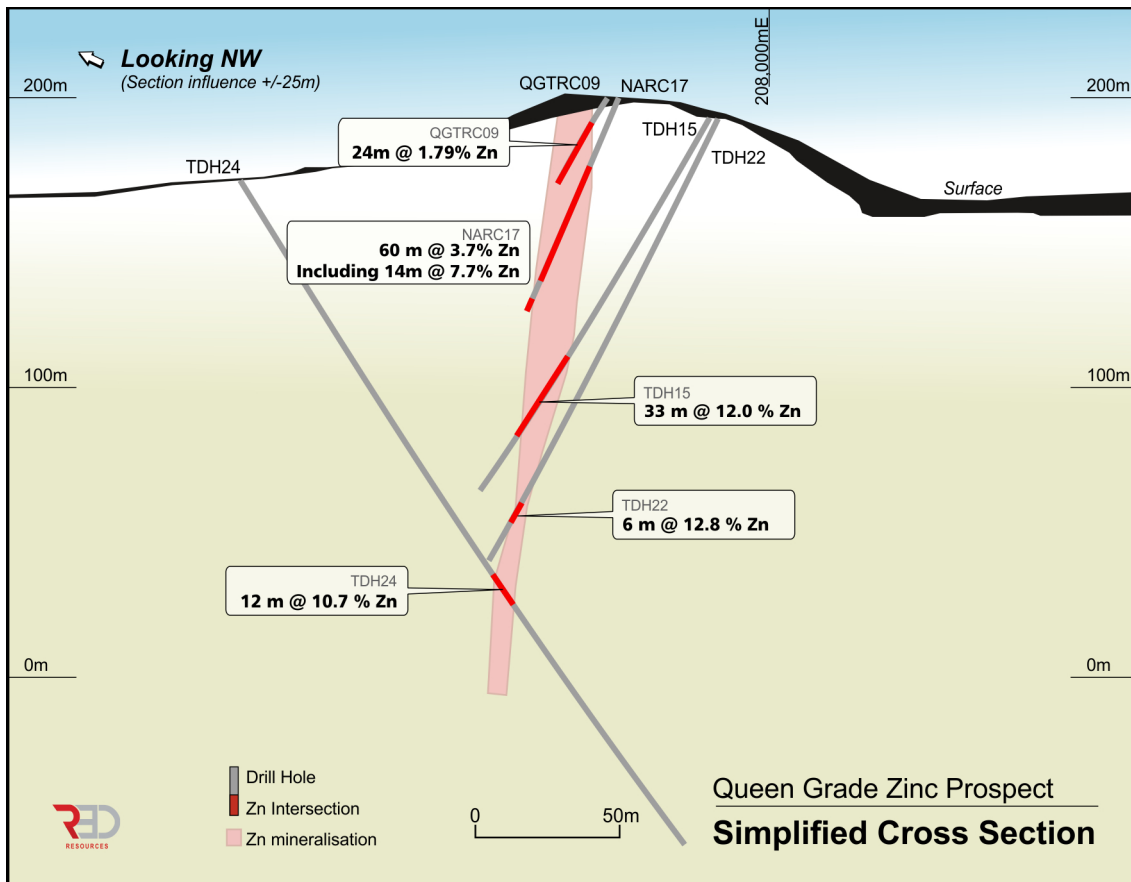


Figure 1: Simplified cross-section of Queen Grade zinc mineralisation showing TDH 24

Significant historical zinc intersections along with TDH 24 is presented above and the mineralisation remains open at depth.

### Tartana Copper Drilling

Activities including drilling, resource estimation, mine design and metallurgical testing have been focused on two key areas where there is known copper mineralisation from historical and recent drilling. As outlined in Figure 2, these key areas are firstly within the shallow open pit and secondly, further to the north in an area called the northern oxide zone.

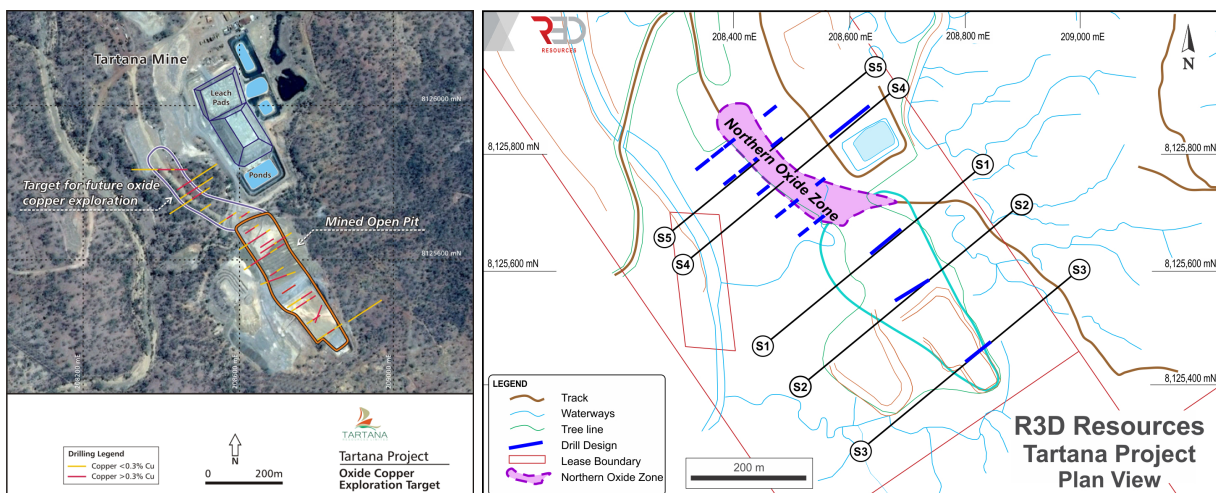


Figure 2. Key copper mineralisation target areas and proposed lines of drilling.

At the Tartana open pit the Company recently reported Indicated and Inferred resources totalling

- 1.9 Mt at 0.56 % Cu for 10.625 tonnes of Cu at a 0.2% Cu cut-off grade

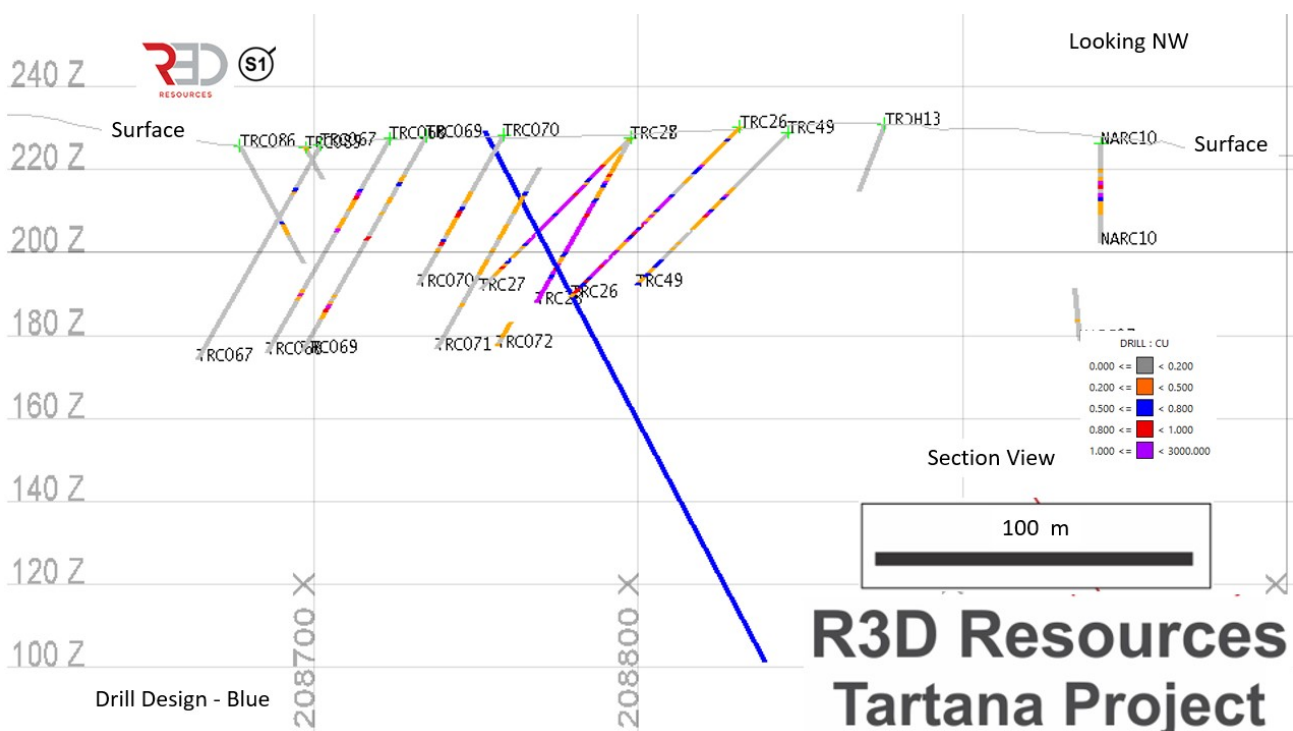
Details of this resource were reported to the ASX on the 21 September 2022 and the resource was based on the supergene zone immediately in the base of the pit and to a depth ranging from 10 metres to 40 metres and based on observed secondary sulphides. However, follow-up leach test work has indicated that the mineralisation is largely primary (chalcopyrite) mineralisation and therefore is more amenable to conventional sulphide processing.

The resource estimation reported to the ASX on the 21 September 2022 included encouraging intersections from the historical pit floor such as:

- TRCH 73: 9 m at 1.55% Cu and 7 m at 1.07% Cu
- TRCH 72: 14 m at 1.01% Cu
- TRCH 63: 39 m at 0.77% Cu

In view of the mineralisation style and the encouraging intersections the Company has proposed a three-hole drilling programme which will allow the estimation of an inferred resource to a depth of approximately 100 metres. The drilling leverages off the historical drilling including 68 holes which have been verified during the recent drilling programme. In addition, historical drilling has often only been assayed for copper and there may be potential silver and other metal credits which will be tested in the current drilling programme.

Separately, the Company has dispatched samples to Tomra for testing for ore sorting. We have been advised that the ore may be amenable to ore sorting given the chalcopyrite-pyrite mineralisation occurs on stockwork veins and bedding planes while the host rock of sandstone and shales remains relatively barren.



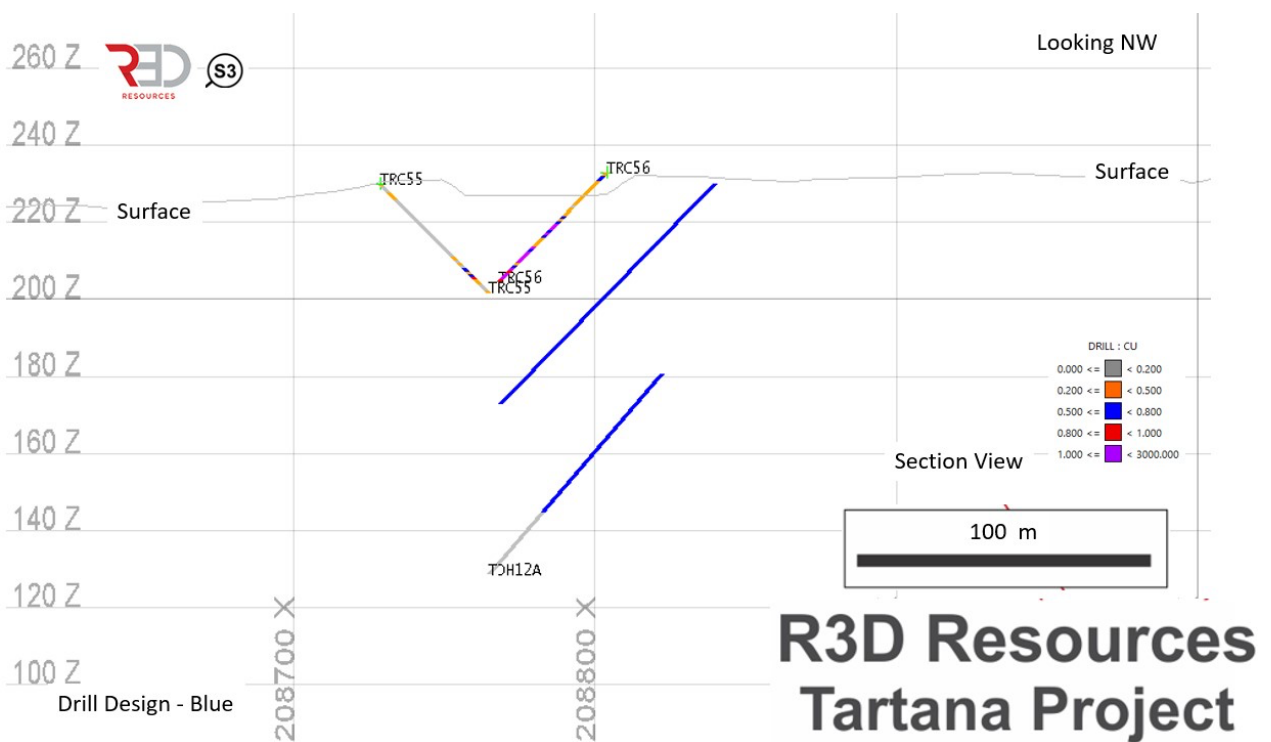
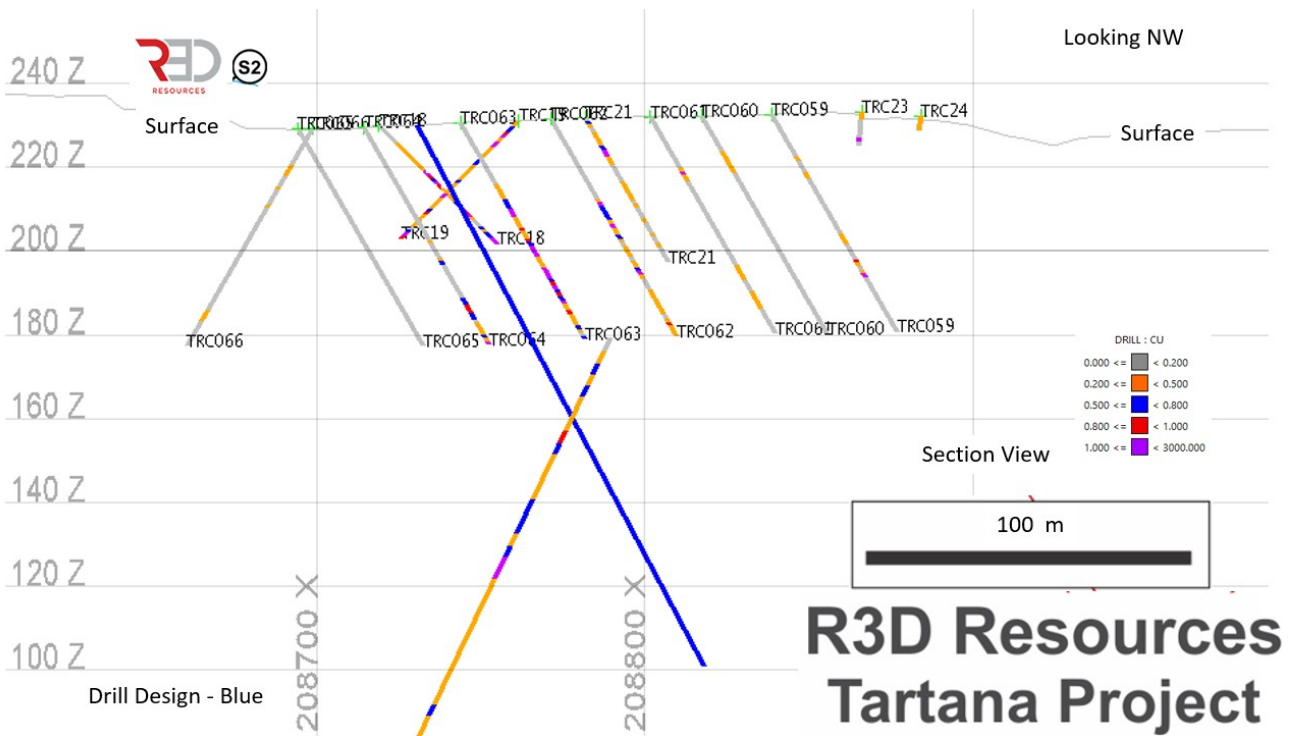


Figure 3. Proposed open pit drilling to expand the existing resource to an approximate 100 metre depth. Proposed holes in blue, historical drilling in grey. Section lines located on Figure 2 plan. Historical drilling JORC tables available with announcement to the ASX dated 21 September 2022 (Supergene Resource Upgrade).

Northern Oxide Copper Zone

The northern oxide copper zone is area north of the open pit which has not been previously mined. The drilling programme will target this mineralisation which is expected to be suitable for heap leaching. The area has also

been subjected to limited drilling with potential supergene and then primary mineralisation below the oxide mineralisation.

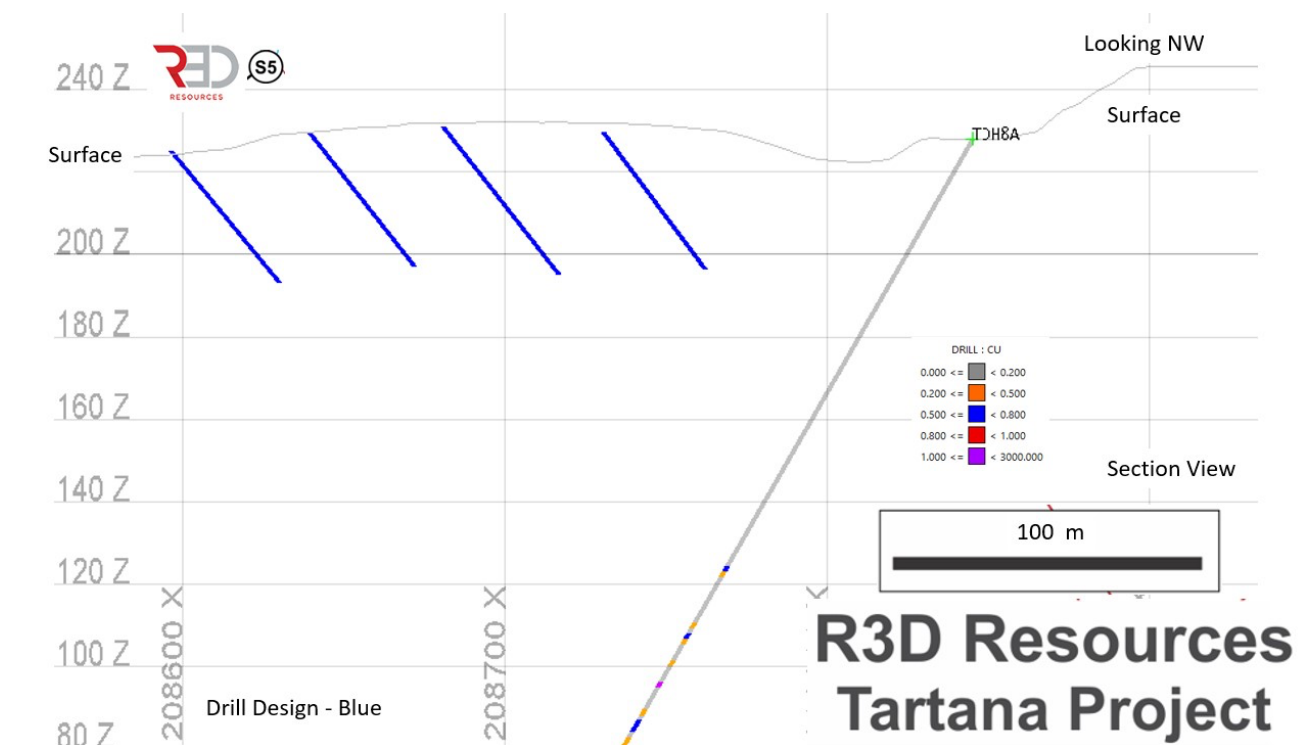
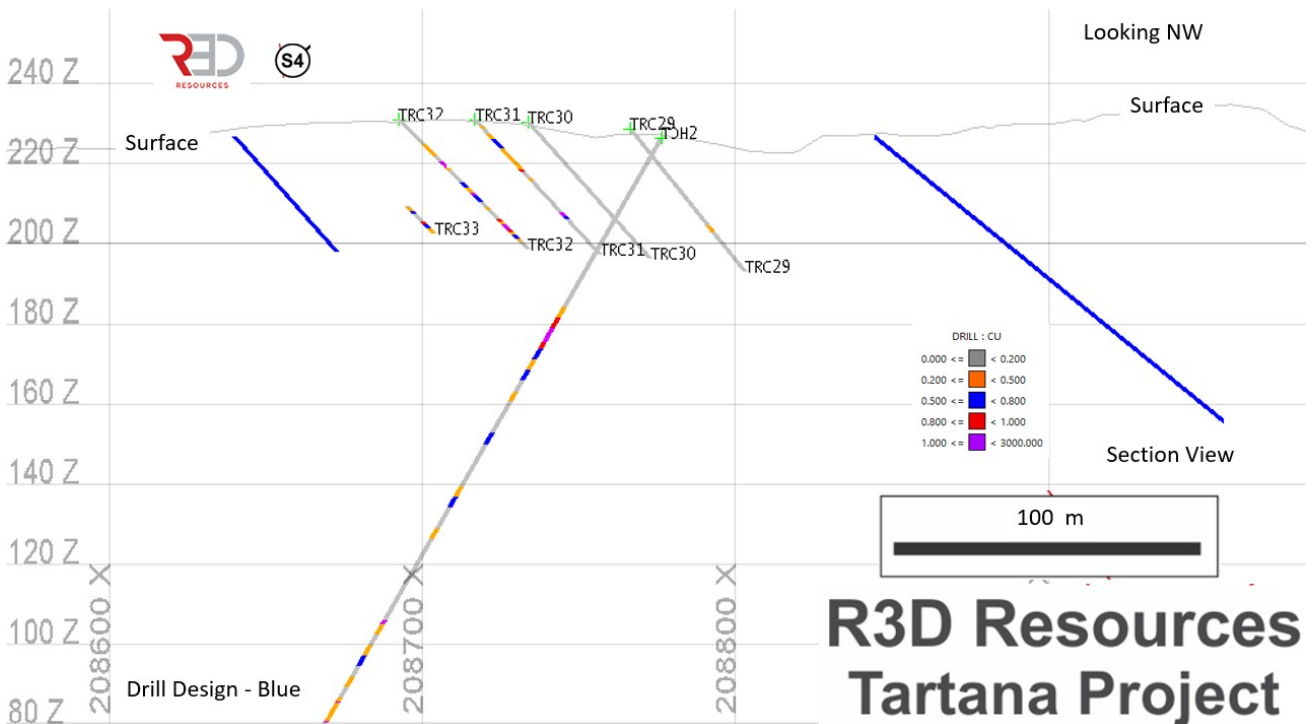


Figure 4. Proposed northern oxide drilling showing Sections S4 and S5 (see Figure 2 for section location) Historical drilling JORC tables available with announcement to the ASX dated 21 September 2022 (Supergene Resource Upgrade).

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

Further Information:

**Stephen Bartrop**

Managing Director

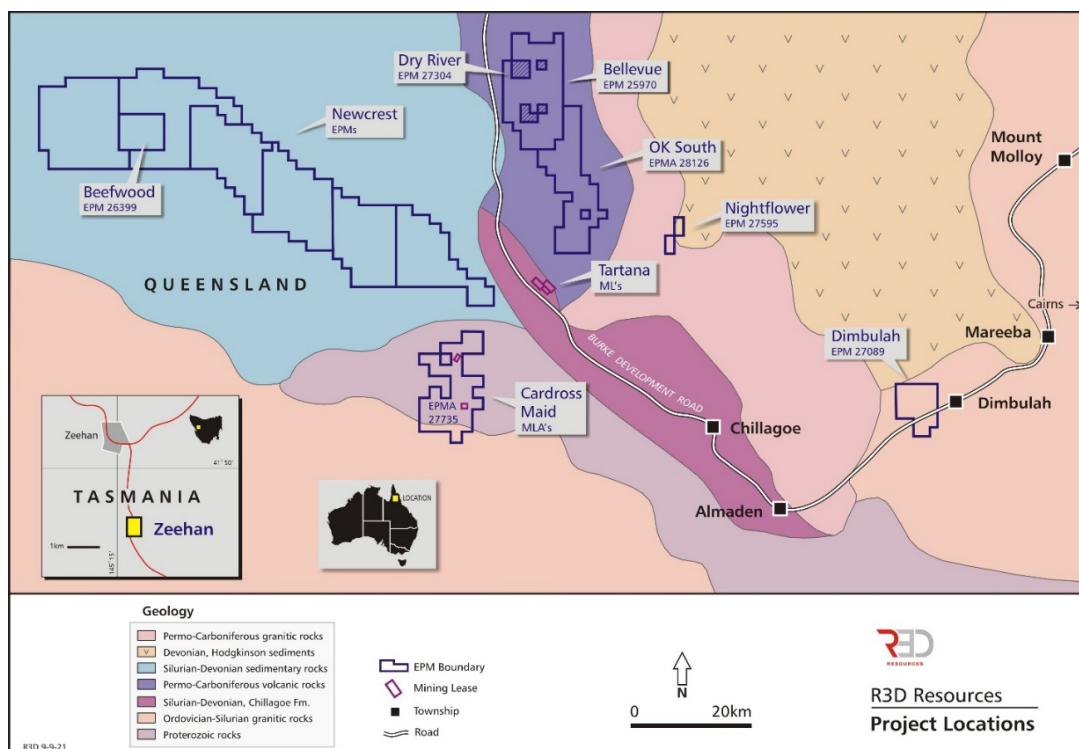
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### About R3D Resources Limited

R3D Resources is a significant copper-gold explorer and developer in the Chillagoe Region in Far North Queensland. R3D owns several projects of varying maturity, with the most advanced being the Tartana mining leases, which contain an existing heap leach – solvent extraction – crystallisation plant. Work has commenced to restart this plant to provide future cash flow through the sale of copper sulphate. In Tasmania, Tartana has secured permitting to excavate and screen for export low-grade zinc furnace slag/matte from its Zeehan stockpiles in Western Tasmania and has been shipping zinc slag to South Korea. These two projects have the potential to generate a strong cash flow to underpin the R3D’s extensive exploration activities in the Chillagoe region.



### Competent Person's Statement

The information in this announcement that relates to Exploration Results and Mineral Resources is based on information compiled by Mr Wayne (Tom) Saunders who is a Fellow of the Australasian Institute of Mining and Metallurgy (AusIMM), and a Member of the Australian Institute of Geologists (AIG). Mr Saunders has sufficient experience that is relevant to the styles of mineralisation and types of deposit under consideration, and to the activity that is being undertaken to qualify as a Competent Person, as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.' Mr Saunders is

an employee of R3D Resources Limited, and consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

The information in this announcement that relates to Exploration Results and Mineral Resources is based on information compiled by Mr Geoff Reed who is a Member of the Australasian Institute of Mining and Metallurgy (AusIMM (CP)), and a Member of the Australian Institute of Geologists (AIG). Mr Reed has sufficient experience that is relevant to the styles of mineralisation and types of deposit under consideration, and to the activity that is being undertaken to qualify as a Competent Person, as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.' Mr Reed is a consultant of R3D Resources Limited, and consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

### **Disclaimer Regarding Forward Looking Statements**

This ASX announcement contains various forward-looking statements. All statements, other than statements of historical fact, are forward-looking statements. Forward-looking statements are inherently subject to uncertainties in that they may be affected by a variety of known and unknown risks, variables and factors which could cause actual values or results, performance or achievements to differ materially from the expectations described in such forward-looking statements.

R3D Resources does not give any assurance that the anticipated results, performance or achievements expressed or implied in those forward-looking statements will be achieved.