



ASX RELEASE (31 OCTOBER 2023)

Copper Sulphate Production Update

Production rate of 4 tonnes per day achieved, ramping up to 8 tonnes per day by end 2023

Highlights:

- Copper Sulphate production at Tartana now 4+ tonnes per day with production commenced last week
- Additional process technicians being hired with a view towards achieving 8 tonnes of daily production on a 24/7 operating basis
- 100% offtake partner, Kanins, to conduct site visit in early November with a view towards ensuring delivery of high quality product and agree pricing 'premium' and have agreed to payment on production
- Copper Sulphate priced by reference to the LME Copper price plus a 'premium' dependent on the quality of the product – with premium expected to be between \$100 per tonne and \$500 per tonne
- R3D affirms expectation to be cash flow positive on an operational basis for Q2 FY24

R3D Resources Limited (ASX: **R3D**) (the **Company**), is pleased to provide an update on its Copper Sulphate Pentahydrate (**Copper Sulphate**) production following entering full scale commercial operation last week.

R3D Managing Director, Stephen Bartrop, commented:

"Our first commercial operations at our Tartana Copper Sulphate plant have been successful, achieving a production rate of over 4 tonnes per day. Buoyed by this initial success, we are confident in our ability to ramp up production to 8 tonnes per day later this year, once we secure additional process technicians to support a 24/7 operation basis.

"We affirm our expectation of being cash flow positive on an operational basis for Q2 FY24. We have the support of our 100% offtake partner, Kanins who are the market leaders in Copper Sulphate sales in Australia who have also committed to offering us payment on production through this initial period.

"Our immediate focus is to ramp up production into 24/7 operation and ensure our product quality is enabling us achieving the highest possible premium for our product."

Copper Sulphate contains ~25% Copper and is accordingly priced by reference to the LME Copper price plus a premium dependent on the quality of the product. Premiums can range from \$100 per tonne through to over \$500 per tonne for Copper Sulphate that is suitable for agricultural purposes. The Company considers that its product is of a sufficient quality to warrant a premium on the upper end of that scale.

R3D Resources Limited (ASX: R3D)

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Kanins, our 100% offtake partner, is the market leader in Copper Sulphate sales in Australia. Kanins will be conducting a site visit in November to, amongst other things, assess our product quality and propose pricing terms for our initial production. Relying on their significant experience, Kanins will also be supporting a process improvement review as we look towards ramping production to 8+ tonnes of Copper Sulphate per day in the coming months. Additionally, the first of two new process technicians have been hired to support Copper Sulphate production.



Figure 1. 1(a) Copper Sulphate precipitating in one of the chillers. 1(b) Bags of Copper Sulphate.

Across our other projects, the Company notes it expects to continue to receive cash from final shipments of Zeehan Zinc slag and continues to be in discussions with parties on the future processing of Zeehan tailings – both of which will also materially improve the Company’s cash position.

ENDS

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

Further Information:

Stephen Bartrop

Managing Director

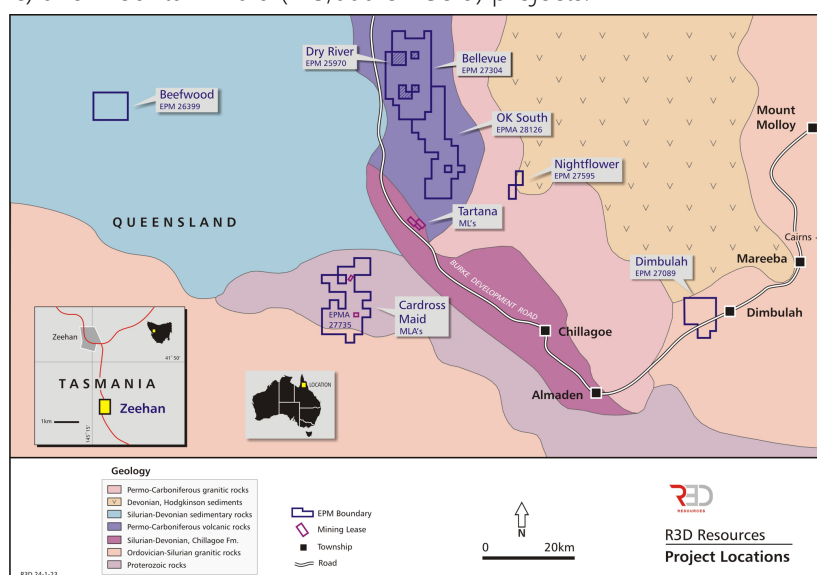
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About R3D Resources Limited

R3D Resources (to be renamed Tartana Minerals, subject to shareholder approval) is a significant copper, gold, silver and zinc explorer and developer in the Chillagoe Region of 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 nestled between its Tartana (45,000 tonnes Copper) Queen Grade (39,000 tonnes Zinc) and Mountain Maid (415,000 oz Gold) projects.



The Company confirms that in respect of the Tartana MRE dated 9 February 2023, the Queen Grade MRE dated 14 February 2023, and the Mountain Maid MRE dated 20 February 2023, it is not aware of any new information or data which materially affects the information included in the relevant market announcement, and all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed.

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.