



ASX RELEASE (20 OCTOBER 2022)

Appointment of Chairman & Director Loan

Highlights:

- Mr Jihad Malaeb, an experienced company director and entrepreneur, has been appointed Chairman;
- Mr Malaeb will provide a \$500,000 unsecured loan note to the Company on attractive terms to support the Tartana plant restart and other activities;
- Subject to shareholder approval, loan note will become convertible into shares at \$0.15 - over an 85% premium to yesterday's close;
- Outgoing Chairman, Mr Richard Ash will retire and not seek re-election at the upcoming 2022 AGM.

R3D Resources Limited (ASX: R3D) (**R3D** or the **Company**), advises that Mr Jihad Malaeb has been appointed Chairman with effect from today, and intends to execute a \$500,000 loan note from Mr Malaeb on attractive terms.

Appointment of Mr Malaeb as Chairman

Mr Malaeb is an experienced entrepreneur across a number of industries including hospitality and construction, as well as having significant experience in mineral exploration and mining operations – both as an active investor and company director. Mr Malaeb has been a director of the Company since June 2022 and is a material shareholder in R3D having participated in capital raisings completed earlier this year.

Incoming Chairman, Jihad Malaeb commented:

"I am excited to be appointed the Chairman of R3D as we enter a critical phase of our Tartana copper sulphate plant restart activities over the coming months which will provide key cash flow positive income streams to support our broader, highly prospective, exploration portfolio.

"In this new expanded role, I am looking forward to helping steer R3D through this period, bringing to the Company my significant business and entrepreneurial experience as well as my experience in mineral exploration and mining operations including most recently at Critical Resources Limited."

Chairman Loan Note

Mr Malaeb has also agreed to provide the Company with a \$500,000 working capital loan, to be in the form of a loan note (the **Loan Note**). The Loan Note is considered by the Board (excluding Mr Malaeb) to be on terms favourable to the Company particularly considering current market and economic conditions.

Subject to shareholder approval to be sought at the upcoming 2022 Annual General Meeting, the Loan Note will become a Convertible Loan Note with a \$0.15 conversion price. This represents an over 85% premium to the closing price on 19 October 2022. Further terms of the Loan Note are annexed to this Announcement.

R3D Resources Limited (ASX: R3D)

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r3dresources.com.au

Chairman Remuneration

As Chairman, Mr Malaeb will be paid \$50,000 per annum – in line with the remuneration of the outgoing Chairman. In addition, Mr Malaeb has agreed to provide additional management and advisory services to the Company to support the Tartana copper sulphate plant restart and other activities. For these services, Mr Malaeb will enter into a consultancy agreement with the Company and be paid \$110,000 per annum for those services for as long as those services are provided.

The terms of Mr Malaeb's remuneration will otherwise be on terms customary for agreements of this nature.

Annual General Meeting

The 2022 Annual General Meeting is expected to be held by the Company at its registered office on or around 29 November 2022.

The Company expects to seek shareholder approval for Mr Malaeb's Loan Note to become a Convertible Loan Note at the 2022 AGM and will additionally seek shareholder approval for the directors to participate in a placement at \$0.10 to raise a total \$330,000 from the directors (see ASX Announcement: 15 July 2022). Director participation in the \$0.10 placement includes \$100,000 from Mr Malaeb (in addition to the Loan Note) and \$100,000 from the Managing Director, Stephen Bartrop.

Additionally, outgoing Chairman Mr Richard Ash has advised that he will retire and not seek re-election at the upcoming 2022 AGM.

Mr Ash was instrumental in the completion of the reverse takeover of Tartana Resources Limited by the Company, and the subsequent relisting of R3D Resources on the ASX in July 2021. The Company thanks him for his support and guidance over that time.

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

Further Information:

Stephen Bartrop

Managing Director

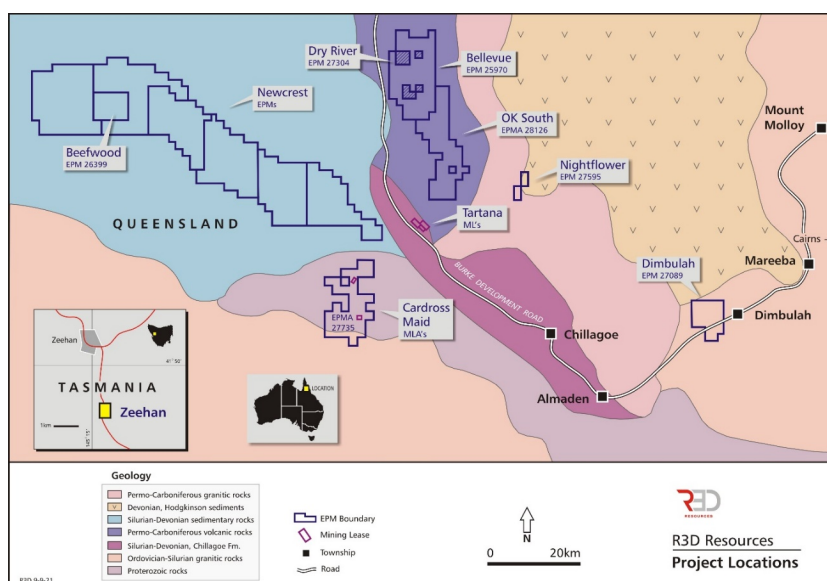
R3D Resources Limited

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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.



Loan Note Terms

Lender	Mr Jihad Malaeb
Borrower	R3D Resources Limited
Loan Amount	\$500,000 in a single advance
Interest Payments	15% per annum paid monthly in cash
Commencement Date	19 October 2022
Maturity	31 October 2023
Repayment	Repaid in cash at maturity
Security	The Loan Note will be unsecured.
Arms Length Terms	The Directors (other than Mr Malaeb) confirm that in their opinion, the terms of the Loan Note are as favourable to the Company if not more favourable to the Company than would be reasonable in the circumstances if the Company and Mr Malaeb were dealing at arm's length.
Shareholder Approval	The Company does not consider shareholder approval to be required for the Loan Note, however subject to shareholder approval to be sought at the 2022 AGM (and on terms to be finalised between the Company and Mr Malaeb), the Company will seek shareholder approval under ASX Listing Rule 10.11 and for all other purposes for the Loan Note to become a Convertible Loan Note which will include the capability for the Lender to elect that the Loan Note be repaid by issue of fully paid ordinary shares in the Company at a conversion price of \$0.15 per share amongst other things.