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## **ACQUISITION OF INTEREST IN SOUTHERN CROSS GOLD OPERATIONS**

3D Resources Ltd. (“3D Resources” or “the company”) is pleased to announce its participation in the acquisition of the assets of Southern Cross Operations, one of Australia’s premiere gold belts.

### **Background**

3D Resources has negotiated to acquire a free carry participation in an acquisition by a Chinese company, China Hanking Holdings Ltd. (“Hanking”), a Hong Kong Stock Exchange listed company.

Hanking has today finalised agreement to acquire the assets of Southern Cross Operations from St. Barbara Ltd with the purchase price, together with the assumption of rehabilitation obligations applying to the tenements being acquired, representing a total acquisition cost of in excess of \$30million. 3D has been advised that a deposit has been paid with the balance of purchase monies payable on satisfaction of normal approvals for this type of transaction, including the approval from the Foreign Investment Review Board of Australia (FIRB).

Hanking is a Hong Kong listed international mining company with more than 20 years mine development and operational experience and with mine operations in China, Indonesia and now Australia.

### **15% Net Profit Interest (NPI) Agreement**

Under its agreement with Hanking, 3D Resources is entitled to a 15% Net Profit Interest from all profits generated by gold production from the extensive tenement package purchased from St Barbara and from any toll treatment from outside tenements using the Marvel Loch gold processing plant.

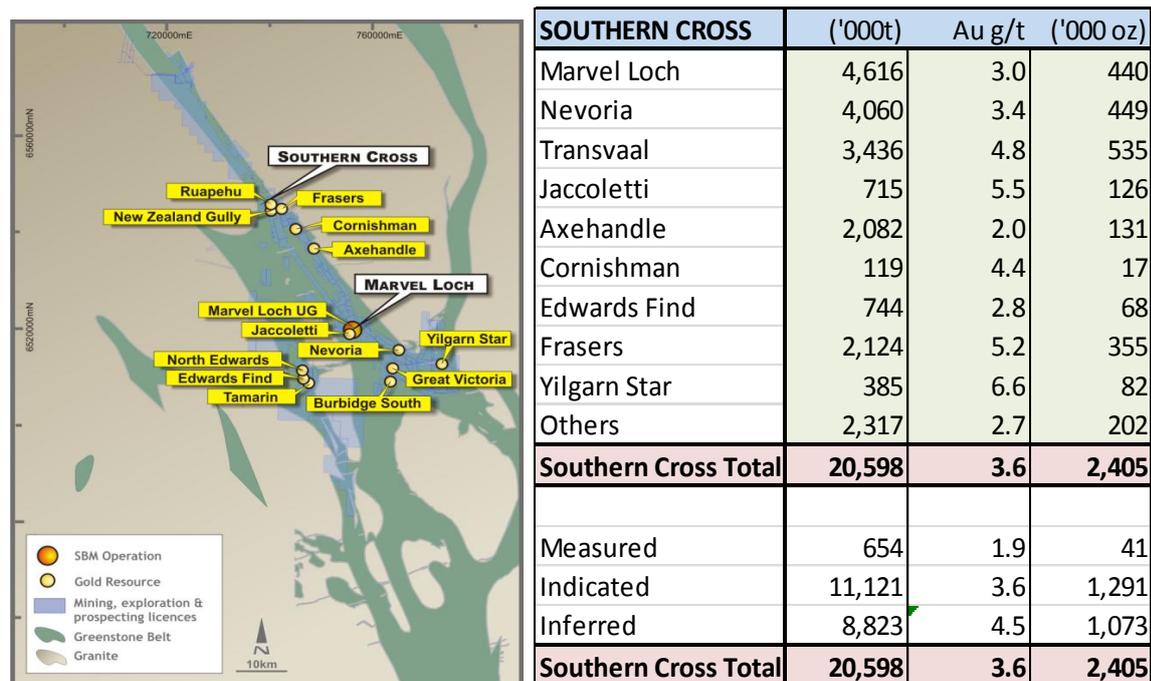
The principal terms are as follows:

- ❖ The Net Profit is determined under the specific terms of the agreement but in summary, the key terms are:-
  - Income represents the total sales of gold from the Southern Cross tenements in any NPI Year, together with any toll treatment charges applicable to the treatment of third party ores .
  - Costs and allowable deductions shall be:-
    - all direct operating costs required to run the Southern Cross Operations and processing facility ;
    - depreciation charges for capital items purchased after the acquisition ;
    - amortisation charges for development of the mines ;
    - interest charges on loans used to develop the mine.
- ❖ The 15% Net Profit is to be calculated annually (Year end 31 December) and payable within 3 months from the end of each calendar year ;
- ❖ As part of ensuring the operations return to production, Hanking is committed to invest a minimum of \$50million on developing the Southern Cross Operations ;
- ❖ 3D Resources retains the right to audit the accounts ; and
- ❖ 3D Resources obtains a first right of refusal in the event that the Operations are sold by Hanking.

As Hanking and St. Barbara have now executed a binding purchase agreement for the sale of the assets of Southern Cross Operations, subject only to obtaining various approvals, the 15% Net Profit Interest Agreement will come into effect on settlement of the sale.

## The Southern Cross Operations

The Southern Cross Operations comprise a package of tenements that cover approximately 120km of the highly prospective Southern Cross greenstone belt that historically has produced in excess of 8million ounces of gold and currently holds JORC reported Measured, Indicated and Inferred resources of approximately 2.4 Million ounces (Moz) of gold. The acquisition also involves the Marvel Loch processing plant that was recently placed on Care and Maintenance by St Barbara.



Summary of the Resource Statement produced by St Barbara Ltd (30 June 2012)

The Southern Cross gold belt contains resources of 20,598,000tonnes at an average grade of 3.6g/t Au(as tabulated above) of which more than 50% are accessible via open cut development. The current mill at Marvel Loch is well located in the region to provide a central processing facility to all these resources and most are serviced by an internal haul road for trucking ore directly into the mill.

Internal assessment of the Southern Cross Operations by 3D Resources has shown that most of the 2.4million ounces in resources are commercially viable at the current gold price, with the objective being to optimise the profitable development of these extensive resources to feed the Marvel Loch plant.

Subject to feasibility Hanking is committed to spend a minimum of \$50 million on mine development which is designed to re-establish production over the next 12 months. This program of development aims to build gold production from historic levels of around 100,000 ounces per year to around 180-200,000 ounces per annum through fully utilising the Marvel Loch plant processing capacity of 2.4 million tonnes per annum.



The profit share agreement between 3D Resources and Hanking allows 3D Resources to participate in this major gold acquisition and development project without having to raise the substantial capital required to make the acquisition or complete the development of the mine.

**Information in this "ASX Announcement" relating to Exploration Results and geological data has been compiled by Mr. Peter Mitchell who is a Member of the Australian Institute of Mining and Metallurgy and is Managing Director of 3D Resources Ltd. He has sufficient experience that is relevant to the types of deposits being explored for and qualifies as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (JORC Code 2004 Edition). Peter Mitchell has consented to the release of the announcement.**

**13 January 2013**

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