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Activities Report for the Quarter Ending 30 September 2012

Highlights

- **3D finalizes arrangements with potential funder to participate in possible acquisition of presently producing Australian gold project,.**
- **3D has entered into a joint venture on its East Kimberly (EK) project with Cazaly Resources (ASX:CAZ) to advance this project at a low risk for the Company.**
- **3D increases its interest & focus in its Cosmo Newbery project. The Company now has a major stake in the underexplored Cosmo Newbery greenstone belt through increasing its tenement holdings by way of acquisitions, including exercising an option and a further tenement application.**

Corporate Activity

Following execution of a conditional purchase offer (subject to Due Diligence and finance) to acquire a major Australian producing gold project in the previous quarter, the Company has spent a considerable amount of time in the last quarter in discussions with potential funders both in Australia and overseas. Due diligence of the project revealed funding requirements in the order of \$80 to \$100 million to acquire and develop the project and assumption of certain risks which needed to be managed. While the Company received several funding proposals ultimately it chose to pursue any possible acquisition by way of free carry participation in an offer being prepared by a Chinese group who is seeking to invest in the project directly. Such arrangements if successful would eliminate all project and funding risks and potentially provide a greater return particularly in the early years of the project. Currently the Chinese funding party is in direct negotiations with the seller to acquire the project and 3D Resources will announce further details when and if the acquisition is concluded.

The company has also made significant progress on its Cosmo Newbery project which it wishes to focus on in the short term. The company has now made application for an additional exploration license on the Eastern edge of its existing tenement package (E38/2274, 75% owned by 3D), and has also exercised an option to acquire E38/1813 (on the eastern edge of E38/2274 & E38/2054). A

further Exploration License on the Western edge of the existing tenement package is in the process of being negotiated to be acquired and is expected to be finalized in the very near future. With the exploration areas now largely defined, the Company hopes to finalize its formal access negotiations with the Cosmo Newbery Aboriginal Corporation to gain access to this expanded area and map out an intensive exploration program for this promising greenfields opportunity.

Negotiations have also been concluded with Cazaly Resources to joint venture the Company's existing East Kimberly areas in a push to evaluate the commercial potential of the VMS style copper-lead-zinc deposits in the region. Under the joint venture agreement the Company will divest up to 75% of the project in order to advance the project, reduce the project risks, and to defray exploration and holding costs further enabling the company to focus on the Cosmo Newbery project in the near future.

Cash Position

The Company will receive cash funds from the settlement of the East Kimberly project and this along with its present cash position will be sufficient for the initial work required on the Cosmo Newbery project. The Company will look at a further capital raising in the 1st quarter of 2013 to then advance the full exploration program at Cosmo Newbery.

Indonesia

The Company is continuing to monitor opportunities for investment in Coal and other suitable projects in Indonesia but remains cautious given changes to the Indonesian mining laws and its awareness that in recent times foreign investors have been known to have had difficulties with ownership issues. The Company sees Indonesia as offering opportunity but also recognizes risks associated with operating there. The company continues to look for appropriate small to medium scale high quality coal projects.

Other

The Company will also be continuing to look at other suitable projects both within Australia and overseas that fit the Company's profile, and that may be opportunistic for the Company's advancement.

East Kimberly Project

The company has entered into a joint venture agreement with Cazaly Resources (ASX: CAZ) to joint venture its East Kimberly copper project. Under the terms of the joint venture Cazaly will have the right to earn up to 75% of the Kimberly copper/base metal project including the Mt. Angelo North Cu-Ag-Zn and Mt. Angelo Porphyry Copper prospects. A tenement sale, farm in and joint Venture Agreement have been negotiated on terms which include :

- Payment of \$100,000 cash and 1,250,000 fully paid Cazaly shares for the purchase of an initial 20% interest;
- Payment of a further \$100,000 cash and a further 1,250,000 fully paid Cazaly shares and the expenditure of \$500,000 within 24 months to earn a further 31% (total 51%);
- Completion of a pre-feasibility study within 36 months to go to 75% ownership;
- On a positive pre-feasibility study or on the sale or joint venture of the project by Cazaly the Company shall be entitled to receive an additional \$500,000 in Cazaly shares.

The Company considers that the Cazaly joint venture will advance the East Kimberly project, reduce the Company's project risk, and enable the Company to defray the associated holding and exploration (including Pre-Feasibility costs) costs whilst retaining an ongoing 25% interest should the project prove feasible.

Cosmo Newbery Project

The company has recently applied for a new exploration license covering the Eastern edge of the greenstone belt that adjoins the existing tenements held by the company and is in advanced discussions with a further group that holds another exploration on the western edge of the Greenstone belt. To further increase its holding in this prospective area, the Company has also exercised its option to acquire E38/1813. These actions are a prelude to concluding an access agreement with the Cosmo Newbery Aboriginal Corporation and commencing an intensive exploration program. The Company is continuing to negotiate further ground holding in the project area.

The Company's Cosmo Newbery tenements, covers a significant portion of the under explored Cosmo Newbery greenstone belt which is considered to be one of the most under-explored large greenstone belts in the Eastern Goldfields. There is a number of historical gold workings in the immediate vicinity of the Cosmo Newbery township, but much of this greenstone belt is masked by cover that has constrained exploration in the past. The company intends to commence early modern exploration on this project as soon as the finalization of an access agreement is completed with the Cosmo Newbery Aboriginal Corporation.

The available data now accessed and collated, is being digitised and modernised to allow meaningful exploration activity to take place. Independent reviews of the data and information set have highlighted the prospectivity of the area and the need for further advanced exploration. Discussions with the indigenous prospectors from the area and their recent work on the ground are also helping with the collating of the new data base.

The Company has completed its review of available data, including recent information received and so has prepared a program of exploration to allow it to commence once access arrangements are finalized.

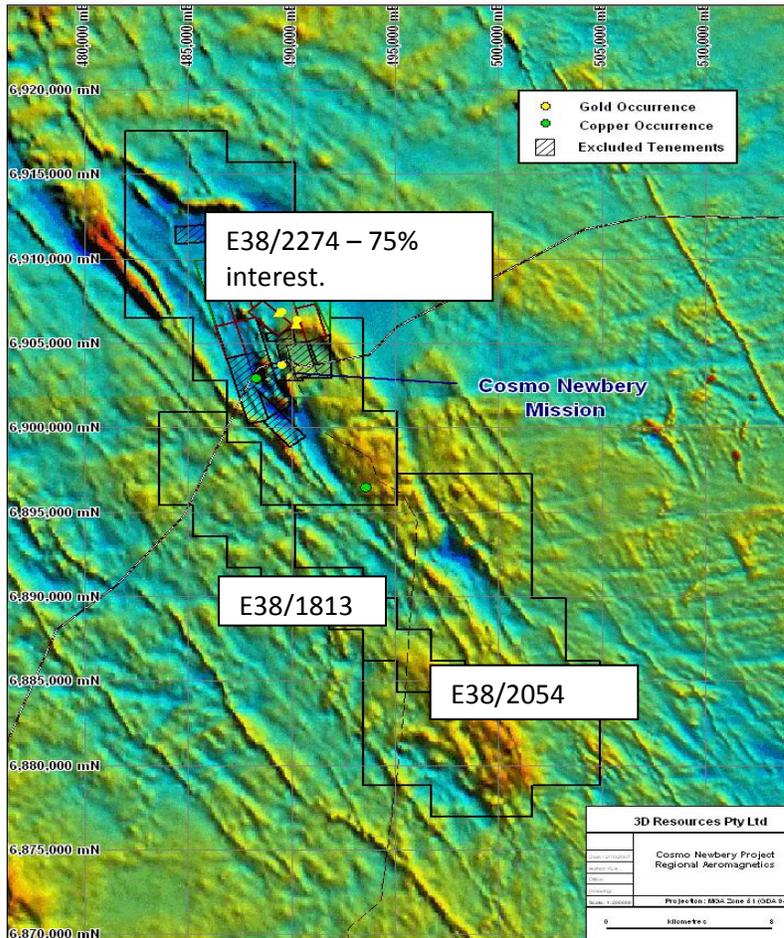


Fig 1: Present granted tenements held by 3D Resources and the regional Aeromagnetics.

Information in this “ASX Announcement” relating to Exploration Results and geological data has been compiled by and reviewed by the Managing Director of 3D Resources Limited, Mr. Peter Mitchell who is a Member of the Australian Institute of Mining and Metallurgy. 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).

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