
HEAVILY OVERSUBSCRIBED PLACEMENT AT 50% PREMIUM AND PROPOSED FULLY UNDERWRITTEN RIGHTS ISSUE

HIGHLIGHTS

- ✓ **Heavily oversubscribed** private placement at a **50% premium** to last traded share price, to raise \$549,224
- ✓ **Fully underwritten** proposed 1 for 3 Rights Issue to raise approximately \$1,400,000
- ✓ Funds will be used primarily for **accelerated exploration and development of the Cármenes high grade cobalt-copper-nickel-gold project** in Spain
- ✓ Ensures Riedel is fully funded as it pursues its new strategic objective of securing and **developing cobalt and tech-energy related metals** opportunities in Europe

Share Placement

Riedel Resources Limited (ASX:RIE) ("**Riedel**") is very pleased to announce it has received firm commitments from non-related party professional and sophisticated investors to raise \$549,223.98 (before costs) by the issue of 36,614,932 fully paid ordinary shares at an issue price of \$0.015 (1.5 cents) ("**Placement**").

The Placement issue price **represents a 50% premium to the last traded price** of Riedel shares on the ASX of \$0.01 (1 cent) and a 49.64% premium to the 30 day volume weighted average price up to and including Friday, 21 July 2017. **No additional options are attached to the Placement shares.**

In relation to the heavily oversubscribed Placement, Riedel's Executive Chairman, Mr Jeffrey Moore said *"Riedel is delighted with the overwhelming demand it has received for its Placement and the pricing at a premium to market demonstrates investor confidence in the new strategic direction Riedel is pursuing, the quality of the assets to be acquired and their development potential"*.

The Placement shares will be issued within Riedel's current 15% capacity under ASX Listing Rule 7.1.

Proposed Fully Underwritten Rights Issue

Riedel is also proposing to undertake a fully underwritten pro-rata non-renounceable rights issue to raise up to \$1,403,572.52 (before costs) ("**Rights Issue**"). It is proposed that Shareholders of Riedel will be offered 1 new fully paid ordinary share for every 3 shares held by eligible shareholders on the record date for determining entitlements (see timetable below), at an issue price of \$0.015 (1.5 cents).

Riedel intends to conduct the proposed Rights Issue pursuant to an offer made under a transaction specific prospectus ("**Prospectus**") expected to be lodged in the coming days.

Indicative Timetable

An indicative timetable for the proposed Rights Issue is set out below.

Lodge Prospectus and Appendix 3B with ASIC and ASX	Wednesday – 2 August 2017
Notice of Rights Issue sent to all shareholders	Thursday – 3 August 2017
Rights Issue Ex-Entitlement Date	Friday – 4 August 2017
Rights Issue Record Date (date for shareholder entitled to participate in the Rights Issue)	5:00pm (WST) Monday – 7 August 2017
Prospectus and Rights Issue documentation sent to eligible shareholders	Wednesday – 9 August 2017
Opening date for Rights Issue offer	Wednesday – 9 August 2017
Rights Issue Closing Date	Friday – 18 August 2017
New shares quoted on a deferred settlement basis	Monday – 21 August 2017
Notice of ASX of shortfall under Rights Issue	Wednesday – 23 August 2017
Issue of new shares and despatch of holding statements	Friday – 25 August 2017
Normal trading commences	Monday – 28 August 2017

** The indicative timetable is subject to ASX Listing Rules and the above dates may be changed by Riedel without notice.*

Proposed Use of Funds

In addition to Riedel's current cash at bank (\$1,018,000 as at 31 March 2017), the funds raised from the oversubscribed share Placement and proposed fully underwritten Rights Issue of \$1,952,796 (before costs) will be used primarily for the **accelerated exploration and development** activities pursuant to the Joint Venture Agreement for the **Cármenes historic high grade cobalt (Co), copper (Cu), nickel (Ni) and gold (Au) mines**.

Please refer to Riedel's separate announcement to ASX of today's date in this regard ('Riedel to Acquire Historical High Grade Cobalt-Copper-Nickel-Gold Project in Spain').

Proposed Capital Structure

Below is a summary of the proposed capital structure following completion of the Placement and proposed Rights Issue:

Current shares on issue (Top 20 shareholders hold more than 73% of issued capital)	244,099,553
Oversubscribed Share Placement	36,614,932
Proposed 1 for 3 Rights Issue	93,571,495
Total Shares on Issue	374,285,980
Market Capitalisation @ \$0.015 Issue Price	\$5,614,289
Proposed Cash on Hand after Capital Raisings*	\$2,970,796

* Proposed Cash on Hand after Capital Raisings based on 31 March 2017 cash balance

For Further information, please contact:

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Forward Looking Statements

This announcement contains forward-looking statements which incorporate an element of uncertainty or risk, such as 'intends', 'may', 'could', 'believes', 'estimates', 'targets' or 'expects'. These statements are based on an evaluation of current economic and operating conditions, as well as assumptions regarding future events. These events are, as at the date of this announcement, expected to take place, but there cannot be any guarantee that such events will occur as anticipated or at all given that many of the events are outside Riedel's control.

Accordingly, neither Riedel nor any of its officers, employees or advisors gives any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this announcement will occur as described, within any timeframe described, or at all.