

## NON-RENOUNCEABLE PRO RATA RIGHTS ISSUE Lodgment of Prospectus and Amended Timetable

**Riedel Resources Limited** (ASX:RIE) ("Riedel") refers to its previous announcement dated 26 July 2017 ('Heavily Oversubscribed Placement at 50% Premium and Proposed Fully Underwritten Rights Issue').

Riedel is pleased to announce it has lodged with the Australian Securities & Investments Commission a prospectus (**Prospectus**) for a non-renounceable pro rata rights issue to eligible shareholders, to raise up to \$1,403,572 (before costs) (**Rights Offer**). The Prospectus also provides for an offer of shortfall shares under the Rights Offer for which valid applications are not received.

The Rights Offer is made on the basis of one (1) fully paid ordinary share in the Company for every three (3) fully paid ordinary shares held by Australian and New Zealand registered shareholders on the record date (described below), at an issue price of \$0.015 each.

The Prospectus, together with details entitlements under the Rights Offer, will be provided by Riedel to eligible shareholders.

The timetable for the Rights Offer has been amended to that set out in the table below. These dates are indicative only and may change, subject to the requirements of the ASX Listing Rules.

Event	Target Date
Announcement of Rights Offer	26 July 2017
Prospectus lodged with ASIC and ASX (Appendix 3B lodged with ASX)	2 August 2017
Notice of Rights Offer sent to option holders	3 August 2017
Notice of Rights Offer sent to shareholders	4 August 2017
Ex-date – shares begin trading without the right to participate in the Rights Offer	7 August 2017
Record date	8 August 2017
Prospectus and Entitlement & Acceptance Forms sent to eligible shareholders	10 August 2017
Opening date for Rights Offer	10 August 2017
Last date to extend closing date	16 August 2017
Closing date of Rights Offer (if not extended)	21 August 2017
New shares quoted on a deferred settlement basis	22 August 2017
Notice to ASX of shortfall	24 August 2017
Issue of new shares	28 August 2017
Normal trading commences	29 August 2017
Despatch of holding statements	30 August 2017

For further information in relation to the above, please contact the Company Secretary, Henko Vos, on +61 (0)8 9463 2463 or [henko.vos@nexiaperth.com.au](mailto:henko.vos@nexiaperth.com.au).

**Riedel Resources Limited**  
ACN 143 042 022



## **PROSPECTUS**

### **Non-Renounceable Pro-Rata Rights Issue**

#### **Rights Offer**

Each Eligible Shareholder has the opportunity to participate in the non-renounceable pro-rata offer of 1 New Share for every 3 Shares held at the Record Date, at an issue price of \$0.015 per New Share to raise up to approximately \$1,403,572 (before costs). Refer to Section 2.1 for further details.

#### **Shortfall Offer**

An offer to the public (including Eligible Shareholders) to subscribe for New Shares under the Shortfall to the Rights Offer at an issue price of \$0.015 per New Share. Refer to Section 2.2 for further details.

#### **Underwriting**

The Offers are fully underwritten to \$1,403,572 by Oracle Securities Pty Ltd on a conditional basis. Refer to Sections 2.3 and 8.2(b) for further details.

#### **Offer Period**

The Rights Offer opens on 10 August 2017 and closes at 5.00pm (WST) on 21 August 2017 (unless extended).

#### **IMPORTANT NOTICE**

This Prospectus, as well as the accompanying Entitlement and Acceptance Form and Shortfall Application Form, contain important information. Each document should be read in its entirety. Applicants who have any questions about the Rights Offer or this Prospectus should speak to their professional advisors. The New Shares offered by this Prospectus should be considered speculative.

# Corporate Directory

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## Directors

Jeffrey Moore  
(Executive Chairman)

Alexander Sutherland  
(Non-Executive Director)

Scott Cuomo  
(Non-Executive Director)

## Joint Company Secretaries

Henko Vos

Abby Siew

## Registered Office

Suite 1, 6 Richardson Street  
West Perth, Western Australia  
Australia 6005

T: +61 8 9226 0866

F: +61 8 9486 7375

E: [admin@riedelresources.com.au](mailto:admin@riedelresources.com.au)

## ASX Codes

RIE – Ordinary Shares

RIEO – Options

## Website

<http://www.riedelresources.com.au>

## Underwriter

Oracle Securities Pty Ltd  
Level 1, 143 Hay Street  
Subiaco, Western Australia 6008

Corporate Authorised Representative (336714)  
of RM Capital Pty Ltd (AFSL 221938)

T: +61 8 9385 3993

F: +61 8 9385 3993

E: [admin@oraclesecurities.com.au](mailto:admin@oraclesecurities.com.au)

## Solicitors to the Offers

Jackson McDonald Lawyers  
Level 17, 225 St Georges Terrace  
Perth, Western Australia  
Australia 6000

## Share Registry

Computershare Investor Services Pty Ltd  
Level 11, 172 St Georges Terrace  
Perth, Western Australia  
Australia 6000

GPO Box D182  
Perth, Western Australia  
Australia 6840

T: 1300 850 505 (in Australia)  
+61 3 9415 4062 (overseas)

F: +61 (0)8 9323 4000

## Auditor

PKF Mack  
4<sup>th</sup> Floor, 35 Havelock Street  
West Perth, Western Australia  
Australia 6005

# Important Information

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## General

This Prospectus is dated 2 August 2017 and was lodged with the ASIC on the same date. Neither ASIC nor ASX takes any responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

This Prospectus is a transaction specific prospectus for an offer of 'continuously quoted securities' (as defined in the Corporations Act) prepared in accordance with section 713 of the Corporations Act. In preparing this Prospectus, regard has been had to the fact that the Company is a 'disclosing entity' for the purposes of the Corporations Act and that certain matters may reasonably be expected to be known to investors and their professional advisers.

New Shares will not be issued on the basis of this Prospectus later than 13 months after the Prospectus Date.

## Electronic prospectus

This Prospectus may be viewed in electronic form at [www.riedelresources.com.au](http://www.riedelresources.com.au) by Australian and New Zealand investors only. The electronic version of this Prospectus is provided for information purposes only. A paper copy of the Prospectus may be obtained free of charge on request during the Offer Period by contacting the Company. The information on the Company's website does not form part of this Prospectus.

## Risk factors

Before deciding whether to invest in the Company, potential investors should read the entire Prospectus. The key risk factors are set out in Sections 1.4 and 6. These risks together with other general risks applicable to all investments in quoted Securities not specifically referred to, may affect the value of Shares in the future. An investment in the Company should be considered speculative. Investors should consider these risk factors in light of personal circumstances and should consider consulting their professional advisers before deciding whether to apply for New Shares pursuant to this Prospectus.

## Publicly available information

Information about the Company is publicly available and can be obtained from ASIC and ASX (including the ASX website at [www.asx.com.au](http://www.asx.com.au)). The contents of any website or filing with ASIC or ASX by the Company are not incorporated into this Prospectus and do not constitute part of an Offer unless otherwise expressly stated. This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest the Company or subscribe for New Shares.

The Company has not authorised any person to give any information or make any representation in connection with an Offer which is not contained in this Prospectus. Any such extraneous information or representation may not be relied upon.

## Forward-looking statements

This Prospectus includes forward-looking statements that have been based on current expectations about

future acts, events and circumstances, such as 'intends', 'may', 'could', 'believes', 'estimates', 'targets' or 'expects'. These forward-looking statements are subject to risks, uncertainties and assumptions that could cause those acts, events and circumstances to differ materially from the expectations described in such forward-looking statements.

Accordingly, the Company cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Prospectus will actually occur. Further, except during the Offer Period and otherwise as required by law, the Company may not update or revise any forward-looking statement if events subsequently occur or information subsequently becomes available that affects the original forward-looking statement.

## Overseas Shareholders

This Prospectus does not make any offer to Shareholders with a registered address outside of Australia or New Zealand. The distribution of this Prospectus, the Entitlement and Acceptance Form or the Shortfall Application Form (including electronic copies) outside Australia or New Zealand may be restricted by law. This Prospectus does not, and is not intended to, constitute an offer or invitation in any other place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or invitation. Persons who come into possession of these documents should observe such restrictions and should seek their own professional advice about such restrictions. Please refer to Sections 2.5 and 2.6 for further information.

## Accepting Entitlement or applying for Shortfall

Applications for New Shares offered by this Prospectus can only be made by an original Application Form for the relevant Offer. The Entitlement and Acceptance Forms set out the entitlement of an Eligible Shareholder to participate in the Rights Offer and to apply for part of the Shortfall (as applicable). Potential Applicants should read the instructions in this Prospectus and on the accompanying Application Forms regarding the acceptance of their Entitlement or participation in the Shortfall Offer.

By returning an Application Form, or by lodging either form with your stockbroker or otherwise arranging for payment for New Shares in accordance with the instructions on such forms, an Applicant will acknowledge that they have received and read this Prospectus, they have acted in accordance with the terms of the Offers detailed in this Prospectus, and they agree to all of the terms and conditions as detailed in this Prospectus.

## Meaning of terms

Capitalised terms and certain other terms used in this Prospectus are defined in the Glossary in Section 10.

References to "\$", "A\$", "AUD", or "dollar" are references to Australian currency, unless otherwise stated.

References to time relate to the time in Perth, Western Australia, unless otherwise stated.

## Key Offer Information

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### Indicative Timetable

Event	Target Date
Announcement of Offers	26 July 2017
Prospectus lodged with ASIC and ASX (Appendix 3B lodged with ASX)	2 August 2017
Notice of Rights Offer sent to Option Holders	3 August 2017
Notice of Rights Offer sent to Shareholders	4 August 2017
Ex-date (date from which Shares begin trading without the Right to participate in the Rights Offer)	7 August 2017
Record Date (date for Shareholders entitled to participate in the Rights Offer)	8 August 2017
Prospectus and Entitlement and Acceptance Forms sent to Eligible Shareholders	10 August 2017
Opening Date	10 August 2017
Last day to extend the Closing Date	16 August 2017
Closing Date (if not extended)	21 August 2017
New Shares quoted on a deferred settlement basis	22 August 2017
Notice to ASX of Shortfall	24 August 2017
Issue of New Shares	28 August 2017
Normal trading commences	29 August 2017
Despatch of Holding Statements	30 August 2017

**Note:** Subject to the ASX Listing Rules, the dates in the table above are indicative only and are subject to change. The Directors may extend the Closing Date by giving at least three Business Days notice to ASX before the Closing Date.

### Key Offer Details

Matter	Details
Total New Shares offered under the Rights Offer	93,571,495
Price per New Share	\$0.015
Maximum cash proceeds of the Offers (before costs)	\$1,403,572

### General enquiries

Any enquires relating to the Offers or this Prospectus should be made to the Company as follows:

Attention: Henko Vos – Company Secretary

By post: Suite 1, 6 Richardson Street, West Perth, Western Australia, Australia 6005

By telephone: +61 (0)8 9463 2463

By email: [henko.vos@nexiaperth.com.au](mailto:henko.vos@nexiaperth.com.au)

## 1. Investment Overview

### 1.1 Introduction

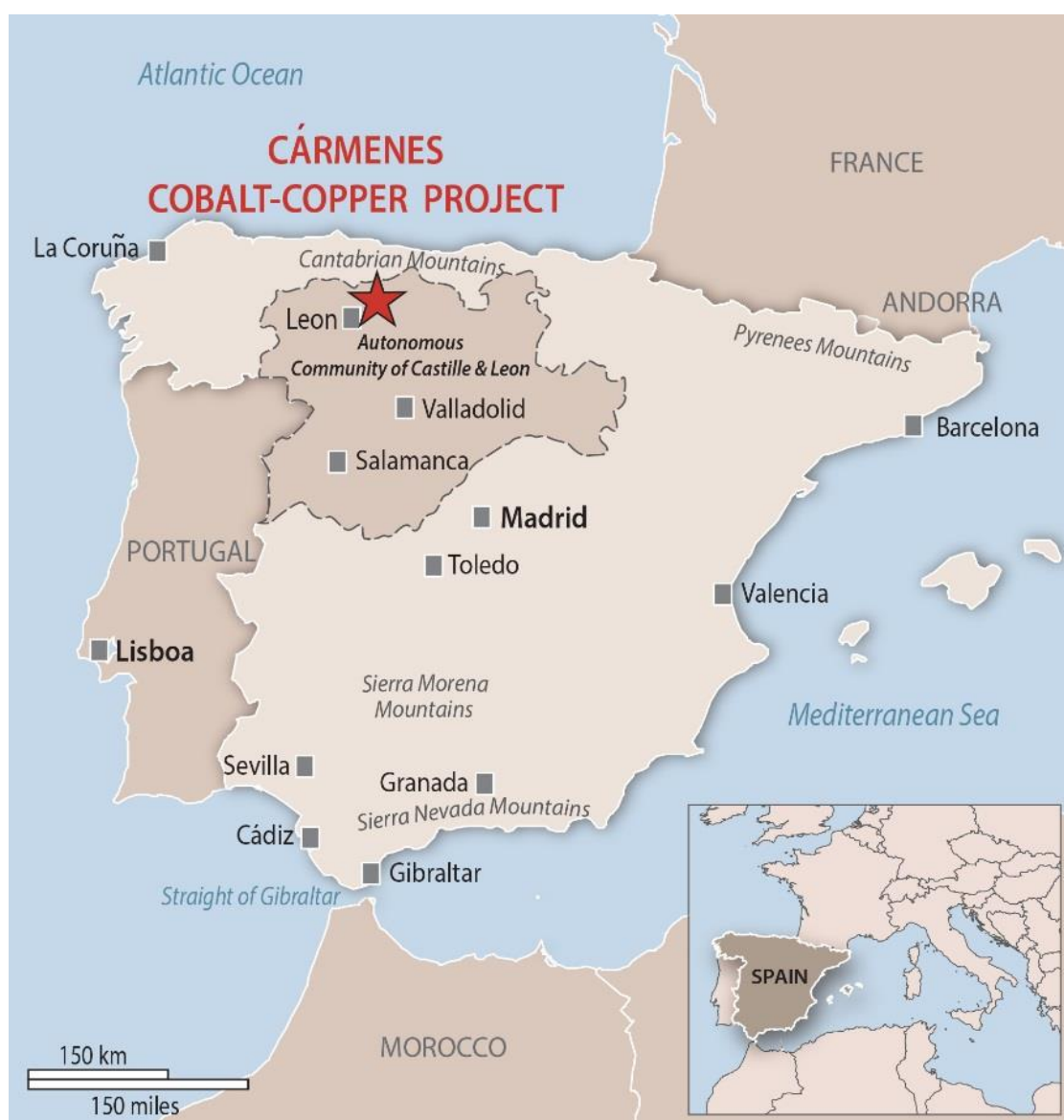
The Company is seeking to raise up to approximately \$1,403,572 (before costs) under the Offers described in this Prospectus. Together with the \$549,223 (before costs) raised under the Placement, these funds will primarily be applied by the Company to accelerated exploration and development activities at the Cármenes Project under the Cármenes JVA, being a historic high grade cobalt (Co), copper (Cu), nickel (Ni) and gold (Au) project in Northern Spain.

The Offers are fully underwritten by the Underwriter on a conditional basis (refer Section 8.2(b)).

### 1.2 Earn-in and joint venture – Cármenes Project

On 21 July 2017, the Company entered into the Cármenes JVA with Spanish parastatal corporation, SIEMCALSA, in relation to the Cármenes Project in northern Spain.

The Cármenes Project is located in the north-west of Spain in the Autonomous Community of Castilla and León, approximately 410km from the capital city of Madrid, 250km from the city of Valladolid and 54km from the city of León.



**Figure 1** – Map of Spain showing the location of Cármenes Project.

It is operated over the Cármenes Project Tenements, comprising 2 mining investigation permits as outlined in the table below.

Information	Permit 1	Permit 2
Permit name	Cármenes (n°15,107)	Valverdin (n° 15,106)
Permit coverage area	5.1 square kilometres	37.2 square kilometres
Permit expiry date	12 May 2020	12 May 2020
Eligibility for possible 3 year extension	Yes	Yes

**Note:** Application for a further 3 year extension to the term of Cármenes Project Tenements is not assured and there is a risk that the application for one or both of the tenements may be rejected or granted subject to conditions which are not favourable to the Company.

The Company has the right under the Cármenes JVA to earn-in a 50% interest in the Cármenes Project (including the Cármenes Project Tenements) by committing €1,000,000 on exploration expenditure for the project over 2 years, or a 90% interest by expending €2,000,000 over 3 years.

If the Company attains a 90% interest in the Cármenes Project, it has the right (but not the obligation) to acquire SIEMCALSA's remaining 10% interest before it commits to conducting a bankable feasibility study. Alternatively, if the Company proceeds with a decision to mine at the project, it must acquire SIEMCALSA's remaining interest at that time.

The Company has secured management rights of the Cármenes Project during the term of the Cármenes JVA.

A more detailed summary of the terms and conditions of the Cármenes JVA is set out in Section 8.2(a). Further, additional information on the Cármenes Project can be found in the Company's announcement to ASX of 26 July 2017 ('RIE to Acquire Historical High Grade Cobalt Project in Spain').

### 1.3 Purpose of capital raisings and use of funds

The purpose of the Offers is to raise up to \$1,403,572 (before costs). If full subscription is achieved, the Company intends to apply those funds, together with the \$549,223 (before costs) raised under the Placement, as follows:

Use	Amount
Exploration activities and studies at Cármenes Project	\$1,916,694
Costs of the Placement and Offers	\$36,102
<b>Total</b>	<b>\$1,952,796</b>

**Notes:**

1. \$136,696 in costs of the Placement and the Offers will be paid via issue of Shares to the Underwriter, subject to shareholder approval. If Shareholder approval is not obtained, this amount will be paid in cash. Please refer to Section 8.2(b).
2. The Company intends to fund general working capital (including costs related to the Existing Projects) from the Company's existing cash balance of \$899,000 as at 30 June 2017.

The information set out in the above table is a statement of present intention as at the Prospectus Date. The exact amount of funds spent by the Company will depend on many

factors that cannot be ascertained as at the Prospectus Date. Accordingly, the Directors reserve the right to alter how the funds raised will be applied.

Details of the Company's current activities are set out in the announcements made to ASX and are available on the ASX website, [www.asx.com.au](http://www.asx.com.au), using the Company's ASX code 'RIE', or the Company's website at [www.riedelresources.com.au](http://www.riedelresources.com.au).

## 1.4 Key risks

Activities in the Company and its controlled entities, as in any business, are subject to risks which may impact on the Company's future performance. In addition to the risks described in detail in Section 6, prospective Applicants should be aware of the following (non-exhaustive) key risks which have particular application to the Company's operations and projects.

Risk	Description
<b>Joint venture risk – Cármenes Project</b>	The Company's new joint venture partner, SIEMCALSA, will remain the registered holder of the Cármenes Project Tenements until the Company completes exploration expenditure commitments of €2,000,000 over 3 years. Although the Company will have operational control and management of the project under the Cármenes JVA, its right to obtain transfer of the title to the Cármenes Project Tenements relies in part upon SIEMCALSA performing its obligations under the agreement. If SIEMCALSA defaults on its obligations or is affected by any insolvency events, the Company's investment and interest in the project may be adversely affected.
<b>Exchange rate fluctuation</b>	Decreases in the value of the Australian dollar (AU\$) to the Euro (€) will result in the Company needing to pay additional Australian dollars to meet its expenses of the Cármenes Project in Euros, including its exploration expenditure commitments to earn-in a share of the Cármenes Project under the Cármenes JVA. Depending upon the size of such currency fluctuations, this may adversely affect the Company's financial position and the viability of its involvement in the project.
<b>Sovereign risks</b>	While Spain is considered to be politically stable and a developed nation, the Company's rights in relation to the Cármenes Project may be affected by legislative or government policy changes in Spain. Depending upon the nature of the changes, they may adversely affect the operations and financial position of the Company.
<b>Exploration</b>	The financial success of the Company depends on the delineation of economically mineable reserves and resources, access to required development capital, movement in the price of commodities, securing and maintaining title to the Company's exploration and mining tenements, and obtaining all consents and approvals necessary for the conduct of its exploration activities. The actual costs of exploration may materially differ from those estimated by the Company. The Company cannot give any assurance that the cost estimates and the underlying assumptions used as a basis for those estimates will be realised in practice. This may materially and adversely affect the Company's viability.
<b>Resource estimates</b>	Resource estimates are expressions of judgment based on knowledge, experience and industry practice. These estimates were appropriate when made, but may change significantly when new information becomes available. Resource estimates are necessarily imprecise and depend to some extent on interpretations, which may ultimately prove to be inaccurate and require adjustment. Adjustments to resource estimates could affect the Company's future plans and ultimately its financial performance and value.
<b>Future capital requirements</b>	The Company will most likely require further financing for its future business activities, in addition to amounts raised pursuant to the Offers. Any additional equity financing may be dilutive to Shareholders, may be undertaken at lower prices than the current market price (or the issue price under the Offers) or may involve restrictive conditions which limit the

	Company's operations and business strategies. There cannot be any assurance that appropriate capital or funding, if and when needed, will be available on terms favourable to the Company or at all.
<b>Commodity price fluctuations</b>	In the event of exploration and development success, any future revenue derived through the future sale of base, precious and speciality metals exposes the potential income of the Company to commodity price and exchange rate risks. Commodity prices fluctuate and are affected by numerous factors beyond the control of the Company. Changes in price may materially and adversely affect the Company's financial position and viability.

## 1.5 Board of Directors

### Directors

#### **Jeffrey Moore** – Executive Chairman

Jeffrey Moore is a geologist with extensive technical, managerial and project finance experience in exploration and mining for publicly listed companies. During his career, he has generated and managed projects for commodities including precious metals, base metals, diamonds, nickel and industrial minerals throughout Australia, Central and South America, Africa and Asia.

Mr Moore has held previous directorships with Allied Gold Limited from 2004 to 2008, Great Australian Resources Limited from 2005 to 2007, Abra Mining Limited from 2006 to 2011, Alchemy Resources Limited from 2010 to 2011 and Cougar Metals NL from 2008 to 2012.

Mr Moore is also a Corporate Member of the Australasian Institute of Mining and Metallurgy and a Member of the Geological Society of Australia. He was appointed as a non-executive Director of Wild Acre Metals Limited on 8 September 2014.

#### **Alexander Sutherland** – Non-Executive Director

Alexander Sutherland has extensive experience in international commercial operations, including 15 years in Europe, 8 in the Asia Pacific region and two years in the United States. He is currently based in Switzerland and is Vice President of Finance (Extrusion Europe) for Sapa AB, a subsidiary of Norsk Hydro. Prior to this, he held the position of Strategy Director (Extrusion Europe) for Sapa AB.

Mr Sutherland was previously Global Projects Manager for Alcoa Europe and has held senior management positions in multinational firms, including KPMG.

Mr Sutherland brings his significant knowledge of international finance and the resources sector to provide depth to the Company's management team as it pursues exploration and development opportunities outside of Australia.

Mr Sutherland is considered to be an independent director for the purposes of the ASX Corporate Governance Principles and Recommendations (3<sup>rd</sup> edition) because he is free from any business or other relationship with the Company that could, or could be perceived to, materially interfere with the independent exercise of his judgment as a Director.

#### **Scott Cuomo** – Non-Executive Director

Scott Cuomo is a highly experienced and successful entrepreneur in the mobile telecommunications sector. His career spans over 25 years and includes establishing Vodafone's largest Australian retail partner. Prior to this, he was the National Business Development Manager of Optus reseller, B Digital Limited, an ASX listed company that was subject to a takeover in 2007.

Mr Cuomo offers valuable experience in strategic planning and risk management from his extensive commercial dealings in the mobile telecommunications industry.

Mr Cuomo was a non-executive director and shareholder of Bing Go Street Food Pty Ltd which was placed into voluntary administration and subsequently into liquidation in April 2015. All employee entitlements were paid in full and the major creditors were shareholders or entities controlled by shareholders.

Mr Cuomo is considered to be an independent director for the purposes of the ASX Corporate Governance Principles and Recommendations (3<sup>rd</sup> edition) because he is free from any business or other relationship with the Company that could, or could be perceived to, materially interfere with the independent exercise of his judgment as a Director.

## **Company Secretaries**

### **Henko Vos** – Joint Company Secretary

Henko Vos is a member of the Governance Institute of Australia and Certified Practicing Accountants Australia with more than 15 years' experience working within public practice, specifically within the area of audit and assurance both in Australia and South Africa. He holds similar company secretarial roles in various other listed public companies in both industrial and resource sectors.

Mr Vos is currently an Associate Director with Nexia Perth, a mid tier corporate advisory and accounting practice.

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### **Abby Siew** – Joint Company Secretary

Abby Siew graduated from Curtin University with a Bachelor of Commence majoring in Accounting and Finance. She is a member of Certified Practicing Accountants Australia. Ms Siew is currently employed by Nexia Perth, a mid-tier accounting and auditing firm.

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## 2. Details of the Offers

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### 2.1 Rights Offer

#### (a) Offer

This Prospectus invites Eligible Shareholders to participate in a non-renounceable pro-rata offer of New Shares, on the basis of 1 New Share for every 3 Shares held at the Record Date, at an issue price of \$0.015 per New Share to raise up to approximately \$1,403,572 (before costs) (**Rights Offer**).

The Offer Price represents a discount of 25% to the closing price of Shares traded on ASX between 27 July and 1 August 2017.

All New Shares issued pursuant to the Rights Offer will be issued as fully paid and will rank equally in all respects with the Existing Shares on issue. Further details of the rights attaching to Shares are set out in Section 5.

Eligible Shareholders may apply for New Shares, but are not required to do so.

Please refer to Section 3 for details on how to accept an Entitlement and apply for New Shares under the Rights Offer.

#### (b) Entitlement and eligibility

The Rights Offer is made to Eligible Shareholders only.

All Shareholders with a registered address in Australia or New Zealand and who are registered as the holder of Shares at **5.00pm (WST) on 8 August 2017 (Record Date)** are Eligible Shareholders. The Rights Offer is not extended to Shareholders who do not meet this criteria.

The number of New Shares to which Eligible Shareholders are entitled (i.e. their Right) is shown on each Eligible Shareholder's Entitlement and Acceptance Form accompanying this Prospectus.

Where the determination of the Entitlement of any Eligible Shareholder results in a fraction of a New Share, such fraction will be rounded to the nearest whole New Share.

An Eligible Shareholder's Right to participate in the Rights Offer will lapse if not accepted by the Closing Date. Any New Shares not applied for will form part of the Shortfall.

The Company reserves the right (in its sole discretion) to:

- reject any application that it believes comes from a person who is not an Eligible Shareholder; and
- reduce the number of New Shares allocated to Eligible Shareholders, or persons claiming to be Eligible Shareholders, if their claim to be entitled to participate in the Rights Offer proves to be false, exaggerated or unsubstantiated.

The Company reserves the right to withdraw the Rights Offer at any time before New Shares are issued pursuant to it. In that event, relevant Application Moneys will be refunded without interest in accordance with the Corporations Act.

#### (c) Non-renounceable Rights Offer

The Rights Offer is non-renounceable. Eligible Shareholders may not sell or transfer their Entitlement under the Offers.

(d) **Minimum subscription**

The Rights Offer is not subject to any minimum subscription condition or requirement.

## 2.2 **Shortfall Offer**

(a) **Shortfall**

All New Shares under the Rights Offer not subscribed for by Eligible Shareholders pursuant to their Entitlement will comprise the Shortfall.

(b) **Offer**

This Prospectus invites the public (including Eligible Shareholders) to participate in the offer of the New Shares which comprise the Shortfall, at an issue price of \$0.015 per New Share (**Shortfall Offer**). The Shortfall Offer is a separate offer under this Prospectus.

Persons who are related parties of the Company under the ASX Listing Rules (e.g. Directors or entities controlled by Directors) are **not** entitled to participate in the Shortfall Offer.

The Offer Price represents a discount of 25% to the closing price of Shares traded on ASX between 27 July and 1 August 2017.

All New Shares issued pursuant to the Shortfall Offer will be issued as fully paid and will rank equally in all respects with the Existing Shares on issue. Further details of the rights attaching to Shares are set out Section 5.

The Company reserves the right to reject any Application or to allocate any Applicant fewer New Shares under the Shortfall than the number applied for. Further, the Company reserves the right to withdraw the Shortfall Offer at any time before New Shares are issued pursuant to it.

Please refer to Section 3 for details on how to apply for New Shares under the Shortfall Offer.

(c) **Allocation and scale back**

In the event that Applications for New Shares under the Shortfall Offer exceed the total amount of the Shortfall, then Applications will be scaled back.

The Directors will, in consultation with the Underwriter, allocate the New Shares under the Shortfall at their discretion. The Directors will generally allocate New Shares in a manner that they consider to be fair and reasonable to Shortfall Applicants. The Directors do not propose to prioritise Applications by Eligible Shareholders.

The Company cannot guarantee that Applicants under the Shortfall Offer will receive the number of New Shares applied for. If an Applicant does not receive any or all of the New Shares subscribed for, the excess Application Moneys will be returned to them without interest.

The Company will not allocate New Shares under the Shortfall Offer to the extent that the recipient's voting power would be in breach of the takeover thresholds in the Corporations Act (i.e. having a controlling interest in 20% of the issued Shares or more).

(d) **Minimum subscription**

The Shortfall Offer is not subject to any minimum subscription condition or requirement.

## 2.3 Underwriting and management of the Offers

The Company has engaged the Underwriter (Oracle Securities Pty Ltd) to manage the Offers. Further, the Underwriter has agreed to underwrite the Offers on a conditional basis for the full amount of \$1,403,572, being equal to 93,571,495 New Shares.

The number of New Shares subscribed for under the Offers will go in relief of the Underwriter's underwriting commitment and will reduce the number of New Shares to be subscribed for by the Underwriter.

The Underwriter is controlled by former non-executive director of the Company, Luke Matthews, who retired from the Board on 26 July 2017. Accordingly, the Underwriter is a related party of the Company for the purposes of both the Corporations Act and the ASX Listing Rules.

The Underwriter (or its nominees) will be entitled to receive a fee of 7% of the underwritten value, excluding GST, as consideration for managing the Placement, managing the Offers and underwriting the Offers. The Underwriter will receive this fee by the issue of up to 9,113,049 Shares so that the Company can preserve its cash balance and maximise funds for exploration and development of the C rmenes Project. However, as the Underwriter is a related party of the Company, the issue of these Shares is subject to Shareholder approval. The Company will seek such approval at its next general meeting which is currently anticipated to be the Company's 2017 annual general meeting, to be held on or before 30 November 2017.

A summary of the terms and conditions of Underwriting Agreement, including the circumstances in which the Underwriter may terminate its underwriting commitment, is set out in Section 8.2(b).

The Underwriter has advised the Company that, if the Underwriter is required to subscribe for New Shares under its underwriting commitment, it proposes to seek firm commitments from non-Associated Exempt Investors to subscribe for a portion of those New Shares in its place. These investors may include existing substantial Shareholders (see Section 4.6). However, the Underwriter must ensure that neither it nor any such investor obtains control of 19.99% or more of the Shares on issue through the underwriting arrangements, except as permitted by law. For further details of the possible effect of the Placement, the Offers and the underwriting arrangements on control of the Company, please refer to Section 4.5.

## 2.4 Timetable

The indicative timetable for the Offers is set out in the Key Offer Information section on page 1. The timetable is subject to ASX requirements.

## 2.5 New Zealand resident Shareholders

The Rights Offer (but **not** the Shortfall Offer) is made to Eligible Shareholders with an address in New Zealand, in reliance on the *Securities Act (Overseas Companies) Exemption Notice 2013* (New Zealand). The New Shares are not being offered or sold to the public within New Zealand other than to such Eligible Shareholders.

Neither this Prospectus nor either Offer has been registered, filed with or approved by any New Zealand regulatory authority. This Prospectus is not an investment statement or prospectus under New Zealand law and is not required to, and may not, contain all the information that an investment statement or prospectus under New Zealand law is required to contain.

## 2.6 Excluded Shareholders

The Offers are not made to Shareholders who on the Record Date have a registered address outside Australia or New Zealand (**Excluded Shareholders**).

Neither the Prospectus, the Entitlement and Acceptance Form nor the Shortfall Application Form constitutes an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation.

In making the decision to not extend the Offers to Excluded Shareholders, the Company has taken into account:

- the small number Shareholders outside Australia and New Zealand;
- the number and value of New Shares that would be offered to Shareholders outside Australia and New Zealand; and
- the cost of complying with the legal requirements and requirements of regulatory authorities in the overseas jurisdictions.

The Rights Offer is made to all Eligible Shareholders. The Company is not required to determine whether or not any registered Eligible Shareholder holds Shares on behalf of persons who are resident outside Australia or New Zealand (including nominees, custodians and trustees) or the identity or residence of any beneficial owners of Shares.

Any Eligible Shareholders who hold Shares on behalf of persons who are resident outside Australia and New Zealand are responsible for ensuring that any dealing with New Shares issued under the Rights Offer do not breach the laws and regulations in the relevant overseas jurisdiction, and should seek independent professional advice and observe any applicable restrictions relating to the taking up of Entitlement or the distribution of this Prospectus or the Entitlement and Acceptance Form.

The distribution of this Prospectus and accompanying application (including electronic copies) outside Australia or New Zealand may be restricted by law and therefore persons who come into possession of this Prospectus should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

## **2.7 Applicants from outside of Australia**

This Prospectus does not constitute an offer of New Shares in any jurisdiction where, or to any person to whom, it would not be lawful to issue the Prospectus or make the Offers.

It is the responsibility of any Applicant who is resident outside of Australia (or in the case of the Rights Offer, Australia and New Zealand) to ensure compliance with all laws of any country relevant to their Application, and any such Applicant should consult their professional adviser as to whether any government or other consents are required, or whether any formalities need to be observed to enable them to apply for and be issued New Shares. Return of a duly completed Application Form will constitute a representation and warranty by an Applicant that there has not been any breach of such regulations.

The Company has not taken any action to register or qualify the New Shares nor the Offers, or otherwise to permit a public offering of the New Shares, in any jurisdiction outside Australia.

### 3. Applications for New Shares

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#### 3.1 Accepting Rights Offer and applications under Shortfall – Eligible Shareholders

(a) **Specific Entitlements**

The number of New Shares to which each Eligible Shareholder is entitled (i.e. the Entitlement) is shown on the personalised Entitlement and Acceptance Form accompanying this Prospectus.

(b) **Option 1 – Accepting Entitlement in full or in part**

To accept Entitlement in full or in part, an Eligible Shareholder may either:

- complete the Entitlement and Acceptance Form for the number of New Shares that the Eligible Shareholder wishes to apply for in accordance with the instructions on the form, and return the completed form together with a cheque or money order for the Application Moneys to the Share Registry – see Section 3.2; or
- make a payment through the **BPAY®** facility for the number of New Shares that the Eligible Shareholder wishes to apply for in accordance with the instructions on the Entitlement and Acceptance Form – see Section 3.3.

(c) **Option 2 – Accepting Entitlement in full and applying for additional New Shares under the Shortfall Offer**

Eligible Shareholders who wish to accept their Entitlement in full and apply for New Shares under the Shortfall Offer may either:

- complete the Entitlement and Acceptance Form for all of their Entitlement **and** specify on that form the number of additional New Shares that the Eligible Shareholder wishes to apply for under the Shortfall Offer in accordance with the instructions on the form, and return the completed form together with a cheque or money order for the Application Moneys to the Share Registry – see Section 3.2); or
- make a payment through the **BPAY®** facility for all of their Entitlement and the number of additional New Shares that the Eligible Shareholder wishes to apply for in accordance with the instructions on the Entitlement and Acceptance Form – see Section 3.3.

The allocation and issue of New Shares under the Shortfall Offer will be determined by the Directors in their discretion, in consultation with the Underwriter. The allocation policy in relation to the Shortfall Offer is set out in Section 2.2.

(d) **Option 3 – Allowing Entitlement to lapse**

Eligible Shareholders who do not wish to accept any of their Entitlement are not required to take any action.

If an Eligible Shareholder does not accept all of their Entitlement, then:

- the balance of those Entitlement will lapse and the New Shares that are not subscribed for will form part of the Shortfall; and
- their percentage shareholding in the Company will be diluted and reduce.

### 3.2 Lodging Application Forms – payment by cheque or money order

Unless payment is made using **BPAY®** as outlined below, an Application Form (i.e. an Entitlement and Acceptance Form **or** a Shortfall Application Form) must be accompanied by a personal cheque or money order, payable in Australian dollars, for an amount equal to the number of New Shares for which the Applicant wishes to apply, multiplied by the Offer Price (i.e. \$0.015 per New Share).

Application Moneys for the Shortfall Offer cannot be paid using **BPAY®**.

Cheques or money orders must be made payable to “Riedel Resources Limited” and should be marked “Not Negotiable”.

Completed Application Forms and accompanying cheques or money orders must be received by the Company before **5.00pm (WST) on the Closing Date** at the following address:

#### Post

**Riedel Resources Limited**  
c/- Computershare Investor Services Pty Ltd  
GPO Box 505  
Melbourne, Victoria, 3001  
Australia

An Application Form does not need to be signed to be a binding acceptance of New Shares.

If the Application Form is not completed correctly it may still be treated as valid. The Company's decision as to whether to treat a form as valid and how to construe, amend or complete the form is final.

### 3.3 Applications by Eligible Shareholders – payment by using **BPAY®**

Eligible Shareholders who wish to accept their Entitlement, or accept their Entitlement and apply for New Shares under the Shortfall, using **BPAY®** should follow the instructions on the Entitlement and Acceptance Form which includes including the ‘Biller Code’ and the Applicant's individual ‘Customer Reference Number’.

Eligible Shareholders can only make payment using **BPAY®** if they have an account with an Australian financial institution that supports such transactions.

Eligible Shareholders must ensure to use the specific ‘Biller Code’ and ‘Customer Reference Number’ on their individual Entitlement and Acceptance Form. A form may not be accepted if these details are incorrect. The ‘Customer Reference Number’ is used to identify each Eligible Shareholder's holding.

Eligible Shareholders with more than one holding of Shares will receive multiple ‘Customer Reference Numbers’ and must apply separately using the ‘Customer Reference Number’ unique to each of their shareholdings. Such Eligible Shareholders can apply under one or more of their holdings.

Payments must be made in Australian dollars for an amount equal to the number of New Shares for which the Eligible Shareholder wishes to apply, multiplied by the Offer Price (i.e. \$0.015 per New Share).

If **BPAY®** is used, an Entitlement and Acceptance Form **does not** need to be submitted to the Company. However, by paying Application Moneys, the Eligible Shareholder will be taken to have made the declarations on the Entitlement and Acceptance Form. If payment is not received for the full Entitlement, an Eligible Shareholder will be deemed to have taken up their Entitlement in respect of such whole number of New Shares that is covered by their Application Moneys.

If the value of an Eligible Shareholder's **BPAY®** payment is greater than their Entitlement, the remainder of the **BPAY®** amount will be automatically placed under the Shortfall Offer.

**BPAY®** payments of Application Moneys must be received before **5.00pm (WST) on the Closing Date**.

Eligible Shareholders should take into account, when making apply for New Shares, that their individual financial institutions may implement earlier cut-off times for **BPAY®** payments. It is an Eligible Shareholder's responsibility to ensure that the Application Moneys are received before the Closing Date.

### **3.4 Applications for Shortfall through the Underwriter**

Persons who have received a firm allocation or other offer of New Shares under the Shortfall Offer from the Underwriter (either directly or via their stockbroker) may apply for New Shares by arrangement with the Underwriter.

Each such Applicant must submit a completed Shortfall Application Form together with the relevant Application Money before **5.00pm (WST) on the Closing Date**, in accordance with the Underwriter's directions.

By making an Application to the Underwriter, an Applicant will be taken to have confirmed that they have received a copy of the Prospectus together with the Shortfall Application Form.

### **3.5 Application Moneys to be held on trust**

Application Money will be held by the Company on trust in accordance with the requirements of the Corporations Act until the New Shares to which the Application Money pertains are issued under an Offer, or a refund of Application Money occurs in the circumstances described in this Prospectus.

The Company will retain any interest earned on Application Money, including in the event of any refund of Application Money.

### **3.6 ASX quotation of New Shares**

New Shares under the Offers are expected to be issued, and holding statements despatched, as soon as practicable after the Closing Date, in accordance with the ASX Listing Rules and the timetable set out in the Key Offer Information section on page 1.

New Shares issued under the Shortfall will be issued on a progressive basis. New Shares will not be issued unless and until ASX grants permission for quotation of the New Shares.

Application for official quotation on ASX of the New Shares offered pursuant to this Prospectus will be made within 7 days after the Prospectus Date.

ASX does not take any responsibility for the contents of this Prospectus. The fact that ASX may agree to grant official quotation of the New Shares is not to be taken in any way as an indication of the merits of the Company or the New Shares.

If approval for quotation of the New Shares to be issued pursuant to this Prospectus is not granted within 3 months after the Prospectus Date, the Company will not allot or issue any New Shares and will repay all Application Moneys without interest as soon as practicable.

It is an Eligible Shareholder or Applicant's responsibility to determine their holdings before trading in New Shares. Any person who sells New Shares before receiving confirmation of their holding will do so at their own risk.

### **3.7 No brokerage**

Brokerage or transfer/stamp duty is not payable in relation to an Offer.

### 3.8 **CHESS**

The Company participates in the Clearing House Electronic Sub-register System (**CHESS**), operated by ASX Settlement (a wholly owned subsidiary of ASX), in accordance with the ASX Listing Rules and ASX Settlement Rules. The Company operates an electronic issuer-sponsored sub-register and an electronic CHESS sub-register. The two sub-registers together make up the Company's principal register of Securities.

Under CHESS, the Company will not issue certificates to successful Applicants. Instead, the Company will provide Applicants with a Holding Statement (similar to a bank account statement) that sets out the number of Offer Securities allotted to them under this Prospectus.

This statement also advises Shareholders of either their Holder Identification Number (**HIN**) in the case of a holding on the CHESS sub-register or Security Holder Reference Number (**SRN**) in the case of a holding on the issuer sponsored sub-register.

A statement will be routinely sent to holders at the end of any calendar month during which their holding changes. A holder may request a statement at any other time. However, a charge may be incurred for additional statements.

### 3.9 **Privacy**

The Company collects information about each Applicant from the Entitlement and Acceptance Forms and Shortfall Application Forms (as applicable) for the purpose of processing the Applications and, if the Applicant is successful, to administer their security holding in the Company.

By submitting an Entitlement and Acceptance Form or Shortfall Application Form, an Applicant agrees that the Company may use the information in the form for the purposes set out in this privacy disclosure statement.

The Company and the Share Registry may disclose an Applicant's personal information for purposes related to the Applicant's investment to their agents and service providers including but not limited to those listed below or as otherwise authorised under the Privacy Act:

- the Share Registry for ongoing administration of the Company's register;
- the Underwriter for the purposes of underwriting the Offers and determining any shortfall in New Shares; and
- the printers and the mailing house for the purposes of preparation and distribution of Holding Statements and for the handling of mail.

If an Applicant becomes a security holder of the Company, the Corporations Act requires the Company to include information about the security holder (name, address and details of the securities held) in its public register. This information must remain in the Company's register even if that person ceases to be a security holder of the Company. Information contained in the Company's register is also used to facilitate distribution payments and corporate communications (including the Company's financial results, annual reports and other information that the Company may wish to communicate to its security holders) and compliance by the Company with legal and regulatory requirements.

If an Applicant does not provide the information required on the Entitlement and Acceptance Form or Shortfall Application Form, the Company may not be able to accept or process their Application.

Under the Privacy Act, a person may request access to that person's personal information held by (or on behalf of) the Company or the Share Registry. An Applicant can request access to their personal information by writing to the Company through the Share Registry.

### **3.10 Taxation implications**

The taxation obligations and the effects of participating in an Offer can vary depending on the circumstances of each individual Applicant. Applicants who are in doubt as to their taxation position should seek professional advice. It is the sole responsibility of Applicants to inform themselves of their taxation position resulting from participation in an Offer.

The Directors do not consider that it is appropriate to give potential Applicants advice regarding the taxation consequences of applying for New Shares, as it is not possible to provide a comprehensive summary of the possible taxation positions of potential Applicants.

Neither the Company nor any of its officers, employees or advisers accept any responsibility or liability for any taxation consequences to Applicants in relation to an Offer.

## 4. Effect of the Placement and the Offers

### 4.1 Overview

The principal effects of the Placement and the Offers, assuming the Offers close fully subscribed, will be to:

- increase the number of Shares on issue from 244,099,553 Shares as at the Record Date, to 374,285,980 Shares; and
- increase cash reserves by up to approximately \$1,916,693 immediately after closing of the Offers and payment of the estimated expenses.

### 4.2 Effect on capital structure

The table below sets out the anticipated effect of the Placement and the Offers on the Company's capital structure, assuming other Shares are not issued (including on the exercise of Options) prior to the close of the Offers.

Security type	Number	Percentage of total
<b>Shares – ordinary</b>		
Shares on issue prior to Placement	244,099,553	65.22%
Shares issued under the Placement	36,614,932	9.78%
New Shares offered under Offers	93,571,495	25.00%
<b>Total Shares after the Offers</b>	<b>374,285,980</b>	<b>100.00%</b>
<b>Options</b>		
Unquoted Options on issue prior to Placement	42,978,195	100.00%
Options granted under the Placement	Nil	0%
Options offered under Offers	Nil	0%
<b>Total Options on issue after the Offers</b>	<b>42,978,195</b>	<b>100.00%</b>

**Notes:**

1. 9,113,049 Shares are also to be issued to the Underwriter as its remuneration for underwriting the Offers, but are subject to Shareholder approval. The effect of the issue of these Shares are not reflected in the table above. See Section 8.2(b).
2. Existing Options comprise 23,728,195 Options exercisable at \$0.011 on or before 31 December 2017, 1,250,000 Options exercisable at \$0.15 on or before 31 January 2018, and 18,000,000 Options exercisable at \$0.018 on or before 11 March 2019.
3. If all Existing Options were exercised and no other Shares issued following close of the Offers, the Company would have an additional 42,978,195 Shares on issue, increasing the total to 417,264,175 Shares.

### 4.3 Effect of Placement on control

36,614,932 Shares were issued under the Placement to 22 Exempt Investors, none of which were related parties of the Company. This issue diluted the shareholding interests of the Shareholders at that time by approximately 13%.

The investors under the Placement will be entitled to participate in the Rights Offer, assuming that they are registered as the holder of Shares at the Record Date.

Under the Placement, the following substantial Shareholders increased their shareholding interests (see Section 4.6):

- Satori International Pty Ltd – increased by 7,756,598 New Shares; and
- James Wallace Hope – increased by 2,666,667 Shares.

Other than the above, none of the Placement investors received Shares which would provide them with voting power of 5% or more, or increased existing voting power of more than 5%.

The Directors do not consider that the Placement has had, or will have following closing of the Offers, a material impact on the control of the Company.

#### 4.4 Effect of Offers on control

The potential effect that the Offers could have on the control of the Company, and the consequences of that effect, will depend upon a number of factors, including investor demand and Existing Shareholdings.

The table below sets out the estimated dilutive effect of the Offer on Existing Shareholders, assuming various subscription scenarios and that other Shares are not issued (including on the exercise of Options) prior to the close of the Offers. The figures in the table are estimates only and do not take into account the rounding of any fractional entitlements under the Rights Offer.

Scenario	New Shares to Eligible Shareholders	Dilution to Existing Shareholders	New Shares to Shortfall Applicants / Underwriter	Percentage interest to Shortfall Applicants / Underwriter
100% subscription under Rights Offer	93,571,495	0%	Nil	100%
50% subscription under Rights Offer	46,785,747	50%	46,785,748	50%
0% subscription under Rights Offer	Nil	100%	93,571,495	0%

#### 4.5 Effect of Underwriting on control

The Underwriter has advised the Company that it currently controls 1,120,105 Shares which represent approximately 0.40% of the Existing Shares. This comprises 1,120,105 Shares controlled by former director, Luke Matthews. Assuming that this holding remains the same at the Record Date, the Underwriter and its Associates will be entitled to subscribe for up to approximately 373,368 New Shares under the Rights Offer.

The potential shareholding interest that the Underwriter will have following the close of the Offers, and any effect on the control of the Company, will depend upon a number of factors, including investor demand.

As outlined in Section 2.3, the Underwriter has advised the Company that it proposes to seek firm commitments from Exempt Investors to subscribe for a portion of the underwriting commitment in its place and such investors may include existing substantial holders described in Section 4.6 below. However, at the Prospectus Date, no such firm commitments are yet in place.

The Underwriter has agreed under the Underwriting Agreement that neither it nor any investor who subscribes for a portion of the underwriting commitment in its place will obtain control of 19.99% of the Shares on issue following closing of the Offers and issue of underwritten Shares except to the extent permitted by law.

The table below sets out the potential number of New Shares that the Underwriter will control following the close of the Offers, assuming that various subscription scenarios under the Rights Offer and that the Underwriter subscribes for its full Entitlement above.

Scenario	Rights Offer Entitlement	Underwritten New Shares	Fee	Holding	Percentage interest
100% subscription under Rights Offer	93,571,495	Nil	9,113,049	9,113,049	2.38%
50% subscription under both Offers	46,785,748	46,785,747	9,113,049	55,898,797	14.58%
0% subscription under both Offer	Nil	93,571,495	9,113,049	102,684,544	26.78%

If the Underwriter is required to subscribe for its maximum underwriting commitment and is unable to obtain Exempt Investors to subscribe for a portion of that commitment, the Underwriter may obtain a relevant interest in more than 20% of the Shares on issue. This may have an impact on the control of the Company. In addition, in lieu of any director's fees being received during the 18 month period as a non-executive director, it is proposed that the Company will seek Shareholder approval at its next general meeting to issue 4,000,000 Shares to former director, Luke Matthews, in recognition of his service as a non-executive director.

#### 4.6 Substantial Shareholders

A "substantial holding" under the Corporations Act means a relevant interest in 5% or more of the votes attaching to voting shares. The table below indicates those Existing Shareholders with a substantial holding and their estimated shareholding interests following close of the Offers, assuming that each subscribes for their full Entitlement under the Rights Offer.

Name	Current holding	Current percentage interest	Post-Offer holding	Post-Offer percentage interest
Satori International Pty Ltd	37,384,387	13.32%	49,845,849	13.32%
ADX Energy Limited	26,764,709	10.96%	35,686,279	9.53%
Skiffington Super Pty Ltd / Meriwa Street Pty Ltd / Mark Skiffington	23,319,371	9.56%	31,092,495	8.31%
James Wallace Hope	19,877,925	7.08%	26,503,900	7.08%
<b>TOTAL</b>	<b>107,346,392</b>	<b>40.92%</b>	<b>143,128,523</b>	<b>38.24%</b>

**Notes:**

1. The table above does not include interests pursuant to Options, nor the potential holdings if Shares are issued on the exercise of Options.
2. Additional investors to those named above may obtain a substantial holding following close of the Offers.
3. Skiffington Super Pty Ltd and Meriwa Street Pty Ltd are Associates of Non-Executive Director, Mark Skiffington. Accordingly, Mr Skiffington has a relevant interest in the Shares which these parties hold.

Substantial Shareholders named above may provide firm commitments to the Underwriter to subscribe for New Shares as part of the underwriting commitment. If they are required to subscribe for New Shares, their percentage shareholding interests in the Company would increase.

#### 4.7 Pro forma statement of financial position

The Company will raise up to approximately \$1,952,796 (before costs) under the Placement and the Offers, assuming full subscription by Applicants, the Underwriter or investors who have provided firm commitments to the Underwriter. Accordingly, the Placement and the Offers will have a material effect on the Company's financial position.

Set out below is:

- the auditor reviewed consolidated statement of financial position of the Company for the half year ended 31 December 2016; and
- the unaudited pro forma consolidated statement of financial position of the Company for the half year ended 31 December 2016, incorporating the effect of the Placement and Offers.

The statement of financial position has been prepared to provide potential Applicants with information on the assets and liabilities of the Company and pro forma assets and liabilities of the Company as noted below. The historical and pro forma financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements.

The consolidated statement of financial position below is to be read in conjunction with the notes to the financial statements as published in the Company's Financial Report for the Half Year Ended 31 December 2016 available on the Company's website, [www.riedelresources.com.au](http://www.riedelresources.com.au), the ASX announcements platform, [www.asx.com.au](http://www.asx.com.au), using the Company's ASX code 'RIE'.

Consolidated Statement of Financial Position	Reviewed as at 31 Dec 2016	Placement adjustments	Offers adjustments	Unaudited Pro-Forma 31 Dec 2016
	\$	\$	\$	\$
<b>CURRENT ASSETS</b>				
Cash and cash equivalents	1,158,128	545,136	1,371,557	3,074,821
Trade and other receivables	26,696	-	-	26,696
<b>TOTAL CURRENT ASSETS</b>	<b>1,184,824</b>	<b>545,136</b>	<b>1,371,557</b>	<b>3,101,517</b>
<b>NON CURRENT ASSETS</b>				
Plant and equipment	2,126	-	-	2,126
Exploration and evaluation expenditure	1,637,659	-	-	1,637,659
<b>TOTAL NON CURRENT ASSETS</b>	<b>1,639,785</b>	<b>-</b>	<b>-</b>	<b>1,639,785</b>
<b>TOTAL ASSETS</b>	<b>2,824,609</b>	<b>545,136</b>	<b>1,371,557</b>	<b>4,741,302</b>
<b>CURRENT LIABILITIES</b>				
Trade and other payables	32,172	-	-	32,172
<b>TOTAL CURRENT LIABILITIES</b>	<b>32,172</b>	<b>-</b>	<b>-</b>	<b>32,172</b>
<b>TOTAL LIABILITIES</b>	<b>32,172</b>	<b>-</b>	<b>-</b>	<b>32,172</b>
<b>NET ASSETS</b>	<b>2,792,437</b>	<b>545,136</b>	<b>1,371,557</b>	<b>4,709,130</b>

**EQUITY**

Issued capital	15,981,731	549,223	1,403,572	17,934,526
Option reserve	290,941	-	-	290,941
Share based payment reserve	769,452	38,446	98,250	906,148
Accumulated losses	(14,249,687)	(42,533)	(130,265)	(14,422,485)

**TOTAL EQUITY**

<b>2,792,437</b>	<b>545,136</b>	<b>1,371,557</b>	<b>4,709,130</b>
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**Note:** Fees payable by the Company to the Underwriter in relation to the Placement (\$38,446) as well as the management and underwriting fees payable to the Underwriter for the Offers (\$98,250) will be settled via the issue of 9,113,049 Shares (subject to the Company obtaining the relevant Shareholder approvals). The settlement via Share issues for these expenses have been allocated to the share based payment reserve in the equity section of the Pro-forma Statement of Financial Position above. In the event that Shareholder approval is not obtained for the issue of these Shares, the Company will settle the fees in cash, which will reduce both the cash and cash equivalent balance as well as the share based payment reserve balance by \$136,696. Refer Section 8.2(b) for further details.

The unaudited pro forma consolidated statement of financial position represents the Company's consolidated statement of financial position as at 31 December 2016, adjusted on the basis that there has not been any material movement in the assets and liabilities of the Company between that date and the Closing Date save for:

- raising \$549,223 under the Placement;
- raising \$1,403,572 on full subscription under the Offers; and
- the Company incurring \$172,798 in relation to the costs of undertaking the Placement and Offers, of which \$36,102 is settled in cash and \$136,696 via the issue of Shares (refer Section 8.2(b)).

#### 4.8 Effects of the Offers on activities of the Company

The issue of New Shares under the Offers will provide funds for the purposes set out in Section 1.2.

Following the Offers, the Company intends to continue to operate and develop the Existing Projects as well as to commit working capital to meeting the expenditure requirements required for it to earn an interest in the Cármenes Project, as described in Section 8.2(a).

## 5. Rights and Liabilities Attaching to New Shares

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The New Shares offered under this Prospectus will be fully paid ordinary shares in the capital of the Company and will rank equally with the Existing Shares then on issue.

Full details of the rights and liabilities attaching to the New Shares are contained in the Constitution and, in certain circumstances, are regulated by the Corporations Act, the ASX Listing Rules, the ASX Settlement Rules and the common law. The Constitution is available for inspection free of charge at the Company's registered office or on the ASX announcements platform, [www.asx.com.au](http://www.asx.com.au), using the Company's ASX code 'RIE'.

The following is a broad summary (though not necessarily an exhaustive or definitive statement) of the rights and liabilities attaching to Shares:

- (a) **Share capital:** All issued Shares rank equally in all respects.
- (b) **Voting rights:** At a general meeting of the Company, every holder of Shares present in person, by an attorney, representative or proxy has one vote on a show of hands and on a poll, one vote for each Share held, and for every contributing share (i.e. partly paid) held, a fraction of a vote equal to the proportion which the amount paid up bears to the total issue price of the contributing share. Where there is an equality of votes, the chairperson has a casting vote.
- (c) **Dividend rights:** Subject to the Corporations Act, the ASX Listing Rules and any rights of persons entitled to shares with special rights to dividends (at present there are none), all dividends as declared by the Directors are to be payable on all such shares in proportion to the amount of capital paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividends is paid, unless the share is issued on terms providing to the contrary.
- (d) **Payment of dividends:** Dividends are payable out of the assets of the Company in accordance with section 254T of the Corporations Act and as determined by the Directors, which shall be conclusive. The Directors may direct that payment of the dividend be made wholly or in part by the distribution of specific assets or other Securities of the Company.
- (e) **Rights on winding-up:** Subject to the Corporations Act, the ASX Listing Rules and any rights or restrictions attached to a class of Shares, the liquidator may on winding-up of the Company, with the authority of a special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company and may for that purpose set such value as the liquidator considers fair upon any property to be so divided and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.
- (f) **Transfer of Shares:** Subject to the Constitution, Shares may be transferred by:
  - (i) a proper ASX Settlement transfer or any other method of transferring or dealing in Shares introduced by the ASX or operated in accordance with the ASX Settlement Rules or the ASX Listing Rules as recognised under the Corporations Act; or
  - (ii) an instrument in writing in any usual or common form or in any other form that the Directors, in their absolute discretion, approve from time to time.
- (g) **Refusal to transfer Shares:** The Directors may refuse to register a transfer of Shares (other than a proper ASX Settlement transfer) only where:
  - (i) the law permits it;
  - (ii) the law requires it; or

- (iii) the transfer is a transfer of restricted securities (as defined in ASX Listing Rule 19.12) which is, or might be, in breach of the ASX Listing Rules or any escrow agreement entered into by the Company in respect of those restricted securities.
- (h) **Further increases in capital:** Subject to the Constitution, the Corporations Act and the ASX Listing Rules:
  - (i) Shares are under the control of the Directors, who may allot or dispose of all or any of the Shares to such persons, and on such terms, as the Directors determine; and
  - (ii) the Directors have the right to grant options to subscribe for Shares, to any person, for any consideration.
- (i) **Variation of rights attaching to shares:** The rights attaching to the shares of a class (unless otherwise provided by their terms of issue) may only be varied by a special resolution passed at a separate general meeting of the holders of those shares of that class, or in certain circumstances, with the written consent of the holders of at least seventy-five percent (75%) of the issued shares of that class.
- (j) **General meeting:** Each holder of Shares will be entitled to receive notice of, and to attend and vote at, general meetings of the Company and to receive notices, accounts and other documents required to be furnished to Shareholders under the Constitution, the Corporations Act and the ASX Listing Rules.

## 6. Risk Factors

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### 6.1 Introduction

Activities in the Company and its controlled entities, as in any business, are subject to risks which may impact on the Company's future performance. There cannot be any guarantee that the Company will achieve its stated objectives.

Prior to deciding whether to subscribe for New Shares, Applicants should read the entire Prospectus and review announcements made by the Company to ASX (at [www.asx.com.au](http://www.asx.com.au) under the code 'RIE') in order to gain an appreciation of the Company, its activities, operations, financial position and prospects.

An investment in New Shares should be considered speculative. New Shares do not carry any guarantee with respect to the payment of any dividends, returns of capital or the market value of those New Shares.

Applicants should also consider the risk factors set out below which the Directors believe represent some of the general and specific risks that Applicants should be aware of when evaluating the Company and deciding whether to subscribe for New Shares. The following risk factors are not intended to be an exhaustive list of all of the risk factors to which the Company is exposed.

### 6.2 Company specific risks

The following risks have been identified as being key risks specific to an investment in the Company. These risks have the potential to have a significant adverse impact on the Company and may affect the Company's financial position, prospects and price of its listed Securities.

#### (a) Joint venture risk – Cármenes Project

The Company is required to expend funds over 3 years on exploration activities at the Cármenes Project Tenements in order to earn an interest in the Cármenes Project. SIEMCALSA will remain the registered holder of the tenements during this time.

The Company will have operational control and management of the Cármenes Project pursuant to the terms of the Cármenes JVA. However, its right to obtain transfer of the title to the Cármenes Project Tenements under the Cármenes JVA is partly dependent upon SIEMCALSA performing its obligations under the agreement.

If SIEMCALSA defaults on its obligations, a dispute arises between the parties or if SIEMCALSA is affected by external matters (e.g. insolvency events) prior to the transfer of title in the Cármenes Project Tenements, the Company's ability to operate or obtain its contractual rights under the Cármenes JVA (including title) may be adversely affected.

#### (b) Exchange rate fluctuations

The Company's expenditure commitments to earn-in a share of the Cármenes Project under the Cármenes JVA are, and future joint venture costs will be, in Euros (€). However, the Company's existing cash reserves are, as well new capital that it may raise through the offer of new Securities on-market will be, in Australian dollars (AU\$).

The value of the Australian dollar to the Euro is subject to fluctuation. It has historically been less than the Euro. If the value of the Australian dollar decreases against the Euro, the Company will be required to pay additional Australian dollars to meet the expenses of the Cármenes Project in Euros, which may in turn adversely affect the Company's financial position and the viability of its involvement in the project.

Further, international prices of most commodities are denominated in United States dollars (US\$), whereas the income and expenditure of the Company will be denominated in Australian dollar (A\$) and/or Euros (€). This will expose the Company

to the fluctuations and volatility of the rate of exchange between the United States dollar and the Australian dollar, subject to any currency hedging the Company may undertake. The exchange rate is affected by numerous factors beyond the control of the Company, including international markets, interest rates, inflation and the general economic outlook.

(c) **No profit to date**

The Company's business relates to the investment in and development of, its Existing Project and tenement interests. Accordingly, the Directors anticipate making losses in the foreseeable future.

While the Directors have confidence in the future revenue-earning potential of the Company, there cannot be any certainty that the Company will achieve or sustain profitability or achieve or sustain positive cash flow from its operating activities.

(d) **Future capital requirements**

The Company's ongoing activities are likely to require substantial further financing in the future for its business, in addition to amounts raised pursuant to the Offers. Any additional equity financing may be dilutive to Shareholders, may be undertaken at lower prices than the Offer Price or may involve restrictive covenants which limit the Company's operations and business strategy.

Although the Directors believe that additional capital can be obtained, there cannot be any assurance that appropriate capital or funding, if and when needed, will be available on terms favourable to the Company or at all. If the Company is unable to obtain additional financing as needed, it may be required to reduce, delay or suspend its operations and which may result in a material adverse affect on the Company's activities and its ability to continue as a going concern.

(e) **Reliance on key personnel**

The Company's success depends to a significant extent upon its key management personnel, as well as other management and technical personnel including sub-contractors. The Company has a small management team and does not have any executive directors. The loss of the services of any such personnel could have an adverse effect on the Company at this stage of its development.

(f) **Liquidity & volatility**

The Company is company is relatively small in terms of its market capitalisation. Investment in its Shares should be regarded as speculative. As a consequence of such, there is a risk, particularly in times of share market turbulence or negative investor sentiment, that there will not be a highly liquid market for Shares or that the price of Shares may decrease considerably. There may be relatively few buyers or sellers of Shares on ASX at any given time and the market price may be highly volatile. This may result in Shareholders wishing to sell their Shares in circumstances where they may receive considerably less than the Offer Price (where applicable).

### 6.3 **Industry specific risks**

Mineral exploration, development and mining activities are high-risk undertakings and there cannot be any assurance that any exploration or development activity in regard to the Company's current properties, or any properties that may be acquired in the future, will result in the discovery or exploitation of an economic resource.

Mineral exploration, development and mining may be hampered by circumstances beyond the control of the Company and are speculative operations which by their nature are subject to a number of inherent risks, including the following:

(a) **Exploration, geological and development risks**

Mineral exploration and development is a speculative and high risk activity that requires large amounts of expenditure over extended periods of time and may be impeded by circumstances and factors beyond the Company's control. The Company's ability to succeed in this process involves (amongst other things):

- discovery and proving-up, or acquiring, an economically recoverable mineral resource or reserve;
- access to adequate capital throughout the acquisition/discovery and project development phases of a mineral exploration project;
- securing and maintaining title to such mineral exploration projects;
- obtaining required development consents and approvals necessary for the acquisition, exploration, development and production phases of the project; and
- accessing the necessary experienced operational staff, the applicable financial management and recruiting skilled contractors, consultants and employees.

The exploration programme determined for each Existing Project is based upon best professional assessment and estimates, which have in turn been based on limited geological information available in relation to the area of the Existing Projects. Further, the Company is in the process of preparing an exploration programme for the Cármenes Project.

There cannot be any assurance that the application of funds on the forthcoming exploration programmes, or subsequent exploration programmes, will result in the realisation of the Company's objectives such as the discovery of an economic mineral resource at any of the Projects. Even if an apparently viable mineral resource is identified, there cannot be any guarantee that it can be economically exploited. Further, conclusions drawn during mineral exploration are subject to the uncertainties associated with all sampling techniques and to the risk of incorrect interpretation of geological, geochemical, geophysical, drilling and other data.

In addition, by their very nature, the estimates and assumptions on which exploration programmes are based are subject to significant uncertainties and, accordingly, the actual costs may materially differ from these estimates and assumptions. Assurances cannot be given that the cost estimates and the underlying assumptions will be realised in practice, which may materially and adversely affect the Company's viability.

The Company's exploration activities are subject to all the hazards and risks normally encountered in the exploration of minerals, including but not limited to:

- geological and climatic conditions;
- operational and technical risks (as outlined in Section 6.3(c));
- changes in laws, regulations and government policy; and
- risks associated with operating in remote areas and other similar considerations.

Further, whether positive income-flows result from Projects on which the Company will expend exploration and development capital is dependent on many factors including successful exploration, establishment of production facilities, cost control, commodity price movements, successful contract negotiations for production and stability in the local political environment.

In addition, significant expenditure may be required to establish necessary metallurgical and mining processes to develop and exploit any mineral reserves identified on the Projects or any other project area operated by the Company in the future. There cannot be any assurance that the Company will have sufficient working capital or resources available to do this.

**(b) Resource estimates**

Resource estimates are expressions of judgment based on knowledge, experience and industry practice. Estimates, which were valid when originally calculated, may alter when new information or techniques become available. In addition, by their very nature, resource estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate. As further information becomes available through additional fieldwork and analysis, the estimates may change.

Accordingly, the actual resources may materially differ from these estimates and assumptions and no assurances can be given that the resource estimates and the underlying assumptions will be realised. This could result in alterations to development and mining plans, which may, in turn, affect the Company's operations and ultimately its financial performance and value.

**(c) Operational & technical risks**

The operations of the Company may be affected by various factors, including but not limited to:

- failure to locate or identify mineral deposits;
- failure to achieve predicted grades in exploration and mining;
- operational and technical difficulties encountered in mining;
- insufficient or unreliable infrastructure, such as power, water and transport;
- difficulties in commissioning and operating plant and equipment;
- mechanical failure or plant breakdown;
- unanticipated metallurgical problems which may affect extraction costs;
- adverse weather conditions;
- industrial and environmental accidents;
- industrial disputes and labour shortages; and
- unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment.

**(d) Commodity price fluctuations**

The Company's potential earnings will be largely derived from the sale of mineral commodities (including gold and base metals). Accordingly, the Company's future revenues and cash flow will be impacted by fluctuations in the prices and available markets of these commodities. Any future revenue derived through any future sales of valuable minerals exposes the potential income of the Company to commodity price risks.

Commodity prices fluctuate and may be affected by numerous factors beyond the control of the Company including:

- current and expected future supply and demand for relevant commodities in the region and globally;
- forward-selling by producers;
- the level of production costs in major commodity-producing regions;
- macroeconomic factors such as expectations regarding inflation and interest rates; and
- the development of new technologies including any substitute products in relation to the current uses of particular commodities.

Changes in commodity prices may have a positive or negative effect on development, plans and activities for the Projects, including its ability to fund those activities. The Company cannot provide any assurance as to the prices it will achieve for any mineral commodities it produces. Any substantial decline in the price of those commodities or in transport or distribution costs may have a material adverse effect on the Company and the value of its Shares.

**(e) Environmental risks**

The operations and proposed activities of the Company are subject to State and Federal laws and regulations concerning the environment. As with most exploration projects and mining operations, the Company's proposed activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. Such impact can give rise to substantial costs for environmental rehabilitation, damage, control and losses.

The potential environmental impacts of the Company's proposed activities and any future projects could be expected to require statutory approvals to be obtained by the Company. There cannot be any guarantee that such approvals would be granted and failure to obtain any environmental approvals that may be required from relevant government or regulatory authorities may impede or prevent the Company from undertaking its planned activities.

If there are environmental rehabilitation conditions attaching to the mining tenements of which the Company has an interest, failure to meet such conditions could also lead to forfeiture of the tenements over which the relevant Project is conducted (or any additional tenement interests held by the Company in the future). The Company will attempt to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws.

The Company is unable to predict the impact of any changes to environmental laws, regulations or policies that may be adopted in the future. The Company cannot guarantee that any new environmental laws, regulations or stricter enforcement policies, once implemented, will not result in significant increases in the Company's expenses and could have a material adverse effect on the Company and the value of its Securities.

**(f) Tenure risks**

Interests in exploration and mining tenements for the Existing Projects are governed by Australian State and Territory legislation and are evidenced by the granting of leases or licences. The Cármenes Project Tenements are governed by Spanish legislation. Each lease, licence or concession is for a specific term, which is subject to periodic renewal, expenditure commitments and reporting conditions as well as other conditions that must be complied with.

The Company will follow the mandated processes under the local laws applicable to each Project to ensure continuity of its mining tenure and planned activities. However, the Company could lose title to, or its interest in, the tenements over which a Project is conducted (or any additional tenement interests acquired by the Company in the future)

if conditions of grant are not met, if expenditure commitments are not satisfied or if applications to extend the term of granted tenements are not successful.

Further, the Cármenes Project Tenements are due to expire on 12 May 2020 unless the Company (or SIEMCALSA) is successful in applying for an additional 3 year extension. There cannot be any guarantee that such an application for extension would be successful for either or both of the tenements. Further, the application may be granted subject to additional conditions, such as on the basis that a portion of the project area must be relinquished. Failure to obtain an extension or if the extension is granted subject to unfavourable conditions may have an adverse affect on the Company's operational and financial position.

(g) **Sovereign risk – Cármenes Project**

The Cármenes Project is located in Spain which is considered to be a stable and developed nation. However, adverse changes in Spanish government policies or legislation, such as those related to foreign ownership of mineral interests, taxation, profit repatriation, royalties, land access, labour relations, and mining and exploration activities, may affect the operations of the Company. Depending upon the nature of such changes, the Company's operations and financial position may be adversely affected.

(h) **Native title and heritage risks**

The tenements over which the Existing Projects are conducted are subject to common law and native title rights of indigenous Australians. Legitimate native title rights are recognised and protected under the *Native Title Act 1993* (Cth) (**Native Title Act**). Further, certain areas containing sacred sites or sites of cultural significance to indigenous people are protected under the *Aboriginal Heritage Act 1972* (WA) and the *Aboriginal and Torres Strait Islander Heritage Protection Act 1984* (Cth). Accordingly, the Company will operate a policy of positive negotiations with indigenous Australians in respect of its use of the tenement areas overlapping native title and heritage sites.

Whilst certain native title claims over its tenements have been determined under the Native Title Act, other claims may arise. To the extent that native title and indigenous heritage rights exist in respect of the land covered by the tenements, and subject to the form of those rights as determined under the applicable legislation, the consent of registered native title claimants may be required prior to carrying out certain activities on land to which their claim relates. The Company's ability to utilise the tenements and conduct its planned activities will be subject to such terms and conditions as the Company may achieve through negotiations with traditional owners or by legal determination.

It is possible that the conditions imposed by native title claimants on such consent may be on terms unacceptable to the Company. Alternative mechanisms do exist for progressing the approvals process should this eventuate. As at the Prospectus Date the Company has necessary consents to the extent required from native title claimants for its planned activities for most of the tenements over which the Existing Projects are conducted and is in the process of negotiating further consents for all activities.

(i) **Joint venture & contract risk – Existing Projects**

Part of the Company's interest in the Existing Projects arises through joint venture interests and royalties held by the Company. Accordingly, the Company relies significantly on the strategic relationship with its contract parties, as well as the performance of those parties with their respective contractual obligations.

There cannot be any assurance that its existing relationships will continue to be maintained or that new ones will be successfully formed, and the Company could be adversely affected by changes to such relationships or difficulties in forming new ones. Further, the Company may be adversely affected by a failure of a contractual counterparty to perform their obligations.

(j) **Competition**

The industry in which the Company will be involved is subject to domestic and global competition. Some of the competing companies have greater financial and other resources than the Company and, as a result, may be in a better position to compete for future business opportunities. While the Company will undertake all reasonable due diligence in its business decisions and operations, the Company will have no influence or control over the activities or actions of its competitors. As such, there cannot be any assurance that the Company will be able to compete effectively with these companies.

## 6.4 **General investment risks**

The business activities of the Company are subject to various general economic and investment risks that may impact on the future performance of the Company. Some of these risks can be mitigated by the use of safeguards and appropriate systems and controls, but some are outside the control of the Company and cannot be mitigated. There are a number of general economic and investment risk factors that apply to companies generally and may include economic, financial, market or regulatory conditions. These risk factors include, but are not limited to, the following:

(a) **General economic conditions**

Economic conditions, both domestic and global, may affect the performance of the Company. Factors such as fluctuations in currencies, commodity prices, inflation, interest rates, supply and demand and industrial disruption may have an impact on operating costs and share market prices. The Company's future possible revenues and Share price can be affected by these factors, all of which are beyond the control of the Company or its Directors.

(b) **Equity market conditions**

Shares listed on a securities market, and in particular shares of small companies at any early stage of commercial development, can experience extreme price and volume fluctuations that are often unrelated to the operating performances of such companies. The market price of Securities may fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general. These security market conditions may affect the value of the Shares regardless of the Company's operating performance.

General factors that may affect the market price of Shares include economic conditions in both Australia and internationally, investor sentiment, local and international share market conditions, changes in interest rates and the rate of inflation, variations in commodity prices, the global security situation and the possibility of terrorist disturbances, changes to government regulation, policy or legislation, changes which may occur to the taxation of companies as a result of changes in Australian and foreign taxation laws, changes to the system of dividend imputation in Australia, and changes in exchange rates.

(c) **Changes in government policy & legislation**

Any material adverse changes in relevant government policies or legislation of Australia or internationally may affect the viability and profitability of the Company, and consequent returns to investors.

(d) **Investment risk**

The Securities offered pursuant to this Prospectus should be considered speculative due to the nature of the Company's business. There cannot be any guarantee as to payment of dividends, return of capital or the market value of Shares. In particular, the prices at which an investor may be able to trade Shares may be above or below the price paid for those Shares.

Prospective Applicants must make their own assessment of the likely risks and determine whether an investment in the Company is appropriate to their own circumstances.

(e) **Insurance**

The Company intends to maintain adequate insurance of its operations in accordance with industry practice. However, in certain circumstances, the Company's insurance may not be of a nature or level to provide adequate insurance cover. The occurrence of an event that is not covered or only partially covered by insurance could have a material adverse effect on the business, financial condition and results of the Company.

(f) **Other**

Other risk factors include those normally found in conducting business, including litigation resulting from the breach of agreements or in relation to employees (through personal injuries, industrial matters or otherwise) or any other cause, strikes, lockouts, loss of service of key management or operational personnel, non-insurable risks, delay in resumption of activities after reinstatement following the occurrence of an insurable risk and other matters that may interfere with the business or trade of the Company.

## 7. Continuous disclosure documents

### 7.1 Continuous disclosure obligations

This Prospectus is a prospectus for the offer of continuously quoted securities (as defined in the Corporations Act) of the Company and is issued pursuant to section 713 of the Corporations Act as a transaction specific prospectus. Accordingly, this Prospectus does not contain the same level of disclosure as an initial public offering prospectus.

The Company is a “disclosing entity” for the purposes of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. As a listed company, the Company is subject to the ASX Listing Rules which require it to immediately notify ASX of any information concerning the Company of which it is or becomes aware and which a reasonable person would expect to have a material effect on the price or value of Shares, subject to certain exceptions.

Having taken such precautions and having made such enquiries as are reasonable, the Company believes that it has complied with the provisions of the ASX Listing Rules as in force from time to time which apply to disclosing entities, and which require the Company to notify ASIC of information available to the stock market conducted by ASX, throughout the 12 months before the issue of this Prospectus.

The New Shares to be issued under this Prospectus are in a class of securities that were quoted on the stock market of ASX at all times in the 12 months before the issue of this Prospectus.

### 7.2 Documents available for inspection

The Company has lodged the following announcements with ASX since the lodgement of the Company’s reviewed financial statements for the half year ended 31 December 2016, which occurred on 13 March 2017:

Date	Description of ASX Announcements
13 March 2017	Half Year Accounts
30 March 2017	Resignation of Director
4 April 2017	Final Director’s Interest Notice
28 April 2017	Quarterly Cashflow Report
28 April 2017	Quarterly Activities Report
31 May 2017	Appendix 3B
2 June 2017	Change of Director’s Interest Notice (x2)
7 June 2017	Response to ASX Appendix 3Y Query
24 July 2017	Trading halt
26 July 2017	Oversubscribed Placement and Proposed Rights Issue
26 July 2017	RIE to Acquire Historical High Grade Cobalt Project in Spain
26 July 2017	Board Appointments to Pursue Key European Cobalt Markets
27 July 2017	Final Director’s Interest Notice x 2
27 July 2017	Initial Director’s Interest Notice x 2
31 July 2017	Quarterly Cashflow Report
31 July 2017	Quarterly Activities Report
1 August 2017	Appendix 3B

Copies of documents lodged with ASIC in relation to the Company may be obtained from, or inspected at, an office of ASIC.

Copies of documents lodged with ASX, in relation to the Company, including the Company's corporate governance policies, may be obtained from the Company's website at **[www.riedelresources.com.au](http://www.riedelresources.com.au)** or at ASX's website at **[www.asx.com.au](http://www.asx.com.au)** using the Company's ASX code 'RIE'.

The Company will provide a copy of each of the following documents, free of charge, to any person on request from the Prospectus Date until the Closing Date:

- the annual financial report of the Company for the financial year ended 30 June 2016, being the annual financial report of the Company most recently lodged with ASIC before the Prospectus Date;
- the financial report of the Company for the half year ended 31 December 2016, being the half year financial report of the Company most recently lodged with ASIC before the Prospectus Date; and
- any documents used to notify ASX of information relating to the Company in the period from lodgement of the annual financial report referred to above until the Prospectus Date in accordance with the ASX Listing Rules as referred to in section 674(1) of the Corporations Act.

Copies of all documents lodged with ASIC in relation to the Company can be inspected at the registered office of the Company during normal office hours.

## 8. Additional Information

### 8.1 Market prices of Shares on ASX

Information about the closing market price of Shares quoted on ASX during the 3 month period before the Prospectus Date is set out in the table below.

Information	Latest	Lowest	Highest
Price (AU\$)	\$0.20	\$0.01	\$0.029
Date(s)	1 August 2017	18 July 2017	26 July 2017

### 8.2 Material contracts

#### (a) Cármenes JVA

The Company entered into the Cármenes JVA with SIEMCALSA on 21 July 2017 in respect of the Cármenes Project.

The material terms of the Cármenes JVA are as follows:

Subject	Provision
<b>Earn-in right</b>	The Company has the exclusive right, at its discretion, to earn up to a 90% share in the assets and liabilities of the Cármenes Project (including the Cármenes Project Tenements) ( <b>JV Interest</b> ) by funding exploration expenditure costs in relation to the project over 3 years ( <b>Earn-in Period</b> ).
<b>Expenditure commitments</b>	<p>The Company's expenditure commitment is €2,000,000 in the following stages:</p> <ul style="list-style-type: none"><li>• <b>Stage 1:</b> €300,000 within 1 year of the Cármenes JVA (i.e. by 21 July 2018);</li><li>• <b>Stage 2:</b> €700,000 within 2 years of the Cármenes JVA (i.e. by 21 July 2019); and</li><li>• <b>Stage 3:</b> €1,000,000 within 3 year of the Cármenes JVA (i.e. by 21 July 2020).</li></ul>
<b>Joint venture share</b>	<p>The Company will earn:</p> <ul style="list-style-type: none"><li>• a 50% JV Interest in the Cármenes Project upon completion of Stages 1 and 2; and</li><li>• a 90% JV Interest in the Cármenes Project upon completion of Stage 3.</li></ul>
<b>Establishment of joint venture</b>	Upon the Company receiving a JV Interest, an unincorporated joint venture is formed between the Company and SIEMCALSA to conduct the Cármenes Project.
<b>Transfer of title</b>	<p>SIEMCALSA will remain the registered holder of the Cármenes Project Tenements until the Company completes Stage 3.</p> <p>Following completion of Stage 3, SIEMCALSA will transfer the registration of the Cármenes Project Tenements to the Company and SIEMCALSA will retain a 10% contractual</p>

Subject	Provision
	interest (i.e. will not have a registered ownership interest) in the Cármenes Project under the Cármenes JVA.
<b>Management</b>	The Company will be the operator of all exploration activities at the Cármenes Project for the duration of the Cármenes JVA, including the right to make any decisions related to the development and expenditure, to operate and manage all planning and budgeting, and to execute exploration programmes and expenses as it sees fit.
<b>Extension of Cármenes Project Tenements</b>	<p>The Company may request that SIEMCALSA applies for a 3 year extension of the Cármenes Project Tenements before the expiry of those tenements, provided that the Company has completed Stages 1, 2 and 3 of its expenditure commitments (<b>Extraordinary Extension</b>).</p> <p>If the extension is granted, the Company may, at its discretion, expend on additional exploration, at least €500,000 per year for each of the 3 extension years (i.e. a total of €1,500,000) (<b>Extension Payment</b>).</p>
<b>Steering committee</b>	<p>The Company and SIEMCALSA will establish a technical steering committee for the Cármenes Project which will monitor the technical development of the project.</p> <p>Each party will have two representatives on the committee.</p>
<b>Call option prior to bankable feasibility study</b>	<p>The Company will have a call option to purchase SIEMCALSA's 10% JV Interest at any time after the Company attains a 90% JV Interest, but before the Company notifies SIEMCALSA of its intention to conduct a bankable feasibility study in relation to the project.</p> <p>The consideration to be provided by the Company for SIEMCALSA's 10% JV Interest will be, at SIEMCALSA's election, either:</p> <ul style="list-style-type: none"> <li>a 2% net smelter return royalty in relation to the mineral concentrates produced from the Cármenes Project Tenements for the first 5 years of production, and 1.5% thereafter; or</li> <li>€2,000,000 in cash.</li> </ul>
<b>Obligation to purchase SIEMCALSA's share on decision to mine</b>	<p>If the Company makes a decision to mine in relation to the Cármenes Project, it must acquire SIEMCALSA's remaining 10% JV Interest.</p> <p>The consideration to be provided by the Company for SIEMCALSA's 10% JV Interest will be, at SIEMCALSA's election, either:</p> <ul style="list-style-type: none"> <li>a 2% net smelter return royalty in relation to the mineral concentrates produced from the Cármenes Project Tenements for the first 5 years of production, and 1.5% thereafter; or</li> <li>€4,000,000 in cash.</li> </ul>
<b>Term</b>	<p>The Cármenes JVA will continue in effect until the earlier of:</p> <ul style="list-style-type: none"> <li>the date when either party ceases to have a JV Interest;</li> <li>the cancellation of both Cármenes Project Tenements;</li> </ul>

Subject	Provision
	<ul style="list-style-type: none"> <li>the expiry of any extension to the Cármenes Project Tenements;</li> <li>on SIEMCALSA giving written notice of termination to the Company within 45 days of the Company failing to meet its minimum expenditure commitments (including those under the Extension Payment).</li> </ul>
<b>Termination by the Company</b>	<p>The Company may at any time terminate the Cármenes JVA by giving SIEMCALSA written notice to that effect.</p> <p>The Company is not entitled to any refund of amounts paid or expended in relation to the Cármenes Project unless termination results from SIEMCALSA's default.</p> <p>If title in the Cármenes Project Tenements has been registered to the Company, the Company must re-transfer title to SIEMCALSA.</p>
<b>Termination for default</b>	<p>Either party may terminate the Cármenes JVA if the other party defaults on its obligations under the agreement (including if the party suffers certain insolvency events) and fails to remedy such default within 15 business days of a request to do so.</p>
<b>Governing law</b>	<p>The Cármenes JVA is governed by the laws of Spain.</p>

The Cármenes JVA otherwise contains terms and conditions (including warranties) considered standard for agreements of this nature.

(b) **Underwriting Agreement**

The Company and the Underwriter (Oracle Securities Pty Ltd) have entered into the Underwriting Agreement pursuant to which the Underwriter has agreed to underwrite the Offers.

The material terms of the Underwriting Agreement are as follows:

Subject	Provision
<b>Underwriting commitment</b>	<p>The Underwriter agrees to underwrite the shortfall in subscriptions under the Offers for up to 93,571,495 New Shares to raise up to \$1,403,572 (before costs).</p>
<b>Management of Rights Offer</b>	<p>The Underwriter will manage the Rights Offer.</p>
<b>Sub-underwriting and other applicants</b>	<p>The Underwriter may procure that sub-underwriters or other investors to subscribe for any underwritten New Shares in place of the Underwriter.</p>
<b>Conditions precedent</b>	<p>The Underwriting Agreement is conditional upon all Shareholder approvals necessary to undertake the transactions contemplated under the Underwriting Agreement (including those to undertake the Offers) being obtained.</p>
<b>Distribution</b>	<p>The Underwriter must take all reasonable steps to ensure that neither it nor any sub-underwriter or nominee who subscribes for part of the underwritten commitment obtains</p>

Subject	Provision
	voting power of more than 19.99%, except to the extent permitted by law.
<b>Fees and reimbursement</b>	<p>The Company will pay the Underwriter:</p> <ul style="list-style-type: none"> <li>a fee for managing the Placement equal to 7% of the amount raised excluding GST (i.e. \$38,446), payable by way of Shares at a deemed issue price of \$0.015 per Share (i.e. 2,563,045 Shares);</li> <li>a fee for managing the Rights Offer and underwriting the Offers equal to 7% of the underwritten amount excluding GST (i.e. \$98,250), payable by way of Shares at a deemed issue price of \$0.015 per Share (i.e. 6,550,004 Shares); and</li> <li>reimbursement of the Underwriter's reasonable costs, professional fees and expenses in relation, and incidental, to the Offers.</li> </ul>
<b>Termination of underwriting commitment</b>	<p>The Underwriter may terminate its obligations immediately by written notice to the Company in the event of certain circumstances, which are of the type and form that are considered usual for an underwriting agreement of this nature.</p> <p>The termination events include:</p> <ul style="list-style-type: none"> <li><b>default:</b> default or breach by the Company of its obligations or warranties under the Underwriting Agreement where such default: <ul style="list-style-type: none"> <li>is incapable of remedy or is not remedied by the date the Underwriter is apply for New Shares under the agreement; and</li> <li>in the reasonable opinion of the Underwriter has or is likely to have a material adverse effect on the Offers;</li> </ul> </li> <li><b>material change:</b> material and adverse change occurs in the financial position of the Company or its subsidiaries, or the industry in which they operate;</li> <li><b>contravention:</b> the Company contravenes any of the following, which in the reasonable opinion of the Underwriter has a material adverse effect on the Offers: <ul style="list-style-type: none"> <li>any law, regulation, authorisation, ruling, consent, judgment,</li> <li>order or decree of any governmental agency;</li> <li>its Constitution;</li> <li>a security interest (e.g. a mortgage, charge etc) which is binding on the Company, its subsidiaries or an asset of the same;</li> </ul> </li> <li><b>solvency:</b> the Company or its subsidiaries suffer an certain insolvency events;</li> <li><b>ASX 200 fall:</b> the ASX 200 falls by more than 5% from the date of the Underwriting Agreement;</li> <li><b>hostilities:</b> an outbreak of new hostilities or war involving Australia, Japan, European Union members,</li> </ul>

Subject	Provision
	<p>USA, member states of the former Union of Soviet Socialist Republics, Indonesia, China (including Hong Kong), New Zealand, Taiwan, Singapore or Malaysia, which in the reasonable opinion of the Underwriter has or is likely to have a material adverse effect on the Offers;</p> <ul style="list-style-type: none"> <li>• <b>dishonest director:</b> after the date of the Underwriting Agreement, a Director or director of a subsidiary commits or is convicted of a criminal offence or becomes a bankrupt which in the reasonable opinion of the Underwriter has or is likely to have a material and adverse effect on the Offers;</li> <li>• <b>due diligence:</b> the Company is unable to satisfactorily complete its due diligence enquiries on the Cármenes Project prior to the closing of the Offers, including receiving valid confirmation that new 3 year extensions of term have been granted on the tenements; and</li> <li>• <b>cobalt price:</b> after the date of the Underwriting Agreement, the LME Official Price of Cobalt (in US\$ per tonne) falls by more than 10%.</li> </ul>
<b>Indemnity</b>	<p>The Company agrees to indemnify the Underwriter and to hold the Underwriter harmless from and against matters which include (without limitation):</p> <ul style="list-style-type: none"> <li>• non-compliance with any statutory or ASX requirement concerning the Offers, this Prospectus or any promotional or publicity activities in respect of the Offers;</li> <li>• failure by the Company to rectify any omission from, or statement which is misleading or deceptive in, the this Prospectus before close of the Offers;</li> <li>• failure by the Company to perform or observe any of its obligations under the Underwriting Agreement or any other obligations binding on it;</li> <li>• any of the termination events outlined above;</li> <li>• any claim that any indemnified party has any liability under the Corporations Act or any other applicable law concerning the Offers;</li> <li>• any review or investigation undertaken by ASIC, ASX or any other governmental authority or agency as a result of an actual, alleged or asserted failure to comply with the conditions and requirements of any law or regulation; and</li> <li>• any and all advertising, publicity, statement and reports in relation to the Offers.</li> </ul> <p>The indemnity is limited in relation to certain acts done or caused by the Underwriter.</p>

The Underwriting Agreement otherwise contains terms and conditions considered standard for agreements of this nature.

(c) **Directors' Deeds of Access and Indemnity**

The Company proposes to enter into Deeds of Access and Indemnity with each Director (**Relevant Party**).

The material terms of these deeds are proposed to be as follows:

Subject	Provision
<b>Indemnity</b>	The Company agrees to indemnify each Director from certain liabilities incurred from acting as a director and officer of the Company under specified circumstances.
<b>Insurance</b>	<p>The Company agrees to maintain directors' and officers' insurance cover (if available) in favour of each Director whilst that person maintains such office and for 7 years after the Relevant Party has ceased to be an officer, provided that:</p> <ul style="list-style-type: none"><li>the Company may cease to maintain directors' and officers' insurance cover in favour of each Director if the Company reasonably determines that the type of coverage is no longer available; and</li><li>the Company must notify a Director if it ceases to maintain directors' and officers' insurance cover in favour of that Director.</li></ul>
<b>Access</b>	The Company will provide access to any company records which are relevant to the Director's holding of office with the Company, for a period of 7 years after the Director has ceased to be a Director.
<b>Conditions</b>	The indemnity and insurance obligations of the Company are subject to any restrictions on the same under the Corporations Act.

The deeds will otherwise contain terms and conditions considered standard for deeds of this nature.

(d) **Non-Executive Director appointment letters**

The Company has entered into letters of engagement with each Non-Executive Director, Alexander Sutherland and Scott Cuomo, confirming their appointment and terms of engagement.

The material terms of the letters of engagement are as follows:

Subject	Provision
<b>Engagement</b>	Each Non-Executive Director is engaged in that capacity by the Company.
<b>Directors' fees</b>	Each Non-Executive Director is entitled to be paid director's fee for their services of \$2,500 plus superannuation per month.
<b>Performance of duties</b>	Each Non-Executive Director is expected to discharge their duties in accordance with the Constitution of the Company, the Corporations Act and the ASX Listing Rules (as applicable).

Subject	Provision
<b>D&amp;O insurance</b>	Each Non-Executive Director will be covered by a directors' and officers' liability insurance taken out by the Company in accordance with the terms of the Deeds of Insurance, Indemnity and Access that the Company has executed with each Non-Executive Director.
<b>Disclosure of interests</b>	Each Non-Executive Director must make all necessary disclosures to the Company in relation to all interests and matters which impact their independence and any matters which may give rise to a conflict of interest.
<b>Confidentiality</b>	Each Non-Executive Director must keep information regarding the Company confidential, except if disclosure is required by law or the Company provides prior written consent.

The appointment otherwise contains terms and conditions considered standard for appointment documents of this nature.

### 8.3 Existing Security holdings of Directors

The table below sets out the relevant interest of each Director (directly and indirectly held) in the Securities of the Company at the Prospectus Date.

Director	Shares	Options
Jeffrey Moore	12,661,305 Shares	5,000,000 unquoted Options (exercisable at \$0.018 by 11 March 2019)
Alexander Sutherland	Nil	Nil
Scott Cuomo	Nil	Nil
<b>TOTAL</b>	<b>12,661,305</b>	<b>5,000,000</b>

**Note:** Jeffrey Moore will have an Entitlement to subscribe for approximately 4,220,435 New Shares under the Rights Offer, assuming that the above interests remain unchanged at the Record Date.

Directors or their Associates who are registered as Shareholders on the Record Date may participate in the Offers on the same basis and terms as all other Eligible Shareholders.

### 8.4 Remuneration of Directors

The Company's Constitution provides that the Directors may be paid for their services as Directors.

The Constitution also provides that Non-Executive Directors may collectively be paid as remuneration for their services an aggregate maximum of \$250,000 or such other maximum amount set by Shareholders in general meeting. As at the Prospectus Date, the aggregate maximum remains set at \$250,000.

A Director may be paid fees or other amounts as the Directors determine, where a Director performs duties or provides services outside the scope of their normal duties. A Director may also be reimbursed for out of pocket expenses incurred as a result of their directorship or any special duties.

The table below sets out the remuneration of each Director for last two and the current financial years.

Director	2015/2016 financial year	2016/2017 financial year	2017/2018 financial year
Jeffrey Moore	\$78,246 plus superannuation	\$100,000 plus superannuation	\$100,000 plus superannuation
Alexander Sutherland	Nil	Nil	\$30,000 plus superannuation
Scott Cuomo	Nil	Nil	\$30,000 plus superannuation

## 8.5 Expenses of the Offers

The expenses of the Offers are expected to comprise the following estimated costs and are exclusive of any GST payable by the Company.

Expense	Full subscription under Public Offer
ASIC fees	\$2,400
ASX fees	\$6,665
Underwriter's fees	\$98,250
Legal fees	\$15,000
Promotion, printing, distribution and Share Registry expenses	\$7,950
<b>TOTAL</b>	<b>\$130,265</b>

**Note:** The Underwriter will receive payment for their fees in the form of Shares, subject to Shareholder approval at the Company's next General Meeting. Refer to Section 8.2(b) for details.

## 8.6 Interests of experts and advisers

Other than as set out below or elsewhere in this Prospectus:

- all other persons named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus do not have, and have not had in the 2 years before the Prospectus Date, any interest in:
  - the formation or promotion of the Company;
  - property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offers; or
  - the Offers; and
- amounts have not been paid or agreed to be paid (whether in cash, Securities or otherwise), and other benefit have not been given or agreed to be given, to any of those persons for services provided by those persons in connection with the formation or promotion of the Company or the Offers.

Expert/advisor	Service or function	Amount paid or to be paid
Oracle Securities Pty Ltd	Underwriter	<p>Oracle Securities will be paid Shares valued at approximately \$136,696 (plus GST) (i.e. 9,113,049 Shares plus GST) for acting as manager and underwriter to the Offers as well as manager to the Placement.</p> <p>In addition, it has been paid \$5,089 (including GST) for a placement it arranged for the Company in the period 2 years prior to the Prospectus Date.</p>
PKF Mack	Auditor	<p>PKF Mack has been paid approximately \$50,210 (including GST) for the provision of auditing and other professional services to the Company in the period 2 years prior to the Prospectus Date.</p>
Jackson McDonald	Solicitors to the Offers	<p>Jackson McDonald will be paid approximately \$15,000 (excluding GST) for services related to this Prospectus, the Offers and legal due diligence.</p> <p>It has been paid or is entitled to be paid approximately \$42,206 (excluding GST) for legal services provided to the Company in the period 2 years prior to the Prospectus Date, including the amount for above.</p>
Computershare Investor Services Pty Ltd	Share registry services	<p>Computershare Investor Services will be paid approximately \$7,950 (plus GST) for services to be provided in relation to receiving and managing Applications under the Offers.</p> <p>In addition, it has been paid or is entitled to be paid approximately \$20,795 (including GST) for the provision of share registry services to the Company in the period 2 years prior to the Prospectus Date.</p>

## 8.7 Consents and liability statements

The following parties have given their written consent to be named in the Prospectus in the form and context in which they are named and to the inclusion of a statement or report in this Prospectus in the form and context in which it is included:

Party	Capacity in which named	Statement or report in this Prospectus
Oracle Securities Pty Ltd	Underwriter	Section 4.5 – relating to the Underwriter's relevant interest in Existing Shares.
Jackson McDonald	Solicitors to the Offers	Not applicable.

PKF Mack	Auditor	Review of the consolidated statement of financial position for the Company as at 31 December 2016 referred to in Section 4.7.
Computershare Investor Services Pty Ltd	Share Registry	Not applicable.

Each of the parties named above as providing their consent:

- did not authorise or cause the issue of this Prospectus;
- does not make, or purport to make, any statement in this Prospectus nor is any statement in this Prospectus based on any statement by any of those parties other than as specified in the table above; and
- to the maximum extent permitted by law, expressly disclaims any responsibility or liability for any part of this Prospectus other than a reference to its name and a statement contained in this Prospectus with consent of that party as specified in the table above.

## 8.8 Litigation

As at the Prospectus Date, the Company is not involved in any material legal proceedings and the Directors are not aware of any material legal proceedings pending or threatened against the Company.

## 9. Directors' statement

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The Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with ASIC and has not withdrawn that consent.

This Prospectus is signed for and on behalf of the Company pursuant to a resolution of the Board by:

A handwritten signature in black ink, appearing to be 'H. Vos', with a stylized flourish at the end.

**Henko Vos**  
Joint Company Secretary

Date: 2 August 2017

## 10. Glossary of Terms

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<b>Applicant</b>	<p>A person who applies for New Shares under and in accordance with this Prospectus, including (as applicable):</p> <ul style="list-style-type: none"><li>(a) an Eligible Shareholder who subscribes New Shares pursuant to their Entitlement under the Rights Offer;</li><li>(b) an Eligible Shareholder or other investor who subscribes for New Shares under the Shortfall Offer;</li><li>(c) the Underwriter of any sub-underwriter who subscribes for New Shares pursuant to the Underwriter Agreement or relevant sub-underwriter agreement.</li></ul>
<b>Application</b>	<p>A valid application for New Shares offered under this Prospectus.</p>
<b>Application Form</b>	<p>An Entitlement and Acceptance Form or a Shortfall Offer Form, as the context requires.</p>
<b>Application Moneys</b>	<p>The moneys payable by Applicants to the Offers.</p>
<b>ASIC</b>	<p>The Australian Securities &amp; Investments Commission.</p>
<b>Associate</b>	<p>Has the meaning set out in the ASX Listing Rules.</p>
<b>ASX</b>	<p>ASX Limited (ACN 008 624 691) trading as the 'Australian Securities Exchange'.</p>
<b>ASX Listing Rules</b>	<p>The listing rules of ASX.</p>
<b>ASX Settlement</b>	<p>ASX Settlement Pty Ltd (ACN 008 504 532).</p>
<b>ASX Settlement Rules</b>	<p>The ASX Settlement Operating Rules.</p>
<b>Board</b>	<p>The Company's Board of Directors.</p>
<b>Business Day</b>	<p>A day:</p> <ul style="list-style-type: none"><li>(a) that is a business day as defined in the ASX Listing Rules; and</li><li>(b) which is not a Saturday, Sunday, public holiday or bank holiday in Perth, Western Australia.</li></ul>
<b>Cármenes JVA</b>	<p>The Joint Venture Agreement between the Company and SIEMCALSA dated 21 July 2017 in relation to the Cármenes Project.</p>
<b>Cármenes Project</b>	<p>The cobalt (Co), copper (Cu), nickel (Ni) and gold (Au) exploration and development project conducted on the Cármenes Project Tenements by SIEMCALSA in northern Spain known as 'Cármenes'.</p>
<b>Cármenes Project Tenements</b>	<p>The following Spanish mining investigation permits registered to SIEMCALSA:</p> <ul style="list-style-type: none"><li>(a) Mining Investigation Permit Valverdín no. 15.106 consisting of 124 mining grids, granted on 28 April 2009 and expiring on 12 May 2020; and</li><li>(b) Mining Investigation Permit Cármenes no. 15.107 consisting of 17 mining grids, granted on 14 April 2009 and expiring on 12 May 2020.</li></ul>

<b>CHESS</b>	Clearing House Electronic Sub-register System operated by ASX Settlement.
<b>Closing Date</b>	The closing date of the Rights Offer.
<b>Company</b>	Riedel Resources Limited (ACN 143 042 022).
<b>Constitution</b>	The constitution of the Company.
<b>Corporations Act</b>	<i>Corporations Act 2001</i> (Cth).
<b>Director</b>	A director of the Company as at the Prospectus Date.
<b>Eligible Jurisdictions</b>	Australia and New Zealand.
<b>Eligible Shareholder</b>	<p>A Shareholder who is:</p> <ul style="list-style-type: none"> <li>(a) a registered holder of Shares on the Record Date;</li> <li>(b) has a registered address in Australia or New Zealand as shown in the Share Registry;</li> <li>(c) not in the United States or a U.S. Person or acting for the account of or benefit of a U.S. Person; and</li> <li>(d) eligible under all applicable securities laws to receive an offer under the Rights Offer.</li> </ul>
<b>Entitlement</b>	The number of New Shares that an Eligible Shareholder is entitled to apply for under the Rights Offer, as determined by the number of Shares held by that Shareholder at the Record Date.
<b>Entitlement and Acceptance Form</b>	The entitlement and acceptance form accompanying this Prospectus.
<b>Excluded Shareholder</b>	A Shareholder as at the Record Date whose registered address is not situated in an Eligible Jurisdiction.
<b>Exempt Investor</b>	<p>An investor to whom a Security may be issued without giving disclosure under Chapter 6D of the Corporations Act, including but not limited to:</p> <ul style="list-style-type: none"> <li>(a) a 'professional investor' as that term is defined in section 9 of the Corporations Act;</li> <li>(b) a 'sophisticated investor' for the purposes of sections 708(8) to (10) of the Corporations Act; and</li> <li>(c) a person, senior manager or a body corporate controlled by a senior manager for the purposes of section 708(12) of the Corporations Act.</li> </ul>
<b>Existing Projects</b>	<p>The following mineral exploration and development projects in which the Company holds an interest:</p> <ul style="list-style-type: none"> <li>(a) the Marymia Gold Project in Western Australia conducted by the Company (49%) in joint venture with Australian Miles Limited (51%) in relation to Western Australian exploration licences E52/2394 and E52/2395;</li> <li>(b) the Charteris Creek Gold Project in Western Australia conducted by the Company's wholly owned subsidiary, Audax Minerals Pty Ltd, (100%) in relation to Western Australian exploration licence E45/2763;</li> <li>(c) the West Yandal Gold Project in Western Australia</li> </ul>

conducted by the MKO Mines Pty Ltd in relation to Western Australian mining lease M36/615, pursuant to which the Company retains a royalty interest; and

- (d) the Porphyry Gold Project in Western Australia conducted by the Saracen Minerals Limited in relation to Western Australian mining lease M31/157 pursuant to which the Company retains a royalty interest.

<b>Existing Share</b>	A share issued before the Prospectus Date.
<b>Existing Shareholder</b>	A holder of an Existing Share.
<b>GST</b>	Goods and services tax levied under the <i>A New Tax System (Goods and Services Tax) Act 1999</i> (Cth).
<b>Holding Statement</b>	A holding statement for Securities under CHESS or Security Holder Reference Number.
<b>New Shares</b>	The Shares that may be issued under this Prospectus pursuant to an Offer.
<b>Offer Period</b>	The period commencing on the Opening Date and ending on the Closing Date.
<b>Offer Price</b>	The price at which a New Share is offered to Applicants under an Offer, being \$0.015 per New Share.
<b>Offers</b>	The Rights Offer and the Shortfall Offer, or either one of those offers as the case may be.
<b>Opening Date</b>	The opening date of the Rights Offer.
<b>Option</b>	An option to subscribe for a Share.
<b>Placement</b>	The placement by the Company to various Exempt Investors of 36,614,932 Shares at an issue price of \$0.015 each to raise approximately \$549,223 (before costs).
<b>Privacy Act</b>	<i>Privacy Act 1988</i> (Cth).
<b>Projects</b>	The Existing Projects and the Cármenes Project.
<b>Prospectus</b>	This prospectus, including any electronic or online version of this prospectus.
<b>Prospectus Date</b>	The date this Prospectus was lodged with ASIC, being 2 August 2017.
<b>Record Date</b>	5.00pm (WST) on 8 August 2017 or such other date as may be determined by the Directors, subject to the ASX Listing Rules.
<b>Rights Offer</b>	The non-renounceable pro-rata offer under this Prospectus to Eligible Shareholders to subscribe for 1 New Shares for every 3 Shares held at the Record Date, at an issue price of \$0.015 per New Share, to raise up to approximately \$1,403,572 (before costs).
<b>Section</b>	A section of this Prospectus.
<b>Securities</b>	Has the meaning given to that term in section 92(4) of the Corporations Act, including a Share and an Option.

<b>Share</b>	A fully paid ordinary share in the capital of the Company.
<b>Share Registry</b>	The Company's share registry, Computershare Investor Services Pty Ltd (ABN 48 078 279 277).
<b>Shareholder</b>	The holder of a Share.
<b>Shortfall</b>	The number of New Shares offered under the Rights Offer for which valid Applications are not received from Eligible Shareholders before the Closing Date.
<b>Shortfall Application Form</b>	An application form for New Shares under the Shortfall Offer.
<b>Shortfall Offer</b>	The offer under this Prospectus to subscribe for the New Shares which comprise the Shortfall at an issue price of \$0.015 per New Share.
<b>SIEMCALSA</b>	Sociedad de Investigación y Explotación Minera de Castilla y León, Sociedad Anónima, established under the laws of Spain.
<b>Underwriter</b>	Oracle Securities Pty Ltd (ACN 131 060 761).
<b>Underwriting Agreement</b>	The Underwriting Agreement dated on or about 1 August 2017 between the Company and the Underwriter.
<b>U.S. Person</b>	Any person in the United States or any person that is, or is acting for the account or benefit of, a "U.S. person" (as defined in Regulation S under the United States Securities Act of 1933, as amended).
<b>WST</b>	Australian Western Standard Time, being the time in Perth, Western Australia.