
OPTION AND SALE AGREEMENT SIGNED FOR A\$500,000 NON-CORE ASSET DIVESTMENT

HIGHLIGHTS

- ✓ Riedel has entered into an Option and Sale Agreement on its Charteris Creek Project in Western Australia
- ✓ If option is exercised, **Riedel will receive total cash consideration of A\$500,000**
- ✓ Confirms continued commitment to divest non-core assets to deliver value to shareholders and focus on **exploration and development of the Cármenes high grade cobalt-copper-nickel-gold project** in Spain
- ✓ Upon completion will further strengthen Riedel's cash position as it pursues its new strategic objective of securing and **developing cobalt and tech-energy related metals** opportunities in Europe

Riedel Resources Limited (ASX: RIE) ('Riedel' or 'the Company') is pleased to advise that it has entered into an Option and Sale Agreement ('Agreement') for the proposed sale of its Charteris Creek Project (E45/2763) to LMTD Wits Pty Ltd ('LMTD').

The Charteris Creek Project, located in the Pilbara Region of Western Australia, is 100% owned by the Company's wholly-owned subsidiary, Audax Minerals Pty Ltd.

KEY TERMS OF THE AGREEMENT

- LMTD will be granted a sixty day exclusivity period to undertake all relevant due diligence work.
- The purchase price of **A\$500,000** (exclusive of GST) is payable as follows:
 - A non-refundable option fee of **A\$25,000** payable within 14 days of executing the Agreement;
 - A tranche 1 payment of **\$175,000** within 5 days of LMTD formally giving notice of their intention to proceed;
 - A tranche 2 payment of **\$150,000** within 3 months of LMTD formally giving notice of their intention to proceed; and
 - A tranche 3 payment of **\$150,000** payable within 6 months of LMTD formally giving notice of their intention to proceed.

The Company's Executive Chairman, Mr Jeffrey Moore said *"Riedel is pleased to report on negotiations for the sale of the non-core Charteris Creek Project. This divestment clearly demonstrates the Company's focus on exploring and developing its European energy metals assets, which will be reported on in more detail during the coming months."*

The timelines for the abovementioned payments are subject to the Company having met all relevant minimum expenditure commitments on the project tenement. Alternatively, the payments will be made within 5 days of the Company receiving a Certificate of Exemption from the Western Australian Department of Mines, Industry and Safety for the year ended 7 November 2017, if that date is later than any of the tranche 1 to tranche 3 payment dates.

For further enquiries please contact Henko Vos (Company Secretary) on (+61 8) 9463 2463.