

**ASX ANNOUNCEMENT**  
**31 October 2017**

**RIEDEL RESOURCES**  
**ASX Code: RIE**

ABN: 91 143 042 022

**COMPANY DIRECTORS**

Mr Jeffrey Moore  
Executive Chairman

Mr Alexander Sutherland  
Non-Executive Director

Mr Scott Cuomo  
Non-Executive Director

**COMPANY SECRETARIES**

Mr Henko Vos and Ms Abby Siew

**CONTACT DETAILS**

**Principal & Registered Office**  
Suite 1  
6 Richardson Street  
West Perth  
Western Australia 6005

**Postal Address**  
PO Box 1559  
West Perth  
Western Australia 6872

**Website**  
[www.riedelresources.com.au](http://www.riedelresources.com.au)

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

**Phone**  
+61 8 9226 0866

**Facsimile**  
+61 8 9486 7375

**Capital Structure**  
Ordinary Shares: 374m  
Unlisted Options: 42.9m

**Cash Reserves**  
A\$2.65m (at 30 September 2017)



---

**QUARTERLY ACTIVITIES REPORT**  
**FOR THE PERIOD ENDED 30 SEPTEMBER 2017**

---

**OPERATIONAL HIGHLIGHTS**

**SPAIN**

**Cármenes Cobalt-Copper-Nickel-Gold Project**

- ✓ Riedel executed a Joint Venture Agreement to earn an interest of up to **90% in the Cármenes Project** in Northern Spain, with provision to acquire the balance.
- ✓ The Cármenes Project covers historic **high grade cobalt (Co), copper (Cu), nickel (Ni) and gold (Au)** mines.
- ✓ Excellent geological potential for the discovery of additional deposits with **95% of the Project area untested** using modern exploration techniques.

**AUSTRALIA**

**Charteris Creek Project**

- ✓ Riedel entered into an Option and Sale Agreement on its Charteris Creek Project in Western Australia.
- ✓ If the option is exercised, Riedel will receive **total cash consideration of A\$500,000**.
- ✓ 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.

**CORPORATE HIGHLIGHTS**

- ✓ **Heavily oversubscribed** placement at a **50% premium** to last traded price, to raise \$549,224.
- ✓ Prospectus lodged with ASIC on 2 August for a fully underwritten non-renounceable pro rata rights issue to raise up to \$1,403,572 at an issue price of \$0.015 for each share.
- ✓ Rights issue closed on 21 August 2017 and **raised \$1,403,572**.
- ✓ Mr Scott Cuomo and Mr Alexander Sutherland appointed to Riedel's Board of directors.
- ✓ Cash at Bank 30 September 2017 - **\$2.65M**.

## EUROPEAN PROJECTS

### CÁRMENES COBALT PROJECT - SPAIN

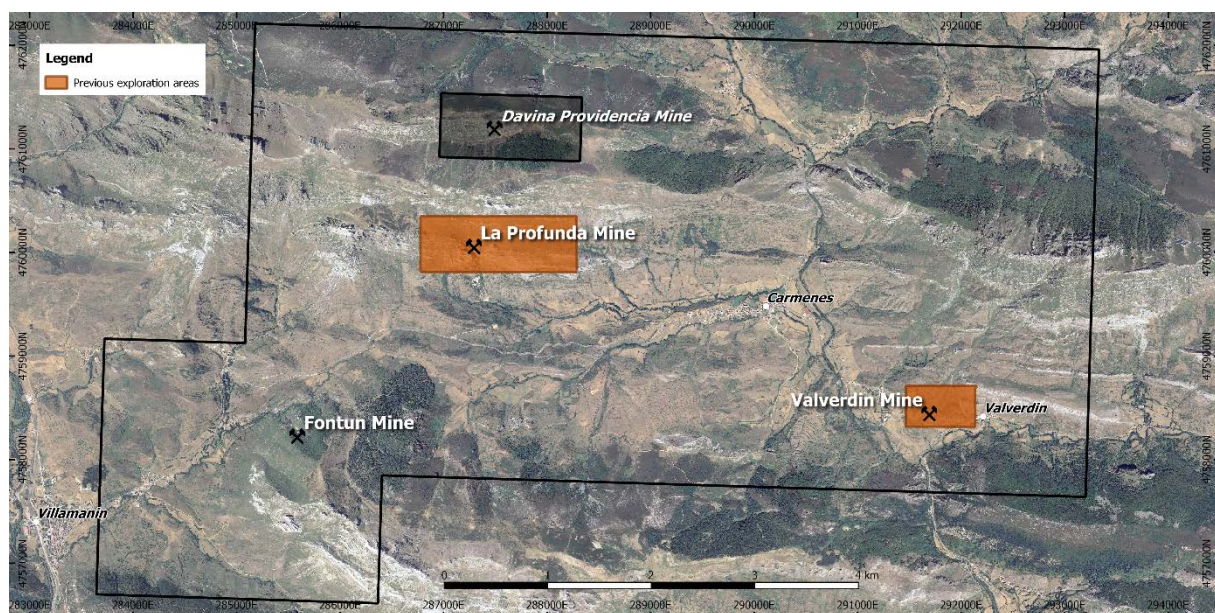
In July 2017 Riedel signed a Joint Venture Agreement with SIEMCALSA (*Sociedad De Investigación Y Exploración Minera De Castilla Y León S.A.*) whereby Riedel can earn-in an interest of up to 90% in the Cármenes Project located in Northern Spain (“the **Project**”) by way of funding staged exploration and development expenditure, with provision to acquire the remaining 10%.

The terms of the Joint Venture Agreement and details of the Cármenes Project were summarised in the Quarterly Report for the Period Ended 30 June 2017.

During the September quarter, the Company engaged in-country advisers to assist with the establishment of a subsidiary entity to optimise the corporate structure for the exploration and development of its Spanish assets.

In addition, the Company continued to work closely with SIEMCALSA on its approved programme of works which aims to refine existing high priority targets and expand the exploration envelope to include the remaining 95% of the prospective tenement area that was previously untested by modern exploration techniques.

The Company intends to provide shareholders with detailed updates on the approved exploration and development programmes over the coming weeks.



**Figure 1:** Investigation permit areas showing only 5% of Cármenes Project area explored

## AUSTRALIAN PROJECTS

Riedel's Western Australia assets include two projects in prospective Archaean- and Proterozoic-age terranes (see Figure 2 for location of projects).

These include:

- **Marymia** – (copper, gold, nickel and base metals) Australian Mines earning up to 80% by project expenditure of up to \$3.3M; and
- **Charteris Creek** – (copper, molybdenum, gold and base metals) Riedel 100%.

These projects are augmented by two Western Australian gold project royalty agreements.



Figure 2: Western Australia Project locations

## CHARTERIS CREEK PROJECT – WESTERN AUSTRALIA

On 29 September, the Company announced 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, **(the option fee has been paid)**;
  - 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 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.

**This transaction further confirms the Company's 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 satisfaction of the agreement terms, the cash received 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.

## **MARYMIA PROJECT JOINT VENTURE – WESTERN AUSTRALIA**

### **Australian Mines earning interests up to 80%**

Exploration licences 52/2394 and 52/2395 ("the Marymia Project") (see *Figure 3*) are being explored under a joint venture agreement with Australian Mines Limited ("Australian Mines"). In 2015 Australian Mines earned a 51% interest in the Marymia Project by completing more than \$1,000,000 worth of expenditure on exploration during the "Stage 1 Earn-in". Australian Mines then elected to proceed with the "Stage 2 Earn-in".

By spending a further \$2,000,000 on exploration within a further 3 year period following the Stage 1 Earn-in, Australian Mines can earn an additional 29% interest (taking their total interest to 80%) in the Marymia Project.

Australian Mines advised that it remains firmly of the view that the Doolgunna-Marymia Project potentially hosts Bombora-style<sup>[i]</sup> gold mineralisation within the 6-kilometre long Dixon dolerite unit located towards the south of the project area<sup>[ii]</sup>.

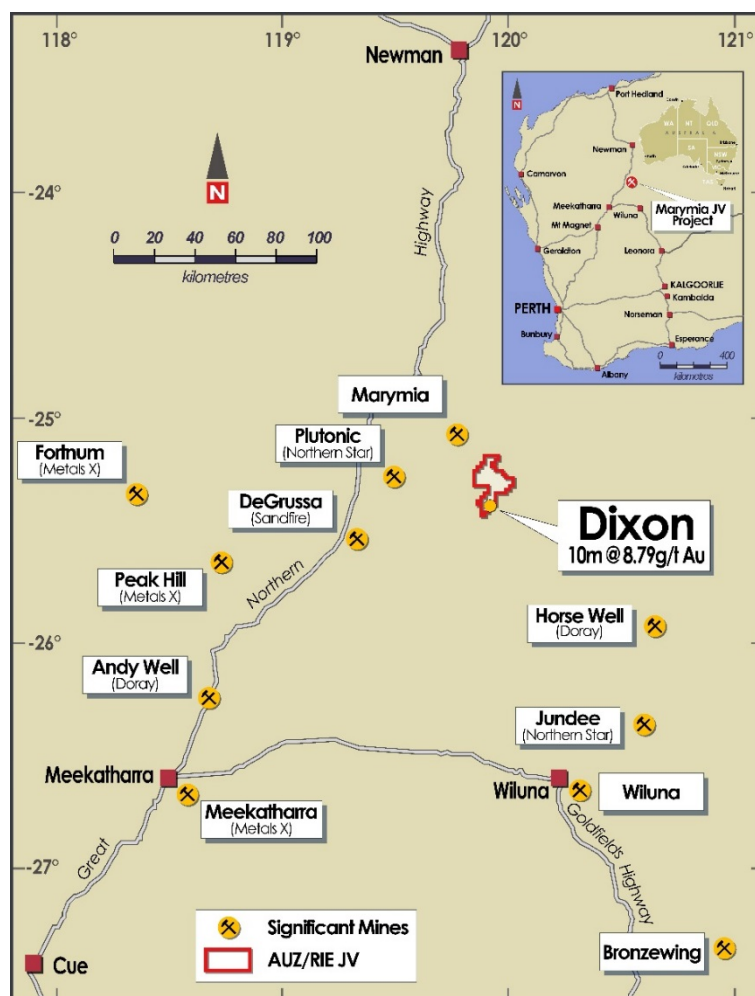
Work completed by Australian Mines across the Doolgunna-Marymia Project during the quarter suggest that a significant drilling programme testing along strike and down dip for additional zones of mineralisation as well as extensions to existing zones at Dixon and Baumgarten would refine the mineralisation model of both gold prospects and in turn, support a future resource estimation study<sup>[iii]</sup>.



This work, undertaken by resource consulting firm Apex Geoscience, similarly identified two primary copper target areas coincident with the Jenkin Fault in the north of the tenement area that, in their opinion, warrant further testing.

Australian Mines has, therefore, commissioned a detailed sampling programme over these two prospective copper targets within the Doolgunna-Marymia Project, which is scheduled to be completed by early 2018.

Australian Mines has advised the Company that it is on track to satisfying its exploration spending obligations to earn an 80% interest in the project by May 2018.



**Figure 3: Marymia Project - Location Map**

## Project tenement location and geology

E52/2394 and E52/2395, which collectively form the Marymia Project, cover an area of 254 square kilometres in the highly prospective Doolgunna-Thaduna region of the Proterozoic volcano-sedimentary Bryah and Yerrida Basins and Archaean Baumgarten Greenstone Belt in the Marymia Inlier (see Figure 3).

The Marymia Project is located approximately 900 kilometres north of Perth, 40 kilometres east of the 4.7M oz Plutonic gold mine (Superior Gold - TSX-V: SGI), 55 kilometres north-east of Sandfire Resources NL's DeGrussa copper-gold mine (550,000 tonnes contained copper metal), and 12 kilometres east-north-east of Sandfire's Green Dragon and Thaduna copper deposits (100,000 tonnes contained copper metal) in Western Australia's Mid-West region.

## CORPORATE

The Company held Cash Reserves at 30 June 2017 of **\$2.65M**.

## TENEMENT SCHEDULE

Following is the schedule of Riedel Resources minerals tenements as at 30 September 2017.

Area of Interest	Tenement reference	Nature of interest	Interest
Charteris Creek	E45/2763	Direct	100%
Marymia	E52/2394	Direct	49%
Marymia	E52/2395	Direct	49%
West Yandal	M36/615	Royalty	0%
Porphyry	M31/157	Royalty	0%

### For further information please contact:

Jeffrey Moore  
Executive Chairman  
Riedel Resources Limited  
Tel: +61 8 9226 0866  
Email: [j.moore@riedelresources.com.au](mailto:j.moore@riedelresources.com.au)

### About Riedel Resources Limited

Riedel Resources Limited listed on ASX on 31 January 2011 and is an Australian-based exploration company established to explore for and develop mineral deposits.

Further information can be found at the Company's website [www.riedelresources.com.au](http://www.riedelresources.com.au)

### About SIEMCALSA

**SIEMCALSA** (*Sociedad De Investigación Y Exploración Minera De Castilla Y León S.A.*) is a parastatal corporation established in 1988 devoted to the promotion and stimulation of the mining sector in the Castile and León (Spain).

Further information can be found at the Company's website [www.siemcalsa.com](http://www.siemcalsa.com)

### Competent Person's Statement

*The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Mr Jeffrey Moore, who is a Member of The Australian Institute of Mining and Metallurgy. Mr Moore is a full-time employee of Riedel Resources Limited. Mr Moore has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activities undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Moore consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.*

---

<sup>[i]</sup> Breaker Resources (ASX: BRB) Bombora gold deposit located in the Eastern Goldfields of Western Australia is hosted in fractionated dolerites with multiple phases, oriented north-south with moderate dips. Both Australian Mines' Dixon prospect and Breaker Resources' Lake Bombora deposit share similar geological characteristics including host rock lithology, alteration styles (potassic) and sulphide alteration (pyrite and pyrrhotite). The Lake Roe and Dixon gold prospects likewise have both experienced a number of late cross faults responsible for offsetting the corresponding geological units.

See Australian Mines announcement dated 28 April 2017 for full details.

<sup>[ii]</sup> Apex Geoscience Limited, Lake Roe Gold Project Overview and Comparison to Dixon Prospect, Western Australia, internal company report, dated 18 September 2016.

<sup>[iii]</sup> Apex Geoscience Limited, Desktop Review of the Marymia Project, Western Australia, internal company report, dated 31 August 2017.