ASX and Media Release
27 April 2018

QUARTERLY ACTIVITIES REPORT FOR THE PERIOD ENDED 31 MARCH 2018

ACN 143 042 022

Suite 1, 6 Richardson Street
West Perth
Western Australia 6005

ASX Code: RIE

riedelresources.com.au

KEY COMPANY INFORMATION

Capital Structure
Ordinary Shares: 418m
Unlisted Options: 18m

Top 20 Shareholders
67.41%

Cash Reserves
A$2.59m
(at 31 March 2018)

OPERATIONAL HIGHLIGHTS - SPAIN

- 5 high priority drill targets identified at the Profunda Mine Prospect situated within the broader Cármenes cobalt-copper project in Northern Spain
- PDIP surveys identified 3 significant target clusters within 200 metres of the historic Profunda Mine workings
- Near-term maiden drilling programme designed to test the three highly prospective target clusters within Profunda Mine Prospect
- Riedel to continue to identify and refine new target anomalies at the Profunda East, Profunda West, Fontun and Providencia East Prospects
- Newly constructed road along Profunda Mine trend has facilitated vehicle and equipment access into areas previously considered difficult to explore

Corporate Highlights

- Cash at Bank 31 March 2018 - **$2.59M**

Riedel Resources Limited (ASX: RIE) ("Riedel" or "the Company") is pleased to provide shareholders with its Quarterly Activities Report for the period ended 31 March 2018.

CÁRMENES COBALT-COPPER PROJECT JOINT VENTURE, NORTHERN SPAIN

Project Overview

Riedel's flagship Cármenes cobalt-copper-nickel project in Spain is host to historical high grade cobalt-copper production with spectacular concentrate grades of 14% cobalt and 33% copper. Significant historic high-grade cobalt, copper, nickel and gold mines exist within the Project area at La Profunda and [1]Divina Providencia, with additional mines at Fontun and Valverdin.

On 21 July 2017 Riedel signed a Joint Venture and Earn-In Agreement with SIEMCALSA (Sociedad De Investigación Y Exploración Minera De Castilla Y León S.A.) whereby Riedel can earn interests of up to 100% in the Cármenes Cobalt-Copper-Nickel-Gold Project.

Riedel is focused on leveraging the significant exploration and development potential of Cármenes to supply a global market thirst for battery metals.

[1] Excised from Cármenes Project joint venture tenement area. Currently under investigation permit application by SIEMCALSA.

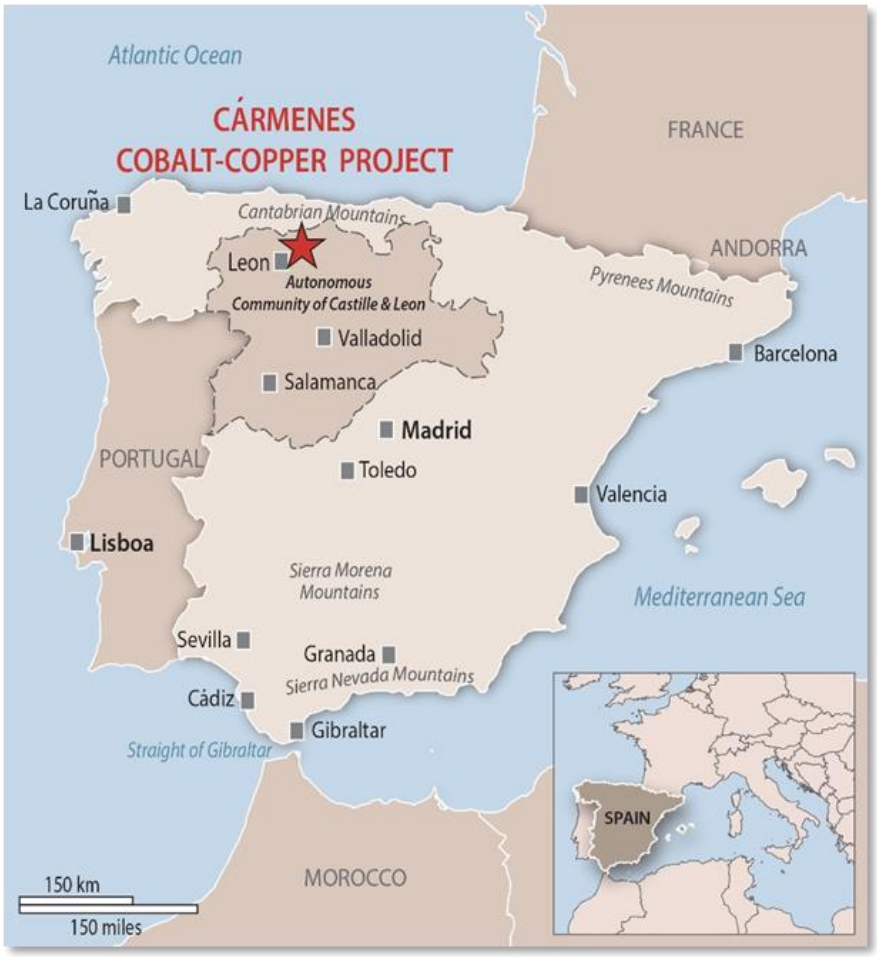

FIGURE 1: ***Cármenes Project Location map***

High Priority Drill Targets Defined at Profunda Mine Prospect

During the March 2018 Quarter, the Company conducted a ground geophysics programme to gather detailed information around previously defined chargeability anomalies for defining drilling targets.

This programme was completed during the Quarter (see ASX Announcement dated 13 April 2018) and it successfully defined 5 high priority targets to form the basis of the upcoming maiden drilling programme at the Profunda Mine Prospect *(see Figure 2*).

The recently completed Ground Pole-Dipole Induced Polarisation (PDIP) surveys comprised 7 pole-dipole lines, collecting data over 1,600 metres, within the vicinity of the Profunda Mine area *(see Figure 4)*. Interpretation of the PDIP data identified three significant target clusters located within 200 metres of the historic La Profunda Mine workings.

The target clusters present compelling drilling targets and are characterised by multiple and coincident geophysical and geochemical signatures.

Next Steps – Drilling Preparation

In late February, an application to commence diamond drilling for a minimum of 750 metres in five core holes near La Profunda Mine was lodged (see ASX Announcement dated 23 March 2018). The locations of the drill holes are shown in Figure 6.

In preparation for the maiden drilling programme, a new access road has been constructed to facilitate better access to the project area *(see Figure 3)*. The road now facilitates vehicle and equipment access from the town of Cármenes to the west over more than 3.5 kilometres.

Additional drilling preparation activities including on-ground logistics and earthworks are well advanced, with drilling equipment set to be mobilised immediately upon receipt of approvals.

In addition, target generation activities will continue to run post Quarter in parallel across the Company's other highly prospective prospects, including the Profunda East, Profunda West, Fontun and Providencia East Prospects respectively.

Riedel looks forward to providing shareholders with further updates on the commencement of drilling and the identification of additional high priority drill targets over the coming weeks.

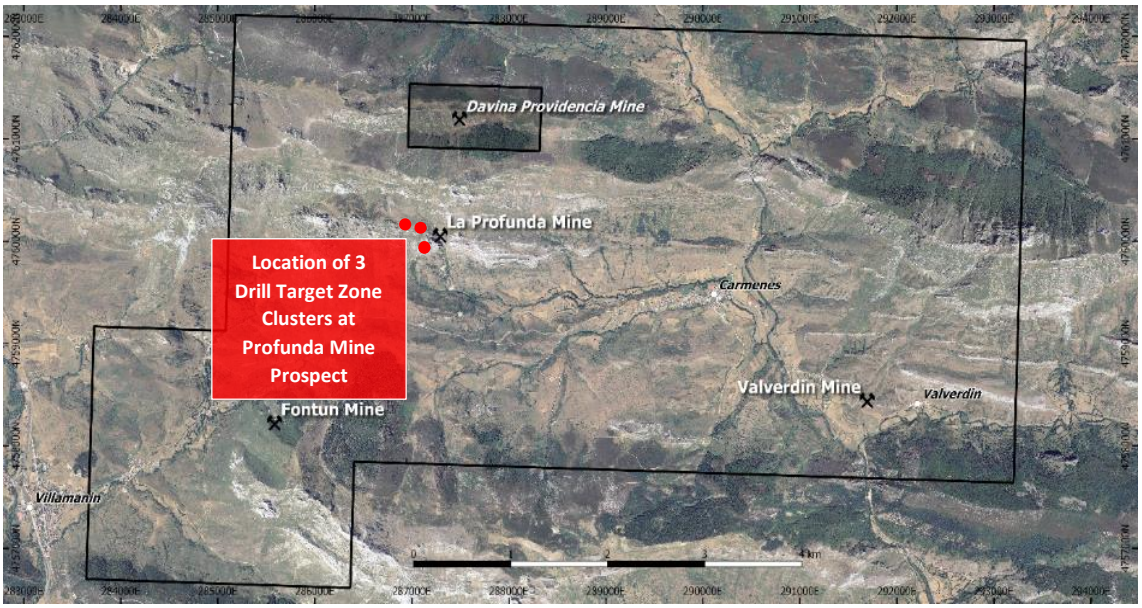

FIGURE 2: ***Cármenes Project Location map showing La Profunda Mine Target Area***

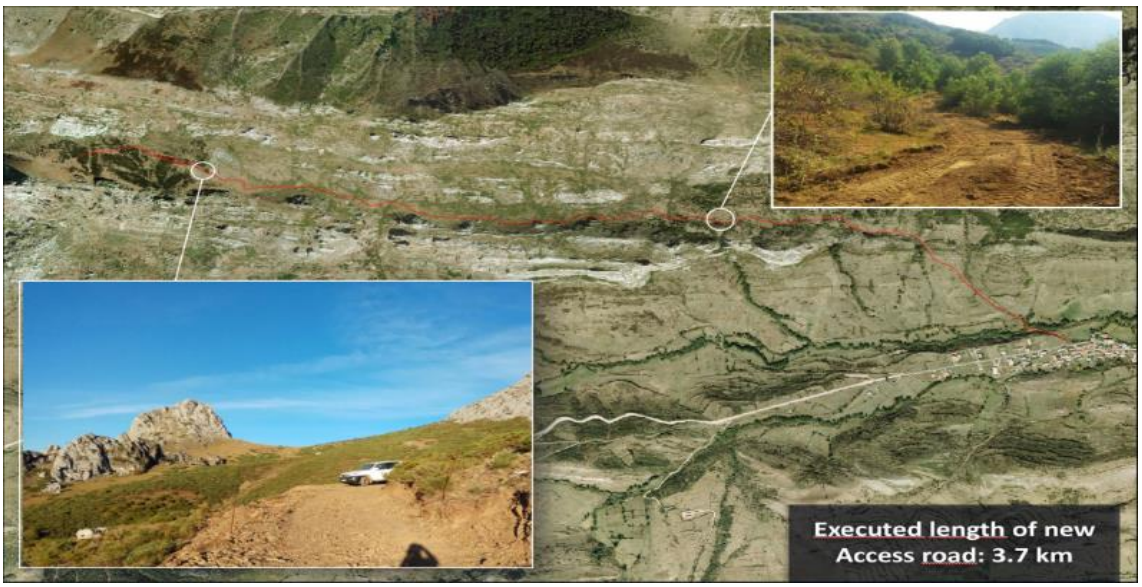

FIGURE 3: ***Location of new access road that extends 3.7km along the Profunda prospective trend***

PROFUNDA MINE AREA

Target Generation Programme Overview

The recently completed PDIP surveys comprised 7 pole-dipole lines, collecting data over 1,600 metres, within the vicinity of the Profunda Mine area *(see Figures 4 and 7)*. Interpretation of the PDIP data has identified 3 significant target clusters located within 200 metres of the historic La Profunda Mine workings.

The target clusters present compelling drilling targets and are characterised by multiple and coincident geophysical and geochemical signatures.

In 2016, Riedel's joint venture partner SIEMCALSA carried out preliminary geophysical testwork by way of IP and ground magnetic surveys in the vicinity of the historic La Profunda Mine. The results of this work highlighted several Chargeability anomalies which are interpreted as being characteristic of disseminated sulphides mineralisation with a pipe-like shape.

This interpretation gave the Company great confidence that the anomalies could represent other undiscovered "concealed" Profunda-type cobalt-copper nickel-(gold) deposits or repetitions without surface expression.

Accordingly, in December 2017 geophysical surveys commenced with the specific purpose of gathering detailed information around those previously defined Chargeability anomalies for the purpose of defining drilling targets. Despite the onset of winter in northern Spain, geophysical contractor IGT's personnel have strongly committed to the survey programme and succeeded in collecting high-quality data from the electrical geophysical surveys.

Figures 4 and 7 highlight the location of the 2016 and December 2017 – January 2018 PDIP survey lines and the location of chargeability anomalies in the three key target zones near the La Profunda mine.

Diamond Drilling Targets

The clustering of the chargeability anomalies in the three target zones gives the Company great confidence that high-order drilling targets have been generated from this work.

The anomalies have been repeated in multiple surveys and the chargeability responses are characteristic of responses generated by metal sulphides disseminated in pipe-like structures.

Zone 2 is of particular interest because the area highlighted by the PDIP data shows a strong and discrete anomaly defined by coincident PDIP data, ground magnetic survey data, radiometric data and Ion-Leach soil geochemistry *(see Figure 4 and 5)*.

The fact that the results of each of these complimentary methodologies are anomalous and strongly coincident is considered to be highly encouraging for the detection and discovery of buried or "blind" minerals deposits that may underlie or be located marginal to Zone 2.

Zones 1 and 3 show similar potential to Zone 2. They are defined by coincident IP and radiometric anomalies and represent compelling drilling opportunities.

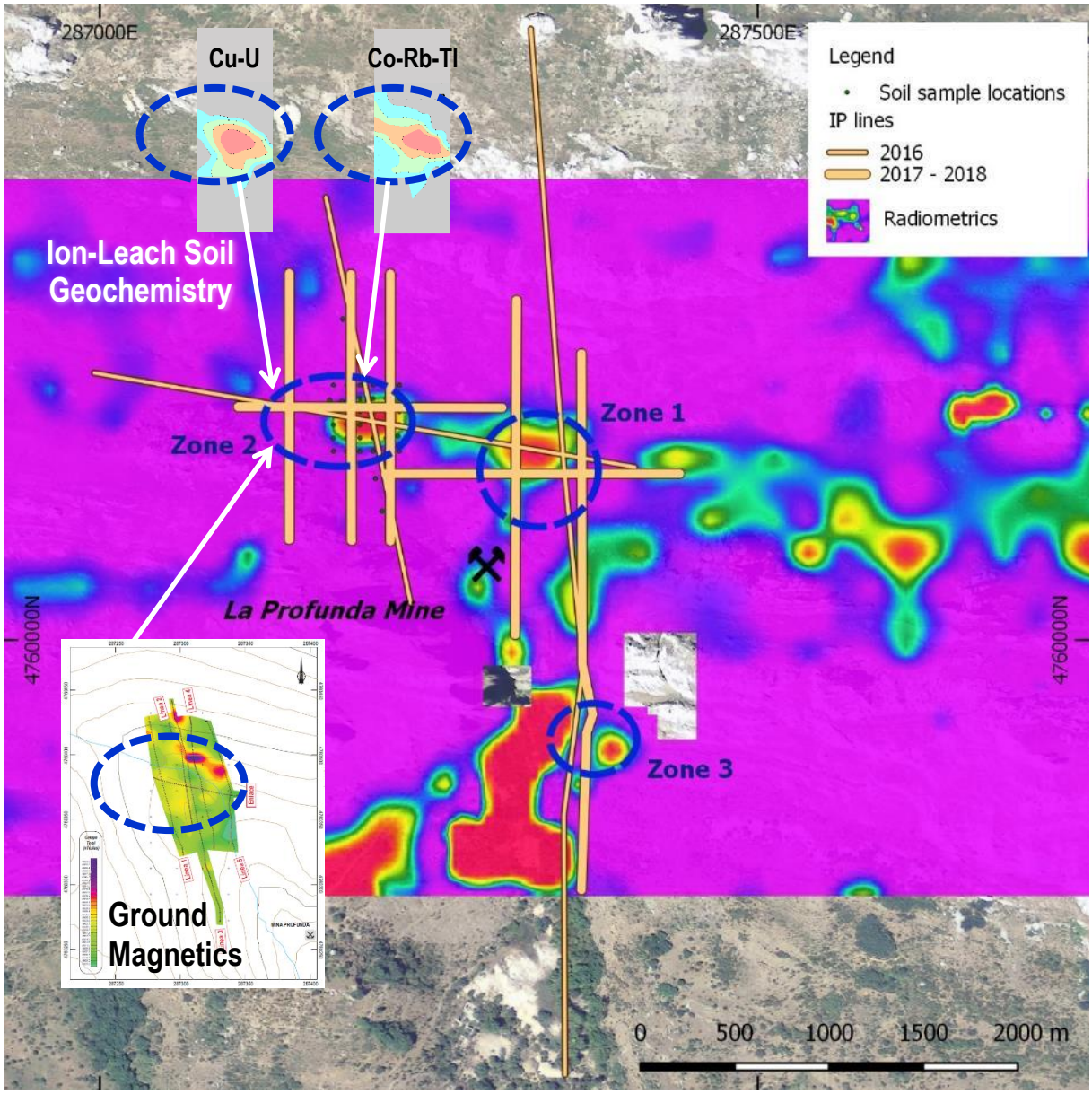

FIGURE 4: ***PDIP Chargeability, ground magnetic and geochemical anomalies – La Profunda Mine Area***

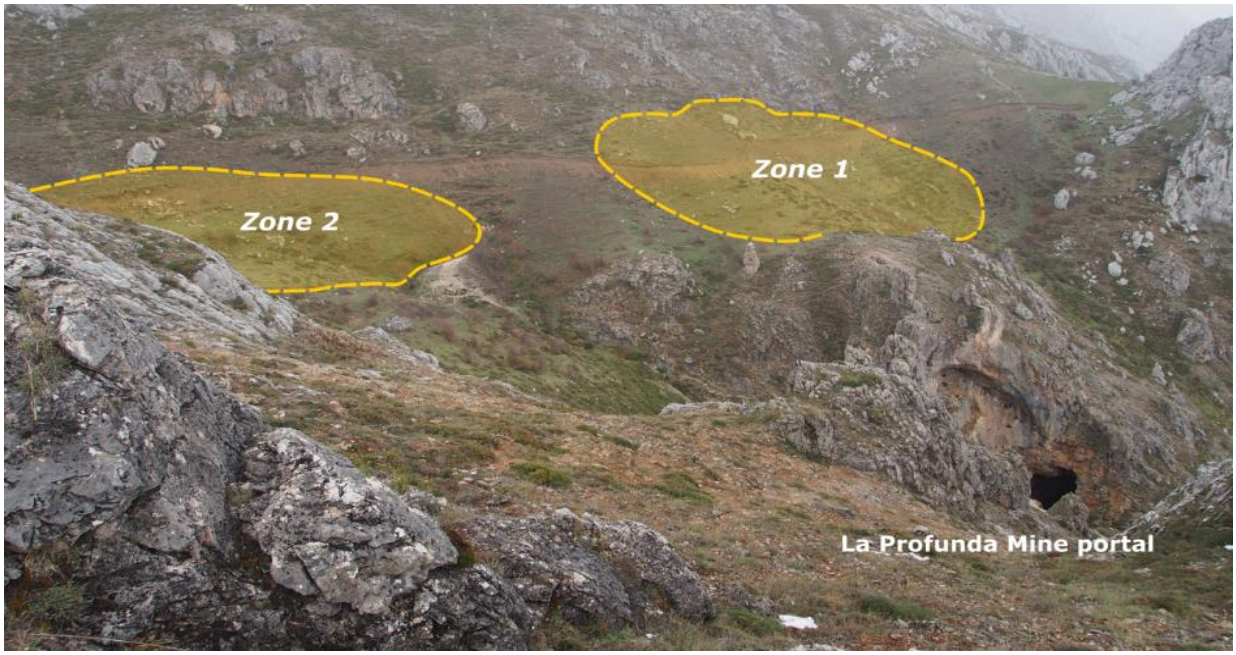

FIGURE 5: ***Target Zones 1 and 2 with La Profunda Mine Portal in lower right corner in foreground***

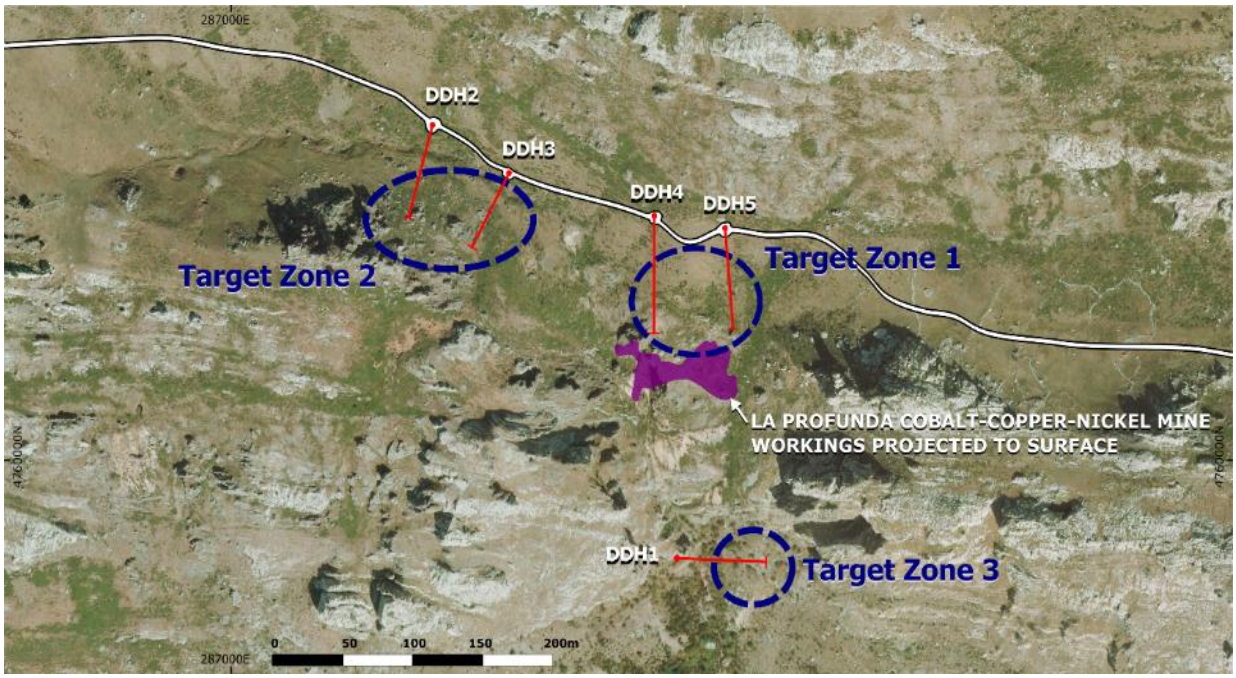

FIGURE 6: ***Cármenes Project – Location of proposed diamond drillholes – La Profunda Mine Area***

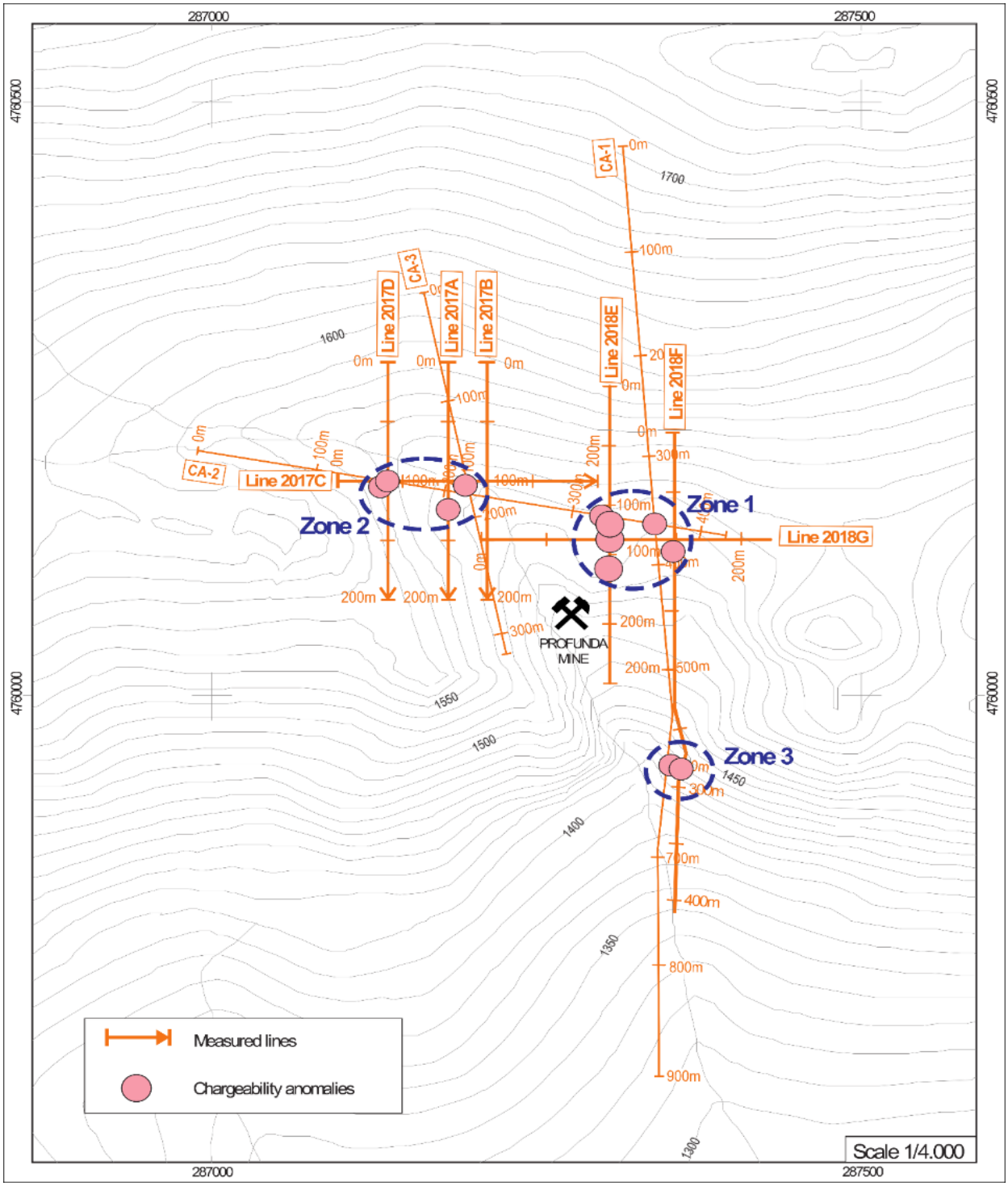

FIGURE 7: ***Location of Chargeability Anomalies at La Profunda Mine Area***

Additional information and discussion on the defined targets and target generation process can be found in ASX releases dated 23 March 2018 and 13 April 2018.

Management Commentary

Riedel Executive Chairman Jeff Moore commented:

"The March 2018 Quarter was another very productive period for the Company as we continued to narrow our focus on the commencement of our maiden drilling programme at our flagship Cármenes cobalt-copper project in Northern Spain.

A key focus during the Quarter was on the completion of ground geophysics which identified a number of high priority drill targets for testing within the Profunda Mine Prospect. Our systematic approach towards exploration continues to pay dividends and when combined with the historical data we have compiled, the true potential of the Cármenes project begins to reveal itself.

"We are entering an exciting phase in the Company's development and look forward to providing shareholders with further updates as drilling is commenced and additional exploration findings come to hand."

CORPORATE

The Company held Cash Reserves at 31 March 2018 of **$2.59M**.

TENEMENT SCHEDULE

Following is the schedule of Riedel Resources minerals tenements as at 31 March 2018.

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%

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About Riedel Resources Limited

Riedel Resources Limited listed on ASX on 31 January 2011 and is an Australian-based exploration company focused on the exploration and development of technology metals in Europe.
Further information can be found at the Company's website www.riedelresources.com.au

About SIEMCALSA

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

Further information can be found at the Company's website 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.