



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: 28m

Top 20 Shareholders
69%

Cash Reserves

A\$1.36m
(at 31 December 2018)

ASX and Media Release
31 January 2019

QUARTERLY ACTIVITIES REPORT FOR THE PERIOD ENDED 31 DECEMBER 2018

OPERATIONAL HIGHLIGHTS - SPAIN

- ✧ Maiden four-hole programme completed at Profunda Mine Prospect for a total of 1,030 metres of diamond core drilling
- ✧ Assay results received with high-grade potential highlighted by drill hole CMN-3 which tested immediately below a seven metre previously mined “stope”, results include;
 - **1.95m @ 7.72% Cu, 0.11% Co, 0.09% Ni, 0.44% U and 0.24% Zn** from 136.15m; including
 - **0.90m @ 16.45% Cu, 0.21% Co, 0.17% Ni, 0.96% U and 0.52% Zn** from 136.15m
- ✧ Drilling programme supports the view that mineralisation within the Cármenes Project area could support repetitions of Profunda style targets
- ✧ Riedel’s understanding of the structural and geological controls on breccia-type cobalt-copper-nickel mineralisation significantly improved
- ✧ Full data and project review commissioned to accurately determine follow-up exploration activities and next steps

CORPORATE HIGHLIGHTS

- ✧ Appointment of Mr Grant Mooney as Non-Executive Chairman
- ✧ Cash at Bank 31 December 2018 - **\$1.36M**

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

The primary focus for the Company during the December Quarter was the receipt and analysis of assay results from the 1,030m maiden four-hole diamond core drilling programme at the Company’s Profunda Mine Prospect in Northern Spain.

The programme successfully tested three significant geophysical and geochemical anomalous zones delineated by induced polarisation (IP) geophysics and confirmed the presence of disseminated sulphide and oxide mineralisation analogous to Profunda style mineral deposits.

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 recorded concentrate grades of 14% cobalt and 33% copper. Significant historic cobalt, copper, nickel and gold mines exist within the Project area at La Profunda and Divina Providencia¹, 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.

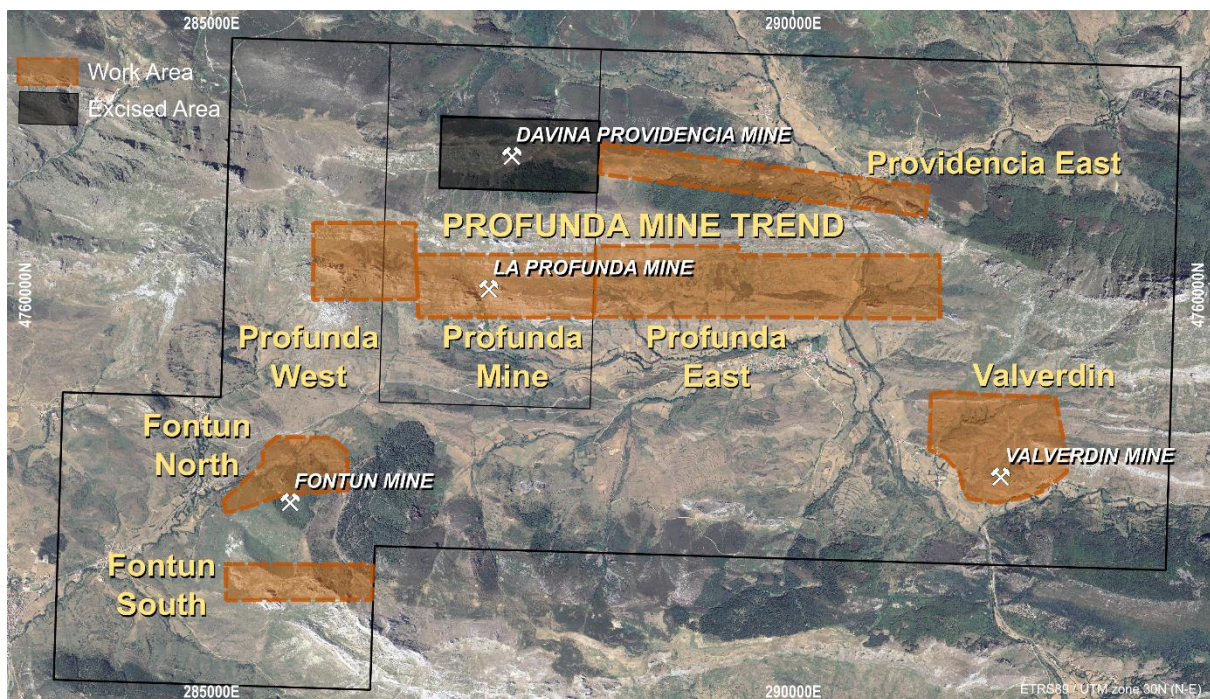


Figure 1: Cármenes Project prospect locations

Drilling Summary

Four holes were drilled for 1,030 metres and a total of 177 half core samples were taken from selected intervals and submitted to ALS, Seville, Spain for multi-element ICP and ore grade analysis. Geologists, from JV partner SIEMCALSA, completed detailed geological, structural and radiometric logging of the core and identified mineralised intercepts of mixed oxide/sulphide copper, cobalt, nickel, zinc and uranium minerals adjacent to the historic La Cueva workings.

Assay results from this program² confirmed the presence of a richly mineralised but previously exploited system at La Profunda with high grade Cu-Co mineralisation discovered in wall rock adjacent to historic mine workings. These drilling results support the view that mineralisation elsewhere in the Cármenes Project area could support repetitions of Profunda style targets.

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

² see ASX Announcements dated 26 October, 2018 and September 2018 Quarterly report dated 31 October 2018

Although permitting issues resulted in non-optimal drill hole locations and drill orientations being selected, analysis and interpretation of the results of the drilling programme have facilitated a far greater understanding of the geological and structural controls on mineralisation associated with Profunda breccia-hosted type mineral deposits.

In this limited drilling programme, targeting and drilling for extensions to the La Profunda deposit were compromised by the discovery of previously unknown mine stopes and voids, however, only two drill holes targeted these extensions and follow-up downhole geophysical surveys show that potential for the discovery of depth extensions and other ore shoots remains.

Another key conclusion from this drilling programme is that PDIP anomalies in drill holes CMN-1 and CMN-3 can be attributed to the presence of pyrite and siderite mineralisation in rocks marginal to the north and south of the prospective “pink dolomites” of the San Emiliano Formation. Although of no economic importance, the conclusion that IP surveys coincide with alteration/mineralisation is an important conclusion from this programme, validating the effectiveness of the geophysical technique in exploration. At Profunda, the strong GAIP anomaly was also shown to be most likely generated from alteration and mineralisation.

For a full report and technical summary of the maiden drilling programme, please view ASX announcement dated 26th October 2018.

Corporate

Riedel appointed Mr Grant Mooney as Non-Executive Chairman, replacing Mr Jeff Moore who has continued in his role as Executive Director and Chief Executive Officer. Mr Mooney will meet with stakeholders and investors to best plan and finance the next two years of exploration activity.

Mr Mooney is the principal of Perth-based corporate advisory firm Mooney & Partners (established 1999), specialising in corporate compliance administration to public companies. Mr Mooney has gained extensive experience in the areas of corporate and project management including capital raisings, mergers and acquisitions as well as corporate governance. Mr Mooney serves as a Director to several ASX listed companies across a variety of industry sectors including technology and resources. He is Director of Carnegie Clean Energy Limited, Accelerate Resources Limited, POZ Minerals Limited, Barra Resources Limited and Talga Resources Limited. Mr Mooney is a member of the Institute of Chartered Accountants in Australia.

Next Steps

The Board has decided that Riedel will continue the process of evaluating next steps and the direction of exploration programs for existing projects and as such is currently reviewing high potential prospective projects.

WESTERN AUSTRALIAN PROJECT OVERVIEW

TENEMENT SCHEDULE

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

Area of Interest	Tenement reference	Nature of interest	Interest
Marymia	E52/2394	Direct	20%
Marymia	E52/2395	Direct	20%
West Yandal	M36/615	Royalty	0%
Porphyry	M31/157	Royalty	0%

-ENDS-

For further information please contact:

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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 León 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 was a full-time employee of Riedel Resources Limited throughout the December 2018 quarter. 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.