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COMPLETION OF SALE OF CHERITONS FIND PROJECT

Riedel Resources Limited (ASX: RIE "Riedel" or "the Company") is pleased to announce that the divestment of Exploration Licence E77/1793 (Cheritons Find) to Hanking Gold Mining Pty Ltd ("Hanking") for **\$700,000 in cash has been completed** and the funds received.

The divestment represents an excellent outcome for Riedel as it significantly bolsters the Company's treasury without dilution of shareholders equity in the Company. Riedel is now well positioned for future growth and the Company will continue to judiciously manage its cash resources.

Current project expenditure commitments have been minimised with all exploration funding for the Company's two active joint venture projects being attributable to the farminees during the current joint venture earn-in stage. Furthermore, the wholly-owned Millrose gold project in Western Australia is held under "Retention Status" which does not require minimum annual exploration expenditure commitments to be met.

Therefore, in the event of a significant discovery and/or development decision being made at either of the Charteris Creek or Marymia Joint Venture Projects, the Company's strategy is to position itself to contribute to future joint venture funding, if it chooses to do so.

CHARTERIS CREEK PROJECT – Pilbara region, Western Australia
FMG Resources Pty Ltd earning interests up to 80%

In January 2014 FMG Resources Pty Ltd ("FMGR"), a wholly-owned subsidiary of Fortescue Metals Group Ltd, entered into a Farm In and Joint Venture Agreement with the Company worth up to \$1M in expenditure over Exploration Licence 45/2763.

FMGR is focusing on exploration for copper, molybdenum, gold and base metals mineralisation. Recent and historic exploration work in the Project area shows strong evidence of the existence of an Archaean-age copper porphyry system.

MARYMIA PROJECT – East Gascoyne region, Western Australia

Australian Mines earning up to 80% by project expenditure of up to \$3.3M

On 30 April 2014 Riedel announced the key terms and conditions of a farm-in and joint venture arrangement over Exploration Licences E52/2394 and E52/2395 with Australian Mines Limited (“Australian Mines”).

During the June Quarter 2015, Australian Mines earned a 51% interest in the Marymia Project by completing more than \$1M worth of exploration expenditure during the “Stage 1 Earn-in”. Australian Mines then elected to proceed with the “Stage 2 Earn-in”.

By spending a further \$2M on exploration within a 3 year period following the Stage 1 Earn-in, Australian Mines can earn an additional 29% interest (taking the total interest to 80%) in the Marymia Project. The Marymia Project is particularly prospective for copper, gold, nickel and base metals mineralisation.

On 6 November 2015, Australian Mines announced to the ASX that a single drillhole test (MMRC016) at the Dixon Prospect intersected gold mineralisation averaging **10 metres @ 8.79 g/t gold from 130 metres** down hole, including particularly significant intercepts of:

- 1 metre @ 29.11 g/t gold from 133 metres down hole;
- 1 metre @ 14.85 g/t gold from 134 metres down hole; and
- 1 metre @ 29.22 g/t gold from 136 metres downhole.

Riedel looks forward to follow up drilling at Dixon with the expectation that this high grade zone can be significantly extended.

MILLROSE PROJECT – Wiluna region, Western Australia

Riedel 100%

At the Millrose Gold Project, ¹Inferred Mineral Resources of **4.0M tonnes at 2.4g/t Au for 309,000oz of gold** have been estimated in Exploration Licence E34/1304. The tenement has been granted “Retention Status” which allows the Company to retain title to the tenement without the requirement of meeting minimum annual exploration expenditure commitments.

This outcome is very advantageous for the Company as it allows Riedel to evaluate and assess all development, partnership or divestment options for the gold project without the overhang of onerous expenditure commitments for the next four years.

Jeff Moore
Riedel Resources Limited

¹ *Phil Jones (Al Maynard & Assoc) – 2010. This information was previously prepared and disclosed on the basis of compliance with the JORC Code – 2004 Edition. The Inferred Mineral Resources have not been subsequently updated to satisfy compliance with the JORC Code - 2012 Edition as the information has not materially changed since it was last reported.*

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

Competent Person's Statement

The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Mr Ed Turner, who is a Member of The Australian Institute of Geoscientists. Mr Turner is a full time employee of Riedel Resources Limited. Mr Turner 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 Turner consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.