



AUSTRALIAN STOCK EXCHANGE



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TO:	Company Announcements Office	FROM:	Chris Reed
COMPANY:	Australian Stock Exchange Ltd	DATE:	29 November 2002
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PHONE NUMBER:		SENDER'S REFERENCE NUMBER:	
RE:	Comet Vale Drilling Results	YOUR REFERENCE NUMBER:	

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NOTES/COMMENTS:

REED RESOURCES LTD (ASX: RDR) – COMET VALE DRILLING RESULTS

Please find following a copy of announcement for release to market.

If you have any queries please contact me on 08 9322 1182

Kind regards

CJ Reed

C J Reed
DIRECTOR

COMET VALE DRILLING RESULTS

The Company informs the market that it has successfully completed a four-hole diamond core drilling program at the Sand George gold prospect within its Comet Vale project.

Each of the four holes in the drilling program has intersected a mineralised lode or lodes in a structural position that is consistent with the continuation of the main Sand George lode at depth. The drilling indicates that there are two parallel lodes of varying width and varying gold grades that may converge into a single lode in places.

The initial results (gold assays only) from the first hole (RD001) were announced on 13 November 2002 and the initial results (gold assays in excess of 1 g/t) from the last three holes in the program (RD002-RD004) are listed below:

Hole ID (DDH)	Collar Northing ⁽¹⁾	Collar Easting ⁽¹⁾	From m	To m	Intersection m	Grade ⁽²⁾ g/t Au
RD002	13225	7715	151.10	152.00	0.90	1.21
			153.00	154.00	1.00	2.73
			164.30	166.15	1.85	9.86
		including	165.30	166.15	0.85	16.60
RD003	13200	7690	201.70	202.70	1.00	1.67
			203.50	204.80	1.30	3.95
		including	204.50	204.80	0.30	13.2
RD004 ⁽³⁾	13125	7720	161.60	163.00	1.40	15.48
		including	162.65	163.00	0.35	58.72
			179.10	182.35	3.25	13.00
		including	179.60	180.10	0.50	27.52
		including	181.50	182.05	0.55	30.60

1. Collar coordinates are for a local grid. All holes drilled at 70° to the east.
2. All samples analysed by Fire assay with an AAS finish (FA50/AAS) and calculated as a weighted average.
3. Provisional assay results, subject to confirmation.

Drill holes RD001, RD002 and RD004 have each intersected two lodes at a vertical depth of about 140-160 m below surface which is equivalent to or below the position of the No 4 Level in the Sand Queen mine. The intersections in these holes indicate that the lodes have a strike length of at least 100 m at this level.

Drill hole RD003 has intersected a single major lode at a vertical depth of about 190 m below surface which is below the equivalent position of No 5 Level in the Sand Queen mine. The lode intersected in this hole is about 70 m below the deepest intersection in the initial RC drilling program (DRC069).

The principal focus of the current exploration has been to establish continuity of the lode, which has been shown to contain sections with high gold grades. In some drill holes, the lode intersected is considerably wider than that indicated by the gold assays. Drill hole RD002 intersected a quartz lode at a depth of 160.9-166.15 m (5.25 m) which included a 0.85 m section that assayed 16.6 g/t Au.

The diamond drilling program has effectively confirmed the continuity of the Sand George lode below the Indicated and Inferred Mineral Resource already identified at Sand George. The Company expects that inclusion of the results from the diamond drilling will considerably increase the resource at the Sand George prospect.

The Sand George lode is open to both the north and south and at depth. Further exploration planned for the first quarter of 2003 will include additional diamond drilling to test for lateral extensions of the lode, to extend its strike length, and deep drilling to test for depth continuation of the lode, below a depth equivalent to the No 6 Level at the Sand Queen mine.



C J Reed
DIRECTOR

Dr P Collins (BSc (Hons), PhD, MAIG), as an employee of Curtin Consultancy Services Ltd has compiled the technical aspects of this report. Dr Collins has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which is being reported on to qualify as a Competent Person as defined in the 1999 Edition of the Australasian Code for Reporting of Mineral Resources and Ore Reserves. Dr Collins consents to the inclusion in the report of the matters in the form and context in which it appears.