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ABN: 91 143 042 022
ASX: RIE

7 January 2013

ASX/Media Announcement

Share Placement - ASX Listing Rule 3.10.5A

The Directors of Riedel Resources Limited ("**Riedel**" or "**the Company**", ASX: RIE) have previously advised on 23 November 2012 that the Company has completed a Share Placement offered to sophisticated and professional investor clients of Oracle Securities in Australia and the UK.

The placement will raise up to \$0.7 million before costs, with the issue of 9.33 million ordinary shares at an issue price of \$0.075 per share and free attaching unlisted option on a 1:1 basis exercisable at 15¢ per share on or before 31 January 2016 ("Options") as follows;

- *Up to 9.33 million new shares at 7.5¢ per share to raise circa \$0.70 million to be issued within the Company's 10% placement capacity under Listing Rule 7.1A.*
- *Up to 9.33 million Options to be issued within the Company's 15% placement capacity under Listing Rule 7.1.*

The free attaching unlisted options to be issued on a 1:1 basis, being up to 9.33 million options, are to be issued under ASX Listing Rule 7.1, and will subsequently be put to shareholders for ratification at a General Meeting to be held in January 2013.

The placement will settle in two parts with Part 1 representing approximately \$0.533 million announced (Appendix 3B and Cleansing Notice) on 7 December 2012.

The balance being Part 2 of the placement of approximately \$0.167 million, has now settled.

An Appendix 3B and Cleansing Notice reflecting this issue of securities is attached.

Information required under ASX Listing Rule 3.10.5A

Riedel provides the information required under ASX Listing Rule 3.10.5A as it relates to **Part 2** (2,222,222 shares, \$0.167 million) of the placement as follows:

- a) Dilution to existing shareholders as a result of the issue under Listing Rule 7.1A is 2.1%, dilution to existing shareholders as a result of the issue under Listing Rule 7.1 is nil as securities issued are not quoted, and the total dilution to existing shareholders as

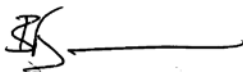
a result of the placement is 2.1%.

Further details of the approximate percentage of the issued capital post the 7.1A placement (**Part 2** – 2,222,222 shares) held by the pre-placement security holders and the new security holders are as follows:

Pre-placement security holders who did not participate in the placement	99.8%
Pre-placement security holders who did participate in the placement	Nil
Participants in the placement who were not previously security holders	0.2%

- b) Riedel issued shares to sophisticated and institutional investors as it was considered to be a more efficient mechanism for raising funds given that funds were to be applied immediately against a drilling project that was underway at Marymia in Western Australia. The placement did not expose the Company to market volatility that may have been experienced over a longer time frame such as a pro rata issue to existing security holders.
- c) No underwriting arrangements were in place for the placement; and
- d) Fees payable to Oracle Securities was 6% of gross funds raised.

Yours sincerely



Bruce Franzen
Company Secretary

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12

Name of entity

RIEDEL RESOURCES LIMITED

ABN

91 143 042 022

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|--|---|
| 1 | +Class of +securities issued or to be issued | <div>1. Fully Paid Ordinary Shares</div> <div>2. Unlisted Options exercisable at 15c on or before 31 January 2016</div> |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | <div>1. 2,222,222</div> <div>2. 2,222,222</div> |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | <div>1. NA</div> <div>2. 2,222,222 Unlisted Options exercisable at 15c on or before 31 January 2016</div> |

+ See chapter 19 for defined terms.

Appendix 3B

New issue announcement

4 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities? If the additional securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	1. Yes 2. No – Upon exercise of the options into ordinary fully paid shares, the allotted and issued shares will rank equally in all respects with an existing class of quoted securities. The option does not entitle the holder to participate in the next dividend or interest payment.
5 Issue price or consideration	1. 7.5 cents 2. Nil – attaching free option pro rata on a 1:1 basis
6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	Placement to sophisticated and professional investors. Funds raised to be applied to the drilling of the Marymia project in Western Australia.
6a Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A? If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i	Yes
6b The date the security holder resolution under rule 7.1A was passed	12 November 2012
6c Number of +securities issued without security holder approval under rule 7.1	2,222,222 Unlisted Options exercisable at 15c on or before 31 January 2016

+ See chapter 19 for defined terms.

6d	Number of +securities issued with security holder approval under rule 7.1A	2,222,222 Fully Paid Ordinary Shares	
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	NA	
6f	Number of securities issued under an exception in rule 7.2	NA	
6g	If securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the issue date and both values. Include the source of the VWAP calculation.	Yes, Issue date: 7 January 2013, Issue Price: 7.5c 75% of 15 day VWAP: 5.8c VWAP Source: IRESS	
6h	If securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	NA	
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	See Annexure 1	
7	Dates of entering +securities into uncertificated holdings or despatch of certificates	On 7 January 2013	
8	Number and +class of all +securities quoted on ASX (including the securities in section 2 if applicable)	Number	+Class
		79,610,109	Fully paid Ordinary Shares

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

	Number	+Class
9	Number and +class of all +securities not quoted on ASX (including the securities in section 2 if applicable)	
	25,900,000	Fully Paid Ordinary Shares subject to escrow ending 31 January 2013.
	8,000,000	Options - Escrowed expiry 30 June 2014, ex price \$0.30
	1,500,000	Options expiry 30 June 2014, ex price \$0.30
	500,000	Options expiry 30 June 2014, ex price \$0.30
	9,333,329	Options expiry 31 January 2016, ex price \$0.15
	1,250,000	Options expiry 31 January 2018, ex price \$0.15
	2,666,667	Performance rights vesting when the Company's share price is equal to or greater than Au27 cents for 20 consecutive trading days, expiry 25 July 2014
	2,666,667	Performance rights vesting when the Company's share price is equal to or greater than Au36 cents for 20 consecutive trading days, expiry 25 July 2014
	2,666,666	Performance rights vesting when the Company's share price is equal to or greater than Au45 cents for 20 consecutive trading days, expiry 25 July 2014
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	NA

+ See chapter 19 for defined terms.

Part 2 - Bonus issue or pro rata issue

- | | | |
|----|---|--|
| 11 | Is security holder approval required? | |
| 12 | Is the issue renounceable or non-renounceable? | |
| 13 | Ratio in which the ⁺ securities will be offered | |
| 14 | ⁺ Class of ⁺ securities to which the offer relates | |
| 15 | ⁺ Record date to determine entitlements | |
| 16 | Will holdings on different registers (or subregisters) be aggregated for calculating entitlements? | |
| 17 | Policy for deciding entitlements in relation to fractions | |
| 18 | Names of countries in which the entity has ⁺ security holders who will not be sent new issue documents

<small>Note: Security holders must be told how their entitlements are to be dealt with.
Cross reference: rule 7.7.</small> | |
| 19 | Closing date for receipt of acceptances or renunciations | |

⁺ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

20	Names of any underwriters	
21	Amount of any underwriting fee or commission	
22	Names of any brokers to the issue	
23	Fee or commission payable to the broker to the issue	
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of ⁺ security holders	
25	If the issue is contingent on ⁺ security holders' approval, the date of the meeting	
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	
28	Date rights trading will begin (if applicable)	
29	Date rights trading will end (if applicable)	
30	How do ⁺ security holders sell their entitlements <i>in full</i> through a broker?	
31	How do ⁺ security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	

⁺ See chapter 19 for defined terms.

32	How do ⁺ security holders dispose of their entitlements (except by sale through a broker)?	
33	⁺ Despatch date	

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities
(tick one)

(a) ☒ Securities described in Part 1 (**1. ONLY**)

(b) ☐ All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 ☐ If the ⁺securities are ⁺equity securities, the names of the 20 largest holders of the additional ⁺securities, and the number and percentage of additional ⁺securities held by those holders

36 ☐ If the ⁺securities are ⁺equity securities, a distribution schedule of the additional ⁺securities setting out the number of holders in the categories

1 - 1,000

1,001 - 5,000

5,001 - 10,000

10,001 - 100,000

100,001 and over

37 ☐ A copy of any trust deed for the additional ⁺securities

⁺ See chapter 19 for defined terms.

Entities that have ticked box 34(b)

38	Number of securities for which +quotation is sought					
39	Class of +securities for which quotation is sought					
40	Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities? If the additional securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment					
41	Reason for request for quotation now Example: In the case of restricted securities, end of restriction period (if issued upon conversion of another security, clearly identify that other security)					
42	Number and +class of all +securities quoted on ASX (including the securities in clause 38)	<table border="1"><thead><tr><th>Number</th><th>+Class</th></tr></thead><tbody><tr><td></td><td></td></tr></tbody></table>	Number	+Class		
Number	+Class					

+ See chapter 19 for defined terms.

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

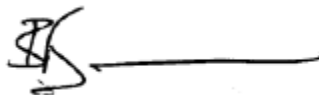
- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here:
(Company secretary)

Date: 7 January 2013

Print name: Bruce Franzen

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+ See chapter 19 for defined terms.

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for⁺ eligible entities

Introduced 01/08/12

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
Insert number of fully paid ordinary securities on issue 12 months before date of issue or agreement to issue	58,304,760
Add the following: - Number of fully paid ordinary securities issued in that 12 month period under an exception in rule 7.2 - Number of fully paid ordinary securities issued in that 12 month period with shareholder approval - Number of partly paid ordinary securities that became fully paid in that 12 month period Note: - Include only ordinary securities here – other classes of equity securities cannot be added - Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed - It may be useful to set out issues of securities on different dates as separate line items	Nil 36,737,230 Nil
Subtract the number of fully paid ordinary securities cancelled during that 12 month period	Nil
“A”	95,041,990

⁺ See chapter 19 for defined terms.

Step 2: Calculate 15% of “A”	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
Multiply “A” by 0.15	14,256,299
Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used	
Insert number of equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued: - Under an exception in rule 7.2 - Under rule 7.1A - With security holder approval under rule 7.1 or rule 7.4 Note: <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> <i>It may be useful to set out issues of securities on different dates as separate line items</i>	12,218,119
“C”	12,218,119
Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1	
“A” x 0.15 <i>Note: number must be same as shown in Step 2</i>	14,256,299
Subtract “C” <i>Note: number must be same as shown in Step 3</i>	12,218,119
Total [“A” x 0.15] – “C”	2,038,180 <i>[Note: this is the remaining placement capacity under rule 7.1]</i>

+ See chapter 19 for defined terms.

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
“A” <i>Note: number must be same as shown in Step 1 of Part 1</i>	95,041,990
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	9,504,199
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
Insert number of equity securities issued or agreed to be issued in that 12 month period under rule 7.1A Notes: • <i>This applies to equity securities – not just ordinary securities</i> • <i>Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i>	9,333,329
“E”	9,333,329

+ See chapter 19 for defined terms.

Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A	
“A” x 0.10 <i>Note: number must be same as shown in Step 2</i>	9,504,199
Subtract “E” <i>Note: number must be same as shown in Step 3</i>	9,333,329
Total [“A” x 0.10] – “E”	170,870 <i>Note: this is the remaining placement capacity under rule 7.1A</i>

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7 January 2013

Australian Securities Exchange
Exchange Plaza
2 The Esplanade
PERTH WA 6000

Dear Sir/Madam,

Notice given under Section 708A(5) of the Corporations Act

This notice is given by the Company under section 708A(5)(e) of the Corporations Act in relation to an issue of 2,222,222 fully paid ordinary shares, by the Company without disclosure to investors under Part 6D.2 of the Corporations Act.

As at the date of this notice, the Company has complied with:

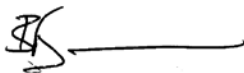
1. the provisions of Chapter 2M of the Corporations Act as they apply to the Company; and
2. section 674 of the Corporations Act.

The Company confirms that, as at the date of this notice, there is no information that:

1. has been excluded from a continuous disclosure notice given to ASX in accordance with the ASX Listing Rules; and
2. investors and their professional advisers would reasonably require for the purpose of making an informed assessment of:
 - a. the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; and
 - b. the rights and liabilities attaching to fully paid ordinary shares,

to the extent to which it would be reasonable for investors and their professional advisers to expect to find such information.

Yours faithfully,
Riedel Resources Limited



Bruce Franzen
Company Secretary