

KEY COMPANY INFORMATION

Capital Structure

Ordinary Shares: 418m
Unlisted Options: 18m

Top 20 Shareholders 67.72%

Cash Reserves

A\$2.59m
(at 31 March 2018)

CÁRMENES COBALT-COPPER PROJECT – SPAIN DRILLING APPROVALS GRANTED AND NEW HIGH- PRIORITY TARGETS GENERATED NEAR PROFUNDA COBALT-COPPER MINE

HIGHLIGHTS

- ✧ **Drilling approvals received** for stage-1 diamond drilling programme at the Profunda Mine Prospect
- ✧ Diamond drilling contract signed, drill site preparations now completed with drilling rig to be mobilised to site early July 2018
- ✧ Drilling to test **2 significant target clusters located within 200 metres of the historic La Profunda Co-Cu-Ni Mine**
- ✧ Target Zone 3 - south of the La Profunda Mine - **significantly enhanced and extended to the west by additional PDIP surveys**
- ✧ Anomalies likely represent repetitions of other undiscovered **“concealed” Profunda-type cobalt-copper nickel-(gold) deposits**

Riedel Resources Limited (ASX:RIE) (“Riedel” or “the Company”) is pleased to advise that it has **received approvals for the initial three hole diamond drilling programme** to be undertaken at the highly prospective Profunda Mine Prospect in Northern Spain.

Riedel has engaged experienced diamond drilling contractor SPI (Sondeos y Perforaciones Industriales del Bierzo S.A.) and a drilling rig has been secured to commence the programme as soon as the equipment is mobilised to site in early July 2018.

Programme preparations including on-ground logistics and earthworks, including drilling pad and access establishment **have been completed** to ensure that drilling can commence as soon as the equipment arrives on site.

Riedel Executive Chairman, Mr Jeffrey Moore commented:

“We are looking forward to the imminent commencement of our maiden drilling programme, which has been designed to test what we consider to be two of the most advanced target areas identified to date within the Profunda Mine Prospect area.

“We are also very pleased to report that recently expanded IP surveys to the south of the La Profunda Mine have significantly enhanced and extended the existing IP anomaly to the west.

“This exciting development further illustrates the minerals potential of the target areas, giving us additional confidence that this initial drilling programme will add significantly to the geological understanding of the Cármenes Project area. We look forward to providing updates on this programme in due course.”



FIGURE 1. Cármenes Project location - Spain

PROFUNDA MINE PROSPECT - Diamond Drilling Programme

Approvals to commence diamond drilling at the Profunda Mine Prospect have now been received from the relevant authorities in the autonomous community of Castilla and León (Spain). This stage-1 programme will comprise 3 core holes to test high-order geophysical and soil geochemical targets within 200 metres of the historic the La Profunda Mine. The locations of the drill holes are shown in Figure 2 below.

The purpose of the drilling programme is to test for the presence of, and to identify, extensions and repetitions of the “Profunda” style cobalt-copper-nickel sulphide mineralisation hosted in breccias with a “pipelike” shape.

Details of the drilling programme are summarised below:

- **DDH-1bis** will be drilled to a **proposed depth of 190 metres** to test a significant pole-dipole induced polarisation (“PDIP”) chargeability anomaly identified on multiple PDIP lines in Zone 3, to the south of the La Profunda Mine (see Figure 2);
- **DDH-4bis** will be drilled to a **proposed depth of 400 metres** to test significant PDIP chargeability anomalies identified on multiple PDIP lines in Zone 1, to the north of the Profunda Mine and in the eastern part of Zone 3, located to the south of the La Profunda Mine (see Figure 2); and
- **DDH-5** will be drilled to a **proposed depth of 190 metres** to test a PDIP chargeability anomaly identified on two PDIP lines in Zone 1, to the north of the La Profunda Mine (see Figure 2).

An application to drill additional PDIP anomalies in Zone 2 has also been lodged and assessment of the application is in progress.

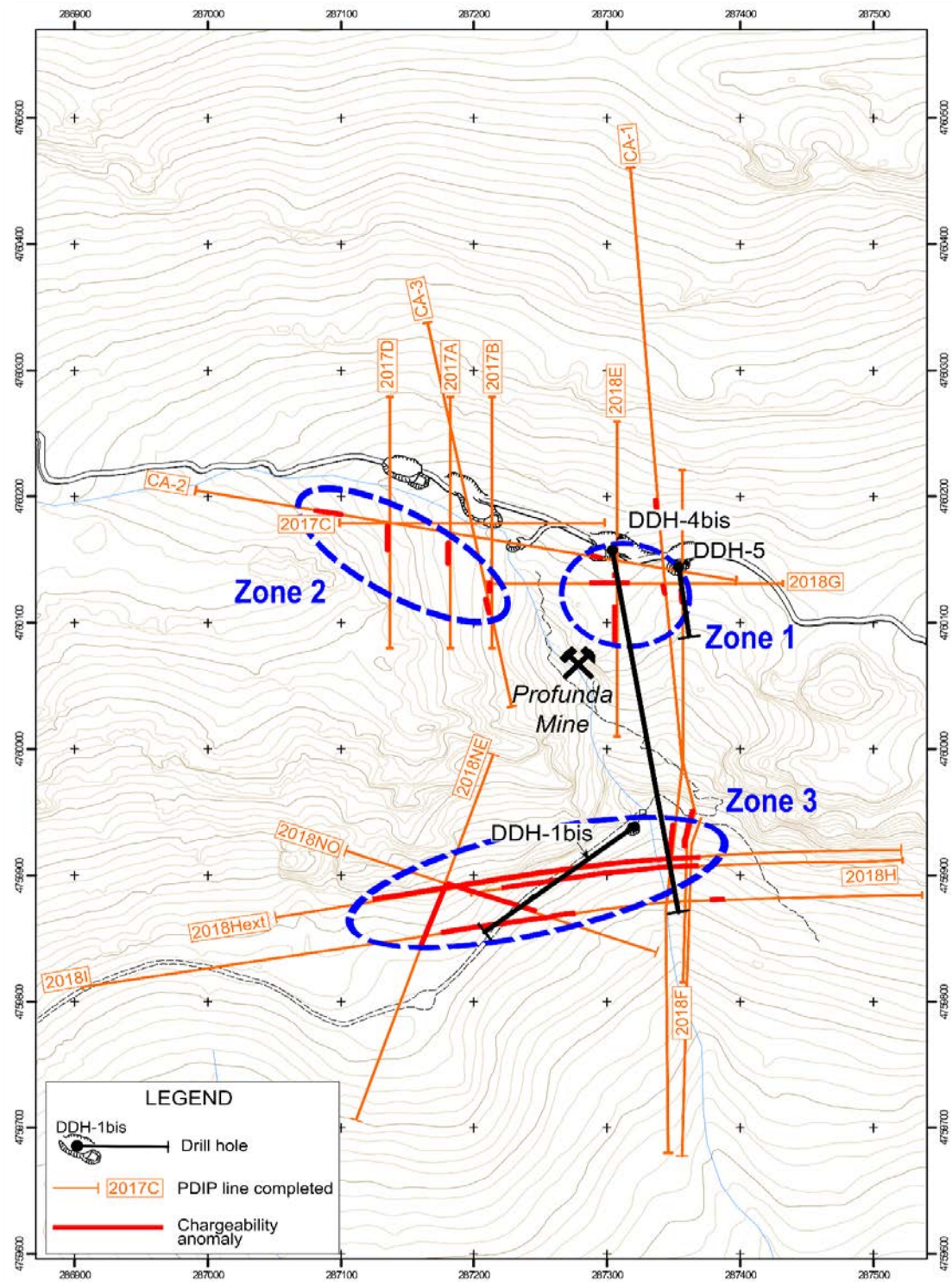


FIGURE 2. Location of proposed stage-1 drill holes, PDIP survey lines and chargeability anomalies

Details of the approved “first-pass” drill holes are summarised below:

Drillhole ID	Easting (UTM mE)	Northing (UTM mN)	Elevation (m)	Azimuth (°)	Proposed Length (m)
DDH-1bis	287,308	4,759,933	1,410	234°	190
DDH-4bis	287,302	4,760,160	1,535	173°	400
DDH-5	287,352	4,760,152	1,525	175°	117
TOTAL =					707m

LA PROFUNDA MINE PROSPECT – Recent Target Generation Update

On 13 April 2018 the Company announced details of recently completed PDIP surveys, comprising 7 pole-dipole lines, collecting data over 1,600 metres, within the vicinity of the Profunda Mine area (see *Figure 3 below*). Interpretation of the PDIP data identified 3 significant target clusters located within 200 metres of the historic La Profunda Mine workings.

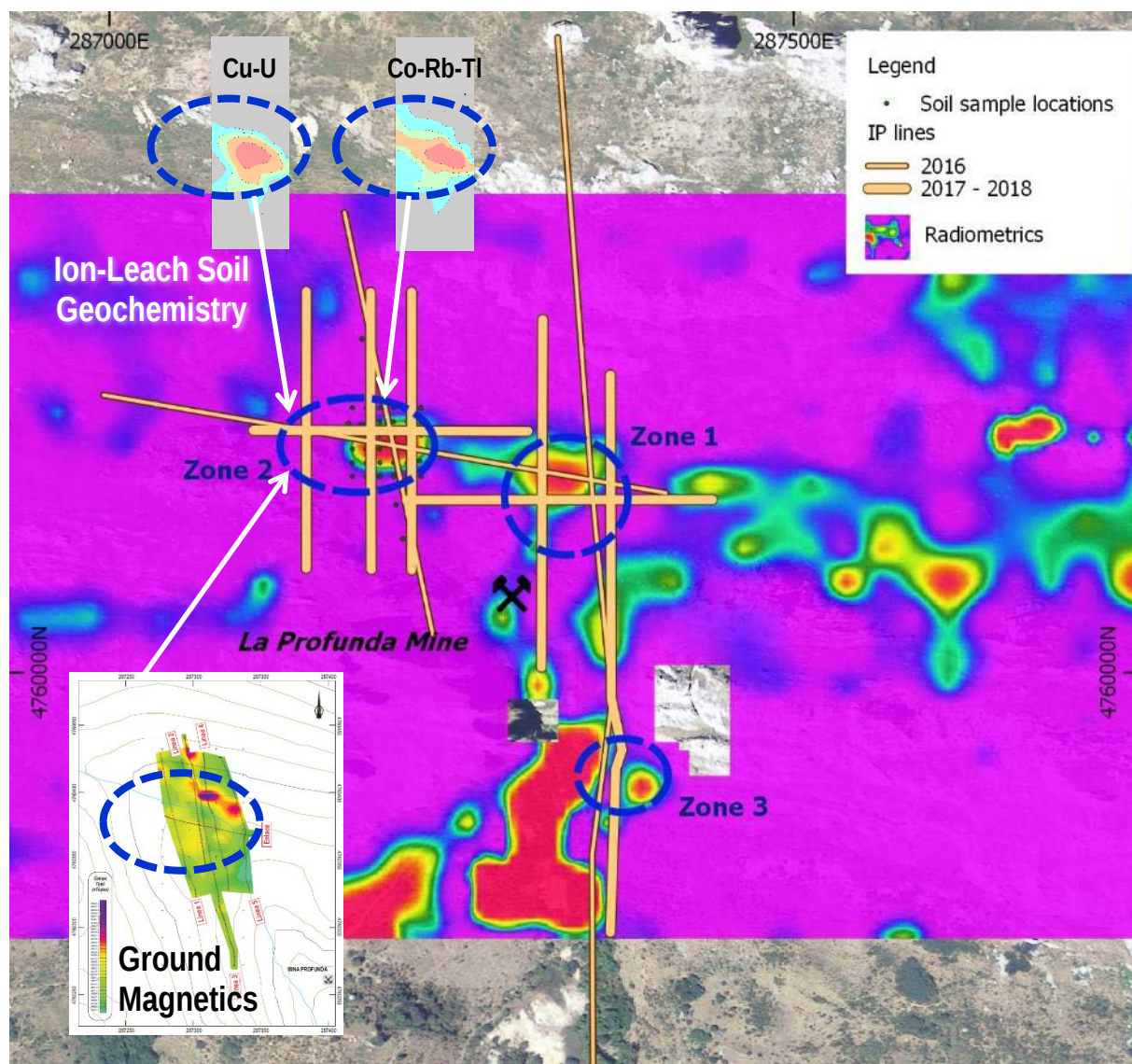


FIGURE 3. PDIP Chargeability, radiometric, ground magnetic and geochemical anomalies

The PDIP anomalies in Target Zones 1 and 3 are interpreted as being characteristic of **disseminated sulphides mineralisation** and this interpretation gives the Company great confidence that **the anomalies could represent other undiscovered “concealed” Profunda-type cobalt-copper nickel-(gold) deposits** or repetitions without surface expression.

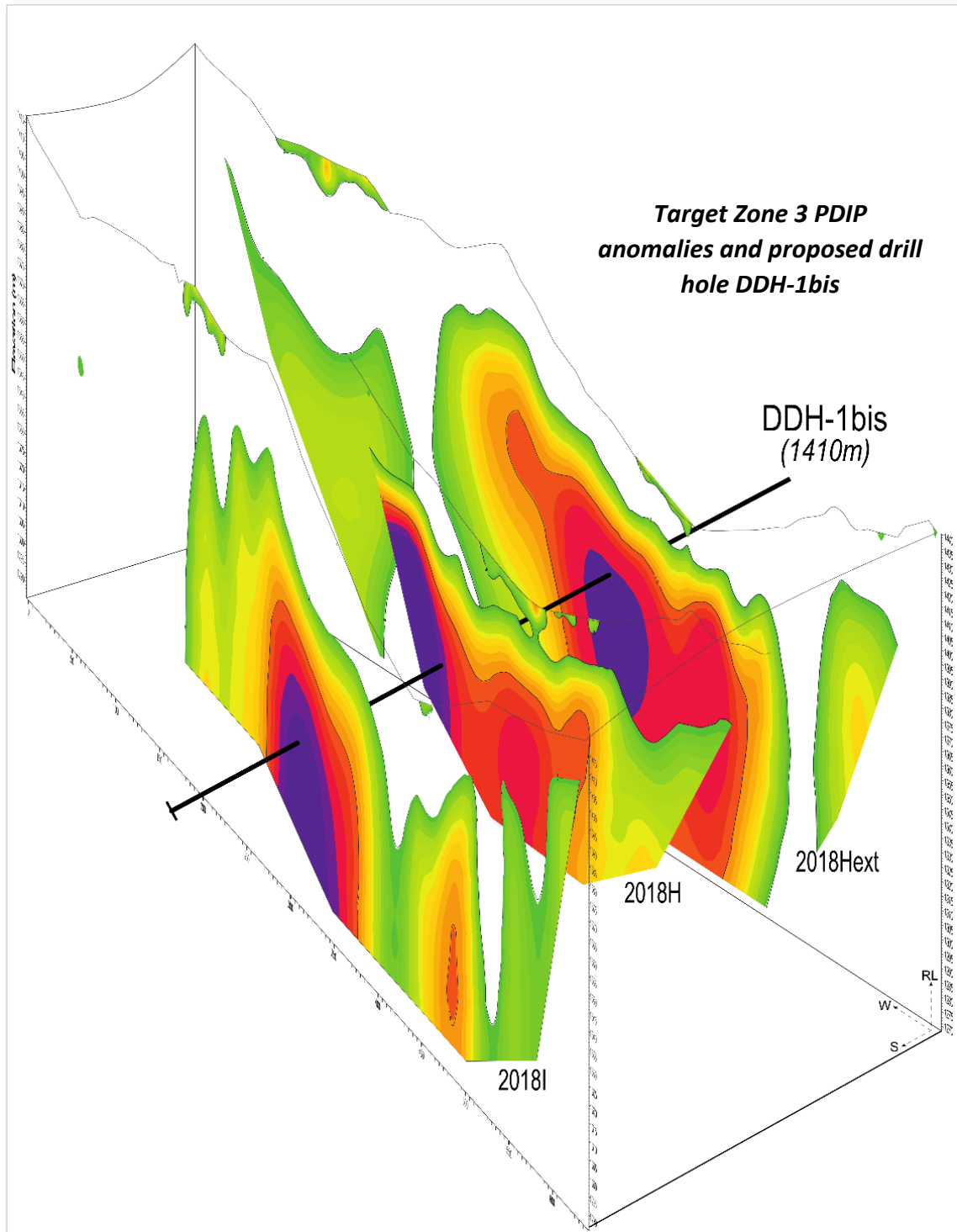


FIGURE 5. PDIP line 2018H, 2018Hext and 2018I pseudosections showing Chargeability anomalies and proposed drillhole DDH-1bis

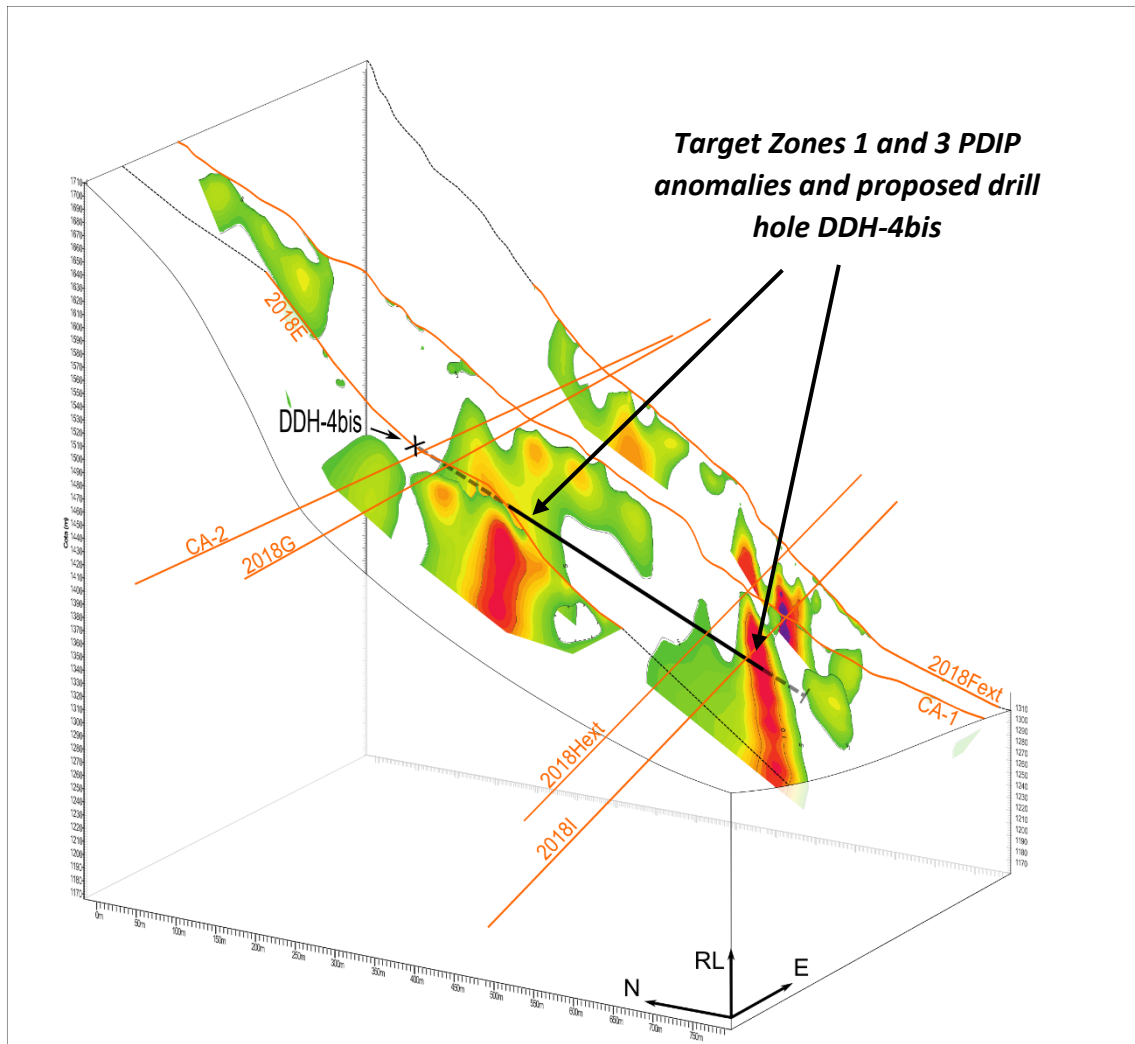


FIGURE 6. PDIP line 2018E, CA-1 and 2018Fext pseudosections showing Chargeability anomalies and proposed drillhole DDH-4bis

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 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