

29 September 2022

The Manager
ASX Limited
Company Announcements Office

RIEDEL RECEIVES FIRM COMMITMENTS FOR \$1.5m PLACEMENT

DRILLING SET TO COMMENCE IN NOVEMBER

Riedel Resources Limited (ASX: RIE or the Company) is pleased to announce that it has received firm commitments to raise A\$1.5 million (before costs) in new equity via a well-supported share placement to sophisticated and professional investors ("**Placement**").

The Placement comprises the issue of 300 million new fully paid ordinary shares in the Company ("**New Shares**") at an issue price of A\$0.005 per New Share raising \$1.5 million before costs. This represents an approximately 14.8% discount to the Company's 15-day VWAP as at 26 September 2022.

Tranche 1 of the Placement (comprising approximately 266 million New Shares) will be issued utilising the Company's existing placement capacity in accordance with ASX Listing Rules 7.1 (159.6 million New Shares) and 7.1.A (106.4 million New Shares). The Company intends to issue a further 34 million New Shares subject to shareholder approval under Listing Rules 7.1 and 10.11.

Riedel proposes to use funds from the Placement towards diamond drilling at the Kingman Gold Project in Arizona, USA, including sampling/assaying of diamond drill core, initial baseline environmental work and general working capital purposes.

Riedel's Chairman, Michael Bohm, commented:

"We continue to be very encouraged by the high-grade gold and silver assay results being achieved at our Kingman Project.

*The numerous high-grade assay results, achieved from shallow depths at Tintic, point to the potential for an open pit mining opportunity for the project. These results included **1.5m @ 27.5 g/t Au and 37 g/t Ag** from 13.7m in hole 2022-CHL-008B and **3.8m @ 18.1 g/t Au and 201 g/t Ag** from 85.3m in hole 2022-CHL-075D¹.*

We anticipate the drill rig mobilising to site in November 2022. The planned diamond drill program, comprising approximately 20 holes, will focus on the high grade Tintic area, as we seek to build on our geological understanding of the high-grade nature of the gold and silver mineralisation. It will also allow us to collect core sample which will provide additional grade information and importantly, it will provide additional sample material for testwork on the mineralised veins and assist with characterisation of the overburden material (that rock which sits above the high-grade veins) which will be required for permitting of any future open pit mining operation at Tintic."

Certain directors and related parties, including Flagstaff Minerals Limited, intend to participate in the Placement, subject to shareholder approval being obtained at the Company's Annual General Meeting scheduled to be held in November 2022.

¹ The results included have been selected to demonstrate prospectivity. For a comprehensive review of the results please see the Company's announcement dated 29 July 2022. The Company confirms that it is not aware of any new information or data that materially affects the information contained in the announcement.

Riedel Resources Limited

Suite 4, 6 Richardson Street, West Perth WA 6000
admin@riedelresources.com.au | riedelresources.com.au
T: +61 8 9226 0866 | ABN: 91 143 042 022

Oracle Capital (AFSL No. 521887) (**Oracle**) acted as Lead Manager to the Placement and will receive a fee of 6% of funds raised by Oracle. Subject to shareholder approval, Oracle will be issued 13.3 million unquoted options at an exercise price of A\$0.01 and an expiry date 3 years from the date of issue as partial remuneration for its role as Lead Manager to the Placement. Director Scott Cuomo is a director of Oracle.

Settlement of the New Shares (other than those subject to shareholder approval) is expected to occur on or about 10 October 2022.

This announcement is intended to lift the current trading halt placed on the Company's securities.

Authorised for release by the Board of Riedel Resources Limited.

Susan J Field
Company Secretary

