

CÁRMENES COBALT-COPPER PROJECT – SPAIN DRILLING COMMENCES AT PROFUNDA COBALT- COPPER MINE PROSPECT TARGETS

HIGHLIGHTS

- ✧ Drilling rig has arrived on-site at Profunda Mine Prospect and **maiden diamond drilling programme is now underway**
- ✧ **Three initial diamond drill holes will test coincident geochemical and geophysical PDIP chargeability anomalies** near the historic Profunda Cobalt-Copper-Nickel Mine
- ✧ Drilling programme to target anomalies that may represent repetitions of **Profunda-type cobalt-copper nickel-(gold) deposits**

Riedel Resources Limited (ASX:RIE) (“Riedel” or “the Company”) is pleased to advise that **the initial three hole diamond drilling programme** at the Company’s highly prospective Profunda Mine Prospect in Northern Spain has now commenced.

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

Riedel has engaged experienced diamond drilling contractor SPI (Sondeos y Perforaciones Industriales del Bierzo S.A.) for the drilling contract. The first-pass drilling programme **will comprise three drill holes for a total of 831 metres of core drilling**, however if warranted, the programme can be expanded while the drilling equipment remains on-site.

Riedel’s Executive Chairman, Mr Jeffrey Moore commented:

“We are very pleased to report the commencement of the first drilling programme at our flagship Cármenes Cobalt-Copper Project in Northern Spain.

“Recent pole-dipole induced polarisation (PDIP) geophysical survey work and soil geochemical sampling have identified several high priority targets within 200 metres of the historic the La Profunda Mine which will be tested by this initial three-hole diamond drilling programme.

“We are confident that the strategically placed holes will assist greatly with exploration targeting and with the potential discovery of concealed repetitions of Profunda-type deposits. We look forward to providing updates on this programme over the coming weeks.”

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)



PROFUNDA MINE PROSPECT – Geological Context

In 2016, Riedel's joint venture partner SIEMCALSA carried out preliminary geophysical testwork by way of PDIP and ground magnetic surveys in the vicinity of the historic La Profunda Mine. Additional infill PDIP surveys were carried out by Riedel and SIEMCALSA in December 2017 through to June 2018. The results of this work validated and upgraded the chargeability and resistivity anomalies, **which are interpreted as being characteristic of disseminated sulphides mineralisation with pipe-like shapes.**



FIGURE 1. Arrival of diamond drilling rig - Cármenes Project – Spain



FIGURE 2. Locating drilling rig for first drill hole - Cármenes Project – Spain

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