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QUARTERLY ACTIVITIES REPORT
FOR THE PERIOD ENDED 30 SEPTEMBER 2020

OPERATIONAL HIGHLIGHTS

- The Company maintains its interest in the Marymia Gold and Copper project with Joint Venture drilling planned for early 2021.
- The Company reviewed the high-grade Kingman Gold Project culminating in the post-quarter end, signing of a binding term sheet to acquire up to 80% of the project located in the Tier-1 jurisdiction of Arizona, USA

CORPORATE

- Cash at Bank 30 September 2020 – approx. $850,000.

Riedel Resources Limited (ASX: RIE the Company) provides shareholders with its Quarterly Activities Report for the period ended 30 September 2020.

KINGMAN GOLD PROJECT, ARIZONA USA

During the Quarter, the Company undertook a review of the high-grade Kingman Gold Project located in Arizona, USA.

The Kingman Project is held by Flagstaff Minerals Limited and located in the mining state of Arizona. The project area is approximately 145 kilometres from Las Vegas and is within 5km of US Highway 93. This area saw extensive mining activity in the early 1900's when numerous gold, silver and base metals mines were in operation. The project area comprises 195 highly prospective unpatented contiguous lode claims.



Figure 1: Project Location

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Riedel Chairman Grant Mooney stated: "*we are looking forward to completion of the deal process as we pursue our goal of being on the ground and drilling early in the new year. Flagstaff's experienced US-based technical team are well prepared to commence work on the ground in the new year and we look forward to reporting results".*

Key points to note in relation to the project are:

- Diamond Drilling in late-2019 included the following shallow high-grade results:
  - 1.5m @ 21.6 g/t gold, 89 g/t silver & 1.8% lead from 47.2m;
  - 0.15m @ 26.9 g/t gold, 449 g/t silver, 17% lead & 2.7% copper from 39.6m;
  - 0.46m @ 15.2 g/t gold, 153 g/t silver & 2.3% zinc from 58.2m;
  - 0.3m @ 2.1 g/t gold & 2,340 g/t silver from 55.8m; and
  - 1.5m @ 3.4 g/t gold & 56 g/t silver from 78.3m

(Refer ASX announcement dated 23 October 2020)

- Multiple outcropping targets and veins open along strike and at depth
- Previously mined up to 1942 and almost no modern exploration work carried out with numerous historic mining areas never drill tested
- Extensive nearby infrastructure with year-round project access located approximately 5km from major highway

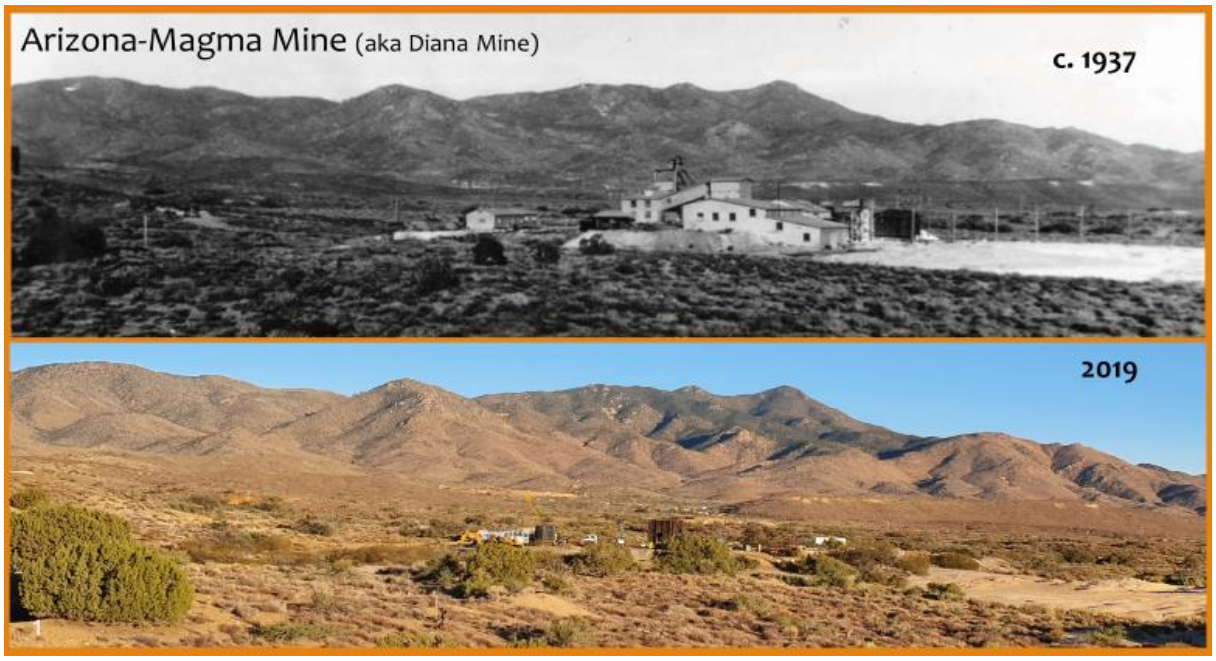


Plate 1: Pictorial of the Arizona-Magma mine area

Subsequent to the end of the Quarter, Reidel entered into a Binding Term Sheet with Flagstaff to acquire up to an 80% interest in the project (Refer ASX Announcement dated 23 October 2020 - Kingman Gold Project Acquisition, Arizona USA).

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Initial Exploration Expenditure – Stage 1

- Riedel shall issue Flagstaff Minerals (or its nominee) 60 million fully paid ordinary shares (subject to voluntary escrow for 6-months from the date of issue).
- Before it can withdraw, Riedel must expend at least AUD$1,500,000 on the Kingman Project within 12-months from the Stage 1 Commencement Date.
- Riedel must expend AUD$5,000,000 on the Kingman Project within 3 to obtain a 51% equity interest in the Project.

Earn-In – Stage 2

- Riedel will issue 100,000,000 Shares to Flagstaff.
- Riedel may elect to proceed with the Stage 2 earn-in at its complete discretion.
- Riedel must expend a further AUD$5,000,000 on the Kingman Project (Stage 2 Expenditure Condition) within 3 years from the Stage 2 Commencement Date in order to earn a further 19% interest in the Project.

Stage 3

- Riedel may acquire an additional 10% equity interest in the Project (i.e. Riedel will hold an 80% interest by payment AUD$3,000,000 cash.

Conditions Precedent

The commencement of the Earn-In is subject to and conditional upon, among other things, the following conditions precedent:

- Mutual due diligence;
- obtaining all relevant regulatory and shareholder approvals;
- completion of a $2 million Placement (detailed below).

Board Changes

Currently, it is intended that Mr Michael Bohm, a nominee of Flagstaff Minerals, will join the Board of Riedel as Chair. Mr Bohm is a graduate of the WA School of Mines. Mr Bohm brings to the Board his extensive experience as a mining professional with extensive corporate and operational management skills in the minerals industry. Michael is currently a director of Ramelius Resources Limited (ASX:RMS) and Mincor Resources NL (ASX:MCR). Mr Bohm is a shareholder of Flagstaff Minerals. Meanwhile, the second director to be nominated by Flagstaff Minerals will be announced by the Company in due course.

Placement

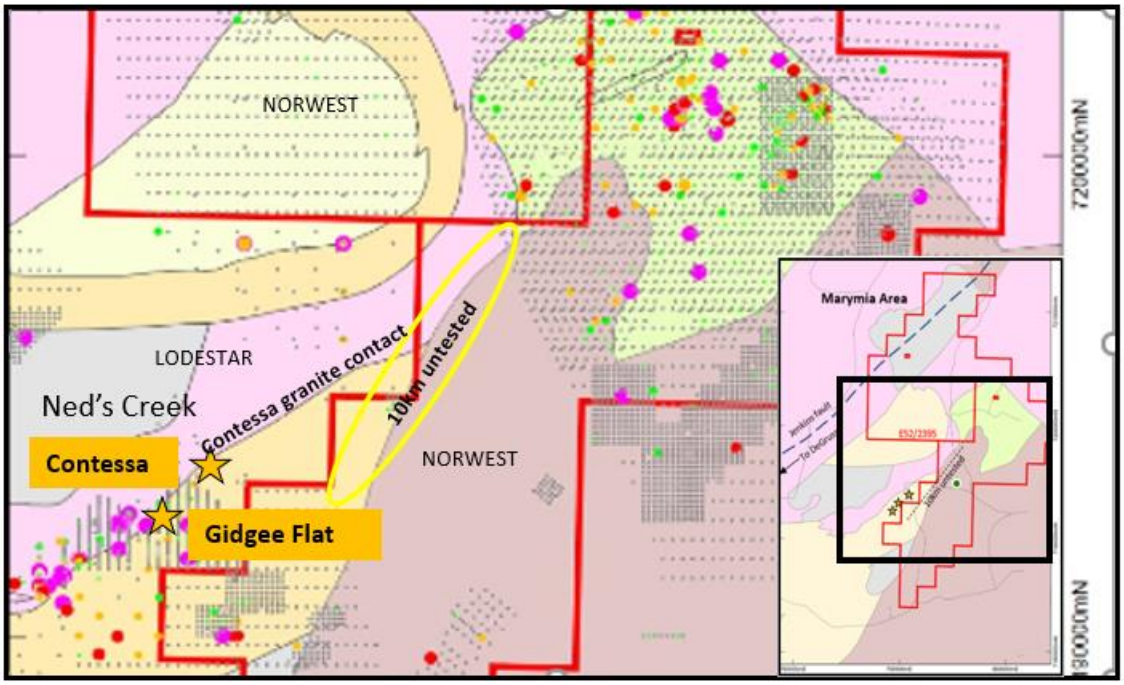
Riedel has received firm commitments to raise approximately $2 million by issuing up to 363,636,363 Shares (Placement Shares) at an issue price of $0.0055 (Placement). It is intended that 63,000,000 Shares will be issued utilising the Company's 15% placement capacity, with the balance (i.e. up to 300,636,363) to be issued within 7 days of receipt of shareholder approval at the Annual General Meeting in late November (Tranche 2 Placement Shares). The funds raised from the Placement will be used to fund the Stage 1 exploration program and for general working capital purposes.

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MARYMIA GOLD AND COPPER PROJECT, WESTERN AUSTRALIA

The Marymia Project is located approximately 900 kilometres north of Perth, Western Australia, within the Archean Marymia Inlier. The project is situated 40 kilometres east of the Plutonic Gold Mine, 20 kilometres southeast of the Marymia gold camp, and 55 kilometres northeast of Sandfire Resources NL's DeGrussa copper mine.

In 2018, Lodestar Resources Limited (ASX Code: LSR) announced an intersection of 4m grading 74g/t gold (Refer Lodestar's ASX announcement dated 12th June 2018) from diamond drilling at its Ned's Creek, Contessa gold prospect. Their drilling programmes have continued to intersect significant gold mineralisation at Contessa as well as other nearby prospects with all mineralisation focused along the 'Contessa Granite contact'. The best gold intercepts appear below 100 metres. Vango Mining Limited has recently announced an agreement with the owners, Lodestar, committing them to spend $5 million over a 3-year period to earn 51% of the Ned's Creek project.



Ned's Creek with the Contessa Granite extending through untested Norwest ground.

The Joint Venture tenements abut the Ned's Creek project area. The Contessa Granite contact extends ~5km along a 10km untested area within Marymia tenements. Drill plans are being finalised to test the Contessa granite contact in early 2021 where it extends NE across the Marymia Area.

The Company reported on 21 May 2018 that Australian Mines Limited (ASX: AUZ, USA OTCQB: AMSLF) increased its interest in the Marymia Gold and Copper Project in Western Australia to 80% having spent $3 million under the April 2014 dated Heads of Agreement. Australian Mines Limited subsequently transferred its rights to Norwest Minerals Limited (ASX: NWM) following a spin-off of that company in November 2018.

The Company maintained its 18.93% interest in the Marymia Gold and Copper Project at 30 September 2020. Norwest Minerals Limited (ASX: NWM) reported that no work was undertaken on the project during the quarter.

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The Company had approximately $850,000 in cash at the end of September 2020.

NOTE 6 TO APPENDIX 5B

Payments to related parties of the entity and their associates: During the quarter $29,000 was paid to Directors and associates for salaries superannuation and consulting fees.

This announcement is authorised by the Chairman & Company Secretary.

TENEMENT SCHEDULE

Following is the schedule of Riedel Resources minerals tenements as at 30 June 2020:

Area of Interest	Tenement reference	Nature of interest	Interest
Marymia	E52/2394	Direct	18.93%
Marymia	E52/2395	Direct	18.93%
West Yandal	M36/615	Royalty	0%
Porphyry	M31/157	Royalty	0%

-ENDS-

Competent Person Statement

Information in this release that relates to Exploration Results relating to the Kingman Gold Project, Arizona USA is based on information compiled by Mr Sean Whiteford, who is a qualified geologist, a member of the Australian Institute of Mining and Metallurgy, and a consultant to Flagstaff Minerals Limited. Mr Whiteford has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity being 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 Whiteford consents to the inclusion in this release of the matters based on his information in the form and context in which it appears.

Forward Looking Statements

This release includes forward looking statements. Often, but not always, forward looking statements can generally be identified by the use of forward looking words such as "may", "will", "expect", "intend", "plan", "estimate", "anticipate", "continue", and "guidance", or other similar words and may include, without limitation statements regarding plans, strategies and objectives of management, anticipated production or construction commencement dates and expected costs or production output.

Forward looking statements inherently involve known and unknown risks, uncertainties and other factors that may cause the company's actual results, performance and achievements to differ materially from any future results, performance or achievements. Relevant factors may include, but are not limited to, changes in commodity prices, foreign exchange fluctuations and general economic conditions, increased costs and demand for production inputs, the speculative nature of exploration and project development, including the risks of obtaining necessary licences and permits and diminishing quantities or grades of resources or reserves, political and social risks, changes to the regulatory framework within which the company operates or may in the future operate, environmental conditions including extreme weather conditions, recruitment and retention of personnel, industrial relations issues and litigation.

Forward looking statements are based on the company and its management's good faith assumptions relating to the financial, market, regulatory and other relevant environments that will exist and affect the company's business and operations in the future. The company does not give any assurance that the

assumptions on which forward looking statements are based will prove to be correct, or that the company's business or operations will not be affected in any material manner by these or other factors not foreseen or foreseeable by the company or management or beyond the company's control.

Although the company attempts to identify factors that would cause actual actions, events or results to differ materially from those disclosed in forward looking statements, there may be other factors that could cause actual results, performance, achievements or events not to be anticipated, estimated or intended, and many events are beyond the reasonable control of the company. Accordingly, readers are cautioned not to place undue reliance on forward looking statements.

Forward looking statements in this release are given as at the date of issue only. Subject to any continuing obligations under applicable law or any relevant stock exchange listing rules, in providing this information the company does not undertake any obligation to publicly update or revise any of the forward looking statements or to advise of any change in events, conditions or circumstances on which any such statement is based.

For further information please contact:

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Tel: +61 (08) 9226 0866

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 for gold and base metals in Australia and Arizona, USA.

Further information can be found at the Company's website www.riedelresources.com.au

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