

## Riedel Resources Limited (ASX: RIE)

Research Note – 5 December 2025

### COMPANY OVERVIEW

Riedel Resources Limited (ASX:RIE) is an Australian mineral exploration company incorporated in 2010 and listed in 2011. Headquartered in Melbourne, the company is primarily focused on the exploration and development of gold, silver and zinc assets in Northwest Arizona. Its flagship asset, the Kingman Gold project, holds an estimated 64,000 ounces of gold under JORC-compliant resource classification.

### PROJECTS

#### Overview

RIE's flagship asset, the Kingman Gold Project, is located in Arizona and is prospective for gold. The Kingman Gold Project comprises the Tintic Project, Merriman Project and Jim's Project.

#### Kingman Gold Project

**Project Overview.** The Kingman Gold Project is a JV between RIE (90%) and Flagstaff Minerals Pty Ltd (10%) and is located in Northwest Arizona, which has historically seen the discovery of significant gold deposits. The Project is located 140 km Southeast of Las Vegas, while the tenement package covers a total area of over 20 km<sup>2</sup>. As the Kingman Project is contained within a historical mining district, existing infrastructure is excellent and accessible. Historically, the area has seen significant gold production over 27 million ounces of gold, which is indicative of mineralisation and mining potential. By hosting a JORC resource which begins just 10-15 metres from the surface with such high grades enables RIE to adopt a low-CAPEX development model that by-passes multiyear timelines and infrastructure costs, which is faced by most mines. This shallow mineralisation allows for cost-effective RC drilling and provides a robust economic buffer against market volatility.

**JORC.** The Tintic deposit is contained within the Kingman Gold Project and has an independently prepared JORC (2012) Mineral Resource Estimate, completed in October 2023. The resource uses a 0.8 g/t cut-off grade and comprises 494,000 tonnes for a contained 64,000 ounces of gold at an average grade of 4.0 g/t Au. As the resource is classified entirely as Inferred, and applying Canary adjustment metrics, the Tintic gold deposit is assessed to contain approximately 25,600 adjusted ounces of gold. Importantly, the Tintic deposit is very shallow, constrained to approximately 40 metres depth, having positive implications on accessibility and cost.

Cut-off Grade: 0.8g/t	Tonnes (Mt)	Grade (g/t)	Contained Au (oz)	Adjusted Ounces
Inferred	494,000	4.0	64,000	25,600
Total	494,000	4.0	64,000	25,600

**Exploration Activities.** RIE recently executed a drilling contract with Energold Drilling Corp to undertake approximately 30 diamond drill holes up to an expected maximum length of 37m per hole, totalling 1,100m at the Kingman project. Drilling commenced on 28 November 2025, with the objective of the drilling being to obtain metallurgical samples to advance heap leach test work, infilling shallow high-grade areas of the Tintic Deposit, and to step out extensions to the northwest from hole RC23TT053. Assay results are due in January 2026.

Other than the recently announced diamond drilling program, RIE had not conducted any drilling or announced drilling results in the last 24 months.

**Planned Exploration Activities.** RIE is yet to announce any exploration activities that would follow the completion of the diamond drilling program and the release of assay results.

## FINANCIALS

### Cash Position and Debt Owed

In the most recent quarter, Q1 FY25, RIE reported a cash balance of \$1.09m. According to their FY25 annual report, total debt amounted to \$0. This results in a net cash position of \$1.09m.

### Cash Burn and Runway

RIE has a net cash position of \$1.09m and had a cash burn of \$0.34m, with the four-quarter average being \$0.20m. With an estimated cash balance of \$1.09m, RIE is estimated to have 3 quarters of operational runway left before having to raise additional capital.

### Exploration Expenditure

RIE spent \$0.11m in the latest quarter, which is an increase from \$0.03m in Q4 FY24. This sudden increase in exploration and evaluation expenditure can be attributed to the commencement of drilling programs within the Tintic Project. In addition, the shallow resource depth decreases the cost of drilling.

In '000s of AUD	Q2 FY25	Q3 FY24	Q4 FY24	Q1 FY25
Exploration and Evaluation Expenditure	53	51	31	110

### Capital Structure

RIE is currently traded at \$0.027 with 142,656,137 shares outstanding and a market capitalisation of \$3.85m. With no debt and a cash position of \$1.09m, RIE has an enterprise value of \$2.76m. Riedel has a favourable capital structure, with 142,656,137 ordinary shares on issue and a relatively modest 14,851,500 options outstanding. Of these, 475,500 options are set to expire on 6 December 2025 with an exercise price of \$0.40. A further 13,394,000 options expire on 22 August 2026 at an exercise price of \$0.06, while the remaining 1,000,000 options expire on 30 October 2028 at an exercise price of \$0.06.

Share Price	\$0.027
Ordinary Shares Outstanding	142,656,137
Market Capitalisation	\$3.85m
Debt	-
Cash	\$1.09m
Enterprise Value	\$2.76m
Options and Performance Rights Outstanding	18,371,529
Diluted Shares Outstanding	161,485,166

### Capital Raise

RIE last raised in capital in June 2025 where the company raised \$1.3m through a placement to new and existing institutional and sophisticated investors. The placement was completed by way of a two-tranche placement, with shares being issued at \$0.025. Tranche 1 involved an unconditional placement to raise a total of ~\$347k through the issue of 12,882,395 new shares. Tranche 2 was a conditional placement to raise a total of ~\$653k through the issue of 26,117,605 new shares subject to shareholder approval. The issue price represented a 7.4% discount from \$0.027, the closing price on 17 June 2025. 708 Capital Pty Ltd acted as the sole lead manager to the placement and therefore 10,000,000 Broker Options, were issued on 22 August 2025 at an exercise price of \$0.06.

### Shareholder Analysis

	Percentage Ownership
Hardy Road Investments Pty Ltd	8.91%
A.C.N 627 852 797 Pty Ltd	6.38%
Greetside Holdings Pty Ltd	5.55%
Southern Cross Capital Pty Ltd	5.22%
Flagstaff Minerals Limited	3.47%
Ice Cold Investments Pty Ltd	3.11%
J & J Bandy Nominees Pty Ltd	2.69%
Quinlyntn Pty Ltd	2.66%
Netwealth Investments Limited	2.52%
Flourish Super Pty Ltd	2.50%
<b>Total</b>	<b>42.01%</b>

### Inside Ownership

Riedel's low inside ownership presents concerns for investors as directors own a small percentage of the company, therefore their interests may be more directed toward short term financial success rather than share price appreciation and capital preservation. To counter this, Riedel have issued Mr Patrizi's Director Fees as Share Rights, and he will be granted 1,000,000 options exercisable at \$0.06 expiring in three years. RIE has also introduced a Company Employee Securities Incentive Plan last updated in the 2025 Annual Report, which allows the issue of up to 140,000,000 securities under a three-year plan. These securities are issued if management hit KPI's of improving the JORC resource and hitting share price targets.

	Position Held	Percentage Ownership
Adrien Wing	Company Secretary	1.4%
Scott Cuomo	Non-Executive Chairman	0.4%
<b>Total</b>		<b>1.8%</b>

## Relative Valuation

	Metric
Adjusted Ounces	25,600
Adjusted Grade (g/t)	4.0
Market Value of Adjusted Ounces (at \$6,000oz)	\$153.6m
EV/Ounce (\$)	\$215
Peer Median EV/Ounce (\$)	\$315

## MANAGEMENT

### Management Biographies

**Scott Cuomo - Chairman (Since 2025).** Mr Cuomo is an experienced non-executive director and successful businessman with a 25-year career, including being a director at Oracle Capital, a boutique Corporate Advisory Firm. Mr Cuomo previously was the National Business Development Manager of Optus reseller, B Digital Limited, an ASX-listed company that was subject to a takeover in 2007. He offers valuable experience in strategic planning and risk management. He was appointed Non – Executive Chairman of RIE in 2017 and became Chairman in 2025. In FY25 Scott received \$39,851 in fixed remuneration as well as shares and option rights apart of the management inventive scheme. (FY24-\$42,555). Scott is also entitled to Chairman Fees of \$50,000.

**Scott Patrizi - Non-Executive Director (Since 2025).** Mr Patrizi is a Corporate Director with strong equity capital markets and project acquisition experience. Scott has worked across a wide range of industries, including mining, oil and gas, providing merger and acquisition, valuation, and due diligence services. He was previously Executive Director of Western Australian gold explorer Caprice Resources Limited (ASX:CRS), where he was responsible for the IPO and acquisition of the high-grade Island Gold Project in October 2020. Scott was formerly the Executive Director and Matador Mining Limited (ASX: MZZ) and a Non-Executive Director of Rarex Limited (ASX: REE) and Elixir Petroleum Limited (ASX: EXR), where, during his tenure, each completed major transformational acquisitions. In FY25 Scott received \$10,283 in fixed remuneration as well as shares and option rights apart of the management inventive scheme. Scott is also entitled to 2025 Director Fees of \$40,000.

**Adrien Wing – Company Secretary (Since 2025).** Mr Wing is a Certified Practising Accountant (CPA) with over 25 years of experience in the ASX small-cap sector. He has extensive expertise in corporate governance and capital markets, having played key roles in various transactions including IPOs, reverse takeovers and capital raises. Currently, Mr Wing serves as a director or officer for several ASX-listed companies, including CLEO Diagnostics Ltd, New Age Exploration and Red Sky Energy Ltd. He has previously held directorships and secretarial roles at Rhythm Biosciences, Mithril Resources and Sparc Technologies. It is estimated that Mr Wing received \$40,000 in remuneration in FY25 however the exact amount has not been disclosed.

*It is important to note that the Former Non-Executive Chairperson, Former Non-Executive Director & Former Chief Executive Officer all resigned within the past year, which is evidence of a restructuring.*

## Management Compensation

<i>In AUD</i>	Salary and Benefits	Superannuation	Cash Bonus	Share-Based Compensation	Total Compensation
FY25	216,116	24,644	-	-	240,760
FY24	391,666	39,417	-	-	431,083
FY23	242,913	21,306	-	-	264,219

## Related Party Transactions

For the year ending 30 June 2025, three related party transactions were disclosed.

## INVESTMENT ANALYSIS

### Investment Thesis

**Significant Undervaluation.** Riedel exhibits a substantial valuation disconnect. The company is currently trading at an EV/Ounce discount of roughly \$100 relative to comparable peers, indicating a materially lower implied resource value. Moreover, Riedel's market capitalisation of approximately \$4m is significantly below its adjusted resource valuation of \$133m.

**Highly Economical Resource.** Riedel's resource profile is highly economic, with the highest-grade mineralisation encountered within the first 16 meters of the Tintic resource, which reaches 40 meters depth. This shallow resource is well-suited to open pit extraction, a significantly lower-cost mining method compared to underground alternatives. This enhances the project's overall development and return.

**Presence of Near-Term Catalyst.** Riedel's assay results from drilling programs are planned to be released in January 2026. These results have the potential to materially influence the investment thesis by confirming extensions of mineralisation, improving grade or support resource expansion. A positive outcome could drive meaningful re-evaluation of the stock price.

### Investment Risks

**Low Insider Ownership.** Riedel's comparatively low level of insider ownership presents a governance and alignment risk for investors. Limited equity participation from its directors and management can signal weaker alignment between leadership and shareholder interests, particularly for an early-stage resource company where strategic decisions impact long-term value creation. To mitigate this Riedel has introduced an Employee Securities Incentive Plan for management to align them with the company long term.

**Low Trading Liquidity.** Riedel's trading activity presents a meaningful liquidity risk. The company consistently records a low traded daily value below \$20,000. This limited liquidity can impede efficient entry or exit of positions, with a shallow bid-ask structure increasing the likelihood of a price slippage when trading meaningful volumes, which leads to elevated volatility.

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## INVESTMENT RECOMMENDATION

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**Buy.** Riedel offers a compelling combination of shallow high-grade mineralisation, strong open pit economics and a material valuation disconnect with its market capitalisation sitting well below the implied value of its resource. Upcoming catalysts, such as additional assay results and potential resource expansion, provide further upside.

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