Riversgold Ltd

# Replacement
# Prospectus

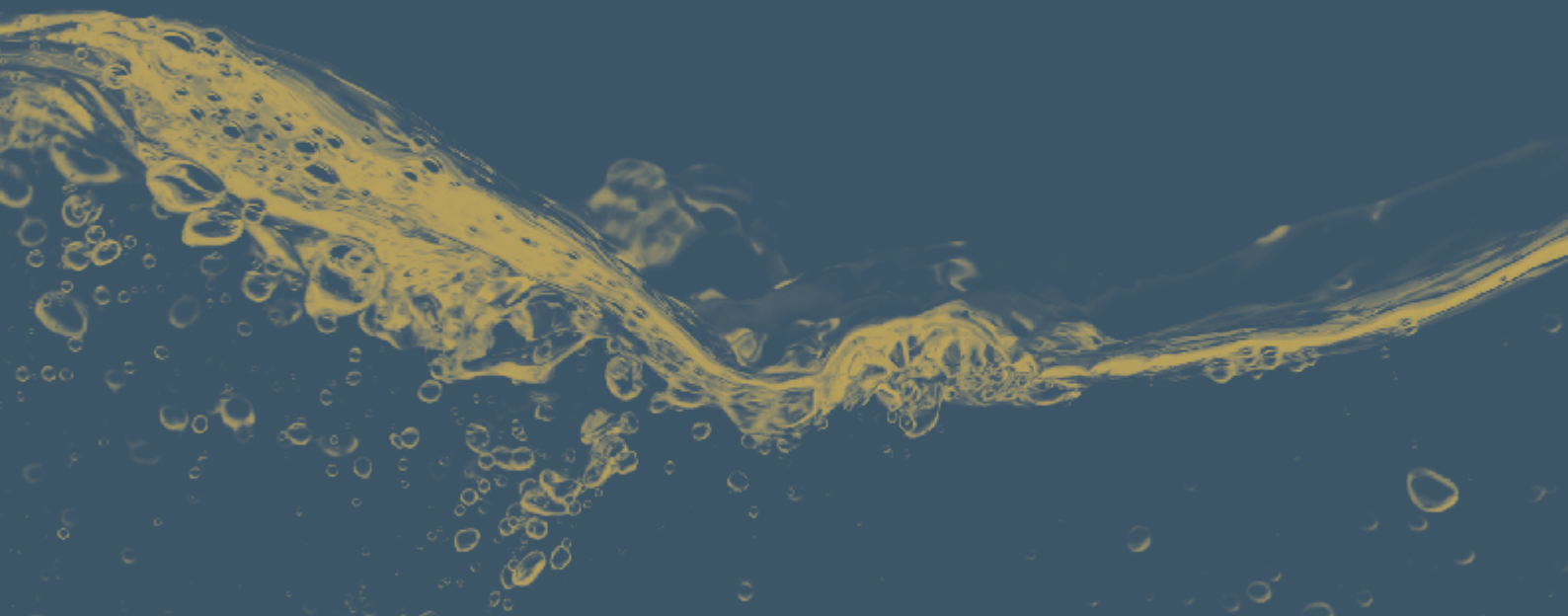
**Riversgold Ltd** | ACN 617 614 598

For an offer of up to 40,000,000 Shares at an issue price of A$0.20 each to raise up to A$8,000,000

This Prospectus has been issued to provide information on the offer of up to 40,000,000 Shares to be issued at a price of A$0.20 per Share to raise up to A$8,000,000 (before costs). The minimum subscription under the offer is A$5,000,000.

This is a replacement prospectus dated 11 August 2017. It replaces a prospectus dated 4 August 2017 relating to an offer of fully paid ordinary shares of Riversgold Ltd.

It is proposed that the Offer will close at 5.00pm (WST) on 1 September 2017. The Directors reserve the right to close the Offer earlier or to extend this date without notice. Applications must be received before that time.



This is an important document and requires your immediate attention. It should be read in its entirety. Please consult your professional adviser(s) if you have any questions about this document. Investment in the Shares offered pursuant to this Prospectus should be regarded as highly speculative in nature, and investors should be aware that they may lose some or all of their investment. Refer to Section 8 for a summary of the key risks associated with an investment in the Shares.

# Corporate Directory

### Directors

Roderick Webster – *Non-Executive Chairman*
Allan Kelly – *Managing Director*
Jeffrey Foster – *Non-Executive Director*

### Company Secretary

Kevin Hart

### Registered Office

Suite 8, 7 The Esplanade
Mount Pleasant WA 6153 Australia

### Share Registry*

Computershare Investor Services Pty Limited
Level 11, 172 St Georges Terrace
Perth WA 6000 Australia

### Auditor*

HLB Mann Judd (WA Partnership)
Level 4, 130 Stirling Street
Perth WA 6000 Australia

### Proposed Stock Exchange Listing

Australian Securities Exchange (ASX)
Proposed ASX Code: RGL

### Lawyers (Australia)

DLA Piper Australia
Level 31, Central Park
152-158 St Georges Terrace
Perth WA 6000 Australia

### Lawyers (Cambodia)

Sarin & Associates
No. 13, First Floor, Street 29,
Sangkat Tonle Bassac, Khan Chamkar Morn
Phnom Penh Cambodia

### Lawyers (Alaska)

J. P. Tangen, Attorney at Law (P. C.)
1600 A Street, Suite 310
Anchorage, AK 99501 USA

### Independent Accountant

BDO Corporate Finance (WA) Pty Ltd
38 Station Street
Subiaco WA 6008 Australia

### Independent Technical Expert

CSA Global Pty Ltd
Level 2, 3 Ord Street
West Perth WA 6005 Australia

**These entities are included for information purposes only. They have not been involved in the preparation of this Prospectus.*

Riversgold Ltd

This is a replacement prospectus dated 11 August 2017. It replaces a prospectus dated 4 August 2017 relating to an offer of fully paid ordinary shares of Riversgold Ltd.

# Indicative Timetable

**4 August 2017**
Lodgement of Prospectus with ASIC

**11 August 2017**
Lodgement of replacement prospectus with ASIC

**14 August 2017**
Opening Date of the Offer

**1 September 2017**
Closing Date of the Offer

**6 September 2017**
Issue of Shares under the Offer and Acquisitions

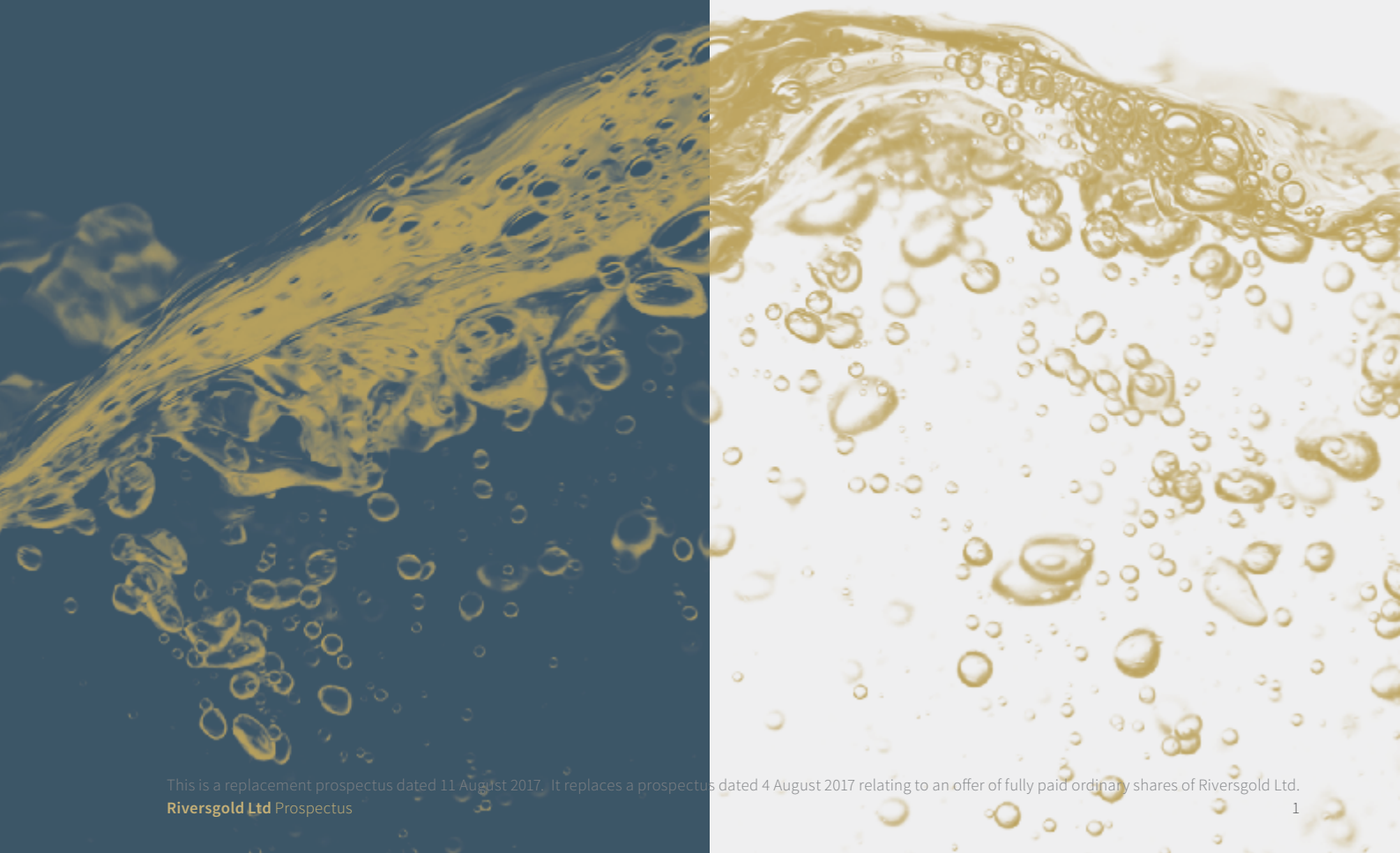
**7 September 2017**
Despatch of holding statements

**11 September 2017**
Expected date for quotation on ASX

*The above dates are indicative only and may change without notice. The Company reserves the right to amend the timetable at any time.*

# Contents





# Important Notice

This replacement prospectus is dated, and was lodged with ASIC on, 11 August 2017. It replaces the prospectus issued by the Company dated 4 August 2017 and lodged with ASIC on that date. Neither ASIC nor ASX (or their respective officers) take any responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates. The expiry date of this Prospectus is 5.00pm WST on that date which is thirteen (13) months after the date this Prospectus was lodged with ASIC. No Shares will be issued on the basis of this Prospectus after that expiry date.

Application will be made to ASX within seven (7) days of the date of this Prospectus for Official Quotation of the Shares the subject of the Offer.

No person is authorised to give any information or to make any representation in connection with the Offer, other than as is contained in this Prospectus. Any information or representation not contained in this Prospectus should not be relied on as having been made or authorised by the Company or the Directors in connection with the Offer.

It is important that you read this Prospectus in its entirety and seek professional advice where necessary. The Shares the subject of this Prospectus should be considered highly speculative.

## No Exposure Period

Pursuant to ASIC Corporations (Exposure Period) Instrument 2016/74, this Prospectus is not subject to an exposure period.

## Electronic Prospectus and Application Forms

This Prospectus will generally be made available in electronic form by being posted on the Company's website at www.riversgold.com.au. Persons having received a copy of this Prospectus in its electronic form may obtain an additional paper copy of this Prospectus and the relevant Application Form (free of charge) from the Company's registered office during the Offer Period by contacting the Company. Contact details for the Company and details of the Company's registered office are detailed in the Corporate Directory. The Offer constituted by this Prospectus in electronic form is only available to persons receiving an electronic version of this Prospectus and relevant Application Form within Australia.

Applications will only be accepted on the relevant Application Form attached to, or accompanying, this Prospectus or in its paper copy form as downloaded in its entirety from www.riversgold.com.au. The Corporations Act prohibits any person from passing on to another person the Application Form unless it is accompanied by or attached to a complete and unaltered copy of this Prospectus.

Prospective investors wishing to subscribe for Shares under the Offer should complete the Application Form. If you do not provide the information required on the Application Form, the Company may not be able to accept or process your Application.

## Website

No document or information included on the Company's website is incorporated by reference into this Prospectus.

## Foreign Investors

No action has been taken to register or qualify the Shares the subject of this Prospectus, or the Offer, or otherwise to permit the public offering of the Shares, in any jurisdiction outside Australia. The distribution of this Prospectus in jurisdictions outside of Australia may be restricted by law and persons who come into possession of this Prospectus outside of Australia should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. This Prospectus does not constitute an offer of Shares in any jurisdiction where, or to any person to whom, it would be unlawful to issue this Prospectus.

## Speculative Investment

The Shares offered pursuant to this Prospectus should be considered highly speculative. There is no guarantee that the Shares offered pursuant to this Prospectus will make a return on the capital invested, that dividends will be paid on the Shares or that there will be an increase in the value of the Shares in the future.

Prospective investors should carefully consider whether the Shares offered pursuant to this Prospectus are an appropriate investment for them in light of their personal circumstances, including their financial and taxation position. Refer to Section 8 for details relating to the key risks applicable to an investment in the Shares.

## Using this Prospectus

Persons wishing to subscribe for Shares offered by this Prospectus should read this Prospectus in its entirety in order to make an informed assessment of the assets and liabilities, financial position and performance, profits and losses, and prospects of the Company and the rights and liabilities attaching to the Shares offered pursuant to this Prospectus. If persons considering subscribing for Shares offered pursuant to this Prospectus have any questions, they should consult their stockbroker, solicitor, accountant or other professional adviser for advice.

## Privacy Statement

To apply for Shares you will be required to provide certain personal information to the Company and the Share Registry. The Company and the Share Registry will collect, hold and use your personal information in order to assess your Application, service your needs as an investor, provide facilities and services that you request and carry out appropriate administration. The Corporations Act and taxation law requires some of this personal information to be collected. If you do not provide the information requested, your Application may not be able to be processed efficiently, or at all.

By submitting an Application Form, each Applicant agrees that the Company may use the information provided by an Applicant on the Application Form for the purposes detailed in this Privacy Statement and may disclose it for those purposes to the Share Registry, the Company's related bodies corporate, agents, contractors and third party service providers, including mailing houses and professional advisers, and to ASX and regulatory authorities.

If an Applicant becomes a Shareholder, the Corporations Act requires the Company to include information about the Shareholder (including name, address and details of the Shares held) in its public register. The information contained in the Company's public register must remain there even if that person ceases to be a Shareholder. Information contained in the Company's register is also used to facilitate distribution payments and corporate communications (including the Company's financial results, annual reports and other information that the Company may wish to communicate to its Shareholders) and compliance by the Company with its legal and regulatory requirements.

## Competent Persons Statement

The information in this Prospectus that relates to the Projects is compiled by Messrs Marcus Willson, Trivindren Naidoo and Ian Trinder of CSA Global.

The information in this Prospectus that relates to the Kurnalpi Project is based on information compiled and conclusions derived by Mr Marcus Willson and fairly represents this information. Mr Willson is a Member of and a Registered

Professional Geoscientist (Exploration) with the AIG. Mr Willson is employed by CSA Global. Mr Willson has sufficient experience that is relevant to the technical assessment of the mineral assets under consideration, the style of mineralisation and types of deposit under consideration and to the activity being undertaken to qualify as a Practitioner as defined in the 2015 edition of the "Australasian Code for the public reporting of technical assessments and Valuations of Mineral Assets", and 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 Willson consents to the inclusion in the Prospectus of the matters based on his information and has reviewed all statements pertaining to this information in the form and context in which it appears. Mr Willson has not withdrawn his consent prior to the lodgement of this Prospectus with the ASIC.

The information in this Prospectus that relates to the Alaskan Project is based on information compiled and conclusions derived by Mr Ian Trinder and fairly represents this information. Mr Trinder has Professional Geoscientist (P.Geo.) status in the Provinces of Ontario (APGO) and Manitoba (APEGM), he is a Member of the Prospectors and Developers Association of Canada and a Member of the Society of Economic Geologists. Mr Trinder is employed by CSA Global. Mr Trinder has sufficient experience that is relevant to the technical assessment of the mineral assets under consideration, the style of mineralisation and types of deposit under consideration and to the activity being undertaken to qualify as a Practitioner as defined in the 2015 edition of the "Australasian Code for the public reporting of technical assessments and Valuations of Mineral Assets", and 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 Trinder consents to the inclusion in the Prospectus of the matters based on his information and has reviewed all statements pertaining to this information in the form and context in which it appears. Mr Trinder has not withdrawn his consent prior to the lodgement of this Prospectus with the ASIC.

The information in this Prospectus that relates to the Cambodian Project and the Churchill Dam Project is based on information compiled and conclusions derived by Mr Trivindren Naidoo and fairly represents this information. Mr Naidoo is a Registered Professional Natural Scientist (Pr.Sci.Nat.) in the field of Geology with the SACNASP, as well as a Member of the AusIMM and Fellow of the Geological Society of South Africa. Mr Naidoo is employed by CSA Global. Mr Naidoo has sufficient experience that is relevant to the technical assessment of the mineral assets under consideration, the style of mineralisation and types of deposit under consideration and to the activity being undertaken to qualify as a Practitioner as defined in the 2015 edition of the "Australasian Code for the public reporting of technical assessments and Valuations of Mineral Assets", and 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 Naidoo consents to the inclusion in the Prospectus of the matters based on his information and has reviewed all statements pertaining to this information in the form and context in which it appears. Mr Naidoo has not withdrawn his consent prior to the lodgement of this Prospectus with the ASIC.

## Forward-Looking Statements

This Prospectus contains forward-looking statements which are identified by words such as "believes", "estimates", "expects", "targets", "intends", "may", "will", "would", "could", or "should" and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and management of the Company. Key risk factors associated with an investment in the Company are detailed in Section 8. These and other factors could cause actual results to differ materially from those expressed in any forward-looking statements.

The Company has no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus, except where required by law.

The Company cannot and does not give assurances that the results, performance or achievements expressed or implied in the forward-looking statements contained in this Prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

## Photographs and Diagrams

Photographs used in this Prospectus which do not have descriptions are for illustration only and should not be interpreted to mean that any person shown endorses this Prospectus or its contents or that the assets shown in them are owned by the Company. Diagrams used in this Prospectus are illustrative only and may not be drawn to scale. Unless otherwise stated, all data contained in charts, graphs and tables is based on information available at the date of this Prospectus.

## Currency

All financial amounts contained in this Prospectus are expressed as Australian currency unless otherwise stated. All references to "$" or "A$" are references to Australian dollars.

## Time

All references to time in this Prospectus are references to WST, being the time in Perth, Western Australia, unless otherwise stated.

## Glossary

Defined terms and abbreviations used in this Prospectus are detailed in the glossary in Section 12.

## Proximate Statements

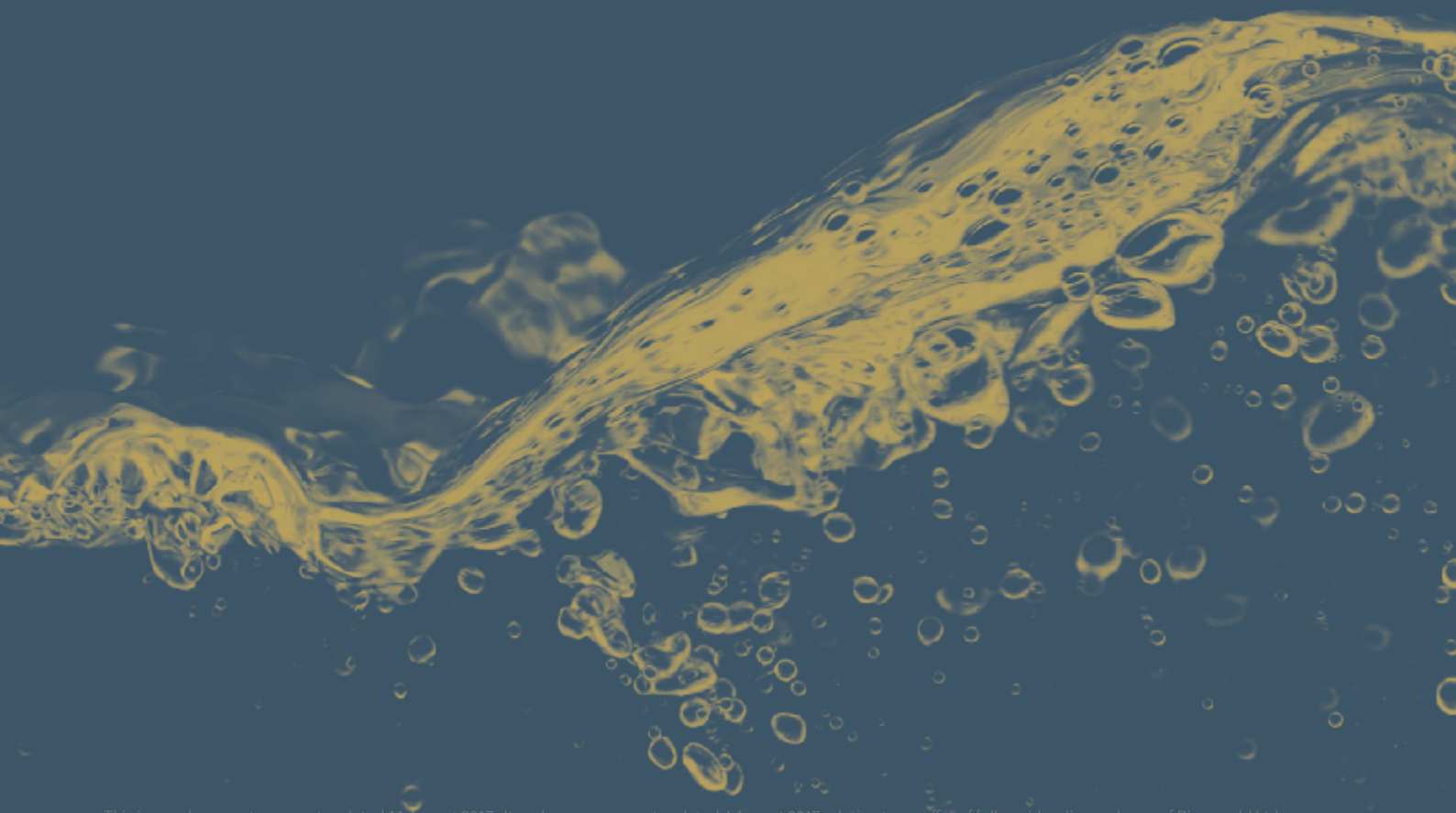
The Investment Overview and the Company Overview in Section 2 of this Prospectus contain references to other parties either nearby or proximate to the Projects and includes references to topographical or geological similarities to that of the Projects. It is important to note that such discoveries or geological similarities do not in any way guarantee that the Company will have any success or similar successes in delineating a Mineral Resource on the Projects, if at all.

## Replacement Prospectus

This Prospectus is a replacement prospectus and makes changes to the original prospectus dated 4 August 2017. The material changes made to the original prospectus were:

- Additional details in relation to the proposed expenditure on the Churchill Dam Project detailed in Section 2.8.
- An updated Statements of Comprehensive Income and Statements of Cashflows in Sections 4.2 and 4.3.
- Amended paragraph 4.6 in the Independent Technical Report in Section 6.

"On behalf of the directors of Riversgold Ltd it is my pleasure to introduce this prospectus to you and invite you to become a shareholder of the Company."



# Letter from the Chairman

Dear Investor

On behalf of the directors of Riversgold Ltd (**Riversgold** or the **Company**), I am delighted to present you with this Prospectus and invite you to become a shareholder of the Company.

Riversgold was incorporated in February 2017 for the purpose of exploring and developing various mineral exploration projects located in a number of jurisdictions and for potential future investment in further resource opportunities.

Since incorporation, the Company has:

- acquired mineral claims in the south west of Alaska, USA, comprised of the Luna-Quicksilver and Kisa mineral claims, located in the southern Kuskokwim Mountains approximately 520km west south west of Anchorage, covering an area of approximately 10,976ha (109.77km$^2$) (**Alaskan Project**);
- entered into an agreement to acquire an 80% interest in a project, comprised of a portfolio of seven mineral exploration licences and two mineral exploration licence applications, located in the Eastern Goldfields of Western Australia, covering an area of approximately 1,184km$^2$ (**Kurnalpi Project**);
- entered into an agreement to acquire a 100% interest in a project, comprised of one mineral exploration licence, located in the Gawler Craton region of South Australia, covering an area of approximately 107km$^2$ (**Churchill Dam Project**); and
- entered into agreements to acquire an entity that has applied for mineral exploration licences in the Mondulkiri Province of north eastern Cambodia (**Cambodian Project**).

The Board believes that each of the above projects are located in prospective regions and notes that the:

- Kurnalpi Project is prospective for Archaean Lode Gold mineralisation and has a history of exploration activity undertaken within the vicinity of the project;
- Alaskan Project displays many similarities to the large Donlin Creek gold deposit located further north east along the Tintina Gold Belt and other intrusion-related gold deposits;
- Churchill Dam Project is characterised by a large 170km$^2$ gravity anomaly, beneath sediments of the Stuart Shelf, which has been tested with diamond drill holes and found to have geology, alteration and trace element geochemistry consistent with other South Australian Iron Oxide Copper Gold (**IOCG**) projects and prospects such as the Olympic Dam, Prominent Hill and Carrapateena; and
- Cambodian Project is located close to the Okvau deposits, which are considered to have broad intrusive related gold affinities.

Refer to Section 2 for further details.

The Company intends to raise a minimum of $5,000,000 and a maximum of $8,000,000 (before associated costs) via the issue of between 25,000,000 to 40,000,000 Shares at an issue price of $0.20 per Share (**Offer**) and is pleased to advise that it has received a firm commitment from mid-tier Australian gold producer, Evolution Mining Limited, for a $2.5 million cornerstone investment in the Company under the Offer.

Following completion of the Offer, the Company plans to:

1. commence a cost-effective exploration program in respect to the Kurnalpi Project with the aim of identifying a large Archaean Lode Gold deposit;
2. conduct exploration activities in respect to the Alaskan Project with the aim of identifying a large intrusive-related gold deposit; and
3. conduct testing on the Churchill Dam Project with the aim of identifying a large IOCG deposit.

In the future, the Company will also seek to identify new opportunities to expand its current portfolio of projects.

The Company will be led by Mr Allan Kelly, who will serve as the Managing Director. Mr Kelly is a geologist with over 25 years of experience during which time he has both discovered and developed major orebodies and has a track record of putting discoveries into production and rewarding shareholders accordingly. The Company has also secured the services of Mr Jeffrey Foster as a non-executive director. Mr Foster is an experienced exploration geologist and a founding director of Sirius Resources NL.

The Prospectus contains detailed information about the Offer and the current and proposed operations of the Company, as well as the risks pertaining to an investment in the Company. Potential investors should carefully consider those risks detailed in Section 8. Investing in exploration and mining projects carries inherent risks through events and circumstances which cannot all be foreseen or mitigated.

Once again, on behalf of the Board, I invite you to become a shareholder in Riversgold and share in this exciting investment opportunity.

Yours sincerely

**Roderick Webster**
Non-Executive Chairman

# Investment Overview

The information below is a selective overview only. Prospective investors should read this Prospectus in full before deciding whether to invest in the Shares the subject of the Offer.

| Topic | Summary | More Information |
|---|---|---|
| **A. Company and Business Overview** | | |
| **Who is issuing this Prospectus?** | Riversgold Ltd (**Riversgold** or the **Company**), a public company incorporated in Australia with Australian Company Number 617 614 598.<br><br>The Company was incorporated on 24 February 2017 for the purpose of acquiring:<br>• Afranex Limited (**Afranex**), a company which owns, via its wholly owned subsidiaries, the Luna- Quicksilver and Kisa mineral claims located in Alaska, USA, covering an area of approximately 10,976ha (109.77km$^2$) (**Alaskan Project**);<br>• an 80% interest in a project, comprised of a portfolio of seven mineral exploration licences and two mineral exploration licence applications located in the Eastern Goldfields of Western Australia, covering an area of approximately 1,184km$^2$ (**Kurnalpi Project**);<br>• a 100% interest in a project, comprised of one exploration licence located in the Gawler Craton in South Australia, covering an area of approximately 107km$^2$ (**Churchill Dam Project**); and<br>• Cambodia Gold Pty Ltd (**Cambodia Gold**), which has, via its branch office in Cambodia, applied for mineral exploration licence, in the Mondulkiri Province of north eastern Cambodia (**Cambodian Project**),<br><br>(together, the **Projects**). | Section 2.1 |
| **What does the Company do?** | The Company is an early stage gold exploration and development company focused on developing the Projects.<br><br>Since incorporation, the Company has completed the acquisition of Afranex (and accordingly, has acquired the Alaskan Project) and has entered into:<br>• an agreement with Serendipity Resources Pty Ltd (**Serendipity**) whereby the Company's wholly owned subsidiary, Riversgold (Australia) Pty Ltd (**Riversgold Australia**) will acquire an 80% interest in the Kurnalpi Project;<br>• an agreement with Debnal Pty Ltd (**Debnal**) whereby Riversgold Australia will acquire a 100% interest in the Churchill Dam Project; and<br>• agreements with the Cambodia Gold Vendors to acquire the entire issued share capital of Cambodia Gold,<br><br>(together, the **Acquisitions**).<br><br>In addition, Riversgold Australia has also entered into a joint venture agreement with Serendipity to formally set out all terms, conditions and provisions governing the operation and conduct of a joint venture for the exploration of the Kurnalpi Project.<br><br>It is proposed that the Acquisitions will complete following completion of the Offer, following which, the Company intends to undertake exploration activities on the Kurnalpi Project, the Alaskan Project and the Churchill Dam Project.<br><br>The key terms of the Acquisitions are detailed in Section 9. | Sections 2.1 and 9 |
| **What is the consideration payable by the Company for the Acquisitions?** | On, and subject to, completion of the Acquisitions the Company will issue:<br>• an aggregate of 23,500,000 Shares and 11,750,000 Options to the Cambodia Gold Vendors (or their nominees);<br>• 3,000,000 Shares and 2,000,000 Options to Serendipity (or its nominees); and<br>• 500,000 Shares to Debnal (or its nominee). | Section 9 |

| Topic | Summary | More Information |
|---|---|---|
| **What are the conditions precedent for the Acquisitions?** | Completion of the Acquisitions is conditional upon the satisfaction (or waiver) of the following conditions precedent, among others:<br>• the Company undertaking a capital raising and receiving valid applications for at least A$5,000,000 worth of Shares at an issue price of A$0.20 per Share; and<br>• the Company obtaining conditional approval from ASX for the official quotation of the Company's securities following completion of the Acquisitions and the Company being satisfied that the relevant conditions are capable of being satisfied. | Section 9 |
| **How does the Company generate revenue?** | The Company is seeking to explore and develop the Kurnalpi Project, the Alaskan Project and the Churchill Dam Project. As at the date of this Prospectus, the Company has no operating revenue and is unlikely to generate any operating revenue unless and until one of the Projects is successfully developed. | Section 2.1 |
| **What are the key strengths and competitive advantages of the Company?** | The Board considers that the key strengths and competitive advantages of the Company are as follows:<br>• **Exploration Potential** - The Projects are located in highly prospective areas with world-class gold terranes:<br>- the Kurnalpi Project is located between approximately 50km and 120km east to south east of the significant regional mining centre town of Kalgoorlie-Boulder in the Eastern Goldfields of Western Australia, known for Archaean Lode Gold mineralisation style, and has had a history of exploration activities undertaken within the vicinity of the project;<br>- the Churchill Dam Project is located in the Gawler Craton in South Australia, approximately 20km west of Woomera and 90km south west of the Olympic Dam deposit in South Australia and is characterised by a large 170km$^2$ gravity anomaly beneath sediments of the Stuart Shelf which has been tested with three diamond drill holes and found to have geology, alteration and trace element geochemistry consistent with the other South Australian Iron Oxide Copper Gold (**IOCG**) deposits and prospects such as Olympic Dam, Prominent Hill and Carrapateena;<br>- the Alaskan Project is located at the south west end of the Tintina Gold Province, an arcuate, 200km wide, 1,200km long metallogenic province which includes large gold deposits such as Pogo, Fort Knox, True North, Donlin Creek and Shotgun, and has been an important placer gold and lode mercury producing region in south western Alaska; and<br>- the Cambodian Project is located in the Mondulkiri Province in Cambodia, approximately 230km north east of Phnom Penh and close to the Okvau deposit;<br>• **Experienced Project Development Team** - experienced Board and management team with a broad range of mining, project development, financing and technical skills in the precious metals and resources industry; and<br>• **Access to Proprietary Datasets** - the Company has access to, and ownership of, extensive proprietary datasets for the Alaskan Project. | Section 2.9 |
| **Why is the Company seeking to raise funds?** | The Company is seeking to raise funds in order to commence exploration and development of the Kurnalpi Project, the Alaskan Project and the Churchill Dam Project in accordance with the work program and budget detailed in Section 2.8. In particular, the funds raised under the Offer will be utilised to:<br>• commence a cost-effective exploration program in respect to the Kurnalpi Project to seek to identify a large Archaean Lode Gold deposit;<br>• conduct further exploration activities in respect to the Alaskan Project to seek to identify a large intrusive-related gold deposit; and<br>• conduct testing on the Churchill Dam Project to seek to identify a large IOCG deposit. | Sections 1.3 and 2.1 |

| Topic | Summary | More Information |
|---|---|---|
| **What are the Company's financial prospects and position?** | Assuming the Company raises A$5,000,000 (refer to Section 1.2), the Company's pro forma statement of financial position as at 30 April 2017 has net assets of A$15,020,618.<br><br>This takes into account a range of subsequent events and transactions, as detailed in Section 4 and is made up of total assets of A$15,220,558 (including cash of A$4,688,639) and total liabilities of A$199,940.<br><br>Relevant financial information in respect to the Company, including a pro forma statement of financial position detailing the effect of the Offer, is in Section 4. | Section 4 |
| **How will the Company report to Shareholders on the performance of its activities?** | The Company will send to its Shareholders an annual report and will also release information to Shareholders in accordance with the continuous and periodic disclosure requirements of the Listing Rules.<br><br>Further information regarding the Company will be available on the ASX announcements platform at www.asx.com.au and will also be available on the Company's website at www.riversgold.com.au. | Section 10.12 |
| **Will the Company pay dividends?** | The extent, timing and payment of any dividends in the future will be determined by the Directors based on a number of factors, including future earnings and the financial performance and position of the Company.<br><br>While it is the aim of the Company that, in the longer term, its financial performance and position will enable the payment of dividends, at the date of this Prospectus, the Company does not intend, or expect, to declare or pay any dividends in the immediately foreseeable future, given that its focus will be on long term growth. | Section 1.19 |
| **B. Key Risks** | | |
| **What are the key risks of investing in the Company?** | Some of the key risks of investing in the Company are detailed below. The list of risks is not exhaustive and further details of these risks and other risks associated with an investment in the Company are described in Section 8.<br>• **Title Risk:** The Company's mining and exploration activities are dependent upon the maintenance (including renewal) of the mineral exploration licences and mineral claims in which the Company has or will have and will acquire an interest in. Maintenance of the Company's current and future mineral exploration licences and mineral claims are dependent on, among other things, the Company's ability to meet the licence conditions imposed by relevant authorities including compliance with the Company's work program requirements which, in turn, is dependent on the Company being sufficiently funded to meet those expenditure requirements. Although the Company has no reason to think that the mineral exploration licences and mineral claims in which it currently has an interest, or will have an interest, will not be renewed, there is no assurance that such renewals will be given as a matter of course and there is no assurance that new conditions will not be imposed by the relevant granting authority.<br><br>• **Exploration, exploitation and mining licences:** The mineral exploration licences and mineral claims that have been or will be granted only permit exploration on the Projects. In the event that the Company successfully delineates economic deposits on any of the mineral exploration licences or mineral claims, it will need to apply for a mining lease, mineral exploitation licence or mining claim (as applicable). There is no guarantee that the Company will be granted a mining lease, mineral exploitation licence or mining claim if one is applied for. | Section 8 |

| Topic | Summary | More Information |
|---|---|---|
| | • **Extraterritorial Risk:** The Company has interests in assets overseas and in that respect such assets are subject to risks particular to their extraterritoriality such as changes in laws, practices and policies in the relevant jurisdictions, including laws that deal with overseas investors. In particular, logistical difficulties may arise due to the assets being located overseas including the additional costs with respect to overseeing and managing the same, costs associated with taking advice in relation to the application of local laws as well as the cost of establishing a local presence in that jurisdiction and/or infrastructure necessary. Fluctuations in currency of the relevant jurisdiction may also affect the dealings and operations of the Company in such jurisdiction.<br>• **Mine Development:** Possible future development of mining operations at the Projects is dependent on a number of factors including, but not limited to, the acquisition and/or delineation of economically recoverable mineralisation, favourable geological conditions, receiving the necessary approvals from all relevant authorities and parties, seasonal weather patterns, unanticipated technical and operational difficulties encountered in extraction and production activities, mechanical failure of operating plant and equipment, shortages or increases in the price of consumables, spare parts and plant and equipment, cost overruns, access to the required level of funding and contracting risk for third parties providing essential services.<br>• **Kurnalpi Project Joint Venture:** The exploration of, and any future mining operations on, the Kurnalpi Project are subject to the Joint Venture Agreement with Serendipity. The successful exploration of, and any future mining operations on, the Kurnalpi Project is reliant in part on the Company maintaining an effective relationship with Serendipity and also on all parties to the Joint Venture Agreement performing their obligations under that agreement. There may be a material adverse impact on the exploration of, and any future mining operations on, the Kurnalpi Project if Serendipity does not perform its obligations for the Joint Venture or the relationship between the Company and Serendipity deteriorates.<br>• **Grant of Applications:** There can be no guarantee that the mineral exploration licence applications for the Cambodian Project or the Kurnalpi Project will be granted.<br>• **Sovereign Risk:** The Company may conduct exploration and development activities in Cambodia. There is no assurance that future political and economic conditions in that country will not result in the Cambodian government adopting policies precluding foreign investment and/or control in and development and ownership of mineral resources in Cambodia (directly or indirectly). Any changes in policy by the Cambodian government may result in changes in the Cambodian companies, taxation, rates of exchange, environmental protection, labour relations, repatriation of income and return of capital, which may affect the Company's ability to carry out its objectives for the Cambodian Project. | |

| Topic | Summary | More Information |
|---|---|---|
| | • **Nature of mineral exploration and mining:** The business of mineral exploration, development and production is subject to risk by its nature. The success of the business depends, inter alia, on successful exploration and/or acquisition of reserves, securing and maintaining title to mineral exploration licences, mineral claims and consents, successful design, construction, commissioning and operating of mining and processing facilities, successful development and production in accordance with forecasts and successful management of the operations. Exploration and mining are speculative undertakings which may be hampered by force majeure circumstances, land claims and unforeseen mining problems. Increased costs, lower output or high operating costs may all contribute to make a project less profitable than expected at the time of the development decision. There is no assurance that the Company's attempts to exploit its exploration activities will be successful.<br>• **Environmental Risks:** The Company's projects are subject to certain regulations regarding environmental matters. The governments and other authorities that administer and enforce environmental laws determine these requirements. As with all exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly if mine development proceeds. The Company intends to conduct its activities in an environmentally responsible manner and in accordance with applicable laws<br>• **Commodity Price Volatility:** As future revenues will primarily be derived from the sale of gold, any future earnings will be closely related to the price of gold. Commodity prices fluctuate and are affected by numerous factors beyond the control of the Company. These factors include world demand for gold, forward selling by producers, and production cost levels in major gold producing regions. Moreover, commodity prices are also affected by macroeconomic factors such as expectations regarding inflation, interest rates and global and regional demand for, and supply of, the commodity as well as general global economic conditions. These factors may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities<br>• **Currency Volatility:** International prices of various commodities, including gold, are denominated in United States dollars, whereas the income and expenditure of the Company are and will be taken in account in Australian dollars, consequently exposing the Company to fluctuations and volatility of the rate of exchange between the United States dollar and the Australian dollar as determined by the international markets. | |
| **C. Summary of the Offer** | | |
| **What is the Offer and what are its key terms?** | The Company is offering up to 40,000,000 new Shares at an issue price of A$0.20 each to raise up to A$8,000,000 (before associated costs), subject to a minimum subscription of 25,000,000 new Shares to raise A$5,000,000 (before associated costs). | Sections 1.1 and 1.2 |
| **What is the effect of the Offer on the capital structure of the Company?** | If the Company achieves Minimum Subscription, the Shares issued under the Offer will represent 32.41% of the issued share capital of the Company following the Offer (on an undiluted basis) and 25.28% of the issued share capital of the Company following the Offer (on a fully diluted basis).<br>If the Offer is fully subscribed, the Shares issued under the Offer will represent approximately 43.4% of the issued share capital of the Company following the Offer (on an undiluted basis) and 35.12% of the issued share capital of the Company following the Offer (on a fully diluted basis). | Section 1.6 |

| Topic | Summary | More Information |
|---|---|---|
| **Minimum subscription to the Offer?** | The minimum total aggregate subscription under the Offer is 25,000,000 Shares to raise A$5,000,000 (before associated costs). | Section 1.2 |
| **Is the Offer underwritten?** | The Offer is not underwritten. | Section 1.15 |
| **Are there Firm Commitment Investors?** | The Company has received a binding firm commitment from Evolution Mining Limited to subscribe for Shares under the Offer for an amount of A$2,500,000. | Section 1.16 |
| **D. Directors and Related Party Interests and Arrangements** | | |
| **Who are the Directors?** | The Directors are:<br>• Mr Roderick Webster - Non-Executive Chairman;<br>• Mr Allan Kelly - Managing Director; and<br>• Mr Jeffrey Foster - Non-Executive Director. | Sections 3.1 |
| **What qualifications do the Directors have?** | Mr Roderick Webster is a mining engineer with over 40 years of experience in the resources industry including more than 16 years as CEO of publicly listed companies.<br>Mr Allan Kelly is a geologist with over 25 years' experience in mineral exploration, project development and gold production throughout Australia and the Americas.<br>Mr Jeffrey Foster is a geologist with over thirty years international experience in mineral exploration and project development. | Section 3.1 |
| **What benefits are being paid to Directors?** | The Directors are entitled to the following annual remuneration and fees (inclusive of superannuation):<br>• Mr Roderick Webster - $70,000;<br>• Mr Allan Kelly - $250,000; and<br>• Mr Jeffrey Foster - $40,000.<br><br>The Directors have been granted Options as follows:<br>• Mr Allan Kelly - 1,000,000 Options each with an exercise price of $0.20 and expiring on 15 May 2022;<br>• Mr Roderick Webster - 1,000,000 Options each with an exercise price of $0.20 and expiring on 15 May 2022; and<br>• Mr Jeffrey Foster - 1,000,000 Options each with an exercise price of $0.20 and expiring on 15 May 2022. | Section 10.5 |
| **What contracts and/or arrangements with related parties is the Company a party to?** | The Company is a party to the following related party agreements:<br>• **Debnal Agreement** - pursuant to which the Company will acquire a 100% interest in the Churchill Dam Project from Debnal (an entity owned and controlled by Mr Allan Kelly);<br>• **Afranex Sale Deed:** Mr Allan Kelly was shareholder in Afranex and acquired a proportion of his Shares and Options via the sale of Afranex to the Company;<br>• **Executive Service Agreement and Director Appointment Letters** - the executive service agreement with Mr Allan Kelly and the non-executive director appointment letters with each of Mr Jeffrey Foster and Mr Roderick Webster for their engagement; and<br>• **Deeds of Indemnity** - the deeds of indemnity and insurance with each of the Directors. | Sections 9 and 10.9 |
| **What interests do Directors have in the securities of the Company?** | The direct and indirect interests of the Directors in the securities of the Company as at the date of this Prospectus are as follows:<br>• Mr Allan Kelly holds 3,483,515 Shares and 1,741,753 Options;*<br>• Mr Roderick Webster holds 1,287,500 Shares and 1,000,000 Options; and<br>• Mr Jeffrey Foster holds 1,550,000 Shares and 1,000,000 Options.<br><br>*Mr Allan Kelly acquired a proportion of his Shares and Options as an Afranex Shareholder.<br><br>The interests of the Directors, as at the date of this Prospectus, and following completion of the Offer, are detailed in Section 10.6. | Section 10.5 |

| Topic | Summary | More Information |
|---|---|---|
| **Who are the significant existing shareholders of the Company and what will their interests be after completion of the Offer?** | As at the date of this Prospectus, the following persons (including their associates) have an interest in 5% or more of the Shares on issue:<br>• Mr Allan Kelly holds 3,483,515 Shares and 1,741,753 Options, comprising 13.85% of the total issued share capital of the Company (on an undiluted basis) and 15.76% of the total issued share capital of the Company (on a fully diluted basis);*<br>• Renaissance Minerals Limited holds 2,361,528 Shares and 1,180,764 Options, comprising 9.39% of the total issued share capital of the Company (on an undiluted basis) and 10.69% of the total issued share capital of the Company (on a fully diluted basis);*<br>• Greenwich Equities Pty Ltd holds 1,650,000 Shares comprised of 6.56% of the total issued share capital of the Company (on an undiluted basis) and 4.98% of the total issued share capital of the Company (on a fully diluted basis);<br>• Mr Jeffrey Foster holds 1,550,000 Shares and 1,000,000 Options, comprising 6.17% of the total issued share capital of the Company (on an undiluted basis) and 7.70% of the total issued share capital of the Company (on a fully diluted basis);* and<br>• Mr Roderick Webster holds 1,287,500 Shares and 1,000,000 Options, comprising 5.12% of the total issued share capital of the Company (on an undiluted basis) and 6.90% of the total issued share capital of the Company (on a fully diluted basis).*<br><br>On completion of the Offer, the following persons (including their associates) have an interest in 5% or more of the Shares on issue:<br>• Greenwich Equities Pty Ltd will hold 14,825,000 Shares and 11,750,000 Options, comprising 19.22% of the total issued share capital of the Company (on an undiluted basis) and 26.87% of the total issued share capital of the Company (on a fully diluted basis);* and<br>• Evolution Mining Limited will hold 12,500,000 Shares, comprising 16.2% of the total issued share capital of the Company (on an undiluted basis) and 12.64% of the total issued share capital of the Company (on a fully diluted basis);* and<br>• Mr Allan Kelly will hold 3,983,515 Shares and 1,741,753 Options, comprising 5.16% of the total issued share capital of the Company (on an undiluted basis) and 5.79% of the total issued share capital of the Company (on a fully diluted basis).*<br><br>*Assumes a Minimum Subscription and that all the Options have vested (as applicable) and exercised. | Section 10.11 |
| **E. Applications and Other Information** | | |
| **Who is eligible to participate in the Offer?** | The Offer is open to all investors with a registered address in Australia. | Sections 1.8 and 1.13 |
| **How do I apply for Shares?** | Applications under the Offer can be made by completing the Application Form, in accordance with the instructions accompanying the Application Form. | Sections 1.8 |
| **What is the allocation policy?** | The Directors will allocate Shares at their sole discretion with a view to ensuring an appropriate Shareholder base for the Company going forward. | Section 1.11 |
| **What is the cost of the Offer?** | If the Company achieves Minimum Subscription, the expenses of the Offer are estimated to be approximately A$475,000. If the Offer is fully subscribed, the expenses of the Offer are estimated to be approximately A$670,000. | Section 10.10 |
| **F. Further Information** | | |
| **How can I obtain further information?** | Further information can be obtained by reading this Prospectus and consulting your professional advisors. You can also contact the Company Secretary on +61 8 9316 9100. | Corporate Directory |
| **Company contact** | You can contact Company Secretary on +61 8 9316 9100. | Corporate Directory |

# 1. Details of Offer

## 1.1 The Offer

This Prospectus invites investors to apply for up to 40,000,000 Shares at an issue price of A$0.20 each to raise up to A$8,000,000 (before associated costs).

All Shares offered under this Prospectus will rank equally with the existing Shares on issue. Refer to Section 10.1 for details of the rights attaching to Shares.

Refer to Section 1.8 for details on how to apply for Shares under the Offer.

## 1.2 Minimum Subscription

The Offer is subject to a minimum total subscription of 25,000,000 Shares to raise A$5,000,000 (before associated costs) (**Minimum Subscription**).

None of the Shares offered under this Prospectus will be issued if Applications are not received for the Minimum Subscription. Should Applications for the Minimum Subscription not be received within three months from the date of this Prospectus, the Company will either repay the Application Monies (without interest) to Applicants or issue a supplementary prospectus or replacement prospectus and allow Applicants one month to withdraw their Applications and have their Application Monies refunded to them (without interest).

## 1.3 Objectives of the Company

The Company's main objectives upon completion of the Offer are to:

(a) commence a cost-effective exploration program on the Kurnalpi Project with the aim of identifying a large Archaean Lode Gold deposit;
(b) conduct exploration activities on the Alaskan Project with the aim of identifying a large intrusive-related gold deposit; and
(c) conduct testing on the Churchill Dam Project with the aim of identifying a large IOCG deposit.

The funds received from the Offer will also enable the Company to meet its corporate and working capital requirements.

Refer to Section 2.8 for further details of the Company's proposed future activities.

## 1.4 Purpose of Prospectus

The purpose of this Prospectus is to:

(a) raise up to A$8,000,000 (before associated costs) pursuant to the Offer, subject to the Minimum Subscription;
(b) assist the Company to meet the requirements of ASX and satisfy Chapters 1 and 2 of the Listing Rules, as part of the Company's application for admission to the Official List; and
(c) position the Company to seek to achieve the objectives detailed in Section 1.3.

## 1.5 Funding Allocation

As at the date of this Prospectus the Company has cash reserves of approximately A$392,000.

The Board believes that its current cash reserves and the funds raised from the Offer will provide the Company with sufficient working capital to achieve its stated objectives as detailed in this Prospectus. The following table shows the expected use of funds in the two year period following admission of the Company to the Official List:

| Item | A$5,000,000 Raised (A$) | % | A$8,000,000 Raised (A$) | % |
|---|---|---|---|---|
| Cash reserves as at the date of this Prospectus[1] | 392,000 | 7.27% | 392,000 | 4.67% |
| Funds raised from the Offer | 5,000,000 | 92.73% | 8,000,000 | 95.33% |
| **Total Funds Available** | **5,392,000** | **100%** | **8,392,000** | **100%** |
| Repayment of Loan and Expenditure incurred[2] | 539,000 | 10.00% | 539,000 | 6.42% |
| Exploration Activity for Kurnalpi Project[3] | 1,985,000 | 36.81% | 2,970,000 | 35.39% |
| Exploration Activity for the Alaskan Project[3] | 984,000 | 18.25% | 2,046,000 | 24.38% |
| Exploration Activity for the Churchill Dam Project[3] | 260,000 | 4.82% | 410,000 | 4.89% |
| Cambodian Project Administrative Expense[3] | 200,000 | 3.71% | 200,000 | 2.38% |
| General and Administrative Expenses[4] | 950,000 | 17.62% | 1,000,000 | 11.92% |
| Costs of the Offer[5] | 351,000 | 6.51% | 546,000 | 6.51% |
| Cash Reserves and Working Capital | 123,000 | 2.28% | 681,000 | 8.11% |
| Total funds allocated | **5,392,000** | **100%** | **8,392,000** | **100%** |

*Note:*

1. *During the period between 30 April 2017 (being the balance date on which the Financial Information, detailed in Section 4, is based) to the date of this Prospectus, the Company raised A$575,000 via the issue of Shares and incurred, in the ordinary course of its business, expenditure of A$381,822.*
2. *Greenwich Equities Pty Ltd previously provided debt funding to Afranex. As part of the acquisition of Afranex, the Company has agreed to pay Greenwich Equities Pty Ltd $225,000 in full and final satisfaction of the outstanding debt. As part of the acquisition of the Kurnalpi Project, the Company has agreed to reimburse Serendipity A$90,000, being the amount of funds previously expended in respect to the Kurnalpi Project. As part of the acquisition of the Cambodian Project, the Company has agreed to reimburse to Greenwich Equities Pty Ltd a sum of up to $224,000, being the amount of funds expended in respect to the Cambodian Project. Refer to Sections 4 and 9 for further details.*
3. *Refer to Section 2.8 for further details.*
4. *Comprised of non-executive director fees and a portion of Mr Allan Kelly's salary (note that 80% of Mr Allan Kelly's salary will be allocated to the exploration activity for the Projects).*
5. *As at the date of this Prospectus, the Company has paid approximately $124,000 of the costs of the Offer. Refer to Section 10.10 for further details.*

Shareholders should note that the above estimated expenditures will be subject to modification on an ongoing basis depending on the progress of the Company's activities. Due to market conditions, the development of new opportunities, the results obtained from exploration and/or any number of other factors (including the risk factors outlined in Section 8), actual expenditure levels may differ significantly to the above estimates. The consideration of new opportunities may result in the Company expending funds on due diligence or other acquisition costs which may not be recouped through the ultimate acquisition and/or development of the project under consideration.

The Company may also pursue further acquisitions which complement the Projects and there may be a need to direct funds for this purpose or to raise additional equity capital.

The Company intends to capitalise on future opportunities as they arise which may result in costs being incurred that are not included in these summaries.

## 1.6 Capital Structure

On the basis that the Company completes the Offer on the terms in this Prospectus, the Company's capital structure will be as follows:

| | Shares | Options |
|---|---|---|
| On issue as at the date of this Prospectus | 25,137,510 | 8,000,000[1] |
| Securities issued in respect to the Acquisitions on admission to the Official List[1] | 27,000,000 | 13,750,000 |
| Issued under the Offer (assuming Minimum Subscription) | 25,000,000 | - |
| **Total** | **77,137,510** | **21,750,000** |
| Shares issued under the Offer (assuming maximum subscriptions) | 15,000,000 | - |
| **Total** | **92,137,510** | **21,750,000** |

*Note*

1. *Being the consideration payable to Serendipity, Debnal and the Cambodia Gold Vendors in respect to the Acquisitions. Refer to Section 9 for further details.*

## 1.7 Forecasts

Due to the nature of the Company's business activities and the market in which it operates, there are significant uncertainties associated with forecasting future revenues (if any) from the Company's proposed activities.

The Directors have considered the matters detailed in ASIC Regulatory Guide 170 and believe that they do not have a reasonable basis to forecast future earnings on the basis that the operations of the Company are inherently uncertain. Accordingly, any forecast or projection information would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection.

The Directors consequently believe that, given these inherent uncertainties, it is not possible to include reliable forecasts in this Prospectus.

Refer to Section 2 for further information in respect to the Company's existing activities.

## 1.8 How to Apply

Accompanying and forming part of this Prospectus is an Application Form for use if you wish to apply for Shares under the Offer. To participate in the Offer, the Application Form must be completed and received, together with the Application Monies, in accordance with the instructions on its reverse side. Completed Application Forms should be received by the Company, together with the Application Monies in full, prior to 5.00pm (WST) on the Closing Date at the relevant address as follows:

In the case of Applicants applying from within Australia:

| By Post To: |
|---|
| Riversgold Ltd<br>C/- Computershare Investor Services Pty Limited<br>GPO Box 52<br>MELBOURNE VIC 3001 |

Applicants resident in Australia should make their cheques payable in A$, based on an issue price of A$0.20 per Share. All cheques should be made payable to "Riversgold Ltd" and be crossed "Not Negotiable".

Applications must be for a minimum of 10,000 Shares (i.e. A$2,000) and, thereafter, in multiples of 2,500 Shares (i.e. A$500). Applications for less than the minimum accepted Application of 10,000 Shares will not be accepted.

An original completed and lodged Application Form (or a paper copy of the Application Form from the Electronic Prospectus), together with a cheque for the Application Monies, constitutes a binding and irrevocable offer to subscribe for the number of Shares specified in the Application Form. The Application Form does not have to be signed to be a valid Application. An Application will be deemed to have been accepted by the Company upon allotment of the Shares.

The Offer may be closed at an earlier date and time at the discretion of the Directors, without prior notice. Applicants are therefore encouraged to submit their Application Forms as early as possible. However, the Company reserves the right to extend the Offer or accept late Applications.

## 1.9 CHESS

The Company will apply to participate in the Clearing House Electronic Subregister System (**CHESS**), which is the ASX electronic transfer and settlement system in Australia, in accordance with the Listing Rules and ASX Operating Rules. Settlement of trading of quoted securities on the ASX market takes place on CHESS. CHESS allows for and requires the settlement of transactions in securities quoted on ASX to be effected electronically. On admission to CHESS, the Company will operate an electronic issuer-sponsored sub-register and an electronic CHESS sub-register. The two sub-registers together will make up the Company's register of Shareholders.

The Company will not issue certificates of title to Shareholders. Instead, as soon as is practicable after allotment, successful Applicants will receive a holding statement which sets out the number of Shareholders issued to them, in much the same way as the holder of shares in an Australian incorporated ASX-listed entity would receive a holding statement in respect of shares. A holding statement will also provide details of a Shareholder's HIN (in the case of a holding on the CHESS sub-register) or SRN (in the case of a holding on the issuer sponsored sub-register).

Following distribution of these initial holding statements, an updated holding statement will only be provided at the end of any month during which changes occur to the number of Shares held by Shareholders. Shareholders may also request statements at any other time (although the Company may charge an administration fee).

## 1.10 ASX Listing and Official Quotation

Within 7 days after the date of this Prospectus, the Company will apply to ASX for admission to the Official List and for the Shares, including those offered by this Prospectus, to be granted Official Quotation (apart from any Shares that may be designated by ASX as restricted securities).

If ASX does not grant permission for Official Quotation within 3 months after the date of this Prospectus (or within such longer period as may be permitted by ASIC) none of the Shares offered by this Prospectus will be allotted and issued. If no allotment and issue is made, all Application Monies will be refunded to Applicants (without interest) as soon as practicable.

ASX takes no responsibility for the contents of this Prospectus. The fact that ASX may grant Official Quotation is not to be taken in any way as an indication of the merits of the Company or the Shares offered pursuant to this Prospectus.

## 1.11 Allotment

Application Monies will be held in trust for Applicants until the allotment of the Shares. Any interest that accrues will be retained by the Company. No allotment of Shares under this Prospectus will occur unless:

(d) the Minimum Subscription is achieved (refer to Section 1.2); and

(e) ASX grants conditional approval for the Company to be admitted to the Official List (refer to Section 1.10).

The Company reserves the right to reject any Application or to issue a lesser number of Shares than those applied for. Where the number of Shares issued is less than the number applied for, surplus Application Monies will be refunded (without interest) as soon as reasonably practicable after the Closing Date.

Subject to the matters in Section 1.10, Shares under the Offer are expected to be allotted on the Allotment Date. It is the responsibility of Applicants to determine their allocation prior to trading in the Shares issued under the Offer. Applicants who sell Shares before they receive their holding statements do so at their own risk.

## 1.12 Risk Factors of an Investment in the Company

Prospective investors should be aware that an investment in the Company should be considered highly speculative and involves a number of risks inherent in the business activities of the Company. Section 8 details the key risk factors which prospective investors should be aware of. It is recommended that prospective investors consider these risks carefully before deciding whether to invest in the Company.

This Prospectus should be read in its entirety as it provides information for prospective investors to decide whether to invest in the Company. If you have any questions about the desirability of, or procedure for, investing in the Company please contact your stockbroker, accountant or other independent adviser.

## 1.13 Overseas Applicants

No action has been taken to register or qualify the Shares, or the Offer, or otherwise to permit the public offering of the Shares, in any jurisdiction outside of Australia.

The distribution of this Prospectus within jurisdictions outside of Australia may be restricted by law and persons into whose possession this Prospectus comes should inform themselves about, and observe, any such restrictions. Any failure to comply with these restrictions may constitute a violation of those laws.

This Prospectus does not constitute an offer of Shares in any jurisdiction where, or to any person to whom, it would be unlawful to issue this Prospectus.

It is the responsibility of any overseas Applicant to ensure compliance with all laws of any country relevant to his or her Application. The return of a duly completed Application Form will be taken by the Company to constitute a representation and warranty that there has been no breach of such law and that all necessary approvals and consents have been obtained.

## 1.14 Restricted Securities

None of the Shares issued pursuant to the Offer will be subject to any ASX imposed escrow restrictions. However, ASX may determine that certain securities may be classified as restricted securities and may be required to be held in escrow for up to 24 months from the date of Official Quotation. During the period in which these securities are prohibited from being transferred, trading in Shares may be less liquid, which may impact on the ability of a Shareholder to dispose of Shares in a timely manner.

The Cambodia Gold Vendors, the Afranex Shareholders, Serendipity and Debnal have acknowledged that some or all of the Acquisition Securities may be escrowed, in accordance with the requirements of ASX, and have agreed to sign such form of escrow agreement as required by ASX.

The Company will announce to the ASX full details (quantity and duration) of the Shares required to be held in escrow prior to the Shares commencing trading on ASX.

## 1.15 Underwriting

The Offer is not underwritten.

## 1.16 Firm Commitment Investor

As at the date of this Prospectus, the Company has received a binding firm commitment from Evolution Mining Limited (**Evolution**). Evolution has agreed to subscribe for 12,500,000 Shares under the Offer (for Application Monies of A$2,500,000) and has executed a binding firm commitment letter with the Company (**Firm Commitment Letter**).

Evolution will be relieved of its obligations under the Firm Commitment Letter if the Offer is not completed by 5.00pm (WST) on 31 October 2017. Refer to Section 9.6 for further details.

## 1.17 Commission

The Company reserves the right to pay a commission of up to 6% (exclusive of GST) of amounts subscribed through any Australian financial services licensee in respect of any Applications lodged and accepted by the Company and bearing the stamp of the Australian financial services licensee. Payment will be made subject to the receipt of a proper tax invoice from the Australian financial services licensee.

## 1.18 Taxation

The acquisition and disposal of Shares will have tax consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Shares, pursuant to the Offer, from a taxation viewpoint and generally.

To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability or responsibility with respect to the taxation consequences of subscribing for Shares under this Prospectus.

## 1.19 Dividend Policy

The extent, timing and payment of any dividends in the future will be determined by the Directors based on a number of factors, including future earnings and the financial performance and position of the Company.

At the date of this Prospectus, the Company does not intend to declare or pay any dividends in the immediately foreseeable future. However, it is the aim of the Company that, in the longer term, its financial performance and position will enable the payment of dividends.

Any future determination as to the payment of dividends by the Company will be at the sole discretion of the Directors and will depend on the availability of distributable earnings and operating results and financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Directors. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.

## 1.20 Withdrawal

The Directors may at any time decide to withdraw this Prospectus and the Offer in which case the Company will return all Application Monies (without interest) in accordance with the requirements of the Corporations Act.

## 1.21 Paper Copies of Prospectus

The Company will provide paper copies of this Prospectus (including any supplementary or replacement document) and the applicable Application Form to investors upon request and free of charge. Requests for a paper copy from Australian resident investors should be directed to the Company Secretary on +61 8 9316 9100 for further details.

## 1.22 Enquiries

This Prospectus provides information for potential investors in the Company, and should be read in its entirety. If, after reading this Prospectus, you have any questions about any aspect of an investment in the Company, please contact your stockbroker, accountant or independent financial adviser. Enquiries from Australian resident investors relating to this Prospectus, or requests for additional copies of this Prospectus, should be directed to the Company Secretary on +61 8 9316 9100.

# 2. Company Overview

## 2.1 Background

Riversgold Ltd (**Riversgold** or the **Company**) is a public company incorporated in Australia with Australian Company Number 617 614 598.

Riversgold was incorporated on 24 February 2017 for the purpose of acquiring:

(a) Afranex Limited (**Afranex**), a company which owns, via its wholly owned subsidiaries, the Luna-Quicksilver and Kisa mineral claims located in Alaska, USA, covering an area of approximately 10,976ha (109.77km$^2$) (**Alaskan Project**);
(b) an 80% interest in a project, comprised of a portfolio of seven mineral exploration licences and two mineral exploration licence applications located in the Eastern Goldfields of Western Australia, covering an area of approximately 1,184km$^2$ (**Kurnalpi Project**);
(c) a 100% interest in a project, comprised of one exploration licence located in the Gawler Craton in South Australia, covering an area of approximately 107km$^2$ (**Churchill Dam Project**); and
(d) Cambodia Gold Pty Ltd (**Cambodia Gold**), which has, via its branch office in Cambodia, applied for two mineral exploration licences in the Mondulkiri Province of north eastern Cambodia (**Cambodian Project**),

(together, the **Projects**).

Since incorporation, the Company has completed the acquisition of Afranex (and accordingly, has acquired the Alaskan Project) and has entered into:

(a) an agreement with Serendipity Resources Pty Ltd (**Serendipity**) whereby the Company's wholly owned subsidiary, Riversgold (Australia) Pty Ltd (**Riversgold Australia**), will acquire an 80% interest in the Kurnalpi Project;
(b) an agreement with Debnal Pty Ltd (**Debnal**) whereby Riversgold Australia will acquire a 100% interest in the Churchill Dam Project; and
(c) agreements with the Cambodia Gold Vendors to acquire the entire issued share capital of Cambodia Gold,

(together, the **Acquisitions**).

In addition, Riversgold Australia has entered into a joint venture agreement with Serendipity to formally set out all terms, conditions and provisions governing the operation and conduct of a joint venture for the exploration of the Kurnalpi Project.

The Projects represent a compilation of a portfolio of various highly prospective gold exploration projects in world class gold provinces and, following completion of the Offer, the Company intends to commence exploration and development of the Kurnalpi Project, the Alaskan Project and the Churchill Dam Project in accordance with the plans and strategies detailed in Section 2.8. In particular, the funds raised under the Offer will be utilised to:

(a) commence a cost-effective exploration program in respect to the Kurnalpi Project to seek to identify a large Archaean Lode Gold deposit;
(b) conduct further exploration activities on the Alaskan Project to seek to identify a large intrusive-related gold deposit; and
(c) conduct testing on the Churchill Dam Project to seek to identify a large Iron-Oxide Copper Gold (**IOCG**) deposit.

In addition, the Company also intends to expand its current portfolio of projects by seeking opportunities to:

(a) apply for additional tenements to complement the Projects; or
(b) acquire, either by way of an asset or share purchase, complementary projects.

The Board, which is comprised of individuals with a track record of successful exploration, discovery, project funding and development and mineral production, will focus on the advancement and development of the Projects and any decision to expand the Company's current portfolio of projects by way of acquisition will be considered in full as part of the Company's due diligence activities and will be managed with ongoing consideration of stakeholder interests.

## 2.2 Corporate Structure of the Company Group

Following completion of the Acquisitions, the Company will be the holding company of the following entities:

(a) Riversgold Australia, a company incorporated in Australia, which holds the Kurnalpi Project and the Churchill Dam Project;
(b) Afranex Limited, a company incorporated in Australia, which holds, via its wholly owned subsidiaries incorporated in Alaska, the Luna-Quicksilver and Kisa mineral claims in Alaska (**Afranex**); and
(c) Cambodia Gold Pty Ltd, a company incorporated in Australia, which has via its branch office in Cambodia, applied for two mineral exploration licences in the Mondulkiri Province of north eastern Cambodia (**Cambodia Gold**).

## 2.3 Company Vision and Strategy

The Company's vision is to create superior value for its Shareholders by discovering and monetising world-class mineral projects.

To achieve its vision, the Company intends to:

(a) build a portfolio of world-class mineral projects through exploration and/or acquisition;
(b) monetise the Projects at the appropriate time in the project life cycle through partial/full sale and/or joint venture opportunities; and
(c) regularly refresh the project portfolio, by seeking new complementary opportunities expand its current portfolio of projects.

## 2.4 Kurnalpi Project

### (a) Background

The Company has entered into an agreement to purchase an 80% interest in a portfolio of mineral exploration licences and mineral exploration licence applications in the renowned Eastern Goldfields province of Western Australia, approximately 50km east of the city of Kalgoorlie-Boulder.

The Kurnalpi Project covers an area of 1,184km$^2$ and includes strike lengths of major mineralised structures such as the Emu, Avoca and Randall shear zones but which have seen limited systematic exploration in recent times.

### (b) Location and Access

Access to Kurnalpi Project is via dirt tracks heading east from Kalgoorlie. Three significant and generally all-weather accessible tracks, being the Pinjin, Bulong and Transline roads, are used variably depending on the location within the Kurnalpi Project required to access. Thereafter, the Kurnalpi Project is generally readily accessible by way of a network of moderate to poor quality dirt station and historical mining tracks and roads. In addition, the Kurnalpi Project is located in close proximity to a number of existing gold processing plants and developing gold projects.

An overview of the location and the roads leading to the Kurnalpi Project is outlined in Figure 2.1.

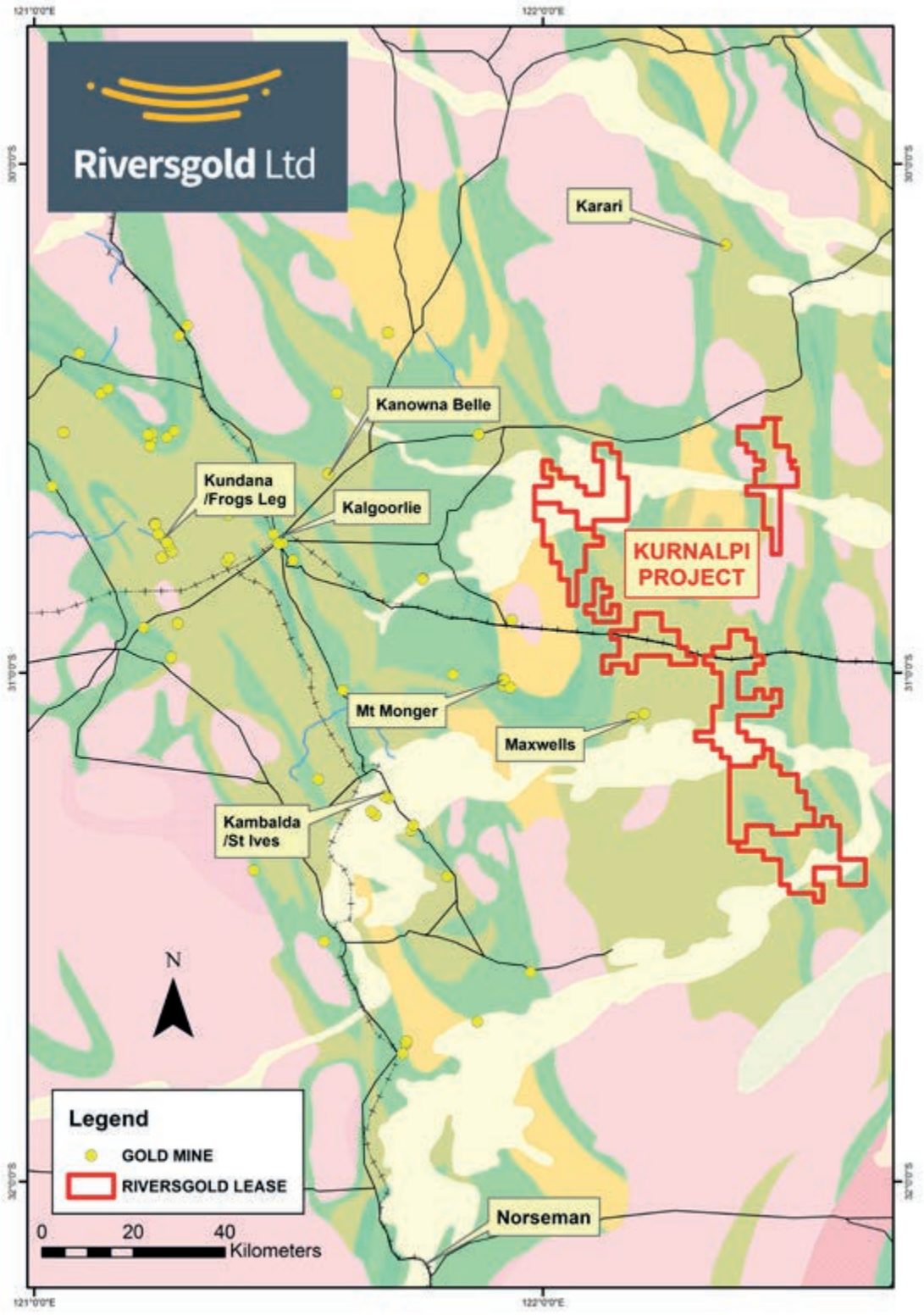



**Figure 2.1**. Location of the Kurnalpi Project

## (c) Kurnalpi Tenements

The Kurnalpi Project is comprised of seven granted mineral exploration licences and two mineral exploration licence applications, which are subject to (amongst other matters) Native Title and heritage considerations (**Kurnalpi Tenements**). The Kurnalpi Tenements (detailed in the table below) are currently held by Serendipity:

| Tenement | Tenement Name | Expiry Date | Grant Date | Area (km²) |
|---|---|---|---|---|
| E 25/538-I | Queen Lapage | 20/09/2021 | 21/09/2016 | 121 |
| E 28/2580-I | Queen Lapage | 20/09/2021 | 21/09/2016 | 159 |
| E 25/540-I | Venetian | 20/09/2021 | 21/09/2016 | 30 |
| E 28/2583-I | Yilgani | 20/09/2021 | 21/09/2016 | 95 |
| E 28/2650-I | Yilgani | 22/07/2022 | 26/07/2017 | 44 |
| E 28/2581-I | Round Hill | 8/03/2022 | 9/03/2017 | 205 |
| E 28/2582-I | Round Hill | 8/03/2022 | 9/03/2017 | 205 |
| E 25/539-I | Round Hill | - | Ungranted | 205 |
| E 25/541-I | Ella/Farr-Jones | - | Ungranted | 112 |

**Table 2.1.** Kurnalpi Tenements

Refer to Figure 2.2 for the Kurnalpi Tenement location and section 2.4 of the Independent Technical Report for further details on the Kurnalpi Tenements.

## (d) Geology and Mineralisation

The Kurnalpi Project is located in the Eastern Goldfields Mineral Province of Western Australia, within the Archaean age Yilgarn Craton. Stratigraphy ranges in age between approximately 2740Ma and 2650Ma. The Kurnalpi Tenements straddles the Gindalbie, Menangina and Bulong domains, which all occur within the Kurnalpi Terrane. Figure 2.2 outlines the location of the Kurnalpi Tenements and the target areas.

The principal mineralisation style associated with the Kurnalpi Project is Archaean Lode Gold. This type of mineralisation occurs worldwide in Archaean Greenstone belts of similar age to the Eastern Goldfields Province of WA, such as the Abitibi, Ontario, Canada. It also has strong similarities to mineralisation found in Birimian greenstone belts such as West Africa and north eastern South America. It is typified by fault and shear related, structural complex mineralisation that can occur in a spectrum of styles ranging from narrow, high-grade vein associated (e.g. Kundana near Kalgoorlie, or Kirkland Lake in the Abitibi), to shear hosted disseminated (e.g. Thunderbox near Leonora), to sheeted vein or stockwork mineralisation (e.g. Mt Charlotte in Kalgoorlie).

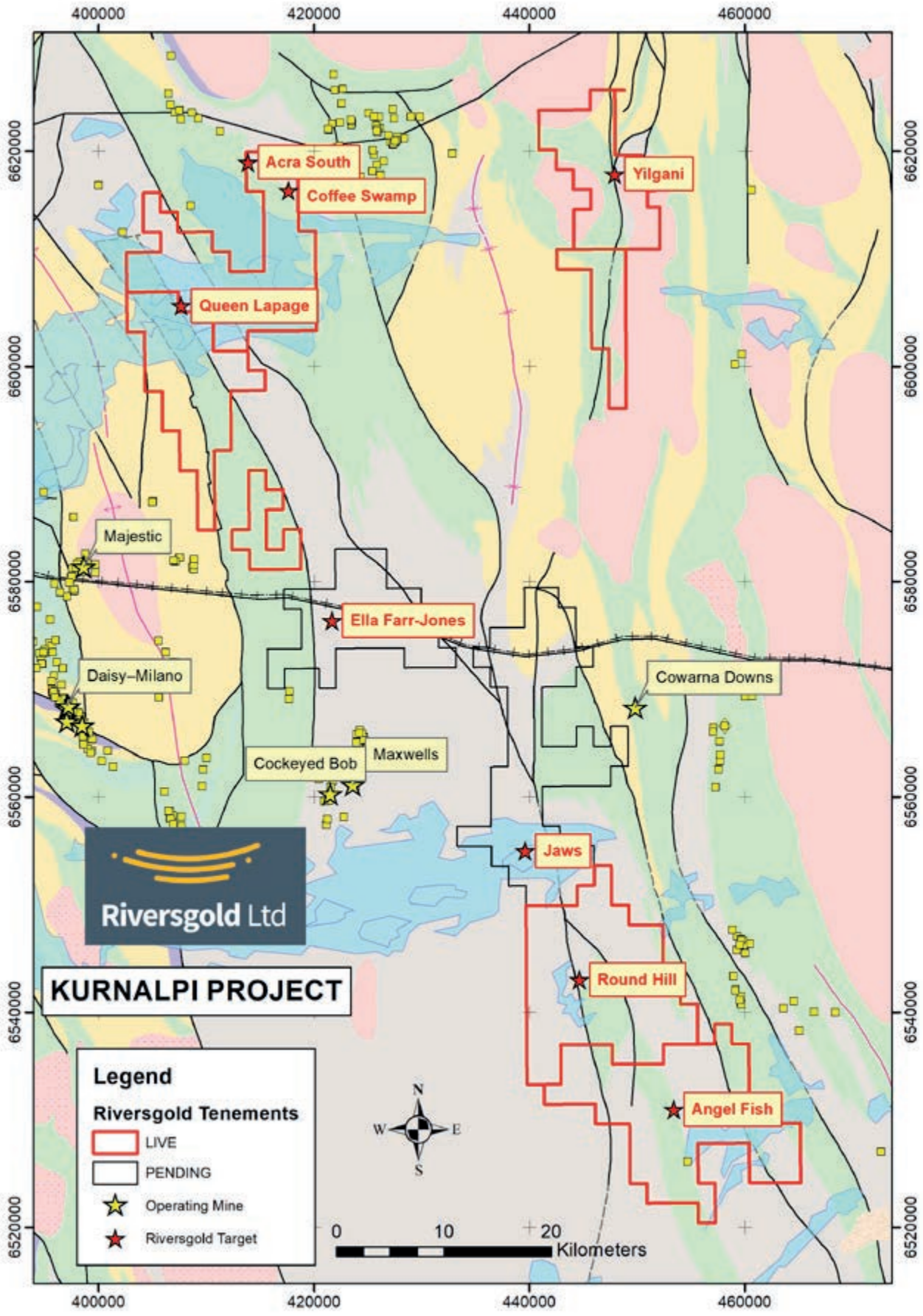



**Figure 2.2.** Tenements and selected target areas

### (e) Targets and Exploration Potential

The Company has identified a number of targets for testing with surface geochemistry and/or drilling.

(i) Acra South
The Acra South target is located at the northern end of the Kurnalpi Project and is characterised by a north west trending package of mafic and ultramafic rocks that have seen various phases of exploration for gold, nickel, and cobalt. Previous drilling has identified an east west trending zone of anomalous gold mineralisation cutting the main ultramafic unit and apparently associated with the contact between the mafic and ultramafic units (refer to Figure 2.3).

(ii) Queen Lapage
The Queen Lapage prospect is characterised by a package of north west trending mafic, ultramafic and sedimentary units, with a number of parallel NE trending faults which appear to host anomalous gold results based on historical drilling (refer to Figure 2.4).

The mineralisation extends over at least 6km of strike, with a significant portion of the prospective geological contact under thin lake sediments.

(iii) Ella/Farr-Jones
The Ella/Farr-Jones prospect is characterised by a number of previously identified gold in soil anomalies found in close proximity to a major shear zone (refer to Figure 2.5).

At Farr-Jones, a relatively well-defined zone of mineralisation is seen in one drill section with what appears to be a reasonably predictable easterly dip (refer to Figure 2.6). This prospect has received no subsequent drill testing along strike or at depth based on both available data and review of satellite imagery.

(iv) Yilgani
The Yilgani target is characterised by a number of geochemical anomalies were identified by previous explorers and have not been followed up since.

Two principal targets occur within the Yilgangi sub-project. The area of coincident auger, rock-chip (statistical) and RAB drilling in E28/2583 associated most dominantly with the east north east trending magnetically defined structure may represent a deeper target with potential to host mineralisation, with a possible secondary south south east control. Figure 2.7 outlines the Yilgani target area.

The southern 50% of the prospect has not been explored to any extent despite the presence of a major structure and geological contact.

Refer to Section 2.8 of the Independent Technical Report for further details on the Targets and Exploration Potential.

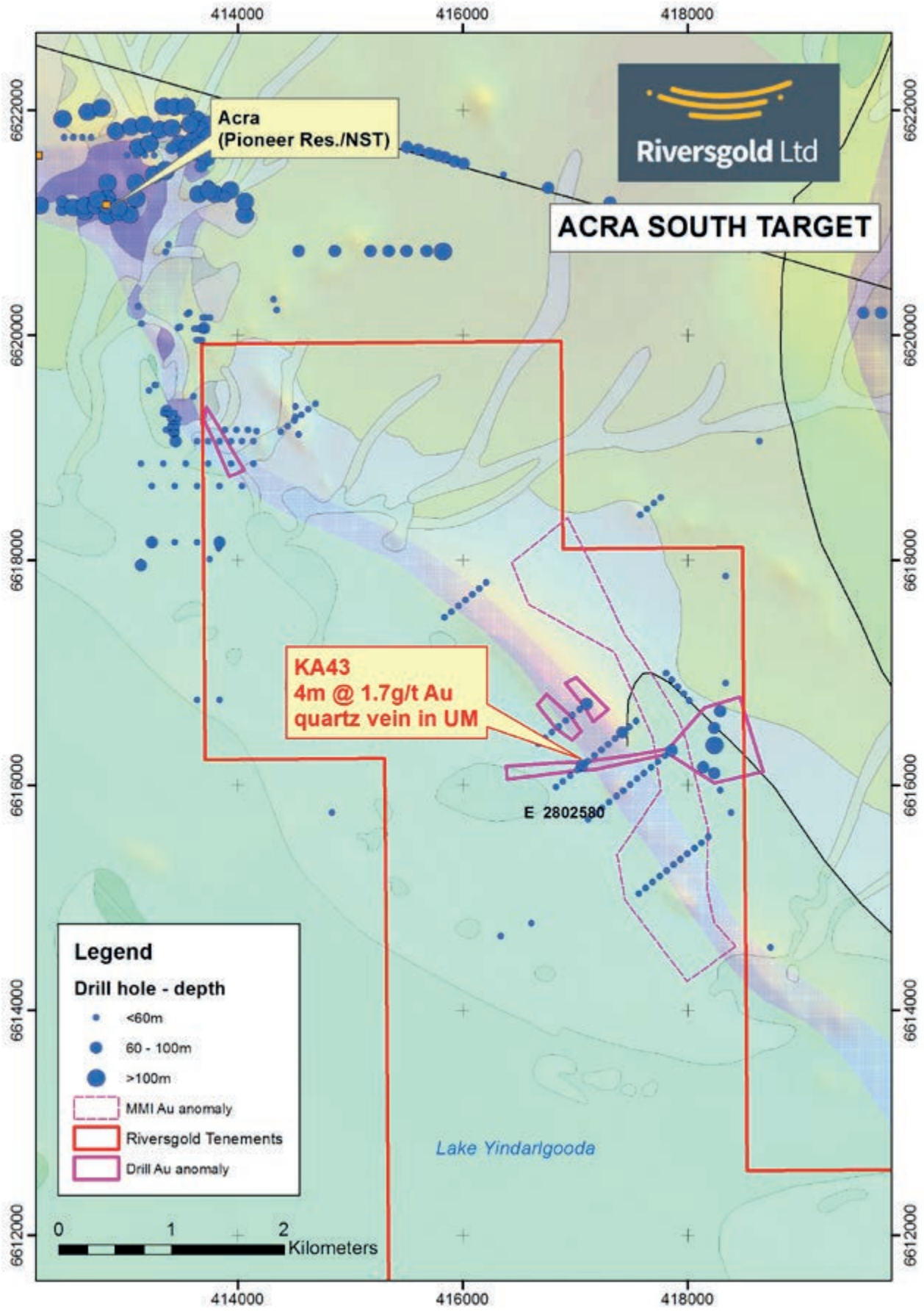



**Figure 2.3.** The Acra South target area

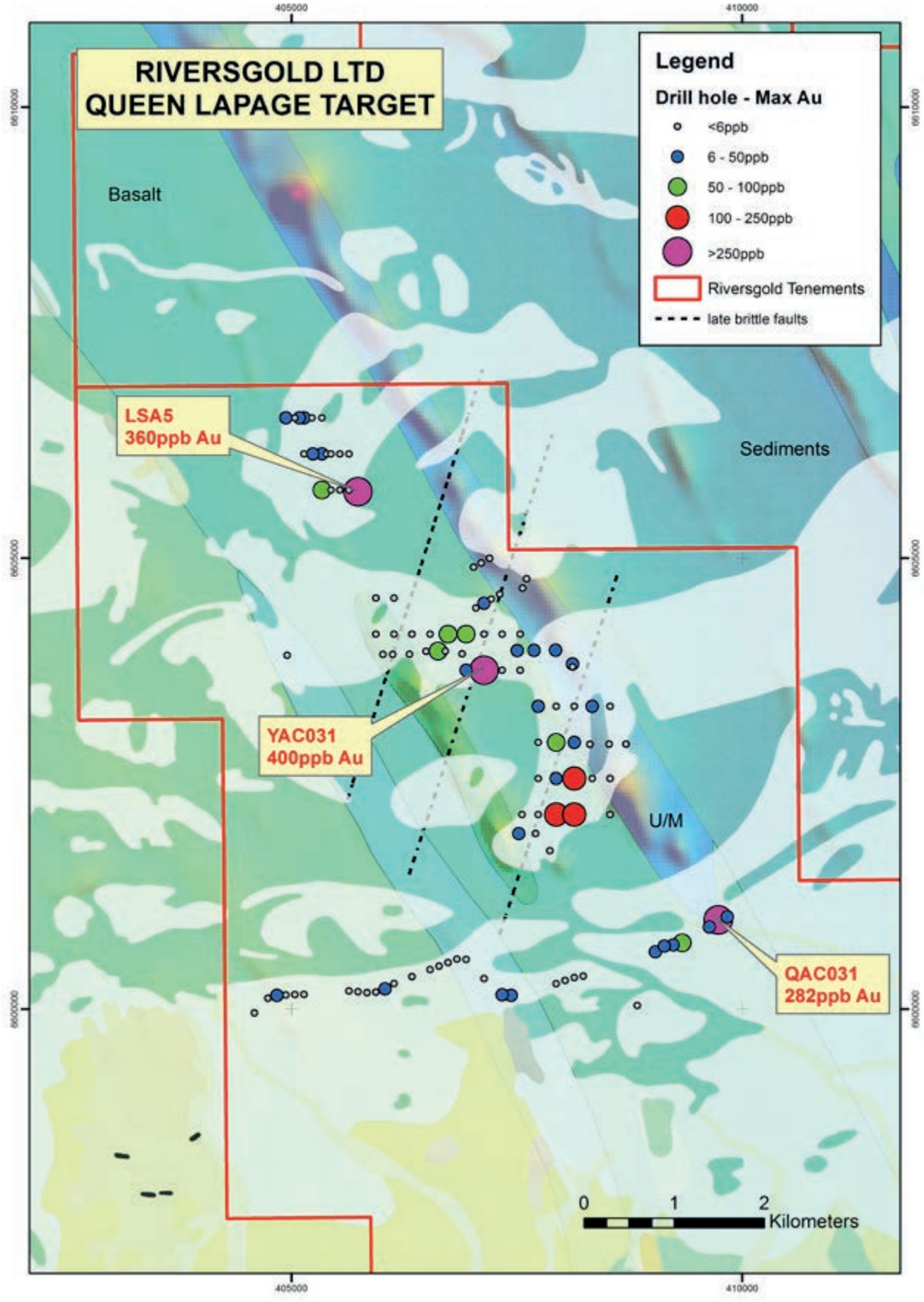



**Figure 2.4.** The Queen Lapage target area

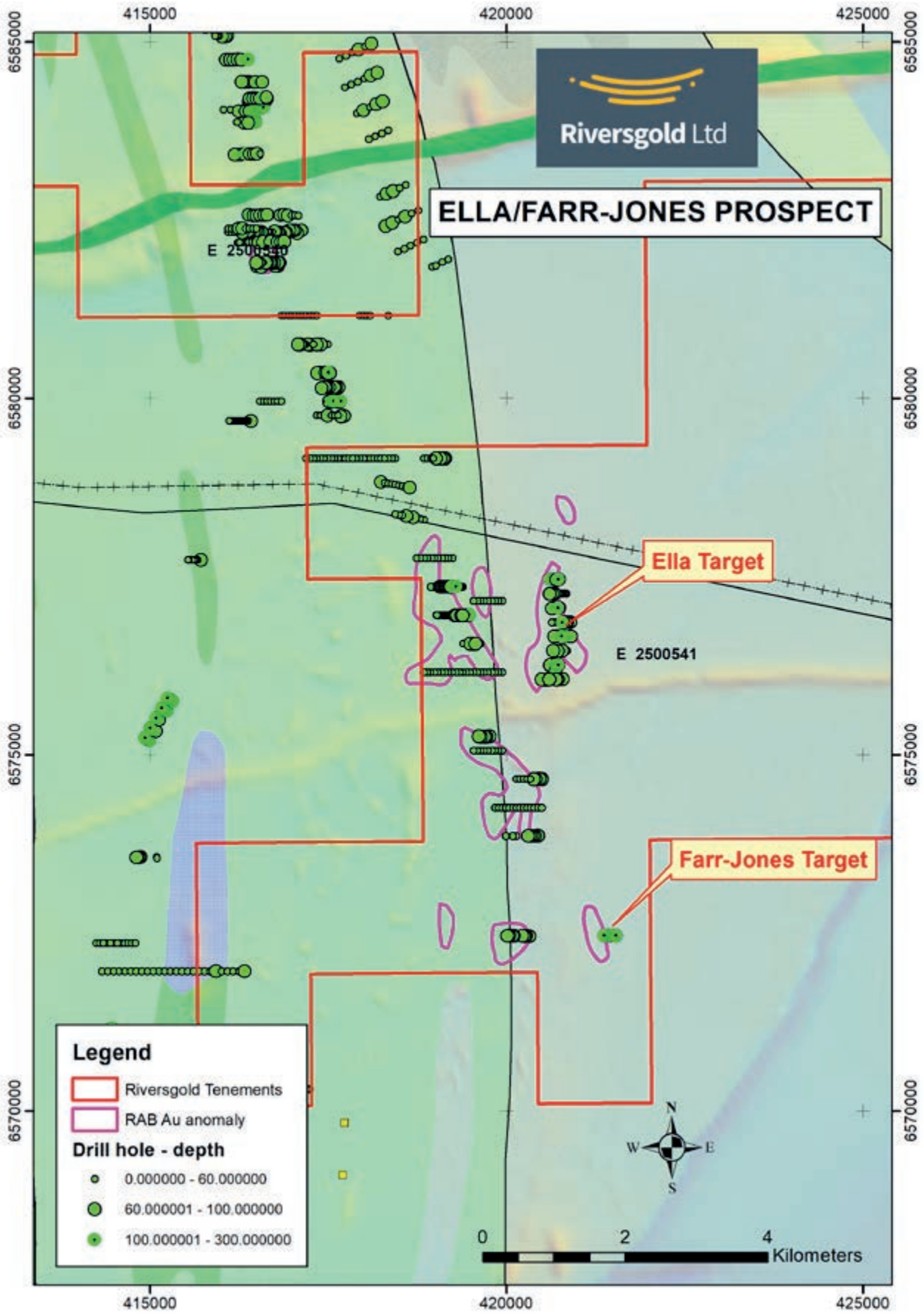



**Figure 2.5.** The Ella/Farr–Jones target area

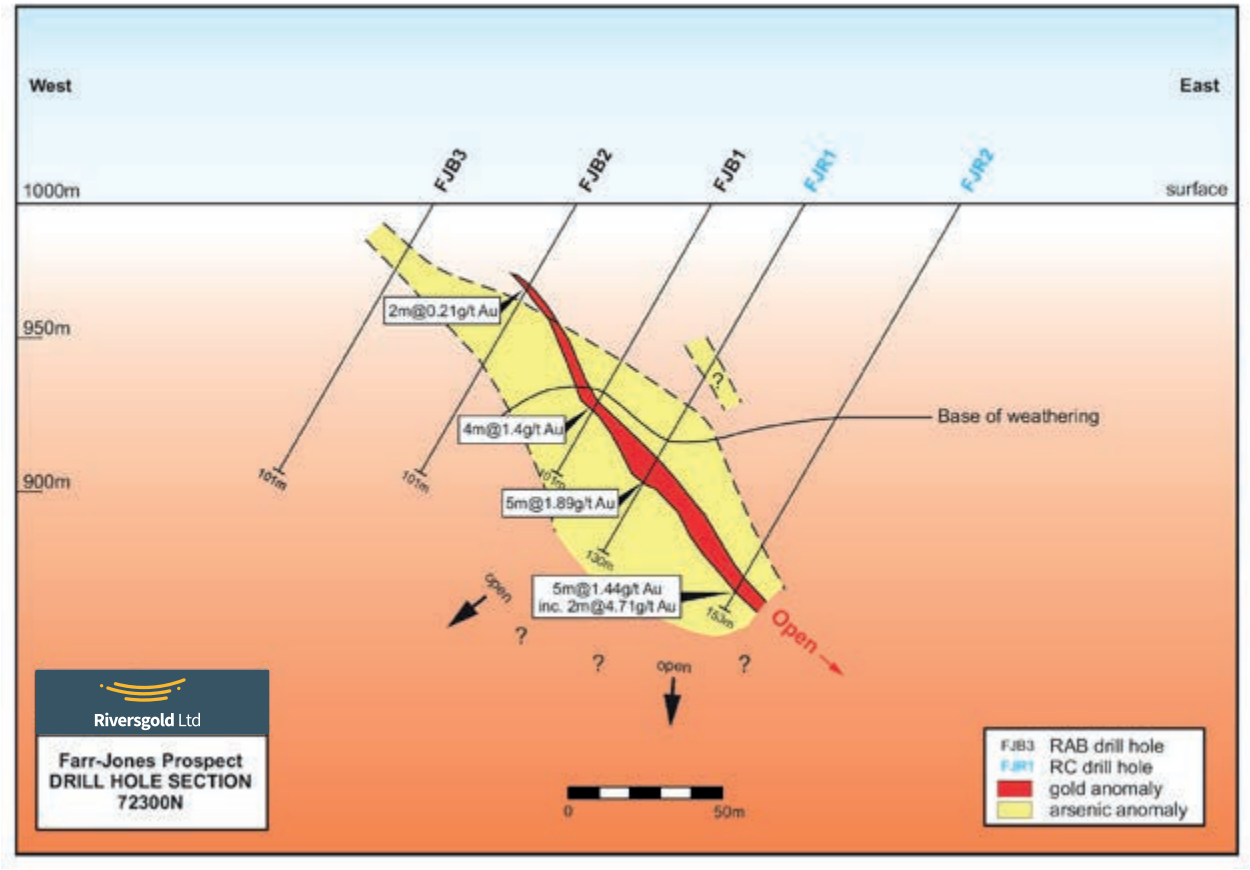



**Figure 2.6.** Cross section from Farr-Jones target, showing historic drill intercepts

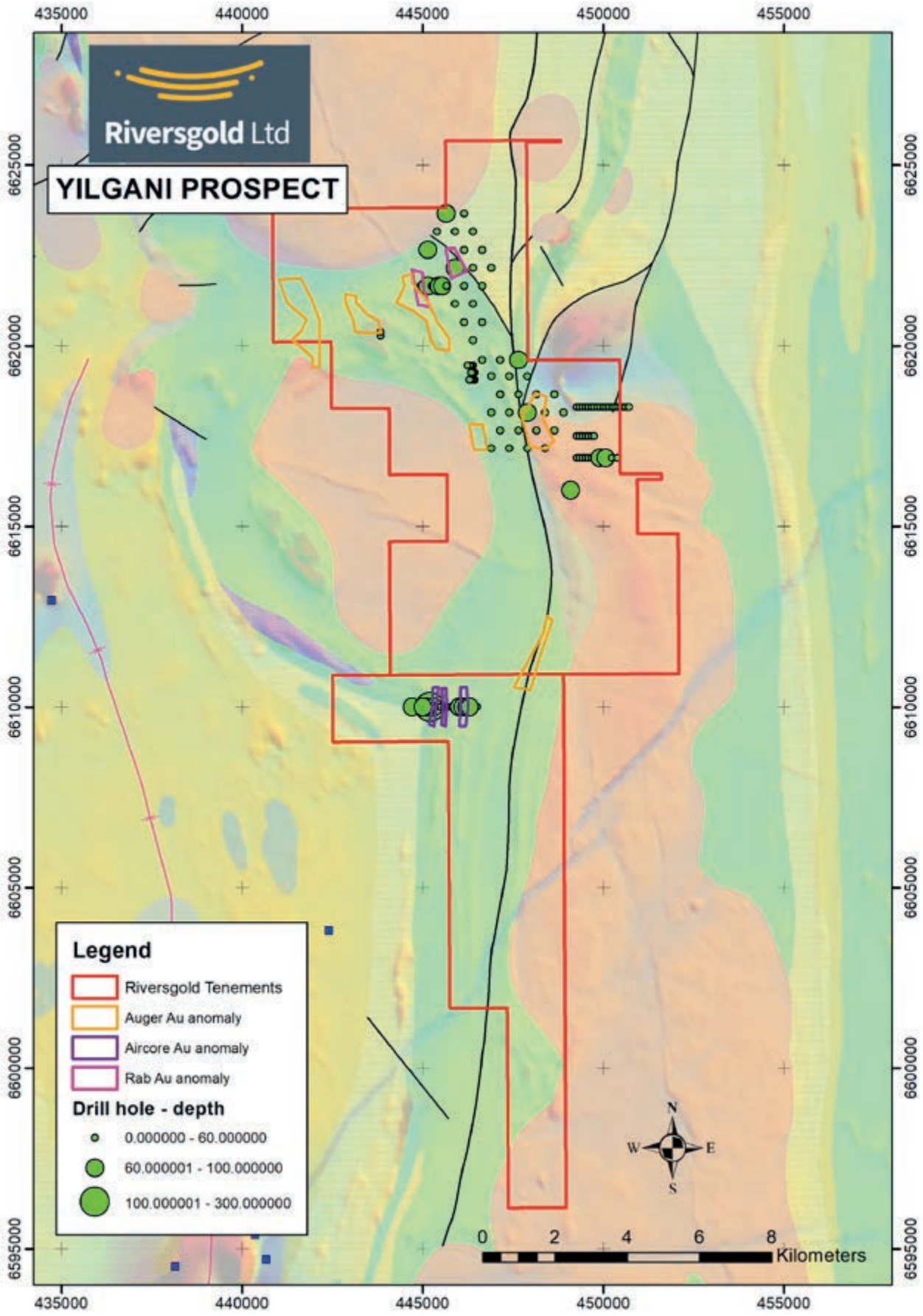



**Figure 2.7.** The Yilgani target area

## 2.5 Alaskan Project

### (a) Background

Riversgold has compiled a series of mineral claims over highly prospective projects in the Kuskokwim region of south west Alaska, USA through the purchase of Afranex Gold Ltd.

The Alaskan Project, comprised of the Luna-Quicksilver and Kisa mineral claims, is located in the southern Kuskokwim Mountains of south western Alaska approximately 520km west south west of Anchorage, being the end of the "Tintina Gold Belt", which hosts a number of large intrusive-related gold systems (**IRGS**) such as Donlin Creek, Livengood, Pogo, Fort Knox and True North.

Figure 2.8 shows an overview of the location of the Alaskan Project. Further information on the background of the Alaskan Project is detailed in section 4 of the Independent Technical Report.

### (b) Local Resources, Infrastructure and Access

The Alaskan Project area is remote and undeveloped. There are no fixed roads, power lines, gas lines or settlements exist on or near the properties within the Alaskan Project area.

Currently personnel and equipment access to the area is limited to float planes capable of landing on Kisaralik Lake, Gold Lake, Aniak Lake or other smaller area lakes, tundra-tired fixed wing aircraft or helicopters. An unimproved landing area approximately 300m in length is located on the Luna-Quicksilver mineral claims and is suitable for a smaller aircraft with tundra tires.

### (c) Field Season

The Alaskan Project has a relatively short exploration field season which typically extends from June through early October for early stage exploration operations. The Alaskan Project's location within the Kuskokwim Mountains and its relatively close proximity to the Bering Sea can result in inclement weather that may hamper helicopter and fixed-wing aircraft access to the Alaskan Project and result in work delays during the field season.

### (d) Tenure

The Alaskan Project comprised of two property claim groups, covering a total of approximately 10,976ha (109.77km$^2$). The Company, via its wholly owned subsidiary Afranex, owns a 100% of the interests in these mineral claims detailed in the following table:

| Property | Mineral Claims | Area (ha) | Area (acres) |
|---|---|---|---|
| Luna-Quicksilver | 133 | 8,613 | 21,280 |
| Kisa | 38 | 2,363 | 5,840 |

**Table 2.2.** Alaskan Project Mineral Claims

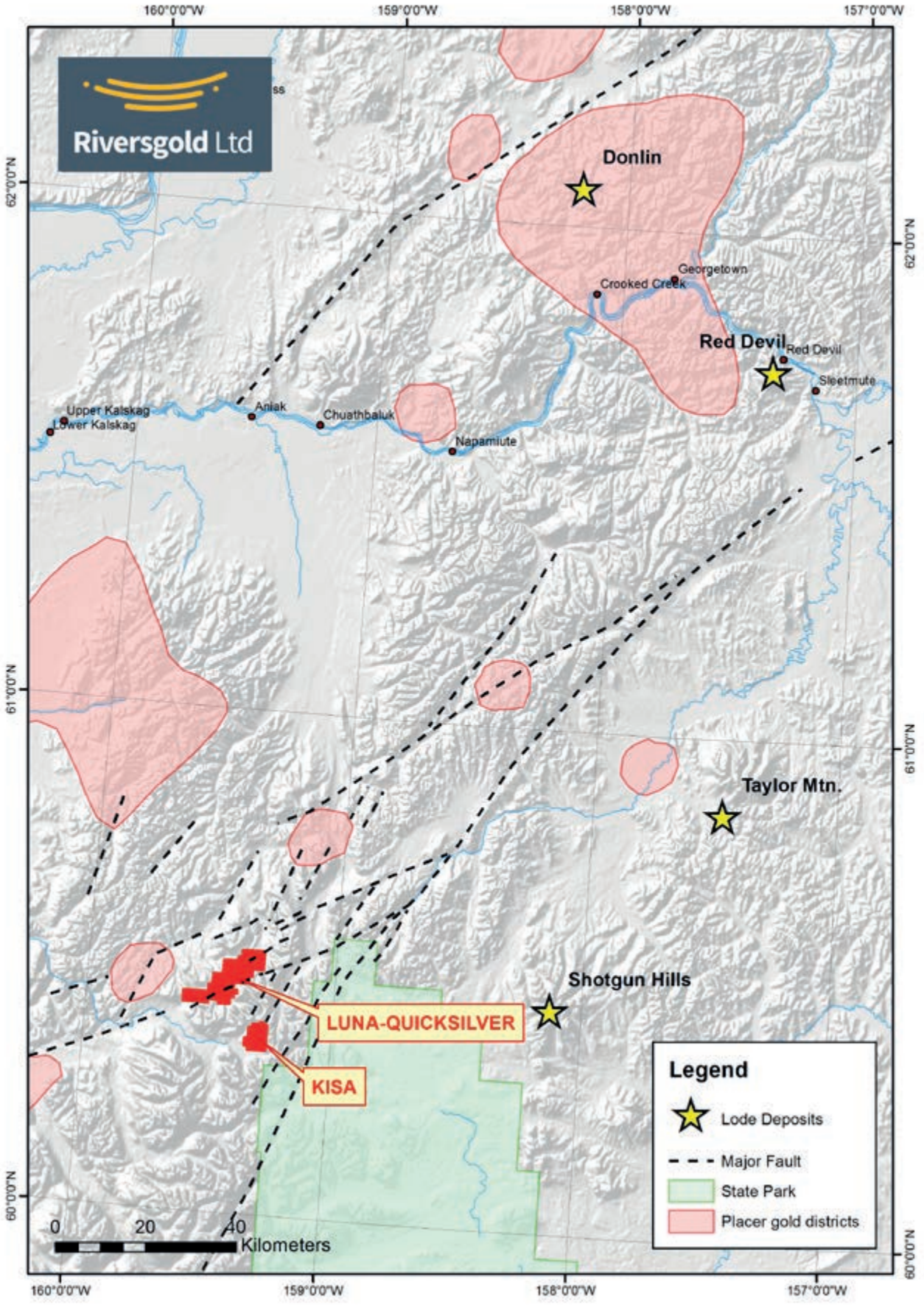



**Figure 2.8.** Location of the Alaskan Project

### (e) Geology and Mineralisation

The geology of the Alaskan Project is typical of other Alaskan IRGS with a late Cretaceous/Tertiary granitoid (the North Fork Pluton) intruding into Cretaceous marine black shales of the Kuskokwim Group forming a hornfelsed metamorphic aureole.

The Luna-Quicksilver mineral claims are characterised by outcropping high-grade gold mineralisation over at least 5km of strike within a 20km long splay fault off the Denali-Farewell Fault, which is one of the main bounding structures of the Tintina Gold Belt.

High-grade mineralisation up to 37g/t Au, with coincident elevated Ag, As, Bi, Sb and Cu occurs at the Quicksilver target where a ENE trending structure intersects the pluton.

Further to the south west, where the structure continues under shallow glacial +/- alluvial cover, high-grade mineralisation up to 64.7g/t Au with coincident Ag, As, Bi, Sb, Co, Pb and Zn outcrops where a creek cuts across the structure at the Luna target.

At Luna East, massive sulphide mineralisation with Cu up to 1%, outcrops in the edge of a creek. Refer to Figure 2.9 below.

A recent 100m line spaced helimags survey, conducted by the Company, shows the presence of highly magnetic zones adjacent to the North fork Pluton (Figure 2.10).

The Luna-Quicksilver mineral claims have seen limited and sporadic exploration since 2006 and the main high-grade gold mineralisation at Luna and Quicksilver has never been drilled.

The Kisa prospect is characterised by an outcropping breccia system which has been tested with 5 diamond drill holes in 2007. All holes intersected wide zones of anomalous gold with the best result of 48m @ 1.1g/t Au in hole K07-05, including narrow zones of higher grade gold mineralisation.

### (f) Targets and Exploration Potential

Numerous targets exist on and adjacent to the Alaskan Project claims and show many of the ingredients of typical intrusion-related gold deposits, along with some key differences.

The Luna-Quicksilver prospect shows high-grade gold mineralisation occurring at (at least) two locations apparently related to a structure which bisects the North Fork Pluton and surrounding hornfelsed sediments.

The recent helimags survey appears to show the potential for the presence of skarn mineralisation adjacent the granite body. The geology and geometry of the granite and surrounding magnetic anomalism is reminiscent of the high-grade Nixon Fork gold deposit, where the skarn hosts high-grade gold and copper mineralisation.

The presence of massive sulphide mineralisation with ore grade copper values at Luna East is unusual for this type of deposit style.

The Kisa prospect contains mineralised prospects along a narrow, linear, north east trending ridge of hornfelsed sedimentary rocks intruded by silicified and locally argillic-altered rhyolite to gabbroic dikes and sills.

As part of the exploration of the Alaskan Project, the Company will seek to refine the extent of the mineralisation through systematic sampling, mapping and geophysical surveys and then test with diamond drilling.

Further information on the targets and exploration potential of the Alaskan Project is detailed in section 4.10 of the Independent Technical Report.

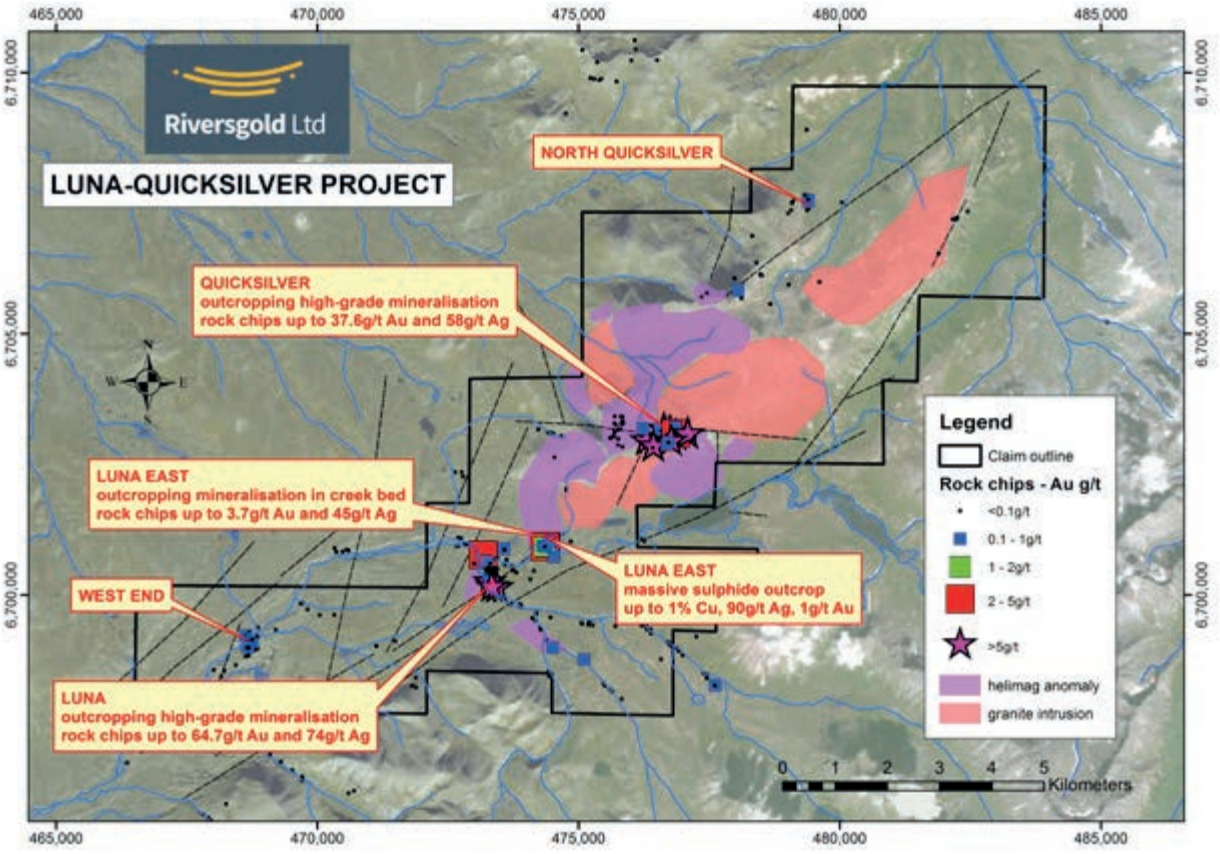



**Figure 2.9**. Luna-Quicksilver claims showing high grade rock chip samples in relation to the granite pluton

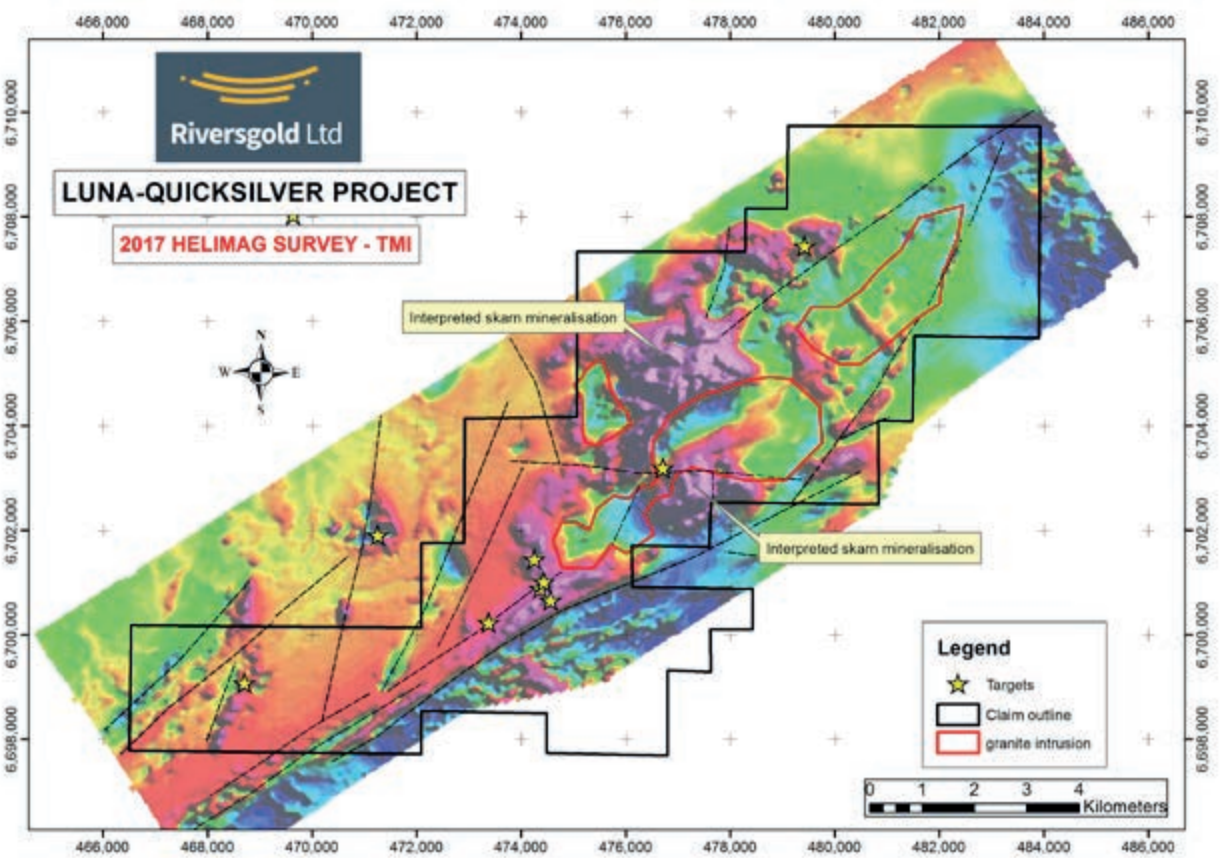



**Figure 2.10.** Luna-Quicksilver project claims showing results of helimags survey (TMI image)

## 2.6 Churchill Dam Project

### (a) Background

The Churchill Dam Project is located in the Gawler Craton, approximately 20km west of Woomera and 90km south west of the Olympic Dam deposit in South Australia. Access throughout the Churchill Dam Project area is via station tracks and topography is open and gently undulating with some sand dunes in the western part of the tenement

### (b) Tenure

The Churchill Dam Project comprises one mineral exploration licence, EL5890, held 100% by Debnal. The licence covers an area of approximately 107km$^2$, and was granted for gold and copper. The licence is due to expire in November 2017 and Debnal previously held EL3511 and EL4801 over the same area.

### (c) Targets and Exploration Potential

The Churchill Dam Project consists of a conspicuous gravity anomaly located approximately 20km west of Woomera and 90km south west of the giant Olympic Dam Cu-Au-U-REE deposit, in South Australia. Figures 2.11 and 2.12 details an outline of the Churchill Dam Project gravity anomaly.

Previous diamond drilling in 2005, including that part-funded by the South Australian government's "PACE" co-funded drilling programme, intersected haematite-altered and brecciated Gawler Range Volcanics (GRV) with elevated Cu-Au, U and REE's, confirming the potential for the project to host a large IOCG deposit, such as Prominent Hill or Carrapateena.

Re-processing of the detailed gravity data and regional magnetic data suggests that the drilling missed the main part of the gravity anomaly. As such, following completion of the Offer, the Company intends to test the remaining target with a diamond drill hole.

Refer to section 3 of the Independent Technical Report for further details in relation to the Churchill Dam Project.

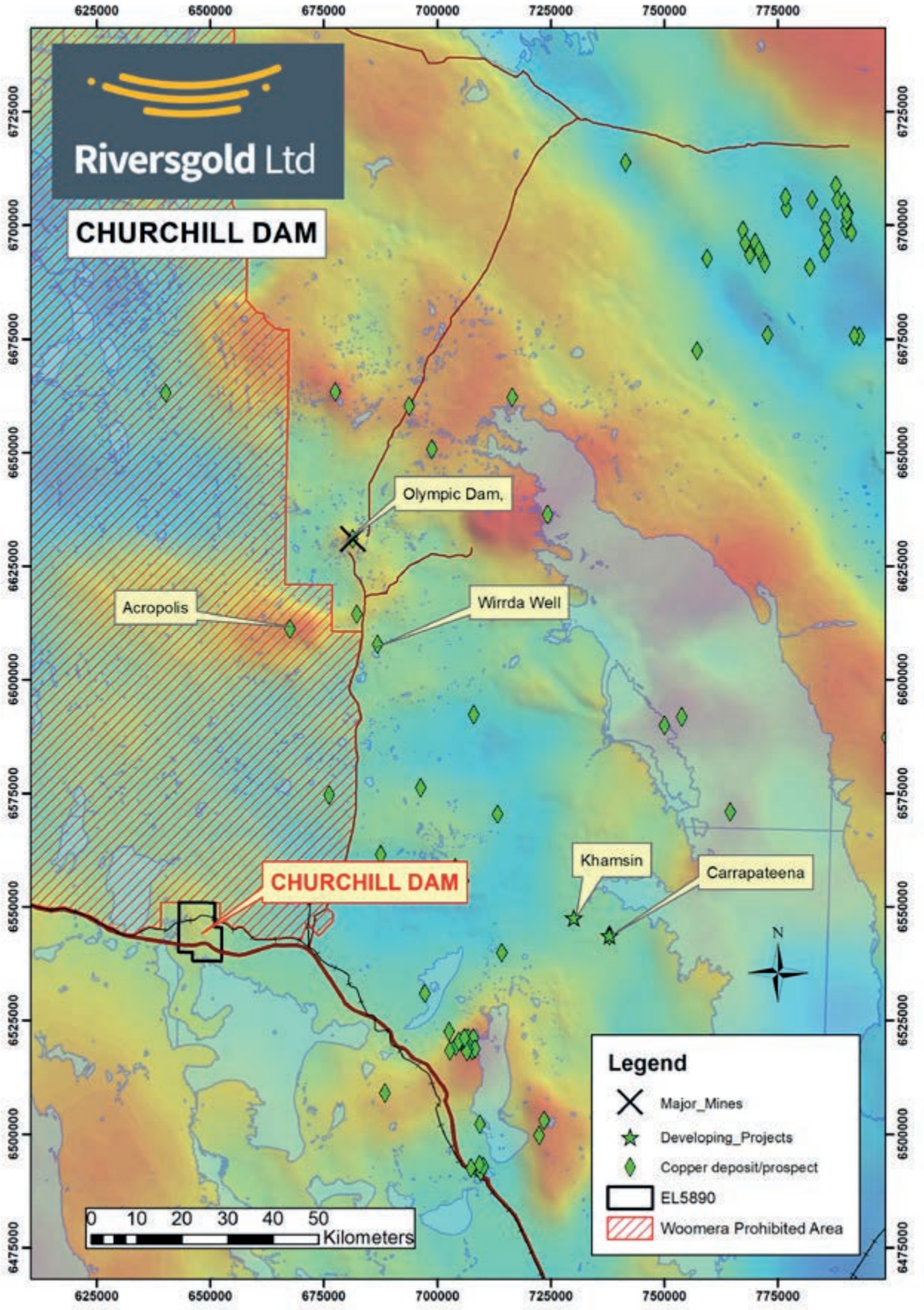



**Figure 2.11.** Churchill Dam Project showing regional gravity and significant deposits

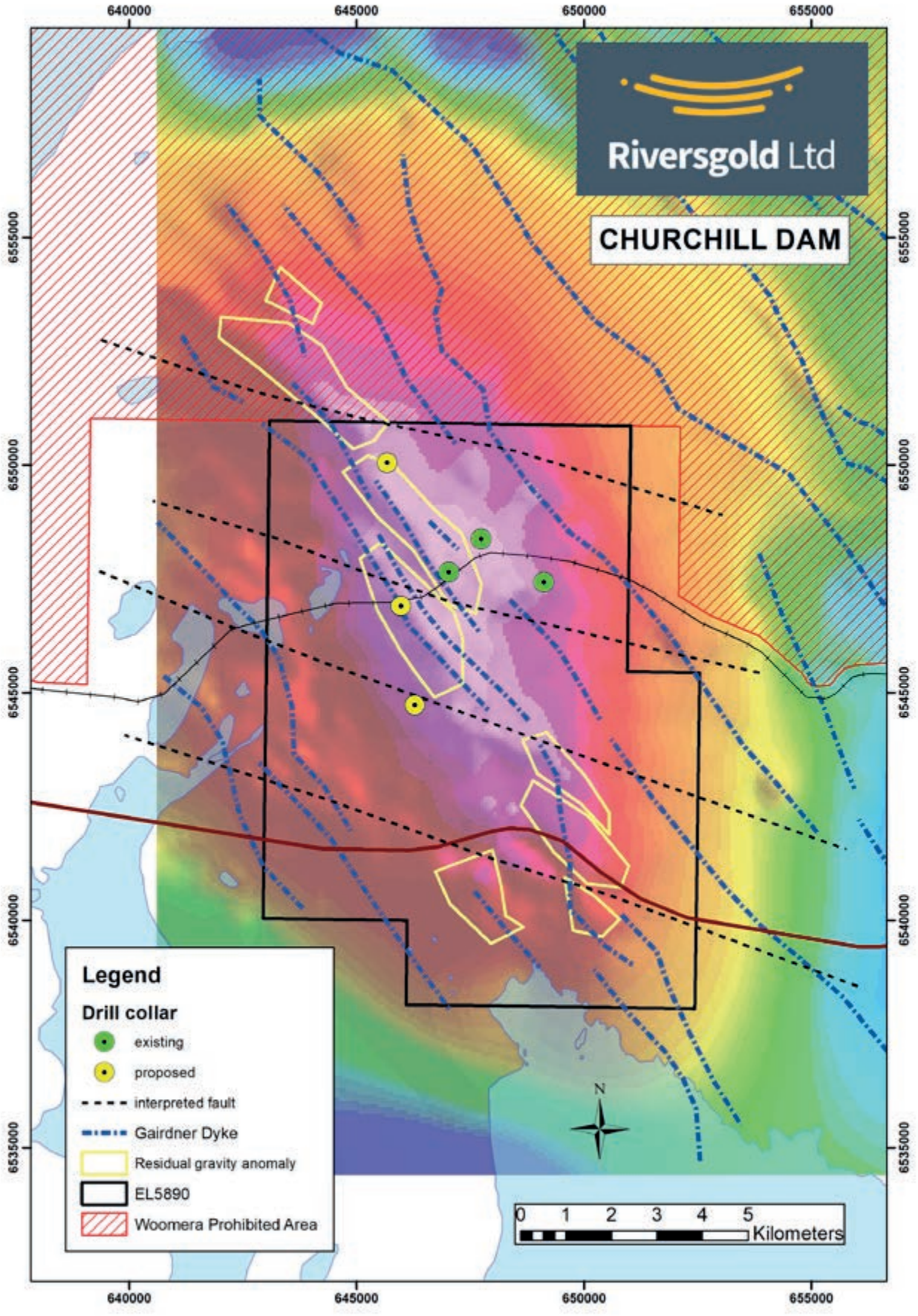



**Figure 2.12.** Churchill Dam Project showing Bouguer gravity anomaly, existing and proposed drilling.

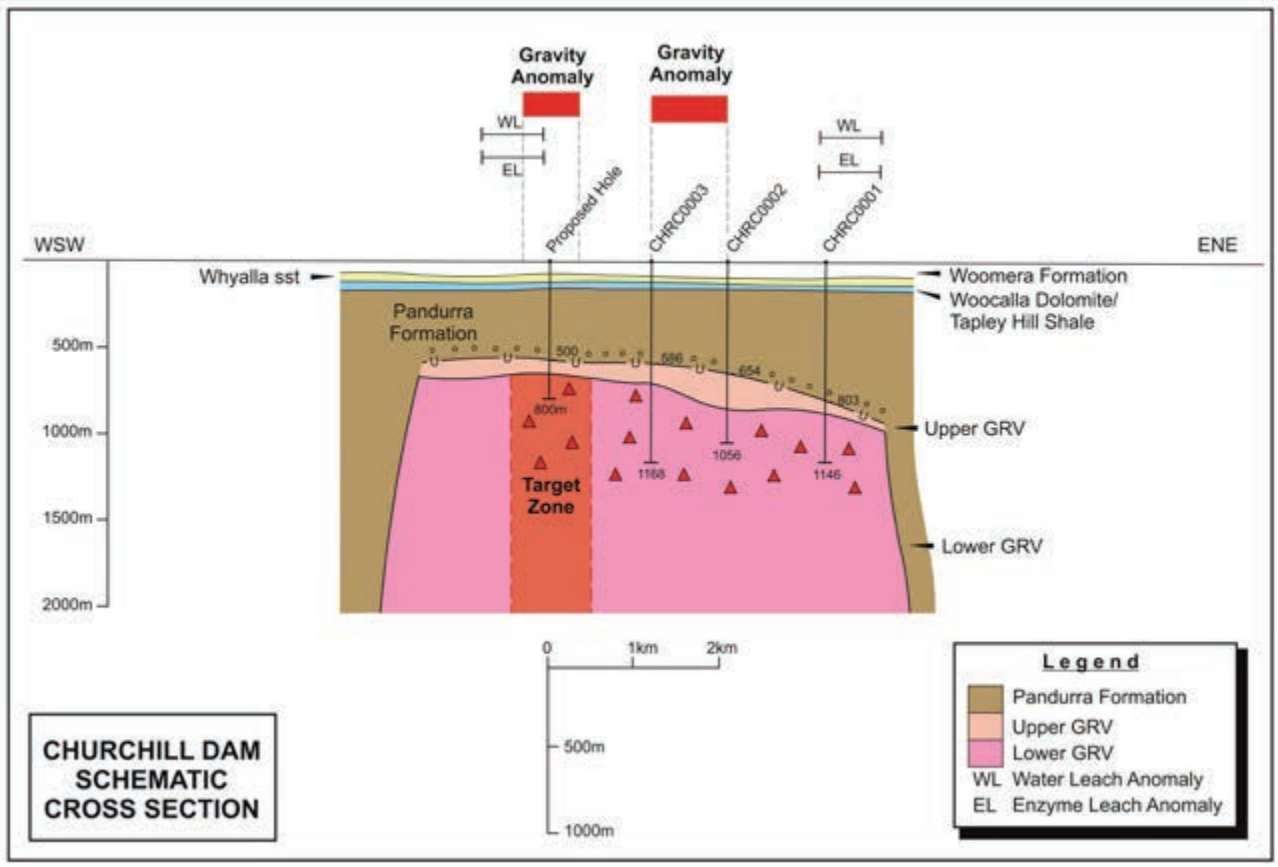



**Figure 2.13.** Schematic cross section showing gravity anomaly and previous drilling

## 2.7 Cambodian Project

### (a) Background

Cambodia Gold has applied for two mineral exploration licences, via its branch office in Cambodia, in respect of Kang Roland South (filing number 3482) and Antrong, Kang Roland North and Rapoah (filing number 761) (**Cambodian Project**) and each of these applications are subsisting with the Ministry of Mines and Energy of Cambodia. Figure 2.14 below outlines the area the subject of the Cambodian Project.

### (b) Geology and Mineralisation

The mineralisation surrounding the Cambodian Project consists of an accreted sequence of Palaeozoic to Triassic aged volcanics and sediments intruded by late Triassic granites. Accretionary belts of this type are host to a number of economic gold deposits including Sepon in Laos and Chatree in Thailand.

The target type of interest is IRGS similar to that found at Okvau and as deposits in the Tintina Belt, Alaska. Brighton Mining Group Limited (**BTN**), which previously held tenure in the area of the Cambodian Project, identified at least three intrusions with large alteration zones typical of this type of system.

In addition, early stage exploration by BTN identified a number of areas with gold bearing rock chips within the area the subject of the Cambodian Project. Figure 2.15 outlines the high-grade rock chip samples at the Antrong prospect.

Refer to section 5 of the Independent Technical Report for further details in relation to the Cambodian Project.

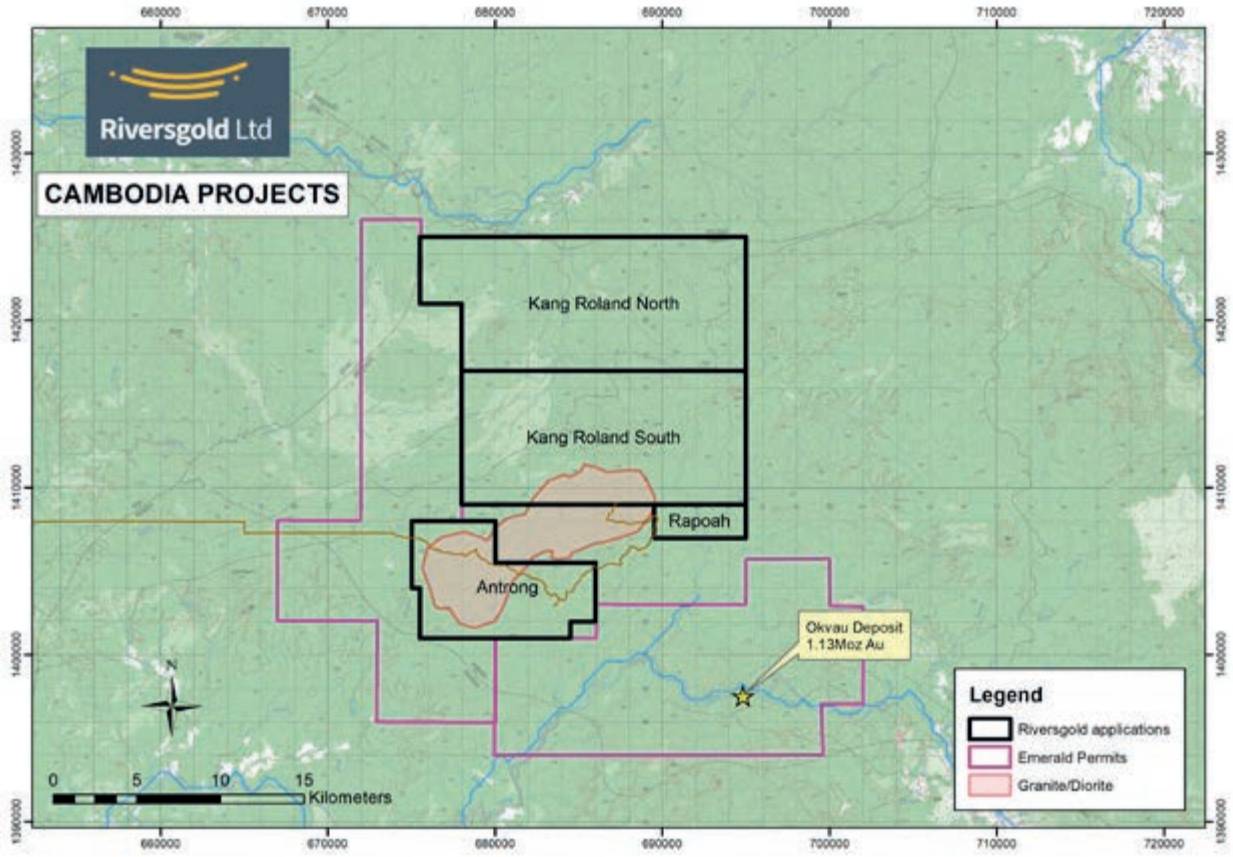



**Figure 2.14.** Cambodian Project

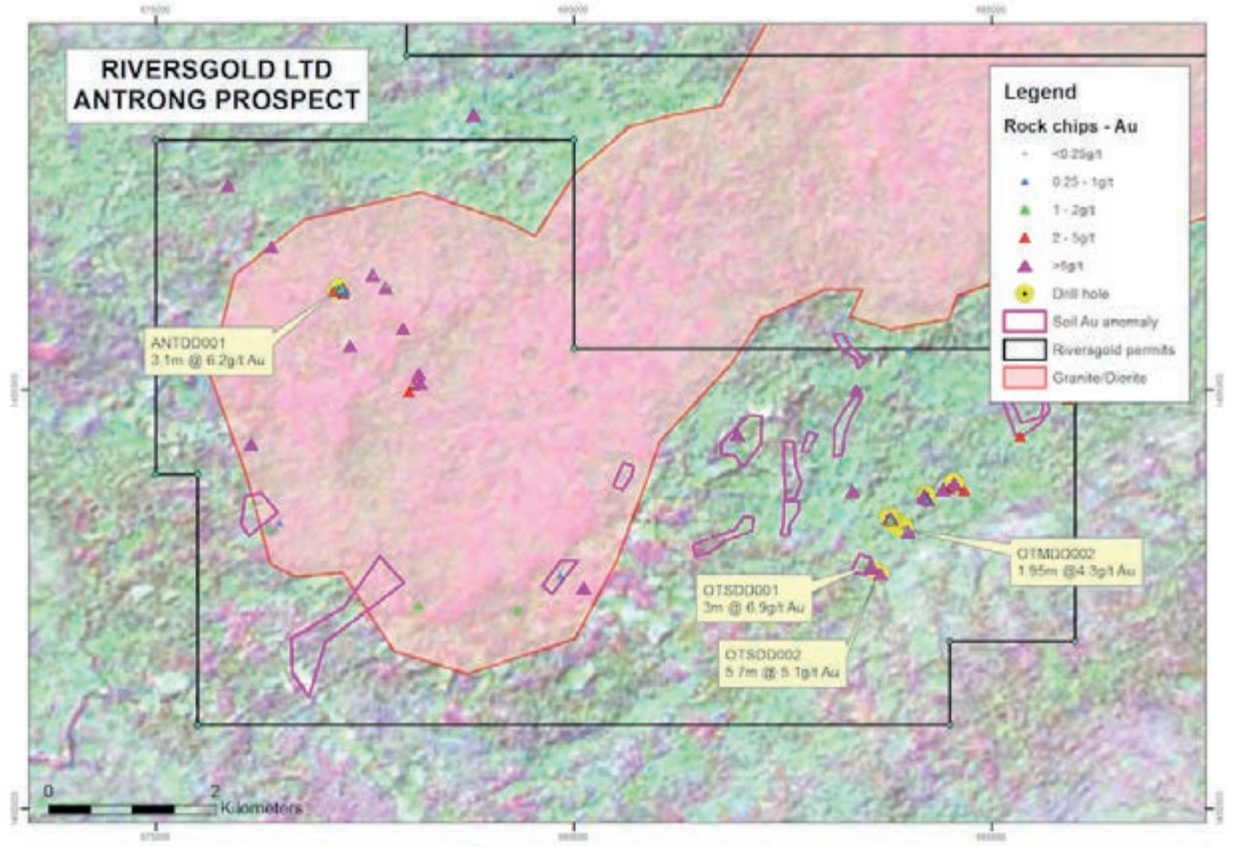



**Figure 2.15.** Antrong Project showing high-grade rock chip samples surrounding granite pluton

## 2.8 Proposed Exploration Programmes and Budget

The Company aims to systematically explore the existing projects whilst examining the opportunity to acquire other high quality exploration projects with the potential to create further value.

The exploration program for the Kurnalpi Project for the first two years following completion of the Offer will include the following:

(a) soil sampling;
(b) RAB / air-core, RC and diamond drilling;
(c) RAB / air-core, RC and diamond core assaying; and
(d) completion of heritage surveys within the Kurnalpi Project.

In relation to the Churchill Dam Project, the Company intends to:

(a) reprocess detailed gravity data; and
(b) drill one to four deep diamond drill holes initially to test the target schematically and then to test the strike extent of the larger gravity anomaly.

Depending on the results of the tests detailed in paragraph (b) above, the Company will, at that time, make a further assessment as to what level of activities it undertakes, and the expenditure it applies, in respect to the Churchill Dam Project and may reallocate some of its budgeted expenditure in the second year (detailed below) to the Churchill Dam Project.

The exploration program for the Alaskan Project for the first two years will include the following:

(a) re-interpretation of previous geological and geophysical datasets and processing and interpretation of the recently flown helimag survey data;
(b) completion of a project-wide grid soil sampling programme over the non-outcropping areas of Luna-Quicksilver mineral claims for the Alaskan Project;
(c) examine opportunities to peg additional mineral claims in the Alaskan Project area; and
(d) a diamond drill program targeting outcropping mineralized zones and geophysical targets on the Luna-Quicksilver property.

As at the date of this Prospectus, as no mineral exploration licences have been granted, the Company does not propose to conduct significant work on the Cambodian Project. An amount of A$200,000 has been allocated to the Cambodian Project for 2017 and 2018, such funds to be utilised for administrative expenditure and for undertaking desktop analysis of all proprietary mining information in respect to the area of the Cambodia Project.

In the event that mineral exploration licences are granted in respect to the Cambodian Project, the Company will, at that time, make an assessment as to what level of activities it undertakes, and the expenditure it applies, in respect to the Cambodia Project and may reallocate some of its budgeted expenditure (detailed below) to the Cambodian Project. In making any such determination, the Company will have regard to, amongst other matters, the results of its exploration activities for the Projects at that time and the outcome of the analysis of the proprietary mining information in respect to the area of the Cambodian Project (referred to above).

The proposed budget for the first two years following completion of the Offer is as follows:

| | | Year 1 | | Year 2 | |
|---|---|---|---|---|---|
| **Project** | **Activity** | **A$5m raise** | **A$8m raise** | **A$5m raise** | **A$8m raise** |
| Kurnalpi Project | Kurnalpi Tenement Costs | 100,000 | 130,000 | 100,000 | 130,000 |
| | Geological Personnel | 70,000 | 90,000 | 70,000 | 90,000 |
| | Travel/accommodation costs | 10,000 | 15,000 | 10,000 | 15,000 |
| | Field camp costs | 10,000 | 10,000 | 10,000 | 15,000 |
| | Air freight/supplies/expediting | 5,000 | 5,000 | 5,000 | 5,000 |
| | Geophysics | 10,000 | 10,000 | 10,000 | 10,000 |
| | Surface Geochemistry | 105,000 | 105,000 | 115,000 | 145,000 |
| | Drilling | 630,000 | 730,000 | 725,000 | 1,465,000 |
| | *Subtotal* | **940,000** | **1,095,000** | **1,045,000** | **1,875,000** |
| Churchill Dam Project | Tenement Costs | 1,500 | 1,500 | 1,500 | 1,500 |
| | Geological Personnel | 7,500 | 7,500 | 3,500 | 7,500 |
| | Travel/accommodation costs | 1,000 | 1,000 | 0 | 1,000 |
| | Field camp costs | 1,000 | 1,000 | 0 | 1,000 |
| | Air freight/supplies/expediting | 1,000 | 1,000 | 0 | 1,000 |
| | Geophysics | 0 | 0 | 0 | 0 |
| | Surface Geochemistry | 0 | 0 | 0 | 0 |
| | Drilling | 243,000 | 243,000 | 0 | 143,000 |
| | *Subtotal* | **255,000** | **255,000** | **5,000** | **155,000** |
| Alaskan Project | Tenement Costs | 170,000 | 170,000 | 170,000 | 170,000 |
| | Geological Personnel | 50,000 | 80,000 | 100,000 | 150,000 |
| | Travel/accommodation costs | 50,000 | 25,000 | 75,000 | 75,000 |
| | Field camp costs | 0 | 0 | 0 | 350,000 |
| | Air freight/supplies/expediting | 0 | 0 | 50,000 | 100,000 |
| | Geophysics | 0 | 0 | 75,000 | 75,000 |
| | Surface Geochemistry | 50,000 | 25,000 | 50,000 | 50,000 |
| | Helicopter support | 72,000 | 72,000 | 72,000 | 144,000 |
| | Drilling | 0 | 0 | 0 | 560,000 |
| | *Subtotal* | **392,000** | **372,000** | **592,000** | **1,674,000** |
| Cambodian Project | Project Admin & desktop work | 100,000 | 100,000 | 100,000 | 100,000 |
| | *Subtotal* | **100,000** | **100,000** | **100,000** | **100,000** |
| **TOTAL EXPLORATION EXPENDITURE** | | **1,687,000** | **1,822,000** | **1,742,000** | **3,804,000** |

## 2.9 Key Strengths

The Board considers that Company has a number of competitive strengths as follows:

(a) **Exploration Potential** - the Projects are located in highly prospective areas with world-class gold terranes:
   (i) the Kurnalpi Project is located between approximately 50km and 120km east to south east of the significant regional mining centre town of Kalgoorlie-Boulder in the Eastern Goldfields of Western Australia, known for the Archaean Lode Gold mineralisation style and has had a history of exploration activities undertaken within the vicinity of the project;
   (ii) the Alaskan Project is located at the south west end of the Tintina Gold Province (previously referred to as the Tintina Gold Belt), an arcuate, 200km wide, 1,200km long metallogenic province which includes large gold deposits such as Pogo, Fort Knox, True North, Donlin Creek and Shotgun, and has been an important placer gold and lode mercury producing region in south western Alaska;
   (iii) the Churchill Dam Project is located in the Gawler Craton, approximately 20km west of Woomera and 90km south west of the Olympic Dam deposit in South Australia and is characterised by a large 170km$^2$ gravitty anomaly, beneath sediments of the Stuart Shelf, which has been tested with three diamond drill holes and found to have geology, alteration and trace element geochemistry consistent with the other South Australian IOCG deposits and prospects such as Olympic Dam, Prominent Hill and Carrapateena; and
   (iv) the Cambodian Project is located in the Mondulkiri Province in Cambodia, approximately 230km north east of Phnom Penh which is close to the Okvau deposit;

(b) **Experienced Project Development Team** - experienced Board and management team with a broad range of mining, project development, financing and technical skills in the precious metals and resources industry; and

(c) **Access to Proprietary Datasets** - the Company has access to, and ownership of, extensive proprietary datasets for the Alaskan Project.

# 3. Board, Management and Corporate Governance

## 3.1 Directors' Profiles

The names and details of the Directors in office at the date of this Prospectus are:

### (a) Roderick Webster – Non-Executive Chairman

Mr Roderick Webster is a mining engineer with over 40 years of experience in the resources industry including more than 16 years as CEO of publicly listed companies.

He is the non-executive Chairman of Pembridge Resources, a UK resource investment company, and a non-executive director of Coro Mining Corp, a Chilean copper producer. From 2005 to 2015, Mr Webster was founding director and CEO of Weatherly International Plc a company engaged in copper mining and smelting in Namibia. Between 2001 and 2005, Mr Webster was a senior executive with First Quantum Minerals Ltd, a London and Canadian listed company developing and operating copper mines in Zambia and Mauritania. Mr Webster was also the founding director and CEO of Western Metals Ltd, a major Australian base metals producer. During this time (1994-2000), M Webster served on the executive committee of the International Zinc Association. Earlier in his career Mr Webster held management positions with Homestake Gold of Australia (1989-1993) and BHP Minerals (1980-1988).

Mr Webster is a fellow of both the Australian Institute of Mining and Metallurgy and the Australian Institute of Company Directors.

### (b) Allan Kelly – Managing Director

Mr Allan Kelly is a geologist with over 25 years' experience in mineral exploration, project development and gold production throughout Australia and the Americas.

Mr Kelly graduated with an honours degree in geology from Curtin University of Technology in 1994, has been involved in targeting and early stage exploration of gold, nickel and copper deposits in Australia, Alaska and Canada and has previously held senior exploration positions within Western Mining Corporation and Avoca Resources Limited.

In 2009, Mr Kelly founded Doray Minerals Limited, which listed on the ASX in early 2010. Under Mr Kelly's management, Doray discovered the high-grade Wilber Lode gold deposit within the Andy Well Project in the Murchison Region of Western Australia, moved from discovery to production at Andy Well within three and a half years and then funded, permitted, constructed and commissioned the Deflector Gold-Copper Project within 14 months of completing the takeover of Mutiny Gold Ltd in 2014.

In 2014, Mr Kelly was awarded the AMEC "Prospector Award", along with Doray's co-founder Mr Heath Hellewell, for the discovery of the Wilber Lode and Andy Well gold deposits.

Mr Kelly is a Fellow and Former Councillor of the Association of Applied Geochemistry (AAG), a Member of the Australian Institute of Geoscientists (AIG) and a Member of the Institute of Brewing and Distilling (IBD). Mr Kelly is also a Non-Executive Director of ASX-listed Alloy Resources Ltd.

### (c) Jeffrey Foster – Non-Executive Director

Mr Jeffrey Foster is a geologist with over thirty years international experience in mineral exploration and project development.

Mr Foster has a track record of innovation and delivery in both industry and academe having being an Associate Professor at CODES, the ARC Centre of Excellence in Ore Deposit Studies at the University of Tasmania and a founding Director and Executive Director with Sirius Resources NL, an ASX200 listed company.

At Sirius, Mr Foster worked with teams to substantially de-risk the Nova-Bollinger project, developed corporate opportunities and raised capital resulting in industry leading total shareholder returns.

Since graduating with a Masters Degree in Mining and Mineral Exploration, from Leicester University, Jeff has gained more than 30 years of industry experience with S2 Resources, Sirius Resources NL, GeoDiscovery, BHP - New Business Development, Western Mining Corporation - Exploration Division and Kambalda Nickel Operations.

This experience base encompasses exploration, discovery, development, opportunity recognition, financial evaluation and research in many parts of the world including; Canada, USA, Brazil, Chile, UK, Norway, Finland, Sweden, China, India, Russia, South Africa, Namibia, Botswana and Australia.

Mr Foster is an Adjunct Professor at the University of Tasmania, a Member of the Australasian Institute of Mining and Metallurgy.

## 3.2 ASX Corporate Governance Council Principles and Recommendations

The Company has adopted comprehensive systems of control and accountability as the basis for the administration of corporate governance. The Board is committed to administering the policies and procedures with openness and integrity, pursuing the true spirit of corporate governance commensurate with the Company's needs.

To the extent applicable, the Company has adopted The Corporate Governance Principles and Recommendations (3rd Edition) as published by ASX Corporate Governance Council (Recommendations).

In light of the Company's size and nature, the Board considers that the current board is a cost effective and practical method of directing and managing the Company. As the Company's activities develop in size, nature and scope, the size of the Board and the implementation of additional corporate governance policies and structures will be reviewed.

The Company's main corporate governance policies and practices as at the date of this Prospectus are outlined below and the Company's full Corporate Governance Plan is available in a dedicated corporate governance information section of the Company's website (www.riversgold.com.au).

### (a) Board of directors

The Board is responsible for corporate governance of the Company. The Board develops strategies for the Company, reviews strategic objectives and monitors performance against those objectives. The goals of the corporate governance processes are to:

(i) maintain and increase Shareholder value;
(ii) ensure a prudential and ethical basis for the Company's conduct and activities; and
(iii) ensure compliance with the Company's legal and regulatory objectives.

Consistent with these goals, the Board assumes the following responsibilities:

(i) developing initiatives for profit and asset growth;
(ii) reviewing the corporate, commercial and financial performance of the Company on a regular basis;
(iii) acting on behalf of, and being accountable to, the Shareholders; and
(iv) identifying business risks and implementing actions to manage those risks and corporate systems to assure quality.

The Company is committed to the circulation of relevant materials to Directors in a timely manner to facilitate Directors' participation in the Board discussions on a fully-informed basis.

### (b) Composition of the Board

Election of Board members is substantially the province of the Shareholders in general meeting. The Board currently consists of a Managing Director (who is not independent), a Non-Executive Chairman and a Non-Executive Director (each of whom is considered independent).

### (c) Identification and management of risk

The Board's collective experience will enable accurate identification of the principal risks that may affect the Company's business. Key operational risks and their management will be recurring items for deliberation at Board meetings.

### (d) Independent professional advice

Subject to the Chairman's approval (not to be unreasonably withheld), the Directors, at the Company's expense, may obtain independent professional advice on issues arising in the course of their duties.

### (e) Ethical standards

The Board is committed to the establishment and maintenance of appropriate ethical standards.

### (f) Remuneration arrangements

The remuneration of an executive Director will be decided by the Board, without the affected executive Director participating in that decision-making process.

The total maximum remuneration of non-executive Directors is initially set by the Constitution and subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of non-executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive Director. The current amount has been set at an amount not to exceed $200,000 per annum.

In addition, a Director may be paid fees or other amounts (i.e. subject to any necessary Shareholder approval, non-cash performance incentives such as Options) as the Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director.

Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors.

The Board reviews and approves the remuneration policy to enable the Company to attract and retain executives and Directors who will create value for Shareholders having consideration to the amount considered to be commensurate for a company of its size and level of activity as well as the relevant Directors' time, commitment and responsibility. The Board is also responsible for reviewing any employee incentive and equity-based plans including the appropriateness of performance hurdles and total payments proposed.

### (g) Diversity policy

The Board has adopted a diversity policy which provides a framework for the Company to achieve, amongst other things, a diverse and skilled workforce, a workplace culture characterised by inclusive practices and behaviours for the benefit of all staff, improved employment and career development opportunities for women and a work environment that values and utilises the contributions of employees with diverse backgrounds, experiences and perspectives.

### (h) Trading policy

The Board has adopted a policy that sets out the guidelines on the sale and purchase of securities in the Company by its Directors, Employees and Consultants. The policy generally provides that the written acknowledgement of the Chairman, or Managing Director if the Chairman is not available, (or the Board in the case of the Chairman) must be obtained prior to trading.

### (i) External audit

The Company in general meetings is responsible for the appointment of the external auditors of the Company, and the Board from time to time will review the scope, performance and fees of those external auditors.

### (j) Audit committee

The Company will not have a separate audit committee until such time as the Board is of a sufficient size and structure, and the Company's operations are of a sufficient magnitude for a separate committee to be of benefit to the Company.

In the meantime, the full Board will carry out the duties that would ordinarily be assigned to that committee, including but not limited to, monitoring and reviewing any matters of significance affecting financial reporting and compliance, the integrity

of the financial reporting of the Company, the Company's internal financial control system and risk management systems and the external audit function.

The Board has adopted a formal Audit Committee Charter.

### (k) Remuneration committee

The Company will not have a separate remuneration committee until such time as the Board is of a sufficient size and structure, and the Company's operations are of a sufficient magnitude for a separate committee to be of benefit to the Company.

The full Board will carry out the duties that would ordinarily be assigned to that committee, ensuring that the level and composition of remuneration provided to attract and retain high quality directors and employees is commercially appropriate and targeted to align with the interests of the Company whilst not resulting in a conflict with the objectivity of its Independent Directors.

The Board will ensure that no Director or senior executive will be involved in deciding his or her own remuneration.

The Board has adopted a formal Remuneration Committee Charter.

### (l) Nomination committee

The Company will not have a separate nomination committee until such time as the Board is of a sufficient size and structure, and the Company's operations are of a sufficient magnitude for a separate committee to be of benefit to the Company.

The full Board will carry out the duties that would ordinarily be assigned to that committee ensuring that the composition of the Board is appropriate, consider succession issues and inducting and evaluating the performance of the Board and its Committees.

The Board has adopted a formal Nomination Committee Charter.

### (m) Risk committee

The Company will not initially form a separate committee to oversee risk and internal control.

Ultimate responsibility for risk management will rest with the full Board which monitors and manages material risks at each Board Meeting where it considers the Company's Risk Matrix.

The Company manages risk pursuant to its Risk Management Policy.

## 3.3 Departures from Recommendations

Following admission to the Official List, the Company will be required to report any departures from the Recommendations in its annual financial report.

The Company's departures from the Recommendations as at the date of this Prospectus are detailed in the table below.

| Principles and Recommendations | Explanation for Departure |
|---|---|
| **2.1 The board of a listed entity should have a nomination committee.** | The Company does not comply with Principle 2.1. The Company is not of a relevant size to consider formation of a nomination committee to deal with the selection and appointment of new Directors and as such a nomination committee has not been formed.<br><br>Nominations of new Directors are considered by the full Board. If any vacancies arise on the Board, all directors are involved in the search and recruitment of a replacement. The Board has taken a view that the full Board will hold special meetings or sessions as required. The Board is confident that this process for selection, including undertaking appropriate checks before appointing a person, or putting forward to security holders a candidate for election, and review is stringent and full details of all Directors will be provided to Shareholders in the annual report and on the Company's website. |
| **2.6 A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge required to perform their roles as directors effectively.** | Upon appointment new Directors will be subject to relevant induction procedures to provide the incoming individual with sufficient knowledge of the entity and its operating environment to enable them to fulfill their role effectively.<br><br>The Board will, when it considers the Company to be of an appropriate size, implement a formal induction process that complies with Principle 2.6. |
| **4.1 The board of a listed entity should have an audit committee of at least three members that are non-executive directors.** | The Board considers that the Company is not currently of a size, nor are its affairs of such complexity to justify the expense of the appointment of additional non-executive Director to satisfy this recommendation.<br><br>However the full board operates under the adopted Audit Committee Charter, which will be made available for review on the Company's website www.riversgold.com.au, and carries out the functions delegated under that charter.<br><br>The Board believes that the individuals on the Board can make, and do make, quality and informed judgements in the best interests of the Company on all relevant issues.<br><br>External audit recommendations, internal control matters and any other matters that arise from half yearly reviews and the annual statutory audit will be discussed directly between the Board and the Audit Engagement Partner.<br><br>The Board encourages contact between Non-Executive Directors and the Company's external auditors, independently of executive management. |
| **6.2 Design and implement an investor relations program to facilitate communication with shareholders.** | The Company has not adopted a formal investor relations program, however it does seek to inform investors of developments regularly by communicating through ASX announcements and by providing information on its website.<br><br>Investors are encouraged to attend the Company's security holder meetings, and are able to contact management by email info@riversgold.com.au or by phone +61 8 9316 9100. |

| Principles and Recommendations | Explanation for Departure |
|---|---|
| **7.1 The board of a listed entity should have a risk committee.** | The Board has not established a separate Risk Management Committee. However the full Board operates under the adopted Risk Management Policy.<br><br>The Board is ultimately responsible for risk oversight and risk management. Discussions on the recognition and management of risks are also considered at each Board meeting.<br><br>The Board has adopted a Risk Management Policy.<br><br>Under the Risk Management Policy, responsibility and control risk management is delegated to the appropriate level of management within the Company with the Chief Executive Officer, supported by the senior executive team, having ultimate responsibility to the Board for the implementation of the risk management and control framework.<br><br>The Risk Management Policy will be made available on the Company's website www.riversgold.com.au. |
| **7.3 A listed entity should disclose, if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.** | The Board believes that for efficiency purposes and the Company is not of a size to justify having an internal audit function.<br><br>Refer to the details in Principle 7.1 above. |
| **8.1 The Board of a listed entity should have a remuneration committee.** | The Board has not established a separate Remuneration Committee, but has adopted a dedicated Remuneration Committee Charter.<br><br>The full Board will meet to consider both the level and structure of remuneration and incentive policies for the Executive Directors and key executives within the Company and decide on the Company's remuneration policies.<br><br>The affected Director or Executive will not participate in the decision-making process. |

# 4. Financial Information

## 4.1 Introduction

The financial information detailed in this Section consists of:

(a) the audited statement of comprehensive income for the financial period ended 30 April 2017;
(b) the audited statement of financial position of the Company as at 30 April 2017; and
(c) pro forma statement of comprehensive income and statement of financial position as at 30 April 2017 reflecting the Directors' pro forma adjustments,

(collectively, the **Financial Information**).

The Financial Information has been reported on by BDO Corporate Finance (WA) Pty Ltd as detailed in the Investigating Accountant's Report in Section 5. Potential investors should note the scope limitations of the Investigating Accountant's Report (refer to Section 5 for further information).

The Company's significant accounting policies have been consistently applied throughout the respective financial periods as detailed in Section 4.8.

The information in this Section should also be read in conjunction with the risk factors as detailed in Section 8 and other information included in this Prospectus.

## 4.2 Statements of Comprehensive Income

The following is the Company's audited statement of comprehensive income for the financial period ended 30 April 2017:

| | Audited |
|---|---|
| | $ |
| Director remuneration | (14,875) |
| Occupancy expenses | (2,885) |
| Administration and other expenses | (16,751) |
| **Loss from operations** | **(34,511)** |
| Income tax expense | - |
| **Total comprehensive loss for the period** | **(34,511)** |

This consolidated statement of profit or loss and other comprehensive income shows the historical financial performance of the Company and is to be read in conjunction with the notes to and forming part of the Historical Financial Information set out in Sections 4.7 and 4.8.

The following audited Consolidated Statements of Comprehensive Income are provided in respect of Afranex Gold Limited for the three financial years ended 31 December 2014, 31 December 2015 and 31 December 2016, and Cambodia Gold Pty Ltd for the period from incorporation on 21 July 2016 to 30 April 2017:

### Afranex Gold Limited

| | Audited Year Ended 31 December 2014 | Audited Year Ended 31 December 2015 | Audited Year Ended 31 December 2016 |
|---|---|---|---|
| | $ | $ | $ |
| Revenue | - | 2 | 3 |
| Cancelled IPO expenses | (9,997) | - | - |
| Option fees expensed | (22,673) | (73,068) | (69,562) |
| Tenement maintenance and field costs | (10,085) | (83,812) | (153,489) |
| Impairment of project acquisition costs | - | - | (699,599) |
| Administration and other expenses | (12,099) | (11,420) | (37,955) |
| Gain on foreign exchange | 6,218 | 624 | 37 |
| Interest expense | - | - | (1,239) |
| **Loss from operations** | **(48,636)** | **(167,674)** | **(961,804)** |
| Income tax expense | - | - | - |
| **Total comprehensive loss for the period** | **(48,636)** | **(167,674)** | **(961,804)** |

**Cambodia Gold Pty Ltd**

| | Audited period from 21 July 2016 to 30 April 2017 |
|---|---|
| | $ |
| Other operating expenses | (249,291) |
| **Loss from operations** | **(249,291)** |
| Income tax expense | - |
| **Total comprehensive loss for the period** | **(249,291)** |

Please note that the historical performance is not a guide to future performance.

## 4.3 Statements of Cash Flows

The following is the Company's audited statement of cash flows for the financial period ended 30 April 2017:

| | Note | Audited |
|---|---|---|
| | | $ |
| **Cash flows from operating activities** | | |
| Payments to suppliers and employees | | (13,851) |
| Net cash flows used in operating activities | | (13,851) |
| **Cash flows from investing activities** | | |
| Loans to related entities | | **(166,478)** |
| Net cash flows used in investing activities | | **(166,478)** |
| **Cash flows from financing activities** | | |
| Proceeds received for Shares not yet issued | | 190,010 |
| Proceeds from loans | | 235,000 |
| Payments for Share issue and Offer costs | | (45,859) |
| Net cash flows from financing activities | | 379,151 |
| Net increase in cash assets | | 198,822 |
| Cash at the beginning of the period | | - |
| **Cash at the end of the period** | *2* | **198,822** |

This consolidated statement of cash flows shows the historical financial performance of the Company, and is to be read in conjunction with Sections 4.7 and 4.8.

The following audited Consolidated Statements of Cash Flows are provided in respect of Afranex Gold Limited for the three financial years ended 31 December 2014, 31 December 2015 and 31 December 2016, and Cambodia Gold Pty Ltd for the period from incorporation on 21 July 2016 to 30 April 2017:

## Afranex Gold Limited

| | Audited Year Ended 31 December 2014 | Audited Year Ended 31 December 2015 | Audited Year Ended 31 December 2016 |
|---|---|---|---|
| | $ | $ | $ |
| **Cash flows from operating activities** | | | |
| Interest received | - | 2 | 3 |
| Payments to suppliers and employees | (9,964) | (89,937) | (33,018) |
| Net cash flows used in operating activities | (9,964) | (89,935) | (33,015) |
| **Cash flows from investing activities** | | | |
| Payments for exploration expenses | - | - | (147,172) |
| Cash recognised on acquisition of subsidiary | - | - | 5,727 |
| Option fee payments | (22,673) | (73,068) | (69,099) |
| Net cash flows used in investing activities | (22,673) | (73,068) | (210,544) |
| **Cash flows from financing activities** | | | |
| Proceeds from loans | 27,063 | 5,000 | 211,482 |
| Proceeds from the issue of shares | - | 207,500 | - |
| Net cash flows from financing activities | 27,063 | 212,500 | 211,482 |
| Net increase in cash assets | (5,574) | 49,497 | (32,077) |
| Cash at the beginning of the period | 13,254 | 7,680 | 57,177 |
| **Cash at the end of the period** | **7,680** | **57,177** | **25,100** |

## Cambodia Gold Pty Ltd

| | Audited period from 21 July 2016 to 30 April 2017 |
|---|---|
| | $ |
| **Cash flows from operating activities** | |
| Payments to suppliers and employees | (240,291) |
| Net cash flows used in operating activities | (240,291) |
| **Cash flows from financing activities** | |
| Proceeds from loans | 240,291 |
| Proceeds from the issue of shares | 10 |
| Net cash flows from financing activities | 240,301 |
| Net increase in cash assets | 10 |
| Cash at the beginning of the period | - |
| **Cash at the end of the period** | **10** |

Please note that the historical performance is not a guide to future performance.

## 4.4 Pro Forma Statement of Financial Position

The pro forma statement of financial position detailed below includes:
(a) the pro forma adjustments in respect to the impact of the Offer; and
(b) adjustments for subsequent events occurring from the date of 30 April 2017.

Details of the pro forma and subsequent event adjustments made to the audited statement of financial position for the Company as at 30 April 2017 are detailed in Sections 4.5 and 4.6:

| | Note | Audited | Pro-forma $5,000,000 Raising | Pro-forma $8,000,000 Raising |
|---|---|---|---|---|
| | | $ | $ | $ |
| **Current Assets** | | | | |
| Cash and cash equivalents | *2* | 198,822 | 4,688,639 | 7,493,639 |
| Trade and other receivables | *3* | 96,714 | 907 | 907 |
| **Total Current Assets** | | **295,536** | **4,689,546** | **7,494,546** |
| **Non-Current Assets** | | | | |
| Loans | *4* | 166,478 | - | - |
| Capitalised exploration costs | *5* | - | 10,531,012 | 10,531,012 |
| **Total Non-Current Assets** | | **166,478** | **10,531,012** | **10,531,012** |
| **Total Assets** | | **462,014** | **15,220,558** | **18,025,558** |
| **Current Liabilities** | | | | |
| Trade and other payables | *6* | 71,515 | 199,940 | 199,940 |
| Loans | *7* | 235,000 | - | - |
| Share issue liability | *8* | 190,000 | - | - |
| **Total Current Liabilities** | | **496,515** | **199,940** | **199,940** |
| **Total Liabilities** | | **496,515** | **199,940** | **199,940** |
| **Net Assets/(Liabilities)** | | **(34,501)** | **15,020,618** | **17,825,618** |
| **Equity** | | | | |
| Issued capital | *9* | 10 | 12,931,885 | 15,736,885 |
| Equity compensation reserve | *10* | - | 2,428,498 | 2,428,498 |
| Accumulated losses | *11* | (34,511) | (339,765) | (339,765) |
| **Total equity/(deficiency)** | | **(34,501)** | **15,020,618** | **17,825,618** |

This consolidated statement of financial position after the Offers is as per the consolidated statement of financial position before the Offers, adjusted for any subsequent events and the transactions relating to the acquisition of assets and the issue of shares pursuant to this Prospectus.

The pro-forma consolidated statement of financial position is to be read in conjunction with the notes to and forming part of the Historical Financial Information set out in Sections 4.7 and 4.8.

Please note the historical performance is not a guide to future performance.

## 4.5 Subsequent Event Adjustments

The pro forma statement of financial position presented in Section 4.4 reflects the following material events that have occurred subsequent to the period ended 30 April 2017:
(a) acquisition of the issued capital of Afranex by the issue of 10,000,000 Shares and 5,000,000 Vendor Options;
(b) raising of a further $575,000 via the issue of Shares to certain pre-IPO investors;
(c) payment of $182,913 on behalf of Afranex in respect of field costs incurred on the Alaskan Project;
(d) conversion of $425,000 liabilities as at 30 April 2017 into issued capital by the issue of shares to seed investors; and
(e) issue of 137,500 Shares and 3,000,000 Options exercisable at $0.20 each and expiring 15 May 2022 (subject to a vesting period of 24 months commencing on quotation of the Company's shares on ASX).

Details of the subsequent events and related changes made to the audited statement of financial position for the Company as at 30 April 2017 are set out in Sections 4.7 and 4.8 below.

## 4.6 Assumptions used in compiling the Pro Forma Statement of Financial Position

The pro forma statement of financial position presented in Section 4.4 reflects the following material pro forma adjustments as at 30 April 2017:

(a) acquisition of the issued capital of Cambodia Gold by the issue of 23,500,000 Shares and 11,750,000 Vendor Options;
(b) acquisition of the Kurnalpi Project by the issue of 3,000,000 Shares, 2,000,000 Vendor Options and payment of $100,000 in cash;
(c) acquisition of the Churchill Dam Project by the issue of 500,000 Shares;
(d) repayment of loans amounting to $224,503 out of cash proceeds of the Offer;
(e) conversion of the Cambodia Gold director loan of $240,291 into Cambodia Gold Shares prior to the acquisition by the Company;
(f) Cambodia Gold incurring further costs of $223,684 (US$170,000) in relation to project related expenses and this amount refunded by the Company out of cash proceeds of the Offer;
(g) issue of 25,000,000 Shares, being the Minimum Subscription, to raise A$5,000,000 (before associated costs of the Offer of $475,000), and issue of 40,000,000 Shares, being the maximum subscription, to raise $8,000,000 (before associated costs of the Offer of $670,000); and
(h) BDO Corporate Finance (WA) Pty Ltd has considered the requirements of AASB 3 Business Combinations, in particular Appendix B in relation to provisionally accounting for the acquisitions. The acquisitions have been determined as being asset acquisitions which are accounted for at fair value.

Details of the pro forma adjustments made to the audited statement of financial position for the Company as at 30 April 2017 are set out in Sections 4.7 and 4.8 below.

## 4.7 Notes to and forming part of the Pro Forma Statement of Financial Position

### Note 1. Significant accounting policies

A summary of the significant accounting policies and basis for preparation of the pro forma financials is included at in Section 4.8.

### Note 2. Current assets - Cash and cash equivalents

| | Note | Pro-forma $5,000,000 Raising | Pro-forma $8,000,000 Raising |
|---|---|---|---|
| | | $ | $ |
| **Cash and cash equivalents** | | **4,688,639** | **7,493,639** |
| Audited balance as at 30 April 2017: | | 198,822 | 198,822 |
| *Subsequent transactions:* | | | |
| Proceeds from shares issued to seed investors | 9 | 575,000 | 575,000 |
| Payments for loan to Afranex – field costs | 4 | (182,913) | (182,913) |
| Cash on acquisition of Afranex | | 25,100 | 25,100 |
| *Pro-forma adjustments:* | | | |
| Cash on acquisition of Cambodia Gold | | 10 | 10 |
| Proceeds from shares issued pursuant to Offers | 9 | 5,000,000 | 8,000,000 |
| Cash costs of the Offers | 9 | (379,193) | (574,193) |
| Payments to vendors on asset acquisitions | 12,[i] | (100,000) | (100,000) |
| Repayment of loans and creditors | 6,7 | (448,187) | (448,187) |
| **Pro-forma balance** | | **4,688,639** | **7,493,639** |

*Note i - $100,000 payable to Serendipity as part consideration for the acquisition of an 80% interest in the Kurnalpi exploration assets in Western Australia.*

## Note 3. Current assets - Trade and other receivables

| | Note | Pro-forma $5,000,000 Raising | Pro-forma $8,000,000 Raising |
|---|---|---|---|
| | | $ | $ |
| **Trade and other receivables** | | **907** | **907** |
| Audited balance as at 30 April 2017: | | 96,714 | 96,714 |
| *Pro-forma adjustments:* | | | |
| Reclassification of prepaid expenses of the IPO | *9,ii* | (95,807) | (95,807) |
| **Pro-forma balance** | | **907** | **907** |

*Note ii – costs associated with the Offer recognised as prepaid costs as at 30 April 2017.*

## Note 4. Non-Current assets - Loans

| | Note | Pro-forma $5,000,000 Raising | Pro-forma $8,000,000 Raising |
|---|---|---|---|
| | | $ | $ |
| **Loans** | | **-** | **-** |
| Audited balance as at 30 April 2017: | *iii* | 166,478 | 166,478 |
| *Subsequent transactions:* | | | |
| Loan to Afranex – field costs | *2* | 182,913 | 182,913 |
| *Pro-forma adjustments:* | | | |
| Cancellation of intercompany loan on acquisition of Afranex | *5* | (349,391) | (349,391) |
| **Pro-forma balance** | | **-** | **-** |

*Note iii – acquisition option fee paid by the Company on behalf of Afranex prior to acquisition.*

## Note 5. Capitalised exploration and evaluation

| | Note | Pro-forma $5,000,000 Raising | Pro-forma $8,000,000 Raising |
|---|---|---|---|
| | | $ | $ |
| **Capitalised exploration and evaluation** | | **10,531,012** | **10,531,012** |
| Audited balance as at 30 April 2017: | | - | - |
| *Subsequent transactions:* | | | |
| Fair value of exploration assets recognised on acquisition of Afranex | | 2,888,550 | 2,888,550 |
| Acquisition option fee and exploration field costs paid on behalf of Afranex | *4* | 349,391 | 349,391 |
| *Pro-forma adjustments:* | | | |
| Fair value of exploration assets recognised on acquisition of Cambodia Gold | | 6,179,732 | 6,179,732 |
| Fair value of the Kurnalpi Project | | 950,339 | 950,339 |
| Fair value of the Churchill Dam Project | | 100,000 | 100,000 |
| Capitalised stamp duty on acquisition of Australian exploration assets | *6* | 63,000 | 63,000 |
| **Pro-forma balance** | | **10,531,012** | **10,531,012** |

## Note 6. Current liabilities - Trade and other payables

| | Note | Pro-forma $5,000,000 Raising | Pro-forma $8,000,000 Raising |
|---|---|---|---|
| | | $ | $ |
| **Trade and other liabilities** | | **199,940** | **199,940** |
| Audited balance as at 30 April 2017: | | 71,515 | 71,515 |
| *Subsequent transactions:* | | | |
| Shares issued to directors for accrued pre IPO services | *9* | (6,875) | (6,875) |
| Liabilities recognised on acquisition of Afranex | | 63,300 | 63,300 |
| *Pro-forma adjustments:* | | | |
| Accrued stamp duty on acquisition of Australian exploration assets | *5* | 63,000 | 63,000 |
| Liabilities recognised on acquisition of Cambodia Gold | | 9,000 | 9,000 |
| Estimated project acquisition related costs to be incurred by Cambodia Gold | *11* | 223,684 | 223,684 |
| Payment of creditors out of Offer proceeds | *2* | (223,684) | (223,684) |
| **Pro-forma balance** | | **199,940** | **199,940** |

## Note 7. Current liabilities - Loans

| | Note | Pro-forma $5,000,000 Raising | Pro-forma $8,000,000 Raising |
|---|---|---|---|
| | | $ | $ |
| **Loans** | | **-** | **-** |
| Audited balance as at 30 April 2017: | | 235,000 | 235,000 |
| *Subsequent transactions:* | | | |
| Loans converted into seed shares | *9* | (235,000) | (235,000) |
| Loans recognised on the acquisition of Afranex | | 224,503 | 224,503 |
| *Pro-forma adjustments:* | | | |
| Cambodia Gold director loan liability at the proforma date | | (240,291) | (240,291) |
| Cambodia Gold director loan converted to issued capital prior to acquisition by the Company | | 240,291 | 240,291 |
| Repayment of loans out of Offer proceeds | *2* | 224,503 | 224,503 |
| **Pro-forma balance** | | **-** | **-** |

## Note 8. Current liabilities – Share issue liability

| | Note | Pro-forma $5,000,000 Raising | Pro-forma $8,000,000 Raising |
|---|---|---|---|
| | | $ | $ |
| **Share issue liability** | | **-** | **-** |
| Audited balance as at 30 April 2017: | | 190,000 | 190,000 |
| *Subsequent transactions:* | | | |
| Shares issued to seed investors prior to Offer | *9* | (190,000) | (190,000) |
| **Pro-forma balance** | | **-** | **-** |

## Note 9. Equity – Issued capital

| | Note | Pro-forma $5,000,000 Raising | | Pro-forma $8,000,000 Raising | |
|---|---|---|---|---|---|
| | | No. | $ | No. | $ |
| **Issued capital** | | **77,137,510** | **12,931,885** | **92,137,510** | **15,736,885** |
| Audited balance as at 30 April 2017: | | 10 | 10 | 10 | 10 |
| *Subsequent transactions:* | | | | | |
| Shares issued to directors for accrued pre Offer services | *6* | 137,500 | 6,875 | 137,500 | 6,875 |
| Shares issued to seed investors prior to Offer – transfer from share issue liability | *8* | 3,800,000 | 190,000 | 3,800,000 | 190,000 |
| Shares issued to seed investors prior to Offer – loans converted | *7* | 4,700,000 | 235,000 | 4,700,000 | 235,000 |
| Shares issued to seed investors prior to Offer – cash received | *2* | 6,500,000 | 575,000 | 6,500,000 | 575,000 |
| Shares issued to acquire Afranex | *12* | 10,000,000 | 2,000,000 | 10,000,000 | 2,000,000 |
| *Pro-forma adjustments:* | | | | | |
| Shares issued to acquire Cambodia Gold | *12* | 23,500,000 | 4,700,000 | 23,500,000 | 4,700,000 |
| Shares issued to acquire the Kurnalpi Project | *12* | 3,000,000 | 600,000 | 3,000,000 | 600,000 |
| Shares issued to acquire the Churchill Dam Project | *12* | 500,000 | 100,000 | 500,000 | 100,000 |
| Shares issued under the Offer | *2* | 25,000,000 | 5,000,000 | 40,000,000 | 8,000,000 |
| Reclassification of prepaid expenses of the Offer | *3* | - | (95,807) | - | (95,807) |
| Costs of the Offer | *2* | - | (379,193) | - | (574,193) |
| **Pro-forma balance** | | **77,137,510** | **12,931,885** | **92,137,510** | **15,736,885** |

## Note 10. Equity – Equity compensation reserve

| | Note | Pro-forma $5,000,000 Raising | Pro-forma $8,000,000 Raising |
|---|---|---|---|
| | | $ | $ |
| **Equity compensation reserve** | | **2,428,498** | **2,428,498** |
| Audited balance as at 30 April 2017: | | - | - |
| *Subsequent transactions:* | | | |
| Fair value of options issued to directors pre IPO | *11,[iv]* | 81,570 | 81,570 |
| Fair value of options issued in part consideration of Afranex | *12* | 625,847 | 625,847 |
| *Pro-forma adjustments:* | | | |
| Fair value of options issued in part consideration of Cambodia Gold | *12* | 1,470,742 | 1,470,742 |
| Fair value of options issued in part consideration of the Kurnalpi Project | *12* | 250,339 | 250,339 |
| **Pro-forma balance** | | **2,428,498** | **2,428,498** |

*Note iv – Director Options valued using the Black-Scholes option pricing methodology using the following inputs:*

| | |
|---|---|
| *Underlying share price on issue* | *5 cents* |
| *Exercise price* | *20 cents* |
| *Expected volatility* | *100%* |
| *Implied option life* | *5 years* |
| *Expected dividend yield* | *Nil* |
| *Risk free rate* | *2.10%* |

## Note 11. Equity – Accumulated losses

| | Note | Pro-forma $5,000,000 Raising | Pro-forma $8,000,000 Raising |
|---|---|---|---|
| | | $ | $ |
| **Accumulated losses** | | **339,765** | **339,765** |
| Audited balance as at 30 April 2017: | | 34,511 | 34,511 |
| *Subsequent transactions:* | | | |
| Fair value of options issued to directors pre IPO | 10 | 81,570 | 81,570 |
| Estimated project acquisition related costs to be incurred by Cambodia Gold | 6 | 223,684 | 223,684 |
| **Pro-forma balance** | | **339,765** | **339,765** |

## Note 12. Acquisition Consideration

| | Cash | Shares[v] | | Options[vi] | | Total fair value of consideration given ($) |
|---|---|---|---|---|---|---|
| | | Number | Fair value ($) | Number | Fair value ($) | |
| Acquisition of Subsidiary - Cambodia Gold | Nil | 23,500,000 | $4,700,000 | 11,750,000 | $1,470,742 | $6,170,742 |
| Acquisition of Subsidiary – Afranex | Nil | 10,000,000 | $2,000,000 | 5,000,000 | $625,847 | $2,625,847 |
| Acquisition of exploration assets - Kurnalpi Project | $100,000 | 3,000,000 | $600,000 | 2,000,000 | $250,339 | $950,339 |
| Acquisition of exploration assets – Churchill Dam Project | Nil | 500,000 | $100,000 | Nil | Nil | $100,000 |

*Note v – shares issued at deemed price of $0.20 per share.*
*Note vi – Vendor options valued using the Black-Scholes option pricing methodology using the following inputs:*

| | |
|---|---|
| *Underlying share price on issue* | *20 cents* |
| *Exercise price* | *20 cents* |
| *Expected volatility* | *100%* |
| *Implied option life* | *3 years* |
| *Expected dividend yield* | *Nil* |
| *Risk free rate* | *2.10%* |

Shares and options issued in consideration for the acquisition of the issued capital of Afranex Gold Limited have been completed prior to the date of the Prospectus.

Shares and options issued in consideration for the acquisition of the issued capital of Cambodia Gold Pty Ltd, and the Kurnalpi and Churchill Dam exploration assets to be issued following ASX approval of quotation of the Company's shares.

## Note 13. Related party disclosures

Transactions with related parties and details of directors' interest are disclosed in the Prospectus.

## Note 14. Commitments and contingencies

At the date of this report no material commitments or contingencies exist that we are aware of, other than those as disclosed in the Prospectus.

## 4.8 Statement of Significant Accounting Policies

The significant accounting policies adopted in the preparation of the historical financial information included in this Section are as follows:

### Basis of preparation of Historical Financial Information

The Historical Financial Information has been prepared in accordance with the recognition and measurement, but not all of the disclosure requirements of the Australian equivalents to International Financial Reporting Standards (**AIFRS**), and other authoritative pronouncements of the Australian Accounting Standards Board, Australian Accounting Interpretations and the Corporations Act 2001.

The Historical Financial Information has been prepared on a historical cost basis.

#### Going concern

The Historical Financial Information has been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and settlement of liabilities in the normal course of business.

The ability of the Company to continue as a going concern is dependent on the success of the fundraising under the Prospectus. The Directors believe that the Company will continue as a going concern. As a result the financial information has been prepared on a going concern basis. However, should the fundraising under the Prospectus be unsuccessful, the entity may not be able to continue as a going concern. No adjustments have been made relating to the recoverability and classification of liabilities that might be necessary should the Company not continue as a going concern.

#### Reporting basis and conventions

The report is also prepared on an accrual basis and is based on historic costs and does not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

The financial report is presented in Australian dollars.

Following is a summary of material accounting policies adopted by the company in the preparation of the financial report. The policies have been consistently applied, unless otherwise stated.

### (a) Income tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance date.

Deferred income tax is provided on all temporary differences at balance date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences except:

(i) when the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or

(ii) when the taxable temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, and the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry- forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilised, except:

(i) when the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or

(ii) when the deductible temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, in which case a deferred tax asset is only recognised to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

The carrying amount of deferred income tax assets is reviewed at each balance date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at each balance date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance date.

Income taxes relating to items recognised directly in equity are recognised in equity and not in the statement of profit or loss and other comprehensive income.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

### (b) Goods and services tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (**GST**), except where the amount of GST incurred is not recoverable from the Australian Tax Office (**ATO**). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

Receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities that are recoverable from or payable to the ATO are classified as operating cash flows.

### (c) Impairment of tangible and intangible assets other than goodwill

The company assesses at each balance date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets and the asset's value in use cannot be estimated to be close to its fair value. In such cases the asset is tested for impairment as part of the cash-generating unit to which it belongs. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses relating to continuing operations are recognised in those expense categories consistent with the function of the impaired asset unless the asset is carried at revalued amount (in which case the impairment loss is treated as a revaluation decrease).

An assessment is also made at each balance date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimate used to determine the assets recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in previous years. Such reversal is recognised in profit or loss unless the asset is carried at revalued amount, in which case the reversal is treated as a revaluation increase. After such reversal the depreciation charge is adjusted in future periods to allocate the assets revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

### (d) Impairment of financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets and the asset's value in use cannot be estimated to be close to its fair value. In such cases the asset is tested for impairment as part of the cash-generating unit to which it belongs. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses relating to continuing operations are recognised in those expense categories consistent with the function of the impaired asset unless the asset is carried at revalued amount (in which case the impairment loss is treated as a revaluation decrease).

### (e) Exploration and evaluation expenditure

Exploration and evaluation expenditures in relation to each separate area of interest are recognised as an exploration and evaluation asset in the year in which they are incurred where the following conditions are satisfied:

(i) the rights to tenure of the area of interest are current; and

(ii) at least one of the following conditions is also met:

  (A) the exploration and evaluation expenditures are expected to be recouped through successful development and exploration of the area of interest, or alternatively, by its sale; or

  (B) exploration and evaluation activities in the area of interest have not at the reporting date reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest are continuing.

Exploration and evaluation assets are initially measured at cost and include acquisition of rights to explore, studies, exploratory drilling, trenching and sampling and associated activities and an allocation of depreciation and amortised of assets used in exploration and evaluation activities. General and administrative costs are only included in the measurement of exploration and evaluation costs where they are related directly to operational activities in a particular area of interest.

Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. The recoverable amount of the exploration and evaluation asset (for the cash generating unit(s) to which it has been allocated being no larger than the relevant area of interest) is estimated to determine the extent of the impairment loss (if any). Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in previous years.

Where a decision has been made to proceed with development in respect of a particular area of interest, the relevant exploration and evaluation asset is tested for impairment and the balance is then reclassified to development.

## (f) Revenue and other income

Revenue is measured at the fair value of the consideration received or receivable and is recognised when it is probable that the economic benefit will flow to the Company. Amounts disclosed as revenue are net of returns, trade allowances and duties and taxes paid.

(i) Sale of goods
Revenue from sale of goods is recognised when the risks and rewards of the ownership of goods are transferred to the customer. This occurs upon delivery of the goods.

(ii) Services
Revenue from a contract to provide services is recognised as and when the service is provided. Amounts billed in advance are recorded as a current liability until such time as the service is performed.

All revenue is stated net of the amount of goods and services tax.

## (g) Cash and cash equivalents

Cash and short-term deposits in the statement of financial position comprise cash at bank and in hand. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

## (h) Trade and other receivables

Trade receivables, which generally have 30–90 day terms, are recognised and carried at original invoice amount less an allowance for any uncollectible amounts. An allowance for doubtful debts is made when there is objective evidence that the Company will not be able to collect the debts. Bad debts are written off when identified.

## (i) Trade and other payables

Trade payables and other payables are carried at amortised costs and represent liabilities for goods and services provided to the Company prior to the end of the financial period that are unpaid and arise when the Company becomes obliged to make future payments in respect of the purchase of these goods and services.

## (j) Issued capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

## (k) Employee benefits

**Wages, salaries and annual leave**
Liabilities for wages and salaries, including non-monetary benefits, and annual leave expected to be settled within 12 months of the reporting date are recognised in other payables in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

**Long service leave**
The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future salaries, experience of employee departures and periods of service. Expected future payments are discounted at the corporate bond rate with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

**Share based payments**
Share based compensation payments are made available to Directors and employees.

The fair value of options granted is recognised as an employee benefit expense with a corresponding increase in equity. The fair value is measured at grant date and recognised over the period during which the employees become unconditionally entitled to the options.

The fair value at grant date is independently determined using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free rate for the term of the option. A discount is applied, where appropriate, to reflect the non-marketability and non-transferability of unlisted options, as the Black-Scholes option pricing model does not incorporate these factors into its valuation.

The fair value of the options granted is adjusted to reflect market vesting conditions. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. At each balance sheet date, the entity revises its estimate of the number of options that are expected to become exercisable. The employee benefit expense recognised each period takes into account the most recent estimate.

Upon the exercise of options, the balance of the share based payments reserve relating to those options is transferred to share capital and the proceeds received, net of any directly attributable transaction costs, are credited to share capital.

Upon the cancellation of options on expiry of the exercise period, or lapsing of vesting conditions, the balance of the share based payments reserve relating to those options is transferred to accumulated losses.

## (l) Critical accounting estimates and judgements

The preparation of financial reports requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

**Accounting for capitalised mineral exploration and evaluation expenditure**
The Company's accounting policy is stated at Section 4.8(e). A regular review is undertaken of each area of interest to determine the reasonableness of the continuing carrying forward of costs in relation to that area of interest.

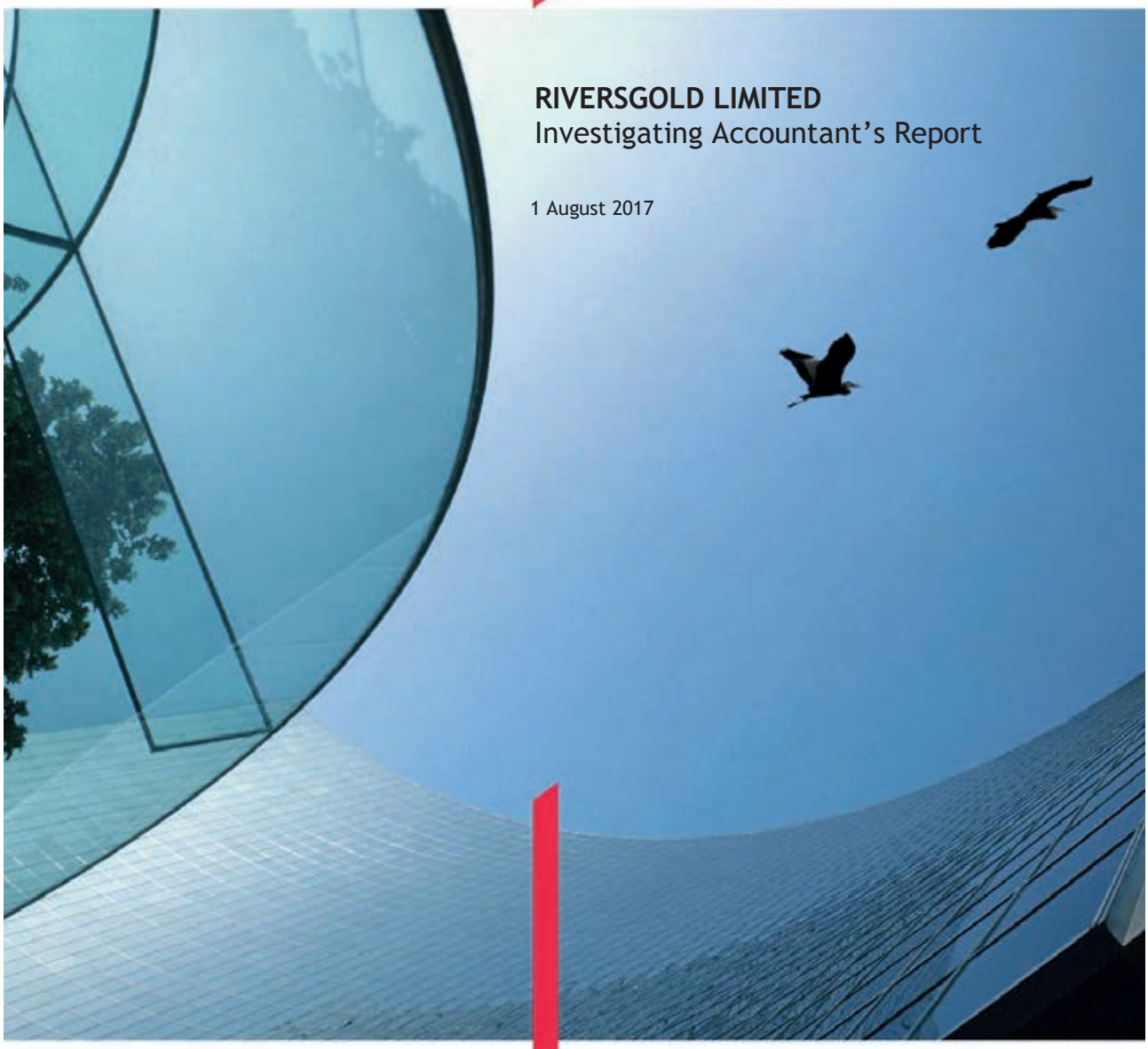
**Valuation of share based payment transactions**
The valuation of share based payment transactions is measured by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined after taking into account the terms and conditions upon which the equity instruments were granted.

**Valuation of options**
The fair value of options issued is determined using the Black-Scholes model, taking into account the terms and conditions upon which the options were granted.

**Recoverability of capitalised exploration and evaluation expenditure**
The Company's policy for accounting for exploration and evaluation expenditure is stated at Section 4.8(e).

The future recoverability of capitalised exploration and evaluation expenditure is dependent on a number of factors, including whether the Company decides to exploit the particular area of interest, or, if not, whether it successfully recovers the related exploration and evaluation asset through sale or other joint venture arrangement.

# 5. Independent Accountant's Report



1 August 2017

The Directors

Riversgold Limited

Suite 8, 7 The Esplanade

Mount Pleasant WA 6153

Dear Directors

# INVESTIGATING ACCOUNTANT'S REPORT

## 1. Introduction

BDO Corporate Finance (WA) Pty Ltd (**'BDO'**) has been engaged by Riversgold Limited (**'Riversgold'** or **'the Company'**) to prepare this Investigating Accountant's Report (**'Report'**) in relation to certain financial information of Riversgold, for the Initial Public Offering of shares in Riversgold, for inclusion in the Prospectus. Broadly, the Prospectus will offer up to 40 million Shares at an issue price of $0.20 each to raise up to $8 million before costs (**'the Offer'**). The Offer is subject to a minimum subscription level of 25 million shares to raise $5 million.

Riversgold was, formerly named Alcam Gold Pty Ltd and was incorporated on 24 February 2017.

Expressions defined in the Prospectus have the same meaning in this Report. BDO Corporate Finance (WA) Pty Ltd (**'BDO'**) holds an Australian Financial Services Licence (AFS Licence Number 316158).

This Report has been prepared for inclusion in the Prospectus. We disclaim any assumption of responsibility for any reliance on this Report or on the Financial Information to which it relates for any purpose other than that for which it was prepared.

## 2. Scope

You have requested BDO to perform a review engagement in relation to the historical and pro forma historical financial information described below and disclosed in the Prospectus.

The historical and pro forma historical financial information is presented in the Prospectus in an abbreviated form, insofar as it does not include all of the presentation and disclosures required by Australian Accounting Standards and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the Corporations Act 2001.

You have requested BDO to review the following historical financial information (together the **'Historical Financial Information'**) of Riversgold included in the Prospectus:

- the audited historical Statement of Profit or Loss and Other Comprehensive Income and cash flows for the period ended 30 April 2017; and

- the audited historical Statement of Financial Position as at 30 April 2017.

The Historical Financial Information has been prepared in accordance with the stated basis of preparation, being the recognition and measurement principles contained in Australian Accounting Standards and the company's adopted accounting policies. The Historical Financial Information has been extracted from the financial report of Riversgold for the period ended 30 April 2017, which was audited by HLB Mann Judd in accordance with the Australian Auditing Standards. HLB Mann Judd issued an unmodified audit opinion on the financial report. HLB Mann Judd noted an emphasis of matter stating "We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the director's financial reporting responsibilities under the Corporations Act 2001. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter." We note that Note 1 details that the accounting standards applied comply with mandatory Australian Accounting Standards and is appropriate for the purposes of our Report.

*Pro Forma Historical Financial Information*

You have requested BDO to review the following pro forma historical financial information (the **'Pro Forma Historical Financial Information'**) of Riversgold included in the Prospectus:

- the pro forma historical Statement of Financial Position as at 30 April 2017.

The Pro Forma Historical Financial Information has been derived from the historical financial information of Riversgold, after adjusting for the effects of the subsequent events described in Section 4.5 of the Prospectus and the pro forma adjustments described in Section 4.6 of the Prospectus. The stated basis of preparation is the recognition and measurement principles contained in Australian Accounting Standards applied to the historical financial information and the event(s) or transaction(s) to which the pro forma adjustments relate, as described in Section 4.8 of the Prospectus, as if those events or transactions had occurred as at the date of the historical financial information. Due to its nature, the Pro Forma Historical Financial Information does not represent the company's actual or prospective financial position or financial performance.

The Pro Forma Historical Financial Information has been compiled by Riversgold to illustrate the impact of the events or transactions described in Section 4.5 and Section 4.6 of the Prospectus on Riversgold's financial position as at 30 April 2017. As part of this process, information about Riversgold's financial position has been extracted by Riversgold from Riversgold's audited financial statements for the period ended 30 April 2017.

As part of this process, information about Afranex Gold's financial position has been extracted by Riversgold from Afranex Golds's audited financial statements for the period ended 31 December 2016 which was audited by HLB Mann Judd in accordance with the Australian Auditing Standards. HLB Mann Judd issued an unmodified audit opinion on the financial report. HLB Mann Judd noted an emphasis of matter stating "We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the director's financial reporting responsibilities under the Corporations Act 2001. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter." HLB Mann Judd also noted an emphasis of matter in relation to going concern. We note that Note 1 details that the accounting standards applied comply with mandatory Australian Accounting Standards and is appropriate for the purposes of our Report. As part of this process, information about Cambodia Gold's financial position has been extracted by Riversgold from Cambodia Gold's audited financial statements for the period ended 30 April

2017 which was audited by Stantons International Audit and Consulting Pty Ltd in accordance with the Australian Auditing Standards. Stantons International Audit and Consulting Pty Ltd issued an unmodified audit opinion on the financial report. Stantons International Audit and Consulting Pty Ltd noted an emphasis of matter in relation to an inherent uncertainty relating going concern.

## 3. Directors' responsibility

The directors of Riversgold are responsible for the preparation and presentation of the Historical Financial Information and Pro Forma Historical Financial Information, including the selection and determination of pro forma adjustments made to the Historical Financial Information and included in the Pro Forma Historical Financial Information. This includes responsibility for such internal controls as the directors determine are necessary to enable the preparation of Historical Financial Information and Pro Forma Historical Financial Information are free from material misstatement, whether due to fraud or error.

## 4. Our responsibility

Our responsibility is to express limited assurance conclusions on the Historical Financial Information and the Pro Forma Historical Financial Information. We have conducted our engagement in accordance with the Standard on Assurance Engagement ASAE 3450 *Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information*.

Our review procedures consisted of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A limited assurance engagement is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain reasonable assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express an audit opinion.

Our engagement did not involve updating or re-issuing any previously issued audit or limited assurance reports on any financial information used as a source of the financial information.

## 5. Conclusion

*Historical Financial Information*

Based on our review engagement, which is not an audit, nothing has come to our attention that causes us to believe that the Historical Financial Information, as described in the Appendices to this Report, and comprising:

- the Statement of Profit or Loss and Other Comprehensive Income of Riversgold for the period ended 30 April 2017; and
- the Statement of Financial Position of Riversgold as at 30 April 2017,

is not presented fairly, in all material respects, in accordance with the stated basis of preparation, as described in Section 2 of this Report.

*Pro Forma Historical Financial information*

Based on our review engagement, which is not an audit, nothing has come to our attention that causes us to believe that the Pro Forma Historical Financial Information as described in the Appendices to this Report, and comprising:

- the pro forma historical Statement of Financial Position of Riversgold as at 30 April 2017,

is not presented fairly, in all material respects, in accordance with the stated basis of preparation, as described in Section 2 of this Report.

## 6. Subsequent Events

The pro-forma statement of financial position reflects the following events that have occurred subsequent to the period ended 30 April 2017:

Apart from the matters dealt with Section 4.5 of the Prospectus, and having regard to the scope of this Report and the information provided by the Directors, to the best of our knowledge and belief no other material transaction or event outside of the ordinary business of Riversgold not described above, has come to our attention that would require comment on, or adjustment to, the information referred to in our Report or that would cause such information to be misleading or deceptive.

## 7. Independence

BDO is a member of BDO International Ltd. BDO does not have any interest in the outcome of the proposed IPO other than in connection with the preparation of this Report and participation in due diligence procedures, for which professional fees will be received.

## 8. Disclosures

This Report has been prepared, and included in the Prospectus, to provide investors with general information only and does not take into account the objectives, financial situation or needs of any specific investor. It is not intended to be a substitute for professional advice and potential investors should not make specific investment decisions in reliance on the information contained in this Report. Before acting or relying on any information, potential investors should consider whether it is appropriate for their objectives, financial situation or needs.

Without modifying our conclusions, we draw attention to Section 2 of this Report, which describes the purpose of the financial information, being for inclusion in the Prospectus. As a result, the financial information may not be suitable for use for another purpose.

BDO has consented to the inclusion of this Report in the Prospectus in the form and context in which it is included. At the date of this Report this consent has not been withdrawn. However, BDO has not authorised the issue of the Prospectus. Accordingly, BDO makes no representation regarding, and takes no responsibility for, any other statements or material in or omissions from the Prospectus.

Yours faithfully

**BDO Corporate Finance (WA) Pty Ltd**

**Adam Myers**

Director

# 6. Independent Technical Report

## Report prepared for

| | |
|---|---|
| Client Name | Riversgold Ltd |
| Project Name/Job Code | ALG ITA 01 |
| Contact Name | Allan Kelly |
| Contact Title | Director |
| Office Address | 138 Hensman Street, South Perth, WA 6151 |

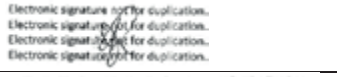
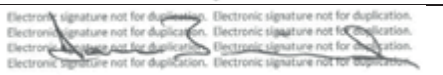
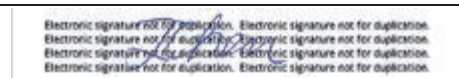
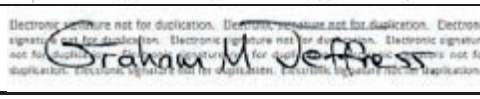
## Report issued by

| | |
|---|---|
| CSA Global Office | CSA Global Pty Ltd<br>Level 2, 3 Ord Street<br>West Perth, WA 6005<br>AUSTRALIA<br><br>PO Box 141,<br>West Perth WA 6872<br>AUSTRALIA<br><br>T +61 8 9355 1677<br>F +61 8 9355 1977<br>E csaausatcsaglobal.com |
| Division | Corporate |

## Report information

| | |
|---|---|
| File name | R159.2017 Riversgold ITAR (ALGITA01).docx |
| Last edited | 31/07/2017 15:19:00 |
| Report Status | FINAL |

## Author and Reviewer Signatures

| | | | |
|---|---|---|---|
| Contributing Author: | Marcus Willson<br>BSc, MSc, RPGeo, MAIG | Signature: |  |
| Coordinating Author: | Trivindren Naidoo<br>MSc, PrSciNat, MGSSA, MAusIMM | Signature: |  |
| Contributing Author: | Ian Trinder<br>BSc, MSc, PGeo | Signature: |  |
| Peer Reviewer: | Ivy Chen<br>BAppSc, MAusIMM, GAICD | Signature: |  |
| CSA Global Authorisation: | Graham Jeffress<br>BSc(Hons), RPGeo, FAIG, FAusIMM, FSEG | Signature: |  |

# Executive Summary

CSA Global Pty Ltd (CSA Global) was requested by Riversgold Limited (Riversgold or "the Company") to prepare an Independent Technical Assessment Report (ITAR) for use in a prospectus to support an initial public offering (IPO) of shares (25 million to 40 million fully paid ordinary shares at an issue price of 20¢ per share to raise between A$5 million and A$8 million) for Riversgold, to enable a listing on the Australian Securities Exchange (ASX). The funds raised will be used for exploration and evaluation of the project areas. Note that the detailed exploration budgets discussed in this report describe the budgets for the minimum and maximum capital raising cases, the scope of work will be pro rata scaled according to the actual funds raised.

The Company holds or has options to hold tenure in four areas globally, comprising the Eastern Goldfields of Western Australia (Kurnalpi), the Gawler Craton of South Australia, south-west Alaska, USA, and in the Mondul Kiri Province of Cambodia.

### Kurnalpi Region Projects, Western Australia

The Kurnalpi Project of Riversgold comprises nine Exploration Licences covering approximately 1,184 km², located between approximately 50 km and 120 km east to south-east of the significant regional mining centre town of Kalgoorlie–Boulder in the Eastern Goldfields of Western Australia (WA).

The principal mineralisation style associated with the Project area is Archaean Lode Gold, also referred to as orogenic gold. This type of mineralisation occurs worldwide in Archaean Greenstone belts of similar age to the Eastern Goldfields Province of WA, such as the Abitibi, Ontario, Canada. It is typified by fault and shear related, structural complex mineralisation that can occur in a spectrum of styles ranging from narrow, high-grade vein associated (e.g. Kundana near Kalgoorlie, or Kirkland Lake in the Abitibi), to shear hosted disseminated (e.g. Thunderbox near Leonora), to sheeted vein or stockwork mineralisation (e.g. Mt Charlotte in Kalgoorlie).

The exploration model for this area is based on standard Archaean Lode orogenic gold models. The model is based on a series of geological criteria that provide a framework of amenable environments within which the mineralisation processes may effectively produce an ore deposit – a process model.

The tenements within the Kurnalpi Project have a very extensive history of exploration programs, which have been reviewed by way of a compilation of WAMEX reports, of which a minimum of 47 contain information pertaining to drilling completed within the current tenement areas. No work has been completed by Riversgold, or the related tenement holder Serendipity Pty Ltd, since securing exploration rights to these tenements.

Ten targets for further work have been identified within the five project sub-areas. Riversgold has proposed a Phase 1 exploration budget for this work totalling A$2–3 million (for the minimum or maximum capital raising cases) – A$940,000–1,045,000 in the first year, and A$1,095,000–1,875,000 for the second year. CSA Global considers Riversgold's proposed budgets reasonable, appropriate for the stage of the project, and recommends that the Company proceed with the proposed work programs.

### Churchill Dam Project, South Australia

The Churchill Dam Iron-Oxide Copper-Gold (IOCG) Project is in the Gawler Craton, approximately 20 km west of Woomera and 90 km south west of the Olympic Dam deposit in South Australia.

The Project is characterised by a large 170 km² gravity anomaly, beneath sediments of the Stuart Shelf, which has been tested with three diamond drill holes and found to have geology, alteration, and trace element geochemistry consistent with other South Australian IOCG deposits and prospects such as Olympic Dam, Prominent Hill and Carrapateena.

There remain a number of highly prospective gravity targets yet to be tested and Riversgold intend to further explore the Project. Specifically, remodelling of the existing gravity, magnetics and surface geochemistry data

has highlighted a discrete drill target approximately 1 km west of drill hole CHRCD003. The target is located towards the edge of the local magnetic anomaly and is also coincident with enzyme leach and water leach surface geochemical anomalies. It is proposed to test this target with a 1,000-m diamond hole during 2017, pending relevant approvals.

Riversgold propose initially budgeting approximately A$260,000–410,000 for the completion of the initial deep diamond hole, and possible second offset hole.

CSA Global considers Riversgold's proposed budgets to be reasonable, appropriate to the test the target, and recommends that the Company proceed with the proposed work programs.

### South-west Alaska Project

The South-west Alaska Project, comprised of the Luna, Quicksilver, North Quicksilver and Kisa properties, is located in the southern Kuskokwim Mountains of south-western Alaska approximately 520 km west-south-west of Anchorage. The Project comprises a total of 171 State of Alaska MTRSC mining claims covering a total of approximately 10,976 ha (109.77 km$^2$).

The Project area lies at the south-west end of the Tintina Gold Province (previously referred to as the Tintina Gold Belt), an arcuate, 200-km wide, 1,200-km long metallogenic province bounded by the Tintina-Kaltag fault systems on the north and the Denali-Fairwell fault systems on the south and extending from northern British Columbia into south-western Alaska. The province includes such large gold deposits as Pogo, Fort Knox, True North, Donlin Creek, and Shotgun and remains a prime area for gold exploration. The Project Properties are situated in the Kuskokwim Mineral Belt in the southern portion of the Aniak-Tuluksak and south-eastern portion of the Bethel Mining Districts. The region has been an important placer gold and lode mercury producer in south-western Alaska.

The target deposit model for the Project area is the Donlin Gold deposit. Two distinct styles of mineralisation occur within the Donlin Gold area. The ACMA-Lewis deposit mineralisation in the southern part of the district is characterised by auriferous arsenopyrite-bearing quartz and sulphide-only veins associated with felsic intrusive rocks the while Dome-Duqum Prospect in the northern part of the district is characterised by copper- and gold-bearing stockwork veinlets in hornfels.

As of the date of this report, Riversgold has conducted no exploration on the South-west Alaska Project properties.

Previous exploration conducted by:

1) Gold Crest/Kisa Gold, its past exploration partners and North Fork on the Luna and Kisa Properties;
2) North Fork on the Quicksilver North Project; and
3) Black Peak/Renaissance on the Quicksilver Project,

is discussed in Section 4.8 (Exploration History).

Numerous potential prospects exist on and adjacent to the South-west Alaska Project claim groups and are manifested by visually distinctive linear and ovoid areas exhibiting reddish-maroon to orange-brown colours reflecting iron oxide development after primary sulphide alteration and mineralisation. Sampling of several of these large iron-oxide colour anomalies indicates the possible presence of large precious-metal mineralised systems. A number of nearby colour anomalies are coincident with stream sediment anomalies, but have apparently never been prospected as there are no written records of exploration and/or production.

CSA Global recommends that additional exploration work be conducted on the Project area. Riversgold has proposed an exploration program which has been designed to take place over the next two, annual, exploration seasons because of the short exploration season. Depending on the capital raised, the proposed Phase 1 exploration budget totals A$984,000–2 million – comprising A$372,000–392,000 for the first field season, and


A$592,000–1.7 million for the second, drilling focussed exploration season. The funds raised will dictate the split of work between surface sampling and drilling, which is reflected in the ranges of the proposed budgets.

CSA Global considers Riversgold's proposed budgets reasonable, appropriate for the stage of the project, and recommends that the Company proceed with the proposed work programs.

### Cambodia Gold Project, Cambodia

CSA Global understands that Riversgold is acquiring Cambodia Gold. Cambodia Gold has applications for four concessions, covering a total of 359.5 km², in the Mondul Kiri Province of Cambodia, approximately 230 km north-east of the capital city, Phnom Penh. The concession areas are Kang Roland North, Antrong, Rapoah and Kang Roland South.

Mineralisation that is the target of exploration on these Concessions is likely to be similar to that found in the nearby Okvau deposit, which is considered to have broad Intrusive-Related Gold (IRG) affinities. The continental back-arc tectonic setting (relative to the Yanshanian Dalat arc) is broadly similar to the IRG "type area", the Tintina Belt in Alaska that hosts the Fort Knox, Donlin Creek and Pogo gold deposits.

Historical work by other explorers in the region of the concessions has included desktop studies, remote mapping, and targeting based on satellite imagery, and the inspection, mapping, and sampling of all old artisanal workings.

Much of the focused exploration work has been conducted over the Antrong, O'Thmey and O'Thmey South prospects on the Antrong concession, including rock chip sampling, soil sampling, trenching and diamond drilling, as well as bulk metallurgical testing. Core drilling has intersected gold mineralisation at O'Thmey and Antrong. Further exploration of these prospects is warranted, to test whether the gold mineralisation encountered is associated with a coherent gold deposit.

Riversgold does not propose to conduct significant work on the Cambodia Gold Concession applications at this time, whilst the concessions are being considered for grant. The proposed budgets (A$100,000 in each of Year 1 and Year 2) are for project administration, and limited desktop activity during this phase.

### Use of Funds

A high-level summary of the use of funds directed towards the technical evaluation of the Company's projects is presented in Table 1.

The Company's commitments to exploration and production activities satisfy the requirements of ASX listing Rules 1.3.2(b) and 1.3.3(b). CSA Global also understands that the Company will have sufficient working capital to carry out its stated objectives, satisfying the requirements of ASX listing Rules 1.3.3(a), following the minimum capital raising contemplated.

The Company has prepared staged exploration, development and production programs and budgets, specific to the potential of the various projects, and which are consistent with the budget allocations. CSA Global considers that the relevant areas have sufficient technical merit to justify the proposed programs, and associated expenditure, satisfying the requirements of ASX listing Rules 1.3.3(a).

The proposed exploration budget also exceeds the anticipated minimum statutory annual expenditure commitments on the various project tenement portfolios.

*Table 1: Riversgold Proposed Two-year Exploration Budgets (A$)*
*(showing minimum and maximum options depending on capital raised)*
*Source: Riversgold*

| Project | Activity | Year 1 | | Year 2 | |
|---|---|---|---|---|---|
| | | A$5m raise | A$8m raise | A$5m raise | A$8m raise |
| Kurnalpi Project | Tenement Costs | 100,000 | 130,000 | 100,000 | 130,000 |
| | Geological Personnel | 70,000 | 90,000 | 70,000 | 90,000 |
| | Travel/accommodation costs | 10,000 | 15,000 | 10,000 | 15,000 |
| | Field camp costs | 10,000 | 10,000 | 10,000 | 15,000 |
| | air freight/supplies/expediting | 5,000 | 5,000 | 5,000 | 5,000 |
| | Geophysics | 10,000 | 10,000 | 10,000 | 10,000 |
| | Surface Geochemistry | 105,000 | 105,000 | 115,000 | 145,000 |
| | Drilling | 630,000 | 730,000 | 725,000 | 1,465,000 |
| | Subtotal | 940,000 | 1,095,000 | 1,045,000 | 1,875,000 |
| Churchill Dam Project | Tenement Costs | 1,500 | 1,500 | 1,500 | 1,500 |
| | Geological Personnel | 7,500 | 7,500 | 3,500 | 7,500 |
| | Travel/accommodation costs | 1,000 | 1,000 | 0 | 1,000 |
| | Field camp costs | 1,000 | 1,000 | 0 | 1,000 |
| | air freight/supplies/expediting | 1,000 | 1,000 | 0 | 1,000 |
| | Geophysics | 0 | 0 | 0 | 0 |
| | Surface Geochemistry | 0 | 0 | 0 | 0 |
| | Drilling | 243,000 | 243,000 | 0 | 143,000 |
| | Subtotal | 255,000 | 255,000 | 5,000 | 155,000 |
| SW Alaskan Projects | Tenement Costs | 170,000 | 170,000 | 170,000 | 170,000 |
| | Geological Personnel | 50,000 | 80,000 | 100,000 | 150,000 |
| | Travel/accommodation costs | 50,000 | 25,000 | 75,000 | 75,000 |
| | Field camp costs | 0 | 0 | 0 | 350,000 |
| | air freight/supplies/expediting | 0 | 0 | 50,000 | 100,000 |
| | Geophysics | 0 | 0 | 75,000 | 75,000 |
| | Surface Geochemistry | 50,000 | 25,000 | 50,000 | 50,000 |
| | Helicopter support | 72,000 | 72,000 | 72,000 | 144,000 |
| | Drilling | 0 | 0 | 0 | 560,000 |
| | Subtotal | 392,000 | 372,000 | 592,000 | 1,674,000 |
| Cambodian Projects | Project Admin & desktop work | 100,000 | 100,000 | 100,000 | 100,000 |
| | Subtotal | 100,000 | 100,000 | 100,000 | 100,000 |
| **TOTAL EXPLORATION EXPENDITURE** | | **1,687,000** | **1,822,000** | **1,742,000** | **3,804,000** |

# Contents




## Figures

## Tables



## Photographs

# 1 Introduction

## 1.1 Context, Scope, and Terms of Reference

CSA Global Pty Ltd (CSA Global) was requested by Riversgold Ltd (Riversgold or "the Company") to prepare an Independent Technical Assessment Report (ITAR) for use in a prospectus to support an initial public offering (IPO) of shares (25 million to 40 million fully paid ordinary shares at an issue price of 20¢ per share to raise between A$5 million and A$8 million) for Riversgold to enable a listing on the Australian Securities Exchange (ASX). The funds raised will be used for exploration and evaluation of the Project areas. Note that the detailed exploration budgets discussed in this report describe the budgets for the minimum and maximum capital raising cases, the scope of work will be pro rata scaled according to the actual funds raised.

The Company holds or has options to hold tenure in four areas globally, comprising:

1. The Eastern Goldfields of Western Australia (Kurnalpi), where the Company has rights to nine Exploration Licences comprising a total area of 1,184.6 km². All these tenements are granted, but currently held under the name Serendipity Resources Pty Ltd.
2. The Gawler Craton of South Australia, where the Company holds one licence covering 107 km².
3. South-west Alaska, USA, where the Company holds 171 mining claims in two groups covering a total area of 109.77 km².
4. The Mondul Kiri Province of Cambodia, where the Company has four applications for tenements with a total area of approximately 360 km²

The ITAR is an Independent Technical Assessment Report subject to the VALMIN[1] Code. In preparing this ITAR, CSA Global:

- Adhered to the VALMIN Code.
- Relied on the accuracy and completeness of the data provided to it by Riversgold, and that Riversgold made CSA Global aware of all material information in relation to the Projects.
- Relied on Riversgold's representation that it will hold adequate security of tenure for exploration and assessment of the Projects to proceed.
- Required that Riversgold provide an indemnity to the effect that Riversgold would compensate CSA Global in respect of preparing the report against any and all losses, claims, damages and liabilities to which CSA Global or its Associates may become subject under any applicable law or otherwise arising from the preparation of the report to the extent that such loss, claim, damage or liability is a direct result of Riversgold or any of its directors or officers knowingly providing CSA Global with any false or misleading information, or Riversgold, or its directors or officers knowingly withholding material information.
- Required an indemnity that Riversgold would compensate CSA Global for any liability relating to any consequential extension of workload through queries, questions, or public hearings arising from the reports.

## 1.2 Compliance with the VALMIN and JORC Codes

The report has been prepared in accordance with the VALMIN Code, which is binding upon Members of the Australian Institute of Geoscientists (AIG) and the Australasian Institute of Mining and Metallurgy (AusIMM), the

[1] *Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets. The VALMIN Code, 2015 Edition*. Prepared by the VALMIN Committee, a joint committee of the Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists.

JORC[2] Code and the rules and guidelines issued by such bodies as the Australian Securities and Investments Commission (ASIC) and ASX that pertain to independent expert's reports (IERs).

### 1.3 Principal Sources of Information and Reliance on Other Experts

CSA Global has based its review of the Projects on information made available to the principal authors by Riversgold along with technical reports prepared by consultants, government agencies and previous tenements holders, and other relevant published and unpublished data.

CSA Global has also relied upon discussions with Riversgold's management for information contained within this assessment. CSA Global has endeavoured, by making all reasonable enquiries, to confirm the authenticity, accuracy, and completeness of the technical data upon which this report is based. Unless otherwise stated, information and data contained in this technical report or used in its preparation has been provided by Riversgold in the form of documentation.

Riversgold was provided a final draft of this report and requested to identify any material errors or omissions prior to its lodgement.

Descriptions of the mineral tenure; tenure agreements, encumbrances and environmental liabilities were provided to CSA Global by Riversgold or its technical consultants. CSA Global has also relied on information provided by Afranex Gold Limited (Afranex) and online web-based land records from the Alaska Department of Natural Resources (http://akmining.info/ and http://dnr.alaska.gov/landrecords/) regarding land tenure title and status of the South-west Alaska claims. Similarly, CSA Global has relied on web-based information from the Western Australian Department of Minerals and Petroleum GeoView systems (https://geoview.dmp.wa.gov.au/GeoViews/) in respect to the Kurnalpi Project, and the South Australian Information Resources Gateway (SARIG) (https://map.sarig.sa.gov.au/) in respect of the Churchill Dam Project.

CSA Global has not independently verified the legal status or ownership of the property or any of the underlying agreements however all the information appears to be of sound quality.

For the Cambodia Gold tenements, CSA Global has relied on the independent opinion stated by DFDL Cambodia and Sarin & Associates, in the report titled "Report on Cambodia Gold and its legal interests in the Kingdom of Cambodia", dated 24 May 2017.

Riversgold has warranted to CSA Global that the information provided for preparation of this report correctly represents all material information relevant to the Project. Full details on the tenements is provided in the Independent Solicitor's Report elsewhere in the prospectus.

### 1.4 Authors of the Report

CSA Global is a privately owned, mining industry consulting company headquartered in Perth, WA. CSA Global provides geological, resource, mining, management, and corporate consulting services to the international resources sector and has done so for more than 30 years.

This Independent Technical Assessment Report (ITAR) has been prepared by a team of consultants sourced principally from CSA Global's Perth, WA office. The individuals who have provided input to the ITAR have extensive experience in the mining industry and are members in good standing of appropriate professional institutions. The consultants preparing this ITAR are specialists in the field of geology and exploration, in particular relating to orogenic gold.

[2] *Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. The JORC Code, 2012 Edition*. Prepared by: The Joint Ore Reserves Committee of The Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia (JORC).


The following individuals, by virtue of their education, experience, and professional association, are considered Competent Persons, as defined in the JORC Code (2012), for this report. The Competent Persons' individual areas of responsibility are presented below:

- Contributing author – Mr Marcus Willson (Manager – Exploration with CSA Global in Perth, WA), responsible for oversight of the report and those sections dealing specifically with tenure located in WA.
- Contributing author – Mr Trivindren Naidoo (Principal Consultant with CSA Global in Perth, WA), partial report responsibility for those sections dealing specifically with tenure in Cambodia and South Australia (SA).
- Contributing author – Mr Ian Trinder (Principal Consultant with CSA Global in Toronto, Canada), partial report responsibility for those sections dealing with tenure in Alaska.
- Peer reviewer – Mr Graham Jeffress (Manager – Corporate of CSA Global in Perth, WA), responsible for the entire report.

Marcus Willson has close to 30 years' experience in the mineral industry, ranging from early stage exploration activities, exploration management, strategy development and implementation, through to senior corporate management roles. Marcus has specialist expertise in Archaean and Birimian orogenic, intrusion related, and porphyry related gold (with copper), regolith interpretation and geochemistry as well as in litho-tectonic/structural analysis in the context of hydrothermal mineralisation. He uses these skills to deliver integrated, mineral systems-based, geological models and targeting advice. He is a leader with strong analytical and problem-solving skills and demonstrated competency for applying advanced techniques to enhance project value delivering an excellent record of accomplishment in discovery. Marcus' significant corporate experience provides excellent skills in project risk analysis, ranking and valuation

Trivindren Naidoo is an exploration geologist with over 17 years' experience in the minerals industry, including 12 years as a consultant specialising in project evaluations and technical review as well as code-compliant reporting (JORC, VALMIN, NI43-101 and CIMVAL) and valuation. His knowledge is broad based, and he has a wide-ranging experience in the field of mineral exploration, having managed or consulted on various projects ranging from first-pass grassroots exploration to brownfields exploration and evaluation, including assessment of operating mines. He is a Registered Professional Natural Scientist (Pr.Sci.Nat.) in the field of geology with the South African Council for Natural Scientific Professions (SACNASP), as well as a Member of the AusIMM and Fellow of the Geological Society of South Africa.

Ian Trinder is a geologist with over 30 years' experience working with junior exploration/mining companies and mineral exploration consultants. He has field exploration and project management experience in glaciated, desert, and tropical terrains. Ian has extensive experience in compilation, integration and interpretation of exploration datasets and authoring of exploration summary reports, assessment reports and NI 43-101 technical reports. Ian has Professional Geoscientist (PGeo.) status in the Provinces of Ontario (APGO) and Manitoba (APEGM), he is a Member of the Prospectors and Developers Association of Canada and a Member of the Society of Economic Geologists.

Peer review was completed by Graham Jeffress, a geologist with over 28 years' experience in exploration geology and management in Australia, Papua New Guinea, and Indonesia. He has worked in exploration (ranging from grassroots reconnaissance through to brownfields, near-mine, and resource definition), project evaluation and mining in a variety of geological terrains, commodities, and mineralisation styles within Australia and internationally, including gold exploration in the Murchison, Eastern Goldfields and in the Lake Grace region. Graham has completed numerous independent technical reports (IGR, CPR, QPR) and valuations of mineral assets.

### 1.5 Independence

Neither CSA Global, nor the authors of this report, has or has had previously, any material interest in Riversgold or the mineral properties in which Riversgold has an interest. CSA Global's relationship with Riversgold is solely one of professional association between client and independent consultant.

CSA Global is an independent geological consultancy. Fees are being charged to Riversgold at a commercial rate for the preparation of this report, the payment of which is not contingent upon the conclusions of the report. The fee for the preparation of this report is approximately A$42,500.

No member or employee of CSA Global is, or is intended to be, a director, officer, or other direct employee of Riversgold. No member or employee of CSA Global has, or has had, any shareholding in Riversgold.

There is no formal agreement between CSA Global and Riversgold as to Riversgold providing further work for CSA Global.

## 1.6 Declarations

### *1.6.1 Purpose of this Document*

This report has been prepared by CSA Global at the request of, and for the sole benefit of Riversgold. Its purpose is to provide an ITA of Riversgold's Alaskan, Western Australian and Cambodian tenure.

The report is to be included in its entirety or in summary form within a prospectus to be prepared by Riversgold in connection with an IPO. It is not intended to serve any purpose beyond that stated and should not be relied upon for any other purpose.

The statements and opinions contained in this report are given in good faith and in the belief that they are not false or misleading.

The conclusions are based on the reference date of 31 July 2017 and could alter over time depending on exploration results, mineral prices, and other relevant market factors.

### *1.6.2 Competent Person's Statements*

*Kurnalpi Project*

The information in this report that relates to Technical Assessment of the Mineral Assets, Exploration Targets, or Exploration Results for Riversgold's Kurnalpi Project is based on information compiled and conclusions derived by Mr Marcus Willson, a Competent Person who is a Member of and a Registered Professional Geoscientist (Exploration) with the AIG.

Mr Willson is employed by CSA Global.

Mr Willson has sufficient experience that is relevant to the Technical Assessment of the Mineral Assets under consideration, the style of mineralisation and types of deposit under consideration and to the activity being undertaken to qualify as a Practitioner as defined in the 2015 edition of the "Australasian Code for the public reporting of technical assessments and Valuations of Mineral Assets", and 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 Willson consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

*South-west Alaska Project*

The information in this report that relates to Technical Assessment of the Mineral Assets, Exploration Targets, or Exploration Results for Riversgold's South-west Alaska Project is based on information compiled and conclusions derived by Mr Ian Trinder. Ian has Professional Geoscientist (PGeo.) status in the Provinces of Ontario (APGO) and Manitoba (APEGM), he is a Member of the Prospectors and Developers Association of Canada and a Member of the Society of Economic Geologists. Mr Trinder is employed by CSA Global.

Mr Trinder has sufficient experience that is relevant to the Technical Assessment of the Mineral Assets under consideration, the style of mineralisation and types of deposit under consideration and to the activity being undertaken to qualify as a Practitioner as defined in the 2015 edition of the "Australasian Code for the public


reporting of technical assessments and Valuations of Mineral Assets", and 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 Trinder consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

*Cambodia and Churchill Dam Projects*

The information in this report that relates to Technical Assessment of the Mineral Assets, Exploration Targets, or Exploration Results for Riversgold's Cambodia Gold Project in Cambodia and Churchill Dam Project in SA is based on information compiled and conclusions derived by Mr Trivindren Naidoo. Mr Naidoo is a Registered Professional Natural Scientist (Pr.Sci.Nat.) in the field of Geology with the SACNASP, as well as a Member of the AusIMM and Fellow of the Geological Society of South Africa.

Mr Naidoo is employed by CSA Global.

Mr Naidoo has sufficient experience that is relevant to the Technical Assessment of the Mineral Assets under consideration, the style of mineralisation and types of deposit under consideration and to the activity being undertaken to qualify as a Practitioner as defined in the 2015 edition of the "Australasian Code for the public reporting of technical assessments and Valuations of Mineral Assets", and 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 Naidoo consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

### *1.6.3 Site Inspections*

*Kurnalpi Project*

Mr Willson has extensive knowledge of the Kurnalpi region; the projects are at an early stage, and there is very limited relevant outcrop of interest to inspect.

Mr Willson has not completed a site visit to the Kurnalpi Project. Mr Willson has extensive experience in the Eastern Goldfields and has direct experience and knowledge of the Project areas as a result of past work in the area and (in some cases) within the area of current tenure. In addition, the Project is at an early stage of exploration with limited outcrop, and significant lake and weathered cover. Limited benefit would be gained by completing a site visit. Mr Willson is satisfied that he understands the Project.

*South-west Alaska Project*

Mr Trinder completed a previous field visit to the South-west Alaska Project from 10–15 August 2011 as part of due diligence in the preparation of a 2012 ACA Howe International technical report for North Fork Resources Pty Ltd (North Fork) (Trinder, 2012). Travel days from Toronto to Aniak via Vancouver and Anchorage included 8 August, parts of the 9-15 August and 16 August 2011. Inclement weather prevented access to the field on 12 August 2011. Mr Trinder met with and was accompanied in the field by Mr Allan Kelly, North Fork's Managing Director, Mr Damien Lulofs, geological consultant to North Fork and Mr Richard Pugh, North Fork contract geologist. North Fork's exploration activities, methodologies, findings, and interpretations were discussed. Mr Trinder examined the Luna and Quicksilver property areas and several verification samples were collected. This report has been based upon information available up to and including 8 March 2017.

*Cambodia and Churchill Dam Projects*

Given the limited expenditure proposed for the Cambodian and Churchill Dam Projects, and their lesser importance at this stage, Mr Naidoo has not completed a site visit to Riversgold's Cambodia Gold Project in Cambodia or the Churchill Dam Project in SA. Mr Naidoo is familiar with the regional geology of these areas, and has consulted on other gold projects in these regions. It is CSA Global's opinion that sufficient information is currently available for CSA Global to assess the Project to a level of confidence sufficient for this report. CSA Global does not believe that a site visit to the Cambodia Gold Project tenure holding or the Churchill Dam tenure

holding is likely to add significantly to the information available, nor is it likely to materially affect the outcome of the assessment.

### 1.7 About this Report

This report describes the prospectivity of the Riversgold tenements, located within the following jurisdictions:

- The Eastern Goldfields Archaean Province of Western Australia, to host Archaean Lode orogenic gold deposits;
- Gawler Craton of South Australia, to host iron-oxide copper-gold (IOCG) deposits;
- South-west Alaska, USA, to host intrusive related gold (IRG) deposits; and,
- Mondul Kiri Province of Cambodia, to host IRG gold deposits.

The geology and mineralisation for each tenement or project area are discussed, as well as the exploration work done and the results obtained there from. A great wealth of data pertains to the work done on the Projects and an effort was made to summarise this to constrain the size and improve the readability of the report. Maps of the areas are presented and statistics on the drilling, where available, are provided.

No valuation has been requested or completed for the Projects.

# 2 Kurnalpi Region Projects, Western Australia

## 2.1 Location

The nine Exploration Licences, which comprise the Kurnalpi Project of Riversgold, are located between approximately 50 km and 120 km east to south-east of the significant regional mining centre town of Kalgoorlie–Boulder in the Eastern Goldfields of WA. Kalgoorlie is approximately 600 km east-north-east of the capital city of Perth.

Kalgoorlie–Boulder, with a population of approximately 30,000, has a significant regional hospital and airport capable of landing aircraft up to the size of a 737. Its principal industry is mining, particularly for gold and nickel. One of the world's largest gold mines, the Golden Mile, is located within the city limits, owned by KCGM, a joint venture between Newmont Mining Ltd and Barrick Gold Ltd.

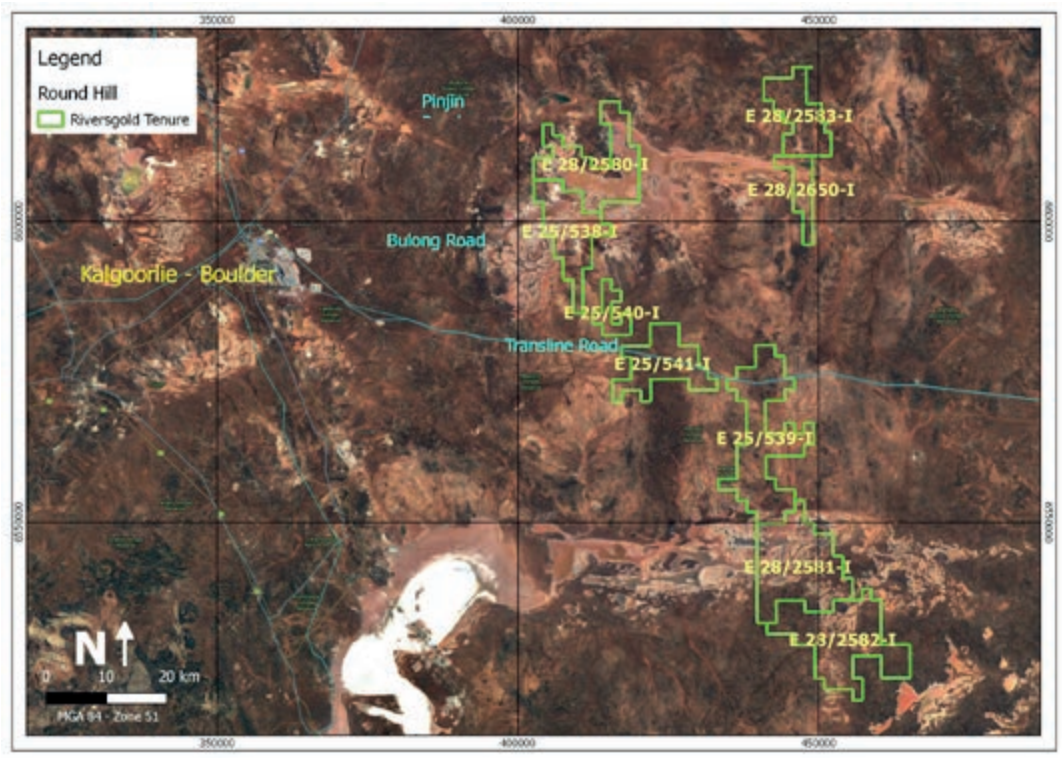



*Figure 1: Kurnalpi Project tenement locations and access*

## 2.2 Access

Access to Riversgold's Kurnalpi Project tenure is via dirt tracks heading east from Kalgoorlie. Three significant and generally all-weather accessible tracks include the Pinjin, Bulong and Transline roads used variably depending on the location within the Project required to access. Thereafter, tenure is generally readily accessible by way of a network of moderate to poor quality dirt station and historical mining tracks and roads.

Lake Yindarlgooda comprises a significant portion of the northern area associated with the Project, whilst Lake Randall occurs in the southern area of the Project. Both lakes are classed as ephemeral salt lakes and are completed filled with sediment, are generally devoid of open water except after significant rain events. Access

to these areas requires specialised vehicles and equipment with low to very low ground bearing pressure, making access for exploration process more difficult and costly.

Otherwise, regionally the area has been exposed to several periods of deep weathering in peneplanation, resulting in generally flat to very flat topography with local areas of breakaways and low, generally outcrop cored hills, generally allowing for relatively easy vehicle based access.

## 2.3 Climate

Kalgoorlie and surrounding regions are classified as having a semi-arid climate with hot to extremely hot summers and mild winters. Mean summer maximum temperature is 33.6°C with temperatures above 40°C common, mean winter maximum temperature is 16.7°C and mean low is 4.8°C. Occurring south of the Menzies line, the region gets most of its average 260 mm of rain during the winter months, raining on average 68 days a year.

## 2.4 Tenure

The Kurnalpi Project comprises nine Exploration Licences as defined by the WA Department of Minerals and Petroleum under the Western Australian Mines Act (1978) as modified from time to time. Of these licences, seven are granted. Two remaining ungranted applications are pending approval subject to various conditions, including but not limited to Native Title and heritage considerations.

All tenements are currently held under the name of Serendipity Resources Pty Ltd (Serendipity) Serendipity has a defined address of U12, 398 Great Eastern Highway, Ascot, WA, 6104. Riversgold has provided information indicating that there is an agreement between Riversgold and Serendipity that allows Riversgold to acquire an 80% equity in tenements associated with the Kurnalpi Project by making a cash payment of A$100,000 and issuing 6,000,000 shares to Serendipity on successful completion of an IPO.

*Table 2: Kurnalpi Project tenements*

| Tenement ID | Tenement status | Holder 1 | Start date | End date | Grant date | Area (blocks)[3] |
|---|---|---|---|---|---|---|
| E 2500541 | Pending | Serendipity | 11/01/2016 | | Ungranted | 38 |
| E 2500539 | Pending | Serendipity | 11/01/2016 | | Ungranted | 70 |
| E 2500540 | Live | Serendipity | 11/01/2016 | 20/09/2021 | 21/09/2016 | 10 |
| E 2802583 | Live | Serendipity | 11/01/2016 | 20/09/2021 | 21/09/2016 | 35 |
| E 2802580 | Live | Serendipity | 11/01/2016 | 20/09/2021 | 21/09/2016 | 54 |
| E 2500538 | Live | Serendipity | 11/01/2016 | 20/09/2021 | 21/09/2016 | 41 |
| E 2802582 | Live | Serendipity | 11/01/2016 | 8/03/2022 | 9/03/2017 | 70 |
| E 2802581 | Live | Serendipity | 11/01/2016 | 8/03/2022 | 9/03/2017 | 70 |
| E 2802650 | Live | Serendipity | 14/09/2016 | | 26/07/2017 | 15 |

CSA Global understand that Riversgold acquired a right to these tenement by purchasing an 80% interest in the tenements through the payment of A$100,000 cash and issue of 6,000,000 shares to Serendipity Resources Pty Ltd, subject to a number of conditions, including the successful listing of Riversgold.

All granted tenements are in their first year of grant with a minimum of four and a half years of first term life remaining. As such, all tenure can reasonably be considered to be in good standing, assuming all conditions of grant have been met. As Exploration Licences, only work related to the exploration for and definition of mineral resources may be undertaken within these tenements, subjects defined by the Western Australian Mining Act

[3] A block is an area of 1 minute latitude by 1 minute longitude; the area comprising one graticular block will range from approximately 2.8 km² to 3.3 km² depending on latitude


(1978) and other relevant laws and statutes. Subject to partial surrender requirements, all tenements have statutory options for extension of term and conversion to other tenure required before mining is permitted.

Native Title and heritage legislation affect all tenure. Prior to the completion of exploration, heritage clearances must be completed. In areas over which registered heritage sites have been defined additional processes are required to be completed to obtain permission to complete exploration and other ground disturbing activities. In most instances, these sites may prevent all exploration activities.

## 2.5 Geology

### *2.5.1 Regional Geology*

The Kurnalpi Project occurs in the Eastern Goldfields Mineral Province of WA, within the Archaean age Yilgarn Craton. Stratigraphy ranges in age between approximately 2,740 Ma and 2,650 Ma. The Eastern Goldfields have been divided into a series of domains (Cassidy et al., 2006). The Kurnalpi Project area tenure straddles the Gindalbie, Menangina and Bulong domains, which all occur within the Kurnalpi Terrane. In the Kurnalpi Terrane, overall stratigraphy can be divided in three sequences: the Minerie sequence comprises mafic-ultramafic rocks of between approximately 2.8 Ga and 2.7 Ga (McQuaig et al., 2010); the Gindalbie sequence comprises coeval felsic and mafic (bimodal) or andesitic volcanic centres (Barley et al., 2008). Overlying these and structurally controlled are late siliciclastic basins varying from fine-grained siltstones to course clastic polymict and oligomict conglomerates. Locally Banded Iron Formations (BIFs) also occur. These rocks have been variable deformed, depending on formational/depositional age. Blewett et al (2010) defined six deformation events summarised as:

5. Early Arc related deformation switching between extension and thickening/mountain building, occurring between approximately 2,690 Ma and 2,680 Ma.
6. Arc closure with resultant folding and faulting with crustal thickening, occurring between at approximately 2,670 Ma.
7. Extensional doming event with resultant late basin formation, and local orogenic escape perpendicular to compression, occurring at approximately 2,660 Ma.
8. Sinistral transpression resulting in regional folding, including late basins, with formation of significant reverse (thrust faults). Heterogeneous stress resulted in sinistral strike slip movement along north-north-west trending faults.
9. Late dextral strike slip faulting as a result of transtensional deformation, along north- to north-north-east-oriented faults, occurring at between approximately 2,650 Ma and 2,630 Ma.
10. Late, unknown timing orogenic collapse, with radial doming.

While there is evidence for multiple gold mineralisation events through this period of deformation, it is generally accepted that the majority of mineralisation occurs during phase four and five deformation, represented by numerous styles and types of deposits, including narrow high-grade vein, sheeted vein array type, endo-skarn associated mineralisation, shear hosted, amongst others.

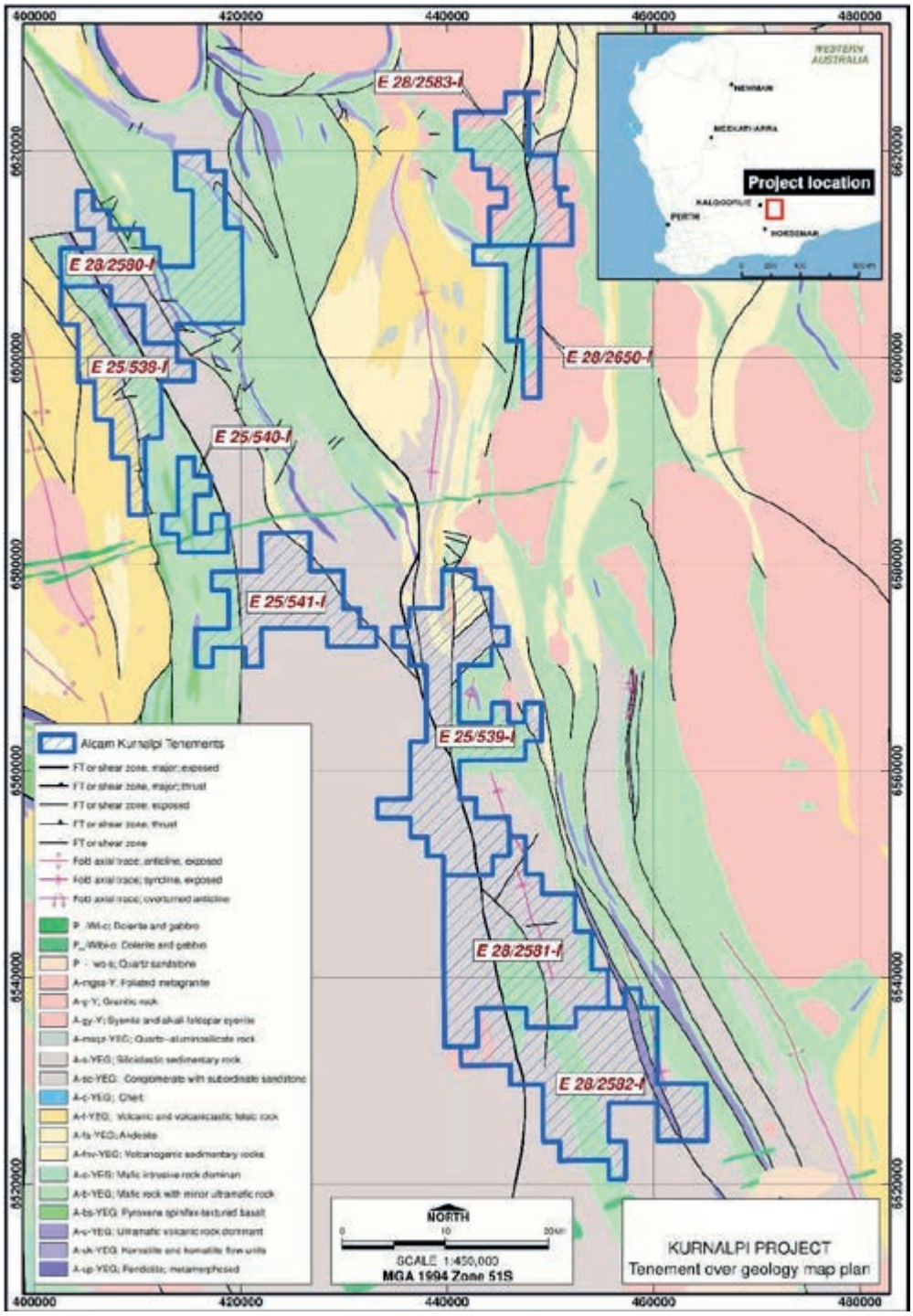



*Figure 2: Regional geology of Project area*
*Source: After Swager, 1994*


### *2.5.2 Project Area Geology*

Early work in the area of the Kurnalpi Project was completed by Swager (1994), with relatively little detailed geological mapping having been completed in the interim. This identified that the area comprises a combination of mafic and felsic volcanic rocks (including felsic to intermediate rocks) with areas of komatiites and sediments, including conglomeratic units, within the bounds of external granites. Splitting the area into four domains from west to east: the Juglah, Mount Belches, Jubilee and Karonie-Yindi domains. These are separated by poorly exposed faults and shear zones formed dominantly during phase four and five deformation as noted above.

For the Juglah domain, Swager (1994) indicated that the area is dominated by the regional upright Bulong Anticline, which contains a felsic to intermediate volcanic sequence overlain by a mafic to ultramafic sequence including, basalts, fractionated gabbros and komatiites. Based on field observations, Swager concluded that the mafic to felsic sequence contact was more likely stratigraphic rather than structural. This sequence has been intruded by monzogranite porphyritic units and the batholithic Juglah Monzogranite, which forms the core of the Juglah dome. At the southern end of the Juglah dome, sediments that can be correlated with Black Flag type turbiditic units occurring further west have been noted.

In contact, interpreted as a major domain bounding structure by Swager (1994) to the east, with the mafic rocks of the Juglah domain are the highly folded and foliated Mount Belches domain. The Mount Belches sequence is typified by a monotonous greywacke sequence. Within this, and evident both in aerial photos and magnetic data are folded BIFs which define the regional patterns of open to isoclinal north-west to north trending chevron folding, implying regional shortening during or subsequent to deposition.

The contact between the greywackes of the Mount Belches domain and the Jubilee domain to the north is poorly understood, due to cover, partially associated with Lake Yindarlgooda. It has been proposed to be either structural, with Mount Belches wedged out, or a sedimentary progression. The Jubilee domain comprises a complex sequence of ultramafic-mafic rocks interleaved with sedimentary rocks and distinct ultramafic units (Swager, 1994). The sequence is overlain by a distinctive and prominent conglomerate, referred to as the Penny Dam Conglomerate. It varies from monomictic/oligomictic ultramafic pebble to cobble matrix supported polymictic, felsic and intrusion clast dominated conglomerate. While generally way up indicates younging to the south-west, an outcrop identified towards the northern end of the succession has shown evidence of at least local overturning.

The eastern boundary between the Jubilee/Mount Belches domains and the Yindie–Karonie domain is marked by the regionally significant Avoca shear, demonstrated to be crustal scale by seismic reflection data (Goleby et al., 2004). Swager (1994a) proposed an overall synclinal setting east of the Avoca fault, with the mafic-ultramafic sequence, noted as complexly interleaved with other rock types, at the bottom and felsic volcanics at the top. In addition, he noted a major through-going structure that he referred to as the Avoca Fault, with a north-north-west trend, which he proposed was a domain bounding structure, between the Jubilee Domain to the west and the Karonie-Yindi domain to the east.

More recent work by Cassidy et al (2002), has been able to classify the intrusive units occurring throughout the Yilgarn into a number of suites. The most volumetrically significant are the High-Calcium TTG-granites (Tonalite-Trondhjemite-Granodiorite), around which much of the regional structural architecture has wrapped. Dominantly later Low-Calcium TTG granites are also volumetrically significant. The High-HFSE (High Field Strength Element) enriched granites are less common and are not known to occur in the Kurnalpi Project area. However, examples of both syenite suite and mafic-series suite have been identified. While a definitive link has not been established, there is a strong spatial correlation between gold mineralisation and the presence of both syenite (e.g. Wallaby) and mafic-series suites (e.g. Granny Smith, Tarmoola, Liberty etc.).

### *2.5.3 Mineralisation Styles*

The principal mineralisation style associated with the project area is Archaean Lode Gold, also referred to as orogenic gold. This type of mineralisation occurs worldwide in Archaean Greenstone belts of similar age to the

Eastern Goldfields Province of WA, such as the Abitibi, Ontario, Canada. It also has strong similarities to mineralisation found in Birimian greenstone belts such as West Africa and north-eastern South America. It is typified by fault and shear related, structural complex mineralisation that can occur in a spectrum of styles ranging from narrow, high-grade vein associated (e.g. Kundana near Kalgoorlie, or Kirkland Lake in the Abitibi), to shear hosted disseminated (e.g. Thunderbox near Leonora), to sheeted vein or stockwork mineralisation (e.g. Mt Charlotte in Kalgoorlie).

The exploration model for this area is based on standard Archaean Lode orogenic gold models. The model is based on a series of geological criteria that provide a framework of amenable environments within which the mineralisation processes may effectively produce an ore deposit – a process model. Work completed by the pmdCRC constrained these criteria within the 'Five Question' framework. The summary below is a summary of from work completed within the pmdCRC, AMIRA, MERIWA, individual research (e.g. Halley, 2007; Champion and Sheraton, 1997), as well as personal observations by the authors.

*Geodynamics and Pressure–Temperature History of the System*

This relates to the tectonic evolution of the potentially mineralised belt – located within an Archean Greenstone belt with a complex tectonic history:

- To included evidence of early extension:
    - Felsic to andesitic volcaniclastic material:
        - Early tectonic setting and pre-metasomatism of the underlying mantle/mantle wedge –> fertility of the belt.
    - Structurally constrained variable thicknesses of mafic and ultramafic stratigraphy – particularly associated with the second phase of M/UM volcanism.
    - Early Hi-Ca crustal melt TTG plutonism.
- Evidence for later inversion and escape tectonics:
    - Fore-thrust and strike slip (pull-apart) basins (e.g. Timmiskaming, Wallaby-Lancefield, Kurrawang, Penny Dam, etc.).
    - Escape wedges and transform wedges – e.g. Sandstone etc., Sumitomo area.
    - Lateral Ramp Thrusts – e.g. Timmins, Yamarna North.
- Greenstone facies metamorphism:
    - Indicative of process preferred crustal level at time of potential mineralisation. Likely related to:
        - Fundamental pressure and temperature criteria and transitions thereof during deformation/mineralisation:
            - Ductile vs. brittle deformation
            - Hydrostatic pressure vs. lithostatic pressure
            - Fluid/metal complex transport stabilities.
    - Where metamorphism is generally higher grade, evidence of a retrograde transition through the greenschist facies may be acceptable (e.g. Hemlo, Big Bell).

*Architecture*

This relates to the deep seated structural setting that allows for:

- Access to deep crustal fluid reservoirs.
- Intrusion of fractionated, mantle contaminated moderate to small volume intrusive bodies (mafic series and syenites) – Cassidy and Champion (2004), Gary Beakhouse (2003).

Structural/tectonic criteria are effectively the same as those described under geodynamics.

*Fluids*

Three primary groups of fluids occur in Archaean systems.


Reduced Acid Fluid (Halley, 2007):

- Inferred to be related to either deep mantle tapping structures or derived from black-shale rich basins.
- Typically associated with long diffuse anomalies related to large through-going structures.
- Pyrite, pyrrhotite, arsenopyrite sulphide dominant:
    - may see diffuse magnetic signature.
- Na – depleted.
- Paragonite and Muscovite Mica, Fe-Chlorite.
- Ankerite.
- As – Sb – S, ±Li.
- Sulphur isotopes: ~+2.

Oxidised Neutral Fluid (Halley, 2007):

- Inferred to be related to fractionated "internal" granites (mafic series and syenites)
- Pyrite, hematite, magnetite dominant
- Actinolite – Epidote- Mg-Chlorite- Albite alteration
- Phengite Mica
- W-Mo-Bi (±Te), ±Cs
- Sulphur isotopes: moderately to strongly negative (-2, -10).

"Chloride" Fluid:

- May be a similar source to the deep crustal fluids above, but with possible secondary crustal pooling.
- Fluid inclusions show relatively higher salinities.
- Galena (Pb), Sphalerite (Zn) signature.
- Often related to narrow, higher grade deposits:
    - evidence for phase separation.

*Pathways*

Representative of the structural pathways that must be present within which the fluids travel and access potential trap-sites. Brittle vs. ductile consideration is relevant:

- Deep seated, long lived structured (e.g. Yamarna Shear, Ida Fault) tend to be dominantly ductile in nature with fluids able to percolate slowly with relative wall rock equalisation.
    - Likely to produce potentially large but low-grade (sub-economic) mineralisation (e.g. Attila).
- Second order structures, particularly those that tap relatively deeply, may allow for more brittle tapping of these fluids – faster flow, less equalisation.
- Third order pathways represent ways in which primary fluids are likely to interact with surrounding lithologies and related trap sites.

*Trap Sites*

These are related to positions in which the fluid chemistry is allowed, or forced to change such that metal precipitation occurs.

- Physical traps sites: Anticlines, impermeable lithological caps (e.g. black shale on sedimentary basin), Pressure shadows, domes, etc.
- Rheology traps: Change in competency and density that allow for local strain partitioning attracting and retained fluid.

- Chemical traps: Lithologies with specific chemical characteristics that allow or cause alteration and precipitation or force precipitation through chemical reaction (e.g. magnetite-rich dolerite, graphitic shale, or shear zones, etc.
- Pressure traps: Shears or structures that, as a result of local complexity, focus fluid flow and act as fault-valve systems.

## 2.6 Exploration History

The Kurnalpi Project comprises nine independent tenements. However, the Project can be divided into five sub-projects based on contiguous tenure and related geology. The following sections will use these sub-projects as the basis on which to discuss work completed, targets and exploration potential and proposed work and use of funds.

For ease of reference the following names, based on significant prospects within contiguous tenement groups, will be used in this document (Figure 3):

- Tenements E 2802583 and E 2802650: Yilgani
- Tenements E 2802580 and E 2500538: Queen Lapage
- Tenement E 2500540: Venetian
- Tenement E 2500541: Ella/Far Jones
- Tenements E 2802583 and E 2802650: Yilgani
- Tenements E 2500539, E 2802581 and E 2802582: Round Hill.

### *2.6.1 Exploration Summary Introduction*

The tenements within the Kurnalpi Project have a very extensive history of exploration programs, which have been reviewed by way of compilation of WAMEX reports, of which a minimum of 47 contain information pertaining to drilling completed within the current tenement areas. To ensure that this report remain concise, only those programs of work considered material will be reported herein. For each of the sub-project areas, a table of WAMEX "A" numbers from which drilling data has been derived is provided, should additional information be required, by the reader, which can easily be accessed through GEOVIEW online.

### *2.6.2 Yilgani*

The Yilgani sub-project comprises two contiguous tenements E28/2583 and E28/2650 which cover extensions of the same geology. As it is likely that these two tenements will be explored in conjunction the exploration history will be dealt with together. In summarising historical exploration work, those "A" numbers from which the most material drilling results have been derived are summarised in Table 3.

*Table 3: Yilgani "A" numbers for drilling*

| Sub-project | "A" number |
|---|---|
| Yilgani | 70622 |
| Yilgani | 47302 |
| Yilgani | 51161 |
| Yilgani | 67322 |

Based on a review of WAMEX open file data, the Yilgani sub-project has had three principal phases of early surface sampling, comprising a combination of soil sampling and auger drilling.

The earliest program, completed by Normandy Exploration Ltd (Normandy), occurred in 1995 completing BLEG stream sediment sampling along major drainages, with a peak value of 1.64 ppb Au, and grid based BLEG program which returned a sample of 20.6 ppb.

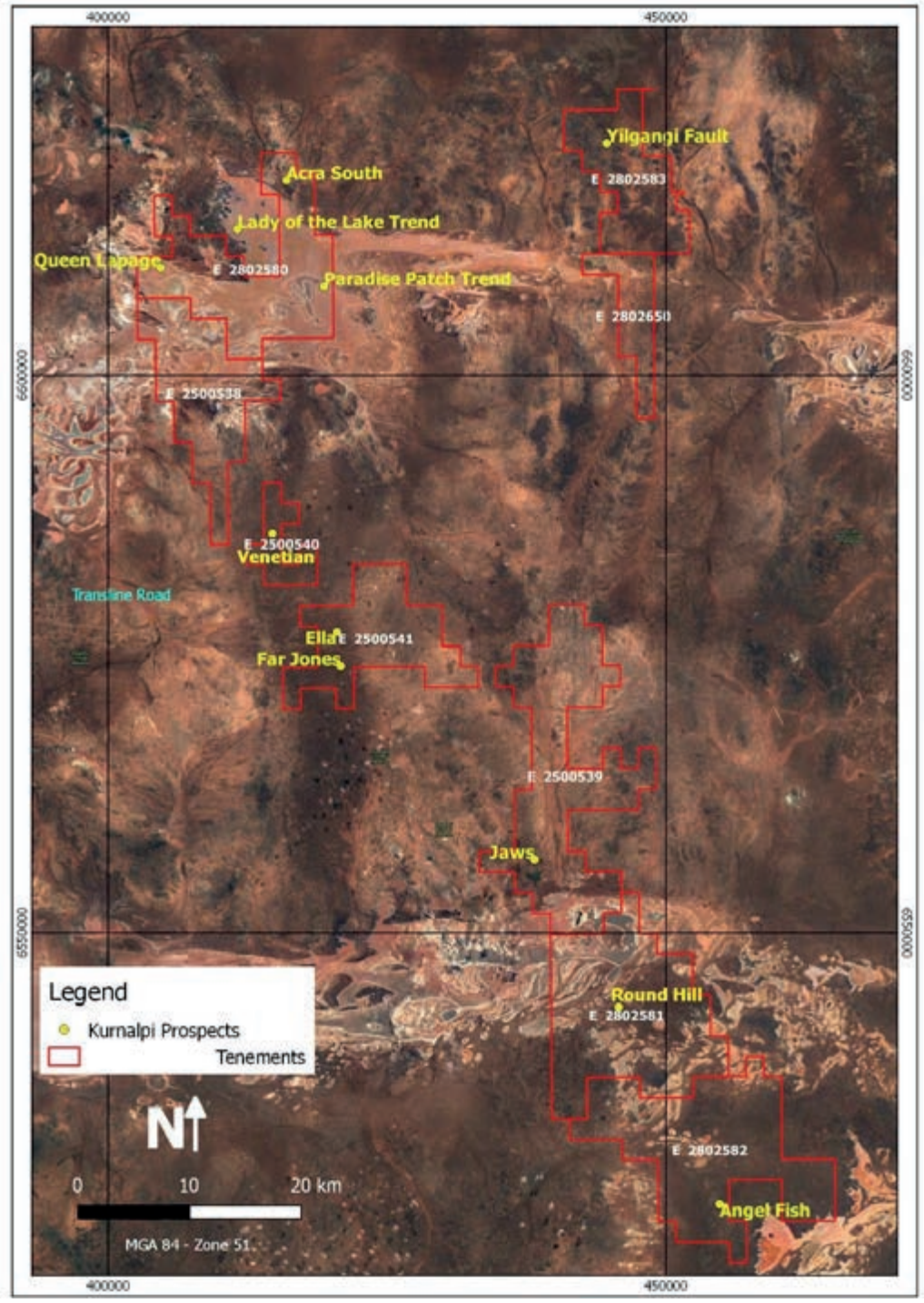



*Figure 3: Kurnalpi Project tenure with principal prospect names*

Subsequently, in 1996 a program comprising 281 rock chip samples across both current tenements, for which only gold assays have been located based on unvalidated WAMEX data, based on an unknown sample material, using an aqua regia digest method for analysis. Gold reported to a detection limit of 1 ppb. While most of the results were of low tenor, a consistent area of better results, reporting at generally greater than the 87th percentile (>8 ppb Au) of all data available, defined an area of statistical anomalism in the northern part of E28/2583 (Figure 4).

In 1995, Normandy completed 25 RAB drill holes for 1206 m along a number of disparate lines, based on the BLEG and rock chip results. A repeat sample from BYRB016 reported 51 ppb Au from 44 m to bottom of hole, was the highest value returned. In 1996, Normandy followed up soil anomalism drilling 41 rotary air blast (RAB) holes for 1526 m on a 500 m by 500 m grid pattern. They reported a peak assay of only 26 ppb Au in a 4 m-composite in BYRB33 at end of hole, from 66 m. A repeat sample from BYRB016 reported 51 ppb Au from 44 m to bottom of hole.

In 1996, Newcrest Mining Ltd (Newcrest) completed work, drilling aircore holes, following up on work completed by BHP evaluating the potential of the Roe paleochannel, a regionally significant Tertiary drainage. Four metre composites were collected and analysed for gold by aqua regia digest and Ag, As, Ba, Bi, Cs, Hf, Ni, Rb, Sb, Se, Sr, Te, Th, W and Zr by ICP-MS and IPC-OES for Cr, Cu, K, S, Sc, Ti and V. Only the gold data has been reviewed base on an unvalidated WAMEX report. Newcrest reported slightly more consistently anomalous results from this program, all within the palaeochannel.

In 1999, Sons of Gwalia Ltd, completed a program of 92 RAB holes for 2,899 m analysing 3 m composites, analysing only for “low-level gold” to what appears to be 1 ppb detection limit, using an aqua regia analytical method. The best result of 1 m at 81 ppb in hole YNR075 from 71 m at bottom of hole.

In 2006, Avoca Resources Ltd (Avoca) followed up these results by completing an auger drilling program across and surrounding the area of soil anomalism, drilling returning a peak value of only 27 ppb Au, based on an aqua regia digest method to a detection limit of 1 ppb based on available data. It was also analysed, assumed detection limits in brackets based on unvalidated available data, for Ag (0.005 ppb), As (0.1 ppm), Bi (0.1 ppm), Fe (0.01%), Pb (1 ppm), Zn (1 ppm), and Sb (0.01 ppm).

This drilling defined an anomalous trend oriented east-north-east, above the 95$^{th}$ percentile, with secondary trends oriented south-south-east. While no structures are noted in regional geology, regional airborne magnetic data indicates that this area corresponds to a potentially significant termination of possibly folded mafic to ultramafic stratigraphy in the east-north-east orientation. A major flexure in this same stratigraphy towards the east demonstrates the south-south-east orientation. A further area of anomalism was highlighted at the south-eastern most edge of the survey corresponding with the Yilgani Fault, a major through-going structure.

In the southern tenement, E28/2650, Newcrest completed a program of auger drilling in 2005. However, no significant results were returned, having analysed only for gold to an assumed detection limit 1 ppb, using an indeterminate assay method, based on available data. While the northern part of program appears likely to be in an area of residual cover, the southern portion occurs over the eastern extent of Lake Yindarlgooda, so may not be effective, despite the Yilgani Fault continuing through this area, based on magnetic data.

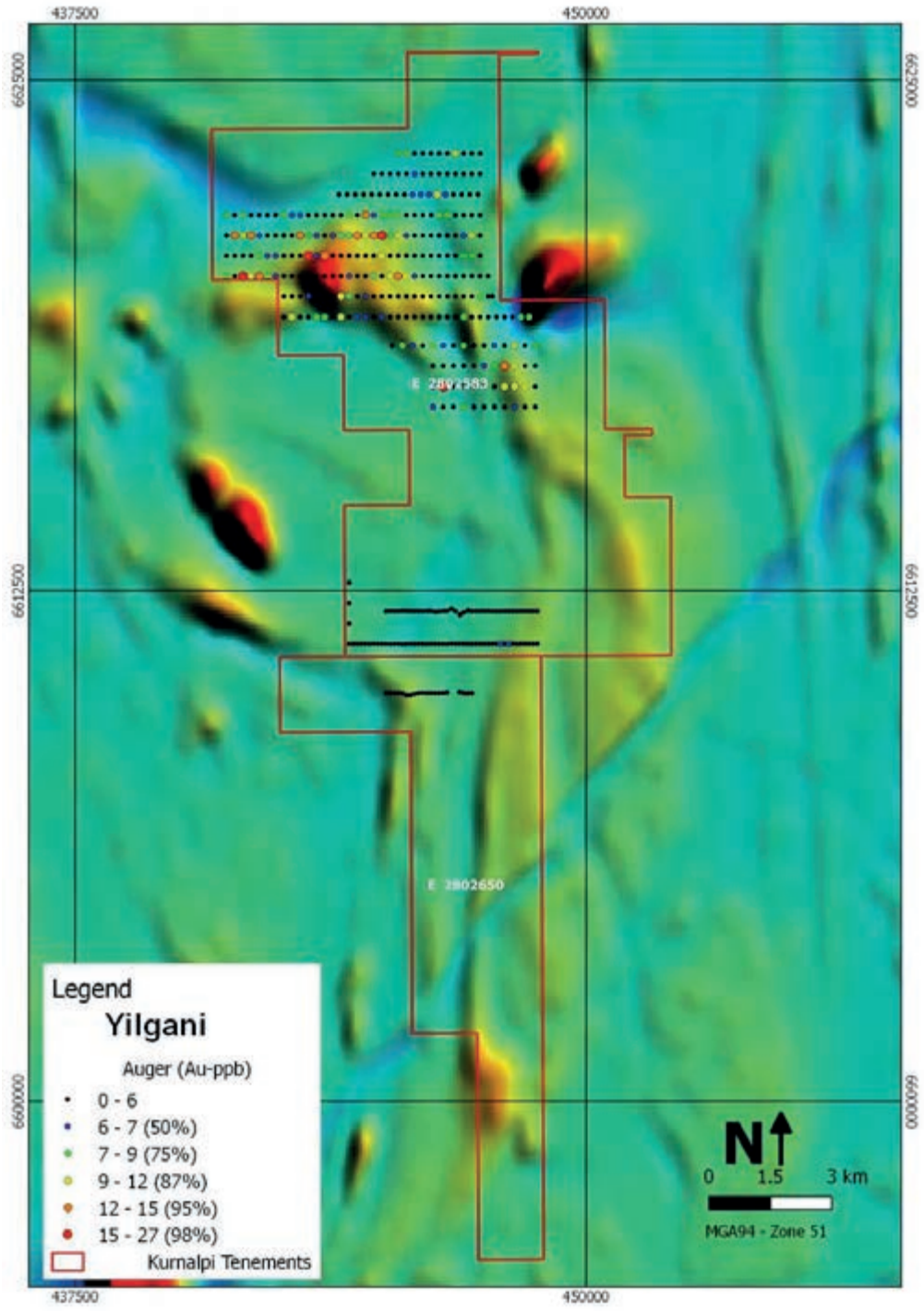



*Figure 4: Yilgani auger drilling – Avoca and Newcrest*

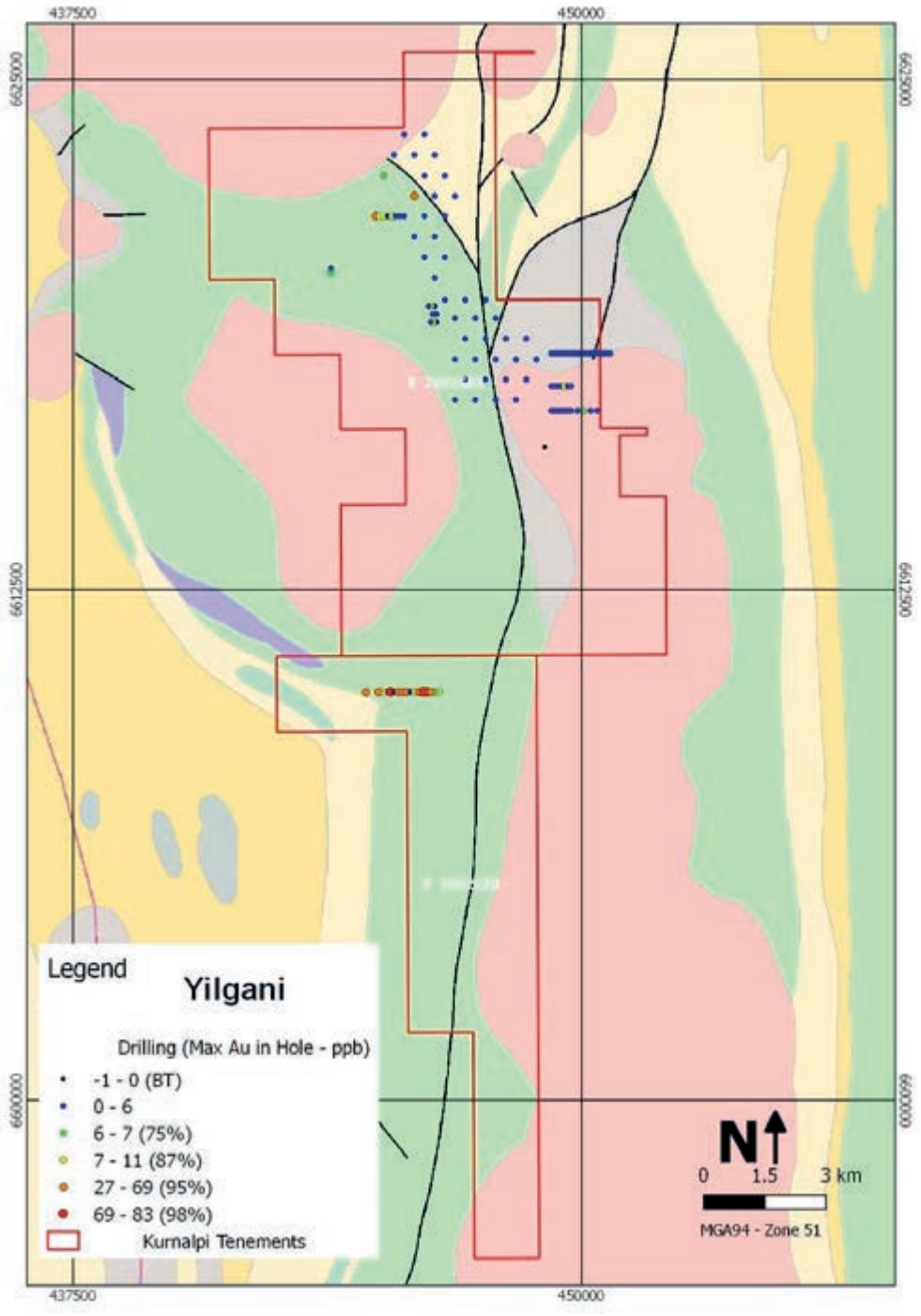



*Figure 5: RAB and aircore maximum gold in hole (ppb) based on WAMEX reports*

### *2.6.3 Venetian*

The Venetian sub-project comprises the single tenement (E25/540). In summarising historical exploration work, those WAMEX "A" numbers from which the most material drilling results have been derived are summarised in Table 4.

*Table 4: Venetian WAMEX "A" numbers for drilling*

| Sub-project | "A" number |
|---|---|
| Venetian | 54113 |
| Venetian | 33642 |
| Venetian | 44318 |
| Venetian | 45875 |
| Venetian | 48544 |
| Venetian | 60941 |
| Venetian | 65396 |
| Venetian | 68758 |
| Venetian | 88628 |
| Venetian | 96891 |

The principal target of interest within the Venetian is what has historically been referred to as the Lynagh Prospect dating back to early work completed by Mt Martin Gold Mines, starting in 1990. As a result of tenement-wide surface geochemistry sampling on a 400 m by 100 m grid, a maximum anomalous result of 33 ppb, relating to basement with minor drainage cover, was followed up with a limited RAB drilling program. This occurred at the southern end of portions of the current prospect tenure, consisting of a single line of 11 holes and returning a peak value of 70 ppb Au.

No work is recorded until 1995, when Ramsgate Resources completed a program of 24 holes at the southern edge of the current tenement. In 1996, Mt Monger Gold Project Pty Ltd reported in A54113 a series of RAB holes in the same area, recording peak assays of 1 m at 0.83 ppm Au (51 m to 52 m) and 1 m at 0.86 pm Au (65 m to 66 m) in holes VRB29 and VRB37, respectively. While Solomon Resources Ltd, SOLPAC and General Gold Resources NL also completed work in this area, results were generally of lower tenor. Work completed more recently by Integra Mining Ltd (Integra) (A96891) in 1996 generally returned comparable results. However, hole VRB085 returned 3 m at 0.49 g/t from 20 m including 1 m at 0.94 g/t Au from 21 m. Analytical method and sampling protocols for this were not referenced. Based on available data, analysis was only to a detection limit of 0.2 g/t Au.

Surface geochemistry originally completed in 1996 by Solomon Resources Ltd in joint venture with General Gold Resources NL identified two trends of anomalism using pedogenic carbonate sampling with auger in 1999 (Figure 6), as part of a large program that extended beyond the current tenement area. Samples were analysed using aqua regia digest with multi-element analysis by graphite furnace AAS for Au (1 ppb), As (5 ppm), Cu (1 ppm), Pb (1 ppm), Zn (1 ppm) and Ni (1 ppm). They stipulated that background results were approximately 10 ppb for Au with the peak anomalism returned as 76 ppb, geologically related to the Bear Hill shear zone. Referenced in a report by Integra, Aurion Gold Ltd completed a series of 16 RAB holes to test this anomalism in 2002. Hole VRB220 returned 8 m at 0.26 g/t Au from 60 m. No additional drilling has been completed since. A further auger anomaly at the north-west of the current tenement remains untested.

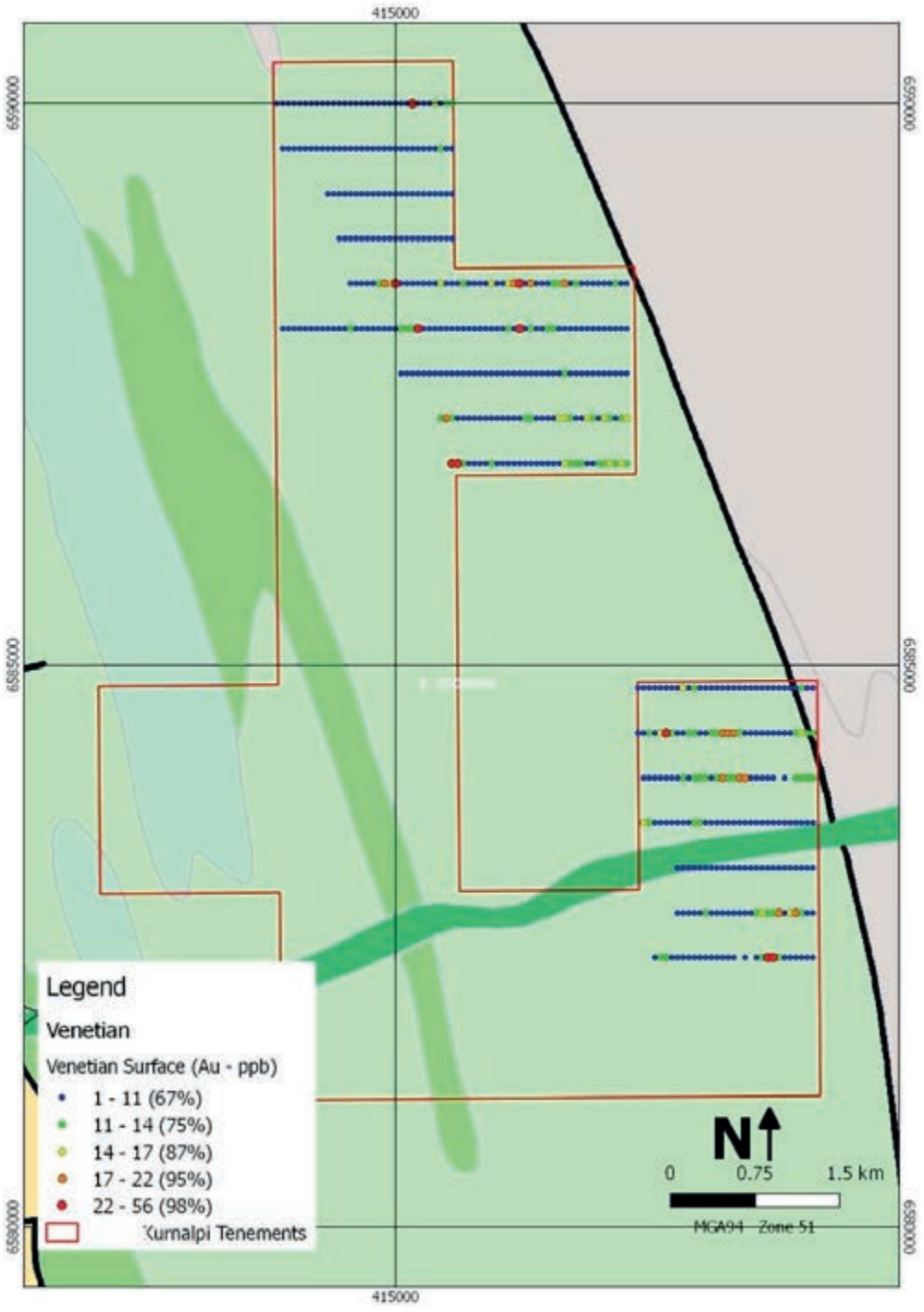



*Figure 6: Venetian surface sampling (auger) with gold (ppb) results*

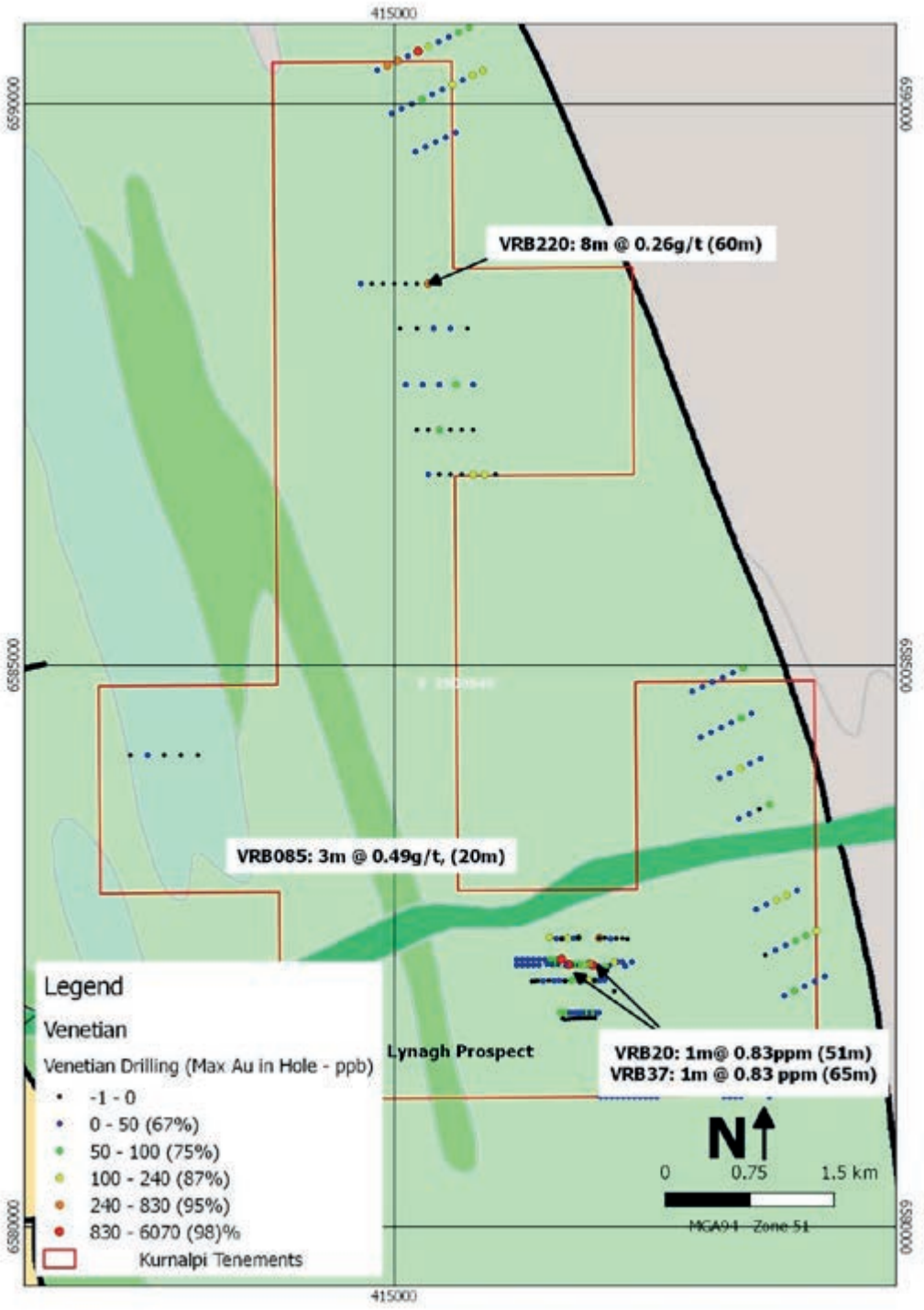



*Figure 7: Venetian drilling summary showing maximum gold in hole (ppm)*

### *2.6.4 Ella/Far Jones*

The Ella/Farr Jones sub-project comprises a single tenement (E25/541). In summarising historical exploration work, those WAMEX "A" numbers from which the most material drilling results have been derived are summarised in Table 5.

*Table 5: Ella/Far Jones "A" numbers for drilling*

| Sub-project | "A" number |
|---|---|
| Ella/Far Jones | 25117 |
| Ella/Far Jones | 27817 |
| Ella/Far Jones | 33642 |
| Ella/Far Jones | 35365 |
| Ella/Far Jones | 44318 |
| Ella/Far Jones | 71826 |
| Ella/Far Jones | 77031 |
| Ella/Far Jones | 96891 |
| Ella/Far Jones | 57926 |

Early work by Billiton with Jones Mining completed stream BLEG and grid soil sampling in 1988 (A25117). The principal anomaly, with anomalism to peak values in the order of 28 ppb Au using 200 m composites assayed for gold and arsenic by an undefined method, is associated with the current tenement was referred to as Rainbow and occurs in proximity to the Randalls Fault at the western edge of the current tenement.

Regolith mapping indicates that the area is associated with outcrop/sub-crop and residual to semi-residual soil.

Infill sampling completed the same year returned up to 85 ppb. RAB follow-up was also completed on three lines for a total of 2,600 m. A peak value of 2 m at 2 g/t was reported, though the hole in which this occurred is not defined – referencing sections included in the report that are unclearly annotated.

Mt Martin Gold Mines (A27817) completed three lines of reverse circulation (RC) drilling in 1989, including 18 holes for 1,524 m on 400 m spacing to a maximum depth of 96 m. Intersecting mafic to intermediate volcanics and tuffaceous sediments with pyrite, arsenopyrite, pyrrhotite and magnetite noted. The best intercept was 1 m at 1.76 g/t Au from 68 m in hole GRC8 and 3 m at 1.2 g/t Au from 70 m in GRC12, with a number of lower grade but anomalous results at between 0.2 g/t Au and 0.8 g/t Au reported non-specifically. In 1990, Mt Martin Gold Mines (A30698) completed tenement-wide 400 m by 100 m soil sampling, subsequently renaming the original Rainbow anomaly to Ella, Lawton, Poideven and Farr-Jones based on areas of greater anomalism within the grid. Ella is defined as a 1.6 km long discontinuous soil anomaly up to 210 ppb, Poideven a broader, low-level soil anomaly to 27 ppb and Farr-Jones a narrow soil anomaly to 21 ppb (Figure 8).

Mt Martin Gold Mines completed three phases of follow-up drilling in 1991. In the first phase (A33642), 23 RAB holes were completed at Ella with holes to a maximum depth of 104 m, not all intersecting bed-rock. The best intersect was 2 m at 2.03 g/t Au in hole EB-7 from 36 m. At Farr-Jones, three RAB holes were drilled, all without hitting bedrock having drilled to a maximum depth of 101 m. A best intersection of 4 m at 1.3 g/t Au was returned in FJB-1 from 74 m.

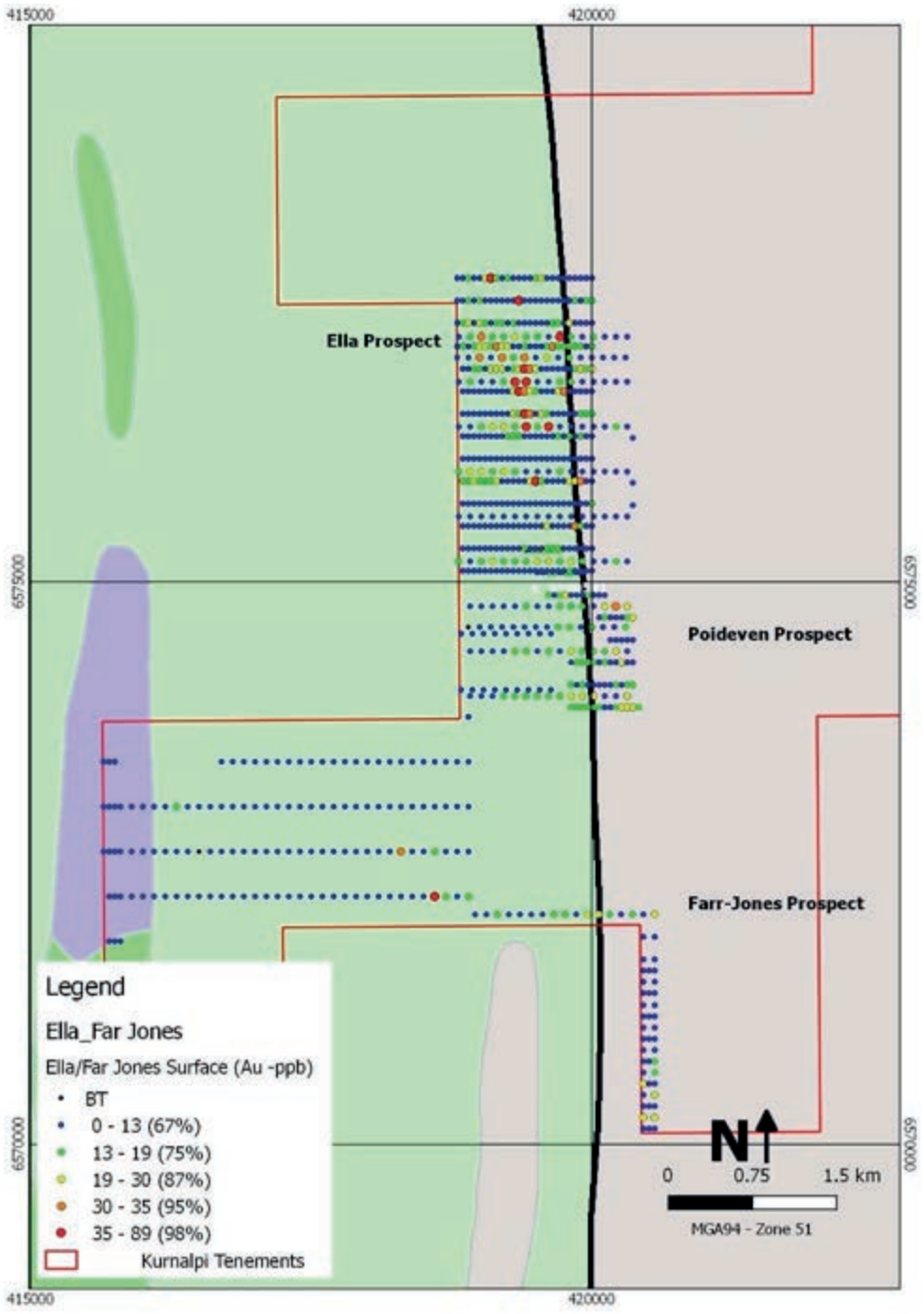



*Figure 8: Ella/Farr-Jones surface samples (ppb Au)*

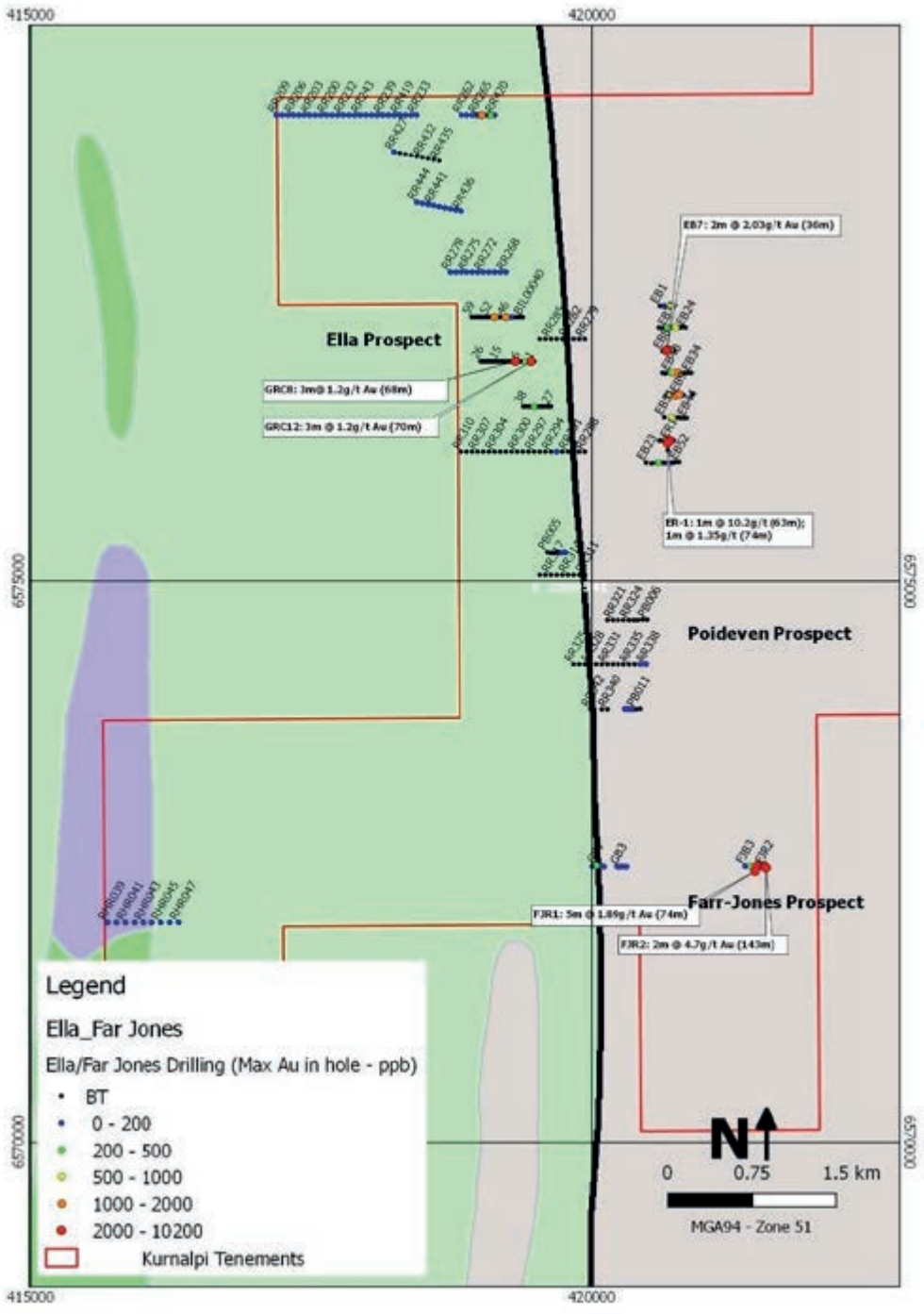



*Figure 9: Ella/Farr-Jones drill hole locations and significant intersections with maximum gold in hole, ppb*

In Phase 2, Ella was followed up with an additional 35 RAB holes, reporting anomalous but low-level gold. Anomalism in this area was followed in Phase 3 with four RCP holes with ER-1 returning 1 m at 10.2 g/t Au from 63 m and 1 m at 1.35 g/t Au from 74 m. At Farr-Jones, a single RCP hole, FJR-1, returned 5 m at 1.89 g/t Au from 96 m.

In 1992 (A35365), Mt Martin Gold Mines completed an additional program of RCP drilling. As part of that, hole FJR-2, undercutting hole FJR-1, returned 2 m at 4.7 g/t from 143 m. This coherent zone (Figure 10) of mineralisation remains to be followed up.

Additional work has been subsequently completed covering other areas of the tenure with additional RAB drilling by such companies as Hampton Hill Mining, and Integra. However, results have been insignificant.

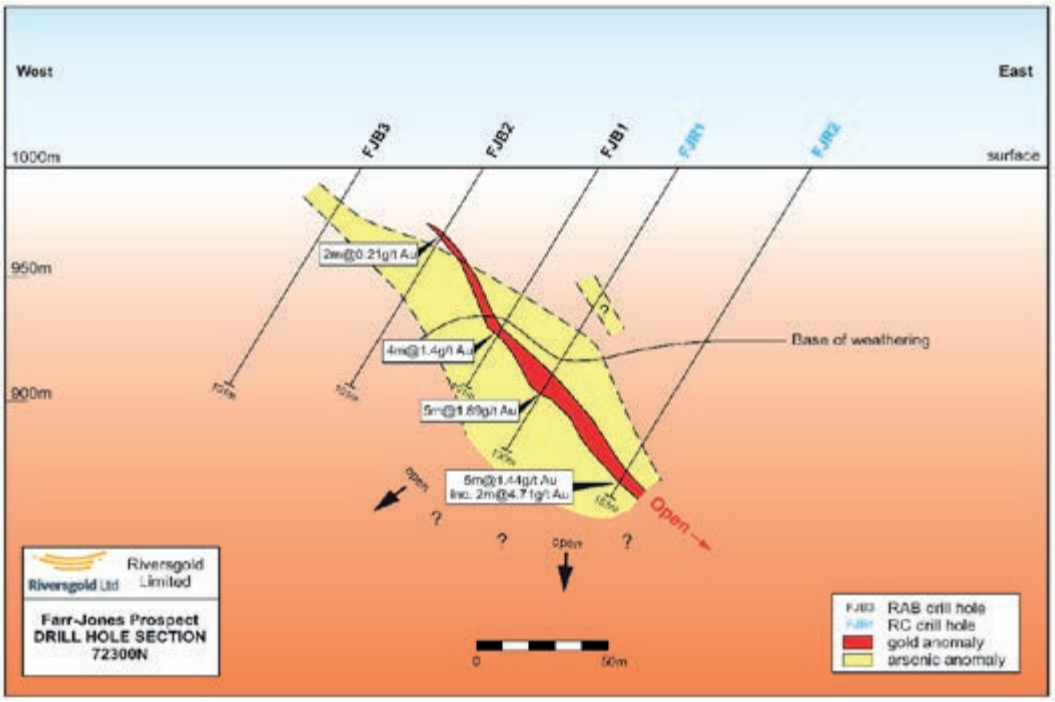



*Figure 10: Section 72300N with outline of mineralised zone.*
*taken from Mt Martin Gold Mines Ltd Annual report (A35365)*

### *2.6.5 Queen Lapage*

The Queen Lapage sub-project comprises two contiguous tenements, E28/2580 and E25/538, which cover extensions of the same geology. As it is likely that these two tenements will be explored in conjunction, the exploration history will be dealt with together. In summarising historical exploration work, those "A" numbers from which the most material drilling results have been derived are summarised in Table 6.

*Table 6: Queen Lapage "A" numbers for drilling*

| Sub-project | "A" number |
|---|---|
| Queen Lapage | 18581 |
| Queen Lapage | 38557 |
| Queen Lapage | 40242 |
| Queen Lapage | 45169 |
| Queen Lapage | 45838 |
| Queen Lapage | 49835 |
| Queen Lapage | 52995 |
| Queen Lapage | 37809 |
| Queen Lapage | 40652 |
| Queen Lapage | 51802 |
| Queen Lapage | 62925 |
| Queen Lapage | 64009 |
| Queen Lapage | 96890 |

Within the Queen Lapage sub-project there are effectively three areas over which historical work is recorded and has returned potentially interesting results. In the north-west corner occurs the area referred to as the "Acra Extension". In the central west is the area referred to as the "Queen Lapage trend", and further south is an area of anomalism associated with the Randall's structure, on-trend from anomalism associated with the Venetian and Ella/Farr-Jones sub-projects. Due to the large areal extent of this sub-project, each has a significantly different exploration history which will be dealt with independently.

*Acra Extension*

This area is associated with the large through-going structure referred to as the Avoca Fault, which is west dipping and occurs, as mapped, slightly to the east of the current tenure. However, magnetic data indicates that a significant structure occurs within the bounds of the tenement and is either a splay, or (possibly) a step over from the Avoca, which otherwise terminates against a significant batholith to the north of Acra Extension.

Early work was completed by Talon Resources NL between 1995 and 1997, completing two soil geochemical programs on lines 200 m apart with samples taken at 50 m centres, one of which occurs in the far northern corner of the current tenement area (Figure 11). Initial drilling completed immediately to the north of the current tenement returned encouraging results which resulted in additional RAB drilling follow-up, 13 of the holes of which were drilled within the current tenement area (JUB24 to JUB35, JUB39 and JUB40). Talon concluded that results did not warrant further follow up. However, these holes are drilled away from the defined surface anomalism.

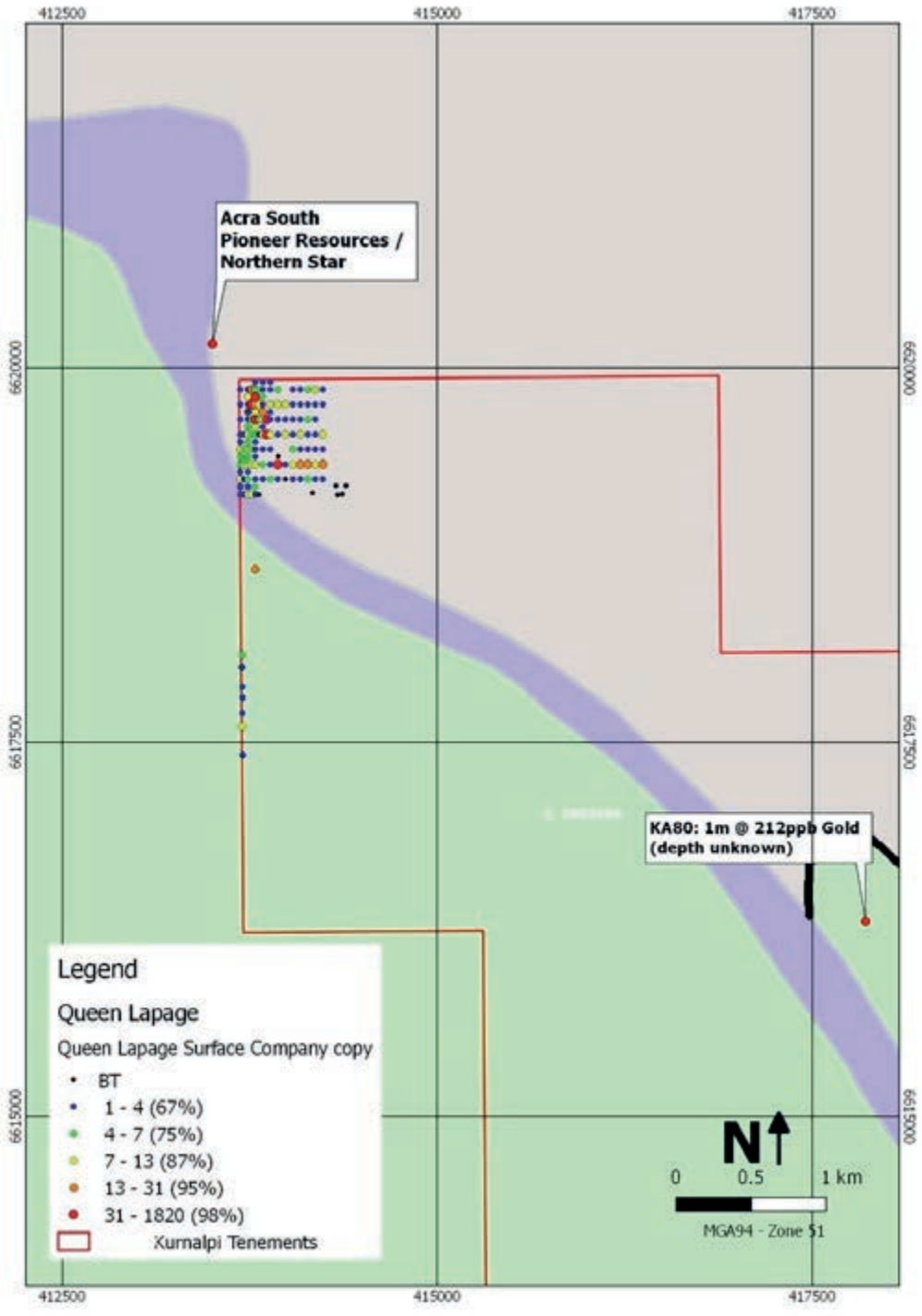



*Figure 11: Queen Lapage sub-project, Acra Extension area, surface sampling*

Reefton Mining NL completed a series of spaced lines perpendicular to a north-west-south-east oriented base line that parallels the magnetically defined structure (Avoca Splay), largely focussed on nickel exploration. However, Mobile Metal Ion soil sampling identified a zone indicated as highly anomalous in gold and silver over approximately 2,400 m, reported to correlate with a structurally controlled paleochannel identified by BHP Minerals Ltd (A18581) previously, occurring to the north-west within which anomalous results had been reported including 2m @ 0.52g/t gold from 18m in hole NY8 and 2m @ 0.64g/t gold in hole NY11. Drilling by Reefton Mining NL, using aircore, returned an intersection of 1 m at 212 ppb gold in hole KA80 (depth unreferenced) and an intersection if KA43 of 4m @ 1.24g/t gold from 28m depth. Additional work was recommended but no record of such work has been located.

The Queen Lapage trend occurs largely within the area of the ephemeral salt lake, Lake Yindarlgooda. As a result, no surface sampling has been completed, as the cover renders this assessment method ineffective. Early drilling was carried out by Croesus Mining NL, having bought the project from BP Minerals to acquire the Queen Lapage deposit. This open pit produced approximately 10,000 oz between 1990 and 1991, and is located approximately 2.5 km to the north-east of the of the closest drilling along this trend within the current tenement.

Geopeko (A49835), in joint venture with Croesus Mining NL, as Peko-Wallsend Operations Ltd, completed a program of 18 aircore holes using a mantis rig on an island in the middle of Lake Yindarlgooda in 1992. They reported an area of broad but low-level anomalism that data review indicates had peak values in the range of 40 ppb to 60 ppb associated with carbonate altered ultramafic. This was followed up in 1993 by an additional eight aircore holes, which returned no significant assays.

North Mining Ltd (A49835) completed a program of 28 aircore drilling 1997 on a nominal 200 by 400 m grid. Results returned were generally similar to previous work. However, hole YAC31 produced the most significant results of 11 m at 200 ppb gold from 40 m to end of hole.

In 1998, Delta Gold NL in joint venture with Croesus Mining NL (A64009), completed 117 aircore holes in the Lapage South Prospect, along strike to the south-east of Queen Lapage, between that open pit and work completed by North Mining Ltd and Geopeko. Holes were drilled on 100 m by 200 m grid spacing, reduced to 50 m spacing where intense alteration and sulphides were encountered. Samples were analysed using B/AAS and Fire Assay to return detection limits for gold of 1 ppb and 0.01 ppm, respectively. Results between 5 ppb and 200 ppb were re-analysed using B/ETA while results above 200 ppb Au were re-analysed using B/AAS. Duplicates were used to assess the quality of results. One metre re-splits were taken from samples >50 ppb for the standard 5 m composites and analysed using fire assay and B/AAS. Results are recorded as generally disappointing. However, a maximum result of 5 m at 362 ppb from 55 m is recorded at the Lapage South Prospect in hole LSA5.

Along strike of the Juglah Fault to the south-south-west, on the south side of Lake Yindarlgooda in an area of both outcrop and residual to shallow cover, a significant soil geochemistry program is recorded. Data provided does not record the company, date or source of the information, so no validation can be completed. However, an 1,820 ppb Au sample associated with a prominent ridge is the most significant assay on this entire trend within the tenements. No drilling is recorded as having been completed to follow up this result.

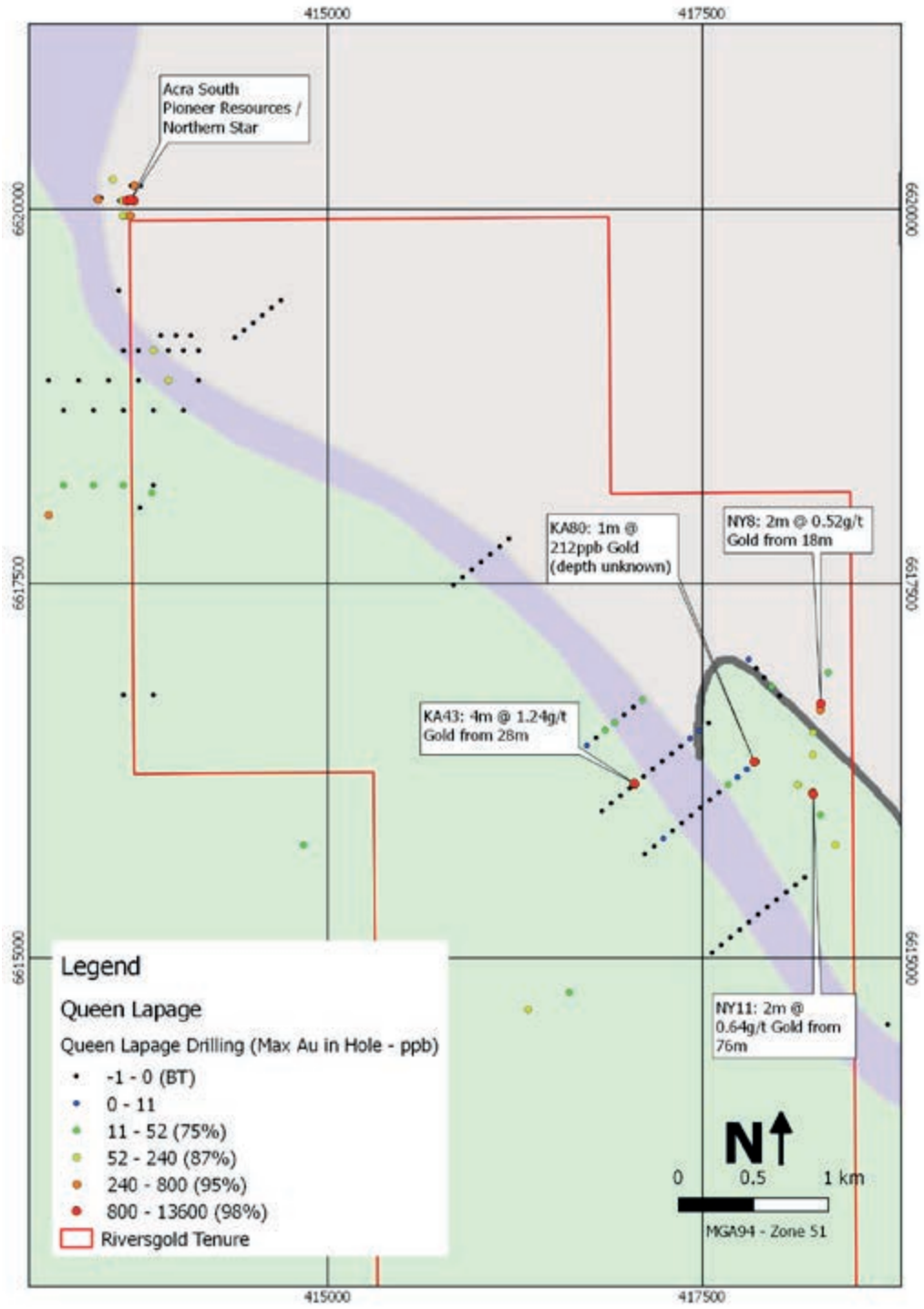



*Figure 12: Queen Lapage sub-project, historical drilling showing maximum gold in gold (ppb)*

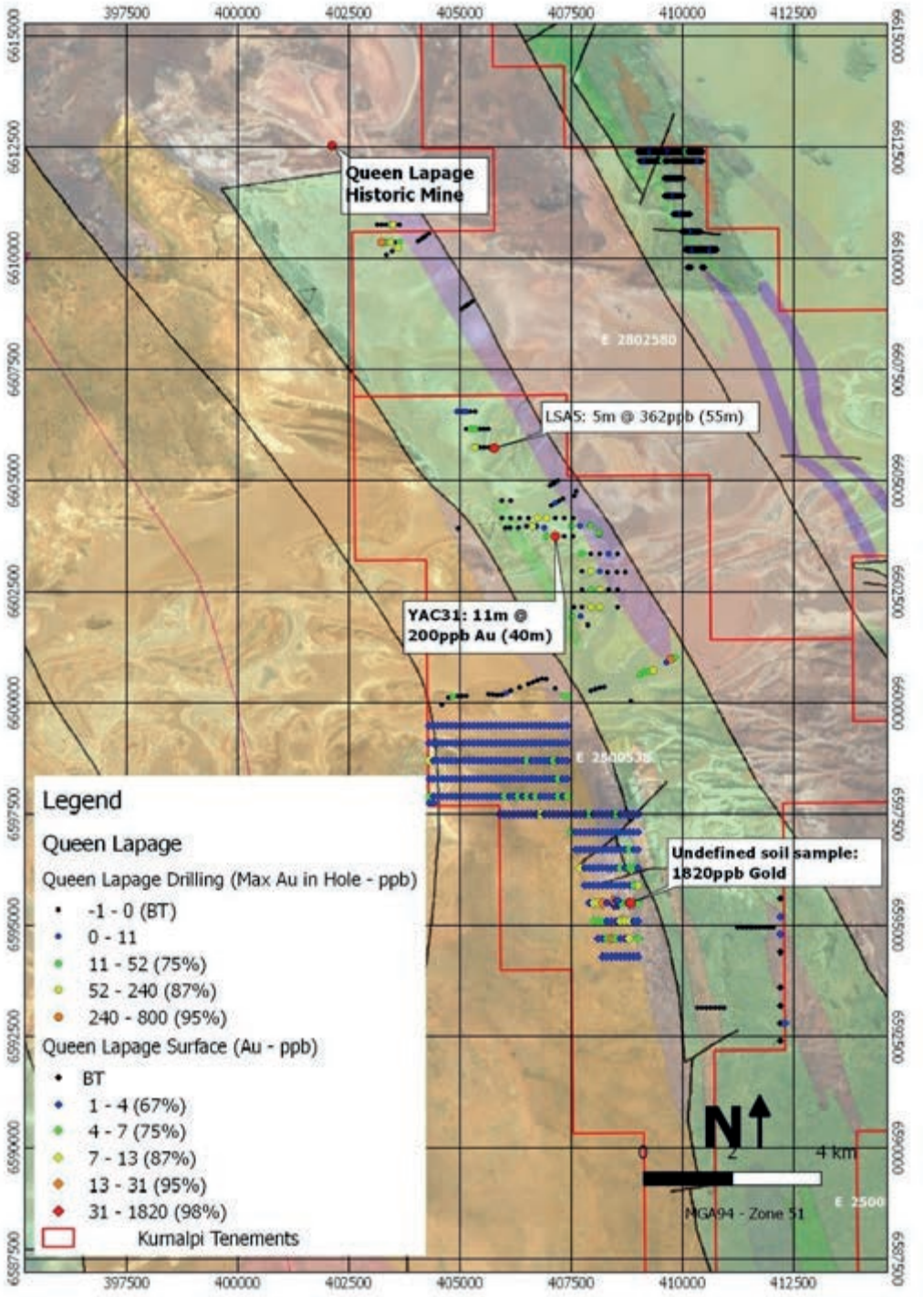



*Figure 13: Queen Lapage trend drilling and surface sampling (Au ppb)*

### *2.6.6 Round Hill*

The Round Hill sub-project comprises three tenements including E25/539, E28/2581 and E28/2582. covering stratigraphy along the eastern edge of the Mount Belches formation and the adjacent Cowarna Shear, which forms the eastern boundary of that stratigraphy. The majority of work along this trend has been focused on two commodities. Within the Mount Belches formation, numerous companies have explored for gold. The mineralisation related to the Maxwell BIF sequence, a chevron folded semi-continuous, north dipping sequence of BIF within which extensive economic mineralisation has been defined. The deposits associated with which are current being mined by Silver Lake Resources Ltd, in no association with Riversgold. To the east of the Cowarna shear zone, and dominantly outside of the current tenure to the east, extensive nickel exploration has been carried out. This is related to a relatively coherent pack of ultramafic units, which occur only incidentally within the Round Hill sub-project at the eastern edge of E25/539. As Riversgold is focused on gold, and nickel potential largely occurs outside of the current tenure, only historic gold exploration has been reviewed.

This summary is derived from WAMEX reports covering the area and surrounds of the current tenements.

*Table 7: Round Hill sub-project WAMEX "A" numbers*

| Sub-project | "A" number |
|---|---|
| Round Hill | 53239 |
| Round Hill | 61464 |
| Round Hill | 61543 |
| Round Hill | 66730 |
| Round Hill | 69502 |
| Round Hill | 78793 |
| Round Hill | 79247 |
| Round Hill | 74630 |
| Round Hill | 93541 |
| Round Hill | 79825 |

A very high percentage of the work covering the regional extent of the tenure comprises various forms of surface sampling completed by several companies progressively.

Various auger sampling programs were carried out from approximately 1993 onwards with BHP completing early work, noting areas of anomalism having been defined. This work was on a nominal 200 m by 200 m pattern and were submitted to ALS in Perth for fire assay gold analysis to 1ppb detection limit. Additional elements (Cu, Pb, Zn, Ni, As, Mo, Cr, and Sb) were analysed for using ICP-OES from a mixed acid digest. Additional follow-up was conducted in 1995 to 1996 by BHP, infilling to 200 m by 50 m, along with a reported additional 1,481 step-out holes. It could not be established that all these holes occurred within the current tenure.

Mount Monger Gold Project Pty Ltd (MMGP), an incorporated joint venture between Ramsgate Resources and General Gold NL, completed, largely in 1996 to 1997, a significant amount of vacuum drilling, auger drilling (majority), surface sampling and rock chip sampling between which a high percentage of the current tenure was covered geochemically (Figure 15). Available data demonstrates that several areas of low-level (statistical) anomalism were identified in various areas throughout the tenure.

Other companies, including Gryphon Minerals, Heron Resources, Integra, NEX Metals, Pioneer Resources, Avoca, and Silver Lake Resources completed additional, dominantly auger sampling in the near surface. These largely filled in or appear to have duplicated or sought to validate earlier work.

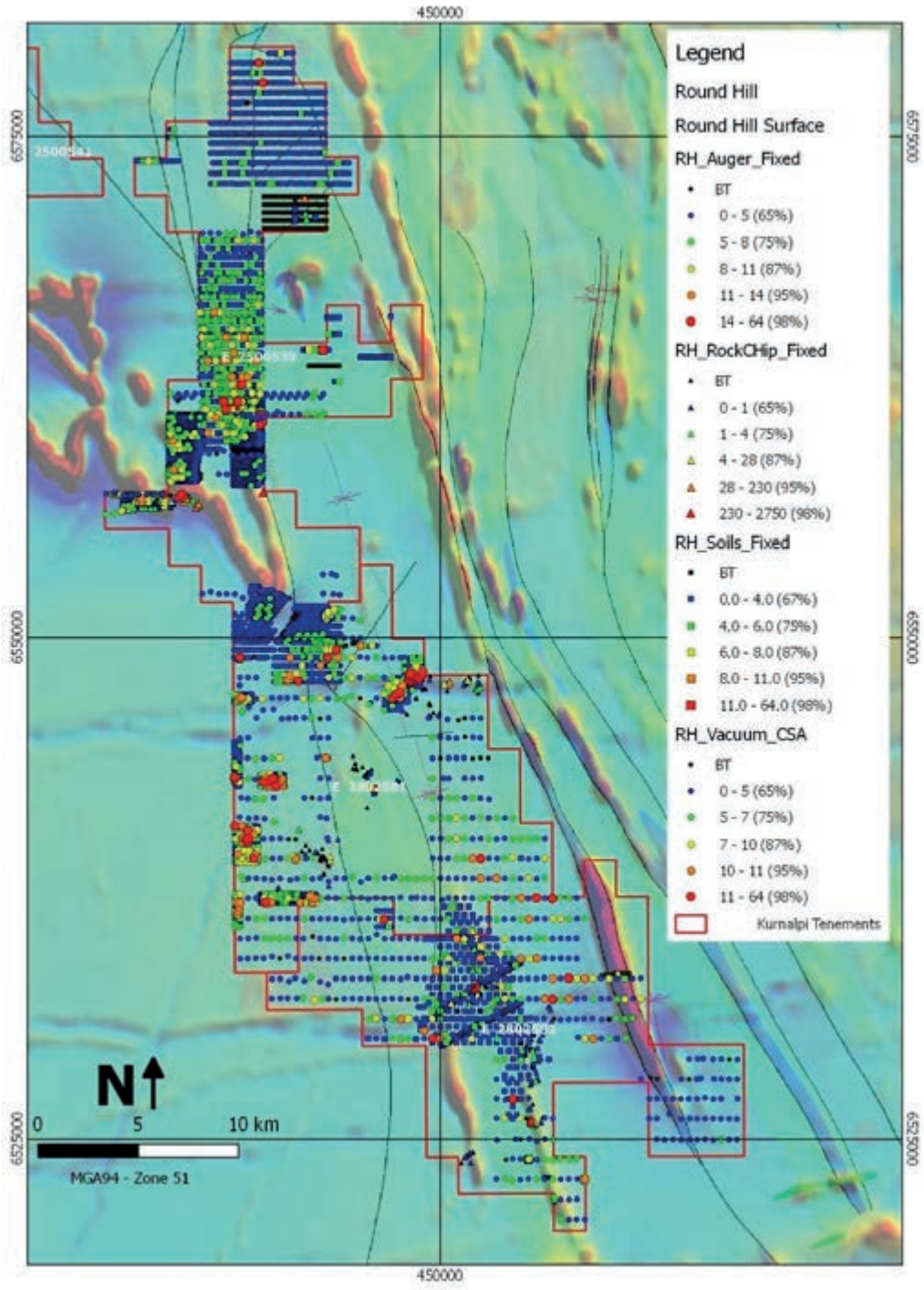



*Figure 14: Round Hill sub-project surface sampling, gold (ppb) ranges categorised by sample type*

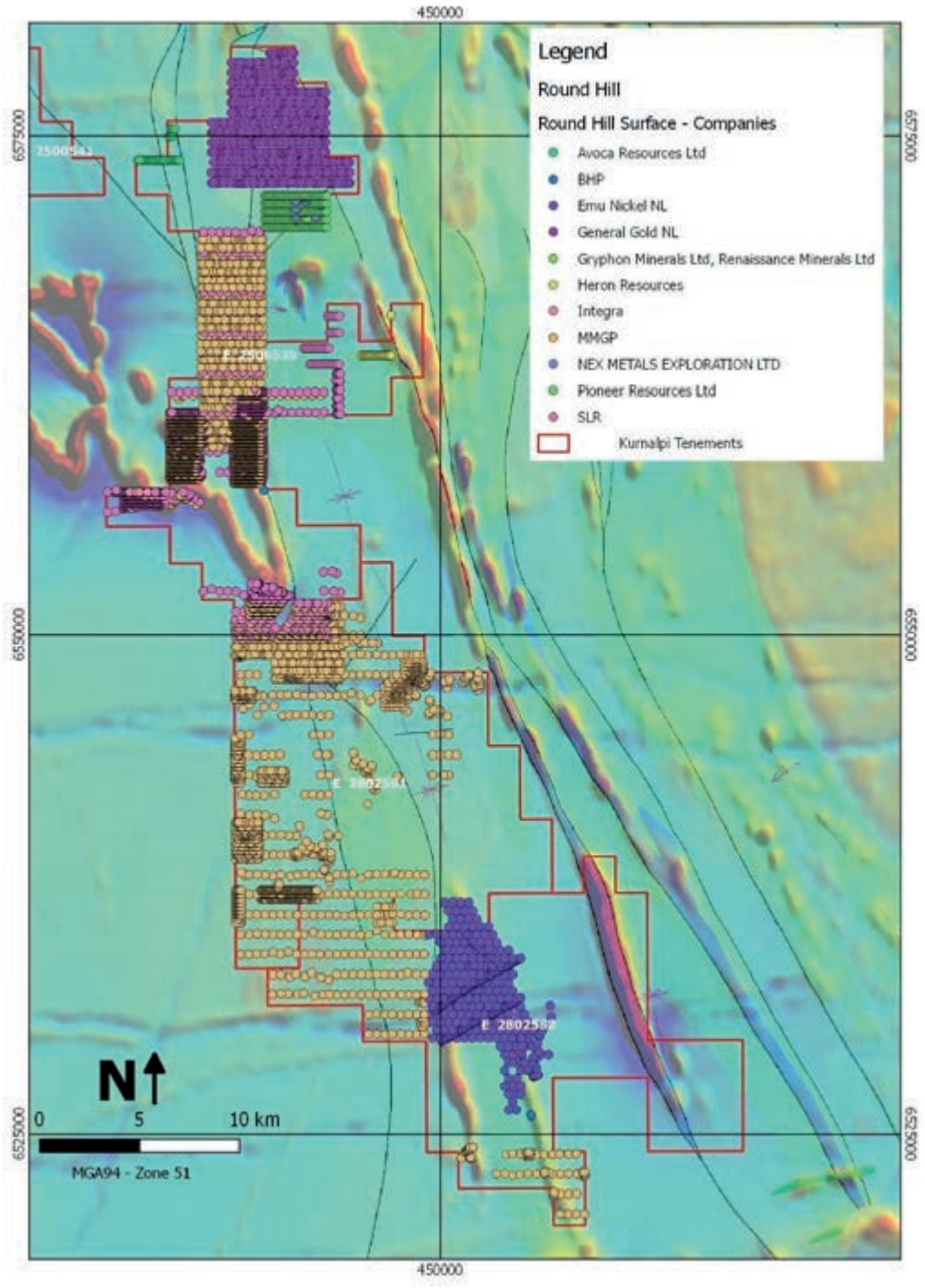



*Figure 15: Round Hill sub-project surface sampling by company*

The vast majority of drilling completed in the current tenement area of the Round Hill sub-project is related to the Maxell's BIF sequence, and was completed as part of the Cowarna joint venture between Avoca and Integra (now Alacer and Silver Lake respectively due to corporate activity). Early work completed by Avoca, prior to the joint venture comprised aircore drilling on islands in Lake Randall on 900 m line. The best intersection of 4 m at 0.134 g/t gold from 8 m was reported in hole ROE1611.

On commencement of the joint venture, Integra completed three RAB/aircore drilling programs and one RCP drilling program on the north side of the lake associated with interpreted BIF stratigraphy. In 2005, following up on early WMC/Goldfields drilling, a program of 14 holes for 748 m (CSW001-017) was completed, infilling the original 900 m by 160 m grid to 160 m by 80 m. Targeting where the BIF units was interpreted to be structurally terminated the results were considered disappointing.

In 2006, a second RAB/aircore program was completed again targeting interpreted BIF with a subdued magnetic response. A total of 28 holes for 1,227 m (seven RAB holes and 22 aircore holes – ISR01-28) on five lines 250 m apart with 80 m hole spacing. Minor disseminated sulphides and quartz veining was intercepted, with holes sampled on 4 m composites for gold and arsenic. All results were less than 0.05 ppm gold, but considered ineffective as the BIF was not intersected.

In 2007, an additional 16 aircore holes for 772 m were completed (ISAC029-44). This program was considered more focussed, designed to specifically intersect the BIF unit based on aeromagnetic data. One hundred and ninety-three 4 m composite samples were collected and submitted to Genalysis for gold and arsenic analysis. Despite planning, the program still failed to intersect BIF and did not return any significant assays.

In 1997 (A53239), to the west along the strike of the interpreted BIF horizons, Mt Morgan Gold Project Pty Ltd completed a large program of RAB drilling, of which only part (LKA238-387) was completed within the current tenure, on a nominal 100 m by 25 m pattern. Samples were submitted to Genalysis for multi-element assay for Au, As, Cu, Pb, Zn, Ni, Cr, and Sb. Gold was analysed to a detection limit of 1 ppb by B/ETA with the remaining elements analysed by B/AAS. Of the holes drilled within the current tenure, low-level anomalism was returned, with select samples re-analysed at 1 m intervals. The highest result returned was 1 m at 0.82 from 6 m in hole LKA287.

At the southern end of the Round Hill project area, following up on previously defined surface geochemistry anomalism, Mt Morgan Gold Project Pty Ltd completed a program of 43 aircore holes also in 1997, some of which were completed outside the area of the current tenure. Results from this program were also low, returning a peak value of only 64 ppb in hole MDA38 from 40 m depth. The program did however report highly variable cover and considered that the program was potentially not effective.

Overall, all drilling results within the project area have been of very low tenor despite significant surface samples. The effect of Lake Randall and similar ephemeral lakes in the area is recorded deep cover. As such it is considered that a significant amount of previous work is likely to be ineffective.

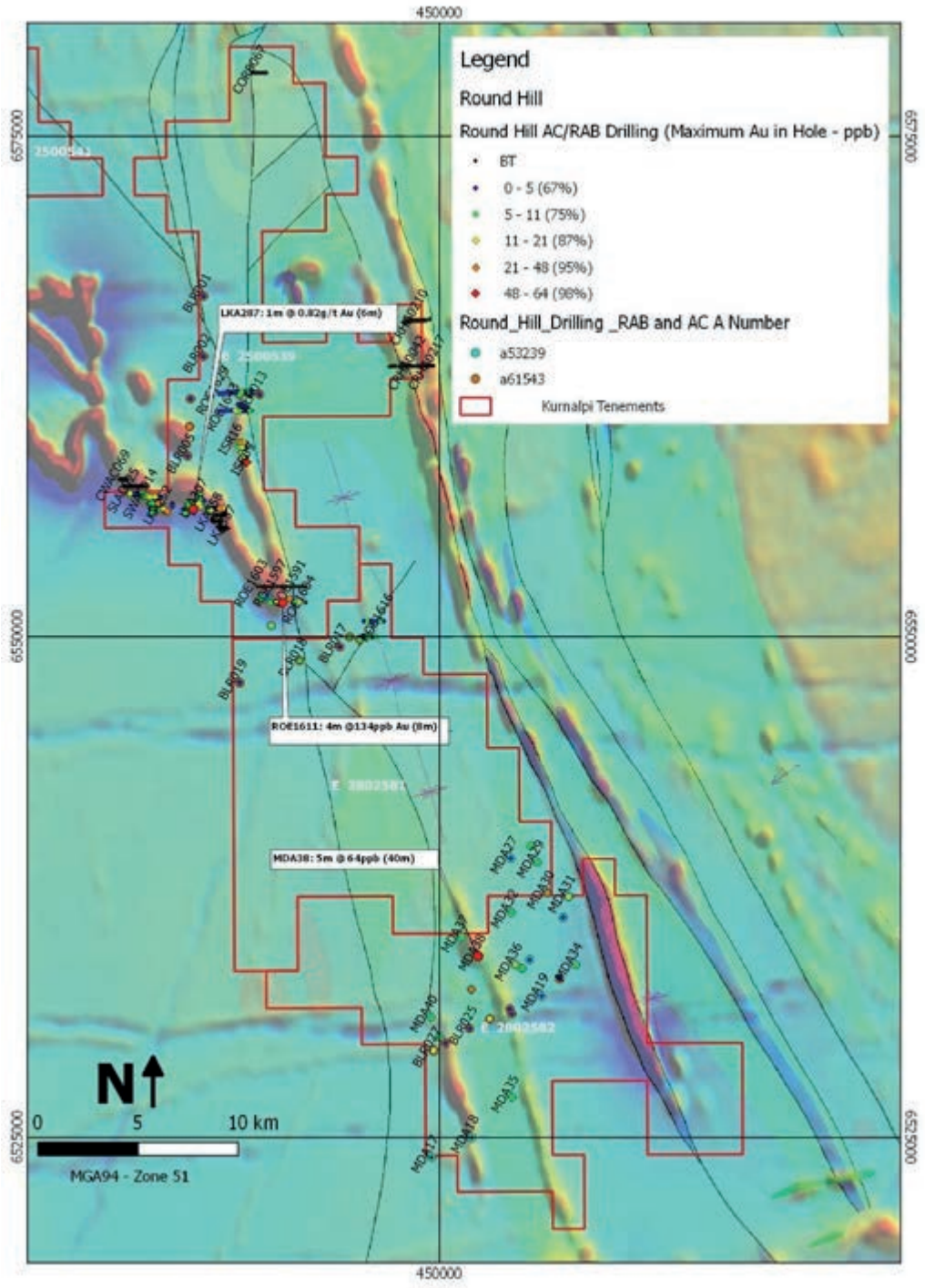



*Figure 16: Round Hill sub-project drilling location showing maximum gold in hole (ppb)*

## 2.7 Work Completed

No work has been completed by Riversgold or the related tenement holder, Serendipity, since securing exploration rights to these tenements.

## 2.8 Targets and Exploration Potential

### *2.8.1 Yilgani*

Two principal targets occur within the Yilgani sub-project. The area of coincident auger, rock-chip (statistical) and RAB drilling in E28/2583 associated most dominantly with the east-north-east trending magnetically defined structure may represent a deeper target with potential to host mineralisation, with a possible secondary south-south-east control. Careful drill targeting using RCP drilling is likely required.

The drilling completed by Sons of Gwalia, while having returned low-grades, demonstrated that the Yilgani fault is anomalous. Both surface sampling and drilling has tested only very limited portions of this major structure. Additional work is recommended. Given that much of the southern extent occurs under a major drainage, only drill testing will be effective.

### *2.8.2 Venetian*

Three targets occur within the Venetian sub-project. The first is associated with the Lynagh Prospect. While results to date have been relatively low tenor, the review suggests that much of the anomalism may be supergene related, with results returned from similar depths. This suggests that the primary source of mineralisation may yet be unexplained. Careful review of the data, including depth of cover modelling and regolith assessment is required. It is recommended that low-level detection limit analysis be completed on future drilling (1 ppb detection limit) in order to understand anomalism appropriately.

Surface geochemistry and subsequent drilling suggest that two significant shear zones with anomalous gold extend in a north-north-west orientation through the tenement. The southern extent of the western shear has not been assessed with either surface geochemistry or drilling. The northern extent of the eastern shear, where surface geochemistry has defined anomalism () has not been tested with drilling.

### *2.8.3 Ella/Farr-Jones*

Both the Ella and Farr-Jones Prospects remain at targets for further exploration work. Ella shows an area of consistently anomalous grade that appears to have been poorly explained by drilling completed to date. Located in within the Mount Belches sedimentary package, potential controls on mineralisation appear less constrained. Careful review of existing data is required to assess the next step in exploration for this prospect.

Farr-Jones demonstrates a relatively well defined zone of mineralisation with what appears to be a reasonably predictable dip. This prospect has received no additional testing along strike based on both available data and review of satellite imagery. Grade is potentially increasing with depth.

### *2.8.4 Queen Lapage*

Results associated with Acra Extension within the current tenure relate well to better results located in adjacent ground to the north-west in Pioneer Resources/Northern Star Mining Ltd's joint venture ground and are readily interpretable to be associated with the same stratigraphic and structural position along strike. Historic work in this area largely focused on, or intersected, paleochannel mineralisation. It is reasonable, therefore, subject to additional assessment to believe that the primary litho-structural target either remains untested or poorly tested.

The Queen Lapage trend exploration work has returned early signs of anomalism along a significant structural trend. Exploration through this area has been significantly hampered by the presence of Lake Yindarlgooda, with

much of the drilling limited to testing on dune islands, preventing coherent assessment. In addition, the saline lake cover makes near surface gold highly mobile, increasing the difficulty in determining potential sources for primary mineralisation. Overall the trend remains largely untested.

#### *2.8.5 Round Hill*

The majority of work has focussed on testing for BIF hosted mineralisation associated with the Maxwell's BIF. Results have been low overall associated with this endeavour. However, there appears to be little evidence that the BIF was actually intersected. All low-level anomalism does however have a very strong correlation with known and interpreted BIF horizons.

Known mineralisation outside of the tenure is very directly associated with the BIF stratigraphy, with grade at or below detection limit within a very short distance from the BIF. As such it appears that completed drilling can be considered nearly entirely ineffective. Careful review and modelling of the BIF, plus ground surveys with tight spatial control, are recommended to be completed before additional drill testing is completed to ensure that the target BIF horizon is in-fact intersected.

### 2.9 Proposed Work and Use of Funds

Riversgold has proposed a Phase 1 exploration budget totalling A$2,505,500; A$1,005,500 for 2017 and A$1,500,000 for 2018. The proposed programs and budgets are shown in Table 8. Note that the detailed exploration budgets discussed in this section describe the budgets for the minimum and maximum capital raising cases, the scope of work will be pro rata scaled according to the actual funds raised.

*Table 8: Kurnalpi Project – proposed exploration program and budget (A$)*
*Source: Riversgold*

| Project | Activity | Year 1 | | Year 2 | |
|---|---|---|---|---|---|
| | | A$5m raise | A$8m raise | A$5m raise | A$8m raise |
| Kurnalpi Project | Tenement Costs | 100,000 | 130,000 | 100,000 | 130,000 |
| | Geological Personnel | 70,000 | 90,000 | 70,000 | 90,000 |
| | Travel/accommodation costs | 10,000 | 15,000 | 10,000 | 15,000 |
| | Field camp costs | 10,000 | 10,000 | 10,000 | 15,000 |
| | air freight/supplies/expediting | 5,000 | 5,000 | 5,000 | 5,000 |
| | Geophysics | 10,000 | 10,000 | 10,000 | 10,000 |
| | Surface Geochemistry | 105,000 | 105,000 | 115,000 | 145,000 |
| | Drilling | 630,000 | 730,000 | 725,000 | 1,465,000 |
| TOTAL EXPLORATION EXPENDITURE | | 940,000 | 1,095,000 | 1,045,000 | 1,875,000 |

CSA Global considers Riversgold's proposed budgets reasonable, appropriate to address the project stage, and recommends that the Company proceed with the proposed work programs.

Note that depending on the actual capital raised, the scope of work will be scaled according to the actual funds raised, pro rata (approximately) in the categories shown.

### 2.10 Risks

#### *2.10.1 Project Risks*

All compiled data is based on WAMEX reports compiled by way of searches. Evidence and review indicates that these searches have been extensive and appear thorough, but may have failed to identify material information. In certain circumstances, WAMEX references included in provided digital datasets could not validate the data provided, particularly where reference to such data was derived from earlier work being reported within. In addition, recent work is retained in confidentiality by the Department of Minerals and Petroleum for up to five years. As such, this data may not be available, and could have a material impact on future exploration decisions.

All compiled data is based on WAMEX reports compiled by way of searches. Evidence and review indicates that these searches have been extensive and appear thorough, but may have failed to identify material information.

While certain of the WAMEX reports from which the data is derived discuss the use of quality assurance and quality control (QAQC) procedures as part of the sampling programs, this data is not formally reported. As such, quality and variability, even where original assays are reported, cannot be assessed.

All results as compiled are derived from unvalidated historical annual reports. Verification, based on a random selection of results, between compiled digital data and original source data included in these reports show a small percentage (<5%) of either data entry or transposition errors. However, more material values show no discrepancies. There is no evidence of systematic errors.

Efforts have been made in the compilation of data to ascertain the grid reference system in which coordinates are reported. However, this is not always reported within the related WAMEX reports. A review of drill hole locations against large scale satellite images, which may have their own errors, suggests that some holes may be mis-located, either as result of incorrect grid reference, or due to errors in original location. Combined errors of grid reference shift and GPS error would deliver an expected maximum location error of approximately 200 m.

The inability to properly validate data reported herein and upon which future exploration decisions will be made increases the overall risk of the exploration process. In addition, incorrect data that cannot be validated may lead to inappropriate or ineffective exploration process.

Exploration is an intrinsically risky process, particularly at an early stage, which all prospects within the Kurnalpi can be considered to be. It is likely, based on industry accepted statistics that no significant mineralisation will be located within the Project. Even in the event that significant mineralisation does exist within the Project, factors both in and out of the control of the Company may prevent the location of such mineralisation.

Lake Yindarlgooda has been lodged as an Aboriginal Heritage location. Access for ongoing exploration may either be prevented or have increased permitting to allow exploration to be completed, both within the bounds of the lake and in a buffer area surrounding it.

### *2.10.2 Yilgani*

Results in this area, including both surface geochemistry and drilling, are generally low despite statistical anomalism. Available data does not provide significant insight into cover material. However, a review of satellite imagery and past knowledge of the area indicates that cover is highly variable. Historical reports indicate the presence of, and indeed targeted a paleochannel, demonstrating the variability in cover thickness. As such, results need careful evaluation to further determine their significance. That the best results, away from the paleochannel can be correlated with defined structures provides a degree of confidence.

### *2.10.3 Venetian*

Verification of random results has shown no errors in available datasets, but this remains a potential risk due to the inability to validate primary analytical data.

Surface testing and drilling are reported as being appropriate for the cover and regolith environment and cover. However, results remain relatively low. As indicated there is evidence that results may only be related to supergene dispersion. Tracing primary mineralisation from this type of result can be technically demanding particularly without access to original logging, or as a result of poor or inaccurate logging as may be the case.

### *2.10.4 Ella/Farr-Jones*

Documentation for this sub-project in respect to significant results is good, with all results able to be located specifically within available WAMEX reports. However, these remain unvalidated by additional validation or quality assurance, particularly given that they are more advanced in nature (RCP drilling). Analytical methodology is undocumented and therefore may not represent and appropriate method. Drilling at both


principal prospects intersected deep cover. As such, controls on mineralisation are more difficult to ascertain, particularly as primary logging is only represented on poor quality scanned drill sections within WAMEX reports.

### *2.10.5 Queen Lapage*

During this review, much of the defined data and information related to past exploration is based on information included in WAMEX reports that reference previous reports. Material amounts of this data, particularly associated with the Queen Lapage trend/Lapage south area, could not be located in review of primary reports. There is no reasonable belief that such data has been reported or recorded incorrectly but there is an increased risk for reliance on this information.

As noted under the historical work section, much of the work in this sub-project has been completed within or adjacent to the boundary of Lake Yindarlgooda. Ephemeral salt lakes present particular risks in terms of access, ability to complete successful drilling/exploration programs. In addition, the hypersaline nature of salt lakes creates a geochemical environment which makes gold highly mobile. As such, supergene type anomalism, which may be prevalent, may have a source that is significantly removed from defined anomalism and which is technically difficult to trace – although recent improvements of cover modelling can assist this. Secondary methods such as geophysics may assist the exploration process but do not provide direct evidence of mineralisation. In the event that mineralisation is defined, the logistics associated with building and operating a mine within the area of an ephemeral salt lake are likely to be both challenging and potentially capital intensive, likely requiring higher tenor mineralisation. Lake Yindarlgooda has been lodged as an Aboriginal Heritage location. Access for ongoing exploration may either be prevented or have increased permitting to allow exploration to be completed, both within the bounds of the lake and in a buffer area surrounding it.

### *2.10.6 Round Hill*

The single most significant risk with the Round Hill sub-project is deep and complex cover associated with ephemeral salt lakes and related playa dunes. Surface geochemistry has defined numerous anomalies (statistical) within the area. Drilling associated with this anomalism has failed to return significant mineralisation. As such, it can be concluded that this type of assessment is either ineffective, or additional work is required to determine the significance of the surface results in respect to potential bedrock mineralisation.

### *2.10.7 CSA Global's Recommendations*

A significant percentage of the Kurnalpi Project is either directly beneath lake and related cover, or in areas of known or interpreted deeper cover with minimal outcrop. As such, traditional tools for project assessment have been demonstrated to be either ineffective, on not completely effective. Extensive work completed associated with Archaean Lode/orogenic gold has demonstrated that the footprint of significant gold mineral systems, both of narrow high-grade nature and more bulk tonnage, can be recognised on the basis of relatively wide spaced drilling – 400 m by 400 m certainly, and probably as widely spaced as 1,000 m by 1,000 m spacing. This is achieved by the systematic collection of bottom of hole (aircore or RAB holes) and selected within-hole (relating to RCP and diamond) samples. These should be analysed for broader multi-element suites (35 to 60 elements) using either four-acid digest with a combination of either ICP-MS and ICP-OES, depending on the element being analysed for, or Laser ablation ICP-MS. In combination with short wave infrared spectrometry, which identifies potentially alteration related minerals, coherent patterns related to the larger scale alteration signatures that hydrothermal processed create as part of the mineralisation process can be identified. These can provide a similar or better vector to mineralisation than surface sampling or geophysics, particularly when used in conjunction therewith.

This type of approach should be taken in conjunction with detailed geological interpretation, using the data defined as per above, with available high quality magnetic, gravity and electromagnetic geophysical datasets to further assess the project for both primary targets, supported by existing results, and conceptual litho-structural targets.

# 3 Churchill Dam Project, South Australia

Information in this section is primarily compiled and summarised from an information memorandum prepared by Debnal Pty Ltd (Debnal) and dated February 2017. This has been supplemented with CSA Global knowledge of the regional geology. Further details can be found in the References section of this report (Section 6.2).

## 3.1 Location, Access and Land Use

The Churchill Dam IOCG Project is located in the Gawler Craton, approximately 20 km west of Woomera and 90 km south-west of the Olympic Dam deposit in SA (Figure 17).

The Indian Pacific railway line and Stuart Highway both pass east-west through the southern third of the Project area, whilst the tenement lies outside the Woomera restricted area. Access throughout the Project area is via station tracks and topography is open and gently undulating with some sand dunes in the western part of the tenement.

## 3.2 Tenure

The Project consists of one Exploration Licence, EL5890, held 100% by Debnal (Figure 17 and Table 9). The licence covers an area of approximately 107 km², and was granted for gold and copper. The licence is due to expire in November 2017, and Debnal previously held EL3511 and EL4801 over the same area. The licence has an expenditure commitment of A$160,000/yr.

Riversgold will purchase EL5890 from Debnal for A$100,000 worth of shares in the IPO.

*Table 9: Churchill Dam tenement details*

| Tenement | Status | Holder | Commodities sought | Location | Tenement start date | Tenement expiry date | Court action pending | Area (km²) | Prior tenement |
|---|---|---|---|---|---|---|---|---|---|
| EL 5890 | Granted | Debnal Pty Ltd (100%) | Gold; copper | Eucolo Creek area – approximately 25 km west of Woomera | 15/11/2016 | 14/11/2017 | No | 107 | EL4801; EL3511; |

*Source: SARIG, 2017*

## 3.3 Geology

The Churchill Dam Project is located near the eastern margin of the Gawler Craton within the Olympic Copper-Gold Province, approximately 90 km south-west of BHP Billiton's Olympic Dam deposit and 95 km west of Carrapateena (Figure 18). The Project is characterised by a discrete 17 km by 10 km gravity anomaly located at the intersection of north-east and north-west trending gravity lineaments.

Basement geology in the area consists mostly of Meso-Proterozoic Gawler Range Volcanics (GRV) (Figure 20) overlying interpreted Palaeoproterozoic basement, both beneath younger sediments. The gravity anomaly nevertheless suggests the possible existence of a dense, possibly haematite-altered intrusive body at depth. The existence of haematite-altered and brecciated GRV has been established as a result of recent drill testing. Later dolerite dykes of the Gairdner Dyke Swarm intrude older geology and trend north-west through the Project area.

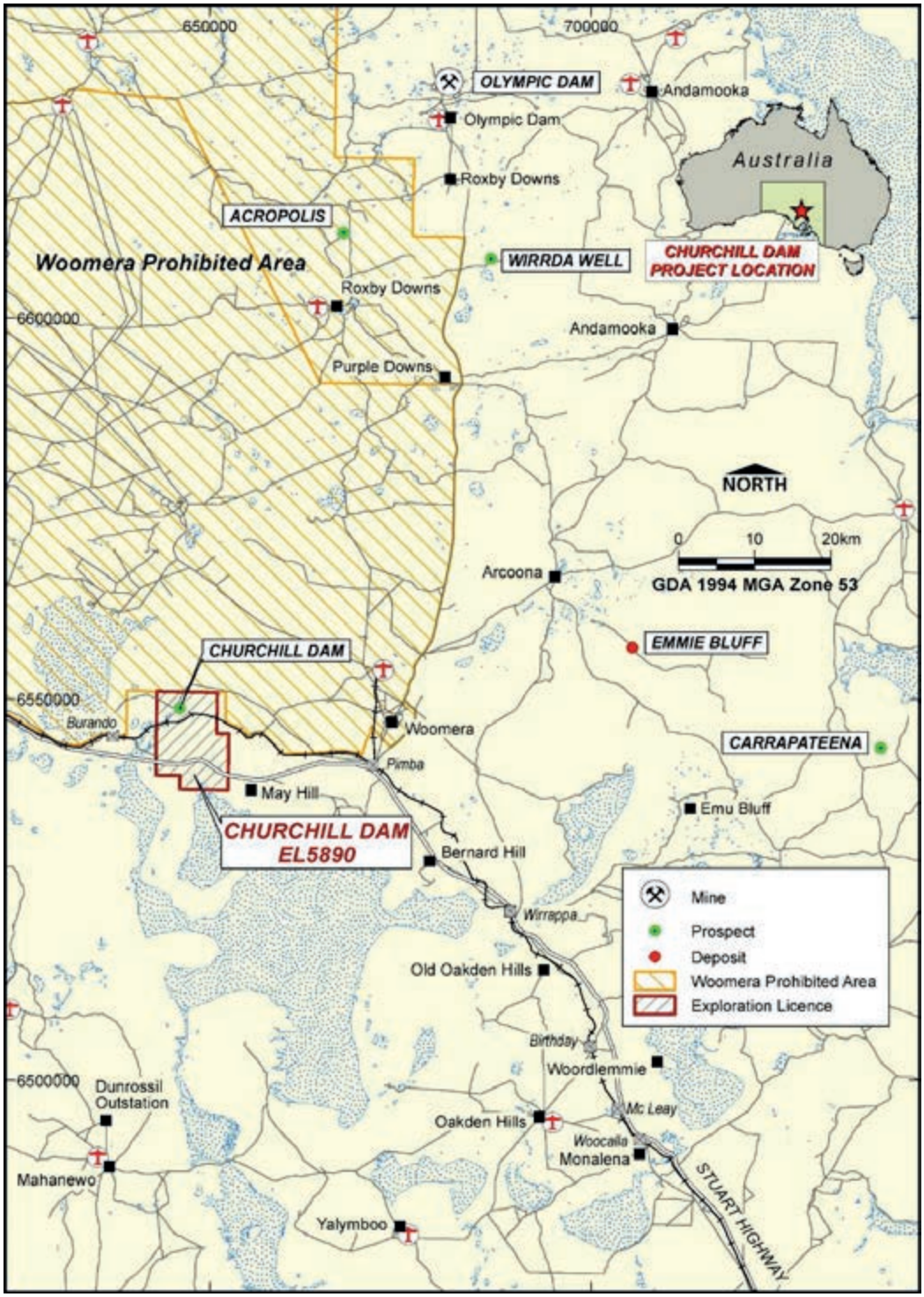



*Figure 17: Location of Churchill Dam Project*

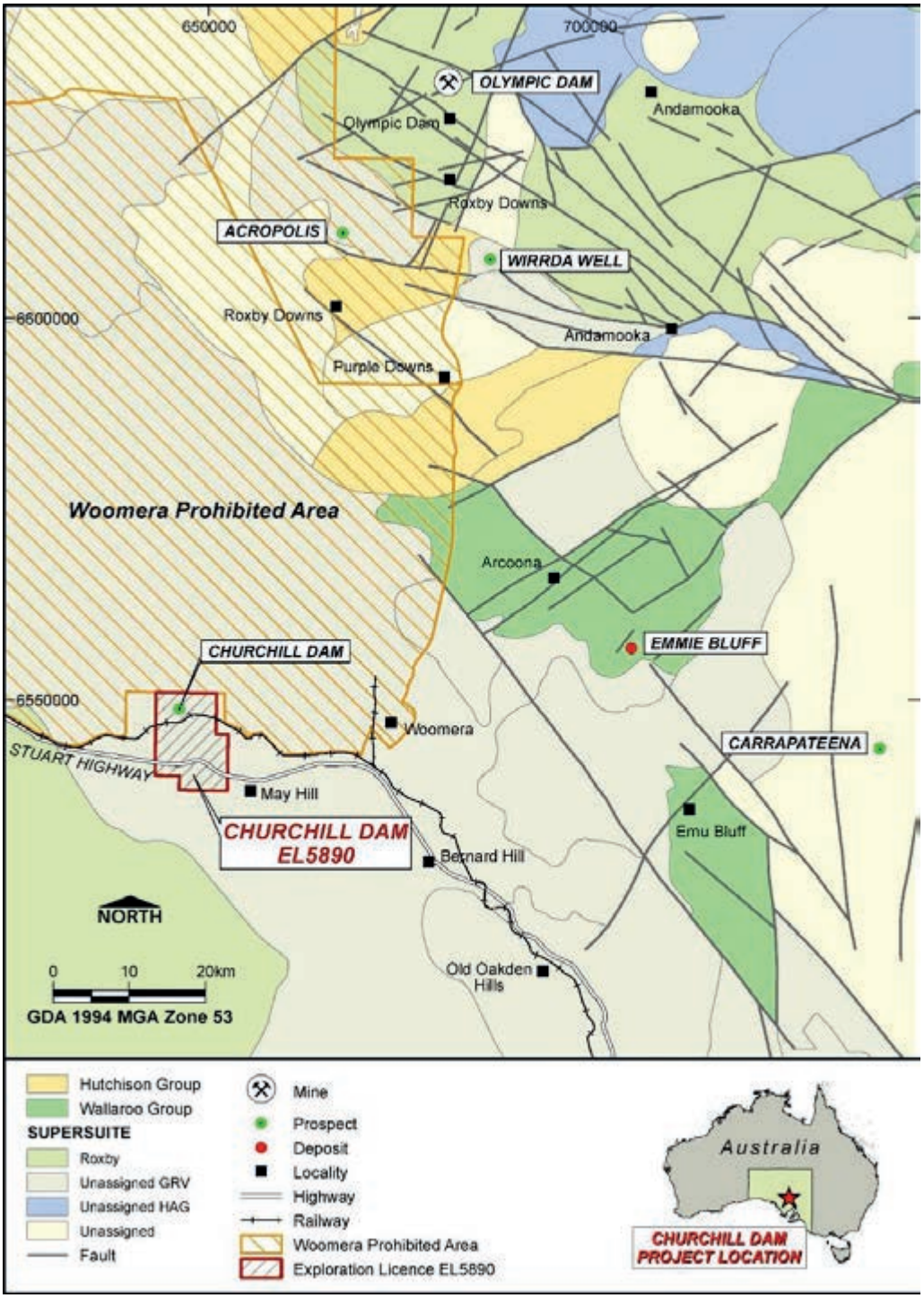



*Figure 18: Regional geological setting of Churchill Dam Project*


## 3.4 Exploration History

Work prior to 2005 was limited to a series of gravity surveys and the drilling of a couple of shallow drill holes in search of sediment-hosted Mt Gunson-style copper mineralisation in younger sediments.

In 1976, Seltrust drilled three holes in the area, one of which, PPR3 (Figure 21), was drilled directly over the top of the gravity high but stopped at a depth of 160 m in Pandurra Formation after it had passed through the unconformity with the overlying Tapley Hill shale. Sphalerite and galena were observed in the Woocalla Dolomite unit along with anomalous Cu.

Debnal recognised the prospectivity of the area in 2005 and applied for an EL (EL3511) over the untested gravity anomaly. At the same time, Debnal applied for and was successful in obtaining funding under the "PACE" scheme to assist with funding to drill test the target.

Debnal approached Black Peak Holdings Pty Ltd (Black Peak Holdings) and farmed the project out to them, along with two other projects (Kingoonya and Harris Bluff). Black Peak Holdings subsequently assigned the projects to Venture Minerals Ltd (Venture) as part of Venture's IPO in 2006.

## 3.5 Work Completed

Upon listing, Venture completed infill gravity surveys over the Project area, followed by modelling, trialled surface geochemical sampling and then completed three diamond holes to test targets highlighted within the larger gravity high.

### *3.5.1 Gravity*

Venture completed a 400 m by 400 m ground gravity survey covering the central part of the Project (Venture Minerals, 2007). This outlined a north-north-west trending gravity high of approximately 4 milligals magnitude. The core of the gravity high is roughly 12 km long and up to 4 km across. Processing of this data and historic gravity data also indicated the presence of several smaller 0.5 km to 2 km long gravity highs which may also be prospective for IOCG mineralisation.

Venture then drilled two diamond holes into the anomaly (details below), and interpreted a "caldera" structure within the GRV at the Churchill Dam Project (Figure 19). This prompted an extensive infill gravity survey, however this was not continued as the tighter station spacing did not provide any greater detail, given the depth to basement.

### *3.5.2 Surface Geochemistry*

Venture conducted a trial survey of partial/selective leach geochemistry via water leach and enzyme leach analysis. One trial line of 500 m spaced samples was analysed by water leach and enzyme leach. A follow-up grid of 1,000 m by 500 m spaced samples was analysed by enzyme leach alone.

The results appeared to highlight Copper-Uranium-Rare Earth Element anomalism roughly coincident with features observed in the gravity and magnetic data.

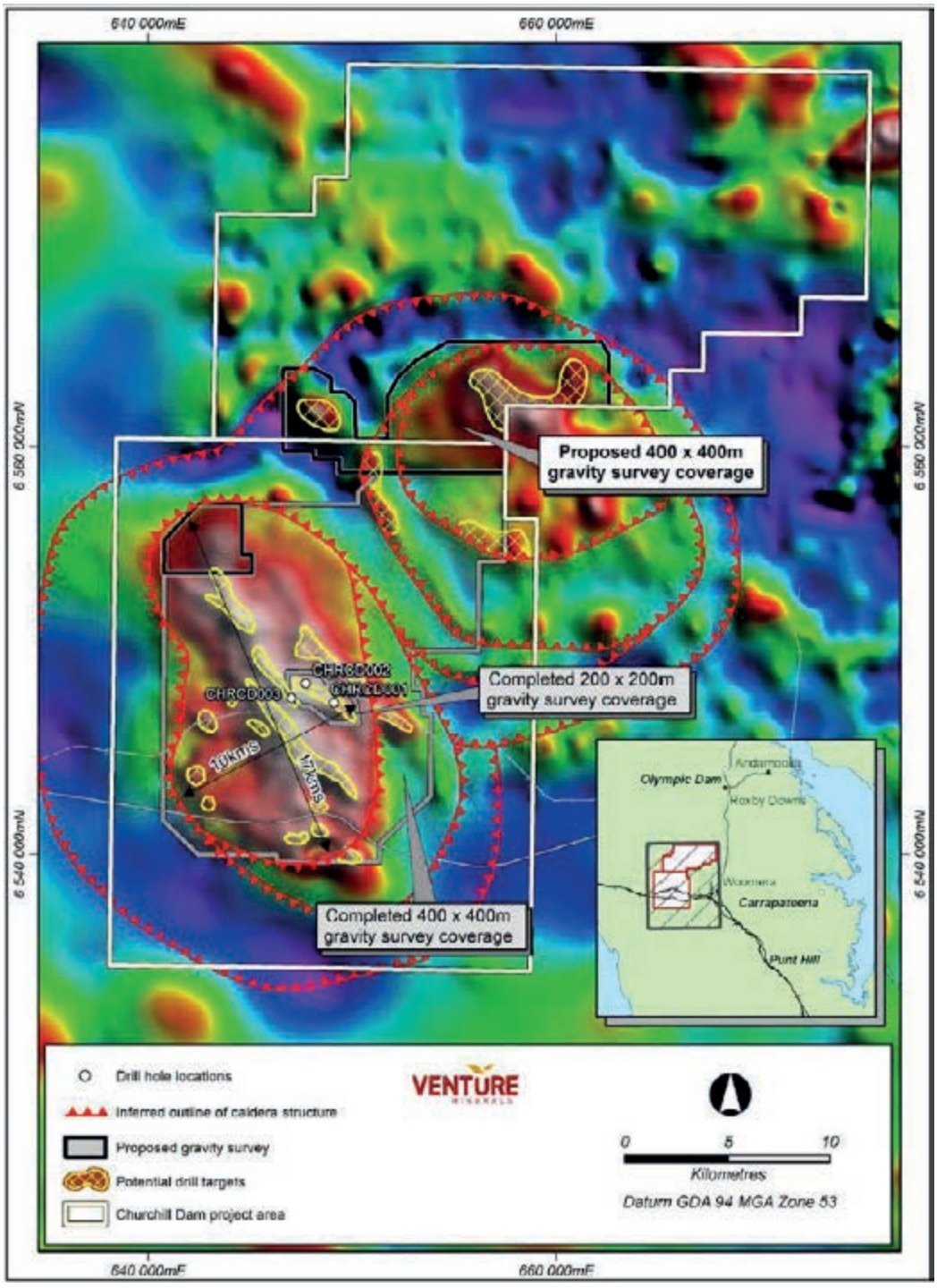



*Figure 19: Churchill Dam Drilling and ground gravity surveys*


*Note: Southern tenement is EL3511, which is a predecessor of the current tenement (EL5890). The northern tenement is no longer a part of the project. Source: Venture Minerals, 2007a.*

### *3.5.3 Drilling*

Venture drilled three diamond drill holes (Figure 19 and Table 10) in 2007 to test targets highlighted within the larger gravity high.

*Table 10: Venture drilling at Churchill Dam*

| Hole | Easting | Northing | Basement depth (m) | EOH depth (m) |
|---|---|---|---|---|
| CHRCD001 | 649119 | 6547419 | 803.5 | 1,146.0 |
| CHRCD002 | 647744 | 6548370 | 657.5 | 1,056.4 |
| CHRCD003 | 647028 | 6547645 | 586.8 | 1,168.0 |

*CHRCD001*

CHRCD001 was planned to test a discrete west-north-west trending gravity high approximately 1,700 m by 500 m in the central eastern part of the main regional high. The drill hole was positioned in an attempt to avoid the younger Gairdner dykes.

Mesoproterozoic basement was intersected at 803.5 m and consisted of variably altered and brecciated GRV. Trace amounts of fine grained pyrite and possibly chalcopyrite were noted in some zones, especially within a brecciated and hematite-carbonate-chlorite veined banded rhyolite between 925 m and 966 m downhole. CHRCD001 was ultimately terminated at 1,146 m in the GRV (Venture Minerals, 2007b).

A broad zone of low-level REE, U and Cu anomalism was observed over an interval of approximately 50 m associated with the unconformity between GRV and overlying Pandurra Formation. Spikes of low-level REE, U and Cu anomalism were also noted within hematite altered brecciated GRV between 900 m and 966 m.

While CHRCD001 did not encounter significant sulphide mineralisation, the style of alteration and brecciation, along with low-level geochemical anomalism and trace amounts of sulphide were considered encouraging.

*CHRCD002*

CHRCD002 was planned to test a similar discrete west-north-west trending gravity high north of the railway line.

Basement was intersected at 657.4 m and consisted of haematite-sericite altered rhyodacite of the Lower GRV with trace amounts of pyrite in the matrix. Four broad lithological groups based on composition were identified from the core logging:

- 657.4 m to 780.7 m variably hematite and sericite altered rhyodacite and rhyodacitic volcanic breccia.
- 780.7 m to 887.6 m hematite-chlorite-altered banded andesites and mafic scoriaceous breccias with scattered carbonate-chlorite-veining were cored.
- 887.6 m to 897.8 m dacite, dacitic volcanic breccias and felsic tuffs with a distinct perlitic texture were intercepted. The volcanic breccias contain devitrified material in their matrix.
- The lowermost rhyodacitic unit from 897.8 m to 1,056.4 m can be further subdivided into an upper package of interbedded strongly sericite altered felsic tuff, rhyodacitic volcanic breccia and rhyodacite down to 959.9 m and then a package of banded rhyodacite where banding is irregular and may be convoluted. The upper part of the lower rhyodacitic unit includes some distinctive beds which appear to be pyroclastic bombs in a devitrified matrix.

CHRCD002 was terminated at 1,056.4 m in the GRV.

The volcanic units in this hole showed widespread haematite “dusting” with some sericite alteration. Trace element geochemistry was universally lower than in CHRCD001, with highest Cu assays up to 2 m at 205 ppm.

This hole was closer to the centre of the gravity high and therefore, using the Olympic Dam analogy, the lower values are not unexpected.

*CHRCD003*

CHRCD003 was collared approximately 2 km west of CHRCD001 and aimed to test a major north-west trending gravity anomaly roughly in the centre of the regional high.

Basement was intersected at 586.8 m in the form of a rhyodacitic breccia interpreted to represent a possible flowtop breccia:

- From 643.1 m to 680.4 m, the upper rhyodacitic unit is more heterogeneous, containing volcanic breccias and possible ignimbrites.
- From 680.4 m to 744.1 m, a 63.7 m thick package of mafic tuff, volcanic breccia and andesite were observed. Minor quartz-carbonate-chlorite veins are reported.
- From 744.1 m, the Lower GRV are of a rhyodacitic composition, predominantly rhyodacite with some possible fiamme present in upper sections suggesting some ignimbrite beds.
- From 1,157.6 m to the end of hole at 1,168 m, there is green, strongly sericitic rhyolite, volcanic breccia and felsic tuff.

CHRCD003 was terminated at 1,168 m in the GRV due to high ground water which made drilling slow and cost prohibitive, despite the encouraging alteration style observed.

*Petrographic Analysis*

Petrographic analysis completed on various samples from the three holes confirms the presence of haematite flooding along with albite-sericite-chlorite and quartz alteration. This alteration assemblage is interpreted to represent “low-temperature epithermal type” alteration, consistent with the near-surface formation of a large IOCG system.

*Drilling Outcomes*

In summary, the three holes have proven the original concept; that a large haematite-altered breccia system exists within the Churchill Dam Project area. The drilling has also confirmed the presence of low-level geochemical anomalism in Cu, U and REE, along with trace amounts of Fe and Cu sulphides. The source of the original target, a large dense body, has not been explained and Palaeoproterozoic basement has not yet been tested.

## 3.6 Targets and Exploration Potential

As detailed by Kelly (2017), the gravity surveys and drilling so far have validated the original concept, that Churchill Dam has the potential to host a large IOCG system. There remain several other targets within the regional high that are yet to be tested, each of which have an aerial extent similar to Prominent Hill and larger than Carrapateena.

The regional gravity and magnetic data suggest the presence of a large dense intrusive body in the vicinity of Churchill Dam. So far, brecciation and well developed “red-rock” alteration have been observed within rocks of the Upper and Lower GRV, similar to IOCG mineralisation seen at the nearby Acropolis Prospect (Figure 18). Palaeoproterozoic basement has not yet been intersected at Churchill Dam.

The limited drilling to date shows evidence of the following indicators of IOCG mineralisation:

- Distal sodic alteration (albitisation)
- Proximal K feldspar-magnetite “black-rock” alteration
- Later hematite-K feldspar-sericite-carbonate-chlorite “red-rock” alteration.

Potentially, the upper and lower GRV present at Churchill Dam provide an impermeable heat trap which could help incubate long-lived hydrothermal alteration ± IOCG mineralisation within the lower GRV and underlying rocks.

Remodelling of the existing gravity, magnetics and surface geochemistry data has highlighted a discrete drill target approximately 1 km west of CHRCD003. Basement depths in the three diamond holes shallow towards the west and the proposed hole may intersect upper GRV as shallow as 500 m below surface. The target is located towards the edge of the local magnetic anomaly and is also coincident with enzyme leach and water leach surface geochemical anomalies.

Detailed coincident gravity and magnetic modelling shows the gravity anomaly may be caused by a combination of a shallow dense body and a deeper dense and magnetic body. It is proposed to test this target with a 1,000 m diamond hole during 2017, pending relevant approvals.

It should be noted that, in hindsight, similar modelling of the basement intersected by previous drill holes CHRCD002 and 003 did not show any such dense bodies in the near vicinity.

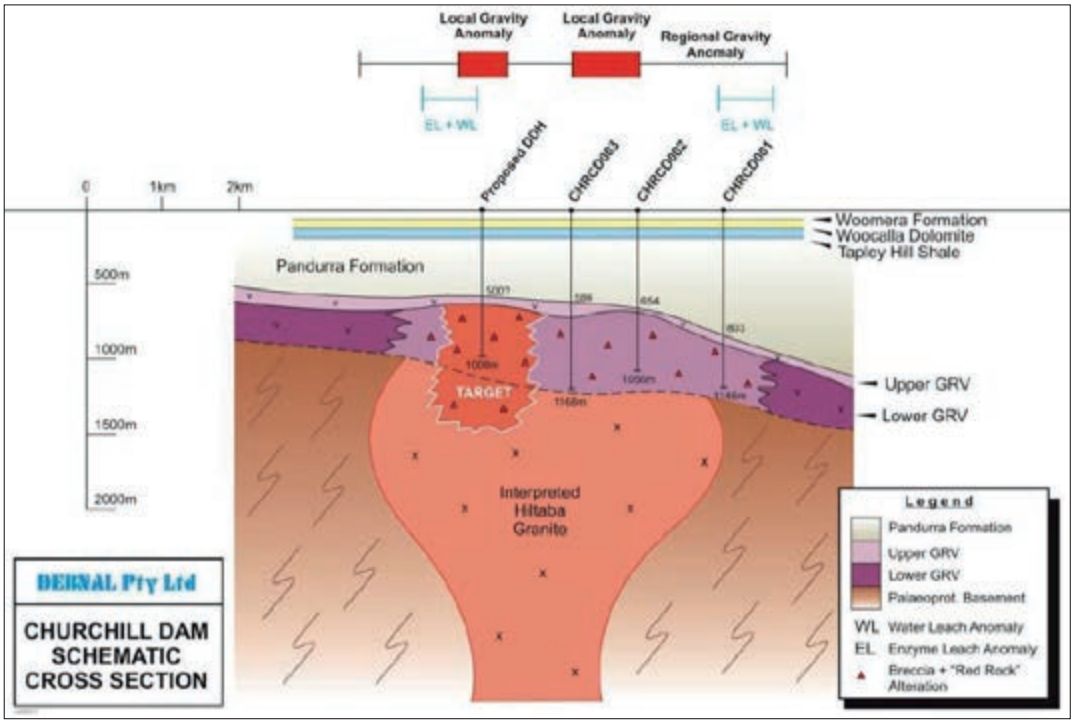



*Figure 20: Schematic south-west-north-east cross section across Churchill Dam Project, showing existing holes and location of proposed diamond hole. Source: Kelly, 2017*

## 3.7 Proposed Work and Use of Funds

Riversgold proposes to drill one to four deep diamond drill holes, initially to test the target schematically illustrated in Figure 20, and then to test the strike extent of the larger gravity anomaly.

*Table 11: Churchill Dam Project – proposed exploration program and budget*
*Source: Riversgold*

| Project | Activity | Year 1 | | Year 2 | |
|---|---|---|---|---|---|
| | | A$5m raise | A$8m raise | A$5m raise | A$8m raise |
| Churchill Dam Project | Tenement Costs | 1,500 | 1,500 | 1,500 | 1,500 |
| | Geological Personnel | 7,500 | 7,500 | 3,500 | 7,500 |
| | Travel/accommodation costs | 1,000 | 1,000 | 0 | 1,000 |
| | Field camp costs | 1,000 | 1,000 | 0 | 1,000 |
| | air freight/supplies/expediting | 1,000 | 1,000 | 0 | 1,000 |
| | Geophysics | 0 | 0 | 0 | 0 |
| | Surface Geochemistry | 0 | 0 | 0 | 0 |
| | Drilling | 243,000 | 243,000 | 0 | 143,000 |
| TOTAL EXPLORATION EXPENDITURE | | 255,000 | 255,000 | 5,000 | 155,000 |

Riversgold propose initially budgeting approximately A$260,000 (minimum raising) to A$410,000 (maximum raising) for the completion of the initial deep diamond hole, and possible second offset hole.

CSA Global considers Riversgold's proposed budgets to be reasonable and recommends that the Company proceed with the proposed work programs.

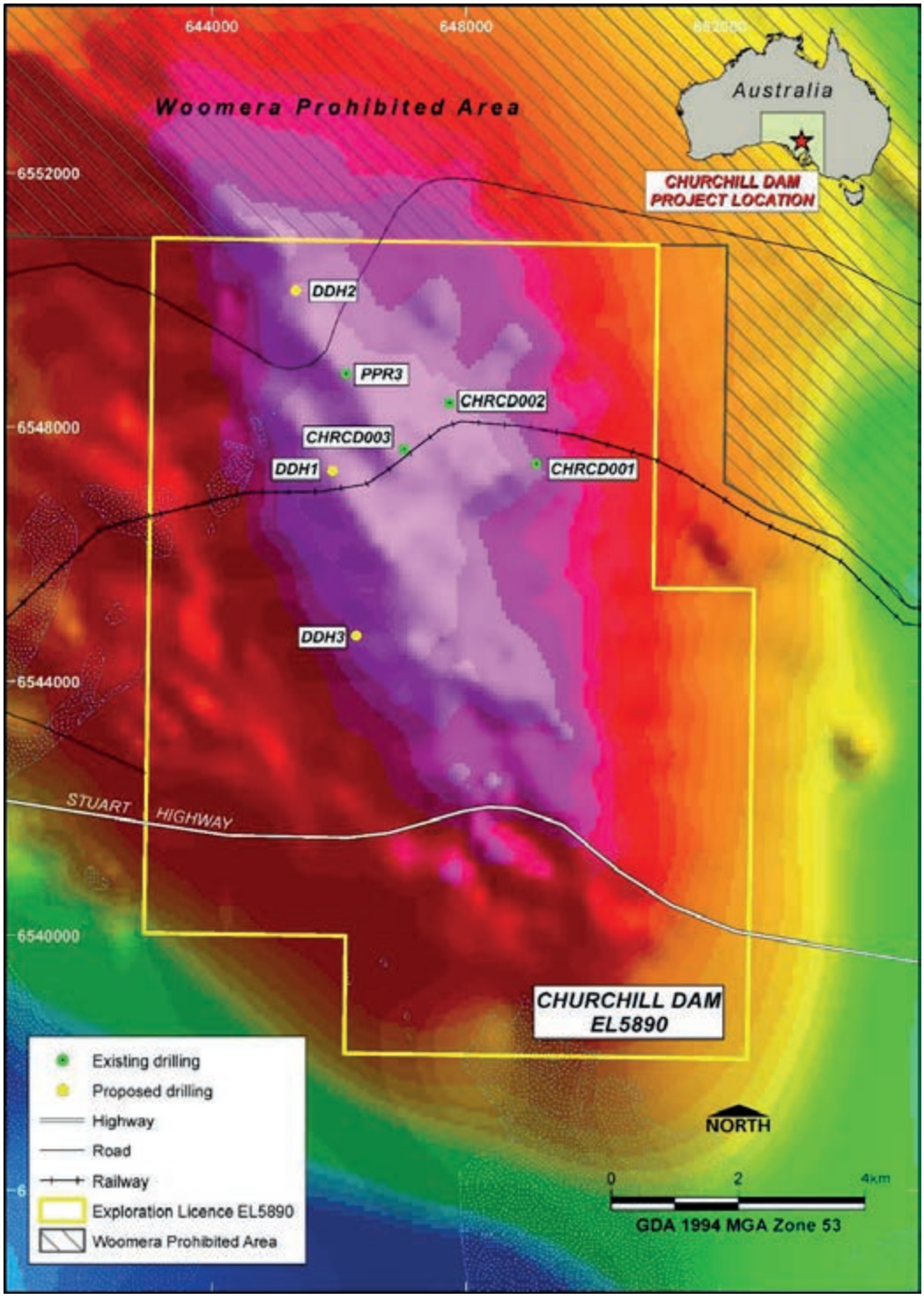



*Figure 21: Bouguer gravity image for Churchill Dam showing existing and proposed drill holes*


## 3.8 Risks

A key risk, common to all exploration companies, is that the expected mineralisation may not be present or that it may be too small to warrant commercial exploitation.

The interpretations and conclusions reached in this ITAR are based on current scientific understanding and the best evidence available to the authors at the time of writing. It is the nature of all scientific conclusions that they are founded on an assessment of probabilities and, however high these probabilities might be, they make no claim for absolute certainty.

The ability of any person to achieve forward-looking production and economic targets is dependent on numerous factors that are beyond CSA Global's control and that CSA Global cannot anticipate. These factors include, but are not limited to, site-specific mining and geological conditions, management and personnel capabilities, availability of funding to properly operate and capitalise the operation, variations in cost elements and market conditions, developing and operating the mine in an efficient manner, unforeseen changes in legislation and new industry developments. Any of these factors may substantially alter the performance of any mining operation.

# 4 South-west Alaska Project, USA

## 4.1 Location

The South-west Alaska Project, comprised of the Luna, Quicksilver, North Quicksilver and Kisa properties, is located in the southern Kuskokwim Mountains of south-western Alaska approximately 520 km west-south-west of Anchorage (Figure 22). The Project area falls within the Bethel, Kuskokwim and Bristol Bay Area Planning Units.


*Figure 22: South-west Alaska Project Area, Alaska State Location Map*
*Source: Adapted from North Fork, 2011*

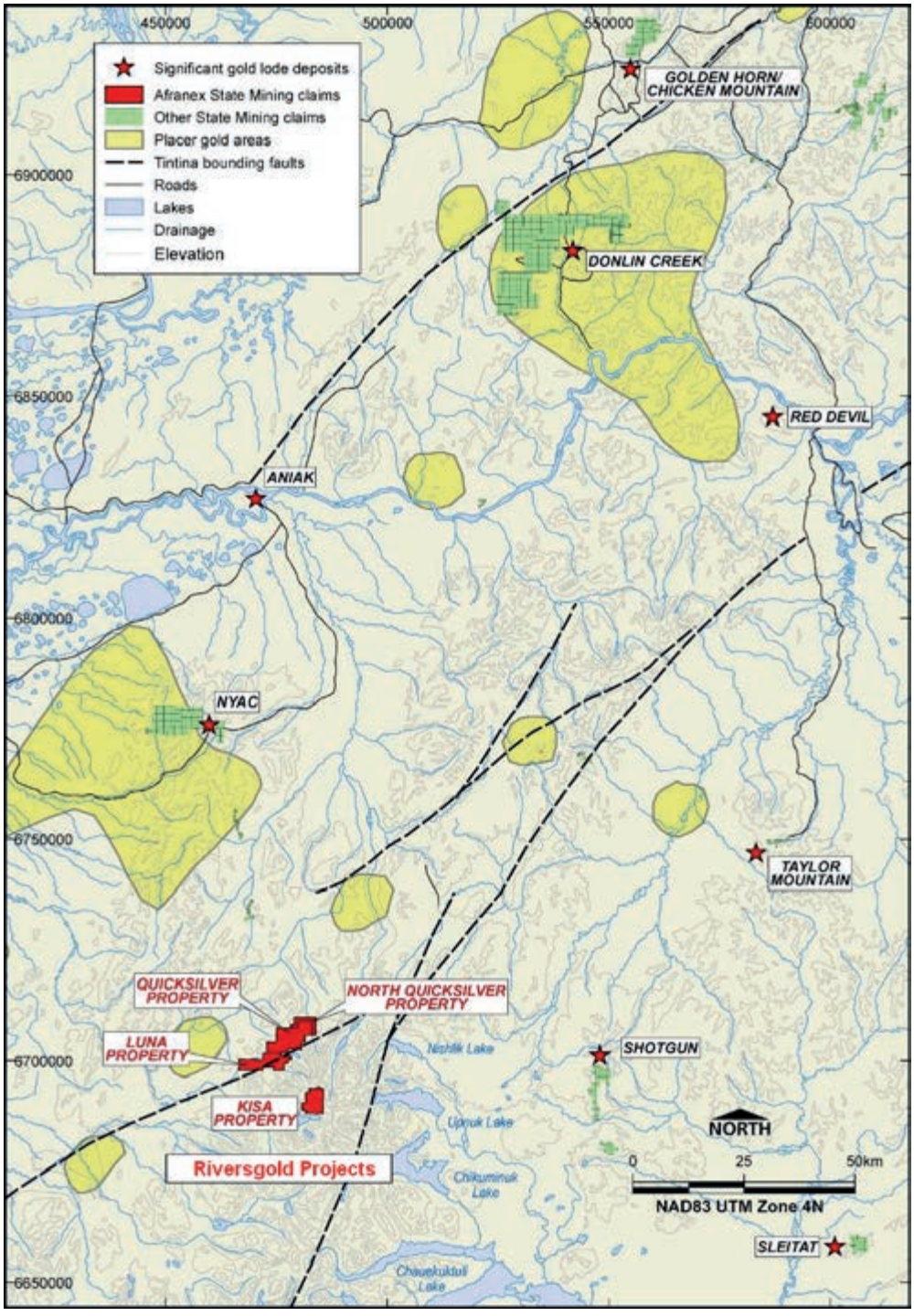



*Figure 23: Detailed location of the South-west Alaska Project relative to other state mining claims and mineral projects*


## 4.2 Access

To access the Project from Anchorage, a commercial airline carrier can be taken to either Bethel (640 km) or Aniak (520 km). From Bethel and Aniak, access is by float or tundra tire equipped aircraft or helicopter to the Project area. Distance to the Luna Project is approximately 130 km from both Aniak and Bethel. A series of large glacial lakes (Aniak, Kisaralik and Gold) provide good float plane access to most of the project area and serve as staging points for crews, fuel deliveries and camp locations. The Port of Bethel is the northern-most medium-draft port in the US with commercial barge service provided from Anchorage and Dutch Harbour to Bethel, from late June through early October. Fuel and supplies are brought into Aniak by river barge during the summer. Other goods are delivered to Bethel and Aniak by air freight year-round. There are no all-weather and/or temporary roads in the Project area.

The effective operating season for early stage exploration operations in the Project area runs from June through early October.

## 4.3 Climate

The climate in the Project area is mountain continental but has a maritime influence in the summer because of its proximity to the coast. Aniak is the closest centre representative of the Project area for which climatic records are available (1949 to 1990). The Project area is at higher elevations therefore somewhat lower average temperatures can be expected. Mean summer temperature is approximately 12°Celsius (C). However, extreme daily summer temperatures can reach in excess of 30°C. Mean winter temperature is -16°C. However, extreme daily winter temperatures can reach to below -50°C. The last average day of frost is generally around 30 May and the first frost is typically in early September. Average annual precipitation is approximately 47.8 cm per year. Summer has the greatest amount of precipitation at mean of 20.3 cm. Mean winter snowfall is 68.6 cm and mean total annual snowfall is 142.2 cm. The permafrost is generally found in areas that average more than 150 m in elevation. Lakes in the immediate area typically are frozen and snow remains on ridges and upper slopes until late June or early July. The Kuskokwim River is ice-free from mid-June through October.

## 4.4 Local Resources and Infrastructure

The Project area is remote and undeveloped. No fixed roads, power lines, gas lines or settlements exist on or near the properties within the Project area.

Currently personnel and equipment access to the area is limited to float planes capable of landing on Kisaralik Lake, Gold Lake, Aniak Lake or other smaller area lakes, tundra-tired fixed wing aircraft or helicopters. An unimproved landing area approximately 300 m in length is located on the Luna claims (UTM 6,698,900N, 468,700E) and is suitable for a smaller aircraft with tundra tires.

Bethel (population 6,080) hosts the State-owned Bethel Airport, a regional transportation centre served by two major passenger airlines, two cargo carriers, and numerous air taxi services. It offers a 1,950-m lighted asphalt runway and 565-m gravel crosswind runway. Two float plane bases are nearby, Hangar Lake and H Marker Lake. Aniak (population 500) hosts the State-owned Aniak airport which has a 1,830-m lighted asphalt runway and is equipped for instrument approaches. Regular flights are provided by several carriers, including charter operators. Float planes can land on Aniak Slough.

The Port of Bethel is the northern-most medium-draft port in the US with commercial barge service provided from Anchorage and Dutch Harbor to Bethel, from late June through early October. A river barge service based in Bethel provides fuel and supplies to Kuskokwim villages, including Aniak, in the summer. Other goods are delivered to Bethel and Aniak by air freight year-round.

Anchorage (population 291,825), 520 km east-north-east of the Project area, is the nearest source of mining related commercial services and an abundant pool of managerial and skilled labour. Anchorage is serviced by modern telecommunications, commercial airlines and ocean port and rail and truck transportation.

## 4.5 Physiography

The Project area lies within the Ahklun and Kilbuck Mountains ecoregion (Gallant et.al., 1995). The mountains were glaciated in the Pleistocene epoch, but only a few small glaciers remain in the ecoregion because of the relatively low elevations. Terrain in the Project area consists of elongated, narrow, curvilinear bedrock-capped ridgelines or frost-heaved rubble covered broader ridge plateaus that rise up from broad open valleys (Photo 1). Relief from the valley floors to ridge crests is on the order of 1,050 m to 1,375 m. Hanging valleys are common. The drainage pattern generally reflects the south-west to north-east structural grain of the mountains, with most of the rivers flowing into the Kuskokwim River or towards Kuskokwim Bay.

*Photo 1: Local physiography looking east-south-east across east end of Luna Project in the valley floor, Quicksilver Project centred on the ridge of the left midground, North Fork Lakes in background. Source: Trinder, 2012*

## 4.6 Tenure

Riversgold's South-west Alaska Project consists of four property claim groups – Luna, Quicksilver, North Quicksilver and Kisa – which it acquired from Afranex. The Project comprises a total of 171 State of Alaska MTRSC mining claims covering a total of approximately 10,976 ha (109.77 km$^2$) (Table 12 and Figure 23). A complete list of claims is presented in Appendix 3including a description of the Alaska mineral tenure system. The various property claim groups straddle the boundary between the Bristol Bay, Kuskokwim and Bethel Recording Districts and are located on State of Alaska owned-lands.

The Luna and Kisa properties are currently owned 100% by Afranex. Afranex acquired the properties from Kisa Gold Mining Inc. (Kisa Gold) a wholly owned subsidiary of Amazing Energy Oil and Gas Co. (Amazing) of Amarillo, Texas, formerly known as Gold Crest Mines Inc. (Gold Crest), a Nevada corporation; with corporate headquarters in Spokane, Washington. Afranex held an option to purchase 100% of the Luna and Kisa claims and payments of US$50,000 were made in respect of the option on 23 November 2015 and 30 December 2016. In addition, a loan of US$80,000 to Amazing was applied to the option fee consideration as at 31 January 2016. The balance of

US$120,000 was paid on 31 July 2017. Transfer of ownership of the claims to Afranex Alaska is now being completed.

The North Quicksilver property is owned 100% by Afranex through the purchase of North Fork and its wholly owned Alaskan subsidiary, North Fork LLC, which was completed on 29 September 2016 by the issue of Afranex shares. Ownership of North Fork has been updated in the ASIC register. CSA Global notes that the ownership of the North Quicksilver claims is still in the name of North Fork LLC on the Alaska Department of Natural Resources (ADNR) Land Records search portal. Details of the Afranex – North Fork transaction have not yet been recorded.

The Quicksilver property is owned 100% by Afranex through the purchase (via issue of shares) of the 10% interest held by Allan John Kelly ATF Kelly Family Trust (KFT) of Perth, WA and the issue of Afranex shares and assignment of the Renaissance loan for the remaining 90% interest held by Black Peak LLC, a wholly owned Alaskan subsidiary of Renaissance Alaska Pty Ltd (Renaissance), which is itself a wholly owned subsidiary of Renaissance Minerals Limited of Subiaco, WA. The purchase transaction was completed on 29 September 2016. CSA Global notes that the ownership of the Quicksilver claims is still in the name of Black Peak LLC on the ADNR Land Records search portal; Afranex has acquired Black Peak LLC in full.

*Table 12: South-west Alaska Project – current land holdings and agreements*

| Project | Current owner | Riversgold acquisition agreements | Claims(1) | Area (ha) | Area (acres) |
|---|---|---|---|---|---|
| Luna | Afranex – 100%, 31 March 2017 | 100% of Afranex | 50 | 3,238 | 8,000 |
| Kisa | Afranex – 100%, 31 March 2017 | 100% of Afranex | 38 | 2,363 | 5,840 |
| Quicksilver | Afranex – 100%, 29 September 2016 | 100% of Afranex | 70 | 4,533 | 11,200 |
| North Quicksilver | Afranex – 100%, 31 March 2017 | 100% of Afranex | 13 | 842 | 2,080 |
| TOTAL | | | 171 | 10,976 | 27,120 |

(1) See Appendix 3 for a complete list of claims including a description of the Alaska mineral tenure system.

### *4.6.1 Project Descriptions*

*Luna Project*

The Luna property comprises 50 ¼-section (64 ha) MTRSC state mining claims totalling approximately 3,238 ha. The property is centred at approximately UTM 6,699,600N, 471,775E (Figure 24); 128 km from Aniak at a bearing of 179°. The claims were located by Kisa Gold on in July and August 2007. The claims are currently owned 100% by Afranex. The claims were recently acquired with a final option payment at the end of March 2017, to Gold Crest/Kisa Gold.

*North Quicksilver Project*

The North Quicksilver property comprises 13 ¼-section MTRSC state mining claims totalling approximately 842 ha. The property is centred at approximately UTM 6,709,400N, 481,000E (Figure 24); 119 km from Aniak at a bearing of 175°. The claims were located by North Fork on 1 September 2011 and are now owned 100% by Afranex.

*Quicksilver Project*

The Quicksilver property comprises 70 ¼-section MTRSC state mining claims totalling approximately 4,533 ha. The property is centred at approximately UTM 6,705,000N, 478,000E (Figure 24); 119 km from Aniak at a bearing of 175°. The claims were located by Black Peak on 20, 23 and 25 July 2007 and are now owned 100% by Afranex.

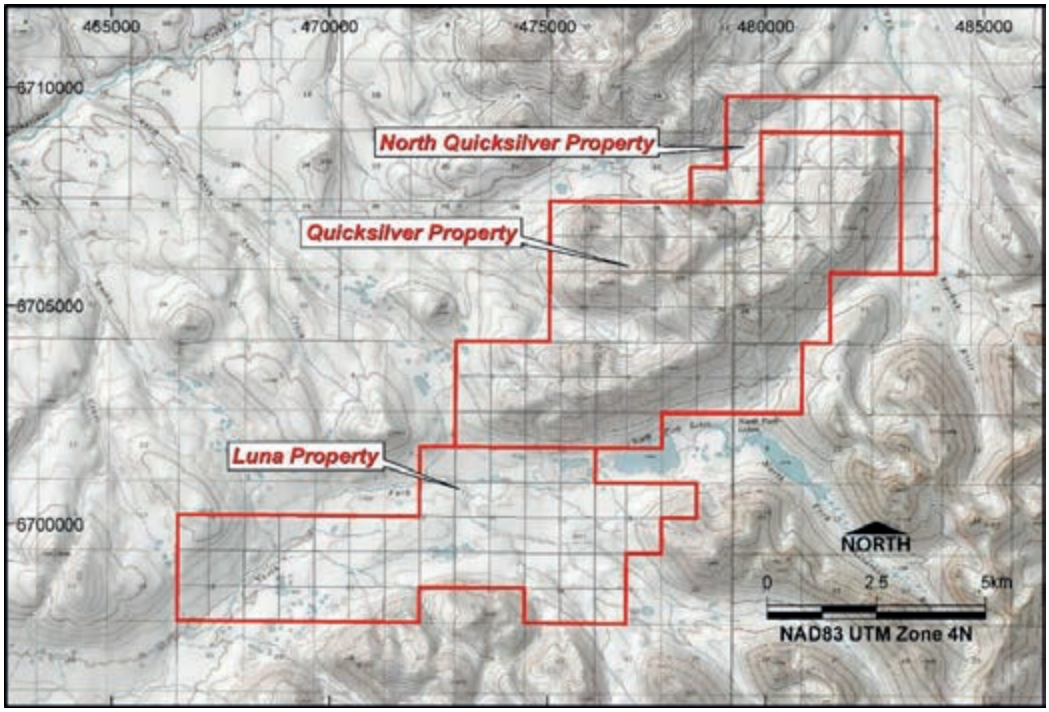



*Figure 24: Claim locations – Luna, Quicksilver and North Quicksilver properties*

*Kisa Project*

The Kisa property comprises 36 ¼-section and two ¼-¼ section (16 ha) MTRSC state mining claims totalling approximately 2,363 ha. Thirty-two claims (27 ¼-section and 5 ¼-¼ section) were located by Kisa Gold in July and August 2006. In 2008, three ¼-¼ section claims were abandoned and an additional nine ¼-section claims were located by Kisa Gold on 12 September 2008. The property is centred at approximately UTM 6,691,150N, 483,250E (Figure 25); 137 km from Aniak at a bearing of 174°. The claims are currently owned 100% by Afranex. The claims were recently acquired with a final option payment at the end of March 2017, to Gold Crest/Kisa Gold.

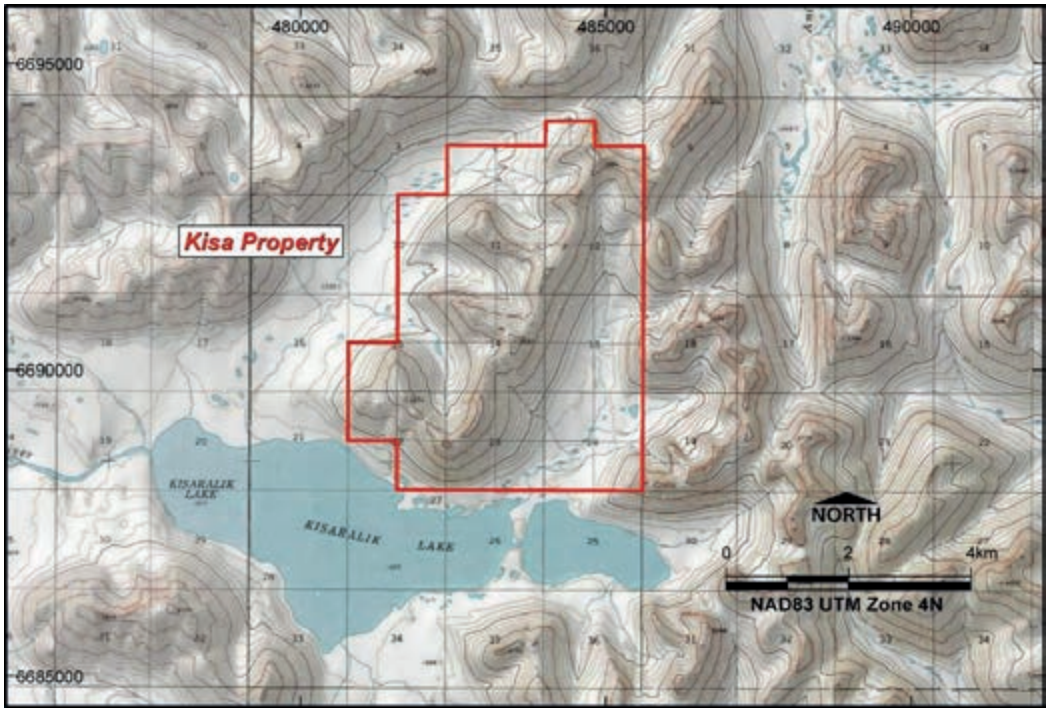



*Figure 25: Claim locations – Kisa property*

### *4.6.2 Project Holding Costs*

With exception to annual State of Alaska mining claim rentals and labour assessments (Appendix 3App1), the Project claims are not subject to any current encumbrances. A 3% net proceeds production royalty will be payable to the state if mineral production is achieved (Appendix 3).

The payment for each rental year is due 1 September and payable no later than 30 November of that year. The penalty for failure to make a timely payment is forfeiture (abandonment) of the location.

During the labour year, or within 90 days after the close of that year (1 September), an affidavit describing the labour or improvements made within the assessment year (including any labour exceeding the requirement for that year) must be recorded. Failure to timely record an affidavit of annual labour constitutes abandonment of all rights acquired under the mining claim.

Table 13 details the 2016 and 2017 holding costs for the mineral claims at the South-west Alaska Project.

*Table 13: South-west Alaska Project – current land holding costs (US$)*

| Project | Claims | Area (ha) | Area (acres) | Annual rent paid 09/01/2016 | Annual work paid 09/01/2016 | Annual rent due 09/01/2017 | Annual work due 09/01/2017 |
|---|---|---|---|---|---|---|---|
| Luna | 50 | 3,238 | 8,000 | $34,000 | $20,000 | $34,000 | $20,000 |
| Quicksilver | 70 | 4,533 | 11,200 | $47,600 | $28,000 | $47,600 | $28,000 |
| North Quicksilver | 13 | 842 | 2,080 | $3,640 | $5,200 | $3,640 | $5,200 |
| Kisa | 38 | 2,363 | 5,840 | $22,240 | $14,600 | $22,240 | $14,600 |
| TOTAL | 171 | 10,976 | 27,120 | $107,480 | $67,800 | $107,480 | $67,800 |

Afranex has informed CSA Global that excess labour has been recorded from previous work and will be filed against the Annual Work due in 2017 for the Luna-Quicksilver-North Quicksilver properties. The Kisa property will require work in 2017, or a small cash in lieu payment.

## 4.7 Geology

### *4.7.1 Regional Geology*

The Project area lies at the south-west end of the Tintina Gold Province (previously referred to as the Tintina Gold Belt), an arcuate, 200-km wide, 1,200-km long metallogenic province bounded by the Tintina-Kaltag fault systems on the north and the Denali-Fairwell fault systems on the south and extending from northern British Columbia into south-western Alaska (Gough and Day, 2007 and 2010). The province includes such large gold deposits as Pogo, Fort Knox, True North, Donlin Creek, and Shotgun and remains a prime area for gold exploration (Figure 26).

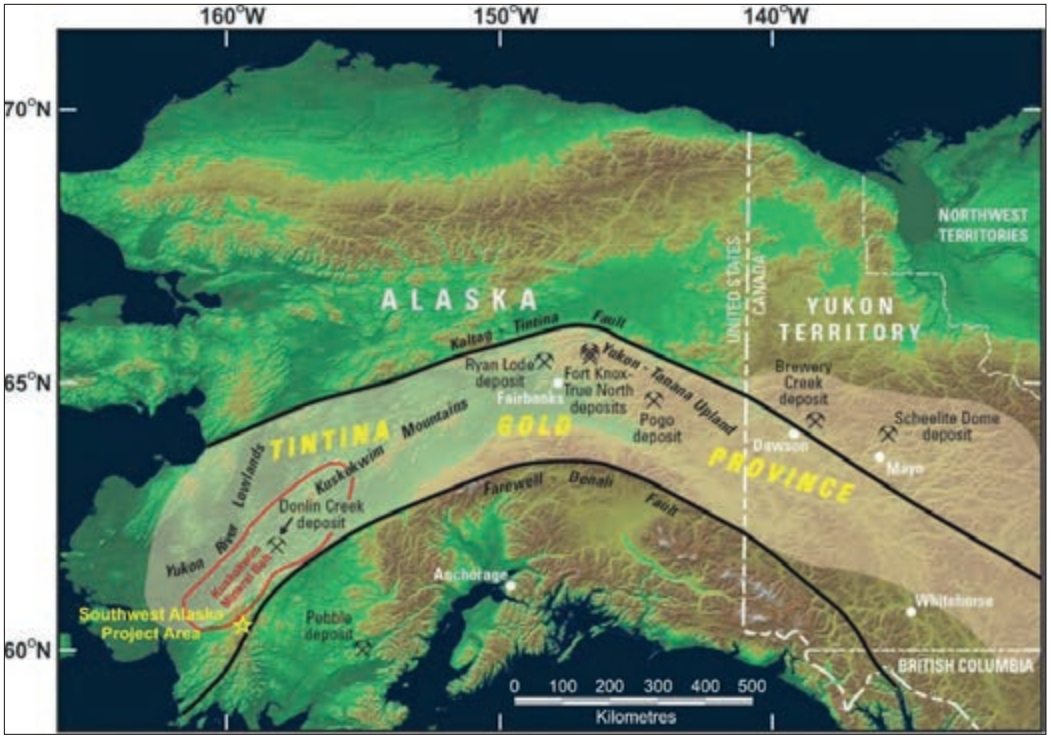



*Figure 26: Location of Project area within the Kuskokwim Mineral Belt and Tintina Gold Province*
*Source: Adapted from Gough and Day, 2007*

The Project properties are situated in the Kuskokwim Mineral Belt in the southern portion of the Aniak-Tuluksak and south-eastern portion of the Bethel Mining Districts. The region has been an important placer gold and lode mercury producer in south-western Alaska; the Aniak placer district is reported to have produced 17,683 kg of placer gold from 1908 to 1995 with the Nyac area and Crooked Creek basin having been the most productive (Nokleberg et.al., 1996). The Nyac placer area, situated approximately 45 miles to the north-west of the properties, is still in production.

Rock sequences exposed in the Kuskokwim region consist of accreted terranes and post-accretionary overlap and basin fill assemblages (Figure 27). Accreted terranes are composed of fault-bounded blocks of Lower


Cretaceous and older fault-bounded terranes; and the younger assemblages of sedimentary and volcanic rocks are middle Cretaceous to Tertiary age. Both assemblages were subsequently intruded by middle Cretaceous to Tertiary mafic to felsic plutons, and associated dikes and sills, often in swarms along structural corridors (Bundtzen and Gilbert, 1983; Decker et al., 1994; Miller and Bundtzen, 1994). Locally, Proterozoic to Palaeozoic rocks crop out in fault-bounded blocks and narrow belts parallel to the dominant north-easterly structural trends present through the region (Box, et al., 1993).

Palaeozoic-Mesozoic oceanic crust and subduction assemblages occur primarily in the western half of the Kuskokwim mineral belt and Middle Cretaceous and older Island-arc and related flysch sequences make up the bulk of the rocks exposed in the Kuskokwim mineral belt (Box, 1985; Box et al., 1993; Decker et al., 1994). Accretionary terranes docked in early to middle Cretaceous time (Decker et al., 1994; Patton et al., 1994) and were subsequently eroded and lie unconformably beneath middle to Upper Cretaceous terrigenous clastic rocks and volumetrically smaller amounts of interbedded tuffs and volcaniclastic sandstone deposited into the elongate, fault-controlled basins. Basin fill sequences typically consist of shallow-marine turbidite facies (Bundtzen and Gilbert, 1983; Miller and Bundtzen, 1994; Patton et al., 1994; Box et al., 1993).

Late Cretaceous to Early Tertiary volcanic-plutonic complexes, plutons, and extensive dike and sill swarms intrude and overlie the older terranes and the Cretaceous flysch sequences and host a variety of mineral deposits that form the Kuskokwim mineral belt. Small, isolated fields of Late Tertiary alkali-olivine basalts and andesite overlie all other bedrock units (Hoare and Conrad, 1959; Bundtzen and Laird, 1991). Hornfels aureoles, up to 2-km wide surround the larger plutons, and in some areas, the occurrence of sandstone hornfels associated with distinctive circular geophysical anomalies suggests the presence of buried plutons. K-Ar and 40Ar/39Ar data from the plutons within this portion of the Kuskokwim belt indicate two pulses of magmatism: one group from approximately 64 Ma to 61 Ma and the other from approximately 71 Ma to 66 Ma (Box, et al., 1993; Bundtzen and Miller, 1996). Volumetrically smaller granite-porphyry bodies intrusions with a distinctly peraluminous mineralogy and corundum normative chemistry occur in elongate belts controlled by north-east trending, north-south and east-west fault systems. At least locally, some of these intrusions appear to produce magnetic lows, which may be due to reverse magnetic polarity or destruction of primary remnant magnetism in the country rocks during intrusion. The Donlin Creek, Yankee Creek and Kisa dike swarms are examples of these peraluminous granite porphyry intrusive related precious metals systems.

Unconsolidated fluvial, colluvial, and minor eolian deposits ranging in age from Late Tertiary to Holocene cover much of the Kuskokwim Mountains. Outside of steep mountainous areas, the physiography of the Kuskokwim region consists of mature, rolling hills with well-developed soils. Pleistocene glaciation was restricted to resistant, upland mountain ranges such as those found in the immediate project area, glacial outwash deposits extend well out into the foothills towards the Yukon and Kuskokwim deltas.

Precious metal-bearing deposit types related to Late Cretaceous-early Tertiary igneous complexes of the Kuskokwim mineral belt are subdivided by Bundtzen and Miller (1997) as follows: (1) plutonic-hosted copper-gold polymetallic stockwork, skam, and vein deposits, (2) peraluminous granite-porphyry-hosted gold polymetallic deposits, (3) plutonic-related, boron-enriched silver-tin polymetallic breccia pipes and replacement deposits, (4) gold and silver mineralization in epithermal systems, and (5) gold polymetallic heavy mineral placer deposits. The lodes occur in veins, stockworks, breccia pipes, and replacement deposits that formed in epithermal to mesothermal temperature-pressure conditions. Fluid inclusion, isotopic age, mineral assemblage, alteration assemblage, and structural data indicate that many of the mineral deposits associated with Late Cretaceous-early Tertiary volcanic and plutonic rocks represent geologically and spatially related, vertically zoned hydrothermal systems now exposed at several erosional levels. Most historical gold production in the region was from placer operations in the central and northern portions of the belt (Cobb, 1973; Bundtzen and Miller, 1996).

In the NYAC District, located approximately 45 miles to north-west of the Project area, intrusive, volcanic and volcanoclastic rocks ranging in age from Jurassic to Tertiary host disseminated, stockwork and fissure vein mineralisation and have eroded to produce a significant placer which is still being exploited today.

The largest known deposit in the belt is the Donlin Creek deposit located approximately 190 km north-west of the Luna Project on lands owned by Calista Corporation and under evaluation by Donlin Gold LLC, which is owned equally by wholly-owned subsidiaries of NovaGold Resources and Barrick Gold. Resources include 541.3 Mt Measured and Indicated (inclusive of reserves) grading 2.24 g/t Au for 39.007 million ounces (Moz) of gold and 92.2 Mt Inferred Resources grading 2.02 g/t Au for 5.993 Moz of gold (NovaGold website, 24 March 2017, as reported under the NI 43-101 Code and issued as a resource effective 18 November 2011, amended 20 January 2012). Mineralisation is associated with a series of peraluminous granite porphyry stocks and a dike–sill swarm intruded along a fault zone. Arsenopyrite, stibnite and various sulphosalts and their respective oxidation products are associated with argillic, potassic and silicic alteration zones.

### *4.7.2 Local Geology*

The Project area is underlain in the south-east by Togiak terrane Middle Cretaceous and older Island-arc and related flysch sequences and in the north-west by Upper Cretaceous terrigenous clastic rocks and volumetrically smaller amounts of interbedded tuffs and volcaniclastic sandstone of the Kuskokwim overlap assemblage. Volcanic-plutonic complexes, plutons, and extensive dike and sill swarms intrude and overlie the older terranes and the Cretaceous flysch sequences. Small, isolated fields of Late Tertiary alkali-olivine basalts and andesite overlie all other bedrock units.

The Kisa property is underlain by Early Cretaceous to Jurassic Togiak terrane sediments intruded by later dykes (Box et al., 1993). The Luna property is underlain by Kuskokwim and Togiak terrane sediments intruded by later dykes while the Quicksilver and North Quicksilver properties are underlain by Kuskokwim sediments (Box et al., 1993). The latter three properties flank the North Fork pluton which underlies a significant portion of the Quicksilver property.

*Luna Project*

Calcareous siltstones, mudstones, cherts and tuffaceous sedimentary rocks as well as in porphyritic intrusive rocks underlie the Luna property. Intrusive rocks occur as dikes, sills and small stocks and compositionally include diorites and granodiorites as well as rhyolites. The Luna property is covered by extensive glacial till and alluvium deposits; outcrop is generally limited to stream bank cuts.

Newmont mapping indicates the geology of the south-eastern portion of the Luna property consists of moderate to strongly deformed flysch sediments cut by approximately N060E striking, medium grained feldspar, quartz porphyry dikes up to 10 m wide (Early Cretaceous Kvs unit of the Togiak terrane – Box et al., 1993 – see Figure 28). This sequence is separated by a N060E striking shear zone from another sequence of flysch sediments interbedded with tuffaceous sediments in the north-west portion of the Project (Late Cretaceous Kkv unit of the Kuskokwim Group – Box et al., 1993 – see Figure 28). The shear zone is visible in Section 14 where a slump along the river has exposed strongly fractured sediments in a matrix of clay; its orientation is based on geophysical data. Both flysch sequences are comprised of thin bedded (<5 cm) to laminated siltstones, mudstones, and shales with minor lithic arenite interbeds. The north-western sequence also includes tuffaceous sediments/volcanics and is intruded by one small (200 m by 1,000 m) biotite bearing granodioritic body. Feldspar, quartz porphyry dikes also cut the north-west flysch sequence but are less abundant than in the south-east sequence; however, this may be more apparent than real due to poorer bedrock exposure.

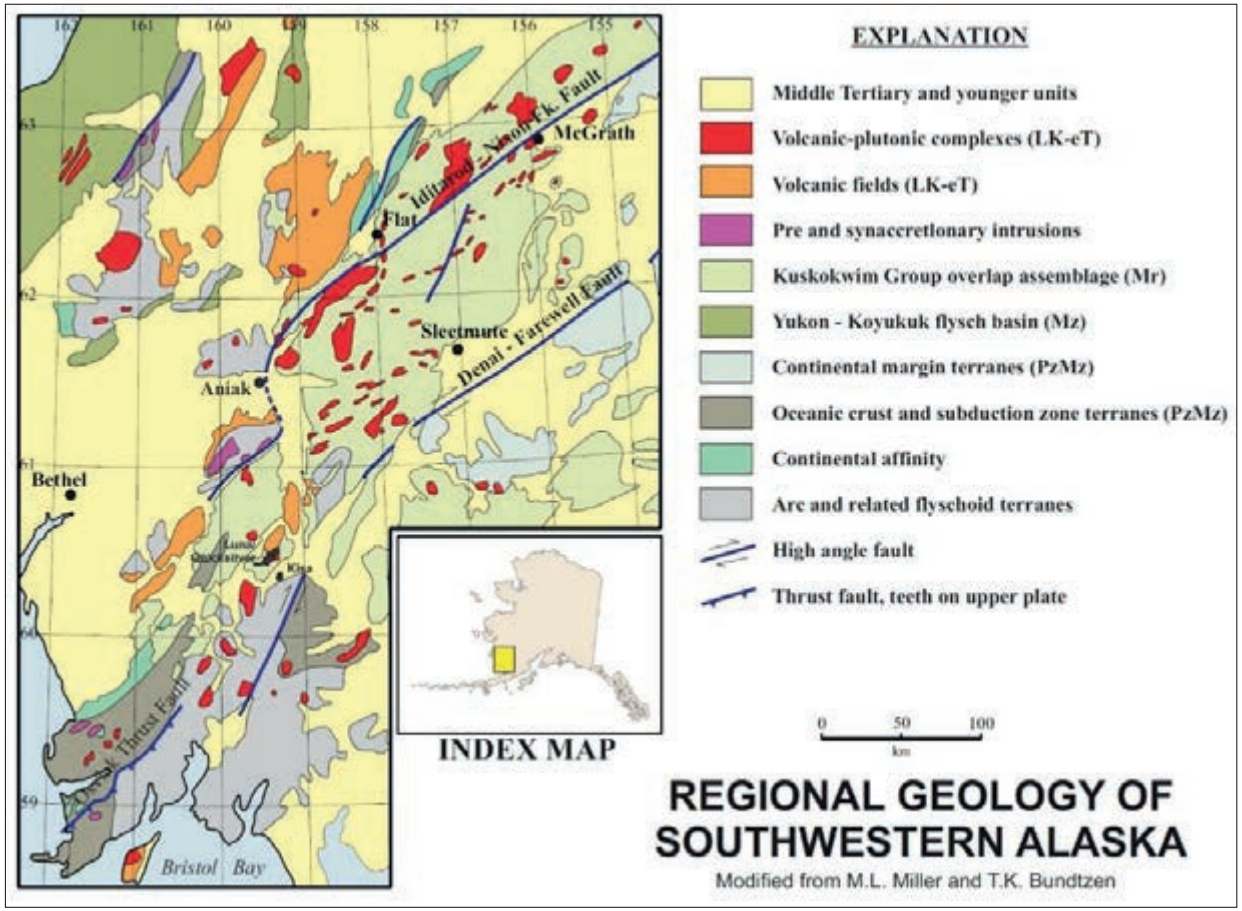



*Figure 27: Regional geological map (with Afranex properties noted)*
*Source: Adapted from historical Gold Crest website*

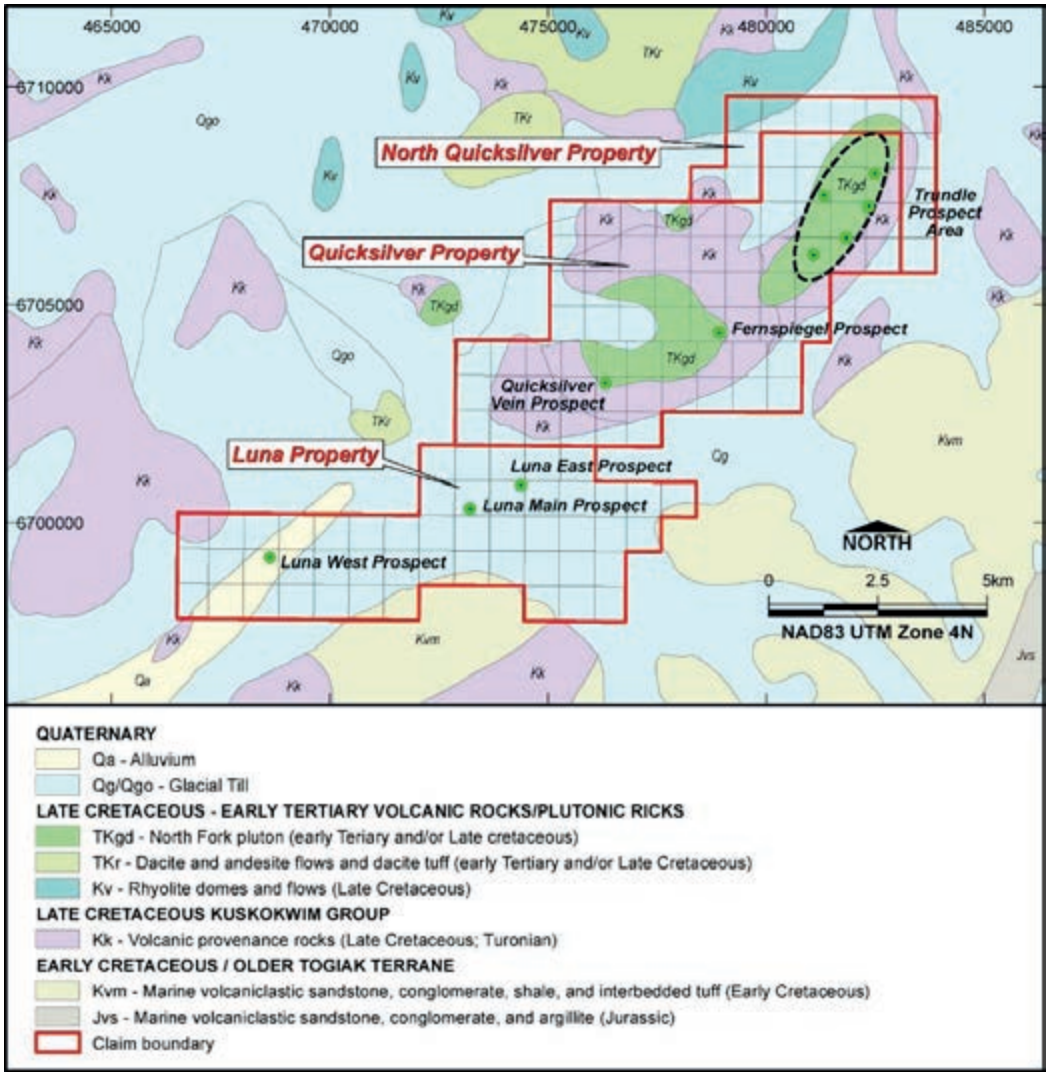



*Figure 28: Luna, Quicksilver and North Quicksilver properties – geology and prospects*

*Quicksilver Project*

The Quicksilver Project is dominated by the North Fork Pluton, an early Tertiary or Late Cretaceous quartz monzodiorite that intrudes a deformed sedimentary sequence of Kuskokwim Group greywacke and siltstone along a series of approximately 450 m relief hills and cirques trending over 5 km in a south-west-north-east direction. Disseminated pyrite is common in the sediments. Contact metamorphism has hornfelsed the sediments around the margins of the granitoid intrusions. The quartz monzodiorite has undergone alteration ranging from weak sericite alteration to localised greisen development.

The Quicksilver property is contiguous with the Luna property to the south-west and the North Quicksilver property to the north-east. Airborne magnetic data interpretation highlights a well-developed +10 km long north-east trending corridor of linear magnetic features. A series of mineralised prospects are associated with this corridor on the Luna and Quicksilver properties. Later phases of diorite-gabbro dacite dykes occupy the north-east-trending corridor.


*North Quicksilver Project*

The North Quicksilver property was staked to cover the north-east extension of a 10 km long mineralised linear geophysical feature extending north-east through the Luna and Quicksilver properties.

The property is underlain by Kuskokwim siltstones, mudstones, cherts and tuffaceous sedimentary rocks as well as in porphyritic intrusive rocks (Figure 28). The property lies on the north-east flank of the North Fork pluton and is covered by glacial till and colluvium, outcrop is generally limited to stream bank cuts.

*Kisa Project*

Massive-to-thick bedded to occasionally thin-bedded, olive-green to gray-green, lithic-rich sandstones are the most common rock type exposed in the Kisa property area (Jurassic Jvs unit of the Togiak terrane – Box et al., 1993 – see Figure 29). The sandstones are typically fine- to medium-grained, moderately to poorly sorted and often contain small angular clasts, up to pebble size, of white, lime green and occasionally red chert. Locally, the more massive sandstones contain interbeds of dark green to black thin-bedded argillite and impure cherts ranging from a few metres in thickness to tens of metres in thickness.

The cherts and argillites are often jet black and appear as darker streaks on colour aerial photographs. The cherts and argillite units rarely outcrop and weather to form fine-grained, unstable, scree slopes. The sandstones tend to crop out more prominently and typically form sharp craggy outcrops along the ridge crests and valley walls. The sandstones also produce large blocky-cobble to block-sized material and form large stable talus-covered slopes. Where unaltered the sedimentary rocks are weakly to strongly magnetic but where altered, the rocks tend to be nonmagnetic.

### *4.7.3 Mineralisation Styles*

The target deposit model for the Project area is NovaGold's/Barrick's Donlin Gold deposit, 190 km north-west of the Luna Project. Two distinct styles of mineralization occur within the Donlin Gold area. The ACMA–Lewis deposit mineralisation in the southern part of the district is characterised by auriferous arsenopyrite-bearing quartz and sulphide-only veins associated with felsic intrusive rocks while the Dome-Duqum Prospect in the northern part of the district is characterised by copper- and gold-bearing stockwork veinlets in hornfels.

The ACMA–Lewis mineralisation is characterised as a low-temperature, low-sulphidation epithermal system, and is the dominant style of mineralisation within the current Donlin Gold resource area. The ACMA–Lewis style consists of sheeted quartz, quartz–carbonate and sulphide-only veins characterised by a gold–arsenic–antimony–mercury geochemical signature. The bulk of the gold occurs in the lattice structure of arsenopyrite. Stibnite, realgar and native arsenic are commonly observed associated with zones of higher-grade gold mineralisation but do not appear to host any significant gold mineralisation compared to arsenopyrite. Disseminated gold-bearing arsenopyrite can also be found typically adjacent to veins and vein zones. Mineralisation is best developed in all intrusive rocks and, to a much lesser extent, sedimentary rocks (mainly greywacke). The South-west Alaska Project's Luna, Quicksilver, North Quicksilver and Kisa properties are targets for similar mineralisation styles.

The Dome–Duqum mineralisation is characterised as a high-temperature, porphyry-style mineralisation with fracture-controlled stockwork, and laminated quartz-only veins containing varying proportions of copper, zinc, bismuth, silver, tellurium, selenium and local native gold mineralization. Silicification is locally associated with the veins, and contact metamorphism (hornfelsing) of the sedimentary rocks adjacent to host intrusive rocks is common in areas containing this style of mineralisation. Targets for similar mineralisation styles on Afranex's South-west Alaska Project include: Kisa and potentially Luna.

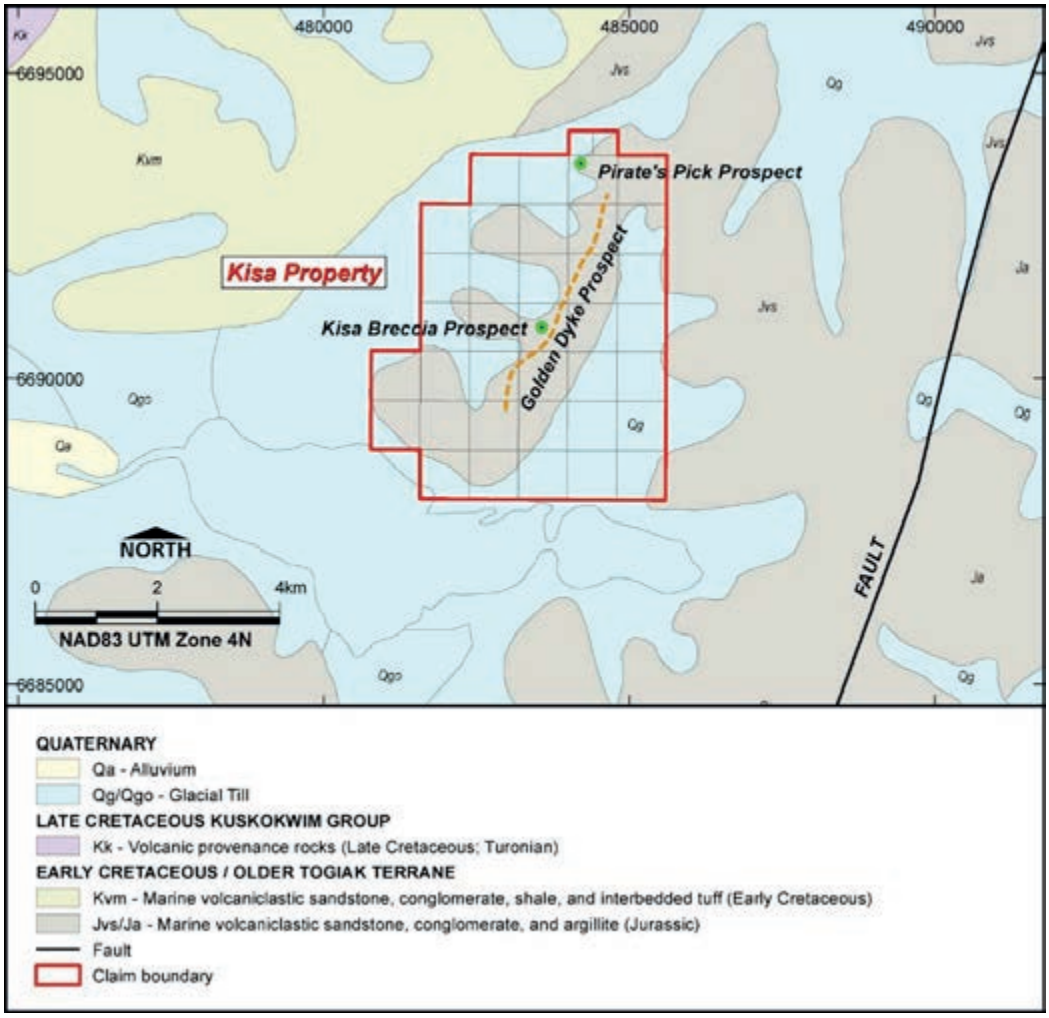



*Figure 29: Kisa property – geology and prospects*

When exploring for these styles of gold mineralisation, magnetic and induced polarisation (IP)/resistivity surveys can define favourable host environments. Alteration destroys the magnetic minerals in mafic and ultramafic rocks resulting in subdued magnetic patterns. Silica alteration results in enhanced resistivity, while the presence of arsenopyrite and other sulphide species in the quartz veins and their alteration envelopes produce a positive chargeability response. With exception to Southern Crown's limited detailed ground magnetic survey at Luna, previous ground geophysical surveys on the properties have included only reconnaissance magnetic and IP/resistivity surveying, but results suggest that detailed grid surveys are warranted.

Lipiec et al (2012) interpret the ACMA–Lewis deposit as a part of a Reduced Intrusion-Related Gold System (RIRGS). According to Hart (2007): "RIRGS are characterized by widespread arrays of sheeted auriferous quartz veins that preferentially form in the brittle carapace at the top of small plutons, where they form bulk-tonnage, low-grade Au deposits characterized by a Au-Bi-Te-W metal assemblage, such as the Fort Knox and Dublin Gulch deposits. RIRGS also include a wide range of intrusion-related mineral deposit styles (skarns, replacements, veins) that form within the region of hydrothermal influence surrounding the causative pluton, and are


characterized by proximal Au-W-As and distal Ag-Pb-Zn metal associations, thereby generating a zoned mineral system."

Several styles of alteration have been identified on the prospects in the Project area associated with or potentially indicative of precious metal mineralised systems. Preliminary examination of showings on the properties indicates alteration is associated with four geological features: (1) intrusive dikes and/or sills; (2) diffuse, irregular, potentially stratabound zones within or adjacent to shale/chert-sandstone lithologic contacts and adjacent dyke margins; (3) fault and fracture zones; and (4) heterolithic breccia as at the main Kisa showing.

The most common alteration/mineralisation on the properties is intense iron oxidized, carbonate, silica and sulphide alteration of sediments where cut by highly altered felsic to intermediate porphyritic dikes and sill-like intrusions.

Alteration of sedimentary rock units is dominated by pervasive iron carbonate that may also be associated with very fine-grained disseminated pyrite, which in unweathered rocks rims detrital clasts and occurs as disseminations in the rock matrix and in the weathered outcrops, appears as tiny iron oxide blebs. Irregular pod-like, fracture-controlled to wispy, milky coloured, cherty silica alteration typically occurs along more fractured areas within the broader zones of iron carbonate alteration. Where more pervasive, the alteration becomes increasingly texture-destructive and occurs as massive silica-flooded zones often accompanied by development of small quartz stockworks. Where well developed, it is often associated with increased quantities of very fine-grained disseminated pyrite and arsenopyrite and in some cases zones of stockwork quartz + sulphide veining. Altered sediments are generally intruded by silica-carbonate-sulphide altered felsic dikes and sills. The dikes are often bleached and contain disseminated to stockwork sulphide veining. Sedimentary country rocks are heavily iron oxide stained and fractured in the hornfelsed zones adjacent to and along the dike and sill margins and contain various oxidation products after sulphides.

Quartz-carbonate-sulphide stockwork-veined fault zones cut both altered sediments and dykes at the Luna, and Kisa Prospects. The veins contain pyrite, arsenopyrite and stibnite within quartz and as selvages on the veins. Silica-carbonate flooding occurs in the host rocks around the veins and in the intensely fractured zones.

The carbonate-silica-sulphide alteration associated with the altered sediments, dykes and fault zones generally has a pronounced As-Sb-Hg-Au geochemical signature typical of high level epithermal systems. At the Kisa heterolithic breccia complex, alteration includes both strong silica-carbonate alteration with a pronounced As-Sb-Hg-Au geochemical signature typical of high-level epithermal systems, as well as more classic porphyry-style alteration suites including stockwork quartz and sulphide veining, argillic and propylitic alteration along fractures and micro-breccia zones exhibiting an As-Au-Bi trace element signature.

## 4.8 Exploration History

The South-west Alaska Project is in the poorly mapped and explored south-western portion of the Kuskokwim Mineral Belt. The belt has been a major placer and lode gold producer as well as the major source of mercury in Alaska since the turn of the 20$^{th}$ century. Recent regional- to deposit-scale investigations by industry, academic institutions and government workers have better defined the alteration styles, deposit types and geological controls in the Mineral Belt.

The Kisa Prospect was originally discovered in 1988 by Cominco geologists conducting a regional-scale stream sediment survey as a follow up to colour anomalies identified on aerial photographs and low-altitude, fixed-wing aerial reconnaissance in 1987 (Rozelle, 2008). Cominco's follow-up reconnaissance soil and rock chip sampling on two of the more prominent, coincident colour and stream sediment anomalies in the Project area led to the identification of two large, well altered and mineralised showings including Kisa. These showings were subsequently prospected more intensely during 1989 with grid soil sampling, geological mapping and more intensive rock sampling. However, because these prospects were remote and in an area without significant geological mapping to guide exploration, they were dropped in favour of spending limited exploration dollars on the porphyry Cu-Au systems at Pebble, Whistler, Mt. Estelle and Shotgun (Mose).

In 1995, Cominco re-evaluated their Alaska program when the Anchorage exploration field office was formally closed (Rozelle, 2008). The Kuskokwim Prospects were identified during the file reviews as prospective for volcanic- and intrusive-hosted epithermal precious metal mineralisation and they were re-staked in late 1996; however, no work was completed. In 1997, the prospects were revisited and a representative number of the older rock-chip sample sites were re-sampled to confirm this work. During this short sampling event re-examination of the breccia zone in the main Kisa showing in the walls and base of a cirque suggested the existence of an intrusive-related diatreme. In addition, the spatial extent and widespread gold mineralisation associated with a rhyolitic to dacitic dike swarm at the Kisa Prospect showed striking similarities to other major gold deposits and districts in the northern part of the Kuskokwim belt at Donlin Creek, Ganes-Yankee Creek and Ophir-Little Creek.

Western Mining Corporation (WMC) completed regional pan concentrates and fine fraction stream sediment sampling programs in the summer of 1997. These programs resulted in the highlighting of several areas including the Quicksilver Creek area as having potential to host an intrusive-hosted Au deposit.

Several first-pass samples draining into Quicksilver Creek recorded Au values >2 g/t Au with associated As, Sb and Hg. Follow-up sampling confirmed this anomalism and resulted in the discovery of abundant visible Au in Anvil and Rocky creeks.

A series of shallow auger soil sample lines were then completed sampling the upslope areas of the anomalous drainages. Coincident Au-Sb-As-Hg anomalism with Au up to 20 g/t was recorded in samples upslope of a stream-sediment sample that returned 2.5 g/t Au.

Further investigation discovered an outcrop of weathered “granodiorite” on a ridge north of North Fork Lakes and above the anomalous samples that returned several rock chip Au values > 1 g/t, Ag values up to 10 oz/t and anomalous As, Hg, Sb, Cu, Cd and Bi. Visual examination of the coarse reject material from this sample showed the presence of abundant sulphide in the form of tetrahedrite, stibnite, arsenopyrite and possibly bismuthinite. The area was staked by WMC during the next field season (1998), but little further work was done, and none was carried out during 1999. In 2000, a soil grid and possibly some geophysical surveying were carried out, but the claims were not renewed after 2000. Unfortunately, no information on these programs is available in the public domain.

### *4.8.1 Luna Project Exploration (2006 to Present)*

Work completed by various operators on the Luna property from 2006 to present is summarised in Table 14 and detailed below.

*Table 14: Exploration on the Luna property*

| Year | Operator | Exploration work |
|---|---|---|
| 2006-2007 | Kisa Gold | Detailed heli-borne magnetics and electromagnetics |
| 2007 | Kisa Gold | Project claims staked by in July and August 2007 |
| 2007 | Kisa Gold | Mapping; stream sediments; rock chips; ground IP and magnetics |
| 2008 | Newmont | Mapping; rocks; soils |
| 2010 | North Fork | Rock chips |
| 2011 | North Fork | Rock chips; soils |
| 2013 | Afranex | Rock chips |
| 2014 | Southern Crown | Ground magnetics; compilation of 2014 ground magnetics and previous Luna and Quicksilver ground and airborne magnetics; biogeochemical survey; rock channel and grab samples; mechanised auger sampling |

*Kisa Gold (2006 to 2007)*

The Luna Prospect was discovered during follow-up of an airborne geophysical anomaly identified from proprietary surveys completed in the fall of 2006 and spring of 2007. A regional-scale structural zone was interpreted from the airborne geophysical data. Follow-up exploration in 2007 involving IP, resistivity and

ground magnetic surveys, systematic stream-sediment and rock-chip sampling and geological mapping led to the discovery outcrops.

Over 25.6 line-km (16 line-miles) of IP-resistivity and 64 line-km of ground magnetics were completed on the Luna Project. The geophysical surveys define a 7.7 km long by 2.2 km wide IP and resistivity anomaly coinciding with a ground and aerial magnetic anomaly (Figure 30 to Figure 31). Several conductors identified from the airborne electromagnetic surveys correspond with zones of semi-massive sulphide replacement mineralisation located on the ground.

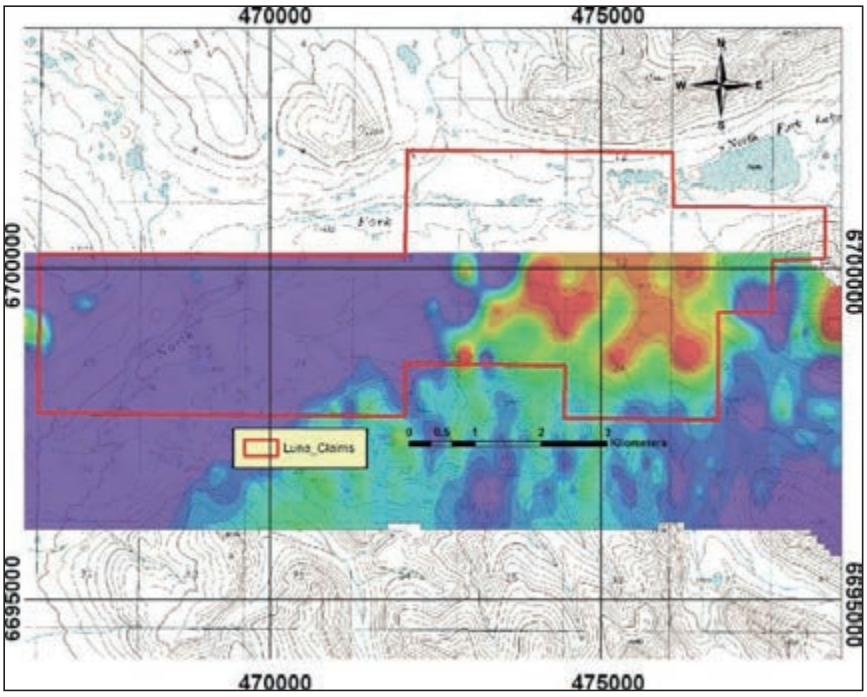



*Figure 30: Luna gridded and contoured airborne resistivity survey – Kisa Gold (2007)*
*Source: Newmont, 2008*

Kisa Gold collected a total of 41 stream-sediment samples from streams draining the prospect area outline a 25.6 km² gold, arsenic, and antimony anomaly centred on the Luna property area. A total of 72 rock chip samples were collected from the property area.

*Newmont (2008)*

During the 2008 field season Newmont conducted a two-day evaluation of the Luna property to follow up on anomalous gold and arsenic levels in stream sediments and rock chip samples reported by Kisa Gold and government agencies. Fourteen work days were spent by conducting a first pass geological and geochemical assessment of the project. Work consisted of 1:12,000 scale geological mapping, rock chip sampling, and local soil sampling. Bedrock exposure on the property is poor therefore geological mapping and rock chip sampling was focused along streams which have incised the bedrock in the valley bottoms (Figure 32). A total of 94 rock chip samples and 11 soil samples were collected. Soil sampling was conducted principally along a shear zone striking 060° in the central portion of the property where outcrop was not present. Along the stream banks a small amount of digging revealed residual soils below the glacial overburden that was acceptable for soil sampling.

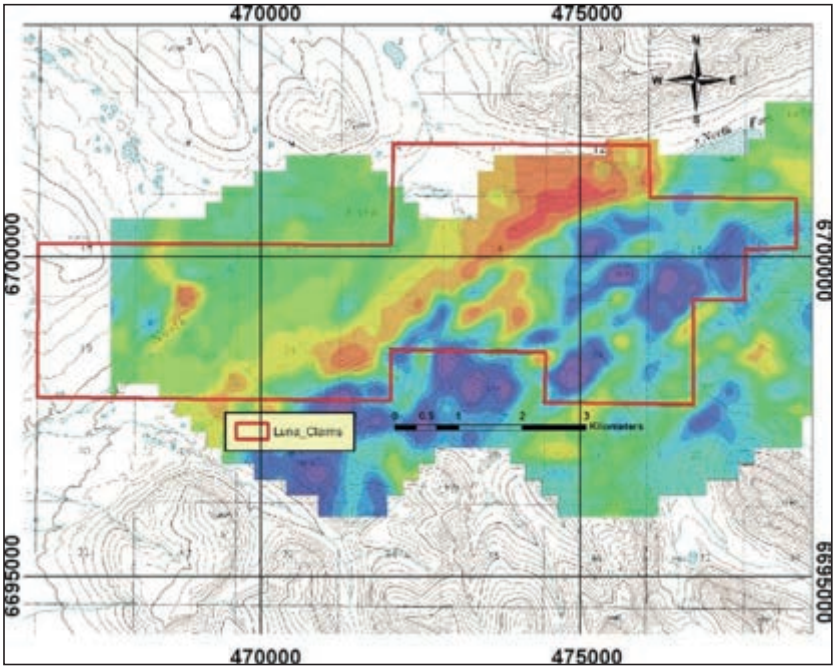



*Figure 31: Luna gridded and contoured ground magnetic survey – Kisa Gold (2007)*
*Source: Newmont, 2008*

The highest gold value returned from the rock chip sampling was 12.5 g/t Au at the location now referred to as the Luna Main Prospect. Only three other rock chip samples exceeded 25 ppb Au, the highest of which was 119 ppb Au. No soil sample collected exceeded 10 ppb Au.

The high-grade rock chip (12.5 g/t Au) was also anomalous in Ag (28.2 ppm), As (>10,000 ppm), Bi (49.8 ppm), Co (628 ppm), Pb (1,040 ppm), Sb (65.2 ppm), Te (3.59 ppm), and Zn (2,000 ppm). This sample was described as biotite, hornblende, granodiorite porphyry. The work suggested the elemental associations may be suggestive of two overprinting styles of mineralisation (Au-As-Bi-Sb-Te±Ag and Co-Pb-Zn±Ag) but it could not be verified.

Additional zones of alteration included a large zone of strong oxidation and argillic alteration within the flysch/tuff sequence in the north half of section 20 that returned only one sample with anomalous gold (119 ppb). Zones of strong oxidation and argillic alteration with 3% to 5% pyrite were identified within sediments in the south-east corner of section 10 approximately 1 km north-west of the high-grade sample but samples returned no significant gold.

*North Fork (2010 to 2011)*

North Fork personnel collected a total of 233 soil samples from the Luna property in 2011. Approximately 2 kg soil samples were collected with a shovel from as deep as possible below the organic layer in the "C" soil horizon where possible, typically 10 cm to 50 cm below the surface.

Geochemical analysis returned values of 1 ppb Au to a maximum of 1,000 ppb Au. One hundred and seventy-nine samples returned values of 1 ppb Au to 10 ppb Au. Forty-three samples returned values of 10 ppb Au to 100 ppb Au, and 11 samples returned greater than 100 ppb Au, of which one returned 1,500 ppb Au. The soil sampling program delineated several Au, Bi and As anomalies which lie on projected north-east trends about the altered and mineralised Luna Main showing on section 14 (Figure 33).

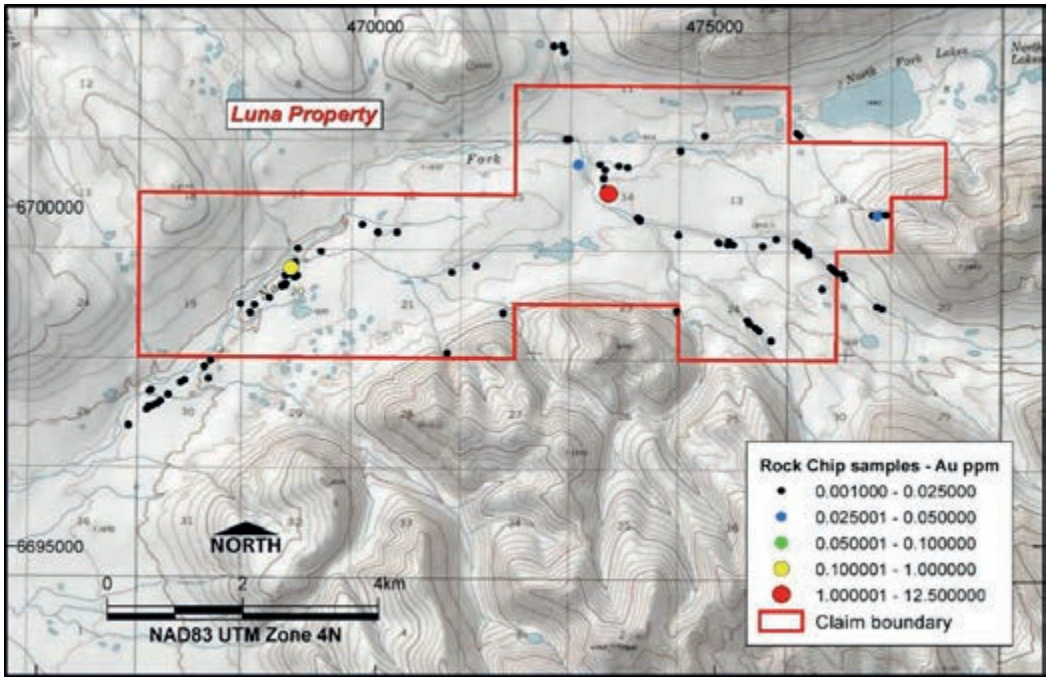



*Figure 32: Luna 2008 rock chip samples – Newmont*

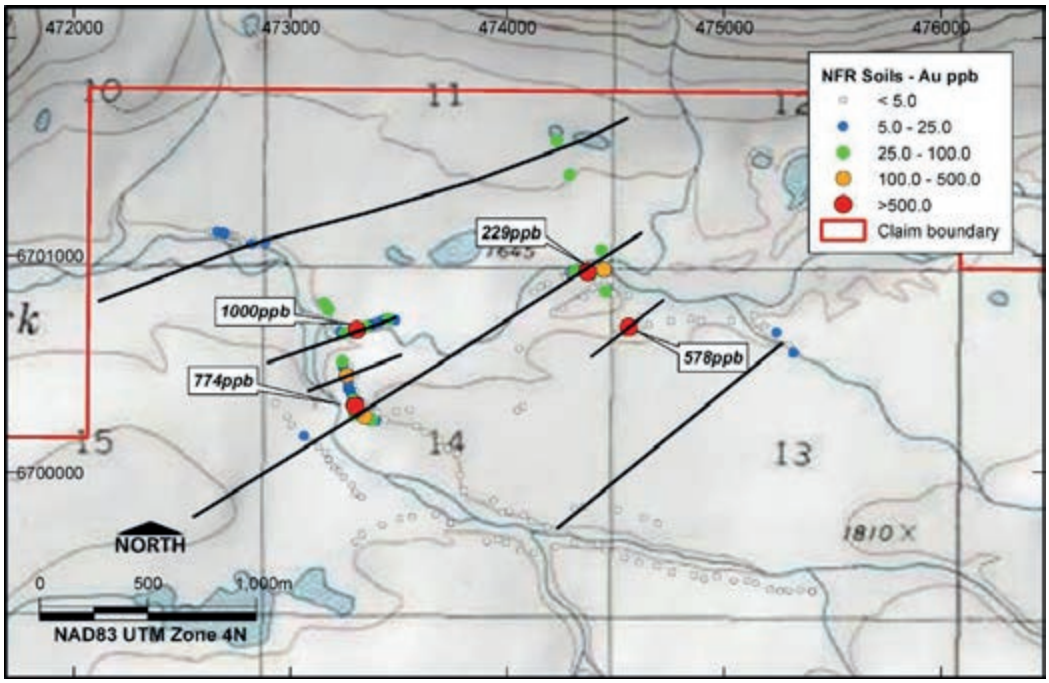



*Figure 33: Luna property – Main and East Prospect areas – Au soil survey results*
*Note: Black lines indicate interpreted dyke/structural trends.*

North Fork personnel collected a total of 151 rock samples from the Luna property (56 samples in 2010 and 95 samples in 2011). Several types of rock samples during the 2010 and 2011 field programs:

- Continuous chip traverses were representative chips of rock taken in a continuous line across an outcropping rock exposure
- Random chip samples were chips of rock taken randomly across an exposure
- Grab samples were rock chips or fragments taken more or less at random from an outcrop, or float
- Select or high-grade samples were rock chips collected from a distinctive or highest-grade portion of a mineralised zone.

Fire assay analysis returned values of less than 0.005 g/t Au to a maximum of 3.72 g/t Au. Eighty-eight or 58% of the samples returned gold values less than the detection limit. Thirty-nine samples returned values of 0.01 to 0.10 g/t Au. Nineteen samples returned values of greater than 0.10 g/t Au of which five contained greater than 1.00 g/t Au.

The majority of better mineralised rock chip samples occur at the main altered and mineralised showing on the west side of section 14 (Luna Main Prospect) with a second grouping corresponding to several cherty sulphide rich outcrops approximately 1 km to the east (Luna East Prospect) (Figure 34).

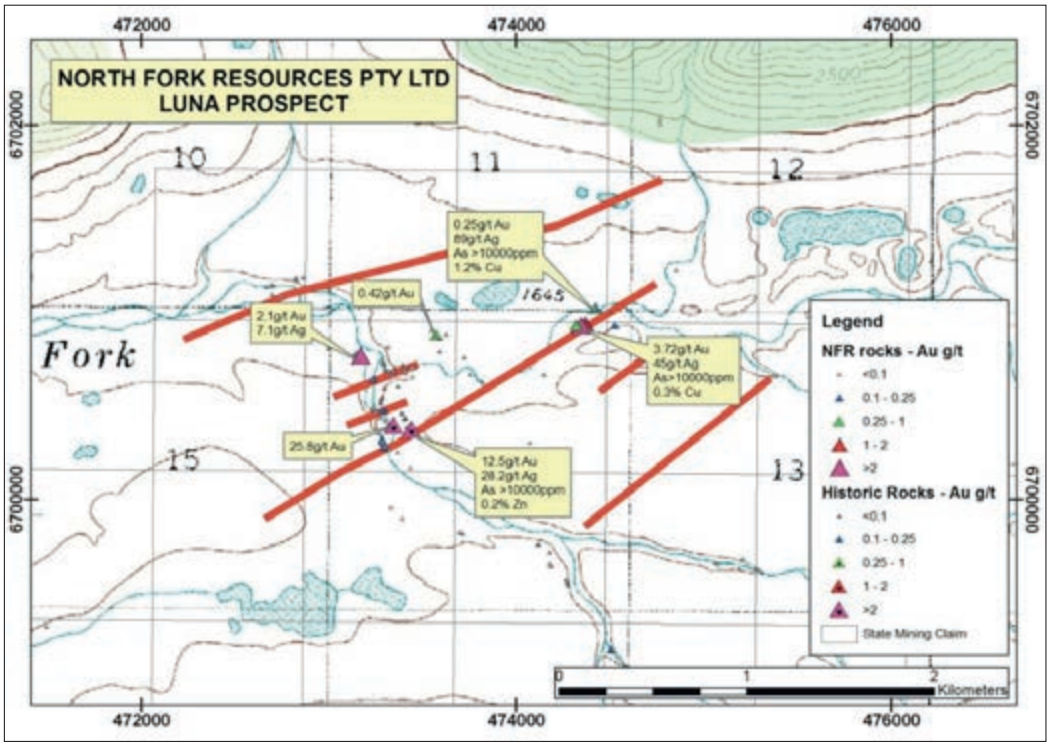



*Figure 34: Luna property – Main and East Prospect areas – Au rock sample results*

*Note: Red lines indicate interpreted dyke/structural trends). Source: North Fork, 2011.*

*Afranex (2013)*

Afranex collected three rock samples from the Luna Main Prospect and two samples from the East Prospect during a site visit made on 18 September 2013, with peak values of 64.7 g/t Au and ith 74.1 g/t Ag, and 22.9 g/t Ag (Figure 35).

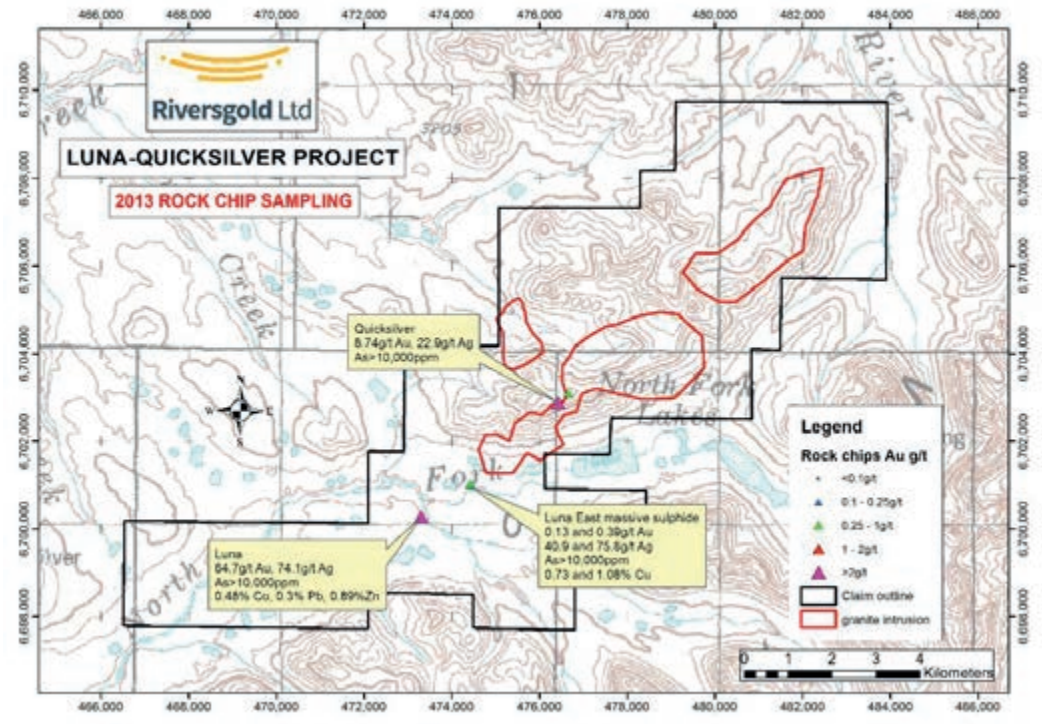



*Figure 35: Afranex 2013 rockchip samples from Luna-Quicksilver*

*Southern Crown (2014)*

A ground magnetic survey was completed on the Luna property from 1 to 8 August 2014. Magnetic readings were collected at 12.5 m stations on 38 by 100 m spaced north-west oriented lines. The strongest linear trends the magnetic data are in the direction of N55E. There is a strong magnetic high that dominates the trend and appears to separate two lithologic environments. In the south-east domain, there are multiple sub-parallel linear trends that suggest either well-defined stratification in the host lithology or the presence of intrusive dikes.

J.B. Fink LLC of Tuscon, AZ completed preliminary processing and compilation of the 2014 Luna ground magnetics data and previous Luna-Quicksilver-North Quicksilver ground and airborne geophysical data (Fink, 2014).

A biogeochemical survey was completed on the Luna property from 27 August 2014 to 13 September 2014.

Southern Crown collected approximately 150 channel samples varying from 1.8 m to 3.7 m (6 ft to 12 ft) in length in the Luna Main/Luna East Prospect areas. One hundred and three samples returned 0.005 ppm Au to 0.01 ppm Au, 38 samples returned 0.02 ppm Au to 0.09 ppm Au, six samples returned 0.12 ppm Au to 0.33 ppm Au and four samples returned 0.55 ppm Au to 0.79 ppm Au.

Southern Crown completed 39 vertical mechanised auger drill holes from 28 August 2014 to 9 September 2014 south and east of the Luna main showing. Total drilled was 252.8 m (829.5 ft) and holes varied from 3.4 m to 14.3 m (11 ft to 47 ft) in depth. Thirty-four of the 39 drill holes intersected bedrock. Of 57 samples analysed, 19 till and clay samples returned between 0.005 ppm Au and 0.07 ppm Au and averaging 0.01 ppm Au. The remaining 38 bedrock samples returned between 0.005 ppm Au and 0.14 ppm Au averaging 0.015 ppm Au.

A much larger program had been planned but access and mechanical failures resulted in early termination of the program, with less than 10% of the programme completed (as shown in Figure 36).

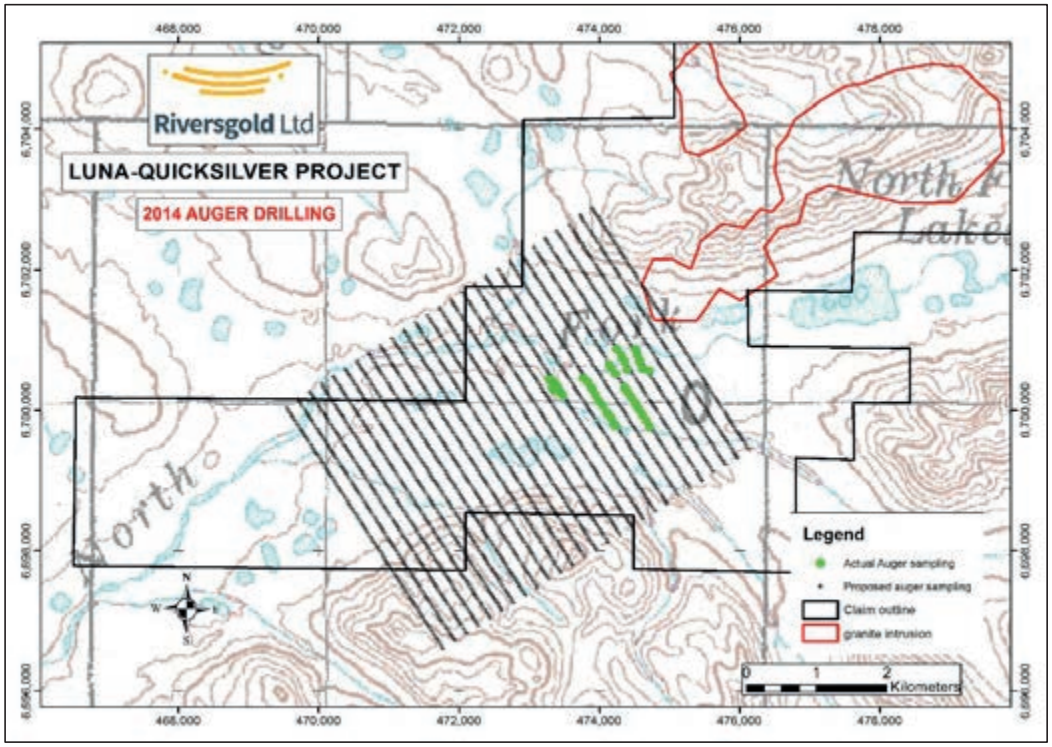



*Figure 36: Extent of auger sampling at Luna-Quicksilver Project*

### *4.8.2 Quicksilver Project Exploration (2007 to Present)*

Since the location of the Quicksilver property claims in 2007, work completed by Black Peak and Renaissance is summarised in Table 15 and detailed below.

*Table 15: Exploration on the Quicksilver property*

| Year | Operator | Exploration work |
|---|---|---|
| 2007 | Black Peak | Project claims staked in July 2007 |
| 2007 | Black Peak | Rock chips (55); stream sediments |
| 2008 | Black Peak | Mapping; rock chips (44) |
| 2009 | Black Peak | Mapping; rock chips (66) |
| 2011 | Renaissance | Airborne magnetics |
| 2011 | Renaissance | Mapping; rock chips; soils; stream sediments |

*Black Peak (2007 to 2009)*

Black Peak conducted limited stream sediment sampling in 2007 around the base of the main Quicksilver area, in streams draining off the hills north of North Fork Lakes. Eight sample sites were positioned at the break in slope between hills and alluvial material. At each site, a suitable trap site was selected and two subsamples were collected:

- A pan concentrate of heavy minerals
- A bulk stream sediment sample of -5 mm material approximately 2 kg in size.

Anomalous gold was observed in two samples located at the south-western end of the property area and represent small catchment areas draining off the main north-east-trending ridge hosting the Quicksilver Vein Prospect area previously identified by WMC (Figure 37).

A total of 97 rock chips were collected by Blackpeak LLC during the 2007 and 2008 summer seasons, with a further 66 rock chips collected in the 2009 field season (Figure 37). Sampling was generally focussed in the south-western area of the tenement package around the Quicksilver Vein Prospect at 476700mE 6703200mN where chalcopyrite, arsenopyrite, molybdenite and stibnite were identified in mineralised samples. A number of significant gold results were recorded, displaying a strong correlation with a number of other elements including Ag, As, Bi, Cu, Sb and Zn. Rock chip results returned <1 ppb Au to 36.1 ppm Au. Of the 163 rock chip/grab samples, 99 samples returned less than detection to 9 ppb Au, 27 samples returned 0.011 ppm Au to 0.049 ppm Au, 12 samples returned 0.052 ppm Au to 0.098 ppm Au, 17 samples returned 0.102 ppm Au to 0.793 ppm Au and eight high-grade grab samples from narrow quartz-sulphide veins that returned 36.1, 13.15, 11.0, 8.67 8.38, 3.31 and 2.66 ppm Au.

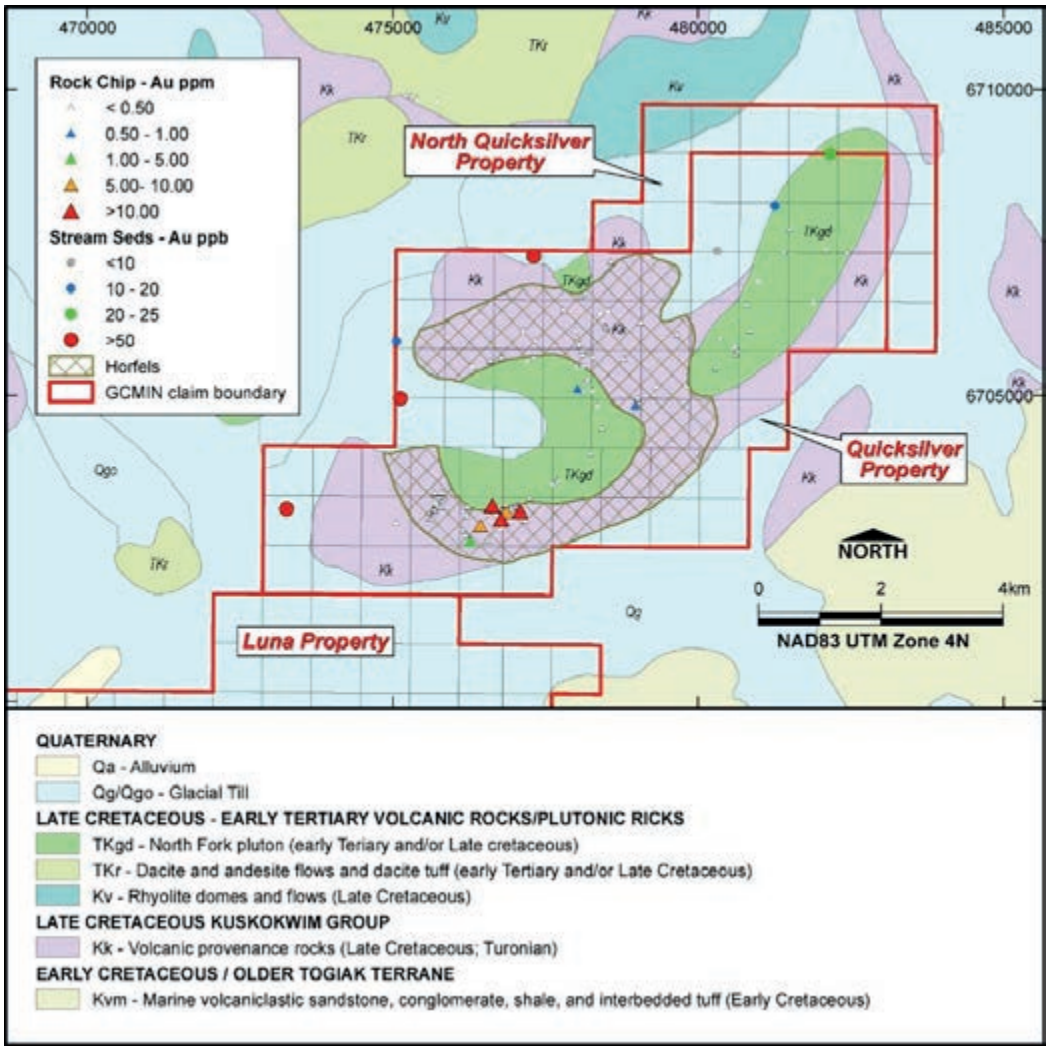



*Figure 37: Quicksilver property – Black Peak Au rock and stream sediment sample results*

Mapping (1:2000 scale) of the Quicksilver Vein Prospect area in 2008 identified two different styles of veining:

- Quartz-tourmaline veins typically <2 cm with minor sericite alteration selvages. Rock chip samples returned no significant Au values.
- A quartz-sulphide vein, 2 cm up to 20 cm wide, with 1 m to 2 m pervasive sericite and silicification selvage (Quicksilver Vein) hosted exclusively within quartz monzodiorite of the North Fork Pluton. Rock chips/grabs returned <10 ppb up to locally 36.1 g/t Au as discussed above.

Additional mapping and prospecting in 2009 extended the strike of the Quicksilver Vein and identified two additional prospect areas:

- Chlorite-pyrite shear zones: multiple 2 cm chloritic shear zones with 0.5 cm pyrite boxworks were located coincident with stockworks of quartz-carbonate-pyrite veins. These zones were hosted in a microdiorite dyke of at least 30 m thickness with up to 2% disseminated arsenopyrite. Samples taken from these shear zones failed to return any significant Au assay results.
- Multiple areas of chalcedony-quartz breccia veins and limonite-quartz veins were identified throughout a >4 km long corridor in the north-east part of the property. The multi-phase breccia veins are up to 60 cm or more in width with an extensive strike length and a density of locally 1 to 2 per m within the monzodiorite sill identified which may complicate mineral potential. Pyrite boxworks are rare but are found particularly if quartz content is greater. Overprinting chalcedony veins are typically of 2 cm to 3 cm size and show crustiform textures. Low-grade Au values (<1 ppb to 406 ppb) appear to be associated with the quartz-limonite veins whereas chalcedony veins do not appear to contain anomalous Au. Areas of brecciation and veining have been observed >10 m width with observable alteration over 50 m width. Alteration is concentric around the veins and consists of limonite (±carbonate) altered diorite proximal to the vein grading into clay altered diorite with a dark green appearance with the most distal alteration being iron-carbonate dominated.

*Renaissance (2011 to 2012)*

Renaissance flew a detailed aeromagnetic/radiometric survey over the core of the Quicksilver property in 2011 as a regional mapping tool and to aid in exploration target generation.

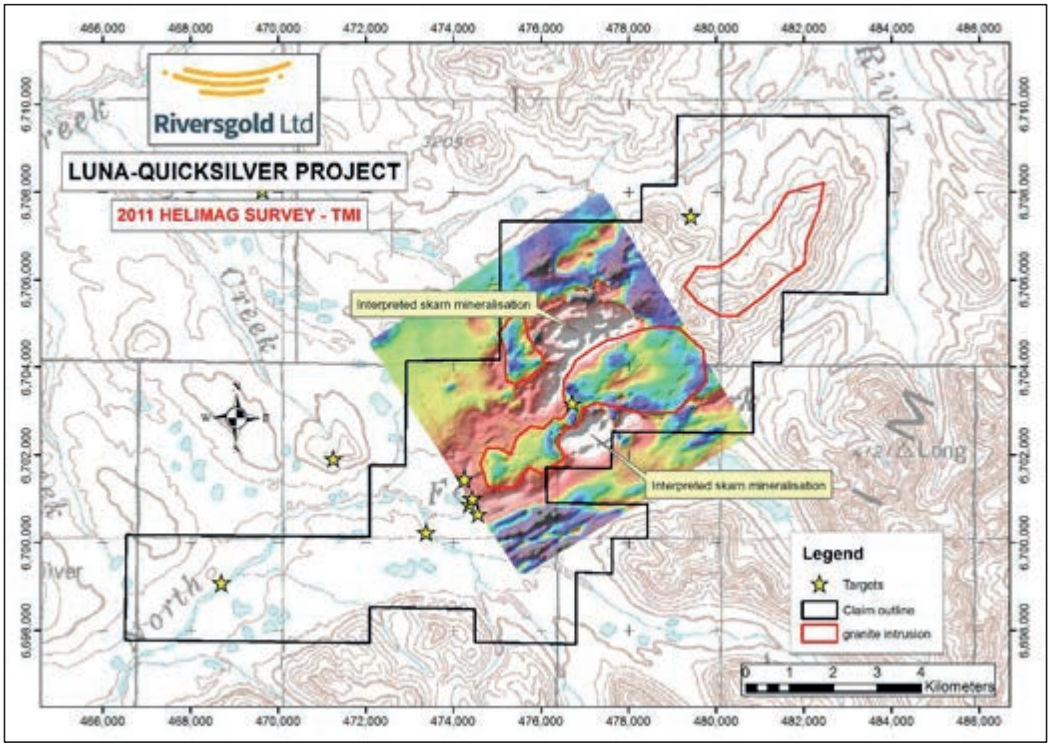



*Figure 38: Luna-Quicksilver Project 2011 Aeromagnetic Survey image (TMI)*

In 2012, Renaissance conducted limited 1:10,000 mapping at the Quicksilver Vein Prospect focused on expanding the understanding of the prospect setting by investigating strike extensions of the main zone and the potential for parallel mineralised zones. Observations during 2012 mapping largely supported previous mapping; only two <20 cm quartz-stibnite-stibconite veins were found in outcrop with limited proximal sericitisation in 20 cm to 30 cm selvedges. Assays supported historical results.

Twenty-nine soil samples were collected approximately 50 m apart on 50 m spaced lines to the west of the Quicksilver Prospect in 2012. Samples were taken by excavating a hole approximately 20 cm deep (where possible) with a hand shovel and then sieving a -5 mm fraction from the bottom of hole for approximately 300 g to 1,000 g of sample. Samples were then submitted for 50 g Fire Assay. The soil samples were taken to investigate the possibility of further parallel Quicksilver type veins in the area of poor outcrop immediately to the west of the Prospect. The only significant anomalous result came from proximal to the Quicksilver Vein itself (189 ppb Au). The soil survey indicates little potential for parallel veins west of the Quicksilver Vein Prospect. Coherent Au and Bi anomalies over the Quicksilver Prospect however indicates the effectiveness of the soil geochemistry as an exploration tool.

Renaissance also conducted additional sampling of the multiple epithermal quartz-limonite-chalcedony-breccia veins at the east end of the Quicksilver property (Trundle Prospect area) in 2012. No sulphides were identified during mapping and rock chip samples returned no significant Au values.

The Fernspeigel Prospect was identified by Renaissance in 2012 and is an occurrence of quartz-stibnite-stibconite veining (<10 cm wide) hosted by quartz monzodiorite similar to that found in the Quicksilver Prospect area. Multiple quartz veins with a density of 2/m and 1 cm to 5 cm width were also noted in the prospect area but returned no significant gold mineralisation.

In 2012, Renaissance also collected 49 stream sediment samples (including duplicates) from 43 sample points. Samples were taken using in-house proprietary method for BLEG analysis. Renaissance indicates that the survey has fully tested the potential of the Quicksilver property area with the highest responses from the Ag, Sb and Bi pathfinder elements generally limited to drainages coming off the Quicksilver/Fernspeigel Prospect areas. Renaissance noted that the stream sediment results indicate limited exploration potential for the north-east part of the property area.

*Afranex (2013)*

Afranex collected two rock samples from the Quicksilver property during a site visit made on 17 September 2013; with highly anomalous results (Figure 35).

*Southern Crown (2014)*

Southern Crown collected three rock grab samples from the Quicksilver property in September 2014. One sample of a well mineralised vein returned 7.26 ppm Au and 51 ppm Ag.

### *4.8.3 North Quicksilver Project Exploration (2011 to Present)*

North Fork located the North Quicksilver mineral claim group on 1 September 2011. North Fork personnel collected approximately 19 reconnaissance rock samples from the North Quicksilver property in 2011. The majority of samples returned fire assay values of less than 0.005 g/t Au; however, a local grouping of five samples returned greater than 6 ppb Au, with two samples returning 187 ppb Au and 265 ppb Au.

### *4.8.4 Kisa Project Exploration (2007 to Present)*

Work completed by Kisa Gold and North Fork between 2006 and present is summarised in Table 16.

*Table 16: Exploration on Kisa property*

| Year | Operator | Program |
|---|---|---|
| 2006 | Kisa Gold | Project claims staked July to September 2006 |
| 2006 | Kisa Gold | Rocks |
| 2007 | Kisa Gold | Rocks; soils; six diamond drill holes; ground IP and magnetics; LIDAR topographic survey |
| 2010 | North Fork | DDH core verification sampling |
| 2014 | Southern Crown | Rocks |

*Kisa Gold (2006)*

Kisa Gold completed a total of 15 person-days sampling and mapping foot-accessible portions of the south and west portions of the claim group in late August 2006. A total of 70 rock-chip samples were collected, of which 50 contained detectable Au. Kisa Gold collected 19 samples from the previously defined Kisa breccia area and confirmed the previous sample results. The arithmetic average of the 19 samples collected from the breccias is reported to have been over 1.0 g/t Au and the highest value reported was 5.3 g/t Au from a 1 m chip sample across an outcrop in the western portion of the breccia exposure.

Kisa Gold's high-resolution aeromagnetic survey data completed in 2006 and 2007 show a large, elongated semicircular geophysical anomaly cut by numerous linear geophysical features in the Kisa Breccia area – possibly reflecting a diatreme or intrusive complex at depth and a cross-cutting dike system or fault complex.

*Kisa Gold (2007)*

Kisa Gold returned in the summer 2007 and established a 15-person fly camp and staged a district-wide exploration program. Work on the Kisa Prospects included drilling over 940 m of HQ core, collection of over 300 stream sediment samples, completion of three soil grids and collection of more than 250 rock samples. A total

of 27.2 line km (17 line-miles) of IP/resistivity and 192 line km (120 line-miles) of ground magnetics were completed as follow up to 2006 and 2007 airborne magnetic and electromagnetic surveys.

Geological mapping, rock-chip sampling, grid-soil sampling and air and ground geophysical surveys outlined an extremely large area of anomalous mineralisation over 3.8 km (2.4 miles) in length. The spatial extent of the system, intensity of alteration observed, as well as the widespread occurrence of gold in rocks and soils collected from the dike swarm and surrounding host rocks suggest the presence of a major mineralised system both at the surface and underlying the ridge. Exploration further defined three target areas: Kisa Breccia, Golden Dyke, and Pirate's Pick.

In 2007, Kisa Gold completed over 940 m of drilling into the Kisa Breccia target cutting broad intervals of low-grade gold mineralisation (Figure 39). Core recovery averaged approximately 73% for the entire program. This lower core recovery is in part a function of drilling through the talus material that overlies the bedrock formations. All analytical work was completed by Alaska Assay laboratories in Fairbanks, Alaska. Using standard fire-assay procedures. Significant mineralised intervals are presented in Table 18.

*Table 17: 2007 Kisa breccia diamond drill holes*

| Hole ID | East UTM_NAD83 | North UTM_NAD83 | Elevation (m) | Azimuth | Inclination | Length (m) | Recovery |
|---|---|---|---|---|---|---|---|
| K07-01 | 483,380 | 6,691,020 | 847 | 182 | -45 | 100.7 | 55 |
| K07-02 | 483,382 | 6,691,020 | 847 | 148 | -50 | 197.8 | 75 |
| K07-03 | 483,430 | 6,690,936 | 898 | 000 | -90 | 128.9 | 65 |
| K07-04 | 483,432 | 6,690,935 | 898 | 172 | -49 | 285.8 | 82 |
| K07-05 | 483,432 | 6,690,936 | 898 | 090 | -48 | 141.7 | 74 |
| K07-06 | 483,358 | 6,690,876 | 950 | 156 | -46 | 164.4 | 74 |

In 2007, Kisa Gold conducted a systematic rock chip sampling program at the Golden Dyke area along the steep cliffs and talus slopes where the dikes and sills are relatively well exposed, but extremely difficult to access. Samples were collected from dikes and altered sandstones exposed within the prospect area and values as high as 6.2 g/t (0.18 oz/t) Au were reported. Gold is associated with anomalous arsenic, antimony, bismuth, molybdenum, silver, copper, tellurium, and tungsten. A reconnaissance-scale soil grid of 56 samples was established over the trace of the dike swarm in areas along strike where exposure was limited or non-existent and results show a strong gold-in-soils anomaly coincident with the projected trace of the swarm with values ranging from below detection (0.01 ppm) to 2.34 ppm Au and averaging 0.22 ppm Au. The soil anomaly measures approximately 350 m wide by 1,400 m long and is open in all directions. Kisa Gold noted that the spatial extent and intense alteration as well as the presence of gold in amounts >0.1 g/t Au in nearly all the samples collected from this dike swarm suggest the presence of a significant mineralised system at the surface and underlying the ridge.

Additional targets occur along the projections of the dike swarms and faults systems into the adjacent talus-covered slopes and glacial drift-filled valleys, but will require additional work prior to definition of drill targets. Several small rubble-crop and/or outcrop showings along the valley edge to the north-west of the main ridge contain anomalous pathfinder element suites and gold values. These showings correspond with a marked airborne magnetic geophysical anomaly similar to that over the main ridge to the south-east and warrant follow up.

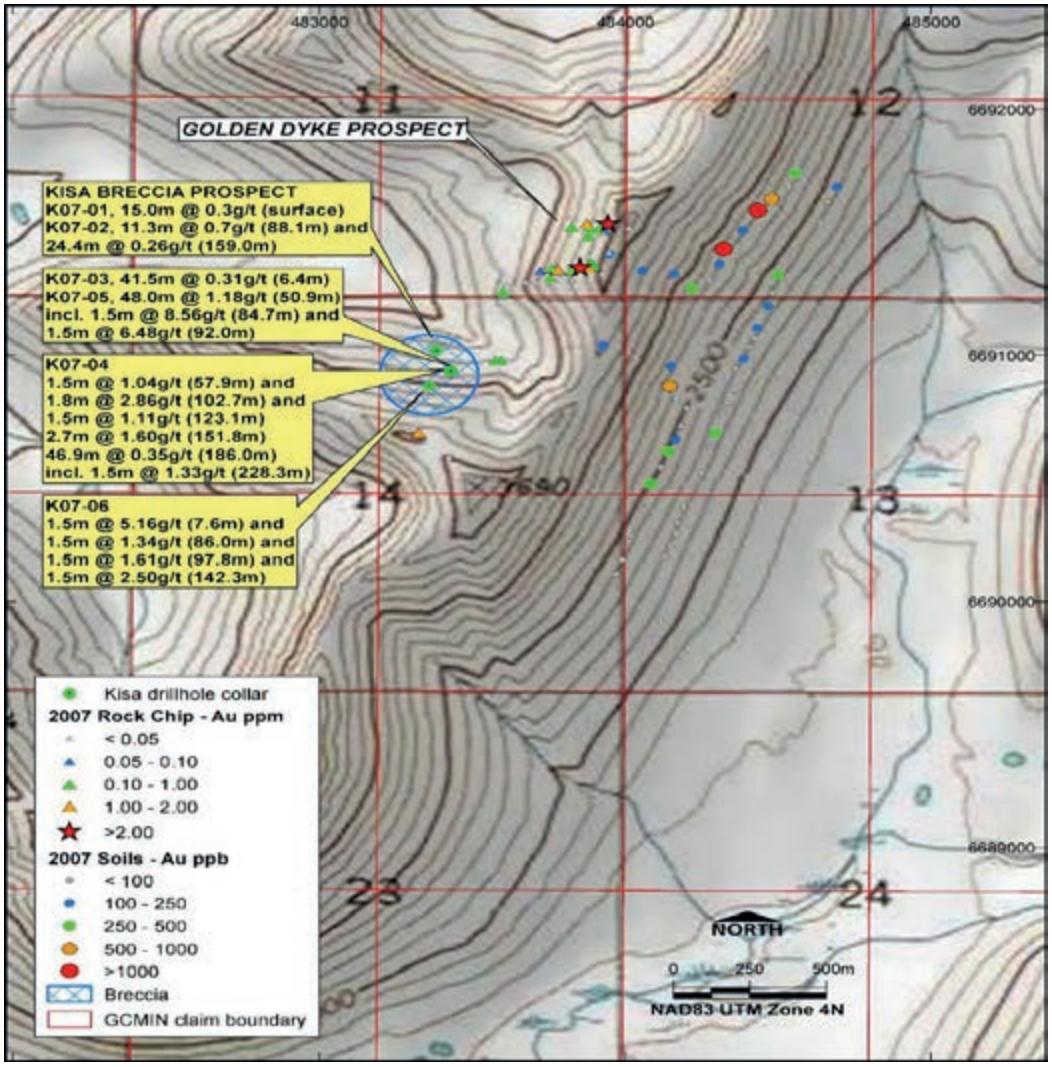



*Figure 39: Kisa property – 2007 Kisa Gold diamond drill holes and surface sample results*

*Table 18: 2007 Kisa breccia diamond drill holes – significant mineralised intersections*

| Hole ID | | From (m) | To (m) | Interval (m) | Au g/t | Cu ppm | Pb ppm | Zn ppm | As ppm | Sb ppm |
|---|---|---|---|---|---|---|---|---|---|---|
| K07-01 | | 0.00 | 13.72 | 13.72 | 0.265 | 67 | 1 | 42 | 2,761 | 13 |
| K07-02 | | 4.42 | 29.57 | 25.15 | 0.264 | 129 | 3 | 29 | 3,125 | 28 |
| | | 56.08 | 60.96 | 4.88 | 0.220 | 113 | 3 | 38 | 2,866 | 14 |
| | | 69.80 | 74.68 | 4.88 | 0.241 | 186 | 2 | 41 | 7,331 | 23 |
| | | 85.34 | 106.98 | 21.64 | 0.510 | 293 | 8 | 53 | 7,124 | 101 |
| | | 87.78 | 99.36 | 11.58 | 0.795 | 478 | 9 | 47 | 8,990 | 158 |
| | | 110.03 | 113.08 | 3.05 | 0.209 | 29 | 4 | 41 | 2,051 | 17 |
| | | 118.26 | 131.67 | 13.41 | 0.298 | 193 | 1 | 32 | 4,507 | 7 |
| | | 136.25 | 137.77 | 1.52 | 0.245 | 77 | 3 | 41 | 1,730 | 8 |
| | | 159.41 | 183.79 | 24.38 | 0.258 | 74 | 2 | 37 | 2,931 | 10 |
| K07-03 | | 6.40 | 47.85 | 41.45 | 0.309 | 238 | 4 | 27 | 3,337 | 12 |
| K07-04 | | 0.00 | 16.46 | 16.46 | 0.490 | 14 | 4 | 27 | 5,456 | 7 |
| | | 56.39 | 263.04 | 206.65 | 0.317 | 127 | 5 | 26 | 2,902 | 16 |
| | includes | 56.39 | 70.10 | 13.72 | 0.680 | 97 | 4 | 18 | 3,504 | 36 |
| | and | 80.77 | 85.34 | 4.57 | 0.648 | 67 | 5 | 24 | 1,953 | 4 |
| | and | 151.79 | 156.06 | 4.27 | 1.359 | 236 | 5 | 32 | 6,028 | 16 |
| K07-05 | | 0.00 | 131.67 | 131.67 | 0.637 | 28 | 3 | 36 | 3,835 | 7 |
| | includes | 0.00 | 14.63 | 14.63 | 0.561 | 20 | 3 | 27 | 4,044 | 5 |
| | and | 50.90 | 99.67 | 48.77 | 1.185 | 20 | 3 | 37 | 5,130 | 10 |
| K07-06 | | 4.57 | 151.18 | 146.61 | 0.356 | 129 | 4 | 30 | 2,503 | 26 |
| | includes | 6.10 | 12.19 | 6.10 | 1.587 | 7 | 4 | 46 | 7,441 | 22 |
| | and | 21.03 | 25.60 | 4.57 | 0.757 | 99 | 3 | 33 | 8,504 | 19 |
| | and | 84.43 | 87.48 | 3.05 | 1.019 | 123 | 4 | 25 | 4,666 | 12 |

*Note: Intervals are downhole core lengths, true widths are unknown.*

*North Fork (2010)*

North Fork collected 26 check samples of drill core from the Kisa Breccia target during its 2010 program. The core is securely warehoused in Bethel. North Fork collected the remaining half core from selected sample intervals. Each North Fork sample was a composite of several Kisa Gold sample intervals as presented in Table 19. North Fork notes that no archived core remained from certain intervals that reported the highest historical gold grades and therefore could not be check assayed.

*Table 19: North Fork drill core verification samples*

| Hole | From (ft) | To (ft) | Core length (ft) | Sample | Kisa Gold average composite grade (Au g/t) | North Fork check assay (Au g/t) |
|---|---|---|---|---|---|---|
| K07-01 | 0 | 25 | 25 | K07-01:0-25 | 0.334 | 0.50 |
| | 25 | 45 | 20 | K07-01:25-45 | 0.20 | 0.62 |
| K07-02 | 287 | 295 | 8 | K07-02:287-295 | 0.87 | 1.08 |
| | 295 | 303 | 8 | K07-02:295-303 | 0.89 | 0.90 |
| | 305 | 312 | 7 | K07-02:305-312 | 0.587 | 0.73 |
| | 312 | 320 | 8 | K07-02:312-320 | 0.72 | 1.14 |
| K07-03 | 21 | 30 | 9 | K07-03:21-30 | 0.89 | 0.56 |
| | 86.5 | 96 | 9.5 | K07-03:86.5-96 | 0.82 | 0.71 |
| K07-04 | 0 | 17 | 17 | K07-04:0-17 | 0.603 | 0.63 |
| | 179 | 189 | 10 | K07-04:179-189 | 0.42 | 0.36 |
| | 189 | 195 | 6 | K07-04:189-195 | 1.04 | 0.50 |
| | 340 | 349 | 9 | K07-04:340-349 | 0.125 | 0.17 |
| | 500 | 507 | 7 | K07-04:500-507 | 1.44 | 1.91 |
| | 575 | 584 | 9 | K07-04:575-584 | 0.27 | 0.80 |
| | 743 | 752 | 9 | K07-04:743-752 | 0.84 | 0.32 |
| K07-05 | 183 | 190 | 7 | K07-05:183-190 | 0.77 | 0.65 |
| | 190 | 197 | 7 | K07-05:190-197 | 1.23 | 1.21 |
| | 205 | 214 | 9 | K07-05:205-214 | 1.07 | 0.99 |
| | 253 | 260 | 7 | K07-05:253-260 | 1.27 | 1.45 |
| | 273 | 281 | 8 | K07-05:273-281 | 4.64 | 1.00 |
| | 297 | 303 | 6 | K07-05:297-303 | 0.62 | 0.44 |
| | 303 | 312 | 9 | K07-05:303-312 | 3.38 | 1.51 |
| | 423 | 430 | 7 | K07-05:423-430 | 0.77 | 0.67 |
| K07-06 | 23 | 32 | 9 | K07-06:23-32 | 1.92 | 0.15 |
| | 72 | 80 | 8 | K07-06:72-80 | 0.76 | 0.93 |
| | 471 | 480 | 9 | K07-06:471-480 | 0.28 | 0.16 |

*Note: Intervals are downhole core lengths, true widths are unknown.*

*Southern Crown (2014)*

Southern Crown collected 10 rock chip samples from the Kisa property in 2014. The samples returned 0.01 g/t Au to 0.74 g/t Au.

## 4.9 Work Completed

As of the date of this report, Riversgold has conducted no exploration on the South-west Alaska Project properties.

Previous exploration conducted by:

1. Gold Crest/Kisa Gold, its past exploration partners and North Fork and Southern Crown on the Luna and Kisa properties;
2. North Fork on the Quicksilver North property; and
3. Black Peak/Renaissance on the Quicksilver property is discussed in Section 4.8 (Exploration History).

## 4.10 Targets and Exploration Potential

Numerous potential prospects exist on and adjacent to the South-west Alaska Project claim groups and are manifested by visually distinctive linear and ovoid areas exhibiting reddish-maroon to orange-brown colours reflecting iron oxide development after primary sulphide alteration and mineralisation. Sampling of several of these large iron-oxide colour anomalies indicates the possible presence of large precious-metal mineralised


systems. A number of nearby colour anomalies are coincident with stream sediment anomalies, but have apparently never been prospected as there are no written records of exploration and/or production.

Several styles of alteration have been identified on the prospects associated with or potentially indicative of precious metal mineralised systems. Alteration is generally associated with four types of features:

- fault and fracture zones;
- intrusive dikes and/or sills;
- diffuse, irregular, potentially stratabound zones within or adjacent to shale/chert-sandstone lithologic contacts; and
- heterolithic breccia at the main Kisa showing.

Alteration is dominated by development of iron carbonate flooding of sedimentary rock units, and is best developed in the fine- to medium-grained lithic sandstone units which are the dominant rock type exposed on the Kisa Prospects. This alteration manifests itself as a distinctive light to medium orange-brown colour on weathered rock surfaces, in talus and in soils derived from them. This alteration is responsible for the larger colour anomalies associated with the major showings in the area. In freshly broken surfaces, the iron carbonate alteration is associated with bleaching of the rock matrix and detrital clasts from a monotonous olive green to yellow-green to buff white with increasing alteration intensity. The iron carbonate alteration may also be associated with development of very fine-grained disseminated pyrite, which in the weathered samples appears as tiny iron oxide blebs and in fresh samples appears rimming detrital clasts and in the rock matrix. Locally, where iron carbonate alteration grades into silica flooding, the pyrite content, and bleaching increases.

Irregular pod-like, fracture-controlled to wispy, milky coloured, cherty silica alteration typically occurs along more fractured areas within the broader zones of iron carbonate alteration. Where more pervasive, the alteration becomes increasingly texture-destructive and occurs as massive silica-flooded zones often accompanied by development of tiny quartz stockworks. Where well developed, alteration is often associated with increased quantities of very fine-grained disseminated pyrite and arsenopyrite and in some cases zones of stockwork quartz + sulphide veining. Sulphides and their associated oxidation products identified on the prospect to date, in order of general abundance include: pyrite, arsenopyrite, stibnite, molybdenite and chalcopyrite.

#### *4.10.1 Luna property*

Geophysical surveys define a 7.7 km long by 2.2 km wide induced polarization and resistivity anomaly coinciding with north-east trending ground and aerial magnetic lineaments. The geophysical surveys define a strong north-east trending structural break Several conductors identified from the airborne electromagnetic surveys correspond with zones of semi-massive sulphide replacement mineralisation located on the ground.

The Luna property is adjacent to the Quicksilver property, and together they contain a series of mineralised exposures along an approximately 10 km north-east trend highlighted by the geophysical linears.

*Luna Main Prospect*

Disseminated, vein and stockwork sulphide mineralisation is hosted in altered sediments and intrusive rocks (Photo 2). Gold has been found in a broad area that exhibits pervasive fracturing and clay alteration. Gold is associated with anomalous arsenic, antimony, bismuth, molybdenum, silver, copper, lead and zinc.

*Photo 2: Luna Main Prospect – altered, mineralised sediments flanking an altered, mineralised dyke of uncertain orientation; looking north-west, UTM 473,275E 6,700,300N .Source: Trinder, 2011*

*Luna East Prospect*

Several zones of stratiform sulphide replacement mineralisation with cherty silica alteration containing up to 70% sulphides, primarily fine-grained pyrite, arsenopyrite and stibnite and to a lesser extent chalcopyrite and sphalerite have been located within the claim group (Photo 3). The true thicknesses of these zones are unknown, apparent thicknesses may be up to 1 m.

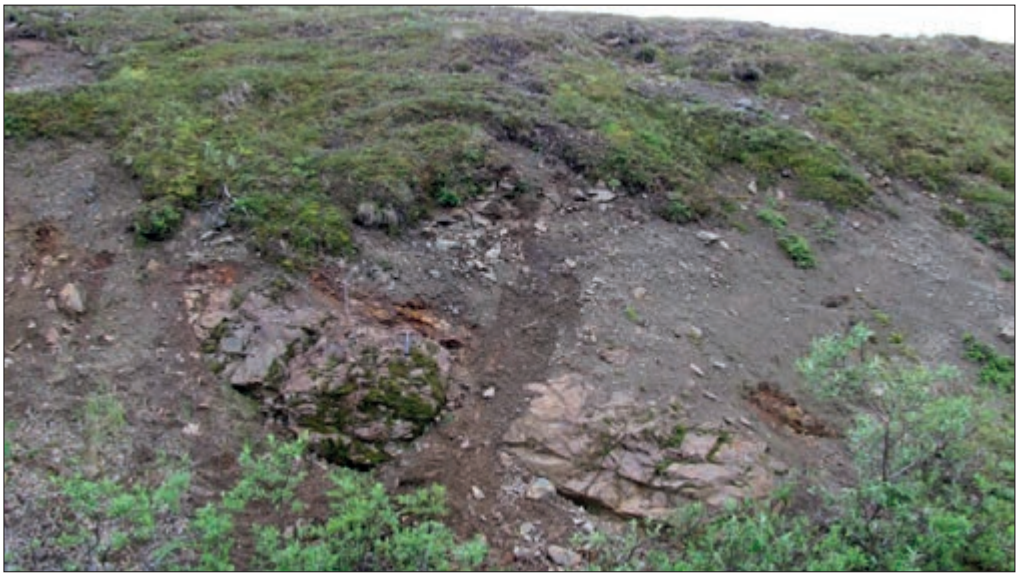


*Photo 3: Luna property – sulphide-rich chert-silica zone in Kuskokwim sediments oriented 230/30; looking south, UTM 474,367E 6,700,930N. Source: Trinder, 2011*


Several north-east-trending porphyritic dykes have been identified along the north-west-south-east trending North Fork Creek tributary south of the north-east trending geophysical break and the Luna Main mineralised showing however no significant gold mineralisation has yet been found associated with them.

*4.10.2 Quicksilver Project*

A variety of mineralisation styles including quartz-sulphide (galena, arsenopyrite, stibnite) veins, chalcedony-quartz breccia veins, limonite-quartz veins, quartz-chlorite breccia veins and chlorite-sulphide shears have been identified within the property area. Three main prospect areas are noted:

*Quicksilver Vein Prospect*

The Quicksilver Vein Prospect comprises a narrow quartz-galena-arsenopyrite-stibnite/stibconite vein, 2 cm to less than 20 cm wide, with a 1 m to2 m pervasive sericite and silicification selvedge. The vein is hosted within the quartz monzodiorite and contains locally up to 36.1 g/t Au in rock chips and grab samples. Quartz-tourmaline veins typically <2 cm wide with minor sericite alteration selvages are also noted in the prospect area but do not contain any significant Au values.

*Trundle Prospect Area*

The Trundle Prospect area comprises multiple areas of chalcedony-quartz breccia veins and limonite-quartz veins similar veining/alteration were identified throughout a >4 km corridor in the north-east part of the property. The multi-phase breccia veins are up to 60 cm or more in width with an extensive strike length and a density of locally 1–2 per m within the monzodiorite sill identified which may complicate mineral potential. Pyrite boxworks are rare but are noted where quartz content is greater. Overprinting chalcedony veins are typically of 2 cm to 3 cm size and show crustiform textures. Low-grade Au values (<1 ppb Au, to locally >100 ppb Au) appear to be associated with the quartz-limonite veins, whereas chalcedony veins do not appear to contain anomalous Au. Areas of brecciation and veining have been observed >10 m width with observable alteration over 50 m width. Alteration is concentric around the veins and consists of limonite (±carbonate) altered diorite proximal to the vein, grading into clay altered diorite with a dark green appearance, with the most distal alteration being iron-carbonate dominated. Limonite-quartz breccia veins returned gold values of <1 ppb Au, to locally 406 ppb Au, and are thought to be similar to the quartz-limonite veins noted above but without the chalcedonic overprint.

*4.10.3 North Quicksilver Project*

A limited number of reconnaissance rock samples were collected by North Fork. The majority of samples returned gold assay values of <0.005 g/t Au, however a local grouping of five samples returned greater than 6 ppb Au, with two samples returning 187 ppb Au and 265 ppb Au which suggests that the 10 km long mineralised linear geophysical feature extending north-east through the Luna and Quicksilver properties may extend onto the North Quicksilver property.

*4.10.4 Kisa Project*

The Kisa mineralised prospects occur along a narrow, linear, north-east-trending ridge of hornfelsed sedimentary rocks intruded by silicified and locally argillic-altered rhyolite to gabbroic dikes and sills. Several north-west-trending spurs off the main ridge appear to be related to crosscutting dikes of a different age and composition (Figure 29). Alteration present in the complex includes strong silica-carbonate alteration with a pronounced As-Sb-Hg-Au geochemical signature typical of high-level epithermal systems, as well as more classic porphyry style alteration suites including stockwork quartz and sulphide veining, argillic and propylitic alteration along fractures and micro-breccia zones exhibiting an As-Au-Bi trace element signature.

Geological mapping, rock-chip sampling, grid-soil sampling and air and ground geophysical surveys outline an extremely large target area over 3.8 km in length. The spatial extent of the system, intensity of alteration observed, as well as the widespread occurrence of gold in rocks and soils collected from the dike swarm and

surrounding host rocks suggest the presence of a major mineralised system both at the surface and underlying the ridge.

In several areas on the Kisa claim group the strongest silica-carbonate alteration and iron oxide development is present in the apparent hanging walls of felsic to intermediate dikes. Alteration haloes were noted to extend several tens of metres into the hanging wall with sharp, narrow alteration in the footwalls. This is most common in dike exposures at the Golden Dyke area where bedding and dikes have dominantly northerly strikes and steep easterly dips along the elongate north-south ridge which lies just east of the main Kisa breccia showing. These relationships suggest that some of the dikes were either intruded at relatively shallow angles and/or may actually be sills. It also suggests that the host rocks were chemically or mineralogically receptive and susceptible to alteration and mineralisation. The ridge slopes where these dikes are exposed exhibit extremely intense red-orange colouration resulting from the alteration related to the dike swarm. The ridge itself appears to be more resistant to erosion than the surrounding less altered areas, possibly reflecting widespread silicification that appears to hold up the ridge.

The gold mineralisation identified to date, correlates well with the pathfinder elements As-Bi-Mo-W-Be-P. This supports the contention that a larger intrusive is located at some depth below the breccia and dike swarm. The alteration zones on the south end of Kisa that only contain trace amounts of gold have this association, suggesting that the system may stronger at depth, as one gets deeper into the system to the south. This same geochemical signature is also reported at the Shotgun Prospect located approximately 80 km to the east. This elemental suite is also similar to other intrusive-hosted and intrusive-related systems in the Kuskokwim region.

Additional targets occur along the projections of the dike swarms and faults systems into the adjacent talus-covered slopes and glacial drift-filled valleys, but will require additional work prior to definition of drill targets. Several small rubble and/or outcrop showings along the valley edge to the north-west of the main ridge contain anomalous pathfinder element suites and gold values. These showings correspond with a marked airborne magnetic geophysical anomaly similar to that over the main ridge to the south-east and warrant follow up.

*Kisa Breccia Prospect*

The Kisa Breccia Prospect is a significant showing located in the headwall of a small cirque and on steep talus-covered slopes in the north-east quarter of section 14, T3N, R58W (Figure 29). A poorly sorted, matrix-supported, intensely silica-carbonate-sulphide altered, heterolithic breccia body is intermittently exposed over an area approximately 300 m wide by 500 m long and roughly 250 m high along the slopes. Exposures start near the crest of an east-west trending ridge and are scattered down slope to the contact with valley-fill glacial moraine. Drilling indicates the breccia extends down-dip at least 300 m.

The showing is situated near the intersection of a prominent north-trending felsic dike swarm forming the main ridge that passes through the centre of the claim group (the Golden Dyke Prospect) and a subtle east-west-trending dike set and fracture system.

The uppermost exposures appear to be related to a distinctive maroon-coloured, irregular north-south trending, possibly steeply east-dipping coarsely porphyritic dacite porphyry dike or sill. The host sedimentary rocks are intensely fractured, iron oxide stained and hornfelsed in the area surrounding the dacite. Just below the ridgeline, the dacite is heavily fractured and silicified and is intruded by an apparently younger aphanitic to weakly porphyritic, grey to buff coloured, quartz-eye rhyolite porphyry dike or sill. Silicification is best developed around the aphanitic dike where it cuts through the coarsely porphyritic dacite dike. East-west trending fractures cut both the dacite and rhyolite and contain fracture coatings and fissure veins with fine- to coarse-grained brassy, euhedral pyrite and silvery grey arsenopyrite and rare molybdenite and chalcopyrite. Farther down slope the dike appears to form a more ovoid shaped body and its texture is completely obliterated by silica flooding as the main breccia body is approached.

The breccia contains a mixture of sub-angular to sub-rounded hornfelsed, altered sedimentary clasts mixed with nearly equal amounts of intensely altered porphyritic felsic to intermediate composition intrusive rocks. At least


three, but possibly five separate igneous rock types maybe present in the breccias. The heterolithic nature and complex alteration assemblages as well as the textural characteristics suggest a classic hydrothermal explosion breccia overlying a potential volcanic neck or intrusive-related diatreme. The Kisa breccia body is intensely silica-carbonate-sulphide altered.

The mean of nineteen 2006 surface samples collected from the breccias was reported to be >1.0 g/t Au and the highest value reported was 5.3 g/t Au from a 1 m chip sample across an outcrop in the western portion of the breccia exposure.

2007 diamond drilling of the Kisa Breccia target returned significant intervals of low-grade gold mineralisation including 206.65 m grading 0.317 g/t Au (DDH K07-04); 131.67 m grading 0.637 g/t Au (DDH K07-05) and; 146.61 m grading 0.356 g/t Au (DDH K07-06). Intervals are core lengths; true widths are unknown.

*Golden Dyke Prospect*

The Golden Dyke Prospect is exposed on and under a prominent north-east trending ridgeline running through the centre of the Kisa property. The ridge contains numerous altered felsic rhyolite dikes and sills intruding sedimentary country rocks exposed over an area approximately 250 m to 450 m wide by 2,500 m to 4,500 m long with at least 160 m and locally up to 350 m of exposed vertical extent. The swarm is composed of over 20 dikes and sills ranging in thickness from approximately 1 m to over 10 m true width. Many of the dikes pinch and swell and locally appear to form small stock-like bodies.

The felsic rhyolite dikes and sills at the Golden Dyke Prospect are silica-carbonate-sulphide altered and intrude altered sandstone. The dikes are often bleached and contain disseminated to stockwork sulphide veining. Sedimentary country rocks are heavily iron oxide stained and fractured in the hornfelsed zones adjacent to and along the dike and sill margins and contain various oxidation products after sulphides.

The spatial extent and intense alteration as well as the presence of gold in many of the samples collected from this dike swarm suggest the presence of a significant mineralised system at the surface and underlying the ridge. This interpretation is supported by Kisa Gold's high-resolution aeromagnetic survey completed in 2006 and 2007 which shows a large, elongated semicircular geophysical anomaly cut by numerous linear geophysical features – possibly reflecting a diatreme or intrusive complex at depth and a cross-cutting dike system or fault complex.

Samples collected from altered dikes and sandstones exposed within the prospect area returned values as high as 6.2 g/t (0.18 oz/t) Au. Gold is associated with anomalous arsenic, antimony, bismuth, molybdenum, silver, copper, tellurium and tungsten. A strong gold-in-soils anomaly is coincident with the projected trace of the dyke swarm. The soil anomaly measures approximately 350 m wide by 1,400 m long and is open in all directions.

*Pirate's Pick*

The Pirate's Pick Prospect is located in the northern portion of the Kisa property and consists of a large north-west-trending quartz-carbonate-sulphide stockwork-veined fault zone exposed over the crest and flanks of a small ridge in an area approximately 200 m wide by 350 m long with several hundred m of vertical extent. Zones of intense quartz veining are located along steeply inclined fracture sets. The veins contain pyrite, arsenopyrite and stibnite within quartz and in vein selvages. Silica-carbonate flooding occurs in the host rocks around the veins and in the intensely fractured zones. The average of 18 rock-chip samples collected from veins within this zone was reported to be 1.95 g/t Au. The fault occurs along the northern end of the ridge hosting the dike-sill complex and field evidence suggests the fault may offset and displace the dike swarm.

## 4.11 Proposed Work and Use of Funds

CSA Global recommends that additional exploration work be conducted on the Project area. Riversgold has proposed an exploration program which has been designed to take place over the 2017 and 2018 exploration seasons because of the short exploration season.

CSA Global concurs with Riversgold's proposal outlined below:

*4.11.1 Luna-Quicksilver-Quicksilver-North Quicksilver Properties*

1. Re-interpretation of previous geological and geophysical datasets.
2. Detailed helicopter-borne magnetic and radiometric survey (100 m line spacing) of the Luna, and North Quicksilver properties and portions of the Quicksilver property not covered by 2011 Renaissance survey.
3. Additional prospecting and mapping.
4. Detailed, grid-based, soil surveys.
5. Diamond drill program targeting outcropping mineralized zones and geophysical targets on the Luna property.

*4.11.2 Budget*

Riversgold has proposed a Phase 1 exploration budget totalling A$1 million to A$2 million, depending on the capital raised – an overview of the proposed expenditure is presented in Table 20.

Note that depending on the actual capital raised, the scope of work will be scaled according to the actual funds raised, pro rata (approximately) in the categories shown.

*Table 20: Riversgold South-west Alaska Project – proposed exploration program and budget*
*Source: Riversgold*

| Project | Activity | Year 1 | | Year 2 | |
|---|---|---|---|---|---|
| | | A$5m raise | A$8m raise | A$5m raise | A$8m raise |
| SW Alaskan Projects | Tenement Costs | 170,000 | 170,000 | 170,000 | 170,000 |
| | Geological Personnel | 50,000 | 80,000 | 100,000 | 150,000 |
| | Travel/accommodation costs | 50,000 | 25,000 | 75,000 | 75,000 |
| | Field camp costs | 0 | 0 | 0 | 350,000 |
| | air freight/supplies expediting | 0 | 0 | 50,000 | 100,000 |
| | Geophysics | 0 | 0 | 75,000 | 75,000 |
| | Surface Geochemistry | 50,000 | 25,000 | 50,000 | 50,000 |
| | Helicopter support | 72,000 | 72,000 | 72,000 | 144,000 |
| | Drilling | 0 | 0 | 0 | 560,000 |
| | Subtotal | 392,000 | 372,000 | 592,000 | 1,674,000 |
| TOTAL EXPLORATION EXPENDITURE | | 392,000 | 372,000 | 592,000 | 1,674,000 |

CSA Global considers Riversgold's proposed budgets reasonable and recommends that the Company proceed with the proposed work programs.

## 4.12 Risks

A key risk, common to all exploration companies, is that the expected mineralisation may not be present or that it may be too small to warrant commercial exploitation.

A particular risk at the South-west Alaska Project is the relatively short exploration field season which typically extends from June through early October for early stage exploration operations. The Project's location with the Kuskokwim Mountains and its relatively close proximity to the Bering Sea can result in inclement weather that


may hamper helicopter and fixed-wing aircraft access to the Project and result in work delays during the field season.

The interpretations and conclusions reached in this report are based on current scientific understanding and the best evidence available to the authors at the time of writing. It is the nature of all scientific conclusions that they are founded on an assessment of probabilities and, however high these probabilities might be, they make no claim for absolute certainty.

The ability of any person to achieve forward-looking production and economic targets is dependent on numerous factors that are beyond CSA Global's control and that CSA Global cannot anticipate. These factors include, but are not limited to, site-specific mining and geological conditions, management and personnel capabilities, availability of funding to properly operate and capitalise the operation, variations in cost elements and market conditions, developing and operating the mine in an efficient manner, unforeseen changes in legislation and new industry developments. Any of these factors may substantially alter the performance of any mining operation.

# 5 Cambodia Gold Project, Cambodia

Information in this section is primarily compiled and summarised from project summary reports prepared by previous owner Brighton Minerals (Brighton) and its joint venture operators, Sun Hill Minerals Co. Ltd (Sun Hill) and Summer Gold, dated from 2014 to 2016. This has been supplemented where required with information from the Brighton Independent Geologists Report from March 2010, as well as CSA Global knowledge of the regional geology. Further details can be found in the References section of this report (Section 6.4).

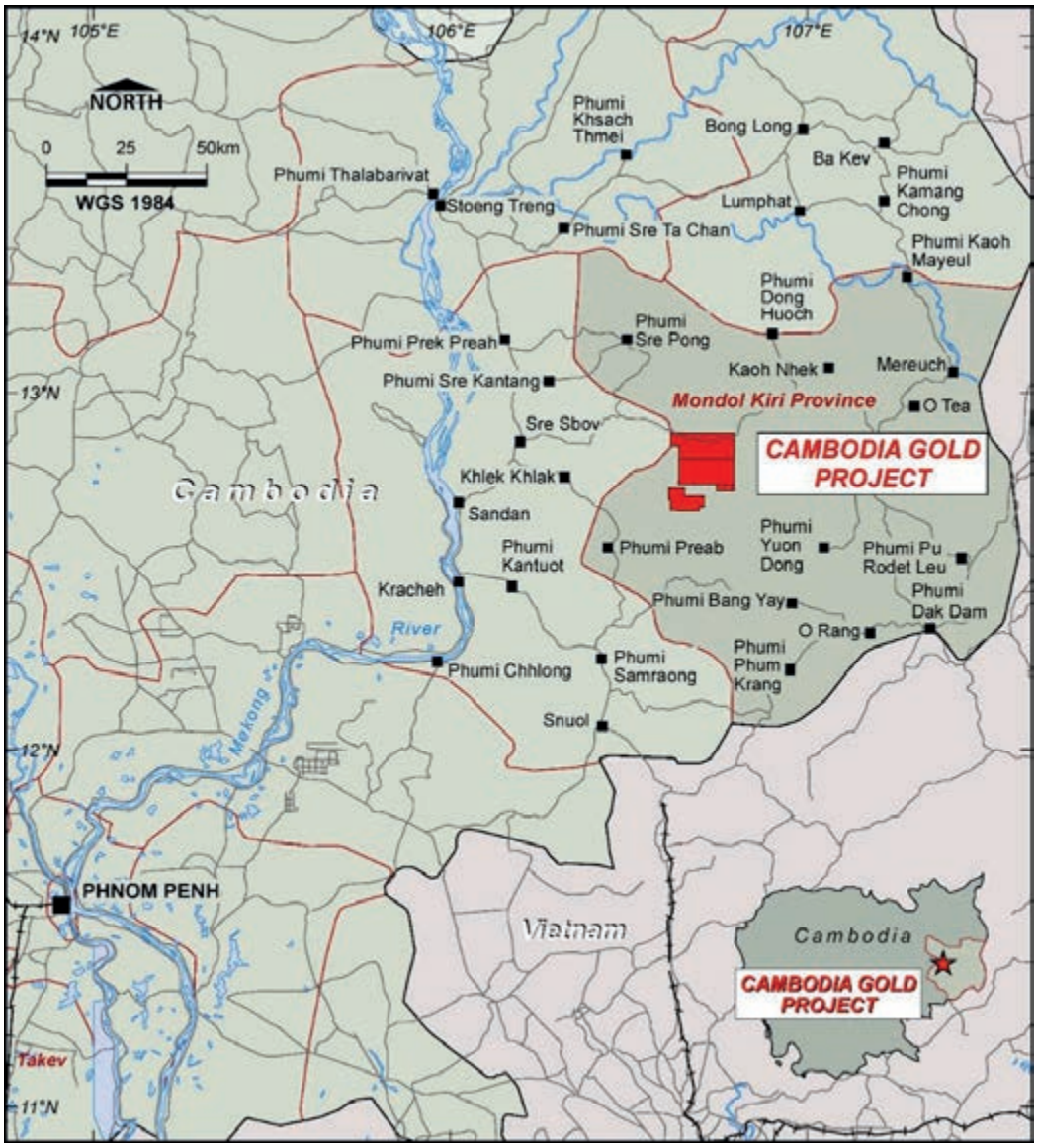



*Figure 40: Location of Cambodia Gold Project*

## 5.1 Location, Access, and Land Use

The Cambodia Gold Concessions are in the Mondul Kiri Province of Cambodia, approximately 230 km north-east of the capital city, Phnom Penh (Figure 40).

Cambodia is situated in a typically tropical climate zone with a well-defined wet season between May and October. Average monthly rainfall in these months is between 130 mm and 250 mm while humidity remains above 70% throughout the year. Temperatures range between 20°C and 35°C throughout the year. The height of the exploration field season tends to be from November to April.

The Antrong area is accessed via a sealed highway and a 62-km dirt plantation road that terminates a few kilometres short of the concessions (Figure 41). On site, the terrain is easily traversed outside of the wet season and work programs are not unduly hampered by issues of access.

A semi-permanent field camp facility is located on the Antrong Concession.

The Project is located between 120 m and 400 m above sea level with topography comprising undulating hills and lowlands. Large flat areas covered in sand typically overlie the granodiorite and usually only support scrubby bush due to the thin nature of the soils.

Forest and trees dominate over the deeper weathered sediments that surround the granodiorite. Typically, the soil profile over the sediments is 1 m to 3 m in thickness. The topography is more variable over the sediments, with incised rivers forming the majority of topographic change.

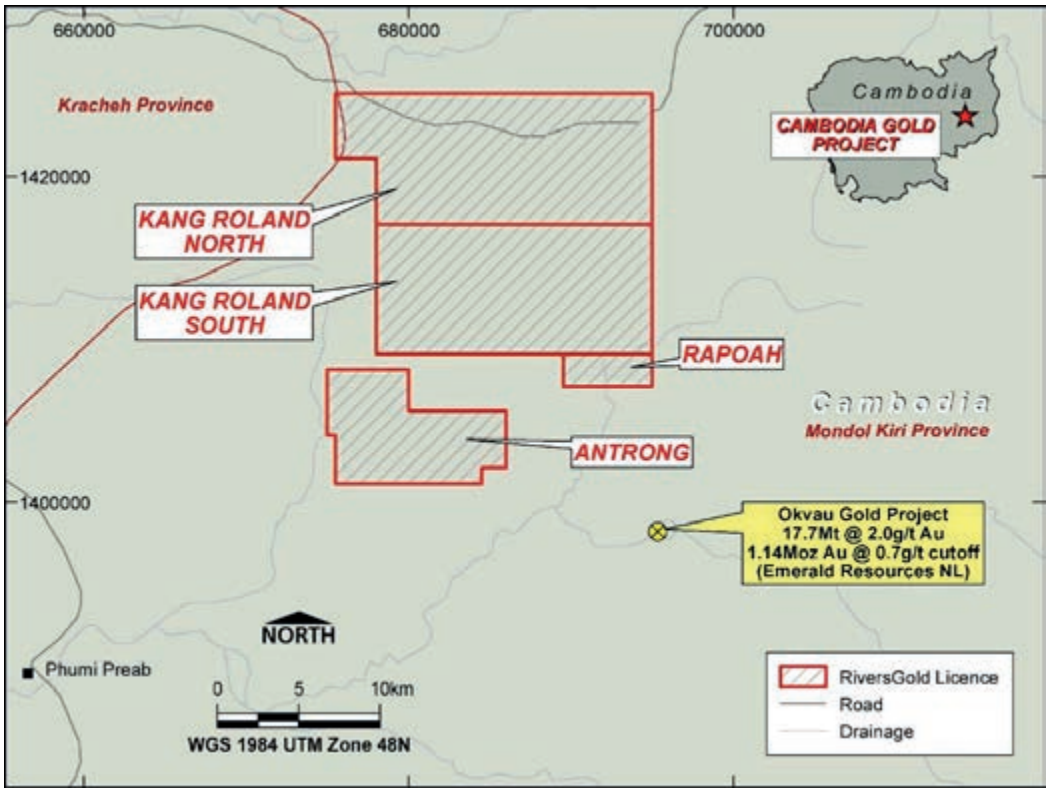



*Figure 41: Location of Project areas*

## 5.2 Tenure

CSA Global has relied on the independent opinion stated by DFDL Cambodia and Sarin & Associates, in the report titled "Report on Cambodia Gold and its legal interests in the Kingdom of Cambodia", dated 24 May 2017.

Riversgold's ground holding in Cambodia consists of two exploration licence applications covering four areas, encompassing a total area of 353 km² in the Mondul Kiri Province. These applications cover the former ground position held by Brighton. The exploration licence applications are in the name of Branch Office of Cambodia Gold Pty Ltd, and the areas covered are Kang Roland North, Antrong, Rapoah, and Kang Roland South (Figure 41 and Table 21). Exploration licences covering these areas were previously held by associated companies of Riversgold.

*Table 21: Riversgold's tenement holding in Cambodia*

| Exploration Application | Project Area | Area Covered (km²) | Application Date | Filing No. | MME Receipt date |
|---|---|---|---|---|---|
| Kang Roland | Kang Roland South | 137 | 19/09/2016 | 3482 | 20/09/2016 |
| Antrong | | 216 | 02/03/2017 | 761 | 20/09/2016 |
| Zone A | Kang Roland North | 146 | | | |
| Zone B | Antrong | 59 | | | |
| Zone C | Ropoah | 11 | | | |

*Source: DFDL Cambodia (2017)*

## 5.3 Geology

### *5.3.1 Regional Geology*

South-east Asia comprises a mosaic of continental fragments of Gondwana origin and associated accretionary mobile belts that accreted with Asia over a prolonged period, most significantly during the Triassic Indosinian orogeny. The terranes of South-east Asia include (Figure 42):

- The South China Terrane of southern China and northern Vietnam
- The Indochina Terrane of Yunnan, Vietnam, Cambodia, Lao, north-east Thailand, and eastern peninsular Malaysia
- The Sibumasu or Shan-Thai Terrane comprises most of Sumatra, western peninsular Malaysia, central and western Thailand, eastern Myanmar, and South West Yunnan
- The West Burma Terrane extending into Tibet as the Lhasa terrane and Sumatra as the Sikuleh and Natal terranes.

Two significant post-Indosinian events affected mainland South-east and East Asia. The Late Jurassic to Late Cretaceous Yanshanian in eastern China and eastern South-east Asia was a magmatic continental arc event related to subduction and extension on the east Asian margin. This arc is represented by the Dalat magmatic belt in southern Vietnam, while magmatism of this age also occurs in Cambodia in a back-arc setting. The Late Cretaceous to Miocene Himalayan orogeny reflected Indian collision with Asia and resulted in uplift and "extrusion" of South-east Asia along major north-west trending sinistral faults.

The north-east half of Cambodia lies within the Indochina Terrane and the Stung Treng fold belt (Figure 43), an accretionary orogenic belt on its southern margin that may represent the continuation of the Loei-Phetchabun belt in Thailand. South-west Cambodia lies within the extension of the Sukothai belt of Thailand, south-west of the Mae Ping–Chao Phraya fault that runs through Tonle Sap.

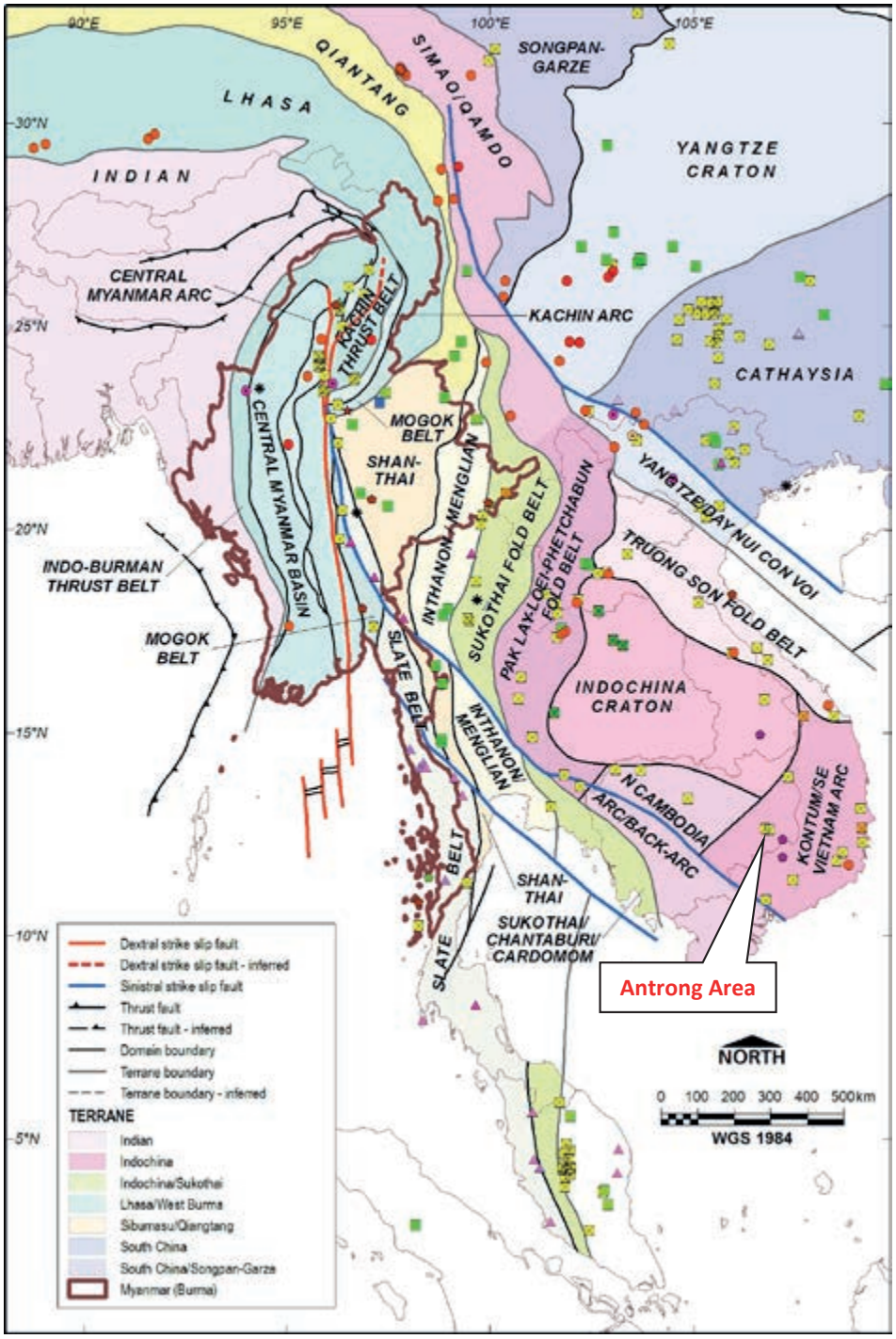



*Figure 42: Tectonic domains of South-east Asia*
*Source: Brighton, 2016*

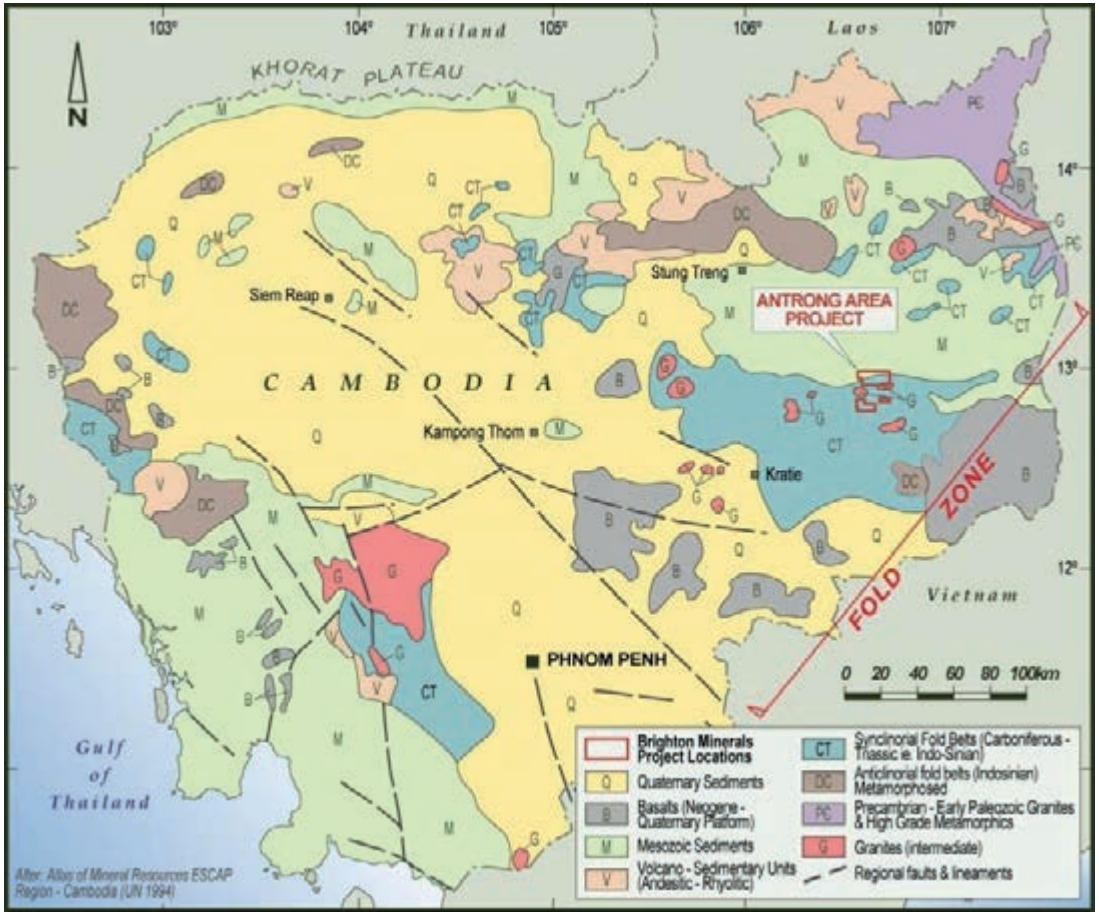



*Figure 43: Geology of Cambodia*
*Source: Brighton, 2016*

Most of the significant gold and copper deposits in South-east Asia occur in accretionary belts associated with arc or back-arc magmatism. The Early Permian Sepon and Phu Bia copper-gold deposits in Laos occur in the Truong Son belt. The Early Triassic Chatree gold deposit in Thailand occurs in the Loei belt. The Okvau gold deposit is located in the Stung Treng belt but is of younger Jurassic age.

The Stung Treng belt (Figure 43) is a Palaeozoic to Triassic volcano-sedimentary belt intruded by Late Triassic and Yanshanian age intrusives, with extensive cover sequences of Jurassic red beds and Quaternary basalts. The oldest recognised lithologies in the Stung Treng belt are deep-water Devonian clastics with volcanics, separated from younger sequences by an unconformity with a general absence of Lower Carboniferous sediments.

Upper Carboniferous to Early Permian deep-water carbonates and clastics with volcanics are overlain by Upper Permian platform carbonates and clastics with volcanics. Early Triassic marginal-marine sediments pass up into continental sediments including coal. Late Triassic sub-alkaline rhyolites, dacites and tuffs are co-magmatic with Indosinian granites. Jurassic and Late Cretaceous granodiorite and granosyenite intrusions are associated with the Yanshanian continental arc and back-arc.

### *5.3.2 Local Geology*

The Antrong concession is dominated in the south by the Antrong Granodiorite (Figure 44), a white unit of approximately 55% to 65% silica, which intrudes into folded sediments comprising sandstones, siltstones, shales, and andesitic tuffs of Jurassic age. The granodiorite is accompanied by a diorite of intermediate composition incorporating xenoliths of sedimentary origin, which appear to be a later pulse as the magma fractionated. Thin dolerite dykes are seen to frequently cross-cut the granodiorite.

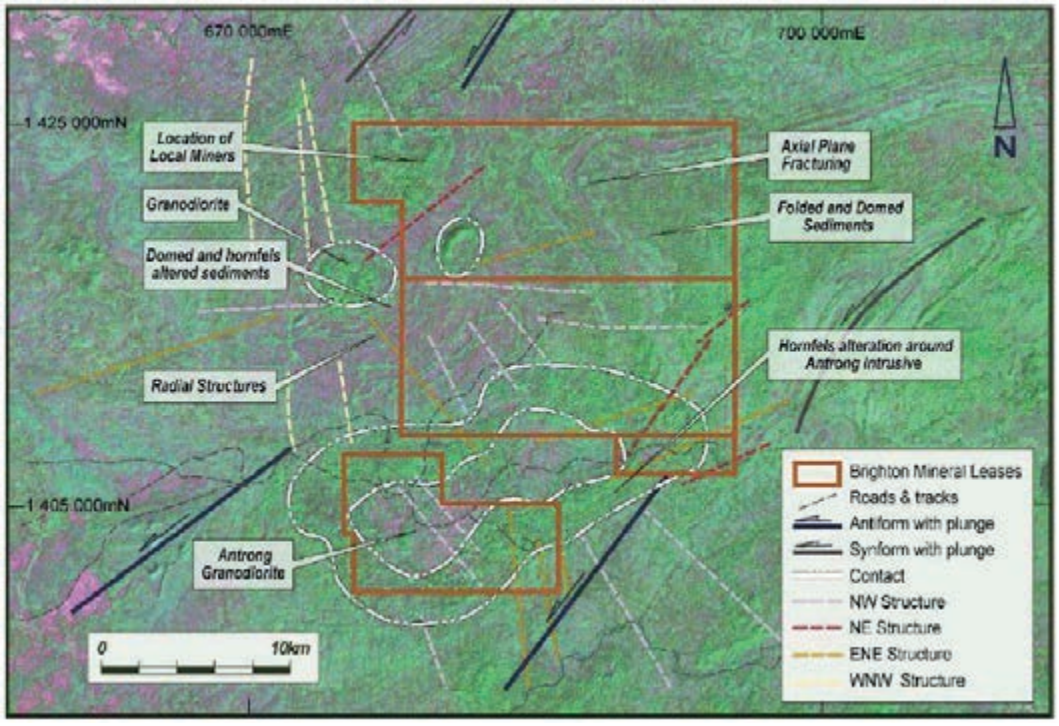



*Figure 44: Geological setting of the Cambodia Gold Project area*
*Source: Richards, 2010*

A wide hornfels halo surrounds the Antrong Granodiorite and prominent north-north-west to north-south trending shear structures emanate from the intrusive which would conceivably enable gold-bearing hydrothermal fluids to penetrate and variably alter the surrounding rocks. This style of setting is reportedly similar to that hosting the Okvau deposit to the south.

To the north and north-east of the Antrong Granodiorite the geology is dominated by folded and domed sediments related to additional intrusive and tectonic activity. To the north of the Antrong concession within the Kang Roland North Concession, there appears to be a thin carapace of hornfelsed and folded sediments above smaller granitoid intrusives.

This large alteration zone within Kang Roland North is interpreted to be the carapace of a larger intrusion that is not fully exhumed. The Kang Roland North concession encompasses 43 km² of this alteration zone, which includes both the granodiorite and the hornfels halo (alteration zone).

Once again, this type of mineralisation shows analogous features to the Antrong Granodiorite which is very similar to the style of mineralisation at Okvau (some 20 km to the south). The gold bearing zones tend to be on the margins of the granodiorite intrusion and the alteration zone. This is evident by the known resource at Okvau and within the Cambodia Gold Project areas where anomalous results are known to occur in the same margins.

#### *5.3.3 Mineralisation Styles*

Mineralisation that is the target of exploration on these Concessions is likely to be similar to that found in the nearby Okvau deposit (Figure 45), which is considered to have broad IRG affinities. Although mineralisation postdates crystallisation of the host diorite and is structurally controlled, syn-mineral and post-mineral dykes are also described. The continental back-arc tectonic setting (relative to the Yanshanian Dalat arc) is broadly similar to the IRG "type area", the Tintina Belt in Alaska that hosts the Fort Knox, Donlin Creek and Pogo gold deposits (Figure 26 and Section 4.7.3).

### 5.4 Exploration History

Sun Hill has been exploring in Cambodia since 2008. It is the majority joint venture partner (70%) and manager of significant gold and base metal concessions at Antrong, Kang Roland North and Ropoah (known as the Cambodia Gold Project area) as well as maintaining a continuing watching brief and regional exploration assessment over Cambodia.

Renaissance Minerals' Okvau Gold Project lies to the south of the Cambodia Project, with the 1.14 Moz Okvau Gold Deposit (Emerald Resources NL, 2017) situated approximately 10 km to the south of the Cambodia Gold Concessions (Figure 45).

### 5.5 Work Completed

Past Cambodia Gold Project area.

#### *5.5.1 Regional*

Regional work completed includes:

- Desktop studies
- Remote mapping and targeting based on satellite imagery
- Completion of an Independent Geologists Report on the region
- Inspection, mapping, and sampling of all old artisanal workings.

#### *5.5.2 Project-Specific*

A summary of the exploration work conducted on each specific licence is presented in Table 22. It is evident that the majority of work has been conducted on the Antrong concession.

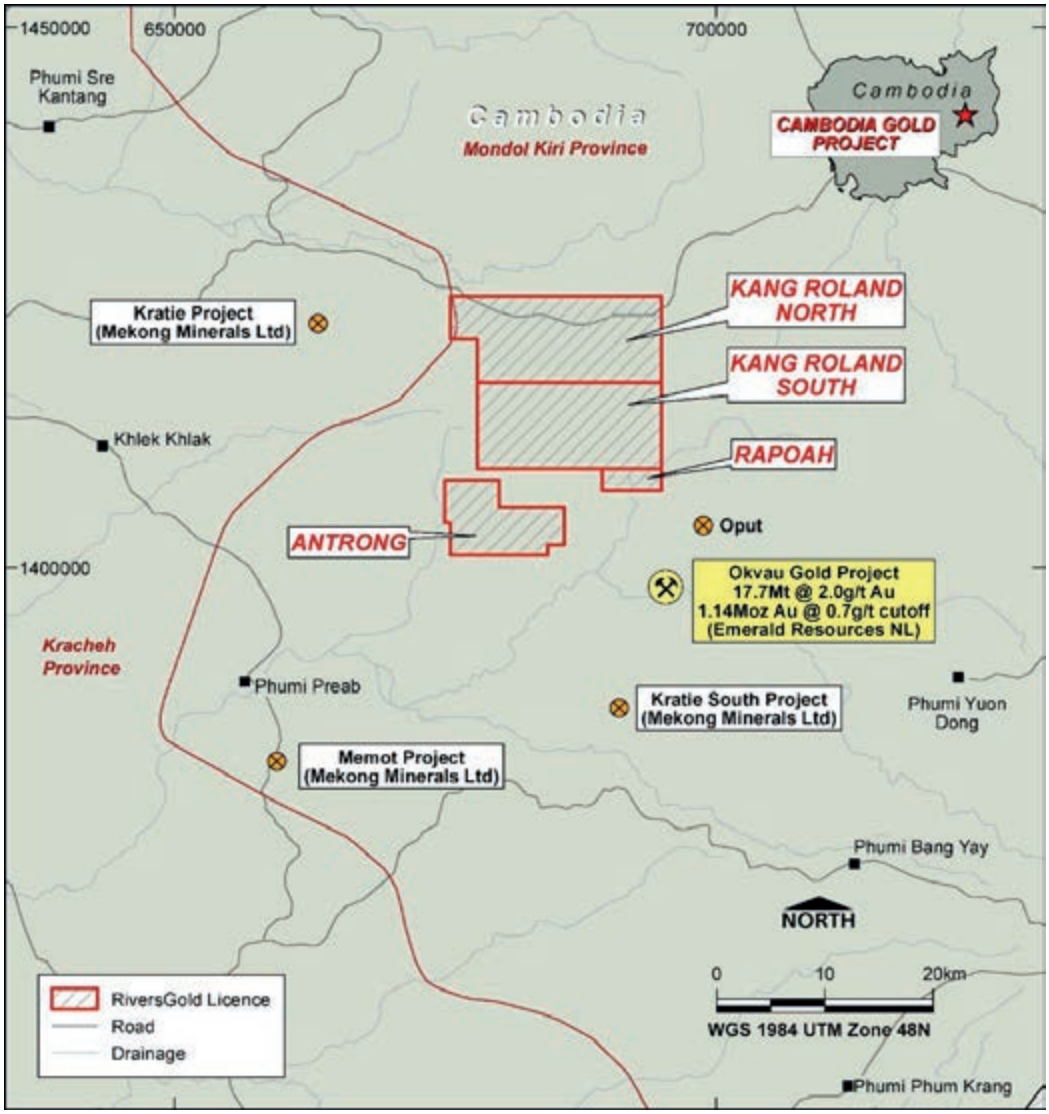



*Figure 45: Exploration projects in the vicinity of Cambodia Gold Concessions*
*Source: Modified after Richards, 2010*

*Table 22: Summary of work completed by Sun Hill within Cambodia Gold Concessions*

| Concession | Antrong | Ropoah | Kang Roland North | Kang Roland South | Total |
|---|---|---|---|---|---|
| Mapping | Mapping conducted at various scales | Mapping conducted at regional and prospect level | Mapping conducted at regional and prospect level | Conducted | 8,800 line metres at 1:12,000 scale; 11,000 line metres at 1:15,000 scale |
| Rock chip sampling | 144 samples | 21 samples | 74 samples | 5 samples | 208 samples |
| Metallurgical samples | 4 samples | | | | 4 samples |
| Soil sampling | 1,107 B-Zone samples; 252 C-Zone samples | 186 B-Zone samples; 140 C-Zone samples | 324 C-Zone samples | 816 samples; 365 analysed | 2,839 samples |
| Trenching | 720 m of trenching | | | | 1,114 line metres; 623 samples |
| Auger drilling | | | | | 821 holes; 821 samples |
| Diamond drilling | 21 holes for 271.6m PQ core and 1,512.9m HQ core | | | | 1,812.7 m; 1,410 samples |
| Stream sediment sampling | | | 31 samples | | 31 samples |

*Source: Summarised from Sun Hill (2016) and Grant (2014)*

## 5.6 Targets and Exploration Potential

CSA Global's evaluation of the Cambodia Gold Project is based on a qualitative basis, as exploration is at an early stage, and there is not sufficient context to evaluate the data on a quantitative basis. Therefore, the evaluation is essentially based on the presence or absence of indicators of prospectivity.

Much of the focused exploration work has been conducted over the Antrong, O'Thmey and O'Thmey South Prospects on the Antrong concession (Figure 46). This has included rock chip sampling, soil sampling, trenching and diamond drilling, as well as bulk metallurgical testing. Diamond drilling has intersected gold mineralisation at O'Thmey and Antrong (Table 23). Further exploration of these prospects is warranted, to test whether the gold mineralisation encountered is associated with a coherent gold deposit.

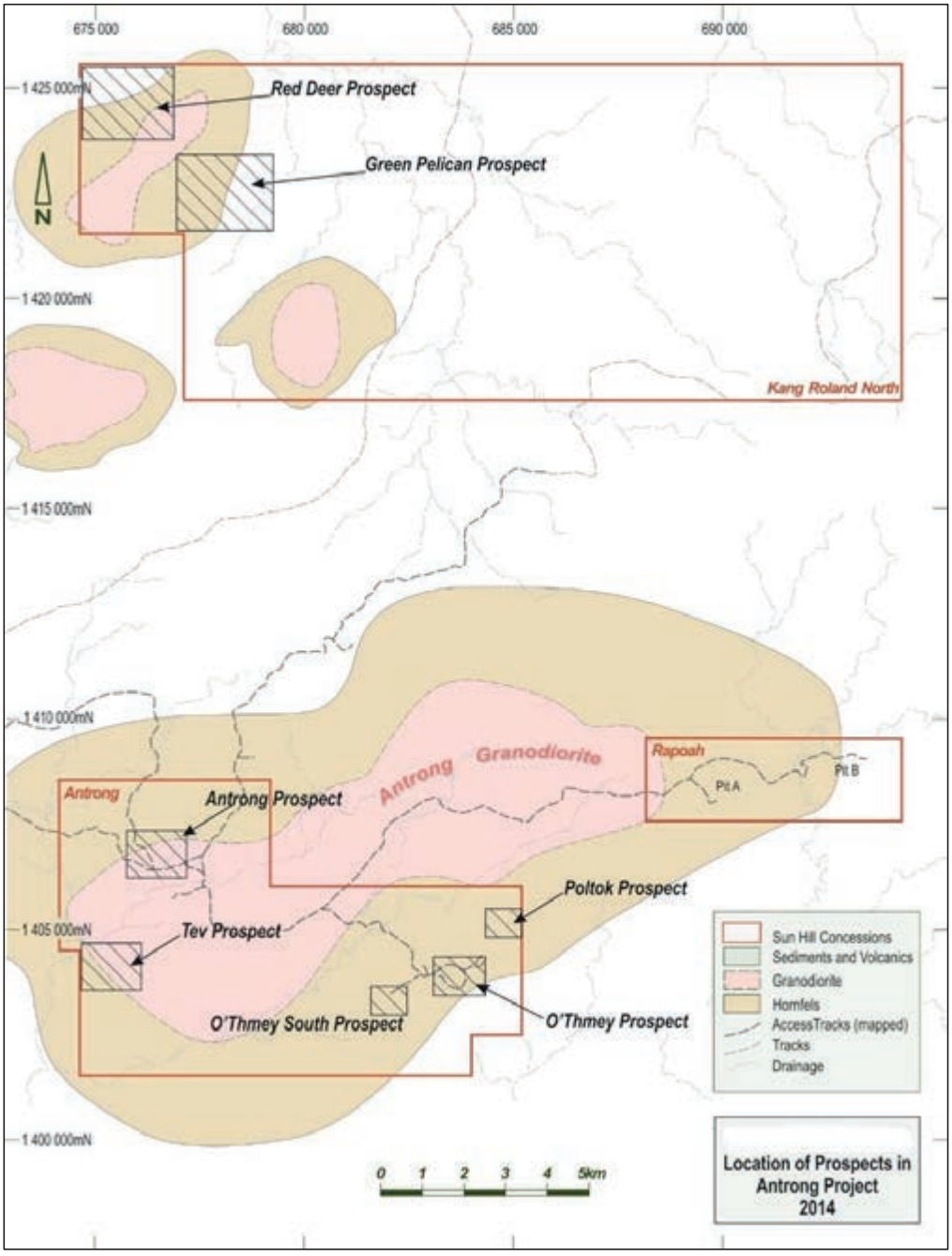



*Figure 46: Prospect areas in the Sun Hill Concessions*
*Source: Sun Hill, 2016*

*Table 23: All significant drill intercepts from diamond drilling*

| Drill hole | From (m) | To (m) | Interval (m) | Au (g/t) |
|---|---|---|---|---|
| ANTDD001 | 14 | 15 | 1 | 0.80 |
| ANTDD001 | 20 | 23.1 | 3.1 | 6.74 |
| ANTDD002 | 3 | 5 | 2 | 1.25 |
| ANTDD002 | 6 | 8 | 2 | 1.34 |
| OTMDD002 | 42 | 43.95 | 2 | 5.17 |
| OTMDD002 | 48 | 49.5 | 1.5 | 1.55 |
| OTMDD003 | 67 | 68 | 1 | 0.39 |
| OTMDD009 | 24.8 | 25.3 | 0.5 | 2.76 |
| OTMDD011 | 8 | 9 | 1 | 0.85 |
| OTSDD001 | 25.2 | 28.2 | 3 | 7.91 |
| OTSDD002 | 30.5 | 36.2 | 5.7 | 6.24 |

*Note: ANT = Antrong Prospect; OTM = O'Thmey Prospect; OTS = O'Thmey South Prospect*

An auger sampling program, following up on soil and rock chip sampling anomalies, has encountered elevated gold-in-soil anomalies at the Red Deer and Green Pelican Prospects on the Kang Roland North concession. Assays ranged between 0.02 ppm Au and 4.6 ppm Au. Further work aimed at identifying possible gold mineralisation at these prospects is justified.

Reconnaissance rock chip sampling and initial soil sampling in the eastern portion of the Rapoah concession have indicated the presence of gold anomalism, but specific prospects or targets for testing have not yet been developed. Further work aimed at identifying prospects on which to focus further work appears to be justified.

Based on desktop studies, the Kang Roland South Concession is primarily prospective for "Tintina Gold Belt" style mesothermal Au and base metal mineralisation of similar genesis to Renaissance Minerals gold deposit 13 km to the south-east. Very little exploration has been carried out on this licence but it appears to be prospective both for constrained vein mineralisation inside the intrusive, and unconstrained vein mineralisation inside the sediments. Localised soil sampling and rock chip sampling has indicated the presence of elevated gold in soils.

## 5.7 Proposed Work and Use of Funds

Riversgold does not propose to conduct significant work on the Cambodia Gold Concession applications at this time. A total proposed budget of A$200,000 is proposed for 2017 and 2018, which is essentially administrative costs until the tenements are granted, whereupon a JV partner will be sought.

## 5.8 Risks

A key risk, common to all exploration companies, is that the expected mineralisation may not be present or that it may be too small to warrant commercial exploitation.

The interpretations and conclusions reached in this ITAR are based on current scientific understanding and the best evidence available to the authors at the time of writing. It is the nature of all scientific conclusions that they are founded on an assessment of probabilities and, however high these probabilities might be, they make no claim for absolute certainty.

The ability of any person to achieve forward-looking production and economic targets is dependent on numerous factors that are beyond CSA Global's control and that CSA Global cannot anticipate. These factors include, but are not limited to, site-specific mining and geological conditions, management and personnel capabilities, availability of funding to properly operate and capitalise the operation, variations in cost elements and market conditions, developing and operating the mine in an efficient manner, unforeseen changes in legislation and new industry developments. Any of these factors may substantially alter the performance of any mining operation.

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# 7 Glossary

Below are brief descriptions of some terms used in this report. For further information or for terms that are not described here, please refer to internet sources such as Wikipedia www.wikipedia.org

# 8 Abbreviations

| | |
|---|---|
| ADNR | Alaska Department of Natural Resources |
| Afranex | Afranex Gold Limited |
| AIG | Australian Institute of Geoscientists |
| Amazing | Amazing Energy Oil and Gas Co. |
| ASIC | Australian Securities and Investments Commission |
| ASX | Australian Securities Exchange |
| AusIMM | Australasian Institute of Mining and Metallurgy |
| Avoca | Avoca Resources Ltd |
| BIF | Banded Iron Formation |
| Black Peak Holdings | Black Peak Holdings Pty Ltd |
| Brighton | Brighton Minerals |
| C | Celsius |
| cm | centimetre |
| Debnal | Debnal Pty Ltd |
| Gold Crest | Gold Crest Mines Inc. |
| GRV | Gawler Range Volcanics |
| ha | hectare, hectares |
| IER | Independent Expert's Report |
| Integra | Integra Mining Ltd |
| IOCG | iron-oxide copper-gold |
| IP | induced polarisation |
| IPO | initial public offering |
| IRG | Intrusive-Related Gold |
| ITA | Independent Technical Assessment |
| ITAR | Independent Technical Assessment Report |
| KFT | Kelly Family Trust |
| kg | kilogram |
| Kisa Gold | Kisa Gold Mining Inc. |
| km | kilometres |
| km² | square kilometres |
| m | metre |
| MMGP | Mount Monger Gold Project Pty Ltd |
| Moz | million ounces |
| Mt | million tonnes |
| Newcrest | Newcrest Mining Ltd |
| Normandy | Normandy Exploration Ltd |
| North Fork | North Fork Resources Pty Ltd |
| QAQC | quality assurance and quality control (for sampling and assaying) |
| RAB | rotary air blast |
| RC | reverse circulation |
| Renaissance | Renaissance Alaska Pty Ltd |
| RIRGS | Reduced Intrusion Related Gold System |
| Riversgold | Riversgold Pty Ltd |
| SACNASP | South African Council for Natural Scientific Professions |
| SARIG | South Australian Information Resources Gateway |
| Serendipity | Serendipity Resources Pty Ltd |
| Sun Hill | Sun Hill Minerals Co. Ltd |
| Venture | Venture Minerals Ltd |
| WMC | Western Mining Corporation |

# Appendix 1: JORC Code Table 1 for Kurnalpi Region Project

## Section 1 Sampling Techniques and Data

| Criteria | Commentary |
|---|---|
| Sampling techniques | The Kurnalpi Project comprises five sub-projects: Yilgani, Round Mountain, Queen Lapage, Venetian, and Ella/Far-Jones. Each sub-project has an extensive history of exploration completed by multiple companies. All available data is derived from WAMEX 'a' reports as made available from the Western Australia Department of Minerals and Energy. The level of detail in respect to sampling techniques varies considerably. In general, this comprises limited information.<br>In order to determine materiality of results, all similar data (surface, drilling, etc.) was compiled and analysed statistically, with values at >the 87$^{th}$ percentile considered statistically anomalous for the purpose of the review.<br>Sampling types:<br>Yilgani sub-project: Reports included evidence for the following: Rock chip samples: selection method is not defined, analysed for gold to a 1ppm detection limit using aqua regia digest. Rotary air blast (RAB) drilling: Where defined variable 3 m to 5 m composite intervals are noted. Normandy (1995) related drilling assayed only for gold to 1ppb by an undefined analytical method, Newcrest (1996) assayed for 19 elements (Ag, As, Ba, Bi, Cs, Hf, Ni, Rb, Sb, Se, Sr, Te, Th, W Zr Cr, Cu, K, S, Sc, Ti and V., plus gold using a combination of ICP-MS, OES and aqua regia digest, detection limits are not defined. Sons of Gwalia (1999), also sampled RAB drilling on 3 m composites using a 'low-level gold' analytical method to 1 ppb detection limit. Avoca Resources (2006) completed auger drilling analyzing an undefined sample media for seven elements plus gold using aqua regia digest for gold and an undefined method for other elements. Newcrest Mining (2005) completed auger drilling, analyzing an undefined media to 1 ppb detection limit by an undefined analytical method. No QAQC data methods or results are reported and therefore results cannot be validated in any way.<br>Venetian sub-project: Mt Martin (1990) completed 'surface geochemistry' analyzing for gold to a reported 1ppb detection limit by an undefined method; RAB (1990 and 1996) drilling sampled by undefined media by undefined analytical method to an apparent 1ppb detection limit. Ramsgate Resources (1995). Integra Mining ((1996) completed RAB drilling sampling an undefined media to an apparent 0.2 ppm detection limit for gold by an undefined analytical method. Solomon Resources with General Gold (1996 and 1999) completed pedogenic carbonate sampling from auger drilling analysed for six elements (Au, As, Cu, Pb, Zn, and Ni) using aqua regia digest and Graphite furnace AAS to variable detection limits. No QAQC data, methods, or results are reported and therefore results cannot be validated in any way.<br>Ella/Far-Jones: BHP (1988) complete BLEG (bulk leach extractable gold) analysis on grid soil samples (media/fraction and detection limit undefined. Mt Martin (1989) completed RC drilling sampling on 1 m intervals analysed to an apparent 0.01 ppm detection by an undefined method, Soil sampling (1990) on undefined media analysed by undefined analytical method to an apparent detection limit of 1 ppb for gold only., RAB drilling (1991, 1992) analysed undefined media/interval to an apparent detection limit of 0.01 ppm for gold only by undefined method. No QAQC data, methods, or results are reported and therefore results cannot be validated in any way.<br>Queen Lapage sub-project: Talon Resources (1995-1997) complete 'soil sampling' reported for gold only, analysed by an undefined method to an apparent 1ppb detection limit. Reefton (year undefined) completed RAB drilling analysed gold to an apparent 1 ppb detection limit on an undefined media using undefined analytical method. Geopeko (1992,1993) completed aircore drilling using a 'mantis' rig assayed for gold to an apparent detection limit of 1ppb on an undefined media using an undefined analytical method. Northern Mining (1997) on 200x400m completed aircore drilling assayed for gold to an apparent detection limit of 1ppb on an undefined media using an undefined analytical method. Delta Gold NL (1998) in JV with Croesus Mining completed aircore drilling on 100m by 200m centers closed down locally to 50m centres, Samples were analysed using B/AAS and Fire Assay to return detection limits for gold of 1 ppb and 0.01 ppm respectively. Results between 5ppb and 200ppb were re-analysed using B/ETA while results above 200ppb Au were re-analysed using B/AAS. Duplicates were used to assess the quality of results. One metre re-splits were taken from samples >50ppb for the standard 5m composites and analysed using fire assay and B/AAS. No QA/QC data methods or results are reported and therefore results cannot be validated in any way.<br>Round Hill sub-project: BHP (1993 onwards) completed auger drilling analysed for gold to 1ppb detection limit by undefined method and for Cu, Pb, Zn, Ni, As, Mo, Cr, and Sb by ICP-OES from a mixed acid digest. Mount Monger Gold Project ((1996-1997) completed vacuum and auger drilling, rock chip sampling and surface sampling, media, analytical method and detection limits are not reported but assumed to be 1ppb for gold. Avoca Resources with various JV partners completed rounds of RAB and aircore drilling (2005-2007), sampling was completed on 4m composite intervals and were analysed by Genalysis laboratories for gold and arsenic. Mt Morgan Gold Project |

| Criteria | Commentary |
|---|---|
| | (1997) complete RAB drilling submitting undefined media to Genalysis laboratory for Au, As, Cu, Pb, Zn, Ni, Cr and Sb, gold was analysed to 1ppb detection limit by B/ETA with remaining elements analysed by B/AAS, limited samples were re-analysed at 1m. No QA/QC data methods or results are reported and therefore results cannot be validated in any way.<br>While insufficient data is available to fully validate the effectiveness of analytical methods, those defined are both reasonable and generally accepted as being appropriate for the area and style of mineralisation potentially associated with the project area. No QA/QC data methods or results are reported and therefore results cannot be validated in any way. |
| Drilling techniques | Work completed by the various companies comprises dominantly RAB and aircore drilling with very limited RCP drilling.<br>Specifics in respect to rig type, hole diameter and other relevant criteria are not provided. However, CSA Global have assumed industry standard practices have been used on the basis of no evidence to the contrary. |
| Drill sample recovery | In general, specific details in respect to sample media, recoveries, and other factors that may impact the quality of returned analytical results are not referenced in association with work recorded. Where such has been recorded, particularly analytical methods, they are summarised under sampling techniques. |
| Logging | All data is derived from WAMEX reports as listed under the relevant section of the ITAR. Limited information is provided in respect to logging. Where such information is provided, it is considered qualitative in nature. All results and logging relate to an early stage of exploration such that no Mineral Resource estimations have been completed or are appropriate. |
| Sub-sampling techniques and sample preparation | Only RAB, aircore and RCP drilling has been completed, indicating that chip samples provide the principal sample medium. WAMEX reports as documented within the ITAR do not provide information in respect sampled material except as noted above and then only in respect to sample intervals as composited. No information was evident in respect to sample preparation, sample representativity, or QAQC protocols. As such, CSA Global has been unable to validate any of the data is this context. |
| Quality of assay data and laboratory tests | Where information has been provided in WAMEX reports, as documented above, analytical methods as recorded appear appropriate to the type of exploration and style of mineralisation being tested for, except where analysis of RAB program derived material (e.g. Mt Martin (1991-1992)) has only been analysed to a detection limit of 0.01ppm – it is likely that supergene dispersed anomalism will not be recognized as a result. |
| Verification of sampling and assaying | All results are as reported on documented WAMEX reports. No additional validation work has been completed. No access to primary sample material is possible given the historic and third party nature of the data. |
| Location of data points | All data is derived from WAMEX reports available in the public domain. No specific information is provided in respect to methods of location. It is assumed that early drilling and sampling was carried out using chain and compass, with later drilling and sampling using either handheld GPS or possible differential GPS. While all such methods have intrinsic error in the order of ±20m, the early stage nature of the exploration programs completed do not rely on absolute locational accuracy and therefore these methods are considered adequate and fit for purpose |
| Data spacing and distribution | The majority of drilling completed comprises RAB and aircore drilling with limited RCP drilling. Where reported, sample intervals for RAB and aircore have been composited at between 3 and 5m intervals, with limited repeat sampling to 1m intervals. Where reported, RCP drilling has been completed on 1m intervals. These sample intervals are considered industry standard and are considered appropriate for this stage of drilling and style of mineralisation. |
| Orientation of data in relation to geological structure | The majority of holes have been completed as vertical holes. Given the early stage of exploration and the general lack of information in respect to structural orientations, and the dominant focus on using early stage drilling to identify flat lying supergene anomalism as a tool for preliminary area testing, this is deemed reasonable. |
| Sample security | No information has been provided in respect to sample security. As such no comment on the validity can be made. |
| Audits or reviews | Where WAMEX reports included tables of assay results, or had associated digital data files, a process of selective cross -referencing was carried out to verify if material and systematic error had been made in compilation of digital data. A small percentage of non-material errors were noted, attributable to transposition and/or typographical errors. Where material results could be assessed, no errors were noted. No evidence of any systematic errors could be noted.<br>All results are derived from publicly available WAMEX report as documented in the ITAR. As such no primary laboratory certificates could be assessed to determine absolute validity of data. |

## Section 2 Reporting of Exploration Results

| Criteria | Commentary |
|---|---|
| Mineral tenement and land tenure status | The Kurnalpi Project comprises nine Exploration Licenses, of which six are granted. Three remain ungranted as applications pending approval for grant subject to various conditions, including but not limited to Native Title and heritage considerations.<br>Refer to Section 2.4 of this report. |
| Exploration done by other parties | Refer to Section 2.6 of this report. |
| Geology | Refer to 2.5 of this report. |
| Drill hole Information | All data has been obtained from the WAMEX database. The accuracy of collar coordinates is variable, and generally not known. Therefore, information for material drill holes are summarized graphically in the following figures from Section 2.6 of this report. |
| Data aggregation methods | All data is derived from WAMEX reports available in the public domain. No specific information is provided in respect to data aggregation methods. CSA Global have assumed industry standard practices have been used on the basis of no evidence to the contrary. |
| Relationship between mineralisation widths and intercept lengths | The majority of holes have been completed as vertical holes. Given the early stage of exploration and the general lack of information in respect to structural orientations, and the dominant focus on using early stage drilling to identify flat lying supergene anomalism as a tool for preliminary area testing, this is deemed reasonable.<br>Downhole lengths are discussed, as true width is not known. |
| Diagrams | No significant discovery is reported. |
| Balanced reporting | Refer to Section 2.6 of this report. |
| Other substantive exploration data | Refer to Section 2.6 of this report. |
| Further work | Refer to Section 2.9 of this report. |

# Appendix 2: JORC Code Table 1 for Churchill Dam Project

### Section 1 Sampling Techniques and Data

| Criteria | Commentary |
|---|---|
| Sampling techniques | Samples collected from diamond drill core (NQ diameter). Quarter core samples were collected from 2 m intervals. |
| Drilling techniques | The drilling was conducted by Wallis Drilling Pty Ltd using a KL900 multipurpose reverse circulation – diamond coring drill rig mounted on a MAN8x8 truck with onboard 1200 cfm by 500 psi compressor. An auxiliary 900 cfm by 350 psi compressor and Arial JP2 booster were also supplied and used as appropriate for the RCP pre-collars. All holes were pre-collared by RC, then drilled NQ2 diamond core to the end of hole. Holes were collared vertically, and a single survey conducted at the end of hole indicated the hole remained essentially vertical |
| Drill sample recovery | CSA Global has not been provided with this detail, and cannot comment on procedures followed or whether or not sampling bias may be present.<br>This is not considered material to CSA Global's evaluation of the project, which is based on a qualitative basis. |
| Logging | Core has been geologically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.<br>CSA Global notes that no Mineral Resource estimation or mining studies have been carried out. |
| Subsampling techniques and sample preparation | The drill core was cut using a core saw. Quarter core samples were collected in 2m intervals.<br>Client assay standards and field duplicates were inserted in the sampling sequence on a 1 in 30 product sample basis.<br>The field duplicates comprised a second quarter core sample from the nominated intervals.<br>Remaining core is currently stored at Wirriminna Station (generally ¾ core, ½ core for duplicate sampled intervals). |
| Quality of assay data and laboratory tests | Samples were freighted to Actlabs Pacific Pty Ltd, Perth WA for assay of major elements and LOI by XRF on fused disks, and Ag, As, Ba, Bi, Cd, Co, Cr, Cu, Mo, Ni, Pb, S, Sr, Th, U, V, Y, Zn, Zr, La, Ce, Nd, Pr, Sm, Eu, Gd, Tb, Dy, Ho, Er, Tm, Yb, Lu and W by 4 acid digest with ICP finish.<br>The assay techniques and laboratory sample preparation procedures used by the laboratory was standard industry practice, and appropriate for the samples and the data obtained.<br>CSA Global has not been provided with details of quality control procedures adopted, and therefore cannot comment on their appropriateness.<br>This is not considered material to CSA Global's evaluation of the project, which is based on a qualitative basis. |
| Verification of sampling and assaying | CSA Global has not been provided with details on data verification or the verification of significant intersections.<br>This is not considered material to CSA Global's evaluation of the project, which is based on a qualitative basis. |
| Location of data points | Collar coordinates were recorded in MGA Zone 53, GDA 94.<br>CSA Global has not been provided with details on survey methods used to locate drill holes, and therefore cannot comment on their accuracy.<br>This is not considered material to CSA Global's evaluation of the project, which is based on a qualitative basis. |
| Data spacing and distribution | Sampling has been completed on a 2m basis along the core recovered for the diamond drill holes. Drill hole spacing is irregular.<br>No Mineral Resource or Mineral Reserve estimation has been carried out. The data reported is at an early exploration stage. |
| Orientation of data in relation to geological structure | The geometry of possible structures with respect to the drill hole angle is not known. Therefore, it is not known what effect this may have on sampling bias.<br>This is not considered material to CSA Global's evaluation of the project, which is based on a qualitative basis. |
| Sample security | CSA Global has not been provided with this detail, and is therefore unable to comment |
| Audits or reviews | CSA Global has not been provided with this detail, and is therefore unable to comment |

## Section 2 Reporting of Exploration Results

| Criteria | Commentary |
|---|---|
| Mineral tenement and land tenure status | Exploration Licence 5890, held 100% by Debnal Pty Ltd. Riversgold will acquire the licence from Debnal. Located immediately to the south of Woomera restricted area. Refer to 3.2 in this report. |
| Exploration done by other parties | Refer to Section 3.4 of this report. |
| Geology | Target mineralization is IOCG-type copper and gold mineralization.<br>Basement geology in the area consists mostly of Meso-Proterozoic Gawler Range Volcanics (GRV) overlying interpreted Palaeoproterozoic basement both beneath younger sediments; however the gravity anomaly suggests the possible existence of a dense, haematite-altered intrusive body that could host a IOCG deposit.<br>Haematite-altered and breciated GRV has been identified, and sphalerite, galena and chalcopyrite mineralization has been encountered in the area. |
| Drill hole Information | Drill hole information provided in table below. Drill hole collar elevation not recorded, assumed to be 120m based on position from the topo map. |

| Hole | Easting | Northing | Basement depth (m) | EOH depth (m) |
|---|---|---|---|---|
| CHRCD001 | 649119 | 6547419 | 803.5 | 1,146.0 |
| CHRCD002 | 647744 | 6548370 | 657.5 | 1,056.4 |
| CHRCD003 | 647028 | 6547645 | 586.8 | 1,168.0 |

| | |
|---|---|
| Data aggregation methods | Available drill sample intercepts are length-weighted. |
| Relationship between mineralisation widths and intercept lengths | The geometry of the mineralization with respect to the drill hole angle not known. Therefore, intercepts are quoted as down hole lengths, as the true width is not known.<br>This is not considered material to CSA Global's evaluation of the project, which is based on a qualitative basis. |
| Diagrams | No significant discovery reported. |
| Balanced reporting | Results of all drill holes discussed in Section 3.5.3. |
| Other substantive exploration data | Refer to Section 3.5 of this report. |
| Further work | Riversgold proposes to drill one to four deep diamond drill holes (3.7), and then to test the strike extent of the larger gravity anomaly. |

# Appendix 3: South-west Alaska Project Tenure

### Claim List

| Case ID | Claim name | Customer name | Date ALF | File no. | Notepost date | Reference township section | Total acres |
|---|---|---|---|---|---|---|---|
| ADL 660282 | BP 1 | Black Peak Llc | 01-SEP-16 | 660282 | 25-JUL-07 | S005N057W19 | 160 |
| ADL 660283 | BP 2 | Black Peak Llc | 01-SEP-16 | 660283 | 25-JUL-07 | S005N057W19 | 160 |
| ADL 660284 | BP 3 | Black Peak Llc | 01-SEP-16 | 660284 | 25-JUL-07 | S005N057W20 | 160 |
| ADL 660285 | BP 4 | Black Peak Llc | 01-SEP-16 | 660285 | 25-JUL-07 | S005N057W20 | 160 |
| ADL 660286 | BP 5 | Black Peak Llc | 01-SEP-16 | 660286 | 25-JUL-07 | S005N057W19 | 160 |
| ADL 660287 | BP 6 | Black Peak Llc | 01-SEP-16 | 660287 | 25-JUL-07 | S005N057W19 | 160 |
| ADL 660288 | BP 7 | Black Peak Llc | 01-SEP-16 | 660288 | 25-JUL-07 | S005N057W20 | 160 |
| ADL 660289 | BP 8 | Black Peak Llc | 01-SEP-16 | 660289 | 25-JUL-07 | S005N057W20 | 160 |
| ADL 660290 | BP 9 | Black Peak Llc | 01-SEP-16 | 660290 | 25-JUL-07 | S005N058W27 | 160 |
| ADL 660291 | BP 10 | Black Peak Llc | 01-SEP-16 | 660291 | 25-JUL-07 | S005N058W27 | 160 |
| ADL 660292 | BP 11 | Black Peak Llc | 01-SEP-16 | 660292 | 25-JUL-07 | S005N058W26 | 160 |
| ADL 660293 | BP 12 | Black Peak Llc | 01-SEP-16 | 660293 | 25-JUL-07 | S005N058W26 | 160 |
| ADL 660294 | BP 13 | Black Peak Llc | 01-SEP-16 | 660294 | 25-JUL-07 | S005N058W25 | 160 |
| ADL 660295 | BP 14 | Black Peak Llc | 01-SEP-16 | 660295 | 25-JUL-07 | S005N058W25 | 160 |
| ADL 660296 | BP 15 | Black Peak Llc | 01-SEP-16 | 660296 | 25-JUL-07 | S005N057W30 | 160 |
| ADL 660297 | BP 16 | Black Peak Llc | 01-SEP-16 | 660297 | 25-JUL-07 | S005N057W30 | 160 |
| ADL 660298 | BP 17 | Black Peak Llc | 01-SEP-16 | 660298 | 25-JUL-07 | S005N057W29 | 160 |
| ADL 660299 | BP 18 | Black Peak Llc | 01-SEP-16 | 660299 | 25-JUL-07 | S005N057W29 | 160 |
| ADL 660300 | BP 19 | Black Peak Llc | 01-SEP-16 | 660300 | 25-JUL-07 | S005N058W27 | 160 |
| ADL 660301 | BP 20 | Black Peak Llc | 01-SEP-16 | 660301 | 25-JUL-07 | S005N058W27 | 160 |
| ADL 660302 | BP 21 | Black Peak Llc | 01-SEP-16 | 660302 | 25-JUL-07 | S005N058W26 | 160 |
| ADL 660303 | BP 22 | Black Peak Llc | 01-SEP-16 | 660303 | 25-JUL-07 | S005N058W26 | 160 |
| ADL 660304 | BP 23 | Black Peak Llc | 01-SEP-16 | 660304 | 25-JUL-07 | S005N058W25 | 160 |
| ADL 660305 | BP 24 | Black Peak Llc | 01-SEP-16 | 660305 | 25-JUL-07 | S005N058W25 | 160 |
| ADL 660306 | BP 25 | Black Peak Llc | 01-SEP-16 | 660306 | 25-JUL-07 | S005N057W30 | 160 |
| ADL 660307 | BP 26 | Black Peak Llc | 01-SEP-16 | 660307 | 25-JUL-07 | S005N057W30 | 160 |
| ADL 660308 | BP 27 | Black Peak Llc | 01-SEP-16 | 660308 | 25-JUL-07 | S005N057W29 | 160 |
| ADL 660309 | BP 28 | Black Peak Llc | 01-SEP-16 | 660309 | 25-JUL-07 | S005N057W29 | 160 |
| ADL 660310 | BP 29 | Black Peak Llc | 01-SEP-16 | 660310 | 25-JUL-07 | S005N058W34 | 160 |
| ADL 660311 | BP 30 | Black Peak Llc | 01-SEP-16 | 660311 | 25-JUL-07 | S005N058W34 | 160 |
| ADL 660312 | BP 31 | Black Peak Llc | 01-SEP-16 | 660312 | 25-JUL-07 | S005N058W35 | 160 |
| ADL 660313 | BP 32 | Black Peak Llc | 01-SEP-16 | 660313 | 23-JUL-07 | S005N058W35 | 160 |
| ADL 660314 | BP 33 | Black Peak Llc | 01-SEP-16 | 660314 | 23-JUL-07 | S005N058W36 | 160 |
| ADL 660315 | BP 34 | Black Peak Llc | 01-SEP-16 | 660315 | 25-JUL-07 | S005N058W36 | 160 |
| ADL 660316 | BP 35 | Black Peak Llc | 01-SEP-16 | 660316 | 25-JUL-07 | S005N057W31 | 160 |
| ADL 660317 | BP 36 | Black Peak Llc | 01-SEP-16 | 660317 | 25-JUL-07 | S005N057W31 | 160 |
| ADL 660318 | BP 37 | Black Peak Llc | 01-SEP-16 | 660318 | 25-JUL-07 | S005N058W34 | 160 |
| ADL 660319 | BP 38 | Black Peak Llc | 01-SEP-16 | 660319 | 25-JUL-07 | S005N058W34 | 160 |
| ADL 660320 | BP 39 | Black Peak Llc | 01-SEP-16 | 660320 | 25-JUL-07 | S005N058W35 | 160 |
| ADL 660321 | BP 40 | Black Peak Llc | 01-SEP-16 | 660321 | 25-JUL-07 | S005N058W35 | 160 |
| ADL 660322 | BP 41 | Black Peak Llc | 01-SEP-16 | 660322 | 25-JUL-07 | S005N058W36 | 160 |
| ADL 660323 | BP 42 | Black Peak Llc | 01-SEP-16 | 660323 | 25-JUL-07 | S005N058W36 | 160 |
| ADL 660324 | BP 43 | Black Peak Llc | 01-SEP-16 | 660324 | 25-JUL-07 | S005N057W31 | 160 |

**INDEPENDENT TECHNICAL ASSESSMENT REPORT FOR RIVERSGOLD LIMITED**
Kurnalpi, Churchill Dam, South-west Alaska, and Cambodian Gold Projects

| Case ID | Claim name | Customer name | Date ALF | File no. | Notepost date | Reference township section | Total acres |
|---|---|---|---|---|---|---|---|
| ADL 660325 | BP 44 | Black Peak Llc | 01-SEP-16 | 660325 | 25-JUL-07 | S005N057W31 | 160 |
| ADL 660326 | BP 45 | Black Peak Llc | 01-SEP-16 | 660326 | 20-JUL-07 | S004N059W02 | 160 |
| ADL 660327 | BP 46 | Black Peak Llc | 01-SEP-16 | 660327 | 20-JUL-07 | S004N059W02 | 160 |
| ADL 660328 | BP 47 | Black Peak Llc | 01-SEP-16 | 660328 | 20-JUL-07 | S004N059W01 | 160 |
| ADL 660329 | BP 48 | Black Peak Llc | 01-SEP-16 | 660329 | 23-JUL-07 | S004N059W01 | 160 |
| ADL 660330 | BP 49 | Black Peak Llc | 01-SEP-16 | 660330 | 23-JUL-07 | S004N058W06 | 160 |
| ADL 660331 | BP 50 | Black Peak Llc | 01-SEP-16 | 660331 | 23-JUL-07 | S004N058W06 | 160 |
| ADL 660332 | BP 51 | Black Peak Llc | 01-SEP-16 | 660332 | 23-JUL-07 | S004N058W05 | 160 |
| ADL 660333 | BP 52 | Black Peak Llc | 01-SEP-16 | 660333 | 23-JUL-07 | S004N058W05 | 160 |
| ADL 660334 | BP 53 | Black Peak Llc | 01-SEP-16 | 660334 | 25-JUL-07 | S004N058W04 | 160 |
| ADL 660335 | BP 54 | Black Peak Llc | 01-SEP-16 | 660335 | 25-JUL-07 | S004N058W04 | 160 |
| ADL 660336 | BP 55 | Black Peak Llc | 01-SEP-16 | 660336 | 25-JUL-07 | S004N059W02 | 160 |
| ADL 660337 | BP 56 | Black Peak Llc | 01-SEP-16 | 660337 | 25-JUL-07 | S004N059W02 | 160 |
| ADL 660338 | BP 57 | Black Peak Llc | 01-SEP-16 | 660338 | 25-JUL-07 | S004N059W01 | 160 |
| ADL 660339 | BP 58 | Black Peak Llc | 01-SEP-16 | 660339 | 23-JUL-07 | S004N059W01 | 160 |
| ADL 660340 | BP 59 | Black Peak Llc | 01-SEP-16 | 660340 | 23-JUL-07 | S004N058W06 | 160 |
| ADL 660341 | BP 60 | Black Peak Llc | 01-SEP-16 | 660341 | 23-JUL-07 | S004N058W06 | 160 |
| ADL 660342 | BP 61 | Black Peak Llc | 01-SEP-16 | 660342 | 25-JUL-07 | S004N058W05 | 160 |
| ADL 660343 | BP 62 | Black Peak Llc | 01-SEP-16 | 660343 | 25-JUL-07 | S004N058W05 | 160 |
| ADL 660344 | BP 63 | Black Peak Llc | 01-SEP-16 | 660344 | 25-JUL-07 | S004N058W04 | 160 |
| ADL 660345 | BP 64 | Black Peak Llc | 01-SEP-16 | 660345 | 25-JUL-07 | S004N058W04 | 160 |
| ADL 660346 | BP 65 | Black Peak Llc | 01-SEP-16 | 660346 | 25-JUL-07 | S004N059W11 | 160 |
| ADL 660347 | BP 66 | Black Peak Llc | 01-SEP-16 | 660347 | 25-JUL-07 | S004N059W11 | 160 |
| ADL 660348 | BP 67 | Black Peak Llc | 01-SEP-16 | 660348 | 25-JUL-07 | S004N059W12 | 160 |
| ADL 660349 | BP 68 | Black Peak Llc | 01-SEP-16 | 660349 | 25-JUL-07 | S004N059W12 | 160 |
| ADL 660350 | BP 69 | Black Peak Llc | 01-SEP-16 | 660350 | 25-JUL-07 | S004N058W07 | 160 |
| ADL 660351 | BP 70 | Black Peak Llc | 01-SEP-16 | 660351 | 25-JUL-07 | S004N058W07 | 160 |
| ADL 654902 | KISA 1 | Kisa Gold Mining Inc. | 01-SEP-16 | 654902 | 12-JUL-06 | S003N058W01 | 40 |
| ADL 654903 | KISA 2 | Kisa Gold Mining Inc. | 01-SEP-16 | 654903 | 12-JUL-06 | S003N058W01 | 40 |
| ADL 654904 | KISA 3 | Kisa Gold Mining Inc. | 01-SEP-16 | 654904 | 12-JUL-06 | S003N058W01 | 160 |
| ADL 654905 | KISA 4 | Kisa Gold Mining Inc. | 01-SEP-16 | 654905 | 12-JUL-06 | S003N058W11 | 160 |
| ADL 654906 | KISA 5 | Kisa Gold Mining Inc. | 01-SEP-16 | 654906 | 12-JUL-06 | S003N058W11 | 160 |
| ADL 654907 | KISA 6 | Kisa Gold Mining Inc. | 01-SEP-16 | 654907 | 12-JUL-06 | S003N058W12 | 160 |
| ADL 654908 | KISA 7 | Kisa Gold Mining Inc. | 01-SEP-16 | 654908 | 12-JUL-06 | S003N058W11 | 160 |
| ADL 654909 | KISA 8 | Kisa Gold Mining Inc. | 01-SEP-16 | 654909 | 12-JUL-06 | S003N058W11 | 160 |
| ADL 654910 | KISA 9 | Kisa Gold Mining Inc. | 01-SEP-16 | 654910 | 12-JUL-06 | S003N058W12 | 160 |
| ADL 654911 | KISA 10 | Kisa Gold Mining Inc. | 01-SEP-16 | 654911 | 12-JUL-06 | S003N058W14 | 160 |
| ADL 654912 | KISA 11 | Kisa Gold Mining Inc. | 01-SEP-16 | 654912 | 12-JUL-06 | S003N058W14 | 160 |
| ADL 654913 | KISA 12 | Kisa Gold Mining Inc. | 01-SEP-16 | 654913 | 12-JUL-06 | S003N058W14 | 160 |
| ADL 654914 | KISA 13 | Kisa Gold Mining Inc. | 01-SEP-16 | 654914 | 12-JUL-06 | S003N058W14 | 160 |
| ADL 655186 | KISA 17 | Kisa Gold Mining Inc. | 01-SEP-16 | 655186 | 16-AUG-06 | S003N058W02 | 160 |
| ADL 655187 | KISA 18 | Kisa Gold Mining Inc. | 01-SEP-16 | 655187 | 16-AUG-06 | S003N058W02 | 160 |
| ADL 655188 | KISA 19 | Kisa Gold Mining Inc. | 01-SEP-16 | 655188 | 16-AUG-06 | S003N058W10 | 160 |
| ADL 655189 | KISA 20 | Kisa Gold Mining Inc. | 01-SEP-16 | 655189 | 16-AUG-06 | S003N058W10 | 160 |
| ADL 655190 | KISA 21 | Kisa Gold Mining Inc. | 01-SEP-16 | 655190 | 16-AUG-06 | S003N058W15 | 160 |
| ADL 655191 | KISA 22 | Kisa Gold Mining Inc. | 01-SEP-16 | 655191 | 16-AUG-06 | S003N058W15 | 160 |
| ADL 655192 | KISA 23 | Kisa Gold Mining Inc. | 01-SEP-16 | 655192 | 16-AUG-06 | S003N058W15 | 160 |
| ADL 655193 | KISA 24 | Kisa Gold Mining Inc. | 01-SEP-16 | 655193 | 16-AUG-06 | S003N058W22 | 160 |
| ADL 655194 | KISA 25 | Kisa Gold Mining Inc. | 01-SEP-16 | 655194 | 16-AUG-06 | S003N058W22 | 160 |
| ADL 655195 | KISA 26 | Kisa Gold Mining Inc. | 01-SEP-16 | 655195 | 16-AUG-06 | S003N058W23 | 160 |

| Case ID | Claim name | Customer name | Date ALF | File no. | Notepost date | Reference township section | Total acres |
|---|---|---|---|---|---|---|---|
| ADL 655196 | KISA 27 | Kisa Gold Mining Inc. | 01-SEP-16 | 655196 | 16-AUG-06 | S003N058W23 | 160 |
| ADL 655197 | KISA 28 | Kisa Gold Mining Inc. | 01-SEP-16 | 655197 | 16-AUG-06 | S003N058W22 | 160 |
| ADL 655198 | KISA 29 | Kisa Gold Mining Inc. | 01-SEP-16 | 655198 | 16-AUG-06 | S003N058W23 | 160 |
| ADL 655199 | KISA 30 | Kisa Gold Mining Inc. | 01-SEP-16 | 655199 | 16-AUG-06 | S003N058W23 | 160 |
| ADL 655200 | KISA 31 | Kisa Gold Mining Inc. | 01-SEP-16 | 655200 | 16-AUG-06 | S003N058W01 | 160 |
| ADL 655201 | KISA 32 | Kisa Gold Mining Inc. | 01-SEP-16 | 655201 | 16-AUG-06 | S003N058W12 | 160 |
| ADL 665464 | KISA 33 | Kisa Gold Mining Inc. | 01-SEP-16 | 665464 | 12-SEP-08 | S003N058W24 | 160 |
| ADL 665465 | KISA 34 | Kisa Gold Mining Inc. | 01-SEP-16 | 665465 | 12-SEP-08 | S003N058W24 | 160 |
| ADL 665466 | KISA 35 | Kisa Gold Mining Inc. | 01-SEP-16 | 665466 | 12-SEP-08 | S003N058W24 | 160 |
| ADL 665467 | KISA 36 | Kisa Gold Mining Inc. | 01-SEP-16 | 665467 | 12-SEP-08 | S003N058W24 | 160 |
| ADL 665468 | KISA 37 | Kisa Gold Mining Inc. | 01-SEP-16 | 665468 | 12-SEP-08 | S003N058W13 | 160 |
| ADL 665469 | KISA 38 | Kisa Gold Mining Inc. | 01-SEP-16 | 665469 | 12-SEP-08 | S003N058W13 | 160 |
| ADL 665470 | KISA 39 | Kisa Gold Mining Inc. | 01-SEP-16 | 665470 | 12-SEP-08 | S003N058W13 | 160 |
| ADL 665471 | KISA 40 | Kisa Gold Mining Inc. | 01-SEP-16 | 665471 | 12-SEP-08 | S003N058W13 | 160 |
| ADL 665472 | KISA 41 | Kisa Gold Mining Inc. | 01-SEP-16 | 665472 | 12-SEP-08 | S003N058W12 | 160 |
| ADL 661006 | LUNA 1 | Kisa Gold Mining Inc. | 01-SEP-16 | 661006 | 29-JUL-07 | S004N059W15 | 160 |
| ADL 661007 | LUNA 2 | Kisa Gold Mining Inc. | 01-SEP-16 | 661007 | 29-JUL-07 | S004N059W14 | 160 |
| ADL 661008 | LUNA 3 | Kisa Gold Mining Inc. | 01-SEP-16 | 661008 | 29-JUL-07 | S004N059W14 | 160 |
| ADL 661009 | LUNA 4 | Kisa Gold Mining Inc. | 01-SEP-16 | 661009 | 29-JUL-07 | S004N059W13 | 160 |
| ADL 661010 | LUNA 5 | Kisa Gold Mining Inc. | 01-SEP-16 | 661010 | 29-JUL-07 | S004N059W13 | 160 |
| ADL 661011 | LUNA 6 | Kisa Gold Mining Inc. | 01-SEP-16 | 661011 | 29-JUL-07 | S004N058W18 | 160 |
| ADL 661012 | LUNA 7 | Kisa Gold Mining Inc. | 01-SEP-16 | 661012 | 29-JUL-07 | S004N058W18 | 160 |
| ADL 661013 | LUNA 8 | Kisa Gold Mining Inc. | 01-SEP-16 | 661013 | 29-JUL-07 | S004N058W17 | 160 |
| ADL 661014 | LUNA 9 | Kisa Gold Mining Inc. | 01-SEP-16 | 661014 | 29-JUL-07 | S004N059W15 | 160 |
| ADL 661015 | LUNA 10 | Kisa Gold Mining Inc. | 01-SEP-16 | 661015 | 29-JUL-07 | S004N059W14 | 160 |
| ADL 661016 | LUNA 11 | Kisa Gold Mining Inc. | 01-SEP-16 | 661016 | 29-JUL-07 | S004N059W14 | 160 |
| ADL 661017 | LUNA 12 | Kisa Gold Mining Inc. | 01-SEP-16 | 661017 | 29-JUL-07 | S004N059W13 | 160 |
| ADL 661018 | LUNA 13 | Kisa Gold Mining Inc. | 01-SEP-16 | 661018 | 29-JUL-07 | S004N059W13 | 160 |
| ADL 661019 | LUNA 14 | Kisa Gold Mining Inc. | 01-SEP-16 | 661019 | 29-JUL-07 | S004N058W18 | 160 |
| ADL 661020 | LUNA 15 | Kisa Gold Mining Inc. | 01-SEP-16 | 661020 | 29-JUL-07 | S004N058W18 | 160 |
| ADL 661021 | LUNA 16 | Kisa Gold Mining Inc. | 01-SEP-16 | 661021 | 29-JUL-07 | S004N059W22 | 160 |
| ADL 661022 | LUNA 17 | Kisa Gold Mining Inc. | 01-SEP-16 | 661022 | 29-JUL-07 | S004N059W23 | 160 |
| ADL 661023 | LUNA 18 | Kisa Gold Mining Inc. | 01-SEP-16 | 661023 | 29-JUL-07 | S004N059W23 | 160 |
| ADL 661024 | LUNA 19 | Kisa Gold Mining Inc. | 01-SEP-16 | 661024 | 29-JUL-07 | S004N059W24 | 160 |
| ADL 661025 | LUNA 20 | Kisa Gold Mining Inc. | 01-SEP-16 | 661025 | 29-JUL-07 | S004N059W24 | 160 |
| ADL 661026 | LUNA 21 | Kisa Gold Mining Inc. | 01-SEP-16 | 661026 | 29-JUL-07 | S004N058W19 | 160 |
| ADL 661027 | LUNA 22 | Kisa Gold Mining Inc. | 01-SEP-16 | 661027 | 29-JUL-07 | S004N059W24 | 160 |
| ADL 661028 | LUNA 23 | Kisa Gold Mining Inc. | 01-SEP-16 | 661028 | 29-JUL-07 | S004N059W24 | 160 |
| ADL 661029 | LUNA 24 | Kisa Gold Mining Inc. | 01-SEP-16 | 661029 | 29-JUL-07 | S004N058W19 | 160 |
| ADL 661030 | LUNA 25 | Kisa Gold Mining Inc. | 01-SEP-16 | 661030 | 04-AUG-07 | S004N059W18 | 160 |
| ADL 661031 | LUNA 26 | Kisa Gold Mining Inc. | 01-SEP-16 | 661031 | 04-AUG-07 | S004N059W18 | 160 |
| ADL 661032 | LUNA 27 | Kisa Gold Mining Inc. | 01-SEP-16 | 661032 | 04-AUG-07 | S004N059W17 | 160 |
| ADL 661033 | LUNA 28 | Kisa Gold Mining Inc. | 01-SEP-16 | 661033 | 04-AUG-07 | S004N059W17 | 160 |
| ADL 661034 | LUNA 29 | Kisa Gold Mining Inc. | 01-SEP-16 | 661034 | 04-AUG-07 | S004N059W16 | 160 |
| ADL 661035 | LUNA 30 | Kisa Gold Mining Inc. | 01-SEP-16 | 661035 | 04-AUG-07 | S004N059W16 | 160 |
| ADL 661036 | LUNA 31 | Kisa Gold Mining Inc. | 01-SEP-16 | 661036 | 04-AUG-07 | S004N059W15 | 160 |
| ADL 661037 | LUNA 32 | Kisa Gold Mining Inc. | 01-SEP-16 | 661037 | 04-AUG-07 | S004N059W19 | 160 |
| ADL 661038 | LUNA 33 | Kisa Gold Mining Inc. | 01-SEP-16 | 661038 | 04-AUG-07 | S004N059W19 | 160 |
| ADL 661039 | LUNA 34 | Kisa Gold Mining Inc. | 01-SEP-16 | 661039 | 04-AUG-07 | S004N059W20 | 160 |
| ADL 661040 | LUNA 35 | Kisa Gold Mining Inc. | 01-SEP-16 | 661040 | 04-AUG-07 | S004N059W20 | 160 |

| Case ID | Claim name | Customer name | Date ALF | File no. | Notepost date | Reference township section | Total acres |
|---|---|---|---|---|---|---|---|
| ADL 661041 | LUNA 36 | Kisa Gold Mining Inc. | 01-SEP-16 | 661041 | 04-AUG-07 | S004N059W21 | 160 |
| ADL 661042 | LUNA 37 | Kisa Gold Mining Inc. | 01-SEP-16 | 661042 | 04-AUG-07 | S004N059W21 | 160 |
| ADL 661043 | LUNA 38 | Kisa Gold Mining Inc. | 01-SEP-16 | 661043 | 04-AUG-07 | S004N059W22 | 160 |
| ADL 661044 | LUNA 39 | Kisa Gold Mining Inc. | 01-SEP-16 | 661044 | 04-AUG-07 | S004N059W19 | 160 |
| ADL 661045 | LUNA 40 | Kisa Gold Mining Inc. | 01-SEP-16 | 661045 | 04-AUG-07 | S004N059W19 | 160 |
| ADL 661046 | LUNA 41 | Kisa Gold Mining Inc. | 01-SEP-16 | 661046 | 04-AUG-07 | S004N059W20 | 160 |
| ADL 661047 | LUNA 42 | Kisa Gold Mining Inc. | 01-SEP-16 | 661047 | 04-AUG-07 | S004N059W20 | 160 |
| ADL 661048 | LUNA 43 | Kisa Gold Mining Inc. | 01-SEP-16 | 661048 | 04-AUG-07 | S004N059W21 | 160 |
| ADL 661049 | LUNA 44 | Kisa Gold Mining Inc. | 01-SEP-16 | 661049 | 04-AUG-07 | S004N059W21 | 160 |
| ADL 661050 | LUNA 45 | Kisa Gold Mining Inc. | 01-SEP-16 | 661050 | 04-AUG-07 | S004N059W22 | 160 |
| ADL 661051 | LUNA 46 | Kisa Gold Mining Inc. | 01-SEP-16 | 661051 | 04-AUG-07 | S004N059W10 | 160 |
| ADL 661052 | LUNA 47 | Kisa Gold Mining Inc. | 01-SEP-16 | 661052 | 04-AUG-07 | S004N059W11 | 160 |
| ADL 661053 | LUNA 48 | Kisa Gold Mining Inc. | 01-SEP-16 | 661053 | 04-AUG-07 | S004N059W11 | 160 |
| ADL 661054 | LUNA 49 | Kisa Gold Mining Inc. | 01-SEP-16 | 661054 | 04-AUG-07 | S004N059W12 | 160 |
| ADL 661055 | LUNA 50 | Kisa Gold Mining Inc. | 01-SEP-16 | 661055 | 04-AUG-07 | S004N059W12 | 160 |
| ADL 553774 | NQ 1 | North Fork Llc | 01-SEP-16 | 553774 | 01-SEP-11 | S005N058W24 | 160 |
| ADL 553775 | NQ 2 | North Fork Llc | 01-SEP-16 | 553775 | 01-SEP-11 | S005N058W24 | 160 |
| ADL 553776 | NQ 3 | North Fork Llc | 01-SEP-16 | 553776 | 01-SEP-11 | S005N058W24 | 160 |
| ADL 553777 | NQ 4 | North Fork Llc | 01-SEP-16 | 553777 | 01-SEP-11 | S005N058W13 | 160 |
| ADL 553778 | NQ 5 | North Fork Llc | 01-SEP-16 | 553778 | 01-SEP-11 | S005N057W18 | 160 |
| ADL 553779 | NQ 6 | North Fork Llc | 01-SEP-16 | 553779 | 01-SEP-11 | S005N057W18 | 160 |
| ADL 553780 | NQ 7 | North Fork Llc | 01-SEP-16 | 553780 | 01-SEP-11 | S005N057W17 | 160 |
| ADL 553781 | NQ 8 | North Fork Llc | 01-SEP-16 | 553781 | 01-SEP-11 | S005N057W17 | 160 |
| ADL 553782 | NQ 9 | North Fork Llc | 01-SEP-16 | 553782 | 01-SEP-11 | S005N057W16 | 160 |
| ADL 553783 | NQ 10 | North Fork Llc | 01-SEP-16 | 553783 | 01-SEP-11 | S005N057W21 | 160 |
| ADL 553784 | NQ 11 | North Fork Llc | 01-SEP-16 | 553784 | 01-SEP-11 | S005N057W21 | 160 |
| ADL 553785 | NQ 12 | North Fork Llc | 01-SEP-16 | 553785 | 01-SEP-11 | S005N057W28 | 160 |
| ADL 553786 | NQ 13 | North Fork Llc | 01-SEP-16 | 553786 | 01-SEP-11 | S005N057W28 | 160 |

### Establishing Mineral Rights under Alaska State Laws and Regulations

About 92% of the 91 million acres to which the State of Alaska has received title is open to mineral entry and the acquiring of mineral rights. Alaska mining laws provide for nonexclusive access to State-owned lands for prospecting, an exclusive right to develop a discovery, and security of tenure. Rights to locatable minerals on lands owned by the State of Alaska are obtained by making a mineral discovery, staking the boundaries of the location, and recording a certificate of location within 45 days. A mining location may be staked for any locatable mineral (all metallic and most non-metallic industrial minerals) under Alaska mining law.

A discovery is required in order to stake a valid mining claim or leasehold location. A discovery means that locatable minerals have been found and the evidence is of such a character that an ordinarily prudent person would be justified in expending further time, labour and money upon the property with a reasonable expectation of developing a paying mine.

Under Alaska mining laws (Alaska Statute (AS) 38.05.185-275) and regulations (11 AAC 86.100-600) (http://www.legis.state.ak.us/folhome.htm), there are three general kinds of mining locations: mining claims, leasehold location and prospecting sites.

In most areas, a location is a “mining claim”, which gives the owner an immediate property right to mine the deposits. However, in areas of the state that have been restricted to leasing (typically referred to as “lease-only), the location is a “leasehold location”, not a mining claim. The leasehold location must be converted to an upland mining lease before mining begins. State lands are designated for leasehold location only if there may be other

valuable resources present or if the surface has already been leased or sold for other uses. Converting a leasehold location to a lease is done to mitigate other resource use conflicts that may exist, and to provide for exclusive mineral title from other competing mineral locators. A mining lease will likely contain stipulations to reduce or resolve potential conflicts between mining and competing resource uses. The fee to apply for a lease is $250, and processing takes about three months. In unrestricted areas, locators may convert their mining claims to leases if they wish.

Prior to discovery, a locator may locate a prospecting site which grants exclusive prospecting rights for a term of two years, and exclusive right to convert to a claim upon discovery.

Mining claims may be located by what is known as aliquot part legal description, which is meridian, township, range, section, quarter section, and if applicable quarter-quarter section. These claims are known as MTRSC locations, and they are generally located using GPS latitude and longitude coordinates. A quarter section location is typically about 160 acres in size, and a quarter-quarter section location is typically 40 acres in size.

In addition, traditional or non-MTRSC locations may be located. These are not restricted to precise aliquot part quarter or quarter-quarter section areas, and generally overlap these dividing lines on the maps. These locations may be any size up to 1,320 ft by 1,320 ft (40 acres) with the claim lines running in the cardinal directions. Traditional or non-MTRSC locations may be converted to MTRSC locations at any time using a conversion location.

### Maintaining Mineral Rights under Alaska State Laws and Regulations

*Cash Rental*

Alaska Statute (AS) 38.05.211 requires locators and holders of State mining locations to pay an annual cash rental. The annual rental requirement applies to mining claims, leasehold locations, upland mining leases, offshore mining leases and prospecting sites on State land.

For all traditional mining claims and ¼-¼ section MTRSC locations (~40 acres), the annual rental amount is $35/year for the first five years, $70/year for the second five years and $170/year thereafter. For all ¼ section MTRSC locations (~160 acres), the annual rental amount is $140/year for the first five years, $280/year for the second five years and $680/year thereafter. For all leases, the annual rent is $0.88/acre per year for the first five years, $1.75/acre for the second five years, and $4.25/acre per year thereafter. For prospecting sites, there is a one-time up-front requirement for a rental payment of $255 which covers the two-year term of the site.

The first annual rental payment for a location must be paid within 45 days of posting the location. Subsequent annual rental payments are based on the annual rental year which begins at noon on the first 1 September after posting, and ends at noon on September 1 of the following year. The payment for each rental year is due 1 September and payable no later than 30 November of that year. The penalty for failure to make a timely payment is forfeiture (abandonment) of the location, except in the case of a lease, in which the lease is deemed in default. The rental payment is subject to adjustment every 10 years.

*Annual Labour*

Annual labour must be performed on the location each year in the further development of the locatable mineral so that it can be mined. The minimum amount of labour that must be performed is dependent upon the size of the location. For traditional or ¼-¼ section MTRSC locations, $100 worth of work or more is necessary. For ¼ section MTRSC locations, $400 worth of work or more is necessary.

The first labour year for a claim begins at noon the first 1 September following the date the location notice is posted. Thereafter, each annual labour year begins at noon on 1 September and ends the following 1 September. During the labour year, or within 90 days after the close of that year, the owner of the mining claim/leasehold location or other person having knowledge of the facts must record an affidavit describing the


labour or improvements made within the assessment year (including any labour in excess of the requirement for that year). Failure to timely record an affidavit of annual labour constitutes abandonment of all rights acquired under the mining claim or leasehold location.

If more than the required minimum annual labour is performed in any one year, the excess value may be carried forward and applied against labour requirements in the subsequent year or years for as many as four years. In order to receive credit for this excess labour, the description and value of the labour must be included on the affidavit filed for the year in which the excess work is performed. If excess labour is being used to fulfil an annual labour requirement for a mining claim, leasehold location, or mining lease, an affidavit must be timely recorded in order to receive credit against the labour due.

The holder of a mining claim, leasehold location, or mining lease may make a cash payment to the State equal to the value of labour required ($100 or $400 per claim). A cash payment made instead of performing annual labour may only be made for one labour year at a time. In addition, cash-in-lieu payments may only be made for up to five consecutive years before labour must be performed again. The cash payment must be described on the recorded affidavit of annual labour.

*State Royalty*

Any state mining claims, which are placed into production, are subject to a 3% net proceeds production royalty as per AS 38.05.212. This royalty can be offset by qualified exploration incentive credits up to $20 million in accordance with AS 27.30. Mines within the state are also subject to a sliding scale mining licence tax, which is waived for the first 3.5 years of production as per AS 43.65.010.

# Appendix 4: JORC Code Table 1 for South-west Alaska Project

## Section 1 Sampling Techniques and Data

| Criteria | Commentary |
|---|---|
| Sampling techniques | As of the date of this report, Riversgold has conducted no exploration on the South-west Alaska Project properties.<br>Work conducted by previous holders of the ground, and reported here, includes sampling by means of:<br>• Helicopter-borne magnetics and electromagnetics<br>• Stream sediment sampling<br>• Ground IP and ground magnetics surveys<br>• Soil sampling<br>• Rock channel, chip and grab samples<br>• Mechanised auger sampling<br>• Diamond drill coring.<br>Only sampling techniques utilised by North Fork in 2010 and 2011 and those for certain programs conducted by Renaissance in 2012 and Southern Crown in 2014 were documented and available to CSA Global.<br>North Fork personnel collected a total of 233 soil samples from the Luna Project in 2011. Soil samples were collected with a shovel. Approximately 2 kg samples were collected from as deep as possible below the organic layer in the "C" soil horizon where possible, typically 10 cm to 50 cm below the surface. Samples were stored in standard olefin or paper geochemical sample bags and allowed to dry before shipment to the analytical laboratory. Sample tools were cleaned between sample sites.<br>North Fork personnel collected a total of 151 rock samples from the Luna Project (56 samples in 2010 and 95 samples in 2011). North Fork personnel collected several types of rock samples during the 2010 and 2011 field programs:<br>Continuous chip traverses were representative chips of rock taken in a continuous line across an outcropping rock exposure<br>Random chip samples were chips of rock taken randomly across an exposure<br>Grab samples were rock chips or fragments taken more or less at random from an outcrop, or float<br>Select or high-grade samples were rock chips collected from a distinctive or highest-grade portion of a mineralised zone<br>Check samples of drill core from the Kisa Breccia target were collected during the 2010 program.<br>North Fork collected 26 check samples of 2007 drill core from the Kisa Breccia target during its 2010 program. The core was securely warehoused in Bethel. North Fork collected the remaining half core from selected sample intervals. Each North Fork sample was a composite of several Kisa Gold sample intervals as presented in Table 18. North Fork noted that no archived core remained from certain intervals that reported the highest historic gold grades and therefore those intervals could not be check assayed.<br>Renaissance collected 29 soil samples approximately 50 m apart on 50 m spaced lines to the west of the Quicksilver Prospect in 2012. Samples were taken by excavating a hole approximately 20 cm deep (where possible) with a hand shovel and then sieving a -5mm fraction from the bottom of hole for approximately 300 g to 1,000 g of sample. Samples were then submitted for 50 g Fire Assay.<br>In 2014, Southern Crown collected approximately 150 channel samples varying from 1.8 m to 3.7 m (6 ft to 12 ft) in length from stream bank outcrop exposures in the Luna Main/Luna East Prospect areas.<br>Southern Crown completed 39 mechanised auger holes to test the bedrock surface, beneath 3.4 m to 14.3 m of overburden south and east of the Luna Main Prospect. Bedrock samples were collected via a hollow stem auger. |
| Drilling techniques | Kisa Gold 2007 diamond drilling – 940 m of HQ core at the Kisa Breccia Prospect. Core was not oriented. |
| Drill sample recovery | Kisa 2007 core recovery averaged approximately 73% for the entire program. This lower core recovery is in part a function of drilling through the talus material that overlies the bedrock formations.<br>Kisa Gold's method of recording and assessing core recoveries and results are unknown.<br>Measures taken by Kisa Gold to maximise sample recovery and ensure representative nature of the samples |

| Criteria | Commentary |
|---|---|
| | are unknown.<br>It is unknown whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material. |
| Logging | Kisa Gold (2007) drill logs for the 6 diamond drill holes at the Kisa Breccia zone were unavailable for review by CSA Global.<br>Southern Crown (2014) channel samples at Luna were not logged; auger holes had basic qualitative summary lithologic logs of the entire hole length. |
| Subsampling techniques and sample preparation | Kisa Gold (2007) Kisa Breccia diamond drill core sample intervals were sawn, one half of the core was sent for assay, the remaining half archived.<br>North Fork 2010-2011 soil samples: At the ALS Fairbanks facility, the sample was logged in the tracking system, oven-dried (maximum 60°C) and dry sieved through stainless steel sieves to less than 180 microns (Tyler 80 mesh). Reject material not passing through the sieve was retained. The -80 mesh was split down to a 150 g sample using a riffle splitter. Compressed air was used to clean the equipment between samples. ALS then forwarded the split of the -80 mesh sample to the North Vancouver Mineral Laboratory for analysis.<br>North Fork 2010-2011 rock and drill core samples: At the ALS Fairbanks facility, the sample was logged in the tracking system, weighed, dried and finely crushed to better than 70% passing a 2 mm (Tyler 9 mesh) screen. A split of up to 1,000 g was taken using a riffle splitter and pulverized to better than 85 % passing a 75 micron (Tyler 200 mesh) screen. Compressed air was used to clean the equipment between samples. Barren material was crushed between sample batches. ALS then forwarded a split of the sample pulp to the North Vancouver Mineral Laboratory for analysis.<br>Southern Crown 2014 rock samples: At the ALS Fairbanks facility, the sample was logged in the tracking system, weighed, dried and finely crushed to better than 70 % passing a 2 mm (Tyler 9 mesh) screen. A split of 250 g was taken using a riffle splitter and pulverized to better than 85% passing a 75 micron (Tyler 200 mesh) screen. Compressed air was used to clean the equipment between samples. Barren material was crushed between sample batches. ALS then forwarded a split of the sample pulp to the North Vancouver Mineral Laboratory for analysis.<br>Sample preparation techniques, where known, are appropriate for the material sampled.<br>CSA Global is unable to comment on the representivity of the samples of the in-situ material collected due to lack of or failure to document field duplicates, core duplicates and coarse crush and pulp duplicates, if they were collected.<br>Sample sizes where known, appear to be appropriate to the grain size of the material being sampled. |
| Quality of assay data and laboratory tests | All Kisa 2007 diamond drill core analytical work was completed by Alaska Assay Laboratories in Fairbanks, Alaska. Using standard fire-assay procedures.<br>North Fork 2010-2011 samples were prepared at the ALS Fairbanks facility and sample pulps were forwarded to the ALS' Mineral Laboratory in North Vancouver, British Columbia for analysis. The Fairbanks laboratory is individually certified to standards within ISO 9001:2008. The North Vancouver analytical facility is individually certified to standards within ISO 9001:2008 and has received accreditation to ISO/IEC 17025:2005 from the Standards Council of Canada (SCC) for methods including: Fire Assay Au by Atomic Absorption (AA); Fire Assay Au and Ag by Gravimetric finish; Aqua Regia Ag, Cu, Pb, Zn and Mo by AA and; Aqua Regia Multi-element by ICP and MS. Sample preparation follows industry best practices and procedures.<br>North Fork 2010-2011 soil samples were analysed as follows:<br>Gold – Aqua Regia Digestion – ICP-MS Finish (ALS Code Au-TL43) – soils:<br>A 25 g prepared sample was digested with aqua regia in a graphite heating block. After cooling, the resulting solution was diluted with deionized water, mixed and analyzed by inductively coupled plasma-mass spectrometry (ICP-MS).<br>Lower detection limit: 0.001 ppm; Upper detection limit: 1 ppm<br>Multi-Element ICP-MS/AES Analysis (ALS Code ME-MS41) – stream sediments and soils:<br>A prepared sample (minimum 1 g) was digested with aqua regia in a graphite heating block. After cooling, the resulting solution was diluted with deionized water, mixed and analyzed by both ICP-MS and inductively coupled plasma-atomic emission spectrometry (ICP-AES) methods. The analytical results were corrected for inter-element spectral interferences.<br>Partial leach. 51 elements. Detection limits vary with element:<br>Over-limit gold results are analysed by the following methods:<br>Gold (Ore Grade) – Aqua Regia Digestion – AAS or ICP-MS Finish (ALS Code Au-OG43)<br>A 25 g prepared sample was digested with aqua regia in a graphite heating block. After cooling, the resulting solution was diluted with deionized water, mixed and analyzed by AAS or ICP-MS.<br>Lower detection limit: 0.01 ppm; Upper detection limit: 100 ppm |

| Criteria | Commentary |
|---|---|
| | North Fork 2010-2011 rock samples were analysed as follows:<br>Gold Fire Assay – AAS Finish (ALS Code Au-AA26 -2010 and Au-AA23 -2011)<br>A 50 g prepared sample was fused with a mixture of lead oxide, sodium carbonate, borax, silica and other reagents as required, inquarted with gold-free silver and then cupelled to yield a precious metal bead.<br>The bead was digested in dilute nitric acid in the microwave oven, concentrated hydrochloric acid was then added and the bead was further digested in the microwave at a lower power setting. The digested solution was cooled, diluted with de-mineralized water, and analyzed by AAS against matrix-matched standards.<br>Au-AA26 Lower detection limit: 0.01 ppm; Upper detection limit: 100 ppm<br>Au-AA24 Lower detection limit: 0.005 ppm; Upper detection limit: 10 ppm<br>Multi-Element ICP-MS/AES Analysis (ALS Code ME-MS61)<br>A prepared sample (minimum 1 gram) was digested with four acids. The resulting solution was diluted with deionized water, mixed and analyzed by both inductively coupled plasma-mass spectrometry (ICP-MS) and inductively coupled plasma-atomic emission spectrometry (ICP-AES) methods. The analytical results were corrected for inter-element spectral interferences.<br>Near total leach. 48 elements. Detection limits vary with element.<br>Mercury Cold Vapour Analysis (ALS Code Hg-CV41)<br>A prepared sample (minimum 1 gram) was digested with aqua regia. Cold vapour extraction and analyzed by atomic absorption spectrometry (AAS) method.<br>Lower detection limit: 0.01 ppm; Upper detection limit: 100 ppm<br>Over-limit results (copper) are analysed by the following method:<br>Ore-Grade Cu ICP-AES Analysis (ALS Code Cu-OG46)<br>A prepared sample was digested with four acids; the resulting solution was diluted to volume (100 mL) with de-ionized water, mixed and then analyzed by inductively coupled plasma – atomic emission spectrometry or by atomic absorption spectrometry.<br>Lower detection limit: 0.001%; Upper detection limit: 40%<br>Southern Crown 2014 rock samples were analysed at ALS Laboratories using methods as described for North Fork above:<br>Gold Fire Assay – AAS Finish (ALS Code Au-AA26)<br>Multi-Element ICP-MS/AES Analysis (ALS Code ME-MS61)<br>Given the early stage reconnaissance nature of North Fork's exploration work, North Fork and Southern Crown elected to not implement an independent quality assurance and quality control (QAQC) program. North Fork utilized ALS Minerals' internal laboratory QAQC protocols:<br>In addition to routine screen tests, sample preparation quality was monitored internally at ALS Minerals through the insertion of sample preparation duplicates. For every 50 samples prepared, an additional split was taken from the coarse crushed material to create a pulverizing duplicate. The additional split was processed and analyzed in a similar manner to the other samples in the submission.<br>Internal quality control samples including certified reference materials (CRMs), blanks, and duplicates were inserted within each analytical run. The blank was inserted at the beginning, standards were inserted at random intervals, and duplicates were analyzed at the end of the batch. The minimum number of quality control samples required to be inserted were based on the rack size specific to the method.<br>CSA Global recommends future stream sediment and soil sampling programs include the insertion of duplicates to confirm the reproducibility of results and suitability of the sampling methodology. CSA Global also recommends that CRMs and coarse blanks be included with future rock samples to independently check the laboratory for potential systematic errors, contamination and instrument drift over time. Duplicates should also be inserted to confirm the reproducibility of results and suitability of the sampling methodology.<br>During any future systematic surface sampling or drill program, CSA Global recommends a robust QAQC program consisting of the insertion of CRMs, coarse blanks, duplicates, preparation duplicates and pulp check samples. |
| Verification of sampling and assaying | North Fork collected 26 check samples from the drill core that was initially sampled by Kisa Gold. Refer to Table 19 of this report for details.<br>Kisa Gold's 2007 documentation of primary drill hole data, data entry procedures, data verification, data storage protocols are unavailable |
| Location of data points | Kisa Gold 2007 diamond drill hole locations and coordinates were determined using a combination of manual resection methods, laser rangefinders and survey grade Trimble GPS tied to a LIDAR-derived 2-m topographic base map.<br>Grid coordinates were referenced to either UTM NAD 27 Datum or UTM NAD 83 by various operators |

| Criteria | Commentary |
|---|---|
| | conducting surface exploration and drilling at the Luna/Quicksilver and Kisa properties.<br>Topographic control is adequate for the exploration conducted. |
| Data spacing and distribution | Data spacing is variable as expected for predominantly surface based early stage exploration.<br>Sample data type, quantity, quality, and distribution is insufficient for Mineral Resource estimation. |
| Orientation of data in relation to geological structure | Due to the early stage of exploration, the orientation of controls on mineralization is not known. It is therefore not known if unbiased sampling has been achieved. |
| Sample security | Kisa Gold 2007 diamond drill core is securely warehoused in Bethel.<br>North Fork 2010-2011 samples were placed in labeled sample bags with a number sample tag and stored in the secure sample storage facility at camp until shipped to the analytical lab using chain of custody procedures. |
| Audits or reviews | CSA Global is unaware of any audits of sampling techniques and data. |

## Section 2 Reporting of Exploration Results

<table>
<tr><th>Criteria</th><th>Commentary</th></tr>
<tr><td>Mineral tenement and land tenure status</td><td>The Project consists of four property claims groups comprising a total of 171 State of Alaska MTRSC mining claims, as detailed in the table below. A complete list of claims is provided in Appendix 1, and the locations of the claims are depicted in Figure 23, Figure 24, and Figure 25. The claims are currently 100% held by Afranex Gold Limited, and Riversgold intends to acquire Afranex Gold Limited.<br>The various property claim groups straddle the boundary between the Kuskokwim and Bethel Recording Districts and are located on State of Alaska owned-lands.<br>With the exception of annual State of Alaska mining claim rentals and labour assessments (Appendix 1), the Project claims are not subject to any current encumbrances. A 3% net proceeds production royalty will be payable to the state if mineral production is achieved.
<table>
<tr><th>Project</th><th>Current owner</th><th>Riversgold acquisition agreements</th><th>Claims</th><th>Area (ha)</th><th>Area (acres)</th></tr>
<tr><td>Luna</td><td>Afranex – 100%, 31 March 2017</td><td>100% of Afranex</td><td>50</td><td>3,238</td><td>8,000</td></tr>
<tr><td>Kisa</td><td>Afranex – 100%, 31 March 2017</td><td>100% of Afranex</td><td>38</td><td>2,363</td><td>5,840</td></tr>
<tr><td>Quicksilver</td><td>Afranex – 100%, 29 September 2016</td><td>100% of Afranex</td><td>70</td><td>4,533</td><td>11,200</td></tr>
<tr><td>North Quicksilver</td><td>Afranex – 100%, 31 March 2017</td><td>100% of Afranex</td><td>13</td><td>842</td><td>2,080</td></tr>
<tr><td></td><td></td><td>TOTAL</td><td>171</td><td>10,976</td><td>27,120</td></tr>
</table></td></tr>
<tr><td>Exploration done by other parties</td><td>As of the date of this report, Riversgold has conducted no exploration on the South-west Alaska Project properties.<br>Previous exploration on the properties has been conducted by: (1) Gold Crest/Kisa Gold, its past exploration partners and North Fork and Southern Crown on the Luna and Kisa properties; (2) North Fork on the Quicksilver North property; and (3) Black Peak/Renaissance on the Quicksilver property.<br>This work is discussed in Section 4.8 of this report.</td></tr>
<tr><td>Geology</td><td>The Project area lies at the south-west end of the Tintina Gold Province, which is the “type area” for Intrusive-Related Gold (IRG) deposits.<br>The Project area is underlain in the south-east by Togiak terrane Middle Cretaceous and older Island-arc and related flysch sequences and in the north-west by Upper Cretaceous terrigenous clastic rocks and volumetrically smaller amounts of interbedded tuffs and volcaniclastic sandstone of the Kuskokwim overlap assemblage. Volcanic-plutonic complexes, plutons, and extensive dike and sill swarms intrude and overlie the older terranes and the Cretaceous flysch sequences. Small, isolated fields of Late Tertiary alkali-olivine basalts and andesite overlie all other bedrock units.<br>The target deposit model for the Project area is NovaGold’s/Barrick’s Donlin Gold deposit, 190 km north-west of the Luna Project. Two distinct styles of mineralization occur within the Donlin Gold area. The ACMA-</td></tr>
</table>

<table>
<tr><th>Criteria</th><th>Commentary</th></tr>
<tr><td></td><td>Lewis deposit mineralization in the southern part of the district is characterized by auriferous arsenopyrite-bearing quartz and sulphide-only veins associated with felsic intrusive rocks while the Dome-Duqum Prospect in the northern part of the district is characterized by copper- and gold-bearing stockwork veinlets in hornfels.</td></tr>
<tr><td>Drill hole information</td><td>In 2007, Kisa Gold completed over 940 m of drilling into the Kisa Breccia target cutting broad intervals of low-grade gold mineralisation (Figure 39).
<table>
<tr><th>Hole ID</th><th>East UTM_NAD83</th><th>North UTM_NAD83</th><th>Elevation (m)</th><th>Azimuth</th><th>Inclination</th><th>Length (m)</th><th>Recovery</th></tr>
<tr><td>K07-01</td><td>483,380</td><td>6,691,020</td><td>847</td><td>182</td><td>-45</td><td>100.7</td><td>55</td></tr>
<tr><td>K07-02</td><td>483,382</td><td>6,691,020</td><td>847</td><td>148</td><td>-50</td><td>197.8</td><td>75</td></tr>
<tr><td>K07-03</td><td>483,430</td><td>6,690,936</td><td>898</td><td>000</td><td>-90</td><td>128.9</td><td>65</td></tr>
<tr><td>K07-04</td><td>483,432</td><td>6,690,935</td><td>898</td><td>172</td><td>-49</td><td>285.8</td><td>82</td></tr>
<tr><td>K07-05</td><td>483,432</td><td>6,690,936</td><td>898</td><td>090</td><td>-48</td><td>141.7</td><td>74</td></tr>
<tr><td>K07-06</td><td>483,358</td><td>6,690,876</td><td>950</td><td>156</td><td>-46</td><td>164.4</td><td>74</td></tr>
</table></td></tr>
<tr><td>Data aggregation methods</td><td>Available Kisa Gold 2007 drill core results are length weighted averages. Refer to Table 18 and Table 19 in Section 4.8.4 of this report.</td></tr>
<tr><td>Relationship between mineralisation widths and intercept lengths</td><td>The geometry of the mineralisation with respect to the drill hole angle and surface channel samples is not known. Therefore, intercepts are quoted as downhole lengths and channel lengths, as the true width is not known.</td></tr>
<tr><td>Diagrams</td><td>Refer to Figure 39 in Section 4.8.4 of the report.</td></tr>
<tr><td>Balanced reporting</td><td>Refer to Table 18 and Table 19 in Section 4.8.4 of this report.</td></tr>
<tr><td>Other substantive exploration data</td><td>Refer to Section 4.8 of this report.</td></tr>
<tr><td>Further work</td><td>Refer to Section 4.11 of this report.</td></tr>
</table>

# Appendix 5: JORC Code Table 1 for Cambodia Gold Project

## Section 1 Sampling Techniques and Data

| Criteria | Commentary |
|---|---|
| Sampling techniques | Auger: The auger drill program sampled a total of 223 holes over two main survey areas. The holes were drilled to refusal (approximately 3 m) and a 3 to 4 kg sample was collected from the bottom of each auger hole. These samples were collected using the company's strict protocols and then all samples were analysed by ALS Minerals using fire assay for gold and reported in parts per million (ppm).<br>Diamond drilling: Diamond drill holes recovered PQ core from the collar onwards, and then changed to HQ coring. A total of 21 holes for 1,812.7 m was drilled of which 84 m was drilled at Antrong, 1,238.9 m drilled at O'Thmey, 409.8 m drilled at O'Thmey South and 80 m drilled at Poltok. A total of 1,410 samples were sent for analysis. Samples were analysed by ALS Minerals. Samples were crushed to 2 mm, then 1 kg of material was pulverized to 75 microns. A 50 g split was obtained using a rotary splitter, and analysed for Au by Fire Assay, using an Atomic Absorption finish. Multi-element data was obtained for 35 elements using an aqua regia digest and a ICP-AES analysis. |
| Drilling techniques | Diamond core drilling with PQ collars and HQ tails. |
| Drill sample recovery | CSA Global has not been provided with this detail, and cannot comment on procedures followed or whether or not sampling bias may be present.<br>This is not considered material to CSA Global's evaluation of the project, which is based on a qualitative basis. |
| Logging | CSA Global has not been provided with details of procedures followed for logging. CSA Global has only seen the sample results.<br>CSA Global notes that no Mineral Resource estimation or mining studies have been completed for these projects. |
| Sub-sampling techniques and sample preparation | CSA Global has not been provided with this detail, and is therefore unable to comment.<br>This is not considered material to CSA Global's evaluation of the project, which is based on a qualitative basis. |
| Quality of assay data and laboratory tests | The assay techniques and laboratory sample preparation procedures used by ALS Minerals was standard industry practice, and appropriate for the samples and the data obtained.<br>CSA Global has not been provided with details of quality control procedures adopted, and therefore cannot comment on their appropriateness. |
| Verification of sampling and assaying | CSA Global has not been provided with details on data verification or the verification of significant intersections.<br>This is not considered material to CSA Global's evaluation of the project, which is based on a qualitative basis. |
| Location of data points | CSA Global has not been provided with these details, and therefore cannot comment on accuracy or quality. CSA Global notes that no Mineral Resource estimation has been carried out. |
| Data spacing and distribution | Sampling has been completed on a 1m basis along the core recovered for the diamond drill holes. Drill hole spacing is irregular.<br>No Mineral Resource or Mineral Reserve estimation has been carried out. The data reported is at an early exploration stage. |
| Orientation of data in relation to geological structure | The geometry of possible structures with respect to the drill hole angle is not known. Therefore, it is not known what effect this may have on sampling bias.<br>This is not considered material to CSA Global's evaluation of the project, which is based on a qualitative basis. |
| Sample security | CSA Global has not been provided with this detail, and is therefore unable to comment. |
| Audits or reviews | CSA Global has not been provided with this detail, and is therefore unable to comment. |

## Section 2 Reporting of Exploration Results

<table>
<tr><th>Criteria</th><th>Commentary</th></tr>
<tr><td>Mineral tenement and land tenure status</td><td>Riversgold's ground holding in Cambodia consists of applications covering four areas totaling of 359.5 km² in the Mondul Kiri Province. The concession areas are Kang Roland North, Antrong, Rapoah, and Kang Roland South. Refer to Figure 41 in Section 5.1 of this report for the location of the concessions.</td></tr>
<tr><td>Exploration done by other parties</td><td>Brighton's associated companies Sun Hill Sun Hill and Summer Gold have been exploring in Cambodia since 2008 and 2005, respectively, and have focussed on the Cambodia Gold Project area.<br>Regional work completed includes:<br>Desktop studies<br>Remote mapping and targeting based on satellite imagery<br>Completion of an Independent Geologists Report on the region<br>Inspection, mapping and sampling of all old artisanal workings.<br>A summary of the exploration work conducted on each specific licence is presented in the table below.
<table>
<tr><th>Concession</th><th>Antrong</th><th>Ropoah</th><th>Kang Roland North</th><th>Kang Roland South</th><th>Total</th></tr>
<tr><td>Mapping</td><td>Mapping conducted at various scales</td><td>Mapping conducted at Regional and Prospect level</td><td>Mapping conducted at Regional and Prospect level</td><td>Conducted</td><td>8,800 line metres at 1:12,000 scale; 11,000 line metres at 1:15,000 scale</td></tr>
<tr><td>Rock chip sampling</td><td>144 samples</td><td>21 samples</td><td>74 samples</td><td>5 samples</td><td>208 samples</td></tr>
<tr><td>Metallurgical samples</td><td>4 samples</td><td></td><td></td><td></td><td>4 samples</td></tr>
<tr><td>Soil sampling</td><td>1,107 B-Zone samples;<br>252 C-Zone samples</td><td>186 B-Zone samples;<br>140 C-Zone samples</td><td>324 C-Zone samples</td><td>816 samples<br>365 analysed</td><td>2,839 samples</td></tr>
<tr><td>Trenching</td><td>720m of trenching</td><td></td><td></td><td></td><td>1,114 line metres; 623 samples</td></tr>
<tr><td>Auger drilling</td><td></td><td></td><td></td><td></td><td>821 holes; 821 samples</td></tr>
<tr><td>Diamond drilling</td><td>21 holes for 271.6m PQ core and 1,512.9m HQ core</td><td></td><td></td><td></td><td>1,812.7 m; 1,410 samples</td></tr>
<tr><td>Stream sediment sampling</td><td></td><td></td><td>31 samples</td><td></td><td>31 samples</td></tr>
</table>
Much of the focused exploration work has been conducted over the Antrong, O'Thmey and O'Thmey South Prospects on the Antrong concession (Figure 46). This has included rock chip sampling, soil sampling, trenching and diamond drilling, as well as bulk metallurgical testing. Diamond drilling has intersected gold mineralisation at O'Thmey and Antrong. Further exploration of these Prospects is warranted, to test whether or not the gold mineralisation encountered is associated with a coherent gold deposit.</td></tr>
<tr><td>Geology</td><td>Mineralisation that is the target of exploration on these Concessions is likely to be similar to that found in the nearby Okvau deposit (Figure 45), which is considered to have broad Intrusive-Related Gold (IRG) affinities.<br>The Stung Treng belt (Figure 43) is a Palaeozoic to Triassic volcano-sedimentary belt intruded by Late Triassic and Yanshanian age intrusives, with extensive cover sequences of Jurassic red beds and Quaternary basalts.<br>The continental back-arc tectonic setting (relative to the Yanshanian Dalat arc) is broadly similar to the IRG "type area", the Tintina Belt in Alaska that hosts the Fort Knox, Donlin Creek and Pogo gold deposits (Figure 26 and Section 4.7.3).</td></tr>
<tr><td>Drill hole Information</td><td>Drilling was conducted in three areas in the Antrong Concession. O'Thmey, O'Thmey South and Poltok were targeted due to the presence of extensive local workings, favourable geology, anomalous soil results and the presence of sulphides in outcrop.<br>A total of 21 holes for 1812.7 m was drilled of which 84 m was drilled at Antrong, 1,238.9 m drilled at O'Thmey, 409.8 m drilled at O'Thmey South and 80 m drilled at Poltok. A total of 1,410 samples were sent for analysis.</td></tr>
</table>


| Criteria | Commentary |
|---|---|

| Hole ID | Prospect | East_WGS 84 | North_WGS 84 | Elevation | T Depth | Dip | Azimuth | PQ_from | PQ_to | HQ_from | HQ_to |
|---|---|---|---|---|---|---|---|---|---|---|---|
| ANTDD001 | Antrong | 676742.94 | 1406512.49 | 52.5 | 52.5 | -60 | 315 | 0 | 10.8 | 10.8 | 52.5 |
| ANTDD002 | Antrong | 676774.94 | 1406553.49 | 48 | 31.5 | -60 | 315 | 0 | 11.7 | 11.7 | 31.5 |
| OTMDD001 | O'Thmey | 683463.95 | 1403742.5 | 142 | 81.1 | -60 | 210 | 0 | 14.7 | 14.7 | 81.1 |
| OTMDD002 | O'Thmey | 683499.95 | 1403713.5 | 141 | 88.1 | -60 | 210 | 0 | 14.7 | 14.7 | 88.1 |
| OTMDD003 | O'Thmey | 683529.95 | 1403713.5 | 141 | 81.1 | -60 | 210 | 0 | 14.7 | 14.7 | 81.1 |
| OTMDD004 | O'Thmey | 683412.95 | 1403758.5 | 135 | 90.1 | -60 | 210 | 0 | 17.2 | 17.2 | 90.1 |
| OTMDD005 | O'Thmey | 683455.95 | 1403684.5 | 141 | 98.6 | -60 | 30 | 0 | 8.8 | 8.8 | 98.6 |
| OTMDD006 | O'Thmey | 684162.95 | 1404203.5 | 150 | 83.1 | -60 | 210 | 0 | 12 | 12 | 83.1 |
| OTMDD008 | O'Thmey | 684125.95 | 1404233.5 | 148 | 90.3 | -60 | 210 | 0 | 12.5 | 12.5 | 90.3 |
| OTMDD009 | O'Thmey | 683387.95 | 1403795.5 | 127 | 107.2 | -60 | 210 | 0 | 17.9 | 17.9 | 107.2 |
| OTMDD010 | O'Thmey | 683366.95 | 1403760.5 | 147 | 110.2 | -60 | 210 | 0 | 17.2 | 17.2 | 110.2 |
| OTMDD011 | O'Thmey | 683802.95 | 1404036.5 | 145 | 90.1 | -60 | 270 | 0 | 12 | 12 | 90.1 |
| OTMDD012 | O'Thmey | 683804.95 | 1404079.5 | 139 | 72.2 | -60 | 270 | 0 | 10.1 | 10.1 | 72.2 |
| OTMDD013 | O'Thmey | 683357.95 | 1403834.5 | 137 | 90.1 | -60 | 210 | 0 | 12 | 12 | 90.1 |
| OTMDD014 | O'Thmey | 683338.95 | 1403805.5 | 147 | 70.8 | -60 | 210 | 0 | 11.9 | 11.9 | 70.8 |
| OTMDD015 | O'Thmey | 683545.95 | 1403672.5 | 135 | 85.9 | -60 | 210 | 0 | 12 | 12 | 85.9 |
| OTSDD001 | O'Thmey Sth | 683210.95 | 1403153.5 | 137 | 96.3 | -60 | 30 | 0 | 11.8 | 11.8 | 96.3 |
| OTSDD002 | O'Thmey Sth | 683231.95 | 1403143.5 | 138 | 91.9 | -60 | 30 | 0 | 12.1 | 12.1 | 91.9 |
| OTSDD003 | O'Thmey Sth | 683252.95 | 1403132.5 | 139 | 125.5 | -75 | 30 | 0 | 12 | 12 | 125.5 |
| OTSDD004 | O'Thmey Sth | 683177.72 | 1403170.53 | 139 | 96.1 | -60 | 30 | 0 | 13.5 | 13.5 | 96.1 |

| | |
|---|---|
| Data aggregation methods | Available drill sample intercepts are length-weighted. |
| Relationship between mineralisation widths and intercept lengths | The geometry of the mineralization with respect to the drill hole angle not known. Therefore, intercepts are quoted as down hole lengths, as the true width is not known.<br>This is not considered material to CSA Global's evaluation of the project, which is based on a qualitative basis. |
| Diagrams | No significant discovery reported. |
| Balanced reporting | All significant intercepts from diamond drilling program reported below. |

| Drill hole | From (m) | To (m) | Interval (m) | Au (g/t) |
|---|---|---|---|---|
| ANTDD001 | 14 | 15 | 1 | 0.80 |
| ANTDD001 | 20 | 23.1 | 3.1 | 6.74 |
| ANTDD002 | 3 | 5 | 2 | 1.25 |
| ANTDD002 | 6 | 8 | 2 | 1.34 |
| OTMDD002 | 42 | 43.95 | 2 | 5.17 |
| OTMDD002 | 48 | 49.5 | 1.5 | 1.55 |

| Criteria | Commentary | | | | |
|---|---|---|---|---|---|
| | OTMDD003 | 67 | 68 | 1 | 0.39 |
| | OTMDD009 | 24.8 | 25.3 | 0.5 | 2.76 |
| | OTMDD011 | 8 | 9 | 1 | 0.85 |
| | OTSDD001 | 25.2 | 28.2 | 3 | 7.91 |
| | OTSDD002 | 30.5 | 36.2 | 5.7 | 6.24 |
| Other substantive exploration data | Refer to Section 5.5 of this report. | | | | |
| Further work | Riversgold does not propose to conduct significant work on the Cambodia Gold Concessions at this time. A total proposed budget of A$200,000 is proposed for 2017 and 2018, which is essentially administrative costs covering quarterly JV meetings | | | | |


30
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# 7. Independent Solicitor Reports

## 7.1 Australian Report

The Directors
Riversgold Ltd
c/- Endeavour Corporate
Suite 8, 7 The Esplanade
MOUNT PLEASANT WA 6153

2 August 2017

Dear Sirs

**INDEPENDENT SOLICITOR'S REPORT ON MINING TENEMENTS**
**RIVERSGOLD LTD**

This report is prepared for inclusion in a prospectus for the initial public offer of up to 40,000,000 fully paid ordinary shares in the capital of Riversgold Ltd (ACN 617 614 598) (**Company**) at an issue price of A$0.20 each to raise up to A$8,000,000.

Capitalised terms used in this report have the meanings given to them in Schedule 5, unless the context otherwise requires.

**INTRODUCTION**

**Purpose**

1 The directors of the Company have requested that we provide a report in relation to:

1.1 the interests held by the Company in certain mining tenements, being:

1.1.1 the WA Tenements and the WA Applications detailed in Schedule 1; and

1.1.2 the SA Tenement detailed in Schedule 2,

(together, the **Assets**);

1.2 any matters relevant to the exercise of the Company's interests in the Assets, including:

1.2.1 concurrent interests in the land the subject of the Assets, including other mining tenements, pastoral leases and native title; and

1.2.2 the Material Agreements.

**Scope**

2 In preparing this report, we have relied upon:

2.1 searches of the public databases and other information identified in Schedule 3, the results of which are included in Schedules 1 and 2;

2.2 copies of the Material Agreements, being:

2.2.1 the Serendipity Tenement Sale Agreement;

2.2.2 the Joint Venture Agreement;

2.2.3 the Debnal Tenement Sale Deed; and

2.2.4 the Heritage Agreement.

3 We are instructed that the agreements referred to at paragraph 2.2 are the only agreements relating to the Company's interests in the Assets to which the Company or any of its subsidiaries is a party.

4 We have not relied upon any other documents or information for the purposes of this report. We are not aware of any other material documents or information.

5 Schedules 1 and 2 to this report form an essential part of this report and must be read in conjunction with this report.

6 This report must be read subject to the assumptions and qualifications in Schedule 4.

**PART A – MATERIAL AGREEMENTS**

**Serendipity Tenement Sale Agreement**

7 As at the date of this report, Serendipity is the sole registered holder of the WA Tenements and the sole registered applicant for the WA Applications.

8 Under the Serendipity Tenement Sale Agreement, Serendipity has agreed to sell and Riversgold (a wholly owned subsidiary of the Company) has agreed to purchase an 80% legal and beneficial interest in the WA Tenements and the WA Applications.

9 Completion of the sale and purchase remains conditional upon satisfaction or waiver of the following outstanding conditions precedent:

9.1 the Company undertaking a capital raising and receiving valid applications for at least $5,000,000 worth of fully paid ordinary shares in the capital of the Company at an issue price of $0.20 per share; and

9.2 the Company obtaining conditional approval from ASX for the official quotation of the Company's securities and the Company being satisfied, acting reasonably, that the relevant conditions are capable of being satisfied.

10 If the outstanding conditions precedent have not been satisfied or waived with the written consent of Serendipity prior to 30 September 2017 then either the Company, Riversgold or Serendipity may terminate the Serendipity Tenement Sale Agreement.

11 During the period prior to completion of the sale and purchase, Serendipity is responsible for maintaining the WA Tenements in good standing and must not sell, dispose of, nor grant any encumbrance over, its interests in the WA Tenements and the WA Applications.

12 To the extent required, the transfer of a legal or beneficial interest in the WA Tenements and the WA Applications under the Serendipity Tenement Sale Agreement is also subject to and conditional upon the receipt of prior written consent to that transfer from the Minister responsible for the administration of the *Mining Act 1978* (WA).

13 During the period commencing on completion and ending on the date on which Riversgold becomes the registered holder of each of the WA Tenements (and each of the mining tenements granted pursuant to the WA Applications, if any), Riversgold is granted a contractual licence to enter upon the relevant ground to conduct exploration.

14 Upon completion, Riversgold and Serendipity will form an unincorporated exploration joint venture in respect of the WA Tenements and the WA Applications to be governed by the Joint Venture Agreement (summarised at paragraphs 15 onwards).

**Joint Venture Agreement**

15 Riversgold and Serendipity will form an unincorporated exploration joint venture in respect of the WA Tenements and the WA Applications upon completion of the sale and purchase contemplated by the Serendipity Tenement Sale Agreement.

16 The Joint Venture Agreement takes effect on completion of the sale and governs the participants' rights and obligations in respect of that joint venture, in which Riversgold will have an initial 80% participating interest and Serendipity an initial 20% participating interest.

17 Under the Joint Venture Agreement, Riversgold has the right to be the initial manager of the joint venture and is authorised to conduct exploration activities as agent of the participants. As manager, Riversgold may, in its absolute discretion, determine the nature and extent of those exploration activities and Riversgold must sole fund all costs incurred.

18 As manager, Riversgold may, in its absolute discretion, make a decision to mine in respect of any area within the relevant mining tenements, provided that Riversgold has first conducted a bankable feasibility study that concludes a mining operation is commercially viable.

19 If a decision to mine is made by Riversgold, each participant will have 30 days from the date of receipt of the relevant bankable feasibility study to elect to either:

19.1 participate in the mining operation, in which case the participants will form a separate unincorporated mining joint venture in respect of the area the subject of the decision to mine, to be governed by a separate joint venture agreement (which must provide for, among other things, each participant to make proportionate contributions towards the costs incurred by that mining joint venture); or

19.2 covert its interest in the relevant area to a 1.5% net smelter return royalty payable in respect of all minerals produced from the relevant area.

20 Each participant in the exploration joint venture has a pre-emptive right to acquire the participating interest of the other participant in the event of a proposed sale or other disposal.

21 In the event that a participant commits an unremedied breach of the Joint Venture Agreement or becomes insolvent, the other participant may elect to acquire the participating interest of the defaulting participant for its fair market value. An equivalent right will also arise should a change of control occur in respect of Serendipity without the consent of Riversgold.

22 Either participant may withdraw from the exploration joint venture at any time, in which case the withdrawing participant will be entitled to receive a 1.5% net smelter return royalty (in the case of Serendipity) or a 1% net smelter return royalty (in the case of Riversgold) in respect of all minerals produced from the mining tenements the subject of the joint venture.

**Debnal Tenement Sale Deed**

23 As at the date of this report, Debnal is the sole registered holder of the SA Tenement. Debnal is owned and controlled by Mr Allan Kelly, a current director and shareholder of the Company.

24 Under the Debnal Tenement Sale Deed, Debnal has agreed to sell and Riversgold has agreed to purchase a 100% legal and beneficial interest in the SA Tenement.

25 Completion of the sale and purchase remains conditional upon satisfaction or waiver of the following outstanding conditions precedent:

25.1 the Company undertaking a capital raising and receiving valid applications for at least $5,000,000 worth of fully paid ordinary shares in the capital of the Company at an issue price of $0.20 per share; and

25.2 the Company obtaining conditional approval from ASX for the official quotation of the Company's securities and the Company being satisfied, acting reasonably, that the relevant conditions are capable of being satisfied.

26 If the outstanding conditions precedent have not been satisfied or waived with the written consent of Debnal prior to 30 September 2017 then either the Company, Riversgold or Debnal may terminate the Debnal Tenement Sale Deed.

27 During the period prior to completion of the sale and purchase, Debnal is responsible for maintaining the SA Tenement in good standing and must not sell, dispose of, nor grant any encumbrance over, its interests in the SA Tenement.

28 Riversgold must obtain the consent of the Minister responsible for the *Mining Act 1971* (SA) before it can become the registered holder of the SA Tenement.

29 During the period commencing on completion and ending on the date on which Riversgold becomes the registered holder of the SA Tenement, Riversgold is granted a contractual licence to enter upon the relevant ground to conduct exploration.

**Heritage Agreement**

30 The Heritage Agreement sets out the obligations of Serendipity in relation to the identification, management and preservation of Aboriginal Sites located within the boundaries of Exploration Licences 28/2581-I and 28/2582-I and the Exploration Licence Application 25/539-I.

31 A deed of covenant has been entered into which provides that, upon completion of the sale and purchase contemplated by the Serendipity Tenement Sale Agreement, the obligations of Serendipity under the Heritage Agreement are assumed by the participants in the exploration joint venture referred to in paragraph 15, severally in accordance with their participating interests.

32 The Heritage Agreement:

32.1 provides for the grant of Exploration Licence Application 25/539-1, which is pending as at the date of this report;

32.2 records that the tenement applicant or holder will not seek the consent of the Minister for any unavoidable impact on an Aboriginal Site in connection with ground disturbing activities under section 18 of the *Aboriginal Heritage Act 1972* (WA);

32.3 permits the tenement applicant or holder to undertake low impact exploration activities, after valid notification and resolution of any issues;

32.4 sets out the procedure for determining whether a heritage survey is required and for the conduct of any required heritage surveys prior to the conduct of ground disturbing activities;

32.5 requires that parties agree on a budget for any required heritage surveys; and

32.6 provides that the tenement applicant or holder will notify the Native Title Corporation of business opportunities and give preference to a corporation associated with the Native Title Corporation if it is commercially competitive.

**PART B – WA TENEMENTS AND WA APPLICATIONS**

**Ownership**

33 As noted in paragraph 7, Serendipity is currently the sole registered holder of the WA Tenements and the sole registered applicant for the WA Applications.

34 Under the *Mining Act 1978* (WA), a legal or equitable interest in or affecting an exploration licence may not be transferred or dealt with directly or indirectly during the first year of that licence, without the consent in writing of the Minister.

35 The Serendipity Tenement Sale Agreement provides that the transfer of any legal or equitable interest in the WA Tenements and the WA Applications is subject to and conditional upon receipt of any necessary Ministerial consent.

36 We are instructed that, as at the date of this report, neither the Company nor Riversgold has applied for this consent.

37 We are instructed that, in relation to:

37.1 those WA Tenements which will be exploration licences within their first year of grant as at the date of completion of the sale and purchase contemplated by the Serendipity Tenement Sale Agreement, the Company intends to apply for the consent referred to in paragraph 34 on behalf of Riversgold as soon as practicable following completion; and

37.2 any tenements granted pursuant to the WA Applications following completion, the Company intends to apply for the consent referred to in paragraph 34 on behalf of Riversgold as soon as practicable following the date of grant.

38 We are further instructed that, in relation to the remaining WA Tenements and any additional tenements in respect of which an application for Ministerial consent is granted, the Company intends to lodge the transfer forms required to effect the transfer of an 80% interest in those tenements from Serendipity to Riversgold as soon as practicable following the stamping of those transfer forms.

39 As noted in paragraph 13, during the period commencing on completion of the sale and purchase contemplated by the Serendipity Tenement Sale Agreement and ending on the date on which Riversgold becomes the registered holder of each of the WA Tenements (and each of the mining tenements granted pursuant to the WA Applications, if any), Riversgold is granted a contractual licence to enter upon the relevant ground and conduct exploration activities.

**Exploration licence applications**

40 The WA Applications comprise two exploration licences applications, both of which are pending as at the date of this report.

41 As noted below at paragraph 64, objections to the grant of Serendipity's Exploration Licences Applications 25/539 and 25/541 were lodged by Silver Lake on 3 February 2016.

42 Where an objection is lodged to the grant of an exploration licence, the matter will be heard before the Mining Warden, unless resolved prior the date of hearing. After hearing the application and objection, the Mining Warden will provide a recommendation to the Minister for either the grant or the refusal of the application.

43 As at the date of this report, the objections lodged by Silver Lake have not yet been resolved and the matter has not yet been scheduled for a hearing. The Mining Warden cannot recommend the grant of an application unless he or she is satisfied the applicant can effectively explore the land.

44 The Minister will make the final determination in respect of the application and is not bound to follow the recommendations of the Mining Warden in making that determination.

45 As detailed below at paragraph 65, we are instructed that negotiations between Silver Lake and Serendipity in relation to the terms of an access agreement to facilitate the grant of each of Serendipity's applications and set out the parties' respective rights and obligations in relation to the area of overlap are ongoing.

**Exploration licences**

46 Once granted, an exploration licence under the *Mining Act 1978* (WA) authorises the registered holder, subject to certain statutory approvals:

46.1 to enter the land the subject of the licence;

46.2 to explore that land;

46.3 to remove mineral bearing substances from that land to a prescribed limit; and

46.4 to take and divert water from that land.

47 Exploration licences are granted by the Minister for an initial term of five years. The Minister may, if satisfied that any one of several prescribed grounds for extension exist, extend the term of an exploration licence:

47.1 by one period of five years; and

47.2 by a further period or periods of two years.

48 The prescribed grounds for extension are set out in the *Mining Regulations 1981* (WA) and include:

48.1 difficulties or delays occasioned by law, arising from governmental or other authority administrative, political and environmental requirements, the conduct of an Aboriginal heritage survey on the land or in obtaining requisite consents or approvals or in gaining access to the land;

48.2 that the land the subject of the licence has been unworkable for the whole or a considerable part of any year of the term; and

48.3 that the work carried out under the exploration licence justifies further exploration.

49 The holder of an exploration licence has the right to apply for one or more mining leases or general purpose leases in respect of the land the subject of the licence. In considering whether to grant a mining lease or general purpose lease the Minister will have regard to, among other things, information submitted by the applicant in relation to its proposed mining operations and the prospectivity of the land, and any relevant public interest grounds.

50 Where the holder of an exploration licence applies for a mining lease or general purpose lease over any land the subject of the licence, the exploration licence continues in force until the application for a lease has been determined.

51 The holder of an exploration licence is obliged:

51.1 to pay an annual rent;

51.2 unless exempt, to expend a minimum amount in connection with exploration on the exploration licence in excess of the prescribed annual expenditure commitment; and

51.3 to surrender 40% of the number of blocks subject to the exploration licence within six years after the date of grant.

52 Failure to comply with these obligations may result in forfeiture of the exploration licence or the imposition of a penalty.

53 Exploration licences are subject to various other conditions, including standard conditions for the protection of the environment and certain third party interests in land.

54 Details of the rent and minimum expenditure commitments for each of the WA Tenements are set out in Schedule 1.

55 As set out in Schedule 1, the public searches conducted by us indicate that the annual rent for each of the WA Tenements has been paid in full as at the date of those searches.

56 Each of the WA Tenements are within their first year of grant as at the date of this report and therefore Serendipity (as the current registered holder of the WA Tenements) has not yet been required to report its expenditure with respect to those tenements.

57 On the basis of the public searches conducted by us, we are not aware of any non-compliance with the conditions of the WA Tenements.

**Concurrent interests**

58 Exploration licences under the *Mining Act 1978* (WA) are exclusive only for the purposes for which they are granted and, where granted in respect of Crown land (as is the case for the WA Tenements), are capable of co-existing with:

58.1 miscellaneous licences;

58.2 pastoral leases;

58.3 native title;

58.4 Crown reserves; and

58.5 public infrastructure.

*Concurrent Mining tenements*

59 Under the *Mining Act 1978* (WA), where two mining tenements coexist, the subsequent tenement is deemed to be granted subject to a reservation of the rights of the prior tenement.

60 In practice, in the absence of agreement to the contrary, this means that activities under the prior tenement are entitled to priority in the event of any conflict or interference.

61 Part of the land the subject of Exploration Licence Application 25/539 made by Serendipity on 11 January 2016 is the subject of granted Miscellaneous Licence 25/46 held by Silver Lake.

62 The land the subject of Exploration Licence Application 25/539 is also subject to:

62.1 an Miscellaneous Licence Application 25/55 made by Silver Lake on 9 March 2016 which, if granted, will be granted subsequent to E25/539; and

62.2 granted Miscellaneous Licence 28/40 held by Fairstar Resources Ltd.

63 Part of the land the subject of the Exploration Licence Application 25/541 made by Serendipity on 11 January 2016 is the subject of granted Miscellaneous Licences 25/8 and 25/45 held by Silver Lake.

64 Objections to the grant of Serendipity's Exploration Licences Application 25/539 and 25/541 were lodged by Silver Lake on 3 February 2016.

65 We are instructed that, as at the date of this report, negotiations between Silver Lake and Serendipity in relation to the terms of an access agreement to facilitate the grant of each of Serendipity's applications and set out the parties' respective rights and obligations in relation to the area of overlap are ongoing.

66 Pursuant to the Serendipity Tenement Sale Agreement, Serendipity must not execute any such access agreement without the prior approval of Riversgold, such approval is not to be unreasonably withheld or delayed.

67 We are instructed that there are no other access agreements to which either Serendipity, the Company or Riversgold is a party with respect to any mining tenements overlapping the WA Tenements or the WA Applications.

*Pastoral leases*

68 In general terms, under the *Mining Act 1978* (WA), the rights of a tenement holder have priority over the rights of a pastoral lessee subject to the pastoralist's right to:

68.1 withhold consent to the conduct of activities within 400 meters of the outer edge of any water works, race, dam, well or bore not being an excavation previously made and used for mining purposes by a person other than the pastoral lessee; and

68.2 compensation for damage to improvements or loss of earnings from interference with pastoral activities.

69 Details of the pastoral leases that encroach on the land the subject of the WA Tenements and the WA Applications are in in Schedule 1.

70 The pastoral lessees did not object to the grant of the WA Tenements and have not objected to the WA Applications.

71 We are instructed that there are no access agreements in relation to any pastoral leases overlapping the WA Tenements or the WA Applications.

**PART C – SA TENEMENT**

**Ownership**

72 Debnal is currently the sole registered holder of the SA Tenement.

73 Under the *Mining Act 1971* (SA), an interest in or affecting an exploration licence may not be transferred or dealt with directly, or indirectly, without the consent of the Minister in writing.

74 We are instructed that, as at the date of this report, neither the Company nor Riversgold has applied for this consent.

75 We are instructed that the Company intends to apply for the consent referred to in paragraph 73 as soon as practicable following completion of the sale and purchase contemplated by the Debnal Tenement Sale Deed.

76 During the period commencing on completion of the Debnal Tenement Sale Deed and ending on the date on which Riversgold becomes the registered holder of the SA Tenement, Riversgold is granted a contractual licence to enter upon the relevant ground and conduct exploration activities.

**Exploration licences**

77 Subject to certain statutory approvals, an exploration licence granted under section 28 of the *Mining Act 1971* (SA) authorises the registered holder to carry out exploratory operations of a kind described in the licence in respect of land described, or referred to, in the licence.

78 Exploration licences are granted for an initial term, to be decided by the Minister, of up to five years. If the exploration licence is granted for a term of less than five years then it may include a right of renewal but not so the aggregate term of the licence exceeds five years.

79 As set out in Schedule 2, the SA Tenement was granted on 15 November 2016 for a period of one year and includes such a right of renewal.

80 Where the holder of an exploration licence applies for the renewal of that exploration licence prior to its expiry, that exploration licence will remain in force until such time as the renewal application has been determined. The Minister may, on renewing an exploration licence, alter the terms of that licence (including by reducing the licence area).

81 If the aggregate term of the exploration licence has reached five years the holder of the exploration licence may apply for a *subsequent exploration licence*, which will rank in priority over all other exploration licence applications affecting the relevant area.

82 Under the *Mining Act 1971* (SA), the holder of an exploration licence will then be required to apply for a 'mineral claim' as a prerequisite to the grant of a mining lease or a retention lease. A mineral claim provides the holder with an exclusive right for 12 months to prospect for minerals within the claim area and to lodge an application for a mining lease.

83 The Minister may grant a mining lease to the holder of a registered mineral claim or a retention licence in respect of all or part of the area the subject of that claim or licence. A mining lease is granted for an initial term not exceeding 21 years and confers the exclusive right to conduct mining operations on the area of the lease during the term of the mining lease.

84 The SA Tenement is granted subject to a number of conditions, including a requirement that the holder pay an annual fee as prescribed by the *Mining Regulations 2011* (SA). The annual fee payable in respect of the SA Tenement is set out in Schedule 2.

85 In addition, the holder of the SA Tenement is obliged to expend an amount of no less than $160,000 on exploration within the area the subject of the SA Tenement during its term.

86 Other conditions to which the SA Tenement is subject include conditions relating to the compensation of third parties affected by exploration operations, the protection of the environment and the lodgement of periodic expenditure and technical reports.

87 Failure to comply with the conditions of an exploration licence may result in the imposition of a penalty or the cancellation or suspension of the licence.

88 On the basis of the public searches conducted by us and information provided by the Mineral and Resources Division of the Department of Premier and Cabinet for South Australia in response to our queries, we are not aware of any non-compliance with the conditions of the SA Tenement.

**PART D – NATIVE TITLE AND ABORIGINAL HERITAGE**

**Native title**

89 The common law of Australia recognises the proprietary rights and interests of Aboriginal and Torres Strait Islander people arising under traditional laws and customs in relation to their traditional lands and waters.

90 These rights and interests will be recognised where the persons claiming to hold those rights and interests can establish that they have maintained a continuous connection with the land in accordance with traditional laws and customs since non-Indigenous settlement and those rights and interests have not been lawfully extinguished by the grant of rights and interests to other persons.

91 The *Native Title Act 1993* (Cth) codifies much of this common law and establishes a framework pursuant to which:

91.1 persons claiming to hold native title in land and waters, excluding freehold land and certain other specified categories of land, can have their claims determined by the Federal Court;

91.2 persons whose claim demonstrates a *prima facie* case to hold native title are entitled to certain procedural rights in respect of the grant of future rights and interests, including mining tenements, to other persons over that land and waters; and

91.3 persons found to hold native title are entitled to compensation in respect of the effect on that native title of the grant to other persons over that land and waters of any rights and interests after the commencement of the *Racial Discrimination Act 1975* (Cth), including any future rights and interests.

92 As detailed in Schedule 1:

92.1 Exploration Licences 28/2581-I and 28/2582-I and Exploration Licence Application 25/539-I are in respect of land the subject of a determination by the Federal Court that the Ngadju (Aboriginal Corporation) RNTBC, as trustee for the Ngadju native title holders, hold non-exclusive native title rights which include the right to access, use and enjoy the land in accordance with traditional laws and customs; and

92.2 Exploration Licence 28/2583 are in respect of land the subject of a unregistered native title claim by the Maduwongga People.

93 As detailed in Schedule 2, the SA Tenement is in respect to land the subject of a determination by the Federal Court that the Kokatha People hold non-exclusive native title rights, which include the right to access, use and enjoy the land in accordance with traditional laws and customs.

94 Grant of the WA Applications will require compliance with the *Native Title Act 1993* (Cth). In Western Australia the applicable procedural rights in respect to the grant of an exploration licence include:

94.1 the right to notice of the proposed grant;

94.2 the right to object to the application of the expedited procedure under the *Native Title Act 1993* (Cth) which, unless an objection is upheld, has the effect of permitting the grant of mining tenements without requiring negotiation; and

94.3 the right to have that objection heard and determined by the National Native Title Tribunal.

95 Notice has not yet been given under the *Native Title Act 1993* (Cth) for the proposed grant of Exploration Licence Application 25/539-I. Pursuant to the Heritage Agreement the Ngadju native title holders agreed not to lodge an objection to the grant of Exploration Licences Application 25/539-I.

96 The Ngadju native title holders, the Kokatha People and (if they are ultimately determined to hold native title) the Maduwongga People will have a right to compensation for interference with their native title rights and interests. That compensation is generally payable by the tenement holder, or the previous tenement holder if the tenement no longer exists, at the time compensation is awarded. The quantum of the compensation is determined by the Court, unless otherwise agreed.

97 We are instructed that there are no agreements in place in relation to the quantum of compensation with the Ngadju native title holders, the Kokatha People or the Maduwongga People.

**Aboriginal heritage**

98 The Federal Government, and both the State governments of South Australia and Western Australia, have enacted legislation to protect places and objects of significance to Aboriginal and Torres Strait Islander people in accordance with their traditional laws and customs.

*Federal Legislation*

99 The *Aboriginal and Torres Strait Islander Heritage Protection Act 1984* (Cth) was enacted for the purpose of protecting Aboriginal sites or objects of significance where the protection of those sites or objects under the relevant State legislation is found to be inadequate.

100 Under the *Aboriginal and Torres Strait Islander Heritage Protection Act 1984* (Cth) an Aboriginal person or a group of Aboriginal persons may apply to the Minister for a declaration preserving or protecting a specified site or object.

101 Before the Minister can make such a declaration, he or she must consult with the relevant State or Territory Minister as to whether the legislative regime of that jurisdiction adequately protects the specified Aboriginal site or objects.

*WA Legislation*

102 In Western Australia the *Aboriginal Heritage Act 1972* (WA) governs the management and protection of Aboriginal heritage.

103 The *Aboriginal Heritage Act 1972* (WA) provides that it is an offence for a person to damage or in any way alter an Aboriginal Site protected by that Act, except with the consent of the Minister for Aboriginal Affairs.

104 The Registrar of Aboriginal Sites maintains a non-exhaustive register of Aboriginal sites protected by the *Aboriginal Heritage Act 1972* (WA), as well as a record of other heritage places which may have cultural significance to Aboriginal people but either have not yet been assessed for the purposes of the Act or do not satisfy the criteria specified under the Act.

105 The practical effect of the *Aboriginal Heritage Act 1972* (WA) is to require due diligence to be carried out prior to ground-disturbing works for the purposes of identifying whether or not those works may impact on an Aboriginal Site. Due diligence will require, at a minimum, a search of the relevant register of Aboriginal Sites and, in most cases where the area has not been subject to previous disturbance, conduct of an Aboriginal heritage survey to identify any unregistered sites.

106 As set out in Schedule 1 there is one registered Aboriginal Site that is within the boundaries of three of the WA Tenements and one registered other heritage place within the boundaries of both of the WA Applications.

107 As detailed in Schedule 1, Exploration Licences 28/2581-I and 28/2582-I and Exploration Licence Application 25/539-I include land the subject of the determination by the Federal Court that the Ngadju (Aboriginal Corporation) RNTBC, as trustee for the Ngadju native title holders, hold non-exclusive native title rights which include the right to access, use and enjoy the land in accordance with traditional laws and customs.

108 As described above at paragraphs 30 onwards, the Heritage Agreement provides a regime for the conduct of surveys on the land the subject of Exploration Licences 28/2581-I and 28/2582-I and Exploration Licence Application 25/539-I, with the participation of members of the Ngadju native title holders, with a view to identifying any Aboriginal Sites of significance so that any unauthorised interference with those sites can be avoided.

109 We are instructed that prior to conducting any ground disturbing works on Exploration Licence 28/2583, Riversgold will consider whether it is necessary to engage with the Maduwongga People to ensure it does not disturb any Aboriginal Sites.

*SA Legislation*

110 In *South Australia the Aboriginal Heritage Act 1988* (SA) governs the protection and preservation of Aboriginal sites, objects and remains.

111 The *Aboriginal Heritage Act 1988* (SA) provides that it is an offence for a person to:

111.1 fail to report the discovery of a Aboriginal site, object or remains to the Minister; and

111.2 except with the authority of the Minister damage, disturb, interfere or remove an Aboriginal site, object or remains.

112 The *Aboriginal Heritage Act 1988* (SA) requires the Minister to keep a non-exhaustive register of Aboriginal Sites.

113 The practical effect of the *Aboriginal Heritage Act 1988* (SA) is to require due diligence to be carried out prior to ground-disturbing works for the purposes of identifying whether or not those works may impact on an Aboriginal Site. Due diligence will require, at a minimum, a search of the relevant register of Aboriginal Sites and, in most cases where the area has not been subject to previous disturbance, conduct of an Aboriginal heritage survey to identify any unregistered sites.

114 As set out in Schedule 1, there are five archaeological Aboriginal Sites registered within the boundaries of the SA Tenement.

115 We are instructed that there are no Aboriginal heritage agreements in place in respect of the SA Tenement for the conduct of heritage surveys.

116 Upon becoming the registered holder of the SA Tenement, Riversgold intends to enter into negations with the Kokatha People for a land access agreement to enable it to undertake exploration activities in relation to the SA Tenement, including in relation to the conduct of heritage surveys.

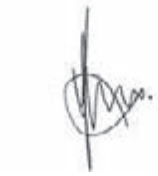
**CONCLUSION**

117 DLA Piper Australia has given its written consent to the issue of the prospectus with this report in the form and context in which it is included, and has not withdrawn its consent prior to the lodgement of the prospectus with the Australian Securities and Investment Commission. This report has been prepared only for the purposes of the prospectus and is not to be relied on for any other purposes.

118 This report is given solely for the benefit of the Company and the directors of the Company in connection with the issue of the prospectus and is not to be relied on or used for any other purpose or quoted or referred to in any public documents or filed with any government body or other person without our prior consent.

119 DLA Piper Australia will be paid its normal and usual professional fees for the preparation of this report. Except in respect of its professional fees and otherwise disclosed in the prospectus, DLA Piper Australia has no interest in the promotion of the Company.

Yours sincerely



**ALEX JONES**
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## SCHEDULE 1: WA TENEMENTS AND WA APPLICATIONS

| Tenement/ Application | Holder/ Applicant | Shares | Area (blocks) | Grant date (Application date) | Expiry Date | Annual Rent ex-GST | Form 5 Due | Year 1 Expenditure Commitment | Mining Rehabilitation Fund | Security | Objections | Pastoral lease interest | Section 29 notice (section 24HA(7) & section 24MD(6B notices) | Completion of future act process | Native Title Determination (Claim) | Aboriginal Heritage |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| ***Granted tenements*** | | | | | | | | | | | | | | | | |
| E25/538-I | Serendipity | 100 | 41 | 21-Sep-16 | 20-Sep-21 | $5,135.25 | 20-Nov-17 | $41,000.00 | N/A | - | - | Hampton Hill | 4-May-16 | 20-Sep-16 | - | Registered Aboriginal sites: Lake Yindarlgooda Mammu Tjukurrpa (30602) no other heritage places |
| E25/540-I | Serendipity | 100 | 10 | 21-Sep-16 | 20-Sep-21 | $1,295.00 | 20-Nov-17 | $20,000.00 | N/A | - | - | Hampton Hill | 4-May-16 | 20-Sep-16 | - | No registered sites or other heritage places |
| E28/2580-I | Serendipity | 100 | 54 | 21-Sep-16 | 20-Sep-21 | $6,763.50 | 20-Nov-17 | $54,000.00 | N/A | - | - | Hampton Hill | 4-May-16 | 20-Sep-16 | - | Registered Aboriginal sites: Lake Yindarlgooda Mammu Tjukurrpa (30602) no other heritage places. |
| E28/2581-I | Serendipity | 100 | 70 | 9-Mar-17 | 8-Mar-22 | $9,065.00 | 8-May-17 | $70,000.00 | N/A | - | - | Madoonia Downs and Yindi | 13-May-16 | 7-Mar-17 | Ngadju People | No registered sites or other heritage places |
| E28/2582-I | Serendipity | 100 | 70 | 9-Mar-17 | 8-Mar-22 | $8,767.50 | 8-May-17 | $70,000.00 | N/A | - | - | Madoonia Downs | 13-May-16 | 7-Mar-17 | Ngadju People | No registered sites or other heritage places |
| E28/2583-I | Serendipity | 100 | 35 | 21-Sep-16 | 20-Sep-21 | $4,532.50 | 20-Nov-17 | $35,000.00 | N/A | - | - | - | 4-May-16 | 20-Sep-16 | Maduwongga People | No registered sites or other heritage places |
| E28/2650-I | Serendipity | 100 | 15 | 26-Jul-17 | 25-Jul-22 | $1,942.50 | 24-Sep-18 | $20,000.00 | N/A | - | - | Yindi and Avoca Downs | 8-Mar-17 | 25-Jul-17 | - | Registered Aboriginal sites: Lake Yindarlgooda Mammu Tjukurrpa (30602) no other heritage places. |
| ***Applications*** | | | | | | | | | | | | | | | | |
| E25/539-I | Serendipity | 100 | 70 | 11-Jan-16 | - | $8,767.50 | - | - | - | - | By Silver Lake lodged on 3 February 2016 | Madoonia Downs, Avoca Downs and Cowarna Downs | - | - | Ngadju People | No registered site. Other heritage places: Three Rocks Coonana (1123) |
| E25/541-I | Serendipity | 100 | 38 | 11-Jan-16 | - | $4,759.50 | - | - | - | - | By Silver Lake lodged on 3 February 2016 | Avoca Downs, Cowarna Downs and Mt Monger | - | - | - | No registered site. Other heritage places: Three Rocks Coonana (1123) |

## SCHEDULE 2: SA TENEMENT

| Tenement | Registered Holder | Shares | Area | Grant date | Expiry Date | Annual Fee | Term Expenditure Commitment | Security | Native Title Determination (Claim) | Aboriginal Heritage |
|---|---|---|---|---|---|---|---|---|---|---|
| EL5890 | Debnal | 100 | 107 $Km^2$ | 15-Nov-16 | 14-Nov-17 | $1,273.30 | $160,000.00 | $5,000.00 | Kokatha People (Part A) | Five registered archaeological sites being the sites numbered: 62354967, 62354966, 62354975, 62354980 and 62354981. |


## SCHEDULE 3: PUBLIC SEARCHES AND OTHER INFORMATION RELIED UPON

| | Search | Date(s) |
|---|---|---|
| 1. | Mining tenement searches obtained from the register maintained by the Department of Mines and Petroleum in Western Australia | 1 August 2017 |
| 2. | Quick Appraisal searches obtained from the TENGRAPH system maintained by the Department of Mines and Petroleum in Western Australia | 1 August 2017 |
| 3. | Searches of the Register of Native Title Claims and National Native Title Register maintained by the National Native Title Tribunal | 14 July 2017 |
| 4. | Search of the Native Title Vision system maintained by the National Native Title Tribunal | 14 July 2017 |
| 5. | Searches of the Aboriginal Heritage Inquiry System maintained by the Department of Aboriginal Affairs in Western Australia | 29 May 2017 and 1 June 2017 |
| 6. | Mining tenement searches obtained from the Department of State Development in South Australia | 30 May 2017 |
| 7. | Email from Department of Premier and Cabinet (South Australia) to DLA Piper regarding payment of annual fees applicable to SA Tenement | 21 July 2017 |
| 8. | Searches of the Register of Aboriginal Sites and Objects maintained by the Department of State Development in South Australia | 15 June 2017 |

## SCHEDULE 4: ASSUMPTIONS AND QUALIFICATIONS

**Assumptions**

This report is subject to the following assumptions (in addition to any assumptions expressed elsewhere in this report):

1 we have assumed that information provided by third parties, including various government departments, in response to searches and enquiries made by us is accurate, complete and up to date as at the date of its receipt by us;

2 we have assumed that the contracts referred to in this report were within the capacity and powers of, and were validly authorised, stamped or lodged for stamping (where necessary), executed, delivered by and are legally binding on and enforceable against the parties to them and comprise the entire agreement of the parties to each of them with respect to their respective subject matters;

3 we have assumed that the signatures on the contracts referred to in this report are authentic;

4 we have assumed that there are no material documents or information to be provided other than the contracts referred to in this report;

5 we have assumed that the parties to each of the contracts referred to in this report are complying with and will continue to comply with and fulfil the terms of each of the contracts referred to in this report; and

6 we have assumed the completeness and the conformity to original documents of all copies reviewed.

**Qualifications**

This report is subject to the following qualifications (in addition to any qualifications expressed elsewhere in this report):

1 in relation to any statement relating to whether a mining tenement is in good standing, such statement is only based on the information contained in the relevant search on the instrument of title for that tenement; and

2 where compliance with the terms and conditions of any mining tenements and the provisions of the *Mining Act 1978* (WA) or the *Mining Act 1971* (SA) including requirements necessary to maintain the tenements in good standing, or a possible claim in relation to the tenements by third parties is not disclosed on the face of the searches referred to above, we express no opinion as to such compliance or claim.

## SCHEDULE 5: GLOSSARY

In this report, unless the context otherwise requires:

**ASX** means ASX Limited (ACN 008 624 691) and, where applicable, the Australian Securities Exchange operated by ASX Limited;

**Debnal** means Debnal Pty Ltd (ACN 112 448 987);

**Debnal Tenement Sale Deed** means the Tenement Sale Deed dated 20 June 2017 between the Company, Riversgold and Debnal;

**Heritage Agreement** means the Agreement for Heritage Protection Over Mining Tenure dated 27 April 2017 between Serendipity and the Native Title Corporation on behalf of the Ngadju People;

**Joint Venture Agreement** means the Joint Venture Agreement dated 14 July 2017 between Riversgold and Serendipity;

**Material Agreements** means the Serendipity Tenement Sale Agreement, the Joint Venture Agreement, the Debnal Tenement Sale Deed and the Heritage Agreement;

**Native Title Corporation** means the Ngadju Native Title Aboriginal Corporation Registered Native Title Body Corporate;

**Riversgold** means Riversgold (Australia) Pty Ltd (ACN 619 424 592), a wholly owned subsidiary of the Company;

**SA Tenement** means Exploration Licence 5890;

**Serendipity** means Serendipity Resources Pty Ltd (ACN 609 984 910);

**Serendipity Tenement Sale Agreement** means the Tenement Sale Agreement dated 14 July 2017 between the Company, Riversgold and Serendipity;

**Silver Lake** means Silver Lake (Integra) Pty Limited (ACN 093 278 436);

**WA Applications** means Exploration Licences Applications 25/539-I and 25/541-I; and

**WA Tenements** means Exploration Licences 25/538-I, 25/540-I, 28/2580-I, 28/2581-I, 28/2582-I, 28/2583-I and 28/2650-I.

## 7.2 Alaskan Report


**J. P. Tangen**
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**1600 A Street, Suite 310**
**Anchorage, AK 99501-5148**


**July 6, 2017**

**CONFIDENTIAL**

Riversgold Limited
Suite 8, 7 The Esplanade
Mount Pleasant WA 6153
Australia

Gentlemen:

Re: Title Report Regarding Kisa, Luna, BP and NQ State of Alaska mining locations - Effective June 30, 2017

**EXECUTIVE SUMMARY**

This report has been prepared having regard to the proposed listing of Riversgold Limited on the Australian Securities Exchange with the purpose of being included in Riversgold Limited's prospectus. This office has been requested to review the records that relate to the title of State of Alaska mining locations identified as Kisa 1–13, Kisa 17-41 and Luna 1–50, all of which are currently owned by Afranex (Alaska) Limited, a wholly owned subsidiary of Afranex Gold Limited; BP 1–70 currently owned by Black Peak LLC, a wholly owned subsidiary of Afranex Gold Limited and NQ 1–13 currently owned by North Fork LLC, a wholly owned subsidiary of Afranex Gold Limited. These State of Alaska mining locations are situated in Seward Meridian, Townships 003-005 North, Ranges 057-059 West in the State of Alaska.

We have carefully reviewed the location certificates and the affidavits of annual labor that have been recorded each year since the claims were located for the Kisa claims, the Luna claims, the BP claims and the NQ claims. It is the opinion of the undersigned that each of the Kisa claims, the Luna claims, the BP claims and the NQ claims were located in conformance with the requirements of the statutes and regulations of the State of Alaska; that the land encompassed by the Kisa claims, the Luna claims, the BP claims and the NQ claims was open to mineral entry at the time the claims were located; and that, except as hereinafter set forth, all annual labor and all required rents have been duly paid as of the Effective Date of this Report.

Accordingly, it is the opinion of the undersigned that, as of the Effective Date of this Title Report and except as specifically hereinafter set forth, title to the Kisa and Luna claims is vested in Afranex (Alaska) Limited; that title to the BP claims is vested in Black Peak LLC; and that title to the NQ claims is vested in North Fork LLC.

**RESERVATIONS, QUALIFICATIONS AND DISCLAIMERS**

Our search of the public records, unless otherwise specified, is effective through close of business June 30, 2017; therefore, we disclaim any responsibility for information contained in documents entered onto the public record after that date. Documents not identified in this report have not been reviewed or in some cases have not been available to us; therefore, responsibility for information contained therein is


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disclaimed. We disclaim all responsibility for records not available over the Internet. Such records may include, but are not limited to deeds, original location certificates and affidavits of annual labor which may have been recorded prior to October 24, 1960,[1] but which are not included in the digitized files of the Alaska Department of Natural Resources, as well as liens or other encumbrances recorded and not released prior to the date of this report. In addition, the documents of record we have reviewed have been processed by agencies of the United States or the State of Alaska. They may or may not be free of error. We disclaim any responsibility for initial or consequential errors made by the agencies of the United States or State of Alaska, and we have specifically relied on the accuracy of such documents. We have not conducted an on-the-ground examination of the property; therefore, we disclaim all responsibility for disclosing easements or other encroachments of any nature whatsoever that are not part of the public record but which may have been discovered by direct observation. We have not reviewed surveys or monuments relating to claim locations and disclaim any liability for inaccuracies associated with maps included in agency records, status plats and derivative map products. The public records and files that we have reviewed and that are the basis of this report are limited to the official files and records maintained by the Alaska Department of Natural Resources, Division of Mining, Land and Water, and those of the Recorder's Office for the State of Alaska, to the extent that they are available over the Internet. In addition, except as otherwise specifically indicated herein, we have made no inquiry as to whether the ground in question was vacant and unappropriated at the time the land was conveyed to the State of Alaska. We have made no inquiries concerning the presence or absence of navigable water bodies or other waters of the United States within the area of these mining locations. We have made no inquiry into whether the persons executing the documents of record were vested with the authority to execute such documents at the time of execution, whether the signatures of such persons are genuine, or whether the documents were duly executed and delivered where appropriate. To the extent that such inquiries would have disclosed information relevant to the title to these claims, we disclaim liability.

## ANALYSIS

The discussion of the several claim blocks herein are divided into groups. All claims are within the Seward Meridian and have been located in accordance with the rectangular or "MTRSC" location system.[2]

### A. Background.

On November 13, 1975, pursuant to the Alaska Statehood Act and subject to valid existing rights and specific reservations identified in the conveyance document, the United States transferred all of its right, title and interest to the State of Alaska to certain lands in their entirety described as being within the Seward Meridian, Townships 5-8 north, Ranges 57-60 west, by patent number 50-76-0041 and within the Seward Meridian, Townships 1-4 north, Ranges 58-60 west, by patent number 50-76-0046.[3]

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[1] This is the date upon which records were first kept under a uniform grantor/grantee index system for all documents in the State of Alaska.

[2] AS 38.05.195. Mining Claims. "(b)(1) a locator may locate a claim based on the ground location of a complete quarter section or quarter-quarter section of a township on a rectangular survey system approved by the commissioner; a claim established in this manner may be known as the meridian, township, range, section, and claim system location, or MTRSC location…."

[3] Bethel Recording District, Book 22, at pages 507-508, document 1975-000648-0 and Book 22 at pages 509-510, document number and 1975-000649-0. Patent 50-76-0041 was also recorded in the Kuskokwim Recording



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B. The Kisa Claims

1. Beginning in July of 1989, Teck Cominco American Incorporated, through one or more of its affiliates, located a number of mining prospecting sites and claims within Seward Meridian, Township 3 north, Range 58 west ("S003n058w"); however, those prospecting sites and associated claims have all been abandoned, effective December 1, 2000. It is our finding that the ground formerly covered by the Teck Cominco claims was open to mineral entry at all relevant times thereafter.

2. Three groups of claims comprise the Kisa claims:

- Kisa 1-16 (ADL 654902-654917);
- Kisa 17-32 (ADL 655186-665201); and
- Kisa 33-41 (ADL 665464-665472)

The Kisa claims are all situated within S003n058w, sections 1, 2, 10, 11, 12, 13, 14, 15, 22, 23, and 24. A list of the Kisa claims can be found on page 10-11 of this Title Report.

a. Kisa 1-16 (ADL 654902-654917). On July 12, 2006, Greg Schifrin located Kisa 1-16 within S003n058w within sections 1, 11, 12, 13 and 14. Kisa 1-2 and 15-16 are each forty acres (a quarter-quarter section) in size. Kisa 3-13 are each 160 acres (a quarter-section) in size.

b. Kisa 17-32 (ADL 655186-655201. On August 16, 2006, Greg Schifrin, as an agent for Kisa Gold Mines, Inc.[4] located Kisa 17-32 within S003n058w sections 1, 2, 10, 12, 15, 22 and 23. These claims are all quarter-section locations. On November 26, 2007, Kisa Gold Mining, Inc. filed an affidavit of annual labor for the Kisa 1-32 claims.[5] On July 10, 2008, Kisa Gold Mining, Inc. conveyed by quitclaim deed to Golden Lynx LLC, ("Golden Lynx"), a Delaware corporation qualified to do business in Alaska certain State of Alaska mining claims as specified in Exhibit "A" to that deed, including Kisa 1-16 and Kisa 17-32.[6]

c. Kisa 33-41 (ADL 665464-665472. On September 12, 2008, Golden Lynx located Kisa 33-41 (ADL 665464-665472); however, Golden Lynx failed to pay annual rent on these new Kisa claims within the 45 day window specified in Alaska Statutes ("AS") 38.05.195(c). Accordingly, the KISA 33-41 claims were declared abandoned by the Alaska Department of Natural Resources ("DNR"), effective October 28, 2008.[7] On November 18, 2008, DNR received the penalty payments imposed by law to cure

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District, Book 10 at pages 352-353, document 1975-000648-0.

[4] Notably, the locator apparently intended to list the name of the owner of the claims as Kisa Gold Mining, Inc. as opposed to Kisa Gold Mine, Inc. Amended certificates of location were recorded in the Bethel Recording District on September 29, 2006 as documents 2006-001549-0 through 2006-001564-0 reflecting the correct name of the owner, Kisa Gold Mining, Inc.

[5] Bethel Recording District, document number 2007-001606-0; Kuskokwim Recording District, document 2007-001216-0 (pertaining to Kisa 2, 31 and 32).

[6] Bethel Recording District, document number 2008-000894-0; and Kuskokwim Recording District, document number 2008-000849-0 (pertaining to Kisa 2, 31 and 32).

[7] Notably, Kisa 37 and 39 blanketed Kisa 14, 15 and 16 which claims were still valid on the date that Kisa 37 and 39 were located. Further, on November 26, 2008, Golden Lynx filed affidavits of annual labor in the Bethel and Kuskokwim Recording Districts relating to the Kisa 1-32 claims, inclusive. Bethel Recording District, document



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abandonment under AS 38.05.256(b) from Golden Lynx and Golden Lynx recorded the certificates of location in the appropriate recording districts; therefore, the mineral locations were reinstated effective December 8, 2008.[8] It is the opinion of the undersigned that although so much of Kisa 37 and 39 that overstaked Kisa 14-16 was invalid at the time of location, by the time Kisa 37 and 39 were reinstated Kisa 14-16 were no longer valid. Accordingly, the reinstated Kisa 37 and 39 were valid when the location certificates for the reinstated claims were recorded.

On November 11, 2009, Golden Lynx, LLC [*sic*] timely recorded affidavits of annual labor relating to Kisa 1-13 (ADL 654902-654914), Kisa 17-32 (ADL 655189-655201) and Kisa 33-41 (ADL 665464-665472).[9] On February 10, 2010, Golden Lynx conveyed to Kisa Gold Mining, Inc. by quitclaim deed "all of Grantor's rights, titles, and interests in and to the State of Alaska mining claims listed on [the attached exhibit]," which conveyance included the 38 Kisa claims, to wit: Kisa 1-13, Kisa 17-32 and Kisa 33-41.[10]

On November 23, 2010, Kisa Gold Mining, Inc. timely recorded affidavits of annual labor relating to Kisa 1-13, Kisa 17-32 and Kisa 33-41.[11]

On January 10, 2012, Kisa Gold Mining, Inc. recorded affidavits of annual labor for the period ending September 1, 2011 relating to Kisa 1-13, Kisa 17-32 and Kisa 33-41.[12] This recording was 42 days late and, on January 25, 2012, was cured by Kisa Gold Mining, Inc. paying a penalty for late filing under the provisions of AS 38.05.265(b).

On November 27, 2012,[13] November 29, 2013,[14] November 28, 2014,[15] November 27, 2015[16] and on November 28, 2016[17] Kisa Gold Mining, Inc. timely recorded affidavits of annual labor relating to Kisa 1-13, Kisa 17-32, and Kisa 33-41.

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2008-001432-0; Kuskokwim Recording District, document 2008-000998-0 (pertaining to Kisa 2, 31 and 32). On December 2, 2008, Kisa 14-16 (ADL 654915 – 654917) were declared abandoned for failure to pay the annual rent.

[8] Bethel Recording District, as documents 2008-001508-0 through 2008-001516-0 (pertaining to Kisa 33 – 41); *see also*: Kuskokwim Recording District, document 2008-001001-0 (pertaining to Kisa 41).

[9] Bethel Recording District, document 2009-001365-0; Kuskokwim Recording District, document 2009-000377-0 (pertaining to Kisa 2, 31 and 32).

[10] Bethel Recording District, document 2010-000212-0; Kuskokwim Recording District, document 2010-000047-0 (lists all claims).

[11] Bethel Recording District, document 2010-001197-0; Kuskokwim Recording District, document 2010-000527-0 (pertaining to Kisa 2, 31 and 32).

[12] Bethel Recording District, document 2012-000017-0; Kuskokwim Recording District, document 2012-000003 (lists all claims).

[13] Bethel Recording District, document 2012-001585-0; Kuskokwim Recording District, document 2012-000324-0 (pertaining to Kisa 2, 31 and 32).

[14] Bethel Recording District, document 2013-001392-0; Kuskokwim Recording District, document 2013-000264-0 (pertaining to Kisa 2, 31 and 32).

[15] Bethel Recording District, document 2014-001245-0; Kuskokwim Recording District, document 2014-000228-0 (pertaining to Kisa 2, 31 and 32).

[16] Bethel Recording District, document 2015-001190-0; Kuskokwim Recording District, document 2015-000190-0 (pertaining to Kisa 2, 31 and 32).

[17] Bethel Recording District, document 2016-001081-0; Kuskokwim Recording District, document 2016-000135-0 (pertaining to Kisa 2, 31 and 32).



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On June 21, 2017, Kisa Gold mining Inc. conveyed all of its right, title and interest in the Kisa claims to Afranex (Alaska) Limited.[18]

We have carefully reviewed the location certificates for the Kisa claims as well as the affidavits of annual labor that have been recorded each year since the claims were located. It is the opinion of the undersigned that title to the Kisa claims is vested in Afranex (Alaska) Limited as of the Effective Date of this Title Report; that each of the Kisa claims were located in conformance with the requirements of the statutes and regulations of the State of Alaska; that the land encompassed by the Kisa claims was open to mineral entry at the time the claims were located; that all annual labor and all required rents have been duly paid; and that as of the Effective Date of this Report the Kisa claims are in good standing with the State of Alaska.

C. The Luna claims.

Fifty State of Alaska mining locations identified as Luna 1-50 (ADL 661006-661055) located by Kisa Gold Mining, Inc. comprise the Luna claims. The Luna claims are all situated within S004n058w, sections 17-19 or S004n059w, sections 10-24. Each claim is 160 acres (a quarter-section) in size, was located in accordance with the MTRSC system and is a part of a contiguous claim block. Luna 1-24 were located on July 29, 2007 and Luna 25-50 were located on August 4, 2007. The Luna claims are all within the Bethel Recording District. On June 21, 2017, Kisa Gold mining Inc. conveyed all of its right, title and interest in the Luna claims to Afranex (Alaska) Limited.[19] A list of the Luna claims can be found on page 12-13 of this Title Report.

We have carefully reviewed the location certificates for the Luna claims as well as the affidavits of annual labor that have been recorded each year since the claims were located. It is the opinion of the undersigned that title to the Luna claims is vested in Afranex (Alaska) Limited as of the Effective Date of this Title Report; that each of the Luna claims were located in conformance with the requirements of the statutes and regulations of the State of Alaska; that the land encompassed by the Luna claims was open to mineral entry at the time the claims were located; that all annual labor and all required rents have been duly paid as of the Effective Date of this Report; and that subject to the following exceptions, the Luna claims are in good standing with the State of Alaska.

Notwithstanding the foregoing we note the following irregularities with regard to the Luna Claims:

a. 2007 Affidavit of Annual Labor. It is noted that in numbered paragraph 2 of the 2007 Affidavit of Annual Labor, the affiant recites that the referenced claims are located in the *Kuskokwim* Recording District. Elsewhere in the same affidavit, it is recited, correctly, that the claims are located in the *Bethel* Recording District. It is the opinion of the undersigned that this is an unequivocal scrivener's error, and does not require corrective action.

b. The Newmont Agreement. On May 5, 2008, Kisa Gold Mining, Inc. entered into a "Venture Agreement" with Newmont North America Exploration Limited, a Memorandum of which was

[18] Bethel Recording District, document 2017-000493-0; Kuskokwim Recording District, document 2017-000072-0.
[19] See: fn 18.



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recorded in the office of the District Recorder, Bethel Recording District on July 2, 2008. There is no record of that Venture Agreement having expired or been terminated. It is the recommendation of the undersigned that a "Notice of Termination of Venture Agreement" be recorded on the Bethel Recording District if the said Venture Agreement is no longer in effect.

c. Notice of Abandonment. The records of the DNR reveal that, effective December 2, 2008, the Luna claims "were considered abandoned by operation of law for failure to pay any required annual rental" by the December 1, 2008 deadline. According to the files maintained by the DNR, "[o]n January 13, 2009 the department received the penalty payments imposed by law to cure abandonment under AS 38.05.265(b). The rental payments for the 2008 rental year were also received on January 13, 2009. Therefore, the mineral locations referenced [in the letter were] reinstated and … in an active status effective January 13, 2009." It is the opinion of the undersigned that no further remedial action is required with regard to this Notice of Abandonment.

D. The BP Claims.

The BP claims comprise 70 State of Alaska mining locations identified as BP 1-70 (ADL 660282-660351). BP 17, 26-27, 32-35, 40-42, 48-52, and 58-60 were located on July 23, 2007 and BP 1-16, 18-25, 28-31, 36-39, 43-47, 53-57 and 61-70 were located on July 25, 2007 by Black Peak LLC ("Black Peak"). A list of the BP claims can be found on page 14-15 of this Title Report.

The BP claims are all situated within S004n058w, sections 4-7, S004n059w, sections 1-2 or 11-12, S005n057w, sections 19-20 or 29-31, or S005n0058w sections 25-27, 31 or 34-36. Each claim is 160 acres (a quarter-section) in size, located in accordance with the MTRSC system and is part of a contiguous claim block. The BP claims are all within either the Bethel or Kuskokwim Recording Districts. Nine of the BP claims straddle the boundary between the two recording districts, resulting in a requirement for duplicate recordings for each such claim.

We have carefully reviewed the location certificates for the BP claims as well as the affidavits of annual labor that have been recorded each year since the claims were located. It is the opinion of the undersigned that title to the BP claims is vested in Black Peak LLC as of the Effective Date of this Title Report; that except as specifically hereinafter set forth, each of the BP claims was located in conformance with the requirements of the statutes and regulations of the State of Alaska using the MTRSC system; that the land encompassed by the BP claims was open to mineral entry at the time the claims were located; that all annual labor and all required rents have been duly paid as of the Effective Date of this Report; and that subject to the following exceptions, the BP claims are in good standing with the State of Alaska.

1. Failure to pay Annual Rent when due. On January 7, 2009, Black Peak was notified that it had failed to pay the annual rent due the State of Alaska for the rental year that began on September 1, 2008, which rent was due no later than November 30, 2008. Accordingly, the BP claims were declared abandoned, subject to a qualified right to secure a certificate of substantial compliance under AS 38.05.265(b). Accordingly, DNR was requested to issue a certificate of substantial compliance to reconcile the error and correct the public record. After due consideration of the application, DNR issued a certificate of substantial compliance, which certificate was recorded in the Bethel and Kuskokwim



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Recording Districts.[20] It is the opinion of the undersigned that, as a matter of law, and in the absence of an intervening claim by a third party within the time specified in the said certificate, the issuance and recordation of the said certificate of substantial compliance constitutes complete remedy of the described deficiency.

2. Memorandum of Understanding, December 2, 2005. On December 2, 2005 Black Peak Holdings Pty Ltd entered into a Memorandum of Understanding ("Memorandum") with Debnal Pty Ltd with regard to the "Quicksilver Creek Project – Alaska." Under the terms of the said Memorandum, Debnal would be "entitled to a 10% free carry up to a suitable feasibility study after which Debnal will elect to contribute at 10% or dilute down to a 2% net smelter royalty (NSR)."[21] We find no evidence that the said Memorandum of Understanding has been amended or withdrawn as of the Effective Date of this Title Report.

3. Defective Affidavits of Annual Labor, 2008 through 2010. The affidavits of annual labor that were filed with respect to the BP claims for the years 2008 through 2012 contained a significant error in that the owner was represented to be "Blackpeak LLC" (no space between "Black" and "Peak"). Accordingly, DNR was requested by Black Peak to issue a certificate of substantial compliance to reconcile the error and correct the public record. After due consideration of the application, DNR issued a certificate of substantial compliance, which certificate was recorded in the Bethel and Kuskokwim Recording Districts.[22] It is the opinion of the undersigned that, as a matter of law, and in the absence of an intervening claim by a third party within the time specified in the said certificate, the issuance and recordation of the said certificate of substantial compliance a constitutes complete remedy of the described deficiency.

4. BP 11, 32 and 42 (ADL 660292, 660313 and 660323) Affidavits filed in Kuskokwim Recording District. Of the 70 BP claims, nine straddle the boundary between the Bethel and Kuskokwim Recording Districts, to wit:

| Claim | ADL # |
|---|---|
| BP 11 | 660292 |
| BP 12 | 660293 |
| BP 22 | 660303 |
| BP 32 | 660313 |
| BP 33 | 660314 |
| BP 34 | 660315 |
| BP 42 | 660323 |
| BP 43 | 660324 |
| BP 44 | 660325 |

[20] Bethel Recording District, document 2009-000147-0; Kuskokwim Recording District, document 2013-2009-000031-0.
[21] Kuskokwim Recording District, document number 2010-000314-0.
[22] Bethel Recording District, document number 2013-000279-0; Kuskokwim Recording District, document 000069-0.



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Of the foregoing nine claims, on the affidavits of annual labor that were recorded in the Kuskokwim Recording District for the mining years ending on September 1, 2008 through 2012, three of the said claims, BP 11 (ADL 660292), BP 32 (ADL 660313) and BP 42 (ADL 660323) were not listed, as required by statute.[23] Accordingly, on December 23, 2013, affidavits of annual labor pertaining to each of these three claims relating to the mining years were recorded in the Kuskokwim Recording District.[24] It is the opinion of the undersigned that, as a matter of law, and in the absence of an intervening claim by a third party, recordation of the said affidavits constitutes complete remedy of the described deficiency.

5. Failure to record Affidavits of Annual Labor on time. On December 1, 2011, Black Peak was notified that it had failed to record the required affidavits of annual labor for the mining year that ended on September 1, 2011, which affidavits were required to have been recorded no later than November 30, 2011. The relevant affidavits were recorded and filed on December 6, 2011. Accordingly, the BP claims were declared abandoned, subject to a qualified right of reinstatement under AS 38.05.265(b). Black Peak paid the required penalty and DNR was requested to issue a certificate of substantial compliance to reconcile the error and correct the public record. After due consideration of the application, DNR reinstated the BP claims by a letter notification effective on April 24, 2012. There is no evidence that this letter of reinstatement was recorded in either the Bethel or Kuskokwim Recording Districts. It is the opinion of the undersigned that, as a matter of law, and in the absence of an intervening claim by a third party within the time specified in the said letter of reinstatement, the issuance of the said letter of reinstatement constitutes complete remedy of the described deficiency.

E. The NQ Claims.

Thirteen State of Alaska mining locations identified as NQ 1-13 (ADL 553774-553786) comprise the NQ claim group. The NQ claim group claims were located on September 1, 2011 by North Fork LLC. A list of the NQ claims is set forth at page 16 of this Title Report.

The NQ claims are all situated within S005n057w, sections 16-18 or 21 and 28 or in S005n058w, sections 13 and 24. Each claim is 160 acres (a quarter-section) in size, located in accordance with the MTRS system and is part of a contiguous claim block. The NQ claims are all within the Kuskokwim Recording District.

We have carefully reviewed the location certificates for the NQ claims as well as the affidavits of annual labor that have been recorded each year since the claims were located. Accordingly, it is the opinion of the undersigned that title to the NQ claims is vested in North Fork LLC as of the Effective Date of this Title Report; that except as specifically hereinafter set forth, each of the NQ claims was located in conformance with the requirements of the statutes and regulations of the State of Alaska; that the land encompassed by the NQ claims was open to mineral entry at the time the claims were located;

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[23] Under the provisions of AS 38.05.210(b) "During the year in which annual labor is required or within 90 days after the close of that year, the owner of the mining claim … or some other person having knowledge of the facts shall record *with the recorder of the district in which the claim … is located* a signed statement setting out the information, as may be required by the commissioner, concerning the annual labor of the preceding year, any labor in excess of that required for the preceding year, and any payment of cash instead of annual labor. …"

[24] Kuskokwim Recording District Documents number 2013-000297 (2008); 2013-000298 (2009); 2013-000299 (2010); 2013-000300 (2011) and 2013-000301 (2012).



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that all annual labor and all required rents have been duly paid as of the Effective Date of this Report; and that the NQ claims are in good standing with the State of Alaska.

## LIENS AND PENDING LITIGATION

As a part of our due diligence, we have searched the records of the Courts of the State of Alaska and the Federal District Court for Alaska for any claims being asserted against Afranex (Alaska) Limited, Black Peak LLC and North Fork LLC and for each of the mining locations identified in this title report which might affect title to the subject mining locations. Our investigation, effective through close of business June 30, 2017, discloses that none of Afranex (Alaska) Limited, Black Peak LLC or North Fork LLC are a party to any litigation pending in any of the aforesaid courts as of the Effective Date of this title Report.

We have also inquired as to whether there are liens outstanding against Afranex (Alaska) Limited, Black Peak LLC and North Fork LLC or any of the mining locations identified in this Title Report. We have searched the Uniform Commercial Code records of the District Recorder for the State of Alaska and find no liens or other encumbrances that would impact Afranex (Alaska) Limited, Black Peak LLC and North Fork LLC or their title to any of the mining locations identified in this Title Report.

## CONCLUSION

It is the opinion of the undersigned that the title to the Kisa and Luna State of Alaska Mining locations is clearly vested in Afranex (Alaska) Limited; that title to the BP claims is vested in Black Peak LLC, subject to a carried interest agreement between Black Peak Holdings Pty Ltd and Debnal Pty Ltd; and that title to the NQ claims is vested in North Fork LLC.

We are prepared to answer any questions that may be generated by this report and appreciate the opportunity to be of service.

Sincerely,
J. P. Tangen, Attorney at Law (P.C.)

By: _____
J. P. Tangen



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Riversgold Limited July 6, 2017

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The Kisa Claims
All situated in the Seward Meridian, State of Alaska

| Claim | ADL # | Twnshp | Range | Sec. | ¼ Sec. | Acres | Document # |
|---|---|---|---|---|---|---|---|
| Kisa 1 | 654902 | 003n | 058w | 1 | SWNW | 40 | 2006-001209-0† |
| Kisa 2 | 654903 | 003n | 058w | 1 | SENW | 40 | 2006-001210-0†<br>2006-000207-0* |
| Kisa 3 | 654904 | 003n | 058w | 1 | SW | 160 | 2006-001211-0† |
| Kisa 4 | 654905 | 003n | 058w | 11 | NE | 160 | 2006-001212-0† |
| Kisa 5 | 654906 | 003n | 058w | 11 | NW | 160 | 2006-001213-0† |
| Kisa 6 | 654907 | 003n | 058w | 12 | NW | 160 | 2006-001214-0† |
| Kisa 7 | 654908 | 003n | 058w | 11 | SW | 160 | 2006-001215-0† |
| Kisa 8 | 654909 | 003n | 058w | 11 | SE | 160 | 2006-001216-0† |
| Kisa 9 | 654910 | 003n | 058w | 12 | SW | 160 | 2006-001217-0† |
| Kisa 10 | 654911 | 003n | 058w | 14 | NW | 160 | 2006-001218-0† |
| Kisa 11 | 654912 | 003n | 058w | 14 | SW | 160 | 2006-001219-0† |
| Kisa 12 | 654913 | 003n | 058w | 14 | SE | 160 | 2006-001220-0† |
| Kisa 13 | 654914 | 003n | 058w | 14 | NE | 160 | 2006-001221-0† |
| Kisa 14 | 654915 | 003n | 058w | 13 | NWNW | 40 | 2006-001222-0† |
| Kisa 15 | 654916 | 003n | 058w | 13 | SWNW | 40 | 2006-001223-0† |
| Kisa 16 | 654917 | 003n | 058w | 13 | NWSW | 40 | 2006-001224-0† |
| Kisa 17 | 655186 | 003n | 058w | 2 | SW | 160 | 2006-001549-0† |
| Kisa 18 | 655187 | 003n | 058w | 2 | SE | 160 | 2006-001550-0† |
| Kisa 19 | 655188 | 003n | 058w | 10 | NE | 160 | 2006-001551-0† |
| Kisa 20 | 655189 | 003n | 058w | 10 | SE | 160 | 2006-001552-0† |
| Kisa 21 | 655190 | 003n | 058w | 15 | NE | 160 | 2006-001553-0† |
| Kisa 22 | 655191 | 003n | 058w | 15 | SW | 160 | 2006-001554-0† |
| Kisa 23 | 655192 | 003n | 058w | 15 | SE | 160 | 2006-001555-0† |
| Kisa 24 | 655193 | 003n | 058w | 22 | NW | 160 | 2006-001556-0† |
| Kisa 25 | 655194 | 003n | 058w | 22 | NE | 160 | 2006-001557-0† |
| Kisa 26 | 655195 | 003n | 058w | 23 | NW | 160 | 2006-001558-0† |
| Kisa 27 | 655196 | 003n | 058w | 23 | NE | 160 | 2006-001559-0† |
| Kisa 28 | 655197 | 003n | 058w | 22 | SE | 160 | 2006-001560-0† |
| Kisa 29 | 655198 | 003n | 058w | 23 | SW | 160 | 2006-001561-0† |
| Kisa 30 | 655199 | 003n | 058w | 23 | SE | 160 | 2006-001562-0† |
| Kisa 31 | 655200 | 003n | 058w | 1 | SE | 160 | 2006-001563-0†<br>2006-000255-0* |
| Kisa 32 | 655201 | 003n | 058w | 12 | NE | 160 | 2006-001564-0†<br>2006-000256-0* |
| Kisa 33 | 665464 | 003n | 058w | 24 | SW | 160 | 2008-001508-0† |



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| Claim | ADL # | Twnshp | Range | Sec. | ¼ Sec. | Acres | Document # |
|---|---|---|---|---|---|---|---|
| Kisa 34 | 665465 | 003n | 058w | 24 | SE | 160 | 2008-001509-0† |
| Kisa 35 | 665466 | 003n | 058w | 24 | NW | 160 | 2008-001510-0† |
| Kisa 36 | 665467 | 003n | 058w | 24 | NE | 160 | 2008-001511-0† |
| Kisa 37 | 665468 | 003n | 058w | 13 | SW | 160 | 2008-001512-0† |
| Kisa 38 | 665469 | 003n | 058w | 13 | SE | 160 | 2008-001513-0† |
| Kisa 39 | 665470 | 003n | 058w | 13 | NW | 160 | 2008-001514-0† |
| Kisa 40 | 665471 | 003n | 058w | 13 | NE | 160 | 2008-001515-0† |
| Kisa 41 | 665472 | 003n | 058w | 12 | SE | 160 | 2008-001516-0† 2008-001001-0* |

*Kuskokwim Recording District
† Bethel Recording District



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The Luna Claims
All situated in the Seward Meridian, State of Alaska

| Claim | ADL # | Twnshp | Range | Section | ¼ Sec. | Acres | Document # |
|---|---|---|---|---|---|---|---|
| Luna 1 | 661006 | 004n | 059w | 15 | NE | 160 | 2007-001156-0 |
| Luna 2 | 661007 | 004n | 059w | 14 | NW | 160 | 2007-001157-0 |
| Luna 3 | 661008 | 004n | 059w | 14 | NE | 160 | 2007-001158-0 |
| Luna 4 | 661009 | 004n | 059w | 13 | NW | 160 | 2007-001159-0 |
| Luna 5 | 661010 | 004n | 059w | 13 | NE | 160 | 2007-001160-0 |
| Luna 6 | 661011 | 004n | 058w | 18 | NW | 160 | 2007-001161-0 |
| Luna 7 | 661012 | 004n | 058w | 18 | NE | 160 | 2007-001162-0 |
| Luna 8 | 661013 | 004n | 058w | 17 | NW | 160 | 2007-001163-0 |
| Luna 9 | 661014 | 004n | 059w | 15 | SE | 160 | 2007-001164-0 |
| Luna 10 | 661015 | 004n | 059w | 14 | SW | 160 | 2007-001165-0 |
| Luna 11 | 661016 | 004n | 059w | 14 | SE | 160 | 2007-001166-0 |
| Luna 12 | 661017 | 004n | 059w | 13 | SW | 160 | 2007-001167-0 |
| Luna 13 | 661018 | 004n | 059w | 13 | SE | 160 | 2007-001168-0 |
| Luna 14 | 661019 | 004n | 058w | 18 | SW | 160 | 2007-001169-0 |
| Luna 15 | 661020 | 004n | 058w | 18 | SE | 160 | 2007-001170-0 |
| Luna 16 | 661021 | 004n | 059w | 22 | NE | 160 | 2007-001171-0 |
| Luna 17 | 661022 | 004n | 059w | 23 | NW | 160 | 2007-001172-0 |
| Luna 18 | 661023 | 004n | 059w | 23 | NE | 160 | 2007-001173-0 |
| Luna 19 | 661024 | 004n | 059w | 24 | NW | 160 | 2007-001174-0 |
| Luna 20 | 661025 | 004n | 059w | 24 | NE | 160 | 2007-001175-0 |
| Luna 21 | 661026 | 004n | 058w | 19 | NW | 160 | 2007-001176-0 |
| Luna 22 | 661027 | 004n | 059w | 24 | SW | 160 | 2007-001177-0 |
| Luna 23 | 661028 | 004n | 059w | 24 | SE | 160 | 2007-001178-0 |
| Luna 24 | 661029 | 004n | 058w | 19 | SW | 160 | 2007-001179-0 |
| Luna 25 | 661030 | 004n | 059w | 18 | SW | 160 | 2007-001180-0 |
| Luna 26 | 661031 | 004n | 059w | 18 | SE | 160 | 2007-001181-0 |
| Luna 27 | 661032 | 004n | 059w | 17 | SW | 160 | 2007-001182-0 |
| Luna 28 | 661033 | 004n | 059w | 17 | SE | 160 | 2007-001183-0 |
| Luna 29 | 661034 | 004n | 059w | 16 | SW | 160 | 2007-001184-0 |
| Luna 30 | 661035 | 004n | 059w | 16 | SE | 160 | 2007-001185-0 |
| Luna 31 | 661036 | 004n | 059w | 15 | SW | 160 | 2007-001186-0 |
| Luna 32 | 661037 | 004n | 059w | 19 | NW | 160 | 2007-001187-0 |
| Luna 33 | 661038 | 004n | 059w | 19 | NE | 160 | 2007-001188-0 |
| Luna 34 | 661039 | 004n | 059w | 20 | NW | 160 | 2007-001189-0 |
| Luna 35 | 661040 | 004n | 059w | 20 | NE | 160 | 2007-001190-0 |
| Luna 36 | 661041 | 004n | 059w | 21 | NW | 160 | 2007-001191-0 |

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| Claim | ADL # | Twnshp | Range | Section | ¼ Sec. | Acres | Document # |
|---|---|---|---|---|---|---|---|
| Luna 37 | 661042 | 004n | 059w | 21 | NE | 160 | 2007-001192-0 |
| Luna 38 | 661043 | 004n | 059w | 22 | NW | 160 | 2007-001193-0 |
| Luna 39 | 661044 | 004n | 059w | 19 | SW | 160 | 2007-001194-0 |
| Luna 40 | 661045 | 004n | 059w | 19 | SE | 160 | 2007-001195-0 |
| Luna 41 | 661046 | 004n | 059w | 20 | SW | 160 | 2007-001196-0 |
| Luna 42 | 661047 | 004n | 059w | 20 | SE | 160 | 2007-001197-0 |
| Luna 43 | 661048 | 004n | 059w | 21 | SW | 160 | 2007-001198-0 |
| Luna 44 | 661049 | 004n | 059w | 21 | SE | 160 | 2007-001199-0 |
| Luna 45 | 661050 | 004n | 059w | 22 | SW | 160 | 2007-001200-0 |
| Luna 46 | 661051 | 004n | 059w | 10 | SE | 160 | 2007-001201-0 |
| Luna 47 | 661052 | 004n | 059w | 11 | SW | 160 | 2007-001202-0 |
| Luna 48 | 661053 | 004n | 059w | 11 | SE | 160 | 2007-001203-0 |
| Luna 49 | 661054 | 004n | 059w | 12 | SW | 160 | 2007-001204-0 |
| Luna 50 | 661055 | 004n | 059w | 12 | SE | 160 | 2007-001205-0 |



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Riversgold Limited July 6, 2017

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The BP Claims
All situated in the Seward Meridian, State of Alaska

| Claim | ADL # | Twnshp | Range | Section | ¼ Sec. | Acres | Document # |
|---|---|---|---|---|---|---|---|
| BP 1 | 660282 | 005n | 057w | 19 | NW | 160 | 2007-000739-0* |
| BP 2 | 660283 | 005n | 057w | 19 | NE | 160 | 2007-000740-0* |
| BP 3 | 660284 | 005n | 057w | 20 | NW | 160 | 2007-000741-0* |
| BP 4 | 660285 | 005n | 057w | 20 | NE | 160 | 2007-000742-0* |
| BP 5 | 660286 | 005n | 057w | 19 | SW | 160 | 2007-000743-0* |
| BP 6 | 660287 | 005n | 057w | 19 | SE | 160 | 2007-000744-0* |
| BP 7 | 660288 | 005n | 057w | 20 | SW | 160 | 2007-000745-0* |
| BP 8 | 660289 | 005n | 057w | 20 | SE | 160 | 2007-000746-0* |
| BP 9 | 660290 | 005n | 058w | 27 | NW | 160 | 2007-000995-0† |
| BP 10 | 660291 | 005n | 058w | 27 | NE | 160 | 2007-000996-0† |
| BP 11 | 660292 | 005n | 058w | 26 | NW | 160 | 2007-000747-0* |
| BP 12 | 660293 | 005n | 058w | 26 | NE | 160 | 2007-000748-0* |
| BP 13 | 660294 | 005n | 058w | 25 | NW | 160 | 2007-000749-0* |
| BP 14 | 660295 | 005n | 058w | 25 | NE | 160 | 2007-000750-0* |
| BP 15 | 660296 | 005n | 057w | 30 | NW | 160 | 2007-000751-0* |
| BP 16 | 660297 | 005n | 057w | 30 | NE | 160 | 2007-000752-0* |
| BP 17 | 660298 | 005n | 057w | 29 | NW | 160 | 2007-000753-0* |
| BP 18 | 660299 | 005n | 057w | 29 | NE | 160 | 2007-000754-0* |
| BP 19 | 660300 | 005n | 058w | 27 | SW | 160 | 2007-000999-0† |
| BP 20 | 660301 | 005n | 058w | 27 | SE | 160 | 2007-001000-0† |
| BP 21 | 660302 | 005n | 058w | 26 | SW | 160 | 2007-001001-0† |
| BP 22 | 660303 | 005n | 058w | 26 | SE | 160 | 2007-000755-0* |
| BP 23 | 660304 | 005n | 058w | 25 | SW | 160 | 2007-000756-0* |
| BP 24 | 660305 | 005n | 058w | 25 | SE | 160 | 2007-000757-0* |
| BP 25 | 660306 | 005n | 057w | 30 | SW | 160 | 2007-000758-0* |
| BP 26 | 660307 | 005n | 057w | 30 | SE | 160 | 2007-000759-0* |
| BP 27 | 660308 | 005n | 057w | 29 | SW | 160 | 2007-000760-0* |
| BP 28 | 660309 | 005n | 057w | 29 | SE | 160 | 2007-000761-0* |
| BP 29 | 660310 | 005n | 058w | 34 | NW | 160 | 2007-001003-0† |
| BP 30 | 660311 | 005n | 058w | 34 | NE | 160 | 2007-001004-0† |
| BP 31 | 660312 | 005n | 058w | 35 | NW | 160 | 2007-001005-0† |
| BP 32 | 660313 | 005n | 058w | 35 | NE | 160 | 2007-000762-0* |
| BP 33 | 660314 | 005n | 058w | 36 | NW | 160 | 2007-001007-0† |
| BP 34 | 660315 | 005n | 058w | 36 | NE | 160 | 2007-001008-0† |
| BP 35 | 660316 | 005n | 057w | 31 | NW | 160 | 2007-000765-0* |



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| Claim | ADL # | Twnshp | Range | Section | ¼ Sec. | Acres | Document # |
|---|---|---|---|---|---|---|---|
| BP 36 | 660317 | 005n | 057w | 31 | NE | 160 | 2007-000766-0* |
| BP 37 | 660318 | 005n | 058w | 34 | SW | 160 | 2007-001009-0† |
| BP 38 | 660319 | 005n | 058w | 34 | SE | 160 | 2007-001010-0† |
| BP 39 | 660320 | 005n | 058w | 35 | SW | 160 | 2007-001011-0† |
| BP 40 | 660321 | 005n | 058w | 35 | SE | 160 | 2007-001012-0† |
| BP 41 | 660322 | 005n | 058w | 36 | SW | 160 | 2007-001013-0† |
| BP 42 | 660323 | 005n | 058w | 36 | SE | 160 | 2007-000767-0* |
| BP 43 | 660324 | 005n | 057w | 31 | SW | 160 | 2007-000768-0* |
| BP 44 | 660325 | 005n | 057w | 31 | SE | 160 | 2007-000769-0* |
| BP 45 | 660326 | 004n | 059W | 2 | NW | 160 | 2007-001017-0† |
| BP 46 | 660327 | 004n | 059W | 2 | NE | 160 | 2007-001018-0† |
| BP 47 | 660328 | 004n | 059W | 1 | NW | 160 | 2007-001019-0† |
| BP 48 | 660329 | 004n | 059W | 1 | NE | 160 | 2007-001020-0† |
| BP 49 | 660330 | 004n | 058w | 6 | NW | 160 | 2007-001021-0† |
| BP 50 | 660331 | 004n | 058w | 6 | NE | 160 | 2007-001022-0† |
| BP 51 | 660332 | 004n | 058w | 5 | NW | 160 | 2007-001023-0† |
| BP 52 | 660333 | 004n | 058w | 5 | NE | 160 | 2007-001024-0† |
| BP 53 | 660334 | 004n | 058w | 4 | NW | 160 | 2007-001025-0† |
| BP 54 | 660335 | 004n | 058w | 4 | NE | 160 | 2007-001026-0† |
| BP 55 | 660336 | 004n | 059W | 2 | SW | 160 | 2007-001027-0† |
| BP 56 | 660337 | 004n | 059W | 2 | SE | 160 | 2007-001028-0† |
| BP 57 | 660338 | 004n | 059W | 1 | SW | 160 | 2007-001029-0† |
| BP 58 | 660339 | 004n | 059W | 1 | SE | 160 | 2007-001030-0† |
| BP 59 | 660340 | 004n | 058w | 6 | SW | 160 | 2007-001031-0† |
| BP 60 | 660341 | 004n | 058w | 6 | SE | 160 | 2007-001032-0† |
| BP 61 | 660342 | 004n | 058w | 5 | SW | 160 | 2007-001033-0† |
| BP 62 | 660343 | 004n | 058w | 5 | SE | 160 | 2007-001034-0† |
| BP 63 | 660344 | 004n | 058w | 4 | SW | 160 | 2007-001035-0† |
| BP 64 | 660345 | 004n | 058w | 4 | SE | 160 | 2007-001036-0† |
| BP 65 | 660346 | 004n | 059W | 11 | NW | 160 | 2007-001037-0† |
| BP 66 | 660347 | 004n | 059W | 11 | NE | 160 | 2007-001038-0† |
| BP 67 | 660348 | 004n | 059W | 12 | NW | 160 | 2007-001039-0† |
| BP 68 | 660349 | 004n | 059W | 12 | NE | 160 | 2007-001040-0† |
| BP 69 | 660350 | 004n | 058w | 7 | NW | 160 | 2007-001041-0† |
| BP 70 | 660351 | 004n | 058w | 7 | NE | 160 | 2007-001042-0† |

*Kuskokwim Recording District
† Bethel Recording District



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Riversgold Limited July 6, 2017

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The NQ Claims
All situated in the Seward Meridian, State of Alaska

| Claim | ADL # | Township | Range | ¼ Sec. | Sec | Acres | Document # |
|---|---|---|---|---|---|---|---|
| NQ 1 | 553774 | 005n | 058w | SW | 24 | 160 | 2011-000133-0 |
| NQ 2 | 553775 | 005n | 058w | SE | 24 | 160 | 2011-000134-0 |
| NQ 3 | 553776 | 005n | 058w | NE | 24 | 160 | 2011-000135-0 |
| NQ 4 | 553777 | 005n | 058w | SE | 13 | 160 | 2011-000136-0 |
| NQ 5 | 553778 | 005n | 057w | SW | 18 | 160 | 2011-000137-0 |
| NQ 6 | 553779 | 005n | 057w | SE | 18 | 160 | 2011-000138-0 |
| NQ 7 | 553780 | 005n | 057w | SW | 17 | 160 | 2011-000139-0 |
| NQ 8 | 553781 | 005n | 057w | SE | 17 | 160 | 2011-000140-0 |
| NQ 9 | 553782 | 005n | 057w | SW | 16 | 160 | 2011-000141-0 |
| NQ 10 | 553783 | 005n | 057w | NW | 21 | 160 | 2011-000142-0 |
| NQ 11 | 553784 | 005n | 057w | SW | 21 | 160 | 2011-000143-0 |
| NQ 12 | 553785 | 005n | 057w | NW | 28 | 160 | 2011-000144-0 |
| NQ 13 | 553786 | 005n | 057w | SW | 28 | 160 | 2011-000145-0 |

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Appendix I
Mineral Title Regime in Alaska

Alaska Statutes 38.05.185 through 30.05.275 govern Mining Claims, Prospective Sites and Mineral Leases on land owned by the State of Alaska.[1] These statutes are implemented by regulations set forth in title 11 of the Alaska Administrative Code, sections 86.100 through 86.600; 96.010 through 96.140; and 97.100 through 97.990.

1. Only individuals who are over 18 years of age and citizens of the United States, their guardians, those who have declared their intention to become citizens, aliens whose country extend like privileges to citizens of the United States, corporations qualified to do business in Alaska and associations of the foregoing may acquire exploration and mining rights on State land.
2. Mining claims may be acquired by qualified persons on state land by making a discovery, locating a claim and recording a certificate of location.
3. Locating a mining claim affords the locator the exclusive right of possession and extraction of locatable minerals within the claim.
4. Quarter section and quarter-quarter section claims may be located by reference to the meridian, township, range and section system. Locators must mark the corners of the claim as closely as possible to the existing rectangular survey. Claims may also be located solely by reference to the cardinal directions, but may not exceed 1,320 feet in its longest dimension. Claims must be distinctly marked on the ground with a notice of location attached to the northeast corner, and a certificate of location must be recorded within 45 days of location. Claim locations may be amended.
5. Mining claims can be converted to a mining lease at any time. Mining claims in good standing may be conveyed at any time to a qualified purchaser.
6. Qualified annual labor must be performed on or for the benefit of each claim. The amount of annual labor shall be $100 for each 40-acre or partial claim and $400 for each 160-acre claim. Excess labor may be carried forward for up to four years.
7. An affidavit detailing the annual labor must be filed within 90 days following the end of the mining year. Affidavits of annual labor may be amended within two years of the date it was required to be recorded as long as the affidavit states the essential facts set forth in the regulations.
8. Annual rent currently up to $170 per 40-acre claim must be paid on each claim.
9. The uncured failure to properly file an affidavit of annual labor, pay annual rent when due or to pay any required production royalty constitutes abandonment of a claim.
10. A plan of operations, a reclamation plan and a bond are required for mineral exploration or development activities and a renewable permit is required for the use of explosives and substantial mining equipment. The plan of operations is forwarded to the Alaska Department of Environmental Conservation and the Alaska Department of Fish & Game for approval. Other regulatory approvals may be required depending on site specific conditions.
11. A mining license must be obtained from the Alaska Department of Revenue by anyone engaging in the business of mining in the state and a net profits mining license tax return must be filed with the State of Alaska before May 1 of each year, after a three-and-one-half year tax holiday.
12. A three percent net profits production royalty must be paid to the Alaska Department of Natural Resources on all minerals produced from state land.

[1] The State of Alaska owns approximately 109 million acres (44 hectares) of land, including the mineral rights within Alaska. The United States owns approximately 256 million acres (148 million hectares) in the State of which approximately 32.5 million acres (13.2 hectares) are open to mineral entry. Mining on federal land is governed by a separate statutory regime which is not discussed in this appendix.

## 7.3 Cambodian Report

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14 June 2017

**Attention:** Riversgold Limited
Suite 8, 7 The Esplanade
Mount Pleasant 6153
Western Australia, Australia

**By e-mail:** info@riversgold.com.au

**Report on Cambodia Gold and its legal interests in the Kingdom of Cambodia**

Dear Sirs,

We refer to the applications made by the Branch Office of Cambodia Gold Pty Ltd (the "**Company**") for exploration licenses over areas known as Kang Roland South and Antrong (the "**Applications**").

We have been engaged to provide a report confirming the valid incorporation of the Company and the legal standing of the Applications (this "**Report**"). This Report is provided in light of the proposed listing of Riversgold Limited on the Australian Securities Exchange ("**ASX**") with the purpose of being included in Riversgold Limited's prospectus.

We are qualified Cambodian attorneys at law.

### 1. Background

DFDL Cambodia, in collaboration with Sarin & Associates, an association of Cambodian admitted Attorneys-at-Law working in a commercial relationship with DFDL, has conducted investigations on the Company.

The results of our preliminary investigations on the Company form the substance of this Report, noting that the scope of our investigations have, at your request, been limited to the following specific matters:

(a) in respect of the Company, confirmation of:
  (i) company type;
  (ii) registration details, and validity of registration;
  (iii) capital/ownership structure;
  (iv) the authorised scope of business, and in particular whether its authorised scope of business entitles it to engage in the activities it currently undertakes or proposes to undertake;
  (v) the details of all major assets owned by the Company in Cambodia;

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(vi) current and historical solvency;

(vii) details of all charges/mortgages or other forms of security over assets of the Company or the securities of the Company in Cambodia;

(viii) whether the Company, its directors or shareholders are engaged in, or have been threatened with, any litigation in Cambodia; and

(ix) whether the Company is up to date with all applicable regulatory filings, including tax returns/filings in Cambodia; and

(b) confirm the status of the applications for such licenses or approvals required by the Company to commence or continue operations in Cambodia,

collectively, the "**Report Scope**".

Our investigations were based solely on the documents circulated to us in May 2017, as listed in Annex A ("**Reviewed Documents**").

The Report is current to 6 June 2017. Any new matters or issues arising after 6 June 2017 are not covered in this Report.

## 2. Basis of Report

2.1 This Report is confined to, and given on, the basis of the laws and regulations of Cambodia in effect as at the date of this Report. We have not investigated the laws of any other country, and we neither express nor imply any opinion as to such other laws in this Report.

2.2 There are no public searches or public records available to confirm the legal standing or receipt of the Applications within Cambodia. Our review has been restricted to the Reviewed Documents. In the absence of any public databases or publically available information, we have not sought to independently obtain details with respect to the Applications from the Ministry of Mines and Energy ("**MME**").

## 3. Assumptions

For the purposes of this Report, we have assumed that:

(1) with respect to each Reviewed Document, all signatures are genuine and each document is authentic, complete and conforms with the originals of all documents supplied as copies;

(2) all Reviewed Documents submitted to us as English or other language versions of documents that were executed in the Khmer language are accurate translations;

(3) all information contained in the Reviewed Documents provided to us are current, accurate and complete as at the date of the relevant Reviewed Documents;

(4) there were no other material documents disclosed to us, other than the Reviewed Documents, which related to the items that we examined;

(5) each of the Reviewed Documents:

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(i) is in full force and effect, incorporates all amendments which have been made to it and has not been terminated;

(ii) has been duly authorized, executed and delivered by each party to it, and has been validly authorized, is binding on the signatories to it, and the entry into and performance of it is within the capacity and powers of each such party;

(iii) has been properly stamped or filed with the appropriate authority, to the extent required, and is not subject to penalties or fines for late filing or stamping; and

(iv) has been provided to us without breach of any confidentiality undertakings given in relation to it;

(6) insofar as any obligation under any Reviewed Documents is to be performed in any jurisdiction outside Cambodia, its performance will not be illegal or ineffective by virtue of the laws of that jurisdiction;

(7) the licenses, consents, approvals and authorisations referred to in this Report have been validly obtained and have not been varied, withdrawn or revoked and remain in full force and effect;

(8) all statements of fact (including all representations and warranties) contained in each of the Reviewed Documents are when made or repeated or deemed to be made or repeated true, accurate and complete;

(9) there are no facts or other circumstances or acts or omissions in relation to any Reviewed Document or in respect of any party to a Reviewed Document that may render a Reviewed Document or any part of it void or voidable or affect any of its terms; and

(10) all corporate records and other documents examined by us are genuine, complete, up-to-date and accurate and correctly record the business of, and resolutions passed at, any meetings of shareholders and directors and no relevant corporate records have been withheld from us (whether deliberately or inadvertently).

## 4. Corporate Details

### 4.1 Overview

This section of the Report deals with issues relating to the incorporation of the Company, specifically its registration details and shareholding. Our investigations in this regard have been based solely upon the Reviewed Documents listed in items 9 to 13 of Annex A. For an overview of the regulatory framework in relation to exploration licenses more generally, please refer to Annex B of this Report.

### 4.2 Corporation Registration

Based on the Reviewed Documents, the key corporate details of the Company are as follows:

| | |
|---|---|
| Company name | Branch of Cambodia Gold Pty Ltd |
| Registered office | 14C, 384, others, Tuol Svay Prey 1, Chamkarmorn, Phnom Penh, Cambodia |
| Registration number | 00020400 |
| Registration date | 7 October 2016 |
| Legal form of company | Branch Office |
| Main business activity | Mining research and exploration service |
| Branch Manager | Srey Leap Chek |
| Principal Company | Cambodia Gold Pty Ltd |

We have been provided with sufficient documentation to confirm the due incorporation of the Company as Branch Office with the Ministry of Commerce of Cambodia (**"MOC"**) on and from 7 October 2016, as evidenced by the MOC Certificate of Incorporation dated 7 October 2016. This structure is in compliance with Article 271 of the Law on Commercial Enterprises promulgated on 19 June 2005 (**"LCE"**) with respect to registration of a foreign business as a branch, and enables the Company to be granted exploration, exploitation and other requisite licenses and approvals in Cambodia.

As a branch, the Company does not have land ownership rights within Cambodia. However, we confirm that the Company is not required to have the authority to own land in order to be granted an exploration or exploitation license to conduct mining activities in Cambodia. These requirements are further details in Section 2 of Annex B.

Based on the 2017 patent tax certificate (**"PTC"**) dated 6 March 2017 and the value added tax (**"VAT"**) certificate dated 19 October 2016, we confirm that the Company is also duly registered with the General Department of Taxation of Cambodia (**"GDT"**).

### 4.3 Permitted Scope of Business Activities

The 2017 PTC and the VAT certificate reflect that the Company is permitted to engage in mining research and exploration services.

### 4.4 Branch Manager

The Extract of Company prepared by Delux Business Advice lists Chek Srey Leap as the 'Governor' of Cambodia Gold Pty Ltd. We note that this is not an accurate translation from Khmer to English and the extract should refer to the 'Branch Manager', as this is the term described in the LCE that deals with the person (or persons) in charge of a branch.

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### 4.5 Solvency and Litigation

There is no public register for insolvency or litigation in Cambodia. We have reviewed the Statutory Declaration provided by Chek Srey Leap dated 20 May 2017 and confirm that, on the basis of the Statutory Declaration:

(1) the Company has no record of current or historical insolvency; and

(2) the Company's present directors and shareholders are not engaged in, or been threatened with, any litigation.

### 4.6 Security over Assets

We have reviewed the Statutory Declaration provided by Chek Srey Leap dated 20 May 2017 and confirm that, on the basis of the Statutory Declaration, the Company has no mortgages or charges or any other form of security over its assets.

### 4.7 Regulatory Filings

As identified above at 4.2, we have reviewed the Company's 2016 VAT certificate and its 2017 PTC and confirm the Company is registered with the GDT.

We have not been provided with copies of the Company's most recent Tax on Profit return or Annual Declaration of Commercial Enterprise. However, on the basis of the Statutory Declaration provided by Chek Srey Leap dated 20 May 2017, the Company is compliant with all required tax returns, filings and all other regulatory documentation.

## 5. Licenses and Approvals

### 5.1 Overview

This section of the Report deals with issues relating to the Applications. Our investigations in this regard have been based solely upon the documents listed in Items 3 to 8 of Annex A. For an overview of the regulatory framework in relation to exploration and exploitation licenses more generally, please refer to Annex B of this Report.

### 5.2 Exploration Licenses

Under the Constitution of Cambodia, all mineral resources are the property of the Kingdom of Cambodia and are regulated by the Royal Government of Cambodia ("**RGC**").

In accordance with the Law on Mineral Resources Management and Exploitation dated 13 August 2001 ("**LMEMR**"), an applicant for a mineral exploration license must submit for approval:

(1) a copy of the certificate of registration issued by the General Department of Mineral Resources of MME ("**GDMR**");

(2) a plan of the requested location;

(3) a report on the financial capacity or annual financial balance of the last three years of the applicant together with a certificate of any financial institution or audit who has the right to

operate its business in Cambodia (essentially, independently-audited financial statements of a company). If the applicant has not been in operation for three years, the applicant should provide as much information as possible with respect to the financial capacity of the individuals/companies involved in the applicant's business, including bank statements;

(4) an exploration activity schedule and financial budget during the exploration period. There is no minimum level of exploration activities that needs to be undertaken or expenditure made. This will be dependent on the exploration work program;

(5) evidence of preceding experience of the applicant in the field of mining or other relevant industries;

(6) an EIA report evaluating the environmental impacts, management and restoration planning and budgets reserved for the restoration of the proposed mine site; and

(7) a plan to train and utilise Cambodian personnel.

In practice the GDMR may request other documents on an ad hoc basis. We note that the Applications we reviewed contained the documents listed in Items 3 to 8 of Annex A. Subject to the assumptions in Section 3 and the qualifications in Section 6, we confirm the following details with respect to the Applications:

(1) the Application over Kang Roland dated 19 September 2016:

a) expresses the Company's interest in exploring for gold within an area of 137 km², as delineated on the map attached to the Application and the following coordinates:

| | | |
|---|---|---|
| A | 6 78 000 | 14 17 000 |
| B | 6 95 000 | 14 17 000 |
| C | 6 95 000 | 14 09 000 |
| D | 6 78 000 | 14 09 000 |

b) was stamped by the MME on 19 September 2016, confirming the Application has been received by the MME and given filing number 3482; and

c) a receipt dated 20 September 2016 was provided by the MME, which provides that the MME has received the Application and the required payment for its review of the Application.

(2) the Application over Antrong dated 2 March 2017:

a) expresses the Company's interest in exploring for gold within an area of 216km², as delineated on the map attached to the Application and the following coordinates:

Zone A (146km²)

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| | | | | | |
|---|---|---|---|---|---|
| A | 6 75 500 | 14 25 000 | D | 6 78 000 | 14 17 000 |
| B | 6 95 000 | 14 25 000 | E | 6 78 000 | 14 21 000 |
| C | 6 95 000 | 14 17 000 | F | 6 75 500 | 14 21 000 |
| Zone B (59km²) | | | | | |
| G | 6 75 000 | 14 08 000 | L | 6 84 500 | 14 02 000 |
| H | 6 80 000 | 14 08 000 | M | 6 84 500 | 14 01 000 |
| I | 6 80 000 | 14 05 500 | N | 6 75 500 | 14 01 000 |
| J | 6 86 000 | 14 05 500 | O | 6 75 500 | 14 04 000 |
| K | 6 86 000 | 14 02 000 | P | 6 75 000 | 14 04 000 |
| Zone C (11km²) | | | | | |
| Q | 6 89 500 | 14 09 000 | S | 6 95 000 | 14 07 000 |
| R | 6 95 000 | 14 09 000 | T | 6 89 500 | 14 07 000 |

b) was stamped by the MME on 2 March 2017, confirming the Application has been received by the MME and given filing number 761; and

c) a receipt dated 20 September 2016 was provided by the MME, which provides that the MME has received the Application and the required payment for its review of the Application.

Upon review, we confirm that the Applications have been validly made and we are not aware of any further requirements for the Applications as required by Cambodian laws. The stamps and receipts indicate that the Applications were properly received and processed and will now be reviewed by the MME.

Following its review, the MME will make a decision whether to grant the exploration licenses. We note that the MME has full discretion in deciding whether to approve the Applications and grant the exploration licenses. The Company will be notified in writing when a decision has been made. In accordance with Article 16 of the LMEMR, the MME must give a written response of approval or rejection to an application within a maximum period of 45 days following the date of submission of an application. We note that in practice this period can be up to one year or longer before a response may be received. If the Applications are successfully granted, the MME will advise next steps with respect to the commencement of work.

## 6. Qualifications

This Report is subject to and modified by the following qualifications, in each case to the extent such qualifications are partially or wholly true:

6.1 this Report is based upon the laws and regulations of Cambodia which are available to the public as of the date of this Report , and on our understanding of established practices of relevant Cambodian governmental authorities. However, nothing has come to our attention indicating that any unpublished laws, decrees, regulations, governmental policies or governmental interpretation or notifications exist which would affect this Report; and

6.2 there are no public searches or official records available to confirm the receipt of the Applications within Cambodia.

## 7. Reliance

This Report:

7.1 is limited to the matters of Cambodian laws as reflected in this Report and does not extend, and is not to be read to extend by implication, to any other matter; and

7.2 this Report and the statements expressed herein are confined to and are based on publicly available Cambodian laws and regulations as currently applied by the courts and administrative authorities of Cambodia as at the date of this Report and on our understanding of established practices of relevant Cambodian governmental authorities. We have made no investigation of the laws of any country other than Cambodia and we do not express or imply any opinion as to such other laws herein. We have made no investigation regarding laws or changes in laws not yet in effect as of the date of this Report;

7.3 with respect to the registration procedures applicable to the licensing of corporate, mineral resources investment, property or other matters, the MOC, the MME, land offices or any other Cambodian public authority or institution may not be relied upon as formal standardized procedures and may vary over time and change without notice. In practice, specific restrictions may also apply from time to time to registration or notification procedures, subject to interpretation of Cambodian laws and regulations by Cambodian public authorities or institutions, or upon the establishment of new procedures or administrative regulations;

7.4 while companies established in Cambodia are required to be registered with the MOC, it is not possible to rely on corporate information (such as the memorandum and articles of association (or equivalent) or names of shareholders or directors) contained in an MOC document as being conclusively accurate or up-to-date, as MOC records are not in electronic form and the filing of documents in the records accessible to the public are not always consistent or complete;

7.5 there are no public registers in Cambodia enabling verification of whether or not the permits, approvals or licenses issued by the RGC or its authorities have been revoked, suspended or amended;

Provided that, notwithstanding the above, this Report may be disclosed without our consent to:

7.6 any person to whom disclosure is required to be made by applicable law or court order or pursuant to the rules or regulations of any supervisory or regulatory body or in connection with any judicial proceedings; and

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7.7 the officers, employees, auditors and professional advisers of the addressees, any internationally recognized statistical rating agency and its professional advisers,

On the basis that; (1) such disclosure is made solely to enable any such person to be informed that a report has been provided and to be made aware of its contents but, except for the addressees, not for the purposes of reliance; (2) we do not assume any duty or liability to any person, except for the addressees, to whom such disclosure is made; (3) in preparing this Report we only had regard to the interests of our client(s); and (4) such person agrees not to further disclose this Report or its contents to any other person, other than as permitted above, without our prior written consent.

Yours faithfully,

**Denora SARIN, J.D**
***Attorney and Counsellor at Law***

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## ANNEX A

As at the date of this Report, we have reviewed the English or Khmer copies of the documents listed below and specifically identified as having been reviewed by us:

| No. | Title | Document Date | Disclosure Date | Language |
|---|---|---|---|---|
| 1. | Lawyers' Report on Cambodian Concessions and Investment prepared by Gold Services Law Firm | 8 July 2010 | 12 May 2017 | English |
| 2. | Letter to Brighton Mining Group Limited re: Foreign Investment in Cambodia's Mining Sector prepared by K.C.P Cambodia Ltd | 8 July 2010 | 12 May 2017 | English |
| 3. | Application for Exploration License over Kang Roland | 19 September 2016 | 3 May 2017 | Khmer |
| 4. | Receipt issued by the MME for the Kang Roland Application | 19 September 2016 | 3 May 2017 | Khmer |
| 5. | Map for Application for Exploration License over Kang Roland | Undated | 11 May 2017 | Khmer |
| 6. | Application for Exploration License over Antrong | 2 March 2017 | 3 May 2017 | Khmer |
| 7. | Receipt issued by the MME for the Antrong Application | 2 March 2017 | 3 May 2017 | Khmer |
| 8. | Map for Application for Exploration License over Antrong | Undated | 11 May 2017 | Khmer |
| 9. | Certificate of Incorporation | 7 October 2016 | 15 May 2017 | Khmer/English |
| 10. | Extract of Company produced by Delux Business Advice | Undated | 15 May 2017 | English |
| 11. | Certificate of Tax Registration (Value Added Tax – VAT) | 19 October 2016 | 15 May 2017 | Khmer/English |
| 12. | Patent Tax Certificate (2016) | 19 October 2016 | 15 May 2017 | Khmer/English |
| 13. | Patent Tax Certificate (2017) | 6 March 2017 | 15 May 2017 | Khmer/English |
| 14. | Letter from Renaissance to Brighton Mining Group Ltd regarding Cambodia Joint Venture | 30 November 2016 | 15 May 2017 | English |
| 15. | Constitution of Cambodia Gold Pty Ltd | 21 July 2016 | 18 May 2017 | English |
| 16. | Statutory Declaration of Chek Srey Leap | 20 May 2017 | 20 May 2017 | English |

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**ANNEX B**

**REGULATORY FRAMEWORK**

The following is a summary of the key laws and regulations. It is not intended as specific advice:

## 1. Corporate Restrictions

### 1.1 Operation of a Branch

Article 271 of the LCE provides that a foreign business may conduct business in Cambodia in the following forms:

a) commercial representative office or commercial relations office;
b) branch; or
c) subsidiary.

A branch may enter into contracts on behalf of its parent company to buy and sell goods and services on a regular basis, obtain any requisite licenses, employ staff and engage in activities consistent with the activities undertaken by the parent company. The name of a branch shall be the name of its parent company, in addition to the word "branch" placed above or in front of the name.

A branch is to be managed by one or more managers appointed and removed in accordance with the parent company's decisions. The LCE does not provide restrictions with respect to:

a) who can be appointed as branch manager;
b) the powers of a branch manager; or
c) the duties of a branch manager.

While a branch does not have the status of separate legal entity from its parent, it can undertake the same activities as a limited liability company ("**LLC**") provided that such activities are consistent with the parent company. However, a branch does not enjoy the limited liability afforded to an LLC. Liabilities for losses and debts of a branch are the joint responsibility of the branch manager and the parent company. Further, a branch is unable to sue in its own name or raise capital from third parties and the parent company is not able to dispose of the branch to a third party in the event of a decision to exit the Cambodian market.
A branch may be closed at the decision of its parent company.

## 2. Foreign Ownership Restrictions

### 2.1 Relevant Authorities

The LMEMR governs:

a) the management and exploitation of mineral resources; and
b) the exploitation of mines and all activities relating to mining operations in Cambodia, with the exception of the exploration and exploitation of petroleum and gas.

The competent entity managing mining activities in Cambodia is the MME.

2.2 Mineral Licenses

Under the LMEMR, the MME is authorised to issue the following licenses in connection with mining activities:

(a) an artisanal mining license, enabling Cambodian citizens to conduct the exploration and exploitation of mineral resources by using locally available common instruments and their own labour or with the help of up to seven family members;

(b) a pits and quarries mining license, enabling qualified natural persons or a legal entities to explore for and exploit construction materials and industrial minerals, quarried from pits and used for constructions and chemical and processing industries;

(c) a gem mining license, enabling qualified natural persons or a legal entities to explore for and exploit precious, semi-precious and ornamental stones;

(d) a mineral cutting license (also called a mineral transforming license), enabling qualified natural persons or a legal entities to cut precious, semi-precious and ornamental stones;

(e) a mineral exploration license, enabling qualified natural persons or a legal entities to conduct the explore for minerals and study their potential; and

(f) an industrial mining (or mineral exploitation) license, enabling the holder of an exploration license to explore for and mine economically viable mineral deposits established within the boundaries of the exploration license.

To undertake mineral mining activities on an industrial scale, a mineral exploration license and a mineral exploitation license need to be obtained. Such licenses may, however, only be granted to a company in Cambodia that is duly registered with the MOC. As a result, a foreign registered company cannot be issued with the right to undertake mineral exploration and exploitation in Cambodia.

Notwithstanding, subject to the comments below, a foreign investor (including a foreign state-owned company) is allowed to hold an interest a company in Cambodia that has been granted a mineral exploration license and/or a mineral exploitation license.

(1) Land

Only majority-owned Cambodian companies may own land in Cambodia.

According to the LCE, a company is deemed to be of Cambodian nationality if: (1) the company has a place of business and a registered office located in Cambodia; and (2) more than 51% of the voting shares of the company are held by natural or legal persons of Cambodian nationality. Therefore, a foreign company or a company registered in Cambodia that is majority-owned by a foreign investor may not own land in Cambodia.

The most common structures used by companies wishing to purchase land in Cambodia involve the incorporation of a landholding company ("**LHC**") and an operating company.

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The LHC purchases the land and is incorporated with a minority foreign shareholding of up to 49% of the shares (the foreign shareholder) and a majority Cambodian shareholding.

The purchased land is then leased to the operating company by the LHC. The operating company may be 100% foreign owned and perform its respective business activities in its own name. The operating company can own improvements or buildings constructed over the land but only for the term of a long term lease (as the land is leased by the LHC to the operating company). The operating company essentially controls the structures built on the land (the LHC still being the owner of the land) but possesses a long term lease right, which is a right registered on the land title certificate according to the laws of Cambodia. Such a long term lease is transferable and mortgages may be taken over it so the lessee may further mortgage or transfer the buildings and other immovable properties constructed on the land, unless otherwise stated in the lease agreement.

(2) Explosive Materials

The right to use explosive materials, usually needed for mining exploration and exploitation, is only granted to Cambodian nationals or entities majority owned by foreign nationals. Article 8 of the Law on Management of Weapons, Explosives and Ammunition ("**LMWEA**") prohibits possession or use of weapons and ammunition in Cambodia by foreigners. On this basis, a majority-owned foreign company may not qualify to apply for the use of explosive materials. Restrictions on a majority-owned foreign company in the use of explosives in Cambodia may impede that company's intended mining operations, unless appropriate subcontractors are engaged.

(3) Investment Thresholds

Subject to the comments below, there are no specific minimum requirements for minimum investment amounts in a gold mining company in Cambodia. In general, the capital of a company registered in Cambodia must be at least KHR 4,000,000 with a minimum of 1,000 shares issued with a par value of not less than KHR 4,000 per share (Article 144, LCE). In order to register with the Council for the Development of Cambodia ("**CDC**"), investment capital must typically be at least USD 2 million.

Other than the costs associated with applying for the various approvals and licenses required to be held by a mining company in Cambodia, a mining company must post an unconditional performance guarantee with the National Bank of Cambodia in the account of the General Department of National Treasury in the amount of USD 20,000 and submit evidence of its financial capacity for the previous three years (usually by submitting independently-audited annual financial statements, which have been signed by an auditor validly licensed to perform such auditing services in Cambodia).

The mining company must also open a bank account (in joint names with the MME) in which it must deposit funds for restoration of the mine site. This account must be opened 60 days after the exploitation license has been granted. An initial deposit in an amount equivalent to 20% of the estimated costs of restoration for each term of the exploration license period must be made. The estimated cost is agreed between the mining company and the MME. The remainder of the estimated restoration costs are then split into equal consecutive annual amounts based on the duration of the exploitation license.

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## 3. Approvals

The mineral sector is managed by the GDMR. The GDMR has two principal roles, being the promotion of mineral resource development and the regulation and supervision of mineral resources development. Additionally, the MME cooperates with the CDC to implement policies in connection with the mining sector, which is considered a strategically important sector in Cambodia.

Based on our interpretation of applicable Cambodian law and the current practices of the competent government authorities, the table below sets out the key steps for approvals with relevant government authorities and the conditions that must be complied with in order to conduct mineral exploration and exploitation in Cambodia:

| Step | Approval | Authority | Conditions |
|---|---|---|---|
| 1. | Registration of the company to perform mining operations in Cambodia | CDC/MOC | Required to establish an investment company to apply for investments incentives and incorporate the entity implementing the mining project. |
| 2. | Tax registration | GDT | Registration with the GDT is required for incorporation of any legal entity in Cambodia and for any subsequent changes. |
| 3. | Registration with the MME | GDMR (within the MME) | The applicant, a company duly registered with the CDC/MOC, must submit evidence of technical and financial capability to the GDMR for approval. |
| 4. | Environmental approvals | Ministry of Environment ("**MOE**") | The applicant must conduct an EIA study and prepare a feasibility study report.<br><br>Various approvals of the MOE are then required, including:<br><br>1. approval of the EIA report;<br>2. permit for emission of pollutants and noise;<br>3. permit for discharge/ transportation of liquid waste (if applicable);<br>4. permit for transportation or construction of disposal or storage site for hazardous waste (if applicable); and<br>5. permit for transportation of dry muddy waste (if applicable). |
| 5. | CDC Approval | CDC | CDC approval is required prior to obtaining an exploitation license and prior to entry into the Mineral Agreement. |

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| Step | Approval | Authority | Conditions |
|---|---|---|---|
| 6. | Mineral Exploration License | MME | An applicant for a mineral exploration license must submit for approval:<br><br>1. a copy of the certificate of registration issued by the GDMR;<br>2. plan of requested location;<br>3. report on the financial capacity or annual financial balance of the last three years of the applicant together with a certificate of any financial institution or audit who has the right to operate its business in Cambodia (essentially, independently-audited financial statements of a company);<br>4. exploration activity schedule and financial budget during the exploration period;<br>5. evidence of preceding experience of the applicant in the field of mining or other relevant industries;<br>6. an EIA report evaluating the environmental impacts, management and restoration planning and budgets reserved for the restoration of the proposed mine site; and<br>7. a plan to train and utilise Cambodian personnel. |
| 7. | Mineral Exploitation License – prior to grant | MME | An applicant for a mineral exploitation license must:<br><br>1. already hold a mineral exploration license;<br>2. have obtained prior approval from the CDC;<br>3. pay compensation to people living in the license operation area;<br>4. exploration activity schedule and financial budget during the exploration period;<br>5. submit a "bankable feasibility study" to the MME, encompassing: (a) a mine plan and processing plan; (b) a plant site and facilities plan; (c) an EIA report including a restoration plan and management plan; (d) a marketing and sales plan; (e) financial analysis and capital and operating cost analysis; (f) programmes |

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| Step | Approval | Authority | Conditions |
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| | | | for employment, education and training of Cambodian citizens; and (g) a plan for procurement of goods and services obtainable within Cambodia;<br>6. provide an unconditional performance guarantee, issued by a reputable bank located in Cambodia or a foreign bank through a correspondent bank located in Cambodia, within 30 days after the effective date of the agreement in the amount of USD 20,000, which shall remain valid until the license holder submits a feasibility study to MME for review and approval;<br>7. create a restoration fund deposit by opening a bank account in the name of the applicant (jointly administered by MME and the applicant); and<br>8. make an initial deposit equivalent to 20% of the estimated costs of restoration for each term of an issued mineral exploitation license before mining operations commence.<br><br>The MME must give a written response of approval or rejection to an application within a maximum period of 45 days following the date of submission of an application (Article 16 of LMEMR).<br><br>The MME has discretion as to whether an applicant must enter into an agreement on mineral exploration and exploitation. This depends on whether the MME deems that the mining exploration license or mining exploitation proposals are significant in size and will bring special benefits to Cambodia. |
| 8. | Mineral Exploitation License – post grant | MME | After the exploitation license has been granted, the license holder must:<br><br>1. bear all costs involved in mineral operations, the restoration of mined sites, environmental protection and the development of communities;<br>2. provide the capital, technology and personnel necessary to conduct mineral operations; |

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| Step | Approval | Authority | Conditions |
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| | | | 3. provide insurance for the occupational health and safety of workers and protect public safety in and around mines sites;<br>4. submit technical and accounting/financial reports and keep MME regularly and fully informed of mining operations at the end of each month. Upon approval and grant of an exploration license, the holder must, within 90 days after the end of each calendar year, submit reports on mining operations and financial statements covering that period; and<br>5. maintain confidentiality over the data, analysis and interpretations pertaining to mining operations unless data is allowed to be disclosed by the license holder following the request of MIME or until the agreement is terminated or expires, following which all data, analysis and interpretations shall be given to the MME. |
| 9. | License to conduct the business of precious metals and stones import/export | National Bank of Cambodia | A license from the National Bank of Cambodia must obtained by a company intending to sell, buy, import and/or export precious metals and stones. The procedure is as follows:<br>1. applicant must be a legally registered commercial company in Cambodia;<br>2. application must include (among other things) evidence of MOC registration and a copy of the AOAs;<br>3. payment of application fee in the amount of one million Khmer Riels (approximately USD 250) and annual license fee of two million Khmer Riels (approximately USD 500); and<br>4. payment of two million Khmer Riels (approximately USD 500) for every transaction of importing and/or exporting precious metals or stones. |

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| 10. | Construction permit | Ministry of Land Management, Urbanization and Construction ("**MLMUC**") | The MLMUC must approve the architectural drawing and blueprints.<br><br>Among other matters, a construction permit is required for the mining project construction.<br><br>A demolition permit is usually obtained prior to demolishing existing buildings.<br><br>Other permits relevant to construction activities are as follows:<br>1. permit for opening the construction site;<br>2. permit for closing the construction site or certificate of accuracy; and<br>3. reparation/extension permit (if applicable). |
| 11. | Import approvals | CDC<br><br>General Department of Customs and Excise ("**GDCE**") | CDC approval is required for the import duty exemption of machinery, equipment and materials for the project.<br><br>Applications for the import duty exemption are approved by CDC and the GDCE (notably, for machinery, production equipment, raw materials, parts and chemicals). Import tax exemptions are also approved by the GDCE. |
| 12. | Approval of the use of right of way | Ministry of Public Works and Transportation ("**MPWT**") | Required for a right of way along public road. |
| 13. | Approval for installation of water and electrical lines | MPWT | Installation is normally approved together with other construction as an entire project. The approval will also be required if the installation is made to a right of way along a public road. |
| 14. | Authorization of the Ministry of Water Resource and Meteorology ("**MWRM**") | MWRM | Required for the use, consumption or diversion of water for industrial purposes beyond basic needs.<br><br>The authorization of the MWRM is also required for emitting, stowing or storing poisonous substances, which can affect water quality. |

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| 15. | Labour registrations and approvals, notably the Ministry of Labour ("**MOL**"). | MOL | The following registrations and approvals shall be undertaken with and obtained from the MOL in accordance with the Cambodian Labour Law:<br>1. declaration of business opening;<br>2. declaration of personnel;<br>3. payroll ledger and establishment book;<br>4. for applicants with 8 or more employees, registration of the internal rules and election of employee representatives;<br>5. issuance of work books for Cambodian nationals; and<br>6. approval of a foreign employee quota (capped at 10%) and issuance of work permits for foreign employees. |
| 16. | Immigration/ Residency Permits | Ministry of Interior | Foreign nationals employed in the project must have the following documents:<br>1. visa; and<br>2. residency card. |
| 17. | Approval of the location of the project site and office from other relevant Ministries-Institutions/local authorities related to and investment project may be required. | Provincial and municipal authorities | The approval of the location of the project site and office shall be required from the project area and the relevant Provincial/Municipal authority and other relevant Ministries-Institutions/local authorities related to the project. |
| 18. | Factory Establishment Permit and/or Factory Operating License | Ministry of Industry and Handicrafts | A factory establishment permit and factory operating license may be required if a company has, or intends to have, a processing facility for raw mine products and/or concentrates. These are required to establish the facility and start manufacturing activities in Cambodia. A company wishing to process raw mineral products and/or concentrates in Cambodia may require these approvals. |

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## 4. Term & Permitted Activities – Mineral Exploration License

Pursuant to Sub Decree No. 72 on Management of Mineral Resource Exploration License and Industry Mining License dated 5 May 2016 ("**Sub-Decree No. 72**"), a mineral exploration license is valid for three years and may be renewed up to two times for a period of two years each time, provided that the applicant has applied for an extension.

The holder of an exploration license is permitted to conduct the activities specified in Article 3 of the LMEMR, specifically performing investigations for the purpose of discovering and testing mineral indexes by prospecting, geological, geophysical and geochemical surveying, excavations, drilling, removal and analysis of soils, silts, water, rock and mineral samples, to determine the potential, extent, quality, quantity and economic and exploitation feasibility.

Pursuant to Article 28 of the LMEMR, a holder of an exploration license is exempt from having to pay the RGC a royalty on the value of minerals extracted.

## 5. Extensions – Mineral Exploration License

A mineral exploration license can be renewed up to two times for a period of two years each time provided that the applicant has applied for an extension at least 90 days prior to the expiration of the current valid exploration license and adduced the documents listed at (1)-(6) below, as required by the MME's regulations, the provisions of any agreement on mineral exploration and exploitation an applicant may enter into with the MME, and the established practices of MME and the GDMR:

(1) apply for an extension at least 90 days prior to the expiration of the current, valid exploration license;

(2) submit detailed reports on the result of mineral exploration undertaken in the previous exploration period;

(3) submit a report on exploration work programs and a budget proposed for the next extension to the exploration period;

(4) submit a report on training programs;

(5) submit evidence of payment of land rental, other taxes and duties and other fees and charges as stated in the Mineral Agreement and submitted to the MME all receipts or evidence indicating the fulfilment of such financial obligation; and

(6) have fulfilled any other conditions as stated in any agreement on mineral exploration and exploitation an applicant may enter into with the MME.

In addition to the above, in accordance with Article 6(4) of Prakas 340 the applicant must have submitted a report on environmental protection both within and outside the exploration area and the report must have been approved by the Ministry of Environment.

At the end of the exploration period, the MME may approve an extension of the initial exploration license for an additional period if the company needs to further study the economic feasibilities of

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the mineral deposit or needs to proceed to apply for an exploitation license (Article 6(4) of Prakas 340).

## 6. Term & Permitted Activities – Mineral Exploitation License

The holder of an exploitation license is permitted to conduct mining operations whereby minerals are extracted from any mineral deposit processed, transported, sold or exported for commercial ends. Article 11(6) of the LMEMR states that an exploitation license shall be issued only to the holder of an exploration license for the purpose of conducting exploration and mining of economically viable mineral deposit established within the boundaries of the exploration license.

In accordance with Article 28 of the LMEMR, the holder of an exploitation license will be required to pay the RGC a royalty on the value of the minerals extracted. Article 32 provides that the rate of royalty on the value of mineral resources, the methods of payment to the RGC and incentives for competent officials will be determined by Inter-Ministerial Prakas.

## 7. Extensions – Mineral Exploitation Licenses

In relation to the extension of a mineral exploitation license, the license may be renewed for periods of ten (10) years for each renewal provided the following requirements are met and the applicant has:

(1) applied for an extension at least 90 days prior to the expiration of the current, valid exploration license;

(2) submitted an annual report on the mineral exploitation carried out during the previous year;

(3) submitted a report every five years on the restoration of areas that have already been mined;

(4) submitted a report every five years showing the mineral exploitation and restoration plan for the next five year period;

(5) submit evidence of payment of land rental, other taxes and duties and other fees and charges as stated in the mineral agreement and submitted to the MME all receipts or evidence indicating the fulfilment of such financial obligation; and

(6) have fulfilled any other conditions as stated in any agreement on mineral exploration and exploitation an applicant may enter into with the MME.

## 8. Suspension and cancellation

In addition to any specific terms contained in the license itself, Article 18 of the LMEMR provides that a license issued under the authority of the LMEMR may be suspended or cancelled in the event the license holder breaches the LMEMR. Procedures for suspension and revocation of a license are to be determined by sub-decree.

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Sub-Decree No. 72 provides that holders of an exploration license must report to the MME on an annual basis about the results and associated expenses related to mineral resources exploration for each year before the end of the first month of the next calendar year or within 30 days following the date on which the exploration license expire. Failure to comply with this obligation may result in the license being revoked.

# 8. Risk Factors

The Shares are considered highly speculative. An investment in the Company is not risk free. The proposed future activities of the Company are subject to a number of risks and other factors which may impact its future performance. Some of these risks can be mitigated by the use of safeguards and appropriate controls. However, many of the risks are outside the control of the Directors and management of the Company and cannot be mitigated.

The risks described in this Section 8 is not an exhaustive list of the risks faced by the Company or by investors in the Company. It should be considered in conjunction with other information in this Prospectus. The risk described in, and others not specifically referred to, this Section 8 may in the future materially affect the financial performance and position of the Company and the value of the Shares offered under this Prospectus. The Shares to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, return of capital or the market value of those securities. The risk described in this Section 8 also necessarily include forward looking statements. Actual events may be materially different to those described and may therefore affect the Company in a different way.

Investors should be aware that the performance of the Company may be affected and the value of its Shares may rise or fall over any given period. None of the Directors or any person associated with the Company guarantee the Company's performance, the performance of the Shares the subject of the Offer or the market price at which the Shares will trade. The Directors strongly recommend that potential investors consider the risks detailed in this Section 8, together with information contained elsewhere in this Prospectus, and consult their professional advisers, before they decide whether or not to apply for Shares.

## 8.1 Company Specific Risks

### (a) Title Risk

The Company's mining and exploration activities are dependent upon the maintenance (including renewal) of the mineral exploration licences and mineral claims in which the Company has, will have or will acquire an interest in. Maintenance of the Company's current and future mineral exploration licences and mineral claims is dependent on, among other things, the Company's ability to meet the licence conditions imposed by relevant authorities including compliance with the Company's work program requirements which, in turn, is dependent on the Company being sufficiently funded to meet those expenditure requirements. Although the Company has no reason to think that the mineral exploration licences and mineral claims in which it currently has an interest, or will have an interest in, will not be renewed, there is no assurance that such renewals will be given as a matter of course and there is no assurance that new conditions will not be imposed by the relevant granting authority.

### (b) Exploitation, exploration and mining licences

The mineral exploration licences and mineral claims that have been or will be granted only permit exploration on the Projects. In the event that the Company successfully delineates economic deposits on any of the mineral exploration licences or mineral claims, it will need to apply for a mining lease, mineral exploitation licence or mining claim (as applicable). There is no guarantee that the Company will be granted a mining lease, mineral exploitation licence or mining claim if one is applied for.

Potential investors should understand that mineral exploration is a high-risk undertaking. There can be no assurance that exploration of the Projects, or any other mineral exploration licences or mineral claims that may be acquired in the future, will result in the discovery of an economic deposit. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited.

### (c) Mine development

Possible future development of mining operations at the Projects is dependent on a number of factors including, but not limited to, the acquisition and/or delineation of economically recoverable mineralisation, favourable geological conditions, receiving the necessary approvals from all relevant authorities and parties, seasonal weather patterns, unanticipated technical and operational difficulties encountered in extraction and production activities, mechanical failure of operating plant and equipment, shortages or increases in the price of consumables, spare parts and plant and equipment, cost overruns, access to the required level of funding and contracting risk for third parties providing essential services.

No assurance can be given that any of the Projects will achieve commercial viability. The risks associated with the development of a mine will be considered in full as part of the Company's exploration activities and will be managed with ongoing consideration of stakeholder interests.

### (d) Extraterritorial Risks

The Company has interests in assets overseas and in that respect such assets are subject to risks particular to their extraterritoriality such as changes in laws, practices and policies in the relevant jurisdictions, including laws that deal with overseas investors. In particular, logistical difficulties may arise due to the assets being located overseas including the additional costs with respect to overseeing and managing the same, costs associated with taking advice in relation to the application of local laws as well as the cost of establishing a local presence in that jurisdiction and/or infrastructure necessary. Fluctuations in currency of the relevant jurisdiction may also affect the dealings and operations of the Company in such jurisdiction.

### (e) Kurnalpi Project Joint Venture

The exploration of, and any future mining operations on, the Kurnalpi Project are subject to the Joint Venture Agreement (refer to Section 9.3 for further details). The successful exploration of, and any future mining operations on, the Kurnalpi Project is reliant in part on the Company maintaining an effective relationship with Serendipity and also on all parties to the Joint Venture Agreement performing their obligations under that agreement. There may be a material adverse impact on the exploration of, and any future mining operations on, the Kurnalpi Project if Serendipity does not perform its obligations under the joint venture or the relationship between the Company and Serendipity deteriorates.

### (f) Grant of Applications

There is no guarantee that the mineral exploration licence applications for the Cambodian Project or the Kurnalpi Project will be granted.

As at the date of this Prospectus, the two mineral exploration licence applications in respect to the Cambodian Project have been validly made and the Company is not aware of any further requirements for these applications as required by Cambodian laws. The applications have been properly received by the Ministry of Mines and Energy in Cambodia and are presently being reviewed. If mineral exploration licence for the Cambodian Project are not granted, the Company will acquire no interest in the Cambodian Project.

As at the date of this Prospectus, mineral exploration licence applications for E 25/539-I and E 25/541-I have not been granted. If these mineral exploration licences for the Kurnalpi Project are not granted, the Company will acquire no interest in the area covered by E 25/539-I and E 25/541-I.

### (g) Sovereign Risk - Cambodia

The Company may decide to conduct exploration and development activities in Cambodia. There is no assurance that future political and economic conditions in that country will not result in the Cambodian government adopting policies precluding foreign investment and/or control in and development and ownership of mineral resources in Cambodia (directly or indirectly). Any changes in policy by the Cambodian government may result in changes in the Cambodian companies, taxation, rates of exchange, environmental protection, labour relations, repatriation of income and return of capital, which may affect the Company's ability to carry out its objectives for the Cambodian Project.

It is possible that a future government in Cambodia may adopt substantially different policies, which might extend to limitation of foreign control of shares or assets, or expropriation of assets. There can be no assurance that the Cambodian government from time to time will not impose measures that could have a material adverse effect on the Company or future operations.

Further, the mineral exploration licences in relation to the Cambodian Project may be granted subject to addition terms and conditions imposed by the Cambodian government including, but not limited to, additional obligations with respect to its proposed work program and budget.

### (h) Field Season - Alaska

The Alaskan Project has a relatively short exploration field season which typically extends from June through early October for early stage exploration operations. The Alaskan Project is located within the Kuskokwim Mountains and its relatively close proximity to the Bering Sea can result in inclement weather that may hamper helicopter and fixed-wing aircraft access to the Alaskan Project and result in work delays during the field season.

### (i) Access Risk - Australian Native title and Aboriginal Heritage

If native title rights exist over the land the subject of the Kurnalpi Project or the Churchill Dam Project, the Company's ability to gain access to those mineral exploration licences or to progress from the exploration phase to the development and mining phases of operations, and the grant of any applications for licences or leases in areas that are the subject of native title rights, may be adversely affected.

It is possible that Aboriginal sacred sites found within the Kurnalpi Project or the Churchill Dam Project may preclude exploration and mining activities and the Company may also experience delays with respect to obtaining permission from the traditional owners to explore for, and extract, resources.

The Company notes that there are a number of registered Aboriginal heritage sites within the area of the Kurnalpi Project and accordingly, the Company must comply with Aboriginal heritage legislation requirements and access agreements which require heritage survey work to be undertaken ahead of the commencement of mining operations.

### (j) Commodity price volatility

As future revenues will primarily be derived from the sale of gold, any future earnings will be closely related to the price of gold. Commodity prices fluctuate and are affected by numerous factors beyond the control of the Company. These factors include world demand for gold, forward selling by producers, and production cost levels in major gold producing regions.

Moreover, commodity prices are also affected by macroeconomic factors such as expectations regarding inflation, interest rates and global and regional demand for, and supply of, the commodity as well as general global economic conditions. These factors may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities.

### (k) Currency volatility

International prices of various commodities, including gold, are denominated in United States dollars, whereas the income and expenditure of the Company are and will be taken in account in Australian dollars, consequently exposing the Company to fluctuations and volatility of the rate of exchange between the United States dollar and the Australian dollar as determined by the international markets.

### (l) Environmental risk

The Company's projects are subject to certain regulations regarding environmental matters. The governments and other authorities that administer and enforce environmental laws determine these requirements. As with all exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly if mine development proceeds. The Company intends to conduct its activities in an environmentally responsible manner and in accordance with applicable laws.

The cost and complexity of complying with the applicable environmental laws and regulations may prevent the Company from being able to develop potentially economically viable mineral deposits.

Further, the Company may require additional approvals from the relevant authorities before it can undertake activities that are likely to impact the environment. Failure to obtain such approvals will prevent the Company from undertaking its desired activities. The Company is unable to predict the effect of additional environmental laws and regulations, which may be adopted in the future, including whether any such laws or regulations would materially increase the Company's cost of doing business or affect its operations in any area.

There can be no assurances that new environmental laws, regulations or stricter enforcement policies, once implemented, will not oblige the Company to incur significant expenses and undertake significant investments in such respect which could have a material adverse effect on the Company's business, financial condition and results of operations.

### (m) Mineral Resource Estimates

The interpretation of exploration results and Mineral Resource estimates are expressions of judgement based on knowledge, experience and industry practice. Estimates which were valid when originally made may alter significantly when new information or techniques become available. In addition, by their very nature, exploration results and Mineral Resource estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate. As further information becomes available through additional fieldwork and analysis, the estimates are likely to change. This may result in alterations to development and mining plans which may, in turn, adversely affect the Company's operations.

A specific risk relating to the Projects include the expected mineralisation not being present or being too small to warrant commercial exploitation. For further information in respect to the other specific risks of the Projects refer to this Section 8 and the Independent Technical Report.

### (n) Change in Regulations

Any material adverse changes in government policies, legislation or shifts in political attitude in Australia, North America, Cambodia or any other jurisdiction in which the Company operates, that affect mineral mining and exploration activities, tax laws, royalty regulations, government subsidies and environmental issues may affect the viability of a project or the Company.

No assurance can be given that amendments to current laws and regulations or new rules and regulations will not be enacted, or that existing rules and regulations will not be applied in a manner which could substantially limit or affect the Company's exploration

### (o) Payment obligations

Under the licences and certain other contractual agreements to which the Company is or may in the future become party, the Company is or may become subject to payment and other obligations. In particular, mineral licence holders are required to expend the funds necessary to meet the minimum work commitments attaching to the licences. Failure to meet these work commitments will render the licence liable to be cancelled.

### (p) Dependence on key personnel

The Company is reliant on a number of key personnel and consultants. The loss of one or more of these key contributors could have an adverse impact on the business of the Company.

It may be difficult for the Company to attract and retain suitably qualified and experienced people, due to the relatively small size of the Company, compared with other industry participants.

### (q) Equipment Risk

The operations of the Company could be adversely affected if essential equipment fails or becomes unavailable to access in a timely manner.

### (r) Commercial risks of mineral exploration and extraction

The mineral exploration licences and mineral claims are at various stages of exploration and potential investors should understand that mineral exploration and development are high-risk undertakings. There can be no assurance that exploration of the mineral exploration licences and mineral claims or any other tenements that may be acquired in the future, will result in the discovery of any economic deposits. Even if the Company identifies a viable deposit, there is no guarantee that the mineral deposit can be economically exploited.

### (s) New projects and acquisitions

The Company may make acquisitions in the future as part of future growth plans. In this regard, the Directors of the Company will use their expertise and experience in the resources sector to assess the value of potential projects that have characteristics that are likely to provide returns to shareholders.

There can be no guarantee that any new project acquisition or investment will eventuate from these pursuits, or that any acquisitions will result in a return for Shareholders. Such acquisitions may result in use of the Company's cash resources and issuances of equity securities, which might involve a substantial dilution to Shareholders.

### (t) Dilution Risk

Future equity offerings by the Company may dilute the percentage ownership of the Company by existing Shareholders. In certain circumstances, securities issued by the Company in the future may have rights, preferences or privileges attached to them that are senior, to or otherwise adversely affect, those attached to the Shares.

### (u) Future capital requirements

The Company's growth through its proposed and future drilling and exploration campaigns will require substantial expenditure. There can be no guarantees that the Company's cash reserves together with the funds raised by the Offer will be sufficient to successfully achieve all the objectives of the Company's overall business strategy.

If the Company is unable to use debt or equity to fund expansion after the substantial exhaustion of the net proceeds of the Offer and existing working capital, there can be no assurance that the Company will have sufficient capital resources for that purpose, or other purposes, or that it will be able to obtain additional resources on terms acceptable to the Company or if at all.

Any additional equity financing may be dilutive to the Company's existing Shareholders and any debt financing if available, may involve restrictive covenants, which limit the Company's operations and business strategy. The Company's failure to raise capital if and when needed could delay or suspend the Company's business strategy and could have a material adverse effect on the Company's activities.

### (v) Contractual Disputes

As with any contract, there is a risk that the business could be disrupted in situations where there is a disagreement or dispute in relation to a term of the contract. Should such a disagreement or dispute occur, this may have an adverse impact on the Company's operations and performance generally. It is not possible for the Company to predict or protect itself against all such risks.

### (w) Third Party Risk

The operations of the Company require the involvement of a number of third parties, including suppliers, contractors and clients.

Financial failure, default or contractual non-compliance on the part of such third parties may have a material impact on the Company's operations and performance. It is not possible for the Company to predict or protect the Company against all such risks.

### (x) Litigation

The participation by the Company in the mineral industry may expose the Company to possible litigation risks, including native title claims, tenure disputes, environmental claims, occupational health and safety claims and employee claims. Further, the Company may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on the Company's operations, financial performance and financial position.

The Company is not presently involved in litigation and the Directors are not aware of any basis on which any litigation against the Company may arise.

## 8.2 Industry Specific Risks

### (a) Nature of mineral exploration and mining

The business of mineral exploration, development and production is subject to risk by its nature. The success of the business depends, inter alia, on successful exploration and/or acquisition of resources and reserves, securing and maintaining title to mineral exploration licences, mineral claims and consents, successful design, construction, commissioning and operating of mining and processing facilities, successful development and production in accordance with forecasts and successful management of the operations. Exploration and mining are speculative undertakings which may be hampered by force majeure circumstances, land claims and unforeseen mining problems. Increased costs, lower output or high operating costs may all contribute to make a project less profitable than expected at the time of the development decision. There is no assurance that the Company's attempts to exploit its exploration activities will be successful.

### (b) Operational risks

The operations of the Company may be affected by various factors which are beyond the control of the Company, including failure to locate or identify mineral deposits, failure to achieve predicted grades in exploration or mining, operational and technical difficulties encountered in mining, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs, adverse weather conditions, industrial and environmental accidents, industrial disputes and unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment, fire, explosions and other incidents beyond the control of the Company.

These risks and hazards could also result in damage to, or destruction of, production facilities, personal injury, environmental damage, business interruption, monetary losses and possible legal liability. While the Company currently intends to maintain insurance within ranges of coverage consistent with industry practice, no assurance can be given that the Company will be able to obtain such insurance coverage at reasonable rates (or at all), or that any coverage it obtains will be adequate and available to cover any such claims.

### (c) Metallurgy

Metal and/or mineral recoveries are dependent upon the metallurgical process, and by its nature contain elements of significant risk such as:

(i) identifying a metallurgical process through test work to produce a saleable metal and/or concentrate;
(ii) developing an economic process route to produce a metal and/or concentrate; and
(iii) changes in mineralogy in the ore deposit can result in inconsistent metal recovery, affecting the economic viability of the project.

### (d) Australian Native Title

The Native Title Act 1993 (Cth) in Australia (**Native Title Act**) recognises and protects the rights and interests in Australia of Aboriginal and Torres Strait Islander people in land and waters, according to their traditional laws and customs. There is significant uncertainty associated with native title in Australia and this may impact on the Company's operations and future plans.

Native title can be extinguished by valid grants of land (such as freehold title) or waters to people other than the native title holders or by valid use of land or waters. It can also be extinguished if the indigenous group has lost its connection with the relevant land or waters. Native title is not necessarily extinguished by the grant of mining leases, although a valid mining lease prevails over native title to the extent of any inconsistency for the duration of the title.

Tenements granted before 1 January 1994 are valid or validated by the Native Title Act.

For tenements to be validly granted (or renewed) after 1 January 1994, the future act regime established by the Native Title Act must be complied with.

The existence of a native title claim is not an indication that native title in fact exists on the land covered by the claim, as this is a matter ultimately determined by the Federal Court.

The Company must also comply with Aboriginal heritage legislation requirements which require heritage survey work to be undertaken ahead of the commencement of mining operations.

### (e) Insurance

The Company intends to insure its operations in accordance with industry practice. However, insurance of all risks associated with exploration is not always available and, where it is available, the cost may be high. The Company will have insurance in place considered appropriate for the Company's needs.

The business of the Company is subject to a number of risks and hazards generally, including adverse environmental conditions, industrial accidents, labour disputes, unusual or unexpected geological conditions, ground or slope failures, cave-ins, changes in the regulatory environment and natural phenomena such as extreme weather conditions, floods and earthquakes. Such occurrences could result in damage to mineral properties, buildings, personal injury or death, environmental damage to properties of the Company or others, delays in mining, monetary losses and possible legal liability.

It is not always possible to obtain insurance against all such risks and the Company may decide not to insure against certain risks because of high premiums or other reasons. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration and production is not generally available to the Company or to other companies in the mining industry on acceptable terms.

The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of the Company. In addition, there is a risk that an insurer defaults in the payment of a legitimate claim by the Company.

### (f) Occupational Health and Safety Risk

The Company is committed to providing a healthy and safe environment for its personnel, contractors and visitors. Exploration and mining activities have inherent risks and hazards. The Company provides appropriate instructions, equipment, preventative measures, first aid information and training to all stakeholders through its occupational, health and safety management systems.

## 8.3 General Risks

### (a) Securities investments

Applicants should be aware that there are risks associated with any securities investment.

Prior to the Offer, there was no public market for the Shares. There is guarantee that an active trading market in the Shares will develop or that the price of the Shares will increase. The prices at which the Shares trade may be above or below the Offer price and may fluctuate in response to a number of factors.

Further, the stock market is prone to price and volume fluctuations. There can be no guarantee that trading prices will be sustained. These factors may materially affect the market price of the Shares, regardless of Company's operational performance.

### (b) Economic risk

Changes in the general economic climate in which Company operates may adversely affect the financial performance of Company. Factors that may contribute to that general economic climate include the level of direct and indirect competition against the Company, include, but are not limited to:

(i) general economic conditions;
(ii) changes in government policies, taxation and other laws;
(iii) the strength of the equity and share markets in Australia and throughout the world;
(iv) movement in, or outlook on, exchange rates, interest rates and inflation rates;
(v) industrial disputes in Australia and overseas;
(vi) changes in investor sentiment toward particular market sectors;
(vii) financial failure or default by an entity with which the Company may become involved in a contractual relationship; and
(viii) natural disasters, social upheaval or war.

### (c) Share market

Share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. The market price of the Securities may be subject to fluctuation and may be affected by many factors including, but not limited to, the following:

(i) general economic outlook;
(ii) interest rates and inflation rates;
(iii) currency fluctuations;
(iv) commodity price fluctuations;
(v) changes in investor sentiment toward particular market sectors;
(vi) the demand for, and supply of, capital; and
(vii) terrorism or other hostilities.

There is also no guarantee that an active market in the Securities will develop or that the price of the Securities will increase. There may be relatively few buyers or sellers of Securities on the ASX at any particular time.

### (d) Legal Proceedings

Legal proceedings may arise from time to time in the course of the business of the Company. Legal proceedings brought by third parties including but not limited to customers, business partners or employees could negatively impact the business in the case where the impact of such litigation is greater than or outside the scope of the Company's insurance. As at the date of this Prospectus, there are no material legal proceedings affecting the Company and the Directors are not aware of any legal proceedings pending or threatened against or affecting the Company.

### (e) Unforseen expenses

While the Company is not aware of any expenses that may need to be incurred that have not been taken into account, if such expenses were subsequently incurred, the expenditure proposals of the Company may be adversely affected.

### (f) Macro-economic risks

Changes in the general economic outlook in Australia and globally may impact the performance of the Company and its projects. Such changes may include:

(i) uncertainty in the Australian economy or increases in the rate of inflation resulting from domestic or international conditions (including movements in domestic interest rates and reduced economic activity);
(ii) increases in expenses (including the cost of goods and services used by the Company);
(iii) new or increased government taxes, duties or changes in taxation laws; and
(iv) fluctuations in equity markets in Australia and internationally.

A prolonged and significant downturn in general economic conditions may have a material adverse impact on the Company's trading and financial performance.

### (g) Broader general risks

There are also a number of broader general risks which may impact the Company's performance. These include:

(i) abnormal stoppages in normal business operations due to factors such as war, political or civil unrest, infrastructure failure or industrial disruption; and
(ii) higher than budgeted costs associated with the provision of service offerings.

### (h) Currency risk

The Company may operate in multiple international jurisdictions, which exposes the Company to multiple currencies and their future currency fluctuations, which may affect future profitability of the Company.

### (i) Taxation risk

The acquisition and disposal of Shares will have tax consequences which will differ for each investor depending on their individual financial circumstances. All potential investors in the Company are urged to obtain independent financial advice regarding the tax and other consequences of acquiring Shares. To the maximum extent permitted by law, the Company, its officers and each of their respective advisers accept no liability or responsibility with respect to any tax consequences of applying for Shares under this Prospectus.

### (j) Accounting standards

Changes to any applicable accounting standards or to any assumptions, estimates or judgments applied by management in connection with complex accounting matters may adversely impact the Company's financial statements, results or condition.

# 9. Material Contracts

The Directors consider that the material contracts described below are those which an investor would reasonably regard as material and which investors and their professional advisors would reasonably expect to find described in this Prospectus for the purpose of making an informed assessment of an investment in the Company under the Offer.

## 9.1 Afranex Sale Deed

The Company and the shareholders of Afranex (**Afranex Shareholders**) entered into the share sale deeds (**Afranex Sale Deeds**), pursuant to which the Company has acquired the entire issued share capital of Afranex. The acquisition of Afranex completed on 3 July 2017. The acquisition resulted in the Company acquiring effective control of the Alaskan Project. Refer to Section 2.5 for further details.

In consideration for the acquisition of the entire issued share capital of Afranex, the Company has issued to the Afranex Shareholders:

(a) an aggregate of 10,000,000 Shares; and
(b) an aggregate 5,000,000 Vendor Options, with terms and conditions detailed in Section 10.4,

(together, the **Afranex Consideration**).

The Afranex Sale Deeds also contains other standard clauses customary to an agreement of this nature, including representations and warranties being given by each party.

## 9.2 Serendipity Sale Agreement

On 14 July 2017 the Company, Riversgold Australia and Serendipity entered into a sale agreement, pursuant to which the Company agreed to acquire an 80% legal and beneficial interest in the Kurnalpi Project, comprised of the Kurnalpi Tenements and all technical information in the possession of Serendipity relating to the Kurnalpi Project (**Serendipity Agreement**). Under the terms of the Serendipity Agreement, Serendipity will retain 20% of the legal and beneficial interest in the Kurnalpi Project. Refer to Section 2.4 for further details.

In consideration for the acquisition of the 80% interest in the Kurnalpi Project, the Company:

(a) has paid a non-refundable deposit of $10,000 to Serendipity;
(b) will, subject to the satisfaction or waiver of the Serendipity Conditions (detailed below):
    (i) pay a sum of $90,000 as reimbursement for exploration and title expenditure incurred by Serendipity; and
    (ii) issue to Serendipity:
        (A) 3,000,000 Shares; and
        (B) 2,000,000 Vendor Options, with terms and conditions as detailed in Section 10.4.

Completion under the Serendipity Agreement is conditional upon the satisfaction or waiver of (amongst other matters) the following:

(a) the Company achieving the Minimum Subscription under the Offer; and
(b) the Company obtaining conditional approval from ASX for the Official Quotation of the Company's securities following completion and the Company being satisfied, acting reasonably, that the relevant conditions are capable of being satisfied,

(together, the **Serendipity Conditions**).

If the Serendipity Conditions have not been satisfied or waived with the written consent of Serendipity prior to 30 September 2017 then either the Company, Riversgold Australia or Serendipity may terminate the Serendipity Agreement.

During the period prior to completion of the sale and purchase, Serendipity is responsible for maintaining the Kurnalpi Tenements in good standing and must not sell, dispose of, nor grant any encumbrance over, its interests in the Kurnalpi Tenements. To the extent required, the transfer of a legal or beneficial interest in the Kurnalpi Tenements under the Serendipity Agreement is also subject to and conditional upon the receipt of prior written consent to that transfer from the Minister responsible for the administration of the Mining Act 1978 (WA).

During the period commencing on completion and ending on the date on which Riversgold Australia becomes registered as a holder of each of the Kurnalpi Tenements (and each of the mining tenements granted pursuant to the tenement applications, if any), Riversgold Australia is granted a contractual licence to enter upon the relevant ground to conduct exploration.

The Company's interest in the Kurnalpi Project is subject to the terms of the Joint Venture Agreement to be entered into between the Company and Serendipity at completion, the material terms of which are summarised in Section 9.3.

## 9.3 Joint Venture Agreement

Riversgold Australia and Serendipity have entered into a joint venture agreement to formally set out all the terms, conditions and provisions governing the operation and conduct of a joint venture for the exploration of the Kurnalpi Project (**Joint Venture Agreement)**.

The principal terms of the Joint Venture Agreement are as follows:

(a) the Joint Venture Agreement takes effect on completion and governs the participants' rights and obligations in respect of that Joint Venture, in which Riversgold Australia will have an initial 80% participating interest and Serendipity an initial 20% participating interest (**Joint Venture**);
(b) Riversgold Australia has the right to be the initial manager of the joint venture and authorised to conduct all exploration activities as agent of the participants. As manager Riversgold Australia may determine the nature and extent of those exploration activities in its absolute discretion and Riversgold Australia must sole fund all costs incurred;
(c) if a decision to mine is made by Riversgold Australia, each participant will have 30 days from the date of receipt of the relevant feasibility study to elect to either:
    (i) participate in the mining operation, in which case the participants will form a separate unincorporated mining joint venture in respect of the area the subject of the decision to mine, to be governed by a separate joint venture agreement (which must provide for, among other things, each participant to make proportionate contributions towards the costs incurred by that mining joint venture); or

(ii) convert its interest in the relevant area to a 1.5% net smelter return royalty payable in respect of all minerals produced from the relevant area;

(d) each participant in the exploration Joint Venture has a pre-emptive right to acquire the participating interest of the other participant in the event of a proposed sale or other disposal;
(e) in the event that a participant commits an unremedied breach of the Joint Venture Agreement or becomes insolvent, the other participant may elect to acquire the participating interest of the defaulting participant for its fair market value. An equivalent right will also arise should a change of control occur in respect of Serendipity without the consent of the manager;
(f) the participants that elect to participate in the mining operation (**Mining Participant**) will form an unincorporated joint venture to establish a commercial mining operation within the Mining Area (**Mining Joint Venture**), at which point the Joint Venture Agreement will cease to apply to the Mining Area;
(g) under the Mining Joint Venture (amongst others):
(i) the participating interest of a Mining Participant will be proportionate to their respective participant interest in the initial joint venture when the Mining Joint Venture commences;
(ii) a management committee will be established which is responsible for approving programs and budgets for the Mining Joint Venture activities;
(iii) the Mining Participants must contribute to the costs incurred by the Mining Joint Venture in proportion to their respective participating interest; and
(iv) if a Mining Participant defaults to pay a cash call issued in relation to the Mining Joint Venture and remains in default for 10 Business Days, the non-defaulting Mining Participants will have a call option to acquire the participating interest of the defaulting Mining Participant. In consideration for the call option, the defaulting Mining Participant will be entitled to the net smelter royalty of 1.25%; and

(h) either participant may withdraw from the exploration joint venture at any time, in which case the withdrawing participant will be entitled to receive a 1.5% net smelter return royalty (in the case of Serendipity) or a 1% net smelter return royalty (in the case of Riversgold Australia) in respect of all minerals produced from the mining tenements the subject of the Joint Venture.

## 9.4 Debnal Sale Deed

On 20 June 2017 the Company, Riversgold Australia and Debnal entered into a sale agreement, pursuant to which Riversgold Australia agreed to acquire 100% of the legal and beneficial interest in the Churchill Dam Project, consisting of exploration licence number 5890 (**EL 5890**) and all technical information in the possession of Debnal relating to the Churchill Dam Project (**Debnal Agreement)**. Refer to Section 2.6 for further details.

In consideration for the acquisition of the Churchill Dam Project, the Company has agreed to issue Debnal 500,000 Shares.

Completion under the Debnal Agreement is conditional upon the satisfaction or waiver of (amongst other matters) the following:
(a) the Company achieving the Minimum Subscription under the Offer; and
(b) the Company obtaining conditional approval from ASX for the official quotation of the Company's securities following completion and the Company being satisfied, acting reasonably, that the relevant conditions are capable of being satisfied.

If the above conditions are not satisfied prior to the end date of 30 September 2017, either party may terminate the Debnal Agreement by written notice to the other party.

During the period prior to completion of the sale and purchase, Debnal is responsible for maintaining EL 5890 in good standing and must not sell, dispose of, nor grant any encumbrance over, its interests in EL 5890.

Riversgold Australia must obtain the consent of the Minister responsible for the Mining Act 1971 (SA) before it can become registered as the holder of EL 5890.

During the period commencing on completion and ending on the date on which Riversgold Australia becomes registered as the holder of EL 5890, Riversgold is granted a contractual licence to enter upon the relevant ground to conduct exploration

The Debnal Agreement also contains other standard clauses customary to an agreement of this nature, including representations and warranties being given by each party.

## 9.5 Cambodian Sale Agreements

The Company has entered into a share sale agreement with Greenwich Equities Pty Ltd (**Greenwich Equities**), a majority shareholder of Cambodia Gold (**Majority Sale Agreement**), and minority sale agreements with the Minority Cambodia Gold Vendors (**Minority Share Sale Agreements**), pursuant to which the Company will acquire all the fully paid ordinary shares of Cambodia Gold (**Cambodia Gold Shares**). Refer to Section 2.7 for further details.

In consideration for the acquisition of the Cambodia Gold Shares, the Company has agreed to issue:
(a) an aggregate total of 23,500,000 Shares; and
(b) an aggregate total of 11,750,000 Vendor Options, with terms and conditions detailed in Section 10.4.

The formal agreements to effect the acquisition of Cambodia Gold is comprised of:
(a) the Majority Share Sale Agreement, pursuant to which the Company will acquire the Cambodia Gold Shares held by Greenwich Equities, representing 52.87% of the issued share capital of Cambodia Gold; and
(b) the Minority Share Sale Agreements, pursuant to which the Company will acquire the remaining 47.13% of Cambodia Gold Shares, held by Minority Cambodia Gold Vendors.

Completion under both the Majority Share Sale Agreement and Minority Share Sale Agreements is conditional on:

(a) the Company achieving the Minimum Subscription under the Offer; and
(b) the Company obtaining conditional approval from ASX for the official quotation of the Company's securities following completion and the Company being satisfied, acting reasonably, that the relevant conditions are capable of being satisfied.

The Company and Greenwich Equities have each provided warranties which are customary for a transaction of this nature. Each Minority Share Sale Agreement contains limited representations and warranties by the relevant Minority Cambodia Gold Vendors relevant to title and ownership of the Cambodia Gold Shares held by it.

Completion of the sale and purchase of the Cambodia Gold Shares under the Majority Share Sale Agreement and Minority Share Sale Agreements is interdependent and will occur contemporaneously.

## 9.6 Firm Commitment Letter

The Company has entered into the Firm Commitment Letter with Evolution, pursuant to which, Evolution:

(a) has agreed to subscribe for 12,500,000 Shares under the Offer (**Allocation Offer**);
(b) will, on request by the Company, complete and return a valid Application Form; and
(c) make payment of $2,500,000 for the subscription of Shares under the Offer in accordance with the Application Form.

Subject to:

(a) settlement of the Allocation Offer;
(b) compliance with all relevant regulation and laws;
(c) receipt by the Company of consent from a nominated director; and
(d) written confirmation from Evolution that the nominated director is a person of good standing, has not been bankrupt or committed an offence together with a statement that Evolution is not aware of any reason why the nominated director should not be appointed to the Board,

if at any time or from time to time, the Company determines to either replace an existing Director (whether due to resignation or otherwise) or increase the number of Directors at any and all times that Evolution holds such number of Shares that would comprise 10% or more of the Company's entire issued share capital (on an undiluted basis), Evolution shall have the right to nominate, by written notice to the Company, one person to the Board in the capacity of non-executive Director with a term expiring no earlier than the date of the following annual general meeting of shareholders of the Company.

Under the terms of the Firm Commitment Letter, Evolution will:

(a) subject to the terms of the Joint Venture, hold a first right of refusal over Rivergold's participating interests in the Kurnalpi Project; and
(b) hold a first right of refusal over any of Rivergold's Australian projects (including the Churchill Dam Project), other than the Kurnalpi Project.

## 9.7 Executive Service Agreement

The Company has entered into an executive services agreement with Mr Allan Kelly in respect to his employment as the Managing Director of the Company (**Executive Service Agreement**). The principal terms of the Executive Service Agreement are as follows:

(a) Mr Kelly will receive an annual base salary of $250,000 inclusive of superannuation;
(b) Mr Kelly may terminate the agreement by giving 6 months' notice in writing to the Company; and
(c) the Company may terminate the agreement (without cause) by giving 6 months' notice in writing to Mr Kelly (or make payment in lieu of notice), unless the Company is terminating as a result of serious misconduct (or on other similar grounds) by Mr Kelly, in which case no notice is required.

## 9.8 Non-Executive Director Appointments

The Company has entered into non-executive director appointment letters with each of Messrs Roderick Webster and Jeffrey Foster on the following key terms:

(a) Mr Foster will receive an annual remuneration of $40,000;
(b) Mr Webster will receive an annual remuneration of $70,000;
(c) Appointment shall cease if the non-executive director:
    (i) resigns;
    (ii) the close of any general meeting of Shareholders at which a resolution of their re-election is not approved; and
    (iii) is removed as a director in accordance with the Corporations Act or the Constitution.

## 9.9 Deeds of Indemnity, Access and Insurance

The Company has entered into standard deeds of indemnity, access and insurance with each of the Directors. Pursuant to those deeds, the Company has undertaken, consistent with the Corporations Act, to indemnify each Director in certain circumstances and to maintain directors' and officers' insurance cover in favour of the Director during the period of their appointment and for seven years after the Director has ceased to be a Director. The Company has further undertaken with each Director to maintain a complete set of the Company's board papers and to make them available to the Director for seven years after the Director has ceased to be a Director.

# 10. Additional Information

## 10.1 Rights attaching to Shares

A summary of the rights attaching to the Shares under the Offer is detailed below. This summary is qualified by the full terms of the Constitution (a full copy of the Constitution is available from the Company on request free of charge) and does not purport to be exhaustive or to constitute a definitive statement of the rights and liabilities of Shareholders. These rights and liabilities can involve complex questions of law arising from an interaction of the Constitution with statutory and common law requirements. For a Shareholder to obtain a definitive assessment of the rights and liabilities which attach to the Shares in any specific circumstances, the Shareholder should seek legal advice.

### (a) General meetings

Shareholders are entitled to be present in person, or by proxy or attorney to attend and vote at general meetings of the Company.

Shareholders may requisition meetings in accordance with section 249D of the Corporations Act.

### (b) Voting rights

Subject to any rights or restrictions for the time being attached to any class or classes of Shares, at general meetings of Shareholders or classes of Shareholders:

(i) each Shareholder entitled to vote may vote in person or by proxy or attorney;

(ii) on a show of hands, every person present who is a Shareholder or a representative of a Shareholder has one vote in respect of each Share carrying the right to vote; and

(iii) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for each Share held, but in respect of partly paid shares shall have a fraction of a vote equivalent to the proportion which the amount paid up bears to the total issue price for the share.

### (c) Dividend rights

The Directors alone may declare a dividend to be paid to shareholders. The dividend is payable at a time determined in the directors' discretion. No dividend may be declared or paid except as allowed by the Corporations Act. No interest is payable in respect of unpaid dividends. The Directors may set aside the Company's profit any amount that they consider appropriate. This amount may be used in any way that profits can be used, and can be invested or used in the Company's business in the interim.

### (d) Winding-up

If the Company is wound up, the liquidator may, with the authority of a special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company, and may for the purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.

The liquidator may, with the authority of a special resolution of the Company, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any Shares or other securities in respect of which there is liability.

### (e) Shareholder liability

As the Shares to be issued under the Offers contained in this Prospectus are fully paid shares, they are not subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

### (f) Transfer of Shares

Generally, Shares in the Company are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act and the Listing Rules.

### (g) Variation of rights

Pursuant to section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders vary or abrogate the rights attaching to Shares.

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of three quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

### (h) Alteration of Constitution

The Constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at the general meeting. In addition, at least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

## 10.2 Terms and Conditions of Riversgold Employee Incentive Option Plan

The Company has adopted an employee incentive option plan (**Plan**) to reward, retain and attract certain employees, eligible contractors and directors of the Company or its Related Bodies Corporate. As at the date of this Prospectus, no Incentive Options have been issued.

A summary of the material terms and conditions of the Incentive Options, is detailed below:

### (a) Entitlement to Participate

The Board will determine in its discretion who is entitled to participate in the Plan and issue an invitation to that person (**Participant**). The Board will consider factors such as seniority and position of the potential participant, length of service, record of employment and potential contribution to growth and profitability of the Company.

### (b) Exercise Price

The Board will determine in its discretion the exercise price of the Incentive Options. The exercise price may be nil but to the extent that the Listing Rules specify or require a minimum price, the exercise price must not be less than any minimum price specified.

### (c) Vesting Conditions

An Incentive Option may be subject to such vesting conditions as determined by the Board in its discretion and as specified in the offer for the Incentive Option. The Board may in its absolute discretion waive any vesting conditions due to special circumstances in relation to a relevant person in respect of those Incentive Options, or in the event of a winding up of the Company, either voluntarily or pursuant to an order.

All vesting conditions are automatically waived on the occurrence of a change of control, being:

(i) a bona fide Takeover Bid is declared unconditional and the bidder has acquired a Relevant Interest in at least 50.1% of the Shares;
(ii) a court approves, under section 411(4) (b) of the Corporations Act, a proposed compromise or arrangement for the purposes of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with any other company or companies; or
(iii) in any other case, a person obtains Voting Power in the Company which the Board (which for the avoidance of doubt will comprise those Directors immediately prior to the person acquiring that Voting Power) determines, acting in good faith and in accordance with their fiduciary duties, is sufficient to control the composition of the Board.

### (d) Lapsing Date

The lapsing date of an Incentive Option issued under the Plan is the expiry date of the Incentive Option, or such other date as the Board determines in its discretion at the time of the grant of that Incentive Option (**Lapsing Date**).

### (e) Lapsing of Options

The Incentive Options of any participant in the Plan will lapse upon the earlier to occur of:

(i) an unauthorised dealing in, or hedging of the Incentive Option occurring, or due to fraud, dishonesty or other improper behaviour;
(ii) a Vesting Condition is not satisfied by the due date, or a Vesting Condition is unable to be met, subject to (c);
(iii) in respect of unvested Incentive Options a relevant person ceases to be an eligible participant, subject to (c);
(iv) in respect of vested Incentive Options, a relevant person ceases to be an eligible participant, and the Incentive Option is not exercised within one month of the date of the person ceasing to be an eligible participant (or other such date as determined by the Board); or
(v) the Lapsing Date has passed.

### (f) Exercise of Options

Incentive Options granted under the Plan are exercised by delivering to the Company's secretary (at a time when the Incentive Options may be exercised):

(i) the certificate for the Incentive Options or, if the certificate for the Incentive Options is destroyed or lost, a declaration to that effect, accompanied by an indemnity in favour of the Company against any loss, costs or expenses which might be incurred by the Company as a consequence of its relying on the declaration;
(ii) a notice in the form set out in the Plan addressed to the Company and signed by the participant stating that the participant exercises the Incentive Options and specifying the number of Incentive Options being exercised; and
(iii) subject to (g) payment to the Company of the an amount equal to the Incentive Option Exercise Price multiplied by the number of Incentive Options which are being exercised unless there is no exercise price payable in respect of the Incentive Options being exercised.

### (g) Cashless Exercise

In lieu of paying the aggregate Exercise Price to purchase Shares under f(iii), the Board may, in its sole and absolute discretion, permit a Participant to elect to receive, without payment of cash or other consideration, upon surrender of the applicable portion of exercisable Incentive Options to the Company, a number of Shares determined in accordance with the following formula (**Cashless Exercise**):

$$A = \frac{B\,(C - D)}{C}$$

where:

A = the number of Shares (rounded down to the nearest whole number) to be issued to the Participant pursuant to this clause;

B = the number of Shares otherwise issuable upon the exercise of the Incentive Option or portion of the Incentive Option being exercised;

C = the Market Value of one Share determined as of the date of delivery to the Company Secretary of the items referred to in f(i) and f(ii) where Market Value is determined to be the weighted average price for Shares on the ASX over the last 20 trading days immediately prior to the date that the Company receives the notice of option exercise; and

D = the Exercise Price.

For example, if a Participant holds 50 Incentive Options (which have vested and are therefore capable of exercise), each with an Exercise Price of $1.00 and they elect to exercise all of their Incentive Options by paying the Exercise Price, they would pay $50 and receive 50 Shares. However, if the Participate elects their rights under the Cashless Exercise, and the Market Value of one Share prior to exercise is $1.50, the Participant will pay no cash and receive 16 Shares (being 50($1.50 - $1.00)/$1.50 = 16.67, rounded down to 16 Shares.

For greater certainty, upon the Cashless Exercise of an Incentive Option (or portion thereof), the total number of Shares that may be issued pursuant to the exercise of Incentive Options under the Plan, shall be reduced by the total number of Shares with respect to which the Incentive Option (or portion thereof) was surrendered.

### (h) Quotation

The Company will make an application for the Shares issued as a result of the Incentive Options being exercised to be quoted in accordance with the Listing Rules.

### (i) New Issues

There are no participating rights or entitlements inherent in the Incentive Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Incentive Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 6 Business Days after the issue is announced. This will give Incentive Option holders the opportunity to exercise their Incentive Options prior to the date for determining entitlements to participate in any such issue.

### (j) Restriction on Dealing

The Board may, in its discretion, determine at any time up until exercise of Incentive Options, that a restriction period will apply to some or all of the Shares issued to a participant on exercise of those Incentive Options, up to a maximum of seven years from the date of grant of the Incentive Options. The Board may, in its discretion, waive any such restriction period.

## 10.3 Terms and Conditions of Director Options

### (a) Consideration

Each Director Option is issued free for no consideration.

### (b) Exercise Price

The exercise price is $0.20 per Director Option.

### (c) Vesting Period

The Director Options will be subject to a vesting period of 24 months commencing on quotation of the Company's shares on the ASX.

### (d) Entitlement

Each Director Option entitles the holder to subscribe for or be transferred or allocated one Share on exercise

### (e) Expiry Date

The Director Options will lapse at 5.00pm (WST) on 15 May 2022 (**Director Options Expiry Date**).

### (f) Exercise Period

Subject to the vesting conditions specified in (c) above, the Director Options may be exercised at any time until the Director Options Expiry Date.

### (g) No Official Quotation of Director Options

The Director Options will not be listed for official quotation on the ASX.

### (h) Transfer

The Director Options may not be transferred or assigned by an optionholder except that the optionholder may at any time transfer all or any of the Director Options to a spouse, family trust, or to a proprietary limited company, all of the issued Shares which are beneficially owned by the optionholder or the spouse of the optionholder.

### (i) New Issues of Capital

There are no participating rights or entitlements inherent in these Director Options and holders of the Director Options will not be entitled to participate in new issues of capital that may be offered to Shareholders during the currency of the Director Option.

However, optionholders have the right to exercise their Director Options prior to the date of determining entitlements to any capital issues to the then existing Shareholders of the company made during the currency of the Director Options, and will be granted a period of at least five business days before books closing date to exercise the Director Options.

### (j) Pro-rata Issue

If there is a pro rata issue (except a bonus issue) to the holders of ordinary Shares, the exercise price of the Director Options may be reduced according to the formula detailed in Listing Rule 6.22.

### (k) Re-organisation

In the event of any re-organisation (including reconstruction, consolidation, subdivision, reduction or return of capital) of the issued capital of the Company, the Director Options will be re-organised as required by the Listing Rules, but in all other respects the terms of exercise will remain unchanged.

### (l) Notice of Exercise

The Director Options can be exercised by the delivery to the registered office of the Company of an option exercise notice, accompanied by an option certificate, which nominates either "Traditional Exercise" or "Cashless Exercise" such that:

(i) (**Traditional Exercise**): if the optionholder nominates Traditional Exercise, the option exercise notice must be accompanied by payment of the exercise price by cheque made payable to the Company for the subscription monies for the Shares; or

(ii) (**Cashless Exercise**): if the optionholder nominates Cashless Exercise, the optionholder agrees and acknowledges that the number of Shares to be acquired by them will be equal to the difference between:

(A) the number of Director Options exercised multiplied by the weighted average price for Shares on the ASX over the last 20 trading days immediately prior to the date that the Company receives the notice of option exercise; and

(B) the number of Director Options exercised multiplied by the exercise price otherwise payable in relation to the Director Options,

divided by the weighted average price for Shares on the ASX over the last 20 trading days immediately prior to the date the Company receives the option exercise notice.

An exercise of only some Director Options will not affect the rights of the optionholder to the balance of the Director Options held by them.

### (m) Issue of Shares

The Company must allot the resultant Shares and deliver a statement of shareholdings with a holders' identification number within ten business days of the exercise of the Director Options.

### (n) Ranking

Shares allotted pursuant to an exercise of Director Options rank, from the date of allotment, equally with the existing ordinary Shares of the Company in all respects.

### (o) Quotation

The Company will apply for official quotation with the ASX for all Shares issued, transferred or allocated upon exercise of any Director Option.

### (p) Ceasing to be a Director

All unexercised Director Options will lapse upon the holder ceasing to be a Director or employee of the Company unless otherwise determined by the Board.

## 10.4 Terms and Conditions of Vendor Options

### (a) Exercise Price

Each Vendor Option shall have an exercise price of $0.20 (**Exercise Price**).

### (b) Expiry Date

Each Vendor Option shall expire on 3 years from the date of official quotation of the Shares on the ASX (**Expiry Date**).

### (c) Exercise Period

Each Vendor Option is exercisable at any time during the period on and from the date of official quotation of the Shares on the ASX and prior to the Expiry Date (**Exercise Period**).

### (d) Exercise of Vendor Options

The Vendor Options may only be exercised during the Exercise Period.

### (e) No Official Quotation of Vendor Options

The Company will not apply for official quotation of the Vendor Options.

### (f) Entitlement

Each Vendor Option entitles the holder to subscribe for one Share upon exercise of each Vendor Option.

### (g) Notice of Exercise

The Vendor Options may be exercised by giving written notice to the Company at any time during the Exercise Period. The notice (**Exercise Notice**) must:

(i) specify the number of Vendor Options being exercised and the number of Shares to be issued;
(ii) specify whether the Shares are to be issued to the holder of the Vendor Options or a nominee; and
(iii) be accompanied by payment of the Exercise Price for each Vendor Option being exercised.

Any Exercise Notice in respect of a Vendor Option received by the Company will be deemed to be a notice of the exercise of that Vendor Option as at the date of receipt.

### (h) Shares Issued on Exercise

Shares issued on exercise of Vendor Options rank equally with the then Shares currently on issue.

### (i) Official Quotation of Shares on Exercise

Application will be made by the Company to ASX for official quotation of the Shares issued upon the exercise of the Vendor Options.

### (j) Timing of issue of Shares

(i) Subject to paragraph 10.4(j)(ii), within 3 Business Days after the receipt of an Exercise Notice, given in accordance with these terms and conditions and payment of the Exercise Price for each Vendor Option being exercised, the Company will allot and issue the Shares pursuant to the exercise of the Vendor Options and will, at the same time, issue a cleansing notice under section 708A(5) of the Corporations Act.
(ii) If the Company is not then permitted to issue a cleansing notice under section 708A(5) of the Corporations Act, the Company must either:
(A) issue a prospectus on the date that the Shares are issued under paragraph (a) above (in which case the date for issuing those Shares may be extended to not more than 30 Business Days after the receipt of the Exercise Notice, to allow the Company time to prepare that prospectus); or
(B) issue a prospectus before the date that the Shares are issued under paragraph (a) above, provided that offers under that prospectus must still be open for acceptance on the date those Shares are issued,

in accordance with the requirements of section 708A(11) of the Corporations Act.

### (k) Participation in New Issues

There are no participation rights or entitlements inherent in the Vendor Options and holders will not be entitled to participate in new issues of capital offered to shareholders during the currency of the Vendor Options.

However, the Company will ensure that, for the purposes of determining entitlements to any such issue, the beholder will be provided with at least five business days' notice prior to the record date. This will give the holders of Vendor Options the opportunity to exercise their Vendor Options prior to the date for determining entitlements to participate in any such issue.

### (l) Adjustment for bonus issues of Shares

If the Company makes a bonus issue of Shares or other securities to existing shareholders (other than an issue in lieu of, or in satisfaction of, dividends or by way of dividend reinvestment):

(i) the number of Shares which must be issued on the exercise of a Vendor Option will be increased by the number of Shares which the Optionholder would have received if the Optionholder had exercised the Vendor Option before the record date for the bonus issue; and

(ii) no change will be made to the Exercise Price.

## 10.5 Interests of Directors

No Director (or entity in which they are a director and/or a shareholder) has, or has had in the two years before the date of this Prospectus, any interests in:

(a) the formation or promotion of the Company; or

(b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion of the Offer; or

(c) the Offer, and

no amounts have been paid or agreed to be paid and no value or other benefit has been given or agreed to be given to:

(d) any Director to induce him or her to become, or to qualify as, a Director; or

(e) any Director for services which he or she (or an entity in which they are a partner or director) has provided in connection with the formation or promotion of the Company or the Offer,

except as disclosed in this Prospectus.

## 10.6 Director Holdings

The Directors and their related entities have the following interests in Securities as at the date of this Prospectus:

| Director | Shares | Options |
|---|---|---|
| Allan Kelly | 3,483,515[1] | 1,741,753[2] |
| Roderick Webster | 1,287,500[3] | 1,000,000[4] |
| Jeffrey Foster | 1,550,000 | 1,000,000[5] |

*Note:*

1. *28,113 Shares of the 3,483,515 Shares are held by XGS Pty Ltd, an entity owned and controlled by Mr Allan Kelly.*
2. *Comprised of 741,753 Vendor Options and 1,000,000 Director Options. Refer to Sections 10.3 and 10.4 for the terms and conditions of the Options.*
3. *1,200,000 Shares are held by Investar Holdings Pty Ltd, an entity owned and controlled by Mr Rod Webster.*
4. *Refer to Section 10.3 for the terms and conditions of the Director Options.*
5. *Refer to Section 10.3 for the terms and conditions of the Director Options.*

Based on the intentions of the Directors at the date of this Prospectus in relation to the Offer, the Directors and their related entities will have the following interests in Securities on Admission:

| Director | Shares Held | Options |
|---|---|---|
| Allan Kelly | 3,983,515[1] | 1,741,753[2] |
| Roderick Webster | 1,287,500[3] | 1,000,000[4] |
| Jeffrey Foster | 1,550,000 | 1,000,000[5] |

*Note:*

1. *28,113 Shares of the 3,983,515 Shares are held by XGS Pty Ltd, an entity owned and controlled by Mr Allan Kelly, and 500,000 Shares of the 3,983,515 Shares will be issued to Debnal Pty Ltd, an entity owned and controlled by Mr Allan Kelly.*
2. *Comprised of 741,753 Vendor Options and 1,000,000 Director Options. Refer to Sections 10.3 and 10.4 for the terms and conditions of the Options.*
3. *1,200,000 Shares are held by Investar Holdings Pty Ltd, an entity owned and controlled by Mr Rod Webster.*
4. *Refer to Section 10.3 for the terms and conditions of the Director Options.*
5. *Refer to Section 10.3 for the terms and conditions of the Director Options.*

## 10.7 Remuneration of Directors

The Directors will receive the following remuneration (on a pro rata basis), inclusive of statutory superannuation entitlements:

| | Financial Year 2018 A$ |
|---|---|
| Allan Kelly | 250,000 |
| Roderick Webster | 70,000 |
| Jeffrey Foster | 40,000 |

## 10.8 Interests of Promoters, Experts and Advisers

No promoter or other person named in this Prospectus as having performed a function in a professional, advisory or other capacity in connection with the preparation or distribution of the Prospectus (or entity in which they are a partner or director) holds, has, or has had in the two years before the date of this Prospectus, any interest in:

(a) the formation or promotion of the Company;

(b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer; or

(c) the Offer,

and no amounts have been paid or agreed to be paid and no value or other benefit has been given or agreed to be paid to a promoter or any person named in this Prospectus as having performed a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus (or entity in which they are a partner or director), provided in connection with the formation or promotion of the Company or the Offer, except as follows and as disclosed in this Prospectus:

(a) Computershare Investor Services Pty Limited is the Company's share registry, and will be paid for these services on standard industry terms and conditions;

(b) HLB Mann Judd (WA Partnership) has acted as auditor to the Company and will be paid for these services;
(c) BDO Corporate Finance (WA) Pty Ltd has acted as investigating accountant and has prepared the Investigating Accountant's Report which has been included in Section 5. BDO will be paid approximately $7,500 for these services;
(d) Endeavour Corporate has acted as corporate adviser to the Company and will be paid approximately $50,000 for these services;
(e) CSA Global has acted as independent technical expert to the Company. In respect of this work, CSA Global will be paid approximately $50,000 for these services;
(f) Sarin & Associates has acted as the Cambodian legal advisors to the Company and will be paid approximately $10,000 for these services;
(g) J. P. Tangen, Attorney at Law (P. C.) has acted as the Alaskan legal advisors to the Company and will be paid approximately $20,000 for these services; and
(h) DLA Piper Australia has acted as the Australian legal advisors to the Offer. In respect of this work the Company will pay approximately $100,000 to DLA Piper Australia. Subsequently, fees will be charged in accordance with normal charge out rates.

## 10.9 Related Party Transactions

Other than as detailed below or disclosed elsewhere in this Prospectus, there are no existing agreements or arrangements and there are currently no proposed transactions in which the Company was, or is to be, a participant, and in which any related party has or will have a direct or indirect material interest:

(a) Debnal and the Company entered into the Debnal Agreement, pursuant to which the Company has agreed to acquire the Churchill Dam Project from Debnal. Debnal is an entity owned and controlled by Mr Allan Kelly.
(b) Mr Allan Kelly and entities owned and controlled by Mr Allan Kelly acquired a proportion of their interest detailed in Section 10.6 as consideration for the sale of their shares in Afranex to the Company under the terms of the Afranex Sale Deed.

All future related party arrangements (if any) will be determined by the Board, having regard to their duties as Directors, and, where required, all requisite approvals, including but not limited to, shareholder approval will be obtained.

## 10.10 Expenses of Offer

The total expenses of the Offer payable by the Company are:

| | A$5,000,000 Raised (A$) | A$8,000,000 Raised (A$) |
|---|---|---|
| Australian Legal Fees | 100,000 | 100,000 |
| Cambodian Legal Fees | 10,000 | 10,000 |
| Alaskan Legal Fees | 20,000 | 20,000 |
| Investigating Accountant's Report | 7,500 | 7,500 |
| Brokers Fee[1] | 150,000 | 330,000 |
| Independent Technical Report | 50,000 | 50,000 |
| Corporate Adviser Fee[2] | 50,000 | 50,000 |
| Share Registry and Printing costs | 30,000 | 30,000 |
| ASX Listing Fee | 45,000 | 60,000 |
| Miscellaneous Costs | 12,500 | 12,500 |
| **TOTAL** | **475,000** | **670,000** |

*Note:*
*1. Refer to Section 1.17.*
*2. Refer to Section 10.8.*

## 10.11 Effect of the Offer on control and substantial Shareholders

Those Shareholders holding an interest in 5% or more of the Shares on issue as at the date of this Prospectus are as follows:

| Name | Number of Shares | Percentage of Shares |
|---|---|---|
| Mr Allan Kelly[1] | 3,483,515 | 13.85% |
| Renaissance Minerals Limited | 2,361,528 | 9.39% |
| Greenwich Equities Pty Ltd | 1,650,000 | 6.56% |
| Mr Jeffrey Foster | 1,550,000 | 6.17% |
| Mr Roderick Webster[2] | 1,287,500 | 5.12% |

*Note:*
*1. 28,113 Shares are held by XGS Pty Ltd, an entity owned and controlled by Mr Allan Kelly.*
*2. 1,200,000 Shares are held by Investar Holdings Pty Ltd, an entity owned and controlled by Mr Roderick Webster.*

Based on the information known as at the date of this Prospectus, on Admission, the following persons will have an interest in 5% or more of the Shares on issue:

| | A$5,000,000 Raised | | A$8,000,000 Raised | |
|---|---|---|---|---|
| Name | Number of Shares | Percentage of Shares | Number of Shares | Percentage of Shares |
| Greenwich Equities Pty Ltd[1] | 14,825,000 | 19.22% | 14,825,000 | 16.09% |
| Evolution Mining Limited[2] | 12,500,000 | 16.2% | 12,500,000 | 13.57% |
| Mr Allan Kelly[3] | 3,983,515 | 5.16% | 3,983,515 | 4.32% |

*Note:*
1. *750,000 Shares will be issued to Mr John Hilton as co-trustee for a superannuation fund. 14,075,000 Shares will be issued to Greenwich Equities, an entity owned and controlled by Mr John Hilton. Refer to Section 9.5 for further details.*
2. *Refer to Section 9.6 for further details.*
3. *28,113 Shares of the 3,983,515 Shares are held by XGS Pty Ltd, an entity owned and controlled by Mr Allan Kelly, and 500,000 Shares of the 3,983,515 Shares will be held by Debnal Pty Ltd, an entity owned and controlled by Mr Allan Kelly*

## 10.12 Continuous Disclosure Obligations

Following Admission, the Company will be a "disclosing entity" (as defined in section 111AC of the Corporations Act) and, as such, will be subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company will be required to continuously disclose to the market any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Shares (unless a relevant exception to disclosure applies). Price sensitive information will be publicly released through ASX before it is otherwise disclosed to Shareholders and market participants. Distribution of other information to Shareholders and market participants will also be managed through disclosure to ASX. In addition, the Company will post this information on its website after ASX confirms that an announcement has been made, with the aim of making the information readily accessible to the widest audience.

## 10.13 Litigation and Claims

So far as the Directors are aware, there is no current or threatened civil litigation, arbitration proceedings or administrative appeals, or criminal or governmental prosecutions of a material nature in which the Company is directly or indirectly concerned which is likely to have a material adverse effect on the business or financial position of the Company.

## 10.14 Consents

Each of the parties referred to in this Section:

(a) has given the following consents in accordance with the Corporations Act which have not been withdrawn as at the date of lodgement of this Prospectus with ASIC;

(b) makes no express or implied representation or warranty in relation to the Company, the Prospectus or the Offer; and

(c) to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section.

None of the parties referred to in this Section authorised or caused the issue of this Prospectus or the making of the Offer.

DLA Piper Australia has given its written consent to being named as Australian legal advisor to the Company. DLA Piper Australia has not withdrawn its consent prior to the lodgement of this Prospectus with ASIC.

Sarin & Associates has given its written consent to being named as Cambodian legal advisors to the Company. Sarin & Associates has not withdrawn its consent prior to the lodgement of this Prospectus with ASIC.

J. P. Tangen, Attorney at Law (P. C.) has given its written consent to being named as Alaskan legal advisor to the Company. J. P. Tangen, Attorney at Law (P. C.) has not withdrawn its consent prior to the lodgement of this Prospectus with ASIC.

BDO Corporate Finance (WA) Pty Ltd has given its written consent to be named as the Investigating Accountant and to the inclusion of the Investigating Accountant's Report in Section 5 of the Prospectus in the form and context in which the report was included. BDO has not withdrawn its consent prior to lodgement of this Prospectus with ASIC.

HLB Mann Judd (WA Partnership) has given its written consent to be named an auditor to the Company. HLB Mann Judd has not withdrawn its consent prior to the lodgement of this Prospectus with ASIC.

Computershare Investor Services Pty Limited has given its written consent to being named as the Australian share registry to the Company. Computershare Investor Services Pty Limited has not withdrawn its consent prior to the lodgement of this Prospectus with ASIC.

CSA Global has given its written consent to being named as the independent technical expert to the Company and to the inclusion of the Independent Technical Report in Section 6 of the Prospectus in the form and context in which the report was included. CSA Global has not withdrawn its consent prior to the lodgement of this Prospectus with ASIC.

Endeavour Corporate has given its written consent to be named as the corporate advisor to the Company. Endeavour Corporate has not withdrawn its consent prior to the lodgement of this Prospectus with ASIC.

Each of the Directors has given their written consent to being named in this Prospectus in the context in which they are named and have not withdrawn their consent prior to lodgement of this Prospectus with ASIC.

## 10.15 Electronic Prospectus

Pursuant to Regulatory Guide 107 ASIC has exempted compliance with certain provisions of the Corporations Act to allow distribution of an Electronic Prospectus on the basis of a paper Prospectus lodged with ASIC and the issue of Shares in response to an electronic application form, subject to compliance with certain provisions. If you have received this Prospectus as an Electronic Prospectus please ensure that you have received the entire Prospectus accompanied by the Application Form. If you have not, please email the Company and the Company will send to you, for free, either a hard copy or a further electronic copy of this Prospectus or both.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the Electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered. In such a case, the Application moneys received will be dealt with in accordance with section 722 of the Corporations Act.

## 10.16 Documents Available for Inspection

Copies of the following documents are available for inspection during normal business hours at the registered office of the Company at Suite 8, 7 The Esplanade, Mount Pleasant WA 6153:

(a) this Prospectus;
(b) the Constitution; and
(c) the consents referred to in Section 10.14 of this Prospectus.

## 10.17 Statement of Directors

The Directors report that after due enquiries by them, in their opinion, since the date of the financial statements in the financial information in Section 4 there have not been any circumstances that have arisen or that have materially affected or will materially affect the assets and liabilities, financial position, profits or losses or prospects of the Company, other than as disclosed in this Prospectus.

# 11. Authorisation

This Prospectus is authorised by the Company and lodged with ASIC pursuant to section 718 of the Corporations Act.

Each of the Directors has consented to the lodgement of this Prospectus with ASIC, in accordance with section 720 of the Corporations Act and has not withdrawn that consent.

This Prospectus is signed for and on behalf of the Company by:

**Mr Allan Kelly**
Managing Director

Dated: 11 August 2017

# 12. Glossary of Terms

These definitions are provided to assist persons in understanding some of the expressions used in this Prospectus.

| | |
|---|---|
| **$ or A$** | Australian dollars. |
| **Acquisitions** | Has the meaning given in Section 2.1. |
| **Acquisition Securities** | The Afranex Consideration and the securities to be issued pursuant to the Acquisitions. |
| **Admission** | Admission of the Company to the Official List, following completion of the Offer. |
| **Allocation Offer** | Has the meaning given in Section 9.6. |
| **Afranex** | Afranex Gold Limited ACN 149 572 770. |
| **Afranex Consideration** | Has the meaning given in Section 9.1. |
| **Afranex Sale Deed** | Has the meaning given in Section 9.1. |
| **Afranex Shareholders** | Has the meaning given in Section 9.1. |
| **AIFRS** | Has the meaning given in Section 4.8. |
| **Alaskan Project** | Has the meaning given in Section 2.1. |
| **Allotment Date** | The date, as determined by the Directors, on which the Shares offered under this Prospectus are allotted, which is anticipated to be the date identified in the Indicative Timetable. |
| **Applicant** | A person who submits an Application Form. |
| **Application** | A valid application for Shares under the Offer made pursuant to an Application Form. |
| **Application Form(s)** | The application form attached to this Prospectus. |
| **Application Monies** | Monies received from persons applying for Shares pursuant to the Offer under this Prospectus. |
| **ASIC** | Australian Securities and Investments Commission. |
| **ASX** | Australian Securities Exchange Limited ACN 008 624 691 or, where the context requires, the financial market operated by it. |
| **ASX Settlement Rules** | ASX Settlement Operating Rules of ASX Settlement Pty Ltd (ABN 49 008 504 532). |
| **ATO** | Has the meaning given in Section 4.8(b). |
| **Board** | The board of Directors of the Company. |
| **BTN** | Brighton Mining Group Limited ACN 140 818 686. |
| **Cambodia Gold** | Cambodia Gold Pty Ltd ACN 613 804 265. |
| **Cambodia Gold Shares** | Has the meaning given in Section 9.4. |
| **Cambodia Gold Vendors** | Any person holding Cambodia Gold Shares. |
| **Cambodian Project** | Has the meaning given in Section 2.7. |
| **Cashless Exercise** | Has the meaning given in Section 10.2(g). |
| **CHESS** | Clearing House Electronic Subregister System. |
| **Churchill Dam Project** | Has the meaning given in Section 2.1. |
| **Closing Date** | The date the Offer closes. |
| **Company or Riversgold** | Riversgold Ltd ACN 617 614 598. |
| **Constitution** | The constitution of the Company from time to time. |
| **Corporations Act** | Corporations Act 2001 (Cth). |
| **CSA Global** | CSA Global Pty Ltd ACN 077 165 532. |
| **Debnal** | Debnal Pty Ltd ACN 112 448 987 |
| **Debnal Agreement** | Has the meaning given in Section 9.4. |

| | |
|---|---|
| **Directors** | The directors of the Company. |
| **Director Options** | The Options with the terms and conditions detailed in Section 10.3. |
| **Director Options Expiry Date** | Has the meaning given in Section 10.3(e). |
| **EL 5890** | Has the meaning given in Section 9.4. |
| **Electronic Prospectus** | The electronic copy of this Prospectus located at the Company's website at www.riversgold.com.au. |
| **Executive Services Agreement** | Has the meaning given in Section 9.7. |
| **Evolution** | Evolution Mining Limited ACN 084 669 036. |
| **Exercise Notice** | Has the meaning given in Section 10.4(g). |
| **Exercise Period** | Has the meaning given in Section 10.4(c). |
| **Exercise Price** | Has the meaning given in Section 10.4(a). |
| **Expiry Date** | Has the meaning given in Section 10.4(b). |
| **Exposure Period** | In accordance with section 727(3) of the Corporations Act, the period of 7 days (which may be extended by ASIC to up to 14 days) after lodgement of this Prospectus with ASIC during which the Company must not process Applications. |
| **Financial Information** | Has the meaning given in Section 4.1. |
| **Firm Commitment Letter** | Has the meaning given in Section 1.16. |
| **Greenwich Equities** | Greenwich Equities Pty Ltd ACN 055 271 577. |
| **GST** | Goods and Services Tax. |
| **ha** | Hectare. |
| **HIN** | Holder Identification Number. |
| **Incentive Option** | The incentive Options with the terms and conditions detailed in Section 10.2. |
| **Indicative Timetable** | The indicative timetable for the Offer on page 1 of this Prospectus. |
| **Independent Accountant** | BDO Corporate Finance (WA) Pty Ltd. |
| **Independent Account's Report** | The report contained in Section 5. |
| **Independent Technical Report** | The report contained in Section 6. |
| **IOCG** | Has the meaning given in Section 2.1. |
| **IRGS** | Has the meaning given in Section 2.5(a). |
| **Joint Venture** | Has the meaning given in Section 9.3(a). |
| **Joint Venture Agreement** | Has the meaning given in Section 9.3. |
| **JORC or JORC Code** | Means the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, 2012. |
| **Km** | Kilometre. |
| **Kurnalpi Project** | Has the meaning given in Section 2.1. |
| **Kurnalpi Tenement** | Has the meaning given in Section 2.4 |
| **Lapsing Date** | Has the meaning given in Section 10.2(d). |
| **Listing Rules** | The listing rules of ASX. |
| **Majority Share Sale Agreement** | The share sale agreement between Greenwich Equities and the Company, in respect to the sale of the Cambodia Gold Shares. |
| **Mineral Resource** | Has the meaning given to that term in the JORC Code. |
| **Minimum Subscription** | Has the meaning given in Section 1.2. |

| | |
|---|---|
| **Mining Area** | Means an area within the Kurnalpi Project in respect of which a decision to mine under the Joint Venture Agreement has been made. |
| **Mining Joint Venture** | Has the meaning given in Section 9.3. |
| **Mining Participant** | Has the meaning given in Section 9.3. |
| **Minority Cambodia Gold Vendors** | The Cambodia Gold Shareholders, excluding Greenwich Equities. |
| **Minority Share Sale Agreements** | Has the meaning given in Section 9.5. |
| **Native Title Act** | Has the meaning given in Section 8.2(d). |
| **Offer** | The offer by the Company, pursuant to this Prospectus, of up to 40,000,000 Shares at an issue price of A$0.20 each to raise up to A$8,000,000 (before associated costs). |
| **Offer Period** | Means the period commencing on the Opening Date and ending on the Closing Date. |
| **Official List** | The official list of ASX. |
| **Official Quotation or Quotation** | Official quotation by ASX in accordance with the Listing Rules. |
| **Opening Date** | The date the Offer opens. |
| **Options** | An option to subscribe for a Share. |
| **Ore Reserve or Reserve** | Has the meaning given to that term in the JORC Code. |
| **Participant** | Has the meaning given in Section 10.2(a). |
| **Plan** | Has the meaning given in Section 10.2. |
| **Projects** | Has the meaning given in Section 2.1. |
| **Prospectus** | This prospectus dated 11 August 2017. |
| **RAB** | Rotary air blast. |
| **RC** | Reverse circulation. |
| **Related Bodies Corporate** | Has the meaning given in the Corporations Act. |
| **Relevant Interest** | Has the meaning given in the Corporations Act. |
| **Riversgold Australia** | Riversgold (Australia) Pty Ltd ACN 619 424 592. |
| **Section** | A section of this Prospectus. |
| **Security** | Means a Share or Option as the context requires. |
| **Serendipity** | Serendipity Resources Pty Ltd ACN 609 984 910. |
| **Serendipity Agreement** | Has the meaning given in Section 9.2. |
| **Serendipity Conditions** | Has the meaning given in Section 9.2. |
| **Share Registry** | Computershare Investor Services Pty Limited ACN 078 279 277. |
| **Share** | A fully paid ordinary shares in the capital of the Company. |
| **Shareholder** | Any person holding Shares. |
| **SRN** | Security holder Reference Number. |
| **Takeover Bid** | A takeover bid as defined in the Corporations Act. |
| **Vendor Options** | The Options with the terms and conditions detailed in Section 10.4. |
| **Voting Power** | Has the meaning given to that term in the Corporations Act. |

The following chemical abbreviations may also be utilised in this Prospectus:

| Abbreviation for chemical | Name of chemical |
|---|---|
| Ag | Silver |
| Au | Gold |
| As | Arsenic |
| Bi | Bismuth |
| Co | Cobalt |
| Cu | Copper |
| Pb | Lead |
| Sb | Antimony |
| REE | Rare-earth element |
| U | Uranium |
| Zn | Zinc |

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# Riversgold Ltd

ACN 64 617 614 598

**For all enquiries:**

Riversgold Ltd +61 8 9316 9100

**Offer closes at 5.00pm (WST) on 1 September 2017**

# Application Form

This Application Form is important. If you are in doubt as to how to deal with it, please contact your stockbroker or professional advisor without delay.
You should read the Riversgold Ltd replacement Prospectus dated 11 August 2017 and any relevant Supplementary Prospectus (if applicable), carefully before completing this Application Form. The Corporations Act prohibits any person from passing on this Application Form (whether in paper or electronic form) unless it is attached to or accompanies a complete and unaltered copy of the replacement Prospectus and any relevant Supplementary Prospectus (whether in paper or electronic

## A I/we apply for

Number of Shares in Riversgold Ltd at A$0.20 per Share or such lesser number of Shares which may be allocated to me/us.

## B I/we lodge full Application Money

A$ .

## C Individual/Joint applications - refer to naming standards overleaf for correct forms of registrable title(s)

Title or Company Name Given Name(s) Surname

Joint Applicant 2 or Account Designation

Joint Applicant 3 or Account Designation

## D Enter the postal address - include State and Postcode

Unit Street Number Street Name or PO Box/Other information

City/Suburb/Town State Postcode

## E Enter your contact details

Contact Name

Telephone Number - Business Hours

( )

## F CHESS Participant

Holder Identification Number (HIN)

X

Please note that if you supply a CHESS HIN but the name and address details on your form do not correspond exactly with the registration details held at CHESS, your application will be deemed to be made without the CHESS HIN, and any Shares issued as a result of the Offer will be held on the issuer sponsored subregister.

230170_0200MA

## G Payment details - Please note that funds are unable to be directly debited from your bank account

| Drawer | Cheque Number | BSB Number | Account Number | Amount of cheque |
|---|---|---|---|---|
| | | | | A$ |

**Make your cheque, bank draft or money order payable to 'Riversgold Ltd' and cross it 'Not Negotiable'.**

**By submitting this Application Form:**

- I/we declare that this Application is complete and lodged according to the replacement Prospectus, and any relevant Supplementary Prospectus, and the declarations/ statements on the reverse of this Application Form,
- I/we declare that all details and statements made by me/us (including the declaration on the reverse of this Application Form) are complete and accurate, and
- I/we agree to be bound by the Constitution of Riversgold Ltd.

**See overleaf for completion guidelines** →

## How to complete this Application Form

**A** **Number of Shares applied for**
Enter the number of Shares you wish to apply for. The Application must be for a minimum of 10,000 Shares (A$2,000). Applications for greater than 10,000 Shares must be in multiples of 2,500 Shares ($A500).

**B** **Application Monies**
Enter the amount of Application Monies. To calculate the amount, multiply the number of Shares applied for in Step A by the Issue Price of A$0.20.

**C** **Applicant Name(s)**
Enter the full name you wish to appear on the statement of shareholding. This must be either your own name or the name of a company. Up to 3 joint Applicants may register. You should refer to the table below for the correct forms of registrable title. Applications using the wrong form of names may be rejected. Clearing House Electronic Subregister System (CHESS) participants should complete their name identically to that presently registered in the CHESS system.

**D** **Postal Address**
Enter your postal address for all correspondence. All communications to you from the Registry will be mailed to the person(s) and address as shown. For joint Applicants, only one address can be entered.

**E** **Contact Details**
Enter your contact details. These are not compulsory but will assist us if we need to contact you regarding this Application.

**F** **CHESS**
Riversgold Ltd will apply to the ASX to participate in CHESS, operated by ASX Settlement Pty Limited, a wholly owned subsidiary of ASX Limited. If you are a CHESS participant (or are sponsored by a CHESS participant) and you wish to hold Shares issued to you under this Application on the CHESS Subregister, enter your CHESS HIN. Otherwise, leave this section blank and on issue, you will be sponsored by Riversgold Ltd and allocated a Securityholder Reference Number (SRN).

**G** **Payment**
Make your cheque, bank draft or money order payable in Australian dollars to '**Riversgold Ltd**' and cross it '**Not Negotiable**'. Cheques must be drawn from an Australian bank. Cash will not be accepted.
The total payment amount must agree with the amount shown in Step B. Complete the cheque details in the boxes provided.
Cheques will be processed on the day of receipt and as such, sufficient cleared funds must be held in your account as dishonoured cheques may not be represented and may result in your Application being rejected.
Paperclip (do not staple) your cheque to the Application Form. Receipts will not be forwarded. Funds cannot be directly debited from your bank account.

Before completing the Application Form the Applicant(s) should read the replacement Prospectus to which this Application relates. By lodging the Application Form, the Applicant agrees that this Application for Shares in Riversgold Ltd is upon and subject to the terms of the replacement Prospectus and the Constitution of Riversgold Ltd, agrees to take any number of Shares that may be issued to the Applicant(s) pursuant to the replacement Prospectus and declares that all details and statements made are complete and accurate. It is not necessary to sign the Application Form.

**Lodgement of Application**

Application Forms must be received by Computershare Investor Services Pty Limited (**CIS**) by no later than 5pm (WST) on 1 September 2017. You should allow sufficient time for this to occur. Return the Application Form with cheque, bank draft or money order attached to:

**Computershare Investor Services Pty Limited**
**GPO Box 52**
**MELBOURNE VIC 3001**

Neither CIS nor Riversgold Ltd accepts any responsibility if you lodge the Application Form at any other address or by any other means.

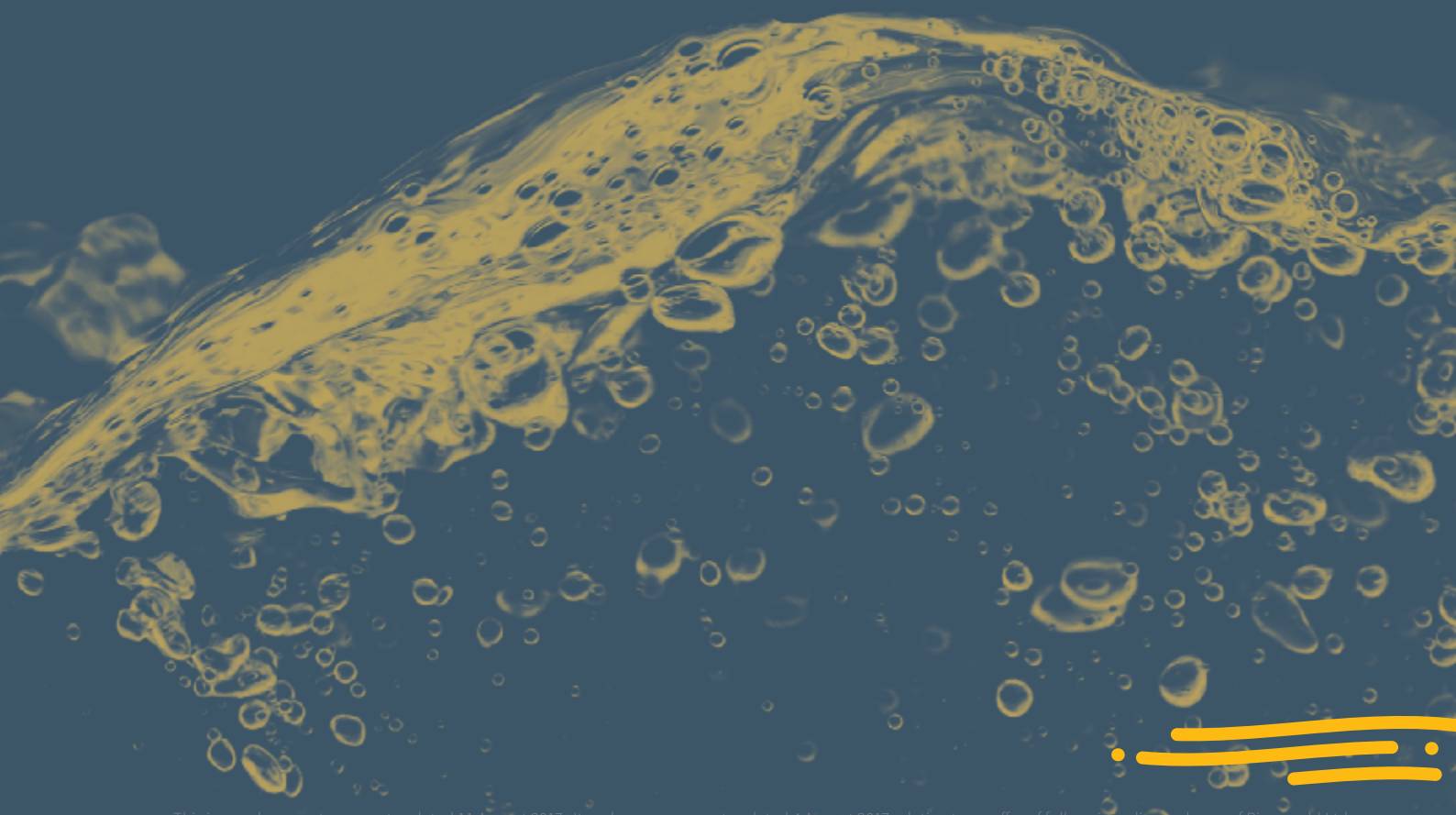
**Privacy Notice**

The personal information you provide on this form is collected by CIS, as registrar for the securities issuer (the issuer), for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. In addition, the issuer may authorise us on their behalf to send you marketing material or include such material in a corporate communication. You may elect not to receive marketing material by contacting CIS using the details provided overleaf or emailing privacy@computershare.com.au. We may be required to collect your personal information under the Corporations Act 2001 (Cth) and ASX Settlement Operating Rules. We may disclose your personal information to our related bodies corporate and to other individuals or companies who assist us in supplying our services or who perform functions on our behalf, to the issuer for whom we maintain securities registers or to third parties upon direction by the issuer where related to the issuer's administration of your securityholding, or as otherwise required or authorised by law. Some of these recipients may be located outside Australia, including in the following countries: Canada, India, New Zealand, the Philippines, the United Kingdom and the United States of America. For further details, including how to access and correct your personal information, and information on our privacy complaints handling procedure, please contact our Privacy Officer at privacy@computershare.com.au or see our Privacy Policy at http://www.computershare.com/au.

**Correct forms of registrable title(s)**

Note that ONLY legal entities are allowed to hold Shares. Application Forms must be in the name(s) of a natural person(s), companies or other legal entities acceptable to Riversgold Ltd. At least one full given name and the surname is required for each natural person. Application Forms cannot be completed by persons less than 18 years of age. Examples of the correct form of registrable title are set out below.

| Type of Investor | Correct Form of Registration | Incorrect Form of Registration |
|---|---|---|
| Individual: use given names in full, not initials | Mr John Alfred Smith | JA Smith |
| Company: use the company's full title, not abbreviations | ABC Pty Ltd | ABC P/L or ABC Co |
| Joint Holdings: use full and complete names | Mr Peter Robert Williams &<br>Ms Louise Susan Williams | Peter Robert &<br>Louise S Williams |
| Trusts: use the trustee(s) personal name(s) | Mrs Susan Jane Smith<br><Sue Smith Family A/C> | Sue Smith Family Trust |
| Deceased Estates: use the executor(s) personal name(s) | Ms Jane Mary Smith &<br>Mr Frank William Smith<br><Est John Smith A/C> | Estate of late John Smith<br>or<br>John Smith Deceased |
| Minor (a person under the age of 18): use the name of a responsible adult with an appropriate designation | Mr John Alfred Smith<br><Peter Smith A/C> | Master Peter Smith |
| Partnerships: use the partners personal names | Mr John Robert Smith &<br>Mr Michael John Smith<br><John Smith and Son A/C> | John Smith and Son |
| Long Names | Mr John William Alexander<br>Robertson-Smith | Mr John W A Robertson-Smith |
| Clubs/Unincorporated Bodies/Business Names: use office bearer(s) personal name(s) | Mr Michael Peter Smith<br><ABC Tennis Association A/C> | ABC Tennis Association |
| Superannuation Funds: use the name of the trustee of the fund | Jane Smith Pty Ltd<br><Super Fund A/C> | Jane Smith Pty Ltd Superannuation Fund |



This is a replacement prospectus dated 11 August 2017. It replaces a prospectus dated 4 August 2017 relating to an offer of fully paid ordinary shares of Riversgold Ltd.

# Riversgold Ltd

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Mount Pleasant WA 6153 Australia

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E info@riversgold.com.au

**riversgold.com.au**

ACN 617 614 598
ABN 64 617 614 598

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