



RIVERSGOLD LTD
ACN 617 614 598

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 10.00 AM (WST)

DATE: 28 November 2019

PLACE: The Celtic Club, 48 Ord Street, West Perth, WA 6005

The business of the Meeting affects your shareholding and your vote is important.

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 4:00 PM (WST) on 26 November 2019.

BUSINESS OF THE MEETING

AGENDA

1. FINANCIAL STATEMENTS AND REPORTS

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2019 together with the declaration of the Directors, the Director's report, the Remuneration Report and the auditor's report.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **non-binding resolution**:

"That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's annual financial report for the financial year ended 30 June 2019."

Note: the vote on this Resolution is advisory only and does not bind the Directors or the Company.

Voting Prohibition Statement:

A vote on this Resolution must not be cast (in any capacity) by or on behalf of either of the following persons:

- (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member.

However, a person (the **voter**) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- (b) the voter is the Chair and the appointment of the Chair as proxy:
 - (i) does not specify the way the proxy is to vote on this Resolution; and
 - (ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – SIMON ANDREW

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purpose of clause 6.14 of the Constitution, ASX Listing Rule 14.5 and for all other purposes, Mr Simon Andrew, a Director, retires by rotation, and being eligible, is re-elected as a Director."

4. RESOLUTION 3 – ISSUE OF OPTIONS TO RELATED PARTY – JUSTIN BOYLSON

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

“That, for the purposes of section 195(4) and section 208 of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 6,000,000 Options to Mr Justin Boylson (or his nominee/s) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of Mr Justin Boylson (or his nominee/s) or any of their associates (**Resolution 3 Excluded Party**). However, the Company need not disregard a vote if it is cast by a **person** as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Voting Prohibition Statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

Provided the Chair is not a Resolution 3 Excluded Party, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

5. RESOLUTION 4 – ISSUE OF OPTIONS TO RELATED PARTY SIMON ANDREW

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

“That, for the purposes of section 195(4) and section 208 of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 6,000,000 Options to Mr Simon Andrew (or his nominee/s) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of Mr Simon Andrew (or his nominee/s) or any of their associates (**Resolution 4 Excluded Party**). However, the Company need not disregard a vote if it is cast by a **person** as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

RESOLUTION 4 – ISSUE OF OPTIONS TO RELATED PARTY SIMON ANDREW (CONTINUED)

Voting Prohibition Statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

Provided the Chair is not a Resolution 4 Excluded Party, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

6. RESOLUTION 5 – ISSUE OF OPTIONS TO RELATED PARTY – MICHAEL DAVY

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

“That, for the purposes of section 195(4) and section 208 of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 6,000,000 Options to Mr Michael Davy (or his nominee/s) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of Mr Michael Davy (or his nominee/s) or any of their associates (**Resolution 5 Excluded Party**). However, the Company need not disregard a vote if it is cast by a **person** as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Voting Prohibition Statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

Provided the Chair is not a Resolution 5 Excluded Party, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

7. RESOLUTION 6 – APPROVAL OF 10% PLACEMENT CAPACITY

To consider and, if thought fit, to pass the following resolution as a **special resolution**:

“That, for the purposes of Listing Rule 7.1A and for all other purposes, approval is given for the Company to issue up to that number of Equity Securities equal to 10% of the issued capital of the Company at the time of issue, calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and otherwise on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person (or those persons). However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

8. RESOLUTION 7 – REPLACEMENT OF CONSTITUTION

To consider and, if thought fit, to pass the following resolution as a **special resolution**:

“That, for the purposes of section 136(2) of the Corporations Act and for all other purposes, approval is given for the Company to repeal its existing Constitution and adopt a new constitution in its place in the form as signed by the chairman of the Meeting for identification purposes.”

Dated: 25 October 2019

By order of the Board



**Kevin Hart
Company Secretary**

Voting by proxy

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast two (2) or more votes may appoint two (2) proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints two (2) proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Voting in person

To vote in person, attend the Meeting at the time, date and place set out above.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 9316 9100.

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions.

1. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Constitution, the business of the Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2019 together with the declaration of the Directors, the Directors' report, the Remuneration Report and the auditor's report.

The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless specifically requested to do so. The Company's annual financial report is available on its website at www.riversgold.com.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

2.1 General

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the company or the directors of the company.

The remuneration report sets out the company's remuneration arrangements for the directors and senior management of the company. The remuneration report is part of the directors' report contained in the annual financial report of the company for a financial year.

The chair of the meeting must allow a reasonable opportunity for its shareholders to ask questions about or make comments on the remuneration report at the annual general meeting.

2.2 Voting consequences

A company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (**Spill Resolution**) if, at consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

If more than 50% of votes cast are in favour of the Spill Resolution, the company must convene a shareholder meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

All of the directors of the company who were in office when the directors' report (as included in the company's annual financial report for the most recent financial year) was approved, other than the managing director of the company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting those persons whose election or re-election as directors of the company is approved will be the directors of the company.

RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT (CONTINUED)

2.3 Previous voting results

At the Company's previous annual general meeting the votes cast against the remuneration report considered at that annual general meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this Annual General Meeting.

3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – SIMON ANDREW

3.1 General

ASX Listing Rule 14.5 provides that an entity which has directors must hold an election of directors at each annual general meeting.

The Constitution sets out the requirements for determining which Directors are to retire by rotation at an annual general meeting.

Mr Simon Andrew, who has served as a Director since 28 August 2019 and was last elected on 16 October 2019, retires by rotation and seeks re-election.

3.2 Qualifications and other material directorships

Mr Andrew has over 20 years' experience in financial markets in Asia and Australia. Previously he has held senior management positions at various global investment banks. These roles included leading the equity sales desk for BNP Paribas for the ASEAN region and heading the Refining and Petrochemicals sector research team at Deutsche Bank in Asia. Upon returning to Perth in 2012, Mr Andrew spent 5 year as a research analyst at Hartley's covering the oil and gas and industrials sectors.

Mr Andrew was a founding director of Emmerson Resources (ERM:ASX) and spent 8 years as a Non-Executive Director. He was responsible for securing the financing for the purchase of the Tennant Creek assets for Emmerson and arranging the IPO in 2007.

Mr Andrew is currently the Managing Director of Hylea Metals (HCO: ASX). Hylea recently entered into an agreement to acquire the Kayelekera uranium mine in Malawi.

During the last 3 years, Mr Andrew has not been a director of any other listed companies other than as stated above.

3.3 Independence

If re-elected the Board considers Mr Andrew will be an independent Director.

3.4 Board recommendation

The Board supports the election of Mr Andrew and recommends that Shareholders vote in favour of Resolution 2.

4. RESOLUTIONS 3, 4 & 5 – ISSUE OF OPTIONS TO RELATED PARTIES – MESSRS BOYLSON, ANDREW & DAVY

4.1 General

The Company has agreed, subject to obtaining Shareholder approval, to issue a total of 18,000,000 Options (**Related Party Options**), comprising 6,000,000 Tranche 1 Options, 6,000,000 Tranche 2 Options, 6,000,000 Tranche 3 Options to Messrs Boylson, Andrew and Davy (**Related Parties**) (or their nominee/s) on the terms and conditions set out below.

The Related Party Options are subject to the following vesting conditions:

	Vesting Conditions
Tranche 1	Subject to 24 months of continuous service as a Director after following grant of the Options.
Tranche 2	Subject to the Company announcing that it has entered into a farm-in agreement with a minimum investment of \$3,000,000 in relation to the Company's non-WA assets.
Tranche 3	Subject to the Company achieving a volume weighted average share price of at least \$0.04 calculated over any 20 day trading period after the issue of the Options.

Once vested, the Related Party Options will be exercisable at \$0.001 each prior to the date which is 3 years from grant.

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The grant of the Related Party Options constitutes giving a financial benefit and Messrs Boylson, Andrew and Davy are related parties of the Company by virtue of being Directors.

In addition, ASX Listing Rule 10.11 also requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained unless an exception in ASX Listing Rule 10.12 applies.

It is the view of the Company that the exceptions set out in sections 210 to 216 of the Corporations Act and ASX Listing Rule 10.12 do not apply in the current circumstances. Accordingly, Shareholder approval is sought for the grant of Related Party Options to the Related Parties.

RESOLUTIONS 3, 4 & 5 – ISSUE OF OPTIONS TO RELATED PARTIES – MESSRS BOYLSON, ANDREW & DAVY (CONTINUED)

4.2 Shareholder Approval (Chapter 2E of the Corporations Act and Listing Rule 10.11)

Pursuant to and in accordance with the requirements of section 219 of the Corporations Act and ASX Listing Rule 10.13, the following information is provided in relation to the proposed grant of Related Party Options:

- (a) the related parties are Messrs Boylson, Andrew and Davy and they are related parties by virtue of being Directors of the Company;
- (b) the maximum number of Related Party Options (being the nature of the financial benefit being provided) to be granted to the Related Parties is:

Related Party	Tranche 1 Options	Tranche 2 Options	Tranche 3 Options	Total
Justin Boylson	2,000,000	2,000,000	2,000,000	6,000,000
Simon Andrew	2,000,000	2,000,000	2,000,000	6,000,000
Michael Davy	2,000,000	2,000,000	2,000,000	6,000,000

- (c) the Related Party Options will be granted to the Related Parties no later than 1 month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules) and it is anticipated the Related Party Options will be issued on one date;
- (d) the Related Party Options will be granted for nil cash consideration, accordingly no funds will be raised;
- (e) the terms and conditions of the Related Party Options are set out in Schedule 1;
- (f) the Company has had the Related Party Options valued by an independent accounting firm. A summary of the valuation of the Related Party Options is set out in the table below:

Related Party	Valuation of Related Party Options
Justin Boylson	\$67,160
Simon Andrew	\$67,160
Michael Davy	\$67,160

RESOLUTIONS 3, 4 & 5 – ISSUE OF OPTIONS TO RELATED PARTIES – MESSRS BOYLSON, ANDREW & DAVY (CONTINUED)

The Tranche 1 and Tranche 2 Related Party Options were valued using the Black-Scholes Option Pricing Model. The inputs to the Black-Scholes Option Pricing Model are as follows:

- (i) Stock price - \$0.013 (or 1.3 cents) as at 14 October 2019
- (ii) Exercise price – \$0.001
- (iii) Term – 3 years (from issue date, assumed to be 14 October 2019 for this purpose)
- (iv) Volatility – approximately 119.4%
- (v) Risk free rate – 0.69% (continuously compounded rate based on the 3-year discrete Australian Government bond yield as at 14 October 2019)
- (vi) Dividend yield – nil
- (vii) Exercise multiple – 2.5 times for senior executives (or Directors in this case)

The Tranche 3 Options using the Hoadleys Hybrid ESO Model (a monte carlo model) with a single share price target on the basis of the following inputs (using 50,000 iterations):

- (i) Stock price - \$0.013 (or 1.3 cents) as at 14 October 2019
- (ii) Exercise price – \$0.001
- (iii) Share price target – 20-day VWAP being \$0.04 or higher
- (iv) Term – 3 years (from issue date, assumed to be 14 October 2019 for this purpose)
- (v) Performance measurement and time vesting periods – 3 years
- (vi) Volatility – approximately 119.4%
- (vii) Risk free rate – 0.69% (continuously compounded rate based on the 3-year discrete Australian Government bond yield as at 14 October 2019)
- (viii) Dividend yield – nil
- (ix) Exercise multiple – 2.5 times for senior executives (or Directors in this case)

RESOLUTIONS 3, 4 & 5 – ISSUE OF OPTIONS TO RELATED PARTIES – MESSRS BOYLSON, ANDREW & DAVY (CONTINUED)

The exercise multiple of 2.5 times estimated for senior executives is based on a study conducted by Hull & White and is incorporated in the Employee Stock Option valuation models provided by Hoadley. The Hull-White model is very widely used and is the de facto standard for IFRS 2 and FASB 123R compliant ESO valuation.

- (g) the relevant interests of the Related Parties in securities of the Company are set out below (does not include Shares which the Related Parties may subscribe for under the Company's non-renounceable rights issue announced on 29 August 2019):

Related Party	Shares	Options
Justin Boylson	1,000,000 ¹	Nil
Simon Andrew	1,000,000 ¹	Nil
Michael Davy	1,000,000 ¹	Nil

Notes:

1. The Company obtained Shareholder approval at the general meeting held on 16 October 2019 to issue up to 2,500,000 Shares to each of Messrs Boylson, Andrew and Davy under the Company's placement announcement on 29 August 2019. However, due to demand from other parties for the placement Shares, they have each only taken up 1,000,000 Shares under the placement.

- (h) the remuneration and emoluments from the Company to the Related Parties for the previous financial year and the proposed remuneration and emoluments for the current financial year are set out below:

Related Party	Current Financial Year ¹	Previous Financial Year ²
Justin Boylson	\$138,641	Nil
Simon Andrew	\$27,728	Nil
Michael Davy	\$27,728	Nil

Notes:

1. Figures are accrued pro rata amounts from the commencement of this financial year, and the Director fees or salaries (as applicable) have been prepared inclusive of superannuation and exclusive of all Share or Option based payments disclosed elsewhere in this Notice.
2. Messrs Boylson, Andrew and Davy were each appointed to the Board on 29 August 2019, and therefore accrued no director fees in the financial year ending 30 June 2019.

RESOLUTIONS 3, 4 & 5 – ISSUE OF OPTIONS TO RELATED PARTIES – MESSRS BOYLSON, ANDREW & DAVY (CONTINUED)

- (i) if the Related Party Options granted to the Related Parties are exercised, a total of 18,000,000 Shares would be issued. This will increase the number of Shares on issue from 302,469,750 to 320,469,750 (assuming that no other Options are exercised, the Convertible Notes are not converted into Shares and no other Shares are issued) with the effect that the shareholding of existing Shareholders would be diluted by an aggregate of 5.62%, comprising 1.87% by Mr Boylson, 1.87% by Mr Andrew and 1.87% by Mr Davy.

The market price for Shares during the term of the Related Party Options would normally determine whether or not the Related Party Options are exercised. If, at any time any of the Related Party Options are exercised and the Shares are trading on ASX at a price that is higher than the exercise price of the Related Party Options, there may be a perceived cost to the Company.

- (j) the trading history of the Shares on ASX in the 12 months before the date of this Notice is set out below:

	Price (\$)	Date
Highest	0.099	17/10/2018 to 18/10/2018
Lowest	0.012	29/08/2019
Last	0.013	16/10/2019

- (k) the Board acknowledges the grant of Related Party Options to Messrs Andrew and Davy (as Non-Executive Directors) is contrary to Recommendation 8.3 of The Corporate Governance Principles and Recommendations with 2010 Amendments (2nd Edition) as published by The ASX Corporate Governance Council. However, the Board considers the grant of Related Party Options to Messrs Andrew and Davy reasonable in the circumstances for the reason set out in paragraph (m);
- (l) the primary purpose of the grant of the Related Party Options to the Related Parties is to provide a performance linked incentive component in the remuneration package for the Related Parties to motivate and reward the performance of the Related Parties in their respective roles as Directors;

RESOLUTIONS 3, 4 & 5 – ISSUE OF OPTIONS TO RELATED PARTIES – MESSRS BOYLSON, ANDREW & DAVY (CONTINUED)

- (m) Mr Boylson declines to make a recommendation to Shareholders in relation to Resolution 3 due to his material personal interest in the outcome of the Resolution on the basis that he is to be granted Related Party Options in the Company should Resolution 3 be passed. However, in respect of Resolutions 4 and 5, Mr Boylson recommends that Shareholders vote in favour of those Resolutions for the following reasons:
- (i) the grant of Related Party Options to the Related Parties, in particular, the vesting conditions of the Related Party Options, will align the interests of the Related Parties with those of Shareholders;
 - (ii) the grant of the Related Party Options is a reasonable and appropriate method to provide cost effective remuneration as the non-cash form of this benefit will allow the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given to the Related Parties; and
 - (iii) it is not considered that there are any significant opportunity costs to the Company or benefits foregone by the Company in granting the Related Party Options upon the terms proposed;
- (n) Mr Andrew declines to make a recommendation to Shareholders in relation to Resolution 4 due to his material personal interest in the outcome of the Resolution on the basis that he is to be granted Related Party Options in the Company should Resolution 4 be passed. However, in respect of Resolutions 3 and 5, Mr Andrew recommends that Shareholders vote in favour of those Resolutions for the reasons set out in paragraph (m);
- (o) Mr Davy declines to make a recommendation to Shareholders in relation to Resolution 5 due to his material personal interest in the outcome of the Resolution on the basis that he is to be granted Related Party Options in the Company should Resolution 5 be passed. However, in respect of Resolutions 3 and 4, Mr Davy recommends that Shareholders vote in favour of those Resolutions for the reasons set out in paragraph (m);
- (p) with the exception of Messrs Boylson, Andrew and Davy, no other Director (being Mr Webster) has a personal interest in the outcome of Resolutions 3, 4 and 5;
- (q) Mr Webster recommends that Shareholders vote in favour of Resolutions 3, 4 and 5, for the reasons set out in paragraph (m)(ii);
- (r) in forming their recommendations, each Director considered the experience of each other Related Party, the current market price of Shares, the current market practices when determining the number of Related Party Options to be granted as well as the exercise price and expiry date of those Related Party Options; and

RESOLUTIONS 3, 4 & 5 – ISSUE OF OPTIONS TO RELATED PARTIES – MESSRS BOYLSON, ANDREW & DAVY (CONTINUED)

- (s) the Board is not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass Resolutions 3, 4 and 5.

Approval pursuant to ASX Listing Rule 7.1 is not required in order to issue the Related Party Options to the Related Parties as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the issue of Related Party Options to the Related Parties will not be included in the 15% calculation of the Company's annual placement capacity pursuant to ASX Listing Rule 7.1.

5. RESOLUTION 6 – APPROVAL OF 10% PLACEMENT CAPACITY

5.1 General

ASX Listing Rule 7.1A provides that an Eligible Entity (as defined below) may seek shareholder approval by special resolution passed at an annual general meeting to have the capacity to issue up to that number of Equity Securities equal to 10% of its issued capital (**10% Placement Capacity**) without using that entity's existing 15% annual placement capacity granted under ASX Listing Rule 7.1.

An Eligible Entity is one that, as at the date of the relevant annual general meeting:

- (a) is not included in the S&P/ASX 300 Index; and
- (b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

As at the date of this Notice, the Company is an Eligible Entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation of approximately \$1,966,053 (based on the number of Shares on issue and the closing price of Shares on the ASX on 16 October 2019 and excluding any restricted securities that may be on issue).

An Equity Security is a share, a unit in a trust, a right to a share or unit in a trust or option, an option over an issued or unissued security, a convertible security, or, any security that ASX decides to classify as an equity security.

Any Equity Securities issued under the 10% Placement Capacity must be in the same class as an existing class of quoted Equity Securities.

As at the date of this Notice, the Company currently has one (1) class of quoted Equity Securities on issue, being Shares (ASX Code: RGL).

If Shareholders approve Resolution 6, the number of Equity Securities the Company may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2.

RESOLUTION 6 – APPROVAL OF 10% PLACEMENT CAPACITY (CONTINUED)

Resolution 6 is a special resolution. Accordingly, at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of Resolution 6 for it to be passed.

5.2 Technical information required by ASX Listing Rule 7.1A

Pursuant to and in accordance with ASX Listing Rule 7.3A, the information below is provided in relation to this Resolution:

(a) **Minimum Price**

The minimum price at which the Equity Securities may be issued is 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 ASX trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within 5 ASX trading days of the date in Section 5.2(a)(i), the date on which the Equity Securities are issued.

(b) **Date of Issue**

The Equity Securities may be issued under the 10% Placement Capacity commencing on the date of the Meeting and expiring on the first to occur of the following:

- (i) 12 months after the date of this Meeting; and
- (ii) the date of approval by Shareholders of any transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of the Company's activities) or 11.2 (disposal of the Company's main undertaking) (after which date, an approval under Listing Rule 7.1A ceases to be valid),

(10% Placement Capacity Period).

(c) **Risk of voting dilution**

Any issue of Equity Securities under the 10% Placement Capacity will dilute the interests of Shareholders who do not receive any Shares under the issue.

If Resolution 6 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 10% Placement Capacity, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in ASX Listing Rule 7.1A(2), on the basis of the market price of Shares and the number of Equity Securities on issue as at 16 October 2019.

RESOLUTION 6 – APPROVAL OF 10% PLACEMENT CAPACITY (CONTINUED)

The table also shows the voting dilution impact where the number of Shares on issue (Variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 10% Placement Capacity.

Number of Shares on Issue (Variable A in ASX Listing Rule 7.1A2)		Shares issued – 10% voting dilution	Dilution		
			Issue Price		
			\$0.0085	\$0.0170	\$0.0255
			50% decrease	Issue Price	50% increase
		Funds Raised			
Current	302,469,750 Shares	30,246,975 Shares	\$196,605	\$393,210	\$589,816
50% increase	453,704,625 Shares	45,370,462 Shares	\$294,908	\$589,816	\$884,724
100% increase	604,939,500 Shares	60,493,950 Shares	\$393,210	\$786,421	\$1,179,632

*The number of Shares on issue (Variable A in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro-rata rights issue or scrip issued under a takeover offer) or that are issued with Shareholder approval under Listing Rule 7.1.

The table above uses the following assumptions:

1. There are currently 302,469,750 Shares on issue.
2. The issue price set out above is the closing price of the Shares on the ASX on 16 October 2019 (\$0.013).
3. The Company issues the maximum possible number of Equity Securities under the 10% Placement Capacity.
4. The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in ASX Listing Rule 7.2 or with approval under ASX Listing Rule 7.1.
5. The issue of Equity Securities under the 10% Placement Capacity consists only of Shares. It is assumed that no Options are exercised into Shares before the date of issue of the Equity Securities.
6. The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
7. This table does not set out any dilution pursuant to approvals under ASX Listing Rule 7.1 unless otherwise disclosed.
8. The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
9. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Capacity, based on that Shareholder's holding at the date of the Meeting.

RESOLUTION 6 – APPROVAL OF 10% PLACEMENT CAPACITY (CONTINUED)

Shareholders should note that there is a risk that:

- (i) the market price for the Company's Shares may be significantly lower on the issue date than on the date of the Meeting; and
- (ii) the Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue.

(d) **Purpose of Issue under 10% Placement Capacity**

The Company may issue Equity Securities under the 10% Placement Capacity for the following purposes:

- (i) as cash consideration in which case the Company intends to use funds raised for:
 - (A) the acquisition of new resources, assets and investments (including expenses associated with such an acquisition);
 - (B) continued exploration expenditure on the Company's current assets/or projects (funds would then be used for project, feasibility studies and ongoing project administration);
 - (C) the development of the Company's current business; and
 - (D) general working capital; or
- (ii) as non-cash consideration for the acquisition of new resources, assets and investments including or excluding previously announced acquisitions., in such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3.

The Company will comply with the disclosure obligations under Listing Rules 7.1A(4) and 3.10.5A upon issue of any Equity Securities.

(e) **Compliance with ASX Listing Rules 7.1A.4 and 3.10.5A**

When the Company issues Equity Securities pursuant to the 10% Placement Capacity, it must give to ASX:

- (i) a list of the recipients of the Equity Securities and the number of Equity Securities issued to each (not for release to the market), in accordance with Listing Rule 7.1A.4; and
- (ii) the information required by Listing Rule 3.10.5A for release to the market.

RESOLUTION 6 – APPROVAL OF 10% PLACEMENT CAPACITY (CONTINUED)

(f) **Allocation policy under the 10% Placement Capacity**

The recipients of the Equity Securities to be issued under the 10% Placement Capacity have not yet been determined. However, the recipients of Equity Securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of the Company.

The Company will determine the recipients at the time of the issue under the 10% Placement Capacity, having regard to the following factors:

- (i) the purpose of the issue;
- (ii) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue or other offer where existing Shareholders may participate;
- (iii) the effect of the issue of the Equity Securities on the control of the Company;
- (iv) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
- (v) prevailing market conditions; and
- (vi) advice from corporate, financial and broking advisers (if applicable).

Further, if the Company is successful in acquiring new resources, assets or investments, it is likely that the recipients under the 10% Placement Capacity will be vendors of the new resources, assets or investments.

(g) **Previous approval under ASX Listing Rule 7.1A**

The Company previously obtained approval from its Shareholders pursuant to ASX Listing Rule 7.1A at its annual general meeting held on 30 November 2018 (**Previous Approval**).

The Company has issued 8,458,159 Shares pursuant to the Previous Approval.

During the 12 month period preceding the date of the Meeting, being on and from 29 November 2018, the Company otherwise issued a total of 219,254,815 Shares, 100,000 Convertible Notes and 35,370,000 Options which, together with the Equity Securities issued under the Previous Approval, represents approximately 241.55% of the total diluted number of Equity Securities on issue in the Company on 29 November 2018, which was 105,414,935.

Further details of the issues of Equity Securities by the Company during the 12-month period preceding the date of the Meeting are set out in Schedule 2.

RESOLUTION 6 – APPROVAL OF 10% PLACEMENT CAPACITY (CONTINUED)

5.3 Voting Exclusion

A voting exclusion statement is included in this Notice. As at the date of this Notice, the Company has not invited any existing Shareholder to participate in an issue of Equity Securities under ASX Listing Rule 7.1A. Therefore, no existing Shareholders will be excluded from voting on Resolution 6.

6. RESOLUTION 7 – REPLACEMENT OF CONSTITUTION

6.1 General

A company may modify or repeal its constitution or a provision of its constitution by special resolution of Shareholders.

Resolution 7 is a special resolution which will enable the Company to repeal its existing Constitution and adopt a new constitution (**Proposed Constitution**) which is of the type required for a listed public company limited by shares updated to ensure it reflects the current provisions of the Corporations Act and ASX Listing Rules.

This will incorporate amendments to the Corporations Act and ASX Listing Rules since the current Constitution was adopted on 24 April 2017.

The Directors believe that it is preferable in the circumstances to replace the existing Constitution with the Proposed Constitution rather than to amend a multitude of specific provisions.

The Proposed Constitution is broadly consistent with the provisions of the existing Constitution. Many of the proposed changes are administrative or minor in nature including but not limited to:

- (a) updating references to bodies or legislation which have been renamed (e.g. references to the Australian Settlement and Transfer Corporation Pty Ltd, ASTC Settlement Rules and ASTC Transfer); and
- (b) expressly providing for statutory rights by mirroring these rights in provisions of the Proposed Constitution.

The Directors believe these amendments are not material nor will they have any significant impact on Shareholders. It is not practicable to list all of the changes to the Constitution in detail in this Explanatory Statement, however, a summary of the proposed material changes is set out below.

A copy of the Proposed Constitution is available for review by Shareholders at the Company's website www.riversgold.com.au and at the office of the Company. A copy of the Proposed Constitution can also be sent to Shareholders upon request to the Company Secretary (+61 8 9316 9100). Shareholders are invited to contact the Company if they have any queries or concerns.

RESOLUTION 7 – REPLACEMENT OF CONSTITUTION (CONTINUED)

6.2 Summary of material proposed changes

Restricted Securities (clause 2.12)

The Proposed Constitution complies with the proposed changes to ASX Listing Rule 15.12 which is due to be finalised and released in December 2019. Under this change, ASX will require certain more significant holders of restricted securities and their controllers (such as related parties, promoters, substantial holders, service providers and their associates) to execute a formal escrow agreement in the form Appendix 9A, as is currently the case. However, for less significant holdings (such as non-related parties and non-promoters), ASX will instead permit the Company to issue restriction notices to holders of restricted securities in the form of a new Appendix 9C advising them of the restriction rather than requiring signed restriction agreements.

Minimum Shareholding (clause 3)

Clause 3 of the Constitution outlines how the Company can manage shareholdings which represent an “unmarketable parcel” of shares, being a shareholding that is less than \$500 based on the closing price of the Company’s Shares on ASX as at the relevant time.

The Proposed Constitution is in line with the requirements for dealing with “unmarketable parcels” outlined in the Corporations Act such that where the Company elects to undertake a sale of unmarketable parcels, the Company is only required to give one notice to holders of an unmarketable parcel to elect to retain their shareholding before the unmarketable parcel can be dealt with by the Company, saving time and administrative costs incurred by otherwise having to send out additional notices.

Clause 3 of the Proposed Constitution continues to outline in detail the process that the Company must follow for dealing with unmarketable parcels.

Fee for registration of off market transfers (clause 8.4(c))

On 24 January 2011, ASX amended ASX Listing Rule 8.14 with the effect that the Company may now charge a “reasonable fee” for registering paper-based transfers, sometimes referred to “off-market transfers”.

Clause 8.4 of the Proposed Constitution is being made to enable the Company to charge a reasonable fee when it is required to register off-market transfers from Shareholders. The fee is intended to represent the cost incurred by the Company in upgrading its fraud detection practices specific to off-market transfers.

Before charging any fee, the Company is required to notify ASX of the fee to be charged and provide sufficient information to enable ASX to assess the reasonableness of the proposed amount.

RESOLUTION 7 – REPLACEMENT OF CONSTITUTION (CONTINUED)

Direct Voting (clause 13, specifically clauses 13.35 – 13.40)

The Proposed Constitution includes a new provision which allows Shareholders to exercise their voting rights through direct voting (in addition to exercising their existing rights to appoint a proxy). Direct voting is a mechanism by which Shareholders can vote directly on resolutions which are to be determined by poll. Votes cast by direct vote by a Shareholder are taken to have been cast on the poll as if the Shareholder had cast the votes on the poll at the meeting. In order for direct voting to be available, Directors must elect that votes can be cast via direct vote for all or any resolutions and determine the manner appropriate for the casting of direct votes. If such a determination is made by the Directors, the notice of meeting will include information on the application of direct voting.

Dividends (clause 22)

Section 254T of the Corporations Act was amended effective 28 June 2010.

There is now a three-tiered test that a company will need to satisfy before paying a dividend replacing the previous test that dividends may only be paid out of profits.

The amended requirements provide that a company must not pay a dividend unless:

- (a) the company's assets exceed its liabilities immediately before the dividend is declared and the excess is sufficient for the payment of the dividend;
- (b) the payment of the dividend is fair and reasonable to the company's shareholders as a whole; and
- (c) the payment of the dividend does not materially prejudice the company's ability to pay its creditors.

The Proposed Constitution reflects this requirement of the Corporations Act. The Directors consider it appropriate to update the Constitution for this amendment to allow more flexibility in the payment of dividends in the future should the Company be in a position to pay dividends.

Partial (proportional) takeover provisions (clause 36)

A proportional takeover bid is a takeover bid where the offer made to each shareholder is only for a proportion of that shareholder's shares.

Pursuant to section 648G of the Corporations Act, the Company has included in the Proposed Constitution a provision whereby a proportional takeover bid for Shares may only proceed after the bid has been approved by a meeting of Shareholders held in accordance with the terms set out in the Corporations Act.

This clause of the Proposed Constitution will cease to have effect on the third anniversary of the date of the adoption of last renewal of the clause.

RESOLUTION 7 – REPLACEMENT OF CONSTITUTION (CONTINUED)

Information required by section 648G of the Corporations Act

Effect of proposed proportional takeover provisions

Where offers have been made under a proportional off-market bid in respect of a class of securities in a company, the registration of a transfer giving effect to a contract resulting from the acceptance of an offer made under such a proportional off-market bid is prohibited unless and until a resolution to approve the proportional off-market bid is passed.

Reasons for proportional takeover provisions

A proportional takeover bid may result in control of the Company changing without Shareholders having the opportunity to dispose of all their Shares. By making a partial bid, a bidder can obtain practical control of the Company by acquiring less than a majority interest. Shareholders are exposed to the risk of being left as a minority in the Company and the risk of the bidder being able to acquire control of the Company without payment of an adequate control premium. These amended provisions allow Shareholders to decide whether a proportional takeover bid is acceptable in principle, and assist in ensuring that any partial bid is appropriately priced.

Knowledge of any acquisition proposals

As at the date of this Notice of Meeting, no Director is aware of any proposal by any person to acquire, or to increase the extent of, a substantial interest in the Company.

Potential advantages and disadvantages of proportional takeover provisions

The Directors consider that the proportional takeover provisions have no potential advantages or disadvantages for them and that they remain free to make a recommendation on whether an offer under a proportional takeover bid should be accepted.

The potential advantages of the proportional takeover provisions for Shareholders include:

- (a) the right to decide by majority vote whether an offer under a proportional takeover bid should proceed;
- (b) assisting in preventing Shareholders from being locked in as a minority;
- (c) increasing the bargaining power of Shareholders which may assist in ensuring that any proportional takeover bid is adequately priced; and
- (d) each individual Shareholder may better assess the likely outcome of the proportional takeover bid by knowing the view of the majority of Shareholders which may assist in deciding whether to accept or reject an offer under the takeover bid.

RESOLUTION 7 – REPLACEMENT OF CONSTITUTION (CONTINUED)

The potential disadvantages of the proportional takeover provisions for Shareholders include:

- (a) proportional takeover bids may be discouraged;
- (b) lost opportunity to sell a portion of their Shares at a premium; and
- (c) the likelihood of a proportional takeover bid succeeding may be reduced.

Recommendation of the Board

The Directors do not believe the potential disadvantages outweigh the potential advantages of adopting the proportional takeover provisions and as a result consider that the proportional takeover provision in the Proposed Constitution is in the interest of Shareholders and unanimously recommend that Shareholders vote in favour of Resolution 7.

GLOSSARY

\$ means Australian dollars.

10% Placement Capacity has the meaning given in Section 5.1.

Annual General Meeting or **Meeting** means the meeting convened by the Notice.

ASIC means the Australian Securities & Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Chair means the chair of the Meeting.

Closely Related Party of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the Corporations Regulations 2001 (Cth) for the purposes of the definition of 'closely related party' in the Corporations Act.

Company means Riversgold Ltd (ACN 617 614 598).

Constitution means the Company's constitution.

Convertible Notes means the Convertible Notes issued on 7 May 2019 and announced on ASX on 7 May 2019.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the current directors of the Company.

Eligible Entity means an entity that, at the date of the relevant general meeting:

- (a) is not included in the S&P/ASX 300 Index; and
- (b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

Equity Securities includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security.

Explanatory Statement means the explanatory statement accompanying the Notice.

Key Management Personnel has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

Notice or **Notice of Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Proxy Form means the proxy form accompanying the Notice.

Related Party Options means an Option granted pursuant to Resolutions 3, 4 and 5, with the terms and conditions set out in Schedule 1.

Remuneration Report means the remuneration report set out in the Director's report section of the Company's annual financial report for the year ended 30 June 2019.

Resolutions means the resolutions set out in the Notice, or any one of them, as the context requires.

Section means a section of the Explanatory Statement.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a registered holder of a Share.

Variable A means "A" as set out in the formula in ASX Listing Rule 7.1A(2).

WST means Western Standard Time as observed in Perth, Western Australia.

SCHEDULE 1 – TERMS AND CONDITIONS OF RELATED PARTY OPTIONS

(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.001 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on the date which is 3 years from grant (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Vesting Conditions and Exercise Period**

Options will vest and be exercisable subject to the following vesting conditions:

	Vesting Conditions
Tranche 1	Subject to 24 months of continuous service as a Director after following grant of the Options.
Tranche 2	Subject to the Company announcing that it has entered into a farm-in agreement with a minimum investment of \$3,000,000 in relation to the Company's non-WA assets.
Tranche 3	Subject to the Company achieving a volume weighted average share price of at least \$0.04 calculated over any 20 day trading period after the issue of the Options.

The Options are exercisable at any time after vesting and on or prior to the Expiry Date (**Exercise Period**), after which the Options will lapse.

(e) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Within 10 Business Days after the Exercise Date, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(i) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(j) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(k) **Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(l) **Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

SCHEDULE 2 – ISSUES OF EQUITY SECURITIES SINCE 28 NOVEMBER 2018, 12 MONTHS PRIOR TO MEETING

Date	Quantity	Class	Recipients	Issue price and discount to Market Price (if applicable) ¹	Form of consideration
Issue – 3 December 2018 Appendix 3B – 3 December 2018	6,670,000	Shares ⁴	Professional and sophisticated investors who participated in the placement announced on ASX on 21 November 2018.	\$0.075 (representing a discount to Market Price of 6.25%)	Amount raised = \$500,250 Amount spent = \$500,250 Use of funds: Proceeds were used primarily for drilling programmes within the Company's Western Australian gold exploration project portfolio. Amount remaining = Nil
Issue – 19 December 2018 Appendix 3B – 19 December 2018	1,366,664	Shares ⁴	Eligible Shareholders participating in the Share Purchase Plan announced on ASX on 23 November 2018.	\$0.075 (representing a premium to the Market Price of 5.6%)	Amount raised = \$102,500 Amount spent = \$102,500 Use of funds: Proceeds were used primarily for drilling programmes within the Company's Western Australian gold exploration project portfolio. Amount remaining = Nil
Issue – 1 March 2019 Appendix 3B – 6 March 2019	370,000	Unquoted Options ⁵	Issued to employees of the Company in accordance with the Company's Incentive Option Plan.	Nil - No issue price (non-cash consideration).	Consideration = Nil – no cash consideration. Current value ³ = \$2,034
Issue – 7 May 2019 Appendix 3B – 7 May 2019	100,000	Convertible Notes ⁶	Issued to Greenwich Group Pty Ltd, a related party of John Hilton, who is a shareholder and director of Greenwich Equities Pty Ltd, which is a substantial holder of the Company.	Convertible Notes with a face value of \$1.00 per Convertible Note.	Amount raised = \$100,000 Amount spent = \$100,000 Use of funds = Proceeds were applied towards working capital. Amount remaining = Nil
Issue – 18 June 2019 Appendix 3B – 18 June 2019	9,929,944	Shares ⁴	Sophisticated and professional investors that are clients of Novus Capital Limited who participated in a placement undertaken by the Company as announced	\$0.022 (representing a discount to the Market Price of 8.33%)	Amount raised = \$218,458.79 Amount spent = \$123,500 Use of funds = Proceeds were applied towards working capital. Amount remaining = \$95,000 Proposed use of remaining funds ⁴ : \$95,000 to be applied towards working capital

Date	Quantity	Class	Recipients	Issue price and discount to Market Price (if applicable) ¹	Form of consideration
			on 18 June 2019		
Issue – 17 October 2019 Appendix 3B – 17 October 2019	40,000,000	Shares ⁴	Sophisticated and professional investors that are clients of Otsana Pty Ltd (ACN 145 168 216) trading as Otsana Capital AFSL 435872 as announced on ASX on 29 August 2019, and Messrs Justin Boylson, Simon Andrew and Michael Davy (each a Director) (or their nominee/s) as participants in this placement.	\$0.01 (representing a discount to the Market Price)	Amount raised = \$400,000 Amount spent = Nil Use of funds: Funds were allocated to conduct a review of non-core assets and concurrently work towards continuing work on the Company's existing assets, potential complimentary opportunities and general working capital. Amount remaining = \$400,000 Proposed use of remaining funds⁴: To be allocated to conduct a review of non-core assets and concurrently work towards continuing work on the Company's existing assets, potential complimentary opportunities and general working capital.
Issue – 17 October 2019 Appendix 3B – 17 October 2019	35,000,000	Unquoted Options ⁵	Otsana Pty Ltd (ACN 145 168 216) trading as Otsana Capital AFSL 435872	No issue price (non-cash consideration for corporate advisory and broker services provided to the Company in the placement announced on ASX on 29 August 2019.	Consideration = Nil – no cash consideration. Current value³ = \$288,694
Issue – 17 October 2019 Appendix 3B – 17 October 2019	10,053,332	Shares ⁴	Messrs Roderick Webster (a Director), Aaron Colleran (a former Director) and Kevin Hart (a former Director and the current Company Secretary) (or their nominee/s), who were issued the Shares in lieu of accrued director fees.	Nil - No issue price (issued in lieu of accrued director fees).	Consideration = Nil – no cash consideration. Current value³ = \$130,693
Issue – 13 November 2019	151,234,875	Shares ⁴	Shareholders who participated in the	\$0.01 (representing a discount to the Market Price)	Amount raised = \$1,512,348.75 Amount spent = Nil

Date	Quantity	Class	Recipients	Issue price and discount to Market Price (if applicable) ¹	Form of consideration
Appendix 3B – 17 October 2019			Company's pro rata non-renounceable entitlement issue as announced on ASX on 29 August 2019.		<p>Use of funds: Funds were allocated to conduct a review of non-core assets and concurrently work towards continuing work on the Company's existing assets, potential complimentary opportunities and general working capital.</p> <p>Amount remaining = \$1,512,348.78</p> <p>Proposed use of remaining funds⁴: Funds to be allocated to conduct a review of non-core assets and concurrently work towards continuing work on the Company's existing assets, potential complimentary opportunities and general working capital.</p>

Notes:

1. Market Price means the closing price on ASX (excluding special crossings, overnight sales and exchange traded option exercises). For the purposes of this table the discount is calculated on the Market Price on the last trading day on which a sale was recorded prior to the date of issue of the relevant Equity Securities.
2. This is a statement of current intentions as at the date of this Notice. As with any budget, intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way the funds are applied on this basis.
3. In respect of quoted Equity Securities the value is based on the closing price of the Shares (\$0.017) on the ASX on 7 October 2019. In respect of unquoted Equity Securities, the value of Options is measured using the Black & Scholes option pricing model. Measurement inputs include the Share price on the measurement date, the exercise price, the term of the Option, the impact of dilution, the expected volatility of the underlying Share (based on weighted average historic volatility adjusted for changes expected due to publicly available information), the expected dividend yield and the risk free interest rate for the term of the Option. No account is taken of any performance conditions included in the terms of the Option other than market-based performance conditions (i.e. conditions linked to the price of Shares).
4. Fully paid ordinary shares in the capital of the Company, ASX Code: RGL (terms are set out in the Constitution).
5. Unquoted Options comprised of the following classes:
 - (i) 370,000 unquoted Options issued on 1 March 2019 and exercisable at \$0.09 each, on or before 28 February 2023. The full terms and conditions were disclosed the Company's Incentive Option Plan announced on ASX on 6 October 2017; and
 - (ii) 35,000,000 unquoted Options issued on 6 November 2019 and exercisable at \$0.02 each, on or before 6 November 2022. The full terms and conditions were disclosed in the Company's Notice of Meeting dated 13 September 2019 and approved by Shareholders on 16 October 2019.

6. Convertible Notes issued on 7 May 2019 and on the following terms which were announced on ASX on 7 May 2019:

Repayment Date	18 months from 7 May 2019
Interest	<p>Interest shall be payable in cash on the principal amount (\$100,000) from the issue date until the Convertible Notes are either redeemed or converted into Shares at the rate of 5% per annum, calculated monthly and payable 3 monthly in arrears.</p> <p>Greenwich Group Pty Ltd shall have the right to elect 14 days prior to the end of each interest period to accrue any interest payment and accrued interest will be treated on the same terms as the Principal Amount.</p>
Company Redemption	<p>Prior to the repayment date, the Company has the right to redeem any unconverted Convertible Notes. On Repayment Date, the Company is required to redeem any unconverted Convertible Notes and unpaid interest.</p>
Company Price	<p>Each Convertible Note will be convertible into Shares at the higher of:</p> <p>(a) \$0.022 cents per share; or</p> <p>(b) 80% of the 5 trading day volume weighted average price for the Company's shares on ASX calculated at the date that a Conversion Notice is given to the Company.</p>
Early Conversion	<p>Subject to Shareholder approvals, if required, Greenwich Group Pty Ltd may, before the repayment date, convert the Convertible Notes into Shares, by providing the Company with written notice.</p>