

13 April 2021

SALE OF ALASKAN PORTFOLIO: RIVERSGOLD AMENDS AGREEMENT TO US\$1.5M CASH SALE AND ROYALTY

Riversgold Limited (ASX:RGL, “Riversgold” or the “Company”) is pleased to advise that it has agreed new, more favourable terms with respect to its non-core Alaskan assets.

Following discussions with Mamba Minerals LLC (**Mamba Minerals**), the Company has agreed to divest 100% of its Alaskan portfolio by way of a cash transaction with a retained royalty and milestone payments, replacing the earn-in arrangement announced on 25 May 2020. Riversgold has now entered into a share sale deed with Mamba Minerals, Clutch Group Pty Ltd, Afranex Gold Pty Ltd and Afranex (Alaska) Limited providing for the sale of Afranex (Alaska) Limited to Mamba Minerals (**Share Sale Deed**).

Following the negotiation, Mamba Minerals has raised the capital needed to complete the transaction. The first US\$60,000 payment was received at execution of the deed on 12 April 2021.

Executive Director, Xavier Braud, commented:

“This transaction is a great outcome for Riversgold. We managed to monetise non-core assets whilst retaining an exposure to any discovery in Alaska via a gross royalty and milestone payments for resources discovered.

The revised terms delivers Riversgold more funds over the next two quarters. This cash injection will be used to fund the current exploration activities at the Kurnalpi Project.

We are currently drilling diamond core under Lake Yindarlgooda. We are in the final preparation stages of another 3D seismic survey and we are just about to kick off an ambitious surface geochemistry program combined with a full scale use of DetectOre™ in-field low level gold analysis technique following up on our 2020 soil results.

The funds received from the sale of Alaska will be put to good use exploring our 1,200km² of greenstone belt outside Kalgoorlie and we are looking forward to updating the market on progress made.”

Key terms of the Share Sale Deed are as follows:

1. Total cash consideration payable by Mamba Minerals for Afranex (Alaska) Limited is US\$1.5m, payable in the following instalments:
 - a. US\$290,000, already paid under the terms of the Earn-in and Joint Venture Deed;
 - b. US\$60,000 due by 14 April 2021, paid on 12 April 2021;
 - c. US\$150,000 due by 21 April 2021;

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- d. US\$500,000 due by 21 June 2021; and
 - e. US\$500,000 due by 20 August 2021.
2. The transaction will not complete, and Mamba Minerals will not acquire title to the shares in Afranex (Alaska) Limited, until all of the above payments have been made.
 3. In addition, Riversgold is entitled to receive:
 - a. an uncapped 1.5% gross revenue royalty on all minerals produced from the tenements currently held by Afranex (Alaska) Limited;
 - b. US\$1m upon the definition of an inferred mineral resource of 500,000 troy ounces of gold (or an equivalent amount of other minerals) within those tenements;
 - c. US\$1m upon the definition of an inferred mineral resource of 1,000,000 troy ounces of gold (or an equivalent amount of other minerals) within those tenements; and
 - d. a payment equal to 20% of the profit derived by Mamba Minerals if the project is on-sold within 12 months of acquisition from Riversgold.
 4. The obligations of Mamba Minerals under the Share Sale Deed are guaranteed by Clutch Group.

This announcement has been authorised for release by the Board of Riversgold Limited.

For further information, please contact:

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