



RIVERSGOLD LTD
ACN 617 614 598

OFFER DOCUMENT

For a pro rata non-renounceable Rights Issue to Eligible Shareholders on the basis of one (1) New Share for every one (1) existing Share held by Eligible Shareholders on the Record Date at an issue price of \$0.01 per New Share to raise approximately \$1,512,348 (before costs) (**Offer**).

The Offer opens on 29 October 2019 and closes at 5:00pm (WST) on 7 November 2019 (unless it is lawfully extended). Valid acceptances must be received before that time.

Applications for New Shares by Eligible Shareholders can only be made by using or following the instructions on an Entitlement and Acceptance Form, as sent with this Offer Document. The Entitlement and Acceptance Form sets out the Eligible Shareholders' Entitlement to participate in the Offer.

Please read the instructions in this Offer Document and on the accompanying Entitlement and Acceptance Form.

This document is not a prospectus and does not contain all of the information that an investor may require in order to make an informed investment decision regarding the New Shares offered by this document.

The New Shares offered by this Offer Document should be considered as speculative.

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1. IMPORTANT INFORMATION

No person is authorised to give any information or to make any representation in connection with the Offer which is not contained in this Offer Document. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with the Offer.

1.1 This document is not a prospectus

This Offer Document is dated 18 October 2019, has been prepared by Riversgold Ltd and is for a rights issue of continuously quoted securities (as defined in the Corporations Act) of the Company. This Offer Document is not a prospectus under the Corporations Act and has not been lodged with the ASIC. It does not contain all of the information that an investor would find in a prospectus or which may be required in order to make an informed investment decision regarding, or about the rights attaching to, the Shares offered by this document. The ASX and its officers take no responsibility for the contents of this Offer Document or the merits of the investment to which this Offer Document relates.

This Offer Document including each of the documents attached to it and which form part of this Offer Document are important and should be read in their entirety prior to making an investment decision. In particular, Shareholders should refer to the risk factors set out in Section 5 of this document. If you do not fully understand this Offer Document or are in any doubt as to how to deal with it, you should consult your professional adviser.

1.2 Section 708AA of the Corporations Act

This Offer Document has been prepared in accordance with section 708AA of the Corporations Act and *ASIC Regulatory Guide 254 Offering securities under a disclosure document*. In general terms, section 708AA permits certain companies to undertake rights issues without being required to use or provide to shareholders a prospectus or other disclosure document. Accordingly, the level of disclosure in this Offer Document is significantly less than the level of disclosure required in, and what you would expect in, a prospectus. Eligible Shareholders should rely on their own knowledge of the Company, refer to disclosures made by the Company to ASX and consult their professional advisers before deciding to accept the Offer.

1.3 Eligibility

Applications for Shares by Eligible Shareholders can only be made on an original Entitlement and Acceptance Form, as sent with this Offer Document. The Entitlement and Acceptance Form sets out an Eligible Shareholder's Entitlement to participate in the Offer.

1.4 Overseas Shareholders

This Offer Document does not, and is not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Offer Document.

The Offer is not being extended and Shares will not be issued to Shareholders with a registered address which is outside Australia and New Zealand. It is not practicable for the Company to comply with the securities laws of overseas jurisdictions (other than those mentioned above) having regard to the number of overseas Shareholders, the number and value of Shares these Shareholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction.

New Zealand Shareholders

The Offer is being made in New Zealand pursuant to the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016 (New Zealand).

Shareholders resident in Australia or New Zealand holding Shares on behalf of persons who are resident overseas are responsible for ensuring that taking up an Entitlement under the Offer does not breach regulations in the relevant overseas jurisdiction. Return of a duly completed Entitlement and Acceptance Form will be taken by the Company to constitute a representation that there has been no breach of those regulations.

1.5 Notice to nominees and custodians

Shareholders resident in Australia or New Zealand holding Shares on behalf of persons who are resident overseas are responsible for ensuring that taking up an Entitlement under the Offer does not breach regulations in the relevant overseas jurisdiction. Return of a duly completed Entitlement and Acceptance Form will be taken by the Company to constitute a representation that there has been no breach of those regulations.

1.6 Forward-looking statements

This Offer Document contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' 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 Offer Document, 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 our Company, the Directors and our management.

We cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Offer Document will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

We have 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 Offer Document, except where required by law.

These forward looking statements are subject to various risk factors that could cause our actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 5 of this Offer Document.

1.7 Privacy Act

If you complete an Entitlement and Acceptance Form, you will be providing personal information to the Company (directly or by the Company's share registry). The Company collects, holds and uses that information to assess your application, service your needs as a Shareholder, facilitate distribution payments

and corporate communications to you as a Shareholder and carry out administration.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your securities in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Company's share registry.

You can access, correct and update the personal information that we hold about you. Please contact the Company or its share registry if you wish to do so at the relevant contact numbers set out in this Offer Document.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the Privacy Act 1988 (Cth) (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules. You should note that if you do not provide the information required on the Entitlement and Acceptance Form, the Company may not be able to accept or process your application.

2. CORPORATE DIRECTORY

Directors

Justin Boylson
Executive Director

Simon Andrew
Non-executive Director

Michael Davy
Non-executive Director

Company Secretary

Kevin Hart

Registered Office

Endeavour Corporate
Suite 8
7 The Esplanade
Mount Pleasant WA 6153

Telephone: +61 8 9316 9100

Email: info@endeavourcorp.com.au
Website: www.riversgold.com.au

Share Registry*

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

Telephone: +61 8 6188 0800
Facsimile: +61 8 9323 2033

Auditor*

HLB Mann Judd
Level 4
130 Stirling Street
Perth WA 6000

Solicitors

Steinepreis Paganin
Lawyers and Consultants
Level 4, The Read Buildings
16 Milligan Street
Perth WA 6000

Lead Manager

Otsana Pty Ltd trading as Otsana Capital
108 Outram Street
West Perth WA 6005

*These parties have been included for information purposes only. They have not been involved in the preparation of this Offer Document.

3. DETAILS OF THE OFFER

3.1 The Offer

The Offer is being made as a non-renounceable entitlement issue of 1 Share for every Share held by Shareholders registered at the Record Date at an issue price of \$0.01 per Share. Fractional entitlements will be rounded up to the nearest whole number.

Based on the capital structure of the Company as set out in Section 3.8 of this Offer Document, a maximum of approximately 151,234,875 Shares will be issued pursuant to this Offer to raise up to approximately \$1,512,348.

As at the date of this Offer Document, the Company has 57,320,000 Options on issue all of which may be exercised prior to the Record Date in order to participate in the Offer. Please refer to Section 3.8 of this Offer Document for information on the exercise price and expiry date of the Options on issue.

All of the Shares offered under this Offer Document will rank equally with the Shares on issue at the date of this Offer Document.

The Directors may at any time decide to withdraw this Offer Document and the offer of Shares made under this Offer Document in which case the Company will return all Application monies (without interest) within 28 days of giving such notice of withdrawal.

3.2 Minimum subscription

There is no minimum subscription. Any Entitlement not taken up pursuant to the Offer will form the Shortfall Offer. Please refer to Section 4.5 for further details of the Shortfall Offer.

3.3 Use of Funds

Completion of the Offer will result in an increase in cash in hand of up to approximately \$1,512,348 (before the payment of costs associated with the Offer).

The Company intends to apply the funds raised under the Offer as follows:

Items of Expenditure	\$	%
Exploration - WA	700,000	46%
Exploration Alaska	300,000	20%
Exploration - other	100,000	7%
Working capital ¹	322,348	21%
Expenses of the Offer	90,000	6%
Total	1,512,348	100

Note:

1. Funds allocated to working capital will be used for administration expenses and corporate costs of the Company.
2. If the Offer is not fully subscribed and the shortfall securities are not subsequently placed (in whole or in part) the Company intends to adjust the use of funds on a pro rata basis.

The above table is a statement of the Board's current intentions as at the date of this Offer Document. However, Shareholders should note that, as with any budget, the allocation of funds set out in the above table may change depending on a number of factors, including the outcome of operational and development activities, regulatory developments, market and general economic conditions and environmental factors. In light of this, the Board reserves the right to alter the way the funds are applied.

3.4 Indicative Timetable

Lodgement of Offer Document & Appendix 3B with ASX	18 October 2019
Notice sent to Optionholders	18 October 2019
Notice sent to Shareholders	22 October 2019
Ex date	23 October 2019
Record Date for determining Entitlements	24 October 2019
Offer Document sent out to Shareholders & Company announces this has been completed	29 October 2019
Last day to extend the Offer Closing Date	4 November 2019
Closing Date*	7 November 2019
Shares quoted on a deferred settlement basis	8 November 2019
ASX notified of under subscriptions	12 November 2019
Issue date/Shares entered into Shareholders' security holdings	12 November 2019
Quotation of Shares issued under the Offer*	14 November 2019

* Subject to the ASX Listing Rules, the Directors reserve the right to extend the Closing Date for the Offer at their discretion. Should this occur, the extension will have a consequential effect on the anticipated date of issue for the New Shares.

** These dates are indicative only and are subject to change.

3.5 Lead Manager

Otsana Pty Ltd (ACN 145 168 216) trading as Otsana Capital has been appointed as lead manager to the Offer (**Lead Manager**). Under the lead manager mandate between the Company and the Lead Manager dated 27 August 2019, the Lead Manager will receive a transaction fee equivalent to 6% of the placement of the Shortfall Offer amount under the Offer.

3.6 Entitlements and acceptance

Details of how to apply under the Offer are set out in Section 4 of this Offer Document.

The Entitlement of Eligible Shareholders to participate in the Offer will be determined on the Record Date. Your Entitlement is shown on the Entitlement and Acceptance form accompanying this Offer Document.

You can also apply for Additional Shares under the Shortfall Offer in addition to your Entitlement by following the instructions set out in Section 4. The Shortfall Offer is described in Section 4.5 below.

3.7 No rights trading

The rights to New Shares under the Offer are non-renounceable. Accordingly, there will be no trading of rights on the ASX and you may not dispose of your rights to subscribe for New Shares under the Offer to any other party. If you do not take up your Entitlement to New Shares under the Offer by the Closing Date, the Offer to you will lapse.

3.8 Capital structure

The effect of the Offer on the capital structure of the Company, assuming all Entitlements are accepted, is set out below.

Shares	Number
Shares currently on issue as at the date of this Offer Document	151,234,875
Shares offered pursuant to the Offer	151,234,875
Total Shares on issue after completion of the Offer¹	302,469,750

Notes:

1. This number may vary due to rounding of Entitlements and may increase as a result of the rounding up of New Shares offered under the Offer.

Options	Number
Options Currently on issue as at date of this Offer Document:	
– Unquoted Options exercisable at \$0.20 each and expiring on 15 May 2022	3,000,000
– Unquoted Options exercisable at \$0.20 each and expiring on 10 October 2020	18,750,000
– Unquoted Options exercisable at \$0.20 each and expiring on 19 March 2020	450,000
– Unquoted Options exercisable at \$0.09 each and expiring on 28 February 2023	120,000
– Unquoted Options exercisable \$0.02 each and expiring on the date that is three years from their date of issue	35,000,000
Total Options on issue after completion of the Offer	57,320,000

Convertible Notes	Number
Unquoted Convertible Notes Currently on issue as at date of this Offer Document	100,000
Total Convertible Notes on issue after completion of the Offer	100,000

The capital structure on a fully diluted basis as at the date of this Offer Document would be 213,100,320 Shares. On completion of the Offer (assuming all Entitlements are accepted and no Options are exercised or Convertible Notes are converted prior to the Record Date) would be 302,469,750 Shares.

No Shares, Options or Convertible Notes on issue are subject to escrow restrictions, either voluntary or ASX imposed.

3.9 Dilution

Shareholders should note that if they do not participate in the Offer, their holdings are likely to be diluted by approximately 50% (as compared to their holdings and number of Shares on issue as at the date of this Offer Document).

Examples of how the dilution may impact Shareholders are set out in the table below:

Holder	Holding as at Record date	% at Record Date	Entitlements under the Offer	Holdings if Offer not taken Up	% post Offer
Shareholder 1	10,000,000	6.61%	10,000,000	10,000,000	3.31%
Shareholder 2	5,000,000	3.31%	5,000,000	5,000,000	1.65%
Shareholder 3	1,500,000	0.99%	1,500,000	1,500,000	0.50%
Shareholder 4	400,000	0.26%	400,000	400,000	0.13%
Shareholder 5	50,000	0.03%	50,000	50,000	0.02%

Notes:

1. This is based on a share capital of 151,234,875 Shares as at the date of this Offer Document.
2. The dilutionary effect shown in the table is the maximum percentage on the assumption that those Entitlements not accepted are placed under the Shortfall Offer. In the event all Entitlements are not accepted and some or all of the resulting Shortfall was not subsequently placed, the dilution effect for each Shareholder not accepting their Entitlement would be a lesser percentage.

3.10 Directors Interests and Participation

Each Director's relevant interest in the securities of the Company at the date of this Offer Document and their Entitlement is set out in the table below.

Director	Shares ¹	Voting Power (%)	Entitlement ²	\$
Justin Boylson ¹	1,000,000	0.66%	1,000,000	\$10,000
Simon Andrew	1,000,000	0.66%	1,000,000	\$10,000
Michael Davy	1,000,000	0.66%	1,000,000	\$10,000

Notes:

1. Shares held by Messrs Boylson, Andrew and Davy were issued pursuant to Shareholder approval at the Company's General Meeting held 16 October 2019.
2. 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.

The Directors intend to participate under the Offer and take up their Entitlements in part or in whole.

3.11 Effect of the Offer on control and voting power in the Company

The Company's substantial holders and their Entitlement prior to the Offer are set out in the table below.

Substantial Holder ¹	Shares	Voting Power (%)	Entitlement	\$
Eaglehawk Investments Pty Ltd ²	17,825,000	17.61%	17,825,000	\$178,250
Evolution Mining Limited ³	15,700,000	10.38%	15,700,000	\$157,000

Notes:

1. The voting power in the table is prior to settlement of the Offer.
2. Comprised of 14,075,000 Shares held by Eaglehawk Investments Pty Ltd and 3,750,000 Shares held by Citymist Holdings Pty Ltd. Citymist Holdings Pty Ltd is deemed to be an associate of Eaglehawk Investments Pty Ltd by virtue of having a shared director. Refer to the initial substantial holder notice released by Eaglehawk Investments Pty Ltd on 16 October 2019 for further details. As at the date of this Offer Document, the Company is not aware of Eaglehawk Investments Pty Ltd's intentions with respect to its Entitlement.
3. Evolution Mining Limited has advised the Company that it does not intend to take up its Entitlement under the Offer.

The potential effect that the issue of the Shares under the Offer will have on the control of the Company is as follows:

- (a) if all eligible shareholders take up their entitlements under the Offer, the issue of Shares under the Offer will have no effect on the control of the Company and all shareholders will hold the same percentage interest in the Company, subject only to changes resulting from ineligible shareholders being unable to participate in the Offer;
- (b) in the more likely event that there is a shortfall, eligible shareholders who do not subscribe for their full entitlement of Shares under the Offer and ineligible shareholders unable to participate in the Offer will be diluted relative to those shareholders who subscribe for some or all of their entitlement as shown by the table in Section 3.9; and
- (c) in respect of any shortfall, Eligible Shareholders may apply to top-up their shareholding, by subscribing for additional Shares to be issued from the shortfall pool (**Shortfall Offer**) at the discretion of the Directors. However, the Company will only issue such Shares pursuant to an application received where the Directors are satisfied, in their discretion, that the issue of the Shares will not increase the applicant's voting power above 19.99%. Having regard to the number of Shares to be issued under the Offer, even if a substantial shortfall eventuated, a participant in the Shortfall Offer would not be in a position to exercise any substantive control in the Company. Further information on the Shortfall Offer is set out in Section 4.5.

3.12 Pro forma Statement of Financial Position

The unaudited but reviewed pro forma statement of financial position as at 30 September 2019 is set out in Annexure 1, and has been prepared on the basis of the accounting policies normally adopted by the Company and reflect the changes to its financial position. The pro forma statement of financial position has been prepared assuming:

- (a) the funds raised under the October Placement and the full subscription of \$1,512,348 raised under the Offer;
- (b) estimated expenses of the Offer of \$90,000 have been taken into account.

The pro forma statement of financial position has been prepared to provide investors with information on the assets and liabilities of the Company and pro forma assets and liabilities of the Company as noted in Annexure 1. The historical and pro forma financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by the Australia Accounting Standards applicable to annual financial statements.

3.13 Market Price of Shares

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX.

The highest, lowest and last market sale prices of the Shares on ASX during the three months immediately preceding the date of release of this Offer Document and the respective dates of those sales were:

	(\$)	Date
Highest	0.024	01/08/2019 and 22/07/2019
Lowest	0.012	29/08/2019
Last	0.013	17/10/2019

3.14 Opening and Closing Dates

The Offer opens on the Opening Date, being 29 October 2019, and closes on the Closing Date, being 5:00pm (WST) on 7 November 2019 (or such other dates as the Directors in their discretion shall determine subject to the ASX Listing Rules). The Company will accept Entitlement and Acceptance Forms until the Closing Date or such other date as the Directors in their absolute discretion shall determine, subject to the ASX Listing Rules.

3.15 Issue and dispatch

Shares issued pursuant to the Offer will be issued in accordance with the ASX Listing Rules and the indicative timetable set out in Section 3.4 of this Offer Document. Shares issued pursuant to the Shortfall Offer will be issued on a progressive basis.

Pending the issue of the Shares or payment of refunds pursuant to this Offer Document, all Application monies will be held by the Registry in trust for the Applicants in a separate bank account as required by the Corporations Act. The Company, however, will be entitled to retain all interest that accrues on the bank account and each Applicant waives the right to claim interest by completing and returning the Entitlement and Acceptance Form.

The expected dates for issue of New Shares offered by this Offer Document and dispatch of holding statements is expected to occur on the dates specified in the Timetable set out in Section 3.4 of this Offer Document.

It is the responsibility of Applicants to determine the allocation prior to trading in

the New Shares. Applicants who sell New Shares before they receive their holding statements will do so at their own risk.

3.16 ASX listing

Application for official quotation by ASX of the New Shares offered pursuant to this Offer Document will be made.

The fact that ASX may grant official quotation to the New Shares is not to be taken in any way as an indication of the merits of the Company or the New Shares now offered for subscription.

3.17 CHESS

The Company is a participant in CHESS, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHESS will be issuer sponsored by the Company. Because the sub-registers are electronic, ownership of securities can be transferred without having to rely upon paper documentation.

Electronic registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with a statement (similar to a bank account statement) that sets out the number of New Shares allotted to them under this Offer Document. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHESS and issuer sponsorship.

Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

3.18 Risk Factors

An investment in New Shares should be regarded as speculative. In addition to the general risks applicable to all investments in listed securities, there are specific risks associated with an investment in the Company which are non-exhaustive. Please refer to Section 5 of this Offer Document for further details.

3.19 Taxation implications

The Directors do not consider it appropriate to give Shareholders advice regarding the taxation consequences of subscribing for New Shares under this Offer Document. The Company, its advisers and its officers do not accept any responsibility or liability for any such taxation consequences to Shareholders.

Shareholders should consult their professional tax adviser in connection with subscribing for New Shares under this Offer Document.

3.20 Continuous disclosure obligations

The Company is a "disclosing entity" (as defined in section 111AC of the Corporations Act) for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX and, as such, the Company is subject to regular reporting and disclosure obligations under the Corporations Act and the Listing Rules.

Specifically, the Company is required to notify ASX of information about specific events and matters as they arise for the purposes of the ASX making that information available to the securities markets conducted by the ASX. In

particular, the Company has an obligation under the ASX Listing Rules (subject to certain exceptions) to notify the ASX immediately of any information of which it is or becomes aware which a reasonable person would expect to have a material effect on the price or value of its securities.

This Offer Document is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include information that would be included in a disclosure document or which investors ought to have regard to in deciding whether to subscribe for Shares under the Offer. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

All announcements made by the Company are available from its website www.riversgold.com.au or the ASX www.asx.com.au.

Additionally, the Company is also required to prepare and lodge with ASIC yearly and half-yearly financial statements accompanied by a directors' statement and report, and an audit report or review. These reports are released to ASX and published on the Company's and the ASX websites.

This Offer Document (including the Entitlement & Acceptance Form) and the contracts that arise from acceptance of the Applications are governed by the laws applicable in Western Australia and each Applicant submits to the non-exclusive jurisdiction of the courts of Western Australia.

3.21 Enquiries concerning Offer Document

Enquiries relating to this Offer Document should be directed to the Company on +61 8 9316 9100.

4. ACTION REQUIRED BY SHAREHOLDERS

4.1 How to Accept the Offer

Your acceptance of the Offer must be made on the Entitlement and Acceptance Form accompanying this Offer Document. You may participate in the Offer as follows:

- (a) if you wish to accept your **full** Entitlement :
 - (i) complete the Entitlement and Acceptance Form; and
 - (ii) make payment by BPAY® or attach your cheque, drawn on an Australian bank or bank draft made payable in Australian currency, for the amount indicated on the Entitlement and Acceptance Form; or
- (b) if you wish to accept your **full** Entitlement and apply for Shares under the **Shortfall Offer**
 - (i) complete the Entitlement and Acceptance Form;
 - (ii) fill in the number of Shortfall Shares you wish to apply for under the Shortfall Offer in the space provided on the Entitlement and Acceptance Form; and
 - (iii) make payment by BPAY® or attach your cheque, drawn on an Australian bank or bank draft made payable in Australian currency, for the appropriate application monies (at \$0.01 per New Share), or
- (c) if you only wish to accept **part** of your Entitlement:
 - (i) fill in the number of New Shares you wish to accept in the space provided on the Entitlement and Acceptance Form; and
 - (ii) attach your cheque or arrange payment by BPAY® for the appropriate Application monies (at \$0.01 per New Share); or
- (d) if you do not wish to accept all or part of your Entitlement, you are not obliged to do anything.

Your completed Entitlement and Acceptance Form and payment must reach the Registry no later than 5:00pm (WST) on the Closing Date.

The Offer is non-renounceable. Accordingly, a holder of Shares may not sell or transfer all or part of their Entitlement.

4.2 Implications of an acceptance

Returning a completed Entitlement and Acceptance Form or paying any Application monies by BPAY® will be taken to constitute a representation by you that:

- (a) you have received a copy of this Offer Document and the accompanying Entitlement and Acceptance Form, and read them both in their entirety; and

- (b) you acknowledge that once the Entitlement and Acceptance Form is returned, or a BPAY® payment instruction is given in relation to any Application monies, the Application may not be varied or withdrawn except as required by law.

4.3 Payment by cheque/bank draft

All cheques must be drawn on an Australian bank or bank draft made payable in Australian currency to "RIVERSGOLD LTD" and crossed "Not Negotiable".

Your completed Entitlement and Acceptance Form and cheque must reach the Company's share registry at the address set out on the Entitlement and Acceptance Form by no later than 5:00pm WST on the Closing Date.

4.4 Payment by BPAY®

For payment by BPAY®, please follow the instructions on the Entitlement and Acceptance Form. You can only make a payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions. Please note that should you choose to pay by BPAY®:

- (a) you do not need to submit the Entitlement and Acceptance Form but are taken to have made the declarations on that Entitlement and Acceptance Form; and
- (b) if you do not pay for your Entitlement in full, you are deemed to have taken up your Entitlement in respect of such whole number of Shares which is covered in full by your application monies.

It is your responsibility to ensure that your BPAY® payment is received by the share registry by no later than 4:00pm (WST) on the Closing Date. You should be aware that your financial institution may implement earlier cut-off times with regards to electronic payment and you should therefore take this into consideration when making payment.

4.5 Shortfall Offer

Any Entitlement not taken up pursuant to the Offer will form the Shortfall Offer (**Shortfall Shares**).

Eligible Shareholders may apply for Shortfall Shares under the Shortfall Offer in addition to their Entitlements subject to such applications being received by the Closing Date. The issue price for each Shortfall Share to be issued under the Shortfall offer shall be \$0.01 being the price at which New Shares have been offered under the Offer.

The Shortfall Offer will be open to existing Shareholders and new external investors to the Company.

The Shortfall Offer is a separate offer made pursuant to this Offer Document and will remain open for up to three months following the Closing Date. The issue price for each Share to be issued under the Shortfall Offer shall be \$0.01 being the price at which Shares have been offered under the Offer.

Allocation of the Shortfall Shares will be at the discretion of the Board. If the Offer is oversubscribed (by take up of Entitlements and Applications for Shortfall Shares by Eligible Shareholders), scale back will be applied to applications under the Shortfall Offer at the discretion of the Board of Directors. There is no guarantee

that Eligible Shareholders will receive any Shortfall Shares applied for under the Shortfall Offer or the full amount of Shortfall Shares for which they have applied.

Any Shortfall Shares not applied for by Eligible Shareholders may be placed and allocated by the Company in consultation with the Lead Manager in the three months following the Closing Date of the Offer.

No Shortfall Shares will be issued via the Shortfall Offer to any related parties of the Company.

5. RISK FACTORS

5.1 Introduction

The Shares offered under this Offer Document should be considered speculative because of the nature of the Company's business.

There are numerous risk factors involved with the Company's business. Some of these risks can be mitigated by the use of safeguards and appropriate systems and controls, but some are outside the control of the Company and cannot be mitigated. Accordingly, an investment in the Company carries no guarantee with respect to the payment of dividends, return of capital or price at which securities will trade.

The following is a summary of the more material matters to be considered. However, this summary is not exhaustive and potential investors should examine the contents of this Offer Document in its entirety and consult their professional advisors before deciding whether to apply for the New Shares.

5.2 Company Specific Risks

Potential investors should be aware that subscribing for Shares in the Company involves a number of risks. Prospective investors should read this Offer Document in its entirety before deciding whether to apply for Shares under this Offer Document.

These risks together with other general risks applicable to all investments in listed securities not specifically referred to, may affect the value of the Shares in the future. Accordingly, an investment in the Company should be considered highly speculative. Investors should consider consulting their professional advisers before deciding whether to apply for Shares pursuant to this Offer Document.

(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 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 concerning the Kurnalpi Project 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) **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 have not been granted and may not be granted. In the event that the mineral exploration licences in relation to the Cambodian Project are granted, the licences may be subject to additional terms and conditions imposed by the Cambodian government including, but not limited to, additional obligations with respect to its proposed work program and budget.

(g) **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.

(h) **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.

(i) **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.

(j) **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.

(k) **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.

(l) **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 Company's projects include the expected mineralisation not being present or being too small to warrant commercial exploitation.

(m) **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.

(n) **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.

(o) **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.

(p) **Equipment Risk**

The operations of the Company could be adversely affected if essential equipment fails or becomes unavailable to access in a timely manner.

(q) **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.

(r) **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.

(s) **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.

(t) **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.

(u) **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.

(v) **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 noncompliance 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.

(w) **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.

5.3 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 insures 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.

5.4 **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 no 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 Offer Document, 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) **Unforeseen 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 Offer Document.

(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.

(k) **General economic conditions**

Economic conditions, both domestic and global, may affect the performance of the Company. Factors such as fluctuations in currencies, commodity prices, inflation, interest rates, supply and demand and industrial disruption may have an impact on operating costs and share market prices. The Company's future possible revenues and Share price can be affected by these factors, all of which are beyond the control of the Company or its Directors.

(l) **Equity market conditions**

Securities listed on the stock market can experience extreme price and volume fluctuations that are often unrelated to the operating performances of such companies. The market price of Shares may fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general.

General factors that may affect the market price of Shares include economic conditions in both Australia and internationally (particularly Australian, US and Chinese economic conditions), investor sentiment, local and international share market conditions, changes in interest rates and the rate of inflation, variations in commodity prices, the global security situation and the possibility of terrorist disturbances, changes to government regulation, policy or legislation, changes which may occur to the taxation of companies as a result of changes in Australian and foreign taxation laws, changes to the system of dividend imputation in Australia, and changes in exchange rates.

(m) **Change in government policy and legislation**

Any material adverse changes in relevant government policies or legislation of Australia may affect the viability and profitability of the Company, and consequent returns to investors. The activities of the Company are subject to various federal, state and local laws governing prospecting, development, production, taxes, labour standards and occupational health and safety, and other matters.

5.5 **Investment Speculative**

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the securities offered under this Offer Document. Therefore, the securities to be issued pursuant to this Offer Document carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those securities.

Potential investors should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for securities pursuant to this Offer Document.

6. DEFINED TERMS

\$ or A\$ means an Australian dollar.

Additional Shares means those New Shares not issued under the Offer.

Applicant refers to a person who submits an Entitlement and Acceptance Form or submits a payment of subscription monies in respect of the Offer.

Application refers to the submission of an Entitlement and Acceptance Form or Shortfall Application Form (as the case may be).

ASX means ASX Limited (ACN 008 624 691) or, where the context permits, the Australian Securities Exchange operated by ASX Limited.

ASX Listing Rules means the Listing Rules of the ASX.

Closing Date means the closing date set out in Section 3.4 or such other date as may be determined by the Directors.

Company means Riversgold Ltd (ACN 617 614 598).

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

Directors mean the directors of the Company.

Eligible Shareholder means a Shareholder whose details appear on the Company's register of Shareholders as at the Record Date whose registered address is in Australia or New Zealand.

Entitlement means the entitlement to subscribe for 1 New Share for every 1 Share held by an Eligible Shareholder on the Record Date.

Entitlement and Acceptance Form means the Entitlement and Acceptance Form accompanying this Offer Document.

Lead Manager means Otsana Pty Ltd (ACN 145 168 216) trading as Otsana Capital.

New Share means a new Share proposed to be issued pursuant to this Offer.

Offer or Rights Issue means the pro rata non-renounceable offer of New Shares at an issue price of \$0.01 each on the basis of 1 New Share for every 1 Share held on the Record Date subscribed for pursuant to this Offer Document.

Offer Document means this Offer Document.

Opening Date means the opening date set out in Section 3.4 of this Offer Document.

Record Date means the record date set out in Section 3.4 of this Offer Document.

Section means a section of this Offer Document.

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

Shareholder means a holder of Shares.

Shortfall means the Shares not applied under the Offer.

Shortfall Application Form means the shortfall application for either attached to or accompanying this Offer Document.

Shortfall Shares means those Shares issued pursuant to the Shortfall.

Shortfall Offer means the offer of the Shortfall on the terms and conditions set out in Section 4.5 of this Offer Document.

ANNEXURE 1 – PRO-FORMA STATEMENT OF FINANCIAL POSITION

	Audited Balance Sheet as at 30/6/2019 (\$)	Significant changes since 30/6/2019 ¹ (\$)	Effect of Offer ^{2, 3} (\$)	Unaudited Pro Forma Balance Sheet Post Offer (\$)
Current Assets				
Cash & cash equivalents	406,597	120,431	1,422,349	1,949,377
Other assets	6,681			6,681
Non-Current Assets				
Plant & equipment	85,502			85,502
Exploration & evaluation expenditure	4,515,447	64,000		4,579,447
TOTAL ASSETS	5,014,227	184,431	1,422,349	6,621,007
Current Liabilities				
Trade & other payables	389,261	(60,533)		328,728
Leave liabilities	2,147			2,147
Non-Current Liabilities				
Borrowings	100,755			100,755
TOTAL LIABILITIES	492,163	(60,533)	-	431,630
NET ASSETS	4,522,064	244,964	1,422,349	6,189,377
EQUITY				
Issued capital	13,625,834	454,964	1,422,349	15,503,147
Reserves	2,207,202			2,207,202
Accumulated Losses	(11,310,972)	(210,000)		(11,520,972)
TOTAL EQUITY	4,522,064	244,964	1,422,349	6,189,377

Notes to the proforma statement of financial position:

1. Significant changes since 30 June 2019 includes the following transactions:
 - a) a decrease in cash of approximately \$234,000 resulting from operations for the quarter ended 30 September 2019;
 - b) an increase in cash and issued capital of \$354,431 assuming the October 2019 Placement is approved by shareholders at the General Meeting on 16 October 2019, and raises \$354,431 after costs; and
 - c) an increase in issued capital of \$100,533 from the issue of shares on conversion of directors' fees, assuming the issue is approved by shareholders at the General Meeting on 16 October 2019.
2. the rights issue is fully subscribed leading to the issue of 151,234,875 Shares at \$0.01 to raise \$1,512,348 cash before costs of the offer; and
3. costs of the offer amount to \$90,000.