

ASX Release

27 May 2010

GRANT OF 1,000,000 UNLISTED OPTIONS

The Directors of Richmond Mining Limited advise that they have today granted 1,000,000 options, each exercisable at 35 cents and expiring 31 December 2010, to Veritas Securities Limited and otherwise on the terms and conditions set out below:

- a) The exercise price of each Option is \$0.35 ("Exercise Price").
- b) The Options expire at 5.00pm Western Standard Time on 31 December 2012 ("Expiry Date").
- c) The Options can be exercised at any time and each Option shall entitle the holder to subscribe for and be allotted one ordinary fully paid share in the capital of Richmond Mining Limited ("Share") upon exercise of the Option and payment to the Company of the Exercise Price.
- d) Subject to the Mandate between the Company and Veritas Securities Limited dated 21 May 2010 not being terminated on or before 31 May 2011, then for each Option that is exercised by Veritas Securities Limited on or before the Expiry Date then the Company will grant an additional option to Veritas Securities Limited to subscribe for and be allotted one ordinary fully paid share in the capital of the Company with each new option being exercisable at \$0.45 and expiring 1 year from the date of their grant.
- e) Shares issued as a result of the exercise of any of the Options will rank equally in all respects with all Shares in Richmond Mining Limited.
- f) The Option holder is not entitled to participate in new issues of securities offered to shareholders unless the Option is exercised before the relevant record date for that new issue.
- g) Shares issued on the exercise of Options will be issued not more than fourteen (14) days after receipt of a properly executed exercise notice and application moneys. Shares allotted pursuant to the exercise of an Option will rank equally with the then issued Shares of the Company in all respects. If the Company is listed on Australian Securities Exchange ("ASX") it will, pursuant to the exercise of an Option, apply to ASX for quotation of the Shares issued as a result of the exercise, in accordance with the Corporations Act 2001 and the ASX Listing Rules.
- h) In the event of any reconstruction (including consolidation, sub-division, reduction or return) of the issued capital of the Company, all rights of the Option holder will be changed to the extent necessary to comply with the ASX Listing Rules applying to the reconstruction of capital at the time of the reconstruction.