



DIRECTORS

Mark Foster
Chairman

Philip Re
*Managing Director
Company Secretary*

Paul Lloyd
Non-Executive Director

Nick Revell
Non-Executive Director

9 JULY 2010

RIVIERA SIGNS SHARE SALE AGREEMENT WITH VENDORS OF BRAZIL IRON ORE PROJECT

SHARE INFORMATION

ASX Codes: RVE, RVEO

CAPITAL STRUCTURE.

Issued capital:
62.0m Fully Paid Ordinary Shares (RVE)
36.0m Options (RVEO)

CONTACT INFORMATION

Registered Office
Level 1, 322 Hay Street
SUBIACO WA 6009

Postal
PO Box 1310
SUBIACO WA 6904

T: +61 89388 9744
F: +61 89388 9755
E: info@rivieraresources.com.au
W: www.rivieraresources.com.au

HIGHLIGHTS:

- **Riviera is pleased to announce it has signed a Share Sale Agreement with the vendors of the Ponte Verde Iron Ore project in Brazil**
- Notice of meeting expected to be sent to shareholders for approval shortly with transaction finalised in August 2010
- Consideration to be paid in Riviera shares based on three performance milestones. No cash consideration required
- Exploration target of 140 – 150 million tonnes¹ of Haematite rich Itabirite upgradeable to +60% Fe
- Existing plant in place to produce 1 million tonnes with objective to increase to 5 million tonnes per annum plus
- Production expected to commence in late 2010 with strong operating margins
- Project shares a common boundary to ground held and to be developed by Brazilian mining giant Vale
- Located within a framework of established infrastructure
- An established and experienced management team in Brazil already in place to join Riviera
- Riviera will be one of the few ASX listed companies offering exposure to the growing iron ore industry in Brazil

Riviera is pleased to announce that it has signed a share sale agreement with South American Ferro Metals Limited (“SAFM”) to acquire 100% of the mineral rights, management and property at Ponte Verde, located in the heart of the Iron Ore Quadrilateral, some 40 kilometres from the town of Belo Horizonte in Minas Gerais State, Southern Brazil.

Riviera is in the process of finalising the notice of meeting to shareholders to be held in August 2010 to seek shareholder approval for the transaction.

Riviera has the potential to create significant shareholder value with the SAFM Iron Ore project given the well established Brazilian iron ore industry.

Riviera confirmed that the project has an initial exploration target of 140 – 150 million tonnes¹ of Haematite rich Itabirite. The Itabirite is not a magnetite and therefore is easily and economically upgraded to 60+ Fe content.

The initial production is expected to be sold to domestic steel mills or large producers such as Vale. There is no shortage in demand for the product.

The transaction with SAFM includes the existing plant which is capable to produce 1.8 million tonnes per annum. Therefore no significant capital expenditure is required.

Riviera intends to commence production in late 2010. The initial production of 1 million tonnes per annum will provide Riviera with strong operating margins and allow for a potential future upgrade to 5+ million tonnes per annum.

The project will be managed by the existing local, experienced and proven SAFM management team in Brazil.

A further drilling programme is anticipated in order to define a resource. This drilling programme is expected to commence upon settlement of the transaction.

The project is close to existing infrastructure, and is located in the heart of a prolific iron ore mining area, neighbouring established mining operations.



Haematite rich Itabirite



Existing on Site Plant capable of producing 1.8mtpa – No further Capital Expenditure Required



Aerial View of Project Area – adjacent to Brazilian iron Ore Giant Vale in Iron Ore Quadrangle

Terms of Purchase

Riviera has agreed to purchase 100% of the shares in SAFM (including the mine and plant) in exchange for the issue of shares in Riviera to SAFM subject to the following milestones.

- (a) Issue of 167,955,934 fully paid ordinary shares in Riviera upon shareholder and ASX approval.
- (b) Issue of performance shares convertible into 167,955,934 fully paid ordinary shares in Riviera when production run rate from the Project over a continuous 3 month period reaches 800,000 tonnes per annum.
- (c) Issue of performance shares convertible into 167,955,934 fully paid ordinary shares in Riviera once a measured JORC compliant resource in the project has reached or exceeded 50 million tonnes.
- (d) Issue of performance shares convertible into 167,955,934 fully paid ordinary shares in Riviera once a measured JORC compliant resource in the project has reached or exceeded 140 million tonnes or when the production run rate over a continuous 12-month period has reached 800,000 tonnes per annum.

The agreement is subject to Riviera satisfying shareholders approval requirements, the requirements of the ASX and any regulatory requirements including compliance with Chapter 1 & 2 of ASX Listing Rules.

In summary the capital structure of the Company assuming all milestones are achieved:

| <u>Shares on Issue</u> | <u>Number of shares</u> | <u>Total Shares</u> |
|-------------------------|-------------------------|---------------------|
| Current shares on issue | | 62,000,000 |
| Settlement (a) | 167,955,934 | 229,955,934 |
| Milestone (b) | 167,955,934 | 397,911,868 |
| Milestone (c) | 167,955,934 | 565,867,802 |
| Milestone (d) | 167,955,934 | 733,823,736 |

For further information in respect to Riviera Resources Limited, please contact:

Philip Re
Managing Director
Tel: (08) 9388 9744
Email: phil@rivieraresources.com.au

Competent Persons: The information within this report relating to exploration activities on the Company's projects is based on information compiled by Nicholas Revell who is a member of the Australasian Institute of Mining and Metallurgy. Mr Revell has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Revell has consented to the inclusion in the report of the information on the SAFM Project in the form and context represented above.

1- The potential quality and grade is conceptual in nature, that there has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource.